



MOZAMBI
R E S O U R C E S

ASX ANNOUNCEMENT

By e-lodgement
10 November 2015

MAJOR DISCOVERY STRIKE EXTENDED TO 1.2 KM WITH EXCEPTIONAL MINERALISATION DRILLED FROM SURFACE

Highlights:

- Mineralisation has been extended to 1.2 km strike length and remains open to the north and south
- Modelling is showing a significant size graphite deposit at Namangale
- RC drilling was conducted to the north and south of the discovery line with thick intervals including 79, 70, 70 and 68m intersected
- Diamond holes intercepted mineralisation of 71.2m and 93.1m
- All mineralisation was intersected from surface or near surface
- Majority of mineralisation logged as “medium or high grade” with coarse flake graphite observed
- A total of 48 holes now completed for 2,517m drilled
- Drilling has targeted a large EM anomaly which is 1,800m in length
- Drilling is continuing with further drill and assay results due in coming weeks
- Placement of \$1.75 million now finalised

Introduction

Mozambi Resources Limited (ASX: MOZ, “Mozambi”, “the Company”) is pleased to announce that very thick **mineralisation has been extended to 1.2 km strike length and remains open to the north and the south at the Company’s major discovery Namangale**. Excellent graphite intercepts from RC drilling returned multiple large intercepts up to 79m thickness of graphite mineralisation and diamond drilling produced exceptional results of up to 93.1m thickness from surface. The Company is delighted to confirm that all mineralisation intersected was either from surface or beginning at shallow depths. The majority of **mineralisation was logged as “medium or high grade” with coarse flake graphite observed**.

The drilling was conducted using a 160m by 400m spacing pattern and continued to intersect wide zones of graphite schist mineralisation. The drilling program is targeting a large EM anomaly, which has previously been defined and has a strike length of over 1,800m.

Managing Director Alan Armstrong said, “The Company is extremely excited to follow up on the initial discovery with further excellent thickness results on the next 3 lines drilled. The results confirm mineralisation occurs over a very substantial thickness from surface and our **early modelling is showing a significant size graphite deposit at Namangale**. The drilling program continues to be fast tracked in order to define a large tonnage JORC Resource in the coming months”.

Figure 1 shows the location of the Nachingwea Project tenements and the main graphite prospects that have been identified to date on the Company's tenement package. Mozambique has continued to build on its dominant tenement position in this highly prospective graphite rich area of Tanzania, in close proximity to existing infrastructure

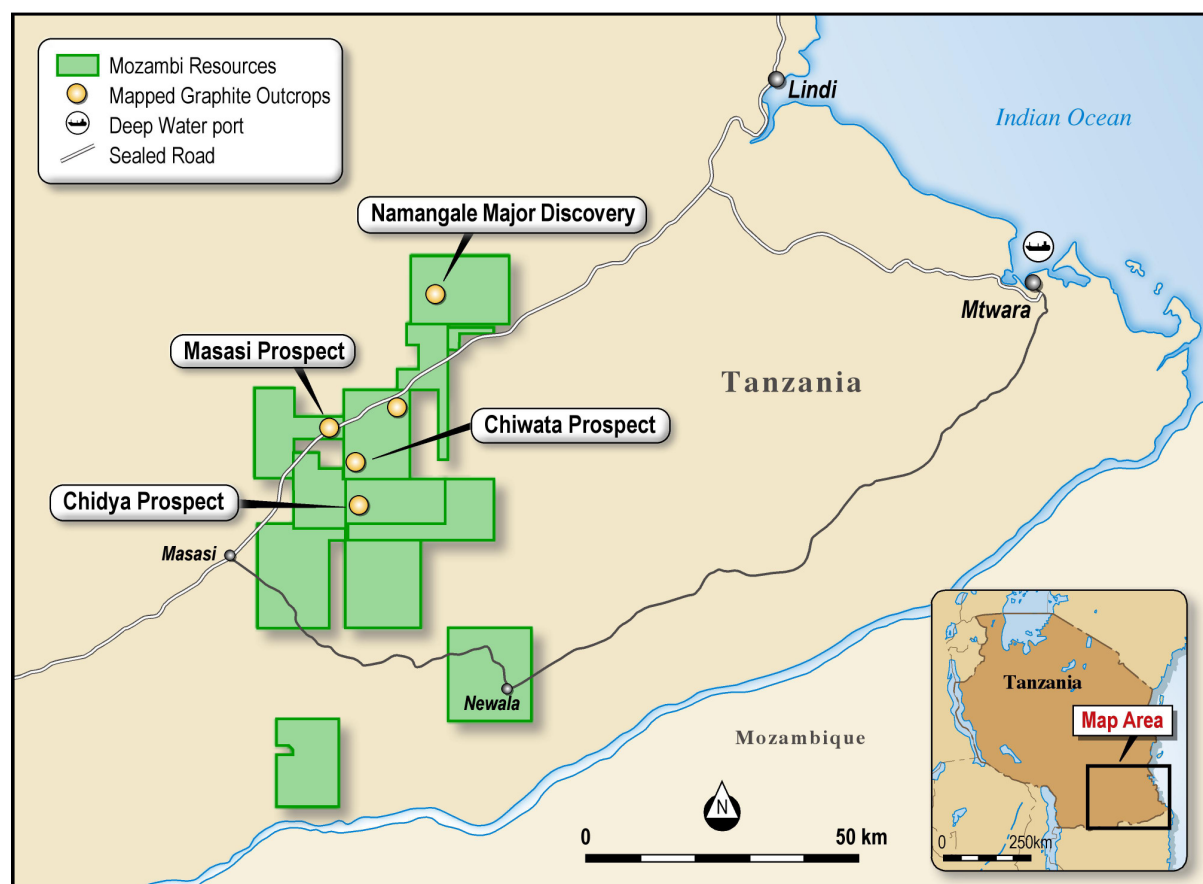


Figure 1 Location of the Nachingwea Project tenements

Namangale RC Drilling Results Summary

48 RC holes for a total of 2,517 metres have now been drilled at the Namangale Prospect, with 34 RC holes intersecting graphite schist mineralisation. The mineralisation tested a large EM anomaly coincident with graphite schist outcrops. Where mineralisation was intersected, it was intercepted from surface or from shallow depths. Drilling is continuing with the remaining holes on the first 4 lines to be completed as pad construction is completed. Additional holes are also planned to the east of the most northern line where mineralisation remains open. Further drill lines to the north and south are also planned to test the northern and southern extent of the EM anomaly. Drilling was completed using vertical holes into the mineralisation which is interpreted to be flat lying but gently undulating based on both geological mapping and the results of the EM survey.

A summary of the results of the first 48 RC holes based on visual estimation carried out during the geological logging is provided in **Appendix 1**.

A map showing the location of the first four drill lines compared to the location of the ground EM anomaly for the Namangale Prospect is shown below in **Figure 2**. The drilling program was primarily designed to test this EM anomaly which has now been confirmed to be a strong indicator of underlying graphite mineralisation and suggests the potential for further extension of the mineralisation is good. The EM anomaly is striking to the north east with a similar intensity to the area already drill tested suggesting good potential for further extensions.

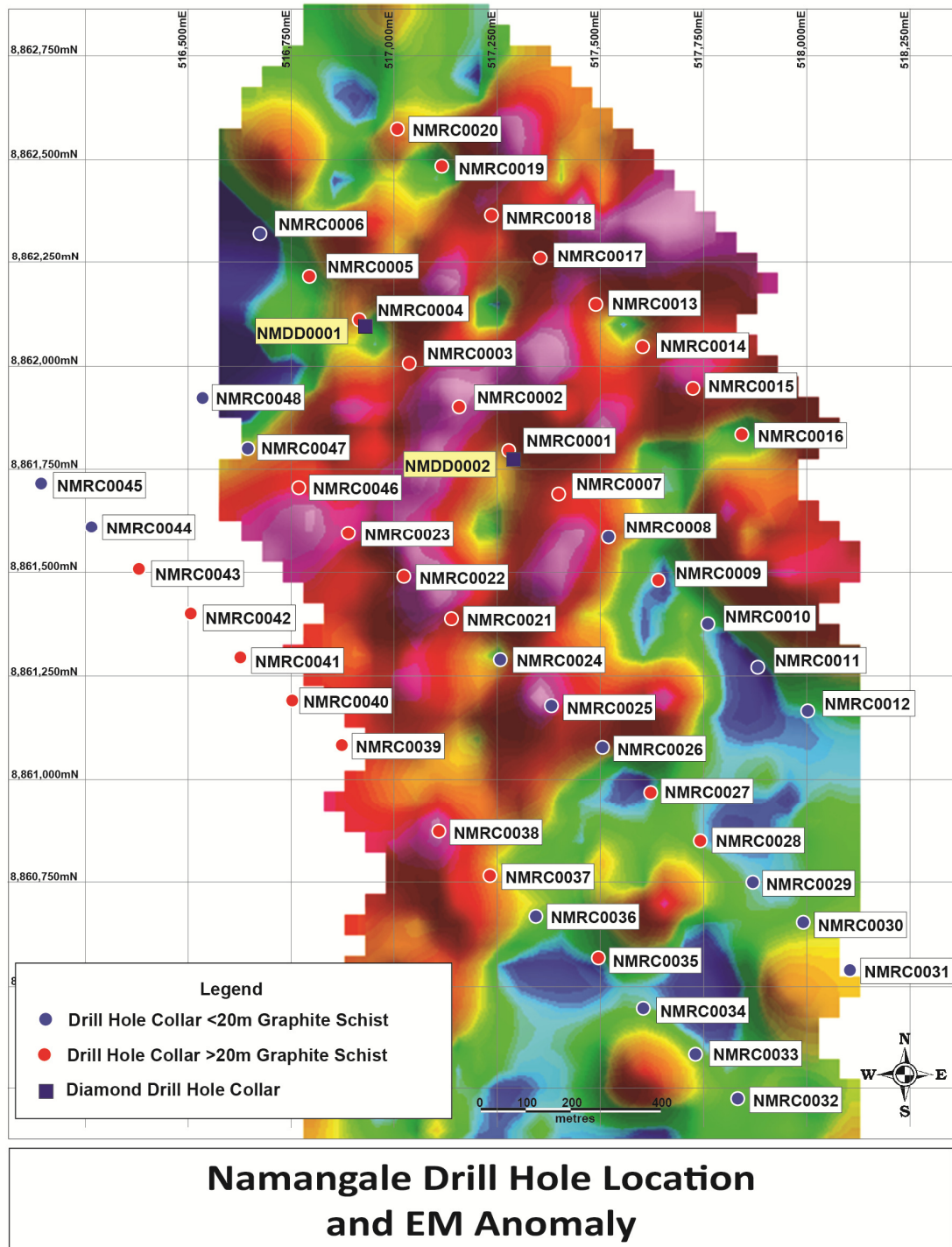


Figure 2 RC Drill-Hole Location Map over the Ground EM Anomaly

A map of the drill hole collar locations showing the first four drill lines can be seen in **Figure 3**. Substantial areas of graphite schist occur to the south of a large sandstone ridge, with less exposure to the south where there is limited outcrop. The current drill program has now tested 1.2 km of strike length, with mineralisation remaining open to both the north and the south. At least 2 more lines extending the strike length to 2km are planned in the current program. There remains potential for the deposit to continue further than 2km under cover to both the north and south.

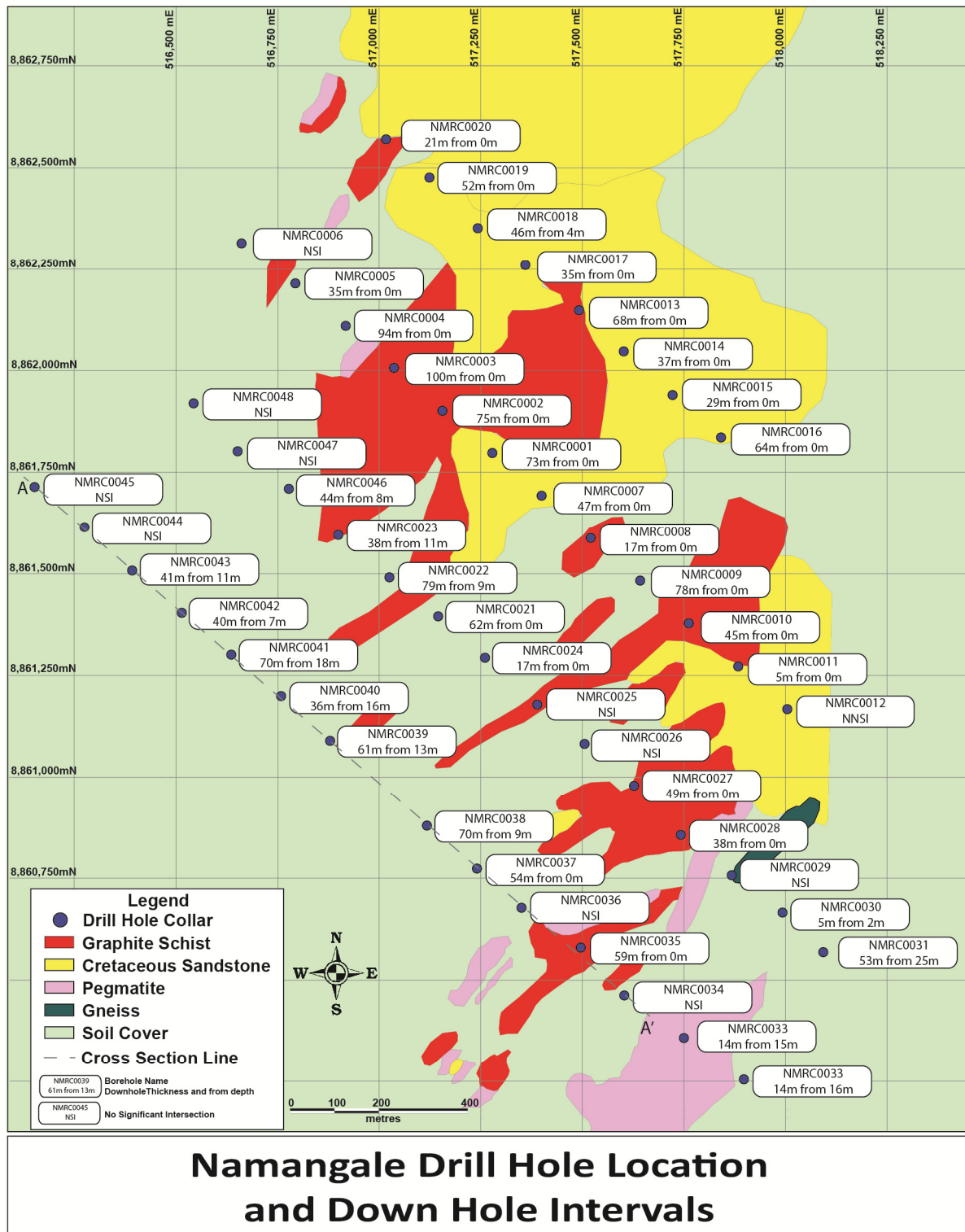


Figure 3 Geological Mapping and the Collar Location of the First Four Lines Drilled at Namangale

A cross section across the line 800m south of the first line is provided in **Figure 4**. The cross section shows the two zones of mineralisation which are interpreted to be the result of gentle folding of a generally flat lying mineralised unit.

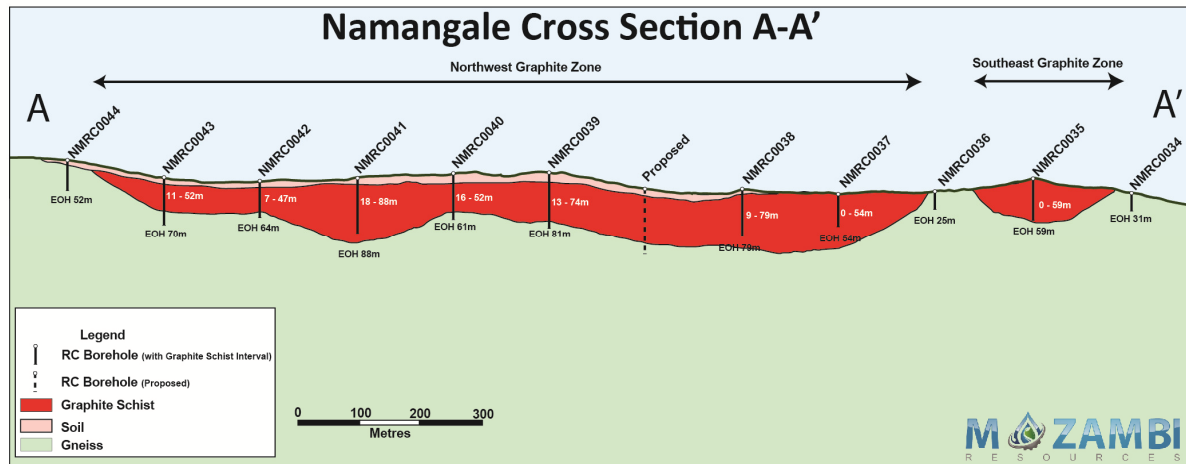


Figure 4 Interpreted Cross Section 800m South of the Discovery Line

The interpretation shown above in **Figure 4** shows good continuity with the interpretation in the first line drilled which is shown in **Figure 5** below. Both interpretations show of gentle folding of a generally flat lying mineralised unit.

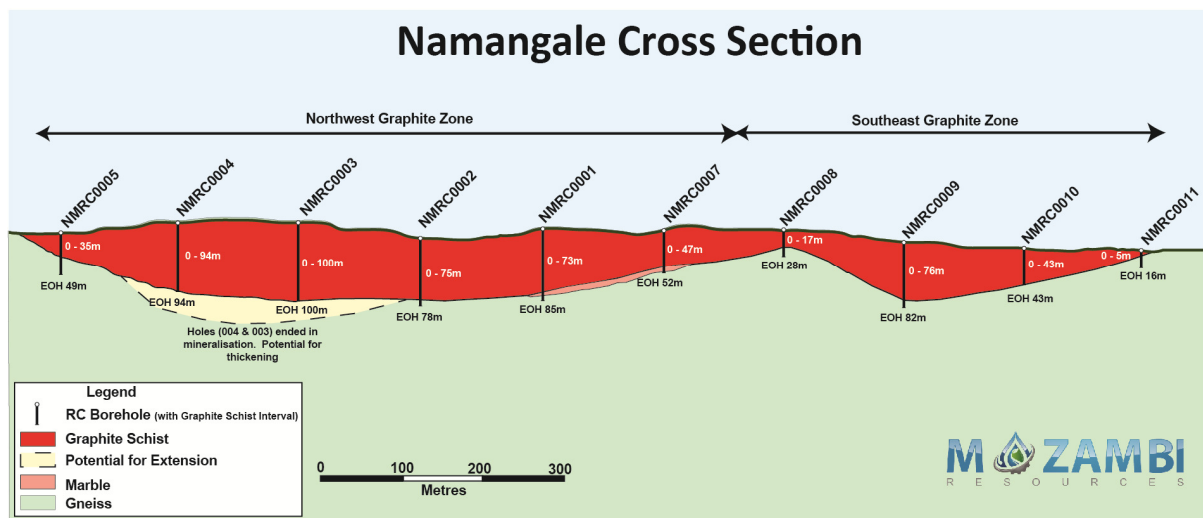


Figure 5 Cross section showing the interpreted graphite mineralisation in the first drill line

Expanded RC Drilling Program

Due to the exciting results observed in the current round of drilling, the Board of Mozambi Resources has resolved to increase the RC drilling program to complete at least another 2 drill lines to maximise the size of the resource with the current program of drilling. **Figure 5** shows the RC rig drilling at the Namangale Prospect.



Figure 5 The RC Drilling Rig in Operation at the Namangale Prospect.

Namangale Diamond Core Drilling

Diamond drilling designed to get representative samples of the mineralisation at Namangale has now been completed. Two diamond holes, twinning holes NMRC0001 and NMRC0004 were drilled, with coarse flake mineralisation observed in the core. Graphite mineralisation was intersected near surface with widths of 93.1m and 71.2m respectively. These holes are currently being logged, cut and sampled before being sent for analysis, which will include graphitic carbon grade and flake size distribution. A summary of the Diamond Drilling results is displayed in **Table 1** and an image of a sample of the core showing coarse flake graphite mineralisation is shown in **Figure 6**.

Table 1 Summary of Namangale Diamond Drilling Statistics

Hole ID	Easting	Northing	Azi/Dip	RL	Depth	From	To	Width
NMDD0001	516,917	8,862,109	90/0	306	98.7	0.9	94	93.1
NMDD0002	517,279	8,861,794	90/0	323	90	2.5	73.7	71.2

Chidya Diamond Core Drilling

Two short holes have also been completed at the Chidya prospect in order to obtain samples of graphite schist mineralisation from the prospect while RC drilling is focused at Namangale. The results were highly encouraging with large flake graphite mineralisation being intersected from near surface in both holes. Total depths were 47.7m and 23.5m. The holes were drilled vertically, into flat lying stratigraphy and are therefore expected to be close to the true width. Details of the drilling results are provided in **Table 2** below. The core from the drilling is currently being cut and sampled prior to being submitted for metallurgical test work. An image of a sample of the core showing coarse flake mineralisation is shown in **Figure 7** and the location of the drill holes is shown in **Figure 8**.

Table 2 Summary of Chidya Diamond Drilling Statistics

Hole ID	Easting	Northing	Azi/Di p	RL	Depth	From	To	Width
BLDD00001	501872	8823208	90/0	581	47.7	2.7	29.7	27.0
And						47	47.7	0.7
BLDD00002	501834	8823131	90/0	584	23.5	0.4	18.75	18.35



Figure 6 A sample of mineralised diamond core from the Namangale Prospect



Figure 7 A sample of mineralised diamond core from the Chidya Prospect

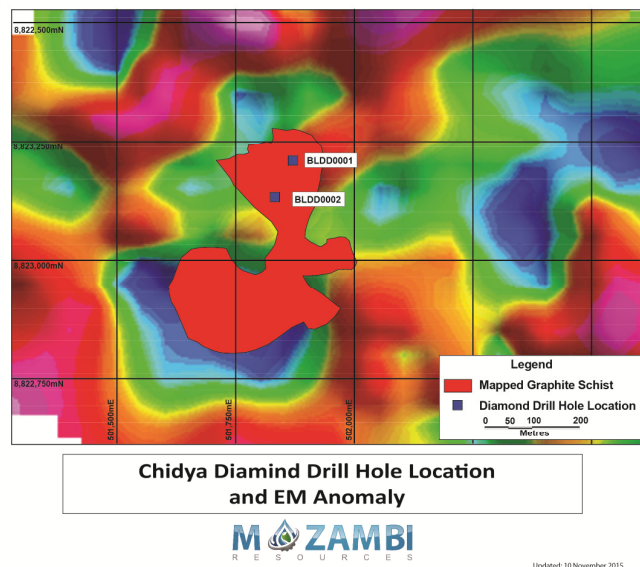


Figure 8 Location of the two Diamond Drill holes completed at Chidya

Existing Infrastructure

Mozambique Resources enjoys **excellent infrastructure**, with the deep-water **Mtwara Port** only **140km from the Namangale Prospect**. **Power and sealed roads are available 10km from the deposit location**. The existing sealed road connects all the way to port. **Figure 9** shows the port, which has existing present capacity of 400,000 metric tonnes per annum and could handle up to 750,000 metric tonnes per annum with the same number of berths if additional equipment is put in place for handling containerised trafficⁱ. The port is currently heavily underutilised, with only approximately 34% of its existing capacity being utilisedⁱⁱ.



Figure 9 shows the deep-water Mtwara Port

Placement

The previously announced placement of 50 million shares (with a 1:4 attaching MOZO option) to raise a total of \$1.75 million has now been completed and shares issued. The additional funds raised will largely be employed in expanding the drill program at Namangale and funding the definition of JORC Resources at both Chiwata & Namangale. The additional funds also provide certainty around working capital for at least the next 12 months.

Conclusion

The board of Mozambi Resources considers the results to date indicate that the Namangale Prospect is rapidly emerging as a world class graphite deposit. A substantial width of graphite mineralisation has now been defined and it is occurring from surface or near surface on multiple lines over 1,200m in strike length. Diamond drill holes completed at the Prospect confirm the coarse flake nature of the graphite mineralisation. The company is also highly encouraged by very large flake mineralisation observed in the two diamond holes drilled at Chidya and looks forward to completing a program of RC drilling at the prospect after drilling at Namangale is completed. Further drilling and assay results will be reported as they come to hand.

For and on behalf of Mozambi Resources Limited

Alan Armstrong
Mozambi Resources Ltd
Managing Director

Competent Person

The information in this report that relates to Exploration Targets, Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr Matt Bull, a Competent Person who is a member of Australian Institute of Geoscientists. Mr Bull is a Director of Mozambi Resources. Mr Bull has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Matt Bull consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Appendix 1 Graphite Intercepts Namangale

Hole ID	Easting	Northing	Azi/Dip	RL	Depth	From	To	Width
NMRC0001	517,279	8,861,794	90/0	323	85	0	73	73
NMRC0002	517,159	8,861,899	90/0	298	78	0	75	75
NMRC0003	517,038	8,862,004	90/0	324	100	0	100	100
NMRC0004	516,917	8,862,109	90/0	306	94	0	94	94
NMRC0005	516,796	8,862,214	90/0	297	49	0	35	35
NMRC0006	516,676	8,862,319	90/0	323	22	NSI		
NMRC0007	517,400	8,861,689	90/0	317	52	0	47	47
NMRC0008	517,521	8,861,584	90/0	314	28	0	17	17
NMRC0009	517,642	8,861,479	90/0	328	82	0	76	76
NMRC0010	517,762	8,861,374	90/0	310	43	0	43	43
NMRC0011	517,883	8,861,269	90/0	310	16	0	5	5
NMRC0012	518,004	8,861,164	90/0	314	16	NSI		
NMRC0013	517,491	8,862,145	90/0	328	73	0	68	68
NMRC0014	517,602	8,862,043	90/0	312	37	0	37	37
NMRC0015	517,723	8,861,938	90/0	307	49	0	29	29
NMRC0016	517,840	8,861,830	90/0	325	64	0	64	64
NMRC0017	517,359	8,862,255	90/0	334	40	0	35	35
NMRC0018	517,241	8,862,352	90/0	330	61	4	50	46
NMRC0019	517,122	8,862,473	90/0	314	52	0	52	52
NMRC0020	517,014	8,862,564	90/0	314	30	0	21	21
NMRC0021	517,144	8,861,388	90/0	321	82	0	62	62
NMRC0022	517,024	8,861,490	90/0	282	94	9	88	79
NMRC0023	516,897	8,861,591	90/0	300	49	11	49	38
NMRC0024	517,259	8,861,287	90/0	307	34	0	17	17
NMRC0025	517,387	8,861,175	90/0	302	40	NSI		
NMRC0026	517,505	8,861,078	90/0	295	22	NSI		
NMRC0027	517,623	8,860,971	90/0	300	49	0	49	49
NMRC0028	517,745	8,860,855	90/0	322	43	0	38	38
NMRC0029	517,867	8,860,752	90/0	309	20	NSI		
NMRC0030	517,993	8,860,660	90/0	303	20	2	7	5
NMRC0031	518,101	8,860,546	90/0	320	82	25	78	53
NMRC0032	517,841	8,860,245	90/0	310	40	16	30	14
NMRC0033	517,712	8,860,350	90/0	312	30	15	29	14
NMRC0034	517,602	8,860,453	90/0	288	31	NSI		
NMRC0035	517,494	8,860,573	90/0	309	70	0	59	59
NMRC0036	517,350	8,860,672	90/0	289	25	NSI		
NMRC0037	517,238	8,860,770	90/0	290	54	0	54	54
NMRC0038	517,117	8,860,875	90/0	287	79	9	79	70
NMRC0039	516,875	8,861,085	90/0	312	81	13	74	61
NMRC0040	516,755	8,861,190	90/0	317	61	16	52	36
NMRC0041	516,634	8,861,295	90/0	310	88	18	88	70
NMRC0042	516,513	8,861,400	90/0	300	64	7	47	40
NMRC0043	516,392	8,861,505	90/0	301	70	11	52	41
NMRC0044	516,272	8,861,610	90/0	330	52	NSI		
NMRC0045	516,151	8,861,715	90/0	321	40	NSI		
NMRC0046	516,775	8,861,702	90/0	306	52	8	52	44
NMRC0047	516,651	8,861,798	90/0	332	43	NSI		
NMRC0048	516,541	8,861,917	90/0	313	31	NSI		

*NSI indicates no significant intercepts

ⁱ http://www.tanzaniaports.com/index.php?option=com_content&view=article&id=131&Itemid=290
ⁱⁱ <http://allafrica.com/stories/201407211545.html>

JORC Code, 2012 Edition

Table 1



MOZAMBI
R E S O U R C E S

Section 1 Sampling Techniques and Data

Criteria	JORC Code explanation	Commentary
Sampling techniques	<ul style="list-style-type: none"> Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling. Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used. Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information. 	<ul style="list-style-type: none"> Sampling was carried out using RC Drilling using 1m samples. The full 1m interval was collected before being weighed then riffle spilt into samples weighing approximately 1.5kg. All samples were geologically logged by a suitably qualified geologist and mineralized intercepts selected for assay at SGS in Johannesburg South Africa.
Drilling techniques	<ul style="list-style-type: none"> Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc). 	<ul style="list-style-type: none"> RC Drilling is being conducted by JCIL Drill. Bit diameter was 4.5 inches face sampling bit. Diamond Drilling was conducted by JCIL drill using HQ core diameter triple tube.
Drill sample recovery	<ul style="list-style-type: none"> Method of recording and assessing core and chip sample recoveries and results assessed. Measures taken to maximise sample recovery and ensure representative nature of the samples. Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material. 	<ul style="list-style-type: none"> RC Recovery was recorded by weighing the recovered sample before splitting. Sample size was found to be consistent. Diamond drill recovery was excellent as is therefore not expected to influence grade.
Logging	<ul style="list-style-type: none"> Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies. Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography. The total length and percentage of the relevant intersections logged. 	<ul style="list-style-type: none"> Logging was carried out on each of the samples including lithology, amount of weathering by a suitably qualified geologist. Data is initially conducted on paper logging sheets and is then transferred to excel logging sheets Logging is semi-quantitative based on visual estimation.

JORC Code, 2012 Edition

Table 1



MOZAMBI
R E S O U R C E S

Criteria	JORC Code explanation	Commentary
<i>Sub-sampling techniques and sample preparation</i>	<ul style="list-style-type: none"> <i>If core, whether cut or sawn and whether quarter, half or all core taken.</i> <i>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</i> <i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i> <i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i> <i>Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.</i> <i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i> 	<ul style="list-style-type: none"> RC samples were taken at 1m intervals and then split into 1.5kg samples with a reference sample also taken. All RC intervals were geologically logged and mineralized intervals selected for sampling at SGS in Johannesburg Duplicate samples were taken at a ratio of 1 in 20 by retaining the final riffle split QC measures also include blank samples and certified standards both of which are inserted at a ratio of 1:20. SGS also has its own internal QA/QC controls to ensure assay quality All sampling was carefully supervised with ticket books containing pre-numbered tickets placed in the sample bag and double checked against the ticket stubs and field sample sheets to guard against mix ups
<i>Quality of assay data and laboratory tests</i>	<ul style="list-style-type: none"> <i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i> <i>For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.</i> <i>Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.</i> 	<ul style="list-style-type: none"> Blanks, duplicated and certified standards were inserted by the company at a ratio of 1:20. The samples were sent to Mwanza in Tanzania for sample preparation before being sent to South Africa for analysis for Total Graphitic Carbon (TGC) using the method GRAP_CSA05V LECO Total Carbon The TGC analysis has been carried out by an industry accepted and recognized laboratory - SGS TGC is the most appropriate method of Analysis for graphitic carbon. SGS inserted its own standards and blanks.
<i>Verification of sampling and assaying</i>	<ul style="list-style-type: none"> <i>The verification of significant intersections by either independent or alternative company personnel.</i> <i>The use of twinned holes.</i> <i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i> <i>Discuss any adjustment to assay data.</i> 	<ul style="list-style-type: none"> Data was recorded by the sampling geologist and stored in the company's master spreadsheet. The samples are transported to the SGS Lab in Mwanza for initial preparation before SGS transported for Assay at their lab in Johannesburg, South Africa.
<i>Location of data points</i>	<ul style="list-style-type: none"> <i>Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.</i> <i>Specification of the grid system used.</i> 	<ul style="list-style-type: none"> A hand-held GPS was used to identify the position of all samples (xy horizontal error of 5 metres) and reported using ARC 1960 grid and UTM datum zone 37 south.

JORC Code, 2012 Edition

Table 1



Criteria	JORC Code explanation	Commentary
	<ul style="list-style-type: none"> • <i>Quality and adequacy of topographic control.</i> 	
<i>Data spacing and distribution</i>	<ul style="list-style-type: none"> • <i>Data spacing for reporting of Exploration Results.</i> • <i>Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.</i> • <i>Whether sample compositing has been applied.</i> 	<ul style="list-style-type: none"> • Drill spacing was carried out on a pattern of 400m by 160m currently only the first four lines are nearly completed • Whether the data spacing and distribution is sufficient to calculate a Resource estimate is dependent on the grade continuity which will be determined after assays have been received • No compositing has been applied • Diamond drilling was used to twin two holes at Namangale and to target outcropping mineralization at Chidya 80m apart.
<i>Orientation of data in relation to geological structure</i>	<ul style="list-style-type: none"> • <i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</i> • <i>If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.</i> 	<ul style="list-style-type: none"> • Surface mapping and interpretation of ground EM data was used to orient the drill lines to get the most unbiased sampling of the mineralisation. • Drilling was planned to intersect the mineralization as close as possible to right angles. Results indicate the drill holes intersect the mineralisation at between 70-90 degrees.
<i>Sample security</i>	<ul style="list-style-type: none"> • <i>The measures taken to ensure sample security.</i> 	<ul style="list-style-type: none"> • Transportation is carried out by company staff driving the samples to the Lab directly from site
<i>Audits or reviews</i>	<ul style="list-style-type: none"> • <i>The results of any audits or reviews of sampling techniques and data.</i> 	<ul style="list-style-type: none"> • No audits or reviews have yet been under taken

JORC Code, 2012 Edition

Table 1



Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
<i>Mineral tenement and land tenure status</i>	<ul style="list-style-type: none"> Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings. The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area. 	<ul style="list-style-type: none"> The prospecting license PL10718 containing the Namagale Prospect which was granted on the 18th of July 2015 for a period of four years for the exploration of Graphite. The area covered by the prospecting license is 239.17km². The License is situated in the Ruangwa District The License is located within the Lindi region of south-east Tanzania. The prospecting license PL10717 containing the Chidya Prospect was granted on the 18th of September 2015 for a period of four years for the exploration of graphite. The area covered by the prospecting license is located within the Mtwara region of south east Tanzania. The PL's are both held by Nachi Resources Ltd, which in turn is 100% owned by Mozambi Resources. The surface area is administered by the Government as native title. The area is rural, with wilderness areas and subsistence farming occurring on the PL. The Tenements are subject to a 3% royalty on production to the previous owners of Nachi Resources, which can be reduced to 1.5% under an agreement with the previous owner. There are no other known issues that may affect the tenure.
<i>Exploration done by other parties</i>	<ul style="list-style-type: none"> Acknowledgment and appraisal of exploration by other parties. 	<ul style="list-style-type: none"> There is no written record of previous exploration available for this area known to Mozambi Resources, The location of some graphite outcrops on the PL's was known by the previous owners.
<i>Geology</i>	<ul style="list-style-type: none"> Deposit type, geological setting and style of mineralisation. 	<ul style="list-style-type: none"> The exploration targets occur in the basement rocks of the Mozambique belt system which principally comprise metamorphic rocks ranging from schist to gneisses including marbles, amphibolites, graphitic schist, mica and kyanite schist, acid gneisses, hornblende, biotite and garnet gneisses, quartzites, granulites, and pegmatite veins. Initial exploration has focused on areas where there no overlying younger sedimentary sequences remaining.

JORC Code, 2012 Edition

Table 1



MOZAMBI
R E S O U R C E S

Criteria	JORC Code explanation	Commentary
<i>Drill hole Information</i>	<ul style="list-style-type: none"> A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes: <ul style="list-style-type: none"> easting and northing of the drill hole collar elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar dip and azimuth of the hole down hole length and interception depth hole length. If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case. 	<ul style="list-style-type: none"> A summary of this information including; eastings and northings of drill hole collars, RL, dip/azimuth, down hole length and hole length are provided in tables 1 2 and Appendix 1.
<i>Data aggregation methods</i>	<ul style="list-style-type: none"> In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated. Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail. The assumptions used for any reporting of metal equivalent values should be clearly stated. 	<ul style="list-style-type: none"> No assays are reported in this Announcement
<i>Relationship between mineralisation widths and intercept lengths</i>	<ul style="list-style-type: none"> These relationships are particularly important in the reporting of Exploration Results. If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported. If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known'). 	<ul style="list-style-type: none"> Drill lines are planned to be as close as possible to right angles to the mapped mineralization. The width of mineralization ranges from close to 100% of the intercepts to approximately 85% of the interval as the mineralization is gently folded. Closer spaced drilling is required to find the exact relationship.

JORC Code, 2012 Edition

Table 1



MOZAMBI
R E S O U R C E S

Criteria	JORC Code explanation	Commentary
<i>Diagrams</i>	<ul style="list-style-type: none"> Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views. 	<ul style="list-style-type: none"> A drill-hole plan is provided in Figures 2 and 3 for Namangale and figure 8 for Chidya. A cross Section is provided in Figure 4 showing the orientation of drilling relative to the interpreted geology for Namangale.
<i>Balanced reporting</i>	<ul style="list-style-type: none"> Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results. 	<ul style="list-style-type: none"> No assays are reported.
<i>Other substantive exploration data</i>	<ul style="list-style-type: none"> Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances. 	<ul style="list-style-type: none"> Previous results from Namangale include. Ground EM survey results have also been reported previously. The announcement also includes a simplified geological map of the area.
<i>Further work</i>	<ul style="list-style-type: none"> The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling). Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive. 	<ul style="list-style-type: none"> Exploration is now at the drilling stage with the aim of defining a JORC resource in the near future based in the area of the current drilling and at least 2 further planned lines to the north east and south west that will be drilled in the coming weeks.