BALAMA GRAPHITE PROJECT - UPDATE

9 November 2015

SIGNIFICANT GRAPHITE INTERSECTIONS RECORDED AT BALAMA PROJECT, MOZAMBIQUE

- **Maiden drilling program underway**
- **Graphite identified near surface on Licence 5873L, Northern Mozambique**
- **Initial drill hole intersected 21 metres of shallow graphite from 9 metres to 30 metres downhole depth on Licence 5873L**
- **56 metres of shallow graphite intersected in a 76 metre hole on large EM signature in northern section of Licence 5873L**
- **Drilling program targeting possible northern extension of Triton Minerals world-class Nicanda Hill graphite deposit**
- **EM anomaly with a strike length of over 16 kilometres identified on Licence 5873L from recent SkyTEM geophysics survey**
- **Previous scout drilling (RC001 and RC002) samples returned assay grades of up to 17% TGC with high percentages of large to super-jumbo flake graphite on licences 5873L and 6527L**
- **Mustang targeting delineation of maiden JORC Mineral Resource Statement in 2016**

Mustang Resources Ltd (ASX: MUS) ("Mustang" or the "Company") is pleased to announce that it has commenced Reverse Circulation ("RC") drilling activities on its Balama Graphite Project in the Cabo Delgado Province of Mozambique.

To date, approximately 270 metres of a planned 3,000 metre drill program has been completed with a number of significant, shallow intersections having been recorded. The total number of holes and the total metres drilled in the program will determined by the geology encountered, with the Company targeting possible shallow extensions of nearby world-class graphite deposits within the Cabo Delgado province.

COMPANY INFORMATION

Mustang Resources Ltd
ABN 34 090 074 785
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COMPANY DIRECTORS

Ian Daymond : Chairman
Cobus van Wyk : Director
Frank Petruzzelli : Director
Andrew Law : Director

MANAGEMENT

Andrew Law: COO
Chris Ritchie: CFO / Co Sec
Cobus van Wyk: Executive Director

STOCK EXCHANGE LISTING

Australian Securities Exchange
ASX Code: MUS

Current Shares on Issue: 90,679,097
Market Capitalisation $18.1M as at 6 November 2015

CURRENT PROJECTS

DIAMONDS
- Save River Diamond Project

GRAPHITE
- Balama Graphite Project

RUBIES
-Montepuez Ruby Project

The drill program has been designed as an initial first-pass program focused on testing the largest EM anomalies located along strike from known graphite deposits and/ or anomalies. RC drilling has commenced on Licence 5873L (Figure 1 and Figure 2), and graphite has been intersected in all three (3) RC holes drilled to date, including 21 metres of graphite from 9 metres to 30 metres depth in MORC001, and a 18 metre graphite zone from 8 metres to 25 metres and a 39 metre graphite zone from 37 metres to 76 metres in MORC003 (Table 1). Internal intersections of mica and dolomitic marble are typically in the order of 3m in (downhole) thickness.

Figure 1: RC Drilling on Licence 5873L

The geological logging of MORC001 indicates that graphite intersected within 5873L appears to be a strike continuation of graphitic schist extending from the Triton Minerals (ASX: TON) Nicanda Hill Deposit (Figure 3). Additional drillhole information appears in Appendix 1 and Appendix 2 to this announcement.

Mustang Resources Chief Operating Officer, Andrew Law, commented, "We are very pleased with the positive results from the initial stages of our drilling activities at Balama.

Importantly, we believe the positive shallow intersections recorded to date could represent possible extensions of nearby world-class graphite deposits, including Triton Minerals' Nicanda Hill deposit. Additional drilling activities are currently underway and we anticipate that they will provide a more detailed understanding of the Balama project's geology.

The Company remains focused on progressing its exciting project portfolio in Mozambique and looks forward to updating shareholders with further development updates in the near future."

BHID	From (m)	To (m)	Downhole Interval (m)
MORC001	9	30	21
	37	39	2
	88	93	5
	100	102	2
MORC002	6	8	2
	10	11	1
	17	19	2
	27	32	5
	37	44	7
	48	50	2
	58	59	1
	66	67	1
MORC003	8	16	8
	17	25	8
	26	27	1
	28	31	3
	37	41	4
	42	48	6
	49	68	19
	69	77	8

Table 1: Summary of significant logged graphite intercepts. Note: these intervals are based on field geological logging and will be confirmed once sampling and assaying has been completed and results have been received.

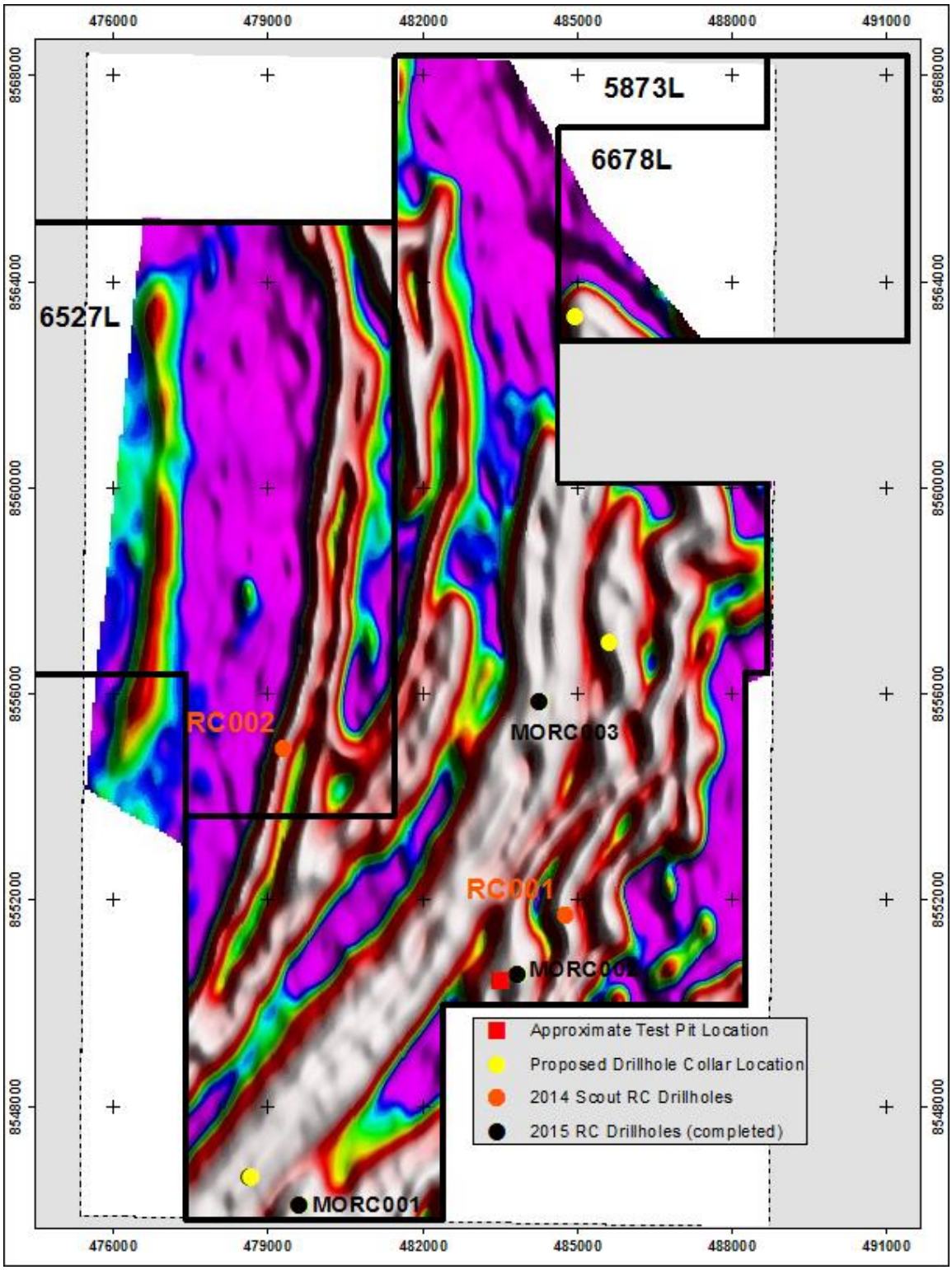

Figure 2: Mustang's SkyTEM results within Licences 5873L, 6678L and 6527L showing completed 2015 drillholes (black circles), completed 2014 drillholes (orange circles) and proposed drillhole collar locations (yellow circles)

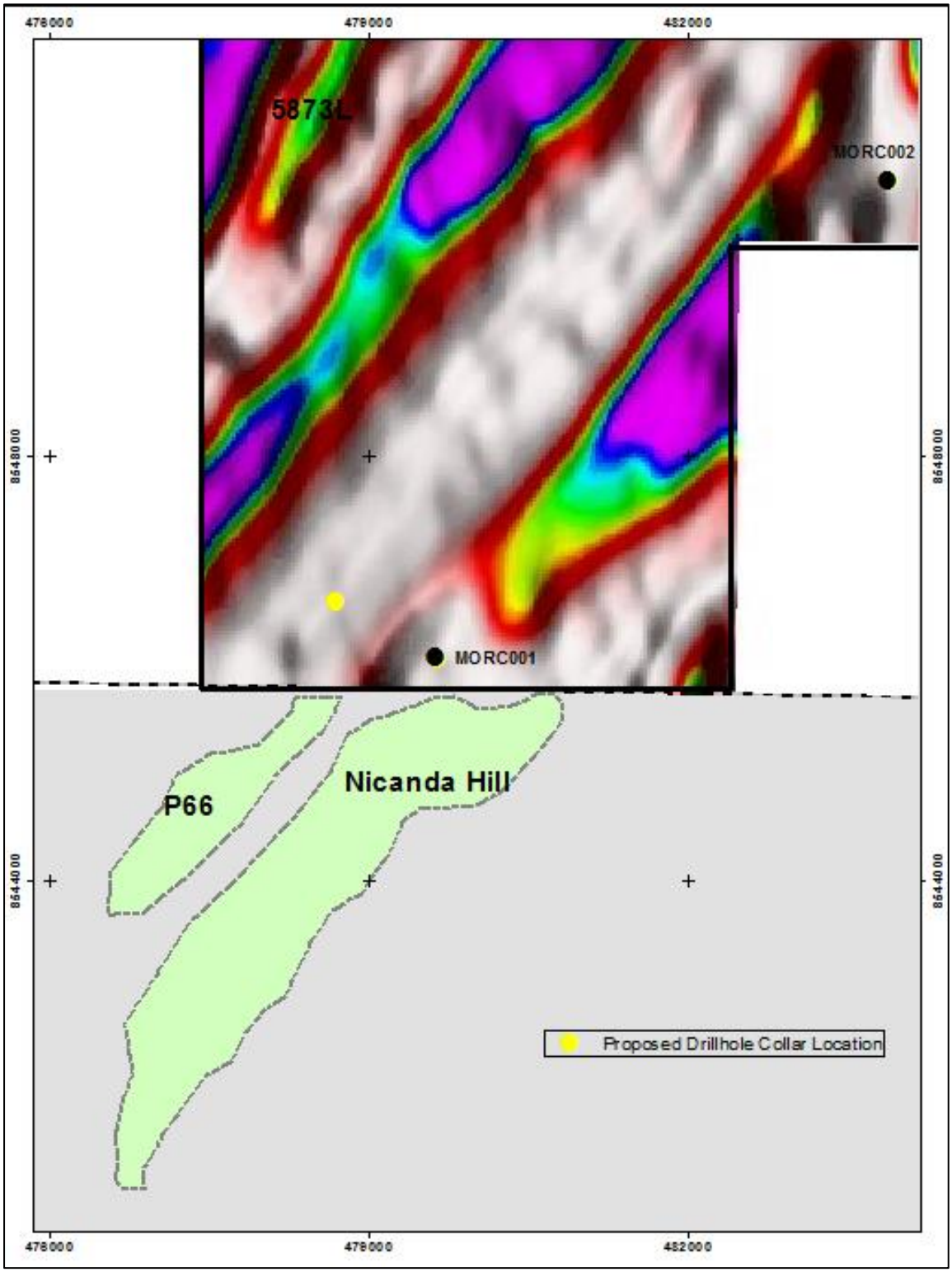

Figure 3: Mustang's SkyTEM results within Licence 5873L, showing completed drillholes (black circles) and proposed drillhole collar locations (yellow circle) in relation to Triton Minerals' Nicanda Hill and P66 deposits.

To date one “test pit” approximately 1 metre by 2.4 metres was excavated to a depth of 1.8 metres. The “test pit”, which was excavated in close proximity to MORC-002 (Figure 2), has confirmed the presence of graphite near to surface (Figure 4). The objective of the test pitting was to confirm the presence of shallow graphite mineralisation across the EM anomalies. These initial results are encouraging as it meets the Company’s objective of targeting shallow graphite mineralisation.

Figure 4: Graphite exposed in shallow “test pit” excavated on Licence 5873L

Planned Work Program

After the initial drilling of main anomalies and having defined the graphitic mineralisation, the aim will be to advance the project from the exploration target stage through the various levels of resource confidence to scoping study and feasibility stages.

The Company looks forward to updating shareholders with further progress updates in the near future.

For and behalf of the Company.

Ian C Daymond
Chairman

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FORWARD-LOOKING STATEMENTS:

This document may include forward-looking statements. Forward-looking statements include, but are not necessarily limited to the Company's planned exploration program and other statements that are not historic facts. When used in this document, words such as "could", "plan", "estimate", "expect", "intend", "may", "potential", "should" and similar expressions are forward-looking statements. Although the Company considers that its expectations reflected in these statements are reasonable, such statements involve risks and uncertainties, and no assurance can be given that actual results will be consistent with these forward-looking statements.

COMPETENT PERSON'S STATEMENT:

In this report, the information that relates to Exploration Targets and Geophysical Exploration results and analysis, is based on information compiled by Mr Christiaan Mouton, a Competent Person who is a registered member of the Australian Institute of Geoscientists and also a registered member of the South African Council for Natural Scientific Professions (SACNASP), which is an Recognised Professional Organisation (RPO) included in a list posted on the ASX website. Mr Mouton is a consultant with Applied Scientific Services and Technology (ASST) who were engaged by the company to undertake this work. Mr Mouton has sufficient experience in the application of geophysical methods and techniques that is relevant to the exploration of this style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined by the 2012 Edition of the Australasian Code for Reporting of Exploration Results. Mr Mouton consents to the inclusion of the data in the form and context in which it appears.

Information in this report that relates to Exploration Targets, Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr Johan Erasmus, a Competent Person who is a registered member of the South African Council for Natural Scientific Professions (SACNASP) which is a Recognised Professional Organisation (RPO) included in a list posted on the ASX website. Mr Erasmus is a consultant of Sumsare Consulting, Witbank, South Africa who was engaged to undertake this work. Mr Erasmus has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined by the 2012 Edition of the Australasian Code for Reporting of Exploration Results. Mr Erasmus consents to the inclusion of the data in the form and context in which it appears.

APPENDIX 1 – DRILLHOLE SUMMARY TABLE

RC drillholes drilled to date as part of the 2015 maiden drill program

BHID	UTM East	UTM North	mRL	Average Azimuth	Average Dip	Depth	Hole Type	Licence No.
MORC001	479623	8546100	472	147	74°	103	RC	5873L
MORC002	483870	8550568	522	144	77°	91	RC	5873L
MORC002	484292	8555877	491	92	78°	77	RC	5873L

RC drillholes drilled in October 2014 – refer to ASX announcement dated 10 June 2015 for additional information pertaining to these two drillholes

BHID	UTM East	UTM North	mRL	Azimuth	Dip	Depth	Hole Type	Licence No.
RC001	484791	8551728		120	-60	60	RC	5873L
RC002	479332	8554960		120	-60	50	RC	6527L

APPENDIX 2 – SUMMARY DRILLHOLE LOGS

Hole ID	REF	FROM	TO	LITHOLOGY	MINERALISATION	COMMENTS
MORC001	TB10_700800	0	1	Soil		Oxidized
MORC001	TB10_700800	1	2	Soil		Oxidized
MORC001	TB10_700800	2	3	Soil		Oxidized
MORC001	TB10_700800	3	4	Soil		Oxidized
MORC001	TB10_700800	4	5	FER		Oxidized
MORC001	TB10_700800	5	6	FER		Oxidized
MORC001	TB10_700800	6	7	FER		Oxidized
MORC001	TB10_700800	7	8	GN		Oxidized
MORC001	TB10_700800	8	9	GN		Oxidized
MORC001	TB10_700800	9	10	GN/GSC	Graphite	Oxidized
MORC001	TB10_700800	10	11	GN/GSC	Graphite	Oxidized
MORC001	TB10_700800	11	12	GN/GSC	Graphite	Oxidized
MORC001	TB10_700800	12	13	GN/GSC	Graphite	Oxidized
MORC001	TB10_700800	13	14	GN/GSC	Graphite	Oxidized
MORC001	TB10_700800	14	15	GN/GSC	Graphite	Oxidized
MORC001	TB10_700800	15	16	GN/GSC	Graphite	Oxidized
MORC001	TB10_700800	16	17	GN/GSC	Graphite	Oxidized
MORC001	TB10_700800	17	18	GN/GSC	Graphite	Oxidized
MORC001	TB10_700800	18	19	GN/GSC	Graphite	Oxidized
MORC001	TB10_700800	19	20	GSC	Graphite	Fresh
MORC001	TB10_700800	20	21	GN/GSC	Graphite	Oxidized
MORC001	TB10_700800	21	22	GN/GSC	Graphite	Oxidized
MORC001	TB10_700800	22	23	GSC	Graphite	Oxidized
MORC001	TB10_700800	23	24	GSC	Graphite	Oxidized
MORC001	TB10_700800	24	25	GN/GSC	Graphite	Oxidized
MORC001	TB10_700800	25	26	GN/GSC	Graphite	Oxidized
MORC001	TB10_700800	26	27	GSC	Graphite	Oxidized
MORC001	TB10_700800	27	28	GSC	Graphite	Oxidized
MORC001	TB10_700800	28	29	GSC	Graphite	Fresh
MORC001	TB10_700800	29	30	SCH	Mi + Graphite	Fresh
MORC001	TB10_700800	30	31	SCH	Mi + Graphite	Fresh
MORC001	TB10_700800	31	32	GN		Fresh
MORC001	TB10_700800	32	33	GN		Fresh
MORC001	TB10_700800	33	34	GN		Fresh
MORC001	TB10_700800	34	35	GN		Fresh
MORC001	TB10_700800	35	36	GN		Fresh
MORC001	TB10_700800	36	37	GN		Fresh
MORC001	TB10_700800	37	38	GSC	Graphite	Fresh
MORC001	TB10_700800	38	39	GSC	Graphite	Fresh
MORC001	TB10_700800	39	40	SCH	Mi	Fresh
MORC001	TB10_700800	40	41	GN		Fresh

Hole ID	REF	FROM	TO	LITHOLOGY	MINERALISATION	COMMENTS
MORC001	TB10_700800	41	42	GN		Fresh
MORC001	TB10_700800	42	43	GN		Fresh
MORC001	TB10_700800	43	44	GN		Fresh
MORC001	TB10_700800	44	45	GN		Fresh
MORC001	TB10_700800	45	46	GN		Fresh
MORC001	TB10_700800	46	47	GN		Fresh
MORC001	TB10_700800	47	48	GN		Fresh
MORC001	TB10_700800	48	49	GN		Fresh
MORC001	TB10_700800	49	50	GN		Fresh
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MORC001	TB10_700800	54	55	SCH	Mi	Fresh
MORC001	TB10_700800	55	56	SCH	Mi	Fresh
MORC001	TB10_700800	56	57	SCH	Mi	Fresh
MORC001	TB10_700800	57	58	SCH	Mi	Fresh
MORC001	TB10_700800	58	59	SCH	Mi	Fresh
MORC001	TB10_700800	59	60	GN		Water intersected
MORC001	TB10_700800	60	61	SCH	Mi + TR Graphite	Fresh
MORC001	TB10_700800	61	62	SCH	Mi + TR Graphite	Fresh
MORC001	TB10_700800	62	63	SCH	Mi + TR Graphite	Fresh
MORC001	TB10_700800	63	64	SCH	Mi + TR Graphite	Fresh
MORC001	TB10_700800	64	65	SCH	Mi + TR Graphite	Fresh
MORC001	TB10_700800	65	66	SCH	Mi + TR Graphite	Fresh
MORC001	TB10_700800	66	67	SCH	Mi + TR Graphite	Fresh
MORC001	TB10_700800	67	68	SCH	Mi + TR Graphite	Fresh
MORC001	TB10_700800	68	69	SCH	Mi	Fresh
MORC001	TB10_700800	69	70	SCH	Mi	Fresh
MORC001	TB10_700800	70	71	SCH	Mi	Fresh
MORC001	TB10_700800	71	72	SCH	Mi	Fresh
MORC001	TB10_700800	72	73	SCH	Mi	Fresh
MORC001	TB10_700800	73	74	SCH	Mi	Fresh
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MORC001	TB10_700800	75	76	SCH	Mi	Fresh
MORC001	TB10_700800	76	77	SCH	Mi	Fresh
MORC001	TB10_700800	77	78	SCH	Mi	Fresh
MORC001	TB10_700800	78	79	SCH	Mi	Fresh
MORC001	TB10_700800	79	80	SCH	Mi	Fresh
MORC001	TB10_700800	80	81	SCH	Mi + TR Graphite	Fresh
MORC001	TB10_700800	81	82	SCH	Mi + TR Graphite	Fresh
MORC001	TB10_700800	82	83	SCH	Mi + TR Graphite	Fresh
MORC001	TB10_700800	83	84	SCH	Mi + TR Graphite	Fresh
MORC001	TB10_700800	84	85	SCH	Mi + TR Graphite	Fresh

Hole ID	REF	FROM	TO	LITHOLOGY	MINERALISATION	COMMENTS
MORC001	TB10_700800	85	86	SCH	Mi + TR Graphite	Fresh
MORC001	TB10_700800	86	87	SCH	Mi + TR Graphite	Fresh
MORC001	TB10_700800	87	88	SCH	Mi + TR Graphite	Fresh
MORC001	TB10_700800	88	89	GSC	Graphite	Fresh
MORC001	TB10_700800	89	90	GSC	Graphite	Fresh
MORC001	TB10_700800	90	91	GSC	Graphite	Fresh
MORC001	TB10_700800	91	92	GSC	Graphite	Fresh
MORC001	TB10_700800	92	93	GSC	Graphite	Fresh
MORC001	TB10_700800	93	94	SCH	Mi	Fresh
MORC001	TB10_700800	94	95	SCH	Mi	Fresh
MORC001	TB10_700800	95	96	SCH	Mi	Fresh
MORC001	TB10_700800	96	97	SCH	Mi	Fresh
MORC001	TB10_700800	97	98	SCH	Mi	Fresh
MORC001	TB10_700800	98	99	SCH	Mi	Fresh
MORC001	TB10_700800	99	100	SCH	Mi	Fresh
MORC001	TB10_700800	100	101	GSC	Graphite	Fresh
MORC001	TB10_700800	101	102	GSC	Graphite	Fresh
MORC001	TB10_700800	102	103	no sample		Water intersected

Hole ID	REF	FROM	TO	LITHOLOGY	MINERALISATION	COMMENTS
MORC002	TB4_703800	0	1	Soil		Oxidized
MORC002	TB4_703800	1	2	RES		Oxidized
MORC002	TB4_703800	2	3	RES		Oxidized
MORC002	TB4_703800	3	4	RES		Oxidized
MORC002	TB4_703800	4	5	RES		Oxidized
MORC002	TB4_703800	5	6	SARK		Oxidized
MORC002	TB4_703800	6	7	SCH	Mi + Graphite	Oxidized
MORC002	TB4_703800	7	8	GSC	Graphite	Oxidized
MORC002	TB4_703800	8	9	SCH	Mi	Oxidized
MORC002	TB4_703800	9	10	SCH	Mi	Oxidized
MORC002	TB4_703800	10	11	GN/GSC	Graphite	Oxidized
MORC002	TB4_703800	11	12	GN/GSC	TR Graphite	Oxidized
MORC002	TB4_703800	12	13	GN/GSC	TR Graphite	Oxidized
MORC002	TB4_703800	13	14	GN/GSC	TR Graphite	Oxidized
MORC002	TB4_703800	14	15	GN/GSC	TR Graphite	Oxidized
MORC002	TB4_703800	15	16	GN/GSC	TR Graphite	Oxidized
MORC002	TB4_703800	16	17	GN	TR Graphite	Oxidized
MORC002	TB4_703800	17	18	GN/GSC	Graphite	Oxidized
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MORC002	TB4_703800	21	22	FER/SCH	Mi	Oxidized
MORC002	TB4_703800	22	23	SCH	Mi	Oxidized
MORC002	TB4_703800	23	24	SCH	Mi	Oxidized

Hole ID	REF	FROM	TO	LITHOLOGY	MINERALISATION	COMMENTS
MORC002	TB4_703800	24	25	SCH	Mi	Oxidized
MORC002	TB4_703800	25	26	SCH	Mi	Oxidized
MORC002	TB4_703800	26	27	SCH	Mi	Oxidized
MORC002	TB4_703800	27	28	GSC	Graphite	Fresh
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MORC002	TB4_703800	29	30	GSC	Graphite	Fresh
MORC002	TB4_703800	30	31	GSC	Graphite	Fresh
MORC002	TB4_703800	31	32	GSC	Graphite	Fresh
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MORC002	TB4_703800	34	35	SCH	Mi	Fresh
MORC002	TB4_703800	35	36	SCH	Mi	Fresh
MORC002	TB4_703800	36	37	SCH	Mi	Fresh
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MORC002	TB4_703800	38	39	GSC	Graphite	Fresh
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MORC002	TB4_703800	41	42	GSC	Graphite	Fresh
MORC002	TB4_703800	42	43	GSC/DLM	Graphite	Fresh, CONTACT
MORC002	TB4_703800	43	44	DLM/GSC	Graphite	Fresh, CONTACT
MORC002	TB4_703800	44	45	DLM		Fresh
MORC002	TB4_703800	45	46	DLM		Fresh
MORC002	TB4_703800	46	47	DLM		Fresh
MORC002	TB4_703800	47	48	DLM		Fresh
MORC002	TB4_703800	48	49	GSC/DLM	Graphite	Fresh, CONTACT
MORC002	TB4_703800	49	50	GSC	Graphite	Fresh
MORC002	TB4_703800	50	51	SCH	Mi + TR Graphite	Fresh
MORC002	TB4_703800	51	52	SCH	Mi + TR Graphite	Fresh
MORC002	TB4_703800	52	53	SCH	Mi	Fresh
MORC002	TB4_703800	53	54	GSC	Graphite	Fresh
MORC002	TB4_703800	54	55	GSC	Graphite	Fresh
MORC002	TB4_703800	55	56	GSC	Graphite	Fresh
MORC002	TB4_703800	56	57	SCH/DLM	Mi	Fresh CONTACT
MORC002	TB4_703800	57	58	SCH/DLM	Mi	Fresh CONTACT
MORC002	TB4_703800	58	59	GSC	Graphite	Fresh
MORC002	TB4_703800	59	60	SCH	Mi	Fresh, Water strike
MORC002	TB4_703800	60	61	SCH	Mi + TR Graphite	Fresh
MORC002	TB4_703800	61	62	SCH	Mi + TR Graphite	Fresh
MORC002	TB4_703800	62	63	SCH	Mi + TR Graphite	Fresh
MORC002	TB4_703800	63	64	SCH	Mi + TR Graphite	Fresh
MORC002	TB4_703800	64	65	SCH	Mi + TR Graphite	Fresh
MORC002	TB4_703800	65	66	SCH	Mi + TR Graphite	Fresh
MORC002	TB4_703800	66	67	GSC	Graphite	Fresh
MORC002	TB4_703800	67	68	SCH/DLM	Mi	Fresh CONTACT

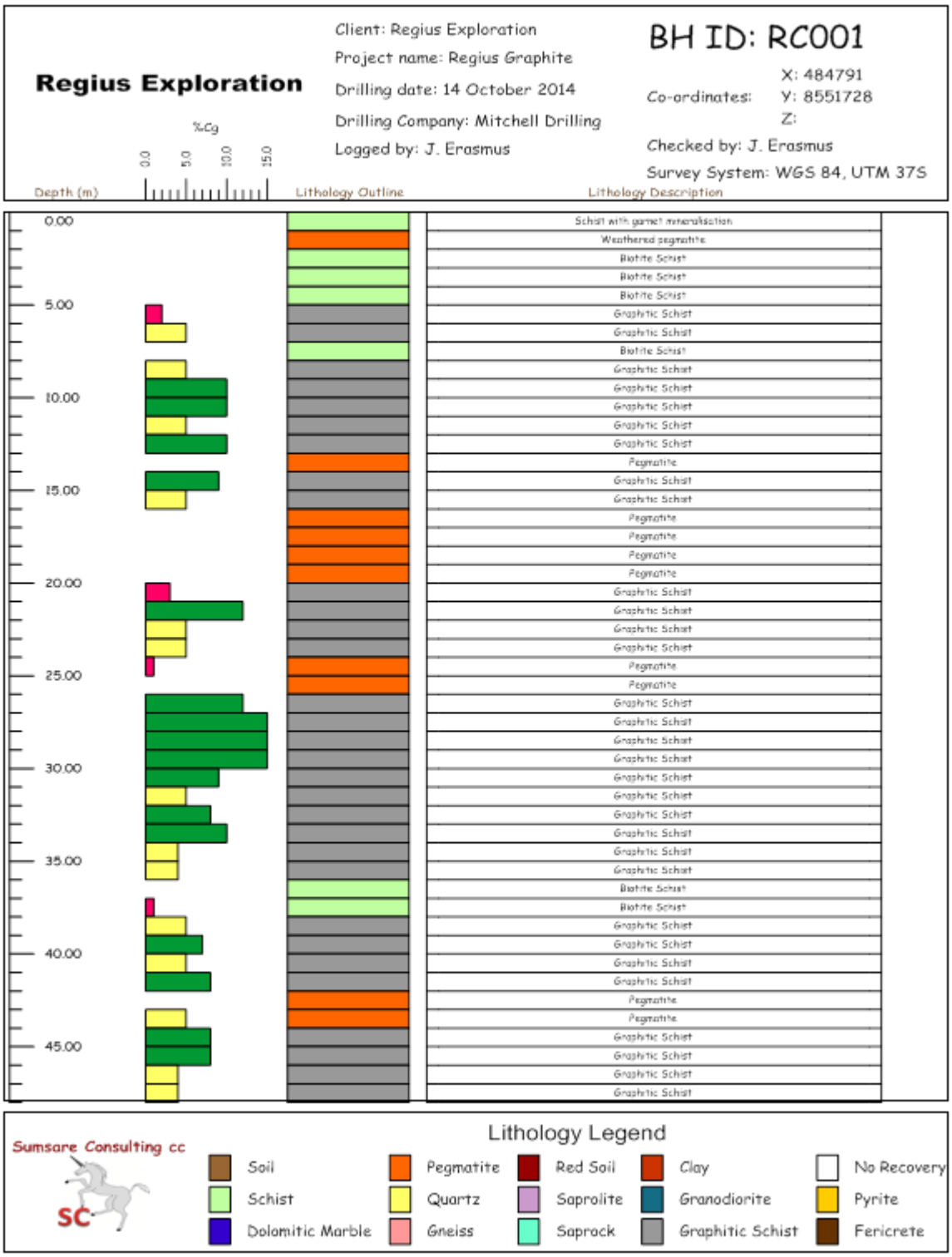
Hole ID	REF	FROM	TO	LITHOLOGY	MINERALISATION	COMMENTS
MORC002	TB4_703800	68	69	DLM/SCH	Mi	Fresh CONTACT
MORC002	TB4_703800	69	70	DLM/SCH	Mi	Fresh CONTACT
MORC002	TB4_703800	70	71	SCH	Mi + TR Graphite	Fresh
MORC002	TB4_703800	71	72	SCH	Mi + TR Graphite	Fresh
MORC002	TB4_703800	72	73	SCH	Mi	Fresh
MORC002	TB4_703800	73	74	SCH	Mi	Fresh
MORC002	TB4_703800	74	75	DLM	Mi	Fresh
MORC002	TB4_703800	75	76	DLM	Mi	Fresh
MORC002	TB4_703800	76	77	DLM	Mi	Fresh
MORC002	TB4_703800	77	78	DLM/SCH		Fresh CONTACT
MORC002	TB4_703800	78	79	DLM/SCH		Fresh CONTACT
MORC002	TB4_703800	79	80	DLM/SCH		Fresh CONTACT
MORC002	TB4_703800	80	81	SCH	Mi	Fresh
MORC002	TB4_703800	81	82	SCH	Mi	Fresh
MORC002	TB4_703800	82	83	SCH	Mi	Fresh
MORC002	TB4_703800	83	84	SCH	Mi	Fresh
MORC002	TB4_703800	84	85	SCH	Mi	Fresh
MORC002	TB4_703800	85	86	SCH	Mi	Fresh
MORC002	TB4_703800	86	87	SCH	Mi	Fresh
MORC002	TB4_703800	87	88	SCH	Mi + GT + PHL	Fresh
MORC002	TB4_703800	88	89	SCH	Mi + GT + PHL	Fresh
MORC002	TB4_703800	89	90	SCH	Mi + GT + PHL	Fresh
MORC002	TB4_703800	90	91	SCH	Mi + GT + PHL	Fresh

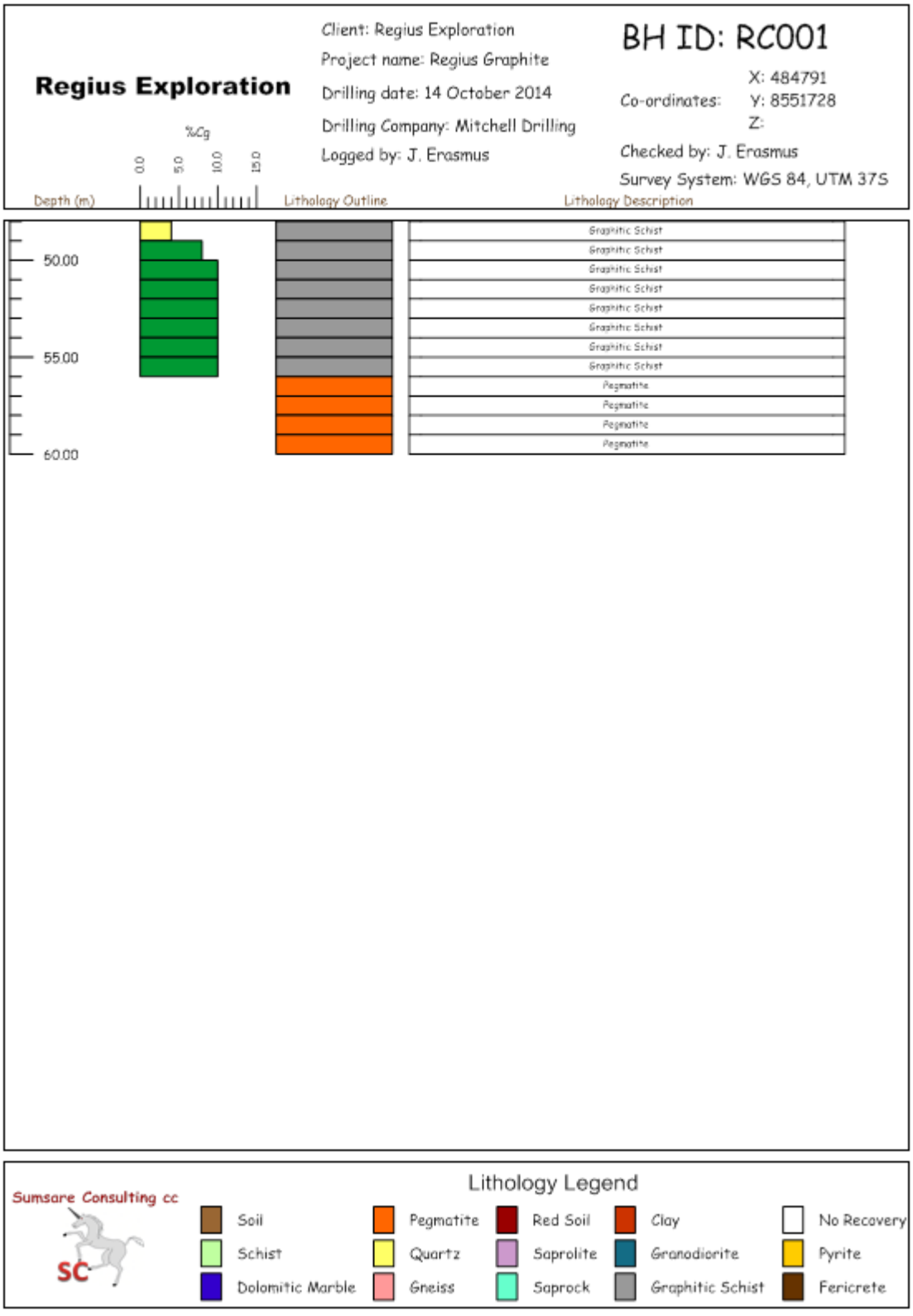
Hole ID	REF	FROM	TO	LITHOLOGY	MINERALISATION	COMMENTS
MORC003	TB8_706200	0	1	Soil		Oxidized
MORC003	TB8_706200	1	2	RES		Oxidized
MORC003	TB8_706200	2	3	RES		Oxidized
MORC003	TB8_706200	3	4	RES		Oxidized
MORC003	TB8_706200	4	5	RES		Oxidized
MORC003	TB8_706200	5	6	SARK		Oxidized
MORC003	TB8_706200	6	7	SARK		Oxidized
MORC003	TB8_706200	7	8	FER	TR Graphite	Oxidized
MORC003	TB8_706200	8	9	FER	Graphite	Oxidized
MORC003	TB8_706200	9	10	FER	Graphite	Oxidized
MORC003	TB8_706200	10	11	GSC	Graphite	Oxidized
MORC003	TB8_706200	11	12	GSC	Graphite	Oxidized
MORC003	TB8_706200	12	13	GSC	Graphite	Oxidized
MORC003	TB8_706200	13	14	GSC	Graphite	Oxidized
MORC003	TB8_706200	14	15	GSC	Graphite	Oxidized
MORC003	TB8_706200	15	16	GSC	Graphite	Oxidized
MORC003	TB8_706200	16	17	SCH	Mi + TR Graphite	Oxidized
MORC003	TB8_706200	17	18	GSC	Graphite + Mi	Oxidized
MORC003	TB8_706200	18	19	GSC	Graphite + Mi	Oxidized

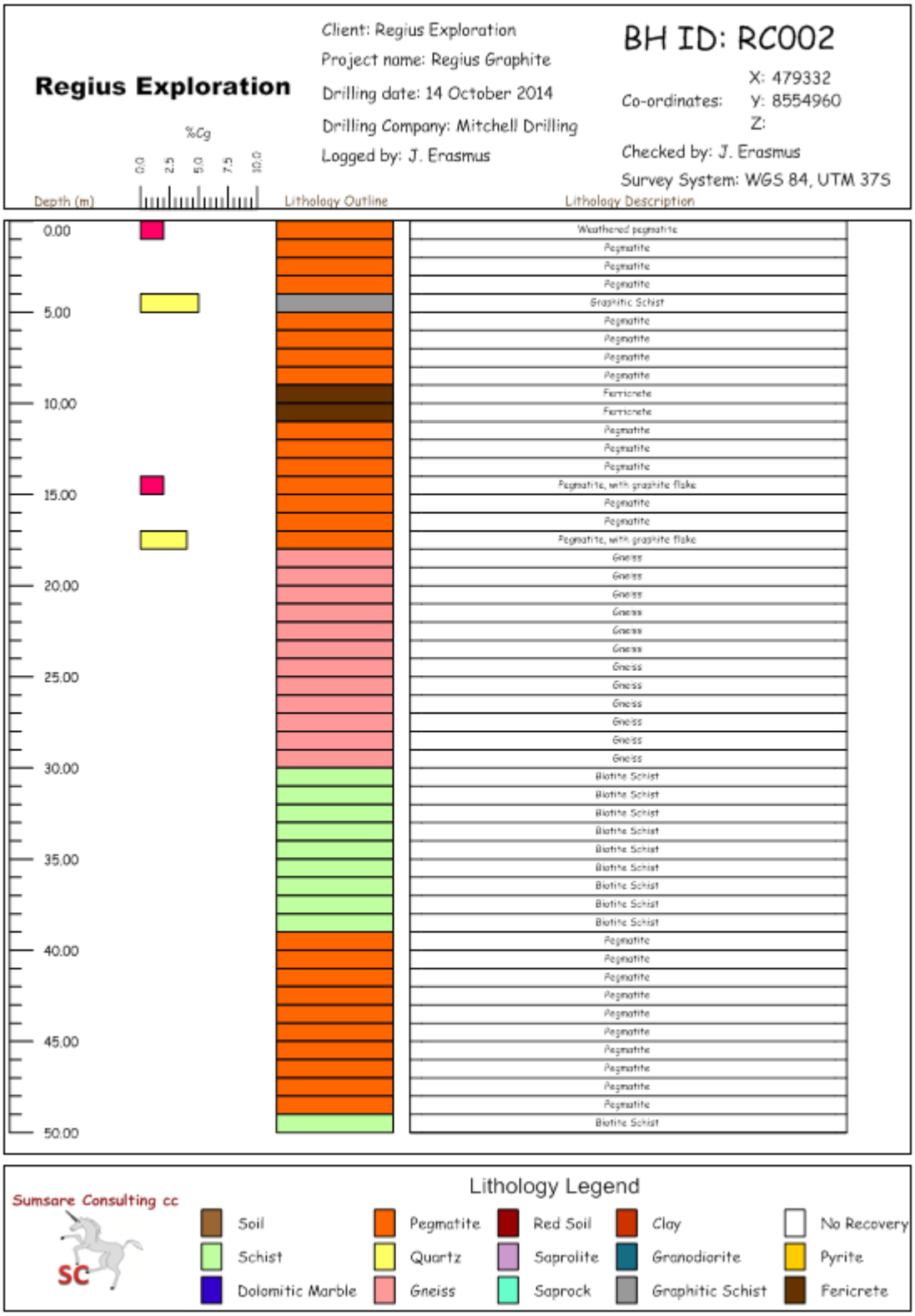
Hole ID	REF	FROM	TO	LITHOLOGY	MINERALISATION	COMMENTS
MORC003	TB8_706200	19	20	GSC	Graphite + Mi	Oxidized
MORC003	TB8_706200	20	21	GSC	Graphite + Mi	Oxidized
MORC003	TB8_706200	21	22	GSC	Graphite + Mi	Oxidized
MORC003	TB8_706200	22	23	GSC	Graphite	Fresh
MORC003	TB8_706200	23	24	GSC	Graphite	Fresh
MORC003	TB8_706200	24	25	GSC	Graphite	Fresh
MORC003	TB8_706200	25	26	SCH	Mi	Fresh
MORC003	TB8_706200	26	27	GSC	Graphite	Fresh
MORC003	TB8_706200	27	28	SCH	Mi	Fresh
MORC003	TB8_706200	28	29	GSC	Graphite	Fresh
MORC003	TB8_706200	29	30	GSC	Graphite	Fresh
MORC003	TB8_706200	30	31	GSC	Graphite	Oxidized
MORC003	TB8_706200	31	32	SCH	Mi	Fresh
MORC003	TB8_706200	32	33	SCH	Mi	Fresh
MORC003	TB8_706200	33	34	SCH	Mi	Fresh
MORC003	TB8_706200	34	35	SCH	Mi	Fresh
MORC003	TB8_706200	35	36	SCH	Mi	Fresh
MORC003	TB8_706200	36	37	SCH	Mi	Fresh
MORC003	TB8_706200	37	38	GSC	Graphite + Mi	Fresh
MORC003	TB8_706200	38	39	GSC	Graphite	Fresh
MORC003	TB8_706200	39	40	GSC	Graphite	Fresh
MORC003	TB8_706200	40	41	GSC	Graphite	Fresh
MORC003	TB8_706200	41	42	SCH	Mi	Fresh
MORC003	TB8_706200	42	43	GSC	Graphite	Fresh
MORC003	TB8_706200	43	44	GSC	Graphite	Fresh
MORC003	TB8_706200	44	45	GSC	Graphite	Fresh
MORC003	TB8_706200	45	46	GSC	Graphite	Fresh
MORC003	TB8_706200	46	47	GSC	Graphite	Fresh
MORC003	TB8_706200	47	48	GSC	Graphite	Fresh
MORC003	TB8_706200	48	49	SCH	Mi	Fresh
MORC003	TB8_706200	49	50	GSC	Graphite	Fresh
MORC003	TB8_706200	50	51	GSC	Graphite	Fresh
MORC003	TB8_706200	51	52	GSC	Graphite	Fresh
MORC003	TB8_706200	52	53	GSC	Graphite	Fresh
MORC003	TB8_706200	53	54	GSC	Graphite	Fresh
MORC003	TB8_706200	54	55	GSC	Graphite	Fresh
MORC003	TB8_706200	55	56	GSC	Graphite	Fresh
MORC003	TB8_706200	56	57	GSC	Graphite	Fresh
MORC003	TB8_706200	57	58	GSC	Graphite	Fresh
MORC003	TB8_706200	58	59	GSC	Graphite	Fresh
MORC003	TB8_706200	59	60	GSC	Graphite	Fresh
MORC003	TB8_706200	60	61	GSC	Graphite	Fresh
MORC003	TB8_706200	61	62	GSC	Graphite	Fresh
MORC003	TB8_706200	62	63	GSC	Graphite	Fresh

Hole ID	REF	FROM	TO	LITHOLOGY	MINERALISATION	COMMENTS
MORC003	TB8_706200	63	64	GSC	Graphite	Fresh
MORC003	TB8_706200	64	65	GSC	Graphite	Fresh
MORC003	TB8_706200	65	66	GSC	Graphite	Fresh
MORC003	TB8_706200	66	67	GSC	Graphite	Fresh
MORC003	TB8_706200	67	68	GSC	Graphite	Fresh
MORC003	TB8_706200	68	69	DLM		Fresh
MORC003	TB8_706200	69	70	GSC	Graphite	Fresh
MORC003	TB8_706200	70	71	GSC	Graphite	Very wet no recovery
MORC003	TB8_706200	71	72	GSC	Graphite	Fresh
MORC003	TB8_706200	72	73	GSC	Graphite	Very wet no recovery
MORC003	TB8_706200	73	74	GSC	Graphite	Fresh
MORC003	TB8_706200	74	75	GSC	Graphite	Fresh
MORC003	TB8_706200	75	76	GSC	Graphite	Fresh
MORC003	TB8_706200	76	77	GSC	Graphite	Very wet no recovery

NOTE: logged carbon percentages are visual estimates and not laboratory assays




Regius Exploration
Client: Regius Exploration
Project name: Regius Graphite
Drilling date: 14 October 2014
Drilling Company: Mitchell Drilling
Logged by: J. Erasmus
BH ID: RC001
Co-ordinates: X: 484791 Y: 8551728 Z:
Checked by: J. Erasmus
Survey System: WGS 84, UTM 37S
%Cg
0.0
5.0
10.0
15.0
Depth (m)
Lithology Outline
Lithology Description
50.00
55.00
60.00
Graphitic Schist
Pegmatite
Sumsare Consulting cc
SC
Lithology Legend
Soil
Schist
Dolomitic Marble
Pegmatite
Quartz
Gneiss
Red Soil
Saprolite
Saprock
Clay
Granodiorite
Graphitic Schist
No Recovery
Pyrite
Fericrete


Regius Exploration
Client: Regius Exploration
Project name: Regius Graphite
Drilling date: 14 October 2014
Drilling Company: Mitchell Drilling
Logged by: J. Erasmus
BH ID: RC002
Co-ordinates: X: 479332 Y: 8554960 Z:
Checked by: J. Erasmus
Survey System: WGS 84, UTM 37S
%Cg
0.0 2.5 5.0 7.5 10.0
Depth (m)
Lithology Outline
Lithology Description
0.00
5.00
10.00
15.00
20.00
25.00
30.00
35.00
40.00
45.00
50.00
Weathered pegmatite
Pegmatite
Graphitic Schist
Ferricrete
Pegmatite, with graphite flake
Gneiss
Biotite Schist
Sumsare Consulting cc
SC
Lithology Legend
Soil
Schist
Dolomitic Marble
Pegmatite
Quartz
Gneiss
Red Soil
Saprolite
Saprock
Clay
Granodiorite
Graphitic Schist
No Recovery
Pyrite
Fericrete

JORC CODE, 2012 EDITION – TABLE 1 -

Appendix to Graphite Announcement – 6 November 2015

Section 1 sampling techniques and data.

Criteria	JORC Code Explanation	MUS Commentary
Sampling techniques	• *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.*	**2014 Field Program** Sampling undertaken as part of the initial exploration program included rock chip sampling from graphitic-bearing surface outcrop within prospecting & exploration licences 4661L and 4662L. Three representative rock chip samples were collected from two outcrop locations and were submitted to SGS Laboratories and Set Point Laboratories in Johannesburg for Cg % analysis (LECO), as well as XRF (major elements) and petrographic description by optical microscopy. Two test RC holes were drilled within prospecting & exploration licences 6527L and 5873L to test prospective stratigraphy for the presence of graphite mineralisation. The drillhole locations were generated based on results from the initial ground EM survey and airborne magnetic data. A total of 13 drillhole intervals were selected for sampling based on geological logging and only zones logged as graphitic-rich were submitted to the laboratory for analysis. Reverse circulation drilling was used to collect 1 m samples (roughly 35 kg) by an air cyclone which was reduced to a 3 kg sample by riffling. The bagged 3kg samples were submitted to SGS Laboratories and Set Point Laboratories in Johannesburg for Cg %

Criteria	JORC Code Explanation	MUS Commentary
		analysis (LECO), as well as XRF (major elements) and petrographic description by optical microscopy. A total of eleven intervals from hole RC001 were selected for sampling: - 5 – 6 m - 9 – 10 m - 22 – 23 m - 32 – 33 m - 37 – 38 m - 42 – 43 m - 43 – 44 m - 47 – 48 m - 50 – 51 m - 51 – 52 m - 57 – 58 m Two intervals from hole RC002 were selected for sampling: - 5 – 6 m, - 17 – 18 m. The initial exploration program was undertaken in order to confirm the presence of graphite mineralisation and results are not intended to be used for resource determination. **<u>2015 Field Program</u>** Samples have been taken from Reverse Circulation (RC) drillholes. Reverse circulation drilling was used to collect 1 m samples (roughly 35 kg) by an air cyclone which was reduced to a 3 kg sample by riffling. Drillhole collar locations were generated based on results from a

Criteria	JORC Code Explanation	MUS Commentary
		recently flown airborne EM survey (refer to previous MUS ASX announcements). Three RC drillholes have been drilled to date. Drillhole intervals were selected for sampling based on geological logging and samples showing no clear example of graphite will be excluded from the analysis completed by an accredited laboratory The bagged 3kg samples will be submitted for analysis of graphitic carbon, total carbon and sulphur. . In addition, selected samples will be submitted for flake size distribution analysis. No samples from this phase of works have been submitted to a laboratory for analysis to date. Samples will be submitted in the coming weeks. A single "test pit" 1 metre by 2.4 metres was excavated to a depth of 1.8 metres. The "test pit", which was excavated in close proximity to MORC-002. To date no samples have been collected from the test pit.
Drilling techniques	• *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).*	**2014 Field Program** Reverse circulation drilling was used to drill two 5.5 inch diameter holes. RC drill chips were collected by an air cyclone at 1 m intervals for logging and sampling. Approximately 35 kg per metre was collected and reduced to a 3 kg sample by riffling.

Criteria	JORC Code Explanation	MUS Commentary
		2015 Field Program Reverse circulation drilling was used to drill 5.5 inch diameter holes. RC drill chips were collected by an air cyclone at 1 m intervals for logging and sampling. Approximately 35 kg per metre was collected by an air cyclone which was reduced to a 3 kg sample by riffling. Relfex Ezy shot tools were used to take downhole survey measurements to monitor drillhole azimuth and dip.

Criteria	JORC Code Explanation	MUS Commentary
Drill sample recovery	• *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.*	**2014 Field Program** The condition and qualitative estimates of RC sample recovery were determined through visual inspection of the 1m sample bags and recorded at the time of sampling. A hard copy and digital copy of the sampling log is maintained for data verification. The samples obtained are considered to be representative of the drilled intervals and no preferential loss or gain of fine or coarse material was identified during the initial exploration program. **2015 Field Program** The condition and qualitative estimates of RC sample recovery were determined through visual inspection of the 1m sample bags and recorded at the time of sampling. A hard copy and digital copy of the sampling log are maintained for data verification. Recovery has been good with 35 kg + being returned per metre drilled. Several wet intervals had poor to no sample recovery: • MORC001 the last metre was not recovered due to excess water (102-103 m). • MORC003 three metres in the last 7 metres could not be recovered due to excess water make (70 – 71 m, 72-73m and 76-77 m). Due to the early stage of exploration works at the project, no relationship between sample recovery and grade is known to exist at this point.

Criteria	JORC Code Explanation	MUS Commentary
Logging	• *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.*	**2014 Field Program** RC drillchip samples were geologically logged by trained geologists. The drillholes are considered by MUS to be 'scout test drill holes' and were not drilled for the purpose of Mineral Resource estimation. Logging of RC drill holes includes recording of lithology, mineralogy, mineralisation, weathering, colour and other features of the samples. RC Chip trays are photographed. Geological descriptions of the mineral volume abundances and assemblages are semi-quantitative. The drillholes were logged in full. **2015 Field Program** RC drillchip samples were geologically logged by trained geologists. The drillholes are considered by MUS to be part of a maiden drill program aimed at identifying shallow graphite mineralisation. Mustang will use the results from this maiden program to prioritise target areas, which will then become the focus of further drillhole definition programs. Whilst the aim of this maiden drill program is not to produce a Mineral Resource Estimate. These holes may potentially be used for resource estimation purposes in the future. Logging of RC drill holes includes recording of lithology,

Criteria	JORC Code Explanation	MUS Commentary
		mineralogy, mineralisation, weathering, colour and other features of the samples. RC Chip trays are photographed. Geological descriptions and estimates of visual graphite percentages on preliminary logs is semi-quantitative. All drillholes were logged in full.
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.* • *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* • *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* • *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* • *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.* • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	**<u>2014 Field Program</u>** RC samples were collected on the rig using riffle splitters to reduce the sample mass from 35 kg to 3 kg. Sample preparation of the RC chip samples follows industry best practice in sample preparation involving oven drying (105^{o}C), split (300g) and pulverising to a grind size of 85% passing 75 micron. The sample preparation for RC samples follows industry best practice. The majority of samples were dry, with some wet samples at depth in RC002. No field QC procedures were adopted (i.e. no certified standards or blanks were inserted and no field duplicates were collected). Due to the early nature of the project, nominal 1m composite sampling was undertaken for this phase of the exploration program. **<u>2015 Field Program</u>** RC samples are collected on the rig using riffle splitters to reduce the sample mass from 35 kg to 3 kg. Sample preparation of the RC

Criteria	JORC Code Explanation	MUS Commentary
		chip samples follows industry best practice in sample preparation involving oven drying (105^{o}C), split (300g) and pulverising to a grind size of 85% passing 75 micron. The sample preparation for RC samples follows industry best practice. The majority of samples were dry, with some wet samples at depth in MORC001 and MORC003. Field QC procedures were adopted as follows: • Insertion rate for blanks - 5% (1 in 20) • Insertion rate for standards - 5% (1 in 20) • Insertion rate for duplicates - 5% (1 in 20) • Umpire duplicates - 5% (1 in 20) Two CRM (GGC004 and GGC09) were obtained from Geostats Pty Ltd to monitor analysis of laboratory for graphitic carbon, carbon and sulphur. 1m RC composite sampling has been undertaken for this phase of the exploration program.
Quality of assay data and laboratory tests	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* • *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*	**<u>2014 Field Program</u>** Fourteen samples were analysed by SGS Laboratories in South Africa for Graphitic Carbon and Total Carbon on a Leco Combustion Infrared Detection instrument. In addition, these samples were analysed for multi element abundances (including V_2O_5) by XRF and underwent petrographic thin section analysis to determine graphitic carbon flake size distribution.

Criteria	JORC Code Explanation	MUS Commentary
	their derivation, etc. • *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.*	Two samples were submitted to Set Point Laboratories for analysis of Graphitic Carbon and Total Carbon on a Leco Combustion Infrared Detection instrument, and vanadium by SD/ICP. Samples were also subjected to a size fraction distribution analysis. Detection limits for these analyses are considered appropriate for the reported assay grades and adequate for the phase of the exploration program. No geophysical tools were used to determine any element concentrations. No QC procedures were adopted (i.e. no certified standards or blanks were inserted and no field duplicates were collected). Both SGS and Set Point carried out sample preparation checks for fineness as part of their internal procedures to ensure the grind size of 85% passing 75 micron was being attained. Laboratory QAQC involves the use of internal lab standards using certified reference material, blanks, and repeats as part of their in-house procedures. **2015 Field Program** No samples from this phase of works have been submitted to a laboratory for analysis to date. Samples will be submitted to an accredited Laboratory for analysis of Graphitic Carbon and Total Carbon on a Leco Combustion Infrared Detection instrument. In addition, selected samples will

Criteria	JORC Code Explanation	MUS Commentary
		be submitted for flake size distribution analysis. Samples will be submitted in the coming weeks.
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* • *Discuss any adjustment to assay data.*	**<u>2014 Field Program</u>** Mr. Johan Erasmus, an independent geologist, has visually verified the geological observations reported in the RC drillholes. No twin holes were drilled. Sample information was recorded at the time of sampling in electronic and hard copy form. Data is documented by Mr. Johan Erasmus and primary data is kept in a Microsoft Access database. Assay data is received from the laboratory in electronic form and compiled into the Company's digital database. A copy of the data is stored in Mr. Erasmus' office as well as in Mustang's office in Pretoria, RSA. Assay data was reported as received from the laboratory (refer to MUS ASX announcement dated 10 June 2015). No adjustments or calibrations have been made to any assay data. **<u>2015 Field Program</u>** Mr. Johan Erasmus, an independent geologist, has visually verified the geological observations reported in the RC drillholes.

Criteria	JORC Code Explanation	MUS Commentary
		No twin holes have been drilled to date. Sample information is recorded at the time of sampling in electronic and hard copy form. Data is documented by Mr. Johan Erasmus and primary data is kept in a Microsoft Access database. A copy of the data is stored in Mr. Erasmus' office as well as in Mustang's office in Pretoria, RSA. No assay data has been received for this phase of works.
Location of data points	• *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.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	**2014 Field Program** Collar locations and rockchip sample locations were surveyed with a Garmin 62/64 GPS Device. The Garmin devices typically have an error of +/- 7m. No downhole survey measurements were taken. All spatial data was collected in WGS 84 and the datum used is UTM Zone 37 South. **2015 Field Program** Collar locations were surveyed with a Garmin 64s GPS Device. The Garmin devices typically have an error of +/- 7m. All spatial data was collected in WGS 84 and the datum used is UTM Zone 37 South. A DTM surface was produced by SkyTEM as part of the recent

Criteria	JORC Code Explanation	MUS Commentary
		airborne geophysics program completed by Mustang.
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *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.* • *Whether sample compositing has been applied.*	**<u>2014 Field Program</u>** Two scout test RC drillholes were drilled in prospecting & exploration licences 6527L and 5873L and three rock chip samples were collected from surface outcrops in licences 4661L and 4662L. Drilling data is at the exploration level and data is not considered to be sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure. Drillhole collar information is tabulated in Appendix 1. No sample compositing has applied. **<u>2015 Field Program</u>** RC drillholes were inclined on average at -74 to 78 degrees. Due to the early stage of the exploration program, there is no nominal sample spacing. Drillhole collars have been planned to test EM anomalies. Drilling data is at the exploration level and data is not considered to be sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve

Criteria	JORC Code Explanation	MUS Commentary
		estimation procedure. No sample compositing has been applied. The collar details are tabulated in Appendix 1.
Orientation of data in relation to geological structure	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* • *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.*	**2014 Field Program** RC drillholes were inclined at -60 ^{o} orientated on a bearing of 120^{o} (measured clockwise with North at 0 ^{o}). The orientation of the RC holes was designed based on regional geology interpretations and designed to test the broad stratigraphy. No sampling bias is considered to have been introduced. **2015 Field Program** The orientation of the RC holes were designed based on regional geology interpretations and designed to test the broad stratigraphy. No sampling bias is considered to have been introduced at this early stage of the project.
Sample security	• *The measures taken to ensure sample security.*	**2014 Field Program** Samples were kept in a locked room after collection, and shipped in sealed containers by Mustang to SGS and Set Point Laboratories in South Africa.

Criteria	JORC Code Explanation	MUS Commentary
		Sample residue was retained by SGS and Set Point for safekeeping until further analysis is needed. **<u>2015 Field Program</u>** Samples are stored at the company's field base until laboratory dispatch. Samples will be transported in sealed containers to South Africa for analysis. Any visible signs of tampering will be reported by the laboratory upon sample receipt.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	No external audits have been undertaken for this stage of work.

Section 2 reporting of exploration results

Criteria	Explanation	
Mineral tenement and land tenure status	• *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.*	Mustang's Balama Graphite Project area consists of 6 prospecting & exploration licences covering a total area of 666.64 $km^{2.}$ Mustang has acquired rights to earn majority interests in these licences by acquiring all of the issued capital of Balama Resources Pty Ltd under an agreement with Balama Resources Pty Ltd. Refer to ASX announcement dated 20 October 2014 for full details regarding ownership and earn-in rights. All statutory requirements were acquired prior to exploration work. All licences have been awarded and issued. The Company is not aware of any impediments relating to the licences or the area.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	No prior exploration work done by other parties on the licence areas except for the 1:250,000 geological maps generated by the Government of Mozambique and country wide airborne magnetics and radiometric geophysical surveys flown over the region by the Government of Mozambique.
Geology	• *Deposit type, geological setting and style of mineralisation.*	The area is predominantly underlain by Proterozoic rocks that form a number of gneiss complexes that range from Palaeo to Neoproterozoic in age (Boyd et al., 20 10). The Mustang project area is underlain by metamorphic rocks of the Neoproterozoic Lurio Group within the Xixano Complex (Brice, 2012) in north-eastern Mozambique. The Xixano complex is composed dominantly of mafic to intermediate orthogneiss with intercalations of paragneiss, meta-

Criteria	Explanation	
		arkose, quartzite, tremolite-rich marble and graphitic schist. Graphite rich units are comprised of sequences of metamorphosed carbonaceous pelitic and psammitic (sandstone) sediments within the Proterozoic Mozambique Belt (Brice, 2012). Metamorphic grade is typically amphibolite facies.
Drillhole Information	• *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:* • *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*	Two RC holes were drilled in late 2014 as part of a scout drilling program. Refer to ASX announcement dated 10 June 2015 for further information and results. Information pertaining to drilling completed to date is provided in Appendix 1 and Appendix 2.

Criteria	Explanation	
	why this is the case.	
Data aggregation methods	• *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.*	No weighting averaging techniques have been applied.

Criteria	Explanation	
Relationship between mineralisation widths and intercept lengths	• *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').*	No relationship between mineralisation widths and intercept lengths is known at this stage. Assay grades have been reported and tabulated by sample interval for the 2014 drill program are reported in ASX announcement dated 10 June 2015. No assay grades have been reported as part of the 2015 drilling program.
Diagrams	• *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.*	Appropriate plans and maps are included in the body of the announcement.
Balanced reporting	• *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.*	The report is considered to be balanced. 2014 drilling and rockchip sampling results have been reported in ASX announcement dated 10 June 2015.

Criteria	Explanation	
Other substantive exploration data	• *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.*	Regional geological mapping and regional airborne geophysics (magnetics and radiometrics) have been obtained from the Mozambican Government. In addition Mustang flew airborne geophysics survey (SkyTEM) across 6 of its tenements. The geophysics dataset sets were used to aid in interpretations and plan the 2015 drillhole program collar locations.
Further work	• *The nature and scale of planned further work (e.g 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.*	The drilling of priority targets identified from the SkyTEM survey is ongoing. Results will be announced as they become available.