



# Magnis Resources

L I M I T E D

FOR RELEASE  
8 September 2015

## SPECIAL MINING LICENCE ISSUED FOR THE NACHU GRAPHITE PROJECT

Magnis Resources Limited (ASX:MNS) ("**Magnis**") or the ("**Company**") is pleased to announce that a Special Mining Licence (SML) SML 550/2015 for the Nachu Graphite Project has been granted on the 7<sup>th</sup> September 2015 by the Ministry of Energy and Minerals (MEM) of Tanzania.

The granting of the SML is the key approval for the project and allows the Company to move forward with finalising funding arrangements for the further development of the project. The SML has been granted to Uranex Tanzania Ltd, the 100% owned Tanzanian subsidiary of Magnis.

To receive the grant of the SML, the Company's application was initially assessed by the MEM and then recommended to the Mining Advisory Board (MAB) for its endorsement.

Chairman Frank Poullas commented: "Today is a landmark day for Magnis, receiving a SML for the Nachu Graphite Project and is a significant step towards our goal of production. Today's announcement also allows the Company to finalise project funding."

"I would like to take the opportunity to thank the Minister of Energy and Minerals, the Hon. George Simbachawene, and the officers of the MEM for their support of the project. We would also like to thank the MAB for their approval of the SML and our team in Tanzania for their tireless efforts in achieving this milestone."

"We look forward to concluding our Mineral Development Agreement (MDA) with the Ministry in the near future as the MDA has been taken to the advanced final stages of negotiations."

A SML is a superior licence to a Mining Licence (ML) as it encompasses projects with an investment over US\$100 million. The Company applied for the SML in preference to a standard ML for the following reasons:

1. A SML allows for a larger area to be approved than a ML. A ML is restricted to an area of 10 km<sup>2</sup>. Magnis has been granted an area of approximately 30km<sup>2</sup>.
2. A SML grants tenure for the period of the development or for a maximum period of 25 years. A ML only allows for a 10 year period.
3. A SML is supplemented with a MDA. The MDA is negotiated with the Government and can encompass Government participation, fiscal stability for the life of the project, dispute resolution mechanisms, environmental conditions etc. While a MDA is viewed as an important component of the development, the Company is in final stages of the advanced discussions with the Ministry. The MDA is not a requirement before the commencement of mining activities.



Figure 1: Location of the Nachu Graphite Project

Mr Frank Poullas  
Chairman  
**Magnis Resources Limited**  
+61 (0)2 8397 9888