



Magnis Resources

L I M I T E D

FOR RELEASE
20 October 2015

UNLOCKING VALUE OF NON-CORE ASSETS

Magnis Resources Limited (ASX:MNS) is pleased to update shareholders on its plans for divesting the Company's non-core assets. In recent times, the Board has fielded a number of proposals for its uranium assets and as such will be looking to unlock maximum value for shareholders, as well as maintaining strong focus on its world class graphite project.

The Board is of the opinion that Magnis' current share price attributes minimal value to our non-core assets and shareholders would gain more value through a demerger of the assets into another vehicle with all shares received by Magnis as consideration, being distributed to shareholders via an in specie distribution.

In addition to Magnis' three uranium projects which have a combined Mineral Resource of approximately 44M lbs U₃O₈, there are projects for other commodities within the Company's portfolio which may be included in the divestment.

Chairman Frank Poullas commented: "We believe the best way to unlock value from our non-core assets and create additional value for shareholders is by spinning them off. The uranium spot price is starting to rise and the supply and demand dynamics point to higher uranium prices ahead. The Board believes the time is right for a spin-off and is encouraged by the strong interest shown from parties looking at funding the new vehicle. Furthermore, this enables Magnis to fully focus on developing the world class Nachu graphite project in Tanzania."

Frank Poullas

Chairman

Magnis Resources Limited

+61 (0)2 8397 9888

For further mineral resource estimate details refer to ASX release regarding Mkuju Uranium Project "Maiden Mineral Resource Estimate and Exploration Target Range at Mkuju" 30th April 2012, for Manyoni Uranium Project "Manyoni Resources Increased By 53%" 30th June 2010 or for Thatcher Soak Uranium Project "Thatcher Soak Resource Grade Reassessed – Resulting in an Increase of 46% to 425PPM eU₃O₈" 2nd July 2012.

Information in this report that relates to Mineral Resources, Exploration activities and Exploration results is based on information compiled by Mr Brent Laws, a Competent Person who is a registered member of the Australasian Institute of Mining & Metallurgy. Mr Laws is a full time employee of Magnis Resources Limited and 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 Laws consents to the inclusion of the data in the form and context in which it appears.