



Magnis Resources

L I M I T E D

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FOR RELEASE
29 March 2017

SPECIAL ECONOMIC ZONE LICENCE GRANTED

- **Magnis granted Special Economic Zone Licence for the development of an advanced graphite processing plant in Tanzania**
- **Significant financial benefits involved within the Special Economic Zone**

Magnis Resources Limited ("**Magnis**" or the "**Company**") (ASX:MNS) is pleased to announce the approval to operate within a Special Export Zone (SEZ) in Tanzania which will allow the Company to apply the advanced technologies it has been developing to produce value enhanced graphite products.

Director General of the Export Processing Zones Authority (EPZA) Col (ret'd) J.L Simbakalia commented: "The EPZA voted to grant the SEZ Licence because Magnis has demonstrated through their project development work that they conform to the requirements of the SEZ objectives. Magnis has been identified as the key strategic investor in their sector, and the Company has the full support of the EPZA in their endeavours."

"Magnis is the first mining company to achieve these requirements and the EPZA are especially pleased with their commitment to the development and advancement of Tanzanian Industry, particularly with a technology that has focused on environmentally friendly processes."

Chairman of Magnis Resources Frank Poullas commented: "We have received, and continue to receive, strong support from the Tanzanian government and we are very encouraged to hear that Nachu is a project of significant importance to them."

"I would like to thank our +100 strong team in Tanzania for their hard work and dedication in getting Nachu shovel ready and we look forward to reporting on other project developments and the solid corporate progress Magnis is making."

Background on Special Export Zone

SEZ legislation was introduced in Tanzania in 2006. The legislation provides incentives for companies to create value addition and advance employment and development of Tanzania. SEZ licences are issued by the Minister of Industry and Trade

The SEZ legislation required Magnis to register a separate company in Tanzania to hold the SEZ licence and will be held by Magnis Technologies Tanzania Ltd (MTT). The Company's other subsidiary will continue to operate the mining operations and processing plant to produce a graphite concentrate which will then be sold at commercial rates to MTT. MTT will then use the technology Magnis has developed to produce the final advanced products.

Magnis has been actively developing advanced technologies to produce very high quality graphite products for the last two years and this technology is well suited to the SEZ requirements. Magnis has also been very cognisant of the focus of the Tanzanian government on value enhancement of exports and this SEZ development is a result of our commitment to those objectives.

The SEZ will operate on a section of land which will be excised from the existing SML area and therefore no further land acquisition is required.

Benefits of Special Economic Zone

Key benefits include the exemption from payment of corporate tax for 10 years, the exemption of taxes and duties for machinery, equipment and construction materials for the development of SEZ infrastructure and the exemption from payment of withholding tax on rent, dividends and interest for 10 years.

Frank Poullas

Chairman

Magnis Resources Limited

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