



MOZAMBI
R E S O U R C E S

ASX ANNOUNCEMENT

By e-lodgement

4 November 2015

MOZAMBI TO ACQUIRE ADDITIONAL HIGHLY PROSPECTIVE GRAPHITE TENEMENT IN TANZANIA

Highlights:

- **Mozambi Resources signs a binding Variation of Terms Sheet to acquire one additional highly prospective graphite tenement, increasing the number of tenements held by the Company in the Lindi and Mtwara Regions of South East Tanzania to twelve**
- **Additional application App no/00761 is highly prospective, neighbouring existing graphite prospects Chiwata and Chidya**
- **Both Diamond and RC drilling continuing at Mozambi Resources' major discovery prospect Namangale, with updated results due within one week**

Details:

Mozambi Resources is pleased to announce the acquisition of an additional highly prospective graphite tenement neighbouring existing graphite prospects Chiwata and Chidya.

Under the Terms Sheet signed by Mozambi Resources in September 2015 the Company agreed to acquire four graphite tenements in the Lindi and Mtwara Regions of South East Tanzania, to complement the Company's existing presence of 7 tenements.

Under the provisions of the Terms Sheet, new applications were made by the Company's Tanzanian subsidiary, Nachi Resources Limited, for the grant of new tenements of the same area, commodity and type as the vendors' licences.

All four of these tenements were granted by the Tanzanian Ministry and Energy on 18 September 2015, being PL 10716/2015, PL 10717/2015, PL 10718/2015 and PL 10719/2015.

On 3 November 2015 the Company signed a Variation of Terms Sheet (**Variation**) for the Company or its nominee to acquire one additional graphite tenement in the same region, with an approximate area of 150.04 square kilometres (**Additional Tenement**). **Figure 1** shows the location of all of the Company's graphite tenements, including the new tenement application App no/00761.

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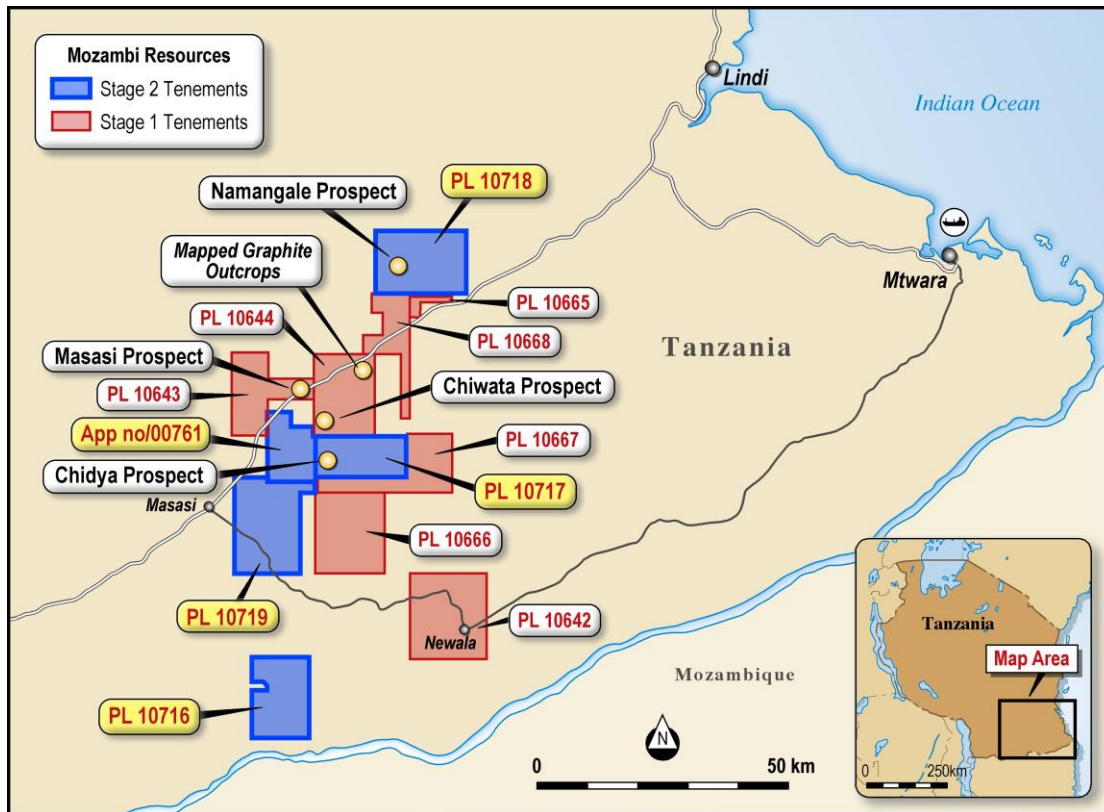


Figure 1 Mozambique's Graphite Footprint in Tanzania

Commenting on the additional tenement, Mozambique Resources Managing Director Alan Armstrong said, "This strategic acquisition further cements our significant presence in what is emerging as one of the world's most attractive coarse flake graphite basins. With well over 2,000 km² to explore, the Company looks forward to the development of several new prospects in the future outside our well known Namangale, Chiwata, Chidya & Masasi Prospects."

The key terms of the Variation are:

1. to include the Additional Tenement as one of the 'New Licences' being acquired by the Company or its nominee under the Terms Sheet; and
2. to vary the purchase consideration specified in the Terms Sheet to include the additional purchase consideration payable to the vendors for the Additional Tenement, namely USD\$10,000 and the issue of 5 million ordinary fully paid shares in the Company to the vendors or their nominees.

The provisions of the Terms Sheet, including Company's exploration obligations, milestone payment and net smelter royalty provisions, apply to the Additional Tenement as one of the New Licences.

A new application has been made by the Company's Tanzanian subsidiary, Nachi Resources Limited, being Prospecting Licence – Industrial Minerals App no/00761 (application date 11 September 2015).

Furthermore, **both Diamond and RC drilling is continuing at Mozambique Resources major discovery prospect Namangale, with updated results due within one week.**

For and on behalf of Mozambique Resources Limited


Alan Armstrong
Mozambique Resources Ltd
 Executive Director

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 01/07/96 Origin: Appendix 5 Amended 01/07/98, 01/09/99, 01/07/00, 30/09/01, 11/03/02, 01/01/03, 24/10/05, 01/08/12

Name of entity

Mozambi Resources Limited

ABN

28 106 353 253

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

- | | | |
|---|--|--|
| 1 | +Class of +securities issued or to be issued | (a) Ordinary fully paid shares (MOZ)
(b) Listed options (MOZO) |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | (a) 40,500,000
(b) 11,750,000 |
| 3 | Principal terms of the +securities (eg, if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | Ordinary fully paid shares (MOZ) - same as existing upon issue

Listed Options (MOZO) - exercise price of 2 cents (\$0.02) and expiry date of 31 December 2017 |

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Appendix 3B
New issue announcement

<p>4 Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?</p> <p>If the additional securities do not rank equally, please state:</p> <ul style="list-style-type: none"> • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment 	<p>Ordinary fully paid shares (MOZ) - Yes</p> <p>Listed Options (MOZ) – Yes</p>
<p>5 Issue price or consideration</p>	<p>a) Pursuant to acquisition of the Tanzanian graphite tenements, as described in ASX announcements dated 22 May 2015, 18 August 2015 and 9 September 2015 and 4 November 2015 (35 million); Settlement of corporate advisory and consulting services (5.5 million shares)</p> <p>b) Free attaching to (a) above for Tanzanian assets (7.5 million options); Settlement of corporate advisory and marketing services (4.25 million options)</p>
<p>6 Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)</p>	<p>Pursuant to acquisition of the Tanzanian graphite tenements, as described in ASX announcements dated 22 May 2015, 18 August 2015 and 9 September 2015 and 4 November 2015 (35 million shares and 7.5 million options); And for corporate advisory, consulting and marketing services (5.5 million shares and 4.25 million options)</p>
<p>6a Is the entity an +eligible entity that has obtained security holder approval under rule 7.1A?</p> <p>If Yes, complete sections 6b – 6h <i>in relation to the +securities the subject of this Appendix 3B</i>, and comply with section 6i</p>	<p>Yes</p>
<p>6b The date the security holder resolution under rule 7.1A was passed</p>	<p>27 November 2014</p>

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6c	Number of +securities issued without security holder approval under rule 7.1	Ordinary fully paid shares (MOZ) – 10,500,000 Listed Options (MOZO) – 4,250,000							
6d	Number of +securities issued with security holder approval under rule 7.1A	Nil							
6e	Number of +securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)	Ordinary fully paid shares (MOZ) – 30,000,000 Listed Options (MOZ) – 7,500,000							
6f	Number of securities issued under an exception in rule 7.2	Nil							
6g	If securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the issue date and both values. Include the source of the VWAP calculation.	N/a							
6h	If securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements	N/a							
6i	Calculate the entity's remaining issue capacity under rule 7.1 and rule 7.1A – complete Annexure 1 and release to ASX Market Announcements	Refer to Annexure 1 below							
7	Dates of entering +securities into uncertificated holdings or despatch of certificates	4 November 2015							
8	Number and +class of all +securities quoted on ASX (including the securities in section 2 if applicable)	<table border="1"> <thead> <tr> <th>Number</th> <th>+Class</th> </tr> </thead> <tbody> <tr> <td>516,523,275</td> <td>Ordinary Shares</td> </tr> <tr> <td>284,356,166</td> <td>Options \$0.02 expiring on or before 31 December 2017 (MOZO)</td> </tr> </tbody> </table>	Number	+Class	516,523,275	Ordinary Shares	284,356,166	Options \$0.02 expiring on or before 31 December 2017 (MOZO)	
Number	+Class								
516,523,275	Ordinary Shares								
284,356,166	Options \$0.02 expiring on or before 31 December 2017 (MOZO)								

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	Number	+Class
9 Number and +class of all +securities not quoted on ASX (including the securities in section 2 if applicable)	13,500,000	Options exercisable at \$0.02 (2 cents) on or before 31 December 2017 (Related Party Options)
	2,200,000	Options exercisable at \$0.25 (25 cents) on or before 30 November 2016
	475,000	Options exercisable at \$0.25 (25 cents) on or before 2 August 2016
	9,000,000	Performance Rights
10 Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	Unchanged	

Part 2 - Bonus issue or pro rata issue

11 Is security holder approval required?	
12 Is the issue renounceable or non-renounceable?	
13 Ratio in which the +securities will be offered	
14 +Class of +securities to which the offer relates	
15 +Record date to determine entitlements	
16 Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	
17 Policy for deciding entitlements in relation to fractions	

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Appendix 3B
New issue announcement

- 18 Names of countries in which the entity has +security holders who will not be sent new issue documents
Note: Security holders must be told how their entitlements are to be dealt with.
Cross reference: rule 7.7.
- 19 Closing date for receipt of acceptances or renunciations
- 20 Names of any underwriters
- 21 Amount of any underwriting fee or commission
- 22 Names of any brokers to the issue
- 23 Fee or commission payable to the broker to the issue
- 24 Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of +security holders
- 25 If the issue is contingent on +security holders' approval, the date of the meeting
- 26 Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled
- 27 If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders
- 28 Date rights trading will begin (if applicable)

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- 29 Date rights trading will end (if applicable)
- 30 How do +security holders sell their entitlements *in full* through a broker?
- 31 **How do +security holders sell *part* of their entitlements through a broker and accept for the balance?**
- 32 **How do +security holders dispose of their entitlements (except by sale through a broker)?**
- 33 +Despatch date

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

- 34 Type of securities
(*tick one*)
- (a) Securities described in Part 1
- (b) All other securities
Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

- 35 If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders

To be provided after completion of rights issue
- 36 If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories

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Appendix 3B
New issue announcement

- 1 - 1,000
- 1,001 - 5,000
- 5,001 - 10,000
- 10,001 - 100,000
- 100,001 and over

To be provided after completion of rights issue

37 A copy of any trust deed for the additional +securities

Entities that have ticked box 34(b)

38 Number of securities for which +quotation is sought

39 Class of +securities for which quotation is sought

40 Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?

If the additional securities do not rank equally, please state:

- the date from which they do
- the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment
- the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment

41 Reason for request for quotation now

Example: In the case of restricted securities, end of restriction period

(if issued upon conversion of another security, clearly identify that other security)

Number	+Class
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42 Number and +class of all +securities quoted on ASX (including the securities in clause 38)

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Quotation agreement

- 1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.
- 2 We warrant the following to ASX.
 - The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
 - There is no reason why those +securities should not be granted +quotation.
 - An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.
Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty
 - Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
 - If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.
- 3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.
- 4 We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.



Sign here: Date: 4 November 2015
(Director/Company secretary)

Print name: Adrien Wing

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Appendix 3B – Annexure 1

Calculation of placement capacity under rule 7.1 and rule 7.1A for eligible entities

Introduced 01/08/12 Amended 04/03/13

Part 1

Rule 7.1 – Issues exceeding 15% of capital	
Step 1: Calculate “A”, the base figure from which the placement capacity is calculated	
Insert number of fully paid +ordinary securities on issue 12 months before the +issue date or date of agreement to issue	212,541,987
<p>Add the following:</p> <ul style="list-style-type: none"> • Number of fully paid +ordinary securities issued in that 12 month period under an exception in rule 7.2 • Number of fully paid +ordinary securities issued in that 12 month period with shareholder approval • Number of partly paid +ordinary securities that became fully paid in that 12 month period <p><i>Note:</i></p> <ul style="list-style-type: none"> • <i>Include only ordinary securities here – other classes of equity securities cannot be added</i> • <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i> 	283,647,955
Subtract the number of fully paid +ordinary securities cancelled during that 12 month period	-
“A”	496,189,942

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Step 2: Calculate 15% of "A"	
"B"	0.15 <i>[Note: this value cannot be changed]</i>
Multiply "A" by 0.15	74,428,491
Step 3: Calculate "C", the amount of placement capacity under rule 7.1 that has already been used	
<p>Insert number of +equity securities issued or agreed to be issued in that 12 month period <i>not counting</i> those issued:</p> <ul style="list-style-type: none"> • Under an exception in rule 7.2 • Under rule 7.1A • With security holder approval under rule 7.1 or rule 7.4 <p><i>Note:</i></p> <ul style="list-style-type: none"> • <i>This applies to equity securities, unless specifically excluded – not just ordinary securities</i> • <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i> 	<ul style="list-style-type: none"> • 5,250,000 shares per Appendix 3B dated 10 August 2015 • 2,625,000 options per Appendix 3B dated 10 August 2015 • 1,041,667 options per Appendix 3B dated 26 October 2015 • 7,083,333 shares per Appendix 3B dated 26 October 2015 • 10,500,000 shares per this Appendix 3B • 4,250,000 options per this Appendix 3B
"C"	29,500,000
Step 4: Subtract "C" from ["A" x "B"] to calculate remaining placement capacity under rule 7.1	
<p>"A" x 0.15</p> <p><i>Note: number must be same as shown in Step 2</i></p>	74,428,491
<p>Subtract "C"</p> <p><i>Note: number must be same as shown in Step 3</i></p>	29,500,000
Total ["A" x 0.15] – "C"	44,928,491 <i>[Note: this is the remaining placement capacity under rule 7.1]</i>

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Part 2

Rule 7.1A – Additional placement capacity for eligible entities	
Step 1: Calculate “A”, the base figure from which the placement capacity is calculated	
“A” <i>Note: number must be same as shown in Step 1 of Part 1</i>	496,189,942
Step 2: Calculate 10% of “A”	
“D”	0.10 <i>Note: this value cannot be changed</i>
Multiply “A” by 0.10	49,618,994
Step 3: Calculate “E”, the amount of placement capacity under rule 7.1A that has already been used	
Insert number of +equity securities issued or agreed to be issued in that 12 month period under rule 7.1A Notes: <ul style="list-style-type: none"> • <i>This applies to equity securities – not just ordinary securities</i> • <i>Include here – if applicable – the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>Do not include equity securities issued under rule 7.1 (they must be dealt with in Part 1), or for which specific security holder approval has been obtained</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i> 	
“E”	-

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Step 4: Subtract "E" from ["A" x "D"] to calculate remaining placement capacity under rule 7.1A	
<p>"A" x 0.10</p> <p><i>Note: number must be same as shown in Step 2</i></p>	<p>49,618,942</p>
<p>Subtract "E"</p> <p><i>Note: number must be same as shown in Step 3</i></p>	<p>-</p>
<p>Total ["A" x 0.10] – "E"</p>	<p style="text-align: center;">49,618,942</p> <p style="text-align: center;"><i>Note: this is the remaining placement capacity under rule 7.1A</i></p>

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MOZAMBI
R E S O U R C E S

4 November 2015

Mozambi Resources Limited

(ASX: MOZ)

To: Australian Securities Exchange Limited

Notice Pursuant to Section 708A(5)(e) of the Corporations Act

Mozambi Resources Limited (the **Company**) gives notice under section 708A(5)(e) of the *Corporations Act 2001* (Cth) as follows:

- (a) On 4 November 2015, the Company issued 40,500,000 fully paid ordinary shares in the Company.
- (b) The shares were issued without disclosure to the investor under Part 6D.2 of the Corporations Act.
- (c) As at the date of this notice the Company has complied with:
 - The provisions of Chapter 2M of the Corporations Act as they apply to the Company; and
 - Section 674 of the Corporation Act.
- (d) As at the date of this notice there is no excluded information required to be disclosed under section 708A(6)(e) of the Corporations Act.

For and on behalf of Mozambi Resources Limited

Adrien Wing
Company Secretary

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