



MOZAMBI

R E S O U R C E S

ASX ANNOUNCEMENT

By e-lodgement
9 December 2015

Super Jumbo Flake Mineralisation Confirmed at Namangale

Highlights:

- **Super Jumbo Flake Mineralisation at the Namangale Prospect with flakes up to 1000 microns identified at Namangale 2 and 3 confirmed by ALS Metallurgy**
- **Graphite flakes mostly liberated at a size fraction between 1mm and 0.5mm and well liberated at a -0.5mm size fraction**
- **ALS Metallurgy will be carrying out numerous metallurgical tests including flake size, milling and floatation test work and total recovery following a crushing process**
- **Diamond core composite samples from the Namangale 1, 2 and 3 prospects currently being processed in South Africa for flake size distribution**
- **Mozambi completed a total of 82 RC holes and 9 diamond holes with metallurgy testing underway in South Africa and Australia**
- **JORC modelling is underway with early modelling showing a substantial size Resource**
- **Excellent infrastructure in place with deep water port 140km from site with electricity, water and sealed roads available**

Introduction

Mozambi Resources Limited (ASX: **MOZ**, "**Mozambi**", "**the Company**") is pleased to announce samples from the Namangale 2 and 3 prospects confirm the presence of Super Jumbo Flake mineralisation up to 1000 microns in size. The graphite samples showed good liberation between 1mm and 0.5mm and were almost totally liberated at 0.5mm as examined through optical microscopy. Individual flakes up to 1000 microns were frequently observed. More detailed test-work is now underway at SGS's Laboratory in South Africa where flake size distribution of diamond core composites is being tested. This will provide a clearer picture of the typical mineralisation from each of the three key prospects within the Nachingwea Project.

Managing Director Alan Armstrong said, "Super Jumbo flake mineralisation has now been confirmed at our Namangale prospects. This is a very pleasing result given the very strong demand from end user groups interested in Jumbo and Super Jumbo flake product".

Figure 1 shows the location of the Nachingwea Project tenements and the main graphite prospects that have been identified to date of the company's tenement package. Mozambique has continued to build on its dominant tenement position in the very well located graphite rich part of Tanzania.

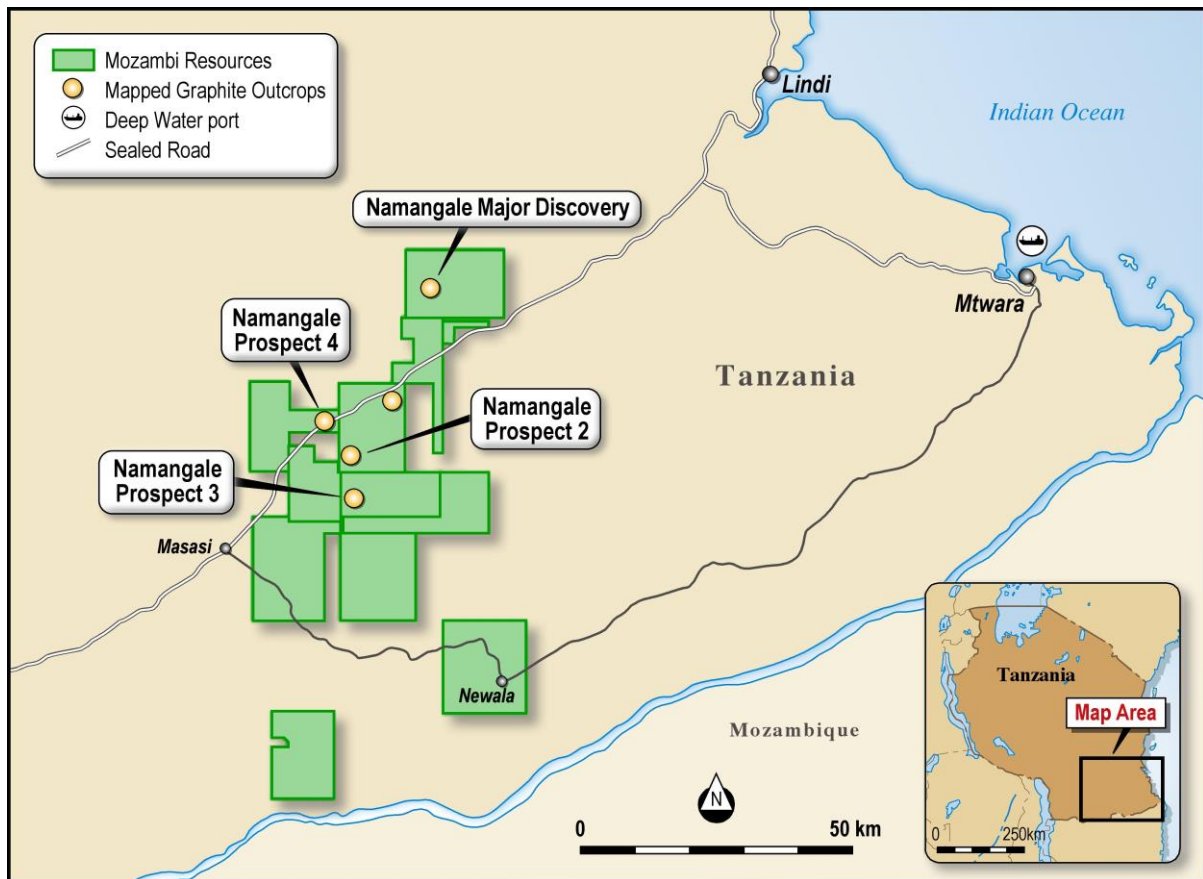


Figure 1 Location of the Nachingwea Project tenements

Results of Optical Microscopy Examination

ALS Metallurgy ("ALS") based in Perth, Western Australia, has examined mineralised samples from the Namangale 2 and 3 prospects that form part of the Nachingwea Project. ALS initially crushed the samples to pass through a 3.35mm screen and then screened through a 1mm and 0.5mm screen. This process created three size fractions which were individually examined. Images of graphite mineralisation from Namangale 2 are shown in Figures 2a-2c and images of graphite mineralisation from Namangale 3 are shown in Figures 3a-3c. The key findings were that the graphite flakes in the larger size fraction were unliberated from the samples from both prospects as can be seen in figures 2a and 3a. Graphite flakes in the 1mm to 0.5mm size fraction were mostly liberated as can be seen in figures 2b and 3b and frequently contained large graphite flakes up to 1000 microns in size. In the sub 0.5mm fraction the graphite flakes were well liberated as can be seen in figures 2c and 3c and frequently contained graphite flakes between 450 microns to 800 microns.

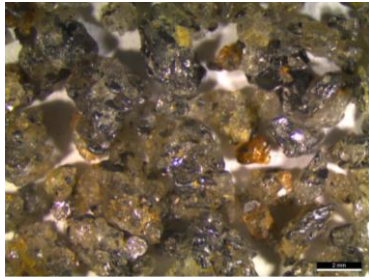


Figure 2a Sample from Namangale 2 showing unliberated graphite flakes

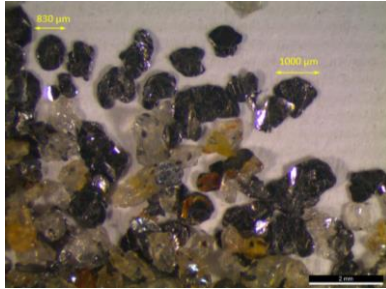


Figure 2b sample from Namangale 2 showing mostly liberated graphite flakes up to 1000 microns in size

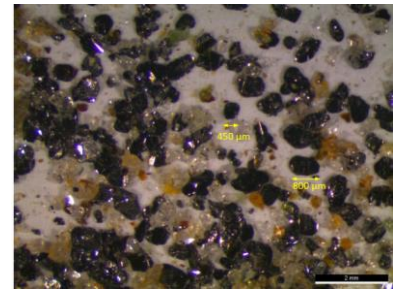


Figure 2c sample from Namangale 2 showing well liberated graphite flakes

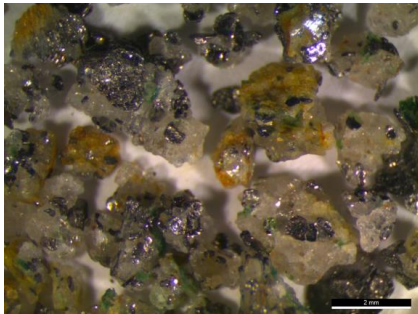


Figure 3a Sample from Namangale 3 showing unliberated graphite flakes

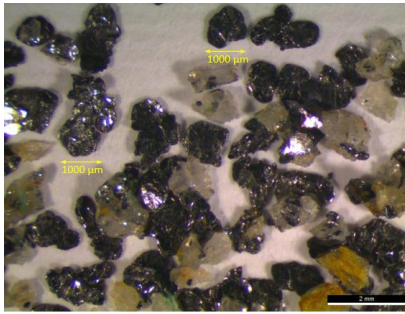


Figure 3b sample from Namangale 3 showing mostly liberated graphite flakes up to 1000 microns in size

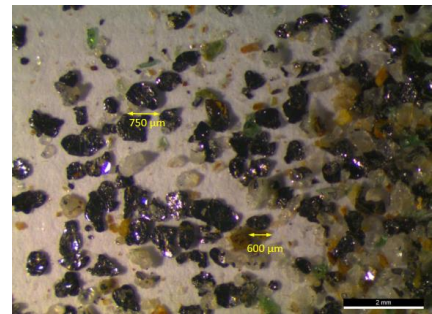


Figure 3c sample from Namangale 3 showing well liberated graphite flakes

Summary of Results and JORC Modelling

Mozambi considers the results highly encouraging and indicates that the Nachingwea Project host Jumbo and Super Jumbo flake mineralisation. This graphite product commands premium prices in the current market and is in high demand from end user groups. The Company is currently undertaking a range of detailed testing on diamond core which is currently being processed at SGS in South Africa and the Company is also moving towards processing a bulk sample of mineralised schist in order to produce samples for more detailed test work.

The company's maiden JORC Resource is on track for completion. Mozambi completed a total of 82 RC holes and 9 diamond holes with metallurgy testing underway in South Africa and Australia. Early JORC modelling is showing the Namangale 1 and 2 as a substantial size deposit. The Company's main focus is now on the end product and in particular supplying jumbo flake graphite to the market. ALS will be carrying out numerous metallurgical tests including flake size, milling and floatation test work and total recovery following a crushing process.

Existing Infrastructure

Mozambi's Nachingwea Project enjoys the benefit of excellent infrastructure, with the deep-water Mtwara Port only 140km from the Namangale Prospect. Power and sealed roads are available 10km from the deposit location. The existing sealed road connects all the way to port. Figure 4 shows the port, which has existing present capacity of 400,000 metric tonnes per annum and could handle up to 750,000 metric tonnes per annum with the same number of berths if additional equipment is put in place for handling containerised trafficⁱ. The port is currently heavily underutilised, with only approximately 34% of its existing capacity being utilisedⁱⁱ.



Figure 4 shows the deep-water Mtwara Port

Conclusion

The Board of Mozambi considers the results to date continue to indicate that the Namangale Prospect is rapidly emerging as a world class graphite deposit. A substantial width of graphite mineralisation has now been defined and it is occurring from surface or near surface on multiple lines over 3.2km in strike length. Further drilling and assay results will be reported as they come to hand.

For and on behalf of Mozambi Resources Limited

A handwritten signature in black ink, appearing to read 'Alan Armstrong'.

Alan Armstrong
Mozambi Resources Ltd
Managing Director

Competent Person

The information in this report that relates to Exploration Targets, Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr Matt Bull, a Competent Person who is a member of Australian Institute of Geoscientists. Mr Bull is a Director of Mozambi Resources. Mr Bull has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Matt Bull consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

ⁱ http://www.tanzaniaports.com/index.php?option=com_content&view=article&id=131&Itemid=290

ⁱⁱ <http://allafrica.com/stories/201407211545.html>

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