



MOZAMBI

R E S O U R C E S

ASX ANNOUNCEMENT

By e-lodgement

10 March 2016

MOZ COMMENCES PRE-FEASIBILITY STUDY (PFS) AT NAMANGALE FLAKE GRAPHITE PROJECT

HIGHLIGHTS

- **Mozambi Resources Limited engages BatteryLimits to produce a PFS on its wholly-owned Namangale Graphite Project**
- **Metallurgical test work has already begun in consultation with BatteryLimits**
- **Stage 1 of PFS to commence immediately**
- **PFS will focus on maximising value from the quality of Mozambi's Jumbo Flake graphite**
- **PFS due for completion in Q4 this year**

INTRODUCTION

Mozambi Resources Ltd (**ASX: MOZ**, "Mozambi" or "the Company") is pleased to announce that it has signed an agreement with specialist Australian project management company BatteryLimits Pty Ltd to deliver a Pre-Feasibility Study on its wholly-owned Namangale Graphite Project in Tanzania.

BatteryLimits will commence work immediately on Stage 1 of a PFS that will inform the more detailed Stage 2 of the PFS. The Stage 1 work will identify and quantify the dynamics of the project, including the favourable location in close proximity to existing infrastructure and the benefits of our exceptional graphite mineralogy.

Metallurgical work has already commenced under guidance from BatteryLimits, with the production of high quality flake concentrates, targeting the lithium-ion battery market, being the Company's key priority. This will be managed through the use of our existing diamond core samples, right through to the completion of the PFS.

Chairman, Stephen Hunt commented:

"Following on from the excellent Jumbo flake size results reported earlier this week, the Board has approved the appointment of BatteryLimits to fast track the PFS. BatteryLimits is highly experienced in the graphite sector and is well known for its work in Tanzania. Furthermore, we believe their culture is a good strategic fit with Mozambi and this will help expedite the process towards a favourable completion. As such, BatteryLimits is very well placed to assess the economic feasibility of our Jumbo flake graphite project."

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ABOUT BATTERYLIMITS

BatteryLimits is a specialist Australian project management and process engineering organisation. They are currently working on projects in Australia, Tanzania, Saudi Arabia and Mexico.

They are arguably the most experienced graphite service provider in Australia in both metallurgical development and in the delivery of feasibility studies. They are currently working on the metallurgical development of four graphite projects and have prepared two full Pre-Feasibility Studies. They are conversant with the graphite industry from ore processing through to downstream concentrate applications, and have proven graphite experience in Tanzania.

In line with their rapidly growing reputation in graphite, BatteryLimits has been selected by Mozambique to fast track the development of the Namangale Graphite Project in Tanzania.

BACKGROUND ON THE NAMANGALE PROJECT

The Namangale Project is one of the largest graphite deposit in Tanzania containing a JORC compliant Inferred Resource of 179Mt @ 5.1% TGC. The project is exceptionally well located in South Eastern Tanzania being 140km from a deep-water port and 10km from sealed roads. Mineralisation at the three drilled deposits, occurs from surface and remains open in all directions. After the completion of the recent capital raising the Company is now fully funded to complete the Pre-Feasibility Study. Mozambique has established a dominant tenement position in the extremely well located graphite rich part of Tanzania.

For and on behalf of Mozambique Resources Limited



Alan Armstrong
Mozambique Resources Ltd
Managing Director