# Mozambi Resources Limited: Exceptional Super Jumbo and Jumbo Flake Graphite Metallurgical Results Continue

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Perth, Australia - Mozambi Resources Ltd. (ASX:MOZ) ("Mozambi", "the Company") is extremely pleased to announce exceptional metallurgical results from both the diamond and RC drilling campaign recently completed, noting Super Jumbo and Jumbo Flake mineralisation at Namangale 1, 2 and 3.

**Highlights:**

- Results from diamond core flake size distribution, RC drilling grade and rock chip flake size distribution now received

- Exceptional flake size results from the first 3 of 9, diamond core holes confirming favourable mass distributions in the premium priced categories of Super Jumbo +600 microns, Jumbo +300 microns and Large +180 microns flake graphite

- Results from flake size distribution testing of graphite schist samples from Namangale 1, 2 and 3 show excellent results including up to 96.6% distribution in the Super Jumbo +500 microns, Jumbo +300 microns and Large +180 microns flake size categories

- RC assay results from Namangale 1 confirm wide intervals of mineralisation, over 3.2km of strike length currently drilled remaining open in all directions

- JORC modelling will be calculated on cut-off grade of 3.0% occurring as coherent zones with a mineralised schist unit with grades up to 16.0% TGC. JORC Resource results are imminent

- Discussions with a number of specialist companies with regards to initiating a Pre-feasibility study (PFS) on the Namangale projects are now underway

- Mozambi is reviewing requests from potential off take partners and end user groups requesting sample product

The results highlighted outstanding distribution of up to 96.6% confirmed in categories of Super Jumbo, Jumbo and Large flake graphite and the RC drilling results auger well for the JORC resource. Initial metallurgical results at all three working areas indicate the graphite is easily liberated from the host rock at a coarse crush size of 1mm. RC drilling results have now been returned and confirm wide intervals of mineralisation over a strike length of 3.2km at Namangale 1 and resource modelling is indicating a substantial graphite resource is present at Namangale. Metallurgical test work of the diamond core is continuing with further results to be released as they come to hand.

Mozambi Chairman, Stephen Hunt commented, "The distribution results confirming Super Jumbo and Jumbo Flake graphite at Namangale deposits 1, 2 & 3 are a tremendous validation of the excitement that the Board has for the Namangale project. These excellent flake size results combined with the consistent mineralisation grade are essential to maximising revenue and enabling the fast tracking of this project into production.

Figure 1 shows the location of the Namangale Project tenements and the main graphite prospects that have been identified to date of the Company's tenement package. Mozambi has continued to build on its dominant tenement position in the world-renowned graphite rich region of Tanzania.

**Namangale Chip Flake Size Distribution Results**

Flake size distribution results from graphite schist samples from the Namangale 1, 2 and 3 deposits have returned exceptional flake size results with up to 37.9% Super Jumbo size of larger than 500µm and low proportions of fine and amorphous graphite. The best result from Namangale 2 returned a flake size distribution of 96.6% in the Large, Jumbo and Superjumbo categories.

**Results of Optical Microscopy Examination**

Further Optical Microscopy results carried out by ALS Metallurgy based in Perth Western Australia from Namangale 1, confirm large flake sizes are present at Namangale 1 and are comparable to previously announced results from Namangale 2 and 3. ALS initially crushed the samples top pass through a 3.35mm screen and then screened the sample through a 1mm and 0.5mm screen. This process created three size fractions, which were individually examined. Images of graphite mineralisation from each of the size fractions are shown in Figures 2a-2c. The key findings were that the graphite flakes in the larger size fraction were unliberated from the host rock. Graphite flakes in the 1mm to 0.5mm size fraction were mostly liberated as can be seen in Figure 2b and frequently contained large graphite flakes up to 1,000 microns in size. In the sub 0.5mm fraction the graphite flakes were well liberated as can be seen in Figure 2c and frequently contained graphite flakes between 450 microns and 800 microns. These results were produced with no chemical processing and indicate mineralisation from this area has the potential to achieve excellent levels of graphite concentration using a low cost flotation separation without crushing to fine particle sizes or using chemical treatments.

**Metallurgical Results from Diamond Core Composites**

Initial mass distribution results from the first 3 diamond core composites have been returned showing high mass proportions in the larger size fractions. The mass fractions are currently being assayed to determine the proportion of graphite contained in each size fraction.

**Results of RC Drilling and JORC Modelling**

The results of RC drilling have now been returned and confirm wide intervals of graphite mineralisation is present over 3,200m in strike length and the deposit remains open in all directions. The results of the RC drilling program are highly encouraging and compare favourably to other large flake graphite deposits in Tanzania. Modelling of the results of the drilling is progressing well and the company expects to be in a position to announce its maiden JORC resource later in January. A table of significant intervals is shown in Appendix 1, while the location of the significant intervals are shown in Figures 3, 4 and 5 in link below.

A total of 82 RC holes for a total of 4,472 metres have now been drilled at the Namangale 1, 2 and 3 prospects. The drilling targeted areas of outcropping graphite schist mineralisation occurring coincident with anomalies identified by ground EM surveys. Drilling was completed using vertical holes into the mineralisation at Namangale 1 and 3 with holes inclined 60 degrees to the south in Namangale 2. After drilling, all three deposits are interpreted to be gently undulating flat lying graphite schist units which accords with both the geological mapping and the results of the three EM surveys covering the deposits. A total of 10 diamond drill holes were also drilled for a total of 535.2m, twinning mineralised RC holes in order to obtain representative samples for metallurgical test work. JORC modelling will be calculated on medium to high grade assays with a 3% cut-off, received noting grades up to 16.0%

Geological maps of the Namangale 1, 2 and 3 deposits can be seen in Figures 3, 4 and 5 in link below showing the location of the metallurgical samples and the drill hole collar locations for both the RC and Diamond drilling completed to date. All three deposits are interpreted to be flat lying with gently undulating folding with varying levels of outcrop.

**Corporate**

Mozambi Resources is reviewing requests from potential off take partners including end-user groups requesting sample product. A number of these requests have now been received and will be carefully reviewed by the Board.

In addition to this, the Company is currently in discussions with a number of specialist companies with regards to initiating a Pre-feasibility study (PFS) on the Namangale projects.

The market will be kept informed of any material developments with regards to these discussions.

**Existing Infrastructure**

Mozambi Resources enjoys 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 9 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.

**Conclusion**

The Board of Mozambi Resources considers the results to date continue to indicate that the Namangale Prospect is rapidly emerging as a potential world class graphite deposit. Wide intervals of graphite schist mineralisation have now been confirmed by drilling over extensive areas and initial metallurgical testing continues to produce excellent results. Mozambi is now focused on completing the Company's maiden JORC Resource and proving up the potential of the project to produce high quality Jumbo and Super Jumbo flake graphite, which continues to attract premium pricing and very strong customer demand.

To view all tables and figures, please visit:
http://media.abnnewswire.net/media/en/docs/81993-ASX-MOZ-20160111.pdf

**About Mozambi Resources Ltd:**

Mozambi Resources Ltd. (ASX:MOZ) is a graphite exploration company listed on the Australian Stock Exchange under the ASX code MOZ. The Company is focused on the exploration and development of its existing exploration licenses in Queensland and Mozambique and the identification of further assets globally which have the potential to add to value to shareholders.

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