

11 June 2014

RENOUNCEABLE RIGHTS ISSUE - CLEANSING NOTICE PURSUANT TO SECTION 708AA(2)(f) OF THE CORPORATIONS ACT 2001

This notice is given by Minbos Resources Limited (ASX: MNB) (**Company**) under section 708AA(2)(f) of the *Corporations Act 2001* (Cth) (**Act**), as notionally modified by ASIC Class Order [08/35] (**Class Order**).

The Company is pleased to announce that it will be offering eligible shareholders the opportunity to acquire additional fully paid ordinary shares in the capital of the Company (**Shares**) via a renounceable rights issue (**Rights Issue**) on the basis of two (2) Shares for every one (1) Share held at 5.00pm (WST) on the record date of 18 June 2014.

Shares under the Rights Issue will be offered at \$0.003 per Share. The maximum number of Shares which may be issued is 584,297,876 to raise up to \$1,752,894.

An Offer Document will be mailed to eligible shareholders on 23 June 2014 together with a personalised Entitlement and Acceptance Form. For informational purposes, a sample copy of this Offer Document has been attached to this notice.

The Company hereby gives notice under section 708AA(2)(f) of the Act that:

- (a) the Company will offer the Shares under the Rights Issue for issue without disclosure to investors under Part 6D.2 of the Act, as notionally modified by the Class Order;
- (b) the Company is providing this notice under section 708AA(2)(f) of the Act, as notionally modified by the Class Order;
- (c) at the date of this notice, the Company has complied with the provisions of Chapter 2M of the Act as they apply to the Company;
- (d) at the date of this notice, the Company has complied with section 674 of the Act;
- (e) at the date of this notice, there is no information that is "excluded information" within the meaning of section 708AA(8) and section 708AA(9) of the Act; and
- (f) the potential effect that the issue of the Shares under the Rights Issue will have on the control of the Company is as follows:

- (i) if all eligible shareholders take up their entitlements under the Rights Issue, the issue of Shares under the Rights Issue will have no effect on the control of the Company and all shareholders will hold the same percentage interest in the Company, subject only to changes resulting from ineligible shareholders being unable to participate in the Rights Issue;
- (ii) in the more likely event that there is a shortfall, eligible shareholders who do not subscribe for their full entitlement of Shares under the Rights Issue and ineligible shareholders unable to participate in the Rights Issue will be diluted relative to those shareholders who subscribe for some or all of their entitlement; and
- (iii) the Company has secured the agreement of a number of creditors who have agreed to apply their debts towards subscription for shares issued under the Shortfall Offer. The Directors will ensure that no person will be issued, through participation in the Shortfall Offer, Shares if such issue will result in their voting power in the Company exceeding 19.9%. Having regard to the number of Shares to be issued under the Rights Issue, even if a substantial shortfall eventuated, a participant in the Shortfall Offer would not be in a position to exercise any substantive control in the Company.

Signed for and on behalf of the Company:

PETER WALL
CHAIRMAN
MINBOS RESOURCES LIMITED

MINBOS RESOURCES LIMITED
ACN 141 175 493

OFFER DOCUMENT

For a renounceable pro rata entitlement issue to Shareholders of two (2) Shares for every one (1) Share held by those Shareholders registered at the Record Date at an issue price of \$0.003 per Share to raise up to \$1,752,894 (**Offer**).

This Offer opens on 23 June 2014 and closes at 5:00pm WST on 2 July 2014. Valid acceptances must be received before that time.

CPS Capital Pty Ltd (AFSL 294848) is the Lead Manager of the Offer.

IMPORTANT NOTICE

This document is not a prospectus and does not contain all of the information that an investor may require in order to make an informed investment decision regarding the Shares offered by this document.

This document and the accompanying Entitlement and Acceptance Form are important and require your immediate attention. They should be read in their entirety. If you do not understand their content or are in doubt as to the course you should follow or have any questions about the Shares being offered by this document, you should consult your stockbroker or other professional adviser.

The Shares offered by this Offer Document should be considered as speculative.

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1. IMPORTANT INFORMATION

No person is authorised to give any information or to make any representation in connection with the Offer which is not contained in this Offer Document. Any information or representation not so contained may not be relied on as having been authorised by the Company in connection with the Offer.

This document is not a prospectus

This Offer Document is dated 11 June 2014, has been prepared by Minbos Resources Limited and is for a rights issue of continuously quoted securities (as defined in the Corporations Act) of the Company. This Offer Document is not a prospectus under the Corporations Act and has not been lodged with the ASIC. It does not contain all of the information that an investor would find in a prospectus or which may be required in order to make an informed investment decision regarding, or about the rights attaching to, the Shares offered by this document.

This Offer Document including each of the documents attached to it and which form part of this Offer Document are important and should be read in their entirety prior to making an investment decision. In particular, Shareholders should refer to the risk factors set out in section 4 of this document. If you do not fully understand this Offer Document or are in any doubt as to how to deal with it, you should consult your professional adviser.

Section 708AA of the Corporations Act

This Offer Document has been prepared in accordance with section 708AA of the Corporations Act and applicable ASIC Class Order CO 08/35. In general terms, section 708AA permits certain companies to undertake rights issues without being required to use or provide to shareholders a prospectus or other disclosure document. Accordingly, the level of disclosure in this Offer Document is significantly less than the level of disclosure required in, and what you would expect in, a prospectus. Eligible Shareholders should rely on their own knowledge of the Company, refer to disclosures made by the Company to ASX and consult their professional advisers before deciding to accept the Offer.

Eligibility

Applications for Shares by Eligible Shareholders can only be made on an original Entitlement and Acceptance Form, as sent with this Offer Document. The Entitlement and Acceptance Form sets out an Eligible Shareholder's Entitlement to participate in the Offer.

Forward-looking statements

This Offer Document contains forward-looking statements which are identified by words such as 'may', 'could', 'believes', 'estimates', 'targets', 'expects', or 'intends' and other similar words that involve risks and uncertainties.

These statements are based on an assessment of present economic and operating conditions, and on a number of assumptions regarding future events and actions that, as at the date of this Offer Document, are expected to take place.

Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of our Company, the Directors and our management.

We cannot and do not give any assurance that the results, performance or

achievements expressed or implied by the forward-looking statements contained in this Offer Document will actually occur and investors are cautioned not to place undue reliance on these forward-looking statements.

We have no intention to update or revise forward-looking statements, or to publish prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained in this Offer Document, except where required by law.

These forward looking statements are subject to various risk factors that could cause our actual results to differ materially from the results expressed or anticipated in these statements. These risk factors are set out in Section 7 of this Offer Document.

Privacy Act

If you complete an Entitlement and Acceptance Form, you will be providing personal information to the Company (directly or by the Company's share registry). The Company collects, holds and uses that information to assess your application, service your needs as a Shareholder, facilitate distribution payments and corporate communications to you as a Shareholder and carry out administration.

The information may also be used from time to time and disclosed to persons inspecting the register, bidders for your securities in the context of takeovers, regulatory bodies, including the Australian Taxation Office, authorised securities brokers, print service providers, mail houses and the Company's share registry.

You can access, correct and update the personal information that we hold about you. Please contact the Company or its share registry if you wish to do so at the relevant contact numbers set out in this Offer Document.

Collection, maintenance and disclosure of certain personal information is governed by legislation including the Privacy Act 1988 (Cth) (as amended), the Corporations Act and certain rules such as the ASX Settlement Operating Rules. You should note that if you do not provide the information required on the Entitlement and Acceptance Form, the Company may not be able to accept or process your application.

2. DETAILS OF THE OFFER

2.1 The Offer

The Offer is being made as a renounceable entitlement offer of two (2) Shares for every one (1) Share held by Shareholders registered at the Record Date at an issue price of \$0.003 per Share. Fractional entitlements will be rounded up to the nearest whole number.

Based on the capital structure of the Company as set out in Section 2.66 of this Offer Document, a maximum of approximately 584,297,876 Shares will be issued pursuant to this Offer to raise up to \$1,752,894.

As at the date of this Offer Document, the Company has 122,483,333 Options on issue all of which may be exercised prior to the Record Date in order to participate in the Offer.

The Company also has various convertible notes on issue. Please refer to sections 2.188 to 2.200 for further information.

All of the Shares offered under this Offer Document will rank equally with the Shares on issue at the date of this Offer Document.

The Directors may at any time decide to withdraw this Offer Document and the offer of Shares made under this Offer Document in which case the Company will return all Application monies (without interest) within 28 days of giving such notice of withdrawal.

2.2 Conversion of Debts and outstanding Creditors

The Company currently has debts (excluding normal creditors) aggregating approximately \$1.32 million to various lenders. Of these, lenders who are owed approximately \$850,000 have either agreed to convert their debts into Shares (and, where applicable options) in accordance with the terms of the convertible note agreements entered into with those parties, or apply the outstanding amounts owing to them in subscription for Shares under the Shortfall Offer.

In addition, certain other third parties that have a debt owing to them in the amount of \$200,000 have agreed to convert their debt into Shares at an issue price of \$0.003 each, subject to the Company's licence(s) in Angola officially being renewed.

Assuming this occurs, there will be approximately \$272,000 owing to one party (who is expected to be paid out from proceeds raised under the Offer).

In addition to the above, the Company has outstanding creditors of approximately \$500,000. These creditors are also anticipated to be paid out of the proceeds of the Offer.

2.3 Use of Funds

The Company intends to apply the funds raised from the Offer towards:

Item of Expenditure	Amount	%
Funds to progress the divestment of the Kanzi Project	\$100,000	6%
Funds to secure the renewal of the Cabinda exploration licences	\$249,000	14%
Australian phosphate exploration	\$20,000	1%
Repayment of Convertible Notes & Finance Fees ¹	\$772,000	44%
Expenses of the Offer ²	\$130,399	7%
General administration and working capital	\$481,495	27%
TOTAL	\$1,752,894	100%

Notes:

1. Refer to Section 2.2 of this Offer Document for further details regarding debt owed to creditors and those creditors agreement to convert that debt to equity in the Company.
2. If less than the full subscription is raised, then the funds will first be applied towards expenses of the Offer, then towards paying outstanding creditors and thereafter are intended to be roughly scaled back proportionately against the items of expenditure set out above.

The above table is a statement of current intentions as of the date of this Offer Document. As with any budget, intervening events (including exploration success or failure) and new circumstances have the potential to affect the manner in which the funds are ultimately applied. The Board reserves the right to alter the way funds are applied on this basis.

2.4 Timetable

Event	Date
Lodgement of Offer Document & Appendix 3B with ASX	11 June 2014
Notice sent to Optionholders	11 June 2014
Notice sent to Shareholders	13 June 2014
Ex date	16 June 2014
Rights start trading	16 June 2014
Record Date for determining Entitlements (5.00pm WST)	18 June 2014
Offer Document sent out to Shareholders & Company announces this has been completed	23 June 2014
Rights stop trading	25 June 2014
Deferred trading commences	26 June 2014
Last day to extend the Offer Closing Date	27 June 2014

Closing Date*	2 July 2014
ASX notified of under subscriptions	7 July 2014
Issue date/Shares entered into Shareholders' security holdings	9 July 2014
Quotation of Shares issued under the Offer*	10 July 2014

*The Directors may extend the Closing Date by giving at least 3 Business Days notice to ASX prior to the Closing Date. As such the date the Shares are expected to commence trading on ASX may vary.

2.5 Entitlements and acceptance

The Entitlement of Eligible Shareholders to participate in the Offer will be determined on the Record Date. Your Entitlement is shown on the Entitlement and Acceptance form accompanying this Offer Document. You may accept for a lesser number of Shares should you wish to take up only part of your Entitlement.

You can also apply for additional Shortfall Shares under the Offer in addition to your Entitlement by completing a Shortfall Application Form which can be obtained by contacting the Company Secretary, Paige Exley, by telephone on +61 8 6102 7724. The Directors reserve the right to issue Shortfall Shares at their absolute discretion. If you are issued a lesser number of Shortfall Shares than you apply for any surplus Application monies will be returned to you.

2.6 Effect on capital structure

The effect of the Offer on the capital structure of the Company, assuming all Entitlements are accepted and no Options are exercised prior to the Record Date, is set out below.

Shares

	Number
Shares currently on issue ¹	292,148,938
Shares offered pursuant to the Offer	584,297,876
Total Shares on issue after completion of the Offer	876,446,814

Notes:

1. The Company has issued convertible notes, as set out below.
 - a. Convertible Security: with a face value of \$200,000 which may be converted at any time at the discretion of the holders. The number of Shares to be issued upon conversion is based on 91% of the average 3 day volume weighted average price (VWAP) during the 20 days immediately prior to receipt of the conversion notice. These Noteholders have agreed to convert their Notes into Shares at an issue price of \$0.003 each, subject to the Company's Angolan licence(s) being renewed.
 - b. CPS Facility Convertible Notes: 22 x convertible notes have been issued under this facility, in 2 tranches, each with a face value of \$25,000, convertible at a price of \$0.003 per Share for the issue of up to 8,333,333 Shares per note plus 8,333,333 free attaching Options, for a maximum of 183,333,333 Shares plus 183,333,333 free attaching Options. See section 2.19 for further details.

- c. Reeves Convertible Notes: 25 x Reeves Convertible Notes have been issued, each with a face value of \$10,000 at a conversion price of \$0.063 per Share to issue a maximum of 3,968,254 Shares. Reeves has confirmed he will apply the amount outstanding under his Notes in subscription for Shares under the Shortfall Offer.
- d. Carter Convertible Notes: 25 x Carter Convertible Notes have been issued, each with a face value of \$10,000 at a conversion price of \$0.063 per Share to issue a maximum of 3,968,254 Shares. These Notes will be repaid from the proceeds of the Offer.

The material terms of these convertible notes are further summarised in Sections 2.18 to 2.20 of this Offer Document.

Options

	Number
Options currently on issue (unquoted):	
Options \$0.25 expiring 30 December 2014	3,000,000
Options \$0.0937 expiring 8 March 2016	1,150,000
Options \$0.01 expiring 30 December 2016	118,333,333
Total Options on issue after completion of the Offer	122,483,333

2.7 Details of substantial holders

As at the date of this Offer Document, those persons which (together with their associates) have a relevant interest in 5% or more of the Shares on issue are set out below:

Shareholder	Shares	%
Brijohn Nominees Pty Ltd ¹	33,827,000	11.58
Pheakes Pty Ltd ²	32,575,000	11.15
Celtic Capital Pty Ltd	28,750,000	9.84
HSBC Custody Nominees (Australia) Limited	12,654,350	9.22
Chikapa Comercio and Industria LDA ³	17,640,000	6.92

Notes:

1. Brijohn Nominees Pty Ltd is a related entity of Mr Black.
2. Pheakes Pty Ltd is a related entity of Mr Wall.
3. Chikapa Comercio and Industria LDA is a related entity of Mr Catulich.

In the event all Entitlements are accepted there will be no change to the substantial holders on completion of the Offer.

2.8 Underwriting

The Offer is not underwritten.

2.9 Lead Manager

CPS Capital Pty Ltd (**Lead Manager**) has been appointed as the Lead Manager to the Offer.

2.10 Shortfall

Any Entitlement not taken up pursuant to the Offer will form the Shortfall Offer.

The Shortfall Offer is a separate offer made pursuant to this Offer Document and will remain open for up to three months following the Closing Date. The issue price for each Share to be issued under the Shortfall Offer shall be \$0.003 being the price at which Shares have been offered under the Offer.

Allocation of the Shortfall Shares is at the absolute discretion of the Directors. Shortfall Shares will only be issued if the Offer is undersubscribed and will only be issued to the extent necessary to make up any shortfall in subscriptions. The Directors reserve the right to reject any application for Shortfall Shares or to issue a lesser number of Shortfall Shares than applied for or not proceed with the issuing of the Shortfall Shares or part thereof. If the number of Shares issued is less than the number applied for in an Entitlement and Acceptance Form or Shortfall Application Form, surplus Application Monies will be refunded in full as soon as practicable after the closing date for the Shortfall Offer.

2.11 Dilution and effect on control of the Company

Shareholders should note that if they do not participate in the Offer, their holdings are likely to be diluted by approximately 66% (as compared to their holdings and number of Shares on issue as at the date of this Offer Document). Examples of how the dilution may impact Shareholders are set out in the table below:

Holder	Holding as at Record date	% at Record Date	Entitlements under the Offer	Holdings if Offer not taken Up	% post Offer
Shareholder 1	10,000,000	3.42%	20,000,000	10,000,000	1.14%
Shareholder 2	5,000,000	1.71%	10,000,000	5,000,000	0.57%
Shareholder 3	1,500,000	0.51%	3,000,000	1,500,000	0.17%
Shareholder 4	400,000	0.14%	800,000	400,000	0.04%
Shareholder 5	50,000	0.02%	100,000	50,000	0.01%
Total	16,950,000		33,900,000	16,950,000	

Notes:

1. Fractional entitlements have been rounded up to the nearest whole number.
2. The dilutionary effect shown in the table is the maximum percentage on the assumption that those Entitlements not accepted are placed under the Shortfall Offer. In the event all Entitlements are not accepted and some or the entire resulting Shortfall was not subsequently placed, the dilution effect for each Shareholder not accepting their Entitlement would be a lesser percentage.

2.12 Directors' Interests and Participation

The relevant interest of each of the Directors in the securities of the Company as at the date of this Offer Document, together with their respective Entitlement, is set out in the table below.

Director	Shares	Options	Entitlement	\$
Peter Wall	33,863,430	25,000,000 ¹	67,726,860	203,180.58
Domingos Catulich	17,640,000	nil	35,280,000	105,840
Damian Black	34,797,000	41,500,000 ²	69,594,000	208,782
William Oliver	51,000	5,000,000 ³	102,000	306

Notes:

1. Unlisted options exercisable at \$0.01 expiring 30 December 2016.
2. Comprising 3,000,000 unlisted options exercisable at \$0.25 expiring 30 December 2014 and 38,500,000 unlisted options exercisable at \$0.01 expiring 30 December 2016.
3. Unlisted options exercisable at \$0.01 expiring 30 December 2016.

2.13 Opening and Closing Dates

The Offer opens on the Opening Date, being 23 June 2014. The Company will accept Entitlement and Acceptance Forms until 5:00 pm WST on the Closing Date, being 2 July 2014 or such other date as the Directors in their absolute discretion shall determine, subject to the Listing Rules.

2.14 Issue

Shares issued pursuant to the Offer will be issued in accordance with the ASX Listing Rules and the timetable set out in this Offer Document.

Shares issued pursuant to the Shortfall Offer will be issued on a progressive basis. Where the number of Shares issued is less than the number applied for, or where no issue is made, surplus application monies will be refunded without any interest to the Applicant as soon as practicable after the closing date of the Shortfall Offer.

Pending the issue of the Shares or payment of refunds pursuant to this Offer Document, all Application monies will be held by the Company in trust for the Applicants in a separate bank account as required by the Corporations Act. The Company, however, will be entitled to retain all interest that accrues on the bank account and each Applicant waives the right to claim interest.

Holding statements for Shares issued under the Offer will be mailed in accordance with the ASX Listing Rules and the timetable set out in this Offer Document and for Shortfall Shares issued under the Shortfall Offer as soon as practicable after their issue.

2.15 ASX listing

Application for official quotation by ASX of the Shares offered pursuant to this Offer Document will be made in accordance with the timetable set out in Section 2.4. If approval is not obtained from ASX before the expiration of 3 months after the date of this Offer Document (or such period as varied by the ASIC) the Company will not issue any Shares and will repay all Application monies for the Shares within the time prescribed under the Corporations Act, without interest.

The fact that ASX may grant official quotation to the Shares is not to be taken in any way as an indication of the merits of the Company or the Shares now offered for subscription.

2.16 Clearing House Electronic Sub-Register System (CHESS) and Issuer Sponsorship

The Company will not be issuing share certificates. The Company is a participant in CHESS, for those investors who have, or wish to have, a sponsoring stockbroker. Investors who do not wish to participate through CHESS will be issuer sponsored by the Company. Because the sub-registers are electronic, ownership of securities can be transferred without having to rely upon paper documentation.

Electronic registers mean that the Company will not be issuing certificates to investors. Instead, investors will be provided with a statement (similar to a bank account statement) that sets out the number of Shares issued to them under this Offer Document. The notice will also advise holders of their Holder Identification Number or Security Holder Reference Number and explain, for future reference, the sale and purchase procedures under CHESS and issuer sponsorship.

Further monthly statements will be provided to holders if there have been any changes in their security holding in the Company during the preceding month.

2.17 Rights and Liabilities Attaching to Shares

The Shares offered under this Offer Document will rank equally in respect of dividends and have the same rights in all other respects (eg voting, bonus issues) as existing Shares.

Full details of the rights and liabilities attaching to Shares are set out in the Company's Constitution, a copy of which is available for inspection at the Company's registered office during normal business hours.

2.18 Rights and Liabilities attached to convertible notes issued pursuant to the Convertible Facility

The key terms of the convertible notes issued pursuant to the Convertible Facility are set out below:

- (a) **(Convertible Security)** the Company has been provided with a \$300,000 convertible security to assist with its working capital requirements, of which \$100,000 has been converted;
- (b) **(Conversion)** the convertible notes can be converted upon the election of the investors;
- (c) **(Conversion Price)** the conversion price will be 91% of the three (3) consecutive daily VWAP per share during the twenty (20) consecutive trading days immediately prior to the conversion notice; and
- (d) **(Automatic Conversion)** in the absence of a prior conversion notice, the notes will automatically convert on the last day of the term, being 7 March 2015.

2.19 Rights and Liabilities attached to convertible notes under the CPS Facility

The key terms of the first \$500,000 worth of convertible notes issued under the CPS Facility, of which \$250,000 have been converted, are set out below:

- (a) **(Facility Limit)** The CPS Facility allows the Company to issue convertible notes up to a face value of \$800,000.
- (b) **(Security)** The convertible notes will be secured against the property of the Company under the terms of a general security deed to be entered into by the Company and the noteholders. The security will be extinguished when the notes convert or are repaid in full.
- (c) **(Conversion Price)**: either:
 - (i) the conversion price will be \$0.01 per Share plus one (1) free attaching option for every Share issued; or
 - (ii) the conversion price will be \$0.003 per Share plus one (1) free attaching option for every Share issued in the event that the Cabinda Joint Venture Licences have not been renewed within 3 months of issue of the relevant convertible notes;
- (d) **(Interest Rate and Fee)** The Company has agreed to pay a flat fee equal to 15% of the face value of the convertible notes payable at the Maturity Date. In addition, so long as an event of default is outstanding, interest will be payable at the rate of 15% per annum on the face value of the convertible notes. The Company received shareholder approval on 14 April 2014 to satisfy this interest in Shares, which have been issued.
- (e) **(Interest Payment Period)** Interest is payable in arrears 5 Business Days after the Maturity Date.
- (f) **(Maturity Date)** The Maturity Date is the first to occur of:
 - (i) the date of conversion of a convertible note; or
 - (ii) if within 3 months from the date of issue of that convertible note the Company has:
 - (A) not raised at least \$2,000,000 pursuant to a future capital raising, 5 months from the date of the issue of that convertible note; or
 - (B) any earlier date on which the Company repays the convertible note in accordance with the convertible note facility.
- (g) **(Redemption)** The Company may not redeem the convertible notes before the Maturity Date, other than in accordance with a noteholder exercising its right to convert.
- (h) **(Redemption Price)** Redemption is at face value (being \$25,000) plus interest accrued (but not paid) to the date of redemption.

- (i) **(Conversion by Noteholders)** Any outstanding convertible notes may be converted into fully paid ordinary shares of the Company at the election of noteholders in respect of the whole face value of each note.
- (j) **(Quotation)** The convertible notes will not be quoted.
- (k) **(Participation)** Prior to conversion, noteholders do not have a right to participate in issues of securities effected by the Company. However, if a bonus share allotment is made by the Company any time subsequent to the issue of the convertible note to a noteholder and prior to the date of conversion, the Company will issue the same class and number of Shares to which the noteholder would have been entitled to as if the conversion had already occurred on the date of actual conversion.
- (l) **(Voting Rights)** Noteholders have no right to vote at a general meeting of the Company except as required by law.

The key terms of any subsequent convertible notes to be issued under the CPS Facility are set out below:

- (m) **(Security)** The convertible notes will be secured against the property of the Company under the terms of a general security deed to be entered into by the Company and Noteholders. The full security will be extinguished when the notes convert or are repaid in full.
- (n) **(Issue Size)** Each convertible note has a face value of \$25,000.
- (o) **(Conversion Price)** Subject to the receipt of prior shareholder approval for the conversion either:
 - (i) the conversion price will be \$0.01 per Share plus one (1) Free Attaching Option for every Share issued; or
 - (ii) the conversion price will be \$0.003 per Share plus one (1) free attaching option for every Share issued in the event that:
 - (A) the Cabinda Joint Venture Licences have not been renewed within 3 months of issued of the relevant convertible notes; or
 - (B) the Company completes an equity raising of at least \$1 million through the issue of shares at 0.3 cents or less within 3 months of the issue of the relevant convertible notes;

In addition, if the Company completes a rights issue that raises more than \$1 million prior to the maturity date and the Cabinda Joint Venture Licences have been renewed, the Notes will be mandatorily converted.

- (p) **(Interest Rate)** 15% simple interest per annum.
- (q) **(Interest Payment Period)** Interest is payable in arrears 5 Business Days after the Maturity Date.
- (r) **(Maturity Date)** The maturity date is the first to occur of:
 - (i) the date of conversion of a convertible note; or

- (ii) 5 months from the date of the issue of that convertible note; or
- (iii) any earlier date on which the Company repays the convertible note in accordance with the Convertible Note Facility.
- (s) **(Redemption)** The Company may not redeem the convertible notes before the Maturity Date, other than in accordance with a Noteholder exercising its right to convert.
- (t) **(Redemption Price)** Redemption is at face value (being \$25,000) plus interest accrued (but not paid) to the date of redemption.
- (u) **(Listing)** The convertible notes will not be listed.
- (v) **(Participation)** Prior to conversion, Noteholders do not have a right to participate in issues of securities effected by the Company. However if a bonus share allotment is made by the Company any time subsequent to the issue of the convertible note to a Noteholder and prior to the date of conversion, the Company will issue the same class and number of Shares to which the Noteholder would have been entitled to as if the conversion had already occurred on the date of actual conversion.
- (w) **(Voting Rights)** Noteholders have no right to vote at a general meeting of the Company except as required by law.

2.20 Rights and Liabilities attached to the Reeves and Carter Convertible Notes

- (a) **(Facility Limit and interest)** The noteholder agreed to loan moneys to the Company, up to the facility limit of \$250,000 and to earn interest upon the amounts advanced at the interest rate of 12% per annum for the Reeves Convertible Notes and at the interest rate of 15% per annum for the Carter Convertible Notes;
- (b) **(Conversion Price)** the conversion price will be \$0.063 per share, subject to clause (i) below;
- (c) **(Establishment Fee)** Drawings made are subject to an establishment fee of 5% of the value of the drawing and is payable by the Company within 2 business days of the funds being advanced to the Company;
- (d) **(Issue)** The Company must issue to the noteholder such number of \$10,000 convertible notes to the value of the drawings within 2 business days of the receipt of amounts advanced;
- (e) **(Repayment)** Nine (9) months from the date of the first drawing, the Company must repay the amount outstanding on the facility and any accrued interest to the noteholder, excluding any amounts satisfied by the conversion of the Notes or the repurchase of the Notes by the Company unless extended.
- (f) **(Satisfaction)** Upon payment of all amounts owing to the noteholder, the obligations of the Company in respect to the Notes, including the Facility will be extinguished;
- (g) **(Reeves Shareholder Approval)** Conversion of the Reeves Notes into Shares in accordance with the Deed is subject to and conditional upon

the Company obtaining Shareholder Approval within 4 months of the Execution Date;

- (h) **(Conversion)** Within 10 business days of receipt of the Conversion Notice the Company will proceed to issue to the noteholder that number of Ordinary Shares as calculated at the Conversion Price;
- (i) **(Alteration)** If and whenever there shall be an alteration to the number of issued Shares as a result of a consolidation, subdivision, bonus issue or reclassification, the Conversion Price shall be adjusted to reflect the alteration to the issued Shares;
- (j) **(Participation)** A Note does not confer any rights to participate in new issues of Ordinary Shares without converting that Note;
- (k) **(Immediately Repayable)** If an event of default occurs, at the discretion of the noteholder, the noteholder may declare that the notes be immediately repaid and/or cancel its obligations under the notes or the deed.
- (l) **(Events of Default)** Each of the following is an Event of Default:
 - (i) Non-payment: the Company fails to pay any amount payable under the deed and is not remedied within 20 business days following the receipt by the Company of a written demand thereof from the noteholder;
 - (ii) Voluntary winding up: the Company passes a resolution for its winding up;
 - (iii) Receiver: a receiver, controller (within the meaning of section 9 of the Corporations Act) or analogous person is appointed to, or the holder of a Security Interest takes possession of all, or any part of the assets of the Company or a subsidiary of the Company;
 - (iv) Insolvency: the Company:
 - (A) suspends payment generally;
 - (B) becomes externally-administered body corporate within the meaning of the Corporations Act;
 - (C) becomes subject to the administration under part 5.3A of Chapter 5 of the Corporations Act, or steps are taken which could reasonably be expected to result in the Company becoming so; or
 - (D) is or states that it is, or is deemed by applicable law to be, unable to pay its debt as and when they fall due.
 - (v) Distress or other execution: the process of any court of authority is invoked against the Company or a material part of its property to enforce any judgement or order for any amount;

- (vi) Change in Control: there is a change in control of the Company or a subsidiary of the Company without the prior written approval of the Related Party.
- (vii) Failure to comply with waiver: if any Event of Default (or occurrence which would otherwise have been or become an Event of Default) is conditionally waived by the Related Party and the Company does not comply with those conditions or those conditions are not fulfilled (whether by the Company or any other person) or are or become incapable of fulfilment; or
- (viii) Provisions void: all or any material provision of any of the Deed:
 - (A) Does not have effect or ceases to have effect in accordance with its terms;
 - (B) Is or becomes void, voidable, illegal, invalid or unenforceable other than by reason of equitable principles or laws affecting creditor's rights generally; or
 - (C) Is claimed by the Company or any other person to be any of the matters referred to in paragraphs A or B, or the Company or any other person commences any court proceedings to establish any of the matters referred to in paragraphs A or B to be the case.

2.21 Overseas Shareholders

This Offer does not, and is not intended to, constitute an offer in any place or jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer or to issue this Offer Document.

It is not practicable for the Company to comply with the securities laws of overseas jurisdictions having regard to the number of overseas Shareholders, the number and value of Shares these Shareholders would be offered and the cost of complying with regulatory requirements in each relevant jurisdiction. Accordingly, the Offer is not being extended and Shares will not be issued to Shareholders with a registered address which is outside Australia or New Zealand.

The Offer is being made in New Zealand pursuant to the Securities act (Overseas Companies) Exemption Notice 2013.

Pursuant to ASX Listing Rule 7.7, the Company has appointed CPS Capital Group Pty Ltd to sell the Entitlements to which Ineligible Shareholders are entitled.

Any interest earned on the proceeds of the sale of these Entitlements will firstly be applied against expenses of such sale, including brokerage, and any balance will accrue to the relevant Ineligible Shareholders as described below.

The net proceeds of the sale of these Entitlements will then be forwarded by the Company as soon as practicable to the Ineligible Shareholders, in proportion to their share of such Entitlements (after deducting brokerage commission and other expenses). If any such net proceeds of sale are less than the reasonable costs that would be incurred by the Company for distributing those proceeds, such proceeds may be retained by the Company.

Notwithstanding that the nominee must sell the Entitlements, Ineligible Shareholders may nevertheless receive no net proceeds if the costs of the sale are greater than the sale proceeds.

Shareholders resident in Australia or New Zealand holding Shares on behalf of persons who are resident overseas are responsible for ensuring that taking up an Entitlement under the Offer does not breach regulations in the relevant overseas jurisdiction. Return of a duly completed Entitlement and Acceptance Form will be taken by the Company to constitute a representation that there has been no breach of those regulations.

2.22 Taxation implications

The Directors do not consider it appropriate to give Shareholders advice regarding the taxation consequences of subscribing for Shares under this Offer Document. The Company, its advisers and its officers do not accept any responsibility or liability for any such taxation consequences to Shareholders.

Shareholders should consult their professional tax adviser in connection with subscribing for Shares under this Offer Document.

2.23 Risk factors

Potential investors should be aware that subscribing for Shares in the Company involves a number of risks. The key risk factors of which investors should be aware are set out in Section 4 of this Offer Document. These risks together with other general risks applicable to all investments in listed securities not specifically referred to, may affect the value of the Shares in the future. Accordingly, an investment in the Company should be considered highly speculative. Investors should consider consulting their professional advisers before deciding whether to apply for Shares pursuant to this Offer Document.

2.24 Continuous disclosure obligations

The Company is a “disclosing entity” (as defined in Section 111AC of the Corporations Act) for the purposes of the Corporations Act and its Shares are enhanced disclosure securities quoted on ASX and, as such, the Company is subject to regular reporting and disclosure obligations under the Corporations Act and the Listing Rules.

Specifically, the Company is required to notify ASX of information about specific events and matters as they arise for the purposes of the ASX making that information available to the securities markets conducted by the ASX. In particular, the Company has an obligation under the ASX Listing Rules (subject to certain exceptions) to notify the ASX immediately of any information of which it is or becomes aware which a reasonable person would expect to have a material effect on the price or value of its securities.

This Offer Document is intended to be read in conjunction with the publicly available information in relation to the Company which has been notified to ASX and does not include information that would be included in a disclosure document or which investors ought to have regard to in deciding whether to subscribe for Shares under the Offer. Investors should therefore have regard to the other publicly available information in relation to the Company before making a decision whether or not to invest.

All announcements made by the Company are available from its website www.minbos.com or the ASX www.asx.com.au.

Additionally, the Company is also required to prepare and lodge with ASIC yearly and half-yearly financial statements accompanied by a directors' statement and report, and an audit report or review. These reports are released to ASX and published on the Company's and the ASX websites.

This Offer Document (including the Entitlement & Acceptance Form) and the contracts that arise from acceptance of the Applications are governed by the laws applicable in Western Australia and each Applicant submits to the non-exclusive jurisdiction of the courts of Western Australia.

2.25 Rights Issue Notice

The Company has lodged with ASX a notice in accordance with section 708AA of the Corporations Act. This notice may be reviewed on the websites of the Company and ASX.

2.26 Enquiries concerning Offer Document

Enquiries concerning the Entitlement and Acceptance Form should be directed to the Company Share Registry, Automic Registry Services, by telephone on 1300 288 664. Enquiries relating to this Offer Document should be directed to the Company Secretary, Paige Exley, by telephone on +61 8 6102 7724.

3. ACTION REQUIRED BY SHAREHOLDERS

3.1 What Eligible Shareholders may do

The number of Shares to which Eligible Shareholders are entitled is shown on the accompanying personalised Entitlement and Acceptance Form. Eligible Shareholders may:

- (a) take up all of their Entitlement (refer to section 3.2(a));
- (b) sell all of their Entitlement on ASX (refer to section 3.2(b));
- (c) take up a proportion of their Entitlement and sell the balance on ASX (refer to section 3.2(c));
- (d) take up a proportion of their Entitlement and allow the balance to lapse (refer to section 3.2(d));
- (e) sell all or a proportion of their Entitlement other than on ASX (refer to section 3.2(e)); or
- (f) allow all or part of their Entitlement lapse (refer to section 3.2(f)).

3.2 How to Accept the Offer

You may participate in the Offer as follows:

- (a) If you wish to accept all of your Entitlement in full:

Applications for Shares under this Offer Document must be made on the Entitlement and Acceptance Form which accompanies this Offer Document or by completing a BPAY® payment, in accordance with the instructions referred to in this Offer Document and on the Entitlement and Acceptance Form. Please read the instructions carefully.

Please complete the Entitlement and Acceptance Form by filling in the details in the spaces provided and attach a cheque for the Application Monies indicated on the Entitlement and Acceptance Form.

Completed Entitlement and Acceptance Forms must be accompanied by a cheque in Australian dollars, crossed "Not Negotiable" and made payable to "Minbos Resources Limited — Entitlement Issue Account" and lodged and received at any time after the issue of this Prospectus and on or before the Closing Date at the Company's Share Registry (by delivery or by post) at:

By delivery Minbos Resources Limited
C/- Automic Registry Services
Level 1, 7 Ventnor Avenue
WEST PERTH WA 6005

By Post Minbos Resources Limited
C/- Automic Registry Services
PO Box 223
WEST PERTH WA 6872

If you wish to pay via BPAY® you must follow the personalised instructions in your Entitlement and Acceptance Form. Make sure that you use the specific Biller Code and unique Customer Reference Number (CRN) on your personalised Entitlement and Acceptance Form. You do not need to return a completed Entitlement and Acceptance Form but are taken to have made the declarations in the Entitlement and Acceptance Form and the representations outlined below in section 3.3. If you have more than one shareholding of Shares and consequently receive more than one Entitlement and Acceptance Form, when taking up your Entitlement in respect of one of those Shareholdings only use the CRN specific to that Shareholding as set out in the applicable Entitlement and Acceptance Form. Do not use the same CRN for more than one of your Shareholdings. This can result in your Application Monies being applied to your Entitlement in respect of only one of your Shareholdings (with the result that any application in respect of your remaining Shareholdings will not be valid).

You should be aware that your own financial institution may implement earlier cut-off times with regard to electronic payment, and you should therefore take this into consideration when making payment. It is your responsibility to ensure that funds submitted through BPAY® are received by 5.00pm (WST) on the Closing Date.

The Company shall not be responsible for any postal or delivery delays or delay in the receipt of the BPAY® payment.

(b) Selling all your Entitlement on ASX:

The Entitlements under the Offer are renounceable which means that all or part of an Eligible Shareholder's rights to subscribe for Shares under the Offer may be traded on ASX. If you wish to sell all of your Entitlement on ASX, provide instructions to your stockbroker regarding the Entitlement you wish to sell on ASX. Trading of Entitlements will commence on ASX on 16 June 2014 and will cease on 25 June 2014.

There is no guarantee that an Eligible Shareholder will be able to sell all or any part of their Entitlement on ASX or that any particular price will be paid for the Entitlements sold on ASX.

(c) Taking up a proportion of your Entitlement and selling the balance on ASX:

If you wish to take up only part of your Entitlement, complete the accompanying personalised Entitlement and Acceptance Form for the number of Shares you wish to take up and follow the steps in section 3.2(a), or make a payment by BPAY in accordance with section 3.5.

Subsequently, provide instructions to your stockbroker regarding the proportion of your Entitlement you wish to sell on ASX.

(d) Taking up a proportion of your Entitlement and allowing the balance to lapse:

If you wish to take up only part of your Entitlement and allow the balance to lapse, complete the accompanying personalised Entitlement and Acceptance Form for the number of Shares you wish to

take up and follow the steps in section 3.2(a). If you take no further action, the balance of your Entitlement will lapse and you will have forfeited any potential benefit to be gained from taking up or selling that part of your Entitlement.

(e) Selling all or a proportion of your Entitlement other than on ASX

You may elect to transfer all or a proportion of your Entitlement to another person other than on ASX. If the purchaser of your Entitlement is an Ineligible Shareholder or a person that would be an Ineligible Shareholder if they were a registered holder of Shares, that purchaser will not be able to take up the Entitlement they have purchased.

If you are a shareholder on the issuer sponsored subregister and you wish to transfer all or a proportion of your Entitlement to another person other than on ASX, forward a completed standard renunciation and transfer form (obtainable from the Share Registry) and the applicable transferee's cheque for the Shares they wish to subscribe for payable to "Minbos Resources Limited – Entitlement Issue Account" and crossed "Not Negotiable" to the Share Registry (by delivery or by post at any time after the issue of this Offer Document and on or before the Closing Date) at the following address:

By delivery Minbos Resources Limited
C/- Automic Registry Services
Level 1, 7 Ventnor Avenue
WEST PERTH WA 6005

By Post Minbos Resources Limited
C/- Automic Registry Services
PO Box 223
WEST PERTH WA 6872

If you wish to transfer all or a proportion of your Entitlement to or from another person on the CHESS subregister you must engage your CHESS controlling participant (usually your stockbroker). If the transferee wants to exercise some or all of the Entitlement, you should follow your stockbroker's instructions as to the most appropriate way to take up the Entitlement on their behalf. The Application Monies for Shares the transferee of the Entitlement wants to acquire must be received by Share Registry in accordance with section 3.2(a).

(f) Allow all or part of your Entitlement to lapse:

Shareholders should be aware that their Entitlement may have value. Entitlement are renounceable, which enable Eligible Shareholders who do not wish to take up part or all of their Entitlement to seek to sell or trade all or some of their Entitlement on ASX.

If you do not wish to accept or trade any part of your Entitlement, you are not obliged to do anything. If you do not take up your Entitlement or dispose of your Entitlement by the Closing Date, the Offer to you will lapse.

(g) If you do not wish to accept all or part of your Entitlement, you are not obliged to do anything.

Your completed Entitlement and Acceptance Form and cheque must reach the Company no later than 5:00pm (WST) on the Closing Date.

Please read the instructions on the Entitlement and Acceptance Form carefully.

3.3 Implications of an acceptance

Returning a completed Entitlement and Acceptance Form or paying any Application monies by BPAY® will be taken to constitute a representation by you that:

- (a) you have received a copy of this Offer Document and the accompanying Entitlement and Acceptance Form, and read them both in their entirety;
- (b) you acknowledge that once the Entitlement and Acceptance Form is returned, or a BPAY® payment instruction is given in relation to any Application monies, the Application may not be varied or withdrawn except as required by law.

3.4 Payment by cheque/bank draft/money order

All cheques must be drawn on an Australian bank or bank draft made payable in Australian currency to "Minbos Resources Limited – Entitlement Issue Account" and crossed "Not Negotiable".

Your completed Entitlement and Acceptance Form and cheque, bank draft or money order must reach the Company's share registry, at one of the addresses listed below, no later than 5.00pm WST on the Closing Date.

By delivery	By Post
Minbos Resources Limited C/- Automic Registry Services Level 1, 7 Ventnor Avenue WEST PERTH WA 6005	Minbos Resources Limited C/- Automic Registry Services PO Box 223 WEST PERTH WA 6872

3.5 Payment by BPAY®

For payment by BPAY®, please follow the instructions on the Entitlement and Acceptance Form. You can only make a payment via BPAY® if you are the holder of an account with an Australian financial institution that supports BPAY® transactions. Please note that should you choose to pay by BPAY® you do not need to submit the Entitlement and Acceptance Form but are taken to have made the declarations on that Entitlement and Acceptance Form.

It is your responsibility to ensure that your BPAY® payment is received by the share registry by no later than 5.00pm WST on the Closing Date. You should be aware that your financial institution may implement earlier cut-off times with regards to electronic payment and you should therefore take this into consideration when making payment. Any Application monies received for more than your entitlement allocation of Shares (only where the amount is \$1.00 or greater) will be refunded. No interest will be paid on any Application monies received or refunded.

4. RISK FACTORS

4.1 Introduction

The Shares offered under this Offer Document are considered highly speculative. An investment in the Company is not risk free and the Directors strongly recommend potential investors to consider the risk factors described below, together with information contained elsewhere in this Offer Document and to consult their professional advisers before deciding whether to apply for Shares pursuant to this Offer Document.

There are specific risks which relate directly to the Company's business. In addition, there are other general risks, many of which are largely beyond the control of the Company and the Directors. The risks identified in this section, or other risk factors, may have a material impact on the financial performance of the Company and the market price of the Shares.

The following is not intended to be an exhaustive list of the risk factors to which the Company is exposed.

4.2 Company specific

(a) Potential for significant dilution

Upon implementation of the Offer, assuming all Entitlements are accepted and no Options are exercised prior to the Record Date the number of Shares in the Company will increase from 292,148,938 currently on issue to 876,446,814. This means that each Share will represent a significantly lower proportion of the ownership of the Company.

It is not possible to predict what the value of the Company or a Share will be following the completion of the Offer being implemented and the Directors do not make any representation as to such matters.

The last trading price of Shares on ASX prior to the Offer Document being lodged of \$0.004 is not a reliable indicator as to the potential trading price of Shares after implementation of the Offer.

(b) Risks with Operating in Angola and the DRC

The Company operates out of both Angola and the Democratic Republic of Congo (**DRC**) which have been the subject to civil unrest in the recent past. The Company believes that although tension has eased, civil and political unrest and an outbreak of hostilities remains a risk in Angola and in the DRC.

Specifically, the DRC continues to be troubled by military conflicts in its north eastern region and has the largest deployment of UN peace keepers in the world stationed in the country. However, the majority of the country is peaceful and the Company's project is located over 2,000km South West of the area of military activity.

The effect of unrest and instability on political, social or economic conditions in Angola and the DRC could result in the impairment of the exploration, development and mining operations of the Company's projects.

There is also a high level of corruption in Angola and the DRC, especially in the extractive industries. This corruption often influences the awarding of contracts or the granting of licenses. Furthermore Angola does not have laws that specifically address corruption, bribery and conflict of interest.

Other possible sovereign risks include, without limitation:

- (i) changes in the terms of the relevant mining statutes and regulations;
- (ii) changes to royalty arrangements;
- (iii) changes to taxation rates and concessions;
- (iv) changes to Government free carry percentages;
- (v) not granting or renewing tenements in a timely and predictable manner;
- (vi) changes in the ability to enforce legal rights; and
- (vii) expropriation of property, licence and contractual rights.

Any of these factors may, in the future, adversely affect the financial performance of the Company and the market price of its Shares.

No assurance can be given regarding the future stability in these or any other country in which the Company may have an interest.

(c) **The Legal Environment in Angola and the DRC**

The Company's projects are located in Angola and the DRC. Both countries are considered to be developing countries and are subject to emerging legal and political systems as compared with the system in place in Australia. This could result in the following risks:

- (i) political difficulties in obtaining effective legal redress in the courts whether in respect of a breach of law or regulation or in an ownership dispute;
- (ii) a higher degree of discretion held by various government officials or agencies;
- (iii) the lack of political or administrative guidance on implementing applicable rules and regulations, particularly in relation to taxation and property rights;
- (iv) inconsistencies or conflicts between and within various laws, regulations, decrees, orders and resolutions; or
- (v) relative inexperience of the judiciary and court in matters affecting the Company.

(d) **Changes in Government Policy**

Adverse changes in government policies or legislation in Angola or the DRC and other jurisdictions in which the Company may operate from time to time affecting foreign ownership of mineral interests, taxation, profit repatriation, royalties, land access, labour relations, and mining and exploration activities may affect the operations of the Company. It is possible that the current system of exploration and mine permitting in Angola or the DRC may change, resulting in impairment of rights and possibly expropriation of the Company's properties without adequate compensation. In addition, there is a possibility that the Company's agreements with governments or joint venture partners may be unenforceable against such parties.

(e) **Lack of Specific Infrastructure**

The Company's projects are located in areas of Angola and the DRC. Generally these areas lack specific infrastructure such as:

- (i) sources of third party supplied power; and
- (ii) sources of third party supplied water.

The lack of availability this infrastructure may affect mining feasibility.

However, the projects are ideally located close to all other major infrastructure including ports. The Projects are located within 50km of the ocean in an area that is heavily populated by oil companies. As such minimal infrastructure is needed to access ports and services and accommodation in the area are excellent.

The Project areas are accessible by road. Roads in the region have recently undergone or are undergoing rebuilding to highway standard and pass through the leases held by the Company.

However, the Company will still be required locate adequate supplies and obtain necessary approvals from national, provincial and regional governments, none of which can be assured.

(f) **Workforce and labour risks**

The skill base of the local labour force in Angola and the DRC is extremely limited. There is a severe shortage of workers with good managerial or technical skills.

HIV/AIDS, malaria and other diseases represent a serious threat to maintaining a skilled workforce in the mining industry throughout Africa. HIV/AIDS, malaria and other diseases are a major healthcare challenge faced by the Company's operations in Angola and the DRC. There can be no assurance that the Company will not lose members of its workforce, workforce man hours or incur increased medical costs which may have a material adverse effect on the Company's operations.

Also given the current high level of activity in the global mining industry, Minbos Resources may be unable to source personnel and equipment to meets its objectives.

(g) **Risk that licences will not be renewed**

In addition to the above risk factors in relation to operations in Angola, Exploitation Licence NR.0006/06/01/L.P./GOV.ANG.MGM/2010 which the Company holds in the Cabinda Province of Angola, validly expired on 20 January 2013. A submission for renewal of the licence was made on time in September 2012 by the Joint Venture (JV) entity Mongo Tando Limited, but to date, a renewal of the licence has not been forthcoming.

The Angolan Government is processing the licence renewal under the new Angolan Mining Code and the Board of Minbos has no reason to believe that the licence will not be granted nor that the licence approval process is not progressing.

However, until the licence is renewed, there remains a risk that the licence will not be renewed.

(h) **Operating Risks**

The operations of the Company may be affected by various factors, including failure to locate or identify mineral deposits, failure to achieve predicted grades in exploration and mining, operational and technical difficulties encountered in mining, difficulties in commissioning and operating plant and equipment, mechanical failure or plant breakdown, unanticipated metallurgical problems which may affect extraction costs, adverse weather conditions, industrial and environmental accidents, industrial disputes and unexpected shortages or increases in the costs of consumables, spare parts, plant and equipment.

(i) **Resource Estimates**

Resource estimates are expressions of judgement based on knowledge, experience and industry practice. Estimates which were valid when originally calculated may alter significantly when new information or techniques become available. In addition, by their very nature, resource estimates are imprecise and depend to some extent on interpretations, which may prove to be inaccurate. As further information becomes available through additional fieldwork and analysis, the estimates are likely to change. This may result in alterations to development and mining plans which may, in turn, adversely affect the Company's operations.

(j) **Commodity Price Volatility and Exchange Rate Risks**

If the Company achieves success leading to mineral production, the revenue it will derive through the sale of phosphate rock and potential later sales of phosphoric acid, (DAP) and (MAP), exposes the potential income of the Company to commodity price and exchange rate risks. Commodity prices fluctuate and are affected by many factors beyond the control of the Company. Such factors include supply and demand fluctuations for precious and base metals, technological advancements, forward selling activities and other macro-economic factors.

(k) **Environmental Risks**

The operations and proposed activities of the Company are subject to the laws and regulations of Angola and the DRC concerning the environment. As with most exploration projects and mining operations, the Company's activities are expected to have an impact on the environment, particularly if advanced exploration or mine development proceeds. It is the Company's intention to conduct its activities to the highest standard of environmental obligation, including compliance with all environmental laws.

4.3 General Risks

(a) **Economic**

General economic conditions, movements in interest and inflation rates and currency exchange rates may have an adverse effect on the Company's exploration, development and production activities, as well as on its ability to fund those activities.

(b) **Market conditions**

Share market conditions may affect the value of the Company's quoted securities regardless of the Company's operating performance. Share market conditions are affected by many factors such as:

- general economic outlook;
- introduction of tax reform or other new legislation;
- interest rates and inflation rates;
- changes in investor sentiment toward particular market sectors;
- the demand for, and supply of, capital; and
- terrorism or other hostilities.

The market price of securities can fall as well as rise and may be subject to varied and unpredictable influences on the market for equities in general and resource exploration stocks in particular. Neither the Company nor the Directors warrant the future performance of the Company or any return on an investment in the Company.

(c) **Additional requirements for capital**

The Company's capital requirements depend on numerous factors. Depending on the Company's ability to generate income from its operations, the Company may require further financing in addition to amounts raised under the Offer. Any additional equity financing will dilute shareholdings, and debt financing, if available, may involve restrictions on financing and operating activities. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations and scale back its exploration programmes as the case may be. There is however no guarantee that the Company will be able to secure any additional funding or be able to secure funding on terms favourable to the Company.

(d) **Dividends**

Any future determination as to the payment of dividends by the Company will be at the discretion of the Directors and will depend on the financial condition of the Company, future capital requirements and general business and other factors considered relevant by the Directors. No assurance in relation to the payment of dividends or franking credits attaching to dividends can be given by the Company.

(e) **Taxation**

The acquisition and disposal of Shares will have tax consequences, which will differ depending on the individual financial affairs of each investor. All potential investors in the Company are urged to obtain independent financial advice about the consequences of acquiring Shares from a taxation viewpoint and generally.

To the maximum extent permitted by law, the Company, its officers and each of their respective advisors accept no liability and responsibility with respect to the taxation consequences of subscribing for Shares under this Offer Document.

(f) **Reliance on key personnel**

The responsibility of overseeing the day-to-day operations and the strategic management of the Company depends substantially on its senior management and its key personnel. There can be no assurance given that there will be no detrimental impact on the Company if one or more of these employees cease their employment.

4.4 Investment Speculative

The above list of risk factors ought not to be taken as exhaustive of the risks faced by the Company or by investors in the Company. The above factors, and others not specifically referred to above, may in the future materially affect the financial performance of the Company and the value of the Shares offered under this Offer Document.

Therefore, the Shares to be issued pursuant to this Offer Document carry no guarantee with respect to the payment of dividends, returns of capital or the market value of those Shares.

Potential investors should consider that the investment in the Company is speculative and should consult their professional advisers before deciding whether to apply for Shares pursuant to this Offer Document.

5. DEFINED TERMS

\$ means the lawful currency of the Commonwealth of Australia.

Applicant means a Shareholder who applies for Shares pursuant to the Offer or a Shareholder or other party who applies for Shortfall Shares pursuant to the Shortfall Offer.

Application Form means an Entitlement and Acceptance Form or Shortfall Application Form as the context requires.

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited (ACN 008 624 691) or the financial market operated by it as the context requires.

ASX Listing Rules means the listing rules of the ASX.

ASX Settlement Operating Rules means the settlement rules of the securities clearing house which operates CHESS.

Board means the board of Directors unless the context indicates otherwise.

Business Day means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day and any other day that ASX declares is not a business day.

Closing Date means the date specified in the timetable set out at the commencement of this Offer Document (unless extended).

Company means Minbos Resources Limited (ACN 141 175 493).

Constitution means the constitution of the Company as at the date of this Offer Document.

Corporations Act means the Corporations Act 2001 (Cth).

Directors means the directors of the Company as at the date of this Offer Document.

Entitlement means the entitlement of a Shareholder who is eligible to participate in the Offer.

Entitlement and Acceptance Form means the entitlement and acceptance form either attached to or accompanying this Offer Document.

Convertible Facility means the Share Purchase and Convertible Security Agreement between the Company and the Australian Special Opportunity Fund on or around 7 March 2013 as amended and assigned as per a Deed of Assignment dated 18 March 2014.

Nominee means CPS Capital Group Pty Ltd.

Offer means the renounceable entitlement issue the subject of this Offer Document.

Official Quotation means official quotation on ASX.

Option means an option to acquire a Share.

Optionholder means a holder of an Option.

Record Date means the date specified in the timetable set out at the commencement of this Offer Document.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a holder of a Share.

Shortfall means the Shares not applied for under the Offer (if any).

Shortfall Application Form means the shortfall application form either attached to or accompanying this Offer Document.

Shortfall Offer means the offer of the Shortfall on the terms and conditions set out in Section 2.100 of this Offer Document.

Shortfall Shares means those Shares issued pursuant to the Shortfall.

VWAP means volume weighted average price.

WST means Western Standard Time as observed in Perth, Western Australia.