

# MINBOS RESOURCES LIMITED

## ACN 141 175 493

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## PROSPECTUS

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For offers of:

- (a) up to 44,375,000 Placement Options, on the basis of one (1) new Option for every two (2) Shares subscribed for and issued to subscribers under the Placement (**Placement Options Offer**);
- (b) up to 1,250,000 Director Placement Options to Directors who participated in the Placement (or their nominee/s) (**Director Placement Options Offer**);
- (c) up to 20,000,000 Lead Manager Options to CPS Capital Group Pty Ltd (or its nominee/s) (**Lead Manager Offer**);
- (d) up to 1,562,500 Adviser Options to S3 Consortium Pty Ltd (or its nominee/s) (**Adviser Options Offer**); and
- (e) up to 12,000,000 Related Party Options to Messrs Paul McKenzie, Graeme Robertson and Valentine Chitalu (or their nominees) (**Related Party Options Offer**),

together, the **Offers**.

The issue of the Placement Options, Director Placement Options, Lead Manager Options, Adviser Options and Related Party Options were all subject Shareholder approval at the Company's general meeting held on 7 April 2021 (**General Meeting**). Shareholder approval was obtained for all resolutions put to Shareholders at the General Meeting.

### IMPORTANT NOTICE

This document is important and should be read in its entirety. If after reading this Prospectus you have any questions about the securities being offered under this Prospectus or any other matter, then you should consult your stockbroker, accountant or other professional adviser.

The Options offered by this Prospectus should be considered as speculative.

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## 1. CORPORATE DIRECTORY

### Directors

Mr Peter Wall  
*Non-Executive Chairman*

Ms Dganit Baldar  
*Non-Executive Director*

Mr Graeme Robertson  
*Non-Executive Director*

Mr Valentine Chitalu  
*Non-Executive Director*

Mr Paul McKenzie  
*Non-Executive Director*

### Company Secretary

Ms Ashley Lim

### Share Registry\*

Automic Share Registry  
Level 2  
267 St Georges Terrace  
PERTH WA 6000

Telephone  
1300 288 664 (Local)  
+61 2 9698 5414 (International)

### Registered Office

Unit 1  
245 Churchill Avenue  
SUBIACO WA 6008

Telephone: +61 8 6270 4610  
Email: info@minbos.com  
Website: www.minbos.com

### ASX Code

MNB

### Lawyers

Steinepreis Paganin  
Lawyers and Consultants  
Level 4  
The Read Buildings  
16 Milligan Street  
PERTH WA 6000

### Auditors\*

BDO Audit (WA) Pty Ltd  
38 Station Street  
SUBIACO WA 6008

\* These entities have not been involved in the preparation of this Prospectus and have not consented to being named in this Prospectus. Their names are included for information purposes only.

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## **2. TIMETABLE AND IMPORTANT NOTES**

### **2.1 Timetable\***

Lodgement of Prospectus with the ASIC	23 April 2021
Lodgement of Prospectus with ASX	23 April 2021
Opening Date	23 April 2021
Closing Date	28 April 2021
Issue of Options	30 April 2021
Lodgement of Appendix 2A and Quotation of relevant Options issued under the Offers	30 April 2021

\* The above dates are indicative only and may change without notice. The Directors reserve the right to vary these dates, including the Closing Date, without notice.

### **2.2 Important Notes**

This Prospectus is dated 23 April 2021 and was lodged with the ASIC on that date. The ASIC, ASX and each of their respective officers take no responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates.

No Options may be issued on the basis of this Prospectus later than 13 months after the date of this Prospectus.

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

It is important that investors read this Prospectus in its entirety and seek professional advice where necessary. The Options the subject of this Prospectus should be considered highly speculative.

Applications for Options offered pursuant to this Prospectus can only be submitted on an original Application Form.

This Prospectus is a transaction specific prospectus for the offers of continuously quoted securities (as defined in the Corporations Act) and has been prepared in accordance with section 713 of the Corporations Act. It does not contain the same level of disclosure as an initial public offering prospectus. In making representations in this Prospectus regard has been had to the fact that the Company is a disclosing entity for the purposes of the Corporations Act and certain matters may reasonably be expected to be known to investors and professional advisers whom potential investors may consult.

### **2.3 Risk factors**

Potential investors should be aware that subscribing for Options in the Company involves a number of risks. The key risk factors of which investors should be aware are set out in Section 6. These risks together with other general risks applicable to all investments in listed securities not specifically referred to, may affect the value of the Options 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 Options pursuant to this Prospectus.

## **2.4 Forward-looking statements**

This Prospectus 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 Prospectus, 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.

The Company cannot and do not give any assurance that the results, performance or achievements expressed or implied by the forward-looking statements contained in this prospectus will actually occur and investors are cautioned not to place undue reliance on these forward-looking statements.

The Company has 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 prospectus, 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 6.

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### 3. DETAILS OF THE OFFERS

#### 3.1 Background to the Placement

As announced on 18 February 2021, the Company is currently undertaking a placement to sophisticated and professional investors of up to 91,250,000 fully paid ordinary shares in the capital of the Company (**Shares**) at an issue price of \$0.08 per Share (**Placement Shares**) to raise up to \$7,300,000, together with one (1) free attaching Option for every two (2) Shares subscribed for and issued (**Placement**). The Placement is being conducted as follows:

- (a) 88,750,000 Placement Shares, which were issued on 26 February 2021, comprising:
  - (i) 52,948,684 Shares issued pursuant to the Company's existing placement capacity under Listing Rule 7.1; and
  - (ii) 35,801,316 Shares issued pursuant to the Company's placement capacity under Listing Rule 7.1A;
- (b) 44,375,000 free attaching Options (**Placement Options**), which will be issued with Shareholder approval obtained at the General Meeting; and
- (c) as approved by Shareholders at the General Meeting, Messrs Peter Wall, Paul McKenzie and Graeme Robertson (or their nominees) are participating in the Placement for a total of AU\$200,000 (being 2,500,000 Shares and 1,250,000 free-attaching Options).

Funds raised from the Placement will be used for working capital requirements and to further Definitive Feasibility Study (**DFS**) activities for the Cabinda Phosphate project, Angola.

#### 3.2 Placement Options Offer

By the Placement Options Offer under this Prospectus, the Company offers, for nil cash consideration, up to 44,375,000 free-attaching Options on the basis of one (1) free-attaching Option for every two (2) Shares subscribed for by subscribers under the Placement.

No funds will be raised from the issue of Placement Options pursuant to the Placement Options Offer.

Only participants in the Placement Options Offer will be eligible to apply for Placement Options under the Placement Options Offer. Accordingly, the Placement Options Offer will only be extended to specific parties on invitation from the Directors and the Placement Options Offer Application Form will be provided by the Company to these parties only.

As stated above, the issue of the Placement Options were subject to Shareholder approval at the General Meeting. Shareholders approved the issue of the Placement Options at the General Meeting.

The Placement Options will be issued on the terms and conditions set out in Section 5.1.

### **3.3 Lead Manager Offer**

CPS Capital acted as Lead Manager to the Placement and, as part consideration for its services, the Company agreed to issue up to 20,000,000 Options to CPS Capital (or its nominee/s) (**Lead Manager Offer**). The issue of Lead Manager Options was subject to Shareholder approval at the General Meeting. Shareholders approved the issue of the Lead Manager Options at the General Meeting.

The terms and conditions of the Lead Manager Options offered under this Prospectus are set out in Section 5.1 of this Prospectus.

All of the Shares issued upon the future exercise of the Lead Manager Options offered under this Prospectus will rank equally with the Shares on issue at the date of this Prospectus. Please refer to Section 5.3 for further information regarding the rights and liabilities attaching to the Shares.

### **3.4 Director Placement Options Offer**

By the Director Placement Options Offer under this Prospectus, the Company offers, for nil cash consideration, up to 1,250,000 free-attaching Options on the basis of one (1) free-attaching Option for every two (2) Shares subscribed for by the Directors under the Placement.

The issue of Director Placement Options was subject to Shareholder approval at the General Meeting. Shareholders approved the issue of the Director Placement Options at the General Meeting.

The terms and conditions of the Director Placement Options Offer offered under this Prospectus are set out in Section 5.1 of this Prospectus.

All of the Shares issued upon the future exercise of the Director Placement Options Offer offered under this Prospectus will rank equally with the Shares on issue at the date of this Prospectus. Please refer to Section 5.3 for further information regarding the rights and liabilities attaching to the Shares.

### **3.5 Adviser Offer**

The Adviser Options Offer is an offer of 1,562,500 Options for nil cash consideration to S3 Consortium (or its nominee) in part consideration for marketing services provided by S3 Consortium to the Company.

No funds will be raised from the issue of Options pursuant to the Adviser Offer as the Options are being issued in part consideration for services provided by S3 Consortium (or its nominee).

The issue of Adviser Options was subject to Shareholder approval at the General Meeting. Shareholders approved the issue of the Adviser Options at the General Meeting.

The terms and conditions of the Adviser Options Offer offered under this Prospectus are set out in Section 5.1 of this Prospectus.

All of the Shares issued upon the future exercise of the Adviser Options Offer offered under this Prospectus will rank equally with the Shares on issue at the date of this Prospectus. Please refer to Section 5.3 for further information regarding the rights and liabilities attaching to the Shares.

**3.6 Related Party Options Offer**

The Company has agreed, subject to obtaining Shareholder approval at the General Meeting, to issue up to an aggregate of 12,000,000 Options (**Related Party Options**) to Messrs Paul McKenzie, Graeme Robertson and Valentine Chitalu (or their nominees) (**Related Parties**) pursuant to the Company’s Incentive Option Plan (**Related Party Options Offer**).

No funds will be raised from the issue of Related Party Options as the Options are being issued to incentivise the Related Parties and align the interests of the Related Parties with those of Shareholders.

The issue of Related Party Options was subject to Shareholder approval at the General Meeting. Shareholders approved the issue of the Related Party Options at the General Meeting.

The terms and conditions of the Related Party Options Offer offered under this Prospectus are set out in Section 5.2 of this Prospectus.

All of the Shares issued upon the future exercise of the Related Party Options Offer offered under this Prospectus will rank equally with the Shares on issue at the date of this Prospectus. Please refer to Section 5.3 for further information regarding the rights and liabilities attaching to the Shares.

**3.7 Minimum subscription**

There is no minimum subscription.

**3.8 Applications for Options**

Securities	Application Process
<b>Placement Options</b>	Applications for Placement Options must be made by the Placement participants and must be made using the relevant Placement Options Application Form accompanying this Prospectus.
<b>Lead Manager Options</b>	Applications for Lead Manager Options must be made by CPS Capital (or its nominee) and must be made using the relevant Lead Manager Options Application Form accompanying this Prospectus.
<b>Director Placement Options</b>	Applications for Director Placement Options must be made by the Directors who participated in the Placement and must be made using the Director Placement Options Application Form accompanying this Prospectus.
<b>Adviser Options</b>	Applications for Adviser Options must be made by S3 Consortium (or its nominee) and must be made using the Adviser Option Application Form accompanying this Prospectus.
<b>Related Party Options</b>	Applications for Related Party Options must be made by the Related Parties (or their nominees) and must be made using the Related Party Options Application Form accompanying this Prospectus.

By completing an Application Form, Applicants will be taken to have declared that all details and statements made by them are complete and accurate and that they have personally received the Application Form together with a complete and unaltered copy of the Prospectus.

Completed Application Forms must be mailed or delivered to the address set out on the Application Form, with sufficient time to be received by or on behalf of the Company by **no later than 5:00 pm (WST) on the Closing Date**.



If you require assistance in completing an Application Form, please contact the Share Registry on 1300 288 664 or Ms Ashley Lim, Company Secretary, on +61 8 6270 4610.

### **3.9 ASX listing**

Application for Official Quotation of the Placement Options, Director Placement Options, Lead Manager Options and the Adviser Options offered pursuant to this Prospectus will be made by the release of an Appendix 2A in accordance with the timetable set out at the commencement of this Prospectus. If ASX does not grant Official Quotation of the Options offered pursuant to this Prospectus before the expiration of 3 months after the date of issue of the Prospectus, (or such period as varied by the ASIC), the Company will not issue any Options and will repay all application monies for the Options within the time prescribed under the Corporations Act, without interest.

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

The Company will not apply for Official Quotation of the Related Party Options.

### **3.10 Issue**

Options issued pursuant to the Offers will be allotted in accordance with the ASX Listing Rules and timetable set out at the commencement of this Prospectus.

Holding statements for Options issued under the Offers will be mailed in accordance with the ASX Listing Rules and timetable set out at the commencement of this Prospectus.

### **3.11 Overseas shareholders**

These Offers do not, and are not intended to, constitute offers in any place or jurisdiction in which, or to any person to whom, it would not be lawful to make such offers or to issue this Prospectus. The Offers are not being extended and Options will not be issued to Shareholders with a registered address which is outside Australia, Singapore or the United Kingdom.

#### **Singapore**

This document and any other materials relating to the Securities have not been, and will not be, lodged or registered as a prospectus in Singapore with the Monetary Authority of Singapore. Accordingly, this document and any other document or materials in connection with the offer or sale, or invitation for subscription or purchase, of Securities, may not be issued, circulated or distributed, nor may the Securities be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore except pursuant to and in accordance with exemptions in Subdivision (4) Division 1, Part XIII of the Securities and Futures Act, Chapter 289 of Singapore (**SFA**), or as otherwise pursuant to, and in accordance with the conditions of any other applicable provisions of the SFA.

This document has been given to you on the basis that you are (i) an existing holder of Securities, (ii) an "institutional investor" (as defined in the SFA) or (iii) a "relevant person" (as defined in section 275(2) of the SFA). In the event that you are not an investor falling within any of the categories set out above, please return

this document immediately. You may not forward or circulate this document to any other person in Singapore.

Any offer is not made to you with a view to the Securities being subsequently offered for sale to any other party. There are on-sale restrictions in Singapore that may be applicable to investors who acquire Securities. As such, investors are advised to acquaint themselves with the SFA provisions relating to resale restrictions in Singapore and comply accordingly.

If you (or any person for whom you are acquiring the Securities) are in Singapore, you (and any such person):

- (a) are an "institutional investor" or a "relevant person" (as such terms are defined in the Securities and Futures Act of Singapore ("SFA"));
- (b) will acquire the new securities in accordance with applicable provisions of the SFA; and
- (c) acknowledge that the offer of the Securities is subject to the restrictions (including selling restrictions) set out in the SFA.

### **United Kingdom**

Neither the information in this document nor any other document relating to the offer has been delivered for approval to the Financial Services Authority in the United Kingdom and no prospectus (within the meaning of section 85 of the Financial Services and Markets Act 2000, as amended (**FSMA**)) has been published or is intended to be published in respect of the Securities.

This document is issued on a confidential basis to fewer than 150 persons (other than "qualified investors" (within the meaning of section 86(7) of FSMA)) in the United Kingdom, and the Securities may not be offered or sold in the United Kingdom by means of this document, any accompanying letter or any other document, except in circumstances which do not require the publication of a prospectus pursuant to section 86(1) FSMA. This document should not be distributed, published or reproduced, in whole or in part, nor may its contents be disclosed by recipients to any other person in the United Kingdom.

Any invitation or inducement to engage in investment activity (within the meaning of section 21 FSMA) received in connection with the issue or sale of the Securities has only been communicated or caused to be communicated and will only be communicated or caused to be communicated in the United Kingdom in circumstances in which section 21(1) FSMA does not apply to the Company.

In the United Kingdom, this document is being distributed only to, and is directed at, persons (i) who fall within Article 43 (members or creditors of certain bodies corporate) of the Financial Services and Markets Act 2000 (Financial Promotions) Order 2005, as amended, or (ii) to whom it may otherwise be lawfully communicated (together "relevant persons"). The investment to which this document relates is available only to, and any invitation, offer or agreement to purchase will be engaged in only with, relevant persons. Any person who is not a relevant person should not act or rely on this document or any of its contents.

### **3.12 Enquiries**

Any questions concerning the Offer should be directed to Ashley Lim, Company Secretary, on +61 8 6489 1600.

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## **4. PURPOSE AND EFFECT OF THE OFFERS**

### **4.1 Purpose of the Offers**

The primary purpose of the Placement was to raise \$7,300,000 (before costs). The funds raised by the Placement are being used will be used for working capital requirements and to further Definitive Feasibility Study (**DFS**) activities for the Cabinda Phosphate project, Angola.

The purpose of the Placement Options Offer and Director Placement Options Offer is to facilitate the issue of the free-attaching quoted Options the subject of the terms of the Placement.

The purpose of Lead Manager Offer is to facilitate the issue of Options to CPS Capital as part consideration for CPS Capital acting as Lead Manager to the Placement.

The purpose of Adviser Options Offer is to facilitate the issue of Options to S3 Consortium as part consideration for marketing services provided by S3 Consortium to the Company.

The purpose of Related Party Options Offer is to facilitate the issue of Options to the Related Parties to incentivise the Related Parties and align the interests of the Related Parties with those of Shareholders.

### **4.2 Effect of the Offers**

The principal effect of the Offers, assuming all Options offered under the Prospectus are issued, will be to:

- (a) increase the number of Options on issue from 40,000,000 as at the date of this Prospectus to 119,187,500 Options; and
- (b) increase the cash reserves by \$0 (as no funds are being raised from the Offers) immediately after completion of the Placement.

### **4.3 Pro-forma balance sheet**

The audit reviewed balance sheet as at 31 December 2020 and the unaudited pro-forma balance sheet as at 31 December 2020 shown below have been prepared on the basis of the accounting policies normally adopted by the Company and reflect the changes to its financial position.

The pro-forma balance sheet has been prepared using the audit reviewed statement of financial position of the Company as at 31 December 2020 assuming all Options offered under the Prospectus are issued.

The pro-forma balance sheet has been prepared to provide investors with information on the assets and liabilities of the Company and pro-forma assets and liabilities of the Company as noted below. The historical and pro-forma financial information is presented in an abbreviated form, insofar as it does not include all of the disclosures required by Australian Accounting Standards applicable to annual financial statements.

	Audited 31 Dec 2020	Capital Raising <sup>1</sup>	Issue Cost of Options <sup>2</sup>	Pro forma 31 Dec 2020
<b>Current Assets</b>				
Cash and cash equivalents	1,703,522	6,670,000	2,000	8,375,522
Trade and other receivables	97,954			97,954
<b>Total Current Assets</b>	<b>1,801,476</b>	<b>6,670,000</b>	<b>2,000</b>	<b>8,473,476</b>
<b>Non-current assets</b>				
Property, plant and equipment	1,097			1,097
<b>Total Non-current assets</b>	<b>1,097</b>	<b>0</b>	<b>0</b>	<b>1,097</b>
<b>Total Assets</b>	<b>1,802,573</b>	<b>6,670,000</b>	<b>2,000</b>	<b>8,474,573</b>
<b>Current Liabilities</b>				
Trade and other payables	190,979			190,979
Provisions	27,627			27,627
<b>Total current liabilities</b>	<b>218,606</b>	<b>0</b>	<b>0</b>	<b>218,606</b>
<b>Total liabilities</b>	<b>218,606</b>	<b>0</b>	<b>0</b>	<b>218,606</b>
<b>Net assets</b>	<b>1,583,967</b>	<b>6,670,000</b>	<b>2,000</b>	<b>8,255,967</b>
<b>Equity</b>				
Contributed equity	42,820,213	6,670,000		49,490,213
Reserves	5,575,488			5,575,488
Accumulated losses	(46,811,734)		2,000	(46,809,734)
<b>Total Equity</b>	<b>1,583,967</b>	<b>6,670,000</b>	<b>2,000</b>	<b>8,255,967</b>

**Notes:**

1. On 26 February 2021, the Company raised approximately \$7.1 million through the issue of 88,775,000 shares at \$0.08 each, less capital raising costs of \$430,000.
2. Subject to shareholder approval, the Company has agreed to issue 20 million options to CPS Capital on the same terms as the Placement Options at an issue price of \$0.001. Shareholders approved the issue of 20 million options at the General Meeting.

#### 4.4 Effect on capital structure

The effect of the Offers on the capital structure of the Company, assuming all Options offered under the Prospectus are issued, is set out below.

Shares <sup>1</sup>	Number
Shares currently on issue	458,407,897
<b>Total Shares on issue on completion of the Offers<sup>2</sup></b>	<b>458,407,897</b>

**Notes:**

1. The rights and liabilities attaching to the Shares are summarised in Section 5.3.

2. This assumes that no Options currently on issue are exercised.

Options	Number
Unquoted Options exercisable at \$0.05 on or before 4 years from the date of issue	30,000,000
Unquoted Options exercisable at \$0.05 on or before 2 years from the date of issue	10,000,000
Quoted Options offered under the Placement Options Offer <sup>1</sup>	44,375,000
Quoted Options offered under the Lead Manager Offer <sup>1</sup>	20,000,000
Quoted Options offered under the Director Placement Options Offer <sup>1</sup>	1,250,000
Quoted Options offered under the Adviser Options Offer <sup>1</sup>	1,562,500
Unquoted Options offered under the Related Party Options Offer <sup>2</sup>	12,000,000
<b>Total Options on issue on completion of the Offers</b>	<b>119,187,500</b>

**Note:**

1. The rights and liabilities attaching to the quoted Options are summarised in Section 5.1.
2. The rights and liabilities attaching to the unquoted Options are summarised in Section 5.2.

#### 4.5 Details of substantial holders

Based on publicly available information as at the date of this Prospectus, 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	%
JP Morgan Nominees Australia Pty Limited	107,687,411	23.49

There will be no change to the substantial holders on completion of the Offers.

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## 5. RIGHTS AND LIABILITIES ATTACHING TO SECURITIES

### 5.1 Placement/Lead Manager/Adviser Options

(a) **Entitlement**

Each Option entitles the holder to subscribe for one Share upon exercise of the Option.

(b) **Exercise Price**

Subject to paragraph (j), the amount payable upon exercise of each Option will be \$0.15 (**Exercise Price**).

(c) **Expiry Date**

Each Option will expire at 5:00 pm (WST) on 2 years from the date of issue (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(d) **Exercise Period**

The Options are exercisable at any time on or prior to the relevant Expiry Date (**Exercise Period**).

(e) **Notice of Exercise**

The Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

(f) **Exercise Date**

A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds (**Exercise Date**).

(g) **Timing of issue of Shares on exercise**

Within five Business Days after the Exercise Date, the Company will:

- (i) issue the number of Shares required under these terms and conditions in respect of the number of Placement Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;
- (ii) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and

- (iii) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Placement Options.

If a notice delivered under (g)(ii) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 Business Days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.

(h) **Shares issued on exercise**

Shares issued on exercise of the Options rank equally with the then issued shares of the Company.

(i) **Quotation of Shares issued on exercise**

If admitted to the official list of ASX at the time, application will be made by the Company to ASX for quotation of the Shares issued upon the exercise of the Options.

(j) **Reconstruction of capital**

If at any time the issued capital of the Company is reconstructed, all rights of an Option holder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.

(k) **Participation in new issues**

There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options.

(l) **Change in exercise price**

An Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Option can be exercised.

(m) **Quotation**

The Company will apply for quotation of the Options on ASX.

(n) **Transferability**

The Options are transferable subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities laws.

## 5.2 Related Party Options

(a) **Entitlement**

Each Related Party Option entitles the holder to subscribe for one Share upon exercise of the Related Party Option.

(b) **Exercise Price**

Subject to paragraph 5.1(j), the amount payable upon exercise of each Related Party Option will be \$0.10 (**Exercise Price**).

(c) **Expiry Date**

Each Related Party Option will expire at 5:00 pm (WST) on 4 years from the date of grant (**Expiry Date**). A Related Party Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(d) **Exercise Period**

The Related Party Options are exercisable at any time on or prior to the relevant Expiry Date (**Exercise Period**).

(e) **Notice of Exercise**

The Related Party Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the Related Party Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each Related Party Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

(f) **Exercise Date**

A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Related Party Option being exercised in cleared funds (**Exercise Date**).

(g) **Timing of issue of Shares on exercise**

Within five Business Days after the Exercise Date, the Company will:

- (i) issue the number of Shares required under these terms and conditions in respect of the number of Related Party Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;
- (ii) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and
- (iii) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Related Party Options.

If a notice delivered under 5.1(g)5.1(g)(ii) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 Business Days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do



all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.

(h) **Shares issued on exercise**

Shares issued on exercise of the Related Party Options rank equally with the then issued shares of the Company.

(i) **Quotation of Shares issued on exercise**

If admitted to the official list of ASX at the time, application will be made by the Company to ASX for quotation of the Shares issued upon the exercise of the Options.

(j) **Reconstruction of capital**

If at any time the issued capital of the Company is reconstructed, all rights of a Related Party Option holder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.

(k) **Participation in new issues**

There are no participation rights or entitlements inherent in the Related Party Related Party Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Related Party Options without exercising the Related Party Options.

(l) **Change in exercise price**

A Related Party Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Related Party Option can be exercised.

(m) **Quotation**

The Company will not apply for quotation of the Options on ASX.

(n) **Transferability**

Subject to the Listing Rules, and except as otherwise provided for by an offer, Related Party Options are only transferrable in special circumstances (as set out in the Company's Incentive Option Plan) with the prior written consent of the Board (which may be withheld in its absolute discretion) or by force of law upon death, to the participant's legal personal representative or upon bankruptcy to the participant's trustee in bankruptcy.

### 5.3 Shares

The following is a summary of the more significant rights and liabilities attaching to Shares being the underlying securities of the Options to be issued pursuant to this Prospectus. This summary is not exhaustive and does not constitute a definitive statement of the rights and liabilities of Shareholders. To obtain such a statement, persons should seek independent legal advice.

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

(a) **General meetings**

Shareholders are entitled to be present in person, or by proxy, attorney or representative to attend and vote at general meetings of the Company.

Shareholders may requisition meetings in accordance with section 249D of the Corporations Act and the Constitution of the Company.

(b) **Voting rights**

Subject to any rights or restrictions for the time being attached to any class or classes of shares, at general meetings of shareholders or classes of shareholders:

- (i) each Shareholder entitled to vote may vote in person or by proxy, attorney or representative;
- (ii) on a show of hands, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder has one vote; and
- (iii) on a poll, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder shall, in respect of each fully paid Share held by him, or in respect of which he is appointed a proxy, attorney or representative, have one vote for each Share held, but in respect of partly paid shares shall have such number of votes as bears the same proportion to the total of such Shares registered in the Shareholder's name as the amount paid (not credited) bears to the total amounts paid and payable (excluding amounts credited).

(c) **Dividend rights**

Subject to the rights of any preference Shareholders and to the rights of the holders of any shares created or raised under any special arrangement as to dividend, the Directors may from time to time declare a dividend to be paid to the Shareholders entitled to the dividend which shall be payable on all Shares according to the proportion that the amount paid (not credited) is of the total amounts paid and payable (excluding amounts credited) in respect of such Shares.

The Directors may from time to time pay to the Shareholders any interim dividends as they may determine. No dividend shall carry interest as against the Company. The Directors may set aside out of the profits of the Company any amounts that they may determine as reserves, to be applied at the discretion of the Directors, for any purpose for which the profits of the Company may be properly applied.

Subject to the ASX Listing Rules and the Corporations Act, the Company may, by resolution of the Directors, implement a dividend reinvestment plan on such terms and conditions as the Directors think fit and which provides for any dividend which the Directors may declare from time to time payable on Shares which are participating Shares in the dividend reinvestment plan, less any amount which the Company shall either

pursuant to the Constitution or any law be entitled or obliged to retain, be applied by the Company to the payment of the subscription price of Shares.

(d) **Winding-up**

If the Company is wound up, the liquidator may, with the authority of a special resolution, divide among the Shareholders in kind the whole or any part of the property of the Company, and may for that purpose set such value as he considers fair upon any property to be so divided, and may determine how the division is to be carried out as between the Shareholders or different classes of Shareholders.

The liquidator may, with the authority of a special resolution, vest the whole or any part of any such property in trustees upon such trusts for the benefit of the contributories as the liquidator thinks fit, but so that no Shareholder is compelled to accept any shares or other securities in respect of which there is any liability.

(e) **Shareholder liability**

As the Shares issued will be fully paid shares, they will not be subject to any calls for money by the Directors and will therefore not become liable for forfeiture.

(f) **Transfer of shares**

Generally, shares in the Company are freely transferable, subject to formal requirements, the registration of the transfer not resulting in a contravention of or failure to observe the provisions of a law of Australia and the transfer not being in breach of the Corporations Act and the ASX Listing Rules.

(g) **Future increase in capital**

The issue of any new Shares is under the control of the Directors of the Company. Subject to restrictions on the issue or grant of Securities contained in the ASX Listing Rules, the Constitution and the Corporations Act (and without affecting any special right previously conferred on the holder of an existing share or class of shares), the Directors may issue Shares as they shall, in their absolute discretion, determine.

(h) **Variation of rights**

Under section 246B of the Corporations Act, the Company may, with the sanction of a special resolution passed at a meeting of Shareholders vary or abrogate the rights attaching to shares.

If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class), whether or not the Company is being wound up, may be varied or abrogated with the consent in writing of the holders of three quarters of the issued shares of that class, or if authorised by a special resolution passed at a separate meeting of the holders of the shares of that class.

(i) **Alteration of constitution**

In accordance with the Corporations Act, the Constitution can only be amended by a special resolution passed by at least three quarters of Shareholders present and voting at the general meeting. In addition, at least 28 days written notice specifying the intention to propose the resolution as a special resolution must be given.

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## 6. RISK FACTORS

### 6.1 Introduction

The Options offered under this Prospectus 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 Prospectus and to consult their professional advisers before deciding whether to apply for Shares pursuant to this Prospectus.

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.

### 6.2 Company specific

#### (a) **Coronavirus (COVID-19)**

The outbreak of the coronavirus disease (**COVID-19**) is impacting global economic markets. The nature and extent of the effect of the outbreak on the performance of the Company remains unknown. The Company's Share price may be adversely affected in the short to medium term by the economic uncertainty caused by COVID-19. Further, any governmental or industry measures taken in response to COVID-19 may adversely impact the Company's operations and are likely to be beyond the control of the Company.

In addition, the effects of COVID-19 on the Company's Share price and global financial markets generally may also affect the Company's ability to raise equity or debt or require the Company to issue capital at a discount, which may in turn cause dilution to Shareholders or the COVID-19 pandemic may also give rise to issues, delays or restrictions in relation to land access and the Company's ability to freely move people and equipment to and from exploration projects may cause delays or cost increases. The effects of COVID -19 on the Company's Share price and global financial markets generally may also affect the Company's ability to raise equity or debt or require the Company to issue capital at a discount, which may in turn cause dilution to Shareholders.

The Directors are actively monitoring the situation closely and have considered the impact of COVID-19 on the Company's business and financial performance. However, the situation is continually evolving, and the consequences are therefore inevitably uncertain. In compliance with its continuous disclosure obligations, the Company will continue to update the market in regard to the impact of COVID-19 on potential revenue channels and any adverse impact on the Company and its operations. If any of these impacts appear material prior to close of the Offer, the Company will notify investors under a supplementary prospectus.

(b) **Risks with Operating in Angola and Madagascar**

The Company operates out of both Angola and Madagascar 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 Madagascar.

The effect of unrest and instability on political, social or economic conditions in Angola and Madagascar 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 Madagascar, 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 Madagascar**

The Company's projects are located in Angola and Madagascar. 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 Madagascar 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 Madagascar 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 Madagascar. 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.

The Cabinda Phosphate Project in Angola is located within 50km of the ocean in an area that is heavily populated by oil companies. The project area is accessible by road. Roads in the Cabinda have recently undergone or are undergoing rebuilding to highway standard and pass through the leases held by the Company.

The Ambato REE Project in Madagascar is located within 100km of a rail heading with direct access to the largest port in Madagascar. As such, minimal infrastructure is needed to access ports and services and accommodation in the area are excellent. The project area is within 20km of a sealed road.

Notwithstanding the above, 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 Madagascar 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 Madagascar. 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, the Company may be unable to source personnel and equipment to meet its objectives.

(g) **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.

(h) **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.

(i) **Results of studies**

Subject to the results of exploration and testing programs to be undertaken, the Company may progressively undertake a number of studies in respect to the Company's Cabinda Phosphate Project. These studies may include scoping, prefeasibility, definitive feasibility and bankable feasibility studies.

These studies will be completed within parameters designed to determine the economic feasibility of the Cabinda Phosphate Project within certain limits. There can be no guarantee that any of the studies will confirm the economic viability of the Cabinda Phosphate Project or the results of other studies undertaken by the Company (e.g. the results of a feasibility study may materially differ to the results of a scoping study).

Even if a study confirms the economic viability of the Cabinda Phosphate Project, there can be no guarantee that the Cabinda Phosphate Project will be successfully brought into production as assumed or within the estimated parameters in the feasibility study (e.g. operational costs and commodity prices) once production commences. Further, the ability of the Company to complete a study may be dependent on the Company's ability to raise further funds.



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

If the Company achieves success leading to production in Angola, the revenue it will derive through the sale of enhanced phosphate rock will compete directly with (DAP) and (MAP), and 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 agricultural input and production commodities, climate variations, technological advancements, and other macro-economic factors. The main market for the Company's products will be the countries comprising the Economic Community of Central African States. Some or all of its revenues will be denominated in local currencies while some or all of its investment and operating expenditure will be denominated in US dollars.

Where revenues are denominated in foreign currencies, it may be difficult for the Company to convert those revenues into Australian or US dollars and, as a result, impact the Company's ability to repatriate profits.

(k) **Mine Development**

The Company's ability to sustain or increase the proposed levels of production is dependent upon the successful development of new producing mines and/or identification of additional reserves at existing mining operations. Whilst the Directors consider the Cabinda Phosphate Project to have good potential for the discovery of additional resources, there is no guarantee of a discovery or that any discovery will be commercially feasible. If the Company is unable to develop new ore bodies, it will not be able to sustain the proposed production levels. Reduced production could have a material adverse effect on future cash flows, results of operations and financial condition.

Feasibility studies are used to determine the economic viability of a deposit. Many factors are involved in the determination of the economic viability of a deposit, including the achievement of satisfactory mineral reserve estimates, the level of estimated metallurgical recoveries, capital and operating cost estimates and the estimate of future metals prices. Capital and operating cost estimates are based upon many factors, including anticipated tonnage and grades of ore to be mined and processed, the configuration of the ore body, ground and mining conditions, expected recovery rates of the copper from the ore and anticipated environmental and regulatory compliance costs. Each of these factors involves uncertainties and as a result, the Company cannot give any assurance that its development or exploration projects will become operating mines. If a mine is developed, actual operating results may differ from those anticipated in a feasibility study.

(l) **Equipment and availability**

The Company's ability to undertake mining and exploration activities is dependent upon its ability to source and acquire appropriate mining equipment. Equipment is not always available and the market for mining equipment experiences fluctuations in supply and demand. If the Company is unable to source appropriate equipment economically or at all then this would have a material adverse effect on the Company's financial or trading position.

(m) **Environmental Risks**

The operations and proposed activities of the Company are subject to the laws and regulations of Angola and Madagascar 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.

### 6.3 **General Risks**

(a) **Economic**

General economic conditions, introduction of tax reform, new legislation, movements in interest and inflation rates and currency exchange rates may have an adverse effect on the Company, as well as on its ability to fund its operations.

(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:

- (i) General economic outlook.
- (ii) Introduction of tax reform or other new legislation.
- (iii) Interest rates and inflation rates.
- (iv) Changes in investor sentiment toward particular market sectors.
- (v) The demand for, and supply of, capital.
- (vi) 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. Neither the Company nor the Directors warrant the future performance of the Company or any return on an investment in the Company.

Applicants should be aware that there are risks associated with any securities investment. Securities listed on the stock market experience extreme price and volume fluctuations that have often been unrelated to the operating performance of such companies. These factors may materially affect the market price of the Shares regardless of the Company's performance.

(c) **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 Prospectus.

(d) **Additional requirements for capital**

The Company's capital requirements depend on numerous factors. 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. 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.

(e) **Government policy changes**

Adverse changes in government policies or legislation may affect the activities of the Company.

(f) **Litigation risks**

The Company is exposed to possible litigation risks including native title claims, tenure disputes, environmental claims, occupational health and safety claims and employee claims. Further, the Company may be involved in disputes with other parties in the future which may result in litigation. Any such claim or dispute if proven, may impact adversely on the Company's operations, financial performance and financial position. The Company is not currently engaged in any litigation.

(g) **Insurance**

The Company intends to insure its operations in accordance with industry practice. However, in certain circumstances the Company's insurance may not be of a nature or level to provide adequate insurance cover. The occurrence of an event that is not covered or fully covered by insurance could have a material adverse effect on the business, financial condition and results of the Company.

Insurance of all risks associated with the Company's business may not always be available and where available the costs may be prohibitive.

## **6.4 Speculative investment**

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 Options offered under this Prospectus.

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

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

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## **7. ADDITIONAL INFORMATION**

### **7.1 Litigation**

As at the date of this Prospectus, the Company is not involved in any legal proceedings and the Directors are not aware of any legal proceedings pending or threatened against the Company.

### **7.2 Continuous disclosure obligations**

The Company is a “disclosing entity” (as defined in section 111AC of the Corporations Act) for the purposes of section 713 of the Corporations Act and, as such, is subject to regular reporting and disclosure obligations. Specifically, like all listed companies, the Company is required to continuously disclose any information it has to the market which a reasonable person would expect to have a material effect on the price or the value of the Company’s securities.

This Prospectus is a “transaction specific prospectus”. In general terms a “transaction specific prospectus” is only required to contain information in relation to the effect of the issue of securities on a company and the rights attaching to the securities. It is not necessary to include general information in relation to all of the assets and liabilities, financial position, profits and losses or prospects of the issuing company.

This Prospectus 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 all of the information that would be included in a prospectus for an initial public offering of securities in an entity that is not already listed on a stock exchange. 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.

Having taken such precautions and having made such enquires as are reasonable, the Company believes that it has complied with the general and specific requirements of ASX as applicable from time to time throughout the 3 months before the issue of this Prospectus which required the Company to notify ASX of information about specified events or matters as they arise for the purpose of ASX making that information available to the stock market conducted by ASX.

Information that is already in the public domain has not been reported in this Prospectus other than that which is considered necessary to make this Prospectus complete.

The Company, as a disclosing entity under the Corporations Act states that:

- (a) it is subject to regular reporting and disclosure obligations;
- (b) copies of documents lodged with the ASIC in relation to the Company (not being documents referred to in section 1274(2)(a) of the Corporations Act) may be obtained from, or inspected at, the offices of the ASIC; and
- (c) it will provide a copy of each of the following documents, free of charge, to any person on request between the date of issue of this Prospectus and the Closing Date:
  - (i) the annual financial report most recently lodged by the Company with the ASIC;

- (ii) any half-year financial report lodged by the Company with the ASIC after the lodgement of the annual financial report referred to in (i) and before the lodgement of this Prospectus with the ASIC; and
- (iii) any continuous disclosure documents given by the Company to ASX in accordance with the ASX Listing Rules as referred to in section 674(1) of the Corporations Act after the lodgement of the annual financial report referred to in (i) and before the lodgement of this Prospectus with the ASIC.

Copies of all documents lodged with the ASIC in relation to the Company can be inspected at the registered office of the Company during normal office hours.

Details of documents lodged by the Company with ASX since the date of lodgement of the Company's latest annual financial report and before the lodgement of this Prospectus with the ASIC are set out in the table below.

Date	Description of Announcement
7 April 2021	Results of Meeting
24 March 2021	Minbos receives Mining Licence for Cabinda Phosphate Project
10 March 2021	Notice of General Meeting
26 February 2021	Proposed issue of Securities - MNB
26 February 2021	Update – Proposed issue of Securities – MNB
26 February 2021	Appendix 2A
26 February 2021	Completion of Placement and Cleansing notice
18 February 2021	Proposed issue of Securities – MNB
18 February 2021	Investor Presentation
18 February 2021	Minbos raises \$7.3 million to progress Cabinda Project
16 February 2021	Trading Halt
11 February 2021	Minbos adopts the global standard for ESG reporting
10 February 2021	Proposed issue of Securities – MNB
10 February 2021	Phosphate pricing update and proposed securities
29 January 2021	2021 Agronomic Trial Season Underway
27 January 2021	Mineral Investment Contract Executed
25 January 2021	Trading Halt
25 January 2021	Quarterly Activities Report
25 January 2021	Quarterly Cash Flow Report
11 December 2020	MOU to Develop Fertilizer Market in Angola
7 December 2020	Final Directors Interest Notice
7 December 2020	Initial Directors Interest Notice x3
7 December 2020	Board Appointments
30 November 2020	Final Director's Interest Notice
30 November 2020	Director Resignation
26 November 2020	Cleansing Notice
26 November 2020	Appendix 2A
18 November 2020	Appendix 3Ys

Date	Description of Announcement
18 November 2020	Appendix 3G
13 November 2020	Consolidation complete
10 November 2020	Change of Director's Interest Notice
6 November 2020	Appendix 2A
6 November 2020	Completion of placement (Tranche 2) and Cleansing notice
3 November 2020	Results of Annual General Meeting
30 October 2020	Quarterly Cashflow Report
30 October 2020	Quarterly Activities Report
19 October 2020	Broker Briefing Presentation
14 October 2020	Broker Briefing Mining & Resources Digital Event
5 October 2020	Update – Consolidation/Split - MNB
5 October 2020	Appointment of DRA Global to progress Cabinda DFS
30 September 2020	Notice of Annual General Meeting/Proxy Form
25 September 2020	HCV Africa appointed to complete ESIA for Cabinda Project
23 September 2020	Appointment of Grupo Simples for Cabinda Phosphate Project
18 September 2020	Appendix 4G

ASX maintains files containing publicly available information for all listed companies. The Company's file is available for inspection at ASX during normal office hours.

The announcements are also available through the Company's website [www.minbos.com](http://www.minbos.com).

### 7.3 Market price of shares

The Company is a disclosing entity for the purposes of the Corporations Act and its Shares are enhanced disclosure securities quoted on ASX.

The highest, lowest and last market sale prices of the Shares on ASX during the three months immediately preceding the date of lodgement of this Prospectus with the ASIC and the respective dates of those sales were:

	(\$)	Date
Highest	\$0.13	18 February 2021
Lowest	\$0.063	22 January 2021
Last	\$0.077	22 April 2021

### 7.4 Interests of Directors

Other than as set out in this Prospectus, no Director or proposed Director holds, or has held within the 2 years preceding lodgement of this Prospectus with the ASIC, any interest in:

- (a) the formation or promotion of the Company;

- (b) any property acquired or proposed to be acquired by the Company in connection with:
- (i) its formation or promotion; or
  - (ii) the Offers; or
- (c) the Offers,
- and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to a Director or proposed Director:
- (d) as an inducement to become, or to qualify as, a Director; or
- (e) for services provided in connection with:
- (i) the formation or promotion of the Company; or
  - (ii) the Offer.

### **Security holdings**

The relevant interest of each of the Directors in the securities of the Company as at the date of this Prospectus is set out in the table below.

<b>Director</b>	<b>Shares</b>	<b>Options</b>
Peter Wall <sup>1</sup>	14,557,843 <sup>2</sup>	6,500,000 <sup>3</sup>
Dganit Balder	Nil	3,500,000 <sup>3</sup>
Paul McKenzie <sup>1</sup>	Nil	Nil
Graeme Robertson <sup>1</sup>	Nil	Nil
Valentine Chitalu <sup>1</sup>	500,000 <sup>4</sup>	Nil

#### **Notes:**

1. At the General Meeting, Shareholders approved the issue of the following securities:
  - (a) Peter Wall (or his nominee) 1,250,000 Placement Shares and 625,000 Placement Options as well as 4,500,000 Performance Rights;
  - (b) Paul McKenzie (or his nominee) 625,000 Placement Shares and 312,500 Placement Options as well as 4,000,000 Related Party Options;
  - (c) Graeme Robertson (or his nominee) 625,000 Placement Shares and 312,500 Placement Options as well as 4,000,000 Related Party Options; and
  - (d) Valentine Chitalu (or his nominee) 4,000,000 Related Party Options.

These securities will all be issued after the date of this Prospectus.
2. Comprising 6,940,713 Shares and 6,500,000 Options held indirectly by Pheakes Pty Ltd <Senate A/C> and 7,617,130 Shares held indirectly by Wall Family Super Fund.
3. Options exercisable at \$0.05 each on or before 4 years from the date of issue.
4. Comprising 500,000 Shares held indirectly by Mitchell River Group.

### **Remuneration**

The remuneration of an executive Director is decided by the Board, without the affected executive Director participating in that decision-making process. The total maximum remuneration of non-executive Directors is initially set by the Constitution and subsequent variation is by ordinary resolution of Shareholders in general meeting in accordance with the Constitution, the Corporations Act and the ASX Listing Rules, as applicable. The determination of non-executive Directors'



remuneration within that maximum will be made by the Board having regard to the inputs and value to the Company of the respective contributions by each non-executive Director. The current amount has been set at an amount not to exceed \$300,000 per annum.

A Director may be paid fees or other amounts (i.e. non-cash performance incentives such as Options, subject to any necessary Shareholder approval) as the other Directors determine where a Director performs special duties or otherwise performs services outside the scope of the ordinary duties of a Director. In addition, Directors are also entitled to be paid reasonable travelling, hotel and other expenses incurred by them respectively in or about the performance of their duties as Directors.

The following table shows the total (and proposed) annual remuneration paid to both executive and non-executive directors.

Director	2021 Proposed Remuneration	2020	2019
Peter Wall	\$36,000	\$36,000	\$36,000
Dganit Balder	\$36,000	\$36,000	\$36,000
Paul McKenzie <sup>1</sup>	\$36,000	Nil	Nil
Graeme Robertson <sup>1</sup>	\$36,000	Nil	Nil
Valentine Chitalu <sup>1</sup>	\$36,000	Nil	Nil

**Notes:**

1. Appointed on 7 December 2020.

## 7.5 Interests of experts and advisers

Other than as set out below or elsewhere in this Prospectus, no:

- person named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus;
- promoter of the Company; or
- underwriter (but not a sub-underwriter) to the issue or a financial services licensee named in this Prospectus as a financial services licensee involved in the issue,

holds, or has held within the 2 years preceding lodgement of this Prospectus with the ASIC, any interest in:

- the formation or promotion of the Company;
- any property acquired or proposed to be acquired by the Company in connection with:
  - its formation or promotion; or
  - the Offers; or
- the Offers,

and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to any of these persons for services provided in connection with:

- (g) the formation or promotion of the Company; or
- (h) the Offers.

Steinepreis Paganin has acted as the solicitors to the Company in relation to the Offers. The Company estimates it will pay Steinepreis Paganin \$10,000 (excluding GST and disbursements) for these services. During the 24 months preceding lodgement of this Prospectus with the ASIC, Steinepreis Paganin has been paid fees totalling approximately \$58,213.25 (excluding GST and disbursements) for legal services provided to the Company.

In addition to the proposed issue of Options, CPS Capital was paid a management fee of \$146,000 and a placing fee of \$292,000 in relation to the Placement. During the 24 months preceding lodgement of this Prospectus with the ASIC, CPS Capital has been paid fees totalling \$430,000 by the Company.

## **7.6 Consents**

Chapter 6D of the Corporations Act imposes a liability regime on the Company (as the offeror of the Securities), the Directors, the persons named in the Prospectus with their consent as Proposed Directors, any underwriters, persons named in the Prospectus with their consent having made a statement in the Prospectus and persons involved in a contravention in relation to the Prospectus, with regard to misleading and deceptive statements made in the Prospectus. Although the Company bears primary responsibility for the Prospectus, the other parties involved in the preparation of the Prospectus can also be responsible for certain statements made in it.

Each of the parties referred to in this section:

- (a) does not make, or purport to make, any statement in this Prospectus other than those referred to in this section; and
- (b) in light of the above, only to the maximum extent permitted by law, expressly disclaim and take no responsibility for any part of this Prospectus other than a reference to its name and a statement included in this Prospectus with the consent of that party as specified in this section.

Steinepreis Paganin has given its written consent to being named as the solicitors to the Company in this Prospectus. Steinepreis Paganin has not withdrawn its consent prior to the lodgement of this Prospectus with the ASIC.

CPS Capital has given its written consent to being named as Lead Manager to the Company in this Prospectus in relation to the Placement. CPS Capital has not withdrawn its consent prior to the lodgement of this Prospectus with the ASIC.

BDO Audit (WA) Pty Ltd has given its written consent for the reviewed balance sheet of the Company as at 31 December 2020 to be used for the purposes of the pro-forma balance sheet set out in Section 4.3.

## 7.7 Expenses of the Offers

The total expenses of the Offers are estimated to be approximately \$41,357 (excluding GST) and are expected to be applied towards the items set out in the table below:

	\$
ASIC fees	3,206
ASX fees	23,151
Legal fees and professional fees	10,000
Miscellaneous	5,000
<b>Total</b>	<b>41,357</b>

## 7.8 Electronic prospectus

If you have received this Prospectus as an electronic Prospectus, please ensure that you have received the entire Prospectus accompanied by the Application Forms. If you have not, please contact the Company on +61 8 6489 1600 and the Company will send you, for free, either a hard copy or a further electronic copy of the Prospectus, or both. Alternatively, you may obtain a copy of this Prospectus from the Company's website at [www.minbos.com](http://www.minbos.com).

The Company reserves the right not to accept an Application Form from a person if it has reason to believe that when that person was given access to the electronic Application Form, it was not provided together with the electronic Prospectus and any relevant supplementary or replacement prospectus or any of those documents were incomplete or altered.

## 7.9 Financial forecasts

The Directors have considered the matters set out in ASIC Regulatory Guide 170 and believe that they do not have a reasonable basis to forecast future earnings on the basis that the operations of the Company are inherently uncertain. Accordingly, any forecast or projection information would contain such a broad range of potential outcomes and possibilities that it is not possible to prepare a reliable best estimate forecast or projection.

## 7.10 Clearing House Electronic Sub-Register System (CHES) and Issuer Sponsorship

The Company will not be issuing option certificates. The Company is a participant in CHES, for those investors who have, or wish to have, a sponsoring stockbroker. Investors who do not wish to participate through CHES 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 Options allotted to them under this Prospectus. 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 CHES 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.

## 7.11 Privacy Act

If you complete an application for Options, you will be providing personal information to the Company (directly or by the Company's share registry). The Company collects, holds and will use that information to assess your application, service your needs as a holder of equity securities in the Company, 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 Prospectus.

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 application for Options, the Company may not be able to accept or process your application.

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**8. DIRECTORS' AUTHORISATION**

This Prospectus is issued by the Company and its issue has been authorised by a resolution of the Directors.

In accordance with section 720 of the Corporations Act, each Director has consented to the lodgement of this Prospectus with the ASIC.



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**Mr Peter Wall**  
**Chairman**  
**For and on behalf of**  
**Minbos Resources Limited**

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## 9. GLOSSARY

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

**Applicant** means an applicant who applies for Options pursuant to the Offers.

**Application Form** means the application form annexed to or accompanying this Prospectus for any one of the Offers, as applicable.

**ASIC** means the Australian Securities and Investments Commission.

**ASX Listing Rules** means the listing rules of the ASX.

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

**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 Prospectus (unless extended).

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

**Constitution** means the constitution of the Company as at the date of this Prospectus.

**Corporations Act** means the *Corporations Act 2001* (Cth).

**Directors** means the directors of the Company as at the date of this Prospectus.

**General Meeting** means the general meeting of Shareholders held on 7 April 2021.

**Lead Manager Offer** means the offer of up to 20,000,000 Options to CPS Capital (or its nominee/s) pursuant to this Prospectus.

**Offers** means the Placement Options Offer, Director Placement Options Offer, the Lead Manager Offer, the Adviser Options Offer and the Related Party Options Offer the subject of this Prospectus, or any one of them.

**Official Quotation** means official quotation on ASX.

**Option** means an option to acquire a Share on the terms and conditions set out in Section 6.1.

**Optionholder** means a holder of an Option.

**Prospectus** means this prospectus.

**Section** means a section of this Prospectus.

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

**Shareholder** means a holder of a Share.

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