

QUARTERLY ACTIVITIES REPORT FOR THE PERIOD ENDING 31 MARCH 2022

Minbos Resources Limited (ASX:MNB) (“Minbos” or “the Company”) is pleased to provide an update on its activities for the March 2022 quarter.

The Company’s focus during the period continued to be on developing a nutrient supply and distribution business that stimulates agricultural production and promotes food security in Angola and the broader Congo Basin.

Cabinda Phosphate Project

- The Company signed an Engineering Procurement and Construction Management (EPCM) Limited Notice to Proceed (LNTP) Agreement with Brazilian-based EPC Engenharia e Projetos de Infraestrutura Ltda (EPC Engenharia) to begin work on detailed design and scheduling programs for the Cabinda Phosphate Project¹.
- Geotechnical drilling has been completed across the site of the Cabinda Phosphate Fertilizer mine, located in northeast Angola.²
- FEECO International is finalising fabrication of core plant components, with input on design by the International Fertilizer Development Centre (IFDC), at its headquarters in Green Bay, Wisconsin.
- Design completed for the Cabinda Phosphate Fertilizer Plant which includes the flexibility to produce a number of different fertilizer products³.
- Post reporting period, the Company announced that due to major supply interruptions to the global fertilizer market and overwhelming local demand for its fertilizer product, that it was making modifications to its DFS to capture the current market opportunities⁴. The Company does not anticipate major changes to the current plant design.
- Environmental and Social Impact Assessment (ESIA) studies for the granulation plant and mine site nearing completion.

Capanda Green Hydrogen and Ammonia Project

- As announced in the Dec 21 quarterly update:

¹ASX Announcement - Limited notice to proceed agreement signed as early work underway on Cabinda Phosphate Project (15th February 2022)

²ASX Announcement - Geotechnical drilling completed for the Cabinda Phosphate Fertilizer Plant (22nd February 2022)

³ASX Announcement - Final design completed for Cabinda Phosphate Fertilizer Plant (10th March 2022)

⁴ASX Announcement - Strong fertilizer demand and market pricing to update Cabinda Phosphate DFS (12th April 2022)

- Minbos submitted a letter of intent to purchase energy, to RNT-EP (Angola's electricity network operator) in order to develop a production plant to produce green hydrogen & ammonia from available hydroelectricity.
 - The Ministry of Agriculture and Fisheries confirmed to Minbos the location of the land required for establishing the Green Ammonia and Nitrogen fertilizer facility in the Pólo Agroindustrial de Capanda (Capanda Hydroelectric Dam) with the land allocation within 10km of the Capanda Hydroelectric substation.
- Ammonia is conventionally produced using natural gas as a fuel that accounts for around 1% of global greenhouse gas emissions.⁵
 - Green ammonia (ammonia produced via renewable energy) is crucial to tackle the challenges of producing enough food to feed a growing global population and generating CO2-free energy. Ammonia (NH₃), a compound of nitrogen and hydrogen, is mainly used to manufacture fertilizers with 80% of annual global ammonia production (over 180 million metric tonnes) produced in this way.⁶
 - In recent months, the move to alternative ammonia production has been escalated by the ongoing Russia /Ukraine conflict.
 - The Russia/Ukraine conflict has directly damaged ammonia production facilities, and sanctions on Russia have affected ammonia exports from Russia.
 - Gas is the feedstock for "blue" ammonia production in Europe, with several ammonia facilities forced to close because, at present, they are uneconomical.
 - The price and availability of ammonia has directly impacted phosphate fertilizer supply. MAP (monoammonium phosphate) and DAP (diammonium phosphate) make up the majority of finished phosphate fertilizer - as the names suggest, these products require ammonium.
 - Monoammonium Phosphate (MAP) FOB prices have increased from USD\$477 (five-year average) to over USD\$1,300 (ex-port store Brazil) with the price of Phosphate Rock (fob-Morocco) increasing from \$73 to \$245-295⁷.
 - The availability of cost effective (renewable) energy via the existing Angolan hydro power infrastructure provides a unique and attractive opportunity for Minbos to further its plans to be a vertically integrated fertilizer producer.

⁵Stamicarbon - Green Ammonia, the answer to a more sustainable future

⁷Indexmundi - Fertilizer Price History

- **The Company has now been informed through negotiations with RNT-EP (Angola's network operator), that it has no objections to the Company's proposal for the supply of 100% renewable electricity to power its proposed Green Hydrogen and Ammonia Plant.**
- Minbos will now seek to finalise these negotiations with RNT - EP, by way of entry into a long-term offtake agreement on attractive commercial terms for power supply with requisite conditions precedent that allow the Company to undertake the necessary feasibility and project studies to progress this opportunity.
- A first step in the feasibility study process will be seeking an international technology license and engineering partner for the Capanda Ammonia Plant.

1Soil Organic Carbon

- A comprehensive proposal to include Soil Organic Carbon (SOC) measurement as part of the Angolan Farm and Fertilizer Productivity Program (AFFPP) has been presented to the IFDC to allow the Company to capitalise on the booming Carbon Credit Market and to improve local soil health.
- Much of the 11 million h.a. Grow to Eat area incorporated in the AFFPP has been farmed for decades with no nutrients due to slash and burn practices and, as a result, is a target for SOC improvement (Fig. 1).
- The Company believes increased fertilizer use and education will, over 20 years, see improved soil health over more than 5 million hectares and play a significant role in sequestering significant quantities of CO₂.

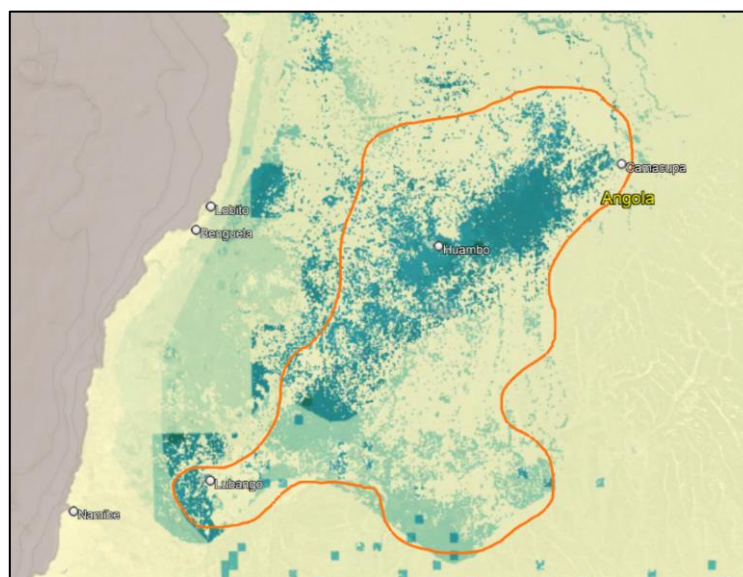


Figure 1- AFFPP 11 million hectare Grow to Eat Area overlain a ISRIC soil carbon potential map.

JUNE 2022 QUARTER PLANNED ACTIVITIES

Cabinda Phosphate Project

- Submission of the Cabinda Phosphate Project EIA to the Ministry of Culture, Tourism and Environment (MCTA).
- Undertake mass balance and process flow design for granulated phosphate rock.
- Undertake pilot trial at IFDC on the granulated phosphate rock to confirm design parameters.
- Procure equipment for plant.
- The contract for the development and operation of the mine will be put out for tender during the forthcoming quarter.
- Tender Earthworks and Civil works Packages for the plant.
- Subject to construction licence being issued:
 - EPCM contractor to mobilise to Cabinda
 - Commence earthworks at Fútila
- Submission of IFDC MOU to Angolan Ministry of Agriculture for the Angolan Farm and Fertilizer Productivity Program (AFFPP) including 10-year targets for farmers, hectares and fertilizer consumption.
- Finalize offtake agreements with major farms in Angola and surrounding countries for Cabinda Phosphate subject to field trials in the 22/23 season.
- Commence Soil Fertility Survey to support the AFFPP rollout including baseline data for Soil Organic Carbon (SOC) levels.

Capanda Green Ammonia Project

- Finalisation of power purchase contract with RNT-EP.
- Engagement with technology licence and engineering partners.
- Commencement of market evaluation study to identify preferred nitrogen fertilizer products for the Angolan agricultural sector.

Corporate

- Minbos is divesting its interest in its Madagascar Rare Earths Project with the final sale and associated licence fees and encumbrances to be completed and assumed by ALS (Hong Kong) Limited⁸ ("ALS").
- The divestment of the Madagascar Rare Earths Project reflects the Company's focus on the immense opportunities in Angola, which includes its Phosphate Fertilizer, Green Hydrogen, Green Ammonia and Soil-In-Carbon Projects.
- The consideration payable to Minbos as follows:
 - ALS to make cash payments to the Company of A\$10,000 per month to maintain exclusivity over the course of 8 months from 7 April 2022 - 7 November 2022, being a total of \$80,000 in Exclusivity Payments. This will give ALS a period of 9 months of exclusivity (the 'Option Period').
 - Late payment of any monthly exclusivity fees by ALS will allow the Company the right to terminate the Agreement.
 - As consideration for the Company, waiving its right to acquire 90% of the Tana Minerals Pty Ltd subsidiary, MRE Mining (Mauritius) Limited, ALS will pay to the Company, upon exercising its option, the sum of A\$2,480,000 less all Exclusivity Payments made to that point.
- As of 31 March 2022, the Company had cash and cash equivalents of A\$3.33 million.

Our commitment to ESG

Minbos is committed to building Environmental, Social, and Governance (ESG) credentials. It is measuring and reporting ESG disclosures according to the World Economic Forum (WEF) Stakeholder Capitalism Framework.

The WEF framework is a set of common metrics for sustainable value creation captured in 21 core ESG disclosures. By integrating ESG metrics into the Company's governance, business strategy, and performance management process, it is appropriately considering all pertinent business risks and opportunities.

The Company's progress towards disclosures under the four pillars of the WEF ESG framework (Governance, Planet, People, and Prosperity) is captured in the following quarterly dashboard.

⁸ASX Announcement - Agreement Executed to Divest Madagascar Rare Earths Project (8th March 2022)

Minbos Resources - Quarterly ESG Disclosure and Reporting

		Period 3 1 Oct 2021 to 31 Dec 2021		Period 4 1 Jan 2022 to 31 Mar 2022	
GOVERNANCE					
Code	Description	Status	Progress (A1-A5)	Status	Progress (A1-A5)
GO-01-A	Setting purpose	V	C C C C C C	V	C C C C C C
GO-02-A	Governance body composition	R	C C C C C C	R	C C C C C C
GO-03-A	Material issues impacting stakeholders	R	C C C C C C	R	C C C C C C
GO-04-A	Anti-corruption practices	R	C C C	R	C C C
GO-04-B	Mechanisms to protect ethical behaviour	R	C C	R	C C
GO-05-A	Integrating risk and opportunity into business process	R	C C C C C C	R	C C C C C C
PLANET					
Code	Description	Status	Progress (A1-A5)	Status	Progress (A1-A5)
PL-01-A	GHG emissions	D	C P P	D	P P P
PL-01-B	TCFD implementation	D		D	
PL-02-A	Land use and ecological sensitivity	D	C	D	C C C P P
PL-03-A	Water consumption	D	C	D	C C C C P
PEOPLE					
Code	Description	Status	Progress (A1-A5)	Status	Progress (A1-A5)
PE-01-A	Diversity and inclusion	R		R	C C C C C C
PE-01-B	Pay equality	R	C	R	C
PE-01-C	Wage level	R		V	P C
PE-01-D	Child, forced or compulsory labour	R		R	
PE-02-A	Health and safety	R	C C	R	C C
PE-03-A	Training provided	D	C P	D	C P
PROSPERITY					
Code	Description	Status	Progress (A1-A5)	Status	Progress (A1-A5)
PR-01-A	Rate of employment	R		R	
PR-01-B	Economic contribution	R	C C	R	C C
PR-01-C	Financial investment contribution	R	C C	R	C C
PR-02-A	Total R&D expenses	R	C	R	C
PR-03-A	Total tax paid	R	C	R	C

Disclosure Status: **D** Draft **R** Reported **V** Verified
A Audited

Disclosure Progress (A1-A5): **P** In progress **C** Completed
N Not applicable

Appendix 5B disclosures

The Company has provided an Appendix 5B in the Quarterly Cashflow Report that is released on the same day as this Activity Report. As outlined in the Appendix 5B, during the quarter the Company spent approximately:

- \$696k on exploration and evaluation activities, predominately in relation to the DFS work.
- \$1.93 million on property, plant and equipment, predominately for the long lead-time items for the Cabinda Phosphate Project.
- \$68k in payments were made to related parties and their associates for director fees and legal fees; and
- \$425k on administration and corporate costs.

The Company received funds of \$491k, net of transaction costs, for the issue of shares upon completion of a Placement.

At the end of the Quarter, the Company held cash and cash equivalents of \$3.33 million.

2022 MARCH QUARTER - ASX ANNOUNCEMENTS

This Quarterly Activities Report contains information extracted from ASX market announcements reported in accordance with the 2012 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" ("2012 JORC Code").

Further details (including 2012 JORC Code reporting tables where applicable) of exploration results referred to in this Quarterly Activities Report can be found in the following announcements lodged on the ASX:

10-Mar-22	Final Design Complete for Cabinda Phosphate Fertilizer Plant
8-Mar-22	Agreement Executed to Divest Madagascar Rare Earths Project
22-Feb-22	Geotechnical Drilling Completed for the Cabinda Plant
15-Feb-22	Agreement signed as early work underway on Cabinda Project

These announcements are available for viewing on the Company's website under the Investors tab. Minbos confirms that it is not aware of any new information or data that materially affects the information included in any original ASX announcement and all material assumptions and technical parameters underpinning the estimates continue to apply and have not materially changed.

This announcement is authorised for release by the Board of Minbos Resources.

- ENDS -

For further information, please contact:

Chris Swallow

Corporate Development

Email: c.swallow@minbos.com

Phone: +61 412 174 882

Interest in Mining Licences

Below is a list of the Company's interest in licences, where they are situated and the percentage of interest held.

Licence Number	Type	Interest	Location
314/03/03/T.E/ANG - MIREMPET/2021	Mining Licence	100%	Angola
No. 10868 (awaiting renewal)	Exploration (Option to Purchase)	Earning 90%	Madagascar
No. 12013 (awaiting renewal)	Exploration (Option to Purchase)	Earning 90%	Madagascar

Grow to eat. Grow to sell and grow to export.

Minbos is an exploration and development company with a vision to build a nutrient supply and distribution business that stimulates agricultural production and promotes food security in Angola and the broader Middle Africa region, through development of its world-class phosphate ore project within the Cabinda Province



Compliance Statement

With reference to previously reported Scoping Study Results, the Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and, in the case of material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed.

Forward Looking Statements

Statements contained in this release, particularly those regarding possible or assumed future performance, revenue, costs, dividends, production levels or rates, prices or potential growth of Minbos Limited, are, or may be, forward looking statements. Such statements relate to future events and expectations and, as such, involve known and unknown risks and uncertainties. Actual results and developments may differ materially from those expressed or implied by these forward-looking statements depending on a variety of factors.