

QUARTERLY ACTIVITIES REPORT FOR THE PERIOD ENDING 30 JUNE 2022

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

The Company’s focus during the period continued to be on its Cabinda Phosphate Project, and Capanda Green Ammonia Project, as well as developing a nutrient supply and distribution business that stimulates agricultural production and promotes food security in Angola.

HIGHLIGHTS

Cabinda Phosphate Project

- With Phosphate Rock prices now US\$300-360t¹, the Company updated the timing of its Definitive Feasibility Study (DFS) to allow engineering for the Cabinda Fertilizer Plant to produce a standalone Phosphate Rock Fertilizer² to be completed.
- The decision to add Phosphate Rock Fertilizer to the product mix for the Cabinda Plant was supported by preliminary analysis using a Phosphate Rock Decision Support System (PRDSS), which has demonstrated the potential for Cabinda Beneficiated Phosphate Rock (CBPR) to be a viable nutrient source for existing and new agricultural projects in Angola.
- The Company has received multiple requests for Phosphate Rock Fertilizer from exporters, importers, and customers interested in Beneficiated Phosphate Rock.
- Post reporting period and part of its Strategic Cooperation Agreement with the syndicate of investors who cornerstoned \$15 million of the recent \$25 million placement, included the potential for the Company to develop Ferro Phosphate and Lithium Ferro Phosphate projects in Angola and deliver a long term off-take of 100,000 tonnes per annum of high-grade phosphate rock at agreed market rates³.

Capanda Green Ammonia Project

- The Company received an updated resolution from RNT-EP, Angolan’s power network operator. The updated resolution confirms the key commercial parameters of the power supply arrangement, with the key concessional pricing which included:
 - Initial 100MW at \$US0.004 (0.4c) kilowatt hour for 5 years then \$US0.008 (0.8c) kilowatt hour for 20 years;
 - Subsequent 100MW at \$US0.015 (1.5c) kilowatt hour for 25 years.

¹Profercy Reports, Phosphate Rock, Morocco fob (31-33%), 30th June 2022.

²Minbos Resources ASX Announcement - Strong fertilizer demand and market pricing to update Cabinda Phosphate DFS, 12th April 2022.

³Minbos Resources ASX Announcement - Minbos receives firm commitments for \$25m placement, 12th July 2022.

- Zero-Carbon Power to underpin the Company's Green Ammonia Project in Angola which seeks to address world shortage of nitrogen fertilizer.
- Post reporting period, the Company received from RNT-EP their draft Memorandum of Understanding (MOU), which the Company is currently working to complete with input from its new technology partner, Stamicarbon.
- During the period, Minbos signed an MOU with Stamicarbon, the Green Ammonia Innovation and License Company, to conduct a 6-month Technical Study for the Capanda Green Ammonia Plant⁴.
- The Technical Study will access a mixed production profile of 300kmtpa of Green Ammonium Nitrate Products.
- The MOU and Scoping Study represents a natural progression of the working partnership, with Stamicarbon having provided technical input for the Minbos proposal to secure up to 200MW of Green Power.
- Stamicarbon is the innovation and license company of Maire Tecnimont Group and a global market leader in the design and development of Green Ammonia Plants.
- The MOU and Technical Study is underpinned by the Company's average concessional power price of US 1.1c/kWhr and supported by Stamicarbon, Minbos aims to establish Angola as the global leader in Green Ammonia Production.
- Having overseen more than 250 fertiliser plants and numerous Green Ammonia initiatives including the world's first industrial-scale renewable energy Ammonia project located in Kenya, the team at Stamicarbon are eminently qualified to help deliver what will be perhaps the most compelling Green Energy-Powered-Project Globally.
- Angola's hydroelectric potential is enormous and is key to a project like the Company's Green Ammonia Project being successful.
- Hydropower ringfences the Company's Green Ammonia Project from the "perfect storm" created by a surge in gas prices to near record levels in Europe and Asia with a shortage of ammonium nitrate caused by the Ukraine/Russia conflict and shuttering of grey, brown, and blue ammonia projects globally.
- The Capanda Hydroelectric Dam is located on the Kwanza River, in the Malanje Province of Angola. The facility generates power by utilizing four turbines and 130 MW (170,000 hp) each, with an installed capacity to 520 MW's.

⁴Minbos Resources ASX Announcement - Technology partner MOU with Stamicarbon, a global leader in green ammonia - 30th June 2022

Corporate

- The Company announced the completion of the divestment of its interests in Madagascar Rare Earths Project to ALS (Hong Kong) Limited⁵. Proceeds of the divestment (A\$2.46M) are to be applied to complete the Definitive Feasibility Study (DFS) for the Cabinda Phosphate Project and studies for the Capanda Green Ammonia Project.
- Post reporting period, the Company completed a \$25 million Placement, cornerstoned to \$15 million by a syndicate of investors, including an entity controlled by the Chairman of the world's largest Battery Anode Producer.
- Placement funds paired with a number of important strategic agreements, including:
 - Strategic Cooperation Agreement to collaborate on a Ferro Phosphate and Lithium Ferro Phosphate battery precursors project, and a Large-scale Green Ammonia project.
 - Non-Binding Debt Term Sheet for US \$25 million.

SEPTEMBER 2022 QUARTER PLANNED ACTIVITIES

- The IFDC Pilot plant trial originally slated for May is now starting last week of July due to equipment failures. The Definitive Feasibility Study for the Cabinda Phosphate Project is nearing completion, with the report expected to be released in September.
- As part of the Strategic Cooperation Agreement, the Company and new syndicate partners will also be investigating Large-Scale Green Ammonia Projects (LSGA Projects) including utilising up to 500MW hydropower for new large-scale Green Ammonia Projects and the development of potential downstream Ammonia products in the coming months.
- Technical Study with Stamicarbon expected to commence shortly, with the Technical Pre-Feasibility Study providing the initial phase for the definition of a process configuration to determine the principal characteristics of the green ammonia plant, leading to an estimation of the initial investment to validate a business case.
- The Study will be executed from a process engineering point of view, considering Stamicarbon's Green Ammonia and Nitric Acid technologies as the core technology including proven technology available in the market for electrolyzers and nitrogen generation units and Ammonium Nitrate finishing technology to complement the Study. The Study will include a Capex Cost Estimation of the project.
- Following receipt of the amended resolution and as part of the negotiations on the proposed MOU, the Company has undertaken to provide key milestones and studies to

⁵Minbos Resources ASX Announcement - \$2.46M Ambato sale completed as momentum builds for green hydrogen-ammonia project - 25th May 2022

RNT-EP both in relation to the Green Ammonia Project and, more generally, in the Angolan Fertilizer & Agricultural sector. These undertakings include:

- Budget and first year's timetable for a market assessment study, for the proposed Green Hydrogen-Ammonia Plant.
- Technology and Engineering Partnership Agreement to be executed with a preferred technology partner.
- Transport Logistics Study to analyse the cost of transporting the materials for the Green Ammonia Plant and the cost of transporting nitrogen fertilizers to the agricultural regions of Angola.
- Inventory of Raw Materials of Angolan secondary ingredients for nitrogen fertilizers, including Sulphur, Limestone, Dolomite, Phosphate, Potassium.
- Agricultural Stakeholder Consultation with nutrient users, importers, distributors and agronomists to identify the most suitable nitrogen fertilizers, climate, soil fertility, available raw materials and agricultural production forecast.
- Soil sampling to be carried out in conjunction with the Ministry of Agriculture and covering approximately 10 million hectares of agricultural land.

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:

- \$884k on exploration and evaluation activities, predominately in relation to DFS work.
- \$773k on property, plant and equipment, predominantly for the advanced order of long lead-time items for the Cabinda Phosphate Project.
- \$67k in payments were made to related parties and their associates for director fees and legal fees; and
- \$590k on administration and corporate costs.

At the end of the Quarter, the Company held cash and cash equivalents of \$3.6 million.

Post reporting period, the Company completed a \$25M capital raise and received \$13.5M of the Tranche 1 Placement funds, net of transaction fees, for ordinary shares issued. The Tranche 2 funds and issue of shares are subject to shareholder approval at the General Meeting of 23 August 2022.

2022 JUNE QUARTER - ASX ANNOUNCEMENTS

This Quarterly Activities Report contains information extracted from ASX 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 Report can be found in the following announcements lodged on the ASX:

Thursday, 30 June 2022	Technology Partner MOU Signed with Stamicarbon
Tuesday, 14 June 2022	Presentation - Green Hydrogen-Ammonia Project
Wednesday, 25 May 2022	Ambato sale completed as momentum builds for Green Ammonia
Tuesday, 10 May 2022	RNT-EP affirms support for Green Hydrogen & Ammonia Project
Tuesday, 12 April 2022	Fertilizer demand and market pricing to update Cabinda DFS

These announcements are available on the Company's website under the "Investors" tab. Minbos confirms 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.

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, included those divested during the period.

Licence Number	Type	Interest	Location	Comment
314/03/03/T.E/ANG - MIREMPET/2021	Mining Licence	100%	Angola	
No. 10868 (awaiting renewal)	Exploration (Option to Purchase)	0%	Madagascar	Divested during the period
No. 12013 (awaiting renewal)	Exploration (Option to Purchase)	0%	Madagascar	Divested during the period

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

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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.



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

