

FUNDING AND PROJECT UPDATE

Minbos Resources Limited (ASX:MNB) (“Minbos” or “the Company”) is pleased to provide updated information on financing and the Cabinda Fertilizer Project.

FINANCING AND TERM SHEET

- The Company has received an Indicative Term Sheet for a US\$14 million (debt) loan facility from the Industrial Development Corporation of South Africa Ltd (IDC).
- The loan facility proposes a competitive interest rate and tenor, subject to a number of conditions precedent which are customary for a transaction of this nature, including due diligence with site visits scheduled for this month.
- The IDC is a South African development finance institution established in 1940 to promote economic growth and industrial development to grow South Africa’s industrial capabilities.
- Engagement with IDC may also provide other commercial opportunities, for example potential offtake for Stage 2 production (>200,000tpa) of beneficiated phosphate rock with South African customers.
- The Company remains engaged with a number of complementary financing options which include coordination with existing stakeholders.
- The Company is confident it can build its Phosphate Fertilizer Project at a significant discount to the budgeted Capital Expenditure (CAPEX) announced in its Definitive Feasibility Study (DFS).

KEY UPDATES SINCE DFS

The Company has released several updates since the DFS was released in October 2022 which will see a reduction in capital costs and operating costs and accelerate ramp up to nameplate capacity, all of which are expected to improve the base case project NPV and include:

- Simplified flowsheet has identified capital savings of ~ US\$10 million over the DFS¹, with only US\$26 million expenditure remaining until commencement of production.
- CAPEX for Stage 2 expansion to double capacity on revised flow sheet has been estimated at US\$1.7-3.3 million (previously US\$28 million).

¹ASX Announcement - DFS delivers compelling economics for Cabinda Phosphate Project (17 Oct 2022)

ASX Announcement
17th OCTOBER 2023



- MOU's signed and under negotiation cover the majority of Stage 1 production (187,500tpa nameplate capacity) with a faster ramp-up which is expected to bolster early cashflow and project NPV.
- The new plant site (Subantando) offers significant transport savings, the distance from the mine to plant is reduced from 76km to 36km² and the distance from the plant to the port is reduced from 28km to 16km with reduced costs to hold and maintain site.

Minbos CEO, Mr Lindsay Reed, said: *"The submission of a term sheet for project finance from an established financial institution affirms Angola's standing for foreign investment and demonstrates support with SADC for projects with a strong social impact."*

The Company will continue to keep shareholders updated on progress with funding and project development.

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

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Compliance Statement

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 Resources 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.

²ASX Announcement - 4ASX Announcement – Minbos secures site for Cabinda Phosphate Plant (10th November (2022))