

QUARTERLY ACTIVITIES REPORT FOR THE PERIOD ENDING 30 SEPTEMBER 2023

Minbos Resources Limited (ASX:MNB) (“Minbos” or “the Company”) is pleased to provide an update on its activities for the September 2023 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.

CABINDA PHOSPHATE PROJECT

Offtake Agreement with Angola’s Largest Food Aggregator

In mid-July, the Company announced that it had signed a binding Memorandum of Understanding (MOU) with the Grupo Carrinho, Angola’s largest agro-industrial group, for the supply of Cabinda Phosphate Rock to be used as fertilizer.

The MOU represents a significant milestone, setting out a delivery schedule for supply of up to 869,000 tonnes of fertilizer over 7 years to 2032, which represents 66% of the Company’s total stage-1 production.

Carrinho has a 1Mtpa. grain and oilseeds processing facility in Benguela, fed by a network of silos in the Huambo and Huila Provinces. Carrinho is backed by a Sovereign Guarantee to support the development of its facility, which is currently undergoing a US\$365M phase 3 expansion. Carrinho will also provide smallholder farmers with Minbos fertilizer and training, which will enhance grain production and therefore inputs for Carrinho’s processing facility. Over 90% of Angolan farms are less than 2 hectares in size and Carrinho is targeting to work with 2 million smallholder farmers by 2030.

The MOU also declares that Minbos shall deliver its phosphate fertilizer to the Port of Lobito, and for technical collaboration in field trials for both small and large-scale commercial farming.

Completion of RAP plan for the Cácata Mine

The Company announced it had completed its Resettlement Action Plan (RAP) for the Cácata Phosphate Mine, which included 41 total farms, part of the Tanto-Zinze Commune and covering 142.4 cultivated hectares (total of 212 hectares) across the mining area (Fig. 1).



Figure 1 - Members of the Cacutea RAP Team engaging with leaders of the Tando-Zinze community regarding the RAP program and economic restoration.

RAP implementation included various steps of community and government engagement, including:

- **Effective Stakeholder Engagement:** The RAP Project has engaged extensively with national, provincial, and municipal government ministries and departments, including the Ministry of Environment, Ministry of Agriculture and Forestry, Traditional Leadership, Provincial Government, and Municipal Administrators. This collaborative effort exemplifies the Company’s commitment to adhering to regulatory requirements and fostering cooperation with relevant authorities and communities.
- **Compliance with Regulations:** We are pleased to report that the RAP met all national regulations as well as the stringent performance standards set forth by the International Finance Corporation. These standards encompass key areas such as community engagement, environmental protection, and social responsibility. Our commitment to these standards demonstrates the Company’s commitment to meeting our social licence obligations.
- **Community Involvement:** To fully understand the needs of our community and the scale of the impact, affected communities were continuously involved in the consultation process. Community input and feedback was crucial to adequately addressing their concerns and needs (Fig. 1).
- **Long-Term Benefits:** The Cacutea Phosphate Mine and downstream, the Cabinda Fertilizer Plant, will have significant favourable community impacts with socio-economic benefits for local communities via creation of direct and indirect jobs and the generation of revenue via royalty and taxes. Importantly, the mine

provides the feedstock for the Cabinda Fertilizer Plant, with agricultural development and food security being national government priorities.

Launch of Fertilizer Brand

In late September, the Company launched its phosphate fertilizer brand Prosper Primeiro (Figure 2), at an industry workshop in Huambo, Angola.

The workshop was opened by the Vice Governor of Huambo in the presence of the King of Huambo and representatives of the Agriculture, Economy and Mining Ministries and the Director of IDA (Institute for the Development of Agriculture), representatives of FADA (Fund for the Development of Agriculture) and more than 200 delegates.



Figure 2 - Minbos Phosphate Fertilizer, Prosper Primerio.

CAPANDA GREEN AMMONIA PROJECT

Site secured for Capanda Green Ammonia Project

In early August, the Company signed a 60-year lease for the site of the zero-carbon Capanda Green Ammonia Project, within the Capanda Agro-Industrial Hub (Fig. 3) and within 5km of the Capanda Hydroelectric power station. Highlighting the support for the Project within Angola, the 60-year lease was signed at the concessional rate of US\$300 per annum.



Figure 3 - Capanda Green Ammonia Project site, located on the Kwanza River in the Malanje Province and close to the Capanda Dam and electric substation.

The green ammonia site is located in the 411,000-hectare Capanda Agro Industrial Hub which is serviced by established highways and the Malanje railway line. The region is significant for farming in Angola, which will need nitrogen fertilizer, and hosts several large farms including the 30,000-hectare Biocom sugar plantation and processing facility (Fig. 4).

Boasting a diverse and fertile ecology, Angola holds the potential to become one of the leading agricultural producers on the continent. The country's arable land and rainfall is well-suited to a variety of crops and livestock including cassava, bananas, potatoes, corn, sweet potatoes, citrus and pineapples.

The demand for nitrogen fertilizer in Angola will depend on the land area under cultivation and the crop selection.

Given the available land, rainfall and similar latitude to Brazil, Angola is targeting at least 2 million hectares under commercial cultivation. Historical crops require significantly higher fertiliser applications than approximately 3kg/ha used currently. For example, nitrogen fertilization rates of up to 200kg/Ha for maize and up to 300kg/Ha for cotton. At an average consumption of 100kg/Ha Angola will require 200,000tpa of nitrogen

equivalent to 600,000tpa of ammonium nitrate. The Capanda Green Ammonia project would be able to meet half of this demand.



Figure 4 - Minbos Chief Operating Officer Steve Abbott on site at the Capanda Agro Industrial Pole.

Environmental Studies underway for Capanda Green Ammonia

In advance of the Pre-Feasibility Study (PFS), the Company is undertaking wet and dry season environmental studies for the Capanda Green Ammonia Project.

Baseline environmental surveys are currently being completed by HCV Africa, a specialist consultancy providing international-standard environmental and social services, biodiversity assessments, environmental impact assessments and environmental auditing.

Survey information will feed into the Environmental and Social Impact Assessment (ESIA) with work to be completed to an IFC standard and an Environmental Impact Assessment EIA to Angolan regulatory requirements.

Tender work for key engineering providers is underway in preparation for the PFS.

The PFS will further investigate the use of electrolyzers to generate green hydrogen, designed to deliver 112,000 tonnes p.a. of Green Ammonia to produce 255,000tpa of Ammonium Nitrate, including fertilizer and mining explosives.

Driven by 100%-renewable power from the Capanda hydroelectric complex and supported by a competitive power concession, the study will assess what the Company believes is one of the only cost competitive zero-carbon Green Ammonia projects being developed globally.

P4 (YELLOW PHOSPHOROUS) PROJECT

In early September, the Company announced it had engaged an engineering, construction and project management company to complete a study to investigate producing P4 otherwise known as yellow phosphate as part of its phosphate-based product offering.

P4 is an essential critical mineral in the battery materials supply chain, required to produce lithium hexafluorophosphate (LiPF₆), the electrolyte used in lithium-ion batteries. However, exploding growth in the battery sector is putting pressure on P4 supply to the agricultural sector. P4 is on the EU Critical Raw Materials List (CRM) as "Phosphorus", in addition to "Phosphate Rock" with total net EU consumption of phosphorus in 'P4 and derivatives' estimated at 100-130kt p.a.

Europe has no P4 production and is 100% dependent on imports from four countries (China, Kazakhstan, Vietnam, USA) which produce P4, with production and exports highly dependent on variable factors such as local electricity prices, export policies or up and downstream integration.

The European Commission estimates that there are only ~10-30 P4 plants operating globally today. Angola's competitive commercial electricity tariff, economic free zones and proximity to European markets has seen the Company approached by several potential partners from the anode, cathode and industrial chemical industries interested in producing the P4 product in Angola.

MINBOS RESOURCES - QUARTERLY ESG DISCLOSURE AND REPORTING

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.

Minbos Resources						Progress
Progress Dashboard - Period 11 (Oct to Dec 2023)						I In progress G Gap C Completed N Not applicable
Code	Description	Disclosure	Last Updated	Status	Progress (A1-A5)	86% COMPLETED
GOVERNANCE						
GOVERNING PURPOSE						
GD-01-C1	Setting purpose	Full	24 Jun 2022	VERIFIED	C C C C C	
QUALITY OF GOVERNING BODY						
GD-02-C1	Governance body composition	Partial	24 Jun 2022	REPORTED	I C C I C	
STAKEHOLDER ENGAGEMENT						
GD-03-C1	Material issues impacting stakeholders	Full	23 Jun 2022	VERIFIED	C C C C C	
ETHICAL BEHAVIOUR						
GD-04-C1	Anti-corruption practices	Partial	24 Jun 2022	VERIFIED	C C C	
GD-04-C2	Mechanisms to protect ethical behaviour	Full	24 Jun 2022	VERIFIED	C C	
RISK AND OPPORTUNITY OVERSIGHT						
GD-05-C1	Integrating risk and opportunity into business process	Full	24 Jun 2022	VERIFIED	C C C C C	
PLANET						
CLIMATE CHANGE						
PL-01-C1	GHG emissions	Partial	23 Jun 2022	REPORTED	C C N	
PL-01-C2	TCFD implementation	Explanation	23 Jun 2022	REPORTED	C N N	
NATURE LOSS						
PL-02-C1	Land use and key biodiversity areas	Full	24 Jun 2022	REPORTED	C C C C C	
FRESHWATER AVAILABILITY						
PL-03-C1	Water consumption	Full	24 Jun 2022	REPORTED	C C C C I	
PEOPLE						
DIVERSITY AND EQUITY						
PE-01-C1	Diversity and inclusion	Explanation	29 Aug 2022	REPORTED	C C C C C	
PE-01-C2	Pay equality	Explanation	4 Jul 2022	REPORTED	C I I C C	
PE-01-C3	Wage level	Partial	29 Aug 2022	VERIFIED	I C	
PE-01-C4	Child, forced or compulsory labour	Explanation	29 Aug 2022	REPORTED	I	
HEALTH AND WELL-BEING						
PE-02-C1	Health and safety	Partial	2 Aug 2022	REPORTED	C C	
SKILLS FOR THE FUTURE						
PE-03-C1	Training provided	Full	4 Jul 2022	DRAFT	I I	
PROSPERITY						
EMPLOYMENT AND WEALTH GENERATION						
PR-01-C1	Rate of employment	Explanation	4 Jul 2022	REPORTED	I I	
PR-01-C2	Economic contribution	Full	24 Jun 2022	VERIFIED	C C	
PR-01-C3	Financial investment contribution	Full	24 Jun 2022	VERIFIED	C C	
INNOVATION OF BETTER PRODUCTS AND SERVICES						
PR-02-C1	Total R&D expenses	Explanation	24 Jun 2022	VERIFIED	C	
COMMUNITY AND SOCIAL VITALITY						
PR-03-C1	Total tax paid	Full	24 Jun 2022	REPORTED	C	

*N.B. Minbos status 'Verified' is reviewed on completeness by Socialsuite, not a third party auditor

ESG Report Data Disclaimer
Minbos Resources. ESG Dashboard (Baseline) | Published on 28 Oct 2023

SOCIALSUITE

Financial Position

As at 30 September 2023, the Company held \$8.8 million in available cash with no debt.

Expenditure on Mining Exploration Activities

In accordance with ASX Listing Rule 5.3.1, the Company advises its exploration and evaluation expenditure during the September 2023 quarter totalled \$140k.

During the quarter, the Company entered the development phase of its Cácata mine and for which the majority of expenditure pertained to its Resettlement Action Plan.

Payments to Related Parties and their Associates

In accordance with ASX Listing Rule 5.3.5, payments to related parties of the Company and their associates during the Quarter totalled \$54k. The Company advises that this relates to Directors' fees and legal fees and company management fees of service providers related to Directors.

Capital Structure

Minbos currently has 791,236,754 fully paid Ordinary shares on issue and 72,250,000 unlisted options on issue at various exercise prices and expiry dates.

2023 SEPTEMBER 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:

Launch of Prosper Fertilizer Brand and Huambo IDA Workshop	26-Sep-23
Environmental studies underway for Capanda Green Ammonia	12-Sep-23
Africa Down Under Presentation	7-Sep-23
Minbos Completes Resettlement Action Plan for Cacata Mine	7-Sep-23
Minbos launches P4 concept study	5-Sep-23
Minbos Secures Site For Capanda Green Ammonia Project	1-Aug-23
Offtake Agreement with Angolas Largest Food Aggregator	19-Jul-23

-ENDS -

This announcement is authorised for release by the Board of Minbos Resources Limited.
For further information please contact:

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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	85%	Angola

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 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.

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

MINBOS RESOURCES LIMITED

ABN

93 141 175 493

Quarter ended ("current quarter")

30 September 2023

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation	(109)	(113)
(b) development	(162)	(162)
(c) production	-	-
(d) staff costs	(722)	(1,766)
(e) administration and corporate costs	(1,140)	(2,910)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	27	75
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other (Non-mining projects)	(81)	(151)
1.9 Net cash from / (used in) operating activities	(2,187)	(5,027)
2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) tenements	-	-
(c) property, plant and equipment	(1,101)	(5,510)
(d) exploration & evaluation	(31)	(1,496)
(e) investments	-	-
(f) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	(1,132)	(7,006)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	3,159
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	(1)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	(18)	(54)
3.10	Net cash from / (used in) financing activities	(18)	3,104

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	12,139	17,454
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(2,507)	(5,347)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(812)	(6,686)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(18)	3,104

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	(8)	269
4.6	Cash and cash equivalents at end of period	8,794	8,794

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	8,746	12,091
5.2	Call deposits	48	48
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	8,794	12,139

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	54
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
6.1 - \$30,000 paid in Director Fees; & \$2,938 paid in Legal Fees to a Director related entity; & \$21,431 paid in Company management services to Director related entity.		

7.	Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	Total financing facilities	-	-
7.5	Unused financing facilities available at quarter end		
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		
	-		

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (item 1.9)	(2,507)
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(31)
8.3 Total relevant outgoings (item 8.1 + item 8.2)	(2,538)
8.4 Cash and cash equivalents at quarter end (item 4.6)	8,794
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	8,794
8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3)	3.5
<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>	
8.8 If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
Answer: N/A	
8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
Answer: N/A	
8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
Answer: N/A	
<i>Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.</i>	

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 31 October 2023

Authorised by: Board
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.