

ASX ANNOUNCEMENT

QUARTERLY ACTIVITIES REPORT – 31 December 2018

Minbos Resources Limited (“**Minbos**”, or “**the Company**”) is pleased to present its quarterly report for the period ended 31 December 2019.

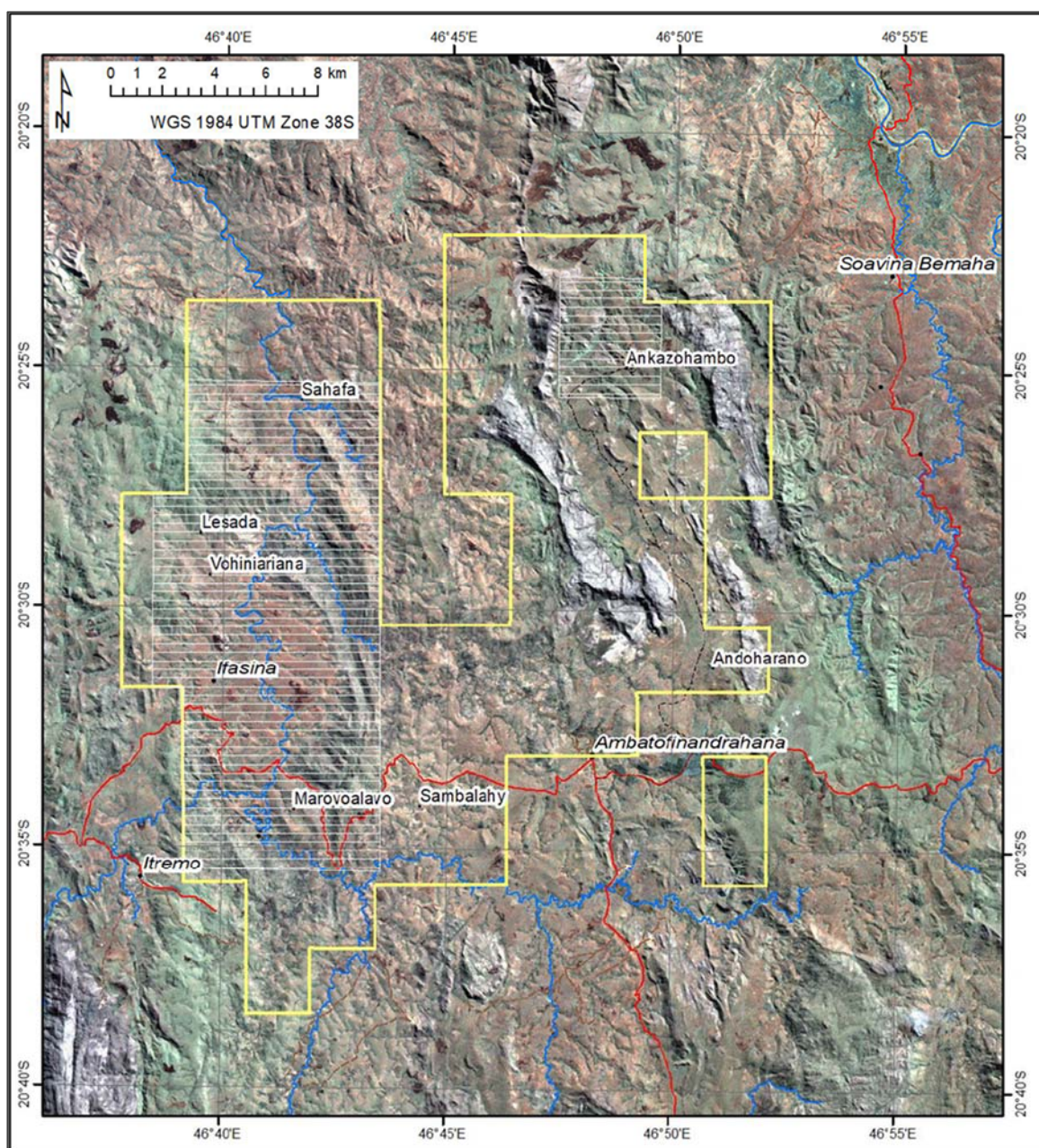
HIGHLIGHTS:

- **Ambato Airborne Geophysics:** A heli-borne geophysical survey was flown during the quarter. The survey was designed to highlight extensions and repetitions of the aplite dyke which is associated with the bastnaesite mineralisation at Ankazombo. On the western side of the tenement the survey will assist in identifying and prioritising new and known rare earth targets for a possible ground truthing and drilling in 2019.
- **Project Acquisition Amendment:** The milestone work program event for the option agreement with Tana Minerals Ltd (Tana) was amended to the completion of an Airborne Geophysics program rather than the completion of a drill program.
- **Project Acquisition Background:** The Company entered into an option with Tana Minerals Ltd (Tana) Minerals Ltd (Tana) it option agreement with Tana Minerals Ltd (Tana) whereby Minbos can acquire 90% of the shares in MRE Mining (Mauritius) Limited (MRE). MRE’s sole asset is a wholly owned subsidiary in Madagascar which holds two prospective Rare Earths exploration permits in central Madagascar covering 440 square kilometres.
- **Cabinda Rock Phosphate:** the Angolan National Directorate of Mineral Resources issued Mongo Tando LDA (**Mongo Tando**) with a Notice of Termination for the Mineral investment Contracts for Prospecting of the Phosphate Rock in the province of Cabinda. Minbos has invested more the \$20M over 8 years on phosphate projects in the Congo Basin and is exploring options to tender or partner into the Angolan phosphates for the benefit of all stakeholders.

OVERVIEW OF THE QUARTER

During the Quarter, the Company completed an airborne geophysics survey over the Ambato Rare Earths Project (Ambator) in Madagascar. High resolution helicopter magnetic and radiometric data were acquired by New Resolution Geophysics (NRG) over the two blocks within the Ambatofinandrahana license area (Figure 1) using its Xplorer™ system.

Figure 1: Location of flight lines (grey lines) within the Ambato tenement (yellow lines) showing the various prospects of the Ambato Project.



The eastern block was centred over the Ankazohambo project area which was drilled in the October quarter. The larger western block was centred over the Ifasina and Marovoalavo project area. Data was acquired in an East/West direction, on 100 m line spacing and a nominal ground clearance of 20 to 30 m.

The purpose of the airborne geophysics was to:

- Highlight possible extensions and repetitions of the bastanaesite mineralisation at Ankazohambo where drilling in the previous quarter returned a best intercept of 17 m at 4.6% TREO¹ in ANK006 (from 33 to 50 m) (Please refer to ASX announcement dated 18 October 2018 for further details)
- Identify potential drill targets in the western block where 6 known rare earth occurrences have been reported.

The magnetic data will be utilised to compile lithological and structural interpretation of the two survey areas to extend the understanding of the known lithologies, contacts and tectonic fabrics and the relationships REE occurrences.

Groundborne radiometric data collected by previous explorers proved a reliable predictor of underlying REE mineralisation at Ankazohambo (please refer to ASX announcement dated 18 October 2018 for further details) and the airborne radiometric data will be used to identify likely REE occurrences. The differential radiometric signatures of Uranium and Thorium will be utilized to discriminate the preferred bastanaesite targets from monazite mineralisation which has a higher uranium content.

The processing of the geophysical data was completed in late December and an ASX release on the interpretation of the data is expected to be released next week. If the geophysical survey results indicate the potential for additional tonnages at Ankazohambo, the stored drill core samples can be sent for laboratory assay and metallurgical testing. In the western block, the geophysical survey will assist in prioritising new and known rare earth targets for possible ground truthing and drilling in 2019.

TRANSACTION BACKGROUND

Minbos has entered into an option with Tana Minerals Ltd (Tana) whereby Minbos can acquire 90% of the shares in MRE Mining (Mauritius) Limited (MRE). MRE's sole asset is a wholly owned subsidiary in Madagascar which holds the exploration permits for the Ambato Project covering 440 square kilometres.

The transaction is conditional upon Minbos obtaining all the required regulatory and shareholder approvals, completing due diligence on the project and the renewal of the exploration permits.

Renewals of exploration licenses by the Bureau de Cadastre Minier de Madagascar have not received ministerial approval for several years. It is expected the recently concluded National Assembly elections and the appointment of a new Ministry last week will reinstate this process.

CABINDA ROCK PHOSPHATE PROJECT

During the quarter the Angolan National Directorate of Mineral Resources issued Mongo Tando LDA (**Mongo Tando**) with a Notice of Termination for the Mineral investment Contracts for Prospecting of the Phosphate Rock in the province of Cabinda.

Minbos has invested more the \$20M over 8 years on phosphate projects in the Congo Basin and has developed specific technical knowledge and financial support capable of advancing the phosphate projects in the regional context. The company is exploring options to tender or partner into the Angolan phosphates for the benefit of all stakeholders.

The company has identified a fertilizer blend comprising predominantly Cabinda Phosphate Rock that will provide similar agricultural effectiveness to imported fertilizers at an economic advantage. The blends have been shown to work in crops and soils prevalent in Angola. Despite having more fertile land than most countries in Africa, the agricultural sector in Angola has not developed and it relies heavily on imported food products. A cost-effective local fertilizer product is critical to the development of national agriculture sector capable of breaking the reliance on imports.

CORPORATE

EQUITY

- The Company currently has 5.654 billion shares on issue with no unlisted options or performance rights.

CASH

At 31 December 2018, the Company had consolidated cash reserves of \$2.7 million.

INTEREST IN MINING LICENCES

The Company is an exploration entity, below is a list of its interest in licences, where the licences are situated, and the percentage of interest held.

License Number	Type	Interest	Location
No. 10868 (awaiting renewal)	Exploration (Option to Purchase)	Earning 90%	Madagascar
No. 12013 (awaiting renewal)	Exploration (Option to Purchase)	Earning 90%	Madagascar

Competent Person

The information in this Report that relates to Exploration Results and Data Quality is based on, and fairly represents, information and supporting documentation prepared by Rebecca Morgan, who is a member of the Australian Institute of Geoscientists. Miss Morgan is a consultant to Minbos. Miss Morgan has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity she is undertaking to qualify as a competent person as defined in the 2012 Edition of the 'Australasian Code for reporting of Exploration Results, Mineral Resources and Ore Reserves'. Miss Morgan consents to the inclusion in this Report of the matters based on her information in the form and context in which it appears.

For further information, please contact:

Lindsay Reed
Chief Executive Officer
l.reed@minbos.com
+61 8 6270 4610

About Minbos

Minbos Resources Limited (**ASX: MNB**) is an ASX-listed exploration and development company with interests in phosphate ore within the Cabinda Province of Angola and Rare Earth Elements in Madagascar.

The Company's strategy is to specifically target the exploration and development of low cost mineral projects.

For more information, visit www.minbos.com.