

ASX ANNOUNCEMENT

DRILLING COMMENCES AT AMBATO RARE EARTHS PROJECT

HIGHLIGHTS

- 118-hole auger drilling program has commenced at the Ambarto Rare Earth Project, located in the Republic of Madagascar.
- Drilling will target an ~2km-long zone of rare earth soil anomalies at the Ankazohambo prospect, with a recent soil sampling program **returning grades of up to 11.7% Total Rare Earth Oxide (TREO)¹, with 22% of all samples greater than 1% TREO².**
- The drilling program is designed to define the extent and orientation of the previously identified rare earth mineralisation for a follow-up (deeper) drilling program.
- A geochemical review of the drill core data will be conducted to enhance the Company's understanding of the fluid systems involved in the rare earth mineral deposition.

Minbos Resources Limited (**ASX:MNB**) ("**Minbos**" or "**the Company**") is pleased to announce that a program of auger drilling has commenced at its Ambarto Rare Earth Project, located in the Republic of Madagascar (Figure 1).

"With the recent soil sampling program providing a roadmap for further extensions to the known mineralisation at the Ankazohambo prospect and the larger and stronger portion of the Ankazohambo anomaly remaining undrilled, the company is excited to re-commence drilling at Ambarto. Recent results combined with concerns regarding the global supply of rare earths and their use in the growing renewable energy industry, means the Company is focused on the opportunity of uncovering a significant rare earths deposit at the Ambato Project." - **commented Minbos Chief Executive Officer Lindsay Reed**

The auger drilling program builds on the 21-hole (totalling 838m) diamond drilling program completed in 2018 which included handheld XRF TREO grades of up to 16.5%³. In 2018, the Company completed a soil sampling program which returned grades of up to 3.67% TREO⁴ (223 samples) and in 2019, further soil sampling program returned grades of up to 11.7% TREO⁵ (1077 samples).

¹ Handheld XRF instrument only detects La, Ce, Nd, Pr, and Y. The TREO values being stated are the sum of La, Ce, Nd, Pr, and Y (converted into oxides) only

² ASX Announcement - SOIL SAMPLING CONFIRMS RADIOMETRIC ANOMALY AT ANKAZOHAMBO

<http://www.investi.com.au/api/announcements/mnb/e31d0613-523.pdf>

³ ASX Announcement - DRILLING AT AMBATO COMPLETE

<http://www.investi.com.au/api/announcements/mnb/4e4d7eb1-1db.pdf>

⁴ ASX Announcement - DRILLING AT AMBATO COMPLETE

<http://www.investi.com.au/api/announcements/mnb/4e4d7eb1-1db.pdf>

⁵ ASX Announcement - ASX Announcement - SOIL SAMPLING CONFIRMS RADIOMETRIC ANOMALY AT ANKAZOHAMBO

<http://www.investi.com.au/api/announcements/mnb/e31d0613-523.pdf>

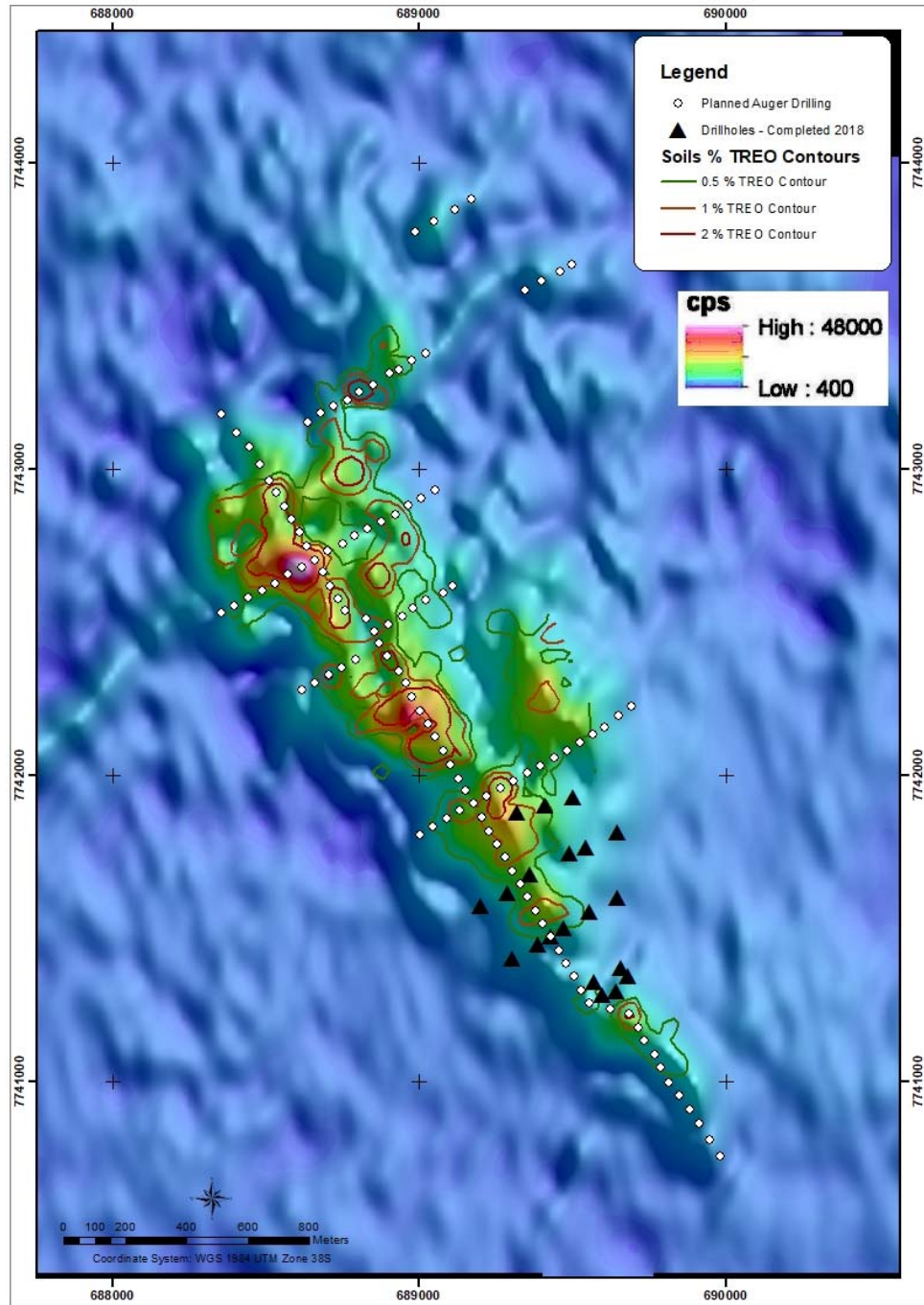


Figure 1 – Ambato Project planned auger drill plan, including drillhole locations from the 2018 drill program, underlain by airborne radiometric zones of total rare earth oxide mineralisation.

AMBATO PROJECT HISTORICAL EXPLORATION⁶

In 2010, twenty-eight rock-chip samples were collected by Tana Minerals Ltd from the Ankazohambo prospect and returned TREO grades of between 0.14% and 40.8% with a median grade of 3.95%⁶. The results confirm earlier sampling conducted by the Kiev National University in 2008 and the German Federal Institute of Geology and Raw Materials (BGR) in the 1980's⁶.

The Company 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 two exploration permits in central Madagascar covering 440km².

AMBATO PROJECT GEOLOGY

The Ambato Rare Earth Project is located approximately 200km to the southwest of Antananarivo, in the Ambatofinandrahana Municipal area of the South Central Highlands of Madagascar. The Ankazohambo prospect lies within a broad NNW – SSE trending synclinorium of Proterozoic age dolomitic limestones of the Itremo Formation, and roughly 2.5km to the South of the Pan African age Vohimavo Granite.

The Itremo Formation is represented at Ankazohambo by a clean stromatolitic limestone in the West, with increasingly argillic content towards the East. The Ankazohambo prospect itself, is located on a laterite covered topographic high of tectonically brecciated argillic limestone, with small outcrops of partially silicified aplite (referred to alternately as a syenite) at the northern and southern ends of the laterite covered hill. The metamorphic grade in this region is low, but increases to lower amphibolite facies in the hills to the East. Hydraulic brecciation is interpreted to be directly related to the intrusion of the aplitic dyke into water saturated limestone.

ABOUT RARE EARTHS

Rare Earths are commonly separated into 'light rare earths' lanthanum (La), cerium (Ce), praseodymium (Pr), neodymium (Nd), promethium (Pm), samarium (Sm), europium (Eu), gadolinium (Gd) which are relatively abundant, and 'heavy rare earths' terbium (Tb), dysprosium (Dy), holmium (Ho), erbium (Er), thulium (Tm), ytterbium (Yb), and lutetium (Lu) which are less abundant.

Current world reserves of rare earths as assessed by the US Geological Survey are estimated to be about 120 million tonnes REO contained or approximately 200 years supply. The largest proportion of these reserves are in China (44 million tonnes) equivalent to 35% of the worlds reserves.

⁶ ASX Announcement – MINBOS ENTERS OPTION TO PURCHASE RARE EARTHS PROJECT
<http://www.investi.com.au/api/announcements/mnb/4d7f9806-4e4.pdf>

Importantly the resources of heavy rare earths in china are less abundant and considered finite (<10 years) by the national authorities and hence are the subject of national controls.

COMPETENT PERSONS

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. The Company is not aware of any new information or data that materially affects the Exploration Results and the information in the relevant Minbos ASX releases (as referred to in the announcement).

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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: www.minbos.com