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Tuesday, 11th October 2011

**ASX ANNOUNCEMENT**

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## **MINBOS TO ACQUIRE POTASH LICENCE IN THE CONGO BASIN ADJACENT TO EXISTING CABINDA PHOSPHATE TENEMENTS.**

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The Board of Minbos Resources Limited (Minbos) is pleased to advise that the Company has entered into a conditional agreement to acquire a large-scale potash licence located in the Cabinda Province of the Republic of Angola.

Mr Peter Richards, Executive Chairman, Minbos Resources Limited, commented:

*“This is an exceptionally exciting transaction for Minbos. Not only does it provide an attractive entry into one of the most exciting potash basins in the world, but the unique combination of the already defined high-grade and potential DSO phosphate resources and the potential of defining large, high grade potash resources within the same licence area sets Minbos apart from its peers and bodes well for a very exciting future for the Company.”*

### **Dinge Potash Licence**

The Dingo potash licence complements the Company's rapidly advancing phosphate projects in the Cabinda Province and the contiguous area in the Western DRC, and positions Minbos strongly to capitalise on the increasing demand for fertilisers as it aims to be a supplier to the world fertiliser market.

Under the agreement, Minbos will acquire 75% of the Dingo potash licence from Alum Industrial Lda (Alum), a private Angolan mineral exploration company and provide funding to take the project through to feasibility study.

The licence area covers 785 km<sup>2</sup>, and lies within the highly prospective Congo Basin which hosts Elemental Minerals' Sintoukola project as well the MagIndustries Corp Makolo project. These projects have published JORC resources as follows:

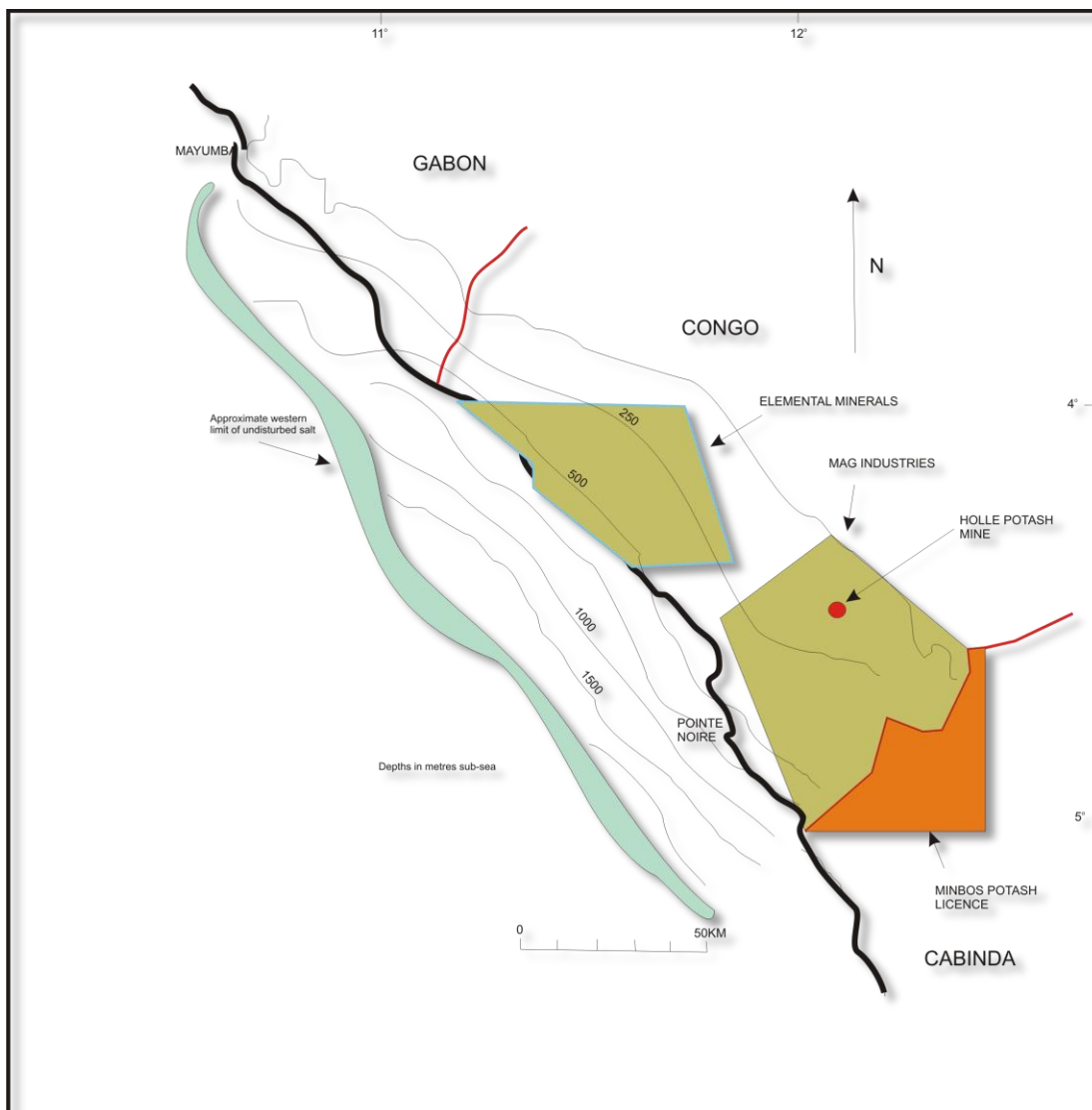
- Elemental – Indicated and Inferred 804Mt @ 31% KCl, including a high grade zone of 337Mt @ 39.9% KCl;
- MagIndustries – Proven and Probable Reserves of 191.5Mt @ 17.4% KCl; Inferred Resource of 9.2Bt of carnalite grading 12.1% K<sub>2</sub>O.

A large proportion of the Dingo licence area overlaps Minbos' Cabinda phosphate projects and in many areas such as Chivovo, the potash mineralization underlies the phosphate mineralisation drilled by Minbos.

The occurrence of phosphate and potash mineralisation within the same licence areas is an exciting development for Minbos, it immediately exposes the company to two of the most important fertiliser products and in the medium to long term provides the potential for shared infrastructure such as ports, roads etc.

In the immediate future the potash project will benefit by leveraging the experienced, in country technical team already carrying out phosphate exploration and development providing significant operational and costs advantages.

### Project Location in Congo Basin showing top of salt contours below sea level



The Dingo project is supported by data from 13 historical exploration wells drilled for potash near the town of Dingo. Many additional holes were drilled for oil in the Dingo licence area, with data revealing intersections of potash salt formations. A recently completed 2D seismic survey (2010 – 2011) is also available. Technical data reviewed to date show potentially economic grades of potash being intersected in the licence area.

Minbos is acquiring this data from Sonangol, the Angolan National Oil company, and will be reviewing it as part of its technical due diligence.

Shareholders and potential investors should note that Minbos has completed a legal due diligence on the licence and it is in good standing. Minbos will now complete its technical due diligence on the available data before the agreement is fully executed, and will update the market when completed.

### Project Location relative to phosphate leases



### Competent Persons Statement

The information in this report has been reviewed and approved for release by Mr Tom Evers, MSc, Pr.Sci.Nat, who has over 20 years' experience in mineral exploration, and who is the companies Chief Geologist and full-time employee and has sufficient experience in relation to the style of mineralisation and type of deposit under consideration to qualify as a Competent Person as defined by the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" (The JORC Code 2004 Edition). Mr Evers has consented to inclusion of this information in the form and context in which it appears.

### **About Minbos**

Minbos Resources Limited is an exploration company focused on the development of phosphate bearing ore within the Cabinda Province of Angola and the adjoining areas of the far western DRC. Through its subsidiaries and joint ventures, the Company is exploring over 400,000ha of highly prospective ground hosting phosphate bearing ore. Minbos is growing its current Resource base in incremental stages as it drills out the known deposits during 2011.

The Company's strategy is to specifically target the exploration and development of low cost fertiliser-based commodities in order to tap into the growing global demand for fertilisers. Phosphate and potash are an essential component in certain agricultural fertilisers, with the market supported by the increasing global demand for food and bio-fuel products. For more information, visit [www.minbos.com](http://www.minbos.com)

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