

ASX ANNOUNCEMENT/MEDIA RELEASE

Minbos raises \$1.7M to progress Angola and DRC Bankable Feasibility Studies whilst strategic partner process is finalised

ASX Code: MNB

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KEY POINTS

- Funds raised will enable strategic partner negotiations to be finalised.
- The company has received firm commitments to raise \$1.7m at 14 cents per share.
- Two tranche capital raising to sophisticated and professional investors, including clients of Patersons Securities, CPS Securities and existing shareholders.
- Proceeds to be used to fund completion of resource drilling on the Kanzi deposit and general working capital associated with the advancement of both high grade project bankable feasibility studies

INTRODUCTION

Minbos Resources Limited (“Minbos” or “the Company”) (ASX: MNB) is pleased to announce that it has completed a bookbuild for a Share Placement to professional and sophisticated investors to raise \$1.71 million to finalise the measured and indicated resource drilling program at the high grade Kanzi deposit and to progress the bankable feasibility studies (“BFS”) on both high grade Cacata and Kanzi deposits. This funding will also allow Minbos to finalise its strategic partner negotiations. Site visits as part of this process are planned for the current month with offers to be submitted thereafter.

DETAILS OF PLACEMENT

The Placement, which was managed by Patersons Securities and included clients of CPS Securities, has been undertaken at \$0.14 per share.

The Placement will be undertaken in two tranches. Tranche 1 comprises the issue of 6,275,717 fully paid ordinary shares at \$0.14 per share to raise \$878,600 to professional and sophisticated investors and will be completed using the Company’s 15% placement capacity pursuant to Listing Rule 7.1.

Tranche 2 comprises the issue of 5,949,709 fully paid ordinary shares at \$0.14 per share to raise \$832,959 million to the same participants as Tranche 1. Tranche 2 will be settled after the Company’s Annual General Meeting to be held 19 November 2012, as circa 1.2 million shares in



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Tranche 2 is subject to the ratification of Minbos' 15% placement capacity pursuant to Listing Rule 7.1.

Further information required by Listing Rule 3.10.3 in relation to the Placement accompanies this announcement.

USE OF FUNDS

Funds raised from the placement will be used for working capital requirements to enable the company to finalise the process of evaluating, selecting and appointing a significant strategic partner. Allying with a strategic partner will give Minbos the financial resources to complete planned BFS's for its exciting Kanzi Phosphate Project ("**Kanzi**") located in the Bas Congo Province in the Western Democratic Republic of Congo ("**DRC**") and the Cacata Phosphate Project ("**Cacata**") located in the Cabinda Province in Angola, West Africa.

Minbos' Managing Director, Scott Sullivan said "recently released announcements on the scoping studies prove that we have projects with very strong economics. The development of the Kanzi project in parallel to the development of the Company's high grade Cacata project will put Minbos in the unique situation of having two projects with low capital and operating costs in the development stage that can be brought online in the foreseeable future. The DRC projects in particular, of which we have a 65% share, are amenable to accelerated development due to already established and proximate infrastructure".

Since Listing in October 2010, Minbos has delineated a substantial resource of 370 Mt at 12.2% P2O5, including 44Mt @ 21.4% P2O5 at its Kanzi Project and 22.5Mt @ 21.4% P2O5 at its Cacata Project.

OVERVIEW OF THE SCOPING STUDY ECONOMICS

Kanzi

- Operating costs of US\$56.03 per tonne of phosphate rock (FOB);
- Capital cost estimate of US\$106m (excluding contingency), based on owner operated mining;
- Strong opportunity to reduce both operating expenditure and capital expenditure during BFS;
- Internal rate of return (IRR) of 58% (pre-tax); and
- NPV of US\$626m (pre-tax) at a 10% discount rate.



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Cacata

- Operating costs of US\$57.23 per tonne of phosphate rock (FOB);
- Capital cost estimate of US\$157m (excluding contingency), based on owner operated mining road haulage and ship loading;
- Strong opportunity to reduce both operating expenditure and capital expenditure during BFS;
- Internal rate of return (IRR) of 40.2% (pre-tax); and
- NPV of US\$311m (pre-tax) at a 10% discount rate.

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About Minbos

Minbos Resources Limited (ASX:MNB) is an ASX-listed exploration and development company focused on phosphate 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 ore.



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Minbos is focussing on the development of the high grade Cacata project in Cabinda and the high grade Kanzi project in the far western DRC whilst growing its current resource base in incremental stages on the remaining deposits in both areas.

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 is an essential component in certain agricultural fertilisers, with the market supported by the increasing global demand for food and bio-fuel products.

Competent Persons Dave Reeves

The information in this report has been reviewed and approved for release by Mr David Reeves, M. AusIMM, MSAIMM who has over 20 years' experience in mineral development. Mr Reeves is a non-executive director of Minbos. He 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 Reeves has consented to inclusion of this information in the form and context in which it appears.



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INFORMATION REQUIRED BY LISTING RULE 3.10.3

Class of Security	Fully paid ordinary sharees
Number to be issued	12,225,426
Priciple terms of securities	The Shares will carry standard rights applicable to ordinary shares on issue of Minbos Resources limited and will, from the date of issue rank equally with fully paid ordinary shares currently on issue.
Issue price	\$0.14 per Share
Purpose of the Issue	To support further development at its phosphate projects in Angola and Democratic Republic of Congo and for the finalisation of the strategic partner process with site visits due to be completed in December 2012 and for working capital purposes.
Shareholder approval	The Company will not seek shareholder approval for the issue of Tranche 1 and will rely on its current capacity under Listing Rule 7.1. The Company will not seek shareholder approval for the issue of Tranche 2 shares but will rely on its additional capacity under Listing Rule 7.1 after the Annual General Meeting to be held on 19 November 2012.
Issue Class	The issue is not being made to a class of security holders

