

MINBOS LAUNCHES P4 CONCEPT STUDY TO DEVELOP A PHOSPHATE-BASED NEW ENERGY MATERIALS BUSINESS

Minbos Resources Limited (ASX:MNB) (“Minbos” or “the Company”) is pleased to announce that work has commenced on a concept study to produce P4, also known as Yellow Phosphorous as part of its emerging new energy materials business.

The Company has engaged a Tier 1 global engineering, construction and project management company, to complete the study.

Key Points

- Minbos 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 following industries:
 - **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.
 - **Agriculture sector** to produce phosphonates for weed control products that are essential to maintain crop yields and global food security.
- P4 is on the EU Critical Raw Materials List (CRM) as “Phosphorus”, in addition to “Phosphate Rock”¹ 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 ensured the Company has been approached by numerous potential project partners in the anode, cathode and industrial chemical industries about producing a P4 product in Angola.

¹Source: European Commission, Critical Raw Materials Resilience: Charting a Path towards greater Security and Sustainability (3rd September 2020).

- As part of its plans to develop phosphate-based new energy materials, the Company has previously received A\$15 million² investment from a syndicate of new energy materials investor³ controlled by Mr Liang Feng, Chairman of Shanghai Putailai New Energy Technology (PTL) (603659.SH) and Mr. Zeng Yuqun, Chairman of CATL.
- Importantly, as part of their investment, the syndicate signed a Strategic Cooperation Agreement with Minbos to develop phosphate-based new energy materials in Angola, including:
 - Ferro Phosphate and Lithium Ferro Phosphate Projects (P4);
 - Identify, approach and secure appropriate partners, technology and service providers;
 - Identify, approach and secure appropriate customer investment and offtake partners;
 - Contribute to project feasibility;
 - long term off-take of 100,000 tonnes per annum of high-grade phosphate rock at agreed market rates.
- Minbos has been engaged with the syndicate of investors on the P4 project development and technical review to develop a new energy materials business. The syndicate has confirmed the Cabinda Phosphate Rock is suitable for P4 production.
- Minbos has also received partnership enquiries from P4 users in the agriculture sector with a history in P4 production and access to technology.
- As part of this project development, the Tier 1 global engineering, construction and project management company will undertake a concept level engineering study (+/-50% target cost accuracy) for a greenfield P4 production facility in Angola, targeting 20,000tpa.
- The Study is expected to take 10 weeks, with outputs expected to form part of a joint venture with interested commercial parties.

This announcement is authorised for release by the Board of Minbos Resources Limited.

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²MNB ASX Announcement: Minbos receives firm commitments for \$25m placement (12th July 2022).

³Syndicate included: HongKong Jayson Holding Co., Ltd., Hoston Investments (Australia) Pty Ltd. and Longmarch Principal Holding Limited.

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Compliance Statement

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.