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ASX ANNOUNCEMENT

January 31, 2012

QUARTERLY ACTIVITIES REPORT – QTR ENDED 31 DECEMBER 2011

Quarter Ending 31 December, 2011

ASX Code: MNB

Directors

Mr P. Richards (Exec. Chairman)
Mr D. Reeves (Non-Exec)
Mr J. Ciganek (Non-Exec)
Mr D. Catulich (Non-Exec)
Mr F. Ismail (Non-Exec) (resigned 1/1/12)

Securities on Issue

85.7M Ord. Shares (incl. restricted)
66.2M Ord. Shares (quoted)
14.6M Options (unlisted)
52 Week Intraday High: A\$0.60
52 Week Intraday Low: A\$0.21

Cash on hand

AUD \$4.35M

Exploration Areas

Angola (Cabinda Province)

Phosphates

- Mongo Tando
- Chibue
- Cacata
- Chivovo
- Ueca

Potash

- Dingo Project

Democratic Republic of Congo

Phosphates

- Kanzi

Highlights during the quarter

- A substantial increase in total resource for the Cabinda phosphate project to 304Mt @ 11.5% P₂O₅ comprising resources from the Cacata, Chivovo, Mongo Tando and Chibue deposits.
- Maiden inferred resource estimates of 6.7Mt @ 20.3% P₂O₅ for Chivovo and 150Mt @ 8.3% P₂O₅ for Chibue deposits.
- A desktop review was completed by CRU Strategies on the potential to establish a high grade/DSO style operation at the Cacata deposit, concluding that the resource will support a large scale phosphate rock project comprising:
 - up to 1.25mtpa operation in excess of 10 years;
 - conventional open pit mining and beneficiation;
 - relatively high grade product of +35% P₂O₅ which could potentially be traded at a premium to the Moroccan benchmark price;
 - Operating expenses in the order of US\$46/t, at the mid-to-low end of the industry cost curve; and
 - Capital of approximately US\$100 million, also at the low end of the industry average.
- Maiden inferred resource estimate of 46Mt @ 17.2% P₂O₅ defined for the Kanzi Project in the DRC, (including a high grade zone of 31Mt @ 21.4% P₂O₅). A desktop review has commenced and expected 1st quarter 2012.
- An agreement to acquire a majority interest in the Dingo Potash project was entered into with legal and technical due diligence commenced. Key points included:
 - large scale potash license located in highly prospective Potash basin;
 - attractive commercial terms when compared to other industry transactions; and
 - cost savings and synergies expected from already established phosphate exploration infrastructure and in country experience.

1. CABINDA PHOSPHATE PROJECT

1.1. Substantial Increase in Total Resources

During the quarter the Company announced a substantial increase in total resource for the Cabinda phosphate project to 304Mt @ 11.5% P₂O₅ comprising resources from the Cacata, Chivovo, Mongo Tando and Chibueite deposits, as shown in **Table 1**.

Table 1 – Cabinda Project Overall Resources, Dec 2011

Cabinda Project Overall Resources December 2011				
Deposit	Category	Cut-off P ₂ O ₅ (%)	Grade P ₂ O ₅ (%)	Tonnes (Mt)
Cacata	Indicated	5	30.4	17.0
Chivovo	Inferred	10	6.7	20.3
Mongo Tando	Inferred	5	117	13.7
Chibueite	Inferred	5	150	8.3
Total			304	11.5

Maiden inferred resource estimates of 6.7Mt @ 20.3% P₂O₅ for Chivovo and 150Mt @ 8.3% P₂O₅ for Chibueite deposits.

Coffey Mining is expected to provide an update to this estimate during the 2nd quarter of 2012 (back from previous guidance of 1st quarter).

Historical exploration within the Cabinda license defined 4 priority areas: Mongo Tando, Ueca, Cacata and Chibueite. These formed the basis for the exploration target provided by Coffey Mining of 333Mt – 538Mt at 10 – 20% P₂O₅ for the project.¹ Two additional areas, Chivovo and Cambota were added to the exploration program.

1.2. Cacata Deposit – CRU Strategies Review

CRU Strategies completed a desktop review assessing the viability of establishing a standalone high grade/DSO type phosphate rock export operation at Cacata. A more detailed Scoping/Pre-feasibility study has been commenced.

1.2(a) CRU Strategies

Background

CRU is a specialist management consultancy providing independent, exclusive and proprietary advice to the world's leading metals and mining companies, financial institutions and governments. For almost 40 years, CRU has developed a global reputation for providing independent, robust and evidence-based advice. The CRU fertiliser team is considered the world leaders in the analysis and monitoring of the phosphates market.

1. The exploration target being reported is conceptual in nature as there has been insufficient exploration to define a mineral resource under JORC Code guidelines. However, this target is based on assessments of prospects within Minbos' tenure which are supported by drilling, geological studies, imagery analysis, metallurgical test-work and preliminary modelling.

Summary of the CRU Cacata Review

Cacata contains an indicated resource of 33.9 million tonnes with average phosphate content of 15.75% including 22.5 million tonnes resource at 21.4% P_2O_5 . There remains the potential to supplement this resource from the Chivovo deposit which contains relatively high grades of between 28-34% P_2O_5 . In addition, the mineralogy at Chivovo is similar to Cacata and therefore should be amenable to limited beneficiation as has been shown for Cacata.

Cacata is expected to be mined using open pit mining methods and a conventional beneficiated process including size classification / attrition scrubbing, wet screening and desliming at 106 microns. Metallurgical testwork has demonstrated that the rock phosphate product will be relatively high grade of 35% P_2O_5 and would be marketable as a direct shipping ore ("DSO"). CRU has indicated that the Cacata phosphate rock product may trade at a premium to the Moroccan benchmark price.

The rock phosphate product is likely to be transported on a newly-constructed fully tarred road to the coastal port town of Cacongo, 80km from the Cacata deposit. Utilising this port would require the construction of a new jetty to load low draught 5,000t barges, which in turn could load larger bulk vessels (e.g. Panamax) which would be anchored approximately 1km offshore. Whilst transloading barges to move product a short distance to larger ocean-going vessels will add time and cost to the loading process, it is practiced elsewhere in the world for a variety of bulk commodities.

The desktop review has assumed a target production rate of up to 1.25 million tpa of phosphate rock which would provide an operating life in excess of 10 years. CRU has indicated that as a general rule, a phosphate rock project will require a US\$100-250 capital expenditure per tonne of annual capacity (i.e. US\$100-250 million for 1 million tpa capacity of rock concentrate). The Cacata project is expected to be at the lower end or in fact below this range due to the fact that it is foregoing the purchase of mining and haulage equipment by using contractors, it will not require a complex beneficiation process due to its high grade and is close to infrastructure.

A cash operating cost midpoint estimate of US\$46/t has been projected (with a low and high range of US\$35 to US\$58 per tonne respectively). CRU expects that the Cacata project would ultimately be a mid-tier producer and remain in the middle of the industry cost curve. However, it must be noted that the Project may be marketed as a high-grade product, and as such, the competitive cost position of the project is expected to be a solid second-quartile producer when the cost curve is normalised to a 32% P_2O_5 baseline. In addition, a more positive reading of the operating cost estimates could result in the project being a low-cost, first quartile producer (i.e. circa \$35/t fob).

CRU has developed a model for estimating the likely pricing of a new phosphate rock product entering the market which has taken into consideration the phosphate rock grade, chemical characteristics, as well as CRU's knowledge of actual phosphate rock contract provisions. This analysis has determined that the Cacata rock phosphate is likely to trade at a premium to the Moroccan benchmark price.

1.2(b) Detailed Scoping Study

A detailed scoping review has commenced to assess the economics and commercial viability of the Cacata project and is due for completion during 2nd quarter of 2012.

The scoping study team is as follows:

- | | |
|---------------------------|------------------------------|
| ▪ Overall management: | MTL Project management team; |
| ▪ Resource and Geology: | Coffey Mining; |
| ▪ Mining: | Coffey Mining; |
| ▪ Testwork/Beneficiation: | Mintek Laboratories; |

- Engineering: DRA;
- Port and Infrastructure: Ports of Africa; and
- WPA/DAP test work: Yara (to assess the suitability of Cacata rock for downstream fertilizer production).

2. KANZI PHOSPHATE PROJECT, DRC

2.1(a) Maiden Resource

The Company announced a Maiden JORC compliant Inferred resource of 46Mt @ 17.2 % P₂O₅ (including a high grade zone of 31Mt @ 21.4% P₂O₅) for the portion of the Kanzi deposit that lies within its 12040 license area. Details provided in **Table 2** below.

Table 2 – 12040 (Kanzi) Resource Estimate

Kanzi Project – Total Inferred Resource – Permit area 12040		
Cut-off grade P ₂ O ₅ (%)	Total Tonnes (M)	P ₂ O ₅ (%)
0%	46	17.2%
12.5%	31	21.4%

The 12040 permit is located in the far west of the DRC, 35kms (via a recently constructed tar road) from the operating port of Boma, on the Congo River in the DRC, as shown in **Figure 1**.

The high grade resource estimate for the deposit, combined with the deposits close proximity to an operating port, indicates that the project has the potential to be a low capex and opex producer of phosphate rock.

The Company has commenced a desktop review to assess the economic viability of the project which if positive, will lead directly to the commencement of a Kanzi Bankable Feasibility study. Samples for metallurgical testwork were delivered to the laboratory with results expected to be available in the 1st quarter of 2012.

The Company is currently negotiating a joint venture within the DRC to acquire additional licenses in the vicinity of 12040, which have the potential to add to current resources.

2.2(b) Status of Title

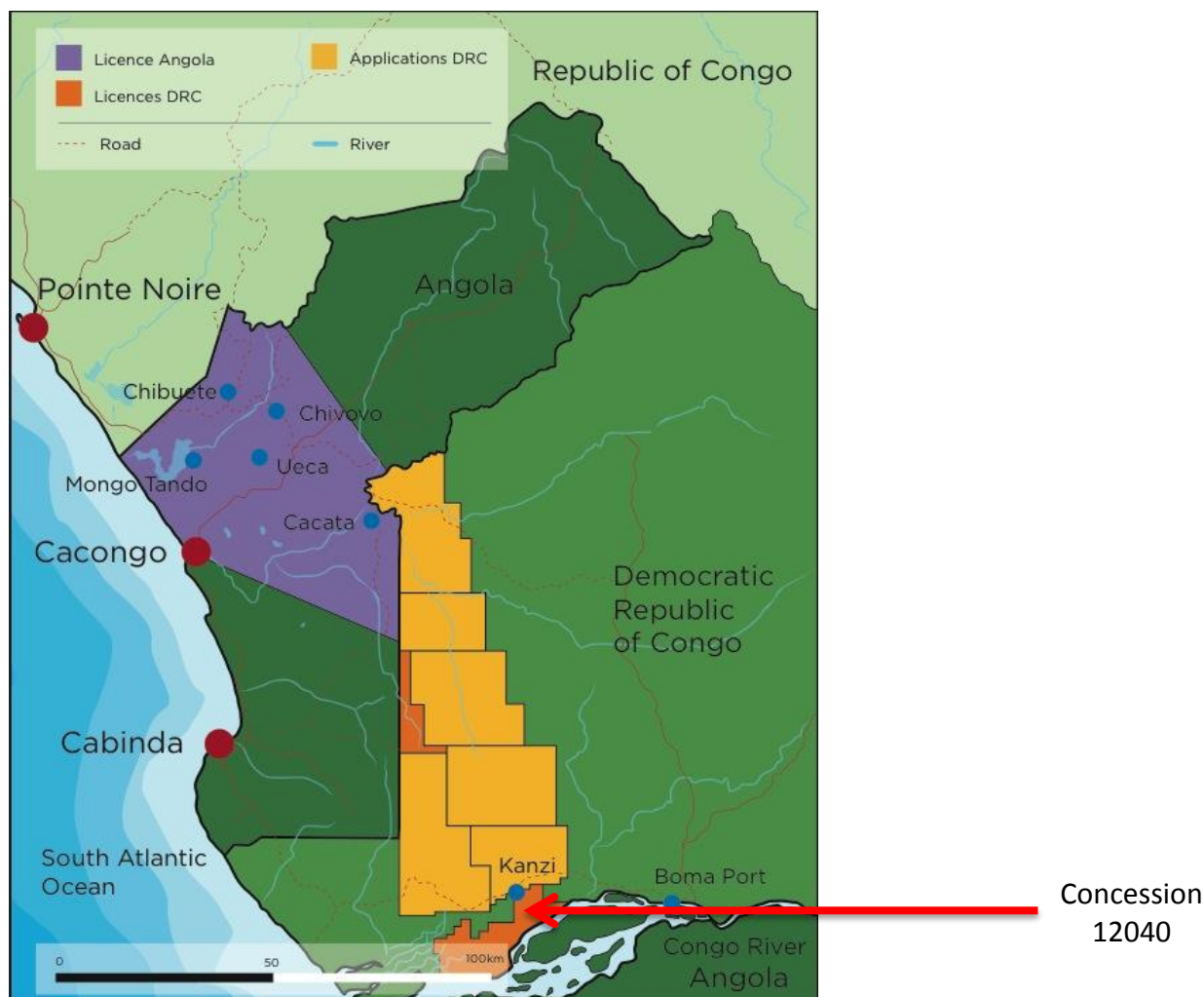
The Company remains in discussions with the Democratic Republic of Congo's Mining Cadastre Agency, the regulatory authority responsible for mining and exploration (CAMI), with respect to their announcement on November 4, 2011 indicating our licences were in dispute. The CAMI announcement referred to the Kanzi deposit, the package of concessions designated as "ZRG" and that Minbos does not have title to these tenements.

Minbos, as detailed in its prospectus and in various follow up announcements, has applied for the right to explore the ZRG package of concessions, however we have confirmed these applications over the ZRG concessions remain pending and as such have not been granted.

The announcement made by Minbos on September 21, 2011 provided details of the results of exploration activities carried out by the Company on concession 12040, which is wholly owned by the Company's DRC subsidiary, AGRIM and is not one of the ZRG concessions.

It is the opinion of the Company that the confusion has arisen owing to the fact that concession 1449 (southern concession of the ZRG package) borders the Company's concession 12040, with both concessions often referred to as Kanzi as the deposit straddles both.

Figure 1 – Location of the Kanzi Phosphate Project, DRC (12040 Permit)



3. DINGE POTASH LICENCE

Subject to technical and legal due diligence, the company entered into an agreement to acquire 75% of the Dinge potash licence from Alum Industrial Lda (Alum), a private Angolan mineral exploration company.

The Dinge potash licence complements the Company's phosphate projects in the Cabinda Province and positions Minbos to capitalise on the increasing demand for fertilisers. A large proportion of the Dinge licence area overlaps Minbos' Cabinda phosphate projects and in many areas such as Chivovo, the potash mineralisation underlies the phosphate mineralisation, as shown in **Figure 2**.

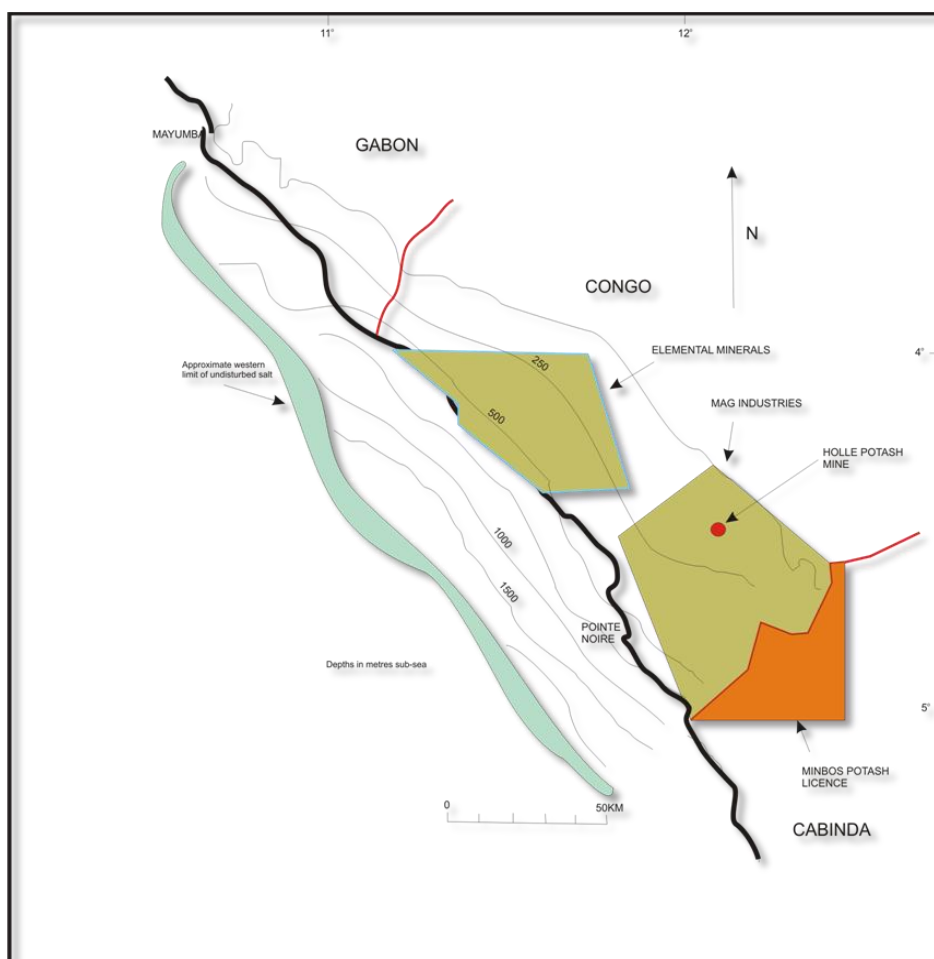
The occurrence of phosphate and potash mineralisation within the same licence areas is potentially an exciting development for Minbos (as shown in **Figure 3**) as it would also avail the potential for shared infrastructure such as ports, roads, etc and providing significant operational and costs advantages.

As we continue our due diligence, the scope of the project is such that we are also looking at alternate ownership structures, such as a joint venture.

**Figure 2 –
Location of the
Dinge Potash
Licence**



**Figure 3 –
Location in
Congo Basin
showing top
of salt
contours
below sea
level.**



4. FINANCIAL/CORPORATE

At the end of December 2011, the Company had consolidated cash reserves of A\$4.35M.

2,185,000 fully paid ordinary shares were released from voluntary escrow on the 19th October 2011.

On the 31st October 2011 under the Company's 15% Facility, the Company announced that it had placed 9,637,500 fully paid ordinary shares at \$0.28 per Share to raise \$2.7M from sophisticated investors.

On the 31st October 2011 the Company issued an Offer Document for a Non-Renounceable Rights Issue ("NRRI") Offer to Eligible Shareholders on the basis of one (1) Share for every ten (10) Shares held by Shareholders on the Record Date at an issue price of \$0.28 per Share to raise \$2.18M. The rights issue closed with solid support from Shareholders, with 3,100,300 Shares (or 40% of all Shares on Offer) taken up. These Shares were issued on the 1st December 2011. There was a shortfall of 4,688,450 fully paid ordinary which were placed on the 7 December 2011 at the discretion of the Board.

Effective from the 21st November 2011, the Company's registered office and principal place of business changed to 108 Outram Street, West Perth, WA 6005.

The Annual General Meeting was held on the 30th November 2011. All resolutions were passed by a show of hands.

5. ACTIVITIES EXPECTED FOR 1ST QUARTER OF 2012

5.1. DRC Phosphate Project

Kanzi Prospect - CRU Strategies desktop review on the establishment of high grade operation from Kanzi ongoing

Additional licence areas - Joint venture negotiations are entering final stages.

5.2. Cabinda Project

Diamond Drilling - The Diamond drilling campaign in Cabinda will be ongoing.

Cacata Prospect - The scoping study to assess the viability of Cacata as a standalone DSO operation is ongoing.

Mongo Tando Prospect - An updated resource estimate for Mongo Tando will be completed.

Cabinda Project Area - An update to the overall global resource for the Cabinda Project Area.

5.3. Dingee Project

- Technical and legal due diligence will be finalized
- Shareholder agreements etc...for the JV company are to be negotiated

5.1. Marketing Activities

- Mining Indaba Conference - Cape Town
- Mines and Money Conference – Hong Kong

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.

For more information:

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About Minbos

Minbos Resources Limited is an exploration company focused on the development of phosphate and potash 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 and potash 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

Overview of licenses

