

**Appendix 5B**

**Rule 5.5**

**Mining exploration entity and oil and gas exploration entity quarterly report**

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/2013

Name of entity

**MINBOS RESOURCES LIMITED**

ABN

**93 141 175 493**

Quarter ended ("current quarter")

**31 December 2015**

**Consolidated Statement of Cash Flows**

	<b>Current Quarter 31-Dec-15</b>	<b>Year to Date "6 Months"</b>
	<b>\$A'000</b>	<b>\$A'000</b>
<b>Cash flows related to operating activities</b>		
1.1 Receipts from product sales and related debtors	-	-
1.2 Payments for		
(a) exploration and evaluation	(3)	(82)
(b) development	-	-
(c) production	-	-
(d) administration	(18)	(98)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	-	-
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other (provide details if material)	-	-
<b>Net Operating Cash Flows</b>	<b>(21)</b>	<b>(180)</b>
<b>Cash flows related to investing activities</b>		
1.8 Payment for purchases of:		
(a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	-	-
1.9 Proceeds from sale of:		
(a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	3	3
1.10 Loans to other entities	-	-
1.11 Loans repaid by other entities	-	-
1.12 Other (provide details if material)	-	-
<b>Net Investing Cash Flows</b>	<b>3</b>	<b>3</b>
<b>1.13 Total operating and investing cash flows</b>	<b>(18)</b>	<b>(177)</b>

<b>Consolidated Statement of Cash Flows Continued</b>	<b>Current Quarter</b>	<b>Year to Date</b>
	<b>31-Dec-15</b>	<b>"6 Months"</b>
	<b>\$A'000</b>	<b>\$A'000</b>
<b>Cash flows related to financing activities</b>		
1.14 Proceeds from issues of shares & options (net of issue costs)	-	-
1.15 Proceeds from sale of forfeited shares	-	-
1.16 Proceeds from borrowings	-	-
1.17 Repayment of borrowings	-	-
1.18 Dividends paid	-	-
1.19 Other (provide details if material)	-	-
<b>Net Financing Cash Flows</b>	-	-
<b>Net increase in cash held</b>	<b>(18)</b>	<b>(177)</b>
1.20 Cash at beginning of quarter/year to date	34	193
1.21 Exchange rate adjustments to item 1.20	-	-
<b>1.22 Cash at end of quarter</b>	<b>16</b>	<b>16</b>

**Payments to directors of the entity, associates of the directors, related entities of the entity and associates of the related entities**

		<b>Current Quarter</b>
		<b>\$A'000</b>
1.23	Aggregate amount of payments to the parties included in item 1.2	Nil
1.24	Aggregate amount of loans to the parties included in item 1.10	Nil
1.25	Explanation necessary for an understanding of the transactions	
N/A		

**Non-cash financing and investing activities**

- 2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

N/A
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- 2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

N/A
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**Financing facilities available**

*Add notes as necessary for an understanding of the position.*

		<b>Amount available</b>	<b>Amount used</b>
		<b>\$A'000</b>	<b>\$A'000</b>
3.1	Loan facilities	N/A	N/A
3.2	Credit standby arrangements	N/A	N/A

+ See chapter 19 for defined terms.

**Estimated cash outflows for next quarter <sup>(1) (2)</sup>**

		\$A'000
4.1	Exploration and evaluation	50
4.2	Development	-
4.3	Production	-
4.4	Administration	50
<b>Total</b>		<b>100</b>

<sup>(1)</sup> Estimated cash outflow will be minimal until Minbos completes the negotiations on amending the Cabinda JV. A subscription agreement for a material capital placement has been negotiated and will be implemented on the successful conclusion of the Cabinda JV negotiations.

<sup>(2)</sup> Minbos is expecting to finalize both the Cabinda JV negotiations and the capital placement in February.

**Reconciliation of cash**

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.	Current Quarter \$A'000	Previous Quarter \$A'000
5.1 Cash on hand and at bank	15	33
5.2 Deposits at call	1	1
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
<b>Total: cash at end of quarter (item 1.22)</b>	<b>16</b>	<b>34</b>

**Changes in interests in mining tenements**

	Tenement reference and location	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1 Interests in mining tenements relinquished, reduced or lapsed	N/A	N/A	N/A	N/A
6.2 Interests in mining tenements acquired or increased <sup>(1)</sup>	Cacata licence	New licence issued	-	100%
	Chivovo licence	New licence issued	-	100%
	Chibuete licence	New licence issued	-	100%
	Ueca licence	New licence issued	-	100%
	Cambota licence	New licence issued	-	100%

<sup>(1)</sup> On 7 October 2015 the Company announced that the Angolan Ministry of Mines and Geology (MGM) had issued the new licence for the Cacata deposit. The new licence (014/04/09T.P/ANG.MGM.2015) has been issued for a five year period expiring on 25 September 2020 and is renewable for a further two years.

On 27 October 2015 the Company announced that the MGM had issued the new licence for the Chivovo, Chibuete, Ueca, Cambota and Mongo Tando Deposits (Remaining Deposits). The new licence (015/01/10/T.P/ANG.MGM.2015) has been issued for a five year period expiring on 14 October 2020 and is renewable for a further two years. The two new licences (Cacata and the remaining Deposits) replaces the previous exploration permit (006/06/01/L.P./GOV.ANG.MGM.2010).

**Issued and quoted securities at end of current quarter**

*Description includes rate of interest and any redemption or conversion rights together with prices and dates.*

	Total number	Number quoted	Issue price per security (see note 3)	Amount paid up per security (see note 3)
7.1 Preference +securities <i>(description)</i>	-	-	-	-
Changes during quarter				
7.2 (a) Increases through issues	-	-	-	-
(b) Decreases through returns of capital, buy-backs, redemptions	-	-	-	-
7.3 +Ordinary securities	1,376,224,881	1,376,224,881	-	-
7.4 Changes during quarter				
(a) Increases through issues	9,075,000	9,075,000	\$ 0.004	100%
(b) Exercise of options	-	-	-	-
(c) Decreases through return of capital, buy-backs	-	-	-	-
(d) Increase pursuant to underwriting of options	-	-	-	-
7.5 +Convertible securities				
- Performance rights	237,829,976			
7.6 Changes during quarter				
(a) Increases through issues	237,829,976	-	-	-
(b) Decreases through securities matured, converted	-	-	-	-
7.7 Options <i>(description and conversion factor)</i>			<b>Exercise price</b>	<b>Expiry date</b>
Placement Options; no vesting period	1,150,000	-	\$0.0937	08/03/2016
Director Options; no vesting period	88,333,333	-	\$0.01	30/12/2016
Consultancy Options; no vesting period	30,000,000	-	\$0.01	30/12/2016
Conversion of Convertible note; no vesting period	100,000,000	-	\$0.01	30/12/2016
Conversion of Convertible note; no vesting period	83,333,332	-	\$0.01	30/12/2016
Consideration for Convertible Security; no vesting period	<u>10,000,000</u>	-	\$0.01	30/12/2016
	<b>312,816,665</b>			
7.8 Issued during quarter				
7.9 Exercised during quarter	-	-	-	-
7.10 Expired during quarter	-	-	-	-
7.11 Debentures <i>(totals only)</i>	-	-	-	-
7.12 Unsecured notes <i>(totals only)</i>	-	-	-	-

+ See chapter 19 for defined terms.

### Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 5).
- 2 This statement does give a true and fair view of the matters disclosed.



Sign here: \_\_\_\_\_  
Company Secretary

Date: 29 January 2016

Print name: STEF WEBER

### Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements and petroleum tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement or petroleum tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Financial Reporting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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