

\$7.3 MILLION PLACEMENT TO FULLY FUND DFS AND ACCELERATE CABINDA PHOSPHATE PROJECT

Minbos Resources Limited (ASX:MNB) (Minbos or the Company) is pleased to announce that it has received firm commitments from sophisticated investors to subscribe for a placement of approximately 91.25 million fully paid ordinary shares (Shares) in the Company at an issue price of AU\$0.08 per Share to raise gross proceeds of AU\$7.3 million (Placement). As part of the Placement, the Company also offered investors one (1) free option to acquire a Share (exercise price \$0.15; expiry date 2 years) for every two (2) Shares subscribed (Placement Options).

CPS Capital Group Pty Ltd (CPS Capital) acted as Lead Manager to the Placement and it was significantly oversubscribed.

Rationale for Investing

- Minbos scoping study after-tax NPV of \$US159-260M on just \$US22.4-27.9M pre-production capex with enough natural phosphate rock for more than 20 years¹;
- Last opportunity (subject to no unforeseen issues) to participate in an equity raising before completion of Definitive Feasibility Study (DFS) and development finance;
- Completion of DFS expected to be a significant value catalyst for the Company – expected circa November 2021;
- Award of Cabinda Phosphate international tender to Minbos flags strong Angolan support for the Minbos fertilizer model;
- Phosphate Fertilizer prices have doubled since MNB submitted its bid to the international tender;
- First primary fertilizer plant to be constructed in all of Middle Africa;
- Strategic partnership with International Fertilizer Development Centre to target small landholder sector;
- Transformational social impact of the project attracting strong interest from ESG investors and DFI finance;
- Strong potential to stimulate commercial and export agriculture markets in Angola;
- Angolan latitudes and rainfall are analogous, to Brazil but with much better proximity to port and Asian markets.

¹ See ASX announcement dated 26 August 2020.

Commenting on the success of the Placement, CEO, Mr Lindsay Read, said:

"We are delighted by the strong support for the placement which has fully funded our Definitive Feasibility Study and provided capacity for the Company to move on growth opportunities that our project makes possible.

In particular, we will now have capacity to progress key project items ahead of project finance draw down.

With its mix of ESG, impact and strong mining economics, the Cabinda Phosphate Project is one of the most exciting and rewarding projects I have been involved in. We look forward to delivering for shareholders, stakeholders and Angola."

The Placement was strongly supported by Directors and existing shareholders and introduced a number of new high net-worth investors and institutions to the Minbos register. The Placement Shares will be issued in a single tranche using the Company's existing capacity with 55,448,684 shares to be issued under LR 7.1 and 35,801,316 shares to be issued under LR 7.1A. However, the Placement Options will be issued subject to receipt of shareholder approval in general meeting.

The Company anticipates holding a shareholder meeting in late March 2021 (Shareholder Meeting) to seek approval for the issuance of the Placement Options.

In addition, subject to approval at the Shareholder Meeting, Mr Peter Wall, Mr Paul McKenzie and Mr Graeme Robertson (all directors of the Company) are participating in the Placement for a total of AU\$200,000, demonstrating their confidence in the Company.

Funds raised from the Placement will be used for working capital requirements and to further DFS activities for the Cabinda Phosphate Project, Angola.

FEES PAYABLE IN RELATION TO THE PLACEMENT

CPS Capital acted as Lead Manager to the Placement. The Company will pay CPS Capital a management fee of 2% of the total gross proceeds of the Placement, plus GST and a placing fee of 4% of the total gross proceeds of the Placement, plus GST.

Subject to shareholder approval in general meeting, CPS and/or its nominees, will also receive 20,000,000 options, on the same terms as the Placement Options at an issue price of AUD\$0.0001 each ("Corporate Options"). CPS will also receive a monthly corporate advisory fee of AUD\$6,000.00, plus GST, for a minimum of 12 months.

-ENDS-

This announcement is authorised for release by Minbos Chairman, Mr Peter Wall.

For further information please contact:

CEO Lindsay Reed

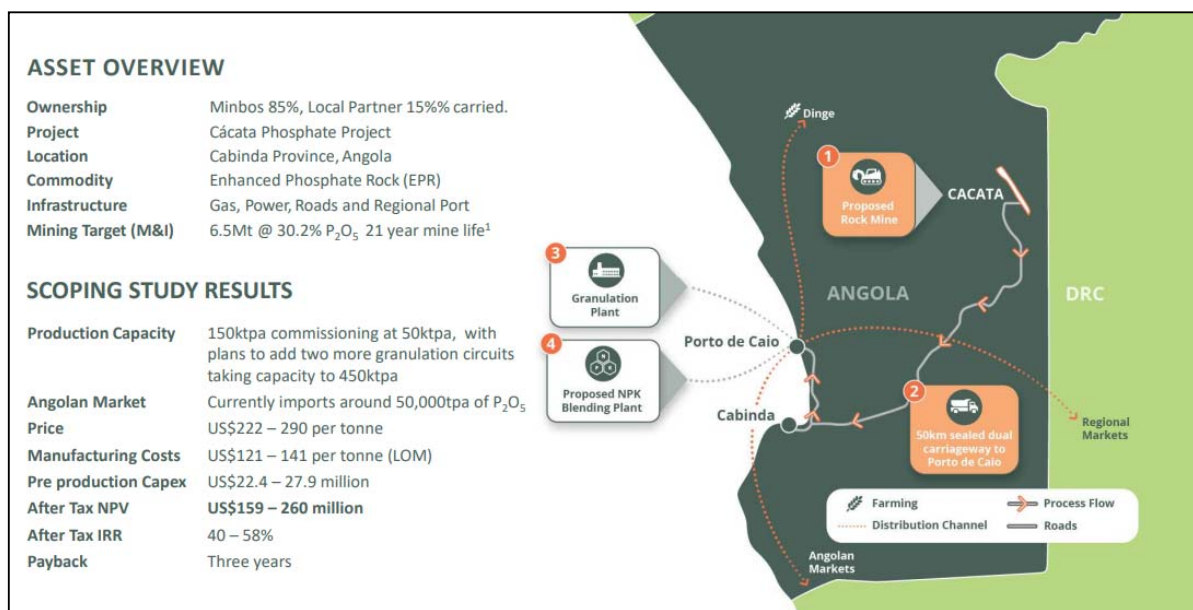
Phone: +61 8 6270 4610

Chris Swallow - Corporate Development

c.swallow@minbos.com

ABOUT MINBOS

Minbos Resources Limited (ASX:MNB) is an ASX-listed exploration and development company with a world-class phosphate ore project within the Cabinda Province of Angola. With fertilizer consumption on the African continent projected to reach 13.6 million tonnes by 2030 (7.6 million tonnes currently), the Company's immediate focus is on bringing the Cabinda Phosphate Project into production, a de-risked project uniquely positioned to address the exponential agricultural growth in Middle Africa. The Company's vision is to build a nutrient supply and distribution business that stimulates agricultural production and promotes food security in Angola and the broader Middle Africa region.



[ASX Release Cabinda Phosphate Project Scoping Study 26th August 2020](#)

Compliance Statement

With reference to previously reported Scoping Study Results, 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 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.