

QUARTERLY ACTIVITIES REPORT – 30 SEPTEMBER 2014

Minbos Resources Limited (“Minbos” or the “Company”) is pleased to present its quarterly report for the period ended 30 September 2014.

Highlights during the quarter

- **Successful Completion of Rights Issue Offer & Placement of Shortfall** – the pro rata renounceable rights issue for 2 fully paid ordinary shares for every 1 share held by shareholders on 18 June 2014, at an issue price of \$0.003 raised \$314,359 and a further \$1.34 million through the placement of the rights issue shortfall.
- **Appointment of Mr Lindsay Reed as CEO** – an accomplished mining executive with over 30 years of experience in senior management roles in Australia and overseas.
- **Engagement of Mr Andrew Brice as Projects Advisor** – Mr Brice is a project engineer with extensive experience in project studies and execution roles from both an EPCM and Owners perspective.
- **Repayment or conversion of all convertible debt securities** - subsequent to the end of the quarter, the Company has satisfied and terminated all convertible debt securities.

ABN: 93 141 175 493
ASX Code: MNB

PERTH OFFICE
278 Barker Road
Subiaco WA 6008
Australia

T: +61 8 6102 7724
E: info@minbos.com
W: www.minbos.com

Company Snapshot
Directors and Management
P. Wall (Non-Exec. Chair)
D. Black (Exec)
D. Catulich (Non-Exec)
W. Oliver (Non-Exec)
L. Reed (CEO)

Exploration Areas
Angola (Cabinda Province)
Phosphates – Cabinda Project

Democratic Republic of Congo
Phosphates – Kanzi Project

Australia
Carnarvon Shire

Securities on Issue
1,158,149,881 Ord. Shares (quoted)
315,816,665 Options (unlisted)

Cash on hand
A\$709,070 (30 Sep 2014)

APPOINTMENT OF CHIEF EXECUTIVE OFFICER

The Board is pleased that an executive with Mr Reed’s experience agreed to join the Company at such a pivotal time in the development of Minbos’ Angola Phosphate Project and is confident the appointment and recent shortfall placement will enhance the ability of the company to take advantage of its high grade phosphate deposits on the rim of the growing Atlantic market.

Mr Reed has extensive experience in managing mining projects in a wide range of commodities and countries. He was previously Managing Director of resource development company Aviva Corporation Limited which divested its West Kenyan gold and base metals assets in late 2012 to African Barrick Plc for \$20M cash and a further resource milestone payment of \$10M. Mr Reed was responsible for Joint Venturing into the asset with Lonmin Plc and overseeing funding and exploration activities until the divestment of the asset. Mr Reed also oversaw the environmental approval of two power station projects in Australia and Botswana and attracted International heavyweights GDF Suez and AES Corporation as Joint Development Partners.

Mr Reed is a Mining Engineer and his extensive experience in international mine development, minerals marketing and project funding will be invaluable to the development and financing of Minbos’ Angolan Phosphate Project.

Mr Reed's immediate focus will be to finalise the scope of the DFS pursuing capital and operating cost reductions, extend the high grade component of the resource base to position the project without peer in the Atlantic Basin, and to present the Company to international investors, potential strategic and off-take partners.

CABINDA PROJECT

With the recent appointments to the Minbos management team completed, the Mongo Tando Joint Venture (JV) has re-engaged with the Ministry of Mining and Geology to seek the renewal of the exploration licence in Angola. The renewal process is proceeding under the new mining code, involves several new procedures and the process of aligning to this new code has caused some delays.

The JV submitted a number of documents during the quarter in support of the renewal process. This includes:

- A Social Plan to the Cabinda Provincial Government which has now been approved by the Governor.
- The environmental rehabilitation report on previous exploration activity at Cabinda.
- A training program in compliance with the current legislation.
- The bank guarantee required for the renewal of the exploration licences.

The Angolan Government and the JV have at all times proceeded on the basis of the licences being valid and the tenure secure beyond the exploration licence expiry date of 20 January 2013. The JV has taken the position of not committing substantial funds to the progression of the planned Definitive Feasibility Study (DFS) until these licences are formally renewed. However, the JV is poised to immediately recommence activity on the DFS as soon as they are receipt of the renewed exploration licence.

DEFINITIVE FEASIBILITY STUDY

Once the licenses have been granted, the JV will be moving to elevate the current desktop studies to a DFS level and a meeting of the partners' respective technical teams has been scheduled for the first week of November to scope the activities required to accelerate the project.

Minbos has engaged the services of Mr Andrew Brice to offer assistance to the JV in developing its plans. Mr Brice is a project engineer with extensive experience in project studies and execution from an EPCM and Owners perspective. He has been involved in the studies and execution of billion dollar resource projects including several in sedimentary deposits similar to Cabinda. His most recent assignment was as Senior Project Engineer for the \$300M Kwale

Mineral Sands Project in Kenya which has a very similar scope and setting to the Cabinda Phosphate Project in Angola. Mr Brice will complement the JV partners' technical team and the company is pleased to have him involved.

CONVERTIBLE NOTES

At 30 June 2014, Minbos had a convertible security and convertible notes totalling \$1,250,000, which were secured over the Company's assets.

At the commencement of the quarter, the convertible note facility provided by sophisticated investors was \$550,000. On 25 August 2014, convertible note holders elected to convert \$300,000 of the facility at \$0.003 for the issue of 100 million shares and 100 million unlisted options, reducing the convertible note facility to \$250,000.

During the quarter, Minbos repaid the principal amount of \$250,000 of the Carter convertible note, thereby extinguishing the obligations of the Company with respect to this convertible note.

Subsequent to the end of the quarter Minbos has either repaid or converted the convertible security and convertible notes totalling \$700,000, which were secured over the Company's assets.

As at the date of this report the Company has no debt arrangements, secured or otherwise, other than creditors on normal trading terms.

CORPORATE

Cash

At the end of September 2014, the Company had consolidated cash reserves of A\$709,070. In July 2014, Minbos completed a pro rata renounceable rights issue for 2 fully paid ordinary shares for every 1 share held, at an issue price of \$0.003 per share seeking to raise \$1.7million (Offer). Through the issue of 104,786,468 shares pursuant to the rights issue the Company raised \$314,359. During September 2014, the Company successfully placed the rights issue shortfall and through the issue of 447,119,610 shares the Company raised \$1,341,359.

Securities

During the quarter the Company issued the following securities:

- On 28 July 2014, the Company issued 104,786,468 shares pursuant to the rights issue and raised \$314,359;
- On 25 August 2014, the Company issued 100 million shares and 100 million unlisted options exercisable at 1 cent expiring 30 December 2016, to convertible note holders on conversion of convertible notes with a face value of \$300,000;

- On 3 September 2014, the Company issued 447,119,610 shares pursuant to the rights issue shortfall and raised \$1,341,359.

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ACTIVITIES EXPECTED FOR 4TH QUARTER OF 2014

Cabinda Projects – Angola

- Renewal of Prospection Titles under the new Mining Code, Law 31/11, to facilitate the progression of the DFS.

Kanzi Project – DRC

- Progress negotiations for the sale of Minbos' interests in the DRC
- Minbos will not be committing any further significant expenditure to Kanzi.

Phosphate tenements – Western Australian

- Geological mapping, geochemical sampling and desktop based evaluation to meet licence conditions.

Interest in Mining Licences

The Company is an exploration entity, below is a list of its interest in licences, where the licences are situated and the percentage of interest held.

Licence Number	Type	Interest	Location
12908	Exploration	49%	Democratic Republic of Congo
12910	Exploration	49%	Democratic Republic of Congo
12911	Exploration	49%	Democratic Republic of Congo
0006/06/01L.P./ GOV.ANG.MGM/2010*	Exploration	50%	Cabinda Province, Angola
E08/2335	Exploration	100%	Carnarvon Shire, Western Australia
E08/2336	Exploration	100%	Carnarvon Shire, Western Australia

*Licence expired 20 January 2013 and is awaiting renewal

No licences were acquired or disposed of during the quarter.

– ENDS –

For further information please contact:

Paige Exley
Company Secretary
email: paige@eventide.com.au
(+61) 8 6102 7724

For media enquiries contact:
David Ikin – Professional Public Relations
email: david.ikin@ppr.com.au
(+61) 8 9388 0944

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.

Minbos is focussing on the development of the high grade Cacata project in Cabinda whilst growing its current resource base in incremental stages on the remaining deposits in Angola.

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. For more information, visit www.minbos.com