

CABINDA PHOSPHATE FINANCE AND SALES UPDATE

Minbos Resources Limited (ASX:MNB) ("Minbos" or the "Company") is pleased to provide an update on sales and finance progress for the Cabinda Phosphate Project, located in Angola.

HIGHLIGHTS

- Sales interest for Cabinda Phosphate fertilizer continues to increase following the commitment of funds by the Angolan Sovereign Wealth Fund¹, the commencement of Phase 1 construction by Arliz² and the revised term sheet from Banco BAI.³
- Firm interest has been received for both export and domestic sales commencing next year and extending for three years. Domestic interest includes distributors and food aggregators, and export interest is from niche Atlantic markets where MNB Phosphate Rock has specific advantages rather than a simple commodity input for phosphoric acid feedstock
- The Company has consulted with IDC and Banco BAI throughout the sales process and both institutions have expressed support for the quality of customers, broad customer base and inclusion of both domestic and export markets.

FINANCING

Banco BAI US\$12 Million Term Loan

A revised term sheet has been signed with Banco BAI for a Term Loan ("**Banco BAI Facility**") recognising the updated sales strategy and removing certain conditions in respect to securities.

As one of the conditions precedent to drawdown, the Company has agreed to convert its Angolan subsidiary, Soul Rock Lda, (the Borrower of the Banco BAI Term Loan) from a Limited Liability Company (Sociedade por Quotas, Lda) to a Public Limited Company (Sociedade Anónima, SA). Under the SA company structure, the company is legally required to establish three separate governance bodies for management, board of directors and auditors, which is the structure preferred by Banco BAI.

The Banco BAI facility is provided under the Angolan Central Bank regulation Aviso 10/2024, which enables banks to utilize funds normally held on reserve with the Central Bank, on the

¹MNB Announcement: US\$10m Strategic Investment Approval Received (12th August 2024)

²MNB Announcement: Civil Construction Contract Signed (5th December 2024)

³MNB Announcement: Cabinda Phosphate Fertilizer Project Funding Update (10 July 2024)

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condition that the facilities are applied to economic development such as agricultural value chain projects.

Aviso 10/2024 prescribes a maximum interest rate of 7.5%. Fundo de Garantia de Crédito (“FGC”), has indicated it will provide Banco BAI with a credit guarantee for the facility at additional cost to the borrower of 2% interest. Banco BAI will now invite FGC to participate in the loan facility negotiations that are currently underway, as both will be signing parties to the loan agreement.

Angolan Sovereign Wealth Fund US\$10M Subscription Agreement

All three funding tranches have been received by the Company's Mauritian subsidiary Phobos Ltd. The shares in Phobos Ltd for tranche 3 are currently being issued to the Angolan Sovereign Wealth Fund's Mauritian subsidiary, ASF Yova Mining Holding Ltd. Once this share issue is completed, it will entitle Angolan Sovereign Wealth Fund to nominate a director to the board of directors of Phobos Ltd.

International Development Corporation (“IDC”) US\$14 Million Debt Facility

Targeting first drawdown by July 2025, subject to final Conditions Precedent being completed, further updates include:

- Angolan Sovereign Wealth Fund US\$10 million equity subscription has satisfied the Condition Precedent for an equity investment.
- Once signed, the Banco BAI Facility will satisfy the term loan facility Condition Precedent.
- The offtake Condition Precedent is currently being updated by the IDC in line with the Company's sales and marketing strategy to diversify away from a single customer strategy to a broad base of export and domestic sales, with the 120,000ktpa expected to be satisfied from a mix of export markets and domestic distributors and food aggregators.

SALES AND MARKETING

The Company's sales and marketing strategy is led by Chief Strategy & Marketing Officer Mr Rob Newbold, who is located in the Angolan time zone. Over the past 12-18 months, led by Rob, the Company has been accessing the in-country potential of Angola and developing a sales and marketing strategy which reflects the fast-evolving situation on the ground.

Mr Newbold is uniquely qualified to head up the sales and marketing activities for the Company. He was previously the General Manager for Wengfu Australia Ltd, one of the leading suppliers of bulk fertilizer to Australia and has previously held senior sales and marketing positions with Nufarm and Incitec Pivot. Rob's experience has been vital to understanding the developing a sales and marketing strategy which fits both our future growth and current financing needs.

Overview: Minbos Sales Positioning

The Company is excited to share significant developments regarding PRIMEIRO™, the only locally produced phosphate-based fertilizer, which creates a unique market proposition.

Extensive local agronomy trials conducted by the Company have provided valuable insights regarding PRIMEIRO and its ability to improve crop yields and quality attributes. With thirty-two replicated trials conducted over the past 5 years, the Company now understands precisely where PRIMEIRO performs best, the specific soil types, regions and crops it will benefit, optimal application rates and methods to be used, implications of product form, and its interaction with different forms of other macro nutrients, Nitrogen, Potassium and Sulphur.

PRIMEIRO is now recognised as important foundation for nutrient plans for all farming sectors based on the five years of trials carried out in conjunction with IFDC, IIA and NPCT, and in product awareness programs instituted by the Company's Chief Strategy and Marketing Officer Mr Rob Newbold.

Mr Newbold and Dr Prochnow, the Company's Chief Agronomist, have positioned PRIMEIRO to benefit the smallholder sector and also the larger scale first till commercial sector. In addition, they have developed PRIMEIRO+ blends which are gaining acceptance in segments previously considered unsuitable for PRIMEIRO.

The Company expects different formulations of PRIMEIRO to evolve as the market develops and matures, including specific blends of Phosphate, Nitrogen, Potassium, and Sulphur [N:P:K:S] for the Angolan market.

The boutique export sector continues to be a strategic focus, bringing economies of scale to the operation in addition to foreign exchange to the revenue line which will strengthen the Company's future financial position once in production.

End User Focus: Smallholders to Large Export Farms

Small holder farmers are a primary focus for the Company and other market participants.

The goal is to collaborate with government institutions and other market participants to commercialise this sector, working closely with distribution partners to improve crop yields and alleviate malnutrition and poverty.

The Company seeks to re-establish Angola as a major agricultural exporter, whereby within ten years Angolan Agriculture may be more valuable and durable than the Angolan Oil industry. Exports from larger scale mechanised farms are the path to this goal.

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Pricing: Export Commodity, Local Solutions

Cabinda Phosphate Rock has a range of applications such including as a feedstock for granulation and also as a direct application fertilizer for which reference pricing for equivalents are readily available.

In recent agronomy trials the Company demonstrated the value of the product as a blending constituent, allowing the Company to consider a blended NPK product.

Local Market Role: Enabling Solutions

The Company sees itself as an enabling business in Angola that brings products and solutions to the agriculture sector that will enhance the outcome of small farmers, commercial farmers, export farmers and market channel businesses. The strategy is to collaborate rather than compete in the local market in order to accelerate the growth of the sector which will generate the best outcome for all stakeholders.

Market Strategy: Organising and Growing the Market

The Company has structured its market strategy to promote and participate in organized markets. The Company has not sought, and in fact has resisted offtake and/or direct market investment by government institutions.

Angolan agriculture markets are becoming organized. In the past the Government, out of necessity, filled the role of buyer, supplier and distributor of fertilizer. However this role obscured transparent price discovery between buyers and sellers and disrupted the clearing mechanisms of natural supply and demand. An unintended consequence was it created uncertainty for short-term procurement and long term investment in the fertilizer sector.

PRIMEIRO, as the brand suggests, is the Company's first solution, but other solutions are already being demonstrated. The Company's sales growth is expected to be stimulated by continuing engagement and collaboration with market participants to deliver solutions necessary for today and tomorrow. Including:

- Engagement with all levels of Government to advocate policy initiatives necessary to make Agriculture the driver of the Angolan economy.
- Participation in private sector associations for communication, advocacy and product awareness.
- Demonstration of PRIMEIRO+ products to suit the distinct sectors, smallholders, existing commercial farms and first crop commercial farms.
- Education for farmers and market channels serving the farmers.
- Collaboration with market channel suppliers for blending, granulating, bagging and packing, distribution and financing of sales.

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- END -

This announcement has been released with the approval of the Minbos Board of Directors.

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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.

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