

Interim Financial Report

For the half-year ended 31 December 2019



ABN 93 141 175 493

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Corporate Directory

Directors & Officers

Mr Peter Wall - Non-Executive Chairman
Mr Damian Black - Non-Executive Director
Mr William Oliver - Non-Executive Director
Ms Dganit Baldar - Non-Executive Director

Mr Lindsay Reed - Chief Executive Officer
Mrs Ashley Lim - Company Secretary

Registered Office

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Subiaco WA 6008

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Principal Place of Business

Suite 1, 245 Churchill Avenue
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PO Box 162
Subiaco WA 6904

Domicile and Country of Incorporation

Australia

Australian Company Number

ACN 141 175 493

Australian Business Number

ABN 93 141 175 493

Bankers

National Australia Bank
West Perth Business Banking Centre
Level 1, 1238 Hay Street
West Perth WA 6005
Website: www.nab.com.au

Auditors

BDO Audit (WA) Pty Ltd
38 Station Street
Subiaco WA 6008
Website: www.bdo.com.au

Share Registry

Automic Registry Services
Level 2, 267 St Georges Terrace
Perth WA 6000
Website: www.automic.com.au

Solicitors

Steinepreis Paganin
Level 4, The Read Buildings
16 Miligan street
Perth WA 6000
Website: www.steinpag.com.au

Securities Exchange

Australian Securities Exchange Limited (ASX)
Home Exchange - Perth
ASX Code - MNB (Ordinary Shares)

Directors' Report

The Directors submit their half-year report of the 'Consolidated Entity' or 'Group', being Minbos Resources Limited ('Minbos' or the 'Company') and its Controlled entities, for the half-year ended 31 December 2019 ('Period').

1. BOARD OF DIRECTORS

The Directors of the Company at any time during or since the end of the Period are as follows.

Directors	Position	Appointment	Resigned
Peter Wall	Non-Executive Chairman	21/02/2014	-
Damian Black	Non-Executive Director	21/02/2014	-
William Oliver	Non-Executive Director	02/09/2013	-
Dganit Baldar	Non-Executive Director	18/03/2016	-

2. REVIEW OF OPERATIONS

(a) GROUP OVERVIEW

Minbos Resources Limited is an ASX-listed exploration and development company. The Company's primary focus during the period continued to be on the advancement of its Phosphate Interests (Angola) and its Ambato Rare Earth Project (Madagascar).

The Company's strategy is to specifically target the exploration and development of low-cost mineral projects.

(b) HIGHLIGHTS & SIGNIFICANT CHANGES IN STATE OF AFFAIRS

The highlights and significant changes in state of affairs during and subsequent to the end of the half-year include:

Public tender for Mining Rights in Angola: During the period, the Company lodged its public tender for Mining Rights Grants with Angola's Ministry of Mineral Resources and Petroleum, which includes the Cacata area previously held by Minbos in Cabinda, Angola. The Company has a plan to deliver high-yield/low-cost phosphate fertilizer to the mutual benefit of local farmers and agri business.

Greenhouse trials on Phosphate from Angola: During the period, the Company announced that interim results from four greenhouse trials completed over the past 24 months at the International Fertilizer Development Center (IFDC) in Muscle Shoals Alabama had confirmed that Angolan soils, crops and climate are ideally suited for Cabinda enhanced rock phosphate.

Phosphate Rock from Angola successfully processed: As part of the partnership with the IFDC, 500kg's of improved Cabinda Phosphate Rock was successfully processed at the IFDC's world-class trial plant in Muscle Shoals, Alabama. The granulation testing was designed to identify plant flow and design and produced 400kg's of Cabinda blend to be used for an in-country field trial in Huanbo, Alabama.

Field trials commence in Angola: In-country field trials coordinated by the Angolan Institute of Agronomic Investigations commenced in Huanbo in early December with the planting of maize. The maize field trial will be harvested next year with a second crop of beans to be planted in February.

Drilling program complete at Ambato Rare Earth Project: 118-hole auger drilling program was completed at the Ambato Rare Earth Project, located in the Republic of Madagascar. Drilling results targeted a ~2km-long zone of rare earth soil anomalies at the Ankazohambo prospect, with a recent soil sampling program returning grades of up to 11.7% Total Rare Earth Oxide (TREO), with 22% of all samples greater than 1% TREO.

Directors' Report

(c) PROJECTS

➤ ANGOLAN PHOSPHATE INTERESTS

Minbos has substantial experience in developing phosphate projects in Angola and the wider Congo Basin, having spent AUD\$20 million on exploration and feasibility studies on the Cabinda Phosphate Project. The concession area of Cacata is located in Cabinda Province, in the Cacata and Tchobo areas approximately 240km from Luanda (Figure 1). The Company has a plan to deliver high-yield/low-cost phosphate fertilizer to the mutual benefit of local farmers and agribusiness.

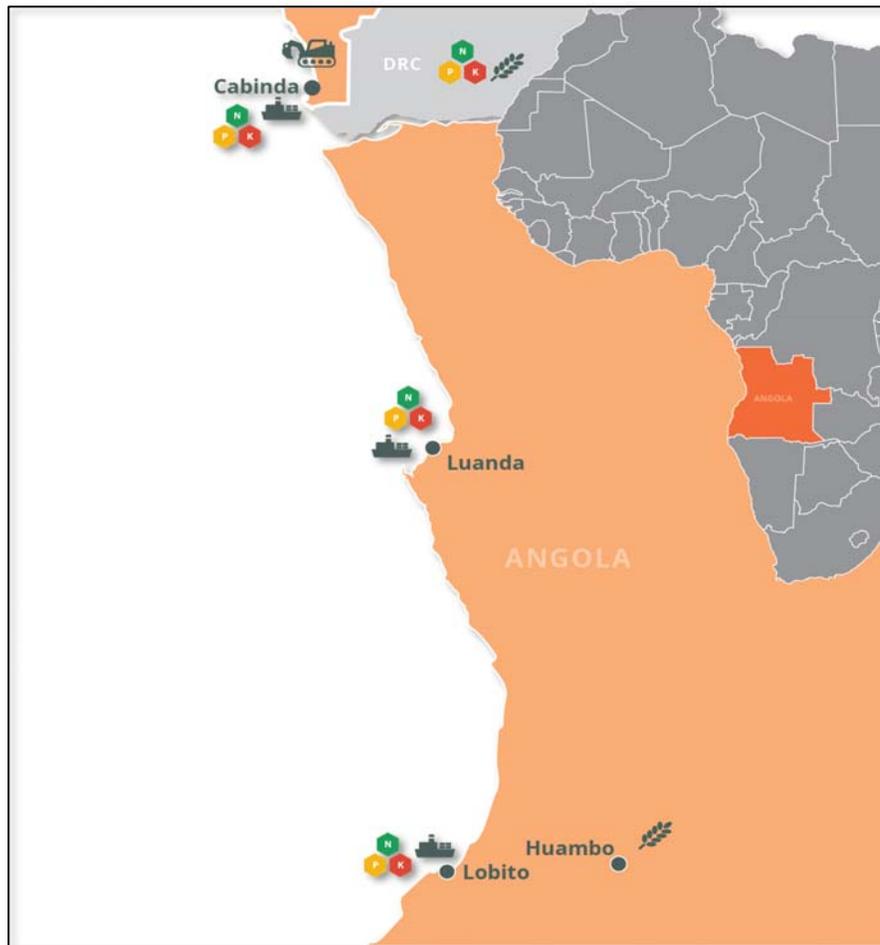


Figure 1 - North West Angola with Cabinda phosphate licences, NPK plants and major ports.
The field trial area of Huambo is also listed.

The Company believes the agricultural impact of the enhanced phosphate rock project has the potential to transform Angola and the wider Congo Basin. The project could supply all of the phosphate nutrient requirements for the country; however, its most important contribution will be the ability to customize a phosphate nutrient granule to tailor phosphate release timing, incorporate micronutrients to specification, and reduce the economic scale size for phosphate granule production.

Directors' Report

MINBOS TENDERS FOR ANGOLAN PHOSPHATE LICENCES

Minbos advised of its intention to formally make an application for the Republic of Angola's Ministry of Mineral Resources and Oil (MIREMPET) public tender for Mining Rights Grants, which included the area previously held by Minbos in Cabinda¹. The Company welcomed the announcement of the tender and congratulated President Joao Lourenco and the Government of Angola for running an open and accessible tender process. The Company made strong representations at local and international (technical presentations) roadshows organized or attended by the Angolan Government. The Company lodged its tender documents in December.

PHOSPHATE ACTIVITY UPDATE

In partnership with the International Fertilizer Development Centre, a science-based public international organization working to alleviate global hunger by introducing improved agricultural practices and fertilizer technologies to farmers and by linking farmers to markets, the Company has completed 24 months of greenhouse trials at IFDC headquarters in Muscle Shoals, Alabama² (Figure 2).

The Company has completed four greenhouse trials with the IFDC, with the broad aim of maximising the fertilizers agronomic potential and ensuring the suitability of the crops for use in Angola and the surrounding Congo Basin.

The interim results have confirmed that Angolan soils, crops and climate are ideally suited for Cabinda enhanced rock phosphate which prefers moist, acidic (low-pH.) soils and staple crops such as cereals and legumes. The interim results also saw significant agronomic growth with the Cabinda phosphate fertilizer pot-trialled on winter wheat, maize, residual maize and sorghum.

The Company recently presented the findings from the greenhouse trials as well its plans for its phosphate interests at the 1st Angolan Mining Conference, which was attended by the Hon. João Manuel Gonçalves Lourenço, President of Angola.



Figure 2 - Cabinda Phosphate Fertilizer Blend Greenhouse Trials at the International Fertilizer Development Center (Muscle Shoals, Alabama)

¹ ASX Announcement - MINBOS TO TENDER FOR ANGOLAN PHOSPHATE LICENCES
<http://www.investi.com.au/api/announcements/mnb/2fb1f8e5-cf2.pdf>

² ASX Announcement - PHOSPHATE AND RARE EARTH ACTIVITY UPDATE
<http://www.investi.com.au/api/announcements/mnb/626e5ca4-2c7.pdf>

Directors' Report

ANGOLA IN-COUNTRY FIELD TRIALS – UNDERWAY

As part of the partnership with the IFDC, 500kg of improved Cabinda Phosphate Rock was successfully processed at the IFDC's world-class trial plant in Muscle Shoals, Alabama³. The granulation testing was designed to identify plant flow and design and produced 500kg's of Cabinda blend to be used for an in-country field trial, which has now commenced and is progressing well in Huambo, Angola (Figure 3).



Figure 3 - Field trials underway in Huambo, Angola with Maize crops shown.

The in-country field trials are being co-ordinated by the Angolan Institute of Agronomic Investigations in Huambo, with the initial concept and design being undertaken by the Plant Nutrition Science and Technology Company (NPCT) design in consultation with the IFDC. The maize field trial will be harvested in April-May with a second crop of beans to be planted in February. The Company will release results of the trials when available.

CÁCATA PHOSPHATE LICENCES - TENDER EXTENSION

Minbos advises that Angola's MIREMPET extended the date for tender submissions for the Cabinda Phosphate concessions⁴. The date was extended by one month, with the new closing date the 18th December 2019. Minbos completed and lodged a formal tender submission, with the awarding of the tender expected to be announced in Q1 2020.

³ ASX Announcement - PHOSPHATE AND RARE EARTH ACTIVITY UPDATE
<http://www.investi.com.au/api/announcements/mnb/626e5ca4-2c7.pdf>

⁴ ASX Announcement - PHOSPHATE AND RARE EARTH ACTIVITY UPDATE
<http://www.investi.com.au/api/announcements/mnb/626e5ca4-2c7.pdf>

Directors' Report

➤ **AMBATO RARE EARTHS PROJECT - MADAGASCAR**

The Ambato Rare Earth Project is located approximately 200km to the southwest of Antananarivo, in the Ambatofinandrahana Municipal area of the South Central Highlands of Madagascar. The Project comprises two permits covering 440km² and consists of seven (7) prospects; Marovoalavo, Ankazohambo, Andoharano, Sahafa, Lesada, Vohiniariana, and Sambalahy.

Surface sampling has returned high-grade Rare Earth Elements (REE) contained predominantly in Bastnaesite. Bastnaesite is typically low in Uranium and Thorium and one of only three REE minerals to have been commercially beneficiated. The Ankazohambo prospect has been sampled over a 2.4km strike length returning rock chip samples up to 41% TREO of predominantly bastnaesite with low uranium and thorium. The project hosts multiple occurrences outcropping at surface that remain undrilled.

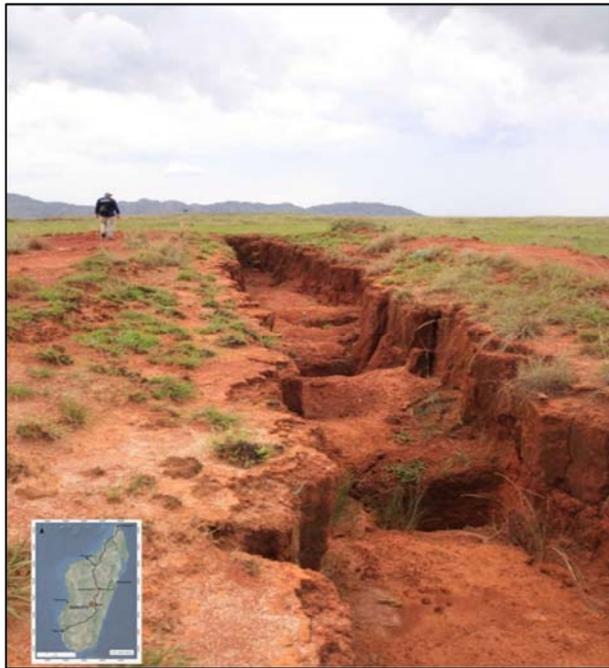


Figure 4 – Ambato Rare Earths Project, Madagascar

MADAGASCAR RARE EARTHS FIELD MAPPING PROGRAM – COMPLETED

Following the highly encouraging results from a 118-hole auger drilling program⁵ (Figure 5), which confirmed an approximately 2km-long zone of rare earth soil anomalies with numerous peak values of greater than 5% TREO⁶, the Company has completed a follow-up geological mapping of the Ambato Rare Earth Project in Madagascar⁷. The mapping was focussed primarily around the known mineralisation and 2km-long geochemical soil anomaly, designed to generate a suitable drill target.

The Company engaged respected mining consultants CSA Global to complete the mapping exercise which included compiling and collecting lithological, structural and soil colour information as well as remote sensing and existing geological and assay data to construct a geological model to vector down on potential drill target(s). Final results from the report are due in February 2020 and will be announced shortly thereafter.

⁵ ASX Announcement - NEW AUGER RESULTS CONFIRM 2KM-LONG ZONE OF RARE EARTH ANOMALIES
<http://www.investi.com.au/api/announcements/mnb/0116aa55-215.pdf>

⁶ Handheld XRF instrument only detects La, Ce, Nd, Pr, and Y. The TREO values being stated are the sum of La, Ce, Nd, Pr, and Y (converted into oxides) only

⁷ ASX Announcement - PHOSPHATE AND RARE EARTH ACTIVITY UPDATE
<http://www.investi.com.au/api/announcements/mnb/8a1ae6ab-e69.pdf>

Directors' Report

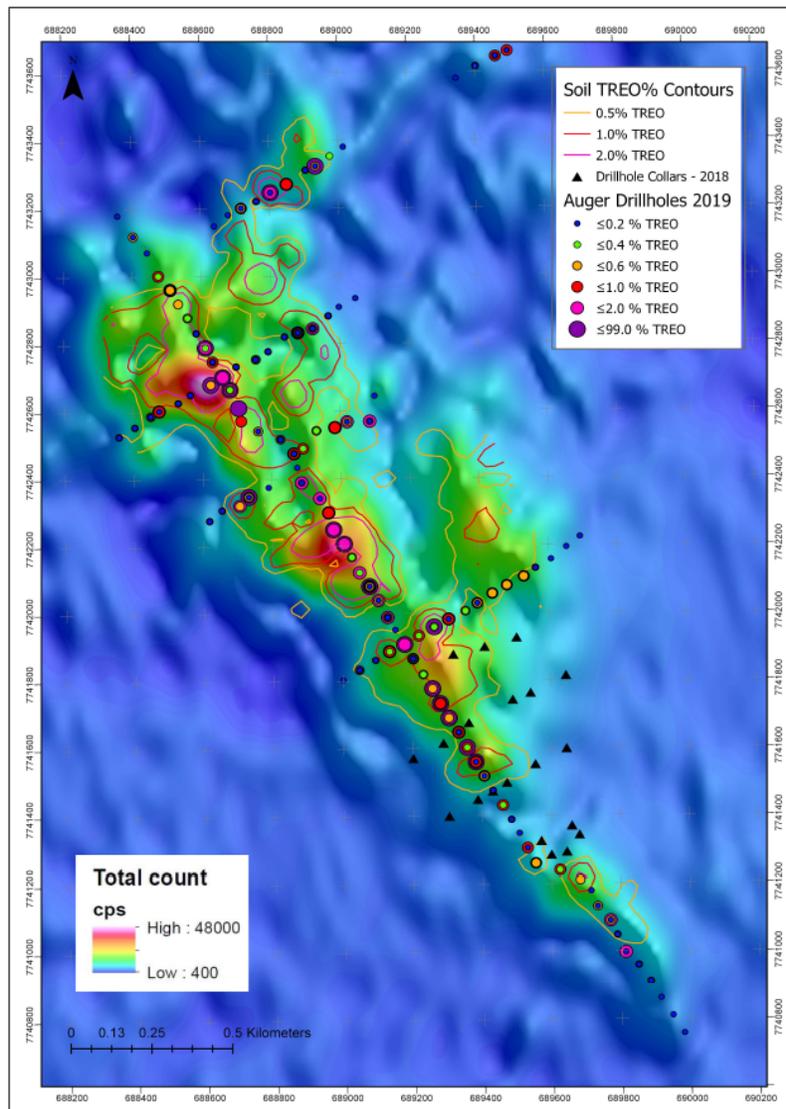


Figure 5 - Plan view of 2019 auger drilling results coloured by TREO% overlain with soil contours and 2018 diamond drillhole collars, and underlain by airborne radiometrics.

NEW AUGER RESULTS CONFIRM 2KM-LONG ZONE OF RARE EARTH ANOMALIES

A total of 118 auger drillholes (totalling 402.2m) were drilled into the Ankazohambo prospect with the holes drilled to an average depth of 3.5m⁸. The auger drilling results returned XRF TREO grades of up to 12.7%, and are consistent with previously announced soil sampling results, further confirming the presence of rare earth mineralisation at Ankazohambo.

The auger drilling program built on the 21-hole (totalling 838m) diamond drilling program completed in 2018, which produced handheld XRF Total Rare Earth Oxide (TREO) grades of up to 16.5%.

Drilling confirmed an approximately 2km-long zone of rare earth soil anomalies at the Ankazohambo Prospect, with a peak grade of 12.7% Total Rare Earth Oxide (TREO) recorded. Importantly, numerous adjacent holes recorded greater than 5% TREO. New results confirm previous soil sampling programs which returned grades of up to 11.7% TREO, with 22% of all samples greater than 1% TREO.

⁸ ASX Announcement - NEW AUGER RESULTS CONFIRM 2KM-LONG ZONE OF RARE EARTH ANOMALIES
<http://www.investi.com.au/api/announcements/mnb/0116aa55-215.pdf>

Directors' Report

3. FINANCIAL PERFORMANCE & FINANCIAL POSITION

The financial results of the Group for the half-year ended 31 December 2019 are:

	31-Dec-19	30-Jun-19	% Change
Cash and cash equivalents (\$)	1,537,006	2,232,905	(31%)
Net assets (\$)	1,340,467	2,138,833	(37%)

	31-Dec-19	31-Dec-18	% Change
Revenue (\$)	16,698	28,717	(42%)
Net loss after tax (\$)	(798,366)	(1,134,634)	30%
Loss per share (\$)	(0.0001)	(0.0002)	29%

4. SUBSEQUENT EVENTS

There have not been any significant events that have arisen since 31 December 2019 and up to the date of this report that have significantly affected, or may significantly affect, the operations of the Consolidated Entity, the results of those operations, or the state of affairs of the Consolidated Entity in future financial years.

5. AUDITOR'S INDEPENDENCE DECLARATION

A copy of the Independence Declaration by the lead auditor under Section 307C is included on page 11 to these half-year financial statements.

Signed in accordance with a resolution of the Board of Directors.



Peter Wall
Non-Executive Chairman
Perth, 10 March 2020

DECLARATION OF INDEPENDENCE BY JARRAD PRUE TO THE DIRECTORS OF MINBOS RESOURCES LIMITED

As lead auditor for the review of Minbos Resources Limited for the half-year ended 31 December 2019, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
2. No contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of Minbos Resources Limited and the entities it controlled during the period.



Jarrad Prue

Director

BDO Audit (WA) Pty Ltd

Perth, 10 March 2020

Consolidated Statement of Profit or Loss and Other Comprehensive Income

Notes	31-Dec-19	31-Dec-18
	\$	\$
Revenue from continuing operations	16,698	28,717
Administration expenses	(339,283)	(209,598)
Business development	-	(7,869)
Depreciation expense	(7,961)	(8,991)
Due diligence & exploration expenditure on the Ambato project	(70,987)	(657,363)
Exploration expenditure Cabinda project	(190,750)	(29,384)
Foreign exchange gain	3,620	17,162
Personnel expenses and director fees	(209,703)	(267,308)
Loss from continuing operations before income tax	(798,366)	(1,134,634)
Income tax expense	-	-
Loss from continuing operations after income tax	(798,366)	(1,134,634)
Total comprehensive loss for the period	(798,366)	(1,134,634)
Loss for the period attributable to the owners of Minbos Resources Limited	(798,366)	(1,134,634)
Total comprehensive loss for the period attributable to the owners of Minbos Resources Limited	(798,366)	(1,134,634)
Loss per share attributable to ordinary equity holders		
- Basic loss per share	(0.0001)	(0.0002)
- Diluted loss per share	(0.0001)	(0.0002)

The Consolidated Statement of Profit or Loss and Other Comprehensive Income is to be read in conjunction with the accompanying notes.

Consolidated Statement of Financial Position

	Notes	31-Dec-19	30-Jun-19
		\$	\$
ASSETS			
Current assets			
Cash and cash equivalents		1,537,006	2,232,905
Trade and other receivables		62,212	22,787
Total current assets		1,599,218	2,255,692
Non-current assets			
Plant and equipment		13,261	21,222
Total non-current assets		13,261	21,222
Total assets		1,612,479	2,276,914
LIABILITIES			
Current liabilities			
Trade and other payables	4	254,696	119,637
Provisions		17,316	18,444
Total current liabilities		272,012	138,081
Total liabilities		272,012	138,081
Net assets		1,340,467	2,138,833
EQUITY			
Issued capital		40,567,812	40,567,812
Reserves		4,614,510	4,614,510
Accumulated losses	5	(43,841,855)	(43,043,489)
Total equity		1,340,467	2,138,833

The Consolidated Statement of Financial Position is to be read in conjunction with the accompanying notes.

Consolidated Statement of Changes in Equity

	Issued Capital \$	Employee Share Plan Reserve \$	Foreign Currency Translation Reserve \$	Accumulated Losses \$	Total Equity \$
At 1 July 2019	40,567,812	459,184	4,155,326	(43,043,489)	2,138,833
Comprehensive income:					
Loss for the period	-	-	-	(798,366)	(798,366)
Total comprehensive gain / (loss) for the period	-	-	-	(798,366)	(798,366)
At 31 December 2019	40,567,812	459,184	4,155,326	(43,841,855)	1,340,467
	Issued Capital \$	Employee Share Plan Reserve \$	Foreign Currency Translation Reserve \$	Accumulated Losses \$	Total Equity \$
At 1 July 2018	40,567,812	459,184	4,155,326	(41,328,176)	3,854,146
Comprehensive income:					
Loss for the period	-	-	-	(1,134,634)	(1,134,634)
Other comprehensive loss	-	-	-	-	-
Total comprehensive loss for the period	-	-	-	(1,134,634)	(1,134,634)
At 31 December 2018	40,567,812	459,184	4,155,326	(42,462,810)	2,719,512

The Consolidated Statement of Changes in Equity is to be read in conjunction with the accompanying notes.

Consolidated Statement of Cash Flows

Notes	31-Dec-19	31-Dec-18
	\$	\$
Cash flows from operating activities		
Payment to suppliers and employees	(553,809)	(529,476)
Payment for exploration and evaluation expenditure	(162,685)	(709,928)
Interest received	17,299	24,931
Net cash outflow from operating activities	(699,195)	(1,214,473)
Cash flows from financing activities		
Proceeds from the issue of shares, net of costs	-	(16,534)
Net cash outflow from financing activities	-	(16,534)
Net decrease in cash and cash equivalents	(699,195)	(1,231,007)
Cash and cash equivalents at the beginning of the period	2,232,905	3,925,570
Effect of exchange rate fluctuations on cash held	3,296	17,218
Cash and cash equivalents at the end of the period	1,537,006	2,711,781

The Consolidated Statement of Cash Flows is to be read in conjunction with the accompanying notes.

Notes to the Consolidated Financial Statements

1. CORPORATE INFORMATION

Minbos Resources Limited (referred to as '**Minbos**' or the '**Company**' or '**Parent Entity**') is a Company domiciled in Australia. The address of the Company's registered office and principal place of business is disclosed in the Corporate Directory of this report. The consolidated financial statements of the Company as at and for the half-year ended 31 December 2019 (the '**Period**') comprise the Company and its subsidiaries (together referred to as the '**Consolidated Entity**' or the '**Group**'). The Group is primarily involved in the advancement of its Phosphate Interests (Angola) and its Ambato Rare Earth Project (Madagascar).

2. BASIS OF PREPARATION

This interim general-purpose financial report for the half-year reporting Period ended 31 December 2019 has been prepared in accordance with AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*. Compliance with AASB 134 ensures compliance with International Financial Standard IAS 34 *Interim Financial Reporting*.

The half-year financial report does not include all notes of the type normally included within the annual financial report and therefore cannot be expected to provide as full an understanding of the financial performance, financial position, financing and investing activities of the Company as the full financial report. Accordingly, this half-year financial report is to be read in conjunction with the annual financial statements for the year ended 30 June 2019 and considered together with any public announcements made by the Company during the Period and up to the date of this report in accordance with the continuous disclosure obligations of the ASX Listing Rules.

The half-year interim financial report of Minbos Resources Limited was authorised for issue in accordance with a resolution of the directors on 10 March 2020.

(a) Compliance with IFRS

The consolidated financial statements of the Consolidated Entity also comply with International Financial Reporting Standards ('**IFRS**') as issued by the International Accounting Standards Board ('**IASB**').

(b) Basis of measurement

The consolidated financial statements have been prepared on a going concern basis in accordance with the historical cost convention, unless otherwise stated.

(c) Going Concern

For the half-year ended 31 December 2019 the Group recorded a loss of \$798,366 (2018: \$1,134,634), net cash outflows from operating activities of \$699,195 (2018: \$1,214,473) and had net working capital of \$1,327,206 (30 June 2019: \$2,117,611). Furthermore, the Group has not generated revenues from operations during the period.

The directors believe that the going concern basis of preparation is appropriate as the Group has a sufficient cash balance to fund its exploration and corporate activities for the next twelve months.

(d) Adoption of new and amended accounting standards

During the current period, the following new or amended standard became applicable and the Group had to change its accounting policy as a result of the adoption of the following standard:

- AASB 16: Leases (issued February 2016)

The impact of the adoption of this standard and the new accounting policy are disclosed below. The impact of this standard has not had a material impact on the amounts presented in the Group's financial statements.

Notes to the Consolidated Financial Statements

AASB 16: Leases (issued February 2016)

AASB 16 eliminates the operating and finance lease classifications for lessees currently accounted for under AASB 117 Leases. It instead requires an entity to bring most leases into its statement of financial position in a similar way to how existing finance leases are treated under AASB 117. An entity will be required to recognise a lease liability and a right of use asset in its statement of financial position for most leases.

There are some optional exemptions for leases with a period of 12 months or less and for low value leases.

The adoption of AASB 16 from 1 July 2019 resulted in no material changes in accounting policies and adjustments to the amounts recognised in the financial statements. The Company assessed its leases and noted that all leases held are for a period of 12 months or less and there is therefore no impact on the amounts recognised in the financial statements as a result of adoption.

3. SEGMENT INFORMATION

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision makers. The chief operating decision makers, who are responsible for allocating resources and assessing performance of the operating segments, have been identified as the Board of Directors and the Chief Executive Officer.

During the previous financial year the Angolan National Directorate of Mineral Resources issued Mongo Tando LDA (Mongo Tando) with a Notice of Termination for the Mineral investment Contracts for Prospecting of the Phosphate Rock in the province of Cabinda. The Angolan Ministry of Mineral Resources and Petroleum (MIREMPET) officially announced its intention to launch a public tender for the phosphate assets in the Cabinda and Zaire provinces of Angola. During the current period the Company lodged its public tender for Mining Rights Grants with Angola's Ministry of Mineral Resources and Petroleum, which includes the Cacata area previously held by Minbos in Cabinda, Angola. The Company has a plan to deliver high-yield/low-cost phosphate fertilizer to the mutual benefit of local farmers and agri business. As Minbos does not currently have tenure to the Angolan Phosphate Project, the Company deems that its main operating segment is its rare earth minerals in Madagascar.

The Group therefore currently only operates one reportable segment being predominately in the area of rare earth minerals in Madagascar. The Board considers its business operations in rare earths to be its primary reporting function. Results are analysed as a whole by the chief operating decision maker, this being the Chief Executive Officer and the Board of Directors. Consequently revenue, profit, net assets and total assets for the operating segment are reflected in this financial report.

4. TRADE AND OTHER PAYABLES

	31-Dec-19	30-Jun-19
	\$	\$
Trade creditors	230,205	66,002
Accruals	11,000	35,239
Superannuation payable	5,938	6,865
PAYG payable	7,553	11,531
	254,696	119,637

Notes to the Consolidated Financial Statements

5. ACCUMULATED LOSSES

	<u>31-Dec-19</u>	<u>30-Jun-19</u>
	\$	\$
Balance at the beginning of the period	(43,043,489)	(41,328,176)
Net loss in current period	(798,366)	(1,715,313)
Balance at the end of the period	(43,841,855)	(43,043,489)

6. RELATED PARTIES

Transactions with related parties

Lindsay Reed (Chief Executive Officer): On 1 September 2019 Mr Reed's employment increased from part time to full time employment. As a result, his salary increased from a daily rate of \$1,200 per day, for a minimum of two days per week, to \$250,000 per annum (plus statutory superannuation entitlements).

Transactions with other related parties

The following transactions occurred with related parties:

	<u>31-Dec-19</u>	<u>30-Jun-19</u>
	\$	\$
Legal services - Steinpreis Paganin Lawyers & Consultants	16,270	18,165
(a firm in which Peter Wall is a partner)		

There are no other significant changes to the related party arrangements of the group during the half-year ended 31 December 2019.

7. DIVIDENDS

No dividends have been paid or declared since the start of the Period, and none are recommended.

8. COMMITMENTS

There are no material commitments as at 31 December 2019.

9. CONTINGENCIES

There have been no material changes in contingent liabilities or contingent assets since the last annual reporting date.

10. SUBSEQUENT EVENTS

There have not been any significant events that have arisen since 31 December 2019 and up to the date of this report that have significantly affected, or may significantly affect, the operations of the Consolidated Entity, the results of those operations, or the state of affairs of the Consolidated Entity in future financial years.

Directors' Declaration

The Directors of the Company declare that:

- (a) The financial statements and notes of the Consolidated Entity are in accordance with the *Corporations Act 2001*, and:
 - (i) give a true and fair view of the Consolidated Entity's financial position as at 31 December 2019 and its performance for the half-year ended on that date.
 - (ii) comply with Accounting Standard AASB 134 Interim Financial Reporting and the *Corporations Regulations 2001*.
- (b) In the Director's opinion there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors and is signed on behalf of the Directors by:



Peter Wall
Non-Executive Chairman
Perth, 10 March 2020

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Minbos Resources Limited

Report on the Half-Year Financial Report

Conclusion

We have reviewed the half-year financial report of Minbos Resources Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 31 December 2019, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the half-year then ended, and notes comprising a statement of accounting policies and other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of the Group is not in accordance with the *Corporations Act 2001* including:

- (i) Giving a true and fair view of the Group's financial position as at 31 December 2019 and of its financial performance for the half-year ended on that date; and
- (ii) Complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Directors' responsibility for the Half-Year Financial Report

The directors of the company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2019 and its financial performance for the half-year ended on that date and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of the Group, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Group, would be in the same terms if given to the directors as at the time of this auditor's review report.

BDO Audit (WA) Pty Ltd

BDO

A handwritten signature in black ink, appearing to read 'J Prue'.

Jarrad Prue

Director

Perth, 10 March 2020