

AGREEMENT WITH TALUS FOR MODULAR GREEN AMMONIA IN THE FERTILISER MARKET

Talus Renewables are the global pioneer in modular and containerized zero-carbon green ammonia systems

Minbos Resources Limited (ASX:MNB) (“Minbos” or “the Company”) is pleased to announce it has signed a non-binding collaboration agreement with Talus Renewables Inc. (“Talus”), the global leader in modular and zero-carbon green ammonia technology.

Talus’ modular ammonia technology produces lower-cost, carbon-free ammonia at or near the point of use, creating value for Minbos in the agriculture and mining industries. Talus also has emerging applications in renewable energy storage and power generation.

HIGHLIGHTS

- Agreement with Talus Renewables to develop the Capanda Green Ammonia Project through the deployment of Talus green ammonia technology, TalusAg, a first-to-market green ammonia system which enables sustainable and cost-effective localised ammonia production.
- Talus can supply modular and scalable Ammonia production facilities on a Build Own Operate (BOO) basis, with Minbos investigating the aqueous ammonia produced from zero-carbon hydropower as a standalone product and the addition of downstream processing to produce a range of nitrogen fertilizers and blasting materials for the local and regional agriculture and mining markets.
- The modular approach significantly reduces capital costs for engineering design, EPCM and civil foundations enabling Talus to deliver ammonia competitively while ensuring a return on capital.
- Under the BOO model, Talus funds the capital costs of Ammonia production in return for a long-term offtake agreement.
- The Ammonia production units (Electrolysers, Nitrogen and Ammonia) made up more than 50% of the €432,709,000 Total Investment Cost estimated by Stamicarbon for a conventional green ammonium nitrate plant¹.
- Talus’ technology has the potential to transform Minbos into one of the most unique investment opportunities on the ASX, featuring the combination of primary phosphate production, lowest cost renewable power feedstock in the world (USD1.1c/kWhr), large inland premium, modular green ammonia approach, access to

¹MNB ASX Announcement: Technical Study Affirms Promising Green Ammonia Project (11th July 2023)



a fast-growing agricultural market with no primary fertilizer production, and supported by Angolan Government policies with one of the world's fastest growing populations.

- Talus' technology extracts hydrogen from water and combines it with atmospheric nitrogen to produce liquid ammonia, the elemental building block of commercial fertilizers and mining explosives.
- Talus has successfully deployed its technology in the USA and Kenya, harnessing electricity from an in-house solar farm to convert hydrogen into fertilizer.
- Some of the advantages include:
 - potential for a BOO solution utilising Minbos' low-cost electricity tariff negotiated with RNT;
 - TalusAg units can be scaled down and deployed in different locations to maximise its advantage and minimise construction and deployment risk;
 - Talus units can be combined with Minbos Phosphate Fertilizer and other technology solutions to produce CAN, AN and NPK compound fertilizers; and
 - Talus green ammonia units could be deployed in under ~12 months.
- Over the past 6 months, Minbos evaluated the technical merits of green ammonia providers, identifying Talus as the global benchmark modular, low-cost, carbon-free ammonia production, ideally located close to Minbos' agriculture market.
- Earlier this year, Minbos Managing Director, Lindsay Reed, and Chief Operating Officer, Steve Abbott, visited the Talus site in Kenya (Fig. 1-3) to view Talus' modular green ammonia technology powered by renewable solar power.

Commenting on the collaboration agreement, MNB Managing Director Lindsay Reed:

"The Talus modular technology and BOO model will massively reduce our funding commitment to produce Nitrogen fertilizers in Angola. Talus offers an accelerated path to green ammonia production, flexible low capital solution that can be deployed at a range of scales, in different locations, to produce different products. The technology neatly matches Angola's opportunities with its markets. There is much more to come in this story."

Commenting on the collaboration agreement, Talus CEO Hiro Iwanaga:

"We are thrilled to partner with Minbos to locally manufacture fertilizers essential for agriculture and chemicals crucial to modern mining operations. Talus' containerised green ammonia solutions decrease the cost and increase the sustainability of reliability of ammonia. Powered by Minbos' renewable energy concession and combined with its additional mineral assets we believe that we can materially impact food security and carbon emissions in Angola and the region."



Figure 1 - TalusAg Green Ammonia Project, powered by Solar Energy, located in Kenya.



Figure 2 - TalusAg Green Ammonia Project, powered by Solar Energy, located in Kenya.



Figure 3 – Minbos COO Steven Abbott on site at the Talus Kenya site, inspecting their modular green ammonia project.

ABOUT TALUS RENEWABLES

Talus Renewables offers new pathways to chemicals, fertilizers, and fuels with its green ammonia production technology. Our distributed green ammonia systems profitably serve existing markets today while building a platform for emerging applications tomorrow.

The core team at Talus possesses more than a decade of expertise in green ammonia, manufacturing, and project development having operated a prototype small-scale ammonia system since 2012. Backed by a diverse and experienced group of key advisors, Talus maintains an edge in green ammonia production technology development now and in the future.

Talus Renewables has ambitious plans for expansion, targeting several locations across Africa and the United States. The company is also collaborating with Landus, a farming cooperative based in Iowa, to introduce green ammonia to the state. Moreover, Talus is partnering with mining firms that seek to employ green ammonia for their blasting operations.

COLLABORATION AGREEMENT KEY TERMS

Minbos and Talus have agreed to work together and use their combined resources to optimise the deployment of these technologies to efficiently match local inputs with local market, with potential collaborations including but not limited to:

- deployment of TalusAg module/s to directly service commercial farms in conjunction with downstream application technology providers;
- deployment of multiple TalusAg modules to supply ammonia to an Ammonium Nitrate facility to supply fertilizer and/or explosives to the local and regional markets;
- deployment of multiple TalusAg modules to supply ammonia in conjunction with Minbos phosphate rock to a Nitrophosphate facility to produce CAN, AN and/or Nitrophosphates.



The collaboration agreement will endure until the earlier of:

- Minbos and Talus entering into a formal binding agreement which will substitute the collaboration agreement;
- either party terminating the agreement by providing written notice; or
- a period of 24 months.

- 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.