



Bifox Ltd - Business Development Shareholder Update – March to August 2020

Dear Shareholders,

Business Summary March - June 2020: Bifox commenced phosphate processing at the end of March 2020 as a final production trial . We subsequently experienced a forced plant closure in Caldera due to the Coronavirus lock down imposed by the Chilean Government through April, May and beginning of June. Bifox subsequently recommenced all phosphate production, sales and associated business commercialisation activities from the second week of June.

<https://www.youtube.com/watch?v=N9e8Jpj6Q68&feature=youtu.be>

From mid June the Chilean Government increased community and commercial trading restrictions as part of their ongoing Coronavirus pandemic containment program.

This in turn resulted in major Chilean Agribusiness distributors and Retail Chains approaching Bifox over the past three months given we are now the only Chilean based phosphate producer with finalised plant testing ready for full scale phosphate production.

Business Development Summary: July - August 2020:

- On 30 Jun.2020, our exploration plan to deliver a JORC resource was approved by Sernageomin. This program includes 39 drilling holes (up to 12 metres depth) and 200 trenches (2x4 mts and 5 mt. depth) in an area of 538 ha. Initial target mining resources is 2 Mill Tn phosphate rock (PR).
- On 30 Jul.2020 we received a formal paleontological permit to commence collecting stockpile close to the previous drill hole program enabling Bifox to commence production. Current production permit at this date is 2400 Tn/month.
- On 31 July 2020, production of direct application of phosphate rock (DAPR) commenced and was delivered our first purchase order.
- On 7 August 2020, our exploitation, project plant and closure plan to produce up to 4,900 Tn/month was approved by Sernageomin.
- Currently the Company is selling Phosphate Rock @ P205 22% grade for the Chilean local market through an initial distributor and as a direct sales.
- Bifox has accelerated development of the Chilean market over the past 3 months with key distributors and will continue this market development strategy encompassing broader South American markets over the next 3 to 6 months.
- To this end Bifox has been developing the Argentine market, with phosphate fertilizer consumption of 613,000 Tn per year.
- Further Bifox has been approach by an Australian market distributor for an initial trial order.
- Bifox has identified three prospective areas of the adjacent KI mining concession which is located south of the Bahia Inglesa tenement where we will undertake our JORC program. We expect to perform a geophysics program in an area of 2300 ha representing 12% of the full KI concession.



- Photo from Friday 31st July 2020 shows initial phosphate production order of 28 tonnes per truck load being sent from Caldera plant.

Please note that Bifox will be posting another shareholder update by mid September detailing phosphate mining and sales activities, planned AGM timing, latest Pre IPO capital raising and associated IPO plans.

