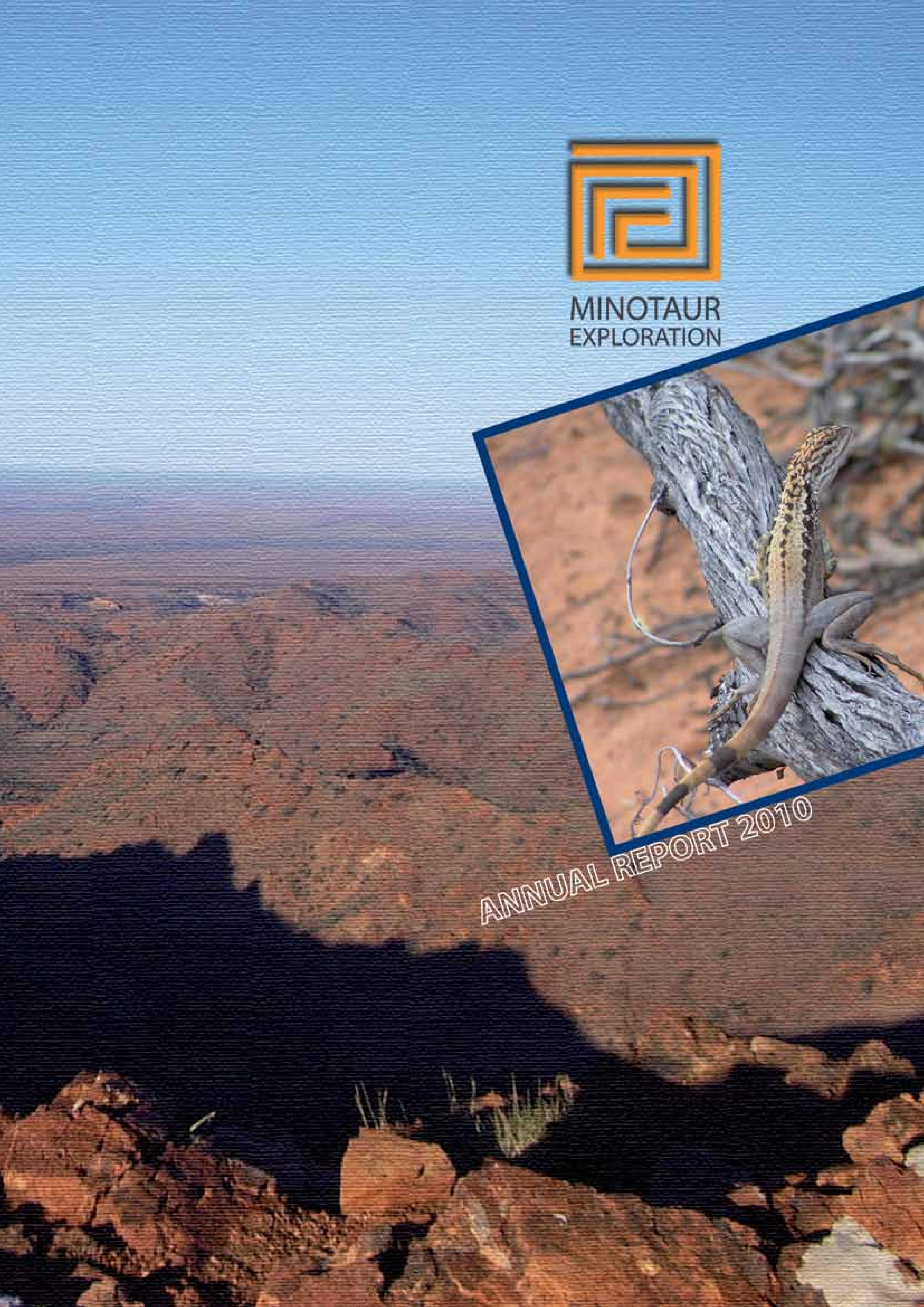
MINOTAUR EXPLORATION

ANNUAL REPORT 2010



CONTENTS TO ANNUAL REPORT

MINOTAUR EXPLORATION LTD
ACN 108 483 601
ASX CODE MEP

CORPORATE INFORMATION

DIRECTORS

Mr Robert J Annells, Ex-Chairman (Retired 1 March 2010)

Mr Derek N Carter, Chairman
Mr Andrew Woskett, Managing Director (Appointed 1 March 2010)
Mr Richard M Bonython, Executive Director
Dr Peter J Gower, Non-Executive Director
Dr Antonio P Belperio, Executive Director

Company Secretary **Mr Donald Stephens**

REGISTERED OFFICE

C/- HLB Mann Judd (SA) Pty Ltd
82 Fullarton Road
NORWOOD SA 5067

PRINCIPAL PLACE OF BUSINESS

247 Greenhill Road
DULWICH SA 5065

SHARE REGISTER

Computershare Investor Securities Pty Ltd
Level 5, 115 Grenfell Street
ADELAIDE SA 5000

LEGAL ADVISORS

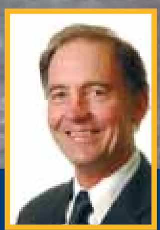
O'Loughlins Lawyers
Level 2, 99 Frome Street
ADELAIDE SA 5000

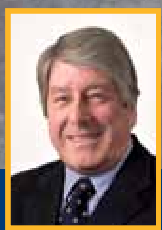
BANKERS

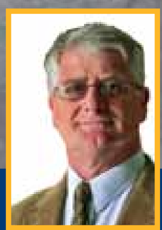
National Australia Bank
22 – 28 King William Street
ADELAIDE SA 5000

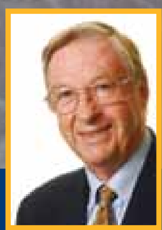
AUDITORS

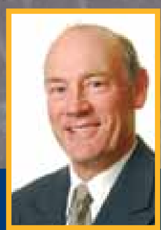
Grant Thornton, South Australian Partnership
Chartered Accountants
Level 1
67 Greenhill Road
WAYVILLE SA 5034

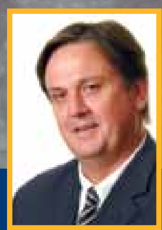

CHAIRMAN
Derek N Carter


MANAGING DIRECTOR
Andrew Woskett


EXPLORATION DIRECTOR
Tony P Belperio


EXECUTIVE DIRECTOR
Richard M Bonython

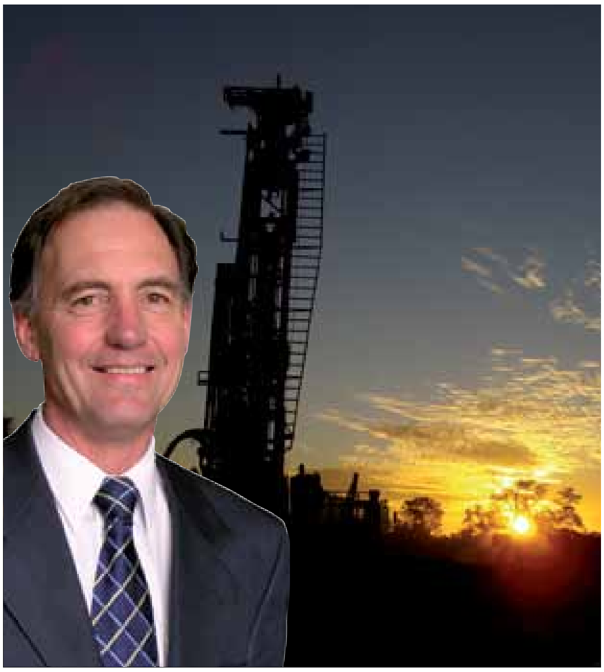

NON-EXECUTIVE DIRECTOR
Peter J Gower


COMPANY SECRETARY
Donald C Stephens

This annual report covers Minotaur Exploration Ltd (ABN 35 108 483 601) and the consolidated group ('Group') comprising Minotaur Exploration Ltd and its subsidiaries. The Group's functional and presentation currency is Australian dollars.

A description of the Group's operations and of its principal activities is included in the review of operations and activities in the directors' report.

CHAIRMAN'S REPORT



As your new Chairman from March 2010, I am pleased to present the Company's Annual Report and to outline our plans for the forthcoming year. Before doing so, I would like to acknowledge the contribution of our retiring chairman, Rob Annells, who held that position from the foundation of the Minotaur group in 1994. Board changes flagged late last year, completed when Mr Andrew Woskett joined the group as managing director and my stepping into the non-executive role of Chairman, auger well for the Company's future prospects. Andrew's mandate is to direct our business towards opportunities delivering cashflow potential and a growth profile, while nurturing our well regarded and technically superior exploration assets. With a background in resource project management, development, operations and strategic corporate he is well suited to this role.

The Board will ensure that the skills and management infrastructure necessary for any expansionary moves are continually monitored and assets and investments realised when priorities dictate and opportunities arise. These judgments will be made in the coming year against a background of uncertainty caused by the Minerals Resources Rent Tax but with a resurgent world eager for those minerals for which your company is exploring.

The Company receives substantial joint venture funding from its exploration partners, helping to build value. I refer to: JOGMEC (the Japan Oil, Gas and Metals National Corporation); Mitsubishi Corporation; Mitsubishi Materials Corporation and Sumitomo Metal Mining Oceania Pty Ltd. These partners expend a total of about $5 million a year, with Minotaur as Operator and Manager of each project. This arrangement is an important cornerstone of our business model as it leverages our exploration expertise into a much broader portfolio of activity than would be possible if we were to sole fund the work. Our exploration management group maintains strong relationships with those entities and we highly value their ongoing participation.

Minotaur chooses to sole fund a select group of projects where the risk-reward balance is appropriate. Prominent in this group is our Aphrodite IOCG target just 35km south-east from Olympic Dam. Initial drilling results were positive and a follow up diamond hole to 800m depth is planned now that negotiations with Native Title claimants for new site access have been successfully concluded.

The Poochera kaolin project near Streaky Bay in South Australia has a high priority in the coming year. Our enhanced pilot batch plant was expanded and successfully treated several tonnes of raw granitic kaolin, producing extremely fine, low impurity, exceptionally high brightness, hydrous kaolin powder. The material is potentially at least equal to the highest quality commercially available hydrous kaolin in the world. We are expanding our technical team and preparing to market the product worldwide. Subject to market acceptance, we expect to initiate a pre-feasibility study early in 2011 and final feasibility study in 2011-12. Our vision is for Poochera Kaolin to come on line as a long-life mine early in 2013.

The Border joint venture for base metals with Sumitomo, located 90km south-west of Broken Hill, has been extended to include a newly defined deposit of magnetite. The Board approved additional expenditure on this large deposit so that we could maintain our 40.9% interest. High-resolution data from a helicopter-borne aeromagnetic survey enabled drilling targets to be accurately determined.

Our Cloncurry projects, in joint venture with JOGMEC (earning 51%) offer considerable exploration scope for new Ernest Henry/Osborne style IOCG deposits while in Nova Scotia, Canada, we have advanced our selection of geophysical targets representing both potential iron and IOCG style copper-gold mineralisation.

The Company has taken steps to further its interests in gold by acquiring tenements near historic Maldon, Victoria, and continues its biogeochemical studies for gold at Tunkillia, reflecting the Board's confidence in the importance of gold to the world.

I warmly welcome Andrew to our team and thank him and the Minotaur staff for their hard work and commitment during the year.

Derek Carter

Yours truly,
Derek Carter
Chairman

MANAGEMENT'S OUTLOOK FOR THE YEAR AHEAD

Minotaur Exploration is very excited about its exploration and development projects and the year ahead promises to be very productive for the company. Innovative and state-of-the art exploration techniques continue to be utilized, various Joint Venture alliances permit enhanced discovery potential, and the transition from explorer to developer is approaching.

Anticipated activities for Minotaur's principal projects during the 2011 financial year are canvassed below.

KAOLIN

The quality of the Poochera kaolin deposit (MEP 100%) near Streaky Bay in South Australia was recently assessed to be at least equal to other global sources of high-brightness kaolin on all qualitative measures. These results are clearly supportive of the case for marketability of Minotaur's kaolin products into the highest-quality customer segments.

Minotaur is finalising its commercial product suite for introduction to selected potential off-take customers and expects that exposure will swiftly lead to expressions of customer acceptance. Anticipating strong positive feedback, Minotaur intends to proceed into a pre-feasibility assessment of project concept through the first half of 2011. The study will optimise the product range and align production options with customer requirements, feeding market knowledge into preliminary project financial models and leading to a full feasibility review in the second half of calendar 2011.

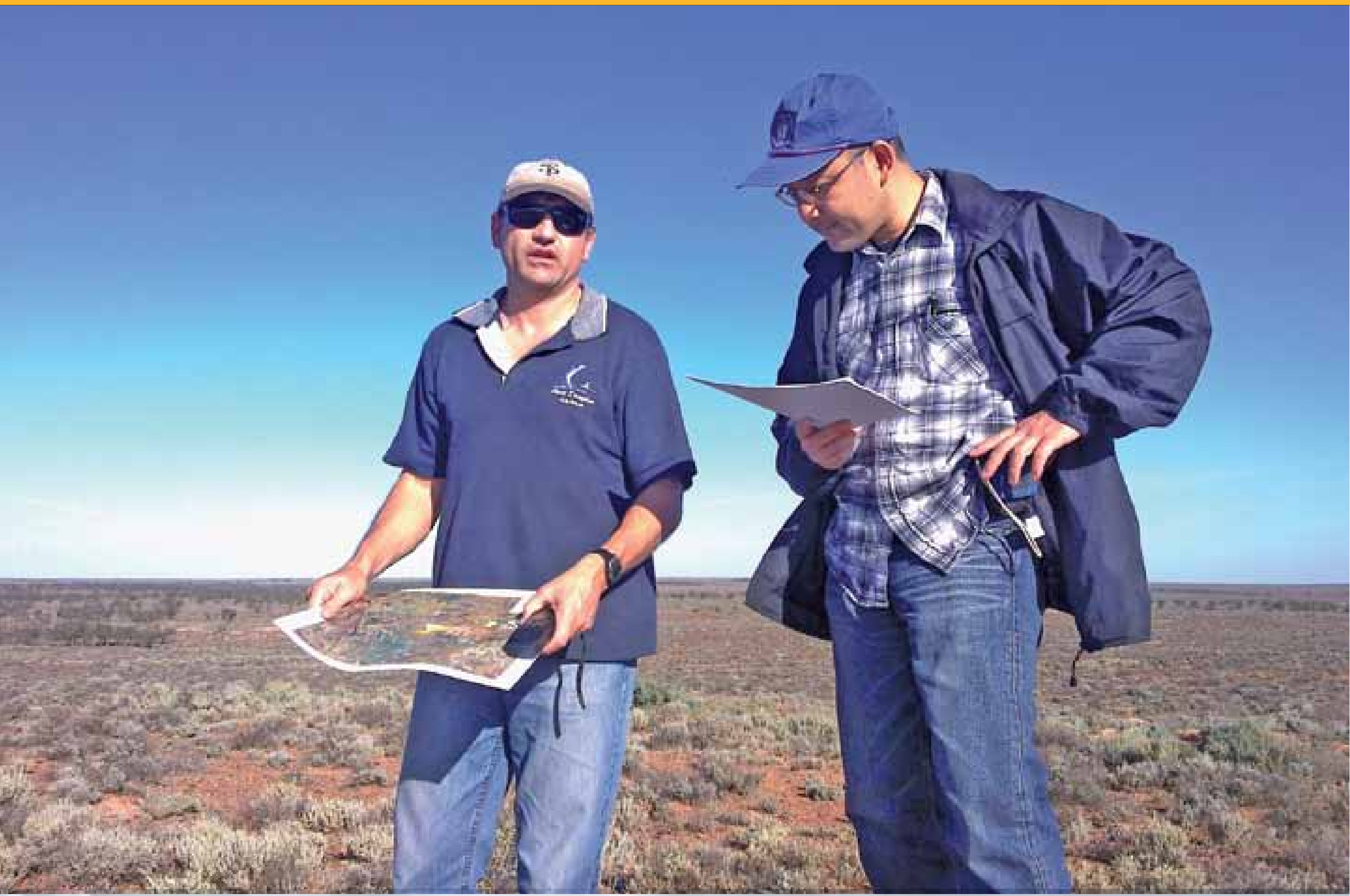
The Pilot Plant is being relocated to Streaky Bay and will be fully utilised through the first half of calendar 2011 concentrating on process refinement and preparation of various grade kaolin products. During this period intensive resource drill sampling will confirm the kaolin distribution and results will be factored into new estimates of reserves and resources.

A range of project drivers, all of which will be fully examined during the pre-feasibility and feasibility studies, underpin the potential viability of Poochera kaolin;

- ✓ Consistent high quality in-ground kaolin mineralisation
- ✓ extremely large resource, sufficient to support a +50 year mining operation
- ✓ near-surface, low mining costs with a very high run of mine (RoM) to end product conversion ratio of around 45% (one tonne of RoM converts to about 450kg of hydrous kaolin) with the byproduct being very clean, crystalline quartz and sand suitable for concrete and terrazzo mixtures
- ✓ very simple process flowsheet, resulting in low production costs for highest-grade kaolin products
- ✓ low capital expenditure requirement to establish a new mine and production facility, contributing to anticipated fast financial payback
- ✓ close to major east-west highway and just 100km from the export port facility at Ceduna, meaning low cost logistics to access global markets
- ✓ major kaolin producers are increasingly unable to consistently provide premium-grade products which have low abrasion factor, low yellowness and are low in titania, lead and iron contaminants
- ✓ high-margin segments presently under supplied by premium-grade kaolin products
- ✓ low barriers to entry for Minotaur as a new market participant

Kaolin Pilot Plant with kaolin-rich slurry

Collection filter pads for hydrous kaolin



Australian Project Areas

GYPSUM

Also near Streaky Bay in South Australia, the Sceale Bay gypsum deposit within EL 4203 (MEP 100%) is recognised as the second largest quality gypsum resource in South Australia after the Lake McDonnell deposit[1] west of Ceduna. South Australia accounts for approximately 75% of Australia's gypsum production where high-grade product containing ~90% gypsum is used in cement and plaster manufacture, while moderate-grade product (~80% gypsum) is typically consumed as an agricultural soil conditioner.

Minotaur has an exploration target for the Sceale Bay gypsum deposit of around 55 million tonnes grading 90% gypsum, subject to resource definition[2] .

The Company's development approach is to engage a joint venture partner with the financial capacity and marketing expertise needed to bring a new raw material stream into the plasterboard product supply chain. To this end, preliminary discussions have been initiated with third parties having a strong presence in this sector.

MAGNETITE

Together with joint venture partner Sumitomo Metals Mining Oceania Pty Ltd (59.1%), exploration assessment of the Braemar Ironstone formation of some 40km within EL 3745, 90km southeast of Broken Hill, will continue through the new financial year. Initial drill results from one of the many strongly magnetic anomalies within the ironstones returned very encouraging laboratory results, demonstrating potential production of a high-quality magnetite concentrate. Extremely low contaminant levels in the DTR[3] concentrate and the high iron grade at around 70% Fe, show that the magnetite concentrate quality is suitable for direct blast furnace feed.

Minotaur plans to immediately drill test the sedimentary sequence at five locations with the objective being to establish true thickness of each sedimentary bed, Fe grade and DTR chemistries for each target area. The information gained will be used to estimate an exploration target[4] size for each location.

Should that exercise confirm company expectations that the Braemar Ironstone has potential to host a significant magnetite deposit, the joint venture will consider an exploration programme to define an initial JORC resource. At the same time, it is anticipated that a formal Scoping Study will assess processing and beneficiation options and determine preliminary operating and capital costs for a concept level mining project. That work programme, if approved, is expected to continue throughout calendar 2011.

Minotaur's studies will be indirectly assisted by the progress of resource definition work at the neighbouring Hawsons Iron Project where Carpentaria Exploration Limited recently announced an exploration target of 3.5-5.8 billion tonnes of magnetite[5].

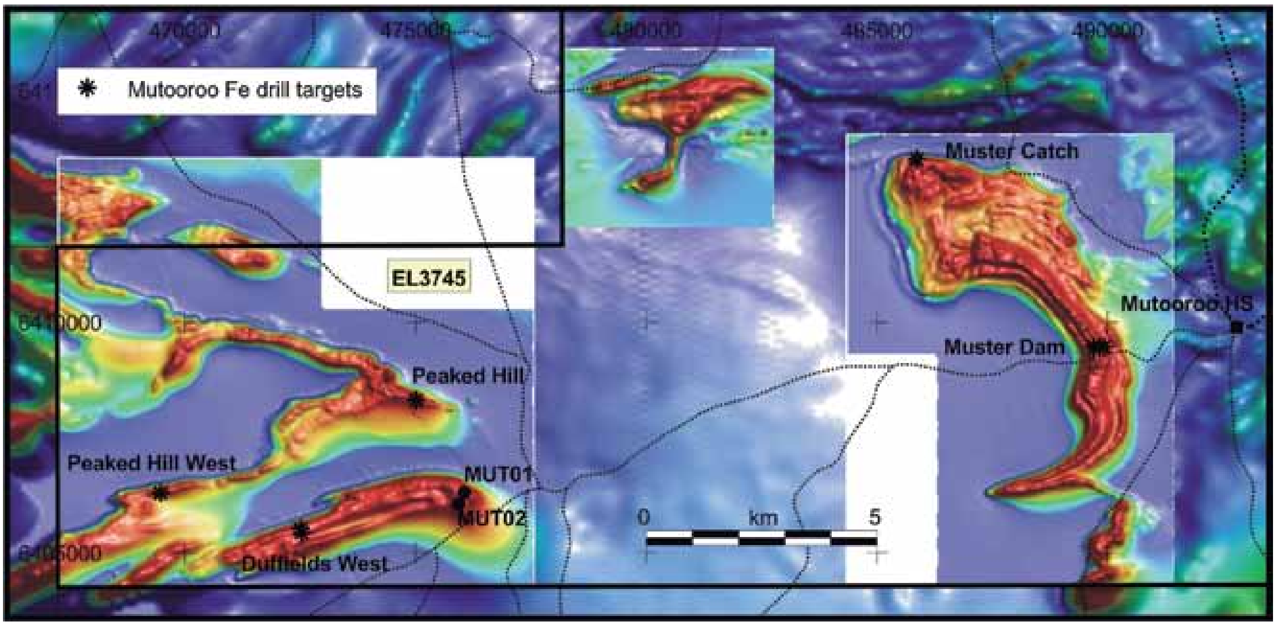
GOLD

At Tunkillia, the Company will continue to explore for new centres of gold mineralization to add to the known resource at the 223 Deposit. Following successful testing last year of the biogeochemical targeting technique at a new greenfield site, this sampling strategy will be expanded into major areas north and east of the 223 Deposit as well as regionally across the project area.

The gold exploration search will also move into Victoria, where the Company has an option in the new financial year to explore, and subsequently acquire, exploration licence EL4533 (Mt Tarrengower) and mining licence MIN4683 (Golden Mountain). The Mt Tarrengower property covers the western portion of the Maldon Goldfield, which historically has produced approximately 1.75 million ounces of gold from quartz reefs at an average grade of 28 g/t Au. The Company will be drill testing new geological and mineralization concepts along the flank of the historic Lisle's Reef for repetitions of low-angle, high-grade reef structures.

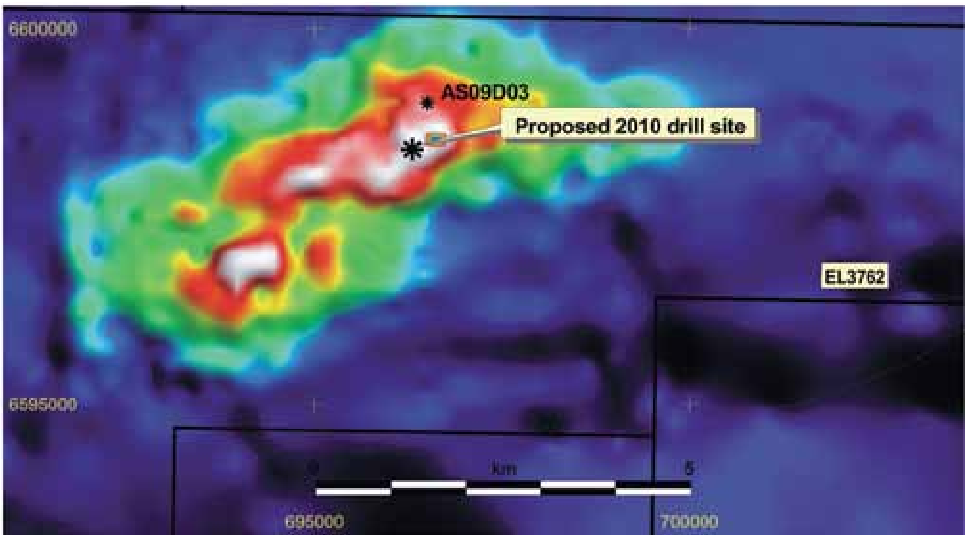
.


Sampling Casuarina, Tunkillia prospect



Existing and proposed drilling for the Mutooroo Magnetite Project

Persistent sand cover at the Tunkillia prospect



Residual gravity image, Aphrodite Target with previous and proposed drillholes

FE-OXIDE COPPER GOLD

On the Eastern Gawler Craton, the Aphrodite gravity anomaly will be drill tested by a deep drill hole into the centre of the target. The gravity-only anomaly is located on a significant SE-trending fault extending from known mineralization at BHP Billiton's Wirrda Well Prospect. Mineralized haematite veinlets were intersected in the Company's previous drillhole at Aphrodite ~500m to the northeast, and the current hole is designed to test the existence of a mineralized, haematite-rich breccia pipe as interpreted from our advanced geophysical modeling. Exploration utilizing cutting-edge electrical geophysical methods will also be directed toward rare earth enriched IOCG targets on the Yorke Peninsula project.

Exploration will increase significantly in the Mt Isa region, especially north of Cloncurry, where 14 tenements are being investigated in cooperation with JOGMEC (the Japan Oil, Gas and Metals National Corporation). Drill testing of major basement conductors will initially occur at the Gipsy Plain, Cormorant and Cormorant North Prospects in late 2010. After the wet season, major ground gravity, magnetic and electrical geophysical surveys will re-commence at various other targets as new tenements are granted, to be followed by further drill testing. The Cotswald Prospect is a particularly exciting new target area as it consists of a very high-amplitude magnetic anomaly (as at Ernest Henry), but where there has been limited exploration in recent years. A large number of tenement applications have been submitted for ground around the Osborne Mine, south of Cloncurry, and new target and project generation will continue with a strong focus on these areas.

In Nova Scotia, the year ahead will focus on drill testing select gravity and gravity +magnetic targets interpreted as haematite- and magnetite- hosted bodies respectively. Soil geochemical traverses and ground magnetic grids will be used to prioritise and finalise the best drill collar positions, with particular emphasis on the central part of this IOCG belt west of the Bass River magnetite quarry.

The central Nova Scotia IOCG belt

OTHER BASE METALS

At the Border Joint Venture with Sumitomo Metal Mining Oceania Pty Ltd, five bedrock base metal targets will be drill tested including the exciting Record and Record West Prospects where excellent electrical geophysical conductors have been recorded. It is envisaged that further electrical geophysical surveying and drilling will then be required in the later part of the year along with generation of new exploration targets across northern portions of the Joint Venture area.

The Thomson Project in western New South Wales has been vended into Thomson Resources Ltd, a new entity expected to list on the ASX later this year, with indirect exposure maintained by the Company to this exciting, but difficult, exploration region. At Louth, north of Cobar, land access issues continue to delay access to high-priority drill targets on Toorale Station. Together with joint venture partner JOGMEC, it has been decided to proceed with drill testing of other targets outside of Toorale whilst these land access issues continue to be negotiated with relevant bureaucracies.

The Company is reviewing its exploration approach at Booubyjan (Qld) and Cowra (NSW) where exploration, largely funded by Mitsubishi Corporation and Mitsubishi Materials Corporation, has provided only limited success to date. In central Victoria, initial geophysical surveys for polymetallic mineralization are expected to commence on the Dookie and Rochester tenements once grant is complete and landowner access has been agreed. Similarly in the Northern Territory, greenfield exploration will commence at the Coolibah project area with regional mapping and sampling surveys.

1 Lake McDonald is reported to contain reserves in excess of 500 million tonnes at an average grade of 91% crystalline gypsum ($CaSO_4$)-p.6

2 Minotaur's internal review of data does not comprise an estimate of Mineral Resources and Reserves as defined by the JORC Code (2004) and is not presented in that context. There can be no certainty that future exploration will result in determination of a Mineral Resource or Reserve -p.6

3 DTR – Davis Tube Recovery, a standard laboratory analytical technique for determining the grade of recoverable magnetic fractions in siliceous iron formations - p.6

4 The term 'target' should not be associated with or substituted for an estimate of Mineral Resources and Reserves as defined by the JORC Code (2004) and is not used in that context. There can be no certainty that future exploration will result in determination of a Mineral Resource or Reserve - p.6

5 *Hawsons Iron Project*, Carpentaria Exploration Limited, ASX Release 6 September 2010 - p.6

DIRECTORS' REPORT

Your directors submit their report for the year ended 30 June 2010.

Mr Robert J Annells
Ex-Chairman, Retired 1 March 2010
Mr Derek N Carter,
Chairman, Appointed 24 March 2004
Mr Andrew Woskett,
Managing Director, Appointed 1 March 2010
Mr Richard M Bonython,
Executive Director, Appointed 24 March 2004
Dr Peter J Gower,
Non-Executive Director, Appointed 22 July 2004
Dr Antonio Belperio,
Executive Director, Appointed 22 August 2007

DIRECTORS

The names and details of the company's directors in office during the financial year and until the date of this report are as follows. Directors were in office for this entire period unless otherwise stated.

Names, qualifications, experience and special responsibilities

Robert Annells, CPA, ASIA
(Previous Non-Executive Chariman)

Robert Annells is a non executive director of the Company. His experience includes extensive provision of corporate investment advice to the business and resources industries. He is Chairman of Lakes Oil NL, as well as a Director of Extract Energy Plc, Rum Jungle Uranium Ltd (ASX Listed), Greenearth Energy Ltd (ASX Listed), Gippsland Offshore Petroleum (until 29 November 2007 when he retired from the position) and was formerly a member of the ASX having been in the securities industry for more than 40 years during which time he was managing director of Credit Lyonaise May and Mellor and a director of Daiwa Securities SB Capital Markets Stockbroking Limited.

Derek Carter, BSc, MSc, FAusIMM (CP)
(Chairman)

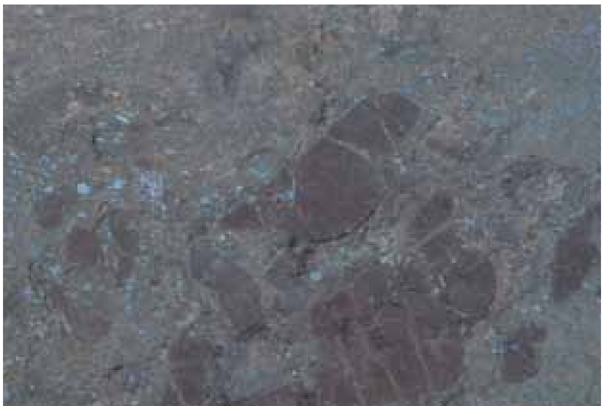
Derek Carter has over 40 years experience in exploration and mining geology and management. He held senior positions in the Shell Group of Companies and Burmine Ltd before founding Minotaur Gold Ltd in 1993 and is currently Chairman of Minotaur Exploration. He is the Chairman of Petratherm Ltd, is a board member of Mithril Resources Ltd and Toro Energy Ltd (all ASX Listed entities); is former President and Vice President of the South Australian Chamber of Mines and Energy, former board member of the Australian Gold Council, and is a Member of the South Australian Resources Development Board and the South Australian Minerals and Petroleum Experts Group and Chairman of the Minerals Exploration Advisory Group. He was awarded AMEC's Prospector of the Year Award (jointly) in 2003 and is a Centenary Medalist. As Chairman of Minotaur Exploration Ltd, he is responsible for the management of the board as well as the general strategic direction of the Company.

Andrew Woskett, B Civ Eng, M Comm Law
(Managing Director)

Andrew Woskett has over 30 years project and corporate experience in the mining industry. He has had senior responsibility for a variety of Australian mining landmarks, including development of the Kalgoorlie Super Pit, Kanowna Belle and Marymia gold mines and numerous expansions of the Bougainville copper/gold mine. He advised on development strategies for the proposed open pit expansion of the Olympic Dam mine and formulated several new significant iron ore projects in Western Australia. In his prior role as Managing Director of Ballarat Goldfields he consolidated five regional goldfields under single ownership and initiated the first modern underground mine development beneath Ballarat. Mr Woskett was the founding managing director of Spitfire Oil Ltd, a coal-to-liquids developer, which he listed on AIM. He is a Fellow of the Australasian Institute of Mining and Metallurgy and has a Masters degree in Commercial Law.

Richard Bonython, B Ag Sc
(Executive Director)

Richard Bonython was a director of Minotaur Gold Ltd for seven years before retiring in 2001, and retired as Chairman of Diamin Resources NL in 1999 having been a director of that company for 15 years. He was executive director of Pioneer Property Group Ltd for over 15 years and has experience of over 45 years in the building, rural and mineral industries. He is a member of the audit committee and provides administration services to the company. He is also a director of Mithril Resources Ltd and Petratherm Ltd (both ASX Listed entities).



Peter Gower, PhD, FGS
(Non Executive Director)

Peter Gower holds a PhD in geology from the University of Liverpool. His subsequent career in the mining industry includes senior exploration positions in Australia, USA and Africa, working for various subsidiaries of Billiton (including Billiton International Services Ltd) and the Royal Dutch/Shell Group of Companies. He is a member of the Company's audit committee and was previously a director of Rey Resources Ltd (retired 19 February 2007) and Mithril Resources Ltd (retired 18 November 2008).

Antonio Belperio, BSc (Hons), PhD FAusIMM
(Executive Director)

Dr Belperio has an Honours Degree in Geology from the University of Adelaide, a PhD from James Cook University, and a diverse background in a wide variety of geological disciplines, including marine geology, environmental geology and mineral exploration. He has 35 years of experience in university, government and the mineral exploration industry. This has included senior positions in the South Australian Department of Minerals and Energy where he led the regional geological investigations group and was pivotal in the Department's move to digital geological information systems. Dr Belperio has been Chief Geologist of the Minotaur Group since 1997, when it originated as Minotaur Gold, subsequently Minotaur Resources and currently Minotaur Exploration. He played a key role in the strategic area and target selection, and the exploration program that led to the iron oxide copper-gold discovery at Prominent Hill, 130 kilometres northeast of the Olympic Dam mine in South Australia and was awarded (jointly) AMEC's Prospector of the Year Award in 2003. He was recently awarded the Bruce Webb Medal by the South Australian Division of the Geological Society of Australia for his contributions to Earth Sciences.

COMPANY SECRETARY

Donald Stephens, BAcc, FCA

Donald Stephens is a Chartered Accountant and corporate adviser with over 20 years experience in the accounting industry, including 14 years as a partner of HLB Mann Judd Stephens, Chartered Accountants. He is a non-executive director of Papyrus Australia Ltd and Mithril Resources Ltd and is company secretary to Toro Energy Ltd and Petratherm Ltd (all ASX Listed entities). He holds other public company secretarial positions and directorships with private companies and provides corporate advisory services to a wide range of organisations.

OPERATING RESULTS

The consolidated loss of the group after providing for income tax amounted to ($4,776,318) [2009: ($6,124,240)].

INTERESTS IN THE SHARES AND OPTIONS OF THE COMPANY AND RELATED BODIES CORPORATE

As at the date of this report, the interests of the directors in the shares and options of Minotaur Exploration Ltd were:

	Number of Ordinary Shares	Number of Options over Ordinary Shares
Mr Derek N Carter	2,056,805	1,200,000
Mr Andrew Woskett	-	2,000,000
Mr Richard M Bonython	1,452,000	900,000
Dr Peter J Gower	600,000	900,000
Dr Antonio Belperio	680,306	1,300,000

DIVIDENDS

No dividends were paid or declared since the start of the financial year. No recommendation for payment of dividends has been made.

PRINCIPAL ACTIVITIES

The principal activities of the Group during the financial year were:

- To continue to seek extensions of areas held and to seek out new areas with potential for mineralisation; and
- To evaluate results achieved through surface sampling, drilling and geophysical surveys carried out during the year;

There have been no significant changes in the nature of those activities during the year.

OPERATIONS REVIEW

Minotaur maintained its exploration tempo during the financial year and noted several significant successes, in particular discovery of the Aphrodite iron-oxide-copper-gold target and the Mutooroo magnetite deposit, both in South Australia.

The Aphrodite gravity anomaly was intersected with a diamond hole to 900 metres depth and the core indicated the nearby presence of a fertile hydrothermal system. The earlier gravity survey (stations at 500 metres spacing) was repeated at a finer resolution (stations at 250 metres spacing) and the geophysical anomaly centre was reinterpreted to be about 600 metres south of the discovery hole. The detailed gravity data revealed the possible presence of numerous vertical 'pipes' each of which may be prospective for IOCG type mineralisation. A follow up diamond hole was designed to test the most prominent gravity feature. Negotiations with Native Title claimants occupied nine months of the year and final clearance to re-occupy the site was gained in August 2010. An access track alignment has been agreed with the traditional custodians and construction started in September, preparatory to rig mobilsation.

The Border base metals project, a joint venture with Sumitomo (59.1%), was re-activated in February 2010 as the financial crisis subsided. Minotaur assessed regional aeromagnetic data and identified extensive sedimentary siltstone beds within the Braemar Iron Formation. To test the magnetic signature, two reverse circulation holes intersected separate but parallel magnetised, sedimentary layers, with one hole terminating within the magnetic formation at 204 metres downhole. The RC chips were submitted for Davis Tube Recovery analysis and each drillhole returned excellent magnetite concentrate grades averaging around 69% with very low to negligible impurities. The Braemar Ironstones have a total strike extent, as measured from the aeromagnetics, of over 40 kilometres within EL3745, suggesting the potential for a vast magnetite resource if the initial encouraging results can be replicated throughout the formation. Logistically, the deposit is well located, being only 35 kilometres from the heavy standard gauge east-west rail line that connects Broken Hill to Port Pirie.

Work continued on other joint venture projects in New South Wales and Queensland comprising air borne and ground electromagnetic surveys and ground gravity capture. Results at Cloncurry were particularly pleasing, encouraging the Company to apply for several new tenements where IOCG style anomalies are evident from regional aero-magnetic surveys. The Cloncurry projects are joint ventured to JOGMEC who can earn 51% through expenditure of $4 million.

Modest activity was maintained on the Tunkillia gold project (Minotaur 54.75%) where the Company has established a JORC resource of 803,000 ounces Au (refer 2009 Annual Report, page 6, for details). A preliminary mine plan and resource optimisation estimate, assuming a gold price of A$1200 per ounce, indicated potential recovery of 55% of the in-situ resource. Minotaur, manager of the joint venture, decided to maintain its activity by testing several new targets along the Yarlbrinda Shear zone where previous RAB drilling by Helix had returned positive gold intersections. A limited RC campaign in May-June did not replicate Helix's earlier results however a new biogeochemical technique analysing anomalous gold-in-plant values was successful. At the Tomahawk prospect drilling intersected 2 distinct zones of gold mineralisation 4 metres wide that directly correlated to a plant Au value overhead, thus providing proof of concept of this new exploration tool. Application of this methodology will be expanded in the forthcoming year.

In Nova Scotia, Canada, the Company holds a strategic regional ground holding across 200 kilometres of strike of the Cobequid-Chedabucto Fault Zone, two major parallel structural features bisecting the province. Proximal to the faults are numerous gravity and magnetic geophysical anomalies that offer IOCG style mineralisation prospectivity. Additionally, some 20 kilometres of strongly magnetic breccias occur closely related to the Cobequid feature. Minotaur has sourced samples from the Bass River magnetite quarry, confirming high grade magnetite mineralisation as reported from trial mining by Lodestone in 1988. Trial mining of the quarry by Lodestone proved high conversion (50%) of raw material into exceptionally high-grade magnetite concentrate (83%) for use as heavy media in coal washing. Minotaur plans to conduct detailed ground based magnetic surveys to define the high intensity distribution of magnetised rocks as a guide to a focussed diamond and RC drill campaign.

Development work continued on the Poochera kaolin project, resulting in production of superior quality hydrous kaolin samples through the pilot batch plant. Particle size distribution analysis shows that the Carey's Well material delaminates readily into a hydrous product with 92% of the material having a particle size smaller than 2 microns (92%<2µ). One micron is 1000th of a millimetre. Also critically important for customer acceptance are measures of Brightness, Whiteness, Yellowness, Reflectance and chemical purity. Analysis of these aspects is continuing, but the Company has grounds to be confident that Poochera kaolin is at least equal, if not superior, to most other commercially available hydrous kaolin products around the world.

Minotaur's tenements in the Thomson Fold Belt of NSW were vended into Thomson Resources Ltd ('Thomson') for 5 million shares and 1.5 Million options. Thomson is expected to list on ASX in late 2010 under market code TMZ. At listing Minotaur expects to hold approximately 13% of the issued equity.

Shareholdings in listed investments were maintained, albeit adjusted by some minor trading and subscriptions. Minotaur's interests as at 31 August 2010 are:

Company	ASX Code	Holding	% Holding	Closing price	Valuation
ActivEX	AIV	2,300,000	2.60%	$0.072	$165,600
Mithril Resources	MTH	19,750,000	16.57%	$0.115	$2,271,250
Petratherm	PTR	20,498,397	18.35%	$0.160	$3,279,744
Platsearch	PTS	8,000,000	4.56%	$0.115	$920,000
Toro Energy	TOE	2,751,000	0.29%	$0.099	$272,349
Total					$6,908,943

The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Dr A. P. Belperio, who is a full-time employee of the Company and a Fellow of the Australasian Institute of Mining and Metallurgy. Dr A. P. Belperio has a minimum of 5 years experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Dr A. P. Belperio consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

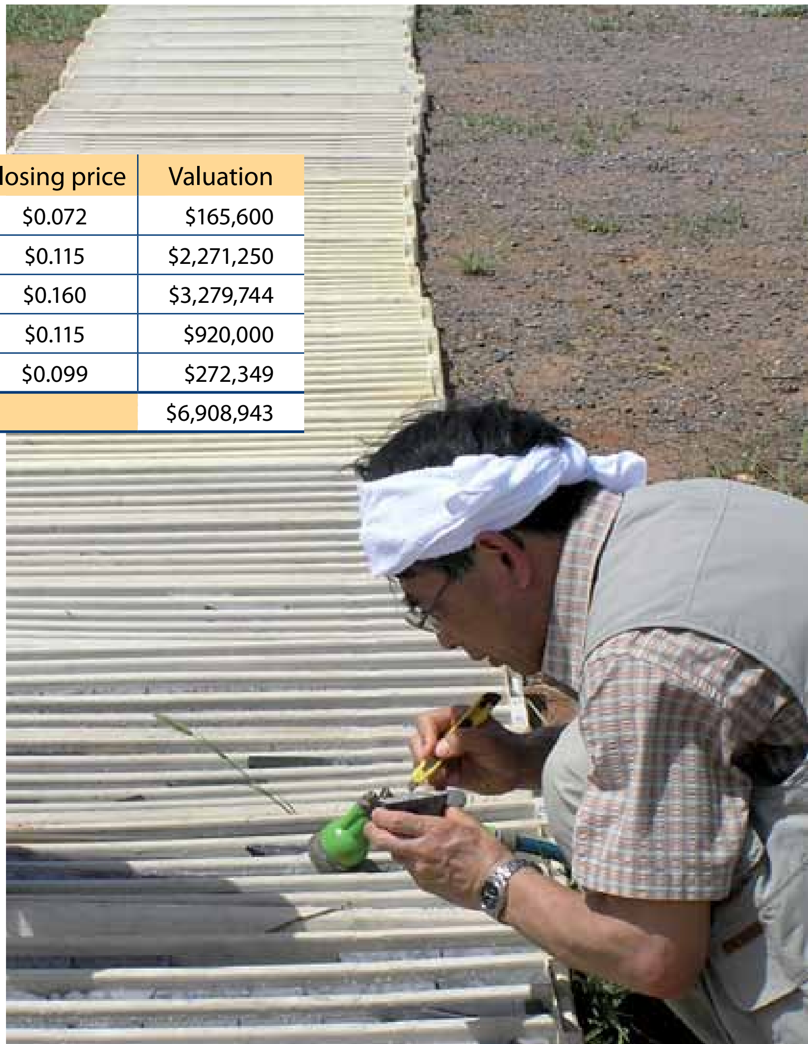
RISK MANAGEMENT

The Group takes a proactive approach to risk management. The Board is responsible for ensuring that risks, and also opportunities, are identified on a timely basis and that the Group's objectives and activities are aligned with the risks and opportunities identified by the Board.

The Group believes that it is crucial for all Board members to be a part of this process, and as such the Board has not established a separate risk management committee.

The Board has a number of mechanisms in place to ensure that management's objectives and activities are aligned with the risks identified by the Board. These include the following:

- Board approval of a strategic plan, which encompasses the Group's vision, mission and strategy statements, designed to meet stakeholders' needs and manage business risk.
- Implementation of Board approved operating plans and budgets and Board monitoring of progress against these budgets, including the establishment and monitoring of performance indicators of both a financial and non financial nature.



Unissued Shares

At the date of this report, the following options to acquire ordinary shares in the Company were on issue:

Issue Date	Expiry Date	Exercise Price	Balance at 1 July 2009	Net Issued/ (Exercised or expired) during Year	Balance at 30 June 2010
01/01/2005	31/12/2009	$0.40	4,500,000	(4,500,000)	
15/02/2005	14/02/2010	$0.40	1,630,000	(1,630,000)	
01/01/2006	31/12/2010	$0.60	130,000	(20,000)	110,000
27/06/2006	16/05/2011	$0.75	50,000	-	50,000
19/01/2007	18/01/2012	$0.80	470,000	(10,000)	460,000
03/12/2007	02/12/2012	$0.77	400,000	-	400,000
31/01/2008	30/01/2013	$0.55	120,000	-	120,000
03/12/2008	02/12/2013	$0.25	600,000	(60,000)	540,000
18/05/2010	17/05/2015	$0.40	-	4,300,000	4,300,000
18/05/2010	30/08/2015	$0.40	-	1,000,000	1,000,000
18/05/2010	27/02/2016	$0.55	-	1,000,000	1,000,000
			7,900,000	80,000	7,980,000

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years.

LIKELY DEVELOPMENTS AND EXPECTED RESULTS

Information as to the likely developments in the operations of the Group and the expected results of those operations in future years has not been included in the Annual Report because disclosure of the information would be likely to result in unreasonable prejudice to the Group.

ENVIRONMENTAL REGULATION AND PERFORMANCE

The Group is aware of its responsibility to impact as little as possible on the environment, and where there is any disturbance, to rehabilitate sites. During the period under review the majority of work carried out was in South Australia and the entity followed procedures and pursued objectives in line with guidelines published by the South Australian Government. These guidelines are quite detailed and encompass not only the impact on owners and land users, heritage, health and safety and proper restoration practices. The Group supports this approach and is confident that it properly monitors and adheres to these objectives, and any local conditions applicable, both in South Australia and elsewhere. The Group has not been in breach of any State or Commonwealth environmental rules or regulations during the period. The Company's Canadian, operations follow regulations outlined in the Nova Scotia Mining Laws. The Company is in compliance with the relevant environmental laws in Nova Scotia.

Shares issued as a result of the exercise of options

During the financial year and subsequent to reporting date, no options have been exercised by employees or consultants.

Lapse of options

On 11 January 2010 and 17 February 2010 respectively, the Group announced that 6,300,000 unlisted options issued under the Company's employee share option plan and options on issue to directors lapsed.

New options issued

During the financial year, 6,300,000 unlisted options were issued to the Company's Board of Directors and the Company Secretary. Refer to note 14 of the financial statements and the remuneration report for further details on these allotments.

INDEMNIFICATION AND INSURANCE OF DIRECTORS AND OFFICERS

To the extent permitted by law, the Company has indemnified (fully insured) each director and the secretary of the Company for a premium of $19,464. The liabilities insured include costs and expenses that may be incurred in defending civil or criminal proceedings (that may be brought) against the officers in their capacity as officers of the Company or a related body, and any other payments arising from liabilities incurred by the officers in connection with such proceedings, other than where such liabilities arise out of conduct involving a wilful breach of duty by the officers or the improper use by the officers of their position or of information to gain advantage for themselves or someone else or to cause detriment to the Company.

REMUNERATION REPORT - AUDITED

This report outlines the remuneration arrangements in place for directors and executives of Minotaur Exploration Ltd.

Remuneration philosophy

The Board is responsible for determining remuneration policies applicable to directors and senior executives of the Group. The broad policy is to ensure that remuneration properly reflects the individuals' duties and responsibilities and that remuneration is competitive in attracting, retaining and motivating people with appropriate skills and experience. At the time of determining remuneration consideration is given by the Board to the Group's financial performance.

Employment contracts

The employment conditions of the Managing Director, Mr Andrew Woskett, are formalised in a consultancy agreement. Mr Woskett commenced as a consultant to Minotaur on 1 March 2010 and his annual retainer is $300,000 per annum, exclusive of GST. The Company may terminate the consultancy agreement without cause by providing three (3) months written notice or making payment in lieu of notice, based on the annual retainer. Termination payments are generally not payable on resignation or dismissal for serious misconduct. In the instance of serious misconduct the Company can terminate the agreement at any time.

The employment conditions of the former Managing Director, Mr Derek Carter, were previously formalised in a contract of employment. Mr Carter commenced employment on 1 January 2005 and his gross salary, inclusive of the 9% superannuation guarantee, was $272,500 per annum (effective from 1 January 2007). In addition, he received a further 3% superannuation payment on his base salary. On the 1 April 2010, Mr Carter formally retired from his position as Managing Director and became the Company's Chairman. Accordingly, his employment contact with the Company has ceased during the year.

The employment conditions of the executive director, Dr Antonio Belperio, are formalised in a contract of employment. Dr Belperio commenced employment on 1 January 2005 and his gross salary, inclusive of the 9% superannuation guarantee, is $240,000 per annum (effective from 1 January 2010). The Company may terminate the employment contract without cause by providing six (6) months written notice or making payment in lieu of notice, based on the annual salary component. Termination payments are generally not payable on resignation or dismissal for serious misconduct. In the instance of serious misconduct the Company can terminate employment at any time.

The employment conditions of the Business Development Manager, Mr Andrew Roberts, were formalised in a consultancy agreement. The agreement commenced on 12 November 2007 and his annual retainer exclusive of GST was $180,000. The Company was able to terminate the contract without cause by providing three (3) months written notice or making payment in lieu of notice, based on the retainer. Termination payments were generally not payable on resignation or dismissal for serious misconduct. In the instance of serious misconduct the Company could have terminated employment at any time. The agreement was terminated 17 December 2008 by providing three months notice.

REMUNERATION REPORT CONTINUED - AUDITED

The employment conditions of the executive officer, Mr Richard Flint, are formalised in a contract of employment. Mr Flint commenced employment on 1 January 2005 and his gross salary, inclusive of the 9% superannuation guarantee, is $140,000 per annum (effective from 1 January 2008). The Company may terminate the employment contract without cause by providing three (3) months written notice or making payment in lieu of notice, based on the annual salary component. Termination payments are generally not payable on resignation or dismissal for serious misconduct. In the instance of serious misconduct the Company can terminate employment at any time.

Key management personnel remuneration and equity holdings

The board currently determines the nature and amount of remuneration for board members and senior executives of the Group. The policy is to align director and executive objectives with shareholder and business objectives by providing a fixed remuneration component and offering specific long-term incentives.

The non-executive directors and other executives receive a superannuation guarantee contribution required by the government, which is currently 9%, and do not receive any other retirement benefits. Some individuals, however, may choose to sacrifice part of their salary to increase payments towards superannuation. All remuneration paid to directors and executives is expensed as incurred. Executives are also entitled to participate in the Group share option scheme. Options are valued using the Black-Scholes methodology.

The board policy is to remunerate non-executive directors at market rates based on comparable companies for time, commitment and responsibilities. The board determines payments to non-executive directors and reviews their remuneration annually, based on market practice, duties and accountability. Independent external advice is sought when required.

Table 1: Director remuneration for the year ended 30 June 2010 and 30 June 2009

	Primary Benefits	Post Employment	Share-based Payments	Total
	Salary & Fees	Superannuation	Options	$
Robert Annells*				
2010	100,000	3,600	-	**103,600**
2009	-	54,500	-	**54,500**
Derek Carter**				
2010	278,749	37,179	120,083	**436,011**
2009	191,742	88,258	-	**280,000**
Andrew Woskett				
2010	92,308	-	54,143	**146,451**
2009	-	-	-	-
Richard Bonython				
2010	85,780	-	90,062	**175,842**
2009	-	75,000	-	**75,000**
Antonio Belperio				
2010	187,596	47,404	90,062	**325,062**
2009	165,010	64,990	-	**230,000**
Peter Gower				
2010	-	45,780	90,062	**135,842**
2009	-	38,150	-	**38,150**
Total				
2010	744,433	133,963	444,412	**1,322,808**
2009	356,752	320,898	-	**677,650**

* Included in Mr Annells fees is the amount of $60,000 paid in recognition of his years of service to Minotaur.

** Included in Mr Carter's salary for 2010 is the payment of $100,195 in relation to unpaid annual and long service leave paid out upon retirement.

Table 2: Remuneration of key management personnel for the year ended 30 June 2010 and 30 June 2009

	Primary Benefits	Post Employment	Share-based Payments	Total
	Salary & Fees	Superannuation	Options	$
Richard Flint				
2010	132,321	15,179	-	**147,500**
2009	125,440	14,560	11,181	**151,181**
Andrew Roberts				
2010	-	-	-	**-**
2009	82,500	-	-	**82,500**
Total				
2010	132,321	15,179	-	**147,500**
2009	207,940	14,560	11,181	**233,681**

Table 3: Options granted as part of remuneration

30 June 2010	Grant date	Grant number	Vesting date	Value per option at grant date	Exercise Price	Total fair value	% of Remun-eration
Mr Derek N Carter	18/05/10	1,200,000	18/05/10	$ 0.100	0.40	120,083	27.54%
Mr Andrew Woskett*	18/05/10	1,000,000	30/08/10	$ 0.100	0.40	87,850	36.97%
	18/05/10	1,000,000	28/02/11	$ 0.088	0.55	100,069	
Mr Richard M Bonython	18/05/10	900,000	18/05/10	$ 0.100	0.40	90,062	51.22%
Dr Peter J Gower	18/05/10	900,000	18/05/10	$ 0.100	0.40	90,062	66.30%
Dr Antonio Belperio	18/05/10	900,000	18/05/10	$ 0.100	0.40	90,062	27.71%
Mr Donald Stephens**	18/05/10	400,000	18/05/10	$ 0.100	0.40	40,028	100.00%

30 June 2009	Grant date	Grant number	Vesting date	Value per option at grant date	Exercise Price	Total fair value	% of Remun-eration
Mr Richard Flint	03/12/08	100,000	03/12/08	0.111814	0.25	11,181	7.40%

No portion of remuneration paid or payable to any Key Management Personnel employed by Minotaur was performance based in 2009 or 2010.

HLB Mann Judd (SA) Pty Ltd has received professional fees for accounting, taxation and secretarial services provided during the year amounting to $113,929 (2009: $146,954). Donald Stephens, the Company Secretary, is a consultant with HLB Mann Judd (SA) Pty Ltd.

DIRECTORS' MEETINGS

The number of meetings of directors (including meetings of committees of directors) held during the year and the number of meetings attended by each director were as follows:

	Directors' Meetings	Audit Committee
Number of meetings held	9	2
Number of meetings attended:		
Mr Robert Annells*	3	-
Mr Derek N Carter	9	-
Mr Andrew Woskett*	4	-
Mr Richard M Bonython	9	2
Dr Peter J Gower	9	2
Dr Antonio Belperio	8	-

* Mr Robert Annells and Mr Andrew Woskett were eligible for 5 and 4 directors meetings respectively.

Members acting on the audit committee of the board are:

Richard Bonython	Executive director
Peter Gower	Non-executive director
Donald Stephens	Company secretary

PROCEEDINGS ON BEHALF OF THE GROUP

No person has applied for leave of Court to bring proceedings on behalf of the Group or intervene in any proceedings to which the Group is a party for the purpose of taking responsibility on behalf of the Group for all or any part of those proceedings.

The Group was not a party to any such proceedings during the year.

AUDITOR INDEPENDENCE AND NON-AUDIT SERVICES

Grant Thornton South Australian Partnership, in its capacity as auditor for Minotaur Exploration Ltd, has not provided any non-audit services throughout the reporting period. The auditor's independence declaration for the year ended 30 June 2010 as required under section 307C of the Corporations Act 2001 has been received and can be found on page 19.

Signed in accordance with a resolution of the directors

Mr Derek Carter
Chairman
17 September 2010

Grant Thornton

Level 1,
67 Greenhill Rd
Wayville SA 5034
GPO Box 1270
Adelaide SA 5001

T 61 8 8372 6666
F 61 8 8372 6677
E info.sa@au.gt.com
W www.grantthornton.com.au

AUDITOR'S INDEPENDENCE DECLARATION
TO THE DIRECTORS OF MINOTAUR EXPLORATION LIMITED

In accordance with the requirements of section 307C of the Corporations Act 2001, as lead auditor for the audit of Minotaur Exploration Limited for the year ended 30 June 2010, I declare that, to the best of my knowledge and belief, there have been:

a no contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and

b no contraventions of any applicable code of professional conduct in relation to the audit.

GRANT THORNTON
South Australian Partnership
Chartered Accountants

J L Humphrey
Partner

Adelaide, 17 September 2010

CORPORATE GOVERNANCE STATEMENT

Introduction

The board of directors is responsible for the corporate governance of Minotaur Exploration Ltd (the Company) and its controlled entities (the Group). The Group operates in accordance with the corporate governance principles as set out by the ASX corporate governance council and required under ASX listing rules.

The Group details below the corporate governance practices in place at the end of the financial year, all of which comply with the principles and recommendations of the ASX corporate governance council unless otherwise stated. Some of the charters and policies that form the basis of the corporate governance practices of the Group may be located on the Group's website, www.minotarexploration.com.au.

The ASX Corporate Governance Council has released amendments dated 30 June 2010 to the second edition Corporate Governance Principles and Recommendations (Principles and Recommendations) in relation to diversity, remuneration, trading policies and briefings. The Group has addressed the amended principles within this statement.

Principle 1: Lay solid foundations for management and oversight

Board Responsibilities

The Board is accountable to the Shareholders for the performance of the Group and has overall responsibility for its operations. Day to day management of the Group's affairs and the implementation of the corporate strategy and policy initiatives, are formally delegated by the Board to the Managing Director and ultimately to senior executives.

The key responsibilities of the board include:

- Approving the strategic direction and related objectives of the Group and monitoring management performance in the achievement of these objectives;
- Adopting budgets and monitoring the financial performance of the Group;
- Reviewing annually the performance of the managing director and senior executives against the objectives and performance indicators established by the Board.
- Overseeing the establishment and maintenance of adequate internal controls and effective monitoring systems.
- Overseeing the implementation and management of effective safety and environmental performance systems.
- Ensuring all major business risks are identified and effectively managed.
- Ensuring that the Group meets its legal and statutory obligations.

For the purposes of the proper performance of their duties, the Directors are entitled to seek independent professional advice at the Group's expense, unless the Board determines otherwise. The Board schedules meetings on a regular basis and other meetings as and when required.

The Board has not publicly disclosed a statement of matters reserved for the board, or the board charter and therefore the Group has not complied with recommendation 1.3 of the Corporate Governance Council. Given the experience and skills of the board of directors, the Group has not considered it necessary to formulate a board charter.

Recommendation 1.2: Performance evaluation of Senior Management

The Managing Director and senior management participate in annual performance reviews. The performance of staff is measured against the objectives and performance indicators established by the board. A performance evaluation for senior management took place for the current reporting period in accordance with the Group's documented process. The performance of senior management is reviewed by comparing performance against agreed measures, examining the effectiveness and results of their contribution and identifying area for potential improvement. In accordance with recommendations 1.2 and 1.3 of the ASX Corporate Governance Council the Group has not disclosed a description of the performance evaluation process in addition to the disclosure above.

Principle 2: Structure the board to add value

Size and composition of the Board

At the date of this statement the Board consists of two non executive directors and three executives. Directors are expected to bring independent views and judgement to the Board's deliberations.

- Mr Derek Carter
  Non-Executive Chairman
- Mr Andrew Woskett
  Managing Director
- Mr Richard Bonython
  Executive Director
- Dr Antonio Belperio
  Executive Director
- Dr Peter Gower
  Non-Executive Director

The Board considers this to be an appropriate composition given the size and development of the Group at the present time. The names of directors including details of their qualifications and experience are set out in the Directors' Report of this Annual Report.

Recommendation 2.1: Independence

The board is conscious of the need for independence and ensures that where a conflict of interest may arise, the relevant director(s) leave the meeting to ensure a full and frank discussion of the matter(s) under consideration by the rest of the board. Those directors who have interests in specific transactions or potential transactions do not receive board papers related to those transactions or potential transactions, do not participate in any part of a directors meeting which considers those transactions or potential transactions, are not involved in the decision making process in respect of those transactions or potential transactions, and are asked not to discuss those transactions or potential transactions with other directors. Each director is required by the Company to declare on an annual basis the details of any financial or other relevant interests that they may have in the Company.

At the date of this statement the Board consists of two non executive directors, Mr Derek Carter, who is also chairman of the Board and Dr Peter Gower. Dr Gower has no other material relationship with the Group or its subsidiaries other than his directorship. Mr Carter and his associates beneficially hold 2.55% of the issued capital of Minotaur Exploration Ltd. The Company therefore has one independent director as that relationship is currently defined.

The Board does not consist of a majority of independent directors and therefore the Group has not complied with recommendation 2.1 of the Corporate Governance Council. The Company considers the current structure to be an appropriate composition of the required skills and experience, given the size and development of the Group at the present time.

Recommendations 2.2, 2.3: Role of the Chairman

The role of the Chairman is to provide leadership to the board and facilitate the efficient organisation and conduct of the board's functioning. Mr Derek Carter, the Chairman of the Group, does not also perform the role of the Managing Director, in accordance with recommendation 2.3 of the Corporate Governance Council. He is however not independent and therefore the Group has not complied with recommendation 2.2.

Recommendation 2.4: Nomination, retirement and appointment of Directors

The Board has not established a nomination and remuneration committee in accordance with recommendation 2.4 of the Corporate Governance Council. The Board takes ultimate responsibility for these matters and continues to monitor the composition of the committee and the roles and responsibilities of the members. Accordingly, the Group has not established remuneration and nomination committee charter in accordance with recommendations 2.4 and 2.6 of the ASX Corporate Governance Council.

Recommendation 2.5: Evaluation of Board performance

The Board continues to review performance against appropriate measures and identify ways to improve performance. A performance evaluation of the board, its committees and individual directors took place for the current reporting period in accordance with the Group's documented process. The Board has not formally disclosed the process in accordance with recommendations 2.5 and 2.6 of the ASX Corporate Governance Council. The Board takes ultimate responsibility for these matters and does not consider the disclosure of the performance evaluation necessary at this stage.

Principle 3: Promote ethical and responsible decision making

Recommendation 3.1: Code of Conduct

The Board recognises the need for directors and employees to observe the highest standards of behaviour and business ethics when engaging in corporate activity. The Group intends to maintain a reputation for integrity and is highly committed to demonstrating appropriate corporate practices and decision making. The Group's officers and employees are required to act in accordance with the law and with the highest ethical standards. The Board has not adopted and disclosed a formal code of conduct applying to the board and all employees in accordance with recommendations 3.1 and 3.3 of the Corporate Governance Council. The Board takes ultimate responsibility for these matters and does not consider the disclosure of the code necessary at this stage.

Securities Trading Policy

Effective from the 1 January 2011, the Group is required to adopt and disclose a securities trading policy under ASX Listing Rules. A securities trading policy was previously a recommendation of the Corporate Governance Council, however the Group has chosen to early-adopt the amendments in accordance with the addition to the ASX Listing Rules. The Group has established a policy concerning trading in Group securities by directors, senior executives and employees, however the plan has not yet been publicly disclosed and therefore has not complied with recommendation 3.2 or 3.3 of the second edition of the Corporate Governance Council principles. The Board take ultimate responsibility for these matters.

The Group's constitution permits designated persons to acquire securities in the Group, however Group policy prohibits designated persons from dealing in the Group's securities at any time whilst in possession of price sensitive information and for 24 hours after:

- Any major announcements;
- The release of the Group's quarterly, half yearly and annual financial results to the Australian Securities Exchange; and
- The Annual General Meeting.

Directors must advise the chairman of the board before buying or selling securities in the Group. All such transactions are reported to the Board. In accordance with the provisions of the Corporations Act and the Listing Rules of the Australian Securities Exchange, the Group advises the Exchange of any transaction conducted by directors in securities in the Group.

Recommendations 3.2, 3.3, 3.4: Diversity

The ASX Corporate Governance Council has released amendments dated 30 June 2010 to the second edition Corporate Governance Principles and Recommendations (Principles and Recommendations) in relation to diversity. The Group is committed to supporting diversity, including consideration of gender, age, ethnicity and cultural background. The Board is ultimately responsible for reviewing the achievement of this policy. The Group recognises that through consideration of diversity and the best available talent, it will assist in promoting a working environment to maximise achievement of the corporate goals of the organisation.

The Group continues to strive towards achieving objectives established towards increasing gender diversity. At the end of the reporting period, the Group employed eleven staff, of which two were female and the board of directors consisted of five male members.

The Group is highly aware of the positive impacts that diversity may bring to an organization. The Group continues to assess all staff and board appointments on their merits with consideration to diversity as a driver in decision making. The Group has not yet developed or disclosed a formal diversity policy and therefore has not complied with the recommendations 3.2 and 3.3 of the Corporate Governance Council effective from 1 January 2011.

Principle 4: Safeguard integrity in financial reporting

The Group has structured financial management to independently verify and safeguard the integrity of their financial reporting. The structure established by the Group includes:

- Review and consideration of the financial statements by the audit committee;
- A process to ensure the independence and competence of the Group's external auditors.

Recommendations 4.1, 4.2, 4.3: Audit Committee

The audit, risk and compliance committee comprises Dr Peter Gower (Chairman) and Mr Richard Bonython, an executive director. Dr Peter Gower is considered independent. The board will annually confirm the membership of the committee.

The committee's primary responsibilities are to:

- oversee the existence and maintenance of internal controls and accounting systems;
- oversee the management of risk within the Group;
- oversee the financial reporting process;
- review the annual and half-year financial reports and recommend them for approval by the board of directors;
- nominate external auditors;
- review the performance of the external auditors and existing audit arrangements; and
- ensure compliance with laws, regulations and other statutory or professional requirements, and the Group's governance policies.

The Group has not complied with recommendation 4.2 of the Corporate Governance Council because it does not consist of a majority of independent directors and only has two committee members. Given the skills and experience of the audit committee, the Board believes the structure and process to be adequate. The Board continues to monitor the composition of the committee and the roles and responsibilities of the members.

In addition, the Board has not adopted and disclosed a formal committee charter in accordance with recommendations 4.3 and 4.4 of the Corporate Governance Council.

Principle 5: Make timely and balanced disclosure

The Group has a policy that all shareholders and investors have equal access to the Group's information. The Board ensures that all price sensitive information is disclosed to the ASX in accordance with the continuous disclosure requirements of the Corporation's Act and ASX Listing Rules. The company secretary has primary responsibility for all communications with the ASX and is accountable to the Board through the chair for all governance matters.

Recommendations 5.1: Disclosure policy

The Group has not publicly disclosed a formal disclosure policy in accordance with recommendations 5.1 and 5.2 of the Corporate

Governance Council. The Board takes ultimate responsibility for these matters and does not consider disclosure of a disclosure policy to be appropriate at this stage.

Principle 6: Respect the rights of shareholders

The Board strives to ensure that Shareholders are provided with sufficient information to assess the performance of the Group and its Directors and to make well-informed investment decisions.

Recommendations 6.1: Communications policy

Information is communicated to Shareholders through:

- annual, half-yearly and quarterly financial reports;
- annual and other general meetings convened for Shareholder review and approval of Board proposals;
- continuous disclosure of material changes to ASX for open access to the public; and
- the Group maintains a website where all ASX announcements, notices and financial reports are published as soon as possible after release to ASX.

All information disclosed to the ASX is posted on the Group's web site www.minotaurexploration.com.au.

The auditor is invited to attend the annual general meeting of Shareholders. The Chairman will permit Shareholders to ask questions about the conduct of the audit and the preparation and content of the audit report.

The Group has not publicly disclosed a communications policy in accordance with recommendations 6.1 and 6.2 of the Corporate Governance Council. The Board takes ultimate responsibility for these matters and does not consider disclosure of a communications policy to be appropriate at this stage.

Principle 7: Recognise and manage risk

The Board has identified the significant areas of potential business and legal risk of the Group. In addition the Board has developed the culture, processes and structures of the company to encourage a framework of risk management which identifies, monitors and manages the material risks facing the organisation.

Recommendations 7.1, 7.2: Risk management policy

The identification, monitoring and, where appropriate, the reduction of significant risk to the Group is the responsibility of the Managing Director and the board. The Board has also established the audit, risk and compliance committee which addresses the risks of the Group.

The Board reviews and monitors the parameters under which such risks will be managed. Management accounts are prepared and reviewed with the Managing Director at subsequent board meetings. Budgets are prepared and compared against actual results.

Management and the board monitor the Group's material business risks and reports are considered at regular meetings.

The Group has not publicly disclosed a policy for the oversight and management of material business risks in accordance with recommendations 7.1 and 7.4 of the Corporate Governance Council. The Board takes ultimate responsibility for these matters and does not consider disclosure of a risk management policy to be appropriate at this stage.

Recommendations 7.3: Declaration from Managing Director and Company Secretary

The Managing Director and the Company Secretary will be required to state in writing to the Board that the Group's financial reports present a true and fair view, in all material respects, of the Group's financial condition and operational results are in accordance with relevant accounting standards. Included in this statement will be confirmation that the Group's risk management and internal controls are operating efficiently and effectively.

Principle 8: Remunerate fairly and responsibly

The Chairman and the non-executive Directors are entitled to draw Directors fees and receive reimbursement of reasonable expenses for attendance at meetings. The Group is required to disclose in its annual report details of remuneration to Directors. The maximum aggregate annual remuneration which may be paid to non-executive Directors is $300,000. This amount cannot be increased without the approval of the Group's shareholders. Please refer to the remuneration report within the directors' report for details regarding the remuneration structure of the managing director and senior management.

Recommendation 8.1: Remuneration Committee

The Board has not established a remuneration committee or disclosed a committee charter on the Company website and therefore has not complied with recommendations 8.1 and 8.3 of the Corporate Governance Council. The Board takes ultimate responsibility for these matters and does not consider a remuneration committee to be appropriate at this stage.

Statement of Comprehensive Income

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2010

		Consolidated Group	
		2010	**2009**
	Note	**$**	**$**
Revenue	**4 (a)**	401,435	564,175
Other income	**4 (b)**	370,715	1,042,878
Impairment of investments	**4 (c)**	-	(5,488,483)
Impairment of exploration and evaluation assets	**4 (c)**	(3,343,536)	(2,898,648)
Employee benefits expense	**4 (d)**	(1,001,160)	(318,998)
Depreciation expense	**4 (c)**	(135,907)	(84,737)
Finance costs	**4 (c)**	(13,488)	(14,351)
Share of losses of associates accounted for using the equity method	**4 (c)**	(459,356)	(516,937)
Other expenses	**4 (e)**	(792,705)	(750,567)
Loss before income tax expense		(4,974,002)	(8,465,668)
Income tax benefit/(expense)	**5**	197,684	2,341,428
Loss from continuing operations		(4,776,318)	(6,124,240)
Loss attributable to members of the parent entity		(4,776,318)	(6,124,240)
Other comprehensive income			
Exchange differences arising on translation of foreign operations		27,448	18,916
Gain/(loss) on available-for-sale investments taken to equity		(74,717)	(570,306)
Income tax relating to components of other comprehensive income		-	551,390
Total comprehensive income for the period		(4,823,587)	(6,124,240)
Earnings per share:		*Cents*	*Cents*
Basic earnings per share	**6**	(6.15)	(9.11)
Diluted earnings per share	**6**	(6.15)	(9.11)

The above Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

Statement of Financial Position

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2010

		Consolidated Group	
		2010	2009
	Note	$	$
CURRENT ASSETS			
Cash and cash equivalents	7	4,122,122	5,976,176
Trade and other receivables	8	734,421	228,169
Other current assets	9	51,257	64,240
TOTAL CURRENT ASSETS		4,907,800	6,268,585
NON-CURRENT ASSETS			
Available-for-sale investments	10	993,068	1,565,910
Investments in associates	11	1,884,261	1,081,616
Property, plant and equipment	12	467,753	404,999
Exploration and evaluation assets	13	9,398,169	11,194,206
TOTAL NON-CURRENT ASSETS		12,743,251	14,246,731
TOTAL ASSETS		17,651,051	20,515,316
CURRENT LIABILITIES			
Trade and other payables	15	540,158	1,138,137
Short-term borrowings	16	31,398	32,970
Short-term provisions	17	264,244	381,251
TOTAL CURRENT LIABILITIES		835,800	1,552,358
NON-CURRENT LIABILITIES			
Long-term borrowings	16	152,834	107,195
Long-term provisions	17	65,446	65,055
TOTAL NON-CURRENT LIABILITIES		218,280	172,250
TOTAL LIABILITIES		1,054,080	1,724,608
NET ASSETS		16,596,971	18,790,708
EQUITY			
Issued capital	18	25,930,647	23,556,063
Reserves	19	991,449	1,309,881
Retained earnings	20	(10,325,125)	(6,075,236)
TOTAL EQUITY		16,596,971	18,790,708

The above Statement of Financial Position should be read in conjunction with the accompanying notes.

Statement of Changes in Equity

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2010

		Consolidated Group					
					Available-	Foreign	
		Issued		Share	for-sale	Currency	
		Capital	Retained	Option	revaluation	translation	
		Ordinary	Earnings	Reserve	reserve	Reserve	Total
	Note	$	$	$	$	$	$
Balance at 1 July 2008		22,781,850	(96,196)	887,187	1,078,917	(80,028)	24,571,730
Total comprehensive income for the period		-	(6,124,240)	-	(570,306)	18,916	(6,675,630)
Share issued pursuant to Share Purchase Plan	**18**	818,000	-	-	-	-	818,000
Transaction costs (net of tax)	**18**	(43,787)	-	-	-	-	(43,787)
Cost of share based payment		-	-	120,395	-	-	120,395
Transfer from employee equity-settled benefits reserve		-	145,200	(145,200)	-	-	-
Foreign exchange translations		-	-	-	-		-
Balance at 30 June 2009		23,556,063	(6,075,236)	862,382	508,611	(61,112)	18,790,708
Balance at 1 July 2009		23,556,063	(6,075,236)	862,382	508,611	(61,112)	18,790,708
Total comprehensive income for the period		-	(4,776,318)	-	(74,717)	27,448	(4,823,587)
Issue of shares by way of private placement	**18**	2,496,000	-	-	-	-	2,496,000
Transaction costs (net of tax)	**18**	(121,416)	-	-	-	-	(121,416)
Transfer from available for sale revaluation reserve upon disposal of investments		-	-	-	(229,175)	-	(229,175)
Cost of share based payment		-	-	484,441	-	-	484,441
Transfer from share based payment reserve upon lapse of options		-	526,429	(526,429)	-	-	-
Balance at 30 June 2010		25,930,647	(10,325,125)	820,394	204,719	(33,664)	16,596,971

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes.

Statement of Cash Flows

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2010

		Consolidated Group	
		2010	**2009**
	Note	**$**	**$**
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		209,637	433,275
Payments to suppliers and employees		(1,430,983)	(872,903)
Interest received		198,249	154,030
Finance costs		(13,488)	(13,950)
NET CASH PROVIDED BY/(USED IN) OPERATING ACTIVITIES	**7**	(1,036,585)	(299,548)
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of property, plant and equipment		117,670	2,000
Payments for property, plant and equipment		(297,940)	(114,675)
Purchase of investments in associates		(862,000)	(705,000)
Proceeds from sale of available-for-sale investments		628,626	4,597,252
Government exploration related grants		90,000	-
R&D tax offset attributable to exploration		-	267,626
Joint venture receipts		1,542,174	5,937,304
Proceeds from the sale of exploration assets		20,000	-
Payments for exploration activities		(4,422,614)	(8,991,078)
NET CASH PROVIDED BY/(USED IN) INVESTING ACTIVITIES		(3,184,084)	993,429
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of shares		2,496,000	818,000
Transaction costs of issue of shares		(173,452)	(62,553)
Proceeds from borrowings		192,703	-
Repayment of borrowings		(148,636)	(30,441)
NET CASH PROVIDED BY/(USED IN) FINANCING ACTIVITIES		2,366,615	725,006
Net increase/(decrease) in cash and cash equivalents		(1,854,054)	1,418,887
Net foreign exchange differences		-	-
Cash at the beginning of the period		5,976,176	4,557,289
CASH AT THE END OF THE PERIOD		4,122,122	5,976,176

The above Statement of Cash Flows should be read in conjunction with the accompanying notes.

Notes to the Financial Statements
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2010

1. CORPORATE INFORMATION

The financial report of Minotaur Exploration Ltd (the Company) for the year ended 30 June 2010 was authorised for issue in accordance with a resolution of the directors on 16 September 2010. Minotaur Exploration Ltd is a company limited by shares incorporated and domiciled in Australia whose shares are publicly traded on the Australian Securities Exchange.

The nature of the operations and principal activities of the Group are described in the Directors' Report.

2. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

a. Basis of Preparation

The financial report is a general-purpose financial report, which has been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting

Standards Board and the Corporations Act 2001.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions to which they apply. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards. Material accounting policies adopted in the preparation of this financial report are presented below. They have been consistently applied unless otherwise stated.

The financial report has been prepared on an accrual basis and is based on historical costs, modified, where applicable by the measurement at fair value of selected Non-current assets, financial assets and financial liabilities.

b. Principle of consolidation

The consolidated financial statements comprise the financial statements of Minotaur Exploration Ltd and its subsidiaries as at 30 June each year (the Group). A list of controlled entities is contained in Note 24 to the financial statements. All controlled entities have a June financial year-end.

The financial statements of the subsidiaries are prepared for the same reporting period as the parent company, using consistent accounting policies.

In preparing the consolidated financial statements, all intercompany balances and transactions, income and expenses and profit and losses resulting from intra-group transactions have been eliminated in full.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group and cease to be consolidated from the date on which control is transferred out of the Group.

c. Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised:

Rendering of services
Revenue from the rendering of service is recognised upon the delivery of service to the customers.

All revenue is stated net of the amount of goods and services tax (GST).

Interest income
Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial asset.

d. Government grants

Government grants are recognised when there is reasonable assurance that the grant will be received and all attaching conditions will be complied with.

When the grant relates to an expense item, it is recognised as income over the periods necessary to match the grant on a systematic basis to the costs that it is intended to compensate.

When the grant relates to an asset, the fair value is credited to a deferred income account and is released to the statement of comprehensive income over the expected useful life of the relevant asset by equal annual instalments.

e. Finance costs

Finance costs directly attributable to the acquisition, construction or production of assets that necessarily take a substantial period of time to prepare for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use of sale. Other costs are expensed as incurred.

f. Cash and cash equivalents

Cash and short-term deposits in the Statement of Financial Position comprise cash at bank, cash in hand and short term deposits with an original maturity of 6 months or less.

For the purposes of the Statement of Cash Flows, cash and cash equivalents consist of cash and cash equivalents as defined above.

g. Trade and other receivables

Trade receivables, which generally have 30-90 day terms, are recognised and carried at original invoice amount less an allowance for any uncollectible amounts.

An allowance for doubtful debts is made when there is objective evidence that the Group will not be able to collect the debts. Bad debts are written off when identified.

h. Foreign currency translation

The functional and presentation currency is for the Group Australian dollars. The Group determines each entity's functional currency and items included in the financial statements of each entity are measured using that functional currency.

Transactions in foreign currencies are initially recorded in the local currency by applying the exchange rates ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are restated at the rate of exchange ruling at the reporting date.

All exchange differences in relation to the translation from local currency to functional currency are taken to profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate as at the date of the initial transaction.

As at the reporting date the assets and liabilities of all of the Groups subsidiaries are translated into the presentation currency of Minotaur Exploration Ltd at the rate of exchange ruling at the reporting date and their statements of comprehensive income are translated at the weighted average exchange rate for the year.

Exchange differences arising on translation of foreign operations are transferred directly to the Groups foreign currency translation reserve in the Statement of Financial Position. These differences are recognised in the Statement of Comprehensive Income in the period in which the operation is disposed.

i. Financial Instruments

Recognition

Financial instruments are initially measured at cost on trade date, which includes transaction costs, when the related contractual rights or obligations exist. Subsequent to initial recognition these instruments are measured as set out below.

Available-for-sale financial assets

Available-for-sale financial assets are reflected at fair value. Unrealised gains and losses arising from changes in fair value are taken directly to equity.

Financial liabilities

Non-derivative financial liabilities are recognised at amortised cost, comprising original debt less principal payments and amortisation.

Fair value

Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine the fair value for all unlisted securities, including recent arm's length transactions, reference to similar instruments and option pricing models.

Impairment

At each reporting date, the Group assess whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether an impairment has arisen. Impairment losses are recognised in the statement of comprehensive income.

j. Investment in associates

The Group's investments in its associates are accounted for using the equity method of accounting in the consolidated financial statements. An associate is an entity in which the Group has significant influence and which is neither a subsidiary nor a joint venture.

Under the equity method, the investments in its associates are carried in the consolidated Statement of Financial Position at cost plus post-acquisition changes in the Group's share of net assets of the associates. Goodwill relating to an associate is included in the carrying amount of the investment and is not amortised. After application of the equity method, the Group determines whether it is necessary to recognise any additional impairment loss with respect to the Group's net investment in its associates. The consolidated Statement of Comprehensive Income reflects the Group's share of the results of operations of its associates.

Where there has been a change recognised directly in an associate's equity, the Group recognises its share of any changes.

The reporting dates of the associates and the Group are identical and the associate's accounting policies conform to those used by the Group for like transactions and events in similar circumstances.

Details of the Group's investments associates are shown at note 11.

k. Joint Venture

A joint venture is a contractual arrangement whereby two or more parties undertake an economic activity that is subject to joint control. A jointly controlled operation involves use of assets and other resources of the venturers rather than establishment of a separate entity. The Group recognises its interest in the jointly controlled operations by recognising the assets that it controls and the liabilities that it incurs. The Group also recognises the expenses that it incurs and its share of the income that it earns from the sale of goods or services by the jointly controlled operation.

The Company has entered into a number of Joint Ventures with various parties to explore on certain tenements that the Group has a beneficial interest in. A full list of these JV's, as well as the parties involved, can be found on pages 76 - 81.

l. Income tax

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the reporting date.

Deferred income tax is provided on all temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred income tax liabilities are recognised for all taxable temporary differences except:

- when the deferred income tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; or
- when the taxable temporary difference is associated with investments in subsidiaries, associates or interests in joint ventures, and the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets are recognised for all deductible temporary differences, carry-forward of unused tax assets and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry-forward of unused tax credits and unused tax losses can be utilised, except:

- when the deferred income tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; or
- when the deductible temporary difference is associated with investments in subsidiaries, associates or interests in joint ventures, in which case a deferred tax asset is only recognised to the extent that it is probable that the temporary difference will reverse in the foreseeable future and taxable profit will be available against which the temporary difference can be utilised.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Unrecognised deferred income tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Income taxes relating to items recognised directly in equity are recognised in equity and not in profit or loss.

Deferred tax assets and deferred tax liabilities are offset only if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and liabilities relate to the same taxable entity and the same taxation authority.

Tax consolidation

The parent entity and its Australian wholly-owned entities are part of a tax-consolidated group under Australian taxation law. The head entity within the tax consolidation group for the purposes of the tax consolidation system is Minotaur Exploration Limited.

Minotaur Exploration Ltd and each of its own wholly-owned subsidiaries recognise the current and deferred tax assets and deferred tax liabilities applicable to the transactions undertaken by it, after elimination of intra-group transactions. Minotaur Exploration Ltd recognises the entire tax-consolidated group's retained tax losses.

m. Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST except:

- when the GST incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- receivables and payables, which are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the Statement of Financial Position.

Cash flows are included in the Statement of Cash Flows on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the taxation authority are classified as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority.

n. Property, plant and equipment

Plant and equipment is stated at cost less accumulated depreciation and any accumulated impairment losses. Such cost includes the cost of replacing parts that are eligible for capitalisation when the cost of replacing the parts is incurred. Similarly, when each major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement only if it is eligible for capitalisation.

Depreciation is calculated on a straight-line and diminishing value basis over the estimated useful life of the assets. The useful life of the assets for both 2010 and 2009 is as follows:

Plant and equipment – 3 to 20 years

Motor Vehicles – 6 – 8 years

Impairment

The carrying values of plant and equipment are reviewed for impairment at each reporting date, with recoverable amount being estimated when events or changes in circumstances indicate that the carrying value may be impaired.

The recoverable amount of plant and equipment is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their recent value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

For an asset that does not generate largely independent cash inflows, recoverable amount is determined for the cash-generating unit to which the asset belongs, unless the asset's value in use can be estimated to be close to its fair value.

An impairment exists when the carrying value of an asset or cash-generating unit exceeds its estimated recoverable amount. The asset or cash-generating unit is then written down to its recoverable amount.

o. Exploration and Evaluation Expenditure

Exploration and evaluation expenditure incurred is accumulated in respect of each identifiable area of interest. These costs are only carried forward to the extent that they are expected to be recouped through the successful development of the area or where activities in the area have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves.

Accumulated costs in relation to an abandoned area are written off in full against profit in the year in which the decision to abandon the area is made.

A regular review is undertaken of each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest.

Costs of site restoration are provided over the life of the facility from when exploration commences and are included in the costs of that stage. Site restoration costs include the dismantling and removal of mining plant, equipment and building structures, waste removal, and rehabilitation of the site in accordance with clauses of the mining permits. Such costs have been determined using estimates of future costs, current legal requirements and technology on an undiscounted basis.

Any changes in the estimates for the costs are accounted on a prospective basis. In determining the costs of site restoration, there is uncertainty regarding the nature and extent of the restoration due to the basis that the restoration will be completed within one year of abandoning the site.

p. Impairment of assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment

testing for an asset is required, the Group makes an estimate of the asset's recoverable amount. An asset's recoverable amount is the higher of its fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or Groups of assets and the asset's value in use cannot be estimated to be close to its fair value. In such cases the asset is tested for impairment as part of the cash-generating unit to which it belongs. When the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset or cash-generating unit is considered impaired and is written down to its recoverable amount.

q. Trade and other payables

Trade payables and other payables are carried at amortised costs and represent liabilities for goods and services provided to the Group prior to the end of the financial year that are unpaid and arise when the Group becomes obliged to make future payments in respect of the purchase of these goods and services.

r. Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

When the Group expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the

Statement of Comprehensive Income net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pretax rate that reflects the risks specific to the liability.

s. Leases

The determination of whether an arrangement is or contains a lease is based on the substance of the arrangement and requires an assessment of whether the fulfillment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset.

Group as a lessee

Finance leases, which transfer to the Group substantially all the risks and benefits incidental to ownership of the leased item, are capitalised at the inception of the lease at the fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised as an expense in the Statement of Comprehensive Income.

Capitalised leased assets are depreciated over the shorter of the estimated useful life of the asset and the lease term if there is no reasonable certainty that the Group will obtain ownership by the end of the lease term.

Operating lease payments are recognised as an expense in the Statement of Comprehensive Income on a straight-line basis over the lease term.

t. Employee benefits

Wages, salaries, annual leave and sick leave

Liabilities for wages and salaries, including non-monetary benefits, annual leave and accumulating sick leave expected to be settled within 12 months of the reporting date are recognised in other payables in respect of employees' services up to the reporting date. They are measured at the amounts expected to be paid when the liabilities are settled. Liabilities for non-accumulating sick leave are recognised when the leave is taken and are measured at the rates paid or payable.

Long service leave

The liability for long service leave is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures, and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currencies that match, as closely as possible, the estimated future cash outflows.

Share based payment transactions

The Group provides benefits to employees of the Group in the form of share-based payments, whereby employees receive options incentives (equity-settled transactions).

There is currently one plan in place to provide these benefits, the Employee Share Option Plan which provides benefits to employees.

The cost of these equity-settled transactions with employees is measured by reference to the fair value at the date at which they are granted. The fair value is determined using the Black-Scholes option pricing model.

The cost of equity-settled transactions is recognised as an expense in the Statement of Comprehensive Income, together with a corresponding increase in the share option reserve, when the options are issued.

Upon the exercise of options, the balance of share based payments reserve relating to those options is transferred to share capital.

u. Issued capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

v. Earnings per share

Basic earnings per share is calculated as net profit attributable to members of the parent, adjusted to exclude any costs of servicing equity (other than dividends) and preference share dividends, divided by the weighted average number of ordinary shares, adjusted for any bonus element.

Diluted earnings per share is calculated as net profit attributable to members of the parent divided by the weighted average number of ordinary shares and dilutive potential ordinary shares.

w. Critical Accounting Estimates and Judgments

The directors evaluate estimates and judgments incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Group.

Key Estimates — Exploration and evaluation

The Group's policy for exploration and evaluation is discussed in note 2 (o). The application of this policy requires management to make certain assumptions as to future events and circumstances. Any such estimates and assumptions may change as new information becomes available. If, after having capitalised exploration and evaluation expenditure, management concludes that the capitalised expenditure is unlikely to be recovered by future sale or exploration, then the relevant capitalised amount will be written off through the Statement of Comprehensive Income. Refer to note 13 for further details and a reconciliation of the capitalised expenditure written off during the year.

x. Adoption of New and Revised Accounting Standards

During the current year the group adopted all of the new and revised Australian Accounting Standards and Interpretations applicable to its operations that became mandatory.

The adoption of these standards has impacted the recognition, measurement and disclosure of certain transactions. The following is an explanation of the impact that adoption of these standards and interpretations has had on the financial statements.

AASB 3: Business Combinations

In March 2008 the Australian Accounting Standards Board revised AASB 3 and as a result, some aspects of business combination accounting have changed. The changes only apply to business combinations first recognised after 1 July 2009.

Recognition and measurement impact

Recognition of acquisition costs - The revised standard requires that all acquisition costs are expensed in the period in which they occur. Previously these costs were capitalised as part of the cost of the business combination.

Measurement of contingent consideration - The revised standard requires that contingent consideration associated with a business combination be included as part of the cost of the business combination. They are recognised at the fair value of expected payment. Any subsequent changes in the fair value or probability of settlement are recognised in the statement of comprehensive income, except to the extent that they relate to conditions that existed at the date of acquisition and that are identified during any "Measurement period." In this case the cost of acquisition is adjusted. The previous version of the standard allowed such changes to be recognised as a cost of the combination impacting goodwill.

AASB 8: Operating Segments

In February 2007, the Australian Accounting Standards Board issued AASB 8 which replaced AASB 114: Segment Reporting. Consequently, some of the required operating segment disclosures have changed. In addition, there is a possible impact on the impairment testing of goodwill allocated to cash generating units (CGUs) of the entity. Set out below is an overview of the key changes and the impact on the Consolidated group's financial statements.

Identification and measurement of segments - AASB 8 requires a "management approach" to the identification, measurement and disclosure of operating segments. This approach requires that segments are identified on the basis of internal reports that are regularly reviewed by management, for the purpose of allocating resources and assessing performance.

Unlike AASB 114 this could identify segments that primarily or exclusively sell to other internal operating segments. Under AASB 114, segments were identified by business and geographical areas, and only segments deriving revenue from external sources were considered. The adoption of the management approach to segment reporting has identified reportable segments largely consistent with the prior year.

AASB 101: Presentation of Financial Statements

In September 2007, the Australian Accounting Standards Board revised AASB 101 and as a result, there have been changes to the presentation and disclosure of certain information within the financial statements. An overview of the key impacts on the Consolidated group's financial statements is set out below.

Terminology changes - The revised version of AASB 101 contains a number of terminology changes, including the amendment of the names of the primary financial statements and the change of the term "minority interests" to "non-controlling interests."

Reporting changes in equity - The revised AASB 101 requires all changes in equity arising from transactions with owners, in their capacity as owners, to be recognised in the statement of changes in equity, with all other changes in equity to be recognised in a new statement of comprehensive income. Previously, all changes in equity were recognised in the statement of changes in equity.

Statement of comprehensive income - The revised standard requires that all income and expenses are presented in either a single statement of comprehensive income or in two statements, one being a separate income statement as well as a new statement of comprehensive income. Previously, only an income statement was required. The Consolidated group has adopted the single statement approach and the financial statements now include a statement of comprehensive income that replaces the previously reported income statement.

Other comprehensive income - The revised standard introduces the concept of "other comprehensive income" which comprises income and expenses that are not recognised in profit or loss as required by Australian Accounting Standards. Items of other comprehensive income are to be disclosed in the statement of comprehensive income. Entities are required to disclose the income tax relating to each component of other comprehensive income. The previous version of AASB 101 did not contain an equivalent concept.

y. New Accounting Standards for Application in Future Periods

The AASB has issued new and amended accounting standards and interpretations that have mandatory application dates for future reporting periods. The Group has decided against early adoption of these standards. A discussion of those future requirements and their impact on the Group follows:

AASB 9: Financial Instruments and AASB 2009–11: Amendments to Australian Accounting Standards arising from AASB 9 [AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 121, 127, 128, 131, 132, 136, 139, 1023 & 1038 and Interpretations 10 & 12] (applicable for annual reporting periods commencing on or after 1 January 2013).

These standards are applicable retrospectively and amend the classification and measurement of financial assets. The Group has not yet determined the potential impact on the financial statements.

The changes made to accounting requirements include:

- simplifying the classifications of financial assets into those carried at amortised cost and those carried at fair value;
- simplifying the requirements for embedded derivatives;
- removing the tainting rules associated with held-to-maturity assets;
- removing the requirements to separate and fair value embedded derivatives for financial assets carried at amortised cost;
- allowing an irrevocable election on initial recognition to present gains and losses on investments in equity instruments that are not held for trading in other comprehensive income. Dividends in respect of these investments that are a return on investment can be recognised in profit or loss and there is no impairment or recycling on disposal of the instrument; and
- reclassifying financial assets where there is a change in an entity's business model as they are initially classified based on:

a) the objective of the entity's business model for managing the financial assets; and

b) the characteristics of the contractual cash flows.

AASB 124: Related Party Disclosures (applicable for annual reporting periods commencing on or after 1 January 2011).

This standard removes the requirement for government related entities to disclose details of all transactions with the government and other government related entities and clarifies the definition of a related party to remove inconsistencies and simplify the structure of the standard. No changes are expected to materially affect the Group.

AASB 2009–4: Amendments to Australian Accounting Standards arising from the Annual Improvements Project [AASB 2 and AASB 138 and AASB Interpretations 9 & 16] (applicable for annual reporting periods commencing from 1 July 2009) and AASB 2009-5: Further Amendments to Australian Accounting Standards arising from the Annual Improvements Project [AASB 5, 8, 101, 107, 117, 118, 136 & 139] (applicable for annual reporting periods commencing from 1 January 2010).

These standards detail numerous non-urgent but necessary changes to accounting standards arising from the IASB's annual improvements project. No changes are expected to materially affect the Group.

AASB 2009–8: Amendments to Australian Accounting Standards — Group Cash-settled Share-based Payment Transactions [AASB 2] (applicable for annual reporting periods commencing on or after 1 January 2010).

These amendments clarify the accounting for group cash-settled share-based payment transactions in the separate or individual financial statements of the entity receiving the goods or services when the entity has no obligation to settle the share-based payment transaction. The amendments incorporate the requirements previously included in Interpretation 8 and Interpretation 11 and as a consequence, these two Interpretations are superseded by the amendments. These amendments are not expected to impact the Group.

AASB 2009–9: Amendments to Australian Accounting Standards — Additional Exemptions for First-time Adopters [AASB 1] (applicable for annual reporting periods commencing on or after 1 January 2010).

These amendments specify requirements for entities using the full cost method in place of the retrospective application of Australian Accounting Standards for oil and gas assets, and exempt entities with existing leasing contracts from reassessing the classification of those contracts in accordance with Interpretation 4 when the application of their previous accounting policies would have given the same outcome. These amendments are not expected to impact the Group.

AASB 2009–10: Amendments to Australian Accounting Standards — Classification of Rights Issues [AASB 132] (applicable for annual reporting periods commencing on or after 1 February 2010).

These amendments clarify that rights, options or warrants to acquire a fixed number of an entity's own equity instruments for a fixed amount in any currency are equity instruments if the entity offers the rights, options or warrants pro-rata to all existing owners of the same class of its own non-derivative equity instruments. These amendments are not expected to impact the Group.

AASB 2009–12: Amendments to Australian *Accounting Standards [AASBs 5, 8, 108, 110, 112, 119, 133, 137, 139, 1023 & 1031 and Interpretations 2, 4, 16, 1039 & 1052] (applicable for annual reporting periods commencing on or after 1 January 2011).*

This standard makes a number of editorial amendments to a range of Australian Accounting Standards and Interpretations, including amendments to reflect changes made to the text of International Financial Reporting Standards by the IASB. The standard also amends AASB 8 to require entities to exercise judgment in assessing whether a government and entities known to be under the control of that government are considered a single customer for the purposes of certain operating segment disclosures. These amendments are not expected to impact the Group.

AASB 2009–13: Amendments to Australian Accounting Standards arising from Interpretation 19 [AASB 1] (applicable for annual reporting periods commencing on or after 1 July 2010).

This standard makes amendments to AASB 1 arising from the issue of Interpretation 19. The amendments allow a first-time adopter to apply the transitional provisions in Interpretation 19. This standard is not expected to impact the Group.

AASB 2009–14: Amendments to Australian Interpretation — Prepayments of a Minimum Funding Requirement [AASB Interpretation 14] (applicable for annual reporting periods commencing on or after 1 January 2011).

This standard amends Interpretation 14 to address unintended consequences that can arise from the previous accounting requirements when an entity prepays future contributions into a defined benefit pension plan.

AASB Interpretation 19: Extinguishing Financial Liabilities with Equity Instruments (applicable for annual reporting periods commencing on or after 1 July 2010).

This Interpretation deals with how a debtor would account for the extinguishment of a liability through the issue of equity instruments. The Interpretation states that the issue of equity should be treated as the consideration paid to extinguish the liability, and the equity instruments issued should be recognised at their fair value unless fair value cannot be measured reliably in which case they shall be measured at the fair value of the liability extinguished. The Interpretation deals with situations where either partial or full settlement of the liability has occurred. This Interpretation is not expected to impact the Group.

The Group does not anticipate the early adoption of any of the above Australian Accounting Standards.

3. OPERATING SEGMENTS

The Group has adopted AASB 8 Operating Segments and AASB 2008-3 Amendments to Australian Accounting Standards arising from AASB 8 with effect from 1 July 2009. AASB 8 requires operating segments to be identified on the basis of internal reports about components of the Group that are regularly reviewed by the chief operating decision maker in order to allocate resources to the segments and to assess its performance. In contrast, the predecessor Standard (AASB 114 Segment Reporting) required an entity to identify two sets of segments (business and geographical), using a risk rewards approach, with the entity's system of internal financial reporting to 'key management personnel' serving only as the starting point for the identification of such segments. As a result, following the adoption of AASB 8, the identification of the Group's reportable segments has changed.

In prior years, segment information reported externally was analysed on the basis of the business segments encountered by Minotaur (namely Exploration and Investment). However, information reported to the Company's Managing Director for the purposes of resources allocation and assessment of performance is more specifically focused on the areas in which the Group is exploring and investing. The Group's reportable segments under AASB 8 are therefore as follows:

- Investment: that being strategic investment by the Group in equity instruments of associates and other similar entities;
- Exploration activities conducted in Australia; and
- Exploration activities conducted in Canada.

Information regarding these segments is presented below. Amounts reported for the prior period have been restated to conform to the requirements of AASB 8. The accounting policies of the new reportable segments are the same as the Group's accounting policies.

The following is an analysis of the Group's revenue and results by reportable operating segment for the periods under review.

	Segment Revenue		Segment Result	
	Financial Year ended		Financial Year ended	
	30-Jun 2010	30-Jun 2009	30-Jun 2010	30-Jun 2009
	$	$	$	$
Continuing Operations				
Investments	584,810	1,188,032	125,454	(4,817,388)
Mineral Exploration - Australia	191,331	326,601	(3,152,205)	(2,572,047)
Mineral Exploration - Canada	4,970	91,994	4,970	91,994
	781,111	1,606,627	(3,021,781)	(7,297,441)
Finance costs	-	-	(13,488)	(14,351)
Administration/Corporate	(8,961)	426	(1,802,826)	(1,069,139)
Depreciation	-	-	(135,907)	(84,737)
	772,150	1,607,053		
			(4,974,002)	(8,465,668)
			197,684	2,341,428
			(4,776,318)	(6,124,240)

The revenue reported above represents revenue generated from financial institutions and joint venture partners. There were no intersegment sales during the period.

Segment profit/(loss) represents the profit earned by each segment without allocation of central administration costs, finance costs, depreciation and income tax (expense)/benefit. This is the measure reported to the chief operating decision maker for the purposes of resources allocation and assessment of segment performance.

Segment Assets

Where an asset is used across multiple segments, the asset is allocated to the segment that receives the majority of economic value from the asset. In the majority of instances, segment assets are clearly identifiable on the basis of their nature and physical location. The Group has not reported on segment liabilities as such amounts are not regularly provided to the chief operating decision maker.The following is an analysis of the Group's assets by reportable operating segment.

	Opening Balance 1/07/2008	**Capital Expenditure/ Investment**	**Impairment/ Share of loss**	**Revaluations**	**Disposals**	**Closing Balance 30/06/2009**
	$	**$**	**$**	**$**		**$**
Continuing Operations						
Investments	15,537,245	1,205,000	(6,005,420)	(570,306)	(4,018,993)	6,147,526
Mineral Exploration - Australia	10,136,016	3,294,025	(2,898,648)	-	-	10,531,393
Mineral Exploration - Canada	503,603	159,210	-	-	-	662,813
Total segment assets	26,176,864	4,658,235	(8,904,068)	(570,306)	(4,018,993)	17,341,732
Other						
Administration/Corporate	2,969,579					3,173,584
	29,146,443					20,515,316

	Opening Balance 1/07/2009	**Capital Expenditure/ Investment**	**Impairment/ Share of loss**	**Revaluations**	**Disposals**	**Closing Balance 30/06/2010**
	$	**$**	**$**	**$**		**$**
Continuing Operations						
Investments	6,147,526	262,001	(459,356)	(74,717)	(498,125)	5,377,329
Mineral Exploration - Australia	10,531,393	1,362,306	(3,343,536)	-	-	8,550,163
Mineral Exploration - Canada	662,813	185,193	-	-	-	848,006
Total segment assets	17,341,732	1,809,500	(3,802,892)	(74,717)	(498,125)	14,775,498
Other						
Administration/Corporate	3,173,584					2,875,553
	20,515,316					17,651,051

4. REVENUE AND EXPENSES

	Consolidated	
	2010	**2009**
	$	**$**
(a) Revenue		
Administration fees	196,301	418,595
Bank interest received or receivable	205,134	145,580
	401,435	564,175
(b) Other income		
Other income	20,000	-
Net profit/(loss) on disposal of property, plant and equipment and exploration assets	(8,961)	426
Net gains on disposal of available-for-sale investments	359,676	1,042,452
	370,715	1,042,878
(c) Expenses		
Impairment of non-current assets		
Capitalised tenement costs written off	3,343,536	2,898,648
Impairment of investment in associates	-	729,442
Impairment of available-for-sale financial assets	-	4,759,041
Total impairment of non-current assets	3,343,536	8,387,131
Depreciation of non-current assets		
Plant and equipment	104,417	51,702
Motor vehicles	31,490	33,035
Total depreciation	135,907	84,737
Finance expenses		
Finance costs	190	401
Interest applicable to hire-purchase	13,298	13,950
Total borrowing costs	13,488	14,351
Losses from associates		
Mithril Resources Ltd	117,952	277,307
Petratherm Ltd	196,365	239,630
Thomson Resources Ltd	145,039	-
Total losses from associates	459,356	516,937

	Consolidated	
	2010	**2009**
	$	**$**
(d) Employees benefits expense		
Wages, salaries, directors fees and other remuneration expenses	1,939,408	1,909,514
Superannuation expense	154,256	170,329
Transfer to/(from) annual leave provision	(55,873)	(13,908)
Transfer to/(from) long service leave provision	(60,743)	47,113
Share-based payments expense	484,440	120,395
Transfer to capitalised tenements	(1,460,328)	(1,914,445)
	1,001,160	318,998

(e) Other expenses		
Secretarial, professional and consultancy	281,847	318,745
Employee taxes and levies	87,401	88,633
Occupancy costs	140,518	138,507
Insurance costs	52,951	75,067
ASX/ASIC costs	27,798	22,023
Share register maintenance	19,854	33,079
Communication costs	15,888	20,142
Promotion and advertising	7,851	15,060
Audit fees	35,400	32,000
Other expenses	123,197	7,311
	792,705	750,567

5. INCOME TAX

The major components of income tax expense are:		
Statement of Comprehensive Income		
Current income tax		
Current income tax charge/(benefit)	52,036	18,766
R&D Tax offset	(249,720)	(214,090)
Deferred income tax		
Relating to origination and reversal of temporary differences	-	(2,146,104)
Income tax expense/(benefit) reported in the income statement	(197,684)	(2,341,428)
Statement of changes in equity		
Deferred income tax related to items charged or credited directly to equity		
Unrealised gain on available-for-sale investments	-	(450,393)
Income tax expense reported in equity	-	(450,393)

	Consolidated	
	2010	**2009**
	$	**$**
A reconciliation between tax expense and the product of accounting profit before income tax multiplied by the Group's applicable income tax rate is as follows:		
Accounting profit before income tax	(4,974,002)	(8,465,668)
At the Group's statutory income tax rate of 30% (2009: 30%)	(1,492,201)	(2,539,700)
Immediate write off of capital expenditure	(454,255)	(1,057,468)
Expenditure not allowable for income tax purposes	1,253,351	2,781,406
Capital gains	160,183	-
Tax losses not recognised due to not meeting recognition criteria	532,922	815,762
Tax portion of share issue costs	52,036	18,766
	52,036	18,766

The Group has tax losses arising in Australia of $8,091,609 (2009: $6,315,204) that are available indefinitely for offset against future taxable profits of the companies in which the losses arose. The Minotaur Group effective from 30 June 2009 has ceased to recognise a deferred tax liability because:

- The Group has disposed of the majority of its Toro Energy Ltd investment, which was the primary reason why the Group was required to tax effect its accounts; and
- The Group has sufficient tax losses for the directors to assume that in the foresseable future, Minotaur will not be in a taxable position.

Tax consolidation

Minotaur Exploration Ltd and its 100% owned Australian resident subsidiaries have formed a tax consolidated group with effect from 17 February 2005. Minotaur Exploration Ltd is the head entity of the tax consolidated group.

6. EARNINGS PER SHARE

Basic earnings per share amounts are calculated by dividing net profit for the year attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the year.

Diluted earnings per share amounts are calculated by dividing the net profit attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares.

The following reflects the income and share data used in the basic and diluted earnings per share computations:

	Consolidated	
	2010	**2009**
	$	**$**
Net loss attributable to ordinary equity holders of the parent entity	(4,776,318)	(6,124,240)
	2010	**2009**
Weighted average number of ordinary shares for basic earnings per share	77,680,266	67,240,973
Effect of dilution		
Share options	N/A	N/A
Weighted average number of ordinary shares adjusted for the effect of dilution	77,680,266	67,240,973

In accordance with AASB 133 'Earnings per Share', as potential ordinary shares may only result in a situation where their conversion results in an increase in loss per share or decrease in profit per share from continuing operations, no dilutive effect has been taking into account.

There have been no other transactions involving ordinary shares or potential ordinary shares between the reporting date and the date of completion of these financial statements.

7. CASH AND CASH EQUIVALENTS

	Consolidated	
	2010	**2009**
	$	**$**
Cash at bank and in hand	2,683,500	2,287,676
Short-term deposits	1,438,622	3,688,500
	4,122,122	5,976,176

Cash at bank earns interest at floating rates based on daily bank deposit rates.

Short-term deposits are made for varying periods of between one day and six months, depending on the immediate cash requirements of the Group, and earn interest at the respective short-term deposit rates.

Reconciliation to Statement of Cash Flows		

For the purposes of the Statement of Cash Flows, cash and cash equivalents comprise the following at 30 June:

Cash at banks and in hand	2,683,500	2,287,676
Short-term deposits	1,438,622	3,688,500
	4,122,122	5,976,176

Reconciliation of net loss after tax to net cash flows from operations		
Net loss	(4,776,318)	(6,124,240)
Adjustments for non-cash items:		
Depreciation	135,907	84,737
Impairment of non-current assets	3,343,536	8,387,131
Share of associates' net (profits)/losses	459,356	516,937
Net (gain)/loss on disposal property plant and equipment and available-for-sale financial instruments	(359,676)	(1,042,878)
Non cash income tax expense/(benefit)	52,036	(2,341,428)
Share options expensed	484,440	120,395
Changes in assets and liabilities		
(Increase)/decrease in trade and other receivables	(224,991)	37,248
(Increase)/decrease in prepayments	19,867	20,807
(Decrease)/increase in trade and other payables	(66,509)	6,182
(Decrease)/increase in withholding tax payable	12,383	2,356
(Decrease)/increase in employee provisions	(116,616)	33,205
Net cash from operating activities	(1,036,585)	(299,548)

8. TRADE AND OTHER RECEIVABLES

	Consolidated	
	2010	**2009**
	$	**$**
Trade receivables (i)	400,453	168,066
R&D tax refund receivable	312,150	-
Goods & Services Tax receivable	21,818	60,103
	734,421	228,169

i). Trade receivables are non-interest bearing and are generally on 30-90 day terms. An allowance for doubtful debts is made when there is objective evidence that a trade receivable is impaired. No impairment was recognised in 2009 and 2010 and no receivables are past due at balance date.

Information regarding the credit risk of current receivables is set out in note 25.

9. OTHER CURRENT ASSETS

Prepayments	27,642	47,509
Accrued income	23,615	16,731
	51,257	64,240

10. AVAILABLE-FOR-SALE INVESTMENTS

At fair value - Shares and rights, listed:		
Opening balance	1,565,910	10,914,250
Revaluations	(74,717)	(4,837,325)
Disposals	(498,125)	(4,511,015)
	993,068	1,565,910

Available-for-sale investments consist of investments in ordinary shares in listed entities. The investments are 2,000,000 fully paid ordinary shares in the capital of ActivEX Limited (ASX code AIV), 8,000,000 fully paid ordinary shares in the capital of Platsearch NL (ASX Code PTS) and 2,751,000 ordinary fully paid shares in the capital of Toro Energy Ltd (ASX Code TOE). In accordance with AASB 139 'Financial Instruments: Recognition and Measurement', the securities are measured at fair value, which is determined to be closing bid price for the securities. As at 30 June 2010, the final bid price was $0.063, $0.085 and $0.068 respectively.

During the year, the group disposed of 2,300,000 ordinary fully paid shares in Toro Energy Ltd, resulting in net proceeds (after brokerage costs) of $486,605. In addition, the group disposed of 750,000 Platsearch NL shares and 5,791,667 rights, resulting in net proceeds (after brokerage costs) of $137,338. The group also disposed of 100,000 ActiveX Ltd options, resulting in net proceeds (after brokerage costs) $4,915. The net profit arising from the combination of these sales was $359,676

11. INVESTMENTS IN ASSOCIATES

	Consolidated	
	2010	**2009**
	$	**$**
Investment in associates	1,884,261	1,081,616

(a) Interest in Associates

	Balance date	Ownership interest held by consolidated entity	
		2010	**2009**
		%	**%**
Mithril Resources Ltd	30 June 2010	16.57	18.76
Petratherm Ltd	30 June 2010	18.35	22.18
Thomson Resources Ltd	30 June 2010	21.13	-

(i) Principal activity

Mithril Resources Ltd (incorporated in Australia)
- Mining exploration

Petratherm Ltd (incorporated in Australia)
- Geothermal exploration

Thomson Resources Ltd (incorporated in Australia)
- Mining exploration

	Consolidated	
	2010	**2009**
	$	**$**
Share of associate statements of financial position		
Current assets	2,565,561	3,710,838
Non-current assets	4,579,855	2,376,482
	7,145,416	6,087,320
Current liabilities	(810,183)	(1,130,361)
Non-current liabilities	(570,618)	(29,100)
	(1,380,801)	(1,159,461)
Net assets	5,764,615	4,927,859
Share of associates commitments	<1 year	> 1 year but < 5 years
Operating Leases	3,432,999	7,158,310
Hire Purchases	1,212,264	1,390,221
Exploration licences	76,580,585	-
	81,225,848	8,548,531

Whilst Minotaur's ownership interests in Petratherm Ltd and Mithril Resources Ltd is below 20%, in accordance with AASB 124 'Investments in Associates', Minotaur is deemed to have significant influence over the investee. This is due to Minotaur having a large representation on the board of both entities (two of five board members in Mithril and two of six board members in Petratherm).

	Consolidated	
	2010	2009
	$	$
Reconciliation of movement in carrying amount of investment in associates:		
Balance at beginning of period	1,081,616	1,622,995
Acquisitions of invesments in associates	1,262,001	705,000
Share of net profit/(loss) after income tax		
Mithril Resources Ltd	(117,952)	(277,307)
Petratherm Ltd	(196,365)	(239,630)
Thomson Resources Ltd	(145,039)	-
Impairment of associates	-	(729,442)
	1,884,261	1,081,616

12. PROPERTY, PLANT AND EQUIPMENT

	Consolidated	
	2010	2009
	$	$
Plant and equipment		
Cost		
Opening balance	563,608	451,226
Additions	120,334	114,675
Disposals	-	(2,293)
	683,942	563,608
Accumulated depreciation		
Opening balance	305,514	254,531
Depreciation for the year	104,417	51,702
Disposals	-	(719)
	409,931	305,514
Net book value of plant and equipment	274,011	258,094
Motor Vehicles		
Cost		
Opening balance	202,383	202,383
Additions	185,073	-
Disposals	(156,055)	-
	231,401	202,383
Accumulated depreciation		
Opening balance	55,478	22,443
Depreciation for the year	31,490	33,035
Disposals	(49,309)	-
	37,659	55,478
Net book value of motor vehicles	193,742	146,905
Total net book value of property, plant and equipment	467,753	404,999

The useful life of the assets was estimated as follows both for 2009 and 2010:

Plant and equipment 3 to 20 years
Motor Vehicles 6 - 8 years

The carrying value of plant and equipment held under hire purchase contracts at 30 June 2010 is $175,295 (2009: $123,286). Additions of plant and equipment held under hire purchase contracts made during the year amounted to $180,150 (2009: Nil).

Assets under hire purchase contracts are pledged as security for the related hire purchase liabilities.

13. EXPLORATION AND EVALUATION ASSETS

	Consolidated	
	2010	**2009**
	$	**$**
Exploration, evaluation and development costs carried forward in respect of mining areas of interest		
Exploration and evaluation phases - Joint Ventures	6,485,735	6,768,031
Exploration and evaluation phases - Other	2,912,434	4,426,175
	9,398,169	11,194,206

The ultimate recoupment of costs carried forward for exploration and evaluation phases is dependent on the successful development and commercial exploitation or sale of the respective mining areas.

Consolidated group	**Exploration Joint Venture**	**Exploration Other**	**Total**
Capitalised tenement expenditure movement reconciliation	**$**	**$**	**$**
Balance at beginning of year	6,768,031	4,426,175	11,194,206
Additions through expenditure capitalised	2,690,166	847,277	3,537,443
Reductions through joint venture contributions	(1,927,514)	-	(1,927,514)
Write off of tenements relinquished	(48,206)	(3,295,330)	(3,343,536)
R&D Tax offset directly attributable to tenements	(62,430)	-	(62,430)
Transfer to Joint Ventures from other	(934,312)	934,312	-
Balance at end of year	6,485,735	2,912,434	9,398,169

The impairment expense of $3,343,536 (2009: $2,898,648) arose from a review of the Group's capitalised costs and the relevant tenements to which the costs related were written off because either the Group dropped the licence or did not intend on continuing to explore the area in the future.

14. SHARE BASED PAYMENTS

Employee Share Option Plan

The Company has established the Minotaur Exploration Ltd Employee Share Option Plan and a summary of the Rules of the Plan are set out below:

- All employees (full and part time) will be eligible to participate in the Plan after a qualifying period of 12 months employment by a member of the Group, although the board may waive this requirement.
- Options are granted under the Plan at the discretion of the board and if permitted by the board, may be issued to an employee's nominee.
- Each option is to subscribe for one fully paid ordinary share in the Company and will expire 5 years from its date of issue. An option is exercisable at any time from its date of issue. Options will be issued free. The exercise price of options will be determined by the board, subject to a minimum price equal to the market value of the Company's shares at the time the board resolves to offer those options. The total number of shares the subject of options issued under the Plan, when aggregated with issues during the previous 5 years pursuant to the Plan and any other employee share plan, must not exceed 5% of the Company's issued share capital.
- If, prior to the expiry date of options, a person ceases to be an employee of a Group company for any reason other than retirement at age 60 or more (or such earlier age as the board permits), permanent disability, redundancy or death, the options held by that person (or that person's nominee) automatically lapse on the first to occur of a) the expiry of the period of 6 months from the date of such occurrence, and b) the expiry date. If a person dies, the options held by that person will be exercisable by that person's legal personal representative.

- Options cannot be transferred other than to the legal personal representative of a deceased option holder.
- The Company will not apply for official quotation of any options.
- Shares issued as a result of the exercise of options will rank equally with the Company's previously issued shares.
- Option holders may only participate in new issues of securities by first exercising their options.

The board may amend the Plan Rules subject to the requirements of the Listing Rules.

The expense recognised in the Statement of Comprehensive Income in relation to share-based payments is disclosed in note 4 (d).

The following table illustrates the number (No.) and weighted average exercise prices (WAEP) and movements in share options under the Company's Employee Share Option Plan issued during the year:

	2010 No.	2010 WAEP	2009 No.	2009 WAEP
Outstanding at the beginning of the year	2,600,000	0.46	2,400,000	0.59
Granted during the year	-		600,000	0.25
Exercised during the year	-		-	-
Expired during the year	(1,320,000)	0.40	(400,000)	0.95
Outstanding at the end of the year	1,280,000	0.52	2,600,000	0.46
Exercisable at the end of the year	1,280,000	0.52	2,600,000	0.46

The outstanding balance as at 30 June 2010 is represented by:

- A total 160,000 options exercisable at any time until 31 December 2010 with an exercise price of $0.60.
- A total 460,000 options exercisable at any time until 18 January 2012 with an exercise price of $0.80.
- A total of 120,000 options exercisable at any time until 30 Jan 2013 with an exercise price of $0.55.
- A total of 540,000 options exercisable at any time until 2 Dec 2013 with an exercise price of $0.25.

The weighted average remaining contractual life for the share options outstanding as at 30 June 2010 is 2.3 years (2009: 2.04 years).

The range of exercise prices for options outstanding at the end of the year was $0.25-$0.80 (2009: $0.25 - $0.80).

The weighted average fair value of options granted during the year was nil, as no options were granted under the plan (2009: $0.11).

The fair value of the equity-settled share options granted under the option plan is estimated as at the date of grant using a Black-Scholes model taking into account the terms and conditions upon which the options were granted.

In addition to the Company's Employee Share Option Plan, on 18 May 2010 the Company issued 6,300,000 options to the Directors of the Board and the Company Secretary. These options were issued pursuant motion passed at a meeting of shareholders on 21 April 2010. The terms of the options were:

- A total 4,300,000 unlisted options issued to the Directors of the Board (excluding the Managing Director) and the Company Secretary, with the terms being 5 year options exercisable at any time until 17 May 2015 with a exercise price of $0.40; and
- 2,000,000 unlisted options issued to the Managing Director in two tranches of 1,000,000. The first tranche has terms being 5 year options having a vesting date of 28 February 2011, exercisable at any time after the vesting date until 27 February 2016, with an exercise price of $0.55. The second tranche has terms being 5 year options having a vesting date of 31 August 2011, exercisable at any time after the vesting date until 30 August 2015, with an exercise price of $0.40.

The weighted average fair value of the options granted as detailed above was $0.098.

The following table lists the inputs to the model used for the valuation of the options issued as detailed above.

Historical volatility (%)	78.90%
Risk-free interest rate (%)	5.12%
Expected life of option (years)	5.00

The expected life of the options is based on historical data and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility is indicative of future trends, which may also not necessarily be the actual outcome. No other features of options granted were incorporated into the measurement of fair value.

15. TRADE AND OTHER PAYABLES (CURRENT)

	Consolidated	
	2010	**2009**
	$	**$**
Trade payables (i)	344,638	650,187
Other payables (ii)	195,520	487,950
	540,158	1,138,137

i. Trade payables are non-interest bearing and are normally settled on 30-day terms.
ii. Other payables are non-interest bearing and are normally settled within 30 – 90 days.

Information regarding the credit risk of current payables is set out in note 25.

16. BORROWINGS

Current		
Obligations hire purchase contracts	31,398	32,970
	31,398	32,970
Non-current		
Obligations hire purchase contracts	152,834	107,195
	152,834	107,195

17. PROVISIONS

Current		
Annual leave provision		
Balance at 1 July	161,079	174,987
Net increase/(decrease in provision)	(55,873)	(13,908)
Closing Balance 30 June	105,206	161,079
Long Service Leave:		
Balance at 1 July	220,172	187,146
Net increase/(decrease in provision)	(61,134)	33,026
Closing Balance 30 June	159,038	220,172
	264,244	381,251

Non-current		
Long Service Leave:		
Balance at 1 July	65,055	50,968
Net increase/(decrease in provision)	391	14,087
Closing Balance 30 June	65,446	65,055

18. ISSUED CAPITAL

	Consolidated	
	2010	2009
	$	$
80,529,581 fully paid ordinary shares (2009: 70,129,581)	25,930,647	23,556,063
	25,930,647	23,556,063

	2010		2009	
	Number	$	Number	$
Ordinary shares				
Balance at beginning of financial year	70,129,581	23,556,063	65,585,004	22,781,850
Issued 18 February 2009 pursuant to share purchase plan	-	-	4,544,577	818,000
Issued 9 October 2009 pursuant to private placement	10,400,000	2,496,000	-	-
Transaction costs on shares issued	-	(121,416)	-	(43,787)
Balance at end of financial year	80,529,581	25,930,647	70,129,581	23,556,063

Effective 1 July 1998, the Corporations legislation in place abolished the concepts of authorised capital and par value shares. Accordingly, the Parent does not have authorised capital nor par value in respect of its issued shares.

Fully paid ordinary shares carry one vote per share and carry the right to dividends (in the event such a dividend was declared).

19. RESERVES

	Consolidated	
	2010	2009
	$	$
Share option reserve (a)	820,394	862,382
Foreign currency translation reserve (b)	(33,664)	(61,112)
Available-for-sale revaluation (c)	204,719	508,611
	991,449	1,309,881
(a) Share option reserve		
Balance at beginning of financial year	862,382	887,188
Issue of options to directors pursuant a motion approved by members	484,441	-
Issue of options to employees and officers under Employee Share Option Plan	-	120,394
Transfer to retained earnings upon lapse of options	(526,429)	(145,200)
Balance at end of financial year	820,394	862,382
(b) Foreign currency translation reserve		
Balance at beginning of financial year	(61,112)	(80,029)
Translation of foreign subsidiary	27,448	18,917
Balance at end of financial year	(33,664)	(61,112)
(c) Available-for-sale revaluation		
Balance at beginning of financial year	508,611	1,078,917
Revaluation increment	(74,717)	(570,306)
Transfer to Statement of Comprehensive Income upon sale of available-for-sale investments	(229,175)	-
Balance at end of financial year	204,719	508,611

Nature and purpose of reserves

Available-for-sale revaluation

The available-for-sale revaluation reserve arises on the revaluation of available-for-sale financial assets. Where a revalued financial asset is sold that portion of the reserve which relates to that financial asset is transferred to the Statement of Comprehensive Income. Where a revalued financial asset is impaired that portion of the reserve which relates to that financial asset is recognised in profit or loss.

Share option reserve

This reserve is used to record the value of equity benefits provided to employees and directors as part of their remuneration. Refer to note 14 for further details of these plans.

Foreign currency translation reserve

The foreign currency translation reserve is used to record exchange differences arising from the translation of the financial statements of foreign subsidiaries.

20. RETAINED EARNINGS

	Consolidated	
	2010	**2009**
	$	**$**
Retained Earnings		
Balance at beginning of financial year	(6,075,236)	(96,196)
Net loss attributable to members of the parent entity	(4,776,318)	(6,124,240)
Transfer from share option reserve	526,429	145,200
Balance at end of financial year	(10,325,125)	(6,075,236)

21. COMMITMENTS FOR EXPENDITURE

Operating leases		
Not longer than 1 year	129,580	115,426
Longer than 1 year and not longer than 5 years	224,207	353,787
	353,787	469,213
Hire purchase commitments		
Not longer than 1 year	44,469	44,123
Longer than 1 year and not longer than 5 years	169,365	113,579
	213,834	157,702
Less: future finance charges	(29,602)	(17,537)
	184,232	140,165

Terms of lease arrangements

The Group has an operating lease in place for its principal place of business. The lease commenced 1 March 2008 and expires within 5 years from commencement. The lease has a term for renewal and has an escalation clause linked to CPI.

Future minimum lease payments under hire purchase contracts together with the present value of the net minimum lease payments are listed above in the above table.

Exploration leases

In order to maintain current rights of tenure to exploration tenements the Group will be required to outlay in the year ending 30 June 2011 amounts of approximately $5,100,000 in respect of tenement lease rentals and to meet minimum expenditure requirements. Pursuant to various Joint Venture agreements, it is expected that of this minimum expenditure requirement, $2,800,000 will be funded by Minotaur's Joint Venture partners. In addition to the Joint Venture contributions, pursuant to the Tenement Access Agreement made between Minotaur Operations Pty Ltd and Minotaur Uranium Pty Ltd (a wholly-owned subsidiary of Toro Energy Ltd), the Toro Energy Group is expected to meet approximately 50% of the expenditure requirement on Minotaur Operations tenements under the Access Agreement. For the year ended 30 June 2011, $150,000 is expected to be incurred by the Toro Energy Group which reduces Minotaur Operations expenditure requirements under its leases. The net obligation to the Minotaur Exploration Group is expected to be fulfilled in the normal course of operations.

22. CONTINGENT LIABILITIES AND CONTINGENT ASSETS

At the date of signing this report, the Group is not aware of any Contingent Asset or Liability that should be disclosed in accordance with AASB 137. It is however noted that the Company has established various bank guarantees in place with a number of State Governments in Australia, totalling $183,500 at 30 June 2010 (2009: $188,500). These guarantees are designed to act as collateral over the tenements which Minotaur explores on and can be used by the relevant Government authorities in the event that Minotaur does not sufficiently rehabilitate the land it explores on. It is noted that the bank guarantees have as at the date of signing this report never been utilised by any State Government.

23. AUDITOR'S REMUNERATION

	Consolidated	
	2010	**2009**
	$	**$**
Audit or review of the financial report	35,400	32,000
	35,400	32,000

No other services have been provided.

24. SUBSIDIARIES

Name of entity	Country of incorporation	Ownership interest 2010 %	Ownership interest 2009 %
Parent entity			
Minotaur Exploration Limited (i)	Australia		
Subsidiaries			
Minotaur Operations Pty Ltd (ii)	Australia	100	100
Minotaur Ventures Pty Ltd (ii)	Australia	100	100
Minotaur Resources Investments Pty Ltd (ii)	Australia	100	100
Minotaur Industrial Minerals Pty Ltd (ii)	Australia	100	100
Great Southern Kaolin Pty Ltd (ii)	Australia	100	100
Minotaur Atlantic Exploration Ltd	Canada	100	100
Minotaur New Resources Spain S.L.	Spain	100	100

i. Minotaur Exploration Ltd is the head entity within the tax-consolidated group.
ii. These companies are members of the tax-consolidated group.

25. FINANCIAL RISK MANAGEMENT

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to stakeholders.

The capital structure of the Group consists of cash and cash equivalents and equity attributable to equity holders of the parent, comprising issued capital, reserves and accumulated losses as disclosed in notes 18, 19 and 20 respectively.

Proceeds from share issues are used to maintain and expand the Groups exploration activities and fund operating costs.

	Consolidated	
	2010	**2009**
	$	**$**
FINANCIAL ASSETS		
Cash and cash equivalents	4,122,122	5,976,176
Trade receivables	734,421	228,169
Available for sale financial instruments	993,068	1,565,910
Investment in associates	1,884,261	1,081,616
FINANCIAL LIABILITIES		
Payables	540,158	1,138,137
Borrowings	184,232	140,165

Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group has adopted a policy of only dealing with creditworthy counterparties as a means of mitigating the risk of financial loss from activities.

The Group does not have any significant credit risk exposure to any single counterparty or any Group of counterparties having similar characteristics. The credit risk on liquid funds is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

The carrying amount of financial assets recorded in the financial statements, net of any allowances for losses, represents the Group's maximum exposure to credit risk.

Interest rate sensitivity analysis

The tables listed below detail the Group's interest bearing assets, consisting solely of cash on hand and on short term deposit (with all maturities less than one year in duration).

	Weighted average effective interest rate %	Less than 1 year $
2009	3.07	
Variable interest rate		5,976,176

	Weighted average effective interest rate %	Less than 1 year $
2010	4.71	
Variable interest rate		4,122,122

At reporting date, if interest rates had been 50 basis points higher or lower and all other variables were held constant, the Group's:

- net loss would increase or decrease by $20,611 which is mainly attributable to the Group's exposure to interest rates on its variable bank deposits.

Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the Board, which has built an appropriate liquidity risk management framework for the management of the Group's short, medium and long-term funding and liquidity management requirements. The Group manages liquidity risk by maintaining adequate reserves.

Liquidity and interest risk tables

The following table details the Company's and the Group's remaining contractual maturity for its non-derivative financial liabilities. The table has been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The table includes both interest and principal cash flows.

Consolidated

	Weighted average effective interest rate %	Less than 1 year $	Longer than 1 year and not longer than 5 years $
2009			
Interest bearing	8.99%	32,970	107,195
Non-interest bearing	0.00%	1,138,137	-
	Weighted average effective interest rate %	Less than 1 year $	Longer than 1 year and not longer than 5 years $
2010			
Interest bearing	7.69%	31,398	152,834
Non-interest bearing	0.00%	540,158	-

Available for sale financial instrument risk management

Ultimate responsibility for the Group's investments in available for sale financial instruments rests with the Board. The Board actively manages its investments by reviewing the market value of the Group's portfolio at each board meeting and making appropriate investment decisions.

Fair value measurements

The fair value of financial assets and financial liabilities must be estimated for recognition and measurement purposes.

As of 1 July 2009, the Group has adopted the amendment to AASB 7 *Financial Instruments: Disclosures* which requires disclosure of fair value measurements by level of the following fair value measurement hierarchy:

a) Quoted prices (unadjusted) in active markets for identical assets (level 1)

b) Inputs other than quoted prices included within level 1 that are observable for the asset, either directly (as prices) or indirectly (derived from prices)(level 2); and

c) Inputs for the asset that are not based on observable market data (unobservable inputs)(level 3).

The following table presents the Group's assets recognized at fair value at 30 June 2010. Comparative information has not been provided as permitted by the transitional provisions of the new rules:

	Level 1 $	Level 2 $	Level 3 $	Total $
FINANCIAL ASSETS AT FAIR VALUE				
Available-for-sale investments				
- ActiveX Ltd - 2,000,000 Shares	126,000	-	-	126,000
- Platsearch NL - 8,000,000 Shares	680,000	-	-	680,000
- Toro Energy Ltd - 8,000,000 Shares	187,068	-	-	187,068
Investments in associates				
- Mithril Resources Ltd - 19,750,000 Shares	1,629,299	-	-	1,629,299
- Petratherm Ltd - 20,498,397 shares	-	-	-	-
- Thomson Resources Ltd - 10,000,000 Shares	-	-	254,962	254,962
	2,622,367	-	254,962	2,877,329

The fair value of financial instruments traded in active markets is based on quoted market prices at the end of the reporting period. These instruments are included in Level 1.

The fair value of financial instruments that are not traded in an active market is determined using valuation methodologies. Quoted market prices for similar instruments is a method used to determine the fair value. These instruments are included in Level 2.

In the circumstances where a valuation technique is based on significant unobservable inputs, such instruments are included in Level 3.

26. RELATED PARTY DISCLOSURE AND KEY MANAGEMENT PERSONNEL REMUNERATION

The following individuals are classified as key management personnel

in accordance with AASB 124 'Related Party Disclosures':

Mr Robert J Annells Ex-Chairman

Mr Derek N Carter, Chairman

Mr Andrew Woskett, Managing Director

Mr Richard M Bonython, Executive Director

Dr Peter J Gower, Non-Executive Director

Dr Antonio Belperio, Executive Director

Mr Donald Stephens, Company Secretary

Mr Andrew Roberts, Business Development Manager

Mr Richard Flint, Exploration Manager

The remuneration details of the above personnel can be found in remuneration report of the director's report. The totals of remuneration paid to KMP of the Group during the year are as follows:

Consolidated group	**2010** **$**	**2009** **$**
Short-term employee benefits	876,754	564,692
Post employment benefits	149,142	335,458
Share-based payments	444,412	11,181
	1,470,308	911,331

Option holdings of Key Management Personnel

30-Jun-10	Balance at beginning of period	Granted as remuner-ation*	Options Exercised	Net change other**	Balance at end of period	Vested at 30 June 2010		
						Expiry Date	First Exercise Date	Last Exercise Date
Directors								
Robert Annells	900,000	-	-	(900,000)	-	01/01/10	01/01/05	31/12/09
Derek Carter	1,800,000	-	-	(1,800,000)	-	01/01/10	01/01/05	31/12/09
	-	1,200,000	-	-	1,200,000	17/05/15	18/05/10	17/05/15
Richard Bonython	900,000	-	-	(900,000)	-	01/01/10	01/01/05	31/12/09
	-	900,000	-	-	900,000	17/05/15	18/05/10	17/05/15
Peter Gower	900,000	-	-	(900,000)	-	01/01/10	01/01/05	31/12/09
	-	900,000		-	900,000	17/05/15	18/05/10	17/05/15
Antonio Belperio	500,000	-	-	(500,000)	-	15/02/10	15/02/05	14/02/10
	-	900,000	-		900,000	17/05/15	18/05/10	17/05/15
	400,000		-	-	400,000	2/12/12	3/12/07	2/12/12
Andrew Woskett	-	1,000,000	-	-	1,000,000	29/08/15	30/08/10	29/08/15
	-	1,000,000		-	1,000,000	27/02/16	28/02/11	27/02/16
Executives								
Andrew Roberts	-	200,000	-	(200,000)	-	11/11/12	12/11/08	11/11/12
	-	200,000	-	(200,000)	-	11/11/12	12/11/09	11/11/12
Donald Stephens	400,000	-	-	(400,000)	-	15/02/10	15/02/05	14/02/10
	-	400,000	-	-	400,000	17/05/15	18/05/10	17/05/15
Richard Flint	100,000	-	-	(100,000)	-	15/02/10	15/02/05	15/02/10
	50,000	-	-	-	50,000	31/12/10	01/01/06	31/12/10
	100,000	-	-	-	100,000	18/01/12	19/01/07	18/01/12
	50,000	-	-	-	50,000	30/01/13	31/01/08	30/01/13

* A total 4,300,000 unlisted options issued to the Directors of the Board (excluding the Managing Director) and the Company Secretary, with the terms being 5 year options exercisable at any time until 17 May 2015 with a exercise price of $0.40 In addition to this, 2,000,000 unlisted options were issued to the Managing Director in two tranches of 1,000,000. The first tranche has terms being 5 year options having a vesting date of 28 February 2011, exercisable at any time after the vesting date until 27 February 2016, with an exercise price of $0.55. The second tranche has terms being 5 year options having a vesting date of 31 August 2011, exercisable at any time after the vesting date until 30 August 2015, with an exercise price of $0.40.

** The reduction in options held by KMP relates to the expiry or lapse of unexercised options.

30-Jun-09	Balance at beginning of period	Granted as remuner-ation *	Options Exercised	Net change other	Balance at end of period	Vested at 30 June 2009		
						Expiry Date	First Exercise Date	Last Exercise Date
Directors								
Robert Annells	900,000	-	-	-	900,000	01/01/10	01/01/05	31/12/09
Derek Carter	1,800,000	-	-	-	1,800,000	01/01/10	01/01/05	31/12/09
Richard Bonython	900,000	-	-	-	900,000	01/01/10	01/01/05	31/12/09
Peter Gower	900,000	-	-	-	900,000	01/01/10	01/01/05	31/12/09
Antonio Belperio	500,000	-	-	-	500,000	15/02/10	15/02/05	14/02/10
	400,000	-	-	-	400,000	2/12/12	3/12/07	2/12/12
Executives								
Andrew Roberts	200,000	-	-	(200,000)	-	11/11/12	12/11/08	11/11/12
	200,000	-	-	(200,000)	-	11/11/12	12/11/09	11/11/12
Donald Stephens	400,000	-	-	-	400,000	15/02/10	15/02/05	15/02/10
Richard Flint	100,000	-	-	-	100,000	15/02/10	15/02/05	15/02/10
	50,000	-	-	-	50,000	31/12/10	01/01/06	31/12/10
	100,000	-	-	-	100,000	18/01/12	19/01/07	18/01/12
	50,000	-	-	-	50,000	30/01/13	31/01/08	30/01/13
	-	100,000	-	-	100,000	02/12/13	03/12/08	02/12/13

* 100,000 options allotted on 3 December 2008, with an exercise price of $0.25 and an expiry date of 2 December 2013 were issued to Richard Flint. The issue of options did not have any vesting conditions and the value per option at grant date was $0.11 per option. The option grant represented 7.3% of his remuneration for the year. No other options were issued to key management personnel for the year ended 30 June 2009.

Shareholdings of Key Management Personnel

30 June 09	Balance at 1 July 08	On Exercise of Options	Net Change Other	Balance 30 June 09
Directors				
Robert Annells	656,978	-	(244,444)	412,534
Derek Carter	2,001,249	-	55,556	2,056,805
Richard Bonython	1,365,000	-	87,000	1,452,000
Peter Gower	600,000	-	-	600,000
Antonio Belperio	624,750	-	55,556	680,306
Executives				
Andrew Roberts	-	-	-	-
Donald Stephens	305,000	-	-	305,000
Richard Flint	-	-	-	-

30 June 10	Balance at 1 July 09	On Exercise of Options	Net Change Other	Balance 30 June 10
Directors				
Robert Annells	412,534	-	(50,000)	362,534
Andrew Woskett	-	-	-	-
Derek Carter	2,056,805	-	-	2,056,805
Richard Bonython	1,452,000	-	-	1,452,000
Peter Gower	600,000	-	-	600,000
Antonio Belperio	680,306	-	-	680,306
Executives				
Andrew Roberts	-	-	-	-
Donald Stephens	305,000	-	-	305,000
Richard Flint	-	-	-	-

Associates

Throughout the year, Minotaur invoiced its associates, Mithril Resources Ltd ('Mithril') Petratherm Ltd ('Petratherm'), and Thomson Resources Ltd ('Thomson') for the provision of technical staff and equipment, as well as reimbursements for expenditure jointly incurred. These transactions were undertaken on arms length basis and in aggregate for the year ended 30 June 2010 totalled $219,090 (2009: $102,468), exclusive of GST. At the end of the year, $9,698 was owing from Mithril, $1,633 was owing from Petratherm and $991 was owing from Thomson (2009 – Mithril: $6,112). The amounts receivable represent unsecured trade receivables and are receivable in accordance with the terms listed in note 8 (i).

During the year, Minotaur sold a number of tenements to Thomson. The consideration for these tenements was $200,000, which was satisfied by the issue 5,000,000 Ordinary Fully Paid Shares in the capital of Thomson Resources Ltd. Mr Belperio is a director of Thomson.

Director related entities

In addition, Minotaur invoiced Toro Energy Ltd and its wholly owned subsidiary Minotaur Uranium Pty Ltd (Minotaur has an investment in Toro Energy Ltd and Derek Carter, the Company's Chairman, is a board member) for reimbursement relating to exploration expenditure jointly incurred. These transactions were undertaken on arms length basis and in aggregate for the year ended 30 June 2010 totalled $33,094 (2009: $21,620), exclusive of GST.

Wholly owned group transactions

Loans

The wholly owned Group consists of Minotaur Exploration Ltd and its wholly owned controlled entities Minotaur Operations Pty Ltd, Minotaur Ventures Pty Ltd, Minotaur Resources Investments Pty Ltd, Minotaur Atlantic Ltd, Minotaur Industrial Minerals Pty Ltd, Great Southern Kaolin Pty Ltd and Minotaur New Resources Spain S.L. Ownership interests in these controlled entities are set out in note 24. Transactions between Minotaur Exploration Ltd and other entities in the wholly owned Group during the year consisted of loans advanced by Minotaur Exploration Ltd to fund exploration and investment activities. The closing value of all loan amounts to wholly owned members of the Group is contained within the Statement of Comprehensive Income under other receivables and cash movements throughout the year are detailed within the body of the Statement of Cash Flows under loans to wholly owned subsidiaries.

27. PARENT ENTITY INFORMATION

	2010	2009
	$	$
Financial Position		
Assets		
Current Assets	3,993,377	5,159,573
Non-current Assets	13,227,300	14,384,493
	17,220,677	19,544,066
Liabilities		
Current liabilities	405,426	581,108
Non-current Liabilities	218,280	172,250
	623,706	753,358
Equity		
Issued Capital	25,930,647	23,556,063
Reserves	820,393	862,382
Retained Earnings	(10,154,069)	(5,627,737)
	16,596,971	18,790,708
	-	
Financial Performance		
(Loss) for the year	(5,052,762)	(6,675,630)
Other comprehensive income	-	-
	(5,052,762)	(6,675,630)

Contingent Liabilities
Contingent liabilities of the parent entity have been incorporated into the Group information in note 22. The contingent liabilities of the parent are consistent with that of the Group.

Contractual Commitments
Contractual Commitments of the parent entity have been incorporated into the Group information in note 21. The contractual commitments of the parent are consistent with that of the Group.

Directors' Declaration

The directors of the Company declare that:

1. the financial statements and notes, as set out on pages 30 to 62, are in accordance with the Corporations Act 2001 and:

    a. comply with Australian Accounting Standards;

    b. give a true and fair view of the financial position as at 30 June 2010 and the performance for the year ended on that date of the Company and consolidated Group; and

    c. Comply with International Financial Reporting Standards as disclosed in Note 2.

2. the Managing Director and Company Secretary have each declared that:
    a. the financial records of the Company for the financial year have been properly maintained in accordance with section 286 of the Corporations Act 2001;
    b. the financial statements and notes for the financial year comply with the Accounting Standards; and
    c. the financial statements and notes for the financial year give a true and fair view;

3. in the directors' 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.

Derek Carter

Mr Derek N Carter
Director

17 September 2010

Grant Thornton

Level 1,
67 Greenhill Rd
Wayville SA 5034
GPO Box 1270
Adelaide SA 5001

T 61 8 8372 6666
F 61 8 8372 6677
E info.sa@au.gt.com
W www.grantthornton.com.au

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF MINOTAUR EXPLORATION LIMITED

Report on the financial report

We have audited the accompanying financial report of Minotaur Exploration Limited (the "Company"), which comprises the statement of financial position as at 30 June 2010, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date, a summary of significant accounting policies, other explanatory notes to the financial report and the directors' declaration of the consolidated entity comprising the Company and the entities it controlled at the year's end or from time to time during the financial year.

Directors' responsibility for the financial report

The directors of the Company are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Act 2001. This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial report that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances. The directors also state, in the notes to the financial report, in accordance with Accounting Standard AASB 101 Presentation of Financial Statements, that compliance with the Australian equivalents to International Financial Reporting Standards ensures that the financial report, comprising the financial statements and notes, complies with International Financial Reporting Standards.

Auditor's responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards which require us to comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

Grant Thornton

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF MINOTAUR EXPLORATION LIMITED Cont

Auditor's responsibility Cont

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error.

In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence

In conducting our audit, we have complied with the independence requirements of the Corporations Act 2001.

Auditor's opinion

In our opinion,:

a the financial report of Minotaur Exploration Limited is in accordance with the Corporations Act 2001, including:

  i giving a true and fair view of the consolidated entity's financial position as at 30 June 2010 and of it's performance for the year ended on that date; and

  ii complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001; and

b the financial report also complies with International Financial Reporting Standards as disclosed in the notes to the financial statements.

Report on the remuneration report

We have audited the Remuneration Report included in pages 12 to 16 of the directors' report for the year ended 30 June 2010. The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the Corporations Act 2001. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Grant Thornton

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF MINOTAUR EXPLORATION LIMITED Cont

Auditor's opinion on the remuneration report

In our opinion, the Remuneration Report of Minotaur Exploration Limited for the year ended 30 June 2010, complies with section 300A of the Corporations Act 2001.

GRANT THORNTON
South Australian Partnership
Chartered Accountants

J L Humphrey
Partner

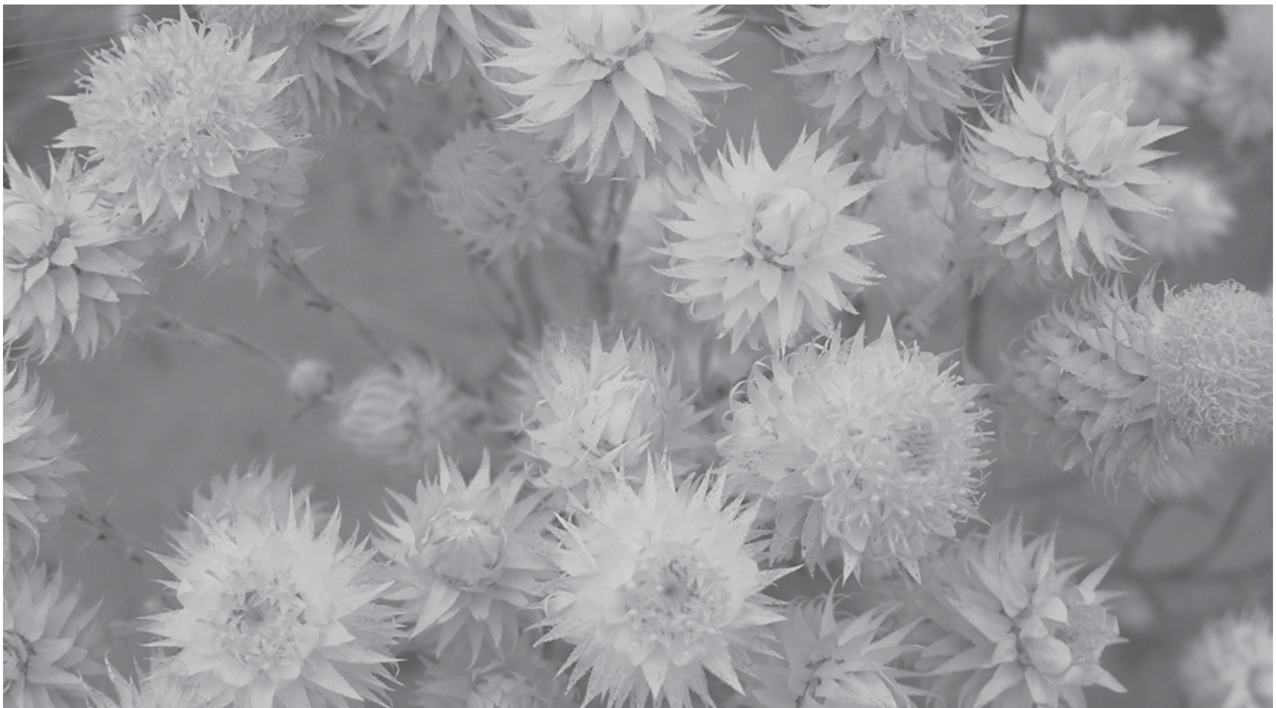
Adelaide, 17 September 2010

ASX Additional Information

Interests in Mining Tenements

Lease ID	Lease Name	State	Holding Company	Minotaur Equity or Equity Earned	JV Partner
EL3335	YELLABINNA	SA	Helix Resources	54%	Helix 46%
EL3366	TOOTLA	SA	Great Southern Kaolin Pty Ltd	100%	
EL3384	EDIACARA	SA	Perilya	49%	Perilya 51%
EL3403	LAKE EVERARD	SA	Helix Resources	54%	Helix 46%
EL3413	MAITLAND	SA	Red Metal	0%	Red Metal 100%
EL3416	PANDURRA	SA	Minotaur Operations	100%	Trafford 0%
EL3456	MT DOUBLE	SA	Minotaur Operations	100%	Trafford 0%
EL3486	CONICAL HILL	SA	Minotaur Operations	100%	Trafford 0%
EL3521	BONYTHON HILL	SA	Minotaur Operations	55%	BHPB 44%
EL3535	NONNING	SA	Menninnie Metals Pty Ltd	100%	Menninnie 0%
EL3565	YUDNAPINNA	SA	Minotaur Operations	100%	Trafford 0%
EL3592	TIN HUT	SA	Minotaur Operations	100%	Trafford 0%
EL3596	MINGARY	SA	Minotaur Operations	41%	Sumitomo 59%
EL3745	MUTOOROO	SA	Minotaur Operations	41%	Sumitomo 59%
EL3761	ROXBY NORTH	SA	Minotaur Operations	100%	
EL3762	ACROPOLIS SOUTH	SA	Minotaur Operations	100%	
EL4203	SCEALES	SA	Minotaur Operations	100%	
EL4270	WOODVILLE DAM	SA	Minotaur Operations	41%	Sumitomo 59%
EL4352	COLLINS TANK	SA	Minotaur Operations	41%	Sumitomo 59%
EL4388	BLINMAN	SA	Perilya	49%	Perilya 51%
EL4435	WHITING	SA	Minotaur Operations	100%	
EL4439	DECEPTION HILL	SA	Minotaur Operations	100%	
EL4478	WILKAWILLINA	SA	Perilya		Perilya 51%
EL4495	LAKE EVERARD WEST	SA	Helix Resources	54%	Helix 46%
EL4541	ANNA VILLA	SA	Red Metal	0%	Red Metal 100%
ELA74/2009	PARAKYLIA	SA	Minotaur Operations	100%	
ELA160/2010	COORITTA	SA	Minotaur Operations	100%	
ELA180/2010	COOMANDOOK	SA	Minotaur Operations	100%	
ELA200/2010	YANERBIE	SA	Minotaur Operations	100%	
ML4386	THIRD PLAIN	SA	Perilya	49%	Perilya 51%
ML5856	EAREA DAM	SA	Minotaur Operations	100%	
EL5514	COWRA	NSW	Gateway Mining	27%	Gateway 49%, Mitsubishi 24%
EL6102	COWRA CENTRAL	NSW	Gateway Mining	27%	Gateway 49%, Mitsubishi 24%
EL6496	OAKDALE	NSW	Minotaur Operations	41%	Sumitomo 59%
EL6805	YARONGA	NSW	Minotaur Operations	68%	Mitsubishi 32%
EL6806	KANGAROO FLAT	NSW	Minotaur Operations	27%	Gateway 49%, Mitsubishi 24%
EL6815	ROCKY TANK	NSW	Minotaur Operations	41%	Sumitomo 59%
EL6882	BOOROWA	NSW	Minotaur Operations	68%	Mitsubishi 32%
EL7169	LOUTH	NSW	Minotaur Operations	100%	JOGMEC 0%
EL7588	ARTHURVILLE	NSW	Minotaur Operations	100%	
EPM8608	BENDIGO PARK	QLD	Minotaur Operations	99%	BHPBilliton NSR, JOGMEC 0%
EPM12463	CLONAGH	QLD	Minotaur Operations	99%	BHPBilliton NSR, JOGMEC 0%
EPM14296	CLONAGH NORTH	QLD	Minotaur Operations	100%	JOGMEC 0%
EPM14476	BOOUBYJAN	QLD	FINDEX	51%	FINDEX 49%, Mitsubishi 0%

Lease ID	Lease Name	State	Holding Company	Minotaur Equity or Equity Earned	JV Partner
EPM14979	DADAMARINE	QLD	FINDEX	51%	FINDEX 49%, Mitsubishi 0%
EPM16479	SHAG ROCK	QLD	Minotaur Operations	100%	JOGMEC 0%
EPM16594	FOUR MILE BORE	QLD	Minotaur Operations	100%	JOGMEC 0%
EPM16927	RACECOURSE	QLD	Minotaur Operations	100%	JOGMEC 0%
EPM16977	DRY CREEK	QLD	Minotaur Operations	100%	JOGMEC 0%
EPM18367	COTSWOLD HOMESTEAD	QLD	Minotaur Operations	100%	JOGMEC 0%
EPMA18624	OORINDI PARK	QLD	Minotaur Operations	100%	
EPMA16396	ERNEST HENRY NORTH	QLD	Minotaur Operations	100%	
EPMA16975	CATTLE CREEK	QLD	Minotaur Operations	100%	
EPMA17286	JACKYS CREEK	QLD	Minotaur Operations	100%	
EPMA17773	CORNER CREEK	QLD	Minotaur Operations	100%	
EPMA18017	COTSWOLD	QLD	Minotaur Operations	100%	
EPMA18068	GIDYEA BORE	QLD	Minotaur Operations	100%	
EPMA18268	MOUSE	QLD	Minotaur Operations	100%	
EPMA18283	HINKLER WELL	QLD	Minotaur Operations	100%	
EPMA18315	CAMEL WELL	QLD	Minotaur Operations	100%	
EPMA18317	NINE MILE BORE	QLD	Minotaur Operations	100%	
EPMA18571	SANDY CREEK	QLD	Minotaur Operations	100%	
EPMA18572	NORTH OSBORNE	QLD	Minotaur Operations	100%	
EPMA18573	GUM CREEK	QLD	Minotaur Operations	100%	
EPMA18574	MOMEDAH CREEK	QLD	Minotaur Operations	100%	
EPMA18575	CARBO CREEK	QLD	Minotaur Operations	100%	
EPMA18576	PATHUNGA CREEK	QLD	Minotaur Operations	100%	
EPMA18720	CUCKADOO	QLD	Minotaur Operations	100%	
EPMA18802	EAST RACECOURSE	QLD	Minotaur Operations	100%	
EL5253	DOOKIE	VIC	Minotaur Operations	100%	
ELA5296	ROCHESTER	VIC	Minotaur Operations	100%	
EL27733	COOLIBAH	NT	Minotaur Operations	100%	
Various	Nova Scotia	CAN	Minotaur Atlantic	80%	Dundee
Various	Nova Scotia	CAN	Minotaur Atlantic	100%	



ASX Additional Information

Additional information required by the Australian Stock Exchange Ltd and not shown elsewhere in this report is as follows. The information is current as at 30 September 2010.

Distribution of equity securities

<u>Ordinary share capital</u>

80,529,581 fully paid ordinary shares are held by 2,806 individual shareholders.

All issued ordinary fully paid shares carry one vote per share.

<u>Options</u>

7,980,000 options are held by 16 individual option holders.
The number of shareholders, by size of holding, in each class are:

	Fully paid ordinary shares	Unquoted Options
1 - 1,000	430	-
1,001 - 5,000	967	-
5,001 - 10,000	484	-
10,001 - 100,000	812	6
100,001 and over	113	10
	2,806	**16**
Holding less than a marketable parcel	601	
Substantial shareholders		
Ordinary shareholders	**Fully paid**	
	Number	**Percentage**
Oz Minerals Limited	8,041,670	9.99%
Newmont Capital Pty Ltd	5,320,000	6.61%
	13,361,670	**16.59%**

Twenty largest holders of quoted equity securities

	Fully Paid Ordinary Shares	
	Number	**Percentage**
Oz Minerals Limited	8,041,670	9.99%
Newmont Capital Pty Ltd	5,320,000	6.61%
Yarraandoo Pty Ltd <Yarraandoo Super Fund A/C>	3,662,129	4.55%
Merrill Lynch (Australia) Nominees Pty Limited <Berndale A/C>	3,090,109	3.84%
JP Morgan Nominees Australia Limited <Cash Income A/C>	1,949,039	2.42%
Dorica Nominees Pty Ltd	1,402,000	1.74%
Kimbriki Nominees Pty Ltd <Kimbriki Hamilton Sf A/C>	1,249,259	1.55%
Mr Derek Northleigh Carter	900,000	1.12%
Valnera Holdings Pty Ltd	800,000	0.99%
Mr Kevin Arthur Thomas + Mrs Barbara Thomas <The KBT Super Fund A/C>	700,000	0.87%
Dr Peter John Gower	600,000	0.75%
Mr Derek Northleigh Carter + Mrs Carlsa Joyce Carter	951,249	1.18%
Mr Antonio Peter Belperio <Southern Macra Resource A/C>	496,528	0.62%
Kavalex Pty Limited	400,000	0.50%
Mr Camilo Blanco	350,000	0.43%
Mr Robert Macfadyen Pty Ltd <Macfadyen S/F A/C>	342,778	0.43%
Romadak Pty Ltd <Romadak Super Fund A/C>	340,750	0.42%
ABN Amro Clearing Sydney Nominees Pty Ltd <Custodian A/C>	323,000	0.40%
Mr Donald Clinton Stephens	305,000	0.38%
Mr Nicholas James Carter + Mrs Susan Mary Carter <Carter Family Super A/C>	302,000	0.38%
	31,525,511	**39.15%**

www.minotaurexploration.com.au

MINOTAUR EXPLORATION LTD

ABN 35 108 483 601
ASX CODE MEP

247 Greenhill Road
Dulwich 5065
South Australia
Australia

t [61 8] 8366 6000
f [61 8] 8366 6001