

ASX Release



Company update

Highlights

- Queensland 'post-wet' field season launched with several diamond drill campaigns and ground geophysical surveys rolling out at Eloise and Osborne
- Prominent Hill regional exploration campaign developed
- End of March Quarter cash balance of A\$3.2 million (up from A\$2.8 million at end of December 2016)
- Listed investments now valued at A\$1.0 million

Activity update

Minotaur Exploration Limited (ASX: MEP, "Minotaur" or the "Company") is pleased to provide an update of upcoming field activities on the Company's promising copper-gold and base metals exploration projects. Minotaur and its joint venture partners (OZ Minerals and JOGMEC) have finalised relevant work programs, now commencing with closure of the wet season in northwest Queensland.

Eloise (JV with OZ Minerals) – Cloncurry region, northwest Queensland

A third phase, 3,700m drill program is established for the Iris-Electra copper-gold prospect. Drilling will initially focus on the undrilled 'Electra' EM conductor along strike from 'Iris'. Modelling and interpretation of the Electra anomaly suggests that it is highly prospective for copper sulphide mineralisation, given the demonstrated relationship between high conductance and coexistence of chalcopyrite and pyrrhotite at both the adjacent Iris conductors and the Eloise mine some 5km distant.

The drill program seeks to build on highly encouraging results from the maiden drilling program completed late last year at Iris, which indicated potential for a copper mineralised system with higher grades in the vicinity of EM conductors. This was evident in hole EL16D08 where a chalcopyrite rich zone returned 0.4m at 12.35% Cu and 14.3g/t Au (see ASX announcement dated 24 November 2016).

Additionally, a widespread ground EM survey south of the Eloise mine will investigate some 18km of strike along the eastern side of the Levuka Shear Zone. This zone is interpreted to be a continuation of the Mt Norna Quartzite that hosts Eloise, Iris and Altia locally and Artemis, Sandy Creek, Maronan and Cannington deposits (and possibly Osborne) regionally.



Prominent Hill (JV with OZ Minerals) – Gawler Craton region, South Australia

Minotaur and OZ Minerals' geologists are jointly finalising a follow-up work program for the Prominent Hill region, mainly focused on the Skylark Shear Zone, a structure identified as prospective for iron-sulphide, copper-gold style (ISCG) mineralisation. ISCG proof-of-concept drilling at the 'Bellatrix' target late last year showed that the Skylark Shear Zone hosts pyrrhotite associated copper-gold mineralisation. Field EM surveys are expected to start in the second Quarter.

Osborne (JV with JOGMEC) – Cloncurry region, northwest Queensland

The 2016 field season at the Osborne project identified three targets for follow-up drilling where copper-gold and zinc-lead-silver mineralisation styles are targeted. Conductive basement targets were detected below sediment cover at the 'Winter', 'Lark' and 'Robin' prospects. Winter and Robin are prospective for Cannington style Zn-Pb-Ag mineralisation and Winter is interpreted as a possible analogue to Cannington itself – a low-amplitude positive magnetic anomaly within a broad and structurally complex magnetic low. A 700m diamond hole in the current Quarter will test the magnetic body and multiple, coincident EM plates at Winter.

An infill ground EM survey at Robin will help refine the EM model and finalise the initial drill trajectory. Two conductive bodies are identified at Lark, where structurally-controlled copper-gold mineralisation is anticipated. New ground EM will close-off the EM plates and guide first-pass drill collar positioning.

Corporate update

Minotaur's end of March Quarter cash at bank position is A\$3.2 million (refer Appendix 5B for full details). The market valuation of Minotaur's holdings in junior explorers improved in line with general equity sentiment. Minotaur took advantage of improved liquidity and market prices and rebalanced its overall listed investment position to A\$1.0 million.

Nickel mining rights at West Kambalda, over tenements held by Maximus Resources Ltd (ASX: MXR) and Corona Minerals Ltd, were sold to a private group, as part of Minotaur's ongoing exit of non-core assets.

Andrew Woskett

Minotaur Exploration Ltd

M +61 4 5855 5470

Kevin Skinner

Field Public Relations

T +61 8 8234 9555 **M** +61 4 1482 2631