

MINOTAUR EXPLORATION LIMITED

ACN 108 483 601

ENTITLEMENT OFFER PROSPECTUS

for a non-renounceable entitlement offer of one (1) New Share for every ten (10) Shares held at the Record Date to raise approximately \$1.4 million (before costs) at an issue price of \$0.07 for each New Share issued together with one (1) Attaching Option at no additional cost for every one (1) New Share issued (Offer)

IMPORTANT INFORMATION

This is an important document that should be read in its entirety. If you do not understand it, you should consult your professional advisers without delay.
The securities offered by this Prospectus should be considered as speculative.

This Offer closes at 5.00 pm (AEDT) on 18 December 2015

IMPORTANT INFORMATION

This Prospectus is dated 30 November 2015 and was lodged with ASIC on that date.

Neither ASIC nor ASX nor any of their respective officers take any responsibility for the contents of this Prospectus.

No New Shares will be issued and no Attaching Options will be granted on the basis of this Prospectus later than 13 months after the date of this Prospectus. Application will be made to ASX within seven days after the date of this Prospectus for admission of the New Shares and Attaching Options offered by this Prospectus to Official Quotation.

Applications for New Shares and Attaching Options can only be made on an original Application Form or by making payment via BPay®. The Application Form sets out each Eligible Shareholder's entitlement to participate in the Offer.

This Prospectus is a transaction specific prospectus for an offer of continuously quoted securities (as defined in the Corporations Act) and options to acquire continuously quoted securities, and has been prepared in accordance with section 713 of the Corporations Act. It does not contain the same level of disclosure as an initial public offering prospectus. In making representations in this Prospectus regard has been had to the fact that the Company is a disclosing entity for the purposes of the Corporations Act and certain matters may reasonably be expected to be known to investors and professional advisers whom potential investors may consult.

No person is authorised to give any information or to make any representation in connection with the Offer, which is not contained in this Prospectus. Any information or representation not so contained may not be relied on as having been authorised by the Company in connection with the Offer.

Applicants should read this document in its entirety and, if in any doubt, consult with their professional advisers before deciding whether to accept the Offer.

The information provided in this Prospectus is not financial product advice and has been prepared without taking into account the investment objectives, financial situation and particular needs of individual investors. It is important that investors read this Prospectus in its entirety before deciding to invest. In considering the Company's prospects, investors should consider the risk factors that could affect the Company's performance. Investors should carefully consider these factors in light of their personal circumstances (including financial and taxation issues) and seek professional guidance from their stockbroker, solicitor, accountant or other professional financial adviser before deciding whether to invest. Some risk factors that investors should consider are outlined in section 5 of this Prospectus.

The New Shares and Attaching Options offered under this Prospectus carry no guarantee with respect to return on capital investment or the future value of the New Shares and Attaching Options.

Revenues and expenditures disclosed in this Prospectus are recognised exclusive of the amount of GST unless otherwise disclosed.

Certain words and terms used in this Prospectus have defined meanings which are set out in section 9 of this Prospectus.

Privacy Statement

The Company collects information about each Applicant provided on an Application Form for the purposes of processing Application Forms and, if the Applicant is successful, to administer the Applicant's security holding in the Company.

By submitting an Application Form, each Applicant agrees that the Company may use the information provided on the Application Form for the purposes set out in this privacy disclosure statement and may disclose it for those purposes to the Company's share registry, the Company's related bodies corporate, agents, contractors and third party service providers, including mailing houses and professional advisers, and to ASX and regulatory authorities.

The Corporations Act requires the Company to include information about the security holder (including name, address and details of securities held) in its public register. The information contained in the Company's public register must remain there even if that person ceases to be a security holder of the Company. Information contained in the Company's register is also used to facilitate distribution payments and corporate communications (including the Company's financial results, annual reports and other information that the Company may wish to communicate to its security holders) and compliance by the Company with legal and regulatory requirements.

An Applicant has the right to gain access to the information that the Company holds about that person subject to certain exemptions under law. A fee may be charged for access. Access requests must be made in writing to the Company's registered office.

Timetable

| Event | Date |
|---|------------------|
| ASX Announcement | 30 November 2015 |
| Prospectus lodged with ASIC and ASX | 30 November 2015 |
| Appendix 3B lodged with ASX | 30 November 2015 |
| Appendix 3B Notice sent to Shareholders | 30 November 2015 |
| Shares quoted on 'ex' basis | 2 December 2015 |
| Record Date for Offer participation (5.00 pm AEDT) | 4 December 2015 |
| Prospectus and Application Form despatched to Eligible Shareholders and Opening Date of the Offer | 8 December 2015 |
| Proposed Closing Date of the Offer (5.00 pm AEDT) | 18 December 2015 |
| New Shares and Attaching Options quoted on a 'deferred settlement' basis | 21 December 2015 |
| ASX advised of any Shortfall | 23 December 2015 |
| Proposed date for the allotment of New Shares and Attaching Options /deferred settlement trading ends | 29 December 2015 |
| Proposed date for quotation of New Shares and Attaching Options | 30 December 2015 |

This timetable is indicative only and the Company reserves the right to vary it at any time without prior notice, subject to the requirements of the Listing Rules and the Corporations Act. The Directors may extend the Closing Date by giving at least 3 Business Days' notice to ASX prior to the Closing Date. As such, the date the New Shares and Attaching Options are expected to commence trading on ASX may vary.

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SECTION 1: CORPORATE DIRECTORY

Directors

Mr Derek Carter (Non-Executive Chairman)
Mr Andrew Woskett (Managing Director)
Dr Tony Belperio (Executive Director)

Auditors

Grant Thornton Audit Pty Ltd
Level 1, 67 Greenhill Road
WAYVILLE SA 5034

Company Secretary

Mr Donald Stephens

Legal Advisers to the Company

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

Registered Office

c/- HLB Mann Judd (SA) Pty Limited
169 Fullarton Road
DULWICH SA 5065

Share Registrar

Computershare Investor Services Pty Limited
Level 5, 115 Grenfell Street
ADELAIDE SA 5000

Contact Details

Minotaur Exploration Limited
Level 1, 8 Beulah Road
NORWOOD SA 5067

Telephone: (08) 8132 3400
Facsimile: (08) 8132 3499
Website: www.minotaurexploration.com.au
Email: admin@minotaurexploration.com.au

ASX Code

MEP

SECTION 2: CHAIRMAN'S LETTER

Dear Shareholder,

The Directors of Minotaur Exploration Limited (**Minotaur**, or **the Company**) are pleased to invite Eligible Shareholders to participate in a non-renounceable entitlement offer (the **Offer**) to raise approx. \$1.4 million (before costs) for the Company. The Offer is structured with an offer price of \$0.07 per New Share.

The Offer price represents an entry price to the Company that is near to historical lows at a time when Minotaur itself is in a very strong position - a sound balance sheet, an assortment of prospective projects and the support of esteemed joint venture partners. Furthermore, the Company is offering Shareholders one (1) Attaching Option (at no additional cost), exercisable at \$0.095 on or before 30 November 2017, for each New Share subscribed for under the Prospectus (each New Share and Attaching Option together a **Unit**). The value of options can be particularly pronounced in small resources companies where the event of exploration success leads to the potential for large share price fluctuations. One Unit is being offered for each ten (10) Shares held as at the Record Date.

The purpose of this capital raising is primarily to position the Company for an expanded exploration program around Cloncurry, Queensland and for the anticipated target validation phase of the collaboration project with OZ Minerals around the Prominent Hill mine in South Australia. The recent Placement together with receipts from this Offer will bolster Minotaur's current cash position of \$3.2 million (unaudited figure as at 31 October 2015) by up to \$3 million (before costs and if the Offer is wholly subscribed) and will ensure that the Company remains suitably funded for its anticipated work program.

As an exploration group, upside for Shareholders depends on success in the field, which in turn depends on the Company maintaining an active, focused work portfolio. Minotaur consistently invests substantive amounts in real work. During the 2015 financial year the Company invested \$8 million on exploration, over 12 times more than the median spend of \$0.6 million achieved by Junior Miners. At the same time, while maintaining a strong technical team, the Company's administration expenditure was held to around 14% of our total exploration plus administration expenditure over the same period. This compares to the Junior Miner median of approximately 51%. These facts demonstrate sound management of Shareholders' funds and are testament to Minotaur's well established joint venture strategy.

In November, we welcomed a new major Shareholder to the Company. Exploration Capital Partners 2014 Limited Partnership (**EX2014**), an entity affiliated with Sprott Inc. (TSX: SII, a leading North American-based asset management firm), became our primary Shareholder through the recent Placement. This investment provides a tangible endorsement of the Board's governance and the Company's prospects. It is worthwhile noting that EX2014, in conjunction with a high net worth client whose account resides with an affiliate of Sprott Inc., additionally acquired on 13 November 2015 all the Shares held by Norilsk Nickel Australia Pty Ltd, previously Minotaur's largest Shareholder. Shareholders can derive further comfort by the faith amply demonstrated by Sprott Inc. in the Company.

On the basis detailed above I recommend, on behalf of the Board, your full participation in this Offer. You are also able to apply for an allocation in excess of your Entitlement. Any further allocations and scale back will be subject to the discretion of the Board and only available in the event of a shortfall in take-up of the Entitlements by other Shareholders. I urge you to act upon the enclosed Application Form promptly on receipt.

Yours faithfully,

Derek Carter
Chairman

SECTION 3: DETAILS OF THE OFFER

3.1 The Offer

By this Prospectus the Company is making a non-renounceable pro-rata offer of New Shares to Eligible Shareholders on the basis of one (1) New Share for every ten (10) Shares held in the Company on the Record Date at an offer price of \$0.07 for each New Share, to raise approximately \$1.4 million. If all or some of the Current Options are exercised prior to the Record Date, this will impact on the maximum number of New Shares to be issued under the Offer.

In addition, Applicants under the Offer will receive one (1) Attaching Option at no additional cost for every one (1) New Share allotted pursuant to this Prospectus. The Attaching Options will be exercisable at \$0.095 each on or before 30 November 2017.

In the calculation of any Entitlement, fractions will be rounded up to the nearest whole number.

3.2 Opening and Closing Dates

The Offer will open for receipt of Applications immediately following the despatch of this Prospectus to Eligible Shareholders.

The Closing Date for the Offer is anticipated to be 5.00 pm (AEDT) on 18 December 2015. This date may be varied by the Company without prior notice, subject to the requirements of the Listing Rules and the Corporations Act.

3.3 What is my entitlement?

The number of New Shares to which you are entitled is shown in the accompanying Application Form.

You can elect:

- to subscribe for all of your Entitlement;
- to subscribe for Shortfall Shares, if you subscribe for all of your Entitlement;
- to subscribe for part of your Entitlement; or
- to not take up any of your Entitlement.

Please note that if you choose not to accept your Entitlement in full your shareholding in the Company will be proportionally diluted to the extent that the Offer is taken up by other Shareholders.

3.4 Shortfall Shares

In addition to being able to apply for New Shares in the manner described above, Shareholders who subscribe for their full Entitlement will also have the opportunity to apply for New Shares that are not subscribed for in the Offer, subject to the limitations set out in section 3.6 of this Prospectus.

3.5 How to take up all or part of your Entitlement

To subscribe for New Shares offered to you, please complete the accompanying Application Form according to the instructions on it for all, or the part you wish to subscribe for, of your Entitlement or make payment via BPay®.

You may participate in the Offer as follows:

(a) If you wish to accept your Entitlement in full:

- complete the Application Form, filling in the details in the spaces provided and attach your cheque or bank draft (as described below) for the amount indicated on your Application Form; or
- make your payment via BPay® in accordance with the instructions below; or

(b) If you wish to accept your Entitlement in full and apply for Shortfall Shares:

- complete the Application Form and fill in the number of Shortfall Shares you wish to apply for in the space provided on the Application Form and attach your cheque or bank draft (as described below) for the appropriate application monies (at \$0.07 per New Share subscribed); or
- make your payment via BPay® in accordance with the instructions below; or

(c) If you wish to accept part of your Entitlement:

- fill in the number of New Shares you wish to accept in the space provided on the Application Form and attach your cheque or bank draft (as described below) for the appropriate application monies (at \$0.07 per New Share subscribed); or
- make your payment via BPay® in accordance with the instructions below; or

(d) If you do not wish to accept all or part of your Entitlement, then take no action.

Completed Application Forms, together with a cheque or bank draft in payment for all New Shares you wish to subscribe for, must be sent to the Company's share registry, Computershare Investor Services Pty Limited, in the reply paid envelope to GPO Box 2987, Adelaide SA 5001 so that they reach the share registry by no later than 5.00 pm (AEDT) on 18 December 2015.

Acceptances will not be valid if they are received after the Closing Date.

If the Application Form is not completed correctly it may still be treated as valid. The Directors' decision as to whether to treat the Application Form as valid and how to construe the Application Form is final.

Payments must be in Australian currency and by:

- cheque drawn on and payable at any Australian bank; or
- bank draft drawn on and payable at any Australian bank.

Cheques or bank drafts must be made payable to 'Minotaur Exploration Limited and crossed 'Not Negotiable'. Cash payments will not be accepted and receipts for payment will not be provided.

Alternatively payment can be made via BPay® by following the instructions on the Application Form. You can only make a payment via BPay® if you are the holder of an account with an Australian financial institution that supports BPay® transactions.

Please note that should you choose to pay by BPay®:

- you do not need to submit the enclosed Application Form but are taken to make any declarations, warranties, representations and agreements on that Application Form;
- if you do not pay for your full Entitlement, you are deemed to have taken up your Entitlement in respect of such whole number of New Shares which is covered in full by your payment; and
- if your payment exceeds the amount you need to pay for your full Entitlement, you are deemed to have taken up your full Entitlement and applied for such whole number of Shortfall Shares which is covered in full by your payment after deducting the amount you need to pay for your full Entitlement.

It is your responsibility to ensure funds submitted through BPay® are received by no later than 5.00 pm (AEDT) on 18 December 2015. You should be aware that your financial institution may implement earlier cut off times with regards to electronic payment, and you should therefore take this into consideration when making payment.

3.6 Subscription for Shortfall Shares

(a) How to apply for Shortfall Shares

In addition to being able to apply for New Shares in the manner described above, Shareholders who take up their Entitlement in full will also have the opportunity to apply for Shortfall Shares.

Shortfall Shares will be issued at the same price and on the same terms as the New Shares and a Shareholder may only make an application for Shortfall Shares if it applies for its maximum Entitlement.

Shortfall Shares will only be issued if the Offer is undersubscribed and will only be issued to the extent necessary to make up any shortfall in subscriptions. If the Company receives applications for Shortfall Shares that would result in the Offer being oversubscribed, then the Company will not accept such oversubscriptions and will reject applications at its absolute discretion.

The Directors reserve the right to reject any application for Shortfall Shares or to allot a lesser number of Shortfall Shares than applied for. Application monies received but not applied towards subscriptions for Shortfall Shares will be refunded as soon as practicable. No interest will be paid on application monies held and returned. Furthermore, the Company will not issue Shortfall Shares where to do so would result in a breach of the Corporations Act or the Listing Rules.

(b) Completion of Application Form

All acceptances for New Shares and applications for Shortfall Shares offered under this Prospectus must be made on the personalised Application Form or by making payment via BPay®, in accordance with the instructions set out in the form.

(c) Placement of Shortfall Shares

Under an exception to the Listing Rule 7.1 requirement for shareholder approval to an issue of securities in excess of 15% of a company's issued share capital, the Company may issue any Shortfall Shares that are not successfully subscribed for by Shareholders, at the discretion of the Directors provided that:

- the price at which the Shortfall Shares are issued is not less than the issue price for the New Shares under the Offer; and
- the Shortfall Shares (or any number of them) are issued within three months after the Closing Date.

If there is such a shortfall, then the Board reserves the right to utilise this exception to Listing Rule 7.1, in which case the Board may:

- seek bids from institutions and other prospective investors for the New Shares comprising the shortfall; and
- determine the issue price and allot the New Shares on the basis of those bids.

The Company may pay fees or commissions determined at the time of offering or issuing Shortfall Shares. Recipients of Shortfall Shares need not be shareholders of the Company.

3.7 **No Rights Trading**

Your Entitlement is non-renounceable. Accordingly, there will be no trading of rights on ASX and you will be unable to dispose of your Entitlement to another party. If you do not take up your Entitlement by the Closing Date, the unexercised portion of your Entitlement will lapse.

3.8 **Application Monies**

Prior to the allotment and issue of New Shares and the allotment and grant of Attaching Options, all application monies received under the Offer shall be held by the Company on trust.

Application monies will be returned (without interest) if the relevant New Shares are not allotted and issued and Attaching Options are not allotted and granted.

3.9 **Allotment and Allocation**

The New Shares will be allotted and issued and Attaching Options allotted and granted by no later than the proposed date of 29 December 2015. Holding statements in relation to the New Shares and Attaching Options will be despatched as soon as practicable after the securities are allotted.

It is the responsibility of Applicants to determine their allocation prior to trading in New Shares and Attaching Options. Applicants who sell any of those New Shares or Attaching Options before they receive their holding statements will do so at their own risk.

3.10 **ASX Quotation**

The Company will apply to ASX within seven days after the date of this Prospectus for admission to Official Quotation of the New Shares and Attaching Options offered under this Prospectus.

If ASX does not grant permission for Official Quotation of the New Shares and Attaching Options within three months after the date of this Prospectus, or such longer period as is permitted by the Corporations Act, none of the New Shares will be allotted and issued and none of the Attaching Options will be allotted and granted (unless ASIC grants to the

Company an exemption permitting the allotment, issue and grant) and the Company will return all application money as soon as practicable without interest.

The fact that ASX may admit the New Shares and Attaching Options to Official Quotation is not to be taken in any way as an indication of the merits of the Company or the New Shares and Attaching Options offered by this Prospectus.

3.11 **Overseas Shareholders**

This Offer does not, and is not intended to, constitute an offer in any place or jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer or to issue this Prospectus.

It is not practicable for the Company to comply with the securities laws of overseas jurisdictions having regard to the number of overseas Shareholders, the number and value of Shares these Shareholders would be offered and the cost of complying with regulatory requirements in each relevant jurisdiction.

Accordingly, the Offer is not being extended and Shares will not be issued to Shareholders with a registered address which is outside Australia and New Zealand.

Shareholders resident in Australia and New Zealand holding Shares on behalf of persons who are resident overseas are responsible for ensuring that taking up an Entitlement under the Offer does not breach regulations in the relevant overseas jurisdiction. Return of a duly completed Application Form will be taken by the Company to constitute a representation that there has been no breach of those regulations.

3.12 **CHESS**

The Company participates in CHESS. CHESS is operated by ASX Settlement (a wholly owned subsidiary of ASX) in accordance with the Listing Rules and the ASX Settlement Operating Rules.

Under CHESS, Applicants will receive a statement of their holding of Shares and Options (including New Shares and Attaching Options granted under this Prospectus).

If you are broker sponsored, ASX Settlement will send you a CHESS statement. The CHESS statement will set out the number of New Shares and Attaching Options issued and granted under this Prospectus, and provide details of your holder identification number and the participant identification number of the sponsor.

If you are registered on the Issuer Sponsored Subregister, your statement will be despatched by the Company's share registry, Computershare Investor Services Pty Limited, and will contain the number of New Shares issued to you and Attaching Options granted to you under this Prospectus and your security holder reference number.

CHESS statements and Issuer Sponsored statements will routinely be sent out to holders of Shares and Options at the end of any calendar month during which the balances of their holdings change. Holders may request a statement at any other time, however a charge may be payable for additional statements.

3.13 **Taxation**

Investors should seek and rely on their own taxation advice regarding an investment in the Company as the taxation consequences will depend on the investor's particular circumstances.

3.14 **Ranking**

The New Shares will rank equally with the existing Shares on issue. The rights attaching to New Shares are referred to in section 6.1 of this Prospectus.

The terms and conditions of the Attaching Options are set out in section 6.2 of this Prospectus. Any Shares issued on the exercise of the Attaching Options will rank equally with the existing Shares on issue.

3.15 **Withdrawal of Prospectus**

The Directors may at any time decide to withdraw this Prospectus, in which case the Company will repay, as soon as practicable and without interest, all application monies received pursuant to this Prospectus.

3.16 **Enquiries**

If you have any questions regarding the Offer, or any of the documents referred to in this Prospectus, please contact the Company's Commercial Manager, Varis Lidums, by telephone on (08) 8132 3400.

SECTION 4: PURPOSE AND EFFECT OF THE OFFER

4.1 Purpose of the Offer

The purpose of the Offer is to raise approximately \$1.4 million. No funds will be raised from the issue of the Attaching Options.

The maximum amount which can be raised under the Offer if all New Shares are issued is \$1,418,020.10. This assumes that none of the Current Options is exercised prior to the Record Date given that the exercise prices of the Current Options range between \$0.095 and \$0.55.

The Directors intend to apply the proceeds from the Offer as follows:

| Use of Funds | If all New Shares are issued (\$) |
|--|--------------------------------------|
| <ul style="list-style-type: none">• Copper-gold exploration• Nickel-gold exploration• Administration & Working Capital | \$1,030,000 \$175,000 \$75,000 |
| Costs of Offer | \$120,000 |
| Total | \$1,400,000 |

4.2 Effect of the Offer

Assuming all Eligible Shareholders take up the Offer in full, the principal effect of the Offer will be to:

- (a) increase cash reserves by approximately \$1,280,000 after deducting estimated costs of the Offer; this will position the Company in readiness primarily for an expanded exploration program around Cloncurry, Queensland (referred to most recently in the Company's release to ASX on 26 November 2015) and for the anticipated target validation phase of the collaboration project with OZ Minerals Ltd around the Prominent Hill mine, South Australia (referred to most recently in the Company's release to ASX on 26 November 2015). The recent Placement plus receipts from this Offer will bolster the Company's current cash position of approximately \$3.2 million (as at 31 October 2015) by approximately \$2.8 million (after costs) and ensure that the Company remains fully funded for its anticipated work program;
- (b) increase the number of Shares on issue from 202,574,303 Shares as at the date of this Prospectus to approximately 222,831,733 Shares comprising:
 - (i) 202,574,303 Shares as at the date of this Prospectus; and
 - (ii) approximately 20,257,430 New Shares,disregarding fractions and assuming that none of the Current Options is exercised prior to the Record Date;
- (c) increase the number of Options on issue from 25,494,048 Options as at the date of this Prospectus to approximately 53,965,478 Options comprising:

- (i) 25,494,048 Current Options as at the date of this Prospectus (which includes 14,285,715 Options granted to EX2014 under the Placement);
- (ii) 8,214,000 Options to be issued to the participants in the Placement (other than EX2014) after the date of this Prospectus and prior to the Closing Date; and
- (iii) approximately 20,257,430 Attaching Options,

disregarding fractions and assuming that none of the Current Options is exercised prior to the Record Date.

4.3 Pro-forma balance sheet

The unaudited pro-forma balance sheet as at 31 October 2015 shown below has been prepared on the basis of the accounting policies normally adopted by the Company and reflect the changes to its financial position.

The pro-forma balance sheet has been prepared assuming all Entitlements are accepted, no Options are exercised prior to the Record Date and including expenses of the Offer.

The pro-forma balance sheet has been prepared to provide investors with information on the assets and liabilities of the Company and pro-forma assets and liabilities of the Company as noted below. The historical and pro-forma unaudited financial information is presented in an abbreviated form, insofar as it does not include all of the disclosures required by Australian Accounting Standards applicable to annual financial statements.

| Consolidated Group | | | | |
|-----------------------------------|--------------------|---------------------------------|------------------|---------------------------------|
| (Unaudited) | | | | |
| Management | | | | |
| Accounts | | | | |
| | 31 Oct 2015 | Adjustments | Pro-forma | |
| Note | \$ | \$ | \$ | \$ |
| CURRENT ASSETS | | | | |
| Cash and cash equivalents | 1 | 3,270,604 | 2,844,251 | 6,114,855 |
| Trade and other receivables | | 199,393 | | 199,393 |
| Other current assets | | 63,114 | | 63,114 |
| | | <u>3,533,111</u> | | <u>6,377,362</u> |
| Held-for-sale assets | | 4,451,325 | | 4,451,325 |
| TOTAL CURRENT ASSETS | | <u>7,984,436</u> | | <u>10,828,687</u> |
| NON-CURRENT ASSETS | | | | |
| Available-for-sale investments | | 1,389,814 | | 1,389,814 |
| Property, plant and equipment | | 1,075,292 | | 1,075,292 |
| Exploration and evaluation assets | | 13,789,513 | | 13,789,513 |
| TOTAL NON-CURRENT ASSETS | | <u>16,254,619</u> | | <u>16,254,619</u> |
| TOTAL ASSETS | | <u><u>24,239,055</u></u> | | <u><u>27,083,306</u></u> |

**Consolidated Group
(Unaudited)**

| | Management Accounts | | | |
|--------------------------------------|------------------------|-------------|-------------------|---|
| | 31 Oct 2015 | Adjustments | Pro-forma | |
| Note | \$ | \$ | \$ | |
| CURRENT LIABILITIES | | | | |
| Trade and other payables | 876,971 | | 876,971 | |
| Borrowings | 14,089 | | 14,089 | |
| Short-term provisions | 472,716 | | 472,716 | |
| TOTAL CURRENT LAIBILITIES | 1,363,776 | | 1,363,776 | |
| NON-CURRENT LIABILITIES | | | | |
| Borrowings | 405,054 | | 405,054 | |
| Long-term provisions | 31,082 | | 31,082 | |
| TOTAL NON-CURRENT LIABILITIES | 436,136 | | 436,136 | |
| TOTAL LIABILITIES | 1,799,912 | | 1,799,912 | |
| NET ASSETS | 22,439,143 | | 25,283,394 | |
| EQUITY | | | | |
| Issued capital | 40,781,387 | 2,844,251 | 43,625,638 | 2 |
| Reserves | 1,454,591 | | 1,454,591 | |
| Accumulated losses | (19,969,601) | | (19,969,601) | |
| PARENT INTEREST | 22,266,377 | | 25,110,628 | |
| Non-controlling interest | 172,766 | | 172,766 | |
| TOTAL EQUITY | 22,439,143 | | 25,283,394 | |

Subsequent events

The Directors note the following events have occurred subsequent to 31 October 2015 that have impacted the Company's financial position. These events have not been taken into account in the Pro-forma financial statements.

On 5 November 2015, shares held by the Consolidated Group in Atherton Resources Ltd were sold for \$608,615 (net of costs).

On 16 November 2015, Trade and Other Payables of \$514,906, being funds received from Golden Fields Resources Pty Ltd, were converted into equity in Minotaur Gold Solutions Ltd (a member of the Consolidated Group). On the same date, Minotaur Exploration Ltd was also issued shares in Minotaur Gold Solutions Ltd. The percentage ownership in Minotaur Gold Solutions Ltd by Minotaur Exploration Ltd and Golden Fields Resources Pty Ltd after the issue of shares is 60% and 40% respectively (previously 50% Minotaur Exploration Ltd and 50% Golden Fields Resources Pty Ltd).

Adjustments

1 Cash and cash equivalents

| | |
|--|-------------------------|
| As at 31 October 2015 | 3,270,604 |
| Net proceeds from shares issued 19 November 2015 | 1,546,231 |
| Proceeds of the Offer | 1,418,020 |
| Less: Costs of the Offer | (120,000) |
| | <u><u>6,114,855</u></u> |

2 Issued capital

| | |
|--|--------------------------|
| As at 31 October 2015 | 40,781,387 |
| Net proceeds from shares issued 19 November 2015 | 1,546,231 |
| Proceeds of the Offer | 1,418,020 |
| Less: Costs of the Offer | (120,000) |
| | <u><u>43,625,638</u></u> |

4.4 Effect on capital structure

The effect of the Offer on the capital structure of the Company, assuming all Entitlements are accepted and no Options are exercised prior to the Record Date, is set out below.

Shares

| | Number |
|--|--------------------|
| Shares currently on issue | 202,574,303 |
| Shares offered pursuant to the Offer | 20,257,430 |
| Total Shares on issue after completion of the Offer | 222,831,733 |

Options

| | Number |
|--|-------------------|
| Options currently on issue: 1,000,000 unlisted Options exercisable at \$0.55 expiring on 27 February 2016 1,045,000 unlisted Options exercisable at \$0.21 expiring on 29 September 2016 1,575,000 unlisted Options exercisable at \$0.25 expiring on 3 July 2017 14,285,715 unlisted Options exercisable at \$0.095 expiring on 30 November 2017 2,083,333 unlisted Options exercisable at \$0.30 expiring on 4 July 2018 5,505,000 unlisted Options exercisable at \$0.19 expiring on 19 November 2019 | 25,494,048 |
| Options to be issued: Options to be issued to participants in the Placement (other than EX2014) after the date of this Prospectus and prior to the Closing Date – 8,214,000 Options exercisable at \$0.095 expiring on 30 November 2017 and otherwise on the same terms and conditions as the Attaching Options to be granted under the Offer (refer to Section 6.2 of this Prospectus) Options to be issued under the Offer – 20,257,430 Options exercisable at \$0.095 expiring on 30 November 2017 | 28,471,430 |
| Total Options on issue after completion of the Offer | 53,965,478 |

SECTION 5: RISK FACTORS

The New Shares and Attaching Options offered under this Prospectus and Shares issued upon exercise of Attaching Options should be considered speculative because of the nature of the business activities of the Company. While the Directors commend the Offer, potential investors should consider whether the New Shares and Attaching Options offered are a suitable investment having regard to their own personal investment objectives and financial circumstances and the risk factors set out below. This list is not exhaustive. All information contained in this Prospectus should be considered, in conjunction with any specific matters which have or may be referred to in the Company's ASX announcements. If in any doubt, potential investors should consult their professional advisers before deciding whether to participate in the Offer.

5.1 Share Market, Economic and Regulatory Risk

Share market and economic conditions may affect the price of listed securities and the Company's future possible revenue regardless of operating performance. Share market conditions are influenced by factors such as:

- general economic outlook;
- movements in interest rates and inflation rates;
- currency fluctuations;
- commodity prices;
- global events and market shocks
- changes in investor sentiment towards particular market sectors; and
- the demand for, and supply of, capital.

Further, changes in government, monetary policies, taxation and other laws and regulations may also have a significant influence on returns to investors.

5.2 Exploration and Development

There is a significant risk that the Company's proposed exploration and development programs may not be successful. Exploration and development of natural resources, by its nature, is a high-risk endeavour. Consequently there can be no assurance that exploration of the Company's tenements and joint venture interests will result in the discovery of a mineral resource having the physical and economic characteristics required to transform the resource into a viable mining or processing operation. In the event that a resource discovery is made, there is no guarantee that it will result in the estimate of a mineral resource or be commercially viable.

Minerals exploration, project development, mine operations and production by their nature contain elements of significant risk. The success of these activities depends on many factors including:

- the discovery and/or acquisition of economically recoverable reserves;
- successful conclusions to bankable feasibility studies;
- access to adequate capital for exploration, feasibility studies and project development;
- investment from existing or new joint venture parties;
- securing and maintaining title to tenements;
- obtaining all consents and approvals necessary for access to land to conduct exploration and mining activities;
- access to competent operational management and prudent financial administration;
- availability and reliability of appropriately skilled and experienced employees;

- cost and/or time overruns in relation to drilling and other project activities;
- technical problems related to mine equipment, infrastructure and supply chain;
- adverse weather conditions over a prolonged period; and
- equipment failures and other accidents.

Whether the development of the Company's mineral discoveries results in any income, depends on success in all phases of the project life cycle, such as; exploration, resource definition, feasibility studies, project financing, project approvals, mine design and development, commissioning and operations. Additional factors including government policies, capital and operating costs, market appetite for physical product, commodity prices, security of off-take agreements and suitable smelter terms may also impact on the success of project development and mining operations.

5.3 **Native Title Risk**

The Company's tenements and/or joint venture interests may exist on land over which Native Title exists or which may be subject to Native Title claim. The Company abides by the Native Title process, as applicable, in the relevant jurisdiction. When implemented, this may be protracted and uncertain as to outcome and represents a risk that the Company may not be able to advance its prospects in an affected location in a reasonable time frame, or at all.

5.4 **Aboriginal Significant Sites**

Commonwealth and State legislation obliges the Company to identify and protect sites of significance to Aboriginal custom and tradition. Some sites of significance may be identified within the Company's tenements and/or an area which the Company considers to be prospective. Where applicable, the Company is obliged to carry out clearance surveys prior to conducting exploration, in accordance with regulatory requirements and land access agreements in the relevant jurisdiction. It is possible that access to prospective sites may not be achievable due to heritage restrictions.

5.5 **Environmental Risks**

The mining industry is subject to best practice standards of environmental responsibility and commensurate liability.

The Company endeavours to conduct its exploration work in a manner that causes minimum impact on the environment. Consistent with this approach, it may be necessary in some cases to undertake baseline environmental studies prior to certain exploration or drilling activities, so that environmental impact can be monitored and, where possible, minimised. As the Company is currently not aware of any groundwater issues, endangered or protected species of fauna and flora within any of its project areas, no baseline environmental studies have been deemed necessary to date. However, the identification of any groundwater contamination or discovery of threatened species may prevent or delay further work in such areas pending the completion of requisite surveys, reports and clearances by regulatory authorities.

5.6 **No Valuation**

No formal valuation has been undertaken in relation to the Company's projects, tenement assets or the Shares of the Company. The Company makes no representation as to the value of its tenements and physical assets. Potential investors and their advisers should make their own assessment as to the value of the Company and its assets.

5.7 **Future Financing**

The Company may be required to raise significant additional equity and/or debt capital to finance its future exploration, development and commercial activities. There can be no assurance that the Company will be able to raise that finance on acceptable terms, in a timely manner or at all.

SECTION 6: RIGHTS AND LIABILITIES ATTACHING TO SHARES AND TO ATTACHING OPTIONS

6.1 Shares

The New Shares and the Shares issued on the exercise of the Attaching Options and Current Options will rank equally with the existing Shares on issue.

The rights and liabilities attaching to Shares are set out in the Company's Constitution and are regulated by the Corporations Act, the general law, the Listing Rules and the ASX Settlement Operating Rules.

The following is a summary of the more significant rights and liabilities attaching to Shares. The summary is not exhaustive and does not constitute a definitive statement of the rights and liabilities of Shareholders. To obtain such a statement, persons should seek independent legal advice.

(a) General Meetings

Each member is entitled to receive notice of, and to attend and vote at, general meetings of the Company and to receive all notices, accounts and other documents required to be sent to members under the Company's Constitution, the Corporations Act or the Listing Rules.

(b) Voting

Subject to any rights or restrictions for the time being attached to any class or classes of shares whether by the terms of their issue, the Constitution, the Corporations Act or the Listing Rules, at a general meeting of the Company every holder of fully paid ordinary shares present in person or by a representative has one vote on a show of hands and every such holder present in person or by a representative, proxy or attorney has one vote per share on a poll. A person who holds an ordinary share which is not fully paid is entitled, on a poll, to a fraction of a vote equal to the proportion which the amount paid bears to the total issue price of the share. A member is not entitled to vote unless all calls and other sums presently payable by the member in respect of shares in the Company have been paid. Where there are two or more joint holders of the share and more than one of them is present at a meeting and tenders a vote in respect of the share (whether in person or by proxy or attorney), the Company will count only the vote cast by the member whose name appears before the other(s) in the Company's register of members.

(c) Issues of Further Shares

The Directors may, on behalf of the Company, issue, grant options over or otherwise dispose of unissued shares to any person on the terms, with the rights, and at the times that the Directors decide. However, the Directors must act in accordance with the restrictions imposed by the Company's Constitution, the Listing Rules, the Corporations Act and any rights for the time being attached to the shares in special classes of shares.

(d) Variation of Rights

At present, the Company has on issue one class of shares only, namely ordinary shares. The rights attached to the shares in any class may be altered only by a special resolution of the Company and either a special resolution passed at a

separate meeting of the holders of the issued shares of the affected class, or with the written consent of the holders of at least three quarters of the issued shares of the affected class.

(e) **Transfer of Shares**

Subject to the Company's Constitution, the Corporations Act, the ASX Settlement Operating Rules and the Listing Rules, securities are freely transferable.

Shares may be transferred by a proper transfer effected in accordance with ASX Settlement Operating Rules or by a written instrument of transfer in any usual form or in any other form approved by the Directors that is permitted by the Corporations Act. The Company must decline to register a transfer of shares in the circumstances described in the Company's Constitution and where permitted to do so under the Listing Rules. If the Company declines to register a transfer, the Company must, within five business days after the transfer is lodged with the Company, give the lodging party written notice of the refusal and the reasons for refusal. The Directors must decline to register a transfer of shares when required by law, by the Listing Rules or by the ASX Settlement Operating Rules.

(f) **Partly Paid Shares**

The Directors may, subject to compliance with the Company's Constitution, the Corporations Act and the Listing Rules, issue partly paid shares upon which amounts are or may become payable at a future time(s) in satisfaction of all or part of the unpaid issue price.

(g) **Dividends**

The Company in general meeting may declare a dividend if the Directors have recommended a dividend, and a dividend shall not exceed the amount recommended by the Directors. Subject to the Corporations Act, the Directors may from time to time declare a dividend and fix the time and method for payment of the dividend.

Subject to the rights of members entitled to shares with special rights as to dividend (if any), all dividends in respect of shares (including ordinary shares) are to be declared and paid proportionally to the amount paid up or credited as paid up on the shares.

(h) **Winding Up**

Subject to the rights of holders of shares with special rights in a winding up, if the Company is wound up, members (including holders of ordinary shares) will be entitled to repayment of the capital paid up on their shares and to participate in the division of any surplus assets of the Company.

(i) **Dividend Plans**

The Directors or the members of the Company, in general meeting, may establish and maintain dividend plans under which (among other things) a member may elect that dividends payable by the Company be reinvested by way of subscription for shares in the Company or a member may elect to forego any dividends that may be payable on all or some of the shares held by that member and to receive shares instead.

(j) **Directors**

The Company's Constitution states that the number of directors must be not less than three nor more than nine.

(k) **Powers of the Board**

The Directors have power to manage the business of the Company and may exercise that power to the exclusion of the members, except as otherwise required by the Corporations Act, the Listing Rules or the Company's Constitution.

6.2 **Terms and Conditions of Attaching Options**

The Attaching Options will be granted on the following terms and conditions:

- (a) The Optionholder is entitled on payment of \$0.095 per Share (**Exercise Price**) to be allotted one Share in the Company for each Option exercised (subject to possible adjustments referred to below).
- (b) The Options held by the Optionholder are exercisable in whole or in part at any time during the period commencing on the date of grant of the Options and expiring on 30 November 2017 (**Exercise Period**). Options not exercised before the expiry of the Exercise Period will lapse.
- (c) Options are exercisable by notice in writing (**Notice of Exercise**) to the Board of the Company delivered to the registered office of the Company and payment of the Exercise Price in cleared funds.
- (d) The Company will apply for official quotation on ASX of the Options. The Company will also apply for official quotation on ASX of New Shares allotted on exercise of the Options. Those Shares will participate equally in all respects with existing issued ordinary shares, and in particular new shares allotted on exercise of the Options will qualify for dividends declared after the date of their allotment.
- (e) Options are freely transferable.
- (f) An Optionholder may only participate in new issues of securities to holders of ordinary shares in the Company if the Option has been exercised and shares allotted in respect of the Option before the record date for determining entitlements to the issue. The Company must give prior notice to the Optionholder of any new issue before the record date for determining entitlements to the issue in accordance with the Listing Rules.
- (g) If there is a bonus issue to the holders of ordinary shares in the capital of the Company, the number of ordinary shares over which the Option is exercisable will be increased by the number of ordinary shares which the holder of the Option would have received if the Option had been exercised before the record date for the bonus issue.
- (h) If the Company makes a pro rata issue (other than a bonus issue), the exercise price of Options on issue will be reduced according to the following formula:

$$A = O - \frac{E[P - (S + D)]}{(N + 1)}$$

Where:

- A = the new exercise price of the Option;
- O = the old exercise price of the Option;
- E = the number of underlying Shares into which one Option is exercisable;
- P = the volume weighted average market price (referred to in Listing Rule 6.22.2) per Share of the underlying Shares, calculated over the 5 trading days ending on the day before the ex rights date or ex entitlements date;
- S = the subscription price for a Share under the pro rata issue;
- D = the dividend due but not yet paid on existing underlying Shares (except those to be issued under the pro rata issue); and
- N = the number of Shares with rights or entitlements that must be held to receive a right to one new Share.

- (i) If, during the currency of the Options, the issued capital of the Company is reorganised, those Options will be reorganised to the extent necessary to comply with the Listing Rules.

SECTION 7: ADDITIONAL INFORMATION

7.1 Litigation

At the date of this Prospectus, the Company is not involved in any legal proceedings and the Directors are not aware of any legal proceedings pending or threatened against the Company.

7.2 Share trading history

The highest, lowest and last market sale prices of the Company's Shares on ASX during the three months immediately preceding the date of lodgment of this Prospectus with ASIC, and the respective dates of those sales were:

| | Date | Price |
|---------|------------------|--------------|
| Highest | 20 October 2015 | \$0.076 |
| | 22 October 2015 | |
| | 23 October 2015 | |
| | 26 October 2015 | |
| Lowest | 4 September 2015 | \$0.055 |
| | 1 October 2015 | |
| | 5 October 2015 | |
| | 7 October 2015 | |
| | 8 October 2015 | |
| | 9 October 2015 | |
| | 12 October 2015 | |
| Last | 27 November 2015 | \$0.07 |

7.3 Interests of Directors

Except as disclosed in this Prospectus, no Director holds, or has held, within two years before the date of this Prospectus, any interest in:

- (a) the formation or promotion of the Company;
- (b) property acquired or proposed to be acquired by the Company in connection with its formation or promotion or the Offer; or
- (c) the Offer,

and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to any Director:

- (a) to induce him to become, or to qualify him as, a Director; or
- (b) for services rendered by him in connection with the formation or promotion of the Company or the Offer.

Securities

The direct and indirect interests of the Directors in the securities of the Company as at the date of this Prospectus are as follows:

| Director | Shares | | Current Options | |
|----------------|---------|-----------|-----------------|----------|
| | Direct | Indirect | Direct | Indirect |
| Derek Carter | 906,250 | 1,355,451 | - | - |
| Andrew Woskett | 205,000 | - | 1,000,000 | - |
| Tony Belperio | - | 1,312,750 | - | - |

The Entitlement of each Director under this Prospectus is as follows:

| Director | Entitlement Shares | Entitlement Options |
|-----------------|---------------------------|----------------------------|
| Derek Carter | 90,625 | 90,625 |
| Andrew Woskett | 20,500 | 20,500 |
| Tony Belperio | - | - |

The Directors reserve the right to participate in the Offer.

Remuneration

Details of the remuneration of each Director are set out below:

- Derek Carter

Mr Carter's director's fees:

- for the year ended 30 June 2015 were \$91,560, and
- for the year ending 30 June 2016 are proposed to be \$87,745.

These are inclusive of superannuation. The aggregate maximum directors' fees payable to non-executive directors is set at \$300,000 per annum. Mr Carter is the only non-executive Director.

- Tony Belperio

Dr Belperio's salary:

- for the year ended 30 June 2015 was \$324,156, and
- for the year ending 30 June 2016 is proposed to be \$253,688.

This salary is inclusive of superannuation.

- Andrew Woskett

There is a Consultancy Agreement made between the Company, Value Metals Pty Ltd ACN 159 712 802 (**Metals**) (a company controlled by Mr Woskett) and Mr Woskett on 21 September 2012. Pursuant to the Agreement, Metals agrees with the Company to provide the services of Mr Woskett from 1 August 2012 until termination of the Agreement. Mr Woskett guarantees to the Company the performance by Metals of its obligations under the Agreement. Apart from the right of the Company or Metals to immediately terminate the Agreement in certain circumstances such as material breach of significant terms by the other or insolvency of the other, either the Company or Metals may terminate the Agreement at any time by giving to the other not less than three months' written notice of termination and, in the case of such termination by the Company, the Company paying to Metals a severance amount equal to nine months' retainer.

On termination of the Agreement Mr Woskett must resign as a director of the Company and of any related body corporate of which he is a director.

The Agreement provides for the Company to pay to Metals an annual retainer of \$347,000 (inclusive of any superannuation payable and exclusive of GST), and any bonus as may be determined by the Board. The Agreement further provides for the

Company to review the annual retainer and bonus component in December of each year of the term.

For the year ended 30 June 2015, Metals received \$417,918 inclusive of a bonus. For the year ending 30 June 2016 no bonus is proposed and the annual retainer is proposed to be \$341,311.

Mr Carter and Dr Belperio are entitled to be paid all travelling and other expenses properly incurred by them in attending, participating in and returning from meetings of the Directors or any committee of the Directors or general meetings of the Company or otherwise in connection with the business of the Company. Pursuant to the Consultancy Agreement, Metals is entitled to be reimbursed for any reasonable out of pocket expenses incurred in connection with the performance of the services under the Agreement.

The Company maintains Directors' and Officers' Liability Insurance on behalf of the Directors and Officers of the Company.

Indemnity, Insurance and Access Deeds

The Company has entered into an Indemnity, Insurance and Access Deed with each Director. Pursuant to the Deed the Director is indemnified by the Company against any liability incurred in their capacity as an officer of the Company to the maximum extent permitted by law, subject to certain exclusions.

The Company must keep a complete set of company documents until the later of the date which is seven years after the Director ceases to be an officer of the Company and the date after a final judgement or order has been made in relation to any hearing, prosecution, conference, dispute, enquiry or investigation in which the Director is involved as a party, witness or otherwise because the Director is or was an officer of the Company (**Relevant Proceedings**).

The Director has the right to inspect and/or copy a company document in connection with Relevant Proceedings during the period referred to above.

The Company must use its best endeavours to ensure that so far as practical (having regard to the cost of coverage and its availability) the Director is insured under a policy which insures the Director against liability as a director and officer of the Company and its subsidiaries and which is issued by a reputable underwriter of policies of that kind, while the Director is an officer of the Company and until the later of the date which is seven years after the Director ceases to be an officer of the Company and the date any Relevant Proceedings commenced before the date referred to above have been fully resolved.

7.4 Interests of Experts and Advisers

Except as disclosed in this Prospectus, no person named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus holds, or has held at any time during the last two years prior to the date of this Prospectus, any interest in:

- (a) the formation or promotion of the Company;
- (b) property acquired or proposed to be acquired by the Company in connection with its formation or promotion or with the Offer; or
- (c) the Offer,

and nor has anyone paid, or agreed to pay, any amount or given, or agreed to give, any benefit to any such person for services provided by such person in connection with the promotion or formation of the Company or with the Offer.

O'Loughlins Lawyers has acted as Legal Advisers to the Company providing general advice to the Company and assisting in the preparation of this Prospectus. The Company estimates it will pay O'Loughlins Lawyers a fee of up to \$30,000 (excluding GST and disbursements) for these services. During the two year period preceding the lodgment of this Prospectus with ASIC, O'Loughlins Lawyers has received approximately \$70,000 (excluding GST and disbursements) from the Company for the provision of legal services.

Computershare Investor Services Pty Ltd has agreed to provide share registry services to the Company in accordance with a detailed schedule of fees listed in its 'Computershare Schedule of Fees for Minotaur Exploration Limited for the provision of professional services for a Non Renounceable Rights Issue' dated 20 November 2015.

7.5 Consents

Each of the parties referred to below:

- (a) does not make, or purport to make, any statement in this Prospectus, nor is any statement in this Prospectus based on any statement by any of those parties (unless expressly stated to the contrary in this section);
- (b) has had no involvement in the preparation of this Prospectus (unless expressly stated to the contrary in this section);
- (c) has not authorised or caused the issue of this Prospectus; and
- (d) to the maximum extent permitted by law, expressly disclaims and takes no responsibility for any part of the Prospectus other than a reference to its name and a statement included in this Prospectus with the consent of that party as specified in this section.

O'Loughlins Lawyers has given, and at the date hereof has not withdrawn, its written consent to be named in this Prospectus as the Legal Advisers to the Company in the form and context in which it is named.

Computershare Investor Services Pty Limited (**Computershare**) has given and, as at the date hereof, has not withdrawn, its written consent to be named in this Prospectus as Share Registrar in the form and context in which it is named. Computershare has had no involvement in the preparation of any part of this Prospectus other than being named as Share Registrar to the Company. Computershare has not authorised or caused the issue of, and expressly disclaims and takes no responsibility for, any part of this Prospectus.

Grant Thornton Audit Pty Ltd has given, and at the date hereof has not withdrawn, its written consent to be named in this Prospectus as Auditors in the form and context in which it is named.

Copies of the consents referred to above are available for inspection, without charge, at the registered office of the Company during office hours.

There are no other persons referred to in this Prospectus who have made statements included in this Prospectus (including by incorporation by reference) nor are there any statements made in this Prospectus on the basis of any statements made by these persons.

7.6 Continuous Disclosure and Documents Available for Inspection

This Company is a ‘disclosing entity’ for the purposes of section 111AC of the Corporations Act. As such it is subject to regular reporting and disclosure obligations which (among other things) require it to disclose to ASX any information of which it is or becomes aware concerning the Company and which a reasonable person would expect to have a material effect on the price or value of the securities of the Company.

ASX maintains files containing publicly disclosed information about all listed companies. In addition, copies of documents lodged by, or in relation to, the Company with ASIC may be obtained from, or inspected at, any Regional Office of ASIC.

The New Shares to be issued pursuant to this Prospectus are Shares that are in the same class as the Shares of the Company that are and have been quoted on the stockmarket of ASX at all times in the three months before the date of this Prospectus.

The Attaching Options are options to acquire Shares that are in the same class as the Shares of the Company that are and have been quoted on the stockmarket of ASX at all times in the three months before the date of this Prospectus.

The Company will provide a copy of each of the following documents, free of charge, to any person who asks for it, during the application period for this Prospectus:

- (a) the annual financial report for the financial period of the Company ended 30 June 2015 (being the last annual financial report lodged with ASIC in relation to the Company before the issue of this Prospectus); and
- (b) all continuous disclosure notices given by the Company after the lodgment of the annual financial report referred to in paragraph (a) above and before the lodgment of this Prospectus with ASIC being:

| Document | Date |
|---|-------------------|
| New \$3.5M JV with JOGMEC in Mt Isa block, Queensland | 25 August 2015 |
| Becoming a substantial holder | 27 August 2015 |
| JOGMEC Cloncurry JV Report | 28 August 2015 |
| RDM: Corkwood Copper-Gold Project – New Exploration Agreement | 3 September 2015 |
| Drilling tests 12km extension of Mingary gold unit | 9 September 2015 |
| Sandfire Resources continues earn-in at Altia project, Clonc | 10 September 2015 |
| Change in substantial holding for MTH | 7 October 2015 |
| OZ Minerals and Minotaur collaborate on SA copper search | 20 October 2015 |
| OZ Minerals joins forces with Minotaur Exploration | 20 October 2015 |

| Document | Date |
|---|------------------|
| 2015 Annual Report | 22 October 2015 |
| Corporate Governance Statement | 22 October 2015 |
| Appendix 4G | 22 October 2015 |
| First Quarter Report and Appendix 5B | 23 October 2015 |
| Notice of Annual General Meeting / Proxy Form | 23 October 2015 |
| Drilling commences in Gawler Ranges (SA) for base metals | 27 October 2015 |
| Board Room Radio, Drilling commences in Gawler Ranges SA | 28 October 2015 |
| Inaugural Osborne JV exploration program underway | 9 November 2015 |
| Trading Halt | 11 November 2015 |
| Minotaur placement introduces Sprott as largest shareholder | 13 November 2015 |
| Ceasing to be a substantial holder | 19 November 2015 |
| Appendix 3B | 19 November 2015 |
| Notice of initial substantial Holder | 24 November 2015 |
| Minotaur welcomes new Major Shareholder | 24 November 2015 |
| Director Resignation | 25 November 2015 |
| Section 708A Notice | 25 November 2015 |
| Chairman's Address to Shareholders | 26 November 2015 |
| AGM presentation 2015 | 26 November 2015 |
| Results of Meeting | 26 November 2015 |

If you require any further information in relation to the Company, it is recommended that you should take advantage of the ability to inspect or obtain copies of disclosures made by the Company as referred to above.

7.7 Expenses of the Offer

In the event that all Entitlements are accepted, the total expenses of the Offer (including costs associated with the Placement) are estimated to be \$120,000 (excluding GST) and are expected to be applied towards the items set out in the table below:

| | |
|---------------------------|----------------|
| | \$ |
| ASIC fees | 2,320 |
| ASX fees | 6,000 |
| Registry fees | 31,180 |
| Advisory fees | 31,000 |
| Legal fees | 30,000 |
| Printing and distribution | 17,900 |
| Miscellaneous | 1,600 |
| Total | 120,000 |

SECTION 8: DIRECTORS' AUTHORISATION

This Prospectus is issued by the Company and its issue has been authorised by a resolution of the Directors.

Each Director of the Company has consented to the lodgment of this Prospectus with ASIC and has not withdrawn that consent prior to lodgment of this Prospectus.

Dated 30 November 2015



Andrew Woskett
Managing Director
for and on behalf of
Minotaur Exploration Limited

SECTION 9: DEFINITIONS

A\$ or \$ means an Australian dollar unless otherwise stated.

AEDT means Australian Eastern Daylight Time.

Applicant means a person who applies for New Shares and Attaching Options.

Application Form means the Entitlement and Acceptance Form to be used to apply for New Shares under the Offer that is referred to in, and accompanied by, a paper copy of this Prospectus.

ASIC means Australian Securities and Investments Commission.

ASX means ASX Limited ACN 008 624 691 or the financial market operated by it, as the context requires.

ASX Settlement means ASX Settlement Pty Limited ACN 008 504 532.

ASX Settlement Operating Rules means the operating rules of the ASX Settlement.

Attaching Options means the Options to be granted under the Offer pursuant to this Prospectus.

Board means the board of directors of the Company as constituted from time to time, unless the context indicates otherwise.

Business Day has the meaning given to that expression in the Listing Rules.

CHESS means ASX Clearing House Electronic Subregistry System.

Closing Date means the date specified in the timetable set out at the commencement of this Prospectus (unless extended).

Company means Minotaur Exploration Limited ACN 108 483 601.

Consolidated Group means Minotaur Exploration Limited and the companies referred to in Note 25 to the consolidated financial statements in the Financial Report for the year ended 30 June 2015 contained in the Company's 2015 Annual Report.

Corporations Act means the *Corporations Act 2001* (Cth).

Current Options means the 25,494,048 Options on issue in the Company as at the date of this Prospectus.

Directors means the directors of the Company in office at the date of this Prospectus.

Eligible Shareholder means a Shareholder on the register of members of the Company on the Record Date with a registered address in Australia or New Zealand.

Entitlement means the number of New Shares offered to each Eligible Shareholder under this Prospectus.

EX2014 means Exploration Capital Partners 2014 Limited Partnership.

GST means goods and services tax.

Ineligible Shareholder means a Shareholder who is not an Eligible Shareholder.

Junior Miners means an index of 515 ASX listed miners having a market capitalisation of less than \$50 million as at 30 June 2015 and who disclosed 4 quarterly cash flow statements during the 2015 financial year.

Listing Rules means the official Listing Rules of ASX.

New Share means a Share to be issued under the Offer pursuant to this Prospectus.

Offer means the invitation for investors to apply for New Shares pursuant to this Prospectus as detailed in section 3.1 of this Prospectus.

Offer Period means the period commencing on the Opening Date and ending on the Closing Date.

Official Quotation means official quotation on ASX.

Opening Date means the date immediately following the despatch of this Prospectus to Eligible Shareholders.

Option means an option to acquire one Share in the Company and includes an Attaching Option.

Optionholder means a holder of Options.

Placement means the placement of Shares and Options referred to in the Company's release to ASX on 13 November 2015 which raised \$1,546,231 (after costs).

Prospectus means the prospectus constituted by this document.

Record Date means the date specified in the timetable set out at the commencement of this Prospectus.

Share means a fully paid ordinary share in the capital of the Company and includes a New Share.

Shareholder means a holder of Shares.

Shortfall Shares means the number of New Shares that are not subscribed for by Shareholders under the Offer.



MINOTAUR
EXPLORATION

Minotaur Exploration Ltd

ACN 108 483 601

For all enquiries:

Phone:



(within Australia) 1300 556 161

(outside Australia) 61 3 9415 4000

Web:



www.investorcentre.com/contact

┌ 000001 000 MEP
MR SAM SAMPLE
123 SAMPLE STREET
SAMPLETOWN VIC 3000

Make your payment:



See overleaf for details of the Offer and how to make your payment

Non-Renounceable Entitlement Offer — Entitlement and Acceptance Form

Your payment must be received by 5:00pm AEDT Friday 18 December 2015

This is an important document that requires your immediate attention. It can only be used in relation to the shareholding represented by the details printed overleaf. If you are in doubt about how to deal with this form, please contact your financial or other professional adviser.

Step 1: Registration Name & Offer Details

Details of the shareholding and entitlements for this Offer are shown overleaf.

Please check the details provided and update your address via www.investorcentre.com if any of the details are incorrect.

If you have a CHESS sponsored holding, please contact your Controlling Participant to notify a change of address.

Step 2: Make Your Payment

You can apply to accept either all or part of your Entitlement. If you accept your full Entitlement, you can also apply for additional New Shares. Enter on the payment slip on the reverse side of this form the number of New Shares you wish to apply for and the amount of payment for those New Shares.

For every one New Share issued you will also be issued one new Option with an exercise price of \$0.095 and an expiry date of 30 November 2017.

By making your payment you confirm that you agree to all of the terms and conditions as detailed in the Prospectus dated 30 November 2015.

Choose one of the payment methods shown below.

BPAY®: See overleaf. Do not return the payment slip with BPAY payment.

By Mail: Complete the reverse side of the payment slip on the reverse side of this form and detach and return with your payment. Make your cheque, bank draft or money order payable in Australian dollars to "**Minotaur Exploration Ltd**" and cross "**Not Negotiable**". The cheque must be drawn from an Australian bank. Cash is not accepted.

Payment will be processed on the day of receipt and as such, sufficient cleared funds must be held in your account as cheques received may not be re-presented and may result in your Application being rejected. Paperclip (do not staple) your cheque(s) to the payment slip. Receipts will not be forwarded. Funds cannot be debited directly from your account.

Entering your contact details is not compulsory, but will assist us if we need to contact you.


Turn over for details of the Offer →

Entitlement and Acceptance Form with Additional Shares

X 9999999991

I ND

STEP 1 Registration Name & Offer Details

 For your security keep your SRN/
HIN confidential.

Registration Name: MR SAM SAMPLE
123 SAMPLE STREET
SAMPLETOWN VIC 3000

Entitlement No: 12345678

Offer Details: Existing shares entitled to participate as at
4 December 2015:

Entitlement to New Shares
on a 1 for 10 basis:

Amount payable on full acceptance
at \$0.07 per New Share (includes one new Option with exercise price of
\$0.095 and an expiry date of 30 November 2017):

4,000

1

\$0.01

STEP 2 Make Your Payment



Billers Code: 123456
Ref No: 1234 5678 9123 4567 89

Pay by Mail:



Make your cheque, bank draft or money order payable to "**Minotaur Exploration Ltd**" and cross "**Not Negotiable**".

Return your cheque with the below payment slip to:

Computershare Investor Services Pty Limited
GPO BOX 2987 Adelaide South Australia 5001 Australia

Contact your financial institution to make your payment from your cheque or savings account.

Lodgement of Acceptance

If you are applying for New Shares and your payment is being made by BPAY, you do not need to return the payment slip below. Your payment must be received by no later than 5:00pm (AEDT) Friday 18 December 2015. Applicants should be aware that their own financial institution may implement earlier cut off times with regards to electronic payment, and should therefore take this into consideration when making payment. Neither Computershare Investor Services Pty Limited (CIS) nor Minotaur Exploration Ltd accepts any responsibility for loss incurred through incorrectly completed BPAY payments. It is the responsibility of the applicant to ensure that funds submitted through BPAY are received by this time.

If you are paying by cheque, bank draft or money order the payment slip below must be received by CIS by no later than 5:00pm (AEDT) Friday 18 December 2015. You should allow sufficient time for this to occur. A reply paid envelope is enclosed for shareholders in Australia. Other Eligible Shareholders will need to affix the appropriate postage. Return the payment slip below with cheque attached. Neither CIS nor Minotaur Exploration Ltd accepts any responsibility if you lodge the payment slip below at any other address or by any other means.

Privacy Notice

The personal information you provide on this form is collected by Computershare Investor Services Pty Limited (CIS), as registrar for Minotaur Exploration Ltd (the issuer), for the purpose of maintaining registers of securityholders, facilitating distribution payments and other corporate actions and communications. In addition, the issuer may authorise us on their behalf to send you marketing material or include such material in a corporate communication. You may elect not to receive marketing material by contacting CIS using the details provided above or emailing privacy@computershare.com.au. We may be required to collect your personal information under the Corporations Act 2001 (Cth) and ASX Settlement Operating Rules. We may disclose your personal information to our related bodies corporate and to other individuals or companies who assist us in supplying our services or who perform functions on our behalf, to the issuer for whom we maintain securities registers or to third parties upon direction by the issuer where related to the issuer's administration of your securityholding, or as otherwise required or authorised by law. Some of these recipients may be located outside Australia, including in the following countries: Canada, India, New Zealand, the Philippines, the United Kingdom and the United States of America. For further details, including how to access and correct your personal information, and information on our privacy complaints handling procedure, please contact our Privacy Officer at privacy@computershare.com.au or see our Privacy Policy at <http://www.computershare.com/au>.

[Detach here](#) - - -

Minotaur Exploration Ltd Acceptance Payment Details

Entitlement taken up:

Number of additional New Shares applied for:

Amount enclosed at \$0.07 per New Share: **A\$**



Entitlement No: 12345678

Payment must be received by 5:00pm (AEDT) Friday 18 December 2015

MR SAM SAMPLE
123 SAMPLE STREET
SAMPLETOWN VIC 3000

Contact Details

Contact Name _____ **Daytime Telephone** _____

Cheque Details

| Drawer | Cheque Number | BSB Number | Account Number | Amount of Cheque |
|----------------------|----------------------|----------------------|----------------------|--------------------------|
| <input type="text"/> | <input type="text"/> | <input type="text"/> | <input type="text"/> | A\$ <input type="text"/> |

123456789123456789+000000001-5002+15