MINOTAUR
EXPLORATION

Annual Report 2011

MINOTAUR
EXPLORATION

CORPORATE DIRECTORY

MINOTAUR EXPLORATION LTD
ACN 108 483 601
ASX CODE MEP

DIRECTORS
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 P Belperio *Executive Director*

COMPANY SECRETARY
Mr Donald Stephens

REGISTERED OFFICE
c/o HLB Mann Judd (SA) Pty Ltd
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DULWICH SA 5065

PRINCIPAL PLACE OF BUSINESS
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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
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AUDITORS
Grant Thornton, South Australian Partnership
Chartered Accountants
Level 1, 67 Greenhill Road
WAYVILLE SA 5034

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This annual report covers both Minotaur Exploration Ltd (ABN 35 108 483 601) as an individual entity 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 on *pages 14 to 16*. The directors' report is not part of the financial report.

CONTENTS

Highlights	**1**
Chairman's Report	**2**
Managing Director's Report	**4**
Directors' Report	**12**
Auditor's Independence Declaration	**23**
Corporate Governance	**24**
Financial Report	**31**
ASX Additional Information	**66**
Interests in Mining Tenements	**66**
Information on Shareholdings	**68**

Cover image courtesy of Bryan Charlton

Mutooroo Sunset – Photo: Bryan Charlton

- Recognising the production history and contemporary prospectivity of the copper belt around Cloncurry in northwest Queensland, Minotaur has strategically amassed a tenement position exceeding 3,000km² in grants and applications.

- Numerous exciting new copper geophysical targets were generated in joint venture ground around Cloncurry, comprising 450km². An initial successful drill hole is being followed up at the Cormorant prospect, where a new +10km mineralised discovery zone was recently interpreted.

- The Mutooroo Magnetite joint venture project in South Australia moved quickly from discovery into Resource definition, with an Exploration Target of 2.4 – 4.0 billion tonnes estimated, paving the way for an initial JORC level drill definition campaign.

- Our wholly owned and sizeable Poochera kaolin project in western South Australia continues to impress with its superior attributes and chemical purity, such that development partner interest is emerging.

- Also in South Australia, ore samples from the 55% controlled Tunkillia gold joint venture project responded particularly favourably in laboratory testing, by CSIRO, to a new in-situ leach process, potentially revealing a 'game changing' methodology for the low-cost recovery of low grade oxide gold emplacements.

DEREK CARTER
Chairman

Chairman's Report

Minotaur Exploration continued to develop its Mutooroo iron and Poochera kaolin projects. The Mutooroo iron ore project, in joint venture with Sumitomo, is moving towards pre-feasibility, while the Poochera kaolin project is examining marketing strategies. Each will be moved into the next phase of assessment as funding allows.

Global financial uncertainty has led to extreme market volatility since the end of the financial year, affecting the level of market support for companies such as Minotaur. Moreover, federal government tax proposals have a bearing on investor attitudes, especially while the ultimate impacts remain undefined.

Despite an apparent shallow understanding of the magnetite industry in Canberra, Minotaur nonetheless continues to be enthusiastic about the development opportunity unfolding at Mutooroo. The proposed new tax on iron ore (and coal) is approaching legislation but industry efforts to have magnetite recognised and appreciated as a special case remains unsatisfied.

The longer lead time, higher capital and higher processing expense for magnetite, compared to hematite iron operations, must be accounted for in the tax regime.

Magnetite, being lower in iron grade and needing extensive beneficiation to create a saleable product, should be viewed in a different way from hematite.

The Braemar Iron Alliance, an initiative for which I take the opportunity to congratulate our Managing Director Andrew Woskett, is actively pressing this point of view.

The impact of the 'Carbon Tax' has, whether considered advisable or not, added more uncertainty. While the Company has minimal CO_2 emitting activities and would not be expected to be directly liable for the tax at this time, it will experience increases in its exploration costs as the input costs rise.

The national economic climate, being 'two-speed', encourages the minerals industry but on the other hand causes funding tightness. Firm economic guidance is needed from government, but higher taxation on our industry without commensurate re-investment and encouragement is counter productive. It is time for government to honour the promised 'flow-through' share scheme.

The very welcome break of the drought caused a long postponement of our exploration efforts in the Cloncurry district. I am most pleased that work has resumed and some pleasing indications have been observed. We will continue to add to our exploration areas in this important copper province.

Top: Ichiro Abe, Yu Yamato and Hiromichi Watanabe (Sumitomo Metal Mining) inspecting drill samples at Mutooroo.
Bottom: Diamond drilling at Mutooroo.

Through some exciting research work CSIRO developed an in situ leaching process for extracting gold from oxide ore and, in bench trials on samples from Tunkillia, very encouraging results were achieved. Field trials of the process will now be undertaken at Tunkillia to assess its commercial potential.

During the year various prospects, notably Nova Scotia, were dropped as results did not meet our expectations. However, I do look to further enhancement of our other projects and thank all who have participated, not the least being our shareholders who continue to be supportive.

As always, we will continue to seek new opportunities to grow the company.

On behalf of the Board, I would like to thank Andrew and the management team, and Minotaur staff for their hard work and commitment during the year.

Yours truly,
Derek Carter
Chairman

ANDREW WOSKETT
Managing Director

Managing Director's Report

I am delighted to deliver our report on activities within the Company, covering a period in which we achieved a number of significant advances.

Through application of cutting edge geophysical techniques and skilled technical interpretative methods, Minotaur strives to locate and prove up potentially high-value mineral opportunities. The Company's goals are to seek, identify and develop new mineral deposits and, where economically viable, advance resource assets towards and into commercial production.

CORPORATE REVIEW

Minotaur invested $6.6 million in prospect origination, exploration and project development during the 2011 financial year. Of this, $5.2 million was allocated to exploration and $1.4 million to project development studies (primarily on Poochera kaolin). Recoveries from joint venture operations totalled $2.3 million, resulting in a net cash outflow of $4.3 million over the 12 months ended June 2011. Of that, $0.9 million was expended on administration and overheads.

The Company placed 12.08 million new shares through a private placement in September 2010, generating a cash injection of $3.25 million after costs of the issue.

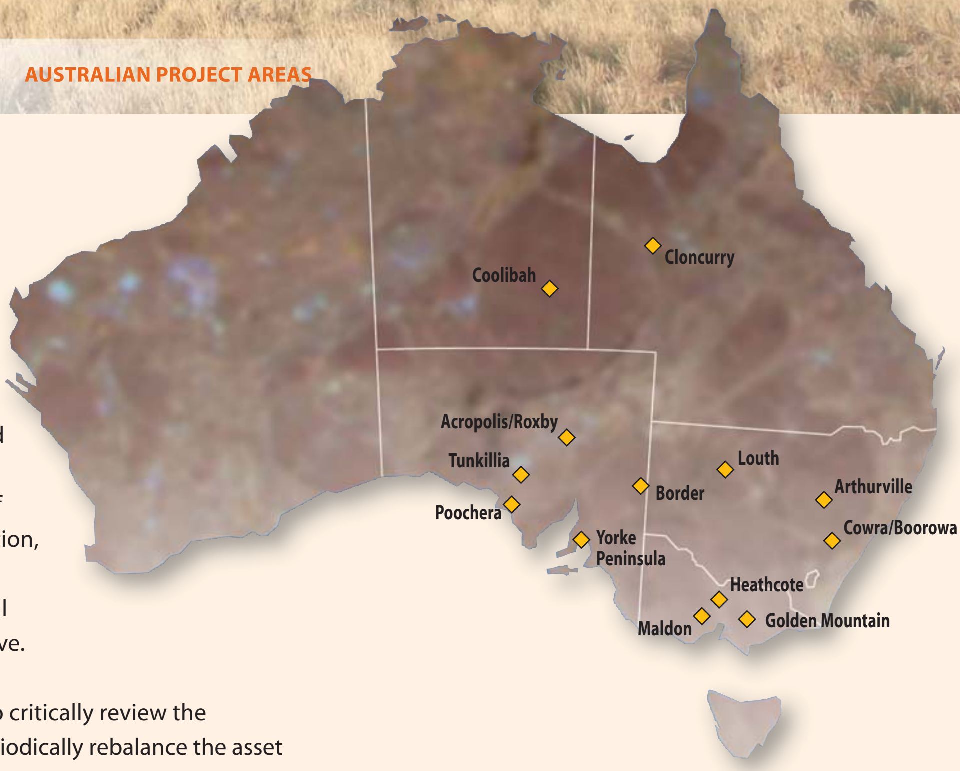
At the end of June 2011 the company had a market valuation of $20.4 million (at $0.22 per share), comprising cash of $2.25 million and mark to market valuation in listed investments of $6.9 million. The Enterprise Value (the value of the Company's exploration assets) of Minotaur Exploration was therefore $11.25 million, equivalent to $0.12 per share. Clearly, a severe and protracted deterioration in stock market conditions since the financial year end has impacted the Company's share price and thus its capitalisation. While Minotaur has not experienced this value downgrade alone, directors are concerned that the underlying inherent value of the Company's assets – which continue to improve at the same time – should be recognised and reflected in the stock price. The Board is constantly testing the Company's goals and performance in order to position Minotaur as an attractive investment destination and I appreciate the fine support, input and guidance provided by each of the Directors.

INVESTMENTS

Shareholdings in listed investments were adjusted through some minor trading and subscriptions and the successful listing of Thomson Resources Ltd. Minotaur's equity investment interests as at 31 August 2011 were:

Company	ASX Code	Holding	% Holding	Closing price	Valuation
ActivEX	AIV	5,300,000	3.21%	$0.034	$180,200
Mithril Resources	MTH	21,416,667	9.75%	$0.075	$1,606,250
Petratherm	PTR	22,707,397	15.61%	$0.110	$2,497,814
Platsearch	PTS	8,000,000	4.56%	$0.105	$840,000
Thomson Resources	TMZ	10,000,000	21.49%	$0.140	$1,400,000
Total					**$6,524,264**

AUSTRALIAN PROJECT AREAS



STRATEGIC DIRECTION

Directors constantly review the Company's performance against internal and external benchmarks, seeking ways in which value can be enhanced for shareholders. A significant new discovery, development of assets into sustainable production, or acquisition of an external opportunity, represent practical options to achieve that objective.

A complementary strategy is to critically review the Company's portfolio and to periodically rebalance the asset mix through relinquishment of tenements, cessation of joint ventures or sale of assets.

Minotaur's suite of industrial minerals comprises the Poochera kaolin deposits, a large and high-grade gypsum deposit (proximal to Poochera) and a most unusual halloysite deposit (tenement under application). These 'soft rock' minerals require specialist technical production, sales and marketing expertise and extensive logistical networks to access customers around the world.

Accordingly, in the coming year, we intend to engage with organisations possessing specific capabilities suited to these particular commodities, with expectations that the industrial minerals projects may be either divested through a trade sale or vended into a new venture adequately resourced and able to advance the assets to commercial success.

The Company will keep its portfolio under review in order to best capture value.

Managing Director's Report

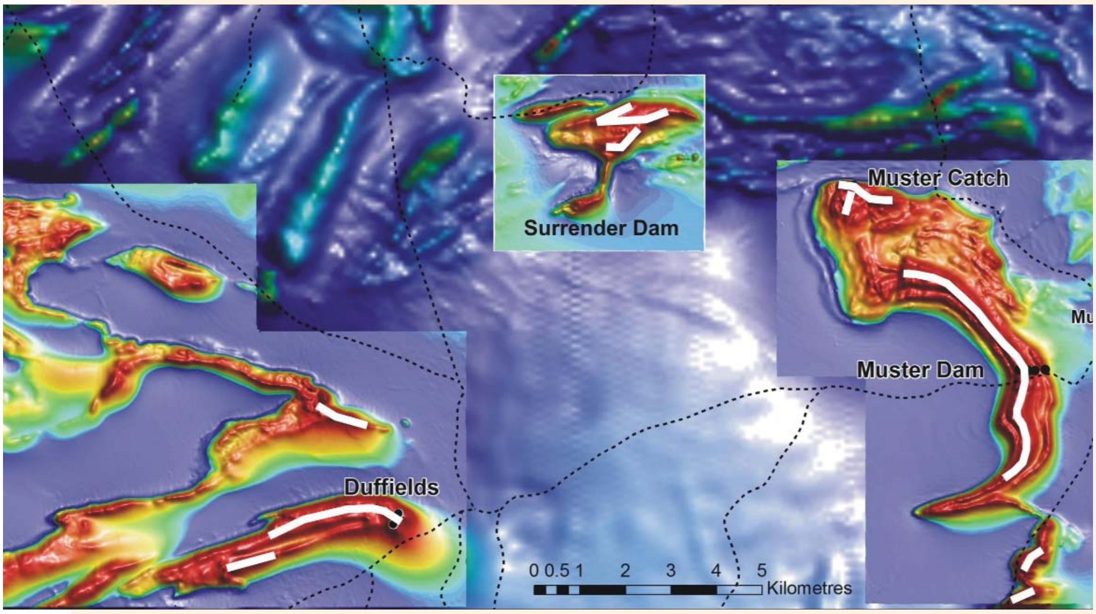


Figure 1: Airborne magnetic image for the Mutooroo area delineating strike extent of magnetic strata used for the Exploration Target (in white bars).

Magnetite-bearing siltstone, Mutooroo.

OPERATIONS REVIEW

During the 2011 financial year, Minotaur advanced all of its key projects, considered several new opportunities and rationalised its tenement portfolio, such that our focus is now wholly concentrated in Australia. The following discussion is grouped according to the specific minerals or commodities targeted.

MAGNETITE

Magnetite is an iron oxide that can occur within sedimentary siltstone. This form is recognised to be pervasive throughout the Braemar Iron Formation in northeast South Australia where several listed and private companies are actively working to define new magnetite deposits. Minotaur holds EL3745 located centrally within the Braemar Iron Formation.

The Border Project, a contributing joint venture with Sumitomo Metal Mining Oceania (59.1%), includes the Mutooroo magnetite deposits; a group of four intensely magnetic complexes sited some 35km south of the Barrier Highway and the main east-west continental rail line and only 100km from Broken Hill. Following positive initial drill and metallurgical assessments in 2010 the joint venture expanded the level of project activity and embarked on a significant resource definition programme. Initial success from this expanded investment was the release in May 2011 of an 'Exploration Target[1]', as defined by consultants Hellman & Schofield, wherein tenement scale deposits of 2.4 billion to 4.0 billion tonnes of magnetite mineralised sediments were estimated. Based on this assessment a programme of reverse circulation, diamond drilling and associated metallurgical analysis is nearing completion.

That work is expected to result in the publication, late in 2011, of an inaugural JORC Inferred resource for one of the magnetite deposits, 'Muster Dam' (see deposit scale graphic *Fig 1*, above).

Subject to those results the joint venture expects to complete a scoping study of a future possible magnetite mining and processing operation and thereafter consider the investment rationale for a pre-feasibility study. In broad terms, the scoping study will assess a project capable of producing around 10 million tonnes per year of high-grade magnetite concentrate, suitable for blast furnace feed.

Minotaur, on behalf of the joint venture, is a founding member of the Braemar Iron Alliance, a consortium of six companies seeking to coordinate and align their infrastructure requirements for future export of iron products from within the region encompassing the Braemar Iron Formation.

Minotaur is presently unable to judge the possible impact of the proposed MRRT on its nascent magnetite project having only just received brief summaries of Treasury's 600-odd page implementation synopsis of the tax regime. Whether the MRRT results (counter productively) inhibit new magnetite developments remains to be seen.

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[1] Refer ASX release dated 23 May 2011 which states H&S estimated an Exploration Target for the Mutooroo area of 2.4 - 4.0 billion tonnes at DTR magnetite recovery of 14.5 - 16.0% (nominal 10% DTR magnetite cut off).

Andrew Woskett (Managing Director) and Ichiro Abe (Executive Vice President, Sumitomo Metal Mining).

Andy Burtt (Senior Geologist) and Ian Garsed (Exploration Manager).

Tenements in Nova Scotia known to host magnetite deposits were surveyed using ground ElectroMagnetic methods in order to define size and distribution of the magnetic anomalies.

The close resolution data acquired showed that magnetite occurrences were likely to be small and poddy-discontinuous with low potential for a single deposit of significant scale. The tenements were subsequently relinquished.

COPPER-GOLD

Minotaur's main sphere of project origination continues to be in iron oxide-copper gold (IOCG) mineralisation, where opportunities for new and significant copper-gold deposits are identified. Our areas of interest are primarily within the Gawler Craton of South Australia and the Cloncurry district, northwest Queensland. Our interests in IOCG prospective tenements in Nova Scotia, Canada, were recently relinquished as initial drill exploration results did not meet threshold expectations.

In South Australia, IOCG prospects are located south-east and south-west of Olympic Dam at the Aphrodite and Acropolis projects respectively, and on Yorke Peninsula.

Access to the Acropolis prospect, within the Woomera Prohibited Area, has been denied for several years by the Commonwealth Department of Defence, however a new access protocol being negotiated between the Federal and State governments promises to facilitate re-access at some future stage.

The Aphrodite gravity anomaly was successfully drilled at a second site, in basement rocks 645m below surface, but the source of the gravity anomaly remains unresolved. Further geophysical surveys are proposed to help improve target definition and an application was made to PIRSA for PACE co-funding of a 3D magnetotelluric subsurface survey.

On Yorke Peninsula, SA, geophysical surveys across the Maitland IOCG-REE project yielded positive results. Five ground electrical survey locations have been prioritised for bio-geochemical sampling of remnant vegetation tracts.

A significant tenement holding in excess of 3,000km^2 has been accumulated in the Cloncurry region of northwest Queensland, an area with a proven copper-gold history of discovery and large-scale mine production.

Managing Director's Report

Drilling at Cormorant Prospect, Cloncurry.

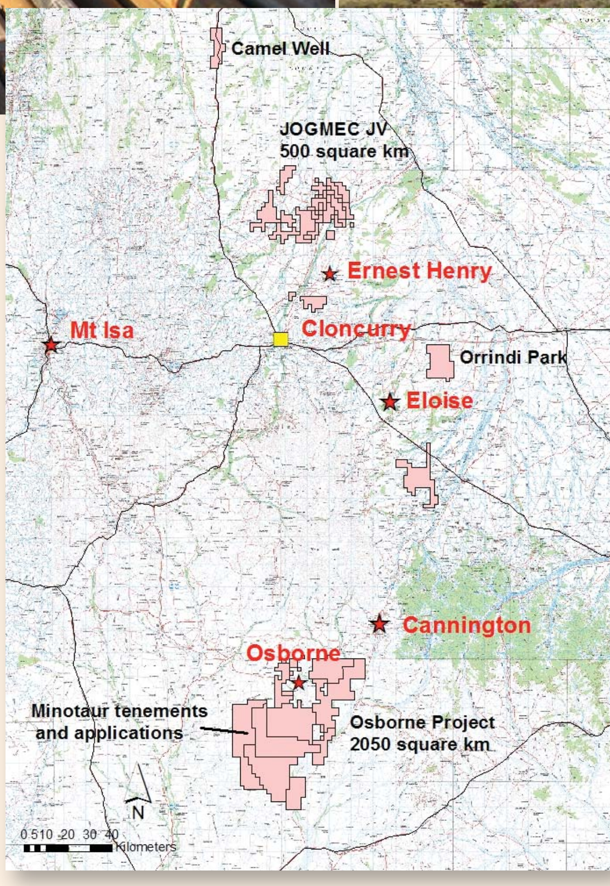


Figure 2: Location of Minotaur tenements (granted and applications) in the Cloncurry district

COPPER - GOLD CONTINUED

Target generation work continued in joint venture collaboration with the Japan Oil, Gas and Metals National Corporation (JOGMEC) on the Cloncurry IOCG project, where JOGMEC is contributing $4 million by 2013 to earn a 51% interest in a suite of 14 tenements covering 546km^2 (refer map *Fig 2*, at right) north of the Ernst Henry mine.

Geophysical surveys include regional gravity (2,400 stations), ground magnetic (500 line km) and ground EM (42 line km) on a variety of targeted structures, faults and interpreted IOCG alteration zones. The exploration targets are variously IOCG-style mineralisation, Eloise-style (pyrrhotite rich), and Ernest Henry-style (magnetite rich).

Ground ElectroMagnetic (EM) surveys at Cormorant and Cormorant North defined geophysical conductors considered to reflect the presence of sulphide-rich lithologies. A drillhole at nearby Gypsy Plains on a similar EM response revealed multiple pyrrhotite- and pyrite- rich breccias and it was predicted that a chalcopyrite-rich breccia system (analogous to the Eloise Cu-Au style of mineralisation) may be present at Cormorant and Cormorant North.

Drill investigation of the Cormorant Prospect was initiated. Assays from two holes drilled (2008) into the metasedimentary basement returned strong copper grades, indicating high prospectivity. Follow up diamond drilling resumed in July 2011 with three holes completed into or proximal to conductive bodies within basement rocks at target depths of ~300m below surface. These confirmed Cormorant to be an extensive iron oxide copper-gold prospect characterised by massive and brecciated iron sulphides displaying a pyrrhotite + chalcopyrite association over a strike length in excess of 10 kilometres. The joint venture plans follow up drilling as soon as new land access agreements with pastoral operators are secured, as required by recently introduced state government legislation.

Coolibah Project

Core samples from the Tunkillia resource.

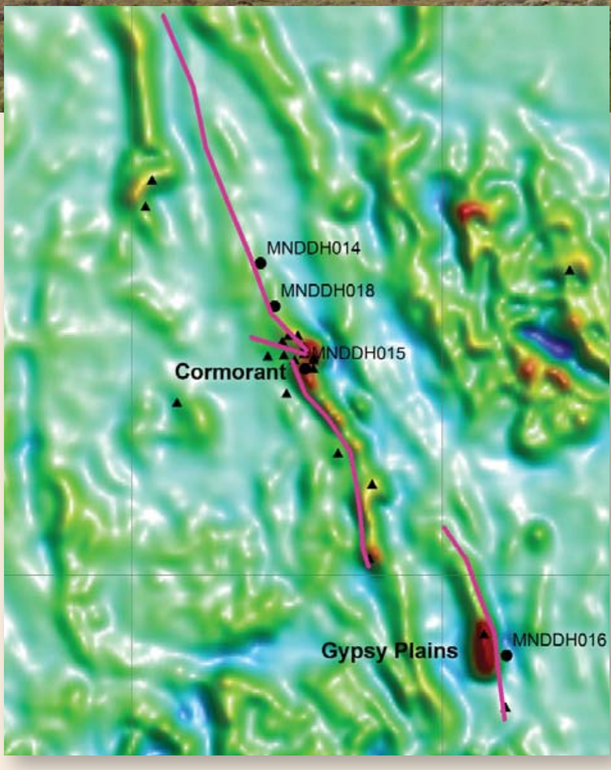


Figure 3: Magnetic image with three 2011 drillholes completed at and north of the Cormorant Prospect, 2010 drillhole completed at Gypsy Plains Prospect (solid black dots), historical drillholes (black triangles) and interpreted sulphide-rich breccias (purple lines).

BASE METALS: COPPER, LEAD, ZINC

Two joint venture projects in New South Wales (Cowra, Boorowa) were reviewed and mutually terminated. A new tenement (Arthurville, NSW, EL7588), prospective for copper mineralisation, was granted and prepared for new joint venture participation. At Louth (NSW) ground access has been denied for the past twelve months due to impediments under evolving state land administration practices.

A new tenement (EL2733 Coolibah) in the Northern Territory was granted. Initial field mapping and ground magnetics were undertaken at the end of the financial year.

At the Border joint venture project in South Australia the presence of copper, cobalt and rare earth elements in magnetite encourages further drill investigations.

A VMS-style target was acquired in Victoria. Outcrop sampling on the Rochester tenement returned anomalous gold and zinc values at an airborne EM anomaly.

GOLD

Field activity on the Tunkillia gold project (Minotaur 54.94%) was minimised pending renewal of the main licence, which is proceeding through PIRSA. During 2009-2010, CSIRO investigated samples from the Tunkillia gold oxide resource for its amenability to solvent leaching.

At a laboratory scale, Tunkillia oxide material performed exceptionally well, showing positive response to CSIRO's solvent extraction technology and high gold recoveries from leach solution. The Tunkillia JORC resource (2009) of 803,000 ounces Au includes an oxide gold component of 224,000 ounces.

Minotaur and CSIRO are considering commercial arrangements to trial CSIRO's in-situ gold extraction process at the Tunkillia oxide resource.

Fumba Donzo (Geologist) operating small-scale pilot plant at Streaky Bay.

Air Core Drilling at Carey's Well, Poochera.

GOLD CONTINUED

An option to acquire two gold tenements in Victoria involved limited investigatory drilling of quartz reef targets at Maldon and preparation of a maiden JORC resource for Golden Mountain. Drill results did not warrant the purchase option being exercised and Minotaur discontinued its involvement.

KAOLIN

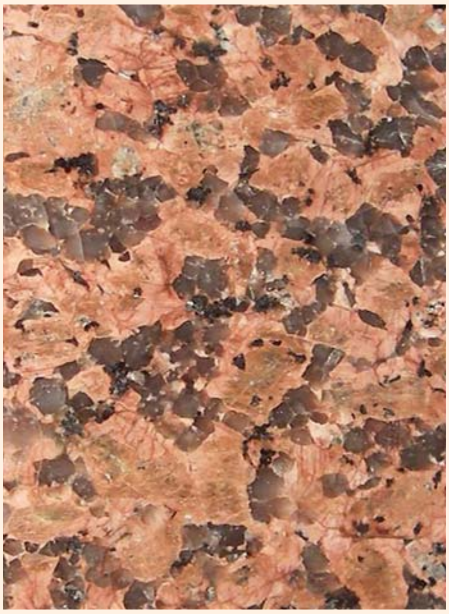
The Poochera Kaolin Deposits (EL4575: MEP 100%) are located 50km east of Streaky Bay on South Australia's Eyre Peninsula. There are four known deposits, namely, Carey's Well, Condooringie Well, Tomney and Karcultaby South. Minotaur previously announced an Inferred Resource of 20 million tonnes of bright white kaolinised granite at Carey's Well. Historical drilling has indicated potential for further large resources at the other deposits, but there is insufficient drilling to allow resources to be calculated in compliance with the JORC code.

Ongoing assessment of kaolin from the large Carey's Well deposit has shown it to be of very high quality, at least equal on all qualitative measures to other global sources of high-brightness kaolin. Particular attributes of the Carey's Well deposit that are important for the production of high value kaolin products include:

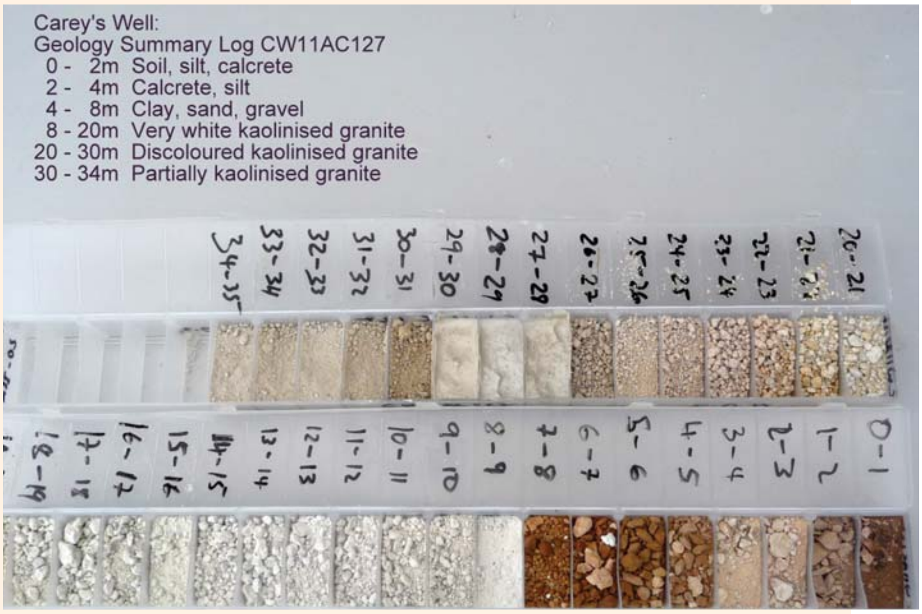
- Large uniform deposit easily extractable by simple, open-cut mining techniques;
- Hydrous kaolin products can be readily produced from kaolinised granite using conventional wet-processing techniques;
- Kaolinite occurs as stacks which can be readily delaminated and broken down to extremely fine-grained crystalline kaolin platelets;
- Hydrous kaolin products are very fine grained, very bright and white, with very low yellowness. They exhibit a high degree of crystallinity and have very low iron and titania values. These properties are essential for the manufacture of premium, high-value calcined kaolin.

Comparison of Poochera kaolin and currently available premium commercial kaolin

Property	Poochera Hydrous	Premium Commercial Hydrous	Poochera Calcined	Premium Commercial Calcined
Brightness (ISO)	90.7	87.0 – 89.0	92.4	90.0 – 92.0
Yellowness (CIE b*)	1.7	3.0 – 5.0	1.6	1.0 – 3.0
Minus 2µm (wt%)	92	90 – 92	88	80 – 85
Kaolinite (wt%)	99	92 – 99	N/A*	N/A*
Quartz (wt%)	<1.0	<1.0	<1.0	<1.0
Fe_2O_3 (wt%)	0.4	0.50 – 0.70	0.5	0.60 – 0.80
Al_2O_3 (wt%)	38.9	38.0	45.4	43.3
TiO_2 (wt%)	0.07	1.2 – 2.0	0.08	1.5 – 2.0
Lead (ppm)	<4.0	20 – 60	<4.0	30 - 70



Granite prior to weathering and kaolinisation, Poochera.



Typical chip tray and drill samples for Air Core holes at Carey's Well, Poochera.

During the year Minotaur started a prefeasibility study of the Carey's Well Deposit. The Pilot Plant and laboratory were relocated to Streaky Bay and were utilised through the first half of calendar 2011 to produce several grades of hydrous kaolin products.

An intensive air core drilling program was completed at Carey's Well in the first quarter of calendar 2011. Drilling was undertaken at 100m centres over the central portion of the previously delineated Inferred Resource. Additional exploration drilling was undertaken north and south of this central zone to add to the knowledge of the extent of the deposit. Drilling was also undertaken at Tomney East and at Condooringie Well, where no samples had previously been available to Minotaur. The program comprised a total of 224 holes and 7,064m of drilling. Geological logging identified broad zones of high brightness kaolinised granite at each deposit.

A small-scale pilot plant, suitable for handling air core drill samples, was also installed at the Streaky Bay kaolin testing facility, enabling determination of particle size distribution (PSD) measurement and brightness, whiteness and colour. These results, together with the calculated kaolin content of the sample, are used to define the raw characteristics of the deposit.

Over 200 drillhole samples were individually processed through the plant and analysed in order to more accurately characterise kaolin grades throughout the deposit. Resource modelling using Vulcan software is underway.

The denser drilling pattern at Carey's Well (100m centres) represents a step improvement over the previous, mainly 400m centres drill pattern. A revised JORC resource statement will be released in October 2011.

Finally, I would like to take this opportunity of thanking shareholders for their continuing support and our loyal staff, consultants, contractors and suppliers for their dedication and professionalism throughout the year of review.

I look forward to providing you with more encouraging news on our Company activities over the challenging year ahead.

Andrew Woskett
Managing Director

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.

Directors' Report

Your directors present their report on the consolidated group for the financial year ended 30 June 2011.

DIRECTORS

The names of the Directors in office at any time during, or since the end of, the year are:

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 P Belperio *Executive Director*

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

Names, qualifications, experience and special responsibilites

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, and a board member of Mithril Resources Ltd and Toro Energy Ltd (all ASX Listed entities), and the AusIMM. He is a member of the South Australian Resources Industry Development Board and the South Australian Minerals and Petroleum Experts Group. He served as Chairman of the Minerals Exploration Advisory Group; as Vice President and later President of the South Australian Chamber of Mines and Energy, and was a board member of the Australian Gold Council. 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.

Mutooroo Sunset – Photo: Bryan Charlton

Top from left: Peter Gower, Tony Belperio, Andrew Woskett (Managing Director), Derek Carter (Chairman). Bottom from left: Donald Stephens (Company Secretary), Richard Bonython.

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 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, was a director of Minotaur Resources Ltd before it was acquired by Oxiana Ltd (now OZ Minerals Ltd) in 2005 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 northwest 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. He is a Non-Executive Director of ASX listed Thomson Resources Ltd (ASX code TMZ).

COMPANY SECRETARY

Donald Stephens BAcc, FCA

Donald Stephens is a Chartered Accountant and corporate adviser with over 25 years experience in the accounting industry, including 14 years as a partner of HLB Mann Judd (SA) Pty Ltd, Chartered Accountants. He is a director of Papyrus Australia Ltd, Mithril Resources Ltd and CRW Holdings Ltd and is company secretary to Toro Energy Ltd and Petratherm Ltd. He holds other public company secretarial positions and directorships with private companies and provides corporate advisory services to a wide range of organisations.

REVIEW OF OPERATIONS

CORPORATE

Minotaur invested $5.2 million in exploration prospects and $1.4 million on project development during the 2011 financial year, the latter primarily on Poochera kaolin. Recoveries from joint venture operations totalled $2.3 million, resulting in a net cash outflow of $4.3 million. Of that, $0.9 million was expended on administration and overheads.

The company placed 12.08 million new shares through a private placement in September 2010, generating a cash injection of $3.25 million after costs of the issue.

At the end of June 2011 the company had cash of $2.25 million and listed investments with a market valuation of $6.9 million.

OPERATIONS

During the 2011 financial year, Minotaur advanced all of its key projects, considered several new opportunities and rationalised its tenement portfolio, such that focus is now wholly concentrated in Australia. The following summarises activities according to the specific minerals or commodities targeted.

Magnetite

The Border Project, a contributing joint venture with Sumitomo Metal Mining Oceania (59.1%), includes the Mutooroo magnetite deposits; a group of four intensely magnetic complexes sited some 35km south of the Barrier Highway and the main east-west continental rail line and only 100km from Broken Hill.

The joint venture embarked on a significant resource definition programme initially resulting in the release of an 'Exploration Target[1]', as defined by consultants Hellman & Schofield (May 2011), wherein tenement scale deposits of 2.4 billion to 4.0 billion tonnes of magnetite mineralised sediments were estimated. Based on this assessment a programme of reverse circulation, diamond drilling and associated metallurgical analysis is nearing completion. That work is expected to result in the publication, late in 2011, of an inaugural JORC inferred resource for one of the magnetite deposits.

Tenements in Nova Scotia known to host magnetite deposits were surveyed using ground ElectroMagnetic methods, revealing that magnetite occurrences were likely to be small and with low potential for a single deposit of significant scale. The tenements were subsequently relinquished.

Copper-Gold

Minotaur's main sphere of project origination continues to be in iron oxide-copper gold (IOCG) mineralisation. Our areas of interest are primarily within the Gawler Craton of South Australia and the Cloncurry district, north Queensland. Our interests in IOCG prospective tenements in Nova Scotia, Canada, were recently relinquished.

In South Australia, IOCG prospects are located south-east and south-west of Olympic Dam at the Aphrodite and Acropolis projects respectively, and on Yorke Peninsula.

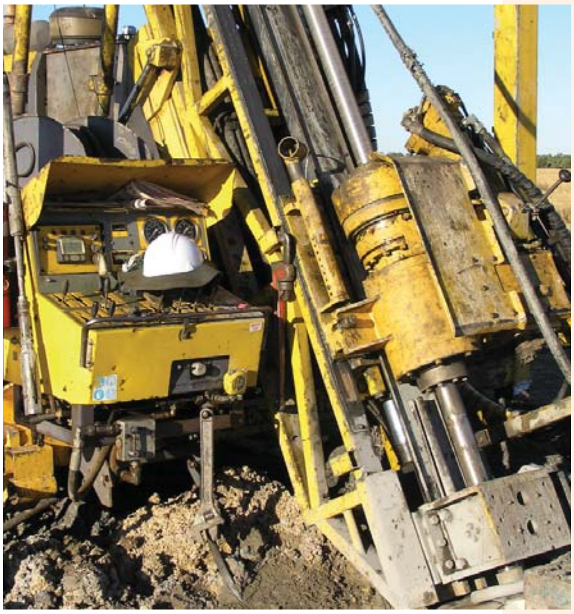
The Aphrodite gravity anomaly was successfully drilled at a second site, in basement rocks 645m below surface, but the source of the gravity anomaly remains unresolved. Further geophysical surveys are proposed to help improve target definition.

On Yorke Peninsula, SA, geophysical surveys across the Maitland IOCG-REE project identified several locations for bio-geochemical sampling of remnant vegetation tracts.

A significant tenement holding in excess of 3,000km^2 has been accumulated in the Cloncurry region of northwest Queensland, an area with a proven copper-gold history of discovery and large-scale mine production.

Our joint venture collaboration with the Japan Oil, Gas and Metals National Corporation (JOGMEC) on the Cloncurry IOCG project continues strongly. JOGMEC may earn a 51% interest in a suite of 14 tenements covering 546km^2 north of the Ernst Henry mine.

[1] Refer ASX release dated 23 May 2011 which states H&S estimated an Exploration Target for the Mutooroo area of 2.4 - 4.0 billion tonnes at DTR magnetite recovery of 14.5 - 16.0% (nominal 10% DTR magnetite cut off).



Ichiro Abe (right) and Yu Yamato (left) (Sumitomo Metal Mining) at Mutooroo with Tony Belperio, Richard Bonython, Andrew Woskett and David Fox.

Drilling at Cormorant Prospect, Cloncurry.

Drill investigation of the Cormorant Prospect resumed in July 2011 with three holes completed into or proximal to conductive bodies within basement rocks at target depths of ~300m below surface. These confirmed Cormorant to be an extensive iron oxide copper-gold prospect over a strike length in excess of 10 kilometres.

Base Metals: Copper, lead, zinc

Two joint venture projects in New South Wales (Cowra, Boorowa) were reviewed and mutually terminated. A new tenement (Arthurville, EL7588), prospective for copper mineralisation, was granted and prepared for new joint venture participation. At Louth (NSW) ground access has been denied for the past twelve months due to impediments under evolving state land administration practices.

A new tenement (EL2733 Coolibah) in the Northern Territory was granted. Initial field mapping and ground magnetics were undertaken at the end of the financial year.

A VMS-style target was acquired in Victoria. Outcrop sampling on the Rochester tenement returned anomalous gold and zinc values at an airborne EM anomaly.

Gold

Field activity on the Tunkillia gold project (Minotaur 54.94%) was minimised pending renewal of the main licence, which is proceeding through PIRSA. During 2009-2010, CSIRO investigated samples from the Tunkillia gold oxide resource for its amenability to solvent leaching. At a laboratory scale, Tunkillia oxide material performed exceptionally well, showing positive response to CSIRO's solvent extraction technology and high gold recoveries from leach solution.

An option to acquire two gold tenements in Victoria was terminated after limited investigatory drilling.

Kaolin

Ongoing assessment of kaolin from the large Carey's Well deposit, near Poochera in South Australia, has shown it to be of very high quality, at least equal on all qualitative measures to other global sources of high-brightness kaolin.

An intensive air core drilling program was completed at Carey's Well in the first quarter of calendar 2011. Drilling was undertaken at 100m centres over the central portion of the previously delineated inferred resource. Drilling was also undertaken at Tomney East and at Condooringie Well, where no samples had previously been available to Minotaur. The program comprised a total of 224 holes and 7,064m of drilling. Geological logging identified broad zones of high brightness kaolinised granite at each deposit.

OPERATIONS

Kaolin CONTINUED

Over 200 drillhole samples were individually processed through the plant and analysed in order to more accurately characterise kaolin grades throughout the deposit. A revised JORC resource statement will be released in October 2011.

Operations are reviewed in greater detail in the Managing Director's Report on *pages 6 to 11*.

OPERATING RESULTS

The consolidated loss of the group after providing for income tax amounted to ($1,239,194) [2010: ($4,776,318)].

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 P Belperio	680,306	1,300,000

DIVIDENDS PAID OR RECOMMENDED

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 consolidated 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.

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.

Alex Sen (Geologist) and Ian Garsed (Exploration Manager) at Mutooroo.

Resource drilling at Mutooroo.

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.

FUTURE DEVELOPMENTS

Disclosure of information regarding likely developments in the operations of the consolidated entity in future financial years and the expected results of those operations is likely to result in unreasonable prejudice to the consolidated entity. Accordingly, this information has not been disclosed in this report.

ENVIRONMENTAL REGULATIONS

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 the land and vegetation but covers such subjects as pollution, approvals from relevant parties including land 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.

ENVIRONMENTAL REGULATIONS CONTINUED

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.

SUBSEQUENT EVENTS

On 23 August 2011, the Company announced the intention to raise a maximum of $4,171,906 by way of a Share Purchase Plan. The offer is due to close on 23 September 2011.

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 2010	Net Issued/ (Exercised or expired) during Year	Balance at 30 June 2011
06/01/2006	10/12/2010	$0.40	110,000	(110,000)	-
06/06/2006	11/05/2011	$0.75	50,000	(50,000)	-
07/01/2007	12/01/2012	$0.80	460,000	(60,000)	400,000
07/12/2007	12/12/2012	$0.77	400,000	-	400,000
08/01/2008	13/01/2013	$0.55	120,000	-	120,000
08/12/2008	13/12/2013	$0.25	540,000	(130,000)	410,000
10/05/2010	15/05/2015	$0.40	4,300,000	-	4,300,000
10/05/2010	15/08/2015	$0.40	1,000,000	-	1,000,000
10/05/2010	16/02/2016	$0.55	1,000,000	-	1,000,000
			7,980,000	**(350,000)**	**7,630,000**

SHARE OPTIONS

Shares issued as a result of exercise of options

During the financial year, 100,000 options were exercised by an employee of the Company resulting in gross proceeds of $25,000.

Lapse of options

On 5 April 2011 and 27 May 2011 respectively, the Group announced that a total of 250,000 unlisted options issued under the Company's employee share option plan and options on issue to employees lapsed.

Alex Sen (Geologist) field mapping, Coolibah.

New options issued

During the financial year, no additional options to acquire ordinary fully paid shares were issued by the Company.

INDEMNIFICATION AND INSURANCE OF DIRECTORS AND OFFICERS

To the extent permitted by law, the Company has indemnified (fully insured) each Director and the Company Secretary of the Company for a premium of $15,974.
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.

Tony Belperio (Exploration Director), Richard Flint (Chief Geologist) and Andrew Woskett (Managing Director), Tunkillia.

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 Exploration Ltd on 1 March 2010 and his annual retainer is $330,000 per annum, exclusive of GST (effective from 13 February 2011). 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 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 $260,000 per annum (effective from 13 February 2011). 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.

Drilling at Mutooroo magnetite project.

REMUNERATION REPORT – AUDITED

Employment contracts CONTINUED

The employment conditions of the Chief Geologist, 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 $170,000 per annum (effective from 1 January 2011). 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.

The employment conditions of the Exploration Manager, Mr Ian Garsed, are formalised in a contract of employment. Mr Garsed commenced employment on 15 March 2011 and his gross salary, inclusive of the 9% superannuation guarantee, is $185,300 per annum. The Company may terminate the employment contract without cause by providing one (1) 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 Commercial Manager, Mr Varis Lidums, are formalised in a contract of employment. Mr Lidums commenced employment on 1 March 2011 and his gross salary, inclusive of the 9% superannuation guarantee, is $180,000 per annum. The Company may terminate the employment contract without cause by providing one (1) 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 2011 and 30 June 2010

		Primary Benefits	Post Employment	Share-based Payments	Total
		Salary & Fees	Superannuation	Options	$
Mr Derek Carter	**2011** 2010**	**80,000** 278,749	**7,200** 37,179	**-** 120,083	**87,200** 436,011
Mr Andrew Woskett	**2011** 2010	**309,231** 92,308	**-** -	**133,777** 54,143	**443,008** 146,451
Mr Richard Bonython	**2011** 2010	**85,780** 85,780	**-** -	**-** 90,062	**85,780** 175,842
Dr Peter Gower	**2011** 2010	**42,000** -	**3,780** 45,780	**-** 90,062	**45,780** 135,842
Dr Antonio Belperio	**2011** 2010	**198,589** 187,596	**49,041** 47,404	**-** 90,062	**247,630** 325,062
Mr Robert Annells	**2011** 2010*	**-** 100,000	**-** 3,600	**-** -	**-** 103,600
Total	**2011** 2010	**715,600** 744,433	**60,021** 133,963	**133,777** 444,412	**909,398** 1,322,808

* 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 annual and long service leave paid out upon retirement.

Table 2: Remuneration of key management personnel for the year ended 30 June 2011 and 30 June 2010

		Primary Benefits	Post Employment	Share-based Payments	Total
		Salary & Fees	Superannuation	Options	$
Mr Ian Garsed	**2011** 2010	**50,269** -	**4,524** -	**-** -	**54,793** -
Mr Richard Flint	**2011** 2010	**146,082** 132,321	**16,417** 15,179	**-** -	**162,499** 147,500
Mr Varis Lidums	**2011** 2010	**55,046** -	**4,954** -	**-** -	**60,000** -
Total	**2011** 2010	**251,397** 132,321	**25,895** 15,179	**-** -	**277,292** 147,500

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 Remuneration
Mr Derek Carter	10/05/10	1,200,000	10/05/10	$ 0.100	0.40	120,083	27.54%
Mr Andrew Woskett	10/05/10 10/05/10	1,000,000 1,000,000	10/08/10 11/02/11	$ 0.100 $ 0.088	0.40 0.55	87,850 100,069	36.97%
Mr Richard Bonython	10/05/10	900,000	10/05/10	$ 0.100	0.40	90,062	51.22%
Dr Peter Gower	10/05/10	900,000	10/05/10	$ 0.100	0.40	90,062	66.30%
Mr Donald Stephens	10/05/10	400,000	10/05/10	$ 0.100	0.40	40,028	100.00%
Dr Antonio Belperio	10/05/10	900,000	10/05/10	$ 0.100	0.40	90,062	27.71%

No options were issued to any Key Management Personnel as part of remuneration for the year ended 30 June 2011.

REMUNERATION REPORT – AUDITED

Key management personnel remuneration and equity holdings CONTINUED

No portion of remuneration paid or payable to any Key Management Personnel employed by the Group was performance based in 2010 or 2011.

HLB Mann Judd (SA) Pty Ltd has received professional fees for accounting, taxation and secretarial services provided during the year amounting to $143,377 (2009: $113,929). 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	
Director	Eligible	Attended	Eligible	Attended
Mr Derek Carter	9	9	-	-
Mr Andrew Woskett	9	9	-	-
Mr Richard Bonython	9	8	2	2
Dr Peter Gower	9	8	2	2
Dr Antonio Belperio	9	8	-	-
Mr Robert Anells	3	-	-	-

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.

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 2011 as required under section 307C of the *Corporations Act 2001* has been received and can be found on *page 23*.

Signed in accordance with a resolution of the directors

Derek Carter

Derek Carter
Chairman

23 September 2011

Auditor's Independence Declaration

TO THE DIRECTORS OF MINOTAUR EXPLORATION LIMITED

Grant Thornton

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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 2011, 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

GRANT THORNTON SOUTH AUSTRALIAN PARTNERSHIP
Chartered Accountants

J L Humphrey
Partner

Adelaide, 23 September 2011

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MINOTAUR
EXPLORATION

Corporate Governance

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.minotaurexploration.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 achievementof 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; and
- 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 areas 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.

PRINCIPLE 2: Structure the Board to add value

CONTINUED

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 2.15% 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.

Recommendation 2.6: Additional information concerning the Board and Directors

The Company will include the disclosures required by Recommendation 2.6 in its future annual reports. There are procedures in place, agreed by the Board, to enable Directors, in furtherance of their duties, to seek independent professional advice at the Company's expense.

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

The Company has established a policy concerning trading in the Company's shares by the Company's officers, employees and contractors and consultants to the Company while engaged in work for the Company (Representatives).

This policy provides that it is the responsibility of each Representative to ensure they do not breach the insider trading prohibition in the Corporations Act. Breaches of the insider trading prohibition will result in disciplinary action being taken by the Company.

Representatives must also obtain written consent from the Chairman (or, in the case of the Chairman, from the Board) prior to trading in the Company's securities.

Subject to these restrictions, the policy provides that Directors, the Company Secretary and employees of, or contractors to, the Company that have access to the Company's financial information or drilling results are permitted to trade in the Company's securities throughout the year except during the following periods:

a) the period between the end of the March, June, September and December quarters and the release of the Company's quarterly report to ASX for so long as the Company is required by the Listing Rules to lodge quarterly reports; and
b) 24 hours after the following events:
   i) Any major announcements;
   ii) The release of the Company's quarterly, half yearly and annual financial results to the ASX; and
   iii) the Annual General Meeting and all other General Meetings.

In exceptional circumstances the Board may waive the requirements of the Share trading Policy to allow Representatives to trade in the shares of the Company, provided to do so would not be illegal.

Directors must advise the Company Secretary of changes to their shareholdings in the Company within two (2) business days of the change.

Recommendations 3.2, 3.3: Diversity Policy

The ASX Corporate Governance Council has released amendments dated 30 June 2010 to the 2nd edition Corporate Governance Principles and Recommendations in relation to diversity. For the purpose of the amendments diversity includes, but is not limited to, gender, age, ethnicity and cultural background.

The Company continues to strive towards achieving objectives established towards increasing gender diversity.

The Company will assess all staff and Board appointments on their merits with consideration to diversity a driver in decision making.

Corporate Governance



PRINCIPLE 3: Promote ethical and responsible decision making

Recommendations 3.2, 3.3: Diversity Policy CONTINUED

The Company 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.

The Board is ultimately responsible for reviewing the achievement of this policy.

The Company will include the disclosures required by Recommendation 3.3 in its future annual reports.

Recommendations 3.4: Reporting in Annual Report

The Company's future annual reports will include a report containing the proportion of women employees in the whole organisation, women in senior executive positions and women on the Board.

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; and
- 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 website *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: Statement from Managing Director and Company Secretary

The Managing Director and the Company Secretary are 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 Company's financial condition and operational results are in accordance with relevant accounting standards. Included in this statement is a confirmation that the Company's risk management and internal controls are operating efficiently and effectively. This statement has been received for the year ended 30 June 2011.

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.

MINOTAUR EXPLORATION

Financial Report

FOR THE YEAR ENDED 30 JUNE 2011

CONTENTS

Consolidated Statement of Comprehensive Income	**32**
Consolidated Statement of Financial Position	**33**
Consolidated Statement of Changes in Equity	**34**
Consolidated Statement of Cash Flows	**35**
Notes to the Financial Statements	**36**
Directors' Declaration	**63**
Independent Auditor's Report	**64**

Consolidated Statement of Comprehensive Income

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2011

		Consolidated Group	
	Note	**2011** **$**	2010 $
Revenue	4(a)	**429,993**	401,435
Gain on reclassification of non-current assets	4(c)	**4,214,545**	-
Other income	4(b)	**246,583**	370,715
Impairment of investments	4(d)	**(2,299,000)**	-
Impairment of exploration and evaluation assets	4(d)	**(1,730,333)**	(3,343,536)
Employee benefits expense	4(e)	**(306,565)**	(1,001,160)
Depreciation expense	4(d)	**(149,259)**	(135,907)
Finance costs	4(d)	**(13,251)**	(13,488)
Share of losses of associates accounted for using the equity method	4(d)	**(743,806)**	(459,356)
Other expenses	4(f)	**(1,156,250)**	(792,705)
Profit/(Loss) before income tax expense		**(1,507,343)**	(4,974,002)
Income tax benefit/(expense)	5	**268,149**	197,684
Profit/(Loss) from continuing operations		**(1,239,194)**	(4,776,318)
Profit/(Loss) for the year		**(1,239,194)**	(4,776,318)
Profit/(Loss) attributable to members of the parent entity		**(1,239,194)**	(4,776,318)
Other comprehensive income			
Exchange differences arising on translation of foreign operations		**(97,090)**	27,448
Gain/(loss) on available-for-sale investments taken to equity		**48,000**	(74,717)
Total comprehensive income for the period		**(1,288,284)**	(4,823,587)
Earnings per share:		**Cents**	Cents
Basic earnings per share	6	**(1.38)**	(6.15)
Diluted earnings per share	6	**(1.38)**	(6.15)

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

Consolidated Statement of Financial Position

AS AT 30 JUNE 2011

	Note	Consolidated Group 2011 $	2010 $
CURRENT ASSETS			
Cash and cash equivalents	7	**2,231,064**	4,122,122
Trade and other receivables	8	**764,906**	734,421
Other assets	9	**376,349**	51,257
Held-for-sale assets	10	**142,345**	-
TOTAL CURRENT ASSETS		**3,514,664**	4,907,800
NON-CURRENT ASSETS			
Available-for-sale investments	11	**4,605,000**	993,068
Investments accounted for using the equity method	12	**-**	1,884,261
Property, plant and equipment	13	**549,995**	467,753
Exploration and evaluation assets	14	**11,345,820**	9,398,169
TOTAL NON-CURRENT ASSETS		**16,500,815**	12,743,251
TOTAL ASSETS		**20,015,479**	17,651,051
CURRENT LIABILITIES			
Trade and other payables	16	**684,306**	540,158
Borrowings	17	**33,898**	31,398
Provisions	18	**317,229**	264,244
TOTAL CURRENT LIABILITIES		**1,035,433**	835,800
NON-CURRENT LIABILITIES			
Borrowings	17	**118,936**	152,834
Provisions	18	**62,070**	65,446
TOTAL NON-CURRENT LIABILITIES		**181,006**	218,280
TOTAL LIABILITIES		**1,216,439**	1,054,080
NET ASSETS		**18,799,040**	16,596,971
EQUITY			
Issued capital	19	**29,213,124**	25,930,647
Reserves	20	**1,120,401**	991,449
Retained earnings	21	**(11,534,485)**	(10,325,125)
TOTAL EQUITY		**18,799,040**	16,596,971

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

Consolidated Statement of Changes in Equity

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2011

	Consolidated Group					
	Issued Capital Ordinary $	**Retained Earnings** $	**Share Option Reserve** $	**Available-for-sale Investment Reserve** $	**Foreign Currency Translation Reserve** $	**Total** $
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 year	-	(4,776,318)	-	(74,717)	27,448	(4,823,587)
Issue of shares by way of private placement	2,496,000	-	-	-	-	2,496,000
Transaction costs (net of tax)	(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
Balance at 1 July 2010	25,930,647	(10,325,125)	820,394	204,719	(33,664)	16,596,971
Total comprehensive income for the year	-	(1,239,194)	-	48,000	(97,090)	(1,288,284)
Issue of shares by way of private placement	3,382,242	-	-	-	-	3,382,242
Transaction costs (net of tax)	(135,947)	-	-	-	-	(135,947)
Exercise of options	25,000	-	-	-	-	25,000
Transfer from share-based payments reserve upon exercise of options	11,182	-	(11,182)	-	-	-
Cost of share-based payment	-	-	133,777	-	-	133,777
Transfer from share-based payment reserve upon lapse of options	-	29,834	(29,834)	-	-	-
Transfer from available-for-sale revaluation reserve upon disposal of investments	-	-	-	85,281	-	85,281
Balance at 30 June 2011	**29,213,124**	**(11,534,485)**	**913,155**	**338,000**	**(130,754)**	**18,799,040**

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

Consolidated Statement of Cash Flows

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2011

	Note	Consolidated Group 2011 $	2010 $
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		**227,611**	209,637
Payments to suppliers and employees		**(1,655,928)**	(1,430,983)
Interest received		**234,325**	198,249
Finance costs		**(13,198)**	(13,488)
Receipt of R&D Tax Offset		**312,150**	-
NET CASH PROVIDED BY/(USED IN) OPERATING ACTIVITIES		**(895,040)**	(1,036,585)
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of property, plant and equipment		**-**	117,670
Payments for property, plant and equipment		**(219,526)**	(297,940)
Purchase of investments in associates		**(500,000)**	(862,000)
Purchase of sale of available-for-sale investments		**(24,000)**	-
Proceeds from sale of available-for-sale investments		**368,774**	628,626
Government exploration related grants		**-**	90,000
Joint venture receipts		**2,280,739**	1,542,174
Proceeds from the sale of exploration assets		**-**	20,000
Payments for exploration activities		**(6,045,992)**	(4,422,614)
NET CASH PROVIDED BY/(USED IN) INVESTING ACTIVITIES		**(4,140,005)**	(3,184,084)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of shares		**3,407,242**	2,496,000
Transaction costs of issue of shares		**(212,121)**	(173,452)
Proceeds from borrowings		**-**	192,703
Repayment of borrowings		**(34,766)**	(148,636)
NET CASH PROVIDED BY/(USED IN) FINANCING ACTIVITIES		**3,160,355**	2,366,615
Net increase/(decrease) in cash and cash equivalents		**(1,874,690)**	(1,854,054)
Net foreign exchange differences		**(16,368)**	-
Cash at the beginning of the period		**4,122,122**	5,976,176
CASH AT THE END OF THE PERIOD	7	**2,231,064**	4,122,122

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

These consolidated financial statements and notes represent those of Minotaur Exploration Ltd and Controlled Entities (the "consolidated group" or "group").

The separate financial statements of the parent entity, Minotaur Exploration Ltd, have not been presented within this financial report as permitted by the *Corporations Act 2001*.

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board (AASB) and the *Corporations Act 2001*.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards as issued by the IASB. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless otherwise stated.

The financial statements have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

New and Revised Accounting Standards

The Company has adopted the following revisions and amendments to AASB's issued by the Australian Accounting Standards Board and IFRS issued by the International Accounting Standards Board, which are relevant to and effective for the Company's financial statements for the annual period beginning 1 July 2010:

- Further Amendments to Australian Accounting Standards arising from the Annual Improvements Project AASB 2009-5.
- Improvements to IFRSs- AASB 2010-03.

The adoption of new and revised Accounting Standards effective for the financial statements for the annual period beginning 1 July 2010 did not have a material impact on the Company's financial statements.

a) Principle of Consolidation

The consolidated financial statements incorporate the assets, liabilities and results of entities controlled by Minotaur Exploration Ltd at the end of the reporting period. A controlled entity is any entity over which Minotaur Exploration Ltd has the ability and right to govern the financial and operating policies so as to obtain benefits from the entity's activities.

Where controlled entities have entered or left the Group during the year, the financial performance of those entities is included only for the period of the year that they were controlled. A list of controlled entities is contained in *Note 25* to the financial statements.

In preparing the consolidated financial statements, all inter-group balances and transactions between entities in the consolidated group have been eliminated in full on consolidation.

Non-controlling interests, being the equity in a subsidiary not attributable, directly or indirectly, to a parent, are reported separately within the equity section of the consolidated statement of financial position and statement of comprehensive income. The non-controlling interests in the net assets comprise their interests at the date of the original business combination and their share of changes in equity since that date.

b) Income Tax

The income tax expense (revenue) for the year comprises current income tax expense (income) and deferred tax expense (income).

Current income tax expense charged to profit or loss is the tax payable on taxable income. Current tax liabilities (assets) are measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the year as well unused tax losses.

Current and deferred income tax expense (income) is charged or credited outside profit or loss when the tax relates to items that are recognised outside profit or loss.

Except for business combinations, no deferred income tax is recognised from the initial recognition of an asset or liability, where there is no effect on accounting or taxable profit or loss.

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled and their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability.

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised.

Where temporary differences exist in relation to investments in subsidiaries, branches, associates, and joint ventures, deferred tax assets and liabilities are not recognised where the timing of the reversal of the temporary difference can be controlled and it is not probable that the reversal will occur in the foreseeable future.

Current tax assets and liabilities are offset where a legally enforceable right of set-off exists and it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur. Deferred tax assets and liabilities are offset where:

a) a legally enforceable right of set-off exists; and

b) the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur in future periods in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

c) Property, Plant and Equipment

Each class of property, plant and equipment is carried at cost or fair value as indicated less, where applicable, any accumulated depreciation and impairment losses.

Plant and equipment

Plant and equipment are measured on the cost basis and therefore carried at cost less accumulated depreciation and any accumulated impairment. In the event the carrying amount of plant and equipment is greater than the estimated recoverable amount, the carrying amount is written down immediately to the estimated recoverable amount and impairment losses are recognised either in profit or loss or as a revaluation decrease if the impairment losses relate to a revalued asset. A formal assessment of recoverable amount is made when impairment indicators are present (refer to *Note 1(r)* for details of impairment).

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the asset's employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

The cost of fixed assets constructed within the consolidated group includes the cost of materials, direct labour, borrowing costs and an appropriate proportion of fixed and variable overheads.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the statement of comprehensive income during the financial period in which they are incurred.

Depreciation

The depreciable amount of all fixed assets including buildings and capitalised lease assets, but excluding freehold land, is depreciated on a straight-line and dminishing value basis over the asset's useful life to the consolidated group commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The useful life for each class of depreciable assets are:

Class of Fixed Asset	Useful life
Plant and equipment	3 - 20 years
Motor Vehicles	6 - 8 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the statement of comprehensive income. When revalued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to retained earnings.

d) Exploration and Development Expenditure

Exploration, evaluation and development expenditures incurred are capitalised in respect of each identifiable area of interest. These costs are only capitalised to the extent that they are expected to be recovered 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.

When production commences, the accumulated costs for the relevant area of interest are amortised over the life of the area according to the rate of depletion of the economically recoverable reserves.

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

Costs of site restoration are provided over the life of the project 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 local laws and regulations and clauses of the permits.

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

d) Exploration and Development Expenditure CONTINUED

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 community expectations and future legislation. Accordingly the costs have been determined on the basis that the restoration will be completed within one year of abandoning the site.

e) Leases

Leases of fixed assets where substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership that is transferred to entities in the consolidated group, are classified as finance leases.

Finance leases are capitalised by recognising an asset and a liability at the lower of the amounts equal to the fair value of the leased property or the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Leased assets are depreciated on a straight-line basis over the shorter of their estimated useful lives or the lease term.

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are recognised as expenses in the periods in which they are incurred.

Lease incentives under operating leases are recognised as a liability and amortised on a straight-line basis over the lease term.

f) Financial Instruments

Recognition and initial measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the company commits itself to either the purchase or sale of the asset (ie trade date accounting is adopted).

Financial instruments are initially measured at fair value plus transaction costs, except where the instrument is classified "at fair value through profit or loss", in which case transaction costs are expensed to profit or loss immediately.

Classification and subsequent measurement

Financial instruments are subsequently measured at fair value, amortised cost using the effective interest rate method, or cost.

Amortised cost is the amount at which the financial asset or financial liability is measured at initial recognition less principal repayments and any reduction for impairment, and adjusted for any cumulative amortisation of the difference between that initial amount and the maturity amount calculated using the effective interest method.

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.

The effective interest method is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying value with a consequential recognition of an income or expense item in profit or loss.

The Group does not designate any interests in subsidiaries, associates or joint venture entities as being subject to the requirements of Accounting Standards specifically applicable to financial instruments.

i) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost.

Loans and receivables are included in current assets, where they are expected to mature within 12 months after the end of the reporting period.

ii) Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are either not suitable to be classified into other categories of financial assets due to their nature, or they are designated as such by management. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments.

They are subsequently measured at fair value with changes in such fair value (ie gains or losses) recognised in other comprehensive income (except for impairment losses and foreign exchange gains and losses). When the financial asset is derecognised, the cumulative gain or loss pertaining to that asset previously recognised in other comprehensive income is reclassified into profit or loss.

Available-for-sale financial assets are included in non-current assets where they are not expected to be sold within 12 months after the end of the reporting period. All other financial assets are classified as current assets.

g) Investments in Associates

Associates are companies in which the Group has significant influence through holding, directly or indirectly, 20% or more of the voting power of the Group. Investments in associates are accounted for in the financial statements by applying the equity method of accounting, whereby the investment is initially recognised at cost and adjusted thereafter for the post-acquisition change in the Group's share of net assets of the associate company. In addition, the Group's share of the profit or loss of the associate company is included in the Group's profit or loss.

The carrying amount of the investment includes goodwill relating to the associate. Any discount on acquisition whereby the Group's share of the net fair value of the associate exceeds the cost of investment is recognised in profit or loss in the period in which the investment is acquired.

Profits and losses resulting from transactions between the Group and the associate are eliminated to the extent of the Group's interest in the associate.

When the Group's share of losses in an associate equals or exceeds its interest in the associate, the Group discontinues recognising its share of further losses unless it has incurred legal or constructive obligations or made payments on behalf of the associate. When the associate subsequently makes profits, the Group will resume recognising its share of those profits once its share of the profits equals the share of the losses not recognised.

Details of the Group's investments in associates are provided in *Note 12*.

h) Interests in Joint Ventures

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 Joint Ventures, as well as the parties involved, can be found at the end of this report.

i) Foreign Currency Transactions and Balances

Functional and presentation currency

The functional currency of each of the Group's entities is measured using the currency of the primary economic environment in which that entity operates. The consolidated financial statements are presented in Australian dollars which is the parent entity's functional and presentation currency.

Transactions and balances

Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at the year-end exchange rate. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction. Non-monetary items measured at fair value are reported at the exchange rate at the date when fair values were determined.

Exchange differences arising on the translation of monetary items are recognised in profit or loss, except where deferred in equity as a qualifying cash flow or net investment hedge.

Exchange differences arising on the translation of non-monetary items are recognised directly in other comprehensive income to the extent that the underlying gain or loss is recognised in other comprehensive income; otherwise the exchange difference is recognised in profit or loss.

Group companies

The financial results and position of foreign operations, whose functional currency is different from the Group's presentation currency, are translated as follows:

- assets and liabilities are translated at exchange rates prevailing at the end of the reporting period;
- income and expenses are translated at average exchange rates for the period; and
- retained earnings are translated at the exchange rates prevailing at the date of the transaction.

Exchange differences arising on translation of foreign operations with functional currencies other than Australian dollars are recognised in other comprehensive income and included in the foreign currency translation reserve in the statement of financial position. These differences are recognised in profit or loss in the period in which the operation is disposed.

j) Employee Benefits

Provision is made for the Group's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be settled within year have been measured at the amounts expected to be paid when the liability is settled.

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

j) **Employee Benefits** CONTINUED

Employee benefits payable later than year have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wages increases and the probability that the employee may satisfy vesting requirements. Those cash flows are discounted using market yields on national government bonds with terms to maturity that match the expected timing of cash flows.

Equity-settled compensation

The Group operates an employee share option plan. Share-based payments to employees are measured at the fair value of the instruments issued and amortised over the vesting periods. Share-based payments to non-employees are measured at the fair value of goods or services received or the fair value of the equity instruments issued, if it is determined the fair value of the goods or services cannot be reliably measured, and are recorded at the date the goods or services are received. The corresponding amount is recorded to the option reserve. The fair value of options is determined using the Black-Scholes pricing model. The number of options expected to vest is reviewed and adjusted at the end of each reporting period such that the amount recognised for services received as consideration for the equity instruments granted is based on the number of equity instruments that eventually vest.

k) Provisions

Provisions are recognised when the Group has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

Provisions are measured using the best estimate of the amounts required to settle the obligation at the end of the reporting period.

l) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits available on demand with banks, other short-term highly liquid investments with original maturities of 6 months or less, and bank overdrafts. Bank overdrafts are reported within short-term borrowings in current liabilities in the statement of financial position.

m) Revenue and Other Income

Revenue is measured at the fair value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed. When the inflow of consideration is deferred, it is treated as the provision of financing and is discounted at a rate of interest that is generally accepted in the market for similar arrangements. The difference between the amount initially recognised and the amount ultimately received is interest revenue.

Revenue from the sale of goods is recognised at the point of delivery as this corresponds to the transfer of significant risks and rewards of ownership of the goods and the cessation of all involvement in those goods.

Interest revenue is recognised using the effective interest rate method.

Revenue recognition relating to the provision of services is determined with reference to the stage of completion of the transaction at the end of the reporting period, where outcome of the contract can be estimated reliably. Stage of completion is determined with reference to the services performed to date as a percentage of total anticipated services to be performed. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent that related expenditure is recoverable.

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

n) Borrowing Costs

Borrowing 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 or sale.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

o) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows included in receipts from customers or payments to suppliers.

p) Government Grants

Government grants are recognised at fair value where there is reasonable assurance that the grant will be received and all grant conditions will be met. Grants relating to expense items are recognised as income over the periods necessary to match the grant to the costs they are compensating. Grants relating to assets are credited to deferred income at fair value and are credited to income over the expected useful life of the asset on a straight-line basis.

q) Comparative Figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

r) Critical Accounting Estimates and Judgments

The Directors evaluate estimates and judgments incorporated into the financial statements 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

i) Impairment

The Group assesses impairment at the end of each reporting period by evaluating conditions and events specific to the Group that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value-in-use calculations which incorporate various key assumptions.

ii) Exploration and evaluation expenditure

The Group capitalises expenditure relating to exploration and evaluation where it is considered likely to be recoverable or where the activities have not reached a stage that permits a reasonable assessment of the existence of reserves. While there are certain areas of interest from which no reserves have been extracted, the directors are of the continued belief that such expenditure should not be written off since feasibility studies in such areas have not yet concluded. Such capitalised expenditure is carried at the end of the reporting period at $11,345,820.

s) New and Revised Accounting Standards

The Group has adopted the following revisions and amendments to AASB's issued by the Australian Accounting Standards Board and IFRS issued by the International Accounting Standards Board, which are relevant to and effective for the Group's financial statements for the annual period beginning 1 July 2010:

- Further Amendments to Australian Accounting Standards arising from the Annual Improvements Project - AASB 2009-5.
- Improvements to IFRSs - AASB 2010-03.

The adoption of new and revised Accounting Standards effective for the financial statements for the annual period beginning 1 July 2010 did not have a material impact on the Group's financial statements.

t) Accounting standards not yet effective

The accounting standards that have not been early adopted for the year ended 30 June 2011, but will be applicable to Minotaur Exploration Ltd in future reporting periods, are detailed below. Apart from these standards, we have considered other accounting standards that will be applicable in future periods, however they have been considered insignificant to Minotaur Exploration Ltd.

a) Consolidated Financial Statements

IFRS 10: "Consolidated Financial Statements" was issued by the IASB in May 2011 and replaces both the existing IAS 27: "Consolidated and Separate Financial Statements" and SIC 12: "Consolidation - Special Purpose Entities". This new standard revises the definition of control and related application guidance so that a single control model can be applied to all entities. This standard will apply to Minotaur Exploration Ltd from 1 July 2013 and it is believed there will be insignificant impact for Minotaur Exploration Ltd.

b) Joint Arrangements

IFRS 11: "Joint Arrangements" was also issued by the IASB in May 2011 and provides for a more realistic reflection of joint arrangements by focussing on the rights and obligations of the arrangement, rather than its legal form. The standard addresses inconsistencies in the reporting of joint arrangements by requiring a single method to account for interests in jointly controlled entities. This standard is applicable from 1 July 2013, with early adoption permitted. Management is assessing the impact on Minotaur Exploration Ltd but at this stage it is believed there will be insignificant impact on the company.

c) Disclosure of Interests in Other Entities

IFRS 12: "Disclosure of Interests in other Entities" was issued by the IASB in May 2011 and is a new and comprehensive standard on disclosure requirements for all forms of interests in other entities, including subsidiaries, joint arrangements, associates, special purpose vehicles and other off balance sheet vehicles. This standard is applicable from 1 July 2013 and management is currently assessing the impacts of the standard, which will be limited to disclosure impacts only. There have also been consequential amendments to IAS 28: "Investment in Associates" as a result of the above new standard. These amendments are applicable from 1 July 2013 and at this stage it is believed there will be no impact on the company.

d) Fair Value Measurement

IFRS 13: "Fair Value Measurement" was issued by the IASB in May 2011 and provides a precise definition of a fair value, is a single source of fair value measurement and prescribes disclosure requirements for use across IFRSs. The requirements do not extend the use of fair value accounting, but provide guidance on how it should be applied where its use is already required or permitted by other standards within IFRS. The standard will apply to Minotaur Exploration Ltd from 1 July 2013 and at this stage it is believed there will be no impact on the company.

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

t) **Accounting standards not yet effective** CONTINUED

e) ***Other***

In addition to the above recently issued accounting standards that are applicable in future years, we note the following new accounting standards that are applicable in future years:

- AASB 124: "Related Party Disclosures";
- AASB 2009-12: "Amendments to Australian Accounting Standards";
- AASB 2010-4: "Further Amendments to Australian Accounting Standards arising from the Annual Improvements Project";
- AASB 2010-5: "Amendments to Australian Accounting Standards";
- AASB 2010-8: "Amendments to Australian Accounting Standards - Deferred Tax: Recovery of Underlying Assets"; and
- AASB 2011-4 "Amendments to Australian Accounting Standards to Remove Individual Key Management Personnel Disclosure Requirements".

We do not expect these accounting standards to materially impact our financial results upon adoption.

2 PARENT INFORMATION

The following information has been extracted from the books and records of the parent and has been prepared in accordance with Accounting Standards.

	2011 $	2010 $
STATEMENT OF FINANCIAL POSITION		
Assets		
Current Assets	**2,370,380**	3,993,377
Non-current Assets	**17,161,146**	13,227,300
Total Assets	**19,531,526**	17,220,677
Liabilities		
Current Liabilities	**551,480**	405,426
Non-current Liabilities	**181,006**	218,280
Total Liabilities	**732,486**	623,706
Equity		
Issued Capital	**29,213,124**	25,930,647
Reserves	**913,154**	820,393
Retained Earnings	**(11,327,238)**	(10,154,069)
Total Equity	**18,799,040**	16,596,971
STATEMENT OF COMPREHENSIVE INCOME		
(Loss) for the year	**(1,203,003)**	(5,052,762)
Other Comprehensive Income	-	-
Total Comprehensive Income	**(1,203,003)**	(5,052,762)

Guarantees

Minotaur Exploration Ltd has not entered into any guarantees, in the current or previous financial year, in relation to the debts of its subsidiaries.

Contingent Liabilities

Contingent liabilities of the parent entity have been incorporated into the Group information in *Note 23*. 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 22*. The contractual commitments of the parent are consistent with that of the Group.

3 OPERATING SEGMENTS

Information reported to the chief operating decision maker (identified as the board) for the purposes of resource allocation and assessment of segment performance focuses on types of business segments encountered by the Group. 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.

The following is an analysis of the Group's revenue and results from continuing operation by reportable segment.

	Segment Revenue		Segment Result	
	Financial Year ended		Financial Year ended	
	30 June 2011 $	30 June 2010 $	**30 June 2011 $**	30 June 2010 $
Continuing Operations				
Investments	**4,528,277**	584,810	**1,485,471**	125,454
Mineral Exploration – Australia	**362,844**	191,331	**(222,192)**	(3,152,205)
Mineral Exploration – Canada	**-**	4,970	**(1,145,297)**	4,970
	4,891,121	781,111	**117,982**	(3,021,781)
Finance costs	**-**	-	**(13,251)**	(13,488)
Administration/Corporate	**-**	(8,961)	**(1,462,815)**	(1,802,826)
Depreciation	**-**	-	**(149,259)**	(135,907)
Consolidated revenue	**4,891,121**	772,150		
Profit/(Loss) before income tax			**(1,507,343)**	(4,974,002)
Income tax benefit/(expense)			**268,149**	197,684
Profit/(Loss) for period			**(1,239,194)**	(4,776,318)

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.

3 OPERATING SEGMENTS CONTINUED

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 July 2009 $	Capital Expenditure/ Investment $	Impairment and Share of loss $	Revaluations $	Disposals $	Closing Balance 30 June 2010 $
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
Administration/Corporate	3,173,584					2,875,553
	20,515,316					17,651,051

	Opening Balance 1 July 2010 $	**Capital Expenditure/ Investment $**	**Impairment and Share of loss $**	**Revaluations $**	**Disposals $**	**Closing Balance 30 June 2011 $**
Investments	**5,377,329**	**695,000**	**(3,042,806)**	**4,262,545**	**(1,487,068)**	**5,805,000**
Mineral Exploration – Australia	**8,550,163**	**3,424,154**	**(585,036)**	**-**	**(43,461)**	**11,345,820**
Mineral Exploration – Canada	**848,006**	**297,291**	**(1,145,297)**	**-**	**-**	**-**
Total Segment Assets	**14,775,498**	**4,372,984**	**(4,773,139)**	**4,262,545**	**(1,487,068)**	**17,150,820**
Administration/Corporate	**2,875,553**					**1,648,220**
	17,651,051					**18,799,040**

	Consolidated Group	
	2011	2010
	$	$

4 REVENUE AND EXPENSES

a) Revenue

Administration fees	**212,686**	196,301
Bank interest received or receivable	**217,307**	205,134
	429,993	401,435

b) Other income

Other income	**-**	20,000
Net gains on disposal of tenements	**150,158**	-
Net profit/(loss) on disposal of property, plant and equipment	**-**	(8,961)
Net gains on disposal of available-for-sale investments	**96,425**	359,676
	246,583	370,715

c) Gain on reclassification of non-current asset

Gain on reclassification of investment in Thomson Resources Ltd – refer *Note 11*	**1,784,951**	-
Gain on reclassification of investment in Mithril Resources Ltd – refer *Note 11*	**2,429,594**	-
	4,214,545	-

d) Expenses

Impairment of non-current assets		
Capitalised tenement costs written off	**1,730,333**	3,343,536
Impairment of available-for-sale financial assets	**2,299,000**	-
Total impairment of non-current assets	**4,029,333**	3,343,536
Depreciation of non-current assets		
Plant and equipment	**102,431**	104,417
Motor vehicles	**46,828**	31,490
Total depreciation	**149,259**	135,907
Finance expenses		
Finance costs	**180**	190
Interest applicable to hire-purchase	**13,071**	13,298
Total borrowing costs	**13,251**	13,488
Losses from associates		
Mithril Resources Ltd	**403,893**	117,952
Petratherm Ltd	**300,000**	196,365
Thomson Resources Ltd	**39,913**	145,039
Total losses from associates	**743,806**	459,356

4 REVENUE AND EXPENSES CONTINUED

	Consolidated Group 2011 $	2010 $
e) Employees benefits expense		
Wages, salaries, directors fees and other remuneration expenses	**1,924,903**	1,939,168
Superannuation expense	**161,163**	154,226
Transfer to/(from) annual leave provision	**17,003**	(55,873)
Transfer to/(from) long service leave provision	**32,606**	(60,473)
Share-based payments expense	**133,777**	484,440
Transfer to capitalised tenements	**(1,962,887)**	(1,460,328)
	306,565	1,001,160
f) Other expenses		
Secretarial, professional and consultancy	**576,875**	281,847
Employee taxes and levies	**110,091**	87,401
Occupancy costs	**154,350**	140,518
Insurance costs	**39,674**	52,951
ASX/ASIC costs	**29,379**	27,798
Share register maintenance	**29,950**	19,854
Communication costs	**47,413**	15,888
Promotion and advertising	**22,946**	7,851
Audit fees	**30,520**	35,400
Other expenses	**115,052**	123,197
	1,156,250	792,705

5 INCOME TAX

The major components of income tax expense are:

	2011 $	2010 $
Statement of Comprehensive Income		
Current income tax charge/(benefit)	**58,263**	52,036
R&D Tax offset	**(326,412)**	(249,720)
Income tax expense/(benefit) reported in the income statement	**(268,149)**	(197,684)
A reconciliation between tax expense and the product of accounting profit before income tax multiplied by theGroup's applicable income tax rate is as follows:		
Accounting profit before income tax	**(1,507,343)**	(4,974,002)
At the Group's statutory income tax rate of 30% (2010: 30%)	**(452,203)**	(1,492,201)
Immediate write off of capital expenditure	**(1,153,689)**	(454,255)
Expenditure not allowable for income tax purposes	**1,489,079**	1,253,351
Non-assessable income	**(1,338,337)**	-
Capital gains	**170,632**	160,183
Tax losses not recognised due to not meeting recognition criteria	**1,284,518**	532,922
Tax portion of share issue costs	**58,263**	52,036
	58,263	52,036

The Group has tax losses arising in Australia of $11,331,547 (2010: $7,049,822) that are available indefinitely for offset against future taxable profits of the companies in which the losses arose.

Tax consolidation

Minotaur Exploration Ltd and its 100% owned Australian resident subsidiaries have formed a tax consolidated group with effect from 5 February 2005. Minotaur Exploration Ltd is the head entity of the tax consolidated group.

	Consolidated Group	
	2011	2010
	$	$

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:

Net loss attributable to ordinary equity holders of the parent entity	**(1,239,194)**	(4,776,318)
Weighted average number of ordinary shares for basic earnings per share	**89,639,133**	77,680,266
Effect of dilution		
Share options	**N/A**	N/A
Weighted average number of ordinary shares adjusted for the effect of dilution	**89,639,133**	77,680,266

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 taken 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

Cash at bank and in hand	**870,064**	2,683,500
Short-term deposits	**1,361,000**	1,438,622
	2,231,064	4,122,122

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

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

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	**870,064**	2,683,500
Short-term deposits	**1,361,000**	1,438,622
	2,231,064	4,122,122

	Consolidated Group	
	2011	2010
	$	$

7 CASH AND CASH EQUIVALENTS CONTINUED

Reconciliation of net loss after tax to net cash flows from operations

	2011 $	2010 $
Net profit/(loss)	**(1,239,194)**	(4,776,318)
Adjustments for non-cash items:		
Depreciation	**149,259**	135,907
Impairment of non-current assets	**4,029,333**	3,343,536
Gain on reclassification of non-current asset	**(4,214,545)**	-
Share of associates' net (profits)/losses	**743,806**	459,356
Net (gain)/loss on disposal property plant and equipment and available-for-sale financial instruments	**(246,583)**	(359,676)
Non-cash income tax expense/(benefit)	**58,263**	52,036
Share options expensed	**133,777**	484,440
Changes in assets and liabilities:		
(Increase)/decrease in trade and other receivables	**(89,075)**	(224,991)
(Increase)/decrease in prepayments	**(32,087)**	19,867
(Decrease)/increase in trade and other payables	**(261,159)**	(66,509)
(Decrease)/increase in withholding tax payable	**23,556**	12,383
(Decrease)/increase in employee provisions	**49,609**	(116,616)
Net cash from operating activities	**(895,040)**	(1,036,585)

8 TRADE AND OTHER RECEIVABLES

	2011 $	2010 $
Trade receivables (i)	**76,708**	400,453
R&D Receivable	**409,614**	312,150
Goods and Services Tax Receivable	**72,270**	21,818
Sundry debtors	**206,314**	-
	764,906	734,421

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 2010 and 2011 and no receivables are past due at balance date.

Information regarding the credit risk of current receivables is set out in *Note 26*.

9 OTHER CURRENT ASSETS

	2011 $	2010 $
Prepayments	**59,729**	27,642
Accrued income	**316,620**	23,615
	376,349	51,257

	Consolidated Group	
	2011	2010
	$	$

10 HELD-FOR-SALE ASSETS

Exploration and evaluation phase costs	**142,345**	-
	142,345	-

As announced on the ASX on 28 July 2011, the Company intends to dispose of certain Gawler Ranges tenements. Accordingly, these assets have been classified as held for sale. At 30 June 2011, no impairment was recognised in relation to these tenements as their carrying amount did not exceed their estimated recovevable amount.

11 AVAILABLE-FOR-SALE INVESTMENTS

At fair value – Shares and rights, listed:		
Opening balance	**993,068**	1,565,910
Revaluations	**48,000**	(74,717)
Disposals	**(187,068)**	(498,125)
Acquisitions	**195,000**	-
Impairments	**(2,299,000)**	-
Transfer from investments in associates	**1,640,455**	-
Gain on reclassification of non-current assets *(a)*	**4,214,545**	-
	4,605,000	993,068

Available-for-sale investments consist of investments in ordinary shares in listed entities. The investments are 5,300,000 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), 10,000,000 fully paid ordinary shares in the capital of Thomson Resources Ltd (ASX Code TMZ) and 21,466,667 fully paid ordinary shares in the capital of Mithril Resources Ltd (ASX Code MTH).
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 2011, the closing bid price was $0.05, $0.10, $0.15 and $0.096 respectively.

a) During the year the Company changed the classification of its investments in Mithril Resources Ltd and Thomson Resources Ltd due to dilution of Minotaur's interest in both entities following a share placement and initial public offering respectively.

In accordance with Accounting Standards both investments were revalued to their market value on the date of the change in classification with a gain of $2,429,594 for Mithril and $1,784,951 for Thomson recognised in the Statement of Comprehensive Income.

At balance date, these investments were revalued to their market value. Given the significant reduction in market value between the date of reclassification to available for sale investments and balance date the directors have assessed that the movement reflects an impairment of the assets and has recognised a write down directly to the Statement of Comprehensive Income of $1,799,000 for Mithril and $500,000 for Thomson.

	Consolidated Group	
	2011	2010
	$	$

12 INVESTMENT ACCOUNTED FOR USING THE EQUITY METHOD

Investments in associates	**-**	1,884,261

Investment in Associates

Name	Principal Activities	Country of Incorporation	Shares	Ownership interest	
				2011	**2010**
				%	**%**
Listed:					
Mithril Resources Ltd *	Mining exploration	Australia	Ordinary	**9.75**	16.57
Petratherm Ltd	Geothermal exploration	Australia	Ordinary	**18.54**	18.35
Thomson Resources Ltd *	Mining exploration	Australia	Ordinary	**14.25**	21.13

Accounted for as investments available for sale at 30 June 2011 (refer to *Note 11*).

	Consolidated	
	2011	2010
	$	$
Share of associates' statements of financial position		
Current assets	**392,378**	2,565,561
Non-current assets	**3,322,880**	4,579,855
	3,715,258	7,145,416
Current liabilities	**(128,805)**	(810,183)
Non-current liabilities	**(552,831)**	(570,618)
	(681,636)	(1,380,801)
Net assets	**3,033,622**	5,764,615

Share of associates commitments	*< 1 year*	*> 1 year but < 5 years*
Operating Leases	**-**	-
Hire Purchases	**-**	-
Exploration licences	**-**	-
	-	-

Reconciliation of movement in carrying amount of investment in associates:		
Balance at beginning of year	**1,884,261**	1,081,616
Acquisitions of investments in associates	**500,000**	1,262,001
Share of net profit/(loss) after income tax	**(743,806)**	(459,356)
Transfer to available for sale investments	**(1,640,455)**	-
	-	1,884,261

	Consolidated Group 2011 $	2010 $
13 PROPERTY, PLANT AND EQUIPMENT		
Plant and equipment		
Cost		
Opening balance	**683,942**	563,608
Additions	**66,937**	120,334
Transfer to Kaolin Pilot Plant	**(7,467)**	-
	743,412	683,942
Accumulated depreciation		
Opening balance	**409,931**	305,514
Depreciation for the year	**102,431**	104,417
	512,362	409,931
Net book value of plant and equipment	**231,050**	274,011
Motor Vehicles		
Cost		
Opening balance	**231,401**	202,383
Additions	**1,600**	185,073
Disposals	**-**	(156,055)
	233,001	231,401
Accumulated depreciation		
Opening balance	**37,659**	55,478
Depreciation for the year	**46,828**	31,490
Disposals	**-**	(49,309)
	84,487	37,659
Net book value of motor vehicles	**148,514**	193,742
Kaolin Pilot Plant		
Cost		
Opening balance	**-**	-
Transfer from plant and equipment	**7,467**	-
Additions	**162,964**	-
	170,431	-
Accumulated depreciation		
Opening balance	**-**	-
Depreciation for the year	**-**	-
	-	-
Net book value of kaolin pilot plant	**170,431**	-
Total net book value of property, plant and equipment	**549,995**	467,753

	Consolidated Group	
	2011 **$**	2010 $

13 PROPERTY, PLANT AND EQUIPMENT CONTINUED

The useful life of the assets was estimated as follows both for 2010 and 2011:

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 2011 is $131,472 (2010: $175,295). There were no additions of plant and equipment held under hire purchase contracts made during the year (2010: $180,150).

14 EXPLORATION AND EVALUATION ASSETS

	2011 $	2010 $
Exploration, evaluation and development costs carried forward in respect of mining areas of interest		
Exploration and evaluation phases – Joint Ventures	**7,003,800**	6,485,735
Exploration and evaluation phases – Other	**4,342,020**	2,912,434
	11,345,820	9,398,169

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	6,485,735	2,912,434	9,398,169
Additions through expenditure capitalised	3,363,994	2,966,486	6,330,480
Reductions through joint venture contributions	(2,320,849)	-	(2,320,849)
Exploration related government grants	-	(64,238)	(64,238)
Write off of tenements relinquished	(36,866)	(1,693,467)	(1,730,333)
R&D Tax offset directly attributable to tenements	(81,603)	-	(81,603)
Transfer from Joint Ventures to other	(406,611)	406,611	-
Transfer to held for sale assets	-	(142,345)	(142,345)
Disposal of tenements	-	(43,461)	(43,461)
Balance at end of year	7,003,800	4,342,020	11,345,820

Exploration and Evaluation expenditure has been 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 recovered reserves. Management assessment of carried forward expenditure resulted in impairment of $1,730,333.

15 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 (e)*.

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:

	No. 2011	**WAEP 2011**	**No. 2010**	**WAEP 2010**
Outstanding at the beginning of the year	**1,280,000**	**0.52**	2,600,000	0.46
Exercised during the year	**(100,000)**	**0.25**	-	-
Expired or lapsed during the year	**(250,000)**	**0.61**	(1,320,000)	0.40
Outstanding at the end of the year	**930,000**	**0.53**	1,280,000	0.52
Exercisable at the end of the year	**930,000**	**0.52**	1,280,000	0.52

The outstanding balance as at 30 June 2011 is represented by:

- 400,000 options exercisable at any time until 18 January 2012 with an exercise price of $0.80.
- 120,000 options exercisable at any time until 30 Jan 2013 with an exercise price of $0.55.
- 410,000 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 2011 is 1.969 years (2010: 2.300 years).

The range of exercise prices for options outstanding at the end of the year was $0.25 - $0.80 (2010: $0.25 - $0.80).

The weighted average fair value of options granted during the year was nil, as no options were issued (2010: $0.097).

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.

	Consolidated Group 2011 $	2010 $
16 TRADE AND OTHER PAYABLES		
Trade payables (i)	**510,525**	344,638
Other payables (ii)	**173,781**	195,520
	684,306	540,158

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 26*.

	Consolidated Group 2011 $	2010 $
17 BORROWINGS		
Current		
Obligations hire purchase contracts	**33,898**	31,398
	33,898	31,398
Non-current		
Obligations hire purchase contracts	**118,936**	152,834
	118,936	152,834
18 PROVISIONS		
Current		
Annual leave provision		
Balance at 1 July	**105,206**	161,079
Net increase/(decrease in provision)	**17,003**	55,873
Closing Balance 30 June	**122,209**	105,206
Long Service Leave		
Balance at 1 July	**159,038**	220,172
Net increase/(decrease in provision)	**35,982**	61,134
Closing Balance 30 June	**195,020**	159,038
	317,229	264,244
Non-current		
Long Service Leave		
Balance at 1 July	**65,446**	65,055
Net increase/(decrease in provision)	**3,376**	391
Closing Balance 30 June	**62,070**	65,446

	Consolidated Group	
	2011	2010
	$	$

19 ISSUED CAPITAL

92,709,018 fully paid ordinary shares (2010: 80,529,581)	**29,213,124**	25,930,647
	29,213,124	25,930,647

	2011		2010	
	Number	**$**	Number	$
Ordinary shares				
Balance at beginning of financial year	**80,529,581**	**25,930,647**	70,129,581	23,556,063
Issued 9 October 2009 pursuant to private placement	**-**	**-**	10,400,000	2,496,000
Issued 1 October 2010 pursuant to private placement	**12,079,437**	**3,382,242**	-	-
Issued 1 October 2010 to an employee upon exercise of options	**100,000**	**25,000**	-	-
Transaction from share based payments reserve	**-**	**11,182**	-	-
Transaction costs on shares issued	**-**	**(135,947)**	-	(121,416)
Balance at end of financial year	**92,709,018**	**29,213,124**	80,529,581	25,930,647

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).

	Consolidated Group	
	2011	2010
	$	$

20 RESERVES

Share option reserve (a)	**913,155**	820,394
Foreign currency translation reserve (b)	**(130,754)**	(33,664)
Available-for-sale revaluation (c)	**338,000**	204,719
	1,120,401	991,449

a) Share option reserve

Balance at beginning of financial year	**820,394**	862,382
Issue of options to employees and officers under Employee Share Option Plan	**133,777**	484,441
Transfer to issued capital upon exercise of options	**(11,182)**	-
Transfer to retained earnings upon lapse of options	**(29,834)**	(526,429)
Balance at end of financial year	**913,155**	820,394

b) Foreign currency translation reserve

Balance at beginning of financial year	**(33,664)**	(61,112)
Translation of foreign subsidiary	**(97,090)**	27,448
Balance at end of financial year	**(130,754)**	(33,664)

c) Available-for-sale revaluation

Balance at beginning of financial year	**204,719**	508,611
Revaluation increment	**48,000**	(74,717)
Transfer to Statement of Comprehensive Income upon sale of available-for-sale investments	**85,281**	(229,175)
Balance at end of financial year	**338,000**	204,719

	Consolidated Group	
	2011	2010
	$	$
21 RETAINED EARNINGS		
Retained Earnings		
Balance at beginning of financial year	**(10,325,125)**	(6,075,236)
Net loss attributable to members of the parent entity	**(1,239,194)**	(4,776,318)
Transfer from share option reserve	**29,834**	526,429
Balance at end of financial year	**(11,534,485)**	(10,325,125)
22 COMMITMENTS FOR EXPENDITURE		
Operating leases		
Not longer than 1 year	**133,467**	129,580
Longer than 1 year and not longer than 5 years	**90,740**	224,207
	224,207	353,787
Hire purchase commitments		
Not longer than 1 year	**44,468**	44,469
Longer than 1 year and not longer than 5 years	**124,897**	169,365
	169,365	213,834
Less: future finance charges	**(16,531)**	(29,602)
	152,834	184,232

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 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 2012 amounts of approximately $5,200,000 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, $2,600,000 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, $125,000 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.

	Consolidated Group	
	2011	2010
	$	$

23 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 $161,000 at 30 June 2011 (2010: $183,500). 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.

24 AUDITOR'S REMUNERATION

	2011 $	2010 $
Audit or review of the financial report	**29,620**	35,400
	29,620	35,400

No other services have been provided.

25 CONTROLLED ENTITIES

	Country of incorporation	Ownership interest 2011 %	Ownership interest 2010 %
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

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

	Consolidated Group	
	2011	2010
	$	$

26 FINANCIAL RISK MANAGEMENT

Credit 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 19, 20* and *21* respectively.

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

	2011 $	2010 $
Financial assets		
Cash and cash equivalents	**2,231,064**	4,122,122
Trade receivables	**764,906**	734,421
Available-for-sale financial instruments	**4,605,000**	993,068
Investment in associates	**-**	1,884,261
Financial liabilities		
Payables	**684,306**	540,158
Borrowings	**152,834**	184,232

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 risk

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** $
2010		
Variable interest rate	4.71	4,122,122
2011		
Variable interest rate	**4.78**	**2,231,064**

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 $22,715 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.

	Weighted average effective interest rate	Less than 1 year than	Longer than 1 year and not longer 5 years
	%	$	$
Consolidated			
2010			
Interest bearing	7.69	31,398	152,834
Non-interest bearing	0.00	540,158	-
2011			
Interest bearing	**7.69**	**33,898**	**118,936**
Non-interest bearing	**0.00**	**684,306**	**-**

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 financial instruments recognised at fair value in the statement of financial position have been analysed and classified using a fair value hierarchy reflecting the significance of the inputs used in making the measurements. The fair value hierarchy consists of the following levels:

a) quoted prices in active markets for identical assets (level 1);

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

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

26 FINANCIAL RISK MANAGEMENT CONTINUED

Consolidated Group 2011	Level 1 $	Level 2 $	Level 3 $	Total $
Financial assets at fair value				
Available-for-sale investments				
– ActiveX Ltd - 5,300,000 Shares	265,000	-	-	265,000
– Platsearch NL - 8,000,000 Shares	784,000	-	-	784,000
– Mithril Resources Ltd - 21,466,667 Shares	2,056,000	-	-	2,056,000
– Thomson Resources Ltd - 10,000,000 Shares	1,500,000	-	-	1,500,000
Investments in associates				
– Petratherm Ltd - 20,498,397 shares	-	-	-	-
	4,605,000	-	-	4,605,000

Included within Level 1 of the hierarchy are listed investments. The fair values of these financial assets have been based on the closing quoted bid prices at the end of the reporting period, excluding transaction costs.

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.

27 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 Derek N Carter, Chairman

Mr Andrew Woskett, Managing Director

Mr Richard M Bonython, Executive Director

Dr Peter J Gower, Non-Executive Director

Dr Antonio P Belperio, Executive Director

Mr Donald Stephens, Company Secretary

Mr Richard Flint, Chief Geologist

Mr Varis Lidums, Commercial Manager

Mr Ian Garsed, Exploration Manager

	Consolidated Group 2011 $	2010 $
Short-term employee benefits	**966,997**	876,754
Post employment benefits	**85,916**	149,142
Share-based payments	**133,777**	444,412
	1,186,690	1,470,308

a) Option holdings of Key Management Personnel

30 June 2011	Balance at beginning of period	Granted as remuneration	Exercised	Net change other	Balance at end of period	Expiry Date	First Exercise Date	Last Exercise Date
Directors								
Derek Carter	1,200,000	-	-	-	1,200,000	17/05/15	18/05/10	17/05/15
Richard Bonython	900,000	-	-	-	900,000	17/05/15	18/05/10	17/05/15
Peter Gower	900,000	-	-	-	900,000	17/05/15	18/05/10	17/05/15
Antonio Belperio	900,000	-	-	-	900,000	17/05/15	18/05/10	17/05/15
	400,000	-	-	-	400,000	02/12/12	03/12/07	02/12/12
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								
Donald Stephens	400,000	-	-	-	400,000	17/05/15	18/05/10	17/05/15
	-	200,000	-	(200,000)	-	11/11/12	12/11/09	11/11/12
Richard Flint	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
Varis Lidums	-	-	-	-	-	N/A	N/A	N/A
Ian Garsed	-	-	-	-	-	N/A	N/A	N/A

30 June 2010	Balance at beginning of period	Granted as remuneration*	Exercised	Net change other	Balance at end of period	Expiry Date	First Exercise Date	Last Exercise Date
Directors								
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	02/12/12	03/12/07	02/12/12
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								
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

27 RELATED PARTY DISCLOSURE AND KEY MANAGEMENT PERSONNEL REMUNERATION CONTINUED

b) Shareholdings of Key Management Personnel

30 June 11	Balance at 1 July 10	On Exercise of Options	Net Change Other	Balance 30 June 11
Directors				
Derek Carter	**2,056,805**	-	-	**2,056,805**
Andrew Woskett	-	-	-	-
Richard Bonython	**1,452,000**	-	-	**1,452,000**
Peter Gower	**600,000**	-	-	**600,000**
Antonio Belperio	**680,306**	-	-	**680,306**
Executives				
Donald Stephens	**305,000**	-	-	**305,000**
Richard Flint	-	-	-	-
Varis Lidums	-	-	-	-
Ian Garsed	-	-	-	-

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
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				
Donald Stephens	305,000	-	-	305,000
Richard Flint	-	-	-	-

Associates

Throughout the year, Minotaur Exploration Ltd 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 an arms length basis and in aggregate for the year ended 30 June 2011 totalled $29,420 (2010: $219,090) exclusive of GST. No amounts were owed by any associate at the end of the year (2010: $12,322).

Director related entities

In addition, Minotaur Exploration Ltd invoiced Toro Energy Ltd and its wholly owned subsidiary Minotaur Uranium Pty Ltd (Derek Carter, the Company's Chairman is a board member of Toro) for reimbursements relating to exploration expenditure jointly incurred. These transactions were undertaken on an arms length basis and in aggregate for the year ended 30 June 2011 totalled $7,315 (2010: $33,094), exclusive of GST.

Wholly owned group transactions

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 and Great Southern Kaolin Pty Ltd. Ownership interests in these controlled entities are set out in *Note 25*. 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.

Directors' Declaration

The Directors of the Company declare that:

1 the financial statements and notes, as set out on *pages 32 to 62*, are in accordance with the *Corporations Act 2001* and:

- **a)** comply with Accounting Standards, which, as stated in accounting policy *Note 1* to the financial statements, constitutes explicit and unreserved compliance with International Financial Reporting Standards (IFRS); and
- **b)** give a true and fair view of the financial position as at 30 June 2011 and of the performance for the year ended on that date of the Company and consolidated Group;

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; and

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

23 September 2011

Grant Thornton

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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 consolidated statement of financial position as at 30 June 2011, consolidated the statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, notes comprising a summmary of significant accounting policies and other explanatory information 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 of the financial report that gives a true and fair view of the financial report in accordance with Australian Accounting Standards and the *Corporations Act 2001*. This responsibility inclues such internal controls as the Directors determine are necessary to enable the preparation of the financial report to be free from material misstatement, whether due to fraud or error. 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.

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 assesments, the auditor considers internal control relevant to the Company'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 Company'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.

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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 2011 and of its performance for the year ended on that date; and

  ii) complying with Australian Accounting Standards 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 the directors' report for the year ended 30 June 2011. 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.

Auditor's opinion on the remuneration report

In our opinion, the remuneration report of Minotaur Exploration Limited for the year ended 30 June 2011, complies with section 300A of the *Corporations Act 2001*.

GRANT THORNTON SOUTH AUSTRALIAN PARTNERSHIP
Chartered Accountants

J L Humphrey
Partner

Adelaide, 23 September 2011

ASX Additional Information

INTERESTS IN MINING TENEMENTS

Lease ID	Lease Name	State	Holding Company	MinotaurEquity or EquityEarned	JV Partner
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	49%	Perilya 51%
EL4495	LAKE EVERARD WEST	SA	Helix Resources	54%	Helix 46%
EL4541	ANNA VILLA	SA	Red Metal	0%	Red Metal 100%
EL4575	TOOTLA	SA	Great Southern Kaolin	100%	
EL4596	YELLABINNA	SA	Helix Resources	54%	Helix 46%
EL4616	MAITLAND	SA	Red Metal	0%	Red Metal 100%
EL4692	PANDURRA	SA	Minotaur Operations	100%	Subject to Spencer Resources Tenement Purchase Agreement
EL4696	COORITTA	SA	Minotaur Operations	100%	
EL4697	YANERBIE	SA	Minotaur Operations	100%	
EL4708	KOOLCUTTA	SA	Minotaur Operations	100%	Subject to Spencer Resources Tenement Purchase Agreement
EL4745	BONYTHON HILL	SA	Minotaur Operations	55%	BHPB 44%
EL4762	BURT LAGOON	SA	Minotaur Operations	100%	
EL4763	KALLIOOTA	SA	Minotaur Operations	100%	
EL4776	MT DOUBLE	SA	Minotaur Operations	100%	Subject to Spencer Resources Tenement Purchase Agreement
ELA74/2009	PARAKYLIA	SA	Minotaur Operations	100%	
ELA183/2010	LAKE EVERARD	SA	Helix Resources	54%	Helix 46%
ELA200/2010	YANERBIE	SA	Minotaur Operations	100%	
ELA232/2010	EDIACARA	SA	Perilya	49%	Perilya 51%
ELA281/2010	MOUNT DOUBLE	SA	Minotaur Operations	100%	
ELA367/2010	CAMEL LAKE	SA	Minotaur Operations	100%	
ELA14/2011	NONNING	SA	Menninnie Metals Pty Ltd	100%	Subject to sale deed – Nonning Joint Venture
ELA69/2011	OOLGELIMA CREEK	SA	Minotaur Operations	100%	
ELA71/2011	LAKE CADI	SA	Minotaur Operations	100%	
ELA95/2011	YUDNAPINNA	SA	Minotaur Operations	100%	Subject to Spencer Resources Tenement Purchase Agreement
ELA153/2011	MINGARY	SA	Minotaur Operations	100%	Sumitomo 59%
ML4386	THIRD PLAIN	SA	Perilya	49%	Perilya 51%
ML5856	EAREA DAM	SA	Minotaur Operations	100%	

Lease ID	Lease Name	State	Holding Company	MinotaurEquity or EquityEarned	JV Partner
EL6496	OAKDALE	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%	
ELA4529	WALLABY CREEK	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%
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%
EPM16975	CATTLE CREEK	QLD	Minotaur Operations	100%	JOGMEC 0%
EPM16977	DRY CREEK	QLD	Minotaur Operations	100%	JOGMEC 0%
EPM17286	JACKYS CREEK	QLD	Minotaur Operations	100%	JOGMEC 0%
EPM18017	COTSWOLD	QLD	Minotaur Operations	100%	JOGMEC 0%
EPM18268	MOUSE	QLD	Minotaur Operations	100%	JOGMEC 0%
EPM18283	HINKLER WELL	QLD	Minotaur Operations	100%	JOGMEC 0%
EPMA18315	CAMEL WELL	QLD	Minotaur Operations	100%	
EPM18367	COTSWOLD HOMESTEAD	QLD	Minotaur Operations	100%	JOGMEC 0%
EPM18624	OORINDI PARK	QLD	Minotaur Operations	100%	
EPMA16396	ERNEST HENRY NORTH	QLD	Minotaur Operations	100%	
EPMA18068	GIDYEA BORE	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%	
EPMA18861	DONALDSON WELL	QLD	Minotaur Operations	100%	
EPMA19050	DATCHET	QLD	Minotaur Operations	100%	
EPMA19061	WINDSOR	QLD	Minotaur Operations	100%	
EPMA19066	LUCIA	QLD	Minotaur Operations	100%	
EPMA19096	STRATHFIELD	QLD	Minotaur Operations	100%	
EPMA19205	ERNEST HENRY WEST	QLD	Minotaur Operations	100%	
EL5253	DOOKIE	VIC	Minotaur Operations	100%	
EL5296	ROCHESTER	VIC	Minotaur Operations	100%	
EL27733	COOLIBAH	NT	Minotaur Operations	100%	
ELA28789	MIDNIGHT CREEK	NT	Minotaur Operations	100%	

ASX Additional Information

SHAREHOLDINGS AS AT 28 SEPTEMBER 2011

Additional information required by the Australian Securities Exchange Ltd and not shown elsewhere in this report is as follows. The information is current as at 28 September 2011.

Distribution of equity securities

Ordinary share capital

92,709,018 fully paid ordinary shares are held by 2,826 individual shareholders. There are no restricted and unquoted ordinary shares.

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

Options

7,630,000 unlisted options are held by 14 individual option holders. One holder, Mr Andrew Woskett, holds 2,000,000 options (equivalent to 26.21% of the total unlisted options on issue).
The number of shareholders, by size of holding, in each class are:

	Fully paid ordinary shares	Unlisted Options
1 – 1,000	425	-
1,001 – 5,000	931	-
5,001 – 10,000	456	-
10,001 – 100,000	881	4
100,001 and over	133	10
	2,826	14
Holding less than a marketable parcel	1,085	-

Substantial shareholders

	Fully paid	
Ordinary shareholders	**Number**	**Percentage**
OZ Minerals Limited	8,041,670	8.67%
Newmont Capital Pty Ltd	5,320,000	5.74%
	13,361,670	14.41%

	Fully Paid Ordinary Shares	
TWENTY LARGEST HOLDERS OF QUOTED EQUITY SECURITIES	**Number**	**Percentage**
Oxiana Ltd	7,000,000	7.55%
Newmont Capital Pty Ltd	5,320,000	5.74%
Yarraandoo Pty Ltd <Yarraandoo Super Fund A/C>	3,662,129	3.95%
Lam Speculative Limited	3,332,647	3.60%
Bell Potter Nominees Ltd <BB Nominees A/C>	3,090,109	3.33%
Dorica Nominees Pty Ltd	1,402,000	1.51%
Kimbriki Nominees Pty Ltd <Kimbriki Hamilton Sf A/C>	1,387,677	1.50%
HSBC Custody Nominees (Australia) Limited	1,359,036	1.47%
OZ Minerals Limited	1,041,670	1.12%
Mr Nicholas James Carter + Mrs Susan Mary Carter <Carter Family Super A/C>	954,000	1.03%
Mr Derek Northleigh Carter	900,000	0.97%
JP Morgan Nominees Australia Limited <Cash Income A/C>	800,387	0.86%
Valnera Holdings Pty Ltd	800,000	0.86%
Mr Nicholas Carter	771,445	0.83%
Romadak Pty Ltd <Romadak Super Fund A/C>	608,334	0.66%
Dr Peter John Gower	600,000	0.65%
Maniciti Pte Ltd	580,000	0.63%
Mr Derek Northleigh Carter + Mrs Carlsa Joyce Carter	551,249	0.59%
PFH Super Pty Ltd <PFH Super Fund A/C>	550,000	0.59%
KABT Holdings Pty Ltd <KBT Super Fund A/C>	500,000	0.54%
	35,210,683	37.98%

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