

SAINTS NICKEL-COBALT PROJECT: INVESTMENT SCENARIO

+21,000 tonnes contained nickel in Western Australia

INVESTMENT HIGHLIGHTS

- Battery technology applications driving demand for high purity nickel metal sourced from clean, nickel sulphides.
- The **Saints** primary sulphide nickel-cobalt deposit is located in Western Australia, 65km north-northwest of the mining centre of Kalgoorlie.
- Inferred Resource (JORC 2012, May 2017) estimate of **1.05Mt at 2.0% Ni** for 21,000 tonnes of contained Ni above 1.0% Ni cut-off plus 600 tonnes of cobalt.
- Mineralisation is open at depth and along strike, providing substantial discovery upside.
- Recent ground electrical geophysical survey (EM) identified additional drill targets between and beyond the existing resource model.
- Drilling into EM anomalies could expand the current mineral resource and establish a case for mine pre-feasibility.
- The nickel deposit is located on a long term mining licence. An adjacent, second mining licence provides flexibility in mine and surface infrastructure planning.
- Minotaur Exploration Limited (Minotaur) owns the mining licences (and thus the mineral resource) 100%.
- 250,000 tonnes per annum underground mining operation conceptualised.
- Minotaur is seeking project investment to help advance the asset towards commercialisation and production. Investment is available at the project level or at the corporate equity level.
- Initial project seed investment sought is US\$5 million.
- Follow-on investment requirement anticipated to be US\$5 million through to feasibility and decision to mine.
- At Decision to Mine (DtM) milestone, project could be launched as an Initial Public Offering (IPO) on ASX to attract US\$25-30 million for project execution.

LI ION BATTERY GROWTH ENERGISES GLOBAL DEMAND FOR NICKEL SULPHIDES

To quote Tesla CEO Elon Musk (2016) "Our cells should be called Nickel-Graphite, because primarily the cathode is nickel and the anode side is graphite with silicon oxide....[there is] a little bit of lithium in there, but its like the salt on the salad." Lithium (Li) ion batteries typically comprise 85% nickel (Ni), 10% cobalt (Co) and 5% aluminium (Al). Nickel sulphate, produced from nickel sulphide, is the key nickel form used in Li ion batteries. BHP Billiton, in August 2017, committed US\$43 million to enhance nickel sulphate production at its Kwinana refinery south of Perth, Western Australia, with feedstock sourced from its Nickel West operations. Subsequently, BHPB announced plans to further expand output to 200,000 tonnes per year, a step which would make Nickel West the largest producer of nickel sulphate globally.

REGIONAL NICKEL SULPHIDE PEDIGREE & SAINTS DISCOVERY POTENTIAL

Australia is the world's 5th-largest nickel producing region (c.200,000 tpa) with about 90% of that coming from the Western Australia ultramafic greenstone belt, stretching (N-S) from Wiluna-Leinster-Leonora-Kalgoorlie-Kambalda-Norseman, a distance of 650km (Figure 1).

Significant past/present nickel sulphide (NiS¹) producing operations include the world-class deposits (listed N-S from Wiluna) at Honeymoon Well (1.4Mt Ni metal) Mt Keith (3.4Mt), Yakabindie (1.7Mt), Cosmos (650kt), Perserverance (1Mt) and the smaller but high-grade Venus (140kt), Weebo Bore (88kt), Sinclair (38.5kt), Waterloo (19kt), **Saints** (21kt), Scotia (31kt) and Silver Swan/Black Swan (26kt) deposits. South of Kalgoorlie, the Kambalda nickel field (over 22 deposits exceed 1.3Mt @ 3.1% Ni) ranges 100km south to Norseman.

¹ The element Nickel (Ni, number 28 on the Periodic Table) commonly presents as either of two mineralisation types– a sulphide (NiS) or a laterite. Sulphide mineralisation containing nickel is typically derived from volcanic or hydrothermal processes and usually includes copper (Cu) and/or cobalt (Co) and often gold (Au) or platinum group metals (PGMs). In general terms, sulphidic ores are straight forward to metallurgically process, smelt and refine to Ni metal, unlike lateritic ores that require extensive chemical and energy intensive processing routes. Source: *Mineral Resources and Production in the Goldfields-Esperance Region: Projecting Future Scenarios*, Mudd & Mohr 2010

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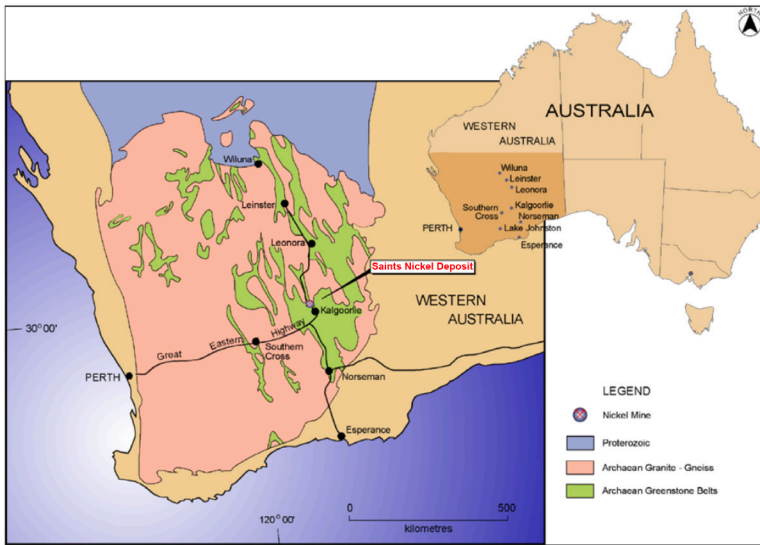
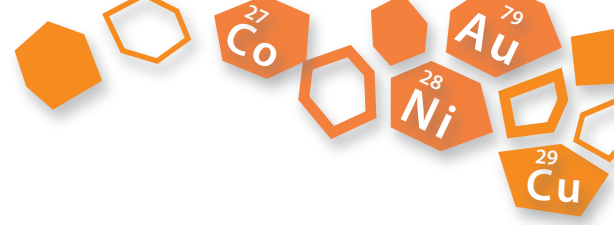


Figure 1: Location of the Saints Nickel Deposit, Western Australia shown over Archean geology (image amended and borrowed from Poseidon Nickel Ltd (ASX: POS) DFS report May 2017 for Silver Swan underground mine)

REGIONAL NICKEL SULPHIDE PEDIGREE & SAINTS DISCOVERY POTENTIAL cont.

These nickel deposits are typically hosted in regionally extensive ultramafic units in the Norseman-Wiluna, Archean age (2710 to 2670 Ma), greenstone belt. Orebodies are accumulations of komatiite-hosted massive to heavily disseminated sulphides, often at the stratigraphic base of the ultramafic complex (of which Perserverance is one of the world's largest). Saints exhibits similar mineralisation characteristics and, while modest in scale by comparison, offers economic potential due to its grade, absence of arsenic contamination, proximity to surface and, depth and strike discovery potential.

INVESTMENT CASE

This paper summarises Minotaur's Saints nickel deposit and an investment case to support additional resource definition drilling and technical assessment, leading to scoping level or pre-feasibility determination of a basis to go forward towards project feasibility and, potentially, mine development and production.

PROJECT LOCATION

The Saints NiS deposit is located 65km north-northwest of Kalgoorlie in the Goldfields region of Western Australia and 7km east of the Goldfields Highway (Figure 2). The nickel-cobalt resource is sited on mining licence M29/245. The Goldfields gas pipeline runs 16km east of the deposit.

The Saints deposit sits in the same sequence of rocks that host the defunct Scotia nickel mine, 15km to the south. Scotia produced 30,800 tonnes of contained nickel at 2.2% nickel grade to 360m depth until collapse of an upper level of the mine hanging wall in July 1977 terminated mine operations.

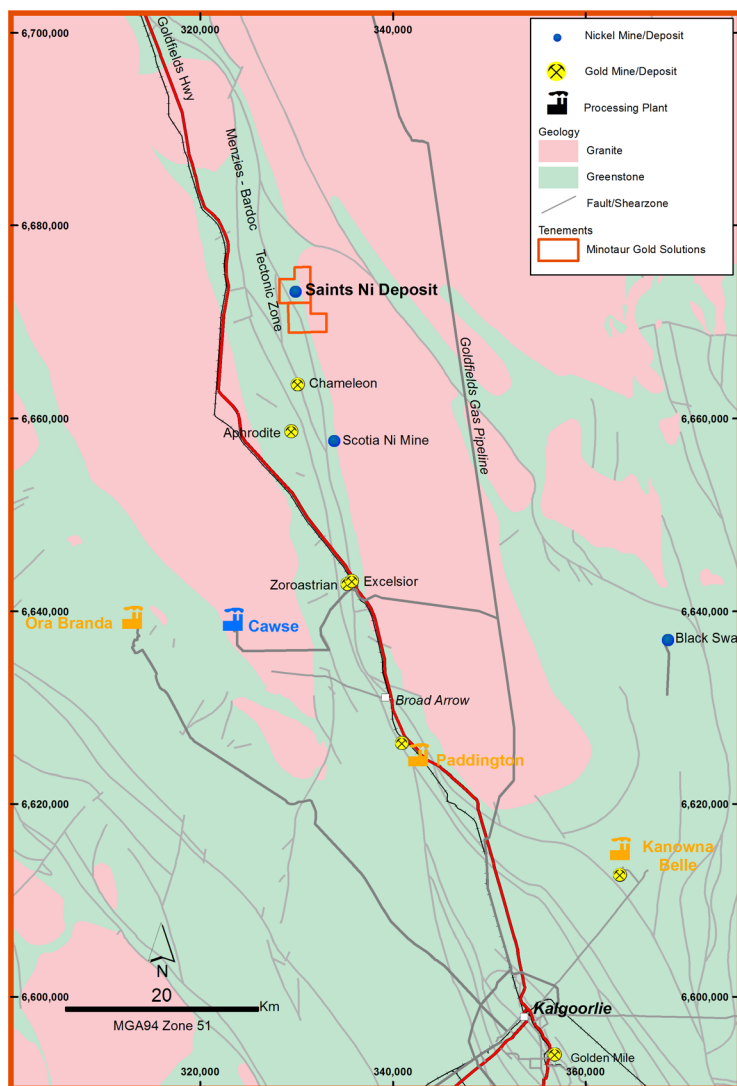
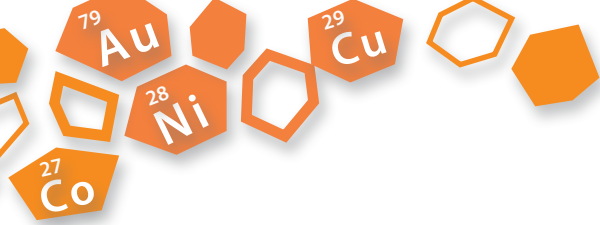


Figure 2: Location of the Saints Nickel deposit and Scotia mine, relative to Kalgoorlie



THE SAINTS MINERAL RESOURCE

Mining consultant RPM Global developed a maiden JORC 2012 Mineral Resource estimate for the Saints Nickel Sulphide Deposit, summarised in Table 1 below. Minotaur reported the JORC Resource estimate to ASX on 4 May 2017².

Table 1: Saints (JORC 2012) Inferred Mineral Resources Estimate (@1.0% Ni Cut-off)

Type	Tonnage kt	Ni %	Cu %	Co %	Ni t	Cu t	Co t
Oxide	2	1.0	0.02	0.02			
Transitional	22	1.7	0.1	0.05	400		
Fresh	1,020	2.0	0.2	0.06	21,00	1,600	600
TOTAL	1,050	2.0	0.2	0.06	21,00	1,600	600

Notably, at least 97.5% of the resource is fresh Archean style, komatiite hosted, primary sulphide mineralisation, to 480m below surface (Figures 3, 4, 5). With significant geological upside potential evident the defined resource could be enlarged through near-mine exploration and testing of postulated extensions of known stratigraphic sequences, such as the Western Contact 'depth fold'. Exploration success on the tenements could substantially extend mine life.

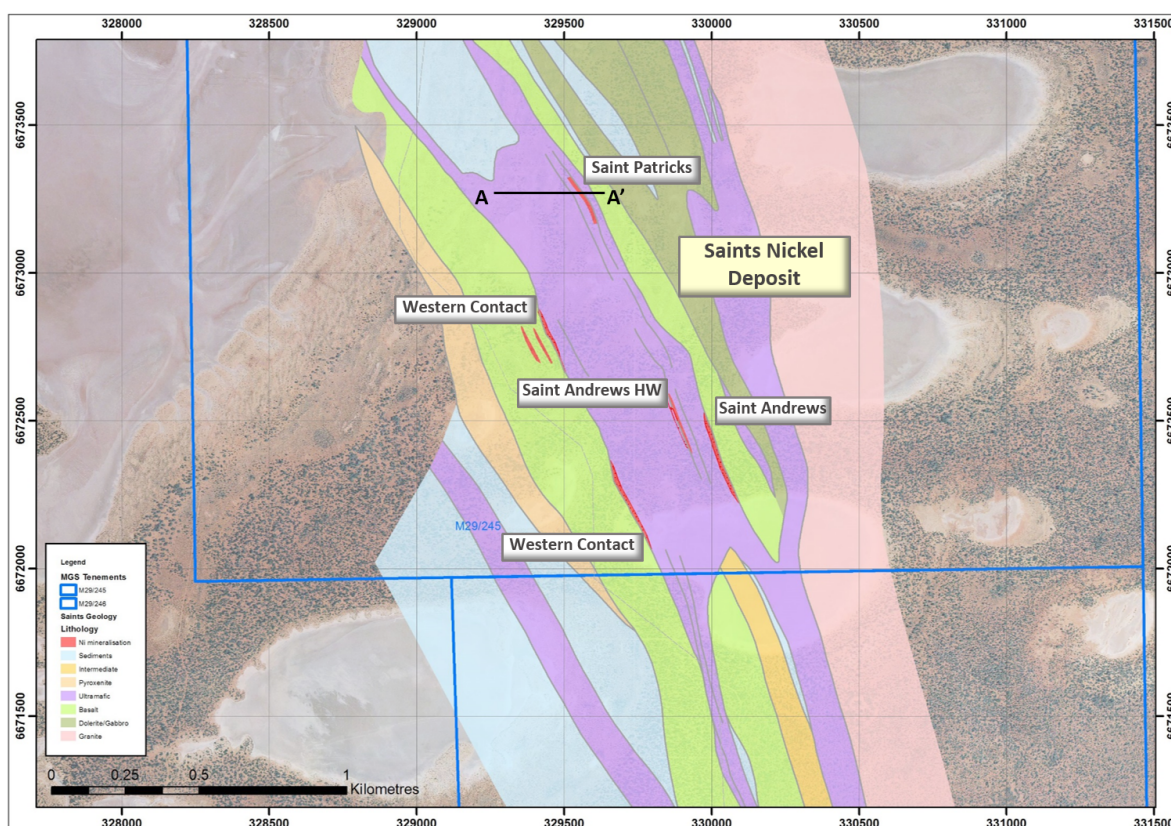
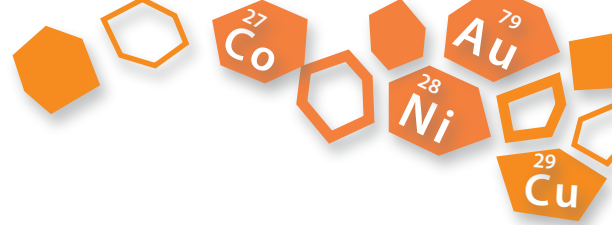


Figure 3: Interpreted basement geology map showing location of known Saints mineralisation relative to host rock units, plan view. Cross section A-A' is shown in Figure 5

² Minotaur report to ASX: Maiden JORC Resource Estimate for Saints Nickel deposit, 4 May 2017



PROJECT EXECUTION & TIMELINE

Project seed financing will activate formation of a small owner's project team tasked with managing the implementation and pre-production phases of the mine life cycle.

PRE-FEASIBILITY - SCOPING

Key pre-feasibility activities will comprise a drilling program for the purposes of upgrading the existing resource to JORC 2012 Measured and Indicated classifications (improved confidence levels), metallurgical testing and process flowsheet design, geotechnical and hydrogeological drilling and modelling, baseline environmental studies and preliminary mine planning. Ore off-take discussions with prospective customers will provide confidence that a market exists for the mine's predicted output. Anticipated study timeline is 12 months and estimated cost is US\$5million.

The nickel commodity price trend will be fundamental to the pertinence of this study phase. The project model could be anticipated to find financial support while nickel metal surpasses US\$16,000 per tonne (notorious for its price volatility LME nickel metal at time of writing is US\$13,200/t). 5 year metal price history is shown in Figure 6.

Figure 4: Saints nickel resource wireframed model, plan view. Map is in MGA94 Zone 51

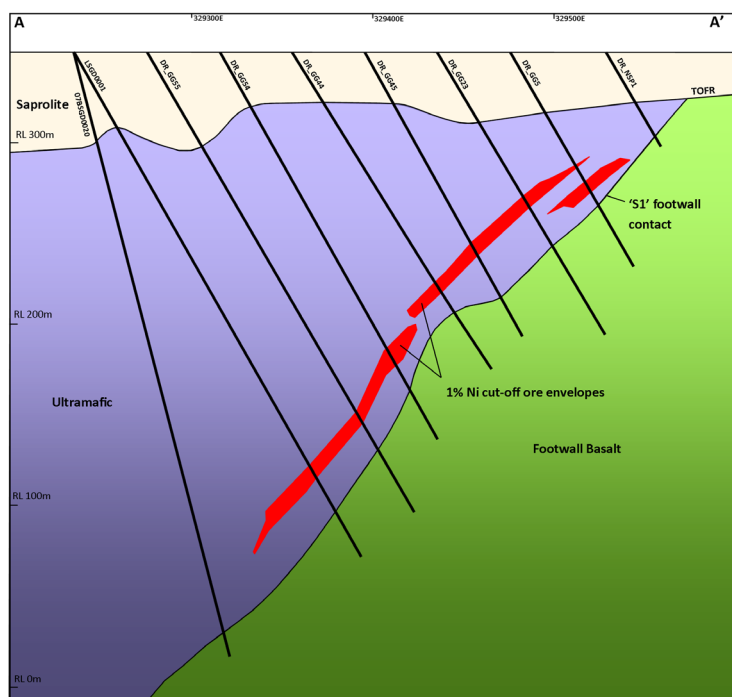


Figure 5: Cross-section A-A' at 6673255N (looking north) through Saint Patricks resource to illustrate dip of mineralised envelope. The Mineralised wireframes outlined in red are at 1% Ni cut-off. Dips for all 3 mineralised zones (Saint Patricks, Saint Andrews and Western Contact) vary between 35-55 degrees to the WSW

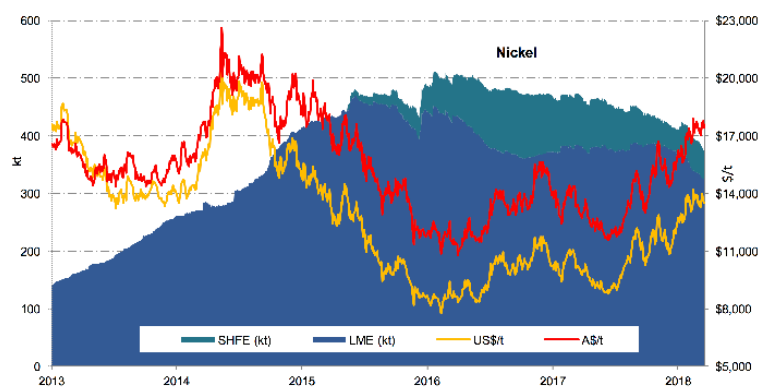
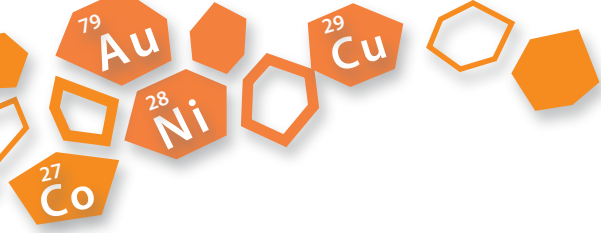


Figure 6: Nickel Price and Inventory History - 5 years. Source: Argus Metals, Terra Studio



PROJECT FEASIBILITY & PERMITTING

Positive pre-feasibility outcomes will allow the project to proceed from scoping study to feasibility level economic evaluation, providing a base for second round funding to take the project through mine permitting and to a decision to mine (DtM). Anticipated timeline is 12-15 months and estimated cost is US\$5million.

DECISION TO MINE & MINE DEVELOPMENT

A successful listing of the asset (IPO) on ASX could fund the capital required to underwrite the financial investment decision.

The financial investment decision (DtM) triggers contractor engagement and mine development activities. A pre-production 1500m long decline drive at 1:7 (8°) gradient and level ore development drives are currently thought the means by which ore will be extracted and hauled to surface for crushing and screening. Mine infrastructure would include: on-site power generation and distribution equipment, diesel fuel storage, site amenities (offices, change rooms, workshop), explosives magazines, crushing and screening plant, load out hopper, vent rises for underground workings, dewatering equipment, raw and potable water storage facilities, haul roads and stockpiles.

Subject to feasibility analysis and mine scheduling, an initial operation producing around 4000 tonnes per year of nickel metal in concentrate can be envisaged. This conceptualises an underground mine operation of around 250,000 tonnes per annum of nickel bearing ore delivered to surface. For indicative purposes, pre-production capital and working capital requirement of around US\$25-30 million may be required from DtM through to positive cashflow as the operation ramps up, possibly 24 months duration.

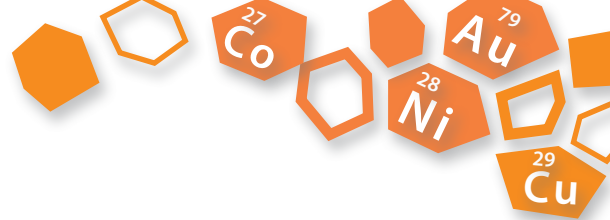
ORE PROCESSING TO CONCENTRATE - TOLLING

A dedicated concentrator at Saints is not considered necessary given various options for toll treating 'run of mine' ore in the Kalgoorlie region. An Exploration Target base of up 2.5 to 3 million tonnes of resource grade material is conceivable, however the currently defined resource does not presently justify a stand-alone mill. A Tailings storage dam is not required if ore is processed off-site, also minimising capex, environmental rehabilitation and closure liabilities.

Sized ore may be transported by road train, presumably to the BHPB Nickel West nickel concentrator at Kambalda, a distance of 130km via Kalgoorlie. Alternatively, a toll treating arrangement could be potentially arranged at the (currently idled) Silver Swan/Black Swan 2.2Mtpa nickel sulphide concentrator, only 50km to the south-east (Figure 2).

PROJECT MANAGEMENT CAPABILITY

Minotaur's management team has extensive exploration and resource development experience. An in-house team of geoscientists and engineers with a proven project track record provides the capability for delivering gold and base metals project development programmes, on behalf of our investment partners. Validation is expressed by past and present joint ventures with substantial Australian mining companies (OZ Minerals [ASX: OZL, market value US\$2.25b] and Sandfire Resources [ASX: SFR, market value US\$1b]) and Japanese global resource houses Sumitomo Metals Mining (SMM) and Japan Oil Gas and Metals National Corporation (JOGMEC).



TENEMENT OBLIGATIONS

The Saints Project comprises 2 granted Mining Licenses held by Minotaur Gold Solutions Ltd, a wholly-owned subsidiary of Minotaur Exploration. Details of the tenements, including current statutory expenditure commitments are shown in Table 2.

Table 2: Saints Project tenement annual expenditure obligations

Project	Tenement	Holding Company	Size Sub-blocks/km ²	Grant Date	Expiry Date	Required Expenditure	Annual Rent	Shire Rates
Scotia	M29/245	Minotaur Gold Solutions	9 / 9.93	19/08/2013	18/08/2034	\$91,000	\$16,948	\$8,610
Scotia	M29/246	Minotaur Gold Solutions	7 / 9.94	19/08/2013	18/08/2034	\$91,000	\$16,965	\$8,618
	TOTAL		16 / 19.87			\$192,000	\$33,913	\$17,228

ROYALTIES

State mineral royalties are collected under the Mining Act 1978 (WA). The specific rates applicable to nickel and gold are documented in the Mining Regulations 1981 – Regulation 86.

THIRD PARTY RIGHTS

Sandstorm Gold Ltd holds 2.5% Net Smelter Royalty on M29/245 and M29/246, pertaining to all ores, minerals concentrates and other products containing nickel, copper and platinum group elements.



MINOTAUR
EXPLORATION

DOCUMENT CONTROL

Date: 27 April 2018

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