

ASX Release



Chairman's Address, Annual General Meeting

For any exploration group, upside for shareholders depends on success in the field and that in turn depends on your Company maintaining an active, focused work portfolio. Minotaur consistently invests substantive amounts in real work; in the 2015 financial year the Company applied \$8 million into exploration, some 12 times more than the median spend of \$0.6 million achieved by the ASX listed 'junior miners'¹ universe. By contrast with the bulk of our peers we could thus be considered 'hyperactive'. At the same time, largely through our set of joint venture arrangements and while maintaining a strong technical team, the Company's administration burden was held to around 14% of our exploration plus administration spend, versus the junior miner¹ median of some 51%. These facts demonstrate sound management of shareholders' funds.

This week we welcomed a new major shareholder to the Company. Exploration Capital Partners 2014 Limited Partnership ('EX2014'), an entity affiliated with Sprott Inc ("Sprott", TSX: SII), a leading North American-based asset management firm, became our primary shareholder through a private Placement, providing tangible endorsement of the board's governance and the Company's prospects.

EX2014 was the 'cornerstone' investor in the \$1.575 million Placement completed 10 days past. Attracting a cornerstone investor is a significant outcome for a small exploration group. Cornerstone involvement is extremely rare in the junior sector and especially so over the past several years. EX2014's opinion, as expressed to Minotaur at the time, was that they saw value in spite of market conditions and the potential for a well managed and asset endowed company to lift as the market turns. We certainly appreciate those sentiments and their investment. It is worthwhile noting that EX2014, in conjunction with a high net worth client whose account resides with an affiliate of Sprott, additionally acquired all the shares held by Norilsk Nickel, until that time Minotaur's largest shareholder. Shareholders can be comforted by the faith demonstrated by Sprott in your Company and on that basis I recommend, on behalf of the Board, your full participation in the Entitlement Offer – of which we expect to officially notify ASX early next week. You will be able to apply for an over allocation, should there be a shortfall in take-up of the entitlements, and I urge you to attend to your Application Form as soon as you receive it.

¹ An index of 515 ASX listed miners having a market capitalisation of less than \$50 million as at 30 June 2015 and who disclosed 4 quarterly cash flow statements during the 2015 financial year, data source: IRESS, Vesparum Capital

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

Finally, I want to pay my respects, and those of my fellow directors, to Richard Bonython. Richard stepped down from the Board yesterday, having served the Minotaur group faithfully for 20 years, through thick and thin. Richard felt that the 20th anniversary, today, of Minotaur is a fitting occasion on which to retire from active listed company duties. We respect his contribution and dedication over the past two decades and wish him well.

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