

Thursday 4th April, 2019

Portfolio Stock Developments

Minotaur Exploration - (ASX: MEP, Share Price: \$0.043, Market Cap: \$13m, coverage initiated @ \$0.06 in Sep 2015)



Key Catalyst

Drilling resumes at Jericho copper discovery for Eloise JV at Cloncurry on Queensland.

MEP is likely to begin attracting market interest once more, with the commencement of its 2019 field campaign. The company announced on Thursday that it will recommence field activity at its flagship Jericho copper discovery, which forms part of its Eloise joint venture with OZ Minerals (ASX: OZL) near Cloncurry in Queensland. MEP's share price closed up 10.3% in today's trade to finish at \$0.043, on the back of news that drilling would recommence. As a guide as to how significantly the market views the Jericho discovery target, MEP's share price hit a high of \$0.115 during December 2017, on the back of drilling of the first holes that were designed to test the then newly-defined Jericho electromagnetic (EM) complex. Assays included 21m @ 0.82% Cu and 0.25g/t Au from 143m (J1 conductor) and 8m @ 1.2% Cu and 0.23g/t Au from 328m (J2 conductor). Eloise (and in particular Jericho) rates as one of OZL's most prospective exploration locations internationally. So this next drill program will be very keenly watched.

Latest Activity

Jericho Drill Program Resumes for 2019

Drilling has resumed at the Jericho prospect, with drilling to probe the parallel J1 and J2 copper lodes. Two multi-purpose rigs will be utilised on a 24/7 basis, with the program to comprise 21,000m of drilling to drill 80-90 holes within the central Jericho zone, a portion of a broader mineral system as defined by drilling conducted during 2018. The focus will initially be in the central portion of Jericho, in the top 300m, where recent drilling shows good continuity of +2% copper intersections at relatively shallow depth.

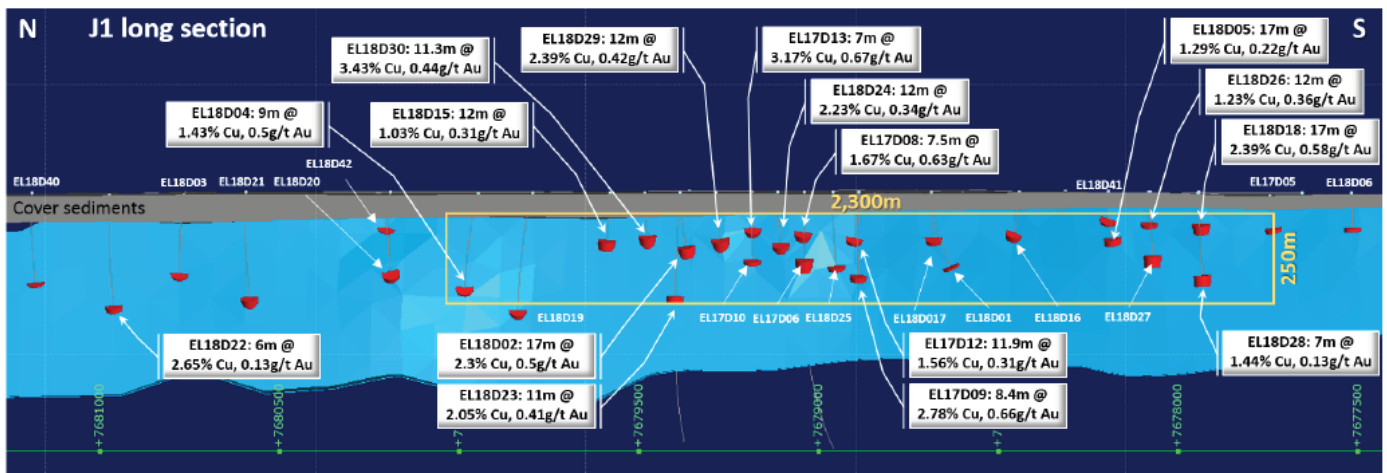


Figure 1: Jericho "J1 Zone" long section (looking east). Area of current drilling focus outlined in yellow box.

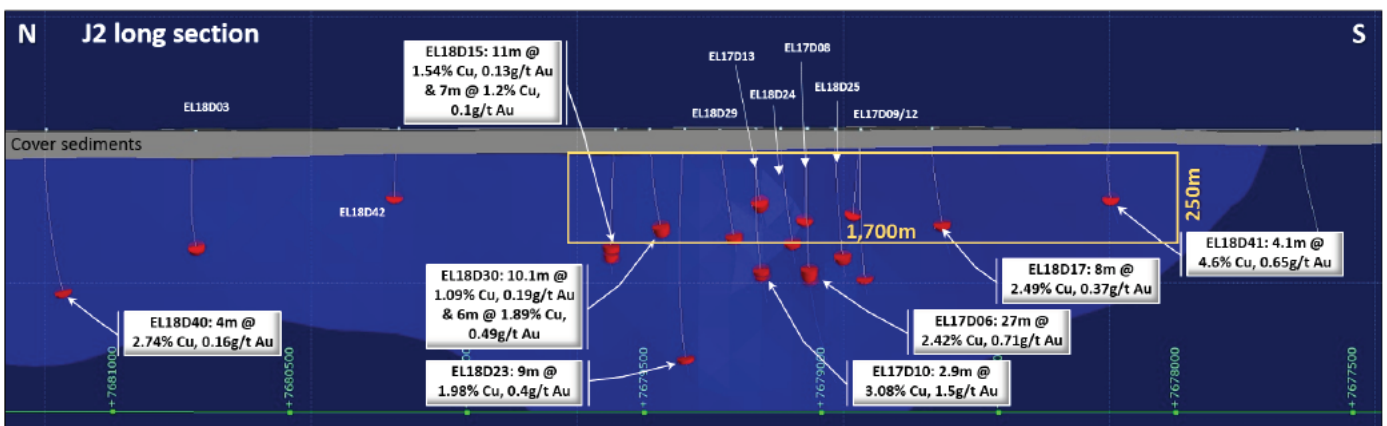


Figure 2: Jericho "J2 Zone" long section (looking east). Area of current drilling focus outlined in yellow box.

Technical Significance

Given the large scale of the J1 and J2 parallel mineralised structures, each extending for +3km along strike and open in all directions and with strong copper grades, there is clear potential for a significant mineral system to exist at Jericho. The latest Jericho drilling program is designed to improve geological confidence in terms of lode continuity and grade, by closing-up existing hole spacings. It is expected that the current program will enable the estimation of an inaugural JORC resource for this portion of the Jericho prospect.

In addition, significant additional areas of mineralisation have been defined along Jericho, on both J1 and J2, outside of the current drill envelope. Those areas remain relatively sparsely drilled, show good geological continuity with strong copper-gold grades and are expected to be the subject of future drill programs.

Project Overview

The Jericho prospect forms part of the MEP-OZL exploration joint venture around the Eloise copper-gold mine, 65km southeast of Cloncurry in Queensland. At the end of March 2019, OZL had attained 70% beneficial interest in the Eloise JV tenements through investment of \$10 million.

Drilling will continue through into July and is being managed and operated by MEP on behalf of the JV.

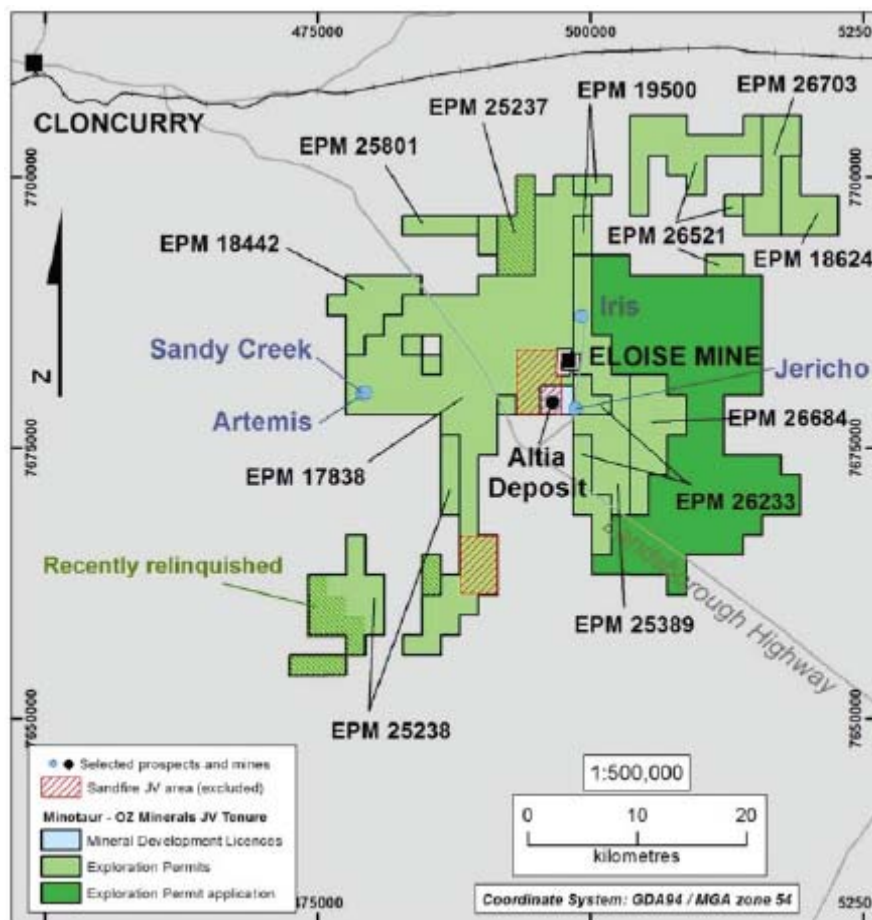


Figure 3: Eloise project location

Summary

The results to this point at Jericho have been highly encouraging, especially as the prospect lies just 6km from the Eloise mine. The MEP-OZL JV is seeking Eloise-style copper-gold and Cannington-style silver-lead-zinc mineralisation, with both styles evident in the well-endowed mineral camp around the Eloise, Altia and Maronan deposits. I believe the market should be paying very close attention to the current drilling program. In the meantime, MEP will continue to remain firmly held within our coverage Portfolio as we watch progress with great interest.

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