



MINOTAUR EXPLORATION LIMITED  
ACN 108 483 601  
ASX:MEP

14 May 2019

# ASX Release

## Eloise JV restructured and OZ Minerals' funding increased

### Highlights

- OZ Minerals' total funding contribution towards the Eloise Joint Venture increased due to inclusion of additional tenements near Eloise mine, Cloncurry
- An additional A\$3 million to be applied over 24 months
- Beneficial interests of 70% OZ Minerals and 30% Minotaur remain unchanged
- Several new targets identified for ground investigation
- Minotaur has option to convert to 'loan carry' mechanism
- Additional investment by OZ Minerals avoids dilution of Minotaur shareholders

OZ Minerals Limited's (ASX: OZL, OZ Minerals) beneficial interest in the Eloise Joint Venture ('Eloise JV') reached 70% on 31 March 2019 through project investment of A\$10 million over 3 years. From that point onwards Minotaur Exploration Limited (ASX MEP) was to co-contribute its 30% share of Eloise JV expenditure.

Contemporaneously with OZ Minerals' and Minotaur's creation of the new Jericho Joint Venture<sup>1</sup>, the parties have agreed to restructure the existing Eloise JV. In recognition of the provision by Minotaur of additional tenements, OZ Minerals has committed to contribute a further A\$3 million towards exploration activity over the next 24 months, with its 70% interest remaining static. Minotaur's co-contribution obligation is thereby deferred until the new funding is exhausted. OZ Minerals' additional funding will be used for exploration assessment of several new geophysical targets with signatures similar to the Jericho anomaly.

From the time OZ Minerals' additional funding is spent, Minotaur then has the option to either co-contribute on a 30% basis or convert its interest to 20% and be 'loan carried' on similar terms as the new Jericho Joint Venture agreement<sup>2</sup>.

Minotaur and OZ Minerals signed a binding term sheet for the restructure of the Eloise Joint Venture, to be converted into a full form definitive agreement over the course of the next 60 days.

<sup>1</sup> MEP report to ASX, *OZ Minerals to 'loan carry' Minotaur through to commercial production at Jericho copper deposit*, 14 May 2019

<sup>2</sup> Such decision to be made within 2 years of OZ Minerals completing its A\$3 million spend

## New Targets Prepared

Minotaur has been informed by the Queensland Government that it has priority application status for a large land parcel sited adjacent to and contiguous with the Eloise JV tenement package. The 'Matilda' tenement (refer Figure 1) exhibits EM anomalism in targets named 'Big Foot' and 'Little Foot', structures which lie directly along strike from the adjacent copper mineralised systems named 'Iris' and 'Electra' which the Eloise JV successfully drill tested in 2016<sup>3</sup>. The new targets were recognised at the time through ground EM over Electra, encouraging the Eloise JV to seek to secure the neighbouring land area.

Meanwhile, regional EM surveys late in 2018 revealed an EM target to the north-east, named 'Seer'<sup>4</sup>. Seer is a drill ready prospect, contingent only on access agreements.

OZ Minerals has appointed Minotaur as manager and operator of the expanded Eloise JV.

## Minotaur's Assessment

The propensity for the Eloise JV tenements to reveal sizeable copper-gold systems is evidenced by the Iris-Electra mineralised systems and the Jericho deposit. Minotaur's search technique, progressively refined since its acquisition of the tenement package late in 2013, is delivering results for the Eloise JV.

OZ Minerals' willingness to contribute further A\$3 million for its already attained 70% interest demonstrates its confidence in Minotaur's approach.

Minotaur avoids diluting shareholders in order to maintain its 30% interest and can ultimately elect to convert that interest to a 20% 'loan carry' arrangement (as applies to the Jericho Joint Venture) whereby Minotaur is project funded until cash flow from production. That development financing option would relieve Minotaur of the burden of funding its share of project(s) costs which could be substantial.

Minotaur's Directors welcome OZ Minerals' willingness to maintain the tempo on the Eloise JV.

<sup>3</sup> MEP report to ASX, *Iris-Electra results confirm copper-gold potential*, 24 November 2016

<sup>4</sup> MEP report to ASX, *Eloise JV wraps up stellar field season*, 18 December 2018

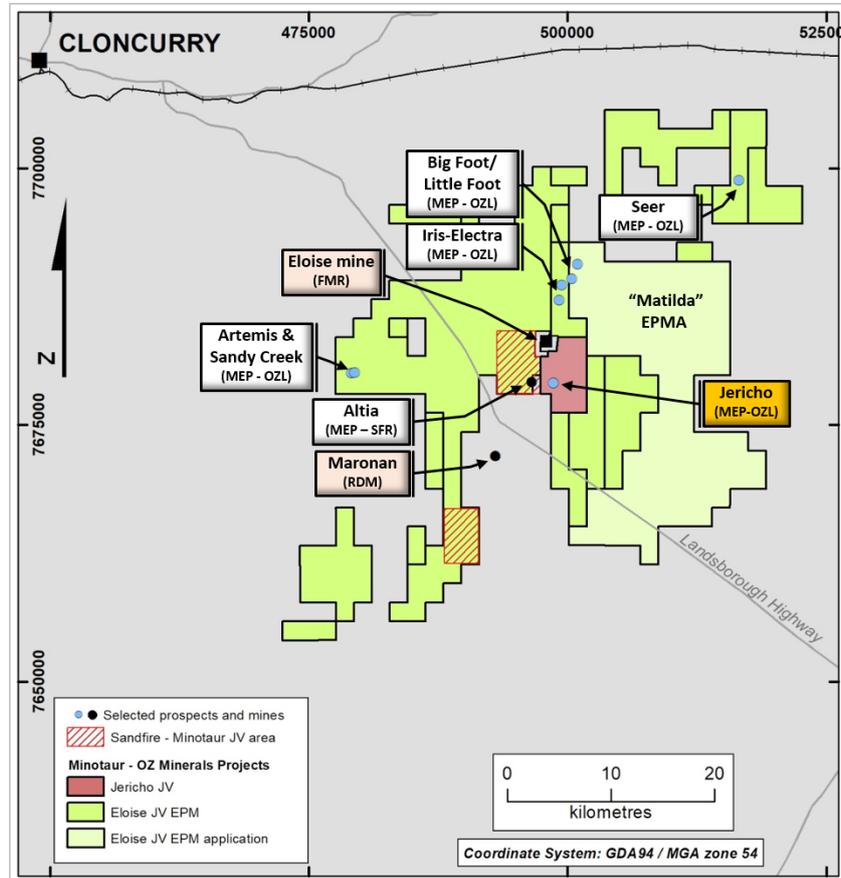


Figure 1: Jericho Joint Venture Area

#### COMPETENT PERSON'S STATEMENT

Information in this report that relates to Exploration Results is based on information compiled by Mr. Glen Little, who is a full-time employee of the Company and a Member of the Australian Institute of Geoscientists (AIG). Mr. Little has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity that he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code). Mr. Little consents to inclusion in this document of the information in the form and context in which it appears.

#### Andrew Woskett

Managing Director

Minotaur Exploration Ltd

T +61 8 8132 3400

[www.minotaurexploration.com.au](http://www.minotaurexploration.com.au)