



MINOTAUR
EXPLORATION

MINOTAUR EXPLORATION LIMITED
ACN 108 483 601
ASX: MEP

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ASX Release

CHAIR'S ADDRESS – 2021 ANNUAL GENERAL MEETING

Ladies and Gentlemen,

Good morning, I am Roger Higgins, non-executive Chair of Minotaur Exploration. Today's Annual General Meeting is a virtual one, via the internet, and I trust it will be a satisfactory experience for all of you online.

Minotaur Exploration is undergoing a seismic shift in its ownership and future prospects.

Today may well be the final AGM for Minotaur because, as you know, Andromeda Metals' Offer to acquire your shares opened last week and acceptances are now at 25%. Your directors unanimously recommend shareholders accept the Offer, as they themselves have done already.

Andromeda's Offer is to exchange each Minotaur share for 1.15 Andromeda shares, so that Andromeda can acquire control of Minotaur's 25% share of the Great White Kaolin joint venture and Minotaur's 50% share of the Natural Nanotech technology joint venture.

Rationalisation of ownership of our kaolin ventures under one entity is, we believe, logical and likely to lead to a more expeditious and streamlined project delivery. Our JV partner Andromeda has advanced the project substantially over the past year, bringing it closer to the time when project financing becomes a critical element of a decision to mine. Andromeda's balance sheet and large shareholder cohort makes it well placed to seek debt and equity funding for the project's approaching capital expenditure requirements.

Should the takeover be successful and reach its 90% acceptance objective, Andromeda stated it intends to seek removal of Minotaur from the ASX official list. On 100% acquisition, Minotaur shareholders will (assuming no further equity issues by Andromeda) hold 19.4% of Andromeda's enlarged capital structure.

A condition of the Offer is that Minotaur shareholders must first approve a 'spin-out' of subsidiary Demetallica so that it becomes legally separated from Minotaur. On spin-out, Demetallica will hold all of Minotaur's current assets except Great White and Natural Nanotech, meaning all of Minotaur's core gold and base metals leases and properties. If approved at the Demerger Meeting on 20 January 2022, Demetallica will, for a limited time, be an unlisted public company with around 3,500 shareholders who will have been transitioned from Minotaur through an in-specie distribution of shares; in effect a bonus share issue. All Minotaur employees and directors will also transition to Demetallica and prepare Demetallica for an Initial Public Offer and new listing on ASX, around early April 2022. Information concerning the Demerger Meeting is provided in the Notice of Meeting lodged with ASX this morning and I encourage you to read it and actively participate in the January meeting.

Minotaur shareholders will also, of course, become shareholders in Andromeda through the transaction.

You may also have read last week of our transaction with OZ Minerals, which will result in Demetallica becoming 100% owner of the Cloncurry joint venture assets. That, with our earlier purchase of Sandfire Resources' 60% interest in the Altia polymetallic deposit and their surrounding tenements, consolidates a significant Cloncurry ground position and mineral deposit portfolio into Demetallica.

With a multiplicity of styles of mineralisation under Demetallica's control around the Eloise copper mine we have branded the portfolio as the Chimera Polymetal Project. The project's centrepiece is the Jericho copper-gold resource for which our team has very clear and well-defined plans to expand through further drill investigation, post IPO. Those plans will be laid out in the Prospectus due out in March. Demetallica will be a base metals and gold oriented explorer looking to grow its prospects and advance towards development status.

Minotaur's shareholders will be able to align their own investment strategies via their separate holdings in Andromeda and Demetallica.

2021 has been a difficult year for Minotaur staff, and their families, as it has been for everyone in Australia and beyond. Our ability to access our exploration prospects has been limited by State border closures for staff and contractors. Minotaur has used the time creatively to revise our relationships with joint venture partners OZ Minerals, Andromeda and Sandfire Resources. We certainly appreciate their collaboration to modify arrangements and establish new agreements. These developments set up Minotaur and Demetallica well for 2022 and beyond. I wish everyone a happy Christmas and a return to travel normality in the New Year. I thank our staff and my colleagues on the Board for their commitment and support in 2021.

Please stay on this connection after I close the formal meeting, when our Managing Director Andrew Woskett conducts the next segment.

Thank you

Roger Higgins,

Chair