MINOTAUR EXPLORATION

18 October 2017

ASX Release

Ground EM survey commencing near Osborne mine, Cloncurry

- Ground EM survey commences at the Osborne JV with JOGMEC
- Survey is targeting sulphide zones analogous to the Cannington silver-lead-zinc or Eloise ISCG systems
- Survey is expected to take 6 weeks to complete
- Coincides with a period of intense exploration for Minotaur with drilling at the Eloise JV underway and drilling near Prominent Hill later this month

Minotaur Exploration Ltd (ASX: MEP) announces the launch of a new ground EM[1] geophysical survey at the Osborne JV in northwest Queensland. The survey will assess 3 areas ranging 10–25km from the Cannington silver-lead-zinc mine and the Osborne copper-gold mine *(Figure 1)*.

The survey is targeting conductive sulphide zones that may be associated with Cannington-style silver-lead-zinc mineralisation or Iron Sulphide Copper Gold (ISCG) style mineralisation similar to that developed at the Eloise copper-gold deposit further north.

This work builds on the regional ground surveys and prospect drilling completed in mid-2017 and demonstrates continuing support by JOGMEC for Minotaur's target generation approach.

The new EM survey is directed to three prospects:

Kite: a series of low-amplitude but very discrete magnetic anomalies that lie adjacent an interpreted northwest-trending fault along 5km of strike. Up to 8 of the anomalies will be surveyed by single lines as a first pass test; additional lines will be conducted over those returning a conductive response. The Kite area appears to have potential for both Cannington and ISCG styles of mineralisation. The targets are under cover with basement interpreted to be 80-100m below surface.

Curlew: lies 10km northeast of the Osborne mine and adjacent an interpreted regional-scale fault. Anomalous geochemistry and untested airborne EM conductors, along with a favourable geological and structural setting, renders the Curlew Prospect attractive for further exploration. Recent field reconnaissance in the area identified gossanous ironstone and quartz veins. The ground EM program, comprising up to 5 lines, seeks to improve upon the existing airborne EM data and define conductive basement targets for drill assessment.

1 Electromagnetic – a geophysical tool used to locate electrically conductive responses within basement formations

Cockatoo: the area around Cockatoo was the subject of previous work by BHP Billiton Ltd (ASX: BHP) targeting Cannington style mineralisation. Minotaur will survey up to 4 lines of EM over discrete low-amplitude magnetic anomalies that may be associated with hydrothermal magnetite or banded iron formation; both are attributes of the host assemblage at Cannington. None of the selected magnetic anomalies at Cockatoo have been drill tested previously.

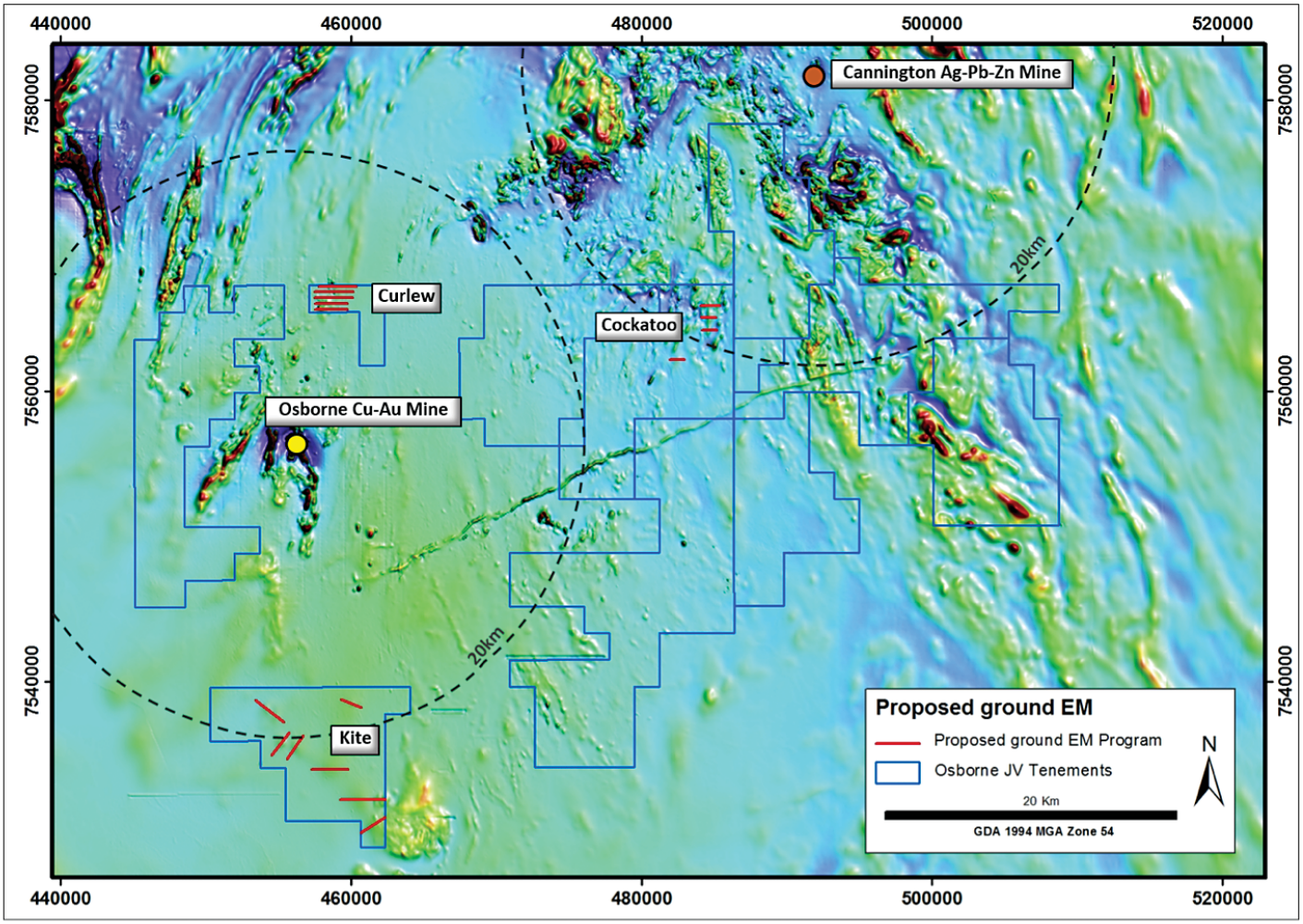

Figure 1: Regional airborne magnetic image (TMI RTP) with EM survey lines in red.

About the MEP – JOGMEC JV

The Osborne project, centred 175km south of Cloncurry, is a joint venture between Minotaur and Japan Oil, Gas and Metals National Corporation (JOGMEC). JOGMEC may earn up to 51% equity in the project by spending up to A$3.5M. Project expenditure to date is A$2.7M with further A$0.3M budgeted through to March 2018.

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 mineralization 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.

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