



16 April 2018

ASX Release

Minotaur farms-in to Rover Cu-Au Project, Tennant Creek

- Minotaur Exploration enters a new joint venture (Rover JV) in the Tennant Creek region of the Northern Territory
- Tenements host known copper-gold mineralisation along a 20km controlling magnetic structure
- Exclusive, 60 day option period for due diligence and minimum spend of A\$400,000 before withdrawing
- Minotaur will forthwith undertake geophysical targeting surveys as a component of its due diligence
- Minotaur may spend \$5 million within 6 years to earn 75% beneficial interest
- Minotaur has the right to bring in a funding partner

Rover Joint Venture

Minotaur Exploration Ltd (ASX: MEP, 'Minotaur') has entered into a binding farm-in Heads of Agreement with Andromeda Metals Limited (ASX: ADN, 'Andromeda') over tenements EL 27372 and EL 27292 85km south-west of Tennant Creek in the Northern Territory (Figure 1). The Agreement provides for 60 days of due diligence, followed by rights to earn 51% and, subsequently 75%, beneficial interest through exploration expenditure of A\$2 million and subsequently A\$3 million, over a total of 6 years (for total of A\$5 million). Both exploration tenements are located on Aboriginal Freehold land owned by the Karlantijpa South Aboriginal Land Trust.

The JV obliges Minotaur to spend minimum A\$400,000 within 9 months before withdrawing. Additionally, Minotaur has the right to introduce a funding partner who may in-turn earn a portion of Minotaur's earned equity position.

Rover Cu-Au Project

The Rover Project represents an interpreted undercover repetition of the Tennant Creek copper-gold province where numerous high-grade discoveries were made in the 1960s and '70s (such as Warrego, Juno, Peko, Knobles Knob, White Devil; refer Figure 1). These deposits are hosted by discordant ironstone (magnetite-hematite) bodies within Warramunga Formation metasediments. They display a paragenetic spectrum from oxidized (iron oxide) to reduced (iron sulphide) styles of mineralisation epitomized by haematitic high grade gold and a copper-cobalt-bismuth-pyrite-pyrrhotite association respectively.

Historic Tennant Creek deposit examples include:

- Warrego: 4.75Mt @ 8g/t Au, 2% Cu, 0.3% Bi
- Peko: 3.2Mt @ 3.5g/t Au, 4% Cu, 0.2% Bi, 14g/t Ag
- Gecko K44: 3Mt @ 1.2g/t Au, 4.9% Cu

The Rover Project area hosts numerous magnetic anomalies prospective for Tennant Creek style targets along a 20km, magnetically-defined, arcuate structural corridor (Figure 2). Mineralised ironstones have been confirmed at Rover 1, 4, and 12 with characteristic copper-gold +/- cobalt, silver and bismuth mineralisation. Examples of mineralised drillhole intercepts reported by Andromeda¹ at these sites include:

- Rover 1: R1ARD30 – 55m @ 3.36%Cu, 0.16 g/t Au from 357m
- Rover 4: RV4ARD10 – 15m @ 2.07%Cu, 0.15 g/t Au from 221m
- Rover 12: R12ARD59-1 – 17m @ 0.76%Cu, 0.02 g/t Au from 417m

Significant cobalt credits in historic drilling are largely unreported publicly, other than by Westgold Resources Limited (ASX: WGX, “Westgold”) at the Rover 1 deposit. Rover 1 straddles the tenement boundary shared with Andromeda, where a resource² comprising 6.81Mt @ 1.73g/t Au, 1.2% Cu, 2.1g/t Ag, 0.14% Bi and 0.06% Co is defined within Westgold’s ground. Mineralisation on the Andromeda side remains open along strike and at depth. Also noteworthy is Westgold’s nearby Explorer 108 zinc-lead-silver resource², comprising 11.87Mt @ 3.24% Zn, 2% Pb and 11.1g/t Ag, along strike and west of the Rover project. Elevated lead-zinc-silver mineralisation, in rocks similar to those at Explorer 108, occurs at Andromeda’s Rover 11E prospect, representing an additional and significant base-metals exploration target. Andromeda’s tenements are subject to a gold Royalty and buy-back provision held by Franco Nevada Australia Pty Ltd.³

Minotaur to initiate ground geophysical surveys

Minotaur’s approach will differ from previous exploration strategies in this undercover terrane, with emphasis on a range of geophysical methodologies targeting the entire mineralised structure.

An initial ground electrical geophysical survey to refine known magnetic anomalies will commence within weeks.

¹ Andromeda Metals reports to ASX dated 15 October 2007, 9 December 2009 and 1 March 2012

² Westgold Resources Ltd (ASX: WGX) report to ASX dated 4 September 2017, 2017 Annual Update of Mineral Resources and Ore Reserves

³ Franco-Nevada’s royalty entitlement is 1.5-2.5% NSR for gold produced from the tenements. The Royalty is extinguished should Franco Nevada exercise its buy-back option. The buy-back right is a ‘once-only’ provision allowing Franco Nevada to regain 70% interest when a Measured and Indicated gold resource exceeding 2 million ounces is defined within the tenements, by paying Andromeda Metals the lesser of A\$20 million or three times its exploration expenditure. Franco Nevada’s buy-back right and Royalty does not apply to copper deposits.

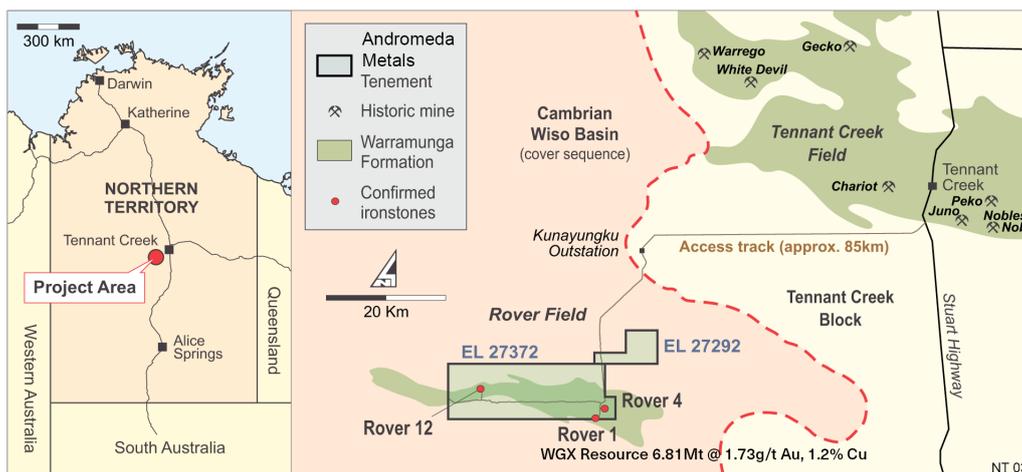


Figure 1: Location of Rover Project, south-west of Tennant Creek, NT

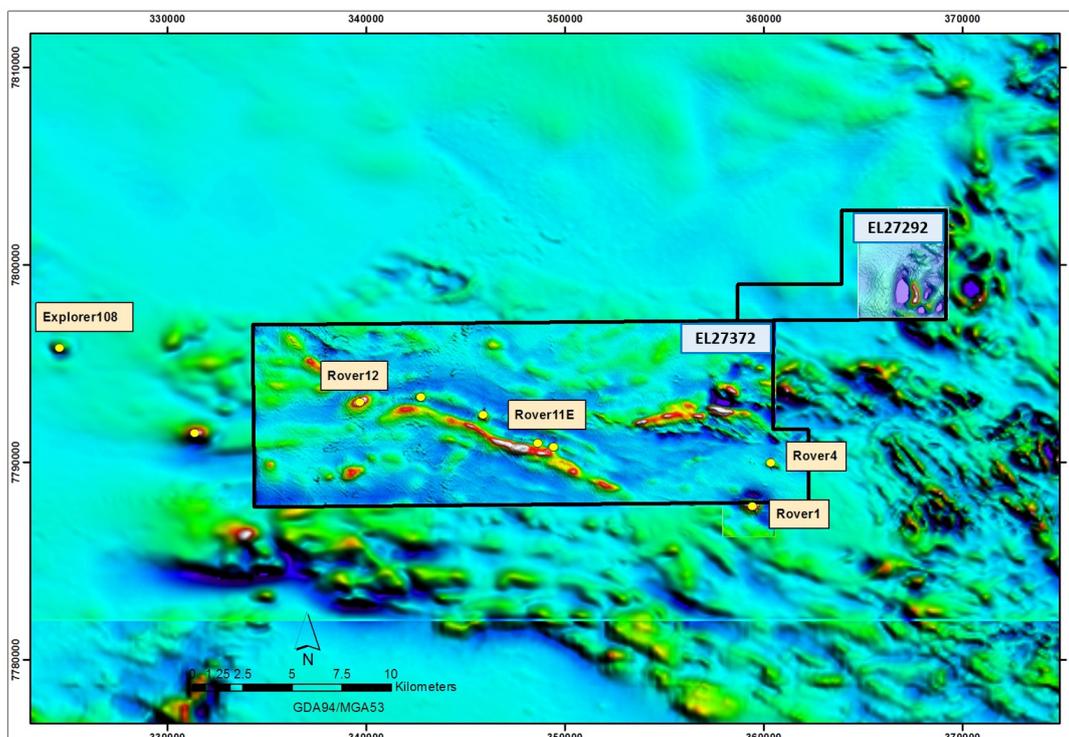


Figure 2: Magnetic image, Rover Project tenements and key mineralised prospects, as referred in text



Minotaur Exploration's Methodology

Minotaur successfully combines surface geophysical tools and geological interpretation of obscured basement mineralisation within the Gawler Craton of South Australia and the Cloncurry copper belt of north-west Queensland, resulting in identification of 'blind' base metal occurrences. These techniques are expected to lend themselves to a fresh understanding of the Rover copper-gold field and may lead to base-metal exploration discoveries within the Warramunga metasediments.

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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