

OZ Minerals raises Eloise JV investment and expands activity scope

JV partners Minotaur Exploration and OZ Minerals (ASX: OZL) have pressed the button to expand exploration activity across their Eloise joint venture south-east of Cloncurry, Queensland.

Key Points

- 7,600m of drilling almost completed at 'Jericho', south of the Eloise copper mine
- Drilling scope expanded to encompass similarly defined EM targets nearby
- Regional geophysical surveys across new ground acquisitions
- Additional \$2 million work campaign through to end of 2018

Round-the-clock diamond drilling since April 2018 reveals consistent and wide spread copper-gold intersections at Jericho, only 3km south of the Eloise copper mine. By mid September 9,000m of drill samples¹ will be accumulated along 3.5km of Jericho's extent.

Fully funded by OZ Minerals, the work has matured to the point where OZ Minerals (as 51% participant) endorses Jericho as a basis to expand activity onto similar targets.

Drilling at Jericho will continue until mid September then pause for lab assays and compilation of the growing drill database, so the JV is best positioned to advance this asset on a resumption of drilling.

Minotaur's managing director, Andrew Woskett, said "OZ Minerals' solid support has given tremendous impetus to our prospecting and their decision now to again expand their investment, based on the Jericho results, is another endorsement. Minotaur appreciates the reliance placed by OZ Minerals in our technical judgement and operational capabilities. The inherent value of new copper deposits, such as Jericho, identified in the neighbourhood of the Eloise copper concentrator is apparent. Minotaur's strategic ground position and already defined drill targets close by provides the JV with multiple value-add opportunities".

¹ 2017 scout drilling comprised 2500m at Jericho and regional targets; 2018 step-out drilling at Jericho comprised 7600m

The new work plan, in proximity to Jericho, includes two follow-up drill holes into the Defiance prospect and 5,000m of drilling into several untested EM targets (see Figure 1). Drilling will start mid September and continue until the wet season shut down.

In parallel, a comprehensive regional geophysical program - comprising two large EM surveys, a gravity survey and airborne magnetics surveys - will develop a suite of new targets for drill investigation in 2019 (Figure 2). The test areas canvass new ground that Minotaur has acquired over recent months for the Eloise JV, including an area encompassing a major regional fold of Mount Norna Quartzite, the host sequence to the Eloise mine orebody and Jericho.

The expanded scope involves further \$2 million of investment by OZ Minerals through to the end of calendar 2018.

Project Background

The Eloise project, 60km south-east of Cloncurry, is a joint venture ('Eloise JV') between Minotaur and OZ Minerals Ltd (ASX: OZL). OZ Minerals, having completed its A\$5M Stage 1 earn-in, now has 51% beneficial interest in the tenements. Work currently underway forms part of the Stage 2 earn-in where OZ Minerals may earn additional 19% equity by spending further A\$5M. Minotaur is manager and operator on behalf of the joint venture.

The Eloise 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 (refer to Figure 1). The tenor of copper values and mineralising characteristics from the J1 and J2 North plates indicates that the Jericho system has potential to host copper mineralisation of a scale similar to lodes within the nearby Eloise mine.

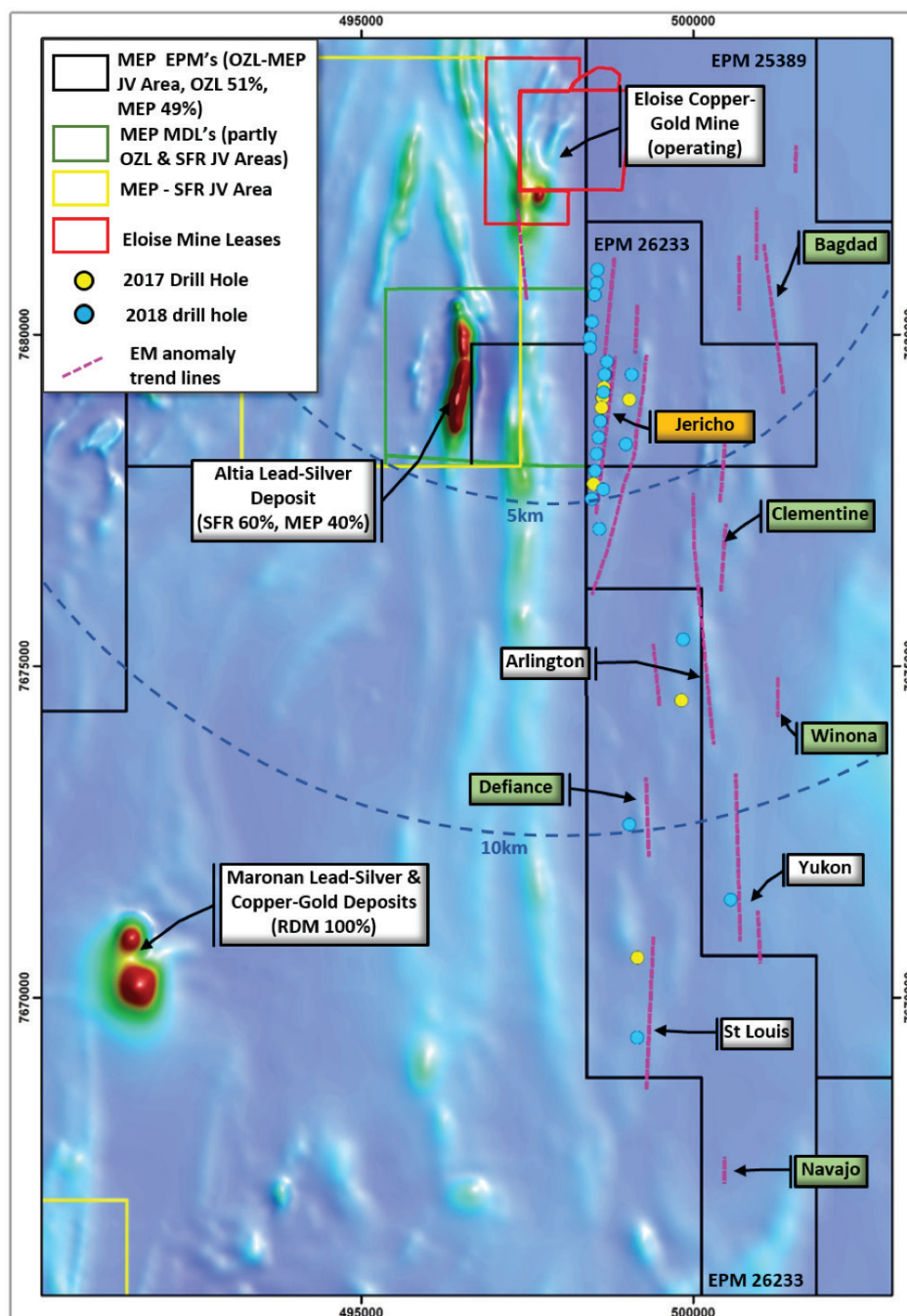


Figure 1: Regional magnetics image with location of ground EM anomalies (priority regional EM drill targets labelled in green).

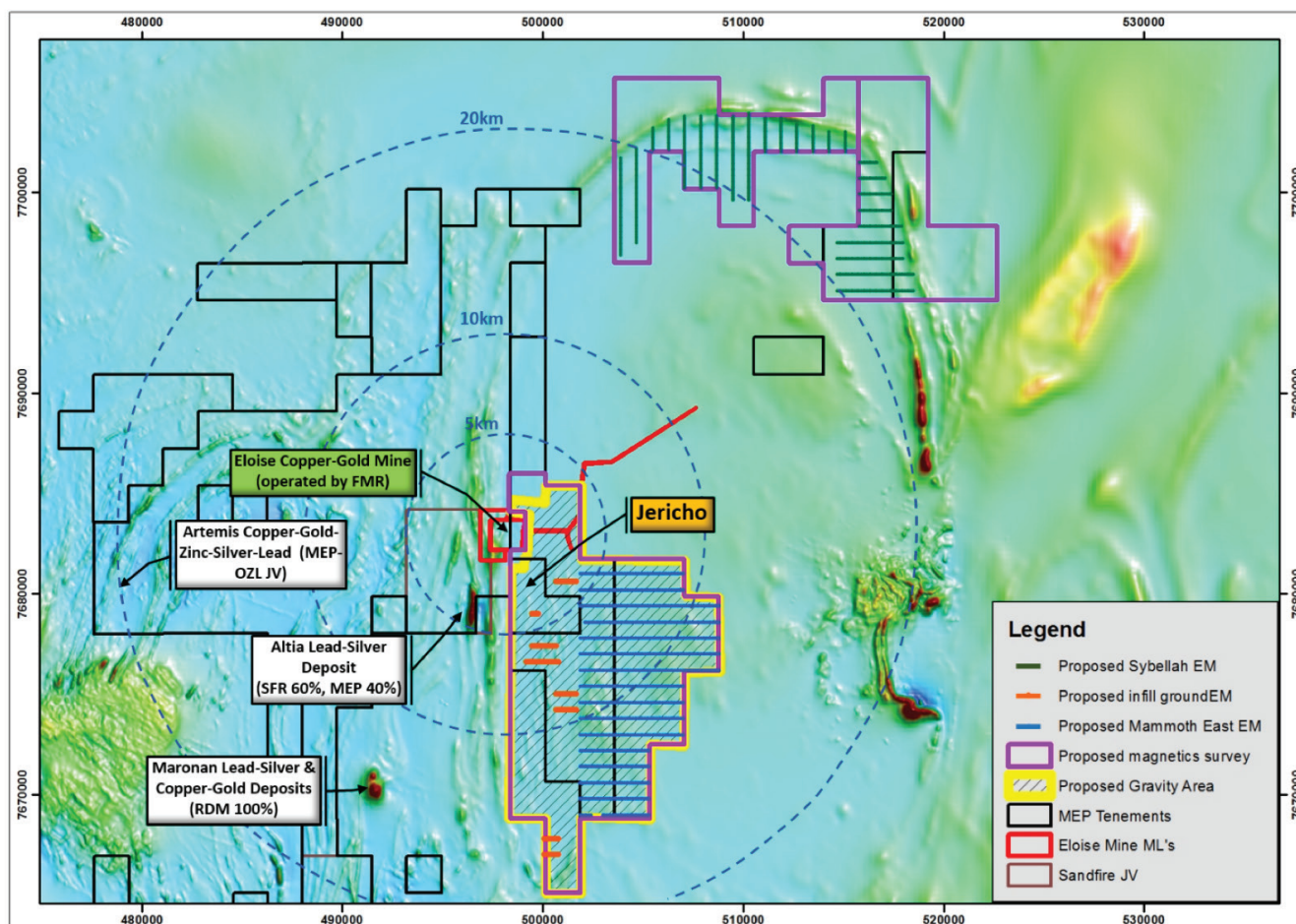


Figure 2: New geophysical survey areas over magnetics

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.

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