



15 October 2018

**ASX** Release

## Minotaur enters base metals JV near Thalanga, Queensland

Minotaur Exploration Ltd (ASX: MEP, "Minotaur") is pleased to announce that it has entered into the **Windsor Joint Venture** covering an extensive tenement area 60km south of Charters Towers, Queensland.

### Highlights

- Windsor JV covers 7 tenements over 629km<sup>2</sup>
- Ground is prospective for VMS-style zinc-lead-silver-copper-gold mineralisation
- Numerous well-known base metal mines in the immediate area
- Several prospective stratigraphic VMS horizons are interpreted to cross the tenements
- The under-cover basement has been subject to little drilling
- The new JV builds on Minotaur's joint venture engaging business model
- Minotaur may earn up to 80% interest in the tenement group
- Minotaur may introduce a project funding 'backstop' partner

### Background

'Windsor', centered 200km south-west from Townsville (Figure 1), is a newly created joint venture between Minotaur and a private entity.

The tenement area encompasses 629km<sup>2</sup> and is held 100% by the private entity.

Minotaur intends to apply its skills set to advance geological understanding of VMS potential within the tenement package. Minotaur's approach will be to use its interpretive techniques to search under highly conductive cover for base metal mineralisation.

The region hosts several high-grade VMS style mines, such as Thalanga, Highway-Reward, Waterloo and Liontown (Figure 2). Stratigraphic horizons encapsulating those deposits are interpreted to continue through the Windsor ground (Figure 2). Past exploration has been inhibited by the highly conductive nature of the cover sequence overlying basement across significant parts of the project area, such that drilling is sparse and shallow. Where basement does outcrop drilling has been shallow, especially in modern-day terms; thus most of the tenement area is described as relatively lightly explored.

Minotaur considers its approach, as successfully deployed around the Eloise mine near Cloncurry, could provide a predictive mechanism to search the Windsor basement for sulphide sources of base metals.

## Work Plan

Whilst sole funding joint venture activities Minotaur will be manager and operator of the JV. The joint venture partners will shortly consider a joint venture work plan for implementation in the new field season, from April 2019.

A geophysics budget of \$450,000 for the first 9 months of the joint venture term is anticipated followed by drill testing. A first-round drill campaign should be complete by June 2019.

Work is expected to initially entail a series of ground geophysical surveys over interpreted target positions under cover in the western portion of the project area, to define drill targets.

## Shallow Drill Targets

Immediate opportunity presents to test some historic drill intersections in the eastern part of the tenement group. An early drill programme will be considered for 'Warrawee' (Figure 2), an historic polymetallic prospect discovered in 1973 and not drilled since 1982, when shallow drilling defined VMS-style Zn-Pb-Cu mineralisation over 1km<sup>2</sup>. Significant intercepts include 22.55m @ 3.09% Zn, 1.67% Pb, 0.44% Cu (WAP001), 5.49m @ 5.02% Zn, 5.71% Pb, 0.24% Cu (WAP002)<sup>1</sup>.

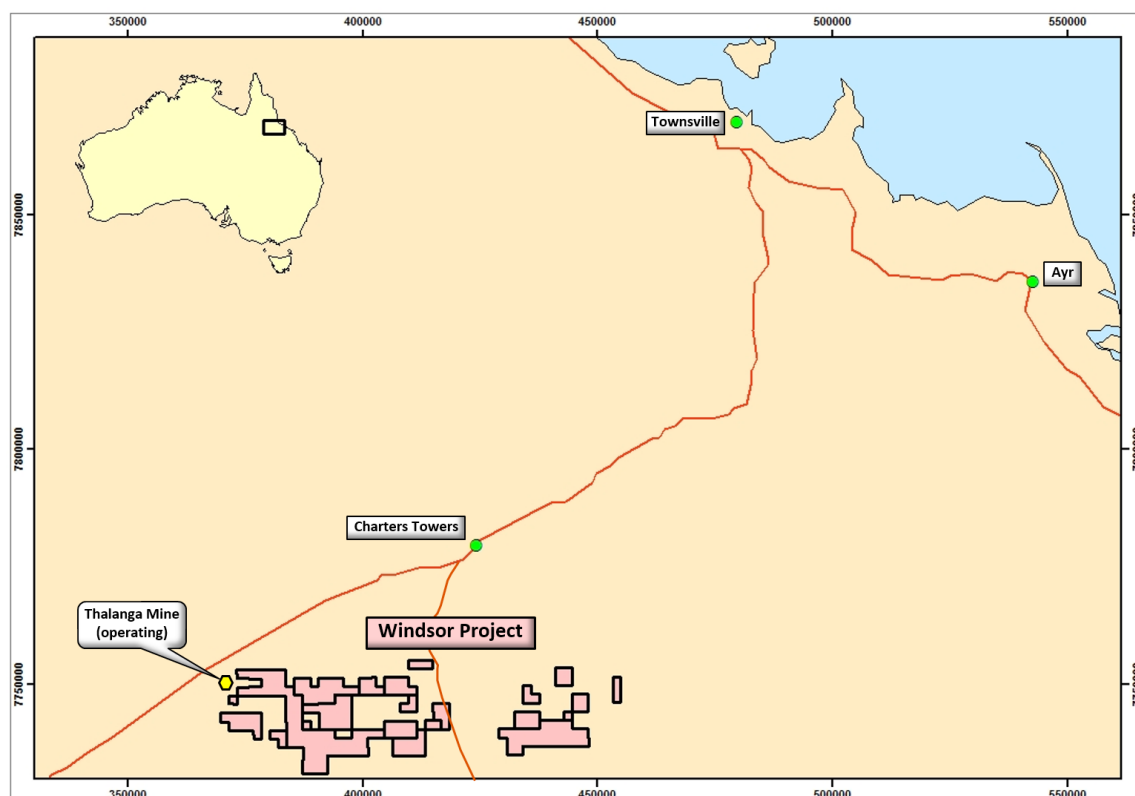


Figure 1: Windsor Location Map

<sup>1</sup> Open file reports 4985, November 1973 and 71852, 11 July 2012; Queensland Digital Exploration Reports (QDEX)



## JV Terms

The joint venture agreement is a standard farm-in type model whereby Minotaur may earn beneficial interest in the tenement group in return for staged expenditures. To qualify Minotaur must expend \$400,000 within the initial 12 month term. Thereafter Minotaur may earn:

- 51% interest through expenditure of \$2 million (including its initial \$400,000 minimum investment) within 3 years from commencement
- 65% interest through additional expenditure of \$1 million within 4 years from commencement
- 80% interest through additional expenditure of \$1 million within 5 years from commencement

That is, Minotaur (in concert with any partner that it may engage to fund the project) may earn 80% joint venture interest within 5 years for aggregate expenditure of \$4 million. At the conclusion of Minotaur's sole-funding earn-in phase(s), the joint venture partners must contribute in proportion to their participating interest, or dilute.

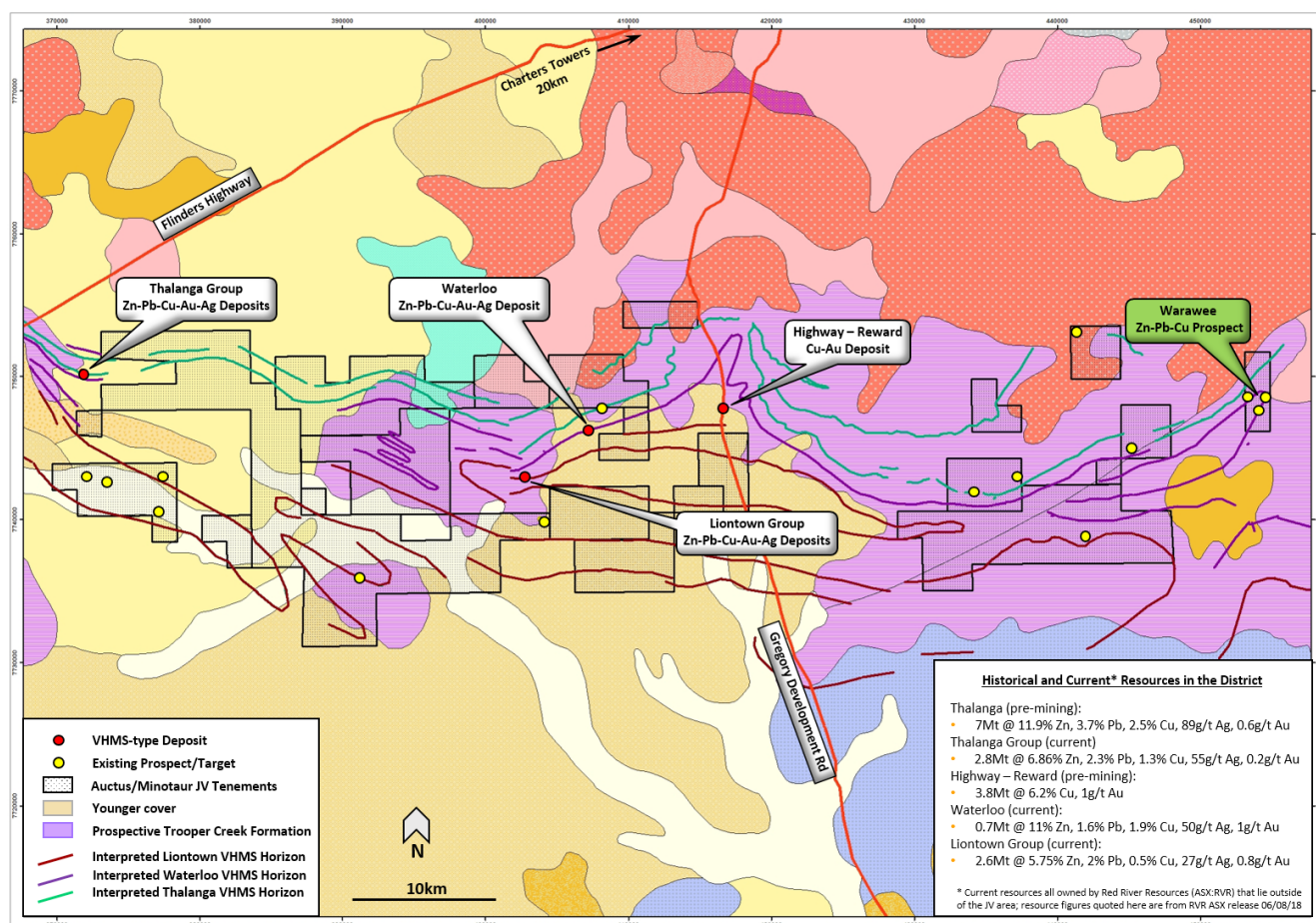


Figure 2: Windsor Regional Geology, Targets, Regional Mineral Resources & Mines

## About the Windsor JV

The Windsor JV, centered 200km south-west of Townsville, is a joint venture commencing 15 October 2018 between Minotaur (manager and operator) and the current tenement holder. Minotaur may earn up to 80% equity in the project by spending A\$4M within 5 years of commencement. The region hosts numerous high-grade base metal mines, including the recently re-activated Thalanga Zn-Pb-Cu mine owned by Red River Resources (ASX: RVR).

The JV area comprises tenements EPM25134, 25135, 25148, 25270, 25271, 25437 and 25680

### Cautionary Statement

*Historic Warrawee exploration results were based upon drilling for which no QA/QC records are available. They are therefore not reported in accordance with the JORC 2012 Code and a qualified person has not completed sufficient work to classify the historic results in compliance with the JORC 2012 code. Minotaur plans to carry out an exploration activity on the tenements through 2019 and thereafter report results in accordance with the JORC 2012 code.*

### 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.

### Andrew Woskett

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