

Quarterly Report

Period ending 31 December 2019



MINOTAUR
EXPLORATION

Minotaur Exploration Limited ACN 108 483 601 ASX: MEP
www.minotaurexploration.com.au

CORPORATE

Minotaur and its joint venture owner of the Windsor tenements struck binding terms for sale of the Windsor tenement group to Minotaur¹. When complete, Minotaur will hold the tenements 100% and avoid further JV expenditure commitments, under which Minotaur would have needed to invest \$4 million to earn 80% tenement interest. The revised purchase consideration payable on Completion is \$250,000 cash and \$150,000 in Minotaur scrip. Ownership will coincide with the resumption of field work in April, following the wet season.

End of Quarter cash balance was \$2.2 million, the value of ASX listed investments was \$1.6 million and Minotaur's Enterprise Value was \$12.2 million. The Company completed a two-tranche equity issue through November and December, successfully raising its \$1.5 million target. There are consequently 364.4 million shares on issue.

Dr Tony Belperio transitioned to non-executive director status from the Annual General Meeting. Tony has been an integral management member since early 2003 and is providing consultant services.

EXPLORATION, R&D

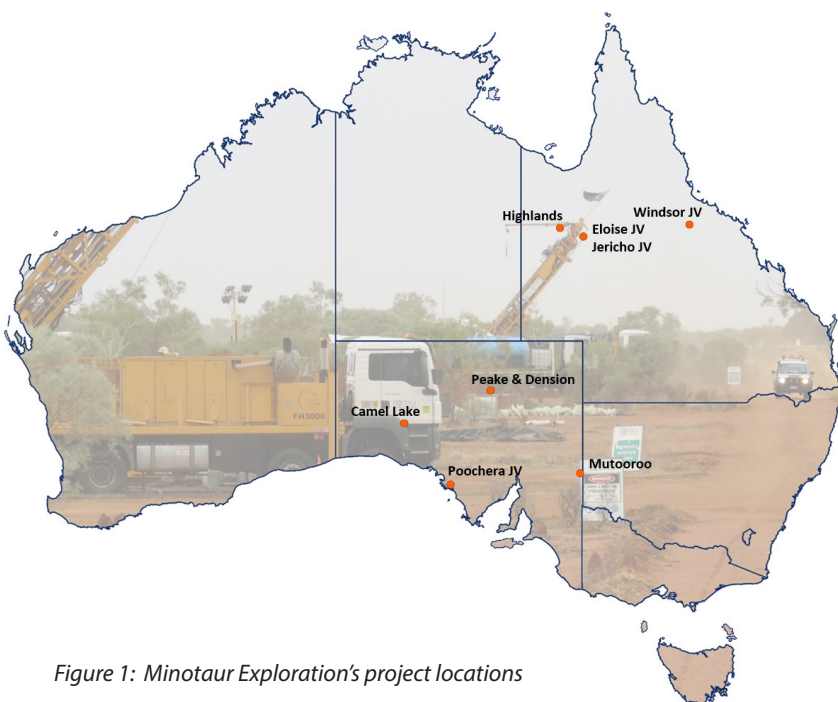


Figure 1: Minotaur Exploration's project locations

Project Location	Tenement Area km ²
South Australia [§]	6,394
Queensland [§]	2,277
Victoria	123
Total Area	8,794

Table 1: Minotaur Exploration's tenement areas, under application and/or held 100% and/or in joint venture[§]

¹ Refer MEP report to ASX, *Minotaur to acquire Windsor Project Area, Charters Towers region, QLD*, dated 15 November 2019

QUEENSLAND

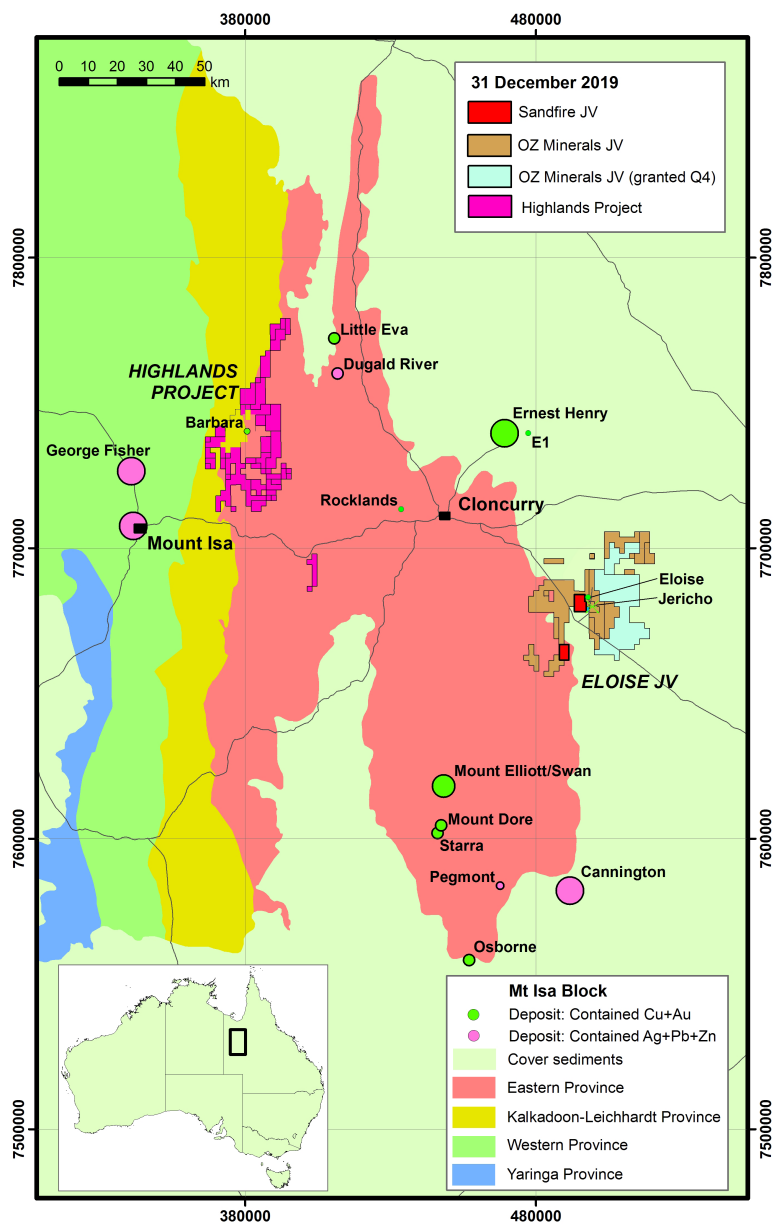


Figure 2: Location of Minotaur tenements in the Cloncurry and Mount Isa regions of Northwest Queensland

QUEENSLAND

Jericho JV (OZ Minerals)

Minotaur 20%, OZ Minerals 80%; Area 28.52km²

Jericho is a 3.7km long copper-gold system sited 3km south of the Eloise copper mine (Figure 3) and 65km south-east of Cloncurry, Queensland. Jericho was identified as an EM anomaly by Minotaur for the joint venture in 2017 and first drilled in October that year. A total of 96 holes since completed, comprising ~30km, outlined a substantial copper-gold mineral system which is open in all directions.

No field activities were conducted during the Quarter. Instead, OZ Minerals initiated a mining optimisation study aimed at assessing the potential for Jericho to be developed as an underground mining operation before committing to further drilling. That study is continuing and its outcome will determine the next course of action at Jericho.

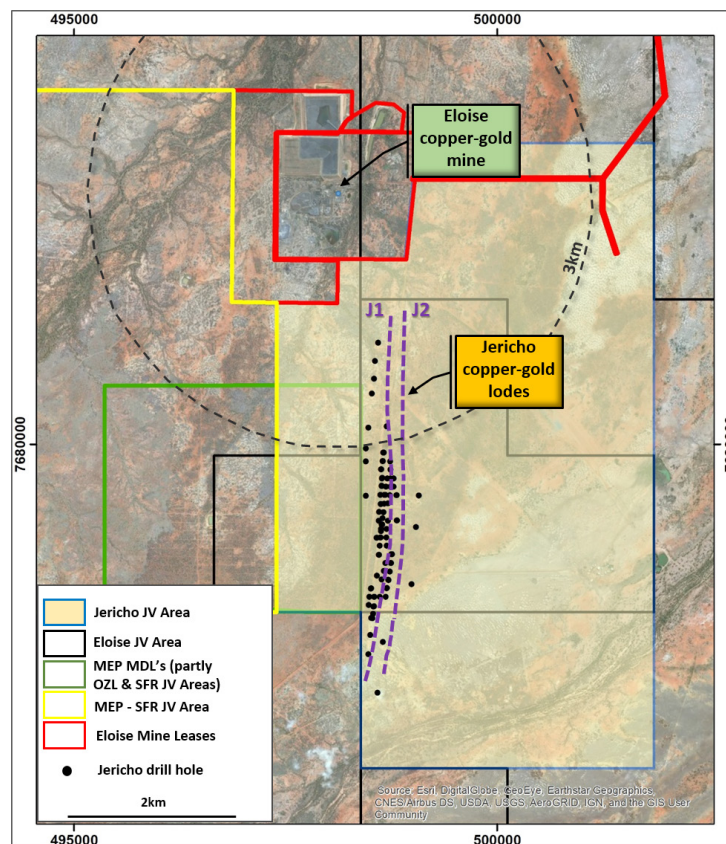


Figure 3: Jericho JV area with drill hole locations and copper-gold lode positions

QUEENSLAND

Eloise JV (OZ Minerals)

Minotaur 30%, OZ Minerals 70% (except on those parts of MDL431 and EPM17838 where Sandfire Resources NL 60% and Minotaur 40%); Area 992km²

Two new tenements were granted during the quarter adding 386km² of tenure to the Eloise JV (Figure 4). Access is now available to the Big Foot/Little Foot EM anomalies, where ground EM refinement of those features will commence in Q2 readying for drilling. Additional regional EM surveying will also be conducted elsewhere in the new tenements to search for basement conductors. All work, including drilling of the Seer EM anomaly, will be sole funded by OZ Minerals as part of a substantial work program planned for the Eloise JV in 2020.

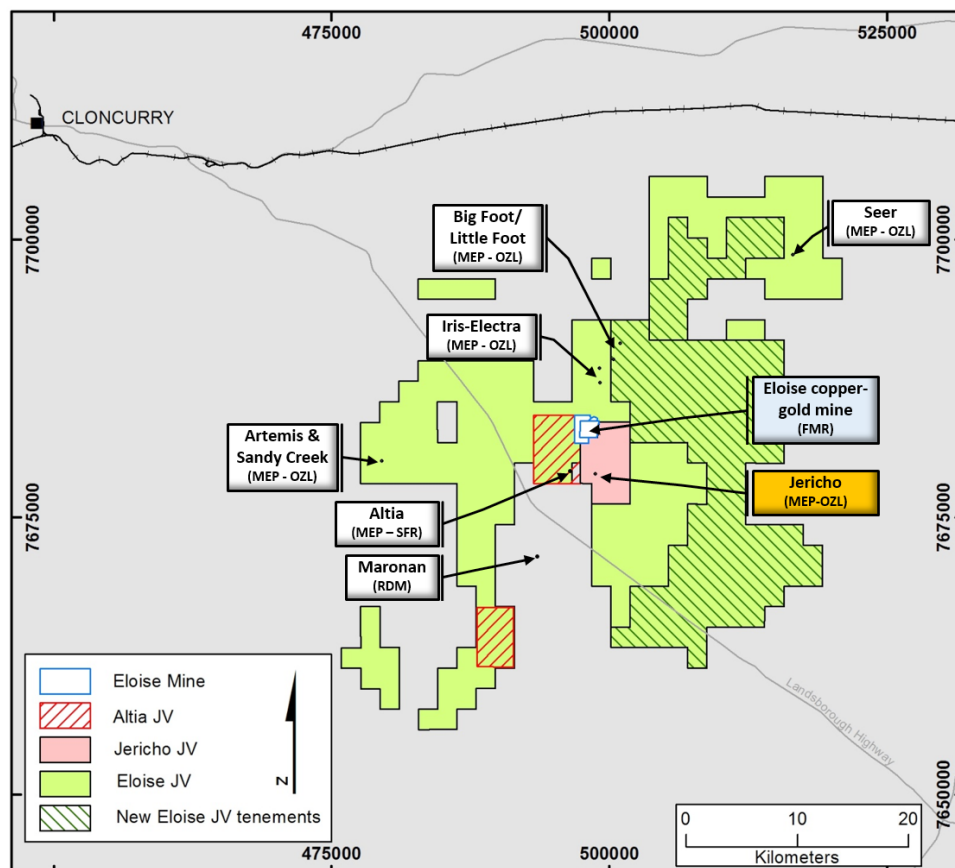


Figure 4: Eloise, Jericho and Altia JV areas



QUEENSLAND

Cloncurry Alliance (OZ Minerals)

Minotaur's project generation activities for the Alliance, looking to secure additional base metals projects within the Cloncurry district, are ongoing, \$1 million of funding for which is provided by OZ minerals through 2020-2021. Interested parties are encouraged to contact Minotaur if considering farming out or divesting projects and assets in the region.

Altia Joint Venture

Sandfire 60%, Minotaur 40% on parts of MDL431 and EPM17838 excised from the Eloise JV with OZ Minerals

No activity reported by Sandfire Resources (Operator).

Highlands Project

Minotaur 100%; Area 728km²

No activity to report.

Windsor Project

Private Entity 100%; Area 631km²

Minotaur's Windsor project, centered 200km south-west from Townsville in north east Queensland (Figure 5), is a joint venture between Minotaur and the tenement holder. Minotaur is progressively earning towards an initial beneficial interest in the JV tenements through exploration activity expenditure (presently nil legal interest). Minotaur and its joint venture partner agreed for Minotaur to purchase outright the JV tenement group through a standard sale and purchase process. Acquisition by Minotaur of the tenement package will result in its 100% ownership and cancellation of the JV. Details of the sale terms were provided in an ASX announcement on 15 November.

RC drilling through November, testing the Hastings IP geophysical anomaly for VMS-style base metals, did not encounter mineralisation. The anomaly was explained by the presence of pyritic black shale and drilling was terminated mid-way through the program.

QUEENSLAND

Windsor Project (continued)

A 3D IP/resistivity geophysical survey over the historic Warrawee VMS base metals prospect started in November, aimed at assessing the sub-surface below and adjacent previous exploration for indications of sulphide host mineralisation. Unfortunately, the survey had to be abandoned, before any data could be collected, due to extreme fire risk conditions rendering the work environment unsafe. The survey is expected to resume in April at cessation of the monsoon season.

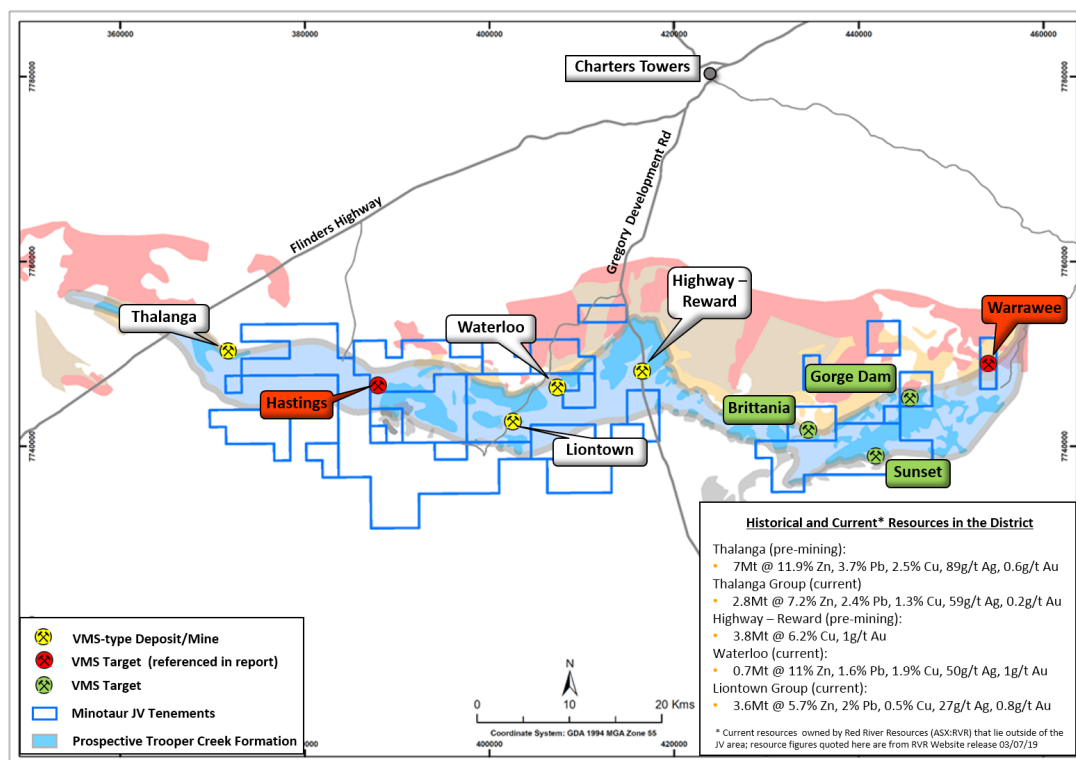


Figure 5: Windsor JV tenements with Trooper Creek Formation, significant VMS deposits, untested prospects and Warrawee prospect



SOUTH AUSTRALIA

Border Base Metal JV

Sumitomo 52.7%, Minotaur 47.3%; Area 243km²

The JV is seeking to divest the Mutooroo magnetite project and Minotaur encourages interested parties to make contact.

Poochera Kaolin-Halloysite and Camel Lake Halloysite JV

Minotaur 100%; Area 2,550km²; Andromeda Metals in joint venture to earn up to 75%

Andromeda Metals is actively progressing its commercialisation case for kaolin-halloysite and plain kaolin products, with a pre-feasibility study underway. Mine permitting and environmental approval processes are proceeding in parallel while marketing effort is being directed to securing commensurate binding off-take agreements. Recent CSIRO testing confirmed an average of 59% halloysite in the minus 2-micron fraction²; a characteristic likely to appeal to high-grade ceramic manufacturers. Andromeda published an updated kaolin resource estimate³ for Carey's Well, increasing the Measured Resource component by 80%. In-fill drilling resumed in January 2020 to provide parameters for mine designs.

North Flinders Project

Minotaur 10%, Perilya 90%; Area 480km²

No activity reported by Perilya (Operator).

² Refer Andromeda Metals report to ASX, *High-purity halloysite confirmed at Poochera*, dated 12 December 2019

³ Refer Andromeda Metals report to ASX, *Significant increase in Mineral Resource for the Poochera Kaolin Project*, dated 23 December 2019

SOUTH AUSTRALIA

Peake & Denison Ranges

Minotaur 100%; Area 2,547km²

The Peake and Denison project (Figure 6) is primarily targeting IOCG-style copper-gold mineralisation in the Peake & Denison Inlier, akin to that developed in other Proterozoic basement terranes in South Australia (Gawler Craton) and NW Queensland (Mt Isa Inlier). Minotaur is seeking a JV partner to help advance the project.

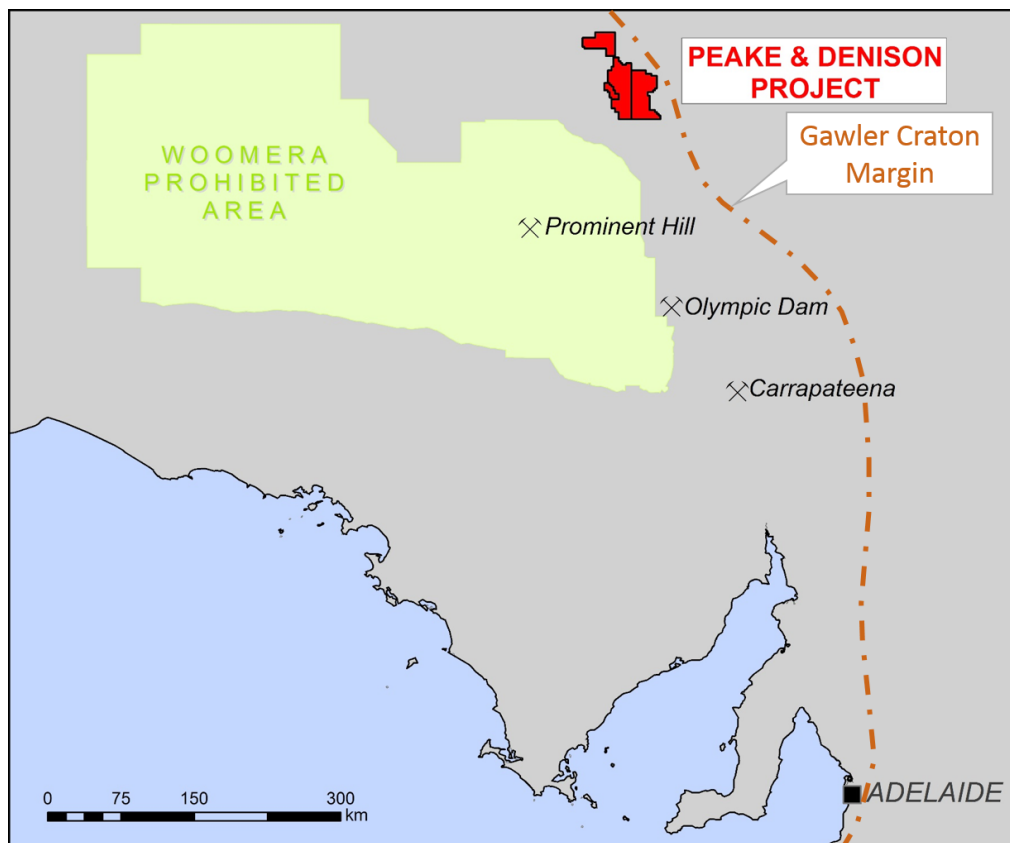


Figure 6: Peake and Denison project location



COMPETENT PERSON'S STATEMENT

Information in this report that relates to Exploration Results is based on information compiled by Mr G. Little, a Competent Person and a Member of Australian Institute of Geoscientists (AIG). Mr Little is a full time employee of the Company and 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.

This report contains information extracted from previous ASX releases which are referenced in the report and which are available on the company's website. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

Note: December 2019 Quarter ASX Announcements

The following significant announcements were lodged with ASX during the September Quarter:

- Drilling commences at Hastings VMS target, 30 October 2019
- Minotaur fulfils A\$1.5M placement, 04 November 2019
- Minotaur to acquire Windsor Project Area, Qld, 15 November 2019
- Results of Extraordinary General Meeting, 18 December 2019

Andrew Woskett

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