

# Quarterly Report

Period ending 31 March 2020



MINOTAUR  
EXPLORATION

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

## CORPORATE

The Company held \$2.97m in cash at 31 March 2020, as detailed in the Appendix 5B. Cash utilisation during the forthcoming Quarter is constrained, reflecting reduced field activity due to travel and land access restrictions arising from the prevailing Corona pandemic.

Minotaur proactively enacted contingencies to reduce exploration and administrative outflows and, in light of business impediments, adopted a cash management plan that preserves financial stability through 2020, obviating equity funding for working capital purposes.

Minotaur established a new joint venture on behalf of the Cloncurry Alliance (with OZ Minerals Ltd), accessing over 1200km<sup>2</sup> of ground in the Cloncurry region held by Sandfire Resources Ltd (Figure 1). JV terms require the Alliance to invest \$1 million in exploration in the first year and up to \$8 million over 5 years for 75% interest. A situation of Force Majeure was declared early April and advised to Sandfire, due to the current inability of the Alliance to access the tenement area.

Similarly, OZ Minerals declared Force Majeure in respect of three joint ventures also operated by Minotaur at Cloncurry, pending practical resumption of access to work areas when the pandemic restrictions are lifted.

Acquisition of the Windsor tenements was delayed slightly due to the vendor being placed under Administration at the time of contractual completion. Minotaur negotiated, with the Administrators, a deferred payment plan spanning the period April – October 2020 for the \$250,000 cash purchase component. The \$150,000 share-based component was settled on 8 April but escrowed for 3 months.

## EXPLORATION, R&D

### North-west Queensland

The 2020 field season was initiated mid-March in the vicinity of the Eloise copper mine (Figure 2), on behalf of the Eloise JV. A three-week ground EM geophysical survey conducted over a 3.5km x 4.5km area collected data over the 'Big Foot' EM anomaly, for which reporting will be published mid April. The anomaly had been identified, late in 2016, as a strong off-line conductor peripheral to the Iris-Electra EM response. This intrigued Minotaur as Big Foot appeared to extend on-strike northeast of Iris-Electra along an interpreted northeast-trending structural corridor.

Drilling at Iris-Electra in 2016 and 2017 successfully intersected Cu-Au mineralisation, giving impetus to expand EM surveys south of the Eloise mine which in turn led to discovery of the Jericho Cu-Au deposit.

As the tenement predominantly hosting Big Foot was then owned by a third party it could not be meaningfully investigated, until recently, when Minotaur secured the ground (EPM 27052, Figure 2) for the Eloise JV.

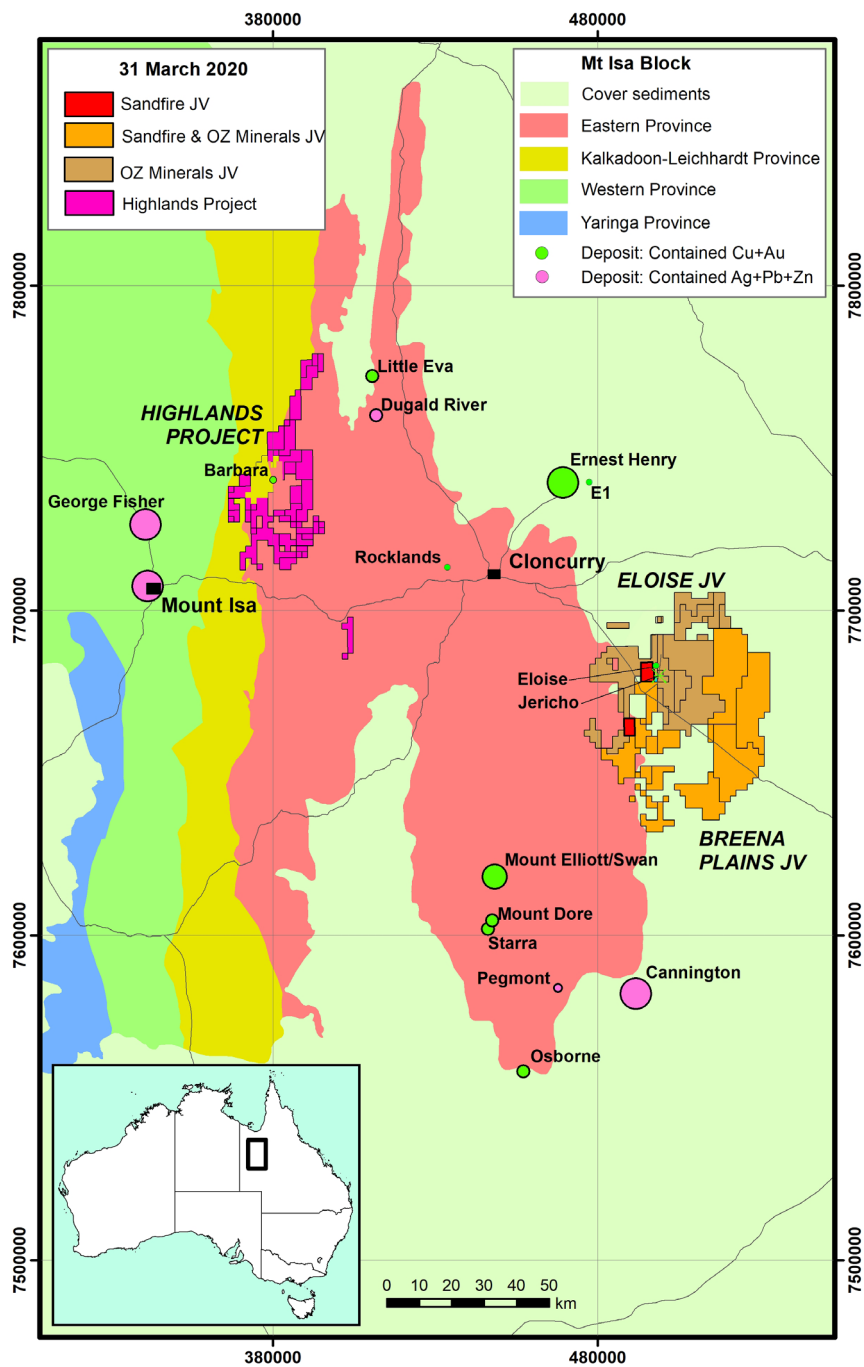


Figure 1: Regional geology Mt Isa Inlier with Minotaur relevant tenements depicted



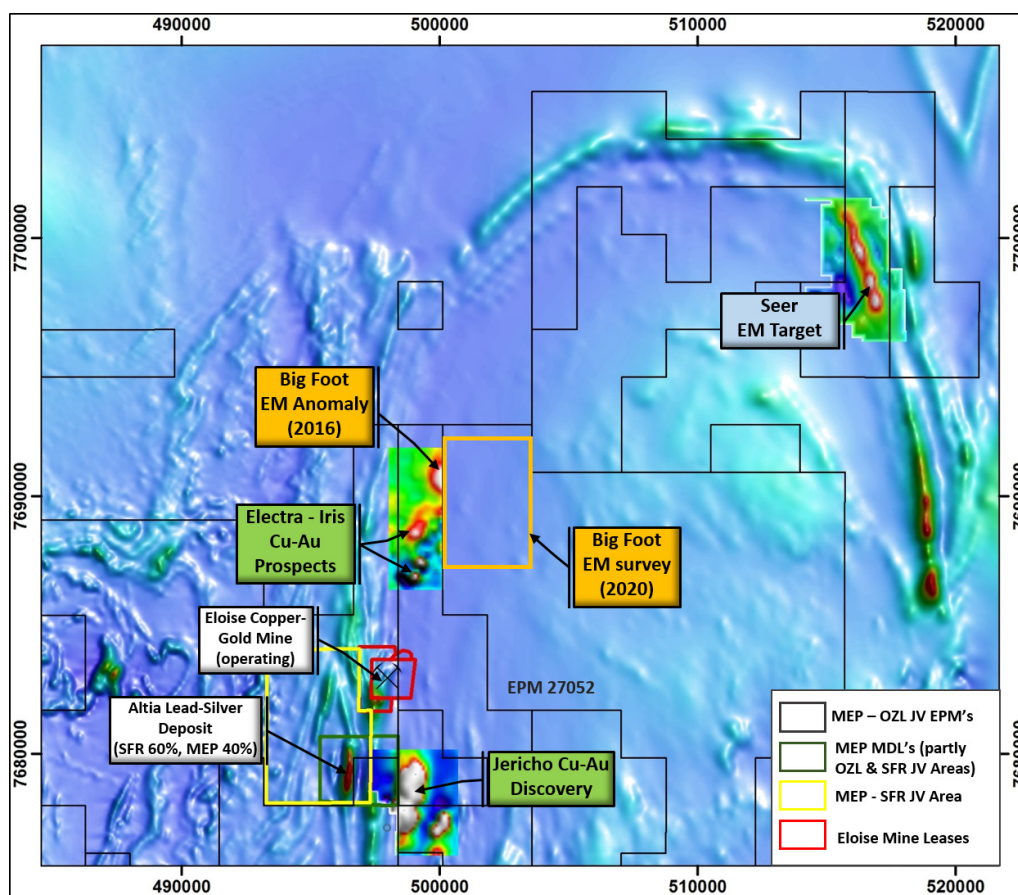


Figure 2: Location of Big Foot EM survey zone relative to Eloise copper mine and Iris-Electra Cu-Au mineralisation



## Poochera Kaolin-Halloysite Project

Andromeda Metals Ltd (ASX: ADN) earned 51% interest in the Poochera JV tenements, having reached its \$3 million expenditure threshold in March 2020. The Poochera deposits comprise a variable natural halloysite-kaolinite blend, increasingly in demand for the ceramic market, while pure halloysite is suited to an expanding range of new, high-tech nanotechnology applications.

On 6 April Andromeda published a positive update to its 2019 Scoping Study<sup>1</sup> showing improved project economics and product value-add pathways to commercialisation.

## Halloysite R&D

Minotaur and Andromeda launched their jointly owned research and commercialisation venture, Natural Nanotech Pty Ltd (NNT), to investigate innovative developments in the nanoparticle sphere for halloysite applications. For further information visit [https://www.minotaurexploration.com.au/wp-content/uploads/2020/03/Natural-Nanotech-Story\\_24March2020.jpg](https://www.minotaurexploration.com.au/wp-content/uploads/2020/03/Natural-Nanotech-Story_24March2020.jpg)

Natural Nanotech's inaugural project is to develop commercially attractive solutions to two pressing, global environmental problems – carbon capture from the atmosphere and treatment of poor quality water. This work is to be undertaken through the nanotechnology team at University of Newcastle.

Dr Tony Belperio, non-executive director of Minotaur Exploration, has been retained by NNT part-time to manage NNT activity, at an all-in daily rate of \$1400 (plus GST).

<sup>1</sup> See <https://www.andromet.com.au/news/asx-announcements/wet-processing-delivers-improved-economics-for-poochera-halloysite-kaolin-project/>





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## Compliance Statement

Payments made to a related entity of Dr Antonio Belperio, a Director of the Company, under a commercial lease agreement are reported in Appendix 5B, Section 6.1.

## Note: March 2020 Quarter ASX Announcements

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

- Cloncurry Alliance establishes exploration JV with Sandfire Resources, 18 February 2020
- Andromeda Metals' acquires 51% interest in Poochera Halloysite-Kaolin Project, 4 March 2020 – lodged by Andromeda Metals (ASX: ADN)

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