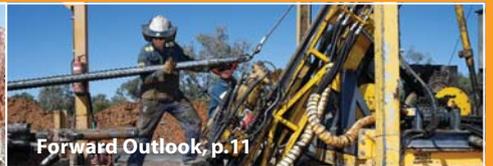




Chairman's Review, p.1

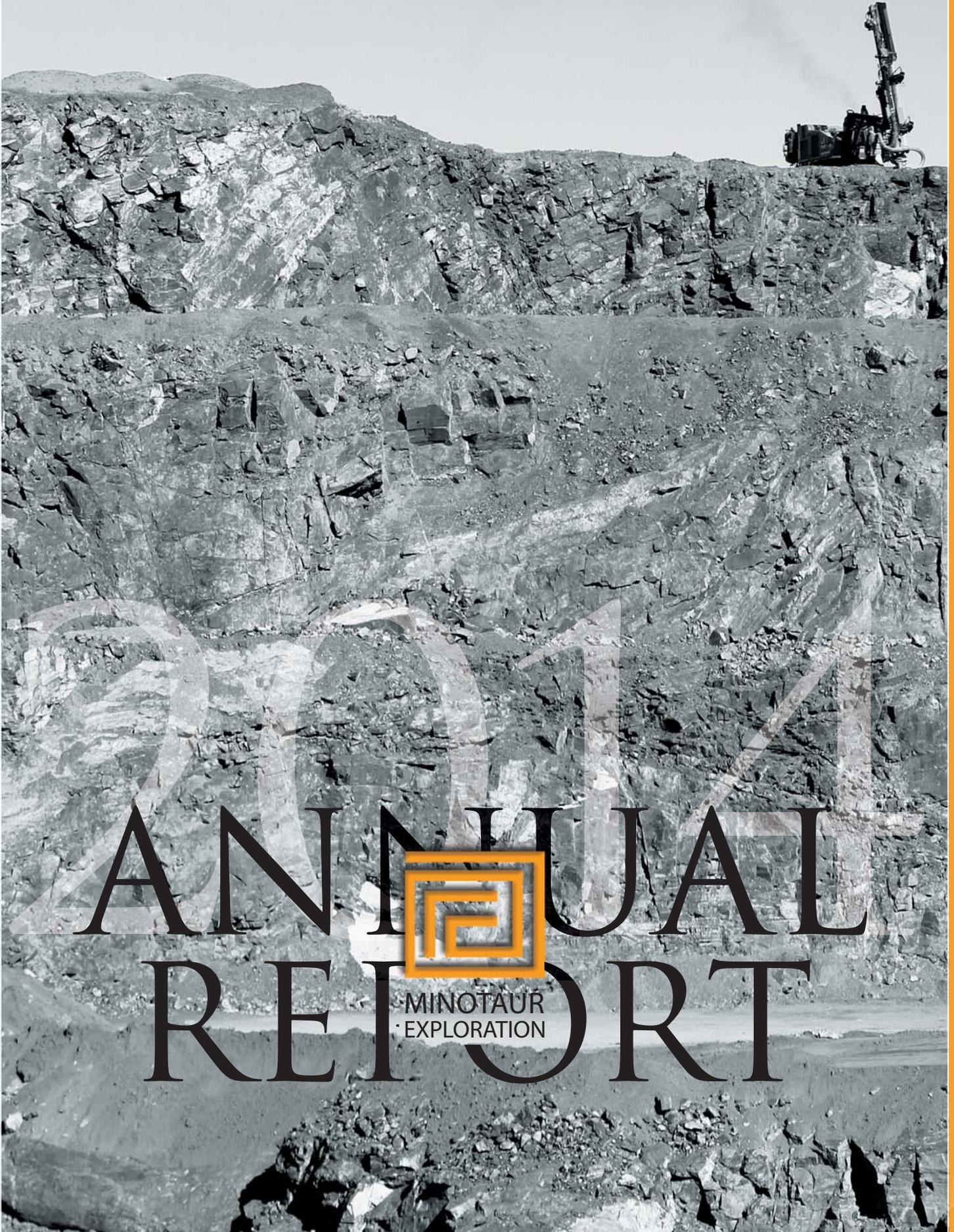


Review of Operations, p.8



Forward Outlook, p.11

M I N O T A U R E X P L O R A T I O N L I M I T E D



ANNUAL REPORT



MINOTAUR
EXPLORATION

CORPORATE DIRECTORY

MINOTAUR EXPLORATION LIMITED

ACN 108 483 601

ASX CODE MEP

DIRECTORSMr Derek Carter *Chairman*Mr Andrew Woskett *Managing Director*Dr Antonio Belperio *Executive Director*Mr Richard Bonython *Non-Executive Director*Mr John Atkins *Non-Executive Director*
(Appointed 20 November 2013)**COMPANY SECRETARY**

Mr Donald Stephens

REGISTERED OFFICE

c/o HLB Mann Judd (SA) Pty Ltd

169 Fullarton Road

DULWICH SA 5065

PRINCIPAL PLACE OF BUSINESS

Level 1, 8 Beulah Road

NORWOOD SA 5067

SHARE REGISTER

Computershare Investor Securities Pty Ltd

Level 5, 115 Grenfell Street

ADELAIDE SA 5000

LEGAL ADVISORS

O'Loughlins Lawyers

Level 2, 99 Frome Street

ADELAIDE SA 5000

BANKERS

National Australia Bank

22-28 King William Street

ADELAIDE SA 5000

AUDITORS

Grant Thornton Audit Pty Ltd

Level 1, 67 Greenhill Road

WAYVILLE SA 5034

www.minotaurexploration.com.auMINOTAUR
EXPLORATION**CONTENTS**

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This annual report covers both Minotaur Exploration Ltd (ABN 35 108 483 601) as an individual entity and the consolidated group ('Group') comprising Minotaur Exploration Ltd and its subsidiaries. The Group's functional and presentation currency is Australian dollars.

A description of the Group's operations and of its principal activities is included in the review of operations and activities in the Directors' Report on pages 8 to 10. The Directors' Report is not part of the financial report.

CHAIRMAN'S REVIEW

DEREK CARTER CHAIRMAN MINOTAUR EXPLORATION LIMITED

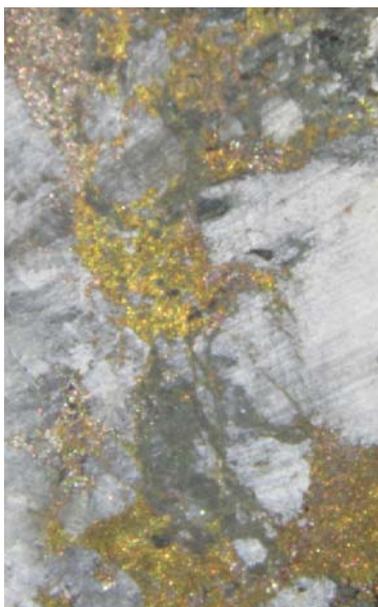
Minotaur entered an expansionary period in the 2014 financial year, the benefits of which have swiftly been realised. Integration of Breakaway Resources Ltd and its exploration assets in December 2013 significantly contributed to an uplift in Minotaur's enterprise value.

Minotaur moved immediately to implement two new joint ventures on Breakaway's tenements. The impact of those actions was pronounced and positive. Early gold exploration results on tenements near Leinster were encouraging and geophysical surveys over the Eloise area revealed a trove of strong anomalies.

A detailed review of nickel prospectivity in the Leinster area quickly highlighted the untapped potential available due to the quality, but incomplete, historic exploration by Breakaway and its predecessors. The rising nickel price coincided nicely with that assessment and gave us cause to elevate nickel exploration options into the planning mix for 2014-15.

Results flowed rapidly at Eloise. Drill testing of a number of geophysical targets resulted in the 'Artemis' copper-gold-silver-zinc discovery, where high-grade massive sulphide mineralisation was intersected in three drill holes to 200m depth below surface. Work continues to outline the scale of this deposit, the proof of which will be uncovered during the new financial year.

"The Breakaway acquisition gives Minotaur exposure to the goldfields of Western Australia and opens up a range of new exploration options."



Eloise-style copper mineralisation.

I am pleased to acknowledge the contribution of GFR, our Eloise Copper joint venture partner, which is sole funding exploration on that project.

The market's reaction to the discovery news was confirmation that speculative investment support is available for explorers.

Minotaur's share price, having increased 105% over the day of the discovery announcement, gave it due recognition, although your directors were subsequently bemused by the 35% drop in value prompted by the 3rd and still high-grade drill result.

As shareholders too, directors take the view that the market continues to under-value the discovery and look with interest towards a more supportive rating as exploration news emerges.

The Artemis mineralisation, which lies in a similar geological setting to the nearby Eloise and Sandy Creek deposits, highlights the prospectivity of the region.

Many EM targets are yet to be drilled and the joint venture is preparing to intensify the work level on the tenements.

This could result in our joint venture partner reaching its 50% earn-in ceiling two years earlier than originally envisaged, which would demonstrate tangible evidence of the project's potential.

Minotaur holds other copper-gold prospective tenements around Cloncurry, either 100% held or in joint venture with JOGMEC whose strong project investment support continues, and for which we are most appreciative. We are keen to replicate the Artemis success for JOGMEC and on our own ground into 2015.

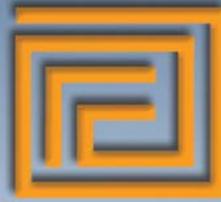
The directors continue to assess the Company's asset portfolio. We have progressively reduced our investment exposure to fellow listed explorers as they mature their own business plans. In addition, we are deliberately positioning non-core industrial minerals assets for possible divestment. These moves are part of the strategy to re-position Minotaur as a focused copper-gold-nickel explorer with development ambitions directed to its own discoveries.

The year ahead shows great promise for Minotaur to deliver on those objectives.

I wish to thank all our staff for their continuing efforts and to acknowledge our shareholders, including the new ex Breakaway shareholders, whose support enables the Company to operate.



Yours truly,
Derek Carter
Chairman



MINOTAUR
EXPLORATION

Investing in Copper-Gold Exploration



Cloncurry Cu-Au exploration joint ventures/opportunities

- **Ernest** (242 km²)
- **Naraku** (651 km²)
- **Osborne** (2,228 km²)
- **Eloise** (399 km²)

Each project is focussed around a known Cu-Au mineralisation centre.

Minotaur has a proven track record in managing exploration joint ventures on behalf of investors with resultant exploration success and mutually beneficial outcomes.

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MANAGING DIRECTOR'S REPORT

ANDREW WOSKETT MANAGING DIRECTOR MINOTAUR EXPLORATION LIMITED

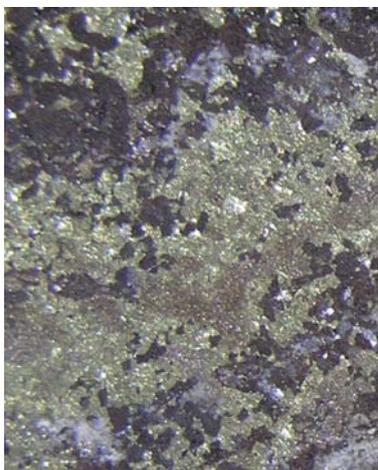
BUSINESS REVIEW

Reflecting on Minotaur's key achievements through the 2014 financial year provides context for the year ahead. In December 2013 the all-scrip acquisition of Breakaway Resources Limited concluded. Breakaway shareholder support was very strong and the transaction resulted in significant uplift in Minotaur's market capitalisation, about twice the effective purchase cost, from which it can be concluded the deal was value accretive to the enlarged group.

We moved quickly to extract value from Breakaway's assets, initiating new joint venture activity over both the copper-gold prospective Eloise tenements (Queensland) and the Leinster to Scotia nickel-gold prospective tenements (Western Australia). In each case, the support of our new joint venture partner was rewarded with credible success and identification of forward prospects.

Integration of Breakaway's projects brought focus to Minotaur's business plans. We purposefully articulated the progression of base metals-gold exploration in those regions as the Company's key tenets, while downgrading the portfolio importance of peripheral assets such as industrial minerals and magnetite iron.

"We understand that the only way shareholders in like companies can be rewarded for their investment is through discovery success and transition to production."



Artemis copper gold zinc mineralisation

Coincidentally, fortune accompanied that message: the nickel price rose to about US\$19,000 per tonne and the Artemis copper-gold-silver discovery unfolded. These events helped catapult the Company's market value by over 200% in July 2014.

With that background, our work activity level going into the new financial year warrants scaling up. We see multiple opportunities to convert risk into reward and promise into reality within our key project areas. While some of our peers are forced to reduce their exploration spend Minotaur's Board firmly believes the Company should actively pursue its mandate.

We understand that the only way shareholders in like companies can be rewarded for their investment is through discovery success and transition to production. Minotaur aspires to both outcomes.

As the Company approaches its tenth anniversary as an ASX listed entity (in February 2015) the motivation to succeed is stronger than ever.

CORPORATE HIGHLIGHTS

- Breakaway Resources was removed from the ASX official list after Minotaur's takeover completed.

MANAGING DIRECTOR'S REPORT

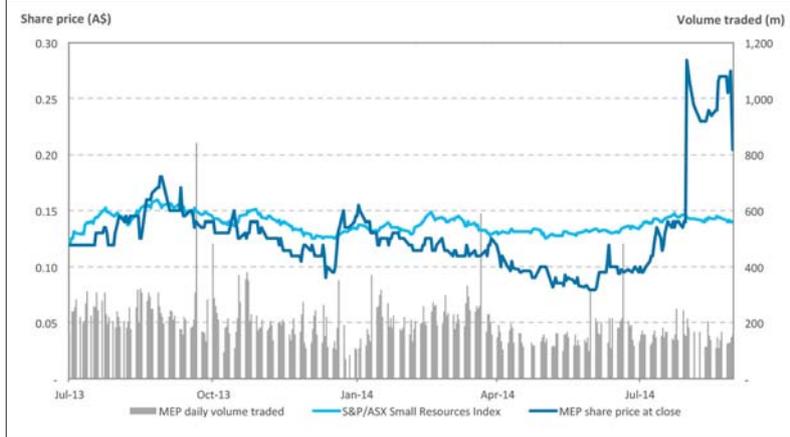
CORPORATE HIGHLIGHTS

- The Company's base expanded to 3,500 shareholders
- Minotaur held \$4.8 million in cash and term deposits at the end of June 2014.
- The market value of investments in ASX listed entities was \$1.1 million as at 30 June 2014.
- Research and Development refunds of \$1.1 million were received from the Australian Taxation Office.

OPERATIONS HIGHLIGHTS

The Cloncurry copper belt has risen in precedence over the past few years to be Minotaur's primary focal area. With an extensive package of tenements over 4,000km² Minotaur has established a strong position around centres of known copper mineralisation and mining infrastructure.

MEP share price chart



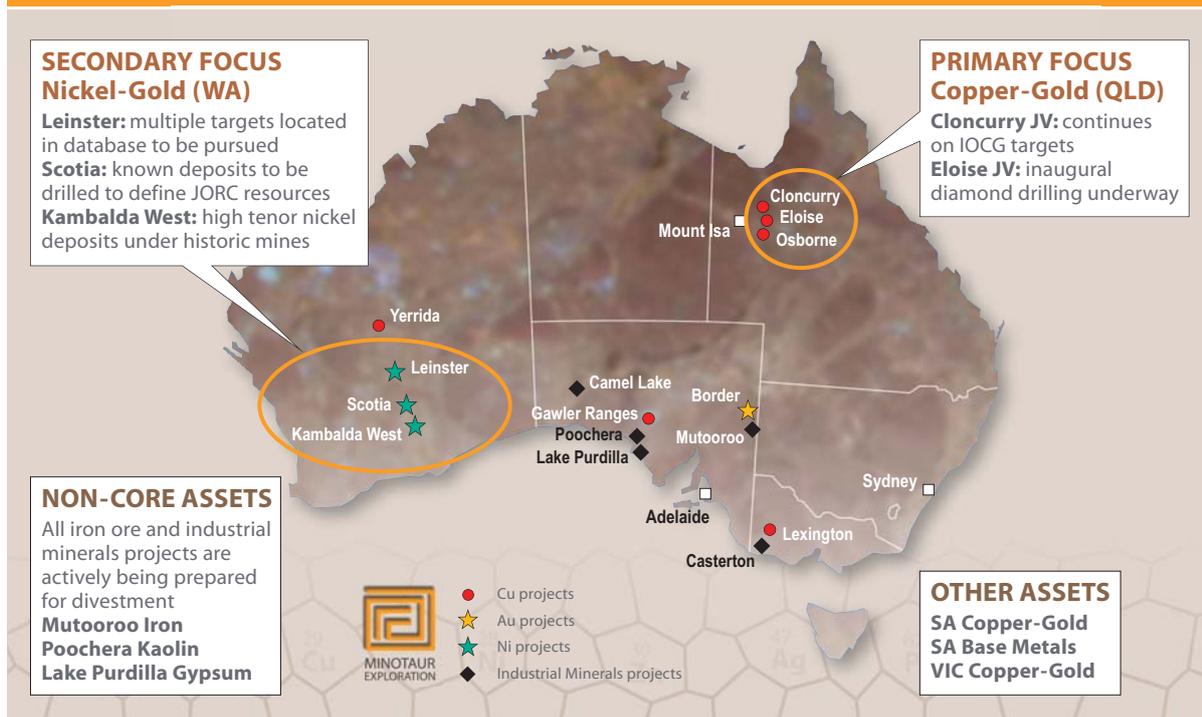
Joint venture participation by global base metals explorer Japan Oil, Gas and Metals National Corp (JOGMEC) continues. This year JOGMEC committed to invest a further \$1 million in grass-roots exploration on the Cloncurry JV, where new ground geophysical surveys are already revealing new copper drill targets.

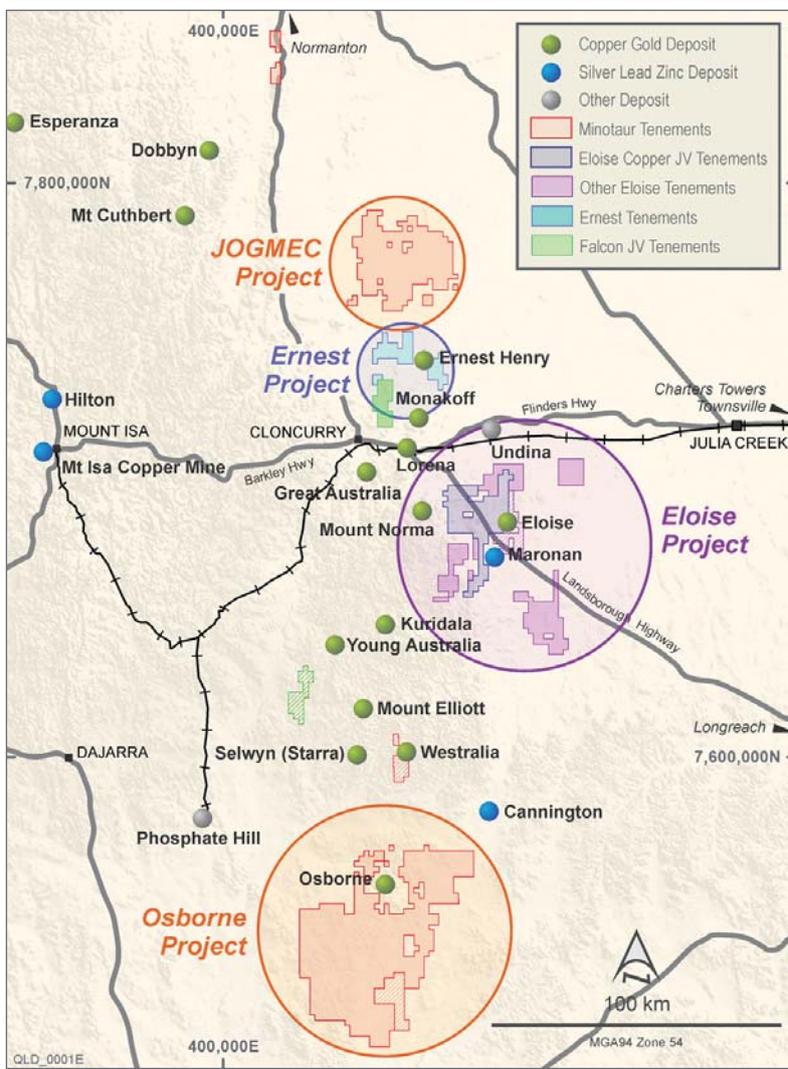
The Eloise Copper joint venture was initiated immediately after conclusion of the Breakaway acquisition, in December 2013. Notably, the time lapse until announcement of the first discovery was just seven months.

The 'Artemis' copper-gold-silver-zinc mineralised system is unfolding as a significant prospect and could potentially mimic the nearby Eloise copper-gold orebody, just 20km to the East. Much more work is required to substantiate that hypothesis but early indications are encouraging.

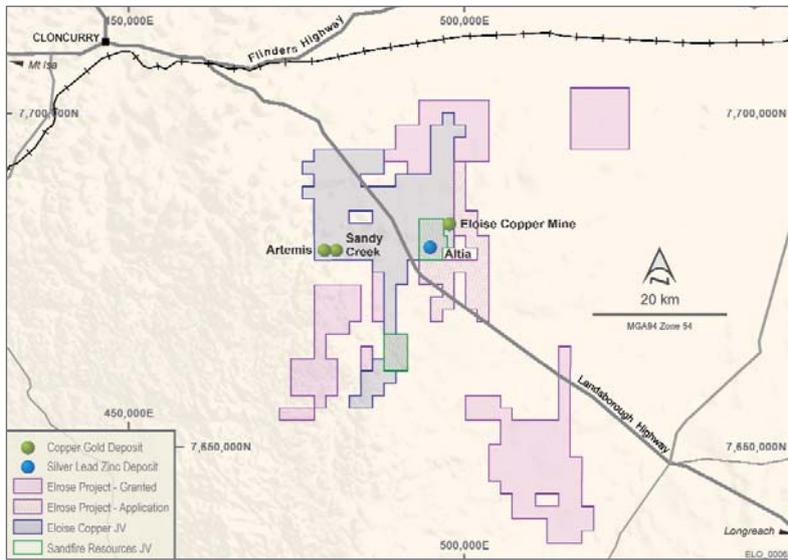
It is worth noting that Sandy Creek, where a maiden resource was defined by Breakaway Resources (September 2012), not more than 350m distant from Artemis, could potentially be a near-surface representation of the same plumbing system hosting Artemis mineralisation. This is a tantalising concept worth investigating.

GEOGRAPHIC FOCUS IS AUSTRALIA





Minotaur Cu-Au projects in the Cloncurry region.



The Eloise Project, one of four Minotaur Cu-Au projects in the Cloncurry region, including Eloise Copper Joint Venture tenements.



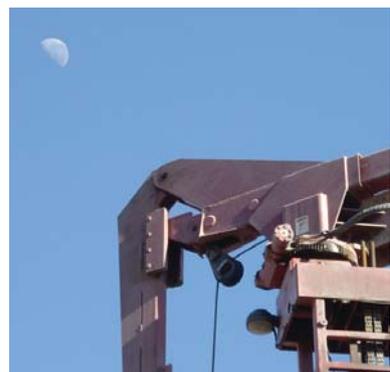
Jim Kouvousis (Financial Controller) and Ella Renfrey (Administrative Assistant).



Artemis discovery core.



Diamond drilling, Cloncurry.



MANAGING DIRECTOR'S REPORT

OPERATIONS HIGHLIGHTS

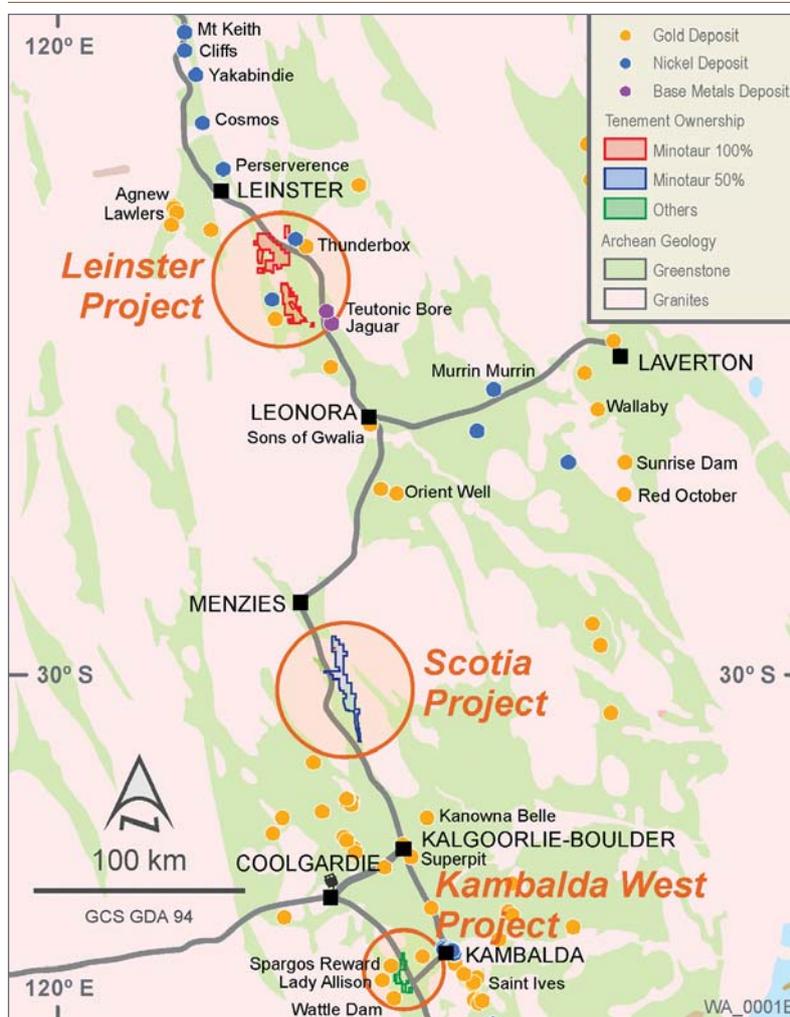
In Western Australia's renowned eastern goldfields, Minotaur acquired an enviable ground position.

The Company's tenement packages and mineral interests sit along the fertile nickel ultramafic belt between Leinster and Kambalda, where nickel-gold mineralisation is well documented and yet where activity on these tenements over recent years has been inadequate or incomplete.

We see excellent potential, within the extensive exploration database inherited from Breakaway, to locate multiple new prospects and also the opportunity to convert known nickel deposits into contemporary JORC resource assets through systematic follow-on exploration. With enduring strength in the nickel metal price Minotaur will seek to unlock value from its nickel assets and their often co-related gold occurrences.



Andrew Woskett
Managing Director



Tenement holdings and interests in Western Australia.



Leinster drilling

Competent Persons' Statements

Information in this section that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Dr A. P. Belperio, a director and full-time employee of the Company and a Fellow of the Australasian Institute of Mining and Metallurgy (AusIMM). Dr Belperio 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 2004 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code). Dr Belperio consents to inclusion in this document of the information in the form and context in which it appears.

DIRECTORS' REPORT

M I N O T A U R E X P L O R A T I O N L I M I T E D



Your Directors present their report on the consolidated group for the financial year ended 30 June 2014.

DIRECTOR DETAILS

The names of the Directors in office at any time during, or since the end of, the year are:

Mr Derek Carter
Chairman

Mr Andrew Woskett
Managing Director

Dr Antonio Belperio
Executive Director

Mr Richard Bonython
Non-Executive Director

Mr John Atkins
Non-Executive Director
(Appointed 20 November 2013)

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

Names, qualifications, experience and special responsibilities

Mr Derek Carter BSc, MSc, FAusIMM (CP)
(Chairman)

Derek Carter has over 40 years experience in exploration and mining geology and management. He held senior positions in the Shell Group of Companies and Burmine Ltd before founding Minotaur Gold Ltd in 1993.

He is currently Chairman of Minotaur Exploration Ltd and Highfield Resources Ltd and a former Chairman of Petrathern Ltd (resigned 31 March 2014). He is a board member of Mithril Resources Ltd and Blackthorn Resources Ltd and a former board member of Toro Energy Ltd (resigned 28 November 2012), all ASX listed companies. Mr Carter is a former President and Vice President of the South Australian Chamber of Mines and Energy, former board member of the Australian Gold Council, is a member of the South Australian Resources Development Board and the South Australian Minerals and Petroleum Experts Group, and a former Chairman of the Minerals Exploration Advisory Group.

He was awarded AMEC's Prospector of the Year Award (jointly) in 2003 and is a Centenary Medallist. As Chairman of Minotaur Exploration Ltd, he is responsible for the management of the board as well as the general strategic direction of the Company.

Mr Andrew Woskett B Eng, M Comm Law
(Managing Director)

Andrew Woskett has over 30 years project and corporate experience in the mining industry. He held senior responsibility for a variety of Australian mining landmarks, including development of the Kalgoorlie Super Pit, Kanowna Belle and Marymia gold mines and numerous expansions of the Bougainville copper-gold mine. As Managing Director of Ballarat Goldfields NL, he instituted underground development of the long-dormant Ballarat goldfield. He prepared development strategies for the proposed open pit development of the Olympic Dam mine and formulated several new iron ore projects in Western Australia.

Andrew is a Fellow of the Australasian Institute of Mining and Metallurgy.

DIRECTORS' REPORT

DIRECTOR DETAILS

Dr Antonio Belperio BSc (Hons), PhD
FAusIMM (Executive Director)

Dr Belperio has an Honours Degree in Geology from the University of Adelaide, a PhD from James Cook University, and a diverse background in a wide variety of geological disciplines, including marine geology, environmental geology and mineral exploration. He has 35 years of experience in university, government and the mineral exploration industry. Dr Belperio is also a Director of Thomson Resources Ltd (ASX code: TMZ) a public company listed on the ASX.

Mr Richard Bonython B Ag Sc
(Non-Executive Director)

Richard Bonython was a Director of Minotaur Gold Ltd for seven years until 2001, and of Minotaur Resources until its take-over in 2005 at which time he became a Director of Minotaur Exploration. He retired as Chairman of Diamin Resources NL in 1999 having been a Director of that company for 15 years, and was chair of Hindmarsh Resources until its take-over by Canadian company Mega Uranium. He was Executive Director of Pioneer Property Group Ltd for over 15 years until 1991 and has experience of over 45 years in the building, rural and mineral industries.

He is a member of the audit committee and is also a Director of Mithril Resources Ltd and a former Director of Petratherm Ltd (resigned 31 March 2014), both ASX Listed companies.

Mr John Atkins LLB, LLM
(Non-Executive Director)

Mr Atkins was appointed to the Board of Minotaur Exploration Ltd on 20 November 2013. He was the Chairman of Breakaway Resources Ltd immediately prior to it joining the Minotaur Group and is an experienced Company Director and former corporate lawyer. Mr Atkins



is an independent Non-Executive Director of BWP Trust and was the Chairman of ANZ Western Australia between August 2008 and May 2013. Before joining ANZ, Mr Atkins was head of the Perth office of National Law Firm, Freehills.

He was admitted as a lawyer in 1978 and practiced as a full time corporate lawyer until 1996 when he moved into management.

Mr Atkins is also a Non-Executive Director of financial services company Australian Finance Group Ltd, Chairman of Lotterywest, Immediate past President of the West Australian Chamber of Commerce and Industry, and Deputy Chairman of Committee for Perth Ltd.

COMPANY SECRETARY

Donald Stephens BAcc, FCA

Mr Stephens is a Chartered Accountant and corporate adviser with over 25 years experience in the accounting industry, including 14 years as a partner of HLB Mann Judd (SA), a firm of Chartered Accountants. He is a Director of Mithril Resources Ltd, Petratherm Ltd, Papyrus Australia Ltd, Lawson Gold Ltd, Reproductive Health Science Ltd and was formerly a Director of TW Holdings Ltd (resigned 14 December 2012). He is

additionally Company Secretary to, Highfield Resources Ltd, Mithril Resources Ltd, Musgrave Minerals Ltd and various other public companies. He holds other directorships with private companies and provides corporate advisory services to a wide range of organisations.

REVIEW OF OPERATIONS

Corporate

Key matters to note include:

- Held \$4.79 million in cash and term deposits at the end of June 2014.
- Having completed the scrip takeover of Breakaway Resources Limited (Breakaway) in December 2013, management moved quickly to realise value from the exploration assets so acquired.
- Acquisition was value accretive, as assessed by the rise in market capitalisation post event.
- The Company's dual plank growth strategy was recognised as offering a compelling investment case:
 - Core focus on copper-gold in the Cloncurry region.
 - Secondary focus on WA nickel-gold assets.



Exploration

Exploration activity primarily focused on copper-gold in New South Wales, South Australia and Queensland and on newly acquired gold prospects in Western Australia.

At the Arthurville porphyry copper prospect in New South Wales, several targets were drilled but failed to deliver strong porphyry style alteration. The joint venture with Mitsubishi was terminated by mutual agreement.

Gold and base metals IP targets in South Australia, west of Broken Hill, were drilled with encouraging gold intersections reported on two anomalies at the Bonython Hill tenement. Further mapping and sampling indicates the potential for significant strike outcrop of Broken Hill style mineralisation.

Several copper-gold projects in the Cloncurry region, western Queensland, formed the core of the company's exploration focus. At the Cloncurry joint venture (MEP 49% and diluting, JOGMEC 51%) new EM surveys were carried out and several IOCG style targets identified.

The joint venture committed to a new budget of \$1 million from July through to March 2015. Drilling plans are being drawn up.

At the new Eloise Copper joint venture (MEP 100% and diluting) several ground EM surveys over recent airborne EM generated targets resolved numerous anomalies requiring drill follow up. An inaugural drilling campaign commenced in June and one such target delivered a new copper-gold-zinc discovery named 'Artemis'.

A new joint venture over the Leinster nickel-gold tenements in WA (MEP 100% and diluting) received immediate field attention with aircore drilling of 7 target zones completed. Several anomalous gold intersections were reported, warranting follow-up. Lag and soil sampling over new gold prospective areas was underway at the end of the financial year.

Breakaway's extensive exploration database, for the Leinster and Scotia areas, was evaluated for nickel prospectivity. Multiple targets were selected for investigation. These range from grass roots to early to late stage prospects plus several

advanced projects where deposits of known mineralisation included high-tenor massive sulphides in ultramafic rocks. The nickel prospects are generally coincident with gold mineralisation and warrant, especially in view of the current high nickel metal price of circa US\$18,500 per tonne, intensive exploration attention.

At West Kambalda, Minotaur retains nickel rights on ten tenements owned by Tychean Resources Ltd plus a royalty on minerals other than nickel. Recent RC drilling by Tychean beneath the historic 5B mine returned strong nickel and gold results. A production sized decline into the mineralised zone and below provides an ideal platform for resource drilling.

In Victoria, work on porphyry copper prospective tenements in the Stavely-Ararat district (MEP 100%) was put on hold while newly listed neighbours, Stavely Minerals Ltd and Navarre Minerals Ltd, conduct their drill programmes. Exploration success for Stavely and/or Navarre will promote the value of and investment case for further work on Minotaur's ground.

Project Development

Poochera Kaolin Project

Market assessment of kaolin properties and market openings continued, including ongoing discussions with several off-shore kaolin consumers and kaolin producers. The Company is steadily working towards a trade sale or engaging an in-bound investment partner to fund project development.

Information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Dr A. P. Belperio, who is a full-time employee of the Company and a Fellow of the Australasian Institute of Mining and Metallurgy. Dr A. P. Belperio has a minimum of 5 years experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which 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". Dr A. P. Belperio consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

OPERATING RESULTS

The consolidated loss of the Group after providing for income tax amounted to \$2,666,811 (2013: \$3,127,675).

INTERESTS IN THE SHARES AND OPTIONS OF THE COMPANY AND RELATED BODIES CORPORATE

As at the date of this report, the interests of the Directors in the shares and options of Minotaur Exploration Ltd were:

	Number of Ordinary Shares	Number of Options over Ordinary Shares
John Atkins	98,661	-
Derek Carter	2,156,805	1,200,000
Antonio Belperio	838,062	900,000
Richard Bonython	1,502,000	900,000
Andrew Woskett	-	2,000,000

DIVIDENDS PAID OR RECOMMENDED

No dividends were paid or declared since the start of the financial year. No recommendation for payment of dividends has been made.

PRINCIPAL ACTIVITIES

The principal activities of the consolidated Group during the financial year were:

- To secure new tenements with potential for mineralisation; and
- To evaluate results achieved through surface sampling, drilling and geophysical surveys carried out during the year.

RISK MANAGEMENT

The Group takes a proactive approach to risk management. The Board is responsible for ensuring that risks, and also opportunities, are identified on a timely basis and that the Group's objectives and activities are aligned with the risks and opportunities identified by the Board.

The Group believes that it is crucial for all Board members to be a part of this process, and as such, the Board has not established a separate risk management committee.

The Board has a number of mechanisms in place to ensure that management's objectives and activities are aligned with the risks identified by the Board. These include the following:

- Board approval of a strategic plan designed to meet stakeholders' needs and manage business risk.
- Implementation of Board approved operating plans and budgets and Board monitoring of progress against these budgets, including the establishment and monitoring of performance indicators of both a financial and non-financial nature.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

An 'off-market' takeover offer to acquire all of the issued shares of Breakaway Resources Ltd (Breakaway) was successfully made and concluded during the period. Breakaway was an ASX listed junior exploration Company based in Western Australia with exploration licences in both Western Australia and Queensland. The offer closed on 18 October 2013 with Minotaur having received acceptances for over 91% of Breakaway's shares.



Minotaur then moved to compulsorily acquire the outstanding shares with Minotaur gaining 100% ownership of Breakaway on 5 December 2013. Subsequently Breakaway was removed from the ASX's Official List.

No other significant changes occurred during the year.

FORWARD OUTLOOK

Minotaur's focus is narrowing onto two key assets: Cloncurry copper-gold prospects and WA nickel-gold prospects. Discovery of the Artemis Cu-Au-Zn-Ag deposit from 85m below surface, using ground EM techniques, validates the Company's exploration methodology. Numerous, similar geophysical anomalies abound across the tenement package and the work scope will be broadened onto other project areas in the region. While additional discovery is the objective, the underlying imperative is to locate economic deposits that can convert into mineable propositions.

In Western Australia Minotaur now has extensive exposure to nickel sulphide mineralisation hosted in fertile Yilgarn ultramafic rocks. Work by past owners ceded a

strategic package of tenements along the nickel belt, a zone recognised as hosting Tier 1 deposits. Their extensive work, diligently recorded, is a valuable database from which Minotaur can generate new targets, test known anomalies, assess known mineralisation and follow up on multiple drill intersections showing disseminated to massive sulphides.

Much of the previous work, while first-class, failed to pursue an economic outcome, leaving low hanging fruit for later owners. Minotaur is fortunate to find itself in that position and is taking immediate steps to unlock value from these elements of the Breakaway legacy.

ENVIRONMENTAL REGULATIONS

The Group is aware of its responsibility to impact as little as possible on the environment and, where there is any disturbance, to rehabilitate sites.

During the year the majority of work carried out was in Western Australia and Queensland and the Group followed procedures and pursued objectives in line with guidelines published by both the Western Australian and Queensland

Governments. These guidelines are quite detailed and encompass the impact on owners and land users, heritage, health and safety and proper restoration practices. The Group adheres to regulatory guidelines, and any local conditions applicable, both in South Australia and elsewhere. The Group has not been in breach of any State or Commonwealth environmental rules or regulations during the period.

The Company's Canadian operations follow regulations outlined in the Nova Scotia Mining Laws. The Company is in compliance with the relevant environmental laws in Nova Scotia.

EVENTS SINCE THE END OF THE REPORTING PERIOD

No matter or circumstance has arisen since 30 June 2014 that has significantly affected the Group's operations, results or state of affairs, or may do so in the future.

UNISSUED SHARES

At the date of this report, the following unlisted options to acquire ordinary shares in the Company were on issue:

Issue Date	Expiry Date	Exercise Price	Balance at 1 July 2013	Net Issued/ (Exercised or expired) during the Year	Balance at 30 June 2014
08/12/2008	02/12/2013	\$0.25	410,000	(410,000)	-
10/05/2010	17/05/2015	\$0.40	4,300,000	-	4,300,000
10/05/2010	30/08/2015	\$0.40	1,000,000	-	1,000,000
10/05/2010	27/02/2016	\$0.55	1,000,000	-	1,000,000
30/09/2011	29/09/2016	\$0.21	1,740,000	(175,000)	1,565,000
04/07/2012	03/07/2017	\$0.25	2,420,000	(325,000)	2,095,000
05/07/2013	04/07/2018	\$0.30	-	2,083,333	2,083,333
			10,870,000	1,173,333	12,043,333

DIRECTORS' REPORT

SHARE OPTIONS

Shares issued as a result of exercise of options

No shares were issued during the financial year as a result of the exercise of options (2013: Nil).

Lapse of options

On 13 December 2013, 410,000 unlisted options issued under the Company's employee share option plan were unexercised and expired. In addition, 500,000 options issued under the Company's employee share option plan expired during the year due to the resignation of two employees.

New options issued

On 5 July 2013, the Company issued 2,083,333 unlisted options in accordance with the Subscription and Alliance Agreement with Golden Fields Resources Pty Ltd executed on 13 June 2013. The options are exercisable at \$0.30 and expire on 4 July 2018.

INDEMNIFICATION AND INSURANCE OF DIRECTORS AND OFFICERS

To the extent permitted by law, the Company has indemnified (fully insured) each Director and the Secretary of the Company for an annual premium of \$19,449.

The liabilities insured include costs and expenses that may be incurred in defending civil or criminal proceedings (that may be brought) against the officers in their capacity as officers of the Company or a related body, and any other payments arising from liabilities incurred by the officers in connection with such proceedings, other than where such liabilities arise out of conduct involving a wilful breach of duty by the officers or the improper use by the officers of their position or of information to gain advantage for themselves or someone else or to cause detriment to the Company.



MINOTAUR
EXPLORATION

Differentiating the investment case

- **Cash in the bank**, no debt, solid Top 5 shareholders
- **Experienced, credible management** and technical team
- Significant **exploration potential** around Australia
- **Diversity in minerals** with focus on Copper, Gold and Nickel
- **Portfolio diversification** spreads risk
- Moving non-core assets towards **monetisation**
- Continuing **Joint Ventures** with large international groups
- **Leveraging our technical expertise** beyond Minotaur's own balance sheet capabilities

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REMUNERATION REPORT (AUDITED)

This report outlines the remuneration arrangements in place for Directors and other key management personnel of Minotaur Exploration Ltd.

Remuneration philosophy

The Board is responsible for determining remuneration policies applicable to Directors and senior executives of the Group. The broad policy is to ensure that remuneration properly reflects the individuals' duties and responsibilities and that remuneration is competitive in attracting, retaining and motivating people with appropriate skills and experience. At the time of determining remuneration consideration is given by the Board to the Group's financial performance.

Employment contracts

The employment conditions of the Managing Director, Mr Andrew Woskett, are formalised in a consultancy agreement. Mr Woskett commenced as a consultant to Minotaur on 1 March 2010 and his annual retainer is \$355,675 per annum, exclusive of GST. The Company may terminate the consultancy agreement without cause by providing three (3) months written notice and paying a severance amount equal to nine (9) months' retainer. Termination payments are generally not payable on resignation or dismissal for serious misconduct. In the instance of serious misconduct the Company can terminate the agreement at any time.

The employment conditions of the Executive Director, Dr Antonio Belperio, are formalised in a contract of employment. Dr Belperio commenced employment on 1 January 2005 and his gross salary, inclusive of the 9.25% superannuation guarantee as at 30 June 2014, is \$281,875 per annum. The Company may terminate the employment contract without cause by providing six (6) months written notice or making payment in lieu of notice, based on the annual salary component. Termination payments are generally not payable on



resignation or dismissal for serious misconduct. In the instance of serious misconduct the Company can terminate employment at any time.

The employment conditions of the General Manager of Exploration, Mr Ian Garsed, are formalised in a contract of employment. Mr Garsed commenced employment on 15 March 2011 and his gross salary, inclusive of the 9.25% superannuation guarantee as at 30 June 2014, is \$195,000 per annum. The Company may terminate the employment contract without cause by providing one (1) month written notice or making payment in lieu of notice, based on the annual salary component. Termination payments are generally not payable on resignation or dismissal for serious misconduct. In the instance of serious misconduct the Company can terminate employment at any time.

The employment conditions of the Commercial Manager, Mr Varis Lidums, are formalised in a contract of employment. Mr Lidums commenced employment on 1 March 2011 and his gross salary, inclusive of the 9.25% superannuation guarantee as at 30 June 2014, is \$195,000 per annum. The Company may terminate the employment contract without cause by providing one (1) month written notice or making payment in lieu of notice, based on the annual salary component. Termination payments are generally not payable on resignation or dismissal for serious misconduct. In the instance of serious misconduct the Company can terminate employment at any time.

Key management personnel remuneration and equity holdings

The Board currently determines the nature and amount of remuneration for Board members and senior executives of the Group. The policy is to align director and executive objectives with shareholder and business objectives by providing a fixed remuneration component and offering specific long-term incentives.

The Non-Executive Directors and other Executives receive a superannuation guarantee contribution required by the government, which is currently 9.25% as at 30 June 2014 (9.5% for future periods), and do not receive any other retirement benefits. Some individuals, however, may choose to sacrifice part of their salary to increase payments towards superannuation.

All remuneration paid to Directors and other key management personnel is expensed as incurred. Key management are also entitled to participate in the Group's share option scheme. Options are valued using the Black-Scholes methodology.

The board policy is to remunerate Non-Executive Directors at market rates based on comparable companies for time, commitment and responsibilities.

The Board determines payments to Non-Executive Directors and reviews their remuneration annually, based on market practice, duties and accountability. Independent external advice is sought when required.

DIRECTORS' REPORT

REMUNERATION REPORT (AUDITED)

Director remuneration for the year ended 30 June 2014 and 30 June 2013

		Short Term Employee Benefits		Post Employment	Share-based Payments	Totals	Performance Based
		Salary & Fees	Bonus	Superannuation	Options	\$	% of Remuneration
John Atkins*	2014	26,474	-	2,449	-	28,923	-
	2013	-	-	-	-	-	-
Derek Carter	2014	91,560	-	-	-	91,560	-
	2013	86,520	-	5,040	-	91,560	-
Antonio Belperio	2014	261,155	20,399	26,044	-	307,598	7
	2013	252,294	41,284	26,422	-	320,000	13
Richard Bonython	2014	43,999	-	4,070	-	48,069	-
	2013	48,069	-	-	-	48,069	-
Andrew Woskett	2014	349,069	26,453	-	-	375,522	7
	2013	347,953	65,000	-	-	412,953	16
Total	2014	772,257	46,852	32,563	-	851,672	6
	2013	734,836	106,284	31,462	-	872,582	12

* On 20 November 2013 Mr John Atkins was appointed as a Non-Executive Director of the Company.

Remuneration of other key management personnel for the year ended 30 June 2014 and 30 June 2013

		Short Term Employee Benefits		Post Employment	Share-based Payments	Totals	Performance Based
		Salary & Fees	Bonus	Superannuation	Options	\$	% of Remuneration
Ian Garsed	2014	172,490	12,013	23,622	-	208,125	6
	2013	170,606	20,642	23,752	23,375	238,375	9
Varis Lidums	2014	178,490	14,016	17,807	-	210,313	7
	2013	176,606	27,522	18,372	23,375	245,875	11
Donald Stephens*	2014	-	-	-	-	-	-
	2013	-	-	-	-	-	-
Total	2014	350,980	26,029	41,429	-	418,438	6
	2013	347,212	48,164	42,124	46,750	484,520	10

* HLB Mann Judd (SA) Pty Ltd received professional fees for accounting, taxation and secretarial services provided during the year amounting to \$116,612 (2013: \$149,405) (inclusive of GST). Donald Stephens, the Company Secretary, is a consultant with HLB Mann Judd (SA) Pty Ltd.

Bonuses

During the 2014 financial year a number of Minotaur's key management personnel received a cash bonus in respect of meeting key performance targets agreed by the Board. Bonuses are paid at the discretion of the Board. 63% of

available bonuses to directors and other key management personnel were paid during the year and 37% were forfeited.

Share-based remuneration

Options may be granted to Key Management Personnel at the discretion of the Board under an

Employee Share Option Plan.

All options refer to options over ordinary shares of the Company, which are exercisable on a one-for-one basis under the terms of the agreements. All options expire on the earlier of their expiry date or termination of the individual's employment.

Options held by key management personnel for the year ended 30 June 2014

Directors	Balance at beginning of period	Granted as remuneration	Exercised	Net change other	Balance at end of period	Expiry date	First exercise date
John Atkins	-	-	-	-	-	-	-
Derek Carter	1,200,000	-	-	-	1,200,000	17/05/15	18/05/10
Antonio Belperio	900,000	-	-	-	900,000	17/05/15	18/05/10
Richard Bonython	900,000	-	-	-	900,000	17/05/15	18/05/10
Andrew Woskett	1,000,000	-	-	-	1,000,000	30/08/15	30/08/10
Andrew Woskett	1,000,000	-	-	-	1,000,000	27/02/16	28/02/11
Other key management							
Ian Garsed	250,000	-	-	-	250,000	29/09/16	30/09/12
Ian Garsed	250,000	-	-	-	250,000	03/07/17	04/07/12
Varis Lidums	250,000	-	-	-	250,000	29/09/16	30/09/12
Varis Lidums	250,000	-	-	-	250,000	03/07/17	04/07/12
Donald Stephens	400,000	-	-	-	400,000	17/05/15	18/05/10

Shares held by key management personnel for the year ended 30 June 2014

Directors	Balance at 1 July 2013	On exercise of options	Net change other	Balance 30 June 2014
John Atkins	-	-	98,661	98,661
Derek Carter	2,156,805	-	-	2,156,805
Antonio Belperio	830,306	-	7,756	838,062
Richard Bonython	1,502,000	-	-	1,502,000
Andrew Woskett	-	-	-	-
Other key management				
Ian Garsed	-	-	-	-
Varis Lidums	-	-	-	-
Donald Stephens	305,000	-	-	305,000

USE OF REMUNERATION CONSULTANTS

During the financial year, there were no remuneration recommendations made in relation to key management personnel for the Company by any remuneration consultants.

VOTING AND COMMENTS MADE AT THE COMPANY'S 2013 ANNUAL GENERAL MEETING

Minotaur Exploration Ltd received more than 97.5% of "yes" votes on its remuneration report for the 2013 financial year by proxy.

The Company did not receive any feedback at the Annual General Meeting on its remuneration report.

End of audited remuneration report.



Leinster drilling.

DIRECTORS' REPORT

DIRECTORS' MEETINGS

The number of meetings of directors (including meetings of committees of directors) held during the year and the number of meetings attended by each director were as follows:

Director	Directors' Meetings		Audit Committee	
	Eligible	Attended	Eligible	Attended
Derek Carter	6	6	-	-
Andrew Woskett	6	6	-	-
Richard Bonython	6	5	2	2
Antonio Belperio	6	6	2	2
John Atkins	4	4	-	-

PROCEEDINGS ON BEHALF OF THE GROUP

No person has applied for leave of Court to bring proceedings on behalf of the Group or intervene in any proceedings to which the Group is a party for the purpose of taking responsibility on behalf of the Group for all or any part of those proceedings.

NON-AUDIT SERVICES

During the year, Grant Thornton, the Company's auditors, performed certain other services in addition to their statutory audit duties.

The Board has considered the non-audit services provided during the year by the auditor and is satisfied that the provision of those non-audit services during the year is compatible with, and did not compromise, the auditor independence requirements of the *Corporations Act 2001* for the following reasons:

- all non-audit services were subject to the corporate governance procedures adopted by the Company to ensure they do not impact upon the impartiality and objectivity of the auditor; and
- the non-audit services do not undermine the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants, as they did not involve reviewing or auditing the auditor's own work, acting in a management or decision-making capacity for the Company, acting as an advocate for the Company or jointly sharing risks and rewards.

Details of the amounts paid to the auditors of the Company, Grant Thornton, and its related practices for audit and non-audit services provided during the year are set out in *Note 26* to the Financial Statements.

A copy of the Auditor's Independence Declaration as required under s307C of the *Corporations Act 2001* is included on *page 17* of this financial report and forms part of this Directors' Report

Signed in accordance with a resolution of the Directors:



Derek Carter
Chairman

Dated this 19th day of August 2014



**MASSIVE SULPHIDE
COMPRISING
SPHALERITE
(BLACK),
CHALCOPYRITE
(YELLOW),
GALENA
(BLUE-GREY)
AND PYRRHOTITE
(BRONZE)**

AUDITOR'S INDEPENDENCE DECLARATION

TO THE DIRECTORS OF MINOTAUR EXPLORATION LIMITED



Level 1,
67 Greenhill Rd
Wayville SA 5034

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W www.grantthornton.com.au

AUDITOR'S INDEPENDENCE DECLARATION TO THE DIRECTORS OF MINOTAUR EXPLORATION LIMITED

In accordance with the requirements of section 307C of the *Corporations Act 2001*, as lead auditor for the audit of Minotaur Exploration Limited for the year ended 30 June 2014, I declare that, to the best of my knowledge and belief, there have been:

- a no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- b no contraventions of any applicable code of professional conduct in relation to the audit.

A handwritten signature in black ink that reads "Grant Thornton".

GRANT THORNTON AUDIT PTY LTD
Chartered Accountants

A handwritten signature in black ink, appearing to be "J L Humphrey".

J L Humphrey
Partner – Audit & Assurance

Adelaide, 19 August 2014

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CORPORATE GOVERNANCE

M I N O T A U R E X P L O R A T I O N L I M I T E D



INTRODUCTION

The Board is committed to achieving and demonstrating the highest standards of corporate governance. As such, Minotaur Exploration Ltd (the “Company”) and its Controlled Entities (the “Group”) have adopted a corporate governance framework and practices to ensure they meet the interests of shareholders.

The Group complies with the Australian Securities Exchange Corporate Governance Council’s Corporate Governance Principles and Recommendations 2nd Edition (the “ASX Principles”).

This statement incorporates the disclosures required by the ASX Principles under the headings of the eight (8) core principles. All of these practices, unless otherwise stated, were in place for the full reporting period.

Some of the charters and policies that form the basis of the corporate governance practices of the Group may be located on the Group’s website at www.minotaurexploration.com.au.

PRINCIPLE 1

Lay solid foundations for management and oversight

Board Responsibilities

The Board is accountable to the Shareholders for the performance of the Group and has overall responsibility for its operations. Day to day management of the Group’s affairs and the implementation of the corporate strategy and policy initiatives, are formally delegated by the Board to the Managing Director and ultimately to senior executives.

The key responsibilities of the Board include:

- Approving the strategic direction and related objectives of the Group and monitoring management performance in the achievement of these objectives;
- Adopting budgets and monitoring the financial performance of the Group;
- Reviewing annually the performance of the Managing Director and senior executives against the objectives and performance indicators established by the Board;

- Overseeing the establishment and maintenance of adequate internal controls and effective monitoring systems;
- Overseeing the implementation and management of effective safety and environmental performance systems;
- Ensuring all major business risks are identified and effectively managed; and
- Ensuring that the Group meets its legal and statutory obligations.

For the purposes of the proper performance of their duties, the Directors are entitled to seek independent professional advice at the Group’s expense, unless the Board determines otherwise. The Board schedules meetings on a regular basis and other meetings as and when required.

The Board has not publicly disclosed a statement of matters reserved for the Board, or the Board charter and therefore the Group has not complied with recommendation 1.3 of the Corporate Governance Council. Given the experience and skills of the Board of Directors, the Group has not considered it necessary to formulate a Board charter.

Recommendation 1.2: Performance evaluation of Senior Management

The Managing Director and senior management participate in annual performance reviews. The performance of staff is measured against the objectives and performance indicators established by the Board. A performance evaluation for senior management took place for the current reporting period in accordance with the Group's documented process. The performance of senior management is reviewed by comparing performance against agreed measures, examining the effectiveness and results of their contribution and identifying area for potential improvement. In accordance with recommendations 1.2 and 1.3 of the ASX Corporate Governance Council the Group has not disclosed a description of the performance evaluation process in addition to the disclosure above.

PRINCIPLE 2

Structure the Board to add value

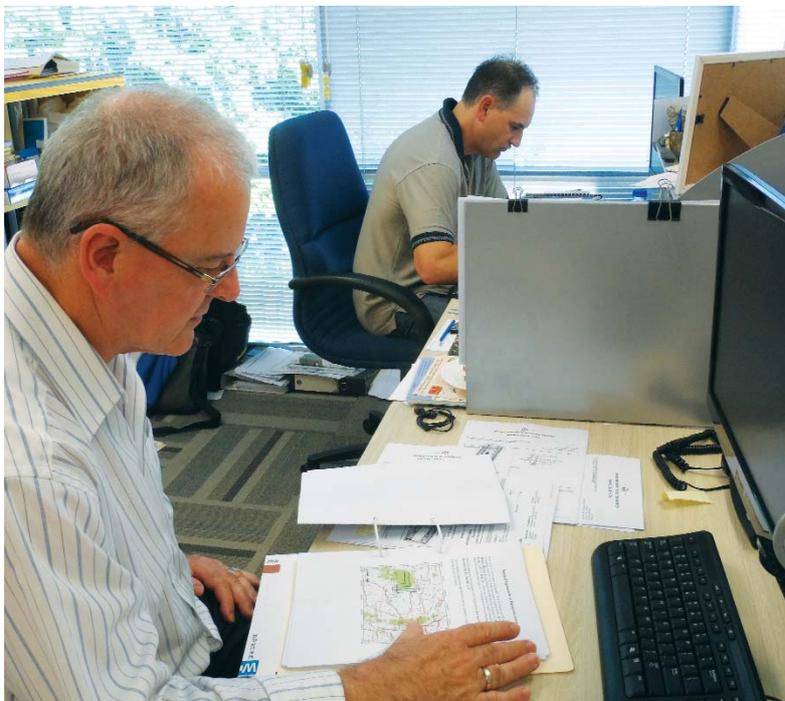
Size and composition of the Board

At the date of this statement the Board consists of three Non-Executive Directors and two Executives.

Directors are expected to bring independent views and judgement to the Board's deliberations.

- Mr Derek Carter
Non-Executive Chairman
- Mr Andrew Woskett
Managing Director
- Mr Richard Bonython
Non-Executive Director
- Dr Antonio Belperio
Executive Director
- Mr John Atkins
Non-Executive Director
(Appointed 20 November 2013)

The Board considers this to be an appropriate composition given the size and development of the Group at the present time. The names of Directors, including details of their qualifications and experience, are set out in the Directors' Report of this Annual Report.



Phil Cronin (Tenement Manager) and Andy Burt (Senior Geologist).

Recommendation 2.1: Independence

The Board is conscious of the need for independence and ensures that where a conflict of interest may arise, the relevant Director(s) leave the meeting to ensure a full and frank discussion of the matter(s) under consideration by the rest of the Board.

Those Directors who have interests in specific transactions or potential transactions do not receive Board papers related to those transactions or potential transactions, do not participate in any part of a Directors' meeting which considers those transactions or potential transactions, are not involved in the decision making process in respect of those transactions or potential transactions, and are asked not to discuss those transactions or potential transactions with other Directors. Each Director is required by the Company to declare on an annual basis the details of any financial or other relevant interests that they may have in the Company.

At the date of this statement the Board consists of three Non-Executive Directors, Mr Derek Carter, who is also chairman of the Board, Mr Richard Bonython and Mr John Atkins. Mr Bonython and Mr Atkins have no other material relationship

with the Group or its subsidiaries other than their directorships. Mr Carter and his associates beneficially hold 1.42% of the issued capital of Minotaur Exploration Ltd. The Company therefore has two independent Directors as that relationship is currently defined.

The Board does not consist of a majority of independent Directors and therefore the Group has not complied with recommendation 2.1 of the Corporate Governance Council. The Company considers the current structure to be an appropriate composition of the required skills and experience, given the size and development of the Group at the present time.

Recommendations 2.2 and 2.3: Role of the Chairman

The role of the Chairman is to provide leadership to the Board and facilitate the efficient organisation and conduct of the Board's functioning. Mr Derek Carter, the Chairman of the Group, does not also perform the role of the Managing Director, in accordance with recommendation 2.3 of the Corporate Governance Council. He is however not independent and therefore the Group has not complied with recommendation 2.2.

Recommendation 2.4: Nomination, retirement and appointment of Directors

The Board has not established a nomination and remuneration committee in accordance with recommendation 2.4 of the Corporate Governance Council. The Board takes ultimate responsibility for these matters and continues to monitor the composition of the committee and the roles and responsibilities of the members. Accordingly, the Group has not established remuneration and nomination committee charter in accordance with recommendations 2.4 and 2.6 of the ASX Corporate Governance Council.

Recommendation 2.5: Evaluation of Board performance

The Board continues to review performance against appropriate measures and identify ways to improve performance.

A performance evaluation of the Board, its committees and individual Directors took place for the current reporting period. The Board has not formally disclosed the process in accordance with recommendations 2.5 and 2.6 of the ASX Corporate Governance Council. The Board takes ultimate responsibility for these matters and does not consider the disclosure of the performance evaluation necessary at this stage.

Recommendation 2.6: Additional information concerning the Board and Directors

The disclosures required by Recommendation 2.6 are included in this annual report. There are procedures in place, agreed by the Board, to enable Directors, in furtherance of their duties, to seek independent professional advice at the Company's expense.



PRINCIPLE 3

Promote ethical and responsible decision making

Recommendation 3.1: Code of Conduct

The Board recognises the need for Directors and employees to observe the highest standards of behaviour and business ethics when engaging in corporate activity. The Group intends to maintain a reputation for integrity and is highly committed to demonstrating appropriate corporate practices and decision making. The Group's officers and employees are required to act in accordance with the law and with the highest ethical standards.

The Board has not adopted and disclosed a formal code of conduct applying to the Board and all employees in accordance with recommendations 3.1 and 3.3 of the Corporate Governance Council. The Board takes ultimate responsibility for these matters and does not consider the disclosure of the code necessary at this stage.

Securities Trading Policy

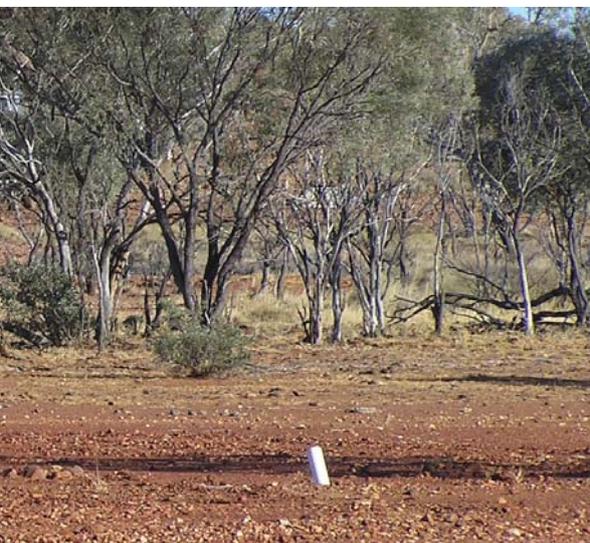
The Company has established a policy concerning trading in the Company's shares by the Company's officers, employees and contractors and consultants to the Company while engaged in work for the Company (Representatives).

This policy provides that it is the responsibility of each Representative to ensure they do not breach the insider trading prohibition in the Corporations Act. Breaches of the insider trading prohibition will result in disciplinary action being taken by the Company.

Representatives must also obtain written consent from the Chairman (or, in the case of the Chairman, from the Board) prior to trading in the Company's securities.

Subject to these restrictions, the policy provides that Directors, the Company Secretary and employees of, or contractors to, the Company that have access to the Company's financial information or drilling results are permitted to trade in the Company's securities throughout the year except during the following periods:

- a) the period between the end of the March, June, September and December quarters and the release of the Company's quarterly report to ASX for so long as the Company is required by the Listing Rules to lodge quarterly reports; and
- b) 24 hours after the following events:
 - i) Any major announcements;
 - ii) The release of the Company's quarterly, half yearly and annual financial results to the ASX; and
 - iii) the Annual General Meeting and all other General Meetings.



In exceptional circumstances the Board may waive the requirements of the Share trading Policy to allow Representatives to trade in the shares of the Company, provided to do so would not be illegal.

Directors must advise the Company Secretary of changes to their shareholdings in the Company within two (2) business days of the change.

Recommendations 3.2 and 3.3: Diversity Policy

The ASX Corporate Governance Council has released amendments dated 30 June 2010 to the 2nd edition Corporate Governance Principles and Recommendations in relation to diversity. For the purpose of the amendments diversity includes, but is not limited to, gender, age, ethnicity and cultural background.

The Company continues to strive towards achieving objectives established towards increasing gender diversity.

The Company will assess all staff and Board appointments on their merits with consideration to diversity a driver in decision making. The Company has not yet developed or disclosed a formal diversity policy and therefore has not complied with the recommendations 3.2 and 3.3 of the Corporate Governance Council effective from 1 January 2011.

The Board is ultimately responsible for reviewing the achievement of this policy.

Recommendations 3.4 and 3.5: Reporting in Annual Report

At the date of this Annual Report, the Company employs 15 staff members (excluding the Non-Executive Directors), of which three are female. The Board of Directors consists of five male Directors. The Company has disclosed the information suggested in Recommendation 3.5 in this Annual Report.

PRINCIPLE 4

Safeguard integrity in financial reporting

The Group has structured financial management to independently verify and safeguard the integrity of their financial reporting. The structure established by the Group includes:

- Review and consideration of the financial statements by the audit committee;
- A process to ensure the independence and competence of the Group’s external auditors.

Recommendations 4.1, 4.2 and 4.3: Audit Committee

The audit, risk and compliance committee comprises Mr Richard Bonython (Chairman) and Dr Antonio Belperio. Mr Richard Bonython is considered independent. The Board will annually confirm the membership of the committee.

The committee’s primary responsibilities are to:

- oversee the existence and maintenance of internal controls and accounting systems;
- oversee the management of risk within the Group;
- oversee the financial reporting process;
- review the annual and half-year financial reports and recommend them for approval by the Board of Directors;
- nominate external auditors;
- review the performance of the external auditors and existing audit arrangements; and

- ensure compliance with laws, regulations and other statutory or professional requirements, and the Group’s governance policies.

The Group has not complied with recommendation 4.2 of the Corporate Governance Council because it does not consist of a majority of independent Directors and only has two committee members. Given the skills and experience of the audit committee, the Board believes the structure and process to be adequate. The Board continues to monitor the composition of the committee and the roles and responsibilities of the members.

In addition, the Board has not adopted and disclosed a formal committee charter in accordance with recommendations 4.3 and 4.4 of the Corporate Governance Council.

PRINCIPLE 5

Make timely and balanced disclosure

The Group has a policy that all shareholders and investors have equal access to the Group’s information. The Board ensures that all price sensitive information is disclosed to the ASX in accordance with the continuous disclosure requirements of the Corporation’s Act and ASX Listing Rules. The company secretary has primary responsibility for all communications with the ASX and is accountable to the Board through the chair for all governance matters.

Recommendations 5.1: Disclosure policy

The Group has not publicly disclosed a formal disclosure policy in accordance with recommendations 5.1 and 5.2 of the Corporate Governance Council. The Board takes ultimate responsibility for these matters and does not consider disclosure of a disclosure policy to be appropriate at this stage.

PRINCIPLE 6

Respect the rights of shareholders

The Board strives to ensure that Shareholders are provided with sufficient information to assess the performance of the Group and its Directors and to make well-informed investment decisions.

Recommendations 6.1: Communications policy

Information is communicated to Shareholders through:

- annual, half-yearly and quarterly financial reports;
- annual and other general meetings convened for Shareholder review and approval of Board proposals;
- continuous disclosure of material changes to ASX for open access to the public; and
- the Group maintains a website where all ASX announcements, notices and financial reports are published as soon as possible after release to ASX.

All information disclosed to the ASX is posted on the Group's website at www.minotaurexploration.com.au

The auditor is required to attend the annual general meeting of Shareholders. The Chairman will permit Shareholders to ask questions about the conduct of the audit and the preparation and content of the audit report.

The Group has not publicly disclosed a communications policy in accordance with recommendations 6.1 and 6.2 of the Corporate Governance Council. The Board takes ultimate responsibility for these matters and does not consider disclosure of a communications policy to be appropriate at this stage.

PRINCIPLE 7

Recognise and manage risk

The Board has identified the significant areas of potential business and legal risk of the Group.

In addition the Board has developed the culture, processes and structures of the company to encourage a framework of risk management which identifies, monitors and manages the material risks facing the organisation.

Recommendations 7.1 and 7.2: Risk management policy

The identification, monitoring and, where appropriate, the reduction of significant risk to the Group is the responsibility of the Managing Director and the Board. The Board has also established the audit, risk and compliance committee which addresses the risks of the Group.

The Board reviews and monitors the parameters under which such risks will be managed. Management accounts are prepared and reviewed with the Managing Director at subsequent Board meetings. Budgets are prepared and compared against actual results. Management and the Board monitor the Group's material business risks and reports are considered at regular meetings.

The Group has not publicly disclosed a policy for the oversight and management of material business risks in accordance with recommendations 7.1 and 7.4 of the Corporate Governance Council. The Board takes ultimate responsibility for these matters and does not consider disclosure of a risk management policy to be appropriate at this stage.

Recommendations 7.3: Statement from Managing Director and Company Secretary

The Managing Director and the Company Secretary are required to state in writing to the Board that the Company's financial reports present a true and fair view, in all material respects, of the Company's financial condition and operational results are in accordance with relevant accounting standards.

Included in this statement is a confirmation that the Company's risk management and internal controls are operating efficiently and effectively. This statement has been received for the year ended 30 June 2014.

PRINCIPLE 8

Remunerate fairly and responsibly

The Chairman and the Non-Executive Directors are entitled to draw Directors fees and receive reimbursement of reasonable expenses for attendance at meetings. The Group is required to disclose in its annual report details of remuneration to Directors. The maximum aggregate annual remuneration which may be paid to Non-Executive Directors is \$300,000. This amount cannot be increased without the approval of the Group's shareholders. Please refer to the *remuneration report* within the Directors' Report for details regarding the remuneration structure of the Managing Director and senior management.

Recommendation 8.1: Remuneration Committee

The Board has not established a remuneration committee or disclosed a committee charter on the Company website and therefore has not complied with recommendations 8.1 and 8.3 of the Corporate Governance Council. The Board takes ultimate responsibility for these matters and does not consider a remuneration committee to be appropriate at this stage.



MINOTAUR
EXPLORATION

FINANCIAL REPORT

F O R T H E Y E A R E N D E D 3 0 J U N E 2 0 1 4



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CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

F O R T H E Y E A R E N D E D 3 0 J U N E 2 0 1 4

		Consolidated Group	
	Note	2014 \$	2013 \$
Revenue	4(a)	524,036	598,085
Gain on reclassification of non-current asset	4(c)	-	1,017,291
Other income	4(b)	197,304	738
Impairment of exploration and evaluation assets	4(d)	(1,906,511)	(1,440,018)
Impairment of available-for-sale investments	4(d)	(722,097)	(2,104,643)
Employee benefits expense	4(e)	(316,962)	(607,912)
Depreciation expense	4(d)	(184,356)	(194,968)
Finance costs	4(d)	(8,494)	(10,609)
Other expenses	4(f)	(1,397,209)	(1,181,715)
Loss before income tax expense		(3,814,289)	(3,923,751)
Income tax benefit	5	1,147,478	796,076
Loss for the year		(2,666,811)	(3,127,675)
Other comprehensive income			
<i>Items that may be reclassified to profit or loss</i>			
Exchange differences arising on translation of foreign operations	19(b)	917	6,773
Fair value gains on available-for-sale assets, net of tax	19(c)	60,000	(60,000)
Total comprehensive income for the year		(2,605,894)	(3,180,902)
Loss for the year is attributable to:			
Members of the parent entity	20	(2,596,370)	(3,113,702)
Non-controlling interest	21	(70,441)	(13,973)
		(2,666,811)	(3,127,675)
Total comprehensive income for the year is attributable to:			
Members of the parent entity		(2,535,453)	(3,166,929)
Non-controlling interest		(70,441)	(13,973)
		(2,605,894)	(3,180,902)
Earnings per share			
Basic earnings per share (cents)		(1.94)	(3.02)
Diluted earnings per share (cents)		(1.94)	(3.02)

The above statement should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

A S A T 3 0 J U N E 2 0 1 4

		Consolidated Group	
	Note	2014	2013
		\$	\$
CURRENT ASSETS			
Cash and cash equivalents	7	4,794,173	9,269,636
Trade and other receivables	8	44,499	52,528
Other current assets	9	102,304	145,793
TOTAL CURRENT ASSETS		4,940,976	9,467,957
NON-CURRENT ASSETS			
Available-for-sale investments	10	1,127,693	1,853,158
Property, plant and equipment	12	1,243,968	1,425,801
Exploration and evaluation assets	13	19,243,007	12,176,647
TOTAL NON-CURRENT ASSETS		21,614,668	15,455,606
TOTAL ASSETS		26,555,644	24,923,563
CURRENT LIABILITIES			
Trade and other payables	15	677,897	2,114,355
Borrowings	16	114,386	35,098
Short-term provisions	17	455,340	429,220
TOTAL CURRENT LIABILITIES		1,247,623	2,578,673
NON-CURRENT LIABILITIES			
Borrowings	16	392,000	114,386
Long-term provisions	17	32,459	43,159
TOTAL NON-CURRENT LIABILITIES		424,459	157,545
TOTAL LIABILITIES		1,672,082	2,736,218
NET ASSETS		24,883,562	22,187,345
EQUITY			
Issued capital	18	36,874,859	31,572,748
Reserves	19	798,959	826,628
Accumulated losses	20	(13,018,255)	(10,510,471)
PARENT INTEREST		24,655,563	21,888,905
Non-controlling interest	21	227,999	298,440
TOTAL EQUITY		24,883,562	22,187,345

The above statement should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

F O R T H E Y E A R E N D E D 3 0 J U N E 2 0 1 4

Consolidated Group						
Note	Issued Capital Ordinary \$	Share Option Reserve \$	Other Components of Equity (Note 19) \$	Retained Earnings \$	Non- Controlling Interest \$	Total Equity \$
Balance at 1 July 2013	31,572,748	1,013,175	(186,547)	(10,510,471)	298,440	22,187,345
<i>Comprehensive income</i>						
Total loss for the year	-	-	-	(2,596,370)	(70,441)	(2,666,811)
Other comprehensive income for the year	-	-	60,917	-	-	60,917
Total comprehensive income for the year	-	-	60,917	(2,596,370)	(70,441)	(2,605,894)
<i>Transactions with owners, in their capacity as owners, and other transfers</i>						
Fair value of shares issued for services	18 100,155	-	-	-	-	100,155
Issue of shares for acquisition of Breakaway	25 5,218,211	-	-	-	-	5,218,211
Transaction costs (net of tax)	(16,255)	-	-	-	-	(16,255)
Transfer from share option reserve upon lapse of options	19 -	(88,586)	-	88,586	-	-
	5,302,111	(88,586)	-	88,586	-	5,302,111
Balance at 30 June 2014	36,874,859	924,589	(125,630)	(13,018,255)	227,999	24,883,562
Balance at 1 July 2012	30,816,748	981,763	(133,320)	(7,591,627)	-	24,073,564
<i>Comprehensive income</i>						
Total loss for the year	-	-	-	(3,113,702)	(13,973)	(3,127,675)
Other comprehensive income for the year	-	-	(53,227)	-	-	(53,227)
Total comprehensive income for the year	-	-	(53,227)	(3,113,702)	(13,973)	(3,180,902)
<i>Transactions with owners, in their capacity as owners, and other transfers</i>						
Issue of shares by way of private placement	18 756,000	-	-	-	312,413	1,068,413
Share based payment	19 -	226,270	-	-	-	226,270
Transfer from share option reserve upon lapse of options	19 -	(194,858)	-	194,858	-	-
	756,000	31,412	-	194,858	312,413	1,857,770
Balance at 30 June 2013	31,572,748	1,013,175	(186,547)	(10,510,471)	298,440	22,187,345

The above statement should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CASH FLOWS

F O R T H E Y E A R E N D E D 3 0 J U N E 2 0 1 4

	Note	Consolidated Group	
		2014 \$	2013 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		265,608	120,489
Payments to suppliers and employees		(2,582,070)	(2,007,173)
Interest received		310,265	389,530
Finance costs		(8,494)	(10,609)
R&D tax concession received		1,147,478	796,076
NET CASH USED IN OPERATING ACTIVITIES	7	(867,213)	(711,687)
CASH FLOWS FROM INVESTING ACTIVITIES			
Cash acquired through acquisition of Breakaway		490,259	-
Payments for property, plant and equipment		(505,372)	(649,362)
Purchase of available-for-sale investments		(85,000)	(251,532)
Proceeds from sale of available-for-sale investments		364,463	112,617
Purchase of exploration and evaluation assets		(600,000)	-
Government exploration related grants		-	51,557
GST on sale of Roxby Downs tenements		-	(950,000)
Joint venture receipts		2,659,824	2,339,132
Payment for exploration activities		(6,273,988)	(5,782,582)
NET CASH USED IN INVESTING ACTIVITIES		(3,949,814)	(5,130,170)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of shares through private placement		-	756,000
Proceeds from issue of shares to non-controlling interest		-	312,413
Payment of transaction costs for issue of shares		(16,255)	-
Proceeds from borrowings		392,000	-
Repayment of borrowings		(35,098)	(32,983)
NET CASH PROVIDED BY FINANCING ACTIVITIES		340,647	1,035,430
NET DECREASE IN CASH AND CASH EQUIVALENTS		(4,476,380)	(4,806,427)
Net foreign exchange differences		917	6,772
Cash at the beginning of the year		9,269,636	14,069,291
CASH AT THE END OF THE YEAR	7	4,794,173	9,269,636

The above statement should be read in conjunction with the accompanying notes.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

F O R T H E Y E A R E N D E D 3 0 J U N E 2 0 1 4

These consolidated financial statements and notes represent those of Minotaur Exploration Ltd and Controlled Entities (the "consolidated Group" or "Group").

The separate financial statements of the parent entity, Minotaur Exploration Ltd, have not been presented within this financial report as permitted by the *Corporations Act 2001*.

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation

The consolidated financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the *Corporations Act 2001*. The Group is a for-profit entity for financial reporting purposes under Australian Accounting Standards.

Minotaur Exploration Limited is the Group's Ultimate Parent Company. Minotaur Exploration Limited is a Public Company incorporated and domiciled in Australia. The address of its registered office is C/- HLB Mann Judd (SA) Pty Ltd, 169 Fullarton Road, Dulwich SA 5065 and its principal place of business is Level 1, 8 Beulah Road, Norwood SA 5067.

Australian Accounting Standards set out accounting policies that the Australian Accounting Standards Board has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board (IASB). Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise.

Except for cash flow information, the financial statements have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

The consolidated financial statements for the year ended 30 June 2014 were approved and authorised for issue by the Board of Directors on 19 August 2014.

a) Principle of Consolidation

The consolidated financial statements incorporate the assets, liabilities and results of entities controlled by Minotaur Exploration Ltd at the end of the reporting period. The parent entity controls a subsidiary if it is exposed, or has rights, to variable returns from its involvement with the subsidiary and has the ability to affect those returns through its power over the subsidiary.

Where controlled entities have entered or left the Group during the year, the financial performance of those entities is included only for the period of the year that they were controlled. A list of controlled entities is contained in *Note 24* to the financial statements.

In preparing the consolidated financial statements, all inter-group balances and transactions between entities in the consolidated group have been eliminated in full on consolidation.

Non-controlling interests, being the equity in a subsidiary not attributable, directly or indirectly, to a parent, are reported separately within the equity section of the consolidated statement of financial position and statement of profit or loss and other comprehensive income. The non-controlling interests in the net assets comprise their interests at the date of the original business combination and their share of changes in equity since that date.

Non-controlling interests

Non-controlling interests (i.e. equity in a subsidiary not attributable directly or indirectly to a parent) are present in the consolidated statement of financial position within equity separately from the equity of the owners of the parent.

b) Income Tax

The income tax expense (revenue) for the year comprises current income tax expense (income) and deferred tax expense (income).

Current income tax expense charged to profit or loss is the tax payable on taxable income. Current tax liabilities (assets) are measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the year as well as unused tax losses.

Current and deferred income tax expense (income) is charged or credited outside profit or loss when the tax relates to items that are recognised outside profit or loss.

Except for business combinations, no deferred income tax is recognised from the initial recognition of an asset or liability, where there is no effect on accounting or taxable profit or loss.

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled and their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability.

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised.

Where temporary differences exist in relation to investments in subsidiaries, branches, associates, and joint ventures, deferred tax assets and liabilities are not recognised where the timing of the reversal of the temporary difference can be controlled and it is not probable that the reversal will occur in the foreseeable future.

Current tax assets and liabilities are offset where a legally enforceable right of set-off exists and it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur. Deferred tax assets and liabilities are offset where:

- a) a legally enforceable right of set-off exists; and
- b) the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur in future periods in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

Tax consolidation

The parent entity and its Australian wholly-owned entities are part of a tax-consolidated Group under Australian taxation law. The head entity within the tax consolidation group for the purposes of the tax consolidation system is Minotaur Exploration Ltd.

Minotaur Exploration Ltd and each of its own wholly-owned subsidiaries recognise the current and deferred tax assets and deferred tax liabilities applicable to the transactions undertaken by it, after elimination of intra-group transactions. Minotaur Exploration Ltd recognises the entire tax-consolidated Group’s retained tax losses.

c) Property, Plant and Equipment

Each class of property, plant and equipment is carried at cost as indicated less, where applicable, any accumulated depreciation and impairment losses.

Land and buildings

Buildings are measured on the cost basis and therefore carried at cost less accumulated depreciation for buildings and any accumulated impairment. In the event the carrying amount of buildings is greater than the estimated recoverable amount, the carrying amount is written down immediately to the estimated recoverable amount and impairment losses are recognised either in profit or loss

or as a revaluation decrease if the impairment losses relate to a revalued asset. A formal assessment of recoverable amount is made when impairment indicators are present.

Plant and equipment

Plant and equipment are measured on the cost basis and therefore carried at cost less accumulated depreciation and any accumulated impairment. In the event the carrying amount of plant and equipment is greater than the estimated recoverable amount, the carrying amount is written down immediately to the estimated recoverable amount and impairment losses are recognised either in profit or loss or as a revaluation decrease if the impairment losses relate to a revalued asset. A formal assessment of recoverable amount is made when impairment indicators are present.

The carrying amount of property, plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the asset’s employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

The cost of fixed assets constructed within the consolidated group includes the cost of materials, direct labour, borrowing costs and an appropriate proportion of fixed and variable overheads. Subsequent costs are included in the asset’s carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the statement of profit or loss and other comprehensive income during the financial period in which they are incurred.

Depreciation

The depreciable amount of all fixed assets including buildings and capitalised lease assets, but excluding freehold land, is depreciated on a straight-line and diminishing value basis over the asset’s useful life to the consolidated group commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The useful life for each class of depreciable assets are:

Class of Fixed Asset	Useful life
Leasehold improvements	3 – 7 years
Plant and equipment	2 - 20 years
Motor Vehicles	6 - 10 years

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

F O R T H E Y E A R E N D E D 3 0 J U N E 2 0 1 4

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

c) Property, Plant and Equipment

Depreciation

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the statement of profit or loss and other comprehensive income. When revalued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to retained earnings.

d) Exploration and Development Expenditure

Exploration, evaluation and development expenditures incurred are capitalised in respect of each identifiable area of interest. These costs are only capitalised to the extent that they are expected to be recovered through the successful development of the area or where activities in the area have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves.

Accumulated costs in relation to an abandoned area are written off in full against profit in the year in which the decision to abandon the area is made.

When production commences, the accumulated costs for the relevant area of interest are amortised over the life of the area according to the rate of depletion of the economically recoverable reserves.

A regular review is undertaken of each area of interest to determine the appropriateness of continuing to capitalise costs in relation to that area of interest.

Costs of site restoration are provided over the life of the project from when exploration commences and are included in the costs of that stage. Site restoration costs include the dismantling and removal of mining plant, equipment and building structures, waste removal, and rehabilitation of the site in accordance with local laws and regulations and clauses of the permits. Such costs have been determined using estimates of future costs, current legal requirements and technology on an undiscounted basis.

Any changes in the estimates for the costs are accounted on a prospective basis. In determining the costs of site restoration, there is uncertainty regarding the nature and extent of the restoration due to community expectations and future legislation. Accordingly the costs have been determined on the basis that the restoration will be completed within one year of abandoning the site.

e) Leases

Leases of fixed assets where substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership that is transferred to entities in the consolidated group, are classified as finance leases.

Finance leases are capitalised by recognising an asset and a liability at the lower of the amounts equal to the fair value of the leased property or the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Leased assets are depreciated on a diminishing value basis over the shorter of their estimated useful lives or the lease term.

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are recognised as expenses in the periods in which they are incurred.

Lease incentives under operating leases are recognised as a liability and amortised on a straight line basis over the lease term.

f) Financial Instruments

Recognition and initial measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the company commits itself to either the purchase or sale of the asset (i.e. trade date accounting is adopted).

Financial instruments are initially measured at fair value plus transaction costs, except where the instrument is classified "at fair value through profit or loss", in which case transaction costs are expensed to profit or loss immediately.

Classification and subsequent measurement

Finance instruments are subsequently measured at fair value, amortised cost using the effective interest rate method, or cost.

Amortised cost is the amount at which the financial asset or financial liability is measured at initial recognition less principal repayments and any reduction for impairment, and adjusted for any cumulative amortisation of the difference between that initial amount and the maturity amount calculated using the effective interest method.

Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine the fair value for all unlisted securities, including recent arm's length transactions, reference to similar instruments and option pricing models.

The effective interest method is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying value with a consequential recognition of an income or expense item in profit or loss.

The Group does not designate any interests in subsidiaries, associates or joint venture entities as being subject to the requirements of Accounting Standards specifically applicable to financial instruments.

i) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial asset is derecognised.

Loans and receivables are included in current assets, where they are expected to mature within 12 months after the end of the reporting period.

ii) Available-for-sale investments

Available-for-sale investments are non-derivative financial assets that are either not capable of being classified into other categories of financial assets due to their nature or they are designated as such by management. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments.

They are subsequently measured at fair value with any remeasurements other than impairment losses and foreign exchange gains and losses recognised in other comprehensive income. When the financial asset is derecognised, the cumulative gain or loss pertaining to that asset previously recognised in other comprehensive income is reclassified into profit or loss.

Available-for-sale financial assets are classified as non-current assets when they are expected to be sold after 12 months from the end of the reporting period. All other available-for-sale financial assets are classified as current assets.

iii) Financial Liabilities

Non-derivative financial liabilities other than financial guarantees are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial liability is derecognised.

g) Investments in Associates and Joint Ventures

Associates are those entities over which the Group is able to exert significant influence but which are not subsidiaries.

A joint venture is an arrangement that the Group controls jointly with one or more other investors, and over which the Group has rights to a share of the arrangement's net assets rather than direct rights to underlying assets and obligations for underlying liabilities. A joint arrangement in which the Group has direct rights to underlying assets and obligations for underlying liabilities is classified as a joint operation.

Investments in associates and joint ventures are accounted for using the equity method. Interests in joint operations are accounted for by recognising the Group's assets (including its share of any assets held jointly), its liabilities (including its share of any liabilities incurred jointly), its revenue from the sale of its share of the output arising from the joint operation, its share of the revenue from the sale of the output by the joint operation and its expenses (including its share of any expenses incurred jointly). Any goodwill or fair value adjustment attributable to the Group's share in the associate or joint venture is not recognised separately and is included in the amount recognised as investment.

The carrying amount of the investment in associates and joint ventures is increased or decreased to recognise the Group's share of the profit or loss and other comprehensive income of the associate and joint venture, adjusted where necessary to ensure consistency with the accounting policies of the Group.

Unrealised gains and losses on transactions between the Group and its associates and joint ventures are eliminated to the extent of the Group's interest in those entities. Where unrealised losses are eliminated, the underlying asset is also tested for impairment.

h) Business Combinations

The Group applies the acquisition method in accounting for business combinations. The consideration transferred by the Group to obtain control of a subsidiary is calculated as the sum of the acquisition-date fair values of assets transferred, liabilities incurred and the equity interests issued by the Group, which includes the fair value of any asset or liability arising from a contingent consideration arrangement. Acquisition costs are expensed as incurred.

The Group recognises identifiable assets acquired and liabilities assumed in a business combination regardless of whether they have been previously recognised in the acquiree's financial statements prior to the acquisition. Assets acquired and liabilities assumed are generally measured at their acquisition-date fair values.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

F O R T H E Y E A R E N D E D 3 0 J U N E 2 0 1 4

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

h) Business Combinations

Goodwill is stated after separate recognition of identifiable intangible assets. It is calculated as the excess of the sum of (a) fair value of consideration transferred, (b) the recognised amount of any non-controlling interest in the acquire, and (c) acquisition-date fair value of any existing equity interest in the acquiree, over the acquisition-date fair values of identifiable net assets.

i) Foreign Currency Transactions and Balances

Functional and presentation currency

The functional currency of each of the Group's entities is measured using the currency of the primary economic environment in which that entity operates. The consolidated financial statements are presented in Australian dollars which is the parent entity's functional and presentation currency.

Transactions and balances

Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at the year end exchange rate. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction. Non-monetary items measured at fair value are reported at the exchange rate at the date when fair values were determined.

Exchange differences arising on the translation of monetary items are recognised in profit or loss, except where deferred in equity as a qualifying cash flow or net investment hedge.

Exchange differences arising on the translation of non-monetary items are recognised directly in other comprehensive income to the extent that the underlying gain or loss is recognised in other comprehensive income; otherwise the exchange difference is recognised in profit or loss.

Group companies

The financial results and position of foreign operations, whose functional currency is different from the Group's presentation currency, are translated as follows:

- assets and liabilities are translated at exchange rates prevailing at the end of the reporting period;
- income and expenses are translated at average exchange rates for the period; and
- retained earnings are translated at the exchange rates prevailing at the date of the transaction.

Exchange differences arising on translation of foreign operations with functional currencies other than Australian

dollars are recognised in other comprehensive income and included in the foreign currency translation reserve in the statement of financial position. These differences are recognised in profit or loss in the period in which the operation is disposed.

j) Employee Benefits

Short-term employee benefits are current liabilities included in employee benefits, measured at the undiscounted amount that the Group expects to pay as a result of the unused entitlement. Annual leave is included in 'other long-term benefit' and discounted when calculating the leave liability as the Group does not expect all annual leave for all employees to be used wholly within 12 months of the end of reporting period. Annual leave liability is still presented as current liability for presentation purposes under *AASB 101 Presentation of Financial Statements*.

Equity-settled compensation

The Group operates an employee share option plan. Share-based payments to employees are measured at the fair value of the instruments issued and amortised over the vesting periods. Share-based payments to non-employees are measured at the fair value of goods or services received or the fair value of the equity instruments issued, if it is determined the fair value of the goods or services cannot be reliably measured, and are recorded at the date the goods or services are received. The corresponding amount is recorded to the option reserve. The fair value of options is determined using the Black-Scholes pricing model. The number of options expected to vest is reviewed and adjusted at the end of each reporting period such that the amount recognised for services received as consideration for the equity instruments granted is based on the number of equity instruments that eventually vest.

k) Provisions

Provisions are recognised when the Group has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

Provisions are measured using the best estimate of the amounts required to settle the obligation at the end of the reporting period.

l) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits available on demand with banks, other short-term highly liquid investments with original maturities of 6 months or less, and bank overdrafts.

Bank overdrafts are reported within short-term borrowings in current liabilities in the statement of financial position.

m) Revenue and Other Income

Revenue is measured at the fair value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed. When the inflow of consideration is deferred, it is treated as the provision of financing and is discounted at a rate of interest that is generally accepted in the market for similar arrangements. The difference between the amount initially recognised and the amount ultimately received is interest revenue.

Revenue from the sale of goods is recognised at the point of delivery as this corresponds to the transfer of significant risks and rewards of ownership of the goods and the cessation of all involvement in those goods.

Interest revenue is recognised using the effective interest rate method.

Revenue recognition relating to the provision of services is determined with reference to the stage of completion of the transaction at the end of the reporting period, where outcome of the contract can be estimated reliably. Stage of completion is determined with reference to the services performed to date as a percentage of total anticipated services to be performed. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent that related expenditure is recoverable.

All revenue is stated net of the amount of goods and services tax (GST).

n) Trade and Other Payables

Trade and other payables represent the liabilities for goods and services received by the entity that remain unpaid at the end of the reporting period. The balance is recognised as a current liability with the amounts normally paid within 30-90 days of recognition of the liability.

o) Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of assets that necessarily take a substantial period of time to prepare for their intended use or sale are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

p) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of

GST recoverable from, or payable to, the ATO is included with other receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows included in receipts from customers or payments to suppliers.

q) Government Grants

Government grants are recognised at fair value where there is reasonable assurance that the grant will be received and all grant conditions will be met. Grants relating to expense items are recognised as income over the periods necessary to match the grant to the costs they are compensating. Grants relating to assets are credited to deferred income at fair value and are credited to income over the expected useful life of the asset on a straight-line basis.

r) Comparative Figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

s) Critical Accounting Estimates and Judgments

The directors evaluate estimates and judgments incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Group.

Key estimates

i) Impairment

The Group assesses impairment at the end of each reporting period by evaluating conditions and events specific to the Group that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value-in-use calculations which incorporate various key assumptions.

ii) Exploration and evaluation expenditure

The Group capitalises expenditure relating to exploration and evaluation where it is considered likely to be recoverable or where the activities have not reached a stage that permits a reasonable assessment of the existence of reserves. While there are certain areas of interest from which no reserves have been extracted, the directors are of the continued belief that such expenditure should not be written off since feasibility studies in such areas have not yet concluded. Such capitalised expenditure is carried at the end of the year at \$19,243,007 (2013: \$12,176,647).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

F O R T H E Y E A R E N D E D 3 0 J U N E 2 0 1 4

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

t) Changes in accounting policies

New and amended standards adopted by the Group

A number of new and revised standards are effective for annual periods beginning on or after 1 January 2014. Information on these new standards is presented below.

AASB 10 Consolidated Financial Statements

AASB 10 supersedes AASB 127 Consolidated and Separate Financial Statements (AASB 127) and AASB Interpretation 112 Consolidation - Special Purpose Entities. AASB 10 revises the definition of control and provides extensive new guidance on its application. These new requirements have the potential to affect which of the Group's investees are considered to be subsidiaries and therefore to change the scope of consolidation. The requirements on consolidation procedures, accounting for changes in non-controlling interests and accounting for loss of control of a subsidiary are unchanged.

Management has reviewed its control assessments in accordance with AASB 10 and has concluded that there is no effect on the classification (as subsidiaries or otherwise) of any of the Group's investees held during the period or comparative periods covered by these financial statements.

AASB 11 Joint Arrangements

AASB 11 supersedes AASB 131 Interests in Joint Ventures (AAS 131) and AASB Interpretation 113 Jointly Controlled Entities- Non-Monetary-Contributions by Venturers. AASB 11 revises the categories of joint arrangement, and the criteria for classification into the categories, with the objective of more closely aligning the accounting with the investor's rights and obligations relating to the arrangement. In addition, AASB 131's option of using proportionate consolidation for arrangements classified as jointly controlled entities under that Standard has been eliminated. AASB 11 now requires the use of the equity method for arrangements classified as joint ventures (as for investments in associates).

The Group has a number of joint arrangements in place as at 30 June 2014. Management has reviewed the classification of its joint arrangements in accordance with AASB 11 as has concluded that they are joint operations.

The changes made to the standards outlined above have not significantly impacted the Group's financial statements.

AASB 12 Disclosure of interests in Other Entities

AASB 12 integrates and makes consistent the disclosure requirements for various types of investments, including unconsolidated structured entities. It introduces new

disclosure requirements about the risks to which an entity is exposed from its involvement with structured entities.

This did not impact on the Group as they do not have interests in other entities.

AASB 13 Fair Value Measurement

AASB 13 clarifies the definition of fair value and provides related guidance and enhanced disclosures about fair value measurements. It does not affect which items are required to be fair-valued.

The scope of AASB 13 is broad and it applies for both financial and non-financial items for which other Australian Accounting Standards require or permit fair value measurements or disclosures about fair value measurements, except in certain circumstances.

The Group has applied AASB 13 for the first time in the current year, see *Notes 27 and 29*.

Amendments to AASB 119 Employee Benefits

Under the amendments, employee benefits 'expected to be settled wholly' (as opposed to 'due to be settled' under the superseded version of AASB 119) within 12 months after the end of the reporting period are short-term benefits, and are therefore not discounted when calculating leave liabilities. As the Group does not expect all annual leave for all employees to be used wholly within 12 months of the end of reporting period, annual leave is included in 'other long-term benefit' and discounted when calculating the leave liability.

This change has had no impact on the presentation of annual leave as a current liability in accordance with AASB 101 Presentation of Financial Statements.

u) Standards, amendments and interpretations to existing standards that are not yet effective and have not been adopted early by the Group

The AASB has issued a number of new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods, some of which are relevant to the Group. The Group has decided not to early adopt any of the new and amended pronouncements. The Group's assessment of the new and amended pronouncements that are relevant to the Group but applicable in future reporting periods is set out below:

AASB 9 Financial Instruments (December 2010)

AASB 9 introduces new requirements for the classification and measurement of financial assets and liabilities. These requirements improve and simplify the approach for classification and measurement of financial assets compared with the requirements of AASB 139.

The main changes are:

- a) Financial assets that are debt instruments will be classified based on (1) the objective of the entity's business model for managing the financial assets; and (2) the characteristics of the contractual cash flows.
- b) Allows an irrevocable election on initial recognition to present gains and losses on investments in equity instruments that are not held for trading in other comprehensive income (instead of in profit or loss). Dividends in respect of these investments that are a return on investment can be recognised in profit or loss and there is no impairment or recycling on disposal of the instrument.
- c) Financial assets can be designated and measured at fair value through profit or loss at initial recognition if doing so eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities, or recognising the gains and losses on them, on different bases.
- d) Where the fair value option is used for financial liabilities the change in fair value is to be accounted for as follows:
 - The change attributable to changes in credit risk are presented in other comprehensive income (OCI); and
 - The remaining change is presented in profit or loss.

If this approach creates or enlarges an accounting mismatch in the profit or loss, the effect of the changes in credit risk are also presented in profit or loss.

Otherwise, the following requirements have generally been carried forward unchanged from AASB 139 into AASB 9:

- Classification and measurement of financial liabilities; and
- Derecognition requirements for financial assets and liabilities.

AASB 9 requirements regarding hedge accounting represent a substantial overhaul of hedge accounting that will enable entities to better reflect their risk management activities in the financial statements.

The Group has not yet assessed the full impact of AASB 9 as this standard does not apply mandatorily before 1 January 2018.

AASB 2012-3 Amendments to Australian Accounting Standards – Offsetting Financial Assets and Financial Liabilities

AASB 2012-3 adds application guidance to AASB 132 to address inconsistencies identified in applying some of the

offsetting criteria of AASB 132, including clarifying the meaning of "currently has a legally enforceable right of set-off" and that some gross settlement systems may be considered equivalent to net settlement.

When AASB 2012-3 is first adopted for the year ending 30 June 2015, there will be no impact on the Group as this standard merely clarifies existing requirements in AASB 132.

AASB 2013-3 Recoverable Amount Disclosures for Non-Financial Assets

These narrow-scope amendments address disclosure of information about the recoverable amount of impaired assets if that amount is based on fair value less costs of disposal.

When developing IFRS 13 Fair Value Measurement, the IASB decided to amend IAS 36 Impairment of Assets to require disclosures about the recoverable amount of impaired assets. The IASB noticed however that some of the amendments made in introducing those requirements resulted in the requirement being more broadly applicable than the IASB had intended.

These amendments to IAS 36 therefore clarify the IASB's original intention that the scope of those disclosures is limited to the recoverable amount of impaired assets that is based on fair value less costs of disposal.

AASB 2013-3 makes the equivalent amendments to AASB 136 Impairment of Assets.

When these amendments are first adopted for the year ending 30 June 2015, they are unlikely to have any significant impact on the entity given that they are largely of the nature of clarification of existing requirements.

AASB 2013-9 Amendments to Australian Accounting Standards – Conceptual Framework, Materiality and Financial Instruments (Part C: Financial Instruments)

- add a new chapter on hedge accounting to AASB 9 Financial Instruments, substantially overhauling previous accounting requirements in this area;
- allow the changes to address the so-called 'own credit' issue that were already included in AASB 9 to be applied in isolation without the need to change any other accounting for financial instruments; and
- defer the mandatory effective date of AASB 9 from '1 January 2015' to '1 January 2017'.

Note that, subsequent to issuing these amendments, the AASB has issued AASB 2014-1 which defers the effective date of AASB 9 to '1 January 2018'.

The entity has not yet assessed the full impact of these amendments.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2014

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

u) Standards, amendments and interpretations to existing standards that are not yet effective and have not been adopted early by the Group

Accounting for Acquisitions of Interests in Joint Operations (Amendments to IFRS 11)

The amendments to IFRS 11 state that an acquirer of an interest in a joint operation in which the activity of the joint operation constitutes a 'business', as defined in IFRS 3 Business Combinations, should:

- apply all of the principles on business combinations accounting in IFRS 3 and other IFRSs except principles that conflict with the guidance of IFRS 11. This requirement also applies to the acquisition of additional interests in an existing joint operation that results in the acquirer retaining joint control of the

joint operation (note that this requirement applies to the additional interest only, i.e. the existing interest is not remeasured) and to the formation of a joint operation when an existing business is contributed to the joint operation by one of the parties that participate in the joint operation; and

- provide disclosures for business combinations as required by IFRS 3 and other IFRSs.

The Australian Accounting Standards Board (AASB) is expected to issue the equivalent Australian amendment shortly.

When these amendments are first adopted for the year ending 30 June 2017, there will be no material impact on the transactions and balances recognised in the financial statements.

	2014 \$	2013 \$
2 PARENT INFORMATION		
Assets		
Current assets	4,355,400	8,586,234
Non-current assets	21,704,736	15,673,509
	26,060,136	24,259,743
Liabilities		
Current liabilities	752,115	1,914,853
Non-current liabilities	424,459	157,545
	1,176,574	2,072,398
Equity		
Issued capital	36,874,859	31,572,748
Reserves – Share option	924,588	1,013,175
Retained earnings	(12,915,885)	(10,398,578)
	24,883,562	22,187,345
Financial performance		
Loss for the year	(2,517,307)	(2,673,631)
Other comprehensive income	-	-
	(2,517,307)	(2,673,631)

Guarantees

Minotaur Exploration Ltd has not entered into any guarantees, in the current or previous financial year, in relation to the debts of its subsidiaries.

Contingent Liabilities

Contingent liabilities of the parent entity have been incorporated into the Group information in Note 23. The contingent liabilities of the parent are consistent with that of the Group.

Contractual Commitments

Contractual Commitments of the parent entity have been incorporated into the Group information in Note 22. The contractual commitments of the parent are consistent with that of the Group.

3 OPERATING SEGMENTS

Information reported to the chief operating decision maker (identified as the board) for the purposes of resource allocation and assessment of segment performance focuses on types of business segments encountered by the Group. The Group's reportable segments under AASB 8 are therefore as follows:

- Exploration activities conducted in Australia; and
- Exploration activities conducted in Canada.

The following is an analysis of the Group's revenue and results from continuing operation by reportable segment.

The revenue reported below represents revenue generated from financial institutions and joint venture partners. There were no intersegment sales during the period.

Segment profit/(loss) represents the profit earned by each segment without allocation of central administration costs, finance costs, depreciation and income tax(expense)/benefit. This is the measure reported to the chief operating decision maker for the purposes of resources allocation and assessment of segment performance.

	Segment Revenue		Segment Results	
	Year ended 30 June 2014 \$	30 June 2013 \$	Year ended 30 June 2014 \$	30 June 2013 \$
Mineral exploration – Australia	264,382	120,489	(1,642,128)	(1,175,180)
Mineral exploration – Canada	-	-	-	(144,349)
	264,382	120,489	(1,642,128)	(1,319,529)
Finance costs	-	-	(8,494)	(10,609)
Administration/Corporate	456,958	1,495,625	(1,979,311)	(2,398,645)
Depreciation	-	-	(184,356)	(194,968)
Consolidated revenue	721,340	1,616,114		
Loss before income tax			(3,814,289)	(3,923,751)
Income tax benefit/(expense)			1,147,478	796,076
Loss for year			(2,666,811)	(3,127,675)

Segment assets

Where an asset is used across multiple segments, the asset is allocated to the segment that receives the majority of economic value from the asset. In the majority of instances, segment assets are clearly identifiable on the basis of their nature and physical location.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2014

3 OPERATING SEGMENTS

The following is an analysis of the Group's assets and liabilities by reportable operating segment:

	Opening Balance 1 July 2013 \$	Capital Expenditure/ Investment \$	Impairment/ Share of loss \$	Closing Balance 30 June 2014 \$
Segment assets				
Mineral exploration – Australia	12,176,647	8,972,871	(1,906,511)	19,243,007
Total segment assets	12,176,647	8,972,871	(1,906,511)	19,243,007
Administration/Corporate	12,746,916			7,312,637
	24,923,563			26,555,644
Segment liabilities				
Mineral exploration – Australia	600,000			-
Administration/Corporate	2,136,218			1,672,082
	2,736,218			1,672,082
	Opening Balance 1 July 2012 \$	Capital Expenditure/ Investment \$	Impairment/ Share of loss \$	Closing Balance 30 June 2013 \$
Segment assets				
Mineral exploration – Australia	8,658,717	4,813,599	(1,295,669)	12,176,647
Mineral exploration – Canada	7,987	136,362	(144,349)	-
Total segment assets	8,666,704	4,949,961	(1,440,018)	12,176,647
Administration/Corporate	18,087,941			12,746,916
	26,754,645			24,923,563
Segment liabilities				
Mineral exploration – Australia	-			600,000
Administration/Corporate	2,681,081			2,136,218
	2,681,081			2,736,218

	Consolidated Group	
	2014	2013
	\$	\$
4 REVENUE AND EXPENSES		
a) Revenue		
Administration fees	264,382	120,489
Rent received	57,110	-
Bank interest received or receivable	202,544	477,596
	524,036	598,085
b) Other income		
<i>From continuing operations</i>		
Net loss on disposal of tenements	(489)	-
Net gains on disposal of available-for-sale investments	194,533	738
Other income	3,260	-
	197,304	738
c) Gain on reclassification of non-current asset		
Gain on reclassification of investment in Petratherm Ltd – refer <i>Note 10 and 11</i>	-	1,017,291
	-	1,017,291
d) Expenses		
<i>Impairment of non-current assets</i>		
Capitalised exploration costs written-off	1,906,511	1,440,018
Impairment of available-for-sale financial assets	722,097	2,104,643
Total impairment of non-current assets	2,628,608	3,544,661
<i>Depreciation of non-current assets</i>		
Leasehold improvements	93,635	57,103
Plant and equipment	59,245	88,767
Motor vehicles	31,476	49,098
Total depreciation	184,356	194,968
<i>Finance expenses</i>		
Finance costs	180	180
Interest applicable to hire-purchase contracts	8,314	10,429
Total finance expenses	8,494	10,609

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2014

4 REVENUE AND EXPENSES

	Consolidated Group	
	2014	2013
	\$	\$
e) Employee benefits expense		
Wages, salaries, directors fees and other remuneration expenses	2,742,140	3,007,404
Superannuation expense	187,826	213,202
Transfer to/(from) annual leave provision	(13,919)	(18,206)
Transfer to/(from) long service leave provision	29,339	35,477
Share-based payments expense	-	226,270
Transfer to exploration assets	(2,628,424)	(2,856,235)
	316,962	607,912
f) Other expenses		
Secretarial, professional and consultancy	651,488	455,256
Employee taxes and levies	116,666	143,554
Occupancy costs	261,748	274,165
Insurance costs	63,861	62,170
ASX/ASIC costs	37,492	32,954
Share register maintenance	57,713	34,277
Communication costs	27,040	31,107
Promotion and seminars	43,304	30,525
Audit fees	37,826	31,500
Other expenses	100,071	86,207
	1,397,209	1,181,715

5 INCOME TAX EXPENSE

The major components of income tax expense are:

Statement of comprehensive income

Current income tax

Current income tax charge	-	-
Research and development tax concession	(1,147,478)	(796,076)
Income tax (benefit)/expense reported in the income statement	(1,147,478)	(796,076)

A reconciliation between tax expense and the product of accounting profit before income tax multiplied by the Group's applicable income tax rate is as follows:

Accounting (loss)/profit before income tax	(3,814,289)	(3,923,751)
At the Group's statutory income tax rate of 30% (2013: 30%)	(1,144,287)	(1,177,125)
Immediate write-off of exploration expenditure	(1,122,056)	(1,289,783)
Expenditure not allowable for income tax purposes	816,690	1,129,329
Non-assessable income	(2,166)	(305,409)
Tax losses not recognised due to not meeting recognition criteria	1,451,819	1,642,988
	-	-

5 INCOME TAX EXPENSE

The Group has tax losses arising in Australia of \$83,960,470 (2013: \$3,168,789) that are available indefinitely for offset against future taxable profits of the companies in which the losses arose. In addition, the Group has \$2,532,821 (2013: \$102,276) capital losses available. The large increase in these losses pertains to the acquisition of Breakaway Resources Ltd's income tax consolidated group from 5 December 2013. The utilisation of these losses acquired will be restricted to the available fraction rules, which the Company will undertake to review upon lodgement of its 2014 income tax return.

Tax consolidation

Minotaur Exploration Ltd and its 100% owned Australian resident subsidiaries have formed a tax consolidated group with effect from 5 February 2005. Minotaur Exploration Ltd is the head entity of the tax consolidated Group.

6 EARNINGS PER SHARE

Basic earnings per share amounts are calculated by dividing net profit for the year attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the year.

Diluted earnings per share amounts are calculated by dividing the net profit attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares.

The following reflects the income and share data used in the basic and diluted earnings per share computations:

Net profit/(loss) attributable to ordinary equity holders of the parent	(\$2,666,811)	(\$3,127,675)
Weighted average number of ordinary shares for basic earnings per share	137,614,845	103,712,284
<i>Effect of dilution</i>		
Share options	-	-
Weighted average number of ordinary shares adjusted for the effect of dilution	137,614,845	103,712,284

In accordance with AASB 133 'Earnings per Share', as potential ordinary shares may only result in a situation where their conversion results in an increase in loss per share or decrease in profit per share from continuing operations, no dilutive effect has been taken into account for 2014.

There have been no other transactions involving ordinary shares or potential ordinary shares between the reporting date and the date of completion of these financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

F O R T H E Y E A R E N D E D 3 0 J U N E 2 0 1 4

	Consolidated Group	
	2014	2013
	\$	\$
7 CASH AND CASH EQUIVALENTS		
Cash and cash equivalents		
Cash at bank and on hand	242,175	2,248,636
Short-term deposits	4,551,998	7,021,000
	4,794,173	9,269,636
Cash at bank earns interest at floating rates based on daily bank deposit rates.		
Short-term deposits are made for varying periods between one day and six months, depending on the immediate cash requirements of the Group, and earn interest at the respective short-term deposit rate.		
Reconciliation to Statement of Cash Flows		
For the purposes of the Statement of Cash Flows, cash and cash equivalents comprise the following at 30 June:		
Cash at banks and on hand	242,175	2,248,636
Short-term deposits	4,551,998	7,021,000
	4,794,173	9,269,636
Reconciliation of net loss after tax to net cash flows from operations		
Net loss	(2,666,811)	(3,127,675)
<i>Adjustments for non-cash items:</i>		
Depreciation	184,356	194,968
Impairment of non-current assets	2,628,608	3,544,661
Gain on reclassification of non-current asset	-	1,017,291
Net (gain)/loss on disposal of property plant and equipment, available-for-sale financial instruments and tenements	(194,533)	(738)
Share options expensed	-	226,270
Shares issued for services – refer to Note 18	100,155	-
<i>Changes in assets and liabilities:</i>		
(Increase)/decrease in trade and other receivables	114,955	(88,065)
(Increase)/decrease in prepayments	(18,418)	22,721
(Decrease)/increase in trade and other payables	(1,004,292)	(483,809)
(Decrease)/increase in employee provisions	(11,233)	17,271
Net cash used in operating activities	(867,213)	(711,687)

	Consolidated Group	
	2014	2013
	\$	\$
8 TRADE AND OTHER RECEIVABLES		
Trade receivables (i)	44,499	52,528
	44,499	52,528

Information regarding the credit risk of current receivables is set out in *Note 28*.

- i) Trade receivables are non-interest bearing and are generally on 30-90 day terms. An allowance for doubtful debts is made when there is objective evidence that a trade receivable is impaired. No impairment was recognised in 2013 and 2014 and no receivables are past due at balance date.

9 OTHER CURRENT ASSETS

Prepayments	73,905	55,487
Accrued income	11,299	86,006
Other	17,100	4,300
	102,304	145,793

10 AVAILABLE-FOR-SALE INVESTMENTS

At fair value – Shares, listed:

Opening balance	1,853,158	2,859,067
Revaluations	60,000	(60,000)
Disposals	(169,930)	(96,441)
Acquisitions	85,000	251,532
Additions through acquisition of Breakaway (a)	21,562	-
Impairments	(722,097)	(2,118,291)
Gain on reclassification of non-current assets (b)	-	1,017,291
	1,127,693	1,853,158

a) Relates to shares held by Breakaway in Barra Resources Ltd and Iron Road Limited.

b) During the 2013 financial year, the Company changed the classification of its investment in Petratherm Ltd from investments in associates using the equity method to available-for-sale investments due to dilution of Minotaur's interest following a share placement.

In accordance with Accounting Standards the Company's investment was revalued to the market value on the date of the change in classification with a gain of \$1,017,291 recognised in the Statement of profit or loss and other comprehensive income.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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	Consolidated Group	
	2014	2013
	\$	\$
11 INVESTMENT ACCOUNTED FOR USING THE EQUITY METHOD		
Investments in associates	-	-

As at 30 June 2013, the Company had no investments accounted for using the equity method. During the financial year, the Board changed the method of accounting for Petratherm Ltd and was reclassified as an available-for-sale investment. Refer to *Note 10* for more details.

12 PROPERTY, PLANT AND EQUIPMENT

Land and buildings

Cost

Opening balance	508,723	-
Additions	-	508,723
Disposals	-	-
	508,723	508,723

Accumulated depreciation

Opening balance	-	-
Depreciation for the year	-	-
Disposals	-	-
	-	-

Net book value of land and buildings	508,723	508,723
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Property is measured at historical cost less accumulated depreciation. Land and buildings with a net book value of \$508,723 (2013: \$508,723) is offered as security against a mortgage of \$392,000.

Leasehold improvements

Cost

Opening balance	611,218	-
Additions	-	611,218
Disposals	-	-
	611,218	611,218

Accumulated depreciation

Opening balance	57,103	-
Depreciation for the year	93,635	57,103
Disposals	-	-
	150,738	57,103

Net book value of leasehold improvements	460,480	554,115
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12 PROPERTY, PLANT AND EQUIPMENT

	Consolidated Group	
	2014	2013
	\$	\$
<hr/>		
Plant and equipment		
Cost		
Opening balance	405,725	774,379
Additions	13,224	31,568
Additions through acquisition of Breakaway	36,587	-
Disposals	-	(400,222)
	<hr/> 455,536	<hr/> 405,725
Accumulated depreciation		
Opening balance	281,935	583,390
Depreciation for the year	59,495	88,767
Disposals	-	(390,222)
	<hr/> 341,430	<hr/> 281,935
Net book value of plant and equipment	<hr/> 114,106	<hr/> 123,790
<hr/>		
Kaolin pilot plant		
Cost		
Opening balance	283,765	293,765
Additions	-	-
Disposals	-	(10,000)
	<hr/> 283,765	<hr/> 283,765
Accumulated depreciation		
Opening balance	170,794	99,538
Depreciation for the year	47,288	81,256
Disposals	-	(10,000)
	<hr/> 218,082	<hr/> 170,794
Net book value of Kaolin pilot plant	<hr/> 65,683	<hr/> 112,971
<hr/>		
Motor vehicles		
Cost		
Opening balance	202,232	226,707
Additions	-	-
Disposals	-	(24,475)
	<hr/> 202,232	<hr/> 202,232
Accumulated depreciation		
Opening balance	76,030	51,407
Depreciation for the year	31,226	49,098
Disposals	-	(24,475)
	<hr/> 107,256	<hr/> 76,030
Net book value of motor vehicles	<hr/> 94,976	<hr/> 126,202
<hr/>		
Total net book value of property, plant and equipment	<hr/> 1,243,968	<hr/> 1,425,801

Motor vehicles with a net book value of \$94,976 (2013: \$126,202) is offered as security against hire purchase contracts of \$114,386.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2014

	Consolidated Group	
	2014	2013
	\$	\$
13 EXPLORATION AND EVALUATION ASSETS		
Exploration, evaluation and development costs carried forward in respect of mining areas of interest		
Exploration and evaluation phase – Joint Operations	11,097,016	5,094,323
Exploration and evaluation phase – Other	8,145,991	7,082,324
	19,243,007	12,176,647

The ultimate recoupment of costs carried forward for exploration and evaluation phases is dependent on the successful development and commercial exploitation or sale of the respective mining areas.

Consolidated Group	Exploration Joint Operations	Exploration Other	Total
	\$	\$	\$
Capitalised tenement expenditure movement reconciliation			
Balance at beginning of year	5,094,323	7,082,324	12,176,647
Additions through expenditure capitalised	4,082,045	2,860,814	6,942,859
Additions from acquisition of Breakaway	5,153,724	-	5,153,724
Reductions through joint operation contributions	(3,123,712)	-	(3,123,712)
Write-off of tenements relinquished	(109,364)	(1,797,147)	(1,906,511)
Balance at end of year	11,097,016	8,145,991	19,243,007

14 SHARE-BASED PAYMENTS

Employee Share Option Plan

The Company has established the Minotaur Exploration Ltd Employee Share Option Plan and a summary of the Rules of the Plan are set out below:

- All employees (full and part time) will be eligible to participate in the Plan after a qualifying period of 12 months employment by a member of the Group, although the Board may waive this requirement.
- Options are granted under the Plan at the discretion of the Board and if permitted by the Board, may be issued to an employee's nominee.
- Each option is to subscribe for one fully paid ordinary share in the Company and will expire 5 years from its date of issue. An option is exercisable at any time from its date of issue. Options will be issued free. The exercise price of options will be determined by the Board, subject to a minimum price equal to the market value of the Company's shares at the time the Board resolves to offer those options. The total number of shares the subject of options issued under the Plan, when aggregated with issues during the previous 5 years pursuant to the Plan and any other employee share plan, must not exceed 5% of the Company's issued share capital.

14 SHARE-BASED PAYMENTS

Employee Share Option Plan

- If, prior to the expiry date of options, a person ceases to be an employee of a Group company for any reason other than retirement at age 60 or more (or such earlier age as the board permits), permanent disability, redundancy or death, the options held by that person (or that person's nominee) automatically lapse on the first to occur of a) the expiry of the period of 6 months from the date of such occurrence, and b) the expiry date. If a person dies, the options held by that person will be exercisable by that person's legal personal representative.
- Options cannot be transferred other than to the legal personal representative of a deceased option holder.
- The Company will not apply for official quotation of any options. Shares issued as a result of the exercise of options will rank equally with the Company's previously issued shares.
- Option holders may only participate in new issues of securities by first exercising their options.

The Board may amend the Plan Rules subject to the requirements of the Listing Rules. The expense recognised in the Statement of profit or loss and other comprehensive income in relation to share-based payments is disclosed in *Note 4 (e)*.

The following table illustrates the number and weighted average exercise prices (WAEP) and movements in share options under the Company's Employee Share Option Plan issued during the year:

	2014 Number	2014 WAEP	2013 Number	2013 WAEP
Outstanding at the beginning of the year	4,570,000	0.23	2,270,000	0.24
Granted during the year	-	-	2,420,000	0.25
Forfeited during the year	(500,000)	0.22	-	-
Expired or lapsed during the year	(410,000)	0.25	(120,000)	0.55
Outstanding at the end of the year	3,660,000	0.23	4,570,000	0.23
Exercisable at the end of the year	3,660,000	0.23	4,570,000	0.23

The outstanding balance as at 30 June 2013 is represented by:

- A total of 1,565,000 options exercisable at any time until 29 September 2016 with an exercise price of \$0.21.
- A total of 2,095,000 options exercisable at any time until 3 July 2017 with an exercise price of \$0.25.

The weighted average remaining contractual life for the share options outstanding as at 30 June 2014 is 2.69 years (2013: 3.40 years).

The range of exercise prices for options outstanding at the end of the year was \$0.21–\$0.25 (2013: \$0.21–\$0.25).

The weighted average fair value of options granted during the year was \$nil (2013: \$0.0935).

The fair value of the equity-settled share options granted under the option plan is estimated as at the date of grant using a Black-Scholes model taking into account the terms and conditions upon which the options were granted.

Shares issued for services

On 29 October 2013, 894,240 ordinary fully paid shares were issued at \$0.112 per share for corporate advisory services received by the Group in relation to the takeover of Breakaway Resources completed on 5 December 2013.

Shares issued for the takeover of Breakaway Resources

The following table is an analysis of shares issued by the company as consideration for all the shares in Breakaway Resources:

Date Issued	Number Issued
25 October 2013	39,601,137
5 December 2013	3,883,956
	43,485,093

Further information regarding the takeover of Breakaway Resources is set out in *Note 25*.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2014

	Consolidated Group	
	2014	2013
	\$	\$
15 TRADE AND OTHER PAYABLES		
Trade payables (i)	460,286	257,603
Net GST and PAYG Payable	11,142	28,103
Amount payable for the acquisition of tenements	-	600,000
Amount payable for the acquisition of land and buildings	-	492,148
Joint venture income received in advance	129,716	491,652
Other payables (ii)	76,753	244,849
	677,897	2,114,355

- i) Trade payables are non-interest bearing and are normally settled on 30-day terms.
ii) Other payables are non-interest bearing and are normally settled within 30 – 90 days.

Information regarding the credit risk of current payables is set out in Note 28.

16 BORROWINGS

Current

Hire purchase contracts	114,386	35,098
	114,386	35,098

Non-current

Hire purchase contracts	-	114,386
Bank borrowings	392,000	-
	392,000	114,386

Bank borrowings reflect a secured 5 year interest only loan.
There are no annual renewal or review terms.

17 PROVISIONS

Current

Annual leave provision

Balance at 1 July	116,707	134,913
Net decrease in provision	(13,919)	(18,206)
Closing Balance 30 June	102,788	116,707

Long Service Leave

Balance at 1 July	312,513	257,783
Net increase in provision	40,039	54,730
Closing Balance 30 June	352,552	312,513
	455,340	429,220

Non-current

Long Service Leave

Balance at 1 July	43,159	62,412
Net decrease in provision	(10,700)	(19,253)
Closing Balance 30 June	32,459	43,159

	Consolidated Group	
	2014	2013
	\$	\$
18 ISSUED CAPITAL		
152,165,042 fully paid ordinary shares (2013: 107,785,709)	36,874,859	31,572,748

	2014		2013	
	Number	\$	Number	\$
Balance at beginning of financial year	107,785,709	31,572,748	103,585,709	30,816,748
Shares issued by way of private placement	-	-	4,200,000	756,000
Shares issued for services	894,240	100,155	-	-
Shares issued for Breakaway takeover	43,485,093	5,218,211	-	-
Transaction costs on shares issued	-	(16,255)	-	-
Balance at end of financial year	152,165,042	36,874,859	107,785,709	31,572,748

Effective 1 July 1998, the Corporations legislation in place abolished the concepts of authorised capital and par value shares.

Accordingly, the Parent does not have authorised capital nor par value in respect of its issued shares.

Fully paid ordinary shares carry one vote per share and carry the right to dividends (in the event such a dividend was declared).

	Consolidated Group	
	2014	2013
	\$	\$
19 RESERVES		
Share option reserve (a)	924,589	1,013,175
Foreign currency translation reserve (b)	(125,630)	(126,547)
Available-for-sale revaluation reserve (c)	-	(60,000)
Balance at end of financial year	798,959	826,628

a) Share option reserve

Balance at beginning of financial year	1,013,175	981,763
Issue of options to employees and officers under Employee Share Option Plan	-	226,270
Transfer to retained earnings upon lapse of options	(88,586)	(194,858)
Balance at end of financial year	924,589	1,013,175

The share option reserve comprises the fair value of options issued to employees under the Company's Employee Share Option Plan and to directors of the Company.

b) Foreign currency translation reserve

Balance at beginning of financial year	(126,547)	(133,320)
Translation of foreign subsidiary	917	6,773
Balance at end of financial year	(125,630)	(126,547)

The foreign currency translation reserve comprises all foreign currency differences arising from the translation of the financial statements of Minotaur Atlantic Exploration Ltd, the group's foreign operations in Canada.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2014

19 RESERVES

	Consolidated Group	
	2014 \$	2013 \$
c) Available-for-sale revaluation reserve		
Balance at beginning of financial year	(60,000)	-
Revaluation increment/(decrement)	60,000	(60,000)
Balance at end of financial year	-	(60,000)

The available-for-sale revaluation reserve comprises the cumulative net change in the fair value of available-for-sale financial assets until the investments are derecognised or impaired.

20 RETAINED EARNINGS

Balance at beginning of financial year	(10,510,471)	(7,591,627)
Net loss attributable to members of the parent entity	(2,596,370)	(3,113,702)
Transfer from share option reserve – lapsed options	88,586	194,858
Balance at end of financial year	(13,018,255)	(10,510,471)

21 NON-CONTROLLING INTEREST

Balance at beginning of financial year	298,440	-
Issue of shares in Minotaur Gold Solutions Ltd to private investor	-	312,413
Net loss attributable to non-controlling interest	(70,441)	(13,973)
	227,999	298,440

22 COMMITMENTS FOR EXPENDITURE

Operating leases

Not longer than 1 year	352,587	219,125
Longer than 1 year and not longer than 5 years	1,252,238	6,003
	1,604,825	225,128

Hire purchase commitments

Not longer than 1 year	118,041	43,412
Longer than 1 year and not longer than 5 years	-	118,041
	118,041	161,453
Less: future finance charges	(3,655)	(11,969)
	114,386	149,484

Terms of lease arrangements

The Group extended its operating lease on 13 June 2014 for its principal place of business. The lease expires on 9 July 2019 and includes an escalation clause linked to CPI. As a result of the acquisition of Breakaway, the Group has an operating lease in place relating to an office space previously occupied by Breakaway. The lease term expires on 14 September 2014 and it is anticipated that the lease will not be renewed. Future minimum lease payments under hire purchase contracts together with the present value of the net minimum lease payments are listed in the above table.

Exploration leases

In order to maintain current rights of tenure to exploration tenements the Group will be required to outlay in the year ending 30 June 2015 amounts of approximately \$7.5 million in respect of tenement lease rentals and to meet minimum expenditure requirements. Pursuant to various Joint Venture agreements, it is expected that of this minimum expenditure requirement, \$2.6 million will be funded by Minotaur's Joint Venture partners. The net obligation to the Minotaur Exploration Group is expected to be fulfilled in the normal course of operations.

23 CONTINGENT LIABILITIES AND CONTINGENT ASSETS

At the date of signing this report, the Group is not aware of any Contingent Asset or Liability that should be disclosed in accordance with AASB 137. It is however noted that the Company has established various bank guarantees in place with a number of State Governments in Australia, totalling \$322,200 at 30 June 2014 (2013: \$271,000). These guarantees are designed to act as collateral over the tenements which Minotaur explores on and can be used by the relevant Government authorities in the event that Minotaur does not sufficiently rehabilitate the land it explores on. It is noted that the bank guarantees have, as at the date of signing this report, never been utilised by any State Government.

	Country of incorporation	Ownership interest	
		2014 %	2013 %
24 CONTROLLED ENTITIES			
Parent entity			
Minotaur Exploration Limited (i)	Australia		
Subsidiaries			
Minotaur Operations Pty Ltd (ii)	Australia	100	100
Minotaur Resources Investments Pty Ltd (ii)	Australia	100	100
Minotaur Industrial Minerals Pty Ltd (ii)	Australia	100	100
Great Southern Kaolin Pty Ltd (ii)	Australia	100	100
Breakaway Resources Pty Ltd (iii) (iv)	Australia	100	-
Scotia Nickel Pty Ltd (iii)	Australia	100	-
Altia Resources Pty Ltd (iii)	Australia	100	-
Levuka Resources Pty Ltd (iii)	Australia	100	-
BMV Properties Pty Ltd (iii)	Australia	100	-
Minotaur Gold Solutions Limited (v)	Australia	50	50
Minotaur Atlantic Exploration Limited	Canada	100	100

- i) Minotaur Exploration Limited is the head entity within the tax-consolidated Group.
- ii) These companies are members of the tax-consolidated Group.
- iii) On 5 December 2013, Minotaur Exploration completed its 100% acquisition of Breakaway Resources Ltd and its subsidiaries; Scotia Nickel Pty Ltd, Altia Resources Pty Ltd, Levuka Resources Pty Ltd and BMV Properties Pty Ltd. Upon acquiring 100% of Breakaway, the Group moved to add Breakaway and its subsidiaries to its tax consolidated Group.
- iv) On 20 June 2014, Breakaway Resources Ltd converted to a proprietary company and is now called Breakaway Resources Pty Ltd.
- v) Although the Group does not hold more than half of the voting rights of Minotaur Gold Solutions Ltd, it is able to control the company as it has the power of the operating decisions of the entity and is exposed to the variable returns from its investment. The assessment of control is a significant judgement as Minotaur holds 50% of the voting equity.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2014

25 BUSINESS COMBINATIONS

On 5 December 2013, the Group completed its 100% acquisition of the issued share capital and voting rights of Breakaway Resources Limited (Breakaway), a company based in Australia that operates within the mineral exploration segment. The objective of the acquisition was to further increase the Group's tenements holdings over highly prospective ground, in particular in Western Australia and Queensland.

Details of the business combination are as follows:

	\$
Fair value of consideration transferred	
Issue of shares for acquisition of Breakaway	5,218,211
	5,218,211
Recognised amounts of identifiable net assets	
Cash and cash equivalents	490,259
Trade and other receivables	53,043
	543,302
Total current assets	
Property, plant and equipment	36,587
Available-for-sale investments	21,562
	58,149
Total non-current assets	
Trade and other payables	460,311
Provisions	26,653
	486,964
Total current liabilities	
Trade creditors	50,000
	50,000
Total non-current liabilities	
	64,487
Identifiable net assets	
Exploration and evaluation assets recognised on acquisition	5,153,724
Cash and cash equivalents acquired	490,259
	490,259
Net cash inflow on acquisition	
Acquisition costs charged to expenses	518,147
	(27,888)
Net cash paid relating to the acquisition	

Consideration transferred

Acquisition-related costs amounting to \$518,147 are not included as part of consideration transferred and have been recognised as an expense in the consolidated statement of profit or loss and other comprehensive income, as part of other expenses.

Exploration and evaluation assets

The exploration and evaluation asset that arose on the combination can be attributed to tenement holdings over highly prospective geological areas and has been recognised as an exploration and evaluation asset. The exploration and evaluation asset that has been recognised is attributable to the mineral exploration segment.

Breakaway's contribution to the Group's results

Breakaway contributed \$7,339 and \$268,316 to the Group's revenues and losses respectively from the date of acquisition to 30 June 2014. Had the acquisition occurred on 1 July 2013, the Group's revenue for the period to 30 June 2014 would have been (\$7,899) and the Group's loss for the period would have been \$3,513,220.

	Consolidated Group	
	2014	2013
	\$	\$
26 AUDITOR'S REMUNERATION		
Audit or review of the financial report	37,826	31,500
Taxation compliance	1,000	-
Total auditor's remuneration	38,826	31,500

27 FINANCIAL ASSETS AND LIABILITIES

Note 1(f) provides a description of each category of financial assets and financial liabilities and the related accounting policies. The carrying amounts of financial assets and financial liabilities in each category are as follows:

	Note	AFS \$	Cash \$	Loans and Receivables \$	Total \$
		<i>(Carried at fair value)</i>	<i>(Carried at amortised cost)</i>		
30 June 2014					
Financial assets					
Cash and cash equivalents	7	-	4,794,173	-	4,794,173
Trade and other receivables	8	-	-	44,499	44,499
Available-for-sale assets	27(a)	1,127,693	-	-	1,127,693
		1,127,693	4,794,173	44,499	5,966,365
Financial liabilities					
	Note		Payables \$	Borrowings \$	Total \$
			<i>(Carried at amortised cost)</i>		
Trade and other payables	15		677,897	-	677,897
Current borrowings	27(b)		-	114,386	114,386
Non-current borrowings	27(b)		-	392,000	392,000
			677,897	506,386	1,184,283
30 June 2013					
Financial assets					
Cash and cash equivalents	7	-	9,269,636	-	9,269,636
Trade and other receivables	8	-	-	52,528	52,528
Available-for-sale assets	27(a)	1,853,158	-	-	1,853,158
		1,853,158	9,269,636	52,528	11,175,322

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

F O R T H E Y E A R E N D E D 3 0 J U N E 2 0 1 4

27 FINANCIAL ASSETS AND LIABILITIES

	Note	Payables \$	Borrowings \$	Total \$
<i>(Carried at amortised cost)</i>				
Financial liabilities				
Trade and other payables	15	2,114,355	-	2,114,355
Current borrowings	27(b)	-	35,098	35,098
Non-current borrowings	27(b)	-	114,386	114,386
		2,114,355	149,484	2,263,839

A description of the Group's financial instrument risks, including risk management objectives and policies is given in Note 28. The methods used to measure financial assets and liabilities reported at fair value are described in Note 29.

	Consolidated Group	
	2014 \$	2013 \$
27(a) AFS financial assets		
The details and carrying amounts of AFS financial assets are as follows:		
Listed securities	1,127,693	1,853,158
	1,127,693	1,853,158

The listed securities are denominated in AUD and are publically traded in Australia.

27(b) Borrowings

Borrowings include the financial liabilities:

	2014 \$	Current 2013 \$	2014 \$	Non-Current 2013 \$
Financial liabilities				
<i>Fair value</i>				
Finance lease liabilities	114,386	35,098	-	114,386
Bank borrowings	-	-	392,000	-
	114,386	35,098	392,000	114,386

All borrowings are denominated in AUD.

Borrowings at amortised cost

Bank borrowings are secured by land and buildings owned by the Group (see Note 12). Current interest rates are variable and average 5.03% (2013: \$nil). The carrying amount of bank borrowings is considered to be a reasonable approximation of the fair value.

Other financial instruments

The carrying amount of the following financial assets and liabilities is considered to be a reasonable approximation of the fair value:

- Trade and other receivables;
- Cash and cash equivalents; and
- Trade and other payables

28 FINANCIAL RISK MANAGEMENT

Credit risk management

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to stakeholders. The capital structure of the Group consists of cash and cash equivalents and equity attributable to equity holders of the parent, comprising issued capital, reserves and accumulated losses as disclosed in *Notes 18, 19, 20* respectively. Proceeds from share issues are used to maintain and expand the Groups exploration activities and fund operating costs.

	Consolidated Group	
	2014 \$	2013 \$
Financial assets		
Cash and cash equivalents	4,794,173	9,269,636
Trade receivables	44,499	52,528
Available-for-sale assets	1,127,693	1,883,158
Financial liabilities		
Payables	677,897	2,114,355
Borrowings	510,041	161,453

Credit risk

Credit risk management Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group has adopted a policy of only dealing with creditworthy counterparties as a means of mitigating the risk of financial loss from activities.

The Group does not have any significant credit risk exposure to any single counterparty or any Group of counterparties having similar characteristics. The credit risk on liquid funds is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

The carrying amount of financial assets recorded in the financial statements, net of any allowances for losses, represents the Group's maximum exposure to credit risk.

Interest rate risk

The tables listed below detail the Group's interest bearing assets, consisting solely of cash on hand and on short term deposit (with all maturities less than one year in duration).

	Weighted average effective interest rate %	Less than 1 year \$
Consolidated		
2014		
Variable interest rate	3.44	4,794,173
2013		
Variable interest rate	4.46	9,269,636

At reporting date, if interest rates had been 50 basis points higher or lower and all other variables were held constant, the Group's:

- net loss would increase or decrease by \$35,160 which is mainly attributable to the Group's exposure to interest rates on its variable bank deposits.

Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the Board, which has built an appropriate liquidity risk management framework for the management of the Group's short, medium and long-term funding and liquidity management requirements.

The Group manages liquidity risk by maintaining adequate reserves.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2014

28 FINANCIAL RISK MANAGEMENT

Liquidity and interest risk tables

The following table details the Company's and the Group's remaining contractual maturity for its non-derivative financial liabilities. The table has been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The table includes both interest and principal cash flows.

	Weighted average effective interest rate %	Longer than 1 year Less than 1 year \$	and not longer than 5 years \$
Consolidated			
2014			
Interest bearing	5.33	114,386	392,000
Non-interest bearing	-	677,897	-
2013			
Interest bearing	6.22	32,983	114,386
Non-interest bearing	-	2,114,355	-

Available-for-sale financial instrument risk management

Ultimate responsibility for the Group's investments in available for sale financial instruments rests with the Board. The Board actively manages its investments by reviewing the market value of the Group's portfolio at each board meeting and making appropriate investment decisions.

29 FAIR VALUE MEASUREMENT

Financial assets and financial liabilities measured at fair value in the statement of financial position are grouped into three Levels of a fair value hierarchy. The three Levels are defined based on the observability of significant inputs to the measurement, as follows:

- **level 1:** quoted prices (unadjusted) in active markets for identical assets or liabilities
- **level 2:** inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly
- **level 3:** unobservable inputs for the asset or liability

The following table shows the Levels within the hierarchy of financial assets and liabilities measured at fair value on a recurring basis at 30 June 2014 and 30 June 2013:

	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
30 June 2014				
Financial assets at fair value				
Available-for-sale investments				
Listed securities	1,127,693	-	-	1,127,693
	1,127,693	-	-	1,127,693
30 June 2013				
Financial assets at fair value				
Available-for-sale investments				
Listed securities	1,853,158	-	-	1,853,158
	1,853,158	-	-	1,853,158

There were no transfers between Level 1 and Level 2 in 2014 or 2013.

Included within Level 1 of the hierarchy are listed investments. The fair values of these financial assets have been based on the closing quoted bid prices at the end of the reporting period, excluding transaction costs.

30 RELATED PARTY DISCLOSURE AND KEY MANAGEMENT PERSONNEL REMUNERATION

Transactions with key management personnel

The following individuals are classified as key management personnel in accordance with AASB 124 'Related Party Disclosures':

Mr Derek Carter, Chairman

Mr Andrew Woskett, Managing Director

Dr Antonio Belperio, Executive Director

Mr Richard Bonython, Non-Executive Director

Mr John Atkins, Non-Executive Director (Appointed 20 November 2013)

Mr Donald Stephens, Company Secretary

Mr Varis Lidums, Commercial Manager

Mr Ian Garsed, General Manager of Exploration

Key management personnel remuneration includes the following expenses:

	2014 \$	2013 \$
Salaries including bonuses	1,196,118	1,236,496
Total short term employee benefits	1,196,118	1,236,496
Superannuation	73,992	73,586
Total post-employment benefits	73,992	73,586
Share based payments	-	46,750
Total remuneration	1,270,110	1,356,832

Transactions with associates

Throughout the year no transactions took place between Minotaur Exploration Limited and any associates (2013: \$nil).

In addition, no amounts were owed by any associates at the end of the year (2013: \$nil).

Director related entities

Throughout the year no transactions took place between Minotaur Exploration Limited and any Director related entities (2013: \$643).

Wholly owned group transactions

The entities comprising the wholly owned Group and ownership interests in these controlled entities are set out in Note 24.

Transactions between Minotaur Exploration Limited and other entities in the wholly owned Group during the year consisted of loans advanced by Minotaur Exploration Limited to fund exploration activities.

31 POST-REPORTING DATE EVENTS

No matter or circumstance has arisen since 30 June 2014 that has significantly affected the Group's operations, results or state of affairs, or may do so in the future.

DIRECTORS' DECLARATION

F O R T H E Y E A R E N D E D 3 0 J U N E 2 0 1 4

The Directors of the Company declare that:

- 1 the financial statements and notes, as set out on *pages 24 to 57*, are in accordance with the *Corporations Act 2001* and:
 - a) comply with Accounting Standards, which, as stated in accounting policy *Note 1* to the financial statements, constitutes explicit and unreserved compliance with International Financial Reporting Standards (IFRS); and
 - b) give a true and fair view of the financial position as at 30 June 2014 and of the performance for the year ended on that date of the Company and consolidated Group;
- 2 the Managing Director and Company Secretary have each declared that:
 - a) the financial records of the Company for the financial year have been properly maintained in accordance with section 286 of the *Corporations Act 2001*;
 - b) the financial statements and notes for the financial year comply with Accounting Standards; and
 - c) the financial statements and notes for the financial year give a true and fair view; and
- 3 in the Directors' opinion there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.



Derek Carter
Chairman

Dated this 19th day of August 2014

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF MINOTAUR EXPLORATION LIMITED



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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MINOTAUR EXPLORATION LIMITED

Report on the financial report

We have audited the accompanying financial report of Minotaur Exploration Limited (the "Company"), which comprises the consolidated statement of financial position as at 30 June 2014, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information and the directors' declaration of the consolidated entity comprising the Company and the entities it controlled at the year's end or from time to time during the financial year.

Directors' responsibility for the financial report

The Directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001*. The Directors' responsibility also includes such internal control as the Directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error. The Directors also state, in the notes to the financial report, in accordance with Accounting Standard AASB 101 Presentation of Financial Statements, the financial statements comply with International Financial Reporting Standards.

Auditor's responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require us to comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error.

INDEPENDENT AUDITOR'S REPORT

Auditor's responsibility

In making those risk assessments, the auditor considers internal control relevant to the Company's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Directors, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*.

Auditor's opinion

In our opinion:

- a the financial report of Minotaur Exploration Limited is in accordance with the *Corporations Act 2001*, including:
 - i) giving a true and fair view of the consolidated entity's financial position as at 30 June 2014 and of its performance for the year ended on that date; and
 - ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001*; and
- b the financial report also complies with International Financial Reporting Standards as disclosed in the notes to the financial statements.

Report on the remuneration report

We have audited the remuneration report included in the directors' report for the year ended 30 June 2014. The Directors of the Company are responsible for the preparation and presentation of the remuneration report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the remuneration report, based on our audit conducted in accordance with Australian Auditing Standards.

Auditor's opinion on the remuneration report

In our opinion, the remuneration report of Minotaur Exploration Limited for the year ended 30 June 2014, complies with section 300A of the *Corporations Act 2001*.

GRANT THORNTON AUDIT PTY LTD
Chartered Accountants

J L Humphrey
Partner – Audit & Assurance

Adelaide, 19 August 2014

Grant Thornton Audit Pty Ltd ACN 130 913 594
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ASX ADDITIONAL INFORMATION



MINOTAUR
EXPLORATION

INTERESTS IN MINING TENEMENTS AS AT 30 SEPTEMBER 2014

Lease ID	Lease Name	State	Holding Company	Minotaur Equity or Equity Earned %	JV Partner
Border Joint Venture					
EL4352	Collins Tank	SA	Minotaur Operations	43.5	Sumitomo Metal Mining Oceania 56.5%
EL4844	Mingary	SA	Minotaur Operations	43.5	Sumitomo Metal Mining Oceania 56.5%
EL5079	Mutooroo	SA	Minotaur Operations	43.5	Sumitomo Metal Mining Oceania 56.5%
EL5437	Woodville Dam	SA	Minotaur Industrial Minerals	43.5	Sumitomo Metal Mining Oceania 56.5%
Cloncurry Joint Venture (JOGMEC)					
EPM8608	Bendigo Park	QLD	Minotaur Operations	48	JOGMEC 52%, BHPBilliton NSR
EPM16975	Cattle Creek	QLD	Minotaur Operations	48	JOGMEC 52%
EPM19530	Corella	QLD	Minotaur Operations	48	JOGMEC 52%
EPM18861	Donaldson Well	QLD	Minotaur Operations	48	JOGMEC 52%
EPM18802	East Racecourse	QLD	Minotaur Operations	48	JOGMEC 52%
EPM18068	Gidyea Bore	QLD	Minotaur Operations	48	JOGMEC 52%
EPM17286	Jackys Creek	QLD	Minotaur Operations	48	JOGMEC 52%
EPM19412	Middle Creek	QLD	Minotaur Operations*	48	JOGMEC 52%
Ernest Project					
EPM19205	Ernest Henry West	QLD	Minotaur Operations	100	
EPM19775	Mount Margaret	QLD	Minotaur Operations	100	
EPM18289	Mt Marathon	QLD	Falcon Minerals	0	Falcon Minerals 100%
Eloise Project					
EPM19500	Eloise North	QLD	Minotaur Operations	100	
EPMA25389	Fullarton	QLD	Minotaur Operations	0	
EPM25237	Levuka	QLD	Minotaur Operations	100	
EPM18313	Mt Agate	QLD	Falcon Minerals	0	Falcon Minerals 100%
EPM18624	Oorindi Park	QLD	Minotaur Operations	100	
EPM25238	Saxby	QLD	Minotaur Operations	100	
EPM19096	Strathfield	QLD	Minotaur Operations	100	
EPM19505	Yaningerry	QLD	Minotaur Operations	100	
Eloise Copper Joint Venture					
EPM17838	Levuka	QLD	Levuka Resources	86	GFR 14%
EPM18442	Eloise Northwest	QLD	Levuka Resources	86	GFR 14%
MDL431	Eloise	QLD	Levuka Resources	86	GFR 14%
MDL432	Eloise	QLD	Levuka Resources	86	GFR 14%
Osborne Project					
EPM18575	Carbo Creek	QLD	Minotaur Operations	100	
EPM18720	Cuckadoo	QLD	Minotaur Operations	100	
EPM19050	Datchet	QLD	Minotaur Operations	100	
EPM18573	Gum Creek	QLD	Minotaur Operations	100	
EPMA25197	Hamilton	QLD	Minotaur Operations	0	
EPM19066	Lucia	QLD	Minotaur Operations	100	
EPM18574	Momedah Creek	QLD	Minotaur Operations	100	
EPM18572	North Osborne	QLD	Minotaur Operations	100	
EPM18576	Pathungra	QLD	Minotaur Operations	100	

ASX ADDITIONAL INFORMATION

INTERESTS IN MINING
TENEMENTS AS AT
30 SEPTEMBER 2014

Lease ID	Lease Name	State	Holding Company	Minotaur Equity or Equity Earned %	JV Partner
Osborne Project					
EPM18571	Sandy Creek	QLD	Minotaur Operations	100	
EPMA25699	Warburton Creek	QLD	Minotaur Operations	0	
EPM19061	Windsor	QLD	Minotaur Operations	100	
Arthurville Project					
EL7588	Arthurville	NSW	Minotaur Operations	100	
Victoria Copper Project					
EL5402	Chatsworth	VIC	Minotaur Operations	100	
EL5475	Dimboola East	VIC	Minotaur Operations	100	
EL5403	Lexington	VIC	Minotaur Operations	100	
EL5450	Roxborough	VIC	Minotaur Operations	100	
Industrial Minerals Project					
EL5095	Camel Lake	SA	Minotaur Operations	100	
ELA5502	Casterton South	VIC	Minotaur Industrial Minerals	0	
EL5395	Kyancutta	SA	Minotaur Operations	100	
EL5308	Mount Hall	SA	Minotaur Operations	100	
EL5398	Sceales	SA	Minotaur Operations	100	
EL4575	Tootla	SA	Great Southern Kaolin	100	
EL5016	Whichelby	SA	Minotaur Operations	100	
EL4697	Yanerbie	SA	Minotaur Operations	100	
EL5365	Yaninee	SA	Minotaur Operations	100	
Gawler Ranges Project					
EL5097	Diesel Dam	SA	Minotaur Operations	100	
EL5232	Peltabinna	SA	Minotaur Operations	100	
EL5096	Yandooka Well	SA	Minotaur Operations	100	
Gawler Craton Project					
EL4745	Bonython Hill	SA	Minotaur Operations	100	
EL4776	Mt Double	SA	Minotaur Operations	100	
Scotia Project					
E 29/00661 ^s	Goongarrie 3	WA	Minotaur Gold Solutions	50	
E 29/00719 ^s	Goongarrie 4	WA	Minotaur Gold Solutions	50	
E 29/00886	Comet Vale	WA	Minotaur Gold Solutions	50	
M 24/00279 ^s	Goongarrie 5	WA	Minotaur Gold Solutions	50	
M 24/00336 ^s	Goongarrie 6	WA	Minotaur Gold Solutions	50	
M 29/00245 ^s	Goongarrie 13	WA	Minotaur Gold Solutions	50	
M 29/00246 ^s	Goongarrie 14	WA	Minotaur Gold Solutions	50	
P 29/02105 ^s	Goongarrie 7	WA	Minotaur Gold Solutions	50	
P 29/02117 ^s	Goongarrie 8	WA	Minotaur Gold Solutions	50	
P 29/02118 ^s	Goongarrie 9	WA	Minotaur Gold Solutions	50	
P 29/02119 ^s	Goongarrie 10	WA	Minotaur Gold Solutions	50	
P 29/02120 ^s	Goongarrie 11	WA	Minotaur Gold Solutions	50	
P 29/02121 ^s	Goongarrie 12	WA	Minotaur Gold Solutions	50	
Leinster Project					
E 36/235	Leinster 9	WA	Altia Resources	85	GFR 15%
E 37/909	Leinster 2	WA	Scotia Nickel	85	GFR 15%
M 36/475	Leinster 10	WA	Altia Resources	85	GFR 15%
M 36/502	Leinster 11	WA	Altia Resources	85	GFR 15%
M 36/511	Leinster 18	WA	Altia Resources	85	GFR 15%
M 36/524	Leinster 12	WA	Altia Resources	85	GFR 15%
M 36/526	Leinster 14	WA	Altia Resources	85	GFR 15%
M 36/548	Leinster 15	WA	Altia Resources	85	GFR 15%

Lease ID	Lease Name	State	Holding Company	Minotaur Equity or Equity Earned %	JV Partner
Leinster Project					
M 37/806	Leinster 3	WA	Altia Resources	85	GFR 15%
M 37/877	Leinster 16	WA	Altia Resources	85	GFR 15%
M 37/878	Leinster 17	WA	Altia Resources	85	GFR 15%
P 37/7170	Leinster 4	WA	Scotia Nickel	85	GFR 15%
P 37/7370	Leinster 5	WA	Scotia Nickel	85	GFR 15%
P 37/7371	Leinster 6	WA	Scotia Nickel	85	GFR 15%
P 37/7372	Leinster 7	WA	Scotia Nickel	85	GFR 15%
P 37/7373	Leinster 8	WA	Scotia Nickel	85	GFR 15%
Yerrida Project					
E51/1593	Bennett Well	WA	Minotaur Operations	100	
E51/1581	Crater Bore	WA	Minotaur Operations	100	
E51/1580	Diamond Well	WA	Minotaur Operations	100	
E51/1591	Glengarry Range	WA	Minotaur Operations	100	
E51/1585	Yerrida Spring	WA	Minotaur Operations	100	
Other Projects					
EL4388	Blinman	SA	Perilya	10	Perilya Ltd 90%, MEP 10% free carried to BFS completion
EL5117	Ediacara	SA	Perilya	10	Perilya Ltd 90%, MEP 10% free carried to BFS completion
ML4386	Third Plain	SA	Perilya	10	Perilya Ltd 90%, MEP 10% free carried to BFS completion
EL4478	Wilkawillina	SA	Perilya	10	Perilya Ltd 90%, MEP 10% free carried to BFS completion
EL4961*	Moonta	SA	Peninsula Resources	10	Peninsula Resources
EPM17061	Mt Osprey	QLD	Birla Mt Gordon	#30	Birla Mt Gordon
P15 4876	Spargos Reward	WA	Minex Australia	Ni 100%	
P15 4877	Spargos Reward	WA	Minex Australia	Ni 100%	
P15 4878	Spargos Reward	WA	Minex Australia	Ni 100%	
P15 4879	Spargos Reward	WA	Minex Australia	Ni 100%	
P15 4880	Spargos Reward	WA	Minex Australia	Ni 100%	
P15 4881	Spargos Reward	WA	Minex Australia	Ni 100%	
P15 4882	Spargos Reward	WA	Minex Australia	Ni 100%	
P15 4883	Spargos Reward	WA	Minex Australia	Ni 100%	
P15 4886	Spargos Reward	WA	Minex Australia	Ni 100% +3% Au NSR	
M15 395	Kambalda West	WA	Tychean Resources	Ni 100% +1.5% NSR	
M15 703	Kambalda West	WA	Tychean Resources	Ni 100% +1.5% NSR	
L15 128	Kambalda West	WA	Tychean Resources	Ni 100% +1.5% NSR	
L15 255	Kambalda West	WA	Tychean Resources	Ni 100% +1.5% NSR	
E15 967	Kambalda West	WA	Tychean Resources	Ni 100% +1.5% NSR	
E15 968	Kambalda West	WA	Tychean Resources	Ni 100% +1.5% NSR	
P15 4299	Kambalda West	WA	Tychean Resources	Ni 100% +1.5% NSR	
P15 4884	Kambalda West	WA	Tychean Resources	Ni 100% +1.5% NSR	
P15 4885	Kambalda West	WA	Tychean Resources	Ni 100% +1.5% NSR	
P15 4963	Kambalda West	WA	Tychean Resources	Ni 100% +1.5% NSR	

Diluting interest

* = Portion only of tenement

Ni 100% = 100% interest in Nickel rights only

Ni 100% +3% Au NSR = 100% interest in Nickel rights and 3% Gold NSR

Ni 100% +1.5% NSR = 100% interest in Nickel rights and 1.5% NSR all other minerals

⁵ Aphrodite Gold Ltd earning up to 80% interest in Gold rights



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SHAREHOLDINGS AS AT 30 SEPTEMBER 2014

Additional information required by the Australian Securities Exchange Ltd and not shown elsewhere in this report is as follows. The information is current as at 30 September 2014.

Distribution of equity securities

Ordinary share capital

152,165,042 fully paid ordinary shares are held by 3,486 individual shareholders.

All issued ordinary shares carry one (1) vote per share and carry the rights to dividend.

Options

11,543,333 unlisted options are held by 32 option holders.

The number of shareholders, by size of holding, in each class are:

	Fully paid ordinary shares	Unlisted Options
1 – 1,000	467	-
1,001 – 5,000	978	-
5,001 – 10,000	594	-
10,001 – 100,000	1,227	12
100,001 and over	220	20
	3,486	32
Holding less than a marketable parcel	914	-

Substantial shareholders

Ordinary shareholders	Number	Fully paid Percentage
Norilsk Nickel Australia Pty Ltd	10,777,919	7.08%
OZ Minerals Limited	8,041,670	5.28%

TWENTY LARGEST HOLDERS OF QUOTED EQUITY SECURITIES	Fully Paid Ordinary Shares	
	Number	Percentage
Norilsk Nickel Australia Pty Ltd	10,777,919	7.08%
OZ Minerals Limited	8,041,670	5.28%
Newmont Capital Pty Ltd	5,320,000	3.50%
Golden Fields Resources Pty Ltd	4,200,000	2.76%
Yarraandoo Pty Ltd <Yarraandoo Super Fund A/C>	3,662,129	2.41%
FMR Investments Pty Limited	2,872,303	1.89%
Sandfire Resources NL	2,608,695	1.71%
Mr Yi Weng + Ms Ning Li Yi Weng & Ning Li S/F A/C	2,230,000	1.47%
Locantro Speculative Investments Limited	2,000,000	1.31%
JP Morgan Nominees Australia Limited	1,795,659	1.18%
Mr Peter Francis Hasenkam	1,650,000	1.08%
Mr Nicholas James Carter + Mrs Susan Mary Carter <Carter Family Super A/C>	1,583,500	1.04%
Dorica Nominees Pty Ltd	1,502,000	0.99%
Breakaway Resources Limited	1,128,658	0.74%
Mr Nicholas Carter	1,115,164	0.73%
Mr Robert Gemelli	1,110,572	0.73%
Kimbriki Nominees Pty Ltd <Kimbriki Hamilton SF A/C>	1,000,000	0.66%
National Nominees Limited	995,967	0.65%
Miningnut Pty Ltd	975,000	0.64%
Mr Derek Northleigh Carter	900,000	0.59%
	55,469,236	36.45%



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