ASX Release

23 DECEMBER 2014

FIRST ROUND OF DRILL TESTING NICKEL SULPHIDE TARGETS COMPLETED AT LEINSTER JV, WA

HIGHLIGHTS

- **Ultramafics intersected indicate host rocks are prospective for nickel sulphide mineralisation**
- **Semi-massive pyrrhotite intersected within ultramafics indicates fertile environment**
- **Multiple EM conductors throughout the project area remain untested, including along strike from current drilling.**

Minotaur has completed its first drilling program for nickel sulphides on the Wildara group of tenements located approximately 35km south-east of Leinster, Western Australia *(Figure 1)*. Three discrete EM conductors at Sinclair North, Firefly East and Firefly West were each tested by 1 RC drill hole *(Table 1)*. Drilling tested for nickel sulphide mineralisation associated with ultramafics similar to that developed at the nearby Sinclair and Waterloo nickel deposits.

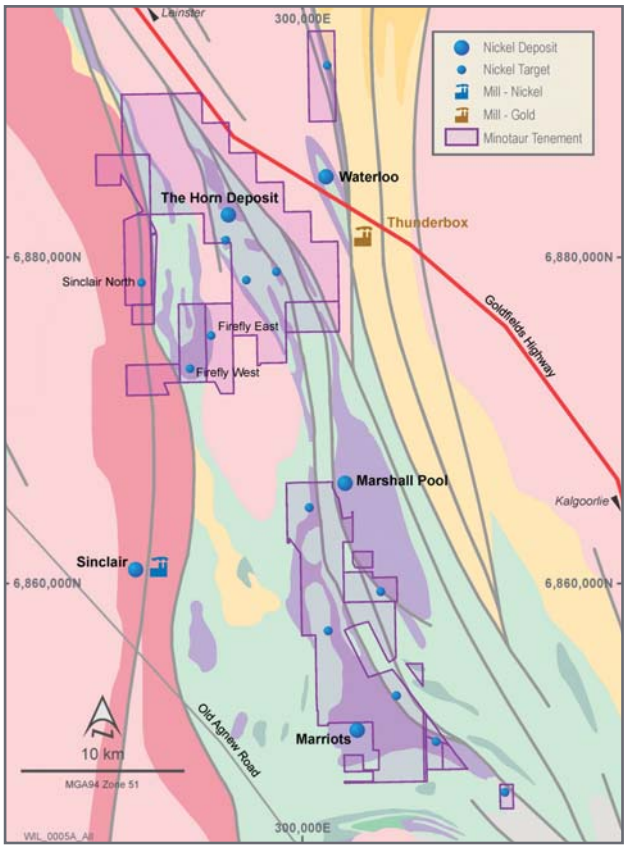

Figure 1: Wildara and Mt Clifford tenement groups along the Weebo ultramafic belt (purple units).

Hole-ID	Prospect	MGAE	MGAN	Tenement	Dip	Azi(T)	Depth	RL
14RCSN001	Sinclair North	290331	6878249	M3600524	-60	90	337	489
14RCFF001	Firefly East	294076	6876134	M3700878	-60	90	350	498
14RCFF002	Firefly West	292834	6875136	M3700877	-60	90	300	503

Table 1: Collar details for completed RC drill holes. Coordinates refer to MGA datum.

A total of 987m of RC drilling was completed in 3 drill holes. All holes were drilled at -60 degrees to intersect the modelled geophysical targets at a high angle *(Figures 2-4)*; detailed information about the drilling is provided in *Appendix 1*.

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Sinclair North Prospect

At the Sinclair North prospect an off-hole conductor detected in historic drill hole 10BWDC0106 was targeted by drill hole 14RCSN001 *(Figure 2)*. Drilling intersected a sequence of granite, mafic volcanics and sulphide bearing ultramafic rocks. No significant assay results were returned from the sulphide intervals.

PVC has been installed in the hole to allow for down-hole EM surveying to be conducted if warranted following a detailed review of the drill results.

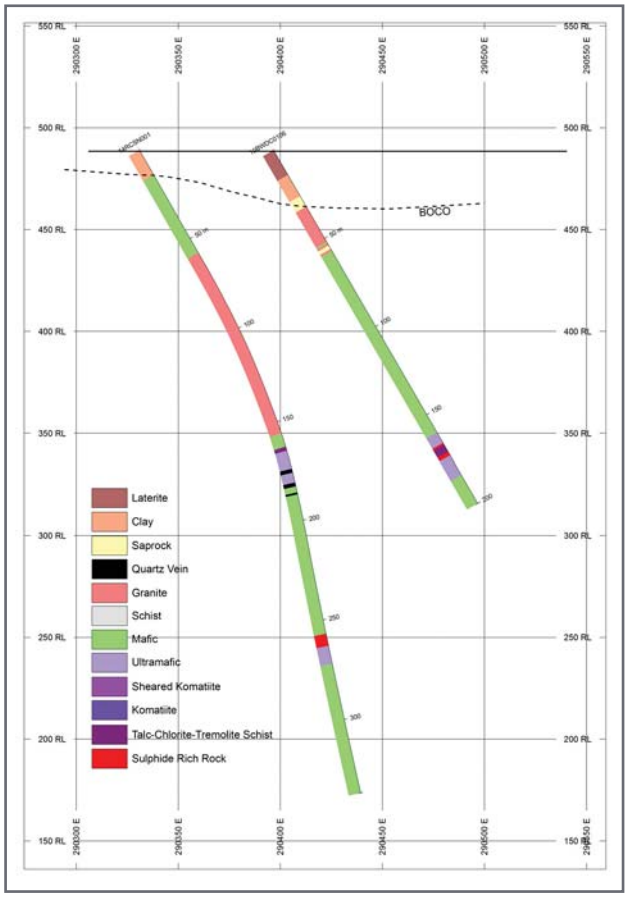

Figure 2: Sinclair North prospect with drillhole 14RCSN001 relative to historic drillhole 10BWDC0106.

Firefly East Prospect

Drillhole 14RCFF001a was drilled to 350m to test a bedrock conductor detected in historical EM. The hole intersected a sequence of ultramafic rocks, schist and komatiite, which is sheared in parts. Relict spinifex textures are present in the komatiitic units, indicative of multiple flows, rapid cooling and possible proximity to sulphide and nickel bearing mineralisation. Disseminated sulphides comprising pyrrhotite and pyrite up to 10% in volume are present in the interval of sheared komatiite between 249-301m *(Figure 3)* and may be the source of the EM conductor. No significant assay results were returned from the sulphide intervals.

PVC has been installed in the hole to allow for down-hole EM surveying to be conducted if warranted following a detailed review of the drill results.

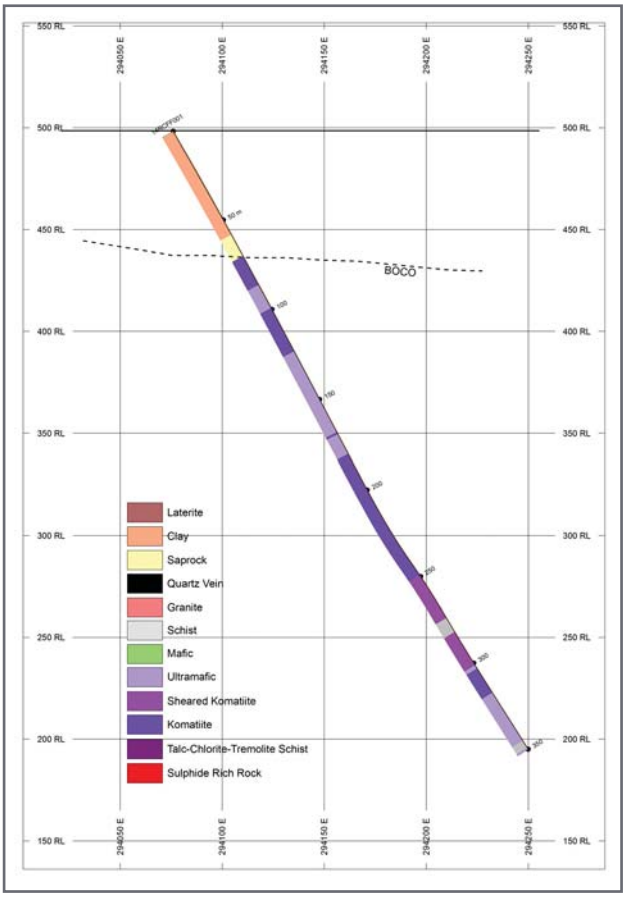

Figure 3: Firefly East prospect with drillhole 14RCFF001.

Firefly West Prospect

Drillhole 14RCFF002 was successfully drilled to 300m to test an EM conductor detected in historical EM surveys. The hole intersected a sequence of talc-chlorite-tremolite schist and komatiite with relict spinifex textures. A zone of semi-massive sulphide consisting mainly of pyrrhotite was intersected between 219 to 228m *(Figure 4)*. The sulphide zone matches the modelled EM conductor however no significant assay results have been returned. Despite this, Firefly West remains prospective with a number of EM conductors yet to be drill tested where prospective ultramafic rocks are known to be present.

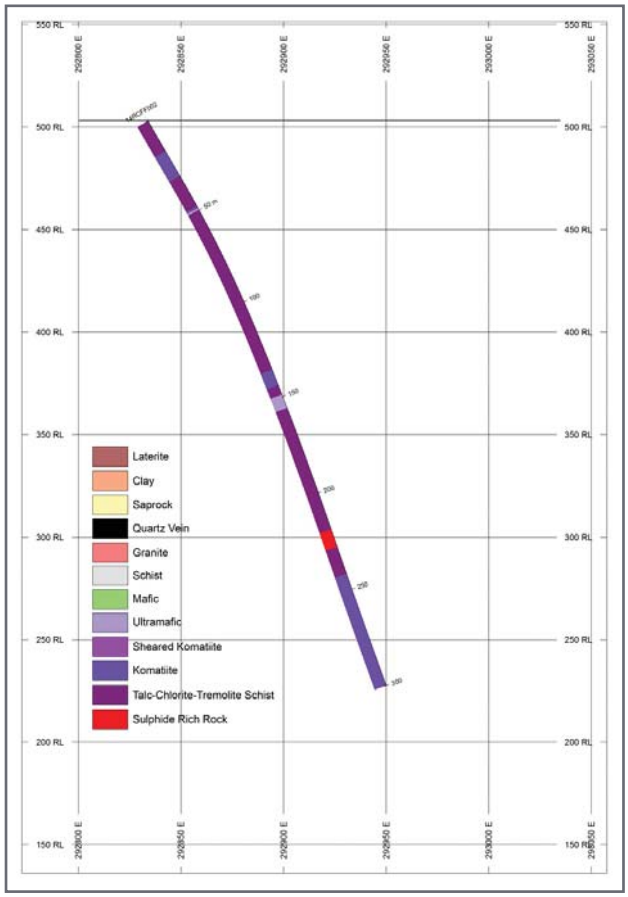

Figure 4: Firefly West prospect with drillhole 14RCFF002.

Next Steps for Leinster Joint Venture

The Leinster JV remains highly prospective and Minotaur continues to assess its potential. Ground EM surveying continued within the project area throughout December with the survey crew now on break over the Christmas-New Year period. This data will be modelled early in the New Year.

About the Leinster Joint Venture

The Leinster JV is managed and operated by Minotaur Exploration, on behalf of joint venture partner Golden Fields Resources Pty Ltd (GFR, 15%) with the work plan and budget from September 2014 through to March 2015 being pro rata funded.

Competent Person's Statement

Information in this report 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 (FAusIMM). 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 2012 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.

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APPENDIX 1

JORC CODE, 2012 EDITION

Section 1: Sampling Techniques and Data

Criteria	JORC Code explanation	Commentary
Sampling techniques	Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling. Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used. Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1m samples from which 3kg was pulverised to produce a 30g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.	RC drilling by Minotaur Exploration Ltd was directed at confirming and evaluating EM conductive bodies identified by historic ground and downhole EM surveying. Three RC holes were drilled for 987m at three prospects – Sinclair North, Firefly East and Firefly West. RC drill chip samples were collected in one large plastic bag per metre interval drilled. The plastic bags were arrayed sequentially at each drill site. A 1m representative sample was collected from the cyclone splitter in an industry standard white calico bag. Minotaur undertook composite sampling of the 1m representative split sample bags to produce 4m composites for analysis for nickel and associated elements. A 50mm plastic spear was speared through the 1m calico sample in a consistent manner to produce the 4m composite sample. 4m composite sample weights ranged from 1.62 to 3.95 kg with the majority of samples weighing 3kg. The drillhole collars were validated by a handheld GPS with accuracy +/- 5m. The drillhole azimuths were validated using a compass aligned with the drill rig. Downhole survey of drillhole dips was determined every 30m using a digital downhole camera and stainless steel start drill rod to allow azimuth measurements.
Drilling Techniques	Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).	All drilling was by Kennedy Drilling contractors using the RC drilling method with a Schramm T685WS drill rig with 5¾" face sampling hammer, 6 metre 4½" rods and a Sandvik Rotaport cyclone splitter. A Sulair 1350 cfm Auxilary Compressor and a Hurricane 2400 cfm booster was utilised when required. All holes were completed to fully intersect the interpreted EM target zones at each prospect.
Drill Sample Recovery	Method of recording and assessing core and chip sample recoveries and results assessed. Measures taken to maximise sample recovery and ensure representative nature of the samples. Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.	A qualitative judgment of the volume of each metre sample was undertaken visually by comparing the volumes of each sample 1m green bag. Sample volume or return was manually recorded with significant variations in volume or wet samples documented and recorded onsite. Constant monitoring of the sample recovery was undertaken by the supervising geologist by monitoring the drilling technique of the drilling contractor and liaising with the drilling contractor regarding drilling pulldown and bit-face air pressure. The splitter was visually checked and cleaned in-between each drill rod run. No relationship between sample quality (moisture) and grade has been identified to date. The wet samples do not appear to have a consis-tent or material effect on the assay values obtained.

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Section 1: Sampling Techniques and Data continued

Criteria	JORC Code explanation	Commentary
Logging	Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies. Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography. The total length and percentage of the relevant intersections logged.	Representative drill cuttings were geologically logged for the entire length of each drillhole by Minotaur personnel. Representative drill chips were sieved from each 1m green bag, geologically logged and stored in industry standard chip trays marked with metre intervals and hole-id. All sample, collar and lithological information was uploaded into Minotaur's GBIS drillhole database. RC drilling produces drill chips which are not suitable for geotechnical assessment, however the lithological and geochemical data derived from the RC samples may be of sufficient quality for future studies.
Sub-sampling techniques and sample preparation	If core, whether cut or sawn and whether quarter, half or all core taken. If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry. For all sample types, the nature, quality and appropriateness of the sample preparation technique. Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples. Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/ second-half sampling. Whether sample sizes are appropriate to the grain size of the material being sampled.	For every metre drilled the sample returned was collected in large plastic bags to maintain the integrity of each sample. A 1m representative sample was collected from the Sandvik rotaport cyclone splitter in an industry standard white calico bag. Minotaur undertook composite sampling of the 1m representative split sample bags to produce 4m composites for analysis for nickel and associated elements. A 50mm plastic spear was speared through the 1m calico sample in a consistent manner to produce the 4m composite sample. 4m composite sample weights ranged from 1.62 to 3.95 kg with the majority of samples weighing approximately 3kg. A duplicate sample was inserted in the sample sequence approximately every 45 samples and standards were inserted approximately every 30 samples resulting in 6 duplicates and 9 standards being added to the sample program. Five different Geostats Pty Ltd standards were used to cover a wide range of nickel assays. The standard used was recorded immediately and verified prior to tying off the sample bag. Sample sizes are considered appropriate to indicate degree and extent of sulphide mineralisation.
Quality of assay data and laboratory tests	The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total. For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc. Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.	Representative 4 metre composite samples, together with appropriate standards and repeat samples, were delivered to ALS Laboratories for analysis by Methods ME-ICP41 (51 elements including Ni, Cu, Cr, Co and As by aqua regia digest with ICP-AES/MS finish) and PGM-MS23 (Pt, Pd, Au using 30 g lead fire assay with ICP-AES finish). In addition to Company-inserted (blind) standards and repeat samples, the laboratory also conducted routine check analyses and regular blank and mineralised standard analyses thoughout the batch resulting in 14 blank, 31 standard and 31 duplicate assays. For the laboratory results received and reported in the body of this Report an acceptable level of accuracy and precision has been confirmed by Minotaur's QAQC protocols.

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Section 1: Sampling Techniques and Data continued

Criteria	JORC Code explanation	Commentary
Verification of sampling and assaying	The verification of significant intersections by either independent or alternative company personnel. The use of twinned holes. Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols. Discuss any adjustment to assay data.	Minotaur's Resource Geologist and Exploration Manager verified significant intersections. Laboratory assays are consistent with mineralised intervals highlighted by Minotaur's geological logging and 4m composite assay results. No twinned holes were undertaken. No adjustments to assay data were undertaken. All hole information, collars, hole orientation, total depth, geochemical data and lithological logging were provided to Minotaur as digital data then imported into GBIS drillhole database for inbuilt and visual validation by Minotaur.
Location of data points	Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation. Specification of the grid system used. Quality and adequacy of topographic control.	Drillhole collar locations (GDA94, MGA Zone 51) were determined by Minotaur contactor personnel using handheld GPS with an accuracy of +/- 5m. The RL of each drill collar was determined using a handheld GPS using the Australian Height Datum.
Data spacing and distribution	Data spacing for reporting of Exploration Results. Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied. Whether sample compositing has been applied.	The target conductive geophysical bodies are regional features with some distance between each target such that geological or grade continuity is not applicable. All RC holes were angled at -60 degrees to intersect the modelled dipping conductive geophysical targets at a high angle. One sample was collected for every metre drilled and composited to 4 metres for laboratory submission. Anomalous composite samples will be re-sampled on a one-metre basis.
Orientation of data in relation to geological structure	Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type. If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.	Drillhole orientation was optimised to intersect interpreted geophysical target units at a high angle to achieve unbiased sampling of the modelled dipping conductive bodies. No orientation-based sampling bias has been identified in the data.
Sample security	The measures taken to ensure sample security.	Ten by 4 metre composite samples were placed in plastic polyweave bags and zip tied. The zip tied polyweaves were placed in industry standard bulka bags and transported directly to ALS Laboratory in Kalgoorlie ensuring sample security. Laboratory pulps and residues will be discarded after 3 months temporary storage.
Audits or reviews	The results of any audits or reviews of sampling techniques and data.	No audit or review has been undertaken.

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Section 2: Reporting of Exploration Results

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings. The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.	RC drilling was undertaken on Mining Leases M36/548, M37/877 and M37/878. These mining leases are held by Altia Resources Pty Ltd, a wholly owned subsidiary of Minotaur Exploration Ltd. The area of the above mentioned tenements are currently not subject to a Native Title claim or any other known impediment to exploration or mining.
Exploration done by other parties	Acknowledgment and appraisal of exploration by other parties.	Previous historical exploration by other companies includes geological mapping, rock chip sampling, airborne and ground geophysics, RC and diamond drilling.
Geology	Deposit type, geological setting and style of mineralisation.	Minotaur's exploration interest within these mining lease tenements is nickel sulphide mineralisation within Archaean mafic/ultramafic and sedimentary lithologies, in particular Kambalda – style, komattiite – hosted nickel.
Drill hole Information	A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes: • easting and northing of the drill hole collar • elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar • down hole length and interception depth • hole length. If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.	Drill collar details have been appropriately presented within *Table 1* of the body of this Report.
Data aggregation methods	In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated. Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail. The assumptions used for any reporting of metal equivalent values should be clearly stated.	Hole locations are identified in *Table 1* and *Figure 1*. All holes are drilled at e-60 degrees at a high angle to the modelled conductive geophysical bodies. No weighting, maximum and/or minimum grade truncations have been used. All assays are for 4m metre representative composites and are reported as downhole intervals. True widths are estimated to be 70% of downhole intercept lengths.

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Section 2: Reporting of Exploration Results

Criteria	JORC Code explanation	Commentary
Relationship between mineralisation widths and intercept lengths	These relationships are particularly important in the reporting of Exploration Results. If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported. If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').	All depths and intervals are reported as downhole measurements. True widths are estimated to be approximately 70% of downhole intercept widths.
Diagrams	Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.	See *Figures 1 to 4* of this Report
Balanced reporting	Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.	All results of significance have been included in this Report.
Other substantive exploration data	Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.	No significant exploration data have been omitted.
Further work	The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling). Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.	Numerous untested EM conductive bodies occur within the region. Further drilling of untested EM conductive bodies is planned.