

ASX Release



New \$3.5M JV with JOGMEC in Mt Isa block, Queensland

Highlights

- Minotaur and JOGMEC enter into a new joint venture (Osborne JV) in the Cloncurry region of the eastern Mt Isa Block
- Agreement provides for \$3.5 million exploration expenditure over 4 years
- seeking copper-gold mineralisation proximal to the Osborne Mine and silver-lead-zinc mineralisation south of the Cannington Mine, and
- complements existing Cloncurry JV operable since 2010 in the Ernest Henry Mine area

Osborne Joint Venture

Minotaur and Japan Oil, Gas and Metals National Corporation (JOGMEC) have entered into a new exploration joint venture over Minotaur tenements south of Cloncurry, Queensland (Figures 1–2). Exploration objectives are IOCG-style copper-gold mineralisation and Cannington-style silver-lead-zinc mineralisation in the concealed eastern portion of the Mt Isa Block where basement units are overlain by cover sediments ranging up to more than 100m thick.

The partnership requires JOGMEC to expend a minimum \$500,000 in the first year of operation and then \$1 million in each subsequent year. Upon aggregate expenditure of \$3.5 million JOGMEC will earn 51% beneficial interest in the relevant tenements. Minotaur will operate and manage the work program in consultation with JOGMEC's geoscientists. The JV agreement is subject to FIRB approval.

Minotaur's managing director, Andrew Woskett, said "As a generator of cutting-edge exploration targets, Minotaur is honoured that JOGMEC has seen fit to embark on a new collaboration project. The solid working relationship, originating in South Australia and developed over many years, is testimony to the mutual respect our technical teams have built through close cooperation. Both parties perceive the Osborne area to have high potential for discovery of base metal deposits and look forward to demonstrating the value of this new relationship".

Osborne Project

The Osborne JV, covering an area of ~1800 km² is in a well-endowed portion of the eastern Mt Isa Block, being proximal to the Osborne Cu-Au mine and ~20 km south of the Ag-Pb-Zn Cannington and Pegmont Mines.

South 32's Cannington Mine, discovered in 1990, is a world-class base-metal deposit with a resource of 43.8 Mt at 11.6% Pb, 4.4% Zn and 538 ppm Ag and a metal endowment of 757 Moz of silver (5th globally), 5.08 Mt of lead (7th globally) and 1.93 Mt of zinc (49th globally)¹. Sulphide-rich ores at Cannington exhibit a positive gravity signature and are highly conductive in EM surveys.

The Pegmont Mine has a resource of 8.6 Mt at 7.6% Pb, 3.5% Zn and 150g/t Ag whereas the Osborne Mine, a magnetite-hosted IOCG-style deposit, has a resource of 11.3 Mt at 1.9% Cu and 3.8 g/t Au¹.

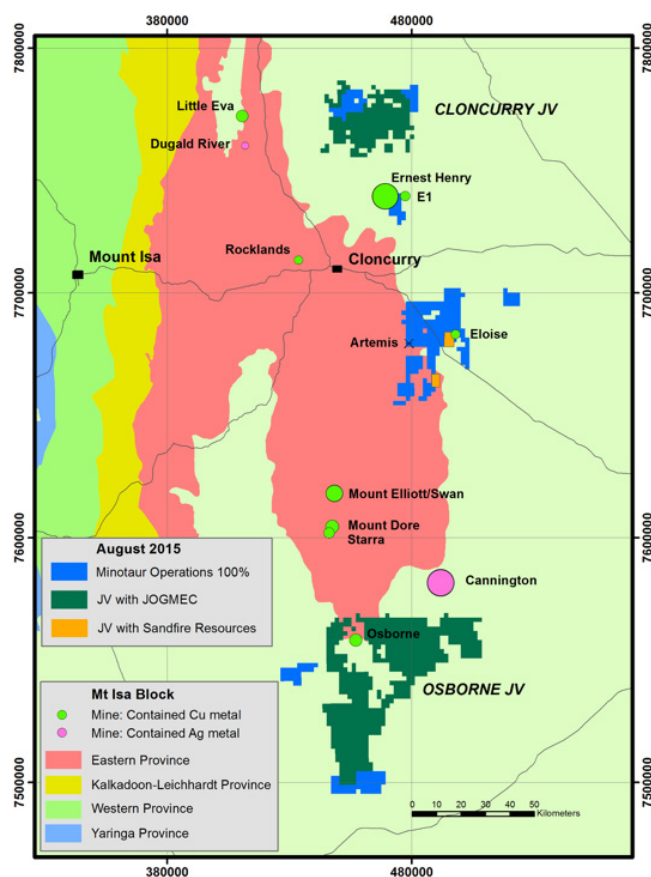


Figure 1: Regional geology of the eastern Mt Isa Block showing locations of the Osborne and Cloncurry joint ventures with JOGMEC relative to select major mines; graded in size with respect to their contained metal content

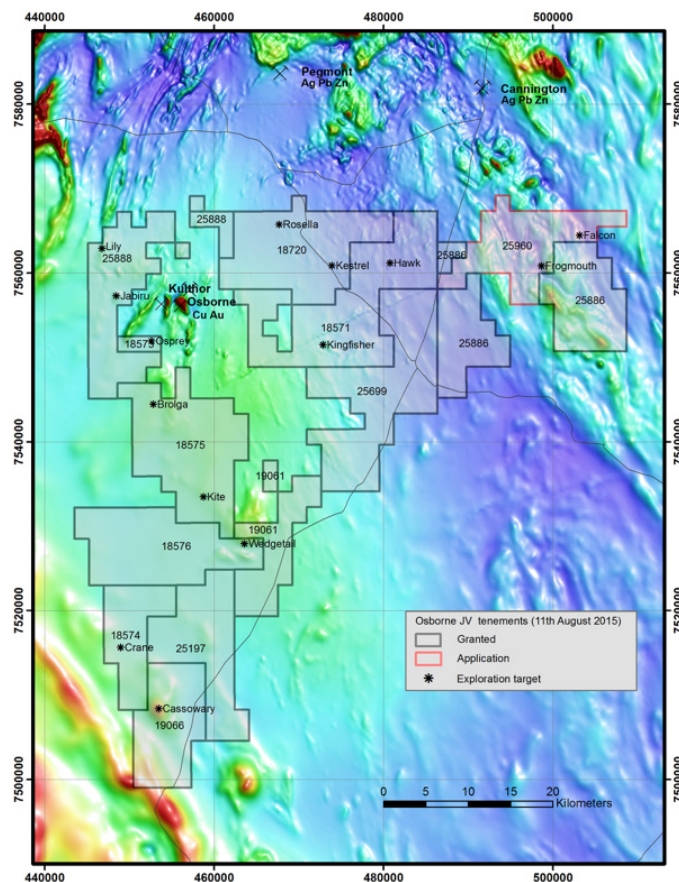


Figure 2: Tenements within the Osborne Joint Venture showing select exploration targets and nearest mines over TMI-RTP magnetic image

Minotaur's approach through the Osborne JV will be to assess the potential for base metal mineralisation using a variety of geophysical techniques including ground gravity, ground EM and IP surveys, before embarking on specific drill programs.

In April 2015, a VTEM Supermax airborne electromagnetic (AEM) survey of the northeast part of the Osborne project area was flown with total funding support from the Geological Survey of Queensland under its Industry Priorities Initiative to identify priority geoscience projects capable of significantly boosting mineral discovery rates within concealed basement areas fringing the Mt Isa Block. Data has been received and is currently being evaluated. Coverage includes over the Rosella target, a 1.5 mgals gravity anomaly with a modelled density of 2.90 g/cm³ and which has a conductive response in the

¹ Queensland Department of Mines and Energy, Taylor Wall & Associates, SRK Consulting Pty Ltd and ESRI Australia, 2000. North-West Queensland Mineral Province Report. Queensland Department of Mines and Energy, Brisbane

VTEM survey data (Figures 2–3). Depth to basement at Rosella is relatively shallow (~50 m) and as there are no historic drill holes in the vicinity, it represents an exciting new target.

The Cassowary target is a discrete 1000 nT magnetic anomaly which has not been previously drill tested (Figure 2). Minotaur was awarded a \$90,000 drilling grant from the Queensland Geological Survey under Round 9 of the Future

Resources Program – Collaborative Drilling Initiative. Funding will assist Minotaur to drill a single deep exploratory hole at Cassowary to appraise its potential for IOCG-style mineralisation.

Rosella and Cassowary represent just two exploration targets identified from evaluation of historic exploration activities and the joint venture partners are very confident that additional targets will be delineated from their new geophysical surveys across the Osborne project area.

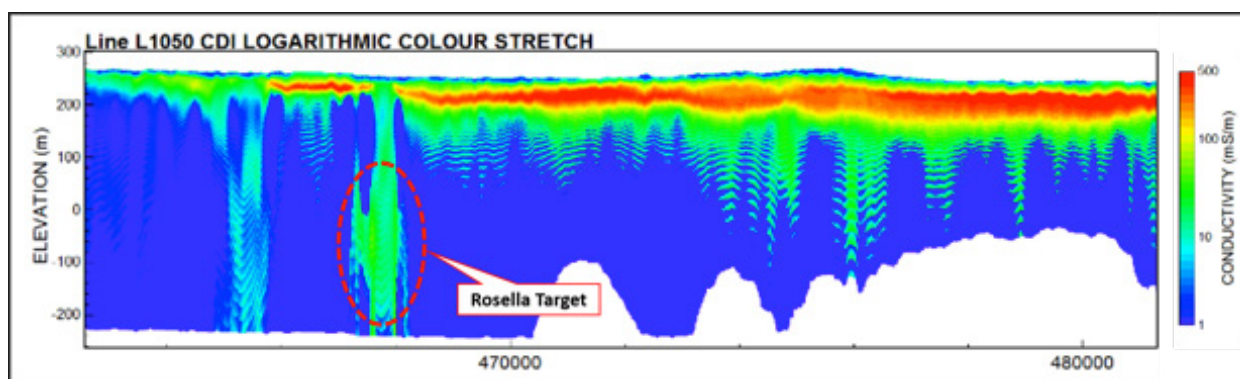


Figure 3: Preliminary model (slice) of VTEM Supermax conductivity data across part of the northern Osborne area showing a basement conductor coincident with the Rosella gravity anomaly

Mining Tenement	Licence No.	Location	Sub-blocks/ Area (km2)
Sandy Creek	EPM18571	Queensland	65 / 208
Momedah Creek	EPM18574	Queensland	25 / 80
Carbo Creek	EPM18575	Queensland	60 / 192
Pathungra Creek	EPM18576	Queensland	50 / 161
Cuckadoo	EPM18720	Queensland	54 / 174
Windsor	EPM19061	Queensland	27 / 87
Lucia	EPM19066	Queensland	34 / 109
Hamilton	EPM25197	Queensland	40 / 129
Warburton Creek	EPM25699	Queensland	62 / 200
Hennes Bore	EPM25886	Queensland	61 / 195
Tripod Tank	EPM25888	Queensland	46 / 147
Jubilee	EPMA25960	Queensland	38 / 122

Table 1: Tenements comprising the Osborne Joint Venture

Relevant Reports to ASX

Technical details pertaining to exploration results, repeated herein, were previously reported to ASX. Refer to:

- Minotaur's March 2015 and June 2015 Quarterly Reports in relation to the Rosella anomaly, and
- Minotaur's June 2015 Quarterly Report in relation to the Cassowary anomaly.

COMPETENT PERSON'S STATEMENT

Information in this report that relates to Exploration Results, is based on information compiled by Mr Glen Little, who is a full-time employee of the Company and a Member of the Australian Institute of Geoscientists (AIG). Mr Little has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity that he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code). Mr Little consents to inclusion in this document of the information in the form and context in which it appears.

For further information contact:

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