MINOTAUR EXPLORATION

ASX Release

Drilling commences in Gawler Ranges (SA) for base metals

Highlights

- A 5,000 m diamond drill program is underway on Minotaur tenements in the southwest Gawler Ranges mapping the hydrothermal and epithermal alteration and mineralisation systems associated with the 1590 Ma Gawler Range Volcanics
- Drilling is part of a collaborative research drill program with the Department of State Development and Deep Exploration Technologies Cooperative Research Centre and will utilise a range of new real-time data collection technologies
- Targets include basal volcanic structures, new EM conductors and magnetic and AMT anomalies below, within and marginal to the Gawler Range Volcanics where no previous drilling has been undertaken
- Drilling of 10 holes is expected to take ~4 months

Alongside the OZ Minerals collaboration agreement unveiled recently[1] this program enhances Minotaur's strong presence in the Gawler Craton of South Australia

Mineral System Drilling Program 2015

Minotaur Exploration is a partner with the Department of State Development (DSD) and Deep Exploration Technologies Cooperative Research Centre (DET CRC) in their Mineral Systems Drilling Program 2015 (MSDP). The South Australian government, through the PACE Initiative, has commited $2.0M to the MSDP directed entirely to the cost of drilling and testing new models and technologies.

The program aims to identify regional signatures of mineral systems utilising real-time data acquisition including Autosonde and Lab-at-Rig® technologies. Rapid drill refinement through instant data modelling will enable accurate vectoring towards mineralisation.

Drilling will target the southwest margin of the Gawler Ranges Volcanic (GRV) province on Minotaur's tenements EL4776 and EL5232 (Figures 1 & 2), to ground truth new models of:

- epithermal Au + Ag mineralisation within lowermost GRV units proximal to major faults,
- hydrothermal Au, Ag, Pb and Zn mineralisation proximal to the Hiltaba Suite granitic pluton.

1 *OZ Minerals and Minotaur collaborate in SA copper search,* ASX Announcement dated 20 October 2013

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Mineralisation models incorporate known styles and geological settings occurring at the Paris Prospect (Investigator Resources Ltd) and Menninnie Dam (Terramin Australia Ltd) to the east along the southern flank of the GRV (Figure 1), and new iron sulphide copper-gold-base metal (ISCG) concepts recently developed by Minotaur at Cloncurry. Mineralisation in the region is sulphide-rich but lacks significant iron oxides - in contrast to haematite-hosted copper and gold mineralisation prevalent at Olympic Dam, Prominent Hill and Carrapateena along the eastern GRV (Figure 1).

Mineralisation at all these sites is of the same age ~1590 Ma, indicating a very large zoned mineralised province with systematic regional variations driven by presently unknown factors.

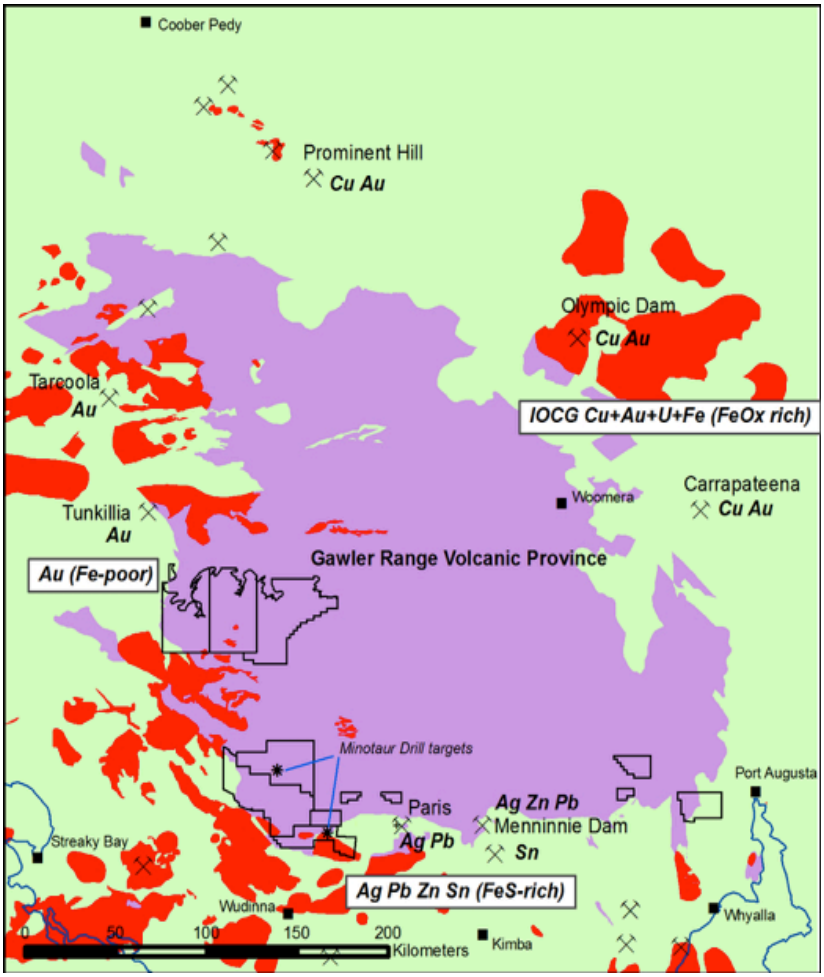

Figure 1: Regional geological setting and distribution of major mines and prospects for the Gawler Range Volcanic Province. Red = Hiltaba Suite, Purple = Gawler Range Volcanics, Pale green = all other geological units

Anomalous soil geochemistry revealed at the Paris Prospect (Figure 1) by Investigator Resources led to the discovery of high-grade silver mineralisation and a maiden resource estimate of 5.9 Mt @ 110 g/t Ag, 0.6 % Pb (Investigator Resources Ltd, 2013[1]).
This discovery gave impetus to a new round of exploration efforts, driven by soil geochemistry, for gold, silver and base metals. However, such techniques cannot "see through" volcanic cover. Furthermore, pre-volcanic basement exposures are limited and extensive Cainozoic alluvial sediments flank the southern Gawler Ranges, all limiting the utility of soil geochemical methods. Minotaur has applied various geophysical survey techniques, including EM (Electromagnetic) and AMT (AudioMagnetoTelluric) surveys, over concealed basement units in order to generate entirely new geophysical anomalies. The anomalies and the mineral alteration system they represent will be drill tested over the next 4 months (Figure 2, Table 1).

Drilling will be supported by a suite of innovative technologies being developed by the DET CRC, including Lab-at-Rig® (XRF geochemistry and XRD mineralogy), Autosonde (downhole geophysical sensing) and Wireless Sub (drilling performance monitoring). For further information on the DET CRC, visit the website at www.detcrc.com.au

1 *Maiden Resource Estimate for Paris Silver Project, South Australia,* Investigator Resources Ltd ASX Announcement 15 October 2013

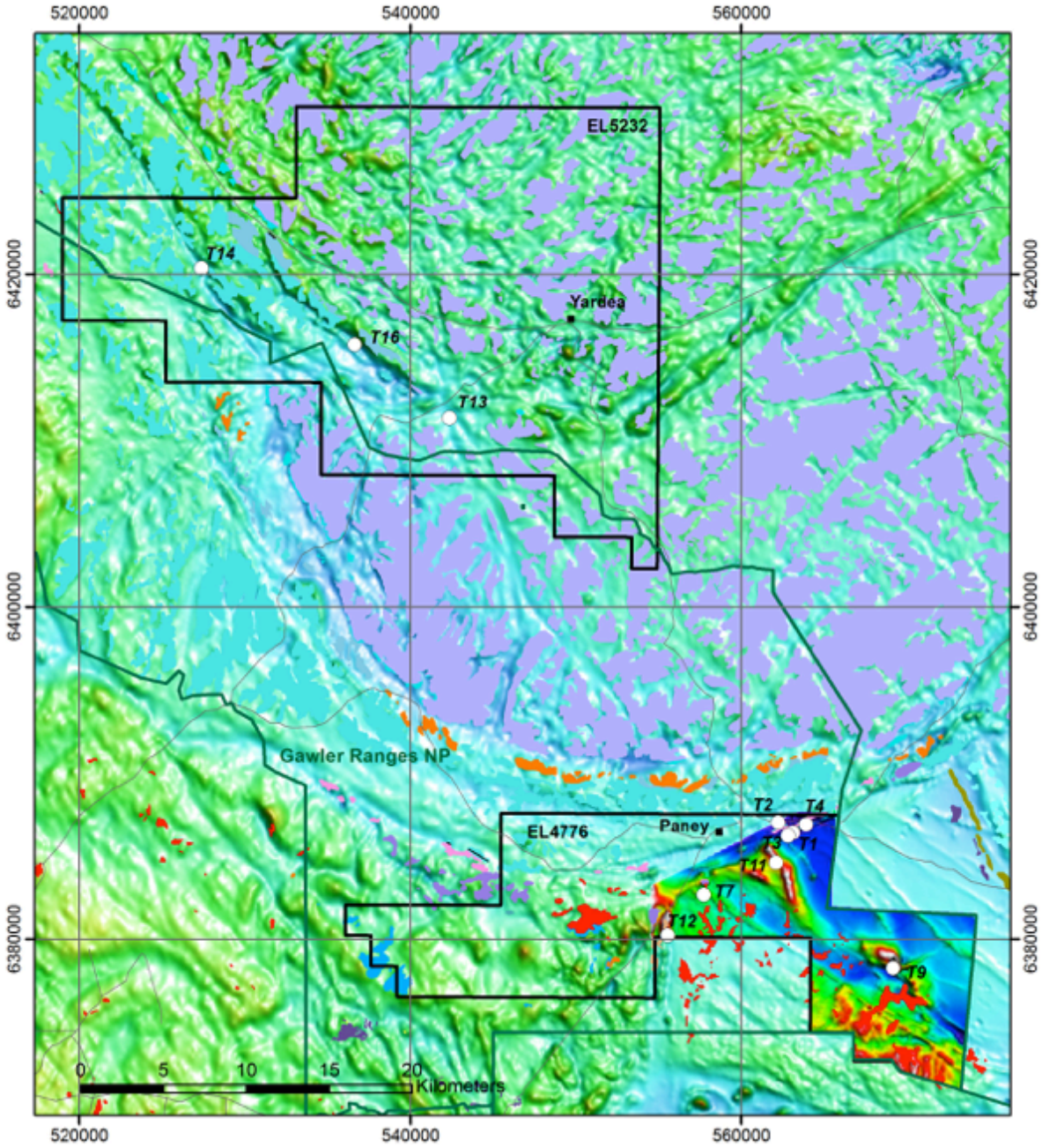

Figure 2: Planned drill targets (pink dots) for EL4776 and EL5232 over regional TMI-RTP magnetic image and basement exposures (pastel colours)

Location	Target ID	Easting	Northing	Dip	Azimuth True	Hole Depth	Geophysical target
EL4776	T1	563132	6386366	65	300	500	Strong EM conductor
EL4776	T2	562245	6386980	60	145	350	Strong EM conductor
EL4776	T3	562830	6386187	56	330	250	Strong EM conductor
EL4776	T4	563915	6386860	60	150	400	Strong EM conductor
EL4776	T7	557728	6382652	60	130	300	EM conductor
EL4776	T9	569176	6378230	50	80	500	EM conductor
EL4776	T11	562110	6384560	60	45	400	EM conductor
EL4776	T12	555564	6380200	60	90	600	EM conductor
EL5232	T13	542358	6411314	50	225	600	AMT anomaly
EL5232	T14	527374	6420351	80	232	800	Fault zone, magnetic low
EL5232	T16	536630	6415745	60	46	600	AMT anomaly

Table 1: Hole collars and parameters for planned drill targets on tenements EL4776 (Mt Double) and EL5232 (Peltabinna). EM = Electromagnetic, AMT = AudioMagnetoTelluric. Coordinates in GDA94 MGA Zone53

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 mineralization 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:

Andrew Woskett
Managing Director

Tony Belperio
Business Development

T +61 8 8132 3400