

Quarterly Report

for the period ending 31 March 2013



www.minotaurexploration.com.au

HIGHLIGHTS

CORPORATE

- \$9.3 million cash on hand at 31 March 2013.
- Evaluation of several Australian gold and copper-gold projects as potential acquisition or joint venture opportunities continues.

PROJECT DEVELOPMENT

- Market responses reveal Carey's Well kaolin is well regarded by several ceramics manufacturers.
- Muster Dam Fe Scoping Study completed. **A robust project is indicated from the strong positive financial result, the high quality of magnetite concentrate product** and the potential for project opex and capex reductions through future process optimisation.

EXPLORATION

- Arthurville JV project (NSW) IP survey completed and a priority Cu-Au target generated for drill testing. Further geophysics and drill testing awaiting formal acceptance of new JV budget and work plan.
- Access to drill-ready base metal targets at Border Project awaits resolution of Native Title issues. The Catch Dam prospect (Border JV, SA) identified as a strong 'ready to drill' IP target. Heritage agreement signed and field survey planned for early in the June quarter.
- Target generation underway at Osborne Project (Qld). IP chargeable anomalies identified at the Osprey target may reflect a southerly continuation of the adjacent Kulthor Cu-Au mine mineralisation. New IP targets analogous to the Osborne Cu-Au mine setting also identified at the Brolga prospect.
- Ground EM surveys underway over priority Cu-Au targets at the Lexington project in the Ararat-Stawell area (Vic).

CORPORATE REVIEW

At 31 March 2013 the Company's market value was \$16.1 million. Cash and term deposits totalled \$9.3 million. Investments in ASX listed companies (*refer later Table for details*) were valued at market at \$3.7 million.

Project related expenditure outflow during the quarter was \$0.8 million (net after joint venture recoveries), relating primarily to geophysical surveys, metallurgical tests, drill investigations, assays, processing trials and contract and salaried employee costs. Expenditure for the June 2013 quarter is forecast to be \$1.5 million.

Negotiations centring on a purchase opportunity related to gold and copper-gold projects were concluded with the seller accepting a superior offer. Discussions around other gold and copper-gold assets were initiated.



REVIEW OF ACTIVITIES



Figure 1: Minotaur Exploration Limited's project locations, Australia.

PROJECT LOCATION	TENEMENT AREA KM ²
NSW [§]	1,200
South Australia [§]	8,660
Queensland [§]	3,750
Victoria	1,780
Total Area	15,390

Table 1: Minotaur Exploration Limited's tenement areas, held 100% or in joint venture[§]



NEW SOUTH WALES

Arthurville Base Metals Project

EL 7588, Minotaur 100%, MMC and MC earning 49%

The Arthurville tenement, located near Dubbo in central NSW, is prospective for porphyry-style copper and gold within the Molong Volcanic belt of the Lachlan Orogen (*Figure 2*). Negotiations for access with land holders enabled an IP survey to be carried out in February. Four targets were surveyed by dipole-dipole IP with one target (A118) generating a priority anomaly for follow-up. Two other targets (A034 and IP1) were unable to be accessed due to delays obtaining land holder approval (*Figure 3*). This has since been resolved and those areas will be surveyed in a second geophysical program awaiting final approval by joint venture partners Mitsubishi (MMC, Mitsubishi Materials Corporation and MC, Mitsubishi Corporation). The finalised targets will be drill tested later in the year.

Dubbo Project

EL 7929, ELA 4720, ELA 4722, ELA 4723, Minotaur 100%

In addition to the existing Wallaby Creek tenement west of Dubbo, three tenement applications encompassing 329 km² cover portions of the highly prospective Ordovician Molong Volcanic Belt which regionally contains several major copper and gold deposits, notably Cadia and North Parkes (*Figure 2*). In addition to the review on Smoky Camp (ELA 4720) reported last quarter, work continued this quarter on compilation of the geology and previous exploration on the Mt Mumble and Summerhill ELAs (4722 and 4733). Targets derived from this work will be incorporated with conceptual stratigraphic and structural targets and prioritised for follow-up once the tenements are granted.

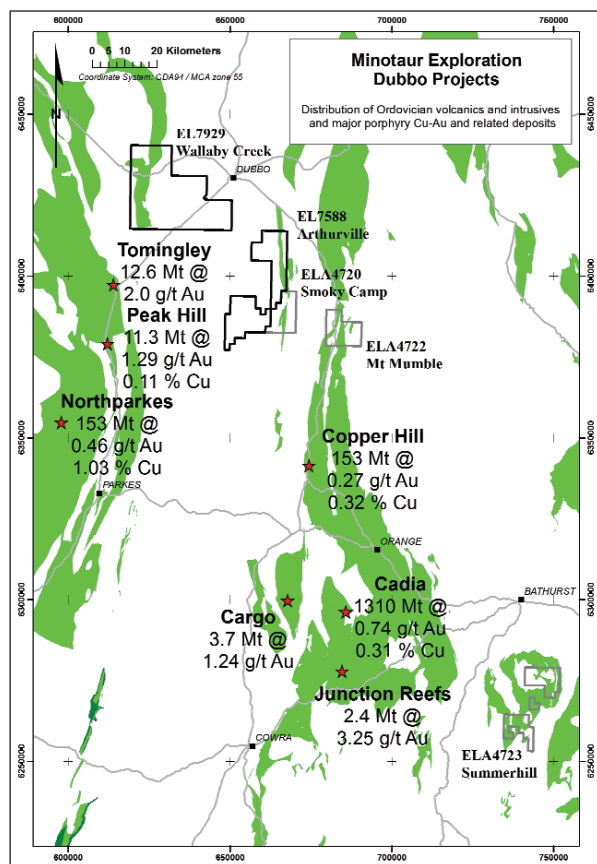


Figure 2: Location of Arthurville JV (EL7588), Wallaby Creek (EL7929) and new tenement applications, Dubbo – Orange district.

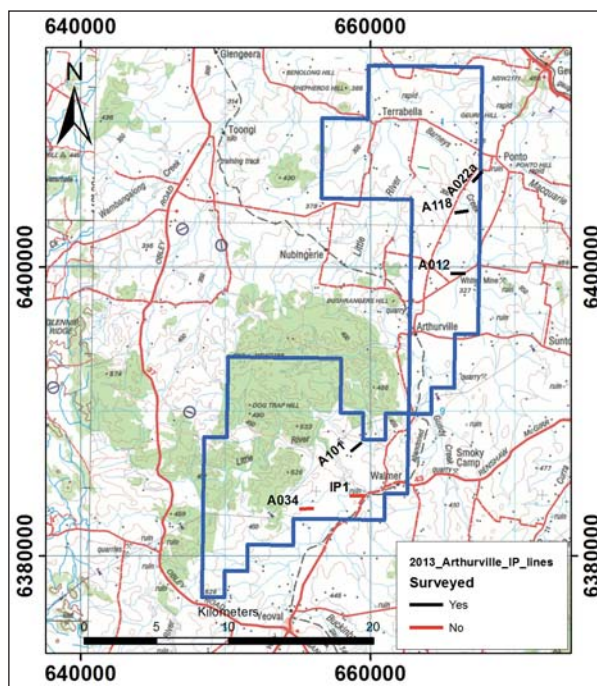


Figure 3: Targets on EL7588 and planned/completed 2013 dipole-dipole IP lines.



SOUTH AUSTRALIA

Bonython Hill Project

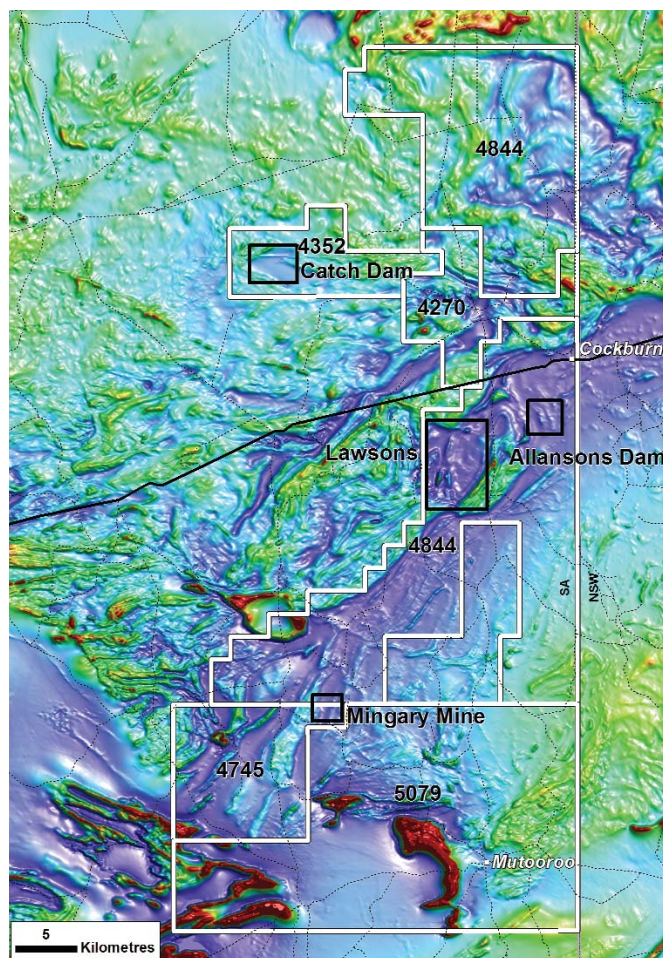
EL 4745, Minotaur 100%

Despite completion in 2012 of a Heritage Clearance Agreement with, and site clearances by, the Wilyakali Native Title claimants, access to drill test geochemical and geophysical targets near the historic Mingary mine workings (*Figure 4*) was delayed by recently introduced DMITRE policies that now require completion and registration of a Part 9B Native Title agreement or a Native Title determination. Minotaur applied to the Environment Resources and Development (ERD) Court for a Native Title determination under Section 63N of the Mining Act to allow exploration activities. A positive determination was made by the ERD Court in April, enabling exploration activities to resume once an Exploration Work Approval is given by DMITRE.

Border Base Metals Project

EL 4270, 4352, 4844, 5079, Sumitomo 59.1%, Minotaur 40.9%

Statutory approvals to drill test promising base metal and gold targets at the Allansons Dam and Lawsons prospects (*Figure 4*) are delayed due to the new DMITRE policy, as described above and, in addition, by an objection by South Australian Native Title Services Ltd (SANTS) and the Minister for Resources & Energy to Minotaur having sought a section 63N determination under Part 9B of the South Australian Mining Act, 1971. The objection by SANTS was made despite the Company having entered into a legally binding agreement with the Wilyakali Native Title claim group (negotiated through SANTS) and then having completed and accepted heritage site clearances under that agreement.



The Company could have sought a Section 63N determination immediately after the expiry of the statutory two month notification period under the Mining Act and before expiry of the prior exploration licences. Instead, it entered into good faith negotiations with the newly registered Wilyakali Claimants (whose claim was registered after the expiry of the statutory two month notification period) and reached a mutually acceptable agreement that captures the subsequently renewed exploration licences. This matter is now before the ERD court.

In a separate but similar matter to the above, the Catch Dam target on EL4352 falls within the Adnyamathana People Native Title Group claim area. A heritage clearance agreement was completed with the Adnyamathana People and a heritage survey is anticipated shortly. However, DMITRE's new policy, that it will not grant approval for drilling unless a Part 9B native title agreement is completed and registered, will delay on ground activity and will significantly increase compliance costs.

Figure 4: Select base metal prospects for the Border JV and Bonython Hill with respect to the regional magnetic image.



SOUTH AUSTRALIA

Mutooroo Magnetite Project

EL 5079, Sumitomo 59.1%, Minotaur 40.9%

The Muster Dam magnetite project is located on the Mutooroo Exploration Lease EL5079 in South Australia, approximately 75km directly SW of Broken Hill (145km by road) (*refer Figure 5*). Muster Dam is one of several similar iron mineralised deposits within EL5079.

Minotaur completed a Scoping Study to assess the proposed Muster Dam magnetite project. Additional metallurgical work carried out by Battery Limits was incorporated. That test work: confirmed that dry cobbing may be economically beneficial; confirmed the soft grinding properties of the ore, and; confirmed the potential for an additional 5% Fe mass recovery from the haematite portion of the ore resulting in a magnetite + haematite circuit mass recovery of $\approx 20\%$ overall. The magnetite + haematite circuit Fe recovery in concentrate is $\approx 66\%$ of total Fe in the ore. Silica levels at 5% are acceptable and can potentially be lowered through washing in the final LIMS stage, or using reverse flotation. Additional test work is required to confirm this.

The Scoping Study is a significant step in establishing the project's commercial potential. It revealed a **robust project** delivering a **strong positive financial result, output of high quality magnetite concentrate product** and the potential for reductions in opex and capex costs through future project optimisation. Confidence in the result is reinforced by reference to pre-feasibility study results published for other Braemar Iron Formation projects, by Carpentaria Resources Ltd (ASX: CAP) for its Hawson's Iron Project (adjacent to the Muster Dam deposit) and by Royal Resources Ltd (ASX: RRL) for its Razorback Premium Iron Project.

The Border Joint Venture partners, Sumitomo Metal Mining Oceania (SMMO, 59.1% and MEP, 40.9%) have determined, upon the positive study results, to seek formal expressions of interest to invest in the project. Accordingly, an external consultant has been appointed to market the opportunity and to attract a buyer for the project or a financing partner. Early responses from a range of steel producers and financiers indicate potential interest and preliminary discussions have started with several parties.

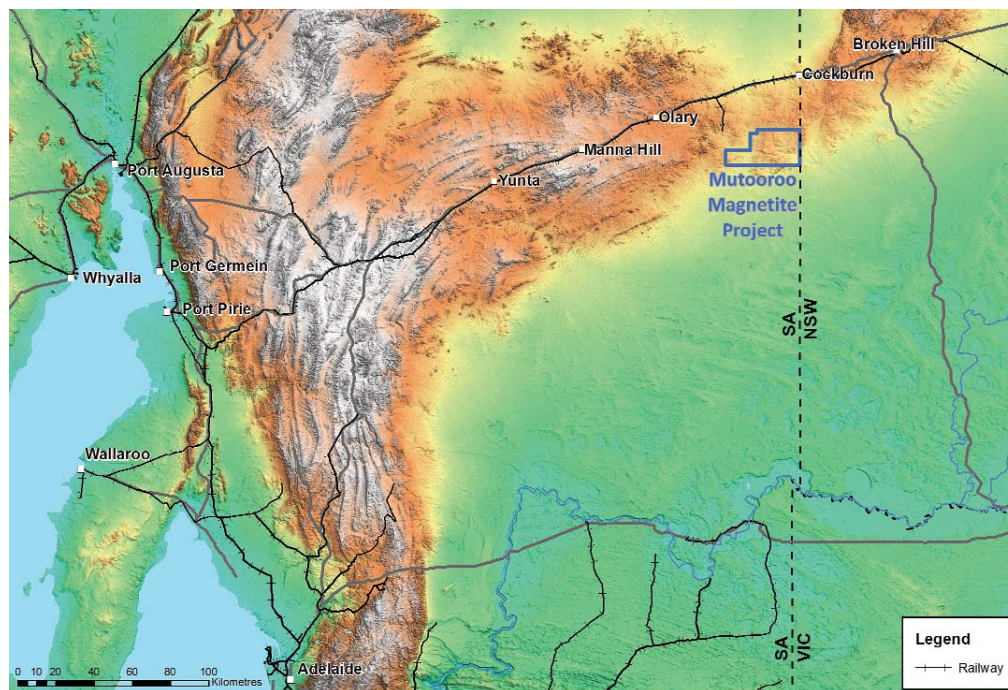


Figure 5: Location of the Mutooroo magnetite deposits in South Australia.



SOUTH AUSTRALIA

Mutooroo Magnetite Project continued

A JORC Inferred Resource of 1.5 billion tonnes at 15.2% DTR magnetite (at 10% DTR cut-off, refer Table 2) was previously reported¹ for Muster Dam. Metallurgical testwork indicates the potential to recover 225Mt of magnetite concentrate plus an additional 75Mt of hematite concentrate.

Table 2: Muster Dam JORC Inferred resource summary (at 10% DTR cut-off)

Fe Resource			Concentrate Grade					
JORC Category	Billion Tonnes	Magnetite DTR %	Fe %	Al ₂ O ₃ %	P ₂ O ₅ %	S%	SiO ₂ %	LOI %
Inferred	1.5	15.2	69.8	0.4	0.002	0.002	2.8	-3.3

Additional to the Muster Dam resource an Exploration Target² of 2.2 to 4.2 billion tonnes at 15%-18% DTR (at nominal 10% cut-off grade)³ was estimated for the other target areas within the Exploration Lease, indicating the potential to recover a further 330 to 750 million tonne of magnetite concentrate.

The Scoping Study, completed in the March 2013 quarter, estimated an NPV (9%) of A\$800M based on the parameters below (Table 3).

Table 3: Muster Dam Scoping Study parameters

MUSTER DAM	STUDY PARAMETERS
Project Life	25 years
Material mined	1478 Mt ore; 1773 Mt waste rock; 3251 Mt total
Mining method	Open pit utilising conventional drill and blast, shovel and truck extraction to in-pit crushing & conveying of both ore & waste rock
Mining rate	62 Mtpa ore + ~74 Mtpa waste (average) Waste: Ore ratio = 1.2:1
Concentrate, LoM	297 Mt of magnetite & hematite concentrate averaging 67.4% Fe
Concentrate, annual average	~12.5 Mtpa (dry) concentrate comprising 10 Mtpa magnetite concentrate plus 2.5 Mtpa hematite concentrate at full production rate
Mass recovery	Overall ~20% (15-16% magnetite concentrate and 4-5% hematite concentrate)
Process	Primary ore stockpile; secondary crushing; high pressure grinding rolls; dry & wet magnetic separation; ball & tower milling; concentrate filtering & washing; separate hematite wet circuit. Rail transport of concentrate to new Cape size port near Wallaroo.
Capex	Estimated within an accuracy range -15% to +30% with most likely cost of A\$4.2 billion, comprising \$3.45 billion to mine gate and \$750M for rail and Cape size port.
Opex (LoM average)	~A\$59/dmt mine gate; ~A\$75/dmt FOB
Concentrate price (long term)	USD95/tonne CIF Chinese port. Includes premium of USD4/t/%Fe above 62% Fe. No additional premium for low levels of deleterious element.
USD:A\$ exchange rate	1:0.82 (long term)
Royalties	MRRT included
Taxes	All Australian company taxes included
Energy costs	Power: A\$91.19/MWh Diesel fuel: \$0.96/litre (after Government rebate)
Project schedule	3 year construction & 2 year ramp-up to nameplate capacity
Gearing	65%

¹ Minotaur Exploration Limited ASX release dated 24 November 2011 'Maiden JORC resource of 1.5 billion tonnes for Muster Dam deposit at the Mutooroo Magnetite Project'.

² The term "Exploration Target" should not be misconstrued as an estimate of Mineral Resources and Reserves as defined in the JORC Code (2004), and the term has not been used in that context. The term is conceptual in nature and it is uncertain if further exploration will result in the determination of a Mineral Resource.

³ Minotaur Exploration Ltd ASX Release dated 20 February 2012, 'Exploration target upgraded for the Mutooroo Magnetite Project'.



SOUTH AUSTRALIA

Mutooroo Magnetite Project *continued*

The Scoping Study identified potential improvements to be made in capex/opex costs through further study into: concentrate transport in a slurry pipeline to the port site; concentrate trans-shipment; increased overall pit wall slope; and process optimisation. Assessment of these and other cost reduction initiatives will be required as part of the next stage of feasibility studies.

Poochera Kaolin Project

EL 4575, 4697, 5016, ELA 2012/230, Minotaur 100%

As part of the ongoing assessment of the Carey's Well kaolin deposit, investigations into the halloysite to kaolinite distribution within the deposit have been undertaken through CSIRO. Kaolinite and halloysite are the two principal forms of kaolin with the latter having a tubular rather than a platy form. Testing to date on 165 samples from 42 Air Core and 6 Calweld drillholes indicates that large parts of the deposit may be characterised as low halloysite content (44% of samples having $\leq 10\%$ halloysite), other parts as moderate halloysite content (29% of samples $> 10\%$, $\leq 25\%$ halloysite) and the remainder as high halloysite content (27% of samples $> 25\%$ halloysite).

The samples prepared to date for market evaluation have been sourced from feedstock containing approximately 50% kaolinite and 50% halloysite which are more suited to the ceramics industry.

Independent industry feedback continues to be received on market samples distributed to potential international customers. The feedback from manufacturers in the ceramics industry is extremely positive with requests for pricing and timing on project development. Manufacturers in other market sectors have requested samples with lower halloysite levels in order to be able to assess the suitability of Carey's Well material for their specific end uses. Samples for these sectors will be prepared in the next development phase of the project.

Camel Lake Project

EL 5095, Minotaur 100%

A kaolin deposit dominated by halloysite occurs within the Camel Lake project area. Global research interest into new and innovative uses of this natural nanotube is intensifying. Minotaur is actively seeking applied research partners for Camel Lake. There are only two commercially exploited Halloysite deposits worldwide.

Sceales Gypsum Project

EL 4203, Minotaur 100%

The Lake Purdilla Gypsum Deposit⁴ has an Exploration Target⁵ of 50–60 Mt at 85–90% gypsum and average thickness of 2.8m and average overburden thickness of only 0.18m (refer MEP ASX Announcement 2nd March 2012). Discussions are underway with potential joint venture partners.

Coober Pedy Project

EL 4980, 4981, Minotaur 100%

No significant developments during the Quarter.

⁴ Refer MEP release to ASX dated 2 March 2012, *Exploration Target determined for Lake Purdilla Gypsum Deposit*, for methodology and accompanying Competent Persons statement.

⁵ The term "Exploration Target" should not be misconstrued as an estimate of Mineral Resources and Reserves as defined in the JORC Code (2004), and the term has not been used in that context. The term is conceptual in nature and it is uncertain if further exploration will result in the determination of a Mineral Resource.



SOUTH AUSTRALIA

Central Gawler Ranges Project

EL 5096, 5097, ELA 2012/244, Minotaur 100%

The Company continued to refine new exploration models, concepts and technologies for exploration for epithermal gold-silver and IOCG style mineralisation through barren volcanic overburden.

Southern Gawler Ranges Project

EL 4776 Spencer Resources 70%, Minotaur 30%; EL4696, 4708, 4843 Spencer Resources 80%, Minotaur 20%

Planning and access formalities continue for on ground follow up of potential silver-lead-zinc targets identified by an airborne geophysical survey (VTEM) over a part of EL 4776 (Mt Double).

North Flinders Project

ELs 4388, 4478, 5117, ML 4386, Minotaur 10%, Perilya 90%

Perilya Limited advised that it had achieved the expenditure required for an 80% equitable interest in the North Flinders JV tenements. Minotaur elected to convert its 20% contributing interest into a free-carried 10% interest.

QUEENSLAND

Minotaur's main area of exploration activity is in the renowned Cloncurry copper belt of North Queensland where an extensive (3,750km²) package of tenements highly prospective for iron-oxide, copper-gold mineralisation has been assembled over the past several years (Figure 6).

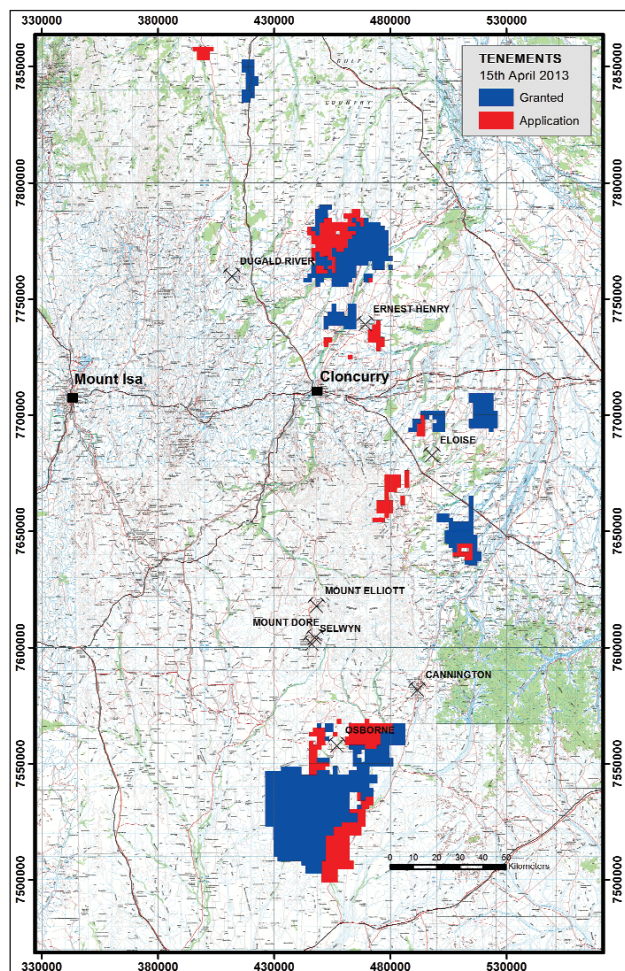


Figure 6: Location of Minotaur tenements (granted and under application) in the Cloncurry region of North Queensland.



QUEENSLAND

The 2013 work programme across the Cloncurry district is presently mapped out as shown in the following graphics (Figure 7 & Figure 8).

Cloncurry IOCG Projects – 2013 Timeline			
OSBORNE AREA (MEP 100%)			
Osprey IP Targets			
MARCH QUARTER Second round Ground IP surveys	JUNE QUARTER <ul style="list-style-type: none"> Interpret IP Data Model Conductors Design Drill Profiles Obtain Heritage Clearances to sites Drill 2 x Diamond holes 750m 	SEPT QUARTER <ul style="list-style-type: none"> Submit Core for Assay Receive Assay Results Interpret Results Publish Results Engage JV partner 	DEC QUARTER <ul style="list-style-type: none"> Next round of Ground IP surveys Interpret IP Data Refine Drill hole design Prepare next round of drilling Publish report
Brolga IP Targets			
MARCH QUARTER Start Ground IP surveys	JUNE QUARTER <ul style="list-style-type: none"> Complete IP survey Interpret IP Data Model Conductors Obtain Site Heritage Clearances Obtain Landowner access agreements 	SEPT QUARTER <ul style="list-style-type: none"> Drill Diamond hole 400m Submit Core for Assay Receive Assay Results Interpret Results Publish Results Engage JV partner 	DEC QUARTER <ul style="list-style-type: none"> Follow up Ground IP surveys Interpret IP Data Refine Drill hole design Prepare next round of drilling Publish report
Wedgetail IP/Gravity Targets			
MARCH QUARTER	JUNE QUARTER <ul style="list-style-type: none"> Complete IP & Gravity surveys Interpret IP Data Model Conductors Obtain Site Heritage Clearances Obtain Landowner access agreements 	SEPT QUARTER <ul style="list-style-type: none"> Drill Diamond hole 350m Submit Core for Assay Receive Assay Results Interpret Results Publish Results Engage JV partner 	DEC QUARTER <ul style="list-style-type: none"> Follow up Ground IP surveys Interpret IP Data Refine Drill hole design Prepare next round of drilling Publish report
Bustard, Ibis, Crane Gravity Targets			
MARCH QUARTER	JUNE QUARTER <ul style="list-style-type: none"> Complete Gravity surveys Interpret Gravity Data Modeling of anomalies & define targets Obtain Site Heritage Clearances Obtain Landowner access agreements 	SEPT QUARTER <ul style="list-style-type: none"> Plan Ibis Diamond hole 350m 	DEC QUARTER

Figure 7: Summary Timeline of 2013 activities, Cloncurry district.



QUEENSLAND

Cloncurry IOCG Projects – 2013 Timeline			
JOGMEC JV (MEP 49%)			
Cotswold Targets			
MARCH QUARTER JV Work Plan & Budget	JUNE QUARTER <ul style="list-style-type: none"> Landowner consultation Ground Geophysics 	SEPT QUARTER <ul style="list-style-type: none"> Obtain Site Heritage Clearances Drill 2 x Diamond hole 900m Submit Core for Assay Receive Assay Results 	DEC QUARTER <ul style="list-style-type: none"> Interpret Results Publish Results
Cormorant/regional Targets			
MARCH QUARTER JV Work Plan & Budget	JUNE QUARTER <ul style="list-style-type: none"> Landowner consultation Ground Geophysics 	SEPT QUARTER <ul style="list-style-type: none"> Ground Geophysics Obtain Site Heritage Clearances Drill 4 x Diamond hole 1500m Submit Core for Assay 	DEC QUARTER <ul style="list-style-type: none"> Receive Assay Results Interpret Results Publish Results

Figure 8: Summary Timeline of 2013 activities, JOGMEC JV Cloncurry district.

Cloncurry Joint Venture (JOGMEC JV)

EPM 8608, 12463, 14296, 16479, 16594, 16927, 16975, 16977, 17286, 18017, 18068, 18268, 18283, 18367 (JOGMEC 51% Minotaur 49% except EPM 8608 & 12463 with Royalty by BHPBilliton)

A Joint Venture meeting reviewed the geophysical and drilling data collated for the previous 12 months (to April 2013), with specific focus on the Cormorant and Cotswold prospect areas. Minotaur, as manager, recommended a 2013/14 exploration program and budget including further drilling at Cotswold and Cotswold West magnetic anomalies (Figure 9), drilling at Cormorant South, and additional geophysical surveys northeast of Cormorant on a distinct linear positive gravity anomaly. This geophysical feature is on tenement EPM 18068, finally granted after 3½ years under application. Approval by JOGMEC of its joint venture contribution is expected in the June Quarter.

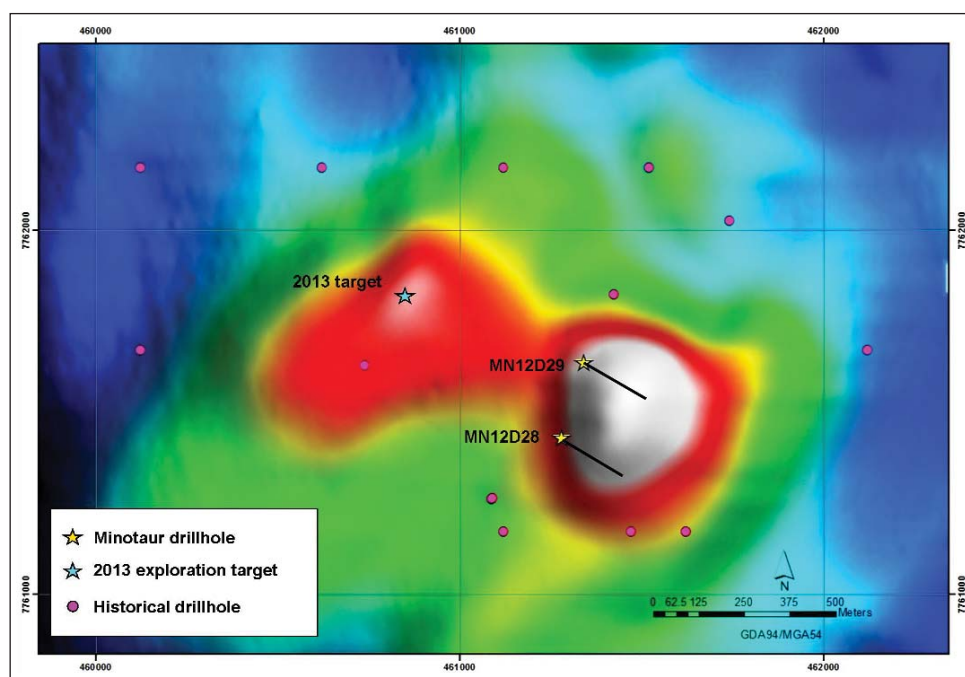


Figure 9: TMI-RTP magnetic image for the Cotswold target (JOGMEC Cloncurry JV) showing Minotaur 2012 drill holes (and drill traces) into eastern magnetic anomaly and yet-to-be drilled western magnetic anomaly.



QUEENSLAND

Osborne, Eloise and Ernest Henry Copper Projects, Cloncurry

EPMS 18315, 18624, 18802, 19096, 19205, 19500; EPMA 18317, 18861, 19383 (competing), 19412, 19505, 19690 (competing), 19775, 19848, 25237, 25238. Osborne Area: EPMS 18571, 18572, 18573, 18574, 18575, 18576; EPMA 18720, 19050, 19061, 19066, 25237, 25238.

Field work recommenced on the Osborne area tenements, ~150 km south of Cloncurry (Figure 6), to follow up high-priority geophysical targets reported last Quarter. IP and gravity crews are progressively conducting surveys at the Osprey, Brolga, Wedgetail, Bustard, Ibis and Crane prospects (Figure 10). New IOCG style exploration targets within sulfide-rich and/or hematite-rich settings have been generated to date at Osprey, Brolga and Wedgetail. Survey work continues at Bustard, Ibis and Crane.

IP surveys at the Osprey prospect have now tracked two significant chargeable anomalies southwards for over 800m. In total, four positive chargeable anomalies were recorded, with the strongest being the eastern most anomaly (Figure 11). These anomalies are believed to represent southward extensions of known mineralisation at and around Ivanhoe Australia's (ASX: IVA) Kulthor Mine (Figure 11).

The first IP line at the Brolga prospect revealed a series of entirely new positive chargeability anomalies (Figure 11) and of these the largest and most intense occurs on Line 50000E at a depth of ~100m (Figure 12). Also present in a favourable structural and stratigraphic position is a smaller discrete anomaly on the eastern end of Line 744100N. This success in generating new targets confirms the interpreted geological-mineralisation model and a second parallel survey line is currently underway in order to better delineate the conductors and their magnitude.

Two reconnaissance IP survey lines at the Wedgetail prospect were completed and a positive anomaly recorded on the eastern line. An associated detailed gravity survey was completed and data evaluation and integration are in progress.

A regional gravity survey over the Bustard, Ibis and Crane prospects (Figure 10) was completed and data processing is in progress.

Three new EPM applications were accepted by the DNRM this quarter (Figure 6). EPMA 25197 (Hamilton) covers the southern extension of the gravity anomaly at the Wedgetail prospect. EPMA 2523 (Levuka) and EPMA 25238 (Saxby) cover prospective structures and stratigraphy to the north and southwest of the Eloise Cu-Au deposit.

NOTE: IP (Induced Polarisation) is a ground based geophysical technique probing the subsurface electrical response to detect zones potentially hosting disseminated base metal sulphide mineralisation associated with a positive IP chargeability anomaly. Non-economic sulphide mineralisation may also give an IP response. A **Gravity survey** is a geophysical technique that maps the subsurface distribution of rock density. It is a useful targeting tool as mineralised bodies are usually denser than the host rocks that contain them.



QUEENSLAND

Minotaur Cloncurry Project continued

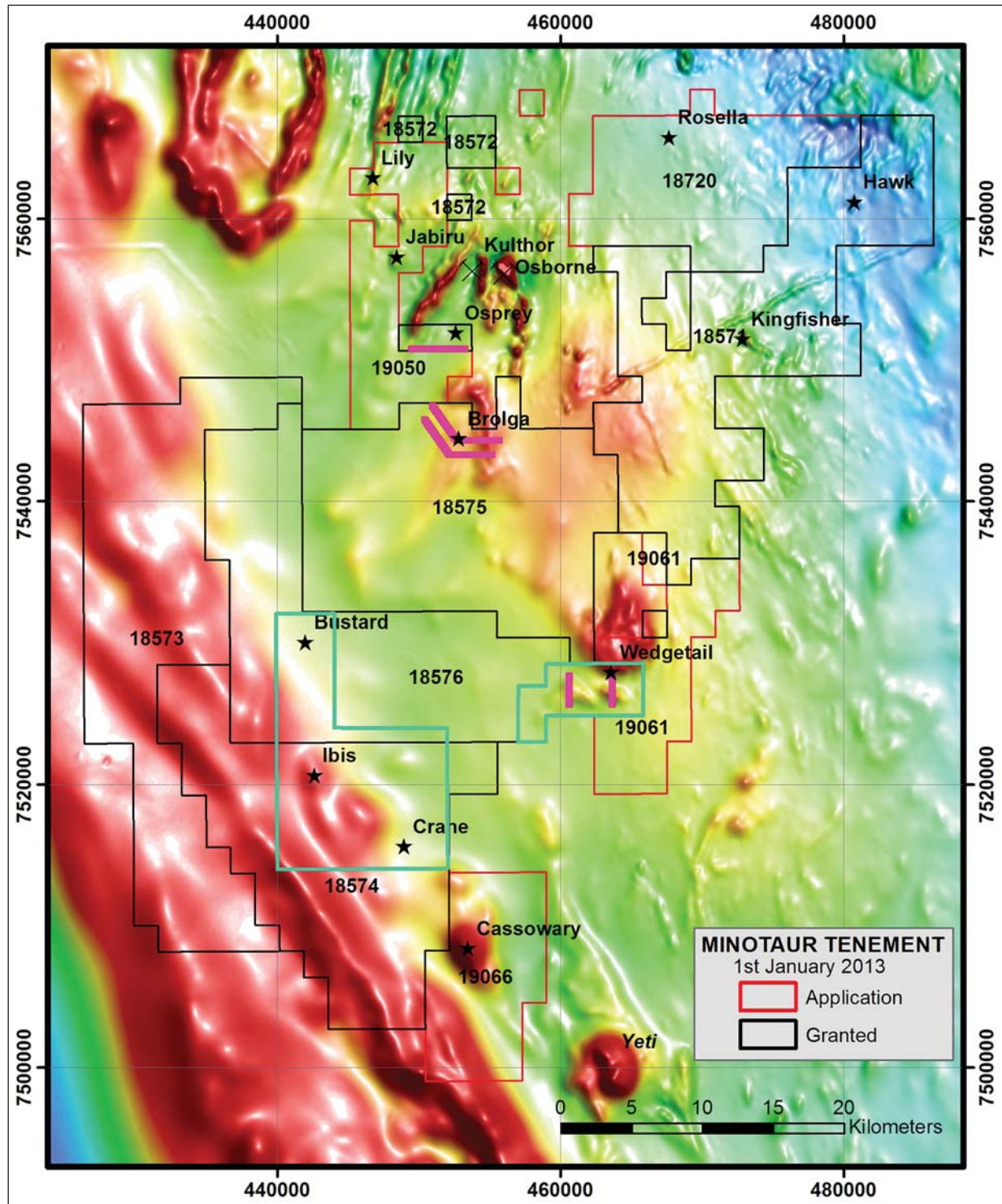


Figure 10: Regional TMI-RTP magnetic image and current geophysical programmes for the Osborne region which include IP traverses (purple lines) and regional gravity surveys (areas bound by aquamarine lines). Exploration prospects are shown as black asterisks.

QUEENSLAND

Minotaur Cloncurry Project continued

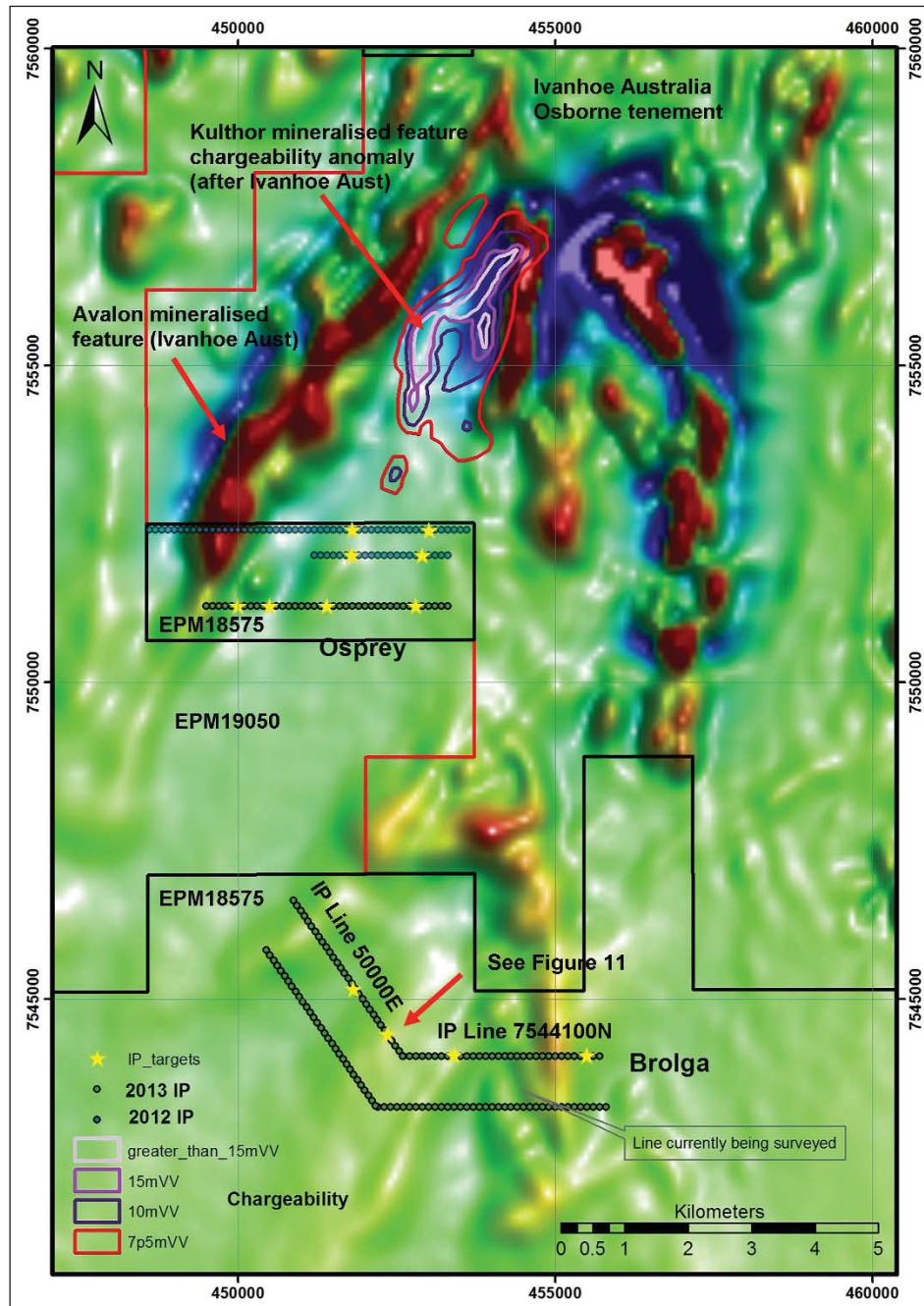


Figure 11: Regional TMI-RTP magnetic image showing locations of IP survey lines and positive chargeable anomalies (yellow asterisks) at the Osprey and Brolga targets. Also shown are contoured IP chargeability anomalies (in millivolts/volt) over Ivanhoe Australia's Kulthor mineralisation (adapted from: IVA Quarterly Report December 2012).

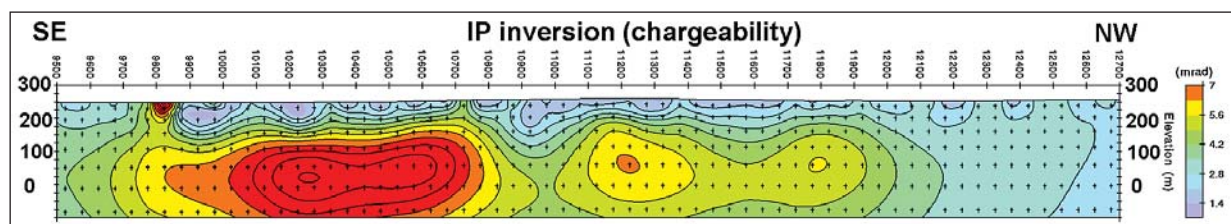


Figure 12: Chargeability section for IP Line 50000E at the Brolga target showing new positive chargeability anomalies (units in milliradians).



VICTORIA

Victorian Copper Project

EL 5253, 5296, 5402, 5403, ELA 5450 Minotaur 100%

Generative work for copper-gold targets associated with Cambrian volcanic sequences in the Stavelly Volcanic belt included processing and evaluation of historic airborne VTEM survey data that coincides with part of tenement EL 5403 (Lexington). Review and field checking highlighted seven priority anomalies. One of these continued outside the eastern boundary of EL5403 Lexington. This ground was secured with the EL application 5450 (Roxborough), granted this Quarter (Figure 13).

Access has been obtained to four of the anomalies and ground EM surveying was underway at end of the Quarter. Survey data will be assessed to define a drilling recommendation.

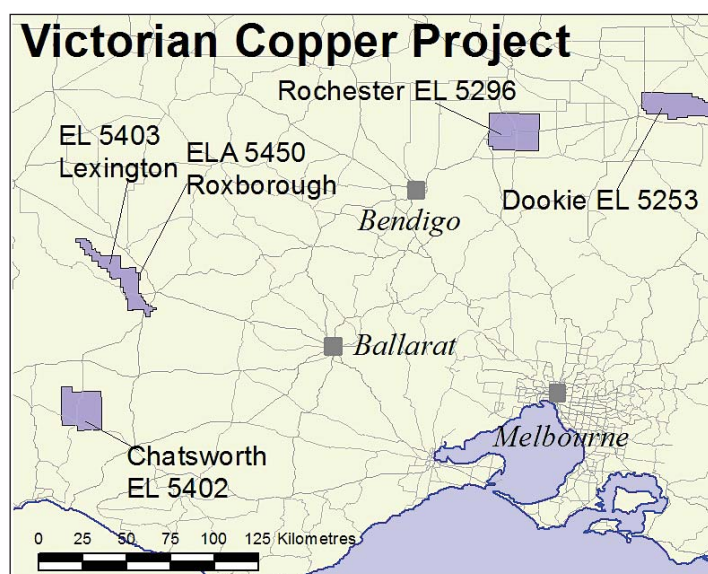


Figure 13: Tenements in central and western Victoria making up the Victorian Copper project.

NOVA SCOTIA, CANADA

Copper Lake

EL 6914 Blackfly Exploration 100%, Minotaur Option to Purchase

No activity this Quarter.

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 2004 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.



INVESTMENTS

Minotaur maintains exposure to a diverse range of exploration and energy prospects through its holdings in junior listed companies.

At the end of March those investments were valued at market at \$3.7 million, as shown in the following Table.

Company	ASX Code	Holding at 31 Dec 2012	Minotaur %	Closing Price @ 31 Dec	Closing Value
ActivEX	AIV	4,549,129	2.1%	\$0.016	\$72,786
Mithril	MTH	21,416,667	9.8%	\$0.049	\$1,049,417
Mungana	MUX	3,076,923	1.9%	\$0.27	\$830,769
Petratherm	PTR	30,000,000	17.0%	\$0.023	\$690,000
Platsearch	PTS	8,000,000	4.6%	\$0.61	\$488,000
Spencer	SPA	850,000	4.3%	\$0.085	\$72,250
Thomson	TMZ	10,000,000	14.3%	\$0.052	\$520,000
TOTAL					\$3,723,222

Table 4: Summary of Investments in ASX Listed companies.

A brief discussion on each investment is given below.

ActivEX Ltd (ASX: AIV)

ActivEX received an expression of interest from its major shareholder to acquire all remaining shares in the company. Directors recommended that shareholders take no action until the board has received and assessed an Independent Expert Report.

The Company holds 4,549,129 shares (2.1%) in ActivEX. www.activex.com.au

Mithril Resources Ltd (ASX: MTH)

Mithril's primary focus is copper-gold exploration at the Yambah area north of, and at the Illogwa area east of, Alice Springs, covering ~6,000km². Yambah represents a priority VMS target, last drilled in 1983. Mithril is following up on the historic copper drill results with a ground based EM survey in the June quarter. Within the Illogwa target area a strong 800m long IP chargeability zone previously detected at the Mini Me prospect is ready to drill in the September quarter.

The December quarter RC drill program to test potential at the Spargos Reward gold mine west of Kambalda, WA highlighted the economic potential at Spargos and also at the Evans Prospect 3.3km south of the mine. Assay results issued on January 21 included 14m @ 6.75g/t Au and 8m @ 10.3g/t Au. Mithril is working to estimate an initial gold resource by the September quarter.

The Company holds 21,416,667 shares (9.75%) in Mithril. www.mithrilresources.com.au

Mungana Goldmines Ltd (ASX: MUX)

Mungana advanced a pre-feasibility study into open pit mining of the Tunkillia 800,000 ounce gold resource towards completion. By end of 2012 Mungana had earned 70% of the Tunkillia project.

The Company holds 3,076,923 shares (1.91%) in Mungana. www.munganagoldmines.com.au



INVESTMENTS continued

Petratherm Ltd (ASX: PTR)

Petratherm continues to refine its Paralana and Tenerife projects. Petratherm is awaiting the outcome of its \$13 million grant application under the Federal Government's Emerging Renewables Program to assist funding the next stage of the Paralana project. At the volcanic hosted Tenerife geothermal project further magneto-telluric work, funded under the Spanish government Geothercan initiative, is underway to better identify potential drilling targets.

The Company holds 30,000,000 shares (17%) in Petratherm. www.petratherm.com.au

PlatSearch NL (ASX: PTS)

Platsearch established an office and geological team in France in order to pursue minerals prospects in Europe. It is also seeking projects in South America.

The Company holds 8,000,000 shares (4.56%) in PlatSearch. www.platsearch.com.au

Spencer Resources Ltd (ASX: SPA)

Spencer Resources is assessing potential silver-lead-zinc targets in the southern Gawler Ranges margin (Mt Double EL 4776) initially generated from an airborne VTEM survey.

The Company holds 850,000 shares (4.26%) and 425,000 options in Spencer Resources.
www.spencerresources.com.au

Thomson Resources Ltd (ASX: TMZ)

Thomson Resources is exploring for Cobar-style targets and intrusive related gold (IRG) systems within the Thomson Fold Belt and Cobar district of northwest NSW. Thomson identified six IRGs along a 40km zone at Cuttaburra. RC drilling started late in March on 3 geophysical anomalies: F1 (Falcon IRG); Bulla Park (Cobar style base metal target) and; Mulga Tank (VMS copper target).

The Company holds 10,000,000 shares (14.25%) and 1,500,000 options in Thomson Resources.
www.thomsonresources.com.au

www.minotaurexploration.com.au