MINOTAUR EXPLORATION

23 July 2018

ASX Release

Field work initiated at Highlands Cu project, Mt Isa

- Acquisition of Highlands tenements near Mt Isa completed
- Purchase bolsters Minotaur's base metals exploration portfolio
- Initial field assessment over several VTEM anomalies shows surface geology to be mineralised
- Site establishment work underway for EM surveys to proceed in August
- 1,200m drilling program of scout RC holes to commence in September

Acquisition Completed

Minotaur Exploration Ltd (ASX: MEP, 'Minotaur') is pleased to announce completion of its purchase[1] of nine Exploration Permit(s) for Minerals, collectively known as the 'Highlands Project', from Syndicated Metals Ltd (ASX: SMD, 'Syndicated'). The tenements, covering 753km^2, are located 50km northeast of Mount Isa and 80km northwest of Cloncurry in northwest Queensland (Figure 1).

Consideration payable by Minotaur to Syndicated on completion comprised A$125,000 cash, plus ordinary Minotaur shares to the value of $275,000.

Highlands Cu Project

The Highlands Project straddles a major geological boundary between the Kalkadoon-Leichhardt Domain to the west and the Eastern Domain to the east (Figure 2), separated by the regional-scale Mt Remarkable Fault. Within the entire tenement package only 67 holes (equates to a single hole every ~11km^2) have been drilled, of which only 5 extend deeper than 200m.

Copper sulphide mineralisation is known to occur in the area, most notably at the Barbara deposit[2] located adjacent to the tenement group (Figure 2).

Syndicated, in previous years, conducted several wide area VTEM (airborne electromagnetic) surveys, each of which located numerous basement conductors indicative of sulphide mineralisation.

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1 MEP report to ASX dated 23 May 2018, *Minotaur acquires Cu prospects near Mt Isa*

2 Barbara contains a JORC 2012 Indicated and Inferred Resource of 4.75Mt grading 1.6% Cu, 0.15g/t Au, 2.76g/t Ag.
Source: *Syndicated Metals Ltd 2015 Annual Report*, lodged with ASX 20 August 2015

Exploration Initiated

Minotaur has mapped and sampled rock types overlying several VTEM conductors and determined orientation for ground EM lines to refine the earlier models at 3 keys targets:

- **'Coolibah'**, a strong, northwest trending VTEM anomaly along +1km of strike;
- **'Gospel'**, a VTEM anomaly extending along 700m of strike; and
- **'YM8'**, a northwest trending VTEM anomaly covering 1.2km of strike.

None of these targets have been drilled previously despite outcropping mineralisation being coincident with a conductor.

Target characteristics are:

Coolibah

A strong, northwest trending VTEM anomaly along +1km of strike (Figure 3). Mapping reveals outcrop at this location to be minor, however a discrete weathered sulphide gossan, which appears to represent a mineralised fault, is mapped along 400m coincident with the conductor.

Gospel

A strong, northwest trending VTEM anomaly covering 700m of strike (Figure 3). Two parallel shear zones are evident from mapping; the main shear contains numerous historical shafts and copper-stained gossan and sulphide in places, coincident with the VTEM conductor. Gospel shows strong geological similarities with the local Barbara deposit in that it lies on a northwest-tending shear, is hosted in the same rock type and is an anomaly of similar size to Barbara[3] (Figure 3). Additionally, a smaller but still significant VTEM anomaly at Blue Star, around 1km south of Gospel in the same rock sequence (Figure 3), is known to be associated with high-grade copper-gold mineralisation based on previous drilling, including 9m @ 6.12% Cu and 0.69g/t Au from 85m[4] .

YM8

A strong, northwest trending VTEM anomaly covering 1.2km of strike. Gossan is located at surface coincident with the conductor which appears to represent a mineralised fault.

Site establishment work is underway for an EM survey to proceed in August with 12 lines planned to cover the 3 selected targets. Data compilation and modelling through August will lead to drilling, expected to start in September. Current planning is for 2-3 RC scout holes at each of the three prospects for 1,200m of drilling. This work is sole funded by Minotaur.

[3] The Barbara Cu-Au resource is owned by Round Oak Minerals Pty Ltd, a subsidiary of WH Soul Pattinson and Company Limited (ASX: SOL)

[4] Source: *High grade copper-gold hits confirm Blue Star potential*, lodged by Syndicated Metals with ASX 11 May 2011

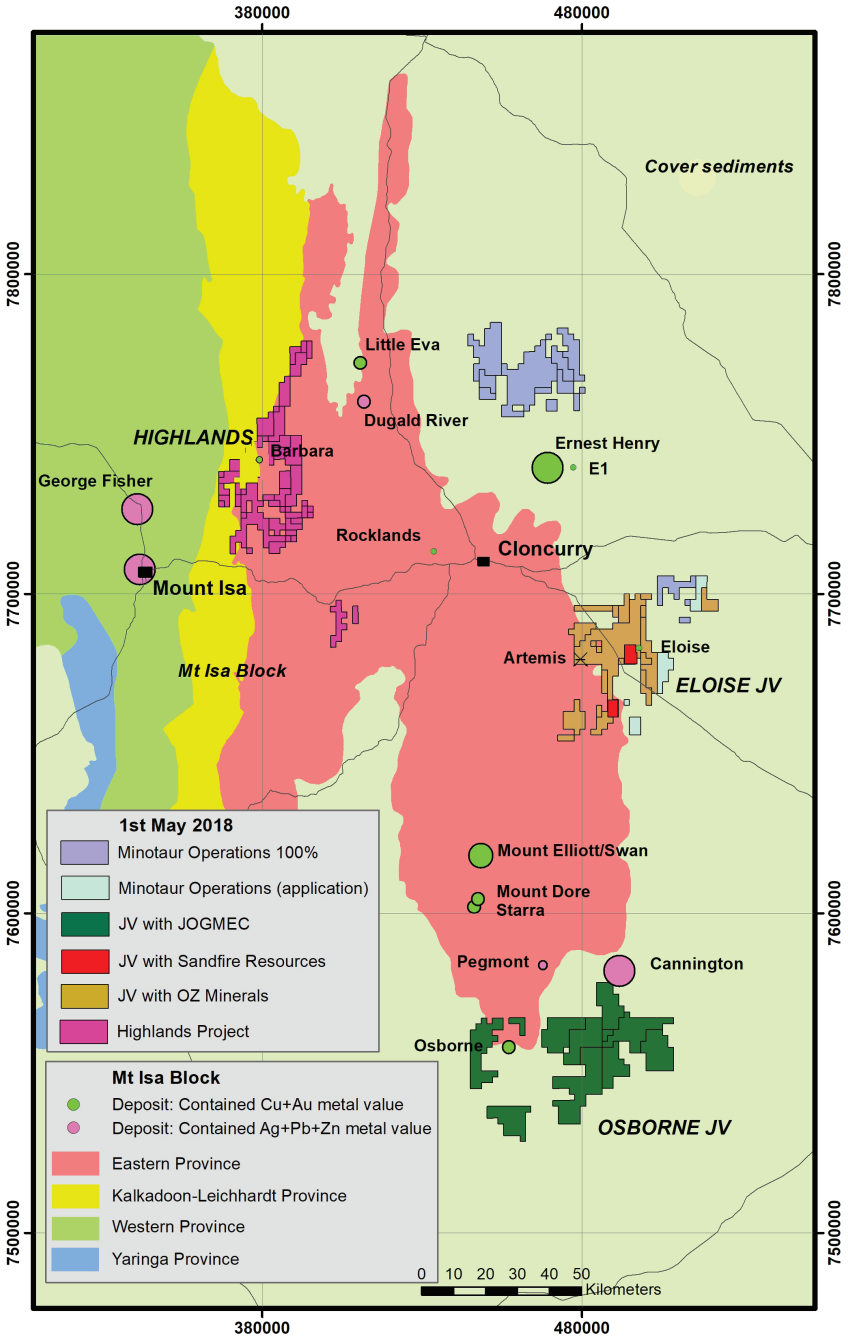

Figure 1: Location of Highlands tenements, east of Mt Isa, Qld and other Minotaur tenement clusters in the Cloncurry district

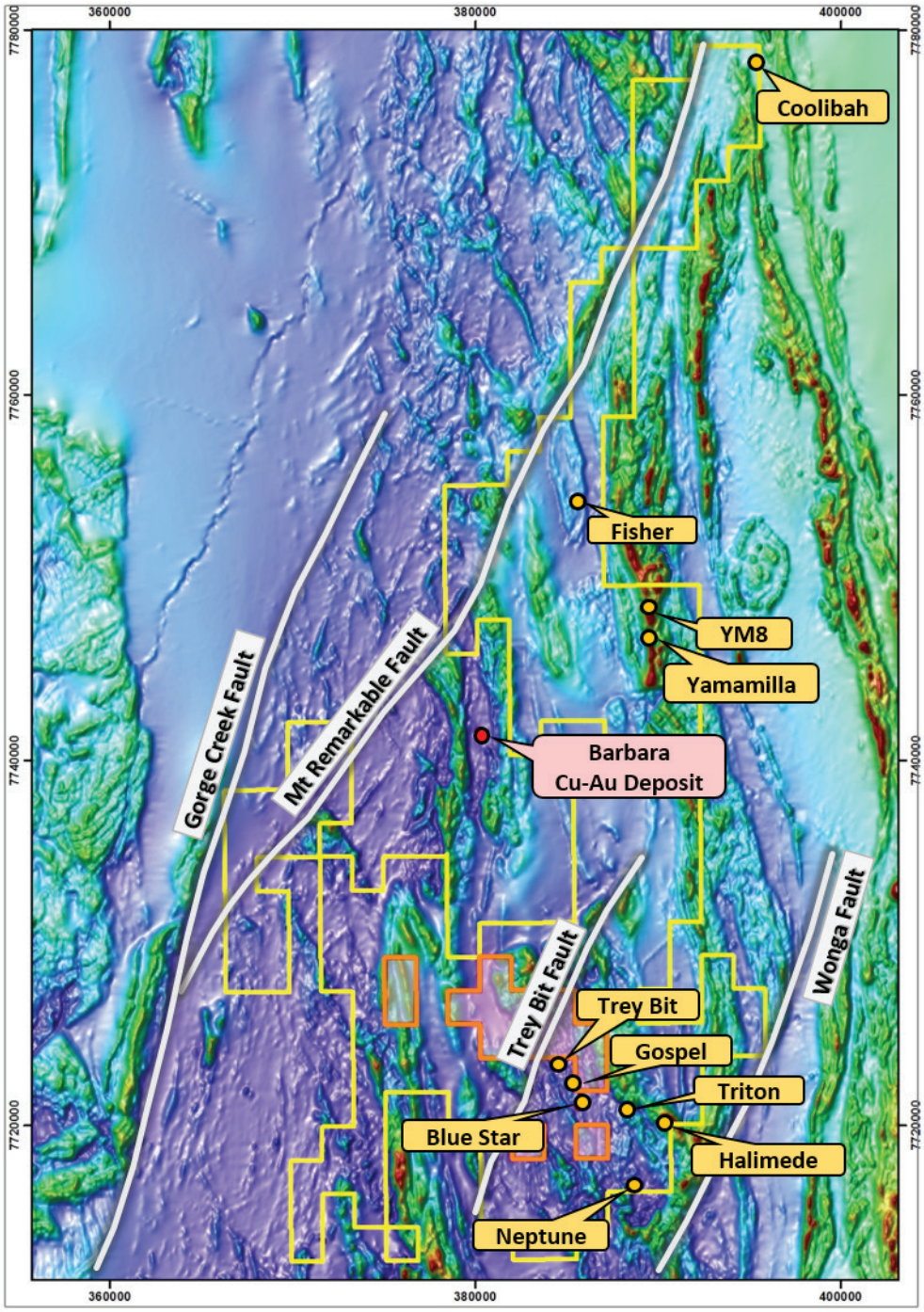

Figure 2: Magnetic image, Highlands tenements and key mineralised prospects

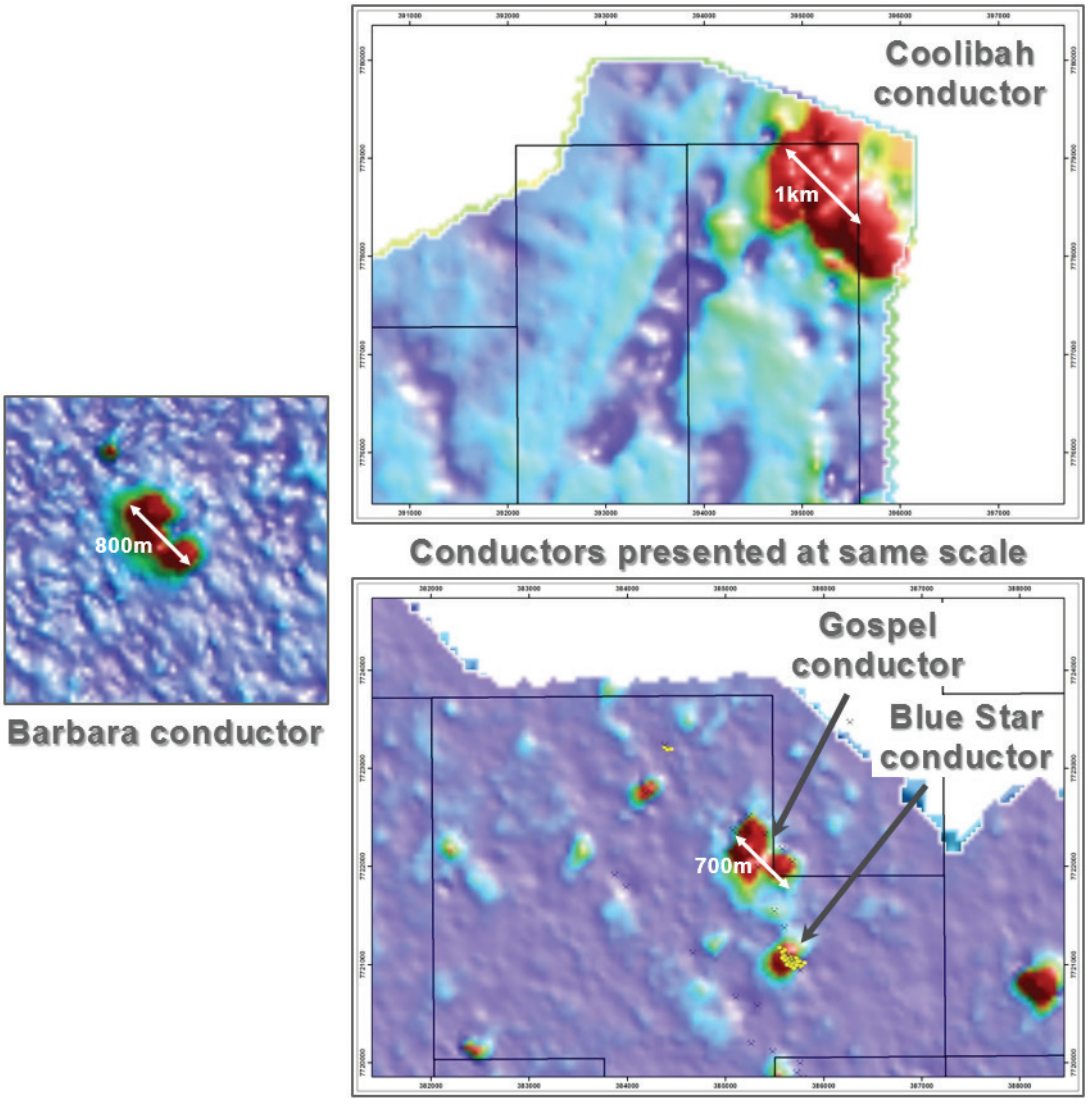

Figure 3: VTEM conductors at Barbara, Coolibah and Gospel all presented at the same scale.
Note; the VTEM conductor at Barbara is spatially coincident with the deposit.

Minotaur Exploration's Methodology

Minotaur is actively building its base metals exploration portfolio in Queensland and South Australia, primarily where copper potential prevails and also where zinc-lead systems are prevalent.

Minotaur successfully combines surface geophysical tools and geological interpretation of obscured basement mineralisation in the Cloncurry copper belt of north-west Queensland, resulting in identification of 'blind' base metal occurrences. These techniques are to be applied to known, near-surface copper prospects at Highlands enabling their refinement to drill ready status for reconnaissance drilling.

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.

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