



MINOTAUR EXPLORATION LIMITED
ACN 108 483 601
ASX: MEP

MINOTAUR
EXPLORATION

20 August 2020

ASX Release

Minotaur to acquire under-explored gold tenements, Queensland

Highlights

- Binding Terms Sheet allows Minotaur to acquire 'Pyramid' tenement package
- 150km² of gold prospective ground 180km south of Townsville
- Substantial gold corridors at West Pyramid Range and East Pyramid Range
- Historic high-grade gold drill intercepts, such as **35m @ 6.1g/t** and **15m @ 5.65g/t**
- Minotaur to satisfy its Due Diligence within 60 days
- Ground electrical geophysics to refine mineralised trends

Pyramid Gold Project

Minotaur Exploration (ASX: MEP) and Avira Resources Ltd (ASX: AVW) have signed a binding Terms Sheet under which, subject to it satisfying its due diligence requirements, Minotaur may acquire 100% ownership of the Pyramid tenement group located 180km south of Townsville (Figure 1). The project, covering 150km², embraces two main areas prospective for gold, being the West Pyramid Range and East Pyramid Range (Figure 2).

Minotaur considers the West Pyramid area has potential to offer short-term exploration rewards building on historic work, including drilling, that defined several gold camps along 8km of fault corridor. Of note is the Gettysberg prospect where drilling outlined substantial gold mineralisation along +500m of strike. The East Pyramid Range is less advanced with only 9 holes drilled (none in the last +20 years) over an area 4km x 2km thought by Minotaur to offer potential for Intrusion Related Gold Systems (IRGS) similar in style to other well-known gold deposits in the district such as Mount Leyshon (+3.5Moz) and Mount Wright (+1Moz).

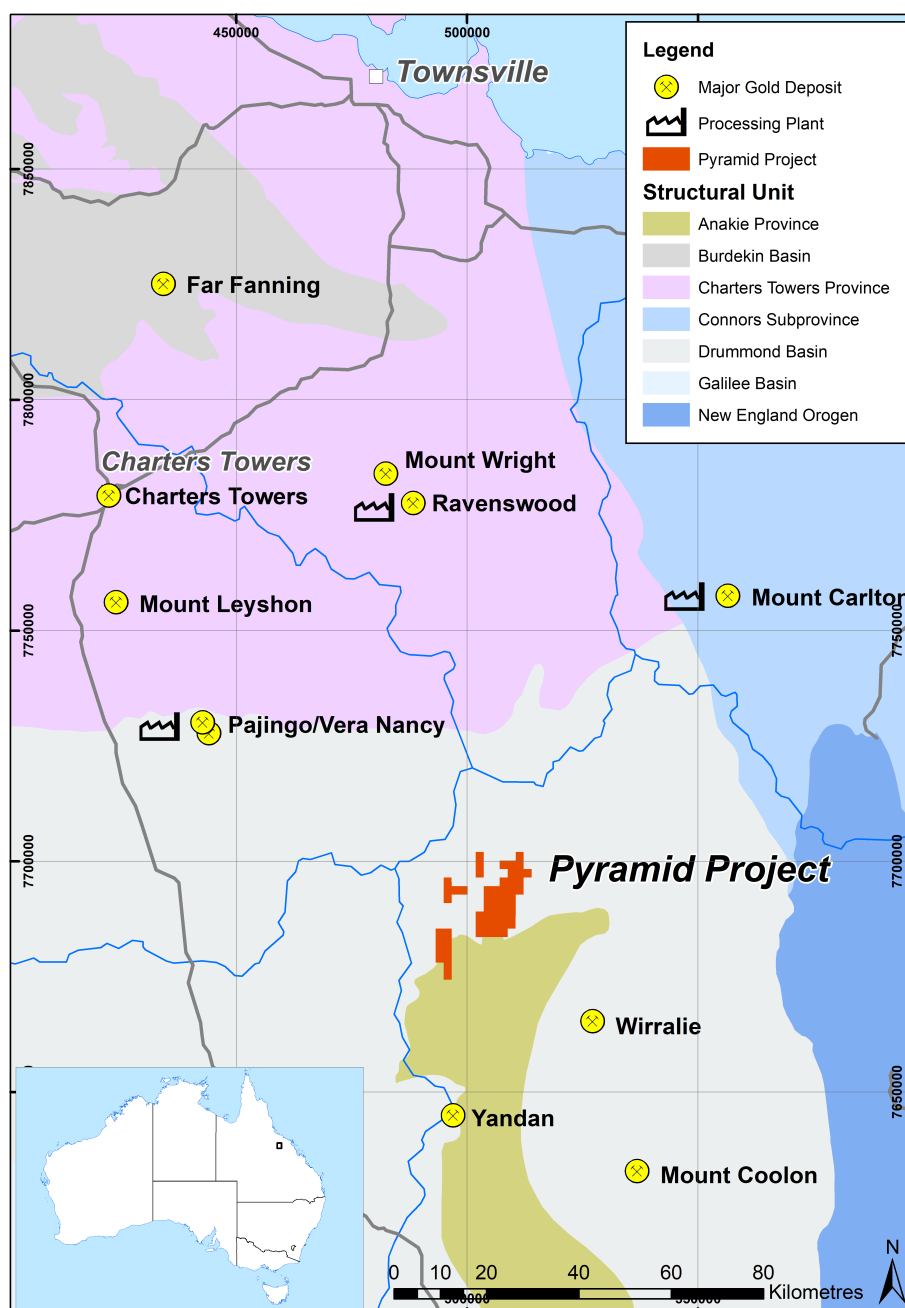


Figure 1: Location of Pyramid Project, Queensland

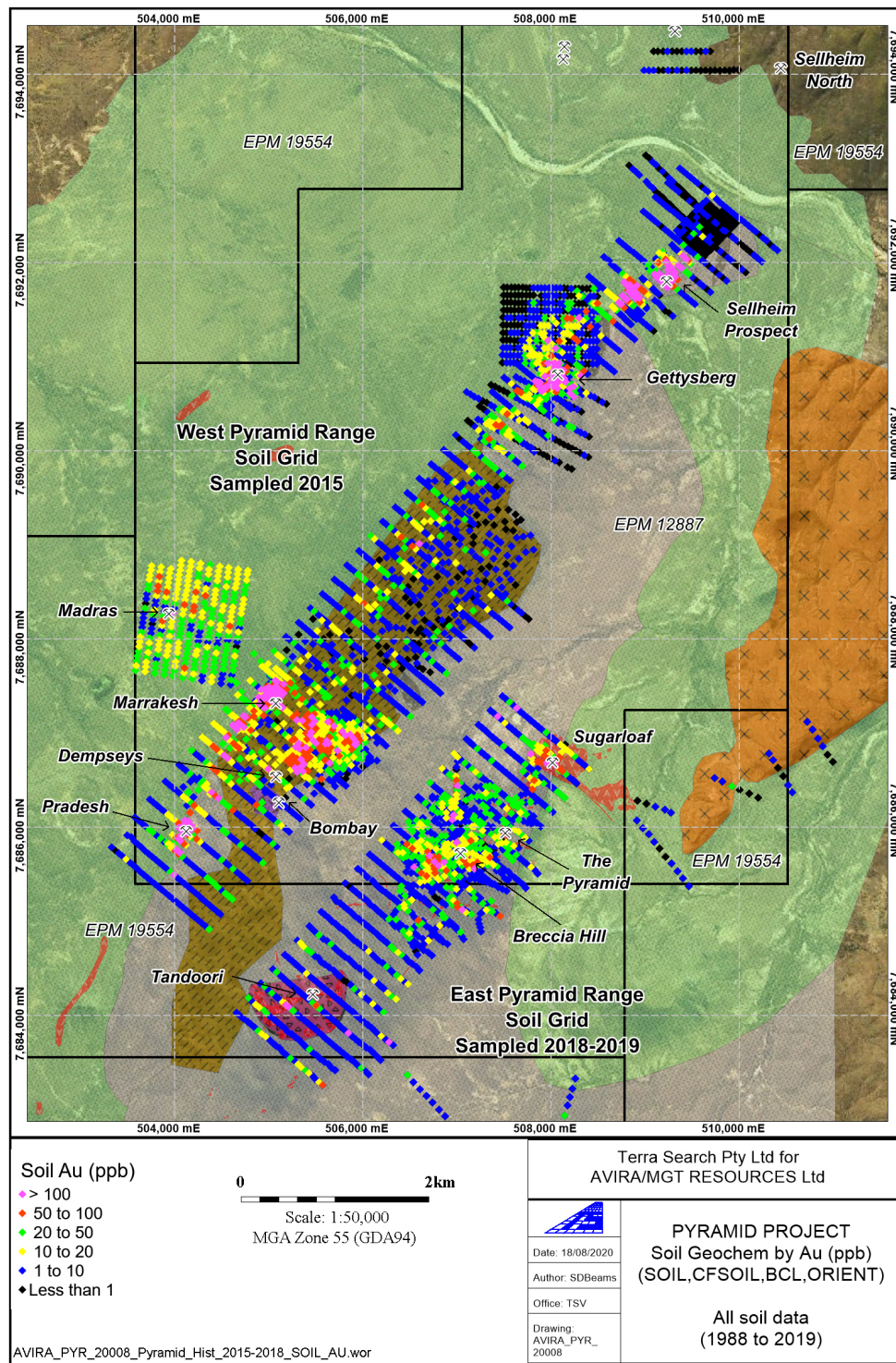


Figure 2: West Pyramid and East Pyramid Ranges gold-in-soil anomalies and main prospect locations (image supplied by Avira Resources)

Historic Exploration Results

West Pyramid Range

Past exploration at West Pyramid Range included soil and rock chip sampling outlining a very large surface gold anomaly around 8km long straddling a fault contact between the Drummond Basin (host to the Pajingo and Wirralie epithermal gold deposits) and older Anakie Inlier basement. Drilling focused on 5 main areas of gold anomalism at Sellheim, Gettysberg, Marrakesh, Dempseys and Pradesh (Figure 2). The best gold mineralisation encountered was at Gettysberg where it occurs in a fault corridor within sericitic sandstone associated with arsenopyrite and as free gold in stylolitic/shear veinlets. Mineralisation was traced along +500m of strike, appears to plunge shallowly north and remains open down plunge/dip (Figure 3). Significant drill intercepts include¹:

Hole ID	Assay	Interval includes
MGTRC016	• 35m @ 6.1g/t Au from 33m	- 5m @ 37.1g/t Au
MGTRC018	• 34m @ 2.83g/t Au from 15m, and • 36m @ 0.96g/t Au from 52m, and • 10m @ 1.84g/t Au from 122m	- 15m @ 5.65g/t Au - 16m @ 1.66 g/t Au
MGTRC019	• 12m @ 0.96g/t Au from 76m, and • 31m @ 0.85g/t Au from 101m	- 4m @ 3.44g/t Au
MGTRC020	• 17m @ 2.46g/t Au from 50m	- 2m @ 11.5g/t Au
MGTRC022	• 13m @ 1.0g/t Au from 23m	
MGTRC024	• 60m @ 0.56g/t Au from 68m	- 6m @ 1.07g/t Au

¹ MGT Resources ASX release 11 August 2015: *More high-grade gold intersections at the Pyramid Project*

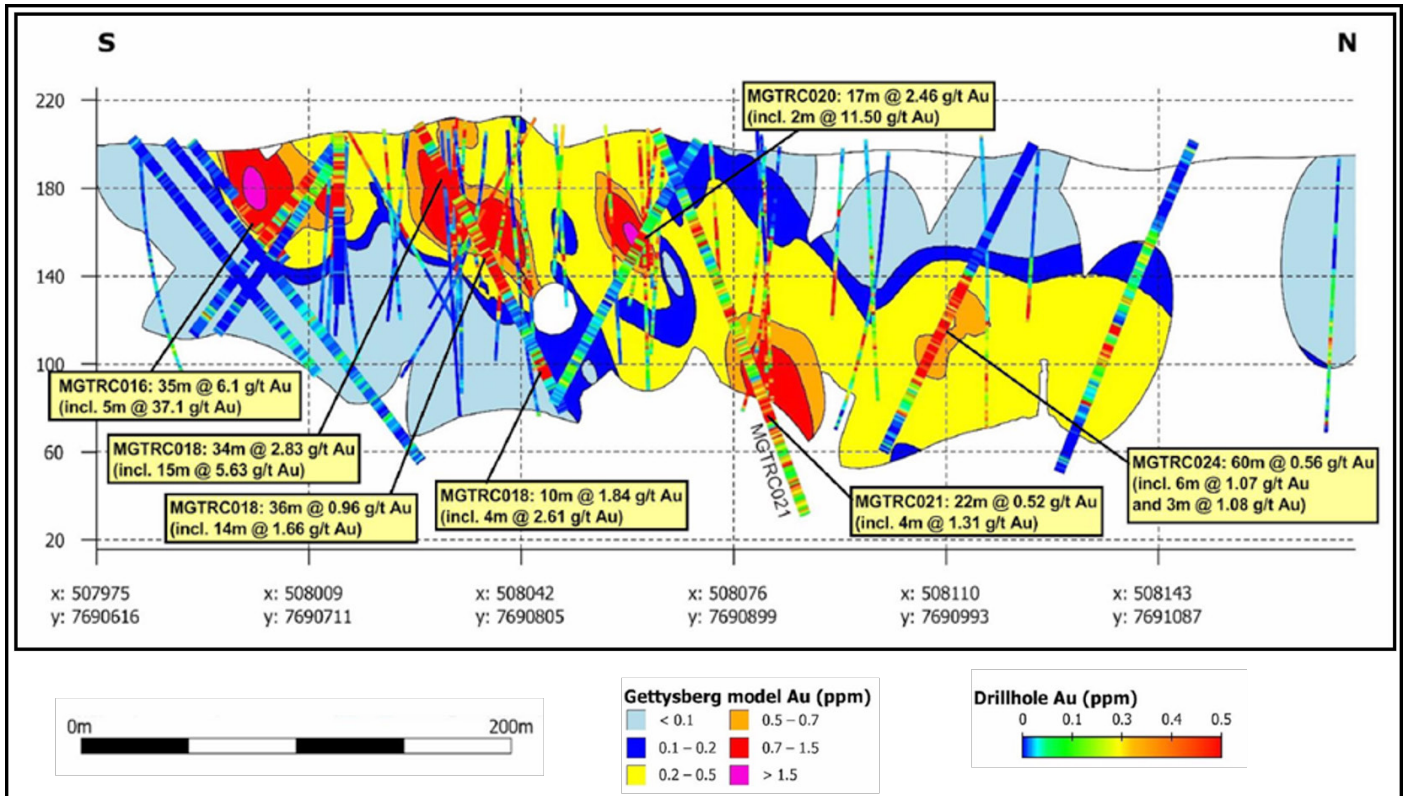


Figure 3: Long projection (looking west) of gold mineralisation outlined by historic drilling at Gettysberg (image supplied by Avira Resources)

East Pyramid Range

Geochemical sampling over an area 4km x 2km outlined numerous areas of strong surface gold anomalism (Figure 2). Mapping revealed these gold anomalies (and other associated element enrichment such as S, Bi and Sr) to be spatially associated with breccia, porphyry and, in some cases, interpreted leached caps². The leached caps could be highly weathered remnants of hydrothermal alteration and sulphide products associated with IRGS mineralisation given their spatial association with surface gold anomalism and proximity to breccia and porphyry intrusive rocks. 9 holes were drilled within the broader area more than 20 years ago and prior to systematic soil sampling. Detailed soil sampling by the current owner indicates areas of surface gold anomalism have not been adequately drill tested.

² Avira Resources ASX release 29 October 2019: Avira completes infill and follow up surface geochemical survey on the East Pyramid Range

Activity Outlook

Gettysberg is an obvious target worthy of further investigation given strong gold intercepts reported from previous drilling and evidence that mineralisation is open along strike and down dip/plunge. Minotaur will utilise the due diligence period to assess the best way to progress exploration over the West Pyramid Range gold system, particularly at Gettysberg. For the East Pyramid Range it appears the next logical step is to conduct ground penetrating IP/resistivity geophysics to determine if sulphides are developed at depth below/adjacent the interpreted leached caps, possibly associated with IRGS type gold mineralisation, to assist drill targeting at depth.

Acquisition Terms

Minotaur will make an Option fee payment of \$25,000 to Avira Resources for a 60 day Exclusivity period in which to complete its due diligence, in satisfaction of which the parties will enter into the proposed Sale and Purchase Agreement (S&PA). Under the S&PA Minotaur will commit to pay \$150,000 cash (including the Option fee paid) and allot \$150,000 in MEP shares (based on a 5 day VWAP) in return for final transfer of titles. On Minotaur's publication of a JORC Resource of at least 25,000 oz Au grading not less than 1.8g/t Au Minotaur will pay \$150,000 cash, otherwise within 24 months of Completion Minotaur will allot a further \$150,000 in MEP shares. A 1.5% NSR will apply to the first 50,000oz Au produced.

Authorisation

This report is authorised by Mr Andrew Woskett, Managing Director of Minotaur Exploration Ltd. For further information please contact Mr Glen Little, Manager Business Development and Exploration on 0428 001 277.

Reliance on Vendor Information

In compiling this report and as the basis for the proposed acquisition of Pyramid tenements Minotaur Exploration relies on information provided to it by the Vendor, Avira Resources Ltd and company exploration reports lodged with ASX. Minotaur has not validated any of the Vendor's information pending the conduct of its due diligence process.

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.