



MINOTAUR
EXPLORATION

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INAUGURAL DRILLING FOR COPPER-GOLD MINERALISATION UNDERWAY AT OSBORNE PROJECT

HIGHLIGHTS

- First Minotaur drill campaign underway at Osborne copper-gold project, south of Inova's Osborne Mine
- 4 diamond holes for 1500m targeting positive IP anomalies
- initial round of drilling expected to take 4 weeks
- additional targets available for drill assessment

Drill testing of four new targets for copper-gold mineralisation within the Osborne Project, ~160 km south of Cloncurry, Queensland (Figure 1), has commenced. The four-hole diamond drill program (totalling 1,500 m) initiates Minotaur's inaugural drill investigation of geophysical targets on its Osborne Project tenements. It is expected to take four weeks to complete.

The new drill targets evolved from geophysical surveys, including IP and gravity, conducted earlier in the year at the Osprey, Brolga, Wedgetail, Bustard, Ibis and Crane prospects (Figure 2). The surveys generated a number of positive anomalies worthy of further appraisal and testing. Selected for initial drill testing are the Osprey East and Osprey West IP targets, the Brolga East IP target and the Wedgetail combined magnetic/gravity target.

Targets at Bustard, Ibis and Crane require further geophysical surveying to guide design of a drill program, whilst tenement EPMA19066 containing the Cassowary target is yet to be granted (Figure 2).

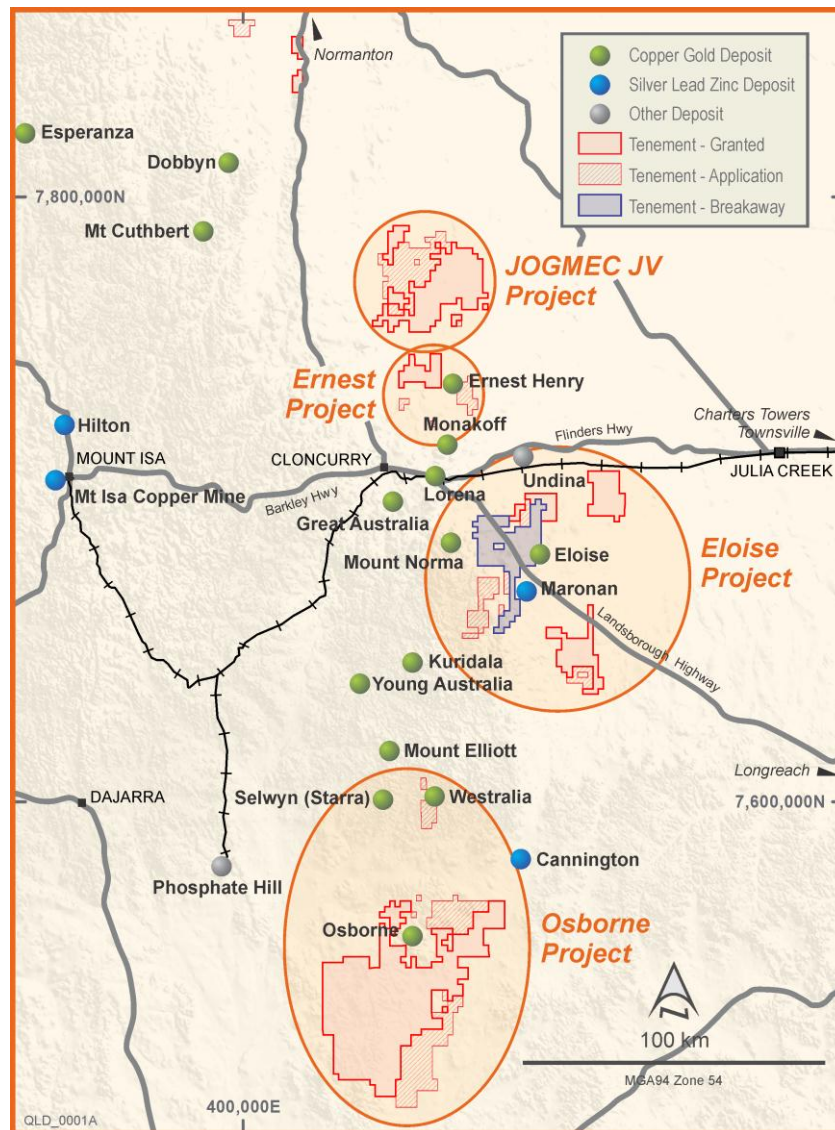


Figure 1: Location of Minotaur's Osborne Project area, south of Cloncurry

IP surveys at the **Osprey** prospect delineated two sub-parallel chargeable zones trending southwards for over 800m. These anomalies are interpreted to represent southward extensions of known mineralisation at and around Inova Resources Limited's (ASX: IVA) Kulthor Mine. Two anomalies on IP Line 7552400 have been selected for drill testing (drill holes OS1 & OS2, Figure 3). Depth to basement is interpreted to be less than 50 m.

IP surveying at the **Brolga** prospect revealed a number of chargeable anomalies. One of these, Brolga East, in a favoured structural position east of a curvilinear magnetic anomaly, has been selected for drilling (hole BR2 to 300m depth, Figure 4). Interpreted depth to basement is 50–75 m, there being no prior drill holes near this geophysical feature.

IP anomalies at each of the Osprey and Brolga targets have no discernible magnetic expression, the target mineralisation style being disseminated to semi-massive sulphides (similar to known mineralisation at Kulthor Mine, 4km to the north) rather than magnetite-hosted iron oxide copper-gold (IOCG) mineralisation and breccia as at Ernest Henry Mine, 35km northeast of Cloncurry.

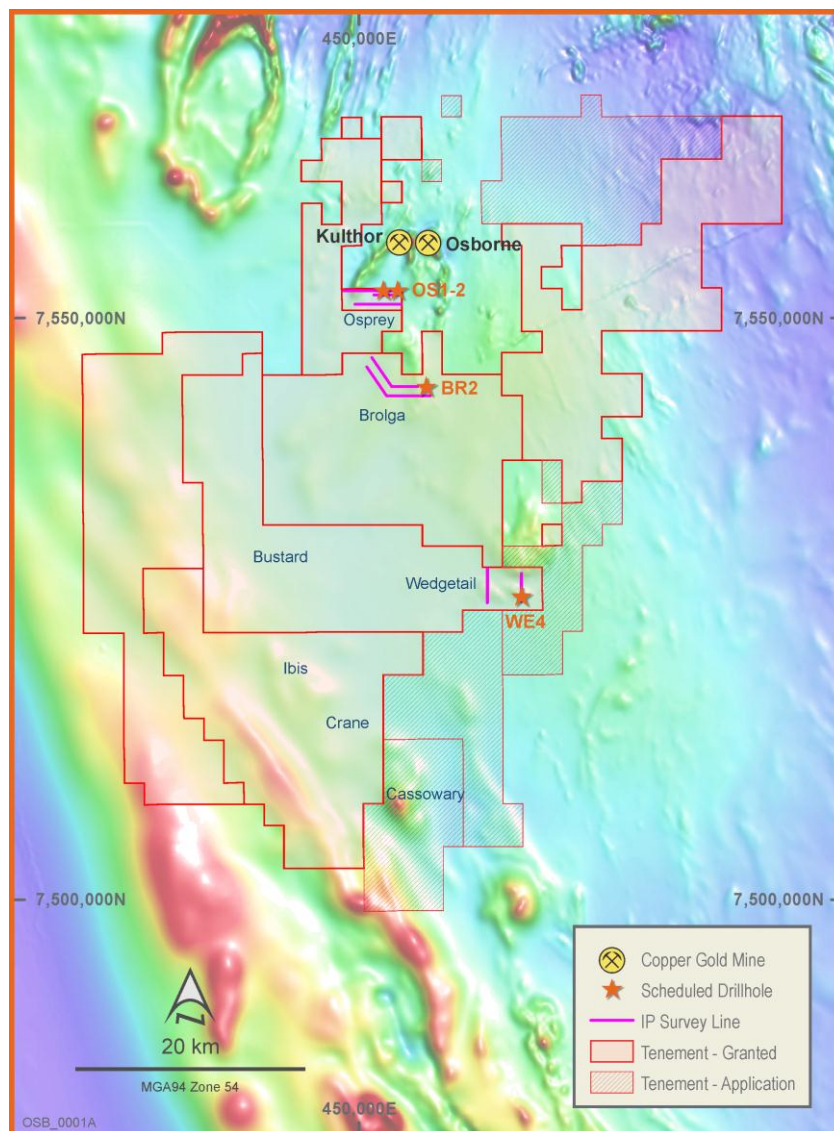


Figure 2: Regional TMI-RTP magnetic image showing location of regional prospects, scheduled drillholes (orange asterisks) and recent IP survey lines (purple lines).

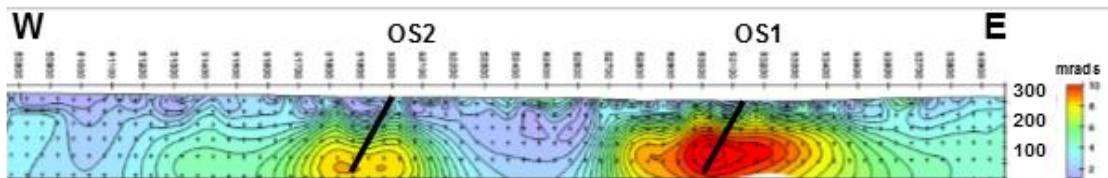


Figure 3: IP inversion (chargeability) section for portion of Line 7552400 (**Osprey prospect**) showing proposed drillholes OS1 and OS2 at the Osprey East and Osprey West IP targets.

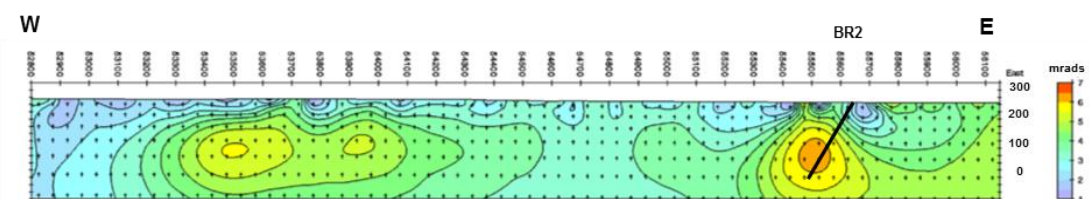


Figure 4: IP inversion (chargeability) section for Line 7544100 (**Brolga prospect**) showing proposed drillhole BR2 at the Brolga East IP target.

Reconnaissance IP survey lines at the **Wedgetail** prospect revealed a weak positive anomaly on the eastern line. Of greater attraction are coincident subtle gravity and magnetic anomalies occurring within a NW-trending fault zone that truncates the southern margin of a granitic intrusion. A single historic drillhole (AND24) in this area, by BHP in 1992, intersected brecciated gneiss, psammite and granite with matrix of chlorite and vuggy quartz veins containing minor chalcopyrite, hematite and pyrite. Depth to basement was 98 m. Proposed drill hole WE4 is ~500 m from BHP hole AND24 and targets possible IOCG style mineralisation.

Drilling now underway is the first drill programme to be conducted by Minotaur at its 100% owned Osborne project.

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 Director and full-time employee of the Company and a Fellow of the Australasian Institute of Mining and Metallurgy. Dr Belperio has 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 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" (JORC Code). Dr Belperio consents to inclusion in this report of the information in the form and context in which it appears.