



2 August 2017

ASX Release

Extensive ground EM survey underway-near Prominent Hill mine, South Australia

Minotaur Exploration Ltd (ASX: MEP) and OZ Minerals Ltd (ASX: OZL) have jointly launched a new ground EM¹ geophysical survey near OZ Minerals' Prominent Hill copper-gold mine in South Australia's geologically prolific Gawler Craton. The EM survey will assess sections of the Skylark Shear Zone (SSZ) across areas ranging 10–25km from the mining operation (Figure 1).

Inaugural work in 2016 established that the SSZ is prospective for iron-oxide copper-gold (IOCG) and iron-sulphide copper-gold (ISGC) styles of mineralisation. Drill core from the Bellatrix target (Figure 2) reported² several intervals of anomalous copper³, interpreted to be a hybrid system with later ISGC⁴ overprinting IOCG mineralisation. Those results provided 'proof of concept' that ISGC type mineralisation occurs along the SSZ and warrants further investigation.

The new EM survey comprises three parts: a 15km section of the SSZ northwest of Prominent Hill mine across multiple structures; a small infill-extension survey at 'Bellatrix East' to better define the EM anomaly highlighted there in 2016, just east of ISGC mineralisation intersected in hole DD16TUR016 at Bellatrix and; a 3km section at the southeastern end of the SSZ, at 'Jindivic', in a complex structural setting (Figure 1).

Anomalous responses derived from the EM data could indicate the presence of conductive sulphide minerals (such as pyrrhotite and chalcopyrite; the latter a copper sulphide form), providing new drill targets. The survey is expected to take up to 8 weeks to complete.

1 Electromagnetic – a geophysical tool used to locate electrically conductive responses within basement formations

2 Refer MEP presentation dated 2 December 2016 released to ASX, *Exploration for IOCG & ISGC copper-gold giants*

3 from diamond hole DD16TUR016 - including 9m @ 0.41% Cu from 242m

4 typically associated with pyrrhotite and therefore highly conductive and readily detected with EM

About the OZL – MEP Alliance

Minotaur Exploration and OZ Minerals have a collaboration arrangement whereby each contributes up to \$1.5 million to proof test agreed targets for base metal mineralisation within OZ Minerals' Mt Woods exploration tenements in the Prominent Hill area. In 2016 a review of OZ Minerals' extensive exploration database for the Mt Woods Inlier and subsequent geophysical surveys by the Alliance, led to initial drill testing of the Bellatrix, Jupiter and Orion anomalies. In 2017 the search criteria honed in on the Skylark Shear Zone, a significant regional structure and focus of the current EM survey.

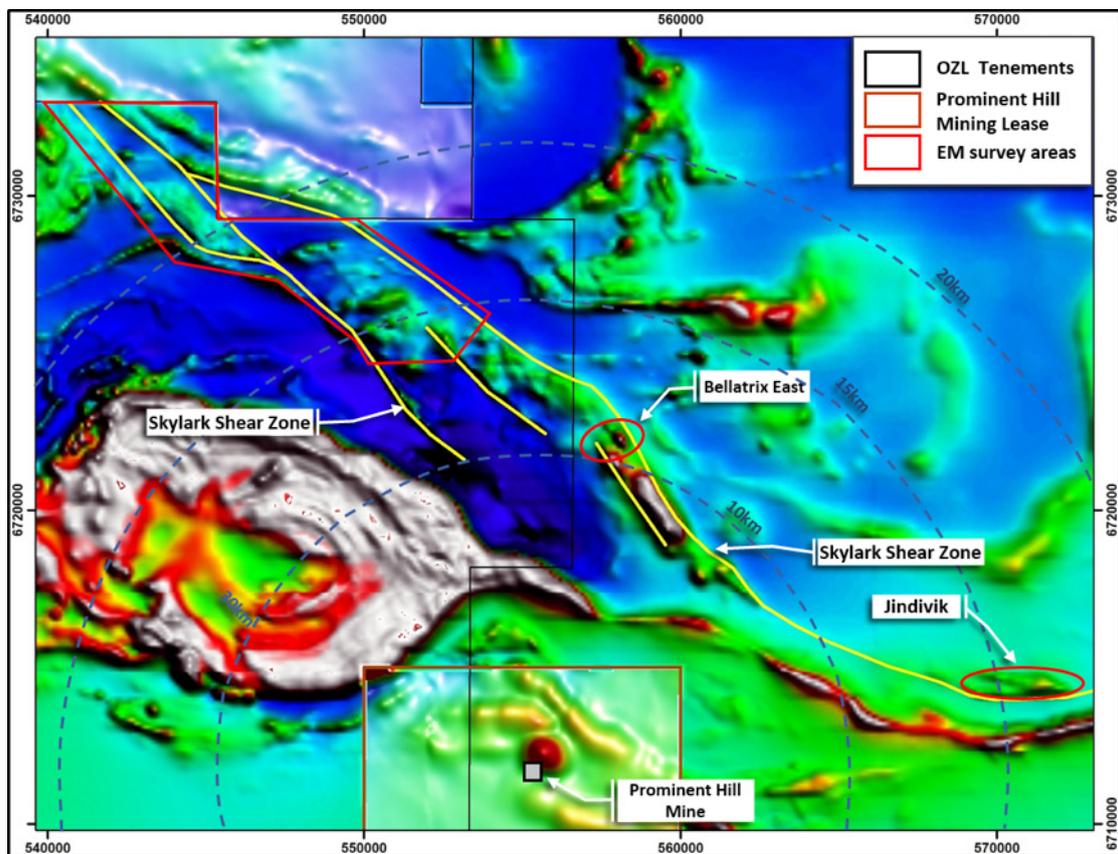


Figure 1: Regional airborne magnetic image (TMI RTP) with Skylark Shear Zone superimposed and new EM survey areas outlined



Figure 2: Chalcopyrite + pyrrhotite vein at 246.3m in DD16TUR016 from the Bellatrix EM conductor within the Skylark Shear Zone