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The Company Announcements Office
Australian Stock Exchange Limited

Positive Laboratory Tests on World-Leading Kaolin Project in SA

- Pilot plant to be established for bulk sample processing

New laboratory test results have confirmed the high quality of kaolin in Minotaur Exploration Limited's (ASX: MEP) Poochera Kaolin Project on Eyre Peninsula in South Australia. As a result, the Company has moved to immediately establish a pilot plant to undertake bulk sample testing.

The Company is pleased today to announce that it has completed a bulk sampling program and initial laboratory testing of the Carey's Well kaolin deposit, one of several large kaolin deposits within Minotaur's Exploration Licence (Tootla EL 3366) at Poochera (Figure 1). Laboratory testing of the samples confirms earlier work as reported in the Company's announcement of 2 May, 2008 that Carey's Well contains very high quality kaolin suitable for production of a premium calcined kaolin product for the paint and paper industries.

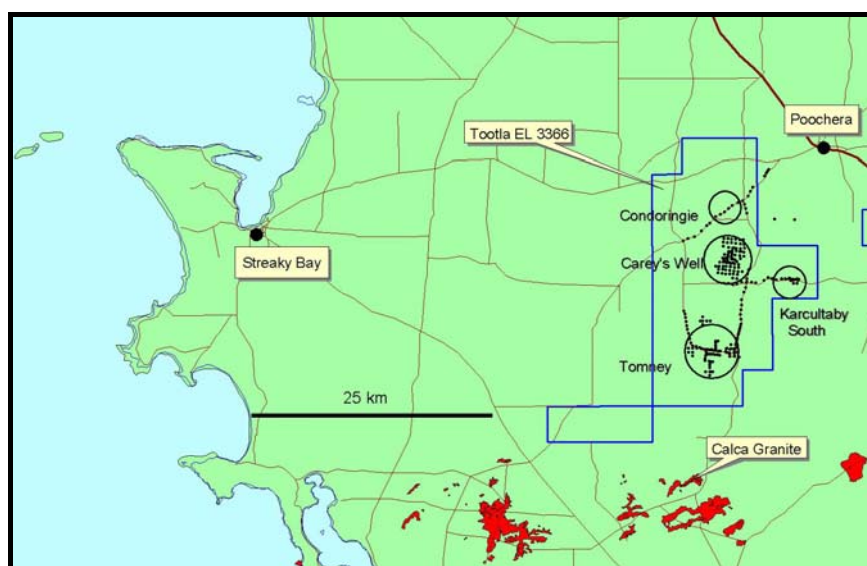


Figure 1: Location Plan – Exploration Licence EL3366 and key kaolin prospects

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Bulk Sampling

A Calweld drill rig (Figure 2) was used to complete six large diameter drill holes at four sites across the main body of kaolinised granite at Carey's Well to a maximum depth of 25 metres. Several holes were still in kaolinised granite when drilling was stopped due to the depth limitations of the drill rig. The purpose of the drilling was to collect representative samples at different depths and locations for laboratory testing of physical properties and to provide bulk samples for evaluation through a proposed pilot plant. Approximately 55 tonnes of kaolinised granite was bagged and transported to Adelaide (Figure 3).



Figure 2: Calweld Drill Rig at Carey's Well



Figure 3: Bulk sample bags containing kaolinised granite at Carey's Well

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Laboratory Testing

Sixteen sub-samples of kaolinised granite from various depths in the drillholes were processed in the Ian Wark Research Institute's laboratory at the University of South Australia. Processing initially determined moisture content, grainsize and quartz contaminant content. Laboratory evaluation of the kaolin fractions, comprising approximately 50% of the raw material, was undertaken at both the University of South Australia and at Adelaide University's Microscopy Centre. This work has shown that Carey's Well kaolin is very pure, of uniform quality throughout the area tested, and is extremely fine grained. The < 38 micron fraction comprises largely pure loose kaolin stacks that delaminate readily to a uniform < 2 micron kaolin product (Figures 4, 5). Reflectance and Whiteness tests on the raw product confirm minimum specifications as used previously to define a "Bright White" resource. It is expected that conventional processing will readily produce a premium quality calcined kaolin suitable for the paint and paper industries. This will be confirmed through pilot plant processing of larger samples.

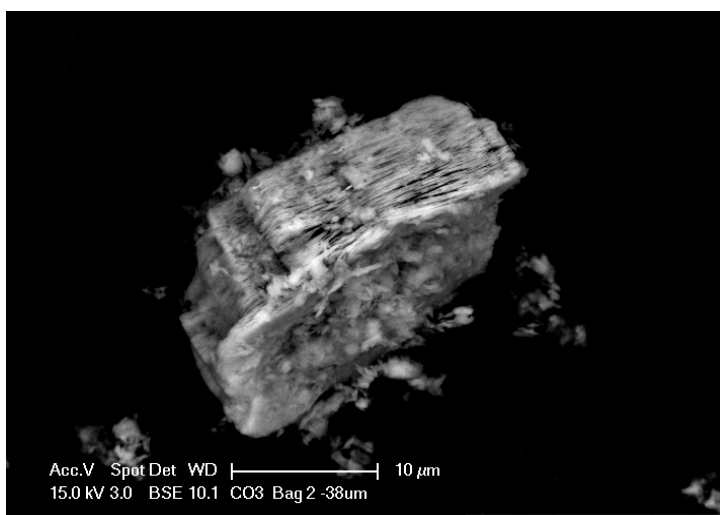


Figure 4: Electron microscope image of a 'stack' of kaolin from Carey's Well

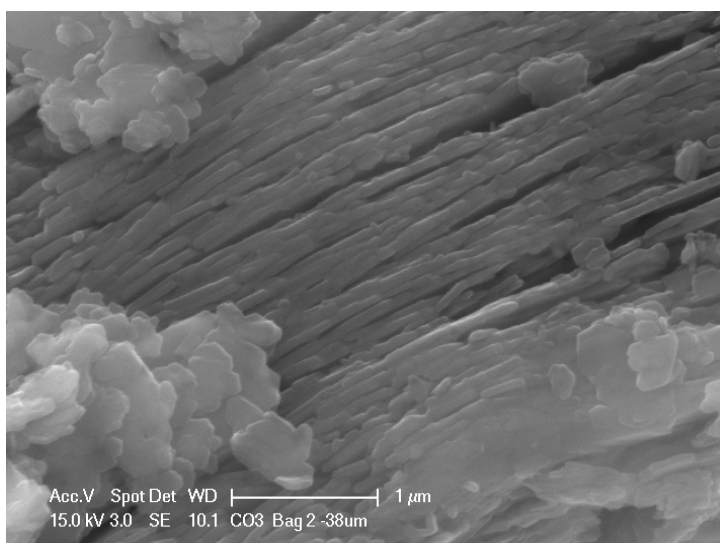


Figure 5: Close-up electron microscope image showing 'stacks' of kaolin plates and partially delaminated, extremely fine grained kaolin crystals from Carey's Well

Forward Program – Pilot Plant

Following this successful laboratory test work Minotaur has commissioned a kaolin processing consultant to construct a transportable kaolin pilot plant. After commissioning, the plant will be used to process the bulk samples to determine the most appropriate processing technology and produce hydrous and calcined kaolin for commercial evaluation and testing as part of the detailed feasibility study.

Infill drilling of the Carey's Well kaolin deposit is programmed for late 2008. This drilling is expected to significantly increase the size of the currently defined high quality "Bright White" resource, as announced in the Company's previous ASX release of 2nd May 2008, and to permit detailed mine planning to be undertaken.

For further information contact Derek Carter or Tony Belperio on 08-83666000

The 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.

