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The Company Announcements Office

Australian Stock Exchange Limited

Processing trials recommence on Carey's Well kaolin

A new program of testing bulk samples from the Carey's Well kaolin deposit near Poochera in South Australia has commenced by 100% project owner Minotaur Exploration Ltd (ASX:MEP).

The Company announced today that improvements to its kaolin processing pilot plant at Kingaroy have been largely completed and new test work was underway. As previously announced (ASX release 2 May 2008), the Carey's Well kaolin deposit, one of a number of large kaolin deposits in this district, is of exceptional quality, potentially suitable for production of a high-value, high-grade calcined kaolin product.

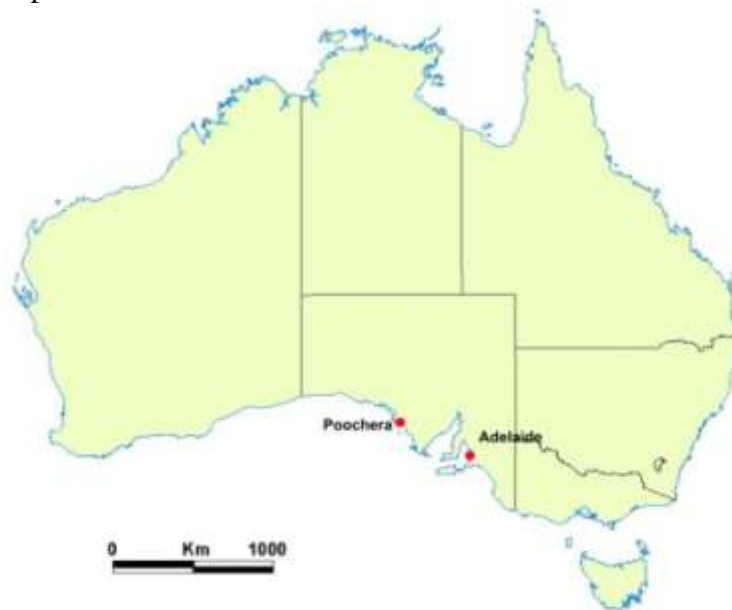


Figure 1: Location of Minotaur's Kaolin Project near Poochera, South Australia

Improvements made to the wet processing facility in Queensland enhance the ability to produce a broad range of hydrous kaolin products. An on-site laboratory, including a Sedigraph particle sizing instrument has been installed. ensuring that critical particle sizing specifications can be monitored during processing. Crushing and milling facilities have also been added permitting production of ultra-fine hydrous kaolin powders for market evaluation, and as a feedstock for

calcining. The calcining process involves heating the hydrous kaolin to 950-1000°C to remove water from the kaolin crystal lattice, producing ultimately an extremely white, bright calcined kaolin product.

Building on initial trials in July 2009, the current processing trials are designed to produce several hundred kilograms of premium hydrous and calcined kaolin products for demonstration by Minotaur to potential Australian and international clients.



Figure 2: Upgraded Pilot Plant



Figure 3: Raw kaolin product prior to filtration

**For further information contact Andrew Woskett (Managing Director)
or Tony Belperio (Exploration Director) at Minotaur Exploration on 08 8366-6000**

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 Director and 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 mineralization 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.