

4 December 2002

ASX Announcement

High grade copper mineralisation intersected at Prominent Hill

Mount Woods Joint Venture. Minotaur Resources Ltd (Operator, 19%), BHP Billiton (51%), Newmont Exploration Pty Ltd (23.94%), Sons of Gwalia Ltd (3.78%), Sabatica Pty Ltd (2.28%).

Minotaur Resources Ltd is pleased to announce the most significant high-grade copper intercept yet at Prominent Hill. Drill hole RP017 intersected 41 metres at 6.06 % copper from 378 metres down hole while drill hole RP018 intersected 53 metres at 3.43 % copper from 396 metres.

Two reverse circulation drill holes, RP017 and RP018, were drilled in close proximity to previously reported diamond drill hole DP010 to provide detailed information on the structural trends of gold and copper intercepts (**Figure 1**). Full interpretation of such trends is subject to detailed downhole geophysical and drill hole trajectory surveys programmed over the next three weeks. Drill hole DP010 was drilled at 60 degrees towards grid south. Drill hole RP017 was sited 140 metres south of DP010 and was drilled at 60 degrees towards grid south to a final depth of 500 metres. Drill hole RP018 was collared 50 metres east and 120 metres south of DP010 and drilled at 60 degrees towards 190 degrees to a final depth of 503 metres. The trajectory of RP018 is such that the copper intersections in the two holes are separated by approximately 15 –20 metres.

Drill hole RP017 passed through 117 metres of cover before entering a sequence of haematite-altered volcanic rocks to 150 metres. From 150-165 metres downhole depth the hole entered a fault zone containing chloritic and haematitic rock types, and high-grade copper mineralisation from 150-157 metres. An intensely altered to brecciated sequence of sediments and volcanics was intersected from 165-378 metres, containing narrow zones of copper and gold mineralisation. At 378 metres, RP017 entered a 41-metre thick section of very high-grade copper-gold mineralisation, hosted within chalcocite-rich haematitic breccias. The drill hole ended at 500 metres depth within strongly haematised volcanics. Significantly mineralized intercepts are summarized in **Table 1**.

Drill hole RP018 confirms the geological units and mineralised intercepts recorded in RP017, with results summarised in **Table 1**.

Regional Drilling Program

A regional drilling program targeting discrete gravity features within 20km of Prominent Hill Prospect has been completed. Highly altered (including haematite altered) rock types have been intersected in more than half of these drill holes including anomalous gold and rare earth elements. Other lithologies encountered include carbonate-rich metasediment

and mafic intrusive. Drilling of two further holes at both Triton Prospect and Proteus Prospect failed to intersect economic grade mineralisation.

The drill hole results by Minotaur insofar as they relate to ore or mineralisation are based on information compiled by D N Carter, who is a Fellow of the Australasian Institute of Mining and Metallurgy and who has a minimum of five years' experience in the field of activity being reported.

Table 1. Significantly mineralised drill hole intercepts:

RP017 – 5500E, 2340N.

RP018 – 5550E, 2360N

Hole	From (m)	To (m)	Interval (m)*	Cu (%)	Au (g/t)	U (ppm)	Ag (ppm)	REE** (%)
RP017	150	157	7	3.07	-	-	10	-
	226	228	2	-	1.84	-	-	0.57
	235	236	1	-	3.37	-	-	0.35
	308	313	5	1.08	-	-	-	0.13
	365	374	9	-	0.64	-	-	0.25
	378 <i>including</i> 378 403	419 392 419	41 14 16	6.06 7.62 6.78	0.31 0.29 0.40	98 105 84	15 22 13	0.25 0.22 0.30
	419	425	6	0.73	0.19	120	-	0.18
RP018	185	193	8	2.51	-	-	7	-
	196	198	2	-	1.93	-	-	-
	255	256	1	-	4.18	-	-	0.54
	260	261	1	-	2.36	-	-	-
	277	279	2	-	2.76	-	-	-
	304	308	4	1.11	-	-	-	-
	396 <i>including</i> 397 425	449 408 442	53 11 17	3.43 5.60 5.72	0.24 0.29 0.34	237 683 177	9 18 12	0.17 0.21 0.23

* Down hole depth ** Cerium plus Lanthanum - not significant

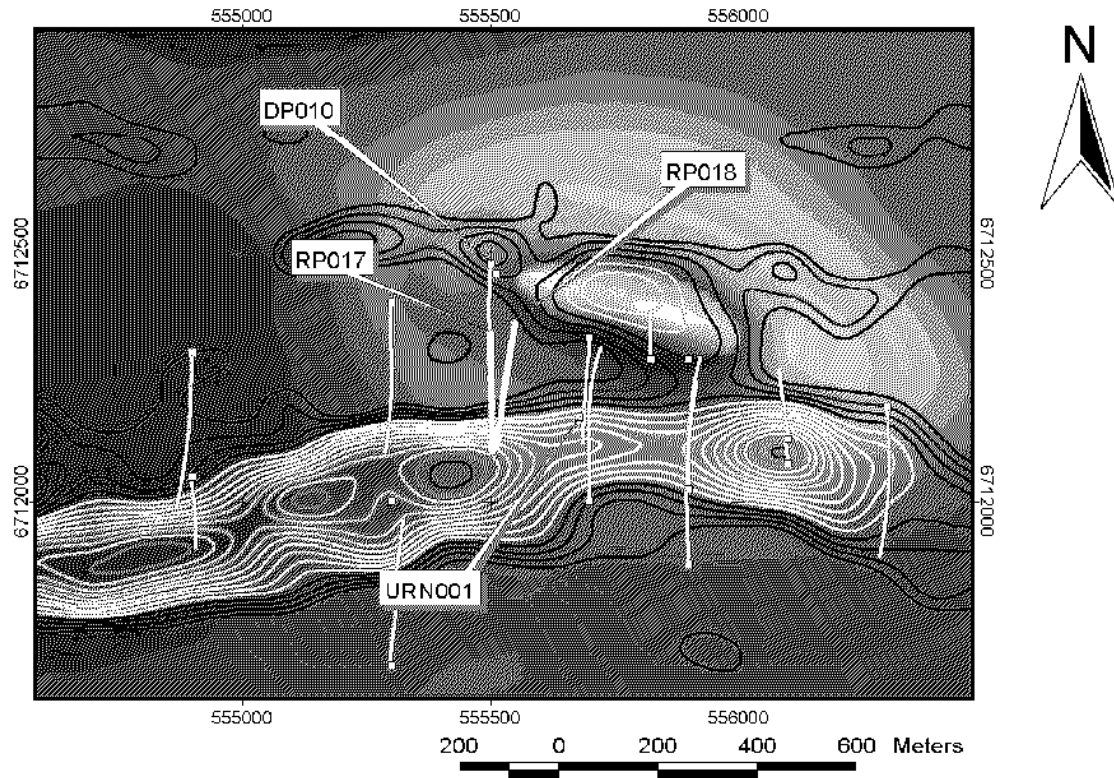


Figure 1. Location Plan – Prominent Hill RC drill holes RP017, RP018 and previously reported drill holes.