

Tuesday 3rd May, 2016

Minyari Extension Drilling to Recommence in May – Portfolio Stock (bought @ \$0.024 in Oct 2015)

Antipa Minerals (ASX: AZY, Share Price: \$0.027, Market Cap: \$20m) maintains a first-class acreage position within the mineral-rich Telfer province of Western Australia – a fact reflected in the recent signing of an agreement with mining behemoth Rio Tinto Exploration, which allows for Rio to spend up to \$60 million on Antipa's Citadel gold and copper project within the Telfer region.

Antipa has advised that the Minyari deposit Phase 1 RC drilling program will commence over the coming weeks to follow up significant high-grade gold (with copper) mineralization achieved by the former owner, including hole MHC086-3 that intersected 38.0m at 4.47 g/t gold and 0.05% copper from 88.0m depth.



Market Significance

Antipa's share price has firmed spectacularly from a 12-month low of \$0.004 to a recent high of \$0.028. This is largely as a result of the recent Rio farm-in deal and anticipation surrounding exploration activity – both in terms of the JV and also work sole-funded by Antipa, such as at Minyari. The JV with Rio is a major breakthrough for Antipa and reflects the underlying resource potential of the Citadel project, which lies just 75km north of Newcrest's Telfer gold-copper-silver deposit. The upcoming drilling program at Minyari is of strong market interest, as the project is situated just 40km away from Telfer's infrastructure.

Announcement Detail - Minyari Project Update

Antipa has announced that its Minyari deposit Phase 1 RC drilling program is scheduled to commence over the coming weeks.

The main objectives of the program are to investigate potential extensions to the limits of the current Minyari gold-copper mineralisation over a total strike length of approximately 450 metres from near-surface to vertical depths of up to 240 metres, whilst potentially identifying further regions of high-grade gold-copper mineralisation.

The Phase 1 RC program will involve the completion of between 60 to 70 RC drill-holes for up to 10,000 metres of drilling and comprise:

- a. **Strike-Test Including Extensions:** RC drilling along a 450m strike length of the Minyari deposit on 50-metre north-south spaced cross-sections, including extensional drilling 100 metres to the south and 150 metres to the north of the mineralisation in regions of limited/no drilling or ineffective drilling.
- b. **Oxide Mineralisation Extensions:** Test for high-grade gold-copper oxide mineralisation, including up-dip to the east to depths of between 5 metres to 60 metres vertically below the surface beneath shallow cover.
- c. **Primary Mineralisation Extensions:** Test for high-grade gold-copper primary mineralisation beneath the oxide mineralisation, up-dip to the east and down-dip to the west to depths of between 60 metres to 240 metres vertically below the surface.
- d. **Induced Polarisation 'Extensional' Targets:** Four to six RC drill-holes testing Induced Polarisation (IP) chargeability anomalies approximately 300 metres south and 150 metres north of the main region of Phase 1 RC drilling, extending the total strike length investigated by the Phase 1 RC drilling program to 900 metres.
- e. **Verification Drilling:** Approximately seven RC 'verification' drill-holes aimed at validating a selection of the circa 1980's Minyari drill-hole intersections.
- f. **Metallurgical Sample Collection:** Sample material for the completion of preliminary Minyari metallurgical test-work will be obtained from a selection (i.e. oxide, transitional and primary zones) of the Phase 1 RC drill-holes, historic drill-core and also the existing large costean.

Technical Significance

The Phase 1 Minyari RC program is expected to be completed during July, with final laboratory assays to be received within two months. The company will then review the results with the aim of carrying out follow-up activity necessary in order to potentially advance the project towards Scoping Study status. Antipa anticipates being able to announce the results of such a review and commence any Phase 2 exploration program activities during Q4 2016.

Antipa has also received funding approval for \$147,000 from the Western Australian Government's

Exploration Incentive Scheme (EIS) for exploration at Minyari. The government funding relates to 2016 exploration activities at the Minyari deposit and contemplates the completion of an 11-hole RC drilling program for up to approximately 3,000 metres, to be 50% EIS co-funded. This will form part of the Phase 1 Minyari RC drilling program.

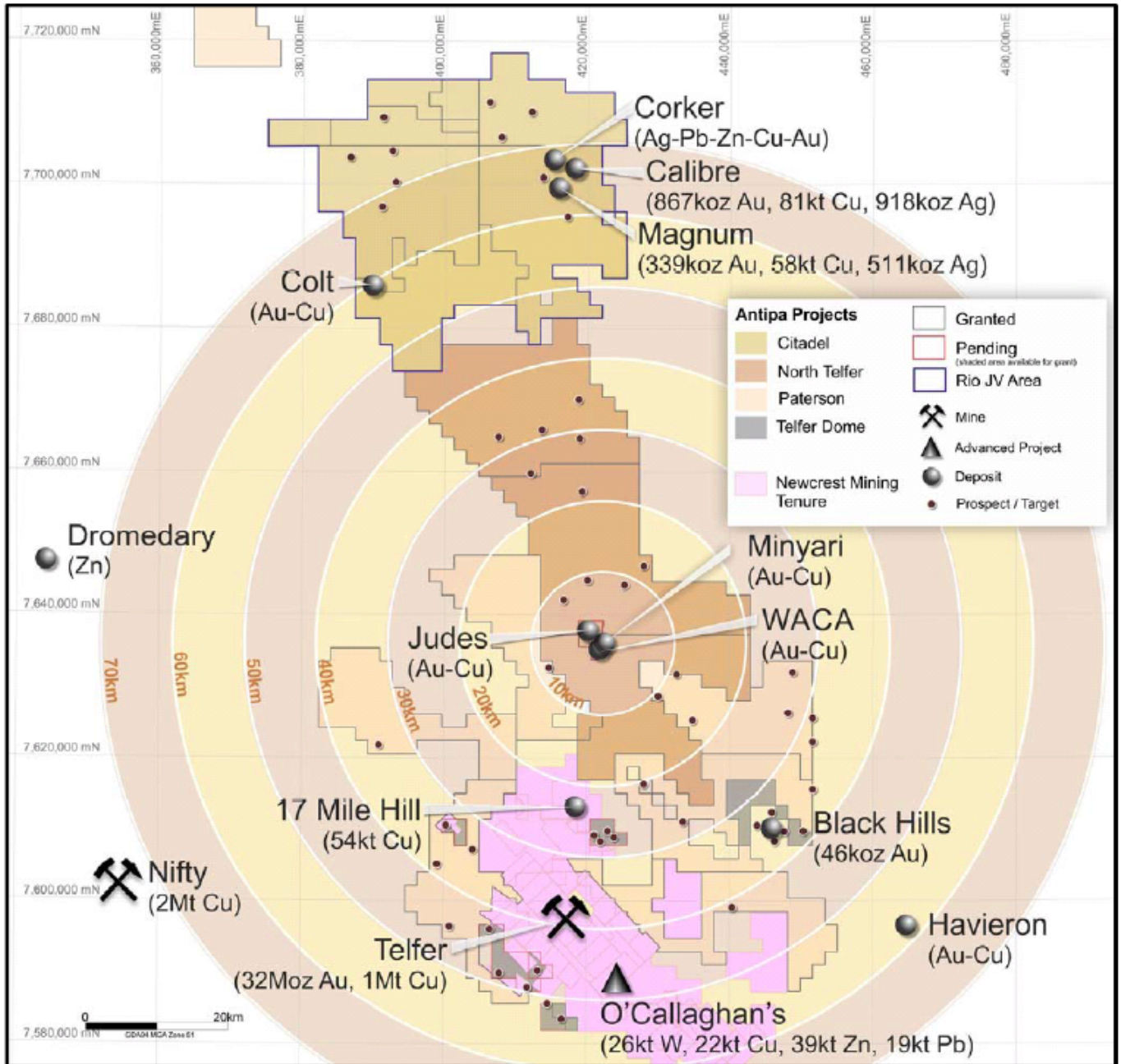


Figure 1: Antipa's Paterson Province Projects identifying major deposits and mines (20km GDA94 / MGA Zone 51 grid and 10km radial zones centred on Minyari).

Minyari and WACA Data Review

Back in February, Antipa announced the completion of a review of its just-acquired 100%-owned Minyari and WACA tenements, revealing significant high-grade gold (with copper) mineralization, along with strong exploration upside.

Some of the best intercepts from prior drilling include:

- Diamond hole MHC086-3 - 38.0 metres at 4.47 g/t gold and 0.05% copper from 88.0 metres down-hole
- RC hole MHR065-7 - 35.5 metres at 3.16 g/t gold and 0.56% copper from 9.0 metres down-hole.

Antipa's share price was up 40% during trade at the time we wrote our Antipa note on 8th February, on the back of this particular news release.

Minyari Dome Consolidation

During Q4 2015, Antipa amalgamated the Minyari Dome (which includes the Minyari and WACA deposits) into its 100%-owned North Telfer Project. Since then it has been reviewing existing drilling and geophysical exploration data relating to the Minyari Dome.

The Minyari deposit has been drilled along 250 to 300 metres of strike and 160 metres across strike and is currently open in all directions. Meanwhile, the WACA deposit by comparison has received only very limited drilling along 430 metres of strike and is open in several directions.

There is potential for strong exploration upside, as only six drill-holes have been drilled deeper than 140 metres below the surface at the Minyari and WACA deposits – yet all have intersected significant high-grade mineralisation.

Both deposits are situated close to surface (mineralization commonly commences from just 1 metre to 10 metres below surface) and are therefore potentially open-pittable. Both deposits are also close to infrastructure, with Newcrest's Telfer mine situated just 40km away.

This is the first time in more than 20 years that the Minyari Dome region has been consolidated into the hands of one owner - and when combined with the results of the existing exploration data - the company believes it has acquired an extremely valuable 'brownfields' exploration asset that could provide it with its best near-term development opportunity.

Rio Tinto Farm-in

Antipa in October 2015 announced a hugely significant farm-in agreement with Rio Tinto Exploration, whereby Rio can invest up to \$60 million on exploration over 10 years in order to earn up to a 75% stake in Antipa's Citadel gold and copper project in Western Australia.

As part of the initial Stage I \$3 million expenditure commitment that's due within 18 months, Rio Tinto plans to complete follow-up Phase II RC drilling at the Calibre project during the calendar year. The program will involve the completion of up to 30 RC drill-holes for around 5,000 metres over three stages, with the aim of extending the limits of the North Calibre gold-copper mineralisation to a total strike length of between 1.6km and 3.9km.

In order to proceed to Stage II, Rio Tinto will be required to fund a further \$8 million in exploration expenditure on the tenements within three years in order to earn a 51% interest. Upon Rio Tinto earning a 51% interest in the Citadel project, the companies will become parties to a joint venture agreement.

Rio Tinto can fund a further \$14 million in exploration expenditure within three years to earn a 65% joint venture interest if it plans to proceed to Stage III. By funding a further \$35 million during Stage IV, Rio Tinto can earn a 75% joint venture interest.

The significance of the Rio Tinto farm-in deal is obvious. Aside from the credibility of having a world-class project partner in the form of Rio Tinto and the potential for tens of millions of dollars in project spending, the deal provides near-term certainty for investors. It also enhances the prospects for the potential development of a successful mining operation within the Citadel project area. Rio is only interested in Tier One assets, so this is a strong reflection of the potential of Citadel.

By this I mean that shareholders are guaranteed that at least \$3 million worth of focused RC drilling will be undertaken, ensuring both activity and potential for share price appreciation. This is something that most exploration companies lack in the current market environment.

Project Overview

The company's Citadel and North Telfer projects are located within the Paterson Province in northwest Western Australia, 400 km east of Port Headland. The Paterson Province is considered to be highly prospective, but grossly underexplored. It hosts several world-class mineral deposits situated within 150 km of Antipa's Citadel and North Telfer projects – with the most prolific including Australia's third-largest producing gold-copper mine - Newcrest's Telfer operation, as well as Aditya Birla's Nifty copper mine.

Around 85% of the prospective Paterson Province Proterozoic stratigraphy is concealed beneath younger transported rocks. The Citadel and North Telfer projects are covered by between 20 metres and 100 metres of transported sediments, masking an extensive area prospective for a range of world-class mineral deposit styles.

The company's 1,111 sq km Citadel project is located approximately 100km north of Newcrest's giant Telfer gold, copper and silver mine and includes the drill defined gold, copper, silver +/- tungsten Calibre and Magnum deposits and a combined Mineral Resources of 1.2 million ounces of gold and 139,000 tonnes of copper, which are open in all directions.

The company's North Telfer Project covers an additional 1,311 sq km of prospective granted exploration licences located approximately 20km north of the Telfer mine. Its Paterson and Telfer Dome Projects cover an additional combined 1,631 sq km of prospective granted exploration licences and 80 sq km of exploration licence applications located as close as 5km from the Telfer mine.

Summary

We introduced Antipa Minerals to our Portfolio around \$0.024 during October 2015 and the company remains an intriguing investment proposition with seemingly enormous ‘blue sky’.

The company is well advanced in terms of its exploration status, boasting a sizeable existing 1.6M gold-eq oz JORC-compliant resource. There’s little doubt the resource will continue to grow, so it now becomes a question of scale, grades, potential development economics. The Rio farm-in deal provides near-term funding certainty and also ensures active exploration, whilst the Minyari – WACA data review provides further growth potential.

With Minyari drilling commencing for the first time under Antipa’s control, investor interest should continue to build ahead of the commencement of work during May. Accordingly, Antipa Minerals will remain firmly held within our Portfolio.

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