

ASX ANNOUNCEMENT

14/02/2022



Placement to raise up to \$2m & SPP to raise up to an additional \$0.5m

HIGHLIGHTS:

- Placement of up to 58,823,530 shares at 3.4c per share, raising up to \$2m
- SPP to raise up to \$0.5m at 3.4c per share
- Funds to be used for:
 - RC/Diamond drilling at Morgan's Creek & Wyacca
 - Preliminary metallurgical testwork on REE's
 - Airborne and ground-based geophysical surveys
 - General working capital

Taruga Minerals Limited (ASX: **TAR**, **Taruga** or the **Company**) is pleased to advise that it has received firm commitments from new and existing sophisticated and institutional investors introduced by Fosters Stockbroking, to subscribe for a placement of up to 58,823,530 fully paid ordinary shares (**Shares**) at \$0.034 each to raise up to \$2 million before costs (**Placement**).¹

The Placement, which was oversubscribed, is being undertaken in conjunction with a Share Purchase Plan (**SPP**) which will allow existing Eligible Shareholders to subscribe for parcels of Shares valued at up to \$30,000 at the same issue price of \$0.034. The SPP is targeting to raise \$0.5 million.

CEO Thomas Line Commented: "We are extremely pleased with the overwhelming support we have received for this capital raising. The capital raising saw new institutional investors join the register, as well as receiving strong participation from Taruga directors and existing major shareholders. We are also pleased to provide an opportunity for our valued retail investors to participate in the capital raising, through the offer of the SPP. The funds raised through the placement and the SPP will ensure that the Company remains well funded while we implement the next phases of our exploration program at the Mt Craig Copper Project.

"We expect strong demand for the SPP offer so shareholders are encouraged to participate as soon as possible to avoid disappointment, as Directors reserve the right to close the offer early".

\$1,880,000 of the Placement is being made to unrelated parties without shareholder approval and using the Company's placement capacities under Listing Rule 7.1 & 7.1A, and is expected to complete on or about 22 February, 2022. ¹Subject to shareholder approval, the directors of the Company (or their nominees) will apply for up to \$120,000 worth of shares on the same terms as the Placement.

Foster Stockbroking acted as lead manager to the Placement and will be paid a management fee of 1% and a selling fee of 5%. The lead manager will also receive 2,500,000 lead manager options with an exercise price of \$0.06 each, expiring 3 years from the date of issue.

CAPITAL STRUCTURE

512,060,006
Shares on Issue

44,250,000
Options on issue
(various ex. prices
and dates)

BOARD & MANAGEMENT

Thomas Line
CEO

Paul Cronin
Non-Executive Director

Gary Steinepreis
Non-Executive Director

Eric De Mori
Non-Executive Director

David Chapman
Non-Executive Director

Dan Smith
Company Secretary

CONTACT US

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Share Purchase Plan

Participation in the SPP will be available exclusively to shareholders who are registered as holders or underlying beneficial holders of TAR Shares at 7pm (AEST) on the Record Date of 11 February 2022 and whose registered address is in Australia or New Zealand (**Eligible Shareholders**).

Pursuant to the SPP, Eligible Shareholders can subscribe for parcels of Shares valued at up to \$30,000 at an issue price of \$0.034. Eligible Shareholders can subscribe for parcels of Shares valued at \$2,550, \$5,100, \$10,200, \$15,300, \$20,400, \$25,500, \$30,000, irrespective of the size of their shareholding and without incurring brokerage or transaction costs. Full details of the SPP will be set out in an offer document which the Company will send to eligible shareholders. The Company encourages those wishing to participate in the SPP to lodge their applications forms and/or remit their application monies as soon as possible.

The new Shares to be issued under the SPP will be offered at \$0.034 per Share, which represents a ~12.8% discount to the 5-day VWAP for the Company's shares prior to the commencement of the trading halt requested by the Company in relation capital raising measures outlined in the announcement on 14 February 2022.

An indicative timetable for the SPP is set out below. Other than the Record Date and announcement of the SPP, Taruga may change these dates (including the closing date) and times at its discretion, subject to the Listing Rules and Corporations Act.

SPP Record Date	Friday 11 February 2022
Announcement of SPP	Monday 14 February 2022
SPP Opens	Monday 21 February 2022
SPP Offer Document Dispatched	Monday 21 February 2022
SPP Offer Closes*	Monday 7 March 2022
Announcement of Results of SPP	Wednesday 9 March 2022
Issue of Shares purchased under SPP	Monday 14 March 2022

*The timetable is indicative only and Taruga may, at its discretion, vary the above dates by sending a revised table to the ASX.

An Appendix 3B for the Placement and the SPP accompanies this announcement.

This announcement was approved by the Board of Taruga Minerals Limited.

For more information contact:

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