

# ASX ANNOUNCEMENT

05/09/2022



## RARE EARTH DRILLING COMMENCED AT MT CRAIG

### HIGHLIGHTS

- Rotary Air Blast (RAB) drilling has commenced at the Mt Craig Project (100% TAR)
- Drilling is focussed on testing strike extensions of clay-hosted REEs<sup>1</sup> recently discovered at Morgans Creek
- All drilling is co-funded by the South Australian government under the Accelerated Discovery Initiative (ADI), under which Taruga was recently awarded \$650,000 in funding for REEs and sediment-hosted copper exploration at the Mt Craig Project



*Photo. RAB drilling underway at Mt Craig*

### CAPITAL STRUCTURE

**578,048,240**  
Shares on Issue

**46,750,000**  
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

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Significant intercepts from Taruga's 2021 drilling at Morgans Creek (previously reported) include<sup>2</sup>:

- **6m @ 1,210 ppm TREO** from 9m (MCRC048)
- **22m @ 1,050 ppm TREO** from 27m, including **10m @ 1,940ppm TREO** (MCRC048)
- 31m @ 487ppm TREO from 21m, including **3m @ 1,996ppm TREO** (MCRC010)
- **3m @ 1,715ppm TREO** from 39m, including **2m @ 2,456ppm TREO** (MCRC024)
- 13m @ 505ppm TREO from 31m, including **3.15m @ 1,172ppm TREO** from 31m (MCDD004)
- 7m @ 560ppm TREO from 2m, including **1m @ 1,124ppm TREO** (MCRC026)
- 5m @ 779ppm TREO from 28m, including **2m @ 1,547ppm TREO** (MCRC015)
- **4m @ 953ppm TREO** from 1m (MCRC013)
- 17m @ 410ppm TREO from surface, including **3m @ 945ppm TREO** (MCRC050)

<sup>1</sup>REE refers to the 15 rare earth elements (Ce, La, Lu, Nd, Pr, Sm, Dy, Er, Eu, Gd, Ho, Tb, Tm, Yb, Y)

<sup>2</sup>Announced on the 16<sup>th</sup> June 2022

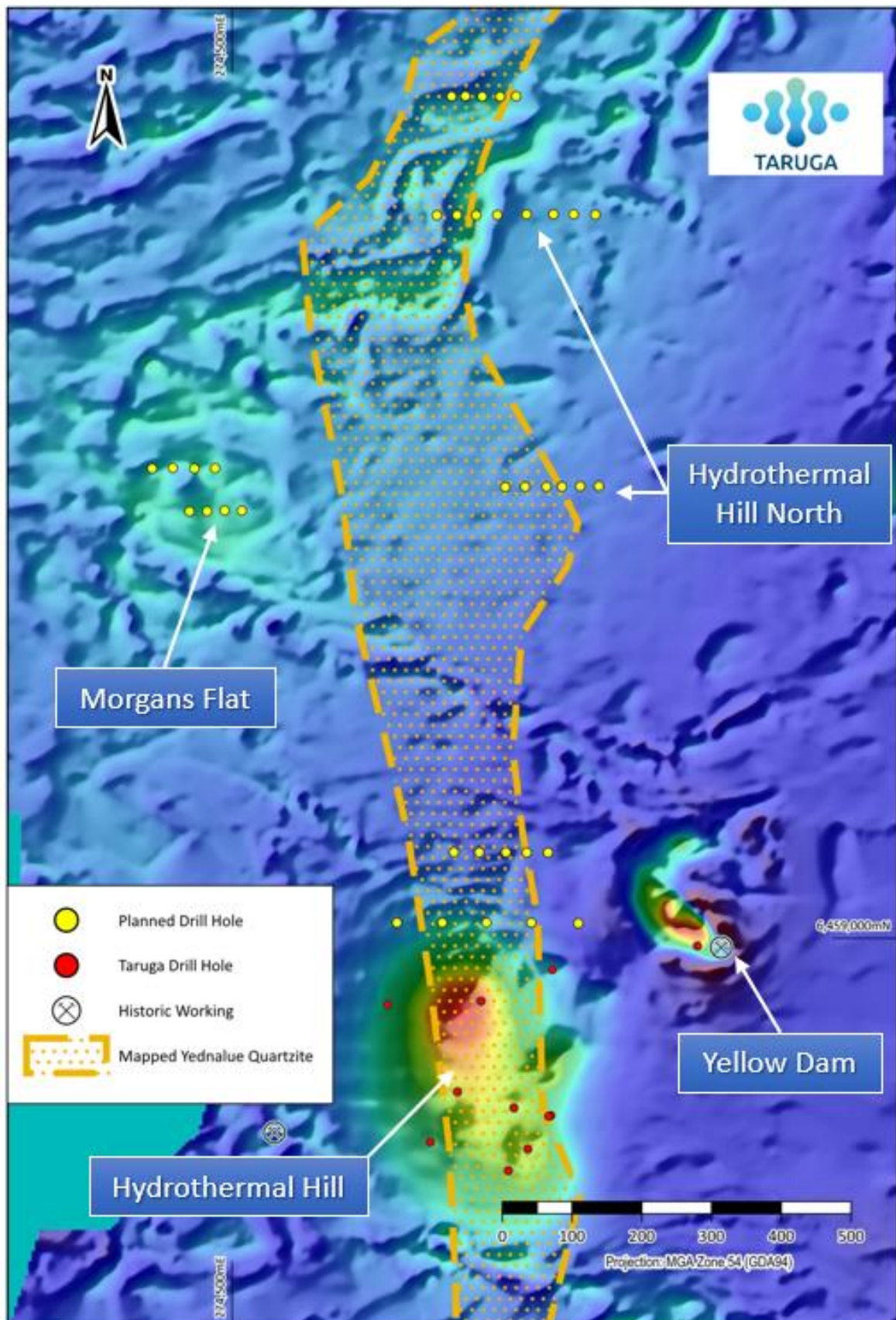
## Summary

Taruga Minerals Limited (ASX: **TAR**, **Taruga** or the **Company**) is pleased to advise that a Rotary Air Blast (RAB) drilling campaign has commenced at Morgans Creek (100% TAR), within the Mt Craig Project (MCP).

### Hydrothermal Hill (100% TAR)

The focus at Morgans Creek will be on testing extensions of the clay and saprock hosted REEs identified at Hydrothermal Hill (**Figure 2**), where a 5km long prospective strike has been identified. REE anomalism is pervasive across multiple lithologies at Morgans Creek, the best grades intercepted to date were intercepted in the upper weathered and oxidised portions of the highly reactive Yednalue Quartzite. The Yednalue Quartzite, which is comprised primarily of sandstones and silts, is mapped/interpreted to extend for over 5km in strike (and up to 300m wide) at Morgans Creek (**Figure 1**), to the north and south of Hydrothermal Hill. Where outcrop is present, prospective alteration matching that seen at Hydrothermal Hill has also been identified along strike, particularly at Hydrothermal Hill North, where approximately 1.5km of prospective strike will be drill tested with several RAB drilling profiles (**Figure 1**).





**Figure 1.** Morgans Creek RAB drill plan, showing the mapped Yednalue Quartzite unit, previous Taruga drilling, over high-resolution ground magnetics TMI image.



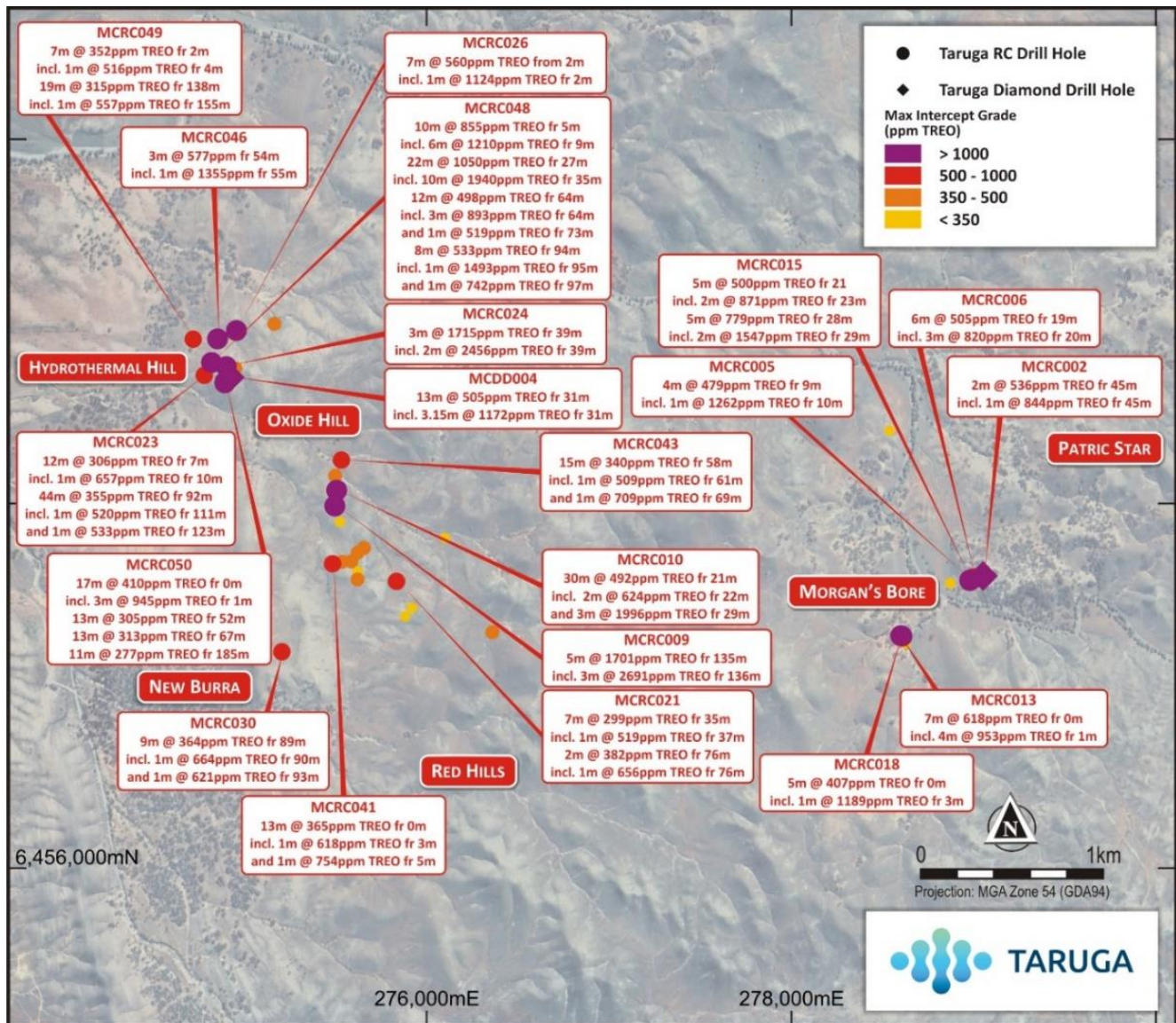
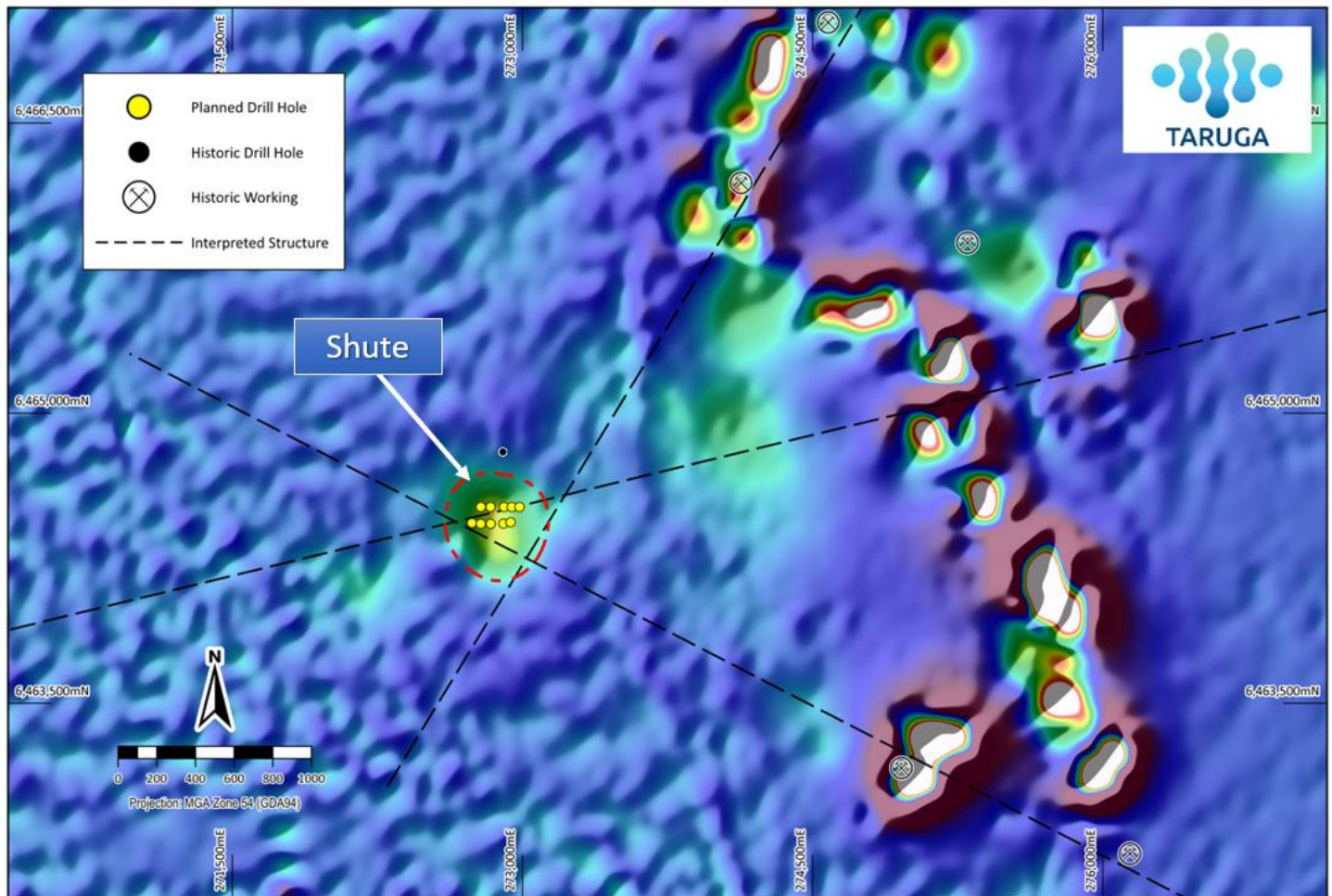


Figure 2. REE Drill results from Taruga's 2021 drilling at Morgans Creek with collars colour coded by maximum TREO grade (purple represents >1000ppm TREO).

## Western Plains - Shute Prospect (100% TAR)

Drilling will also be completed at the newly defined Shute prospect (Figure 3), which sits within the Western Plains area of the Mt Craig project. The Western plains area is a large flat area overlain by shallow transported cover, which expands for over 200km<sup>2</sup> on the western side of the Mt Craig Project. Shute is one of several prospects along strike in the Western Plains area, and is defined by a circular magnetic feature approximately 500m in diameter at the junction of 3 interpreted major structures. Shute sits offset from the exposed mafic intrusions within the Worrumba diapir to the east. The underlying geology is interpreted to be reactive sedimentary rocks. RAB drilling profiles will be completed across the Shute prospect to characterise the anomaly. Shute is believed to be prospective for clay-hosted REEs. The basement rocks at Shute may also be prospective for copper.





**Figure 3.** Shute Prospect RAB drill plan, showing the interpreted structures and a historical drillhole, over TMI image. Note several historical copper workings align with the interpreted structures, where rocks outcrop to the east of Schute.

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

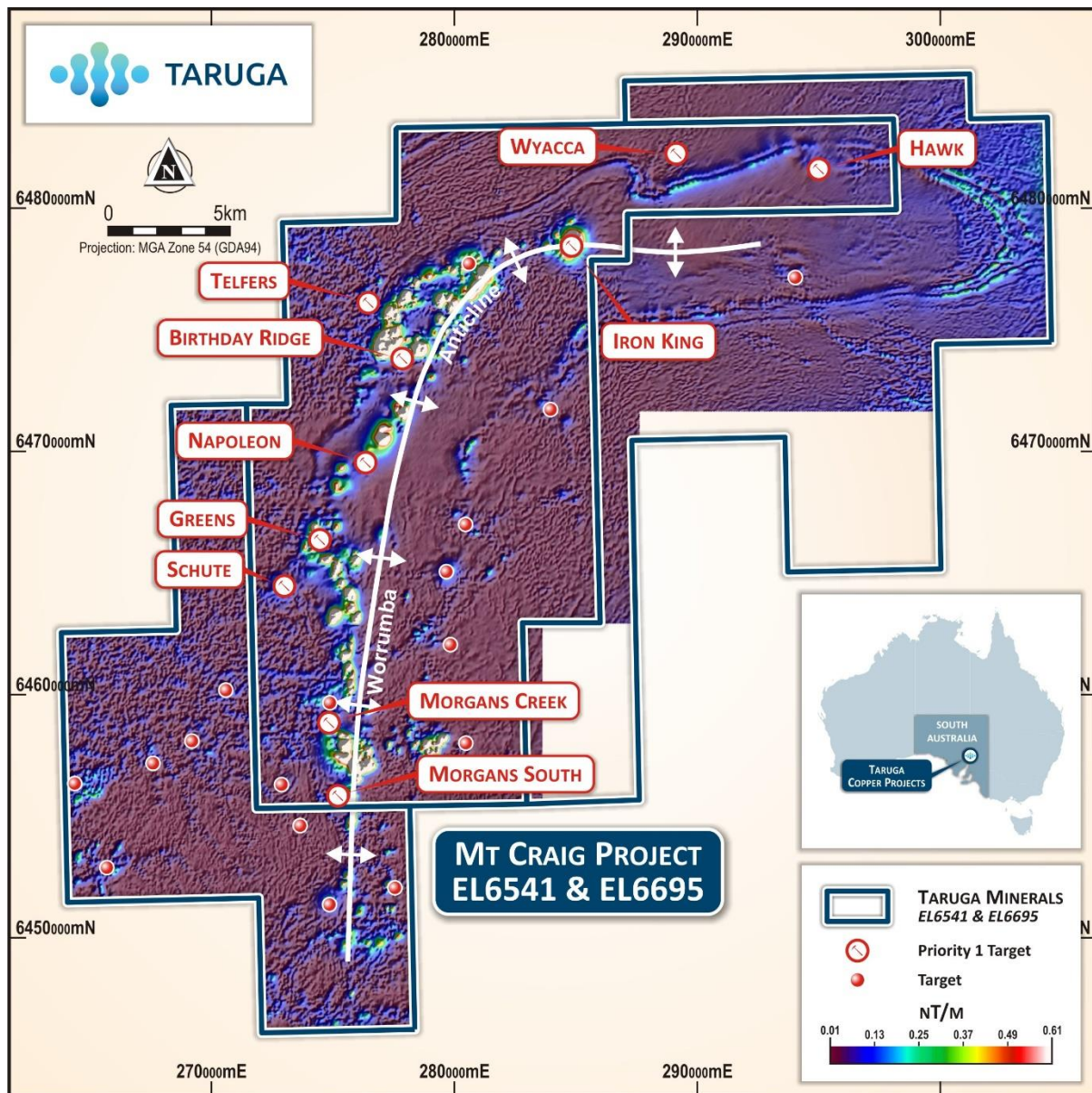
**For more information contact:**

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CEO  
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**Competent person's statement**

The information in this report that relates to exploration results is based on, and fairly represents information and supporting documentation prepared by Mr Brent Laws, a Competent Person who is a Member of The Australasian Institute of Mining and Metallurgy. Mr Laws is the Exploration Manager of Taruga Minerals Limited. Mr Laws has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resource and Ore Reserves". Mr Laws consents to the inclusion in this report of the matters based on their information in the form and context in which it appears.

\*Refer to announcements dated 10/03/2022 "polymetallic drill results at Hydrothermal Hill Skarn; and 07/02/2022 "partial drill results from MCCP". Taruga confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements. Taruga confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcements.



**Figure 4.** MCP Project outline showing priority exploration targets, the main structural feature being the Worrumba Anticline, and the Analytical Signal magnetics image.



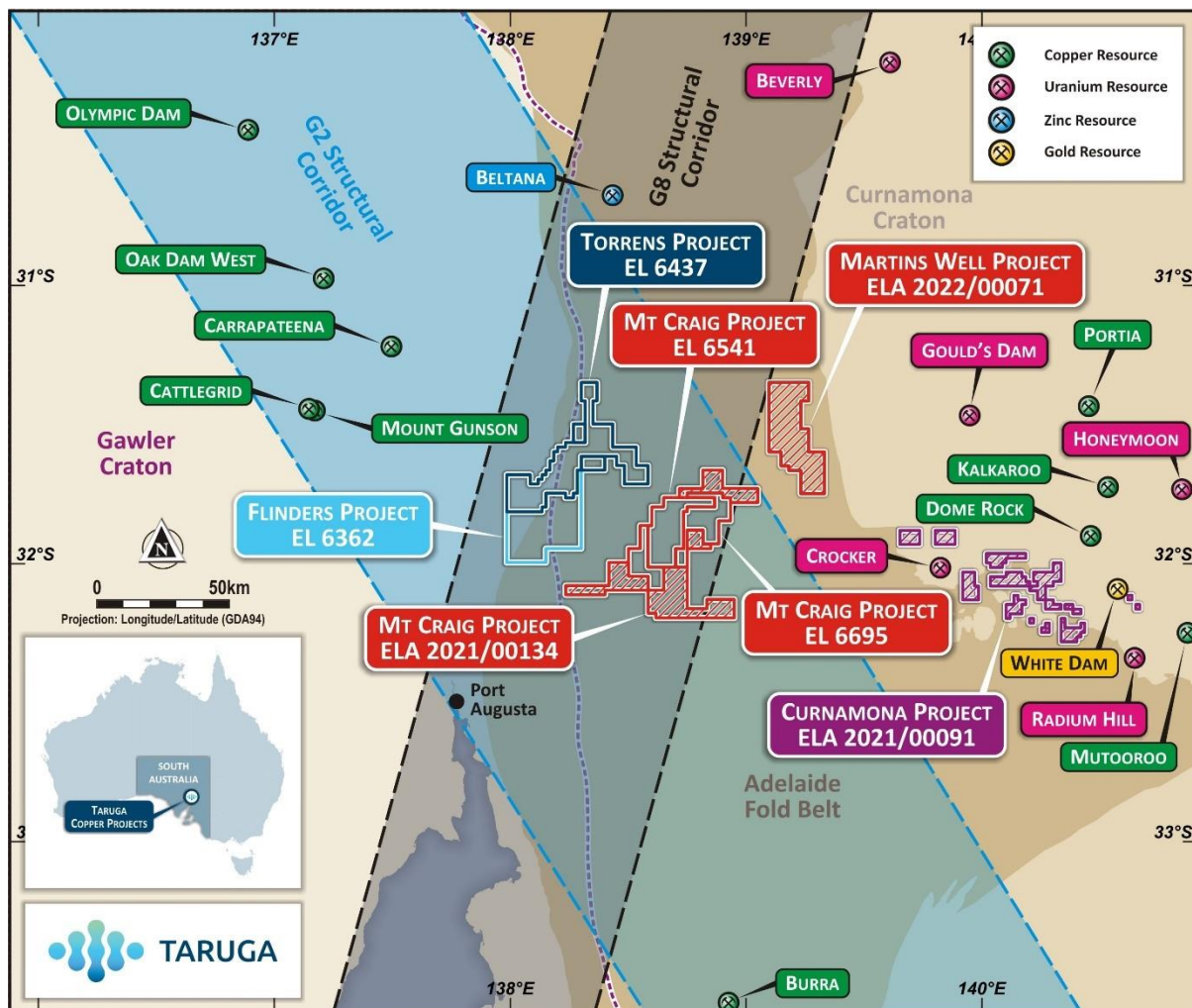


Figure 5. Tenement Map showing Taruga's South Australian projects.

## Forward looking statements

This announcement contains certain forward-looking statements and comments about future events, including the Company's expectations about the proposed transaction, the proposed tenements and the performance of its businesses. Forward looking statements can generally be identified by the use of forward-looking words such as 'expect', 'anticipate', 'likely', 'intend', 'should', 'could', 'may', 'predict', 'plan', 'propose', 'will', 'believe', 'forecast', 'estimate', 'target' and other similar expressions within the meaning of securities laws of applicable jurisdictions. Indications of, and guidance on, future earnings or financial position or performance are also forward-looking statements.

Forward looking statements involve inherent risks and uncertainties, both general and specific, and there is a risk that such predictions, forecasts, projections and other forward-looking statements will not be achieved. Forward looking statements are provided as a general guide only and should not be relied on as an indication or guarantee of future performance. Forward looking statements involve known and unknown risks, uncertainty and other factors which can cause the Company's actual results to differ materially from the plans, objectives, expectations, estimates and intentions expressed in such forward-looking statements and many of these factors are outside the control of the Company. As such, undue reliance should not be placed on any forward-looking statement. Past performance is not necessarily a guide to future performance and no representation or warranty is made by any person as to the likelihood of achievement or reasonableness of any forward-looking statements, forecast financial information or other forecast. Nothing contained in this announcement nor any information made available to you is, or shall be relied upon as, a promise, representation, warranty or guarantee as to the past, present or the future performance of the Company.

Except as required by law or the ASX Listing Rules, the Company assumes no obligation to provide any additional or updated information or to update any forward-looking statements, whether as a result of new information, future events or results, or otherwise.