

New air-core drilling program commences at Karloning to expand clay-hosted REE discovery

Drilling underway to expand the scale and scope of the widespread clay-hosted REE mineralisation intersected in the Company's first drill program, which returned grades up to 6,883ppm TREYO.

Highlights

- ~2,000m of Air Core (AC) drilling in progress at the Karloning REE Project in WA to follow up on the outstanding results received from the Company's maiden Reverse Circulation (RC) drill program earlier this year.
 - AC drilling aimed at vastly increasing the known footprint of the enriched clay-hosted REE's intersected in the initial RC drilling which returned assays including:
 - **24m grading 1,503ppm TREYO from 8m, including 12m grading 2,081ppm TREYO from 8m (KGRC008***)**
 - **28m grading 1,191ppm TREYO from 12m (KGRC007*)**
 - **16m grading 1,656ppm TREYO from 12m (KGRC011***)**
 - **36m grading 1,191ppm TRYO from 12m, including 16m grading 1,505ppm TREYO from 12m (KGRC010*)**
 - **11m grading 2,825ppm TREYO from 9m, including 2m grading 6,883ppm TREYO from 13m (KGRC001**)**
- (* 4m composite samples, **1m samples, ***1m and 4m composite samples reported)*
- Significantly, up to 25% of the mineralisation encountered in the RC program contains the high-value REE's which are critical in the supply chain for manufacturing magnets (MREO) for electric motors. This includes Neodymium (Nd), Praseodymium (Pr), Dysprosium (Dy) and Terbium (Tb) (MREO = Magnet Rare Earth Oxides)).
 - **The current AC drill program is focused on an area of ~1.5km x 1.8km.**
 - The Karloning Project represents an excellent opportunity for Codrus to diversify into the critical minerals space and build on its current gold and copper assets, providing exposure to a commodity sector with outstanding fundamentals and a strong growth outlook.

ASX Announcement

31 July 2023

Directors

Andrew Radonjic

Non-Executive Chairman

Shannan Bamforth

Managing Director

Jamie Byrde

Non-Executive Director

& Company Secretary

Investment Highlights

ASX Code	CDR
Issued Capital	75,430,004
Share Price	\$0.082
Market Cap.	\$6.1M
Cash (Jun '23)	\$1.8M

Contact

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[@CodrusMinerals](https://twitter.com/CodrusMinerals)



[Codrus Minerals](https://www.linkedin.com/company/codrus-minerals)

Codrus Minerals (ASX: **CDR, Codrus or the Company**) is pleased to advise that a ~2,000m Air-Core (AC) drilling program has commenced at its **Karloning REE Project** in WA (see Figure 1).

The drilling is designed to expand the scale and scope of the opportunity for clay-hosted REE mineralisation and expand upon the original discovery announced earlier this year.

The maiden RC drilling program was very successful with **all holes that intersected the clay zone returning enriched clay-hosted REE mineralisation** across multiple high-grade REE intercepts, confirming the **Karloning Project's credentials as an outstanding REE growth opportunity**.

The Project offers compelling exploration potential for the high-value REE's used in the manufacture of high-strength permanent magnets - namely praseodymium, neodymium, terbium and dysprosium.

These elements are in high demand because of the explosive growth in industries that rely on permanent rare earth magnets, such as electric vehicles, wind turbines and other renewable energy applications.



Figure 1. Location of the Karloning REE Project in Western Australia's Wheatbelt.

The Karloning Project

The Karloning Project can be easily accessed by sealed roads via the town of Mukinbudin. The geology within the tenements (E70/5339 and E70/6306) (see Figure 2) comprises mainly medium-to-coarse grained biotite granite and adamellite with a large quartz-microcline pegmatite, known as the Karloning Pegmatite.

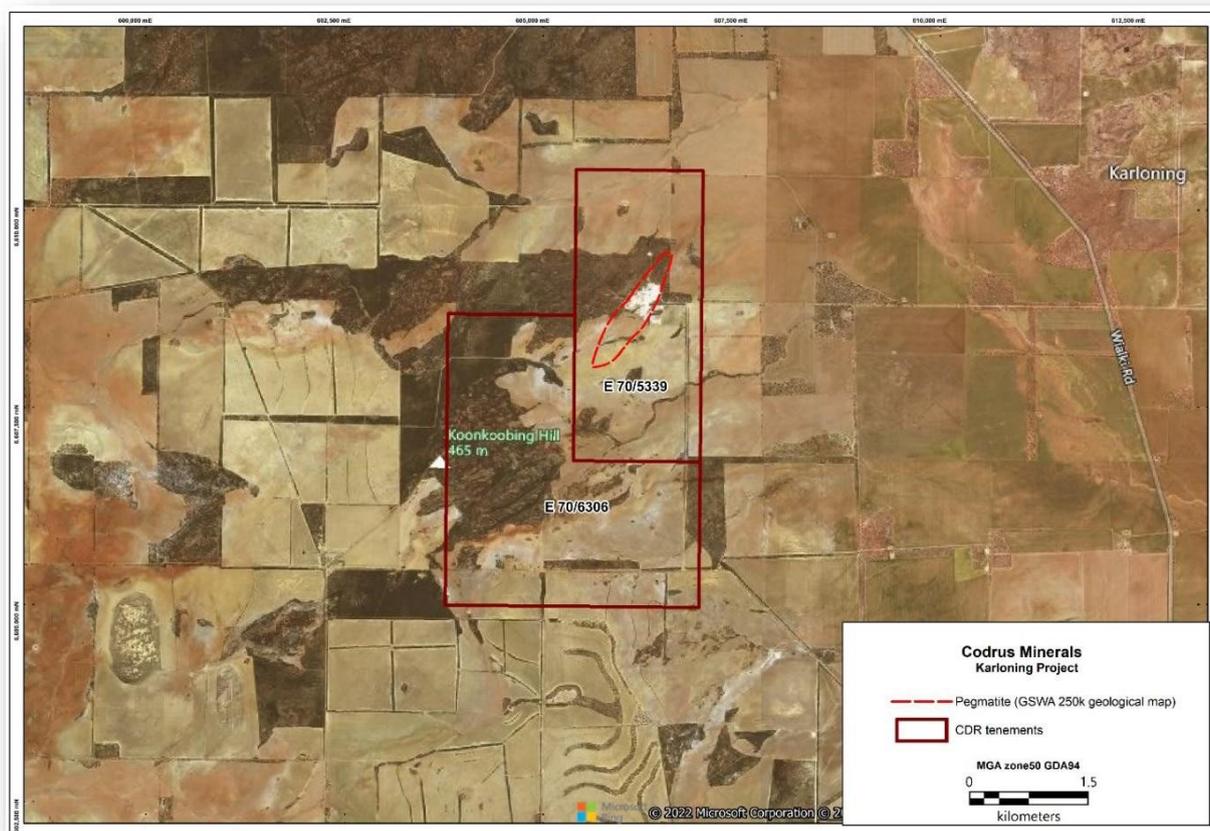


Figure 2. Karloning Project location showing the location of E70/5339 (Talgomine Joint Venture CDR earning in), and E70/6306 (100% Codrus), with the historical quarry visible in E70/5339.

Tertiary lateritic duricrusts skirt the granite outcrops and are eroded by the Quaternary paleo drainages forming broad sheetwash areas consisting of sands, clays and silts.

Mapping by the Geological Survey of Western Australia (1:250,000 Perth map sheet) shows a strike extent of ~1.5km for the Karloning Pegmatite, and Codrus believes there is a potential significant extension to the pegmatite beneath cover and for multiple pegmatite horizons to be discovered within the project area.

There are also broader zones of lower grade REE mineralisation in the widespread alkaline granite investigated to date.

AC Drilling

Following the outstanding results returned from the Company's maiden RC drilling program, the current AC drilling program is designed to expand the known distribution of the clay-hosted REE's discovered at the project to date.

The original RC program was drilled at a nominal 100m x 80m drill spacing, to deliver proof of concept that significant contiguous high-grade clay-hosted REE's were developed within the project.

The new program is designed to expand the scale and scope of the known mineralisation (*see Figure 3*). Drilling will be undertaken on a nominal drill spacing of 400m x 200m, with exact collar locations to be adjusted to ensure minimal impact on farming operations. The class-leading Bostech minimal impact AC system will be utilized.

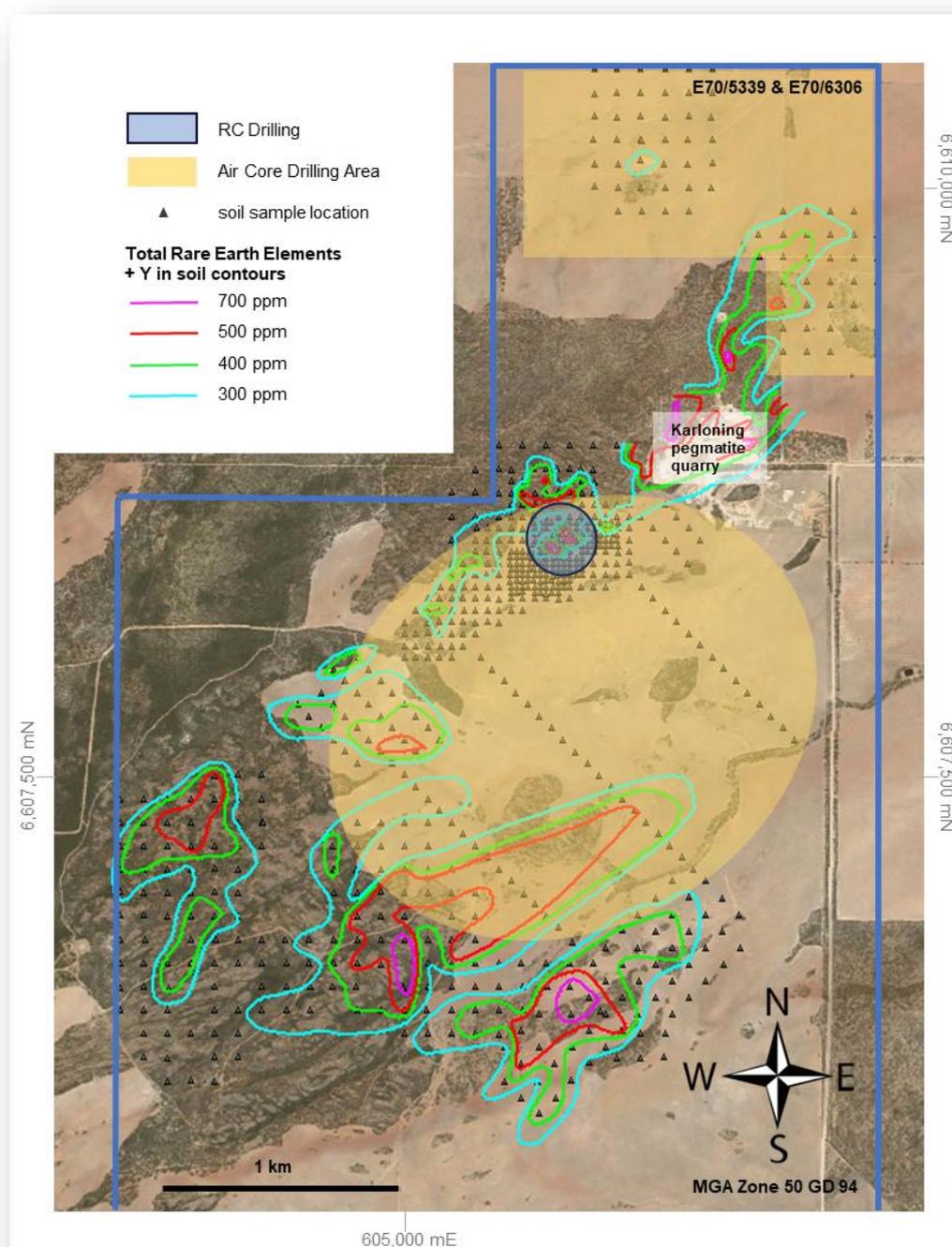


Figure 3. Karloning Project location showing the location of E70/5339 and E70/6306, showing the footprint of the RC drilling, and the target area of the AC drilling.

The current plan is to drill ~2,000m, however this may vary subject to results as the Company develops a greater understanding of the depth and extent of the clay profile over larger areas.

This announcement was authorised for release by the Board of Codrus Minerals.

ENDS

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About Codrus Minerals Limited

Codrus Minerals has secured an exciting new growth and diversification opportunity in the rare earths sector after entering into a farm-in and joint venture agreement with Talgomine Minerals Pty Ltd to earn up to a 90% interest in the Karloning Rare Earth Element (REE) Project, located in Western Australia's Wheatbelt. In addition to our REE project, Codrus has a portfolio of exciting projects in Western Australia (WA) and Oregon, United States of America (USA). All of our Australian assets are located in close proximity to existing operating mines and the Bull Run Project in the USA is located in a rich historic gold producing area. Codrus currently has four projects in WA, comprising 31 tenements with a total landholding of approximately 243km². The Karloning REE Project in the Wheatbelt, the Silver Swan South and Red Gate Projects are in the Eastern Goldfields, whilst the Middle Creek Project is located in the Eastern Pilbara. The tenements are prospective for rare earth elements and potential economic gold mineralisation, with Silver Swan South also being prospective for Nickel. In the USA, the company holds a 100% legal and beneficial interest for 79 claims and is party to an 'Option Agreement', which covers a further 11 claims in Baker County in Eastern Oregon. In total the claims cover approximately 7km² in the Ironside Mountain Inlier. The Bull Run project is prospective for gold and has been mined intermittently since approximately 1929.

Competent Persons Statement

The information in this report that relates to Exploration Results and Exploration Targets is based on information compiled by Mr. Shannan Bamforth who is a Member of the Australasian Institute of Mining and Metallurgy. Mr. Bamforth is a permanent employee of Codrus Minerals and has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as Competent Person as defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr. Bamforth consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The Information in this announcement that relates to previous exploration results for the Projects is extracted from the following ASX announcement:

- *"Codrus Secures Large-Scale Niobium Rich REE Project in WA" 23rd November 2022*
- *"Codrus Confirms High Grades at Niobium-Rich REE Project" 12th December 2022*
- *"Exploration Update - Karloning REE Project, WA" 27th February 2023*
- *"Drilling commences at Niobium-Rich Karloning REE Project", 12th April 2023*
- *"High-grade clay REE mineralisation identified at Karloning" 5th May 2023*
- *"Codrus confirms Karloning clay hosted REE discovery" 9th June 2023*

The above announcement is available to view on the Company's website at codrusminerals.com.au. The Company confirms that it is not aware of any new information or data that materially affects the information included in the relevant original market announcements. The Company confirms that the information and context in which the Competent Person's findings are presented have not been materially modified from the original market announcements.

Exploration and Resource Targets

Any discussion in relation to the potential quantity and grade of Exploration and Resource Targets is only conceptual in nature. While Codrus is continuing exploration programs aimed at reporting additional JORC compliant Mineral Resources, there has been insufficient exploration to define mineral resources and it is uncertain if further exploration will result in the determination of maiden JORC compliant Mineral Resources.

Forward-Looking Statements

Forward-looking statements are only predictions and are subject to risks, uncertainties and assumptions which are outside the control of Codrus. There is continuing uncertainty as to the full impact of COVID-19 on Codrus's business, the Australian economy, share markets and the economies in which Codrus conducts business. Given the high degree of uncertainty surrounding the extent and duration of the COVID-19 pandemic, it is not currently possible to assess the full impact of COVID-19 on Codrus' business or the price of Codrus securities. Actual values, results or events may be materially different to those expressed or implied in this presentation. Given these uncertainties, recipients are cautioned not to place reliance on forward-looking statements. Any forward- looking statements in this presentation speak only at the date of issue of this presentation. Subject to any continuing obligations under applicable law and the ASX Listing Rules, Codrus does not undertake any obligation to update or revise any information or any of the forward-looking statements in this presentation or any changes in events, conditions or circumstances on which any such forward-looking statement is based.