

31/10/2023



QUARTERLY ACTIVITIES REPORT FOR THE PERIOD ENDED 30 SEPTEMBER 2023

Taruga Minerals Limited (ASX: **TAR**, **Taruga** or the **Company**) is pleased to present its quarterly activities report for the September 2023 quarter.

Mt Craig Project (MCP), South Australia (TAR 100%)

Morgan Creek REE Exploration

Mapping of creek exposures that cut across the target area has been completed. The mapping highlights the characteristics of elevated REE zones within the Yednalue Quartzite unit.

Metallurgical testwork subsequent to ANSTO (ASX release 15/12/2022) includes samples sent to Labwest covering the broader project area including REE bearing sedimentary units outside of the main target zone of the Yednalue Quartzite unit. Subsequent verification of select samples are currently being analysed at Strategic Metallurgy, WA. Further metallurgical or beneficiation testwork is to be determined with the guidance of experienced consultant Gavin Beer.

Mt Craig – Wyacca Copper Exploration

The Wyacca prospect sits on the western limb within the northern section of the Worumba Anticline. Mapping and drill results coupled with geophysical data was incorporated into advanced mapping and structural interpretations to define the potential and targeting of copper mineralisation.

The stratigraphy in the Wyacca Prospect area consists of the Tapley Hill formation overlying the Wilyerpa formation, with the Tapley Hill formations Tindelpina Shale member at the base of the Tapley Hill Formation. The various structural features including radial faults cross cutting stratigraphy and stratigraphic shears combine to provide potential zones of brecciated permeable stratigraphy and pathways for fluid movement which is reflected in the known copper mineralisation exposed at surface. This generation work has highlighted targets for copper mineralisation, being the subsurface intersection of radial faulting, stratigraphic shearing and the stratigraphic contact of the Tindelpina shale and the Wilyerpa sandstone.

Regional copper reconnaissance was conducted over magnetic and gravity anomalies as ongoing program advancement to identify alteration and geological variations in support of potential copper mineralisation models and future targeting.

Flinders Project, South Australia (TAR 100%)

Taruga (via Strikeline Resources Pty Ltd) (**Strikeline**) continues to await a decision on authorisation under Section 23 of the Aboriginal Heritage Act 1988 (SA). The Section 23 authorisation will resolve uncertainty in areas where Native Title has not been determined at the Flinders Project. This authorisation would confirm full drilling authorisation.

Taruga's Section 23 application was lodged in March of 2021. Several face-to-face meetings have been held with the Minister for Energy and Mining this year and an attempt was also made to meet with the Minister for Aboriginal Affairs. Taruga continues to seek an outcome at Flinders which would enable exploration to recommence.

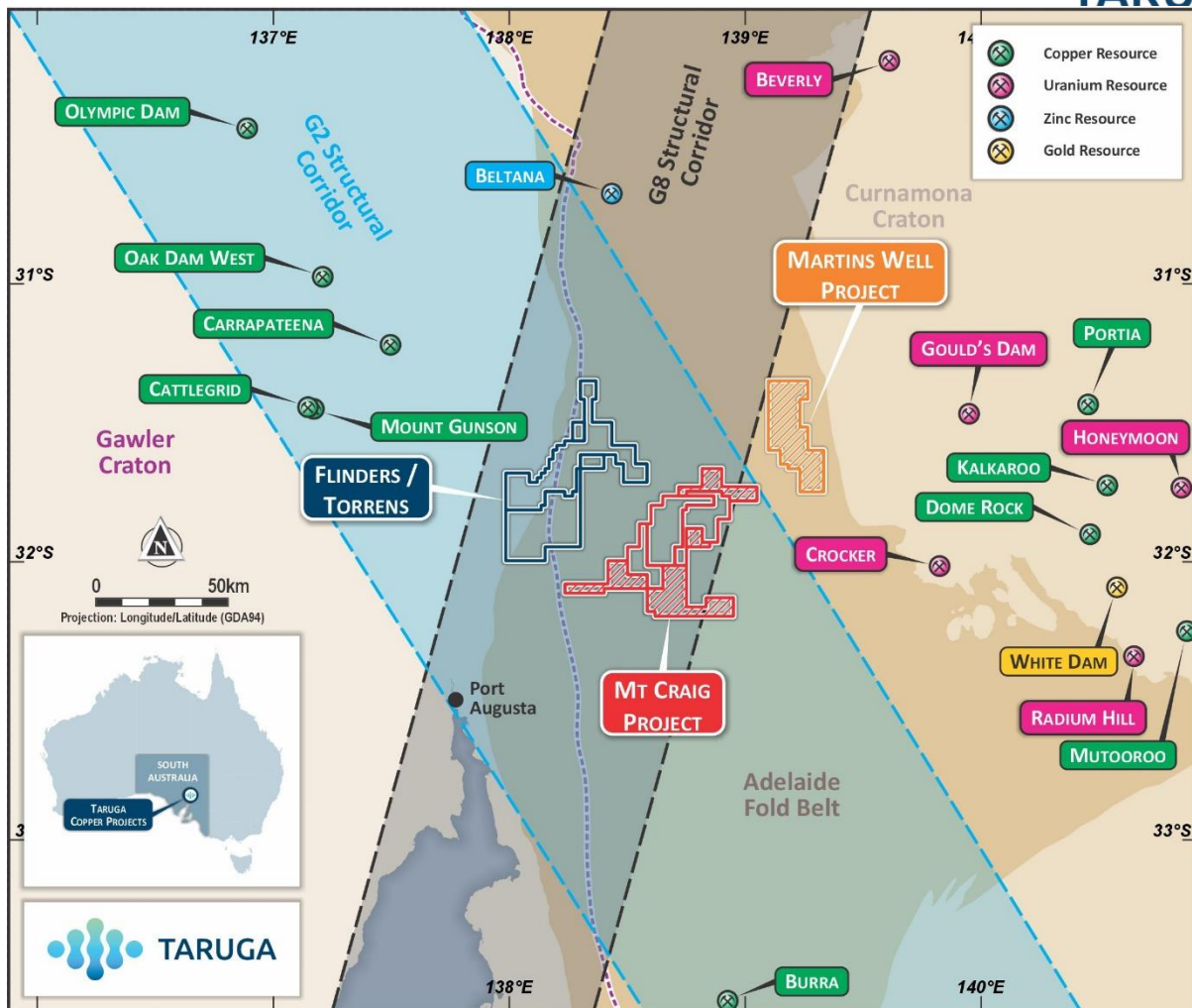


Figure 1: Tenement Map showing Taruga's South Australian projects and the regional and structural setting including the Gawler Craton outline as published by the Geological Survey of South Australia in purple.

Torrens Project, South Australia (TAR 100%)

Work was limited to reviewing historical data and known geology relating to the Torrens Project for the September quarter.

Curnamona Project, South Australia (TAR 100%)

The Curnamona Project includes exploration licences EL6828 and EL6836. Taruga carried out an extensive review of available reports and applicable data including drilling, geophysical and geological mapping evaluating the risk vs reward of potential targets within the licence areas. The findings of the review did not identify any targets of interest or of a scale worthy of Taruga following up with on the ground activities. Subsequently the decision was made during the quarter to surrender the licences which should be concluded in the current quarter.

Manjimup Project, Western Australia (TAR 100%)

Taruga holds 3 exploration licence applications in the Greenbushes area of Western Australia (the Manjimup Project). The Manjimup Project tenements have potential for Thor and Odin



type Ni-PGE mineralisation, Volcanic Hosted Massive Sulphide (VHMS) polymetallic mineralisation, and Greenbushes tin-tantalum-lithium style of mineralisation.

Taruga are now looking for a Joint Venture partner to develop the Manjimup Project (or divestment) while we remain focussed on REE and copper exploration across our South Australian assets.

Meekatharra Magmatic Ni-Cu Project, Western Australia (PUA 80% / TAR 20%)

The Meekatharra Project (Exploration licence E51/1832) is located 30km southeast of the regional centre of Meekatharra in the Murchison region of Western Australia. Peak Minerals Ltd (ASX: PUA) holds an 80% interest in E51/1832.

CORPORATE

Cash Position

As at 30 September 2023, the Company had approximately ~\$2.8 million of cash and nil debt.

Summary of Exploration Expenditure

In accordance with Listing Rule 5.3.1, the Company reports that there was ~\$276,000 exploration expenditure incurred during the September quarter.

Note 6 to Appendix 5B

Payments to related parties of the entity and their associates: during the September quarter NIL fees were paid to Directors and associates for director and consulting fees.

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

For more information contact:

David Chapman
Technical Director
+61 8 9486 4036

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.

Annexure 1: Interests in tenements held directly by Taruga Minerals or subsidiary company

Tenements	Held	Country
E70/5029	100% (In application)	Australia
E70/5030	100% (In application)	Australia
E70/5031	100% (In application)	Australia
EL6362 (Flinders)	100%	Australia
EL6437 (Torrens)	100%	Australia
EL6541 (MCP)	100%	Australia
EL6695 (MCP)	100%	Australia
EL6828 (Curnamona)	100% (Surrendered)	Australia
EL6836 (Curnamona)	100% (Surrendered)	Australia
EL6843 (Martins Well)	100%	Australia
EL6829 (MCP)	100%	Australia
E51/1832	20%	Australia

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

Taruga Minerals Limited

ABN

19 153 868 789

Quarter ended ("current quarter")

30 September 2023

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (3 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	4	4
1.2 Payments for		
(a) exploration & evaluation	-	-
(b) development	-	-
(c) production	-	-
(d) staff costs	-	-
(e) administration and corporate costs	(91)	(91)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	8	8
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other (provide details if material)	(62)	(62)
1.9 Net cash from / (used in) operating activities	(141)	(141)

2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) tenements	-	-
(c) property, plant and equipment	-	-
(d) exploration & evaluation	(276)	(276)
(e) investments	-	-
(f) other non-current assets	-	-

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other ¹	-	-
2.6	Net cash from / (used in) investing activities	-	-
3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	-	-
4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	3,221	3,221
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(141)	(141)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(276)	(276)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	-

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	2,804	2,804

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	34	101
5.2	Call deposits	2,770	3,120
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	2,804	3,221

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	-
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
<i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i>		

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

7. Financing facilities	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
<i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>		
7.1 Loan facilities	-	-
7.2 Credit standby arrangements	-	-
7.3 Other (please specify)	-	-
7.4 Total financing facilities	-	-
7.5 Unused financing facilities available at quarter end		-
7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (item 1.9)	(141)
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(276)
8.3 Total relevant outgoings (item 8.1 + item 8.2)	(417)
8.4 Cash and cash equivalents at quarter end (item 4.6)	2,804
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	2,804
8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3)	6.72
<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>	
8.8 If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
Answer: N/A	
8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
Answer: N/A	
8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
Answer: N/A	
<i>Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.</i>	

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 31 October 2023

Authorised by: The board of directors of Taruga Minerals Limited

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.