

TARUGA

**TARUGA MINERALS LIMITED**

ACN 153 868 789

**INTERIM FINANCIAL REPORT  
31 DECEMBER 2025**

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**TARUGA**

AND CONTROLLED ENTITIES

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# DIRECTORS' REPORT



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## DIRECTORS' REPORT

Your directors submit the financial report of the Group for the half-year ended 31 December 2025. In order to comply with the provisions of the Corporations Act 2001, the directors report as follows:

## DIRECTORS

The following persons were Directors of Taruga Minerals Limited during the half-year and up to the date of this report unless otherwise stated:

Paul Cronin	Non-executive Chairman
Eric de Mori	Non-executive Director
David Chapman	Non-executive Director

## COMPANY SECRETARY

Daniel Smith	Company Secretary
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## RESULTS

The loss after tax for the half year ended 31 December 2025 was \$2,259,831 (31 December 2024 was \$494,409).

## REVIEW OF OPERATIONS

### Project Overview

During the half year ended 31 December 2025, Taruga Minerals Limited ("Taruga" or "the Company") significantly expanded its growth platform through the strategic entry into Papua New Guinea ("PNG"), and advanced exploration across its Western Australian portfolio.

The period was marked by the execution of option agreements over two advanced PNG projects, continued target generation in Western Australia, and capital raising to fund near-term exploration.

### Papua New Guinea – Strategic Entry into High-Impact PNG Assets

During the December quarter, Taruga executed binding documentation for a 12-month option to acquire 100% of two exploration projects in Papua New Guinea:

- East Normanby Gold Project (Normanby Island)
- Kol Mountain Copper-Gold Project (East New Britain Island)

The option structure provides exposure to advanced gold and copper assets while preserving capital discipline through staged, milestone-based payments linked to JORC-compliant resource outcomes. The transaction provides early exposure to advanced exploration assets with demonstrated scale, while enabling detailed due diligence and early value-adding work prior to any acquisition decision.

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**Figure 1:** Weioko outcrop – Eric de Mori (left), David Chapman, Peter McNeil (Vendor) and Adam Miethke (Discovery Capital). Location of historical channel sample 1m @ 17.3 g/t Au (sample 289112). Location 297720mE / 8895527mN (WGS 84 zone56).

## **East Normanby Gold Project**

The East Normanby Project comprises three tenements (EL2590, ELA2830 and ELA2831) covering 491 km<sup>2</sup> and hosts the Weioko gold deposit, supported by 67 historical drill holes totalling 5,792 metres.

Historical trenching and drilling results demonstrate scale and grade, including:

- 108 m @ 2.4 g/t Au (including 28m @ 4.9 g/t Au and 4m @ 21.9 g/t Au) (Trench WT1S),
- 68 m @ 5.9 g/t Au (Trench WT1N),
- 64.6 m @ 2.2 g/t Au from surface (including 2.9 m @ 33.9 g/t Au) (Hole PWED047) and
- 36 m @ 2.7 g/t Au from surface (Hole PWED035).

Taruga views Weioko as a large, open gold system with potential for resource expansion subject to modern validation and follow-up drilling. Post period-end (January 2026), rock chip sampling returned gold grades up to 23.2 g/t Au (Weioko-Sample W1003) and supports an interpreted ~8 km gold trend at the Weioko gold district, further strengthening exploration targeting during the option period.

# DIRECTORS' REPORT



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## **Gwamogwamo Prospect**

As part of due diligence, independent assays confirmed high-grade gold-copper mineralisation over approximately 1.5 km of strike. (See ASX Announcement on 18 December 2025).

Rock chip results included:

- 12.4 g/t Au & 0.25% Cu (sample 705343),
- 4.8% Cu (sample 705358),
- 3.7 g/t Au (sample 705341),
- 1.4 g/t Au & 1.7% Cu, (sample 705336) and
- 2.0 g/t Au & 0.50% Cu (sample 705364).

These results support historical trenching and drilling and reinforce the broader Gwamogwamo Gold-Copper Prospect as a large gold and copper system centred on gossans derived from massive and disseminated sulphides within metamorphosed volcanic and sedimentary rocks.

## **Kol Mountain Copper-Gold Project**

The Kol Mountain Project comprises granted permit EL2513 covering 123 km<sup>2</sup> and includes porphyry, skarn and shear-hosted gold targets across the Esis, Bukuam and Kapea prospects. Historical drilling (37 holes for 8,620 m) returned significant copper and gold intercepts, including:

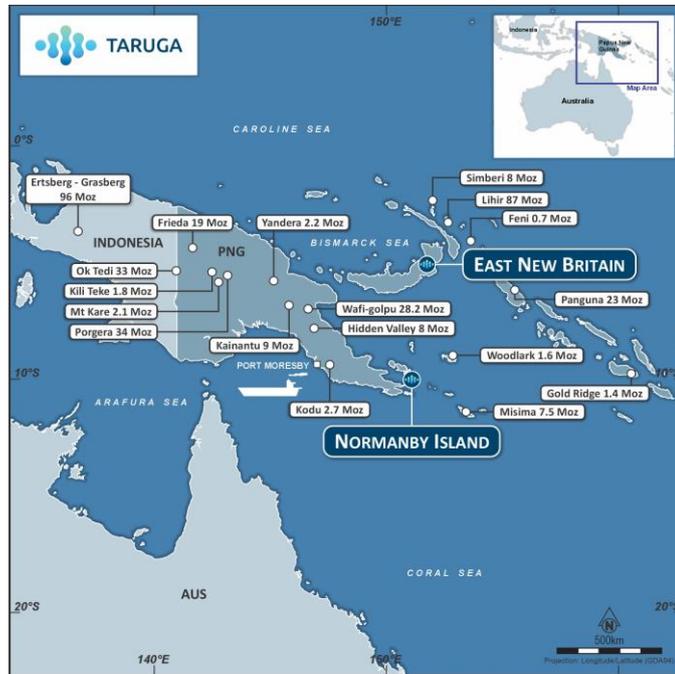
- 222 m @ 0.38% Cu from 6m (Hole NBE001-Esis Prospect),
- 184 m @ 0.30% Cu from 2m (Hole NBE002-Esis Prospect),
- 16 m @ 0.57% Cu from surface (Hole DW7-Esis Prospect),
- 55m @ 3.2g/t Au including 5m @ 13.1g/t Au (Trench-Kapea Shear South) and
- 33.6 @ 2.9g/t Au including 8m @ 8.3g/t Au (Trench-Kapea Shear North).

The project provides exposure to a potential large-scale copper-gold system within a well-defined porphyry and skarn complex.

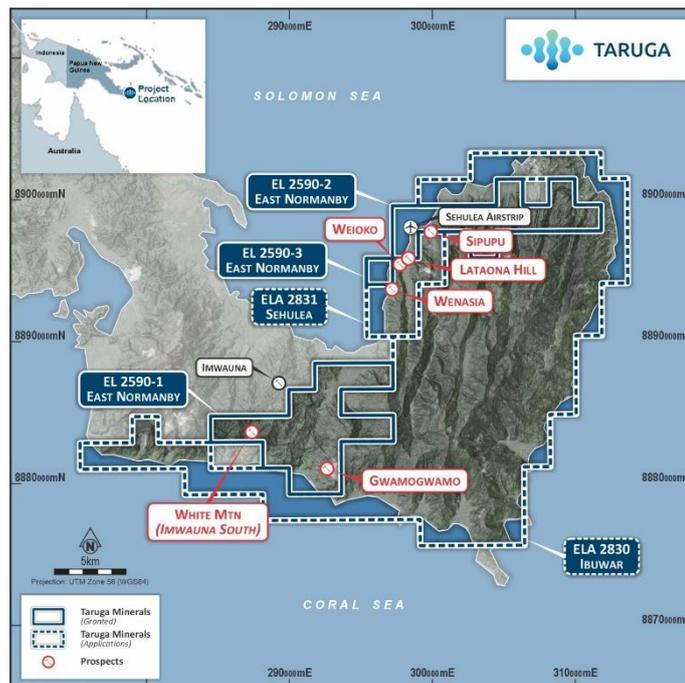
# DIRECTORS' REPORT



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**Figure 2:** Normanby Island and East New Britain project locations within PNG in relation to other significant deposits.



**Figure 3:** Normanby Island Project location showing EL/ELA's and key prospect locations.

# DIRECTORS' REPORT



AND CONTROLLED ENTITIES

## Western Australia Projects

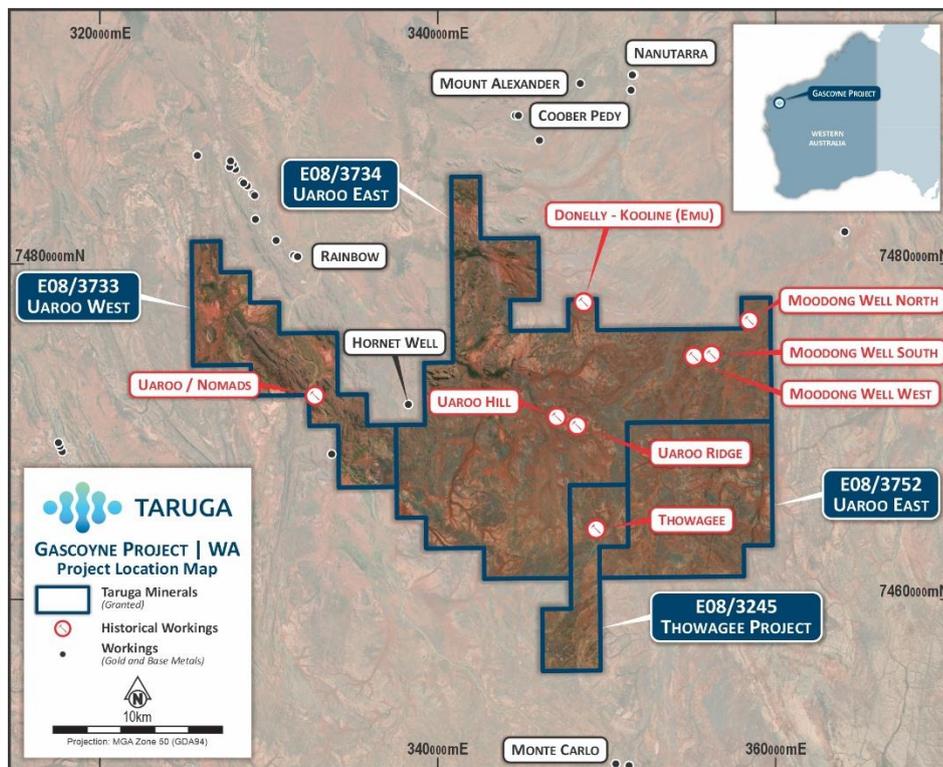
During the half year ended 31 December 2025, Taruga advanced exploration across its Western Australian project portfolio, with particular focus on its wholly owned Gascoyne Projects. Activities were directed toward expanding the Company's polymetallic discovery pipeline and refining high-priority geophysical and geochemical targets.

### Gascoyne Projects (TAR 100%)

Taruga holds four contiguous exploration licences (E08/3245, E08/3733, E08/3734 and E08/3752) covering approximately 416.5 km<sup>2</sup> in the highly prospective Northern Gascoyne Province of Western Australia.

During the half year:

- Exploration licences E08/3733, E08/3734 and E08/3752 were granted, expanding the Company's footprint by approximately 385 km<sup>2</sup> adjacent to the Thowagee Project.
- Initial reconnaissance exploration was undertaken across the newly granted tenure.
- A previously undocumented gold and copper prospect, Uaroo Ridge, was identified within E08/3734 (Uaroo East E08/3734).



**Figure 4:** Location and tenement map displaying historic workings and prospects within and around Taruga exploration licences, including the recently identified Uaroo Ridge prospect.

# DIRECTORS' REPORT



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## **Uaroo Ridge Discovery**

Uaroo Ridge is located approximately 5 km north of the Thowagee Project and comprises an approximately 1 km-long outcropping quartz ridge. Rock chip sampling returned consistent anomalous gold and copper results, including:

- UARK001 – 0.5g/t Au and 0.4% Cu,
- UARK005 – 0.5g/t Au and 0.1% Cu,
- UARK028 – 0.4g/t Au and 0.4% Cu,
- UARK021 – 0.1g/t Au and 1.0% Cu,
- UARK027 – 0.2g/t Au and 0.6% Cu,
- UARK020 – 0.7% Cu.

The prospect has no prior record of documented mineralisation in historical WAMEX data, highlighting the underexplored nature of the tenure. The broader Uaroo West and Uaroo East areas contain numerous historical high-grade workings within favourable structural corridors, interpreted to be associated with hydrothermal vein and shear-hosted systems.

The discovery supports further systematic exploration across the expanded Gascoyne landholding.

## **Thowagee Project (E08/3245) – TAR 100%**

During the period, Taruga advanced on-ground exploration activities at the Thowagee Project. The project hosts historic high-grade polymetallic mineralisation occurring in quartz veins and gossans.

### **Rock Chip and Soil Sampling**

Rock chip sampling confirmed the high-grade polymetallic nature of mineralisation, with significant lead-silver-zinc-copper-gold results including:

- THRK023 - 12.2% Pb, 170g/t Ag, 0.7% Zn,
- THRK025 - 13.0% Pb, 102g/t Ag,
- THRK028 - 11.1% Pb, 117g/t Ag.
- THRK019 – 19.7% Pb, 130g/t Ag, 3.4% Cu, 0.1g/t Au,
- THRK006 – 9.9% Pb, 56g/t Ag, 14.5% Zn, 0.2g/t Au.

Soil geochemistry identified anomalous gold trends (peak 92 ppb Au) coincident with interpreted shear zones.

### **Geophysics and Target Refinement**

A high-priority VTEM anomaly identified approximately 1 km south of the historic Thowagee workings was further evaluated. The anomaly is interpreted as a high-amplitude bedrock conductor coincident with favourable structural features.

Four short slimline diamond core holes were drilled into existing workings to obtain representative host rock samples. Visual observations identified minor galena and sphalerite, with samples submitted for mineralogical and geochemical evaluation. Ongoing 2-D and 3-D modelling and structural interpretation are being undertaken to optimise future drill targeting.

# DIRECTORS' REPORT



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## Meekatharra Magmatic Ni-Cu Project (LRM 80% / TAR 20%)

The Meekatharra Project (E51/1832), located approximately 30 km southeast of Meekatharra in Western Australia, is operated by Lion Rock Minerals Ltd (80%). No material field activities were reported during the period.

## South Australia Projects

### Mt Craig Copper Project (TAR 100%)

The Mt Craig Copper Project comprises exploration licences EL 6541, EL 6695 and EL 6829, covering more than 1,712 km<sup>2</sup> centred on the Worumba Anticline. The project is prospective for copper and rare earth elements (REEs). During the half year:

- No on-ground field exploration was conducted.
- Technical evaluation continued regarding next-stage geophysical programs, including Audio-Magnetotellurics (AMT/MT) and passive seismic surveys.
- Work focused on integrating historical drilling, rock chip and soil geochemistry to refine future exploration strategy at Wyacca.

### Flinders Project (TAR 100%)

No field work was undertaken during the half year. The Company continues to assess compliance requirements and pathways to advance activities following the January 2024 determination under the Aboriginal Heritage Act 1988 (SA), whereby authorisations sought for exploration at Jenkins and Woolshed were not granted.

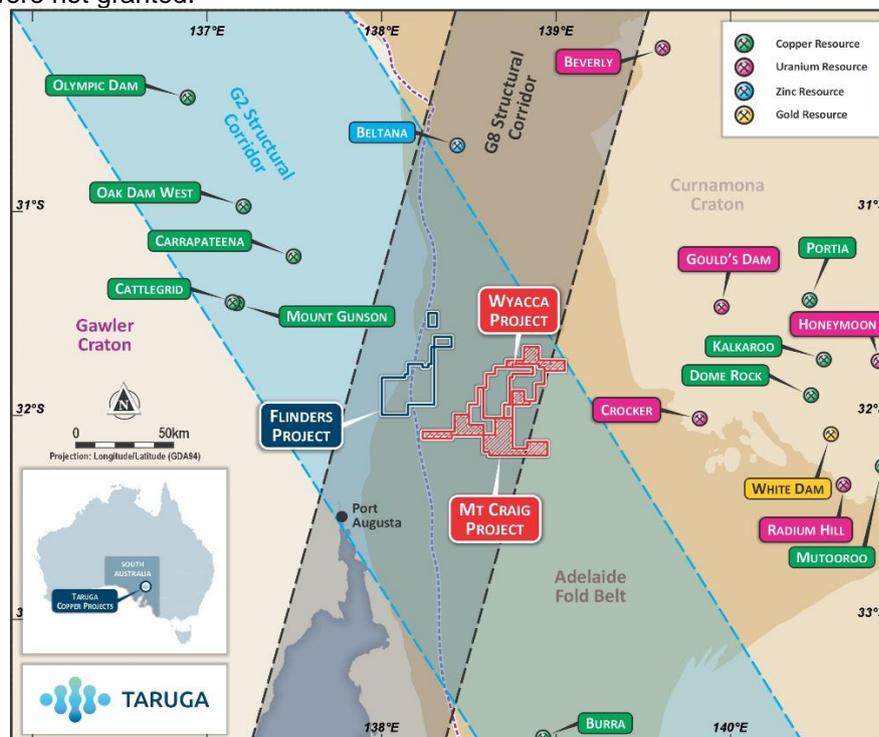


Figure 5: Tenement Map showing Taruga's South Australian projects and the regional and structural setting including the Gawler Craton outline as published by the Geological Survey of South Australia in purple.

# DIRECTORS' REPORT



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## CORPORATE

### Cash Position

During the December quarter, Taruga announced a \$1.5 million placement at \$0.01 per share. Directors Paul Cronin and Eric De Mori each subscribed for \$300,000 (subject to shareholder approval). Placement shares to unrelated parties were issued on 22 December 2025 raising \$900,000 before costs.

In addition, during December 2025, 5,928,465 shares were issued following the conversion of options at \$0.015 per share, raising \$88,927.

As at 31 December 2025, the Company held approximately \$1.75 million in cash, maintaining a debt-free position. Post period end, the Company completed the second tranche of the Placement announced 15 December 2025, raising an additional \$600,000.

### Annual General Meeting

The Company released its Annual Report and held its Annual General Meeting on 28 November 2025, with all resolutions passed by strong majorities.

### Subsequent Events

On 21 January 2026 the Group announced the issue of 102,287 shares due to the conversion of options, raising \$1,534.

On 28 January 2026 the Group announced the issue of 350,690 shares due to the conversion of options, raising \$5,260.

On 2 February 2026 the Group announced the issue of 467,758 shares due to the conversion of options, raising \$7,016.

On 25 February 2026 the Group announced the results of its General Meeting, including passing the following resolutions:

- Approval to issue Director placement shares, raising \$600,000.
- Approval to issue vendor performance rights (see note 10).
- Approval to issue broker options. These relate to the placement completed during the period and have been valued in the current period (see note 10).
- Approval to issue shares in lieu of outstanding Director fees totalling \$239,000 at 31 December 2025.
- Approval to issue 105m Director and management incentive options relating to services performed during the period and valued in the current period (see note 10).

On 5 March 2026 the Group announced the issue of 694,786 shares due to the conversion of options, raising \$10,422.

# DIRECTORS' REPORT



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On 13 March 2026 the Company announced the issue of 511,415 shares due to the conversion of options, raising \$7,671.

## 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.

## AUDITOR'S INDEPENDENCE DECLARATION

Section 307C of the Corporations Act 2001 requires our auditors, HLB Mann Judd, to provide the directors of the company with an Independence Declaration in relation to the review of the interim financial report. This Independence Declaration is set out on page 12 and forms part of this directors' report for the half-year ended 31 December 2025.

This report is signed in accordance with a resolution of the Board of Directors made pursuant to section 306(3) of the Corporations Act 2001.

Eric de Mori  
Non-Executive Director  
Perth, 16 March 2026

## AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the review of the consolidated financial report of Taruga Minerals Limited for the half-year ended 31 December 2025, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- a) the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- b) any applicable code of professional conduct in relation to the review.

Perth, Western Australia  
16 March 2026



**N G Neill**  
Partner

**h**l**b.com.au**

**HLB Mann Judd ABN 22 193 232 714**

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# CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME



FOR THE HALF-YEAR ENDED 31 DECEMBER 2025

AND CONTROLLED ENTITIES

	Note	31 December 2025 \$	31 December 2024 \$
Interest received		12,953	13,195
Other income		-	55,454
Fair value gain/(loss) on financial assets		1,052	(4,274)
Depreciation		(15,166)	(26,237)
Consultants		(87,000)	(89,500)
Employee benefits expense		(40,973)	(8,174)
Professional fees		(77,371)	(68,114)
Travel and accommodation		(2,159)	-
Exploration expenditure expensed		(57,680)	(293,491)
Share based payments	5	(1,664,915)	-
Project evaluation		(197,606)	-
Other expenses		(130,966)	(73,268)
<b>Loss from continuing operations before income tax</b>		<b>(2,259,831)</b>	<b>(494,409)</b>
Income tax expense		-	-
<b>Net loss for the period</b>		<b>(2,259,831)</b>	<b>(494,409)</b>
Other comprehensive income		-	-
<b>Total comprehensive loss for the period</b>		<b>(2,259,831)</b>	<b>(494,409)</b>
Basic and diluted loss per share (cents per share)		(0.31)	(0.07)

The above condensed consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

# CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION



AS AT 31 DECEMBER 2025

AND CONTROLLED ENTITIES

	Note	31 December 2025 \$	30 June 2025 \$
<b>CURRENT ASSETS</b>			
Cash and cash equivalents		1,752,033	1,617,976
Trade and other receivables		46,943	28,287
Financial assets		13,363	12,311
<b>Total Current Assets</b>		<b>1,812,339</b>	<b>1,658,574</b>
<b>NON-CURRENT ASSETS</b>			
Mineral exploration and evaluation	2	380,457	88,825
Plant and equipment		104,667	119,833
Other assets		110,000	110,000
<b>Total Non-Current Assets</b>		<b>595,124</b>	<b>318,658</b>
<b>TOTAL ASSETS</b>		<b>2,407,463</b>	<b>1,977,232</b>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	3	380,140	269,236
<b>Total Current Liabilities</b>		<b>380,140</b>	<b>269,236</b>
<b>TOTAL LIABILITIES</b>		<b>380,140</b>	<b>269,236</b>
<b>NET ASSETS</b>		<b>2,027,323</b>	<b>1,707,996</b>
<b>EQUITY</b>			
Issued capital	4	36,015,568	35,221,895
Reserves	5	5,219,267	3,540,776
Accumulated losses		(39,207,512)	(37,054,675)
<b>TOTAL EQUITY</b>		<b>2,027,323</b>	<b>1,707,996</b>

The above condensed consolidated statement of financial position should be read in conjunction with the accompanying notes

# CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY



FOR THE HALF-YEAR ENDED 31 DECEMBER 2025

AND CONTROLLED ENTITIES

	Issued Capital	Accumulated Losses	Option Reserve	Share Based Payments Reserve	Foreign Currency Translation Reserve	Total Equity
	\$	\$	\$	\$	\$	\$
<b>Half-year to 31 December 2024</b>						
Balance at 1 July 2024	35,136,895	(36,224,291)	-	3,464,013	34,850	2,411,467
Loss for the period	-	(494,409)	-	-	-	(494,409)
Other comprehensive income	-	-	-	-	-	-
Total comprehensive loss for the period	-	(494,409)	-	-	-	(494,409)
Placement options (net of costs)	-	-	162,086	-	-	162,086
Options expired	-	22,709	-	(22,709)	-	-
As at 31 December 2024	35,136,895	(36,695,991)	162,086	3,441,304	34,850	2,079,144
<b>Half-year to 31 December 2025</b>						
Balance at 1 July 2025	35,221,895	(37,054,675)	162,086	3,343,840	34,850	1,707,996
Loss for the period	-	(2,259,831)	-	-	-	(2,259,831)
Other comprehensive income	-	-	-	-	-	-
Total comprehensive loss for the period	-	(2,259,831)	-	-	-	(2,259,831)
Placement (net of costs)	699,302	-	-	-	-	699,302
Options issued	-	-	-	1,790,929	-	1,790,929
Options exercised	94,371	-	(5,444)	-	-	88,927
Options expired	-	106,994	-	(106,994)	-	-
As at 31 December 2025	36,015,568	(39,207,512)	156,642	5,027,775	34,850	2,027,323

The above condensed consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

# CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS



FOR THE HALF-YEAR ENDED 31 DECEMBER 2025

AND CONTROLLED ENTITIES

	31 December 2025 \$	31 December 2024 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Receipts from customers	-	55,182
Payments to suppliers and employees	(238,568)	(225,440)
Interest income received	12,953	13,195
<b>Net cash used in operating activities</b>	<u>(225,615)</u>	<u>(157,063)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Payments for exploration and evaluation	(561,698)	(334,266)
Payments for property plant & equipment	-	(11,695)
<b>Net cash used in investing activities</b>	<u>(561,698)</u>	<u>(345,961)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from issue of shares	988,927	-
Proceeds from issue of options	-	176,507
Share/option transaction costs	(67,557)	(14,421)
<b>Net cash provided by financing activities</b>	<u>921,370</u>	<u>162,086</u>
Net increase/(decrease) in cash held	134,057	(340,938)
Cash and cash equivalents at the beginning of the period	1,617,976	2,330,422
<b>Cash and cash equivalents at the end of the period</b>	<u><u>1,752,033</u></u>	<u><u>1,989,484</u></u>

The above condensed consolidated statement of cash flows should be read in conjunction with the accompanying notes

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS



FOR THE HALF-YEAR ENDED 31 DECEMBER 2025

AND CONTROLLED ENTITIES

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## NOTE 1: STATEMENT OF MATERIAL ACCOUNTING POLICIES

### Statement of compliance

These interim consolidated financial statements are general purpose financial statements prepared in accordance with the requirements of the Corporations Act 2001, applicable accounting standards including AASB 134 'Interim Financial Reporting', Accounting Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board ('AASB'). Compliance with AASB 134 ensures compliance with IAS 34 'Interim Financial Reporting'.

This condensed interim report does not include full disclosures of the type normally included in an annual financial report. Therefore, it cannot be expected to provide as full an understanding of the financial performance, financial position and cash flows of the Group as in the full financial report. The interim financial report was authorised for issue on 16 March 2026.

It is recommended that this financial report be read in conjunction with the annual financial report for the year ended 30 June 2025 and any public announcements made by Taruga Minerals Limited and its subsidiaries during the half-year in accordance with continuous disclosure requirements arising under the Corporations Act 2001 and the ASX Listing Rules.

### Basis of preparation

The interim report has been prepared on a historical cost basis. Cost is based on the fair value of the consideration given in exchange for assets. The Company is domiciled in Australia and all amounts are presented in Australian dollars, unless otherwise noted.

For the purpose of preparing the interim report, the half-year has been treated as a discrete reporting period.

The accounting policies adopted and methods of computation are consistent with those of the previous financial year and corresponding interim reporting period.

### Reporting Basis and Conventions

The financial statements have been prepared on the going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and the settlement of liabilities in the normal course of business.

Notwithstanding the fact that the Group incurred an operating loss of \$2,259,831 for the period ended 31 December 2025, and a net cash outflow from operating activities amounting to \$225,615, the Directors are of the opinion that the Group is a going concern.

The Group raised an additional \$600,000 in February 2026 following shareholder approval of a placement to directors.

The Directors are satisfied that the Group has access to sufficient cash as and when required to enable it to fund administrative and other committed expenditure.

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS



FOR THE HALF-YEAR ENDED 31 DECEMBER 2025

AND CONTROLLED ENTITIES

## Significant accounting judgements and key estimates

The preparation of interim financial reports requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expense. Actual results may differ from these estimates.

In preparing this interim report, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial report for the year ended 30 June 2025.

## Adoption of new and revised Accounting Standards

### *Standards and Interpretations applicable to 31 December 2025*

In the half-year ended 31 December 2025 the Directors have reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to the Group's operations and effective for annual reporting periods beginning on or after 1 July 2025. As a result of this the Directors have determined that there is no impact, material or otherwise, of the standards and interpretations in issue not yet adopted on the Group's business and, therefore, no change is necessary to the Group's accounting policies.

### *Standards and Interpretations in issue not yet adopted*

The Directors have also reviewed all new Standards and Interpretations in issue not yet adopted for the half-year ended 31 December 2025. As a result of this the Directors have determined that there is no impact, material or otherwise, of the standards and interpretations in issue not yet adopted on the Group's business and, therefore, no change is necessary to the Group's accounting policies.

## NOTE 2: MINERAL EXPLORATION AND EVALUATION

	Consolidated	
	Half Year Ended 31 December 2025 \$	Year Ended 30 June 2025 \$
Exploration and evaluation phase – at cost		
Opening balance	88,825	3,825
Capitalised tenement acquisition costs	-	85,000
Exploration expenditure	489,238	411,622
Impairment (i)	(197,606)	(139,790)
Exploration expensed to profit and loss	-	(271,832)
Acquisition costs in respect of areas of interest in the exploration phase	<u>380,457</u>	<u>88,825</u>

(i) During the previous year the Company carried out a review of the carrying value of exploration expenditure. Although the areas of interest remain prospective there are some factors that would indicate an impairment is necessary, including;

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS



FOR THE HALF-YEAR ENDED 31 DECEMBER 2025

AND CONTROLLED ENTITIES

## NOTE 2: MINERAL EXPLORATION AND EVALUATION (CONTINUED)

### Flinders Project

- Access restriction issues due to the determination under sections 21 and 23 of the Aboriginal Heritage Act 1988 (SA) (Act) not to grant authorisation;
- Unable to confirm future exploration expenditure plans.

### Mt Craig Project

- Future expenditure plans are not known and depend on further positive results.

The recoverability of the carrying amounts of exploration and evaluation assets is dependent on the successful development and commercial exploitation or sale of the respective area of interest as well as maintaining rights of tenure.

## NOTE 3 - TRADE AND OTHER PAYABLES

	Consolidated 31 December 2025 \$	30 June 2025 \$
Trade creditors	70,703	24,837
Other payables	281,869	224,238
Provision for annual leave	27,568	20,161
	<u>380,140</u>	<u>269,236</u>

## NOTE 4 - ISSUED CAPITAL

	Consolidated 31 December 2025 \$	30 June 2025 \$
<b>Ordinary Shares</b>		
Issued and fully paid	<u>36,015,568</u>	<u>35,221,895</u>

Movements in ordinary share capital of the Company were as follows:

### Year to 30 June 2025

	Number	\$
Opening balance at 1 July 2024	706,026,785	35,136,895
Issue of shares – tenement acquisition	7,727,273	85,000
Closing balance at 30 June 2025	<u>713,754,058</u>	<u>35,221,895</u>

### Half-year to 31 December 2025

Opening balance at 1 July 2025	713,754,058	35,221,895
Placement	90,000,000	900,000
Exercise of options	5,928,465 <sup>1</sup>	94,371
Transaction costs	-	(200,698)
Closing balance at 31 December 2025	<u>809,682,523</u>	<u>36,015,568</u>

<sup>1</sup> Includes cash received of \$88,927 and transfer from reserves of \$5,444.

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS



FOR THE HALF-YEAR ENDED 31 DECEMBER 2025

AND CONTROLLED ENTITIES

## NOTE 4 - ISSUED CAPITAL (CONTINUED)

Movements in options were as follows:

	Number
Opening balance at 1 July 2024	13,500,000
22-Nov-24 Placement options issued	176,506,696
9-Dec-24 Options expired	(5,000,000)
22-Feb-25 Options expired	(2,500,000)
Closing balance 30 June 2025	<u>182,506,696</u>
11-Nov-25 Options expired	(6,000,000)
22-Dec-25 Options exercised	(4,728,465)
24-Dec-25 Options exercised	(1,200,000)
Closing balance at 31 December 2025	<u><u>170,578,231</u></u>

## NOTE 5 – RESERVES

	31 December 2025	30 June 2025
	\$	\$
Share-based Payments Reserve	5,027,775	3,343,840
Option Reserve	156,642	162,086
Foreign Currency Translation Reserve	34,850	34,850
	<u>5,219,267</u>	<u>3,540,776</u>
	Half-year ended 31 December 2025	Year ended 30 June 2025
	\$	\$
<b>Share-based Payments Reserve</b>		
Balance at beginning of the year	3,343,840	3,464,013
Options issued (brokers) (note 10)	126,014	-
Options issued (directors and management) (note 10)	1,655,393	-
Options issued (deferred acquisition costs) (note 10)	9,522	-
Options expired and transferred to Accumulated Losses	(106,994)	(120,173)
Balance at end of the year	<u>5,027,775</u>	<u>3,343,840</u>
<b>Option Reserve</b>		
Balance at beginning of the period	162,086	-
Placement options issued (net of costs)	-	162,086
Options exercised	(5,444)	-
Balance at end of the period	<u>156,642</u>	<u>162,086</u>
<b>Foreign Currency Translation Reserve</b>		
Balance at beginning of the period	<u>34,850</u>	<u>34,850</u>
Balance at end of the period	<u><u>34,850</u></u>	<u><u>34,850</u></u>

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS



FOR THE HALF-YEAR ENDED 31 DECEMBER 2025

AND CONTROLLED ENTITIES

## NOTE 5 – RESERVES (CONTINUED)

### Nature and purpose of Reserves

The foreign currency translation reserve is used to record exchange differences arising from the translation of the financial statements of foreign subsidiaries. It is also used to record the effect of hedging net investments in foreign operations.

The option reserve represents amounts paid upon subscribing for options issued by the Company.

This share-based payments reserve is used to record the value of equity benefits provided to employees, Directors and consultants as part of their remuneration.

## NOTE 6 – COMMITMENTS AND CONTINGENT LIABILITIES

In addition to the commitments and contingent liabilities included in the 2025 Annual Report, during the current period the Company executed a binding option agreement (**Option**) for a period of 12 months in relation to a potential acquisition of 100% of the East Normanby gold project (**East Normanby**) and 100% of the Kol Mountain copper project (**Kol Mountain**), which are comprised of the Tenements located in Papua New Guinea.

The **Option** grants Taruga the ability to acquire 100% of the share capital in:

- (a) WNB Resources Limited (**WNB**), which owns the East Normanby Project; and
- (b) Frontrunner Exploration PNG Limited (**FEPNG**), which owns the Kol Mountain Project.

The proposed terms on which the Company will acquire the East Normanby and Kol Mountain Projects are summarised below:

- (a) (**Consideration**): the Company will pay the following consideration to the Vendors:

East Normanby Project	
Consideration	Timing
East Normanby Option Fee of \$50,000 cash	Upon execution of binding documentation (paid).
17,500,000 performance rights which vest and convert to Shares upon ELA 2831 being granted ( <b>Performance Rights</b> )	Upon execution of binding documentation (see note 10).
East Normanby Option Exercise Fee of \$500,000 cash or Shares (based on 10-day VWAP) at TAR's election	Upon exercise of the Option.

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS



FOR THE HALF-YEAR ENDED 31 DECEMBER 2025

AND CONTROLLED ENTITIES

## NOTE 6 – COMMITMENTS AND CONTINGENT LIABILITIES (CONTINUED)

Grant of a 1.5% NSR royalty on all minerals extracted from the East Normanby Project ( <b>East Normanby Royalty</b> )	Upon exercise of the Option.
<b>East Normanby Deferred Payment 1</b> of \$350,000 cash or Shares (based on 10-day VWAP) at TAR's election	Upon TAR announcing to ASX a JORC Code 2012 compliant mineral resource estimate at the East Normanby Project of at least 250,000 ounces at greater than 1.2g/t AuEq.
<b>East Normanby Deferred Payment 2</b> of \$700,000 cash or Shares (based on 10-day VWAP) at TAR's election	Upon TAR announcing to ASX a JORC Code 2012 compliant mineral resource estimate at the East Normanby Project of at least 700,000 ounces at greater than 1.2g/t AuEq.
<b>Kol Mountain Project</b>	
<b>Consideration</b>	<b>Timing</b>
<b>Kol Mountain Option Fee</b> of \$50,000 cash	Upon execution of binding agreement (paid).
<b>Kol Mountain Option Exercise Fee</b> of \$1,150,000 cash or Shares (based on 10-day VWAP) at TAR's election	Upon exercise of the Option.
Grant of a 1.5% NSR royalty on all minerals extracted from the Kol Mountain Project ( <b>Kol Mountain Royalty</b> )	Upon exercise of the Option.
<b>Kol Mountain Deferred Payment 1</b> of \$2,000,000 cash or Shares (based on 10-day VWAP) at TAR's election	Upon TAR announcing to ASX a JORC Code 2012 compliant mineral resource estimate at the Kol Mountain Project of at least 200Mt @ greater than 0.50% CuEq (or equivalent contained tonnes).
<b>Kol Mountain Deferred Payment 2</b> of \$2,000,000 cash or Shares (based on 10-day VWAP) at TAR's election	Upon TAR announcing to ASX a JORC Code 2012 compliant mineral resource estimate at the Kol Mountain Project of at least 400Mt @ greater than 0.50% CuEq (or equivalent contained tonnes).

The option fees totalling \$100,000 were expensed during the period. No expenditure has been capitalised as the option had not been exercised at 31 December 2025.

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS



FOR THE HALF-YEAR ENDED 31 DECEMBER 2025

AND CONTROLLED ENTITIES

## NOTE 7 – SEGMENT INFORMATION

AASB 8 Operating Segments requires operating segments to be identified on the basis of internal reports about components of the Group that are regularly reviewed by the Chief Operating Decision Maker in order to allocate resources to the segment and to assess its performance.

The Group's operating segments have been determined with reference to the monthly management accounts used by the Chief Operating Decision maker to make decisions regarding the Group's operations and allocation of working capital. Due to the size and nature of the Group, the Board as a whole has been determined as the Chief Operating Decision Maker.

The accounting policies of the reportable segments are the same as Group accounting policies.

During the period there was only one reportable segment, being the exploration of minerals in Australia.

## NOTE 8 – EVENTS SUBSEQUENT TO BALANCE DATE

On 21 January 2026 the Group announced the issue of 102,287 shares due to the conversion of options, raising \$1,534.

On 28 January 2026 the Group announced the issue of 350,690 shares due to the conversion of options, raising \$5,260.

On 2 February 2026 the Group announced the issue of 467,758 shares due to the conversion of options, raising \$7,016.

On 25 February 2026 the Group announced the results of its General Meeting, including passing the following resolutions:

- Approval to issue Director placement shares, raising \$600,000.
- Approval to issue vendor performance rights (see note 10).
- Approval to issue broker options. These relate to the placement completed during the period and have been valued in the current period (see note 10).
- Approval to issue shares in lieu of outstanding Director fees totalling \$239,000 at 31 December 2025.
- Approval to issue 105m Director and management incentive options relating to services performed during the period and valued in the current period (see note 10).

On 5 March 2026 the Group announced the issue of 694,786 shares due to the conversion of options, raising \$10,422.

On 13 March 2026 the Company announced the issue of 511,415 shares due to the conversion of options, raising \$7,671.

There are no other matters or circumstances that have arisen since 31 December 2025 that may significantly affect operations, results or state of affairs of the Group in future financial years.

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS



FOR THE HALF-YEAR ENDED 31 DECEMBER 2025

AND CONTROLLED ENTITIES

## NOTE 9 – FINANCIAL INSTRUMENTS

The methods and techniques used for the purpose of measuring fair value are unchanged from the previous reporting period.

The carrying amount of financial assets and financial liabilities approximates their fair values.

## NOTE 10 – SHARE BASED PAYMENTS

Share-based payments consist of options and performance rights issued to directors and consultants. The expense is recognised in the Statement of Profit or Loss and Other Comprehensive Income and Statement of Changes in Equity over the vesting periods of the options and rights. The following share-based payment arrangements were in place during the current period:

### Performance rights

On 15 December 2025 the Group announced that it had entered into a 12-month option to acquire 100% of two projects in Papua New Guinea (PNG).

Included in the consideration payable to the Vendors of the projects was the issue of 17.5m performance rights which vest and convert to shares upon ELA 2831 being granted. The total value of the performance rights at the date of issue was \$175,000 (based on the share price at grant date). This is being expensed over the vesting period with \$9,522 recognised as an expense in the period.

### Options

The following options were recognised during the period based on services performed but issued subsequent to the period upon shareholder approval. The options were valued using a Black-Scholes model at grant date using the following assumptions:

Type	Number	Grant date	Expiry Date	Exercise price \$	Fair value
Director options	90,000,000	25/02/26	04/03/31	0.025	\$1,559,974
Management options	15,000,000	10/12/25	04/03/31	0.025	\$95,419
Broker options	10,000,000	22/12/25	04/03/29	0.025	\$126,014
	<b>Director options</b>	<b>Management options</b>	<b>Broker options</b>		
Underlying share price	\$0.023	\$0.010	\$0.021		
Exercise price	\$0.025	\$0.025	\$0.025		
Term (years)	5	5	3		
Risk-free rate	4.3%	4.3%	3.46%		
Dividend yield	Nil	Nil	Nil		
Volatility	100%	100%	100%		
Fair value per options	\$0.0173	\$0.0064	\$0.0126		
Number of options	90m	15m	10m		

# DIRECTORS' DECLARATION



FOR THE HALF-YEAR ENDED 31 DECEMBER 2025

AND CONTROLLED ENTITIES

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In the opinion of the directors of Taruga Minerals Limited ("the Company"):

- 1) The attached financial statements and notes thereto are in accordance with the Corporations Act 2001 including:
  - (a) complying with Australian Accounting Standard AASB 134 "Interim Financial Reporting", the Corporations Regulations 2001 and other mandatory professional reporting requirements; and
  - (b) giving a true and fair view of the Group's financial position as at 31 December 2025 and of its performance for the half-year then ended; and
- 2) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is signed in accordance with a resolution of the Board of Directors made pursuant to s.303(5) of the Corporations Act 2001.

Eric de Mori

Non-Executive Director

Perth, 16 March 2026

## INDEPENDENT AUDITOR'S REVIEW REPORT

To the Members of Taruga Minerals Limited

### Report on the Condensed Half-Year Financial Report

#### *Conclusion*

We have reviewed the half-year financial report of Taruga Minerals Limited ("the Company") and its controlled entities ("the Group"), which comprises the condensed consolidated statement of financial position as at 31 December 2025, the condensed consolidated statement of profit or loss and other comprehensive income, the condensed consolidated statement of changes in equity and the condensed consolidated statement of cash flows for the half-year ended on that date, selected explanatory notes, and the directors' declaration, for the Group comprising the Company and the entities it controlled at the half-year end or from time to time during the half-year.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of Taruga Minerals Limited does not comply with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the Group's financial position as at 31 December 2025 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

#### *Basis for Conclusion*

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibility is further described in the *Auditor's Responsibility for the Review of the Financial Report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the "Code") that are relevant to audits of the financial report of public interest entities in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

#### *Responsibility of the Directors for the Financial Report*

The directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

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*Auditor's Responsibility for the Review of the Financial Report*

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2025 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

*Independence*

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*.



**HLB Mann Judd**  
**Chartered Accountants**

**Perth, Western Australia**  
**16 March 2026**



**N G Neill**  
**Partner**