

AUGER DRILLING COMMENCED ON REE & COPPER TARGETS AT MT CRAIG PROJECT

HIGHLIGHTS

- Taruga has commenced an auger drilling program at its 100% owned Mt Craig Project
- The auger program is aimed at obtaining geochemical profiles across newly defined clay-hosted rare earth element (REE) targets, and newly defined copper targets which lie under shallow cover (2m – 20m depth)
- These targets have been identified by review of new high-resolution geophysics, mapping and recent drill data
- Auger drilling is being accompanied by high-resolution ground magnetics, geophysical modelling and mapping in preparation for the upcoming RC drill program
- Standard surface soils geochemistry profiles and high-resolution ground magnetics are also being employed over outcropping targets.
- All exploration works currently underway at the Mt Craig Project are co-funded by the South Australian State Government under the Accelerated Discovery Initiative (ADI), from which Taruga recently won \$650,000 in funding for REE and copper exploration



Figure 1. The GEMCO trailer mounted auger in action at Wyacca over new structural target zones covered by shallow cover and scree.

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

David Chapman
Non-Executive Director

Eric De Mori
Non-Executive Director

Dan Smith
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Taruga CEO, Thomas Line commented: "This auger program will provide geochemical profiles of the soil and regolith over targets concealed by shallow cover. The auger can drill down to approximately 14m, meaning that we can obtain indicators of clay-hosted REE deposits as well as concealed copper mineralisation that can't be seen from the surface. The targets we have identified are comprised of previously unknown anomalies, discovered by our team, and the ground in these areas has never before been drilled. We have applied our own concepts and new data to build these new targets and prioritise them. The auger results will assist in guiding RC drilling set to commence in July, during which we will be testing more targets than we ever have before at Mt Craig. The \$650k of State Government funding awarded recently has supercharged our exploration budget, and allowed us to accelerate the systematic targeting of new prospects at Mt Craig."



Figure 2. Auger drill spoils ready for sampling. Note the auger has obtained a sample of the green-grey coloured weathered bedrock underneath the red cover scree.

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



For more information contact:

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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.

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.

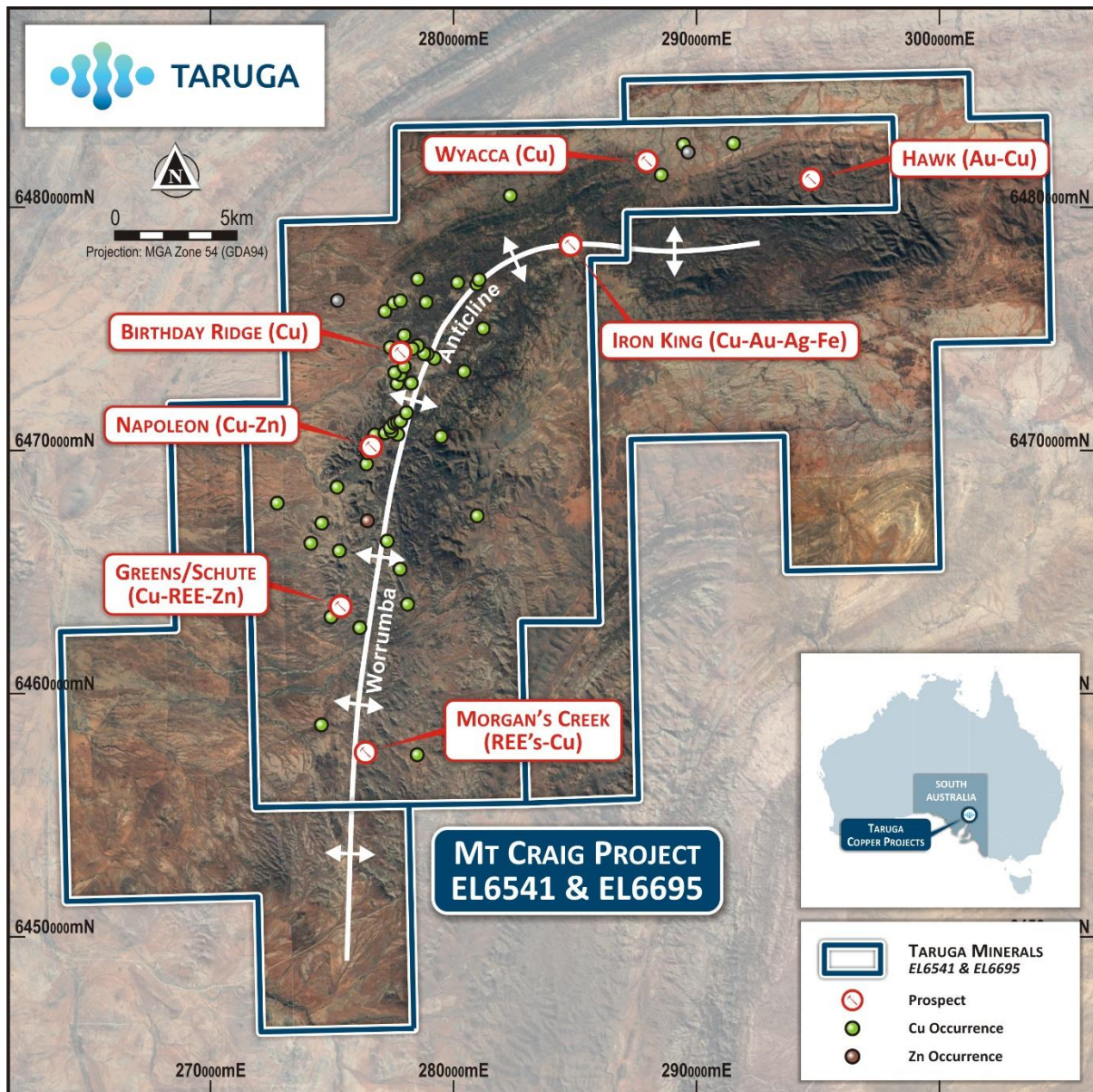


Figure 3. The Mt Craig Project which covers 850km², with very limited historical drilling and no REE focussed exploration ever conducted.