ASX ANNOUNCEMENT

23 November 2022

Codrus Secures Large-Scale, Niobium-Rich, High-Grade REE Project in WA

Outstanding opportunity to explore for high-grade permanent magnet REE's in a Tier-1 location

Highlights:

- Agreement to earn up to 90% of the **Karloning Rare Earth Element (REE) Project**, located in WA's Wheatbelt, 260km north-east of Perth.
- The project has demonstrated the presence of high-grade and high-value permanent magnet rare earths **Dysprosium, Neodymium, Terbium and Praseodymium** in xenotime within a large-scale pegmatite.
- The pegmatite system also hosts **significant niobium**, a critical metal used in the steel industry with applications including wind turbines and high-performance batteries.
- Grab samples have returned high-grade assays including:
  - ***>5,740ppm (>0.57%) Dysprosium Oxide – Dy_2O_3*** *(over detection limit, assays awaited)*
  - ***2,658ppm (0.27%) Neodymium Oxide – Nd_2O_3***
  - ***3,516ppm (0.35%) Terbium Oxide – Tb_4O_7***
  - ***235ppm Praseodymium Oxide – Pr_6O_{11}***
  - ***>5,000ppm (0.5%) Niobium*** *(over detection limit, assays awaited)*
- The large-scale pegmatite system at Karloning is estimated to be up to 1.5km long and up to 200m wide.
- Codrus has pegged additional tenure adjacent to the south-west boundary of the Karloning Joint Venture tenement, which encompasses potential extensions to the pegmatite system
- The deal provides Codrus with a low-cost, simple and staged approach to earn up to a 90% interest in the Karloning Project.
- The Project provides an outstanding opportunity for Codrus to diversify into the critical minerals space and build on its current gold and copper assets by securing exposure to a commodity sector with outstanding fundamentals and a strong growth outlook.
- The Project, which is located approximately 30km north of Mukinbudin in the Western Australian wheatbelt, has historically been quarried for feldspar and quartz.

Codrus Minerals (ASX: **CDR**, **Codrus** or **the Company**) is pleased to advise that it has secured an exciting growth and diversification opportunity in the rare earths sector after entering into a farm-in and joint venture agreement with Talgomine Minerals Pty Ltd (Talgomine) to earn up to a 90% interest in the **Karloning Rare Earth Element (REE) Project**, located in Western Australia's Wheatbelt.

The Project, which is located 30km north of the regional town of Mukinbudin and 260km north-east of Perth *(see Figure 1)*, provides Codrus with an opportunity to explore for the high-value rare earth elements (REE) 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.

While these permanent magnet REE's are the key high-grade values returned in the grab samples, significant grades of other rare earths, tantalum and niobium were also observed *(see Table 1)*.

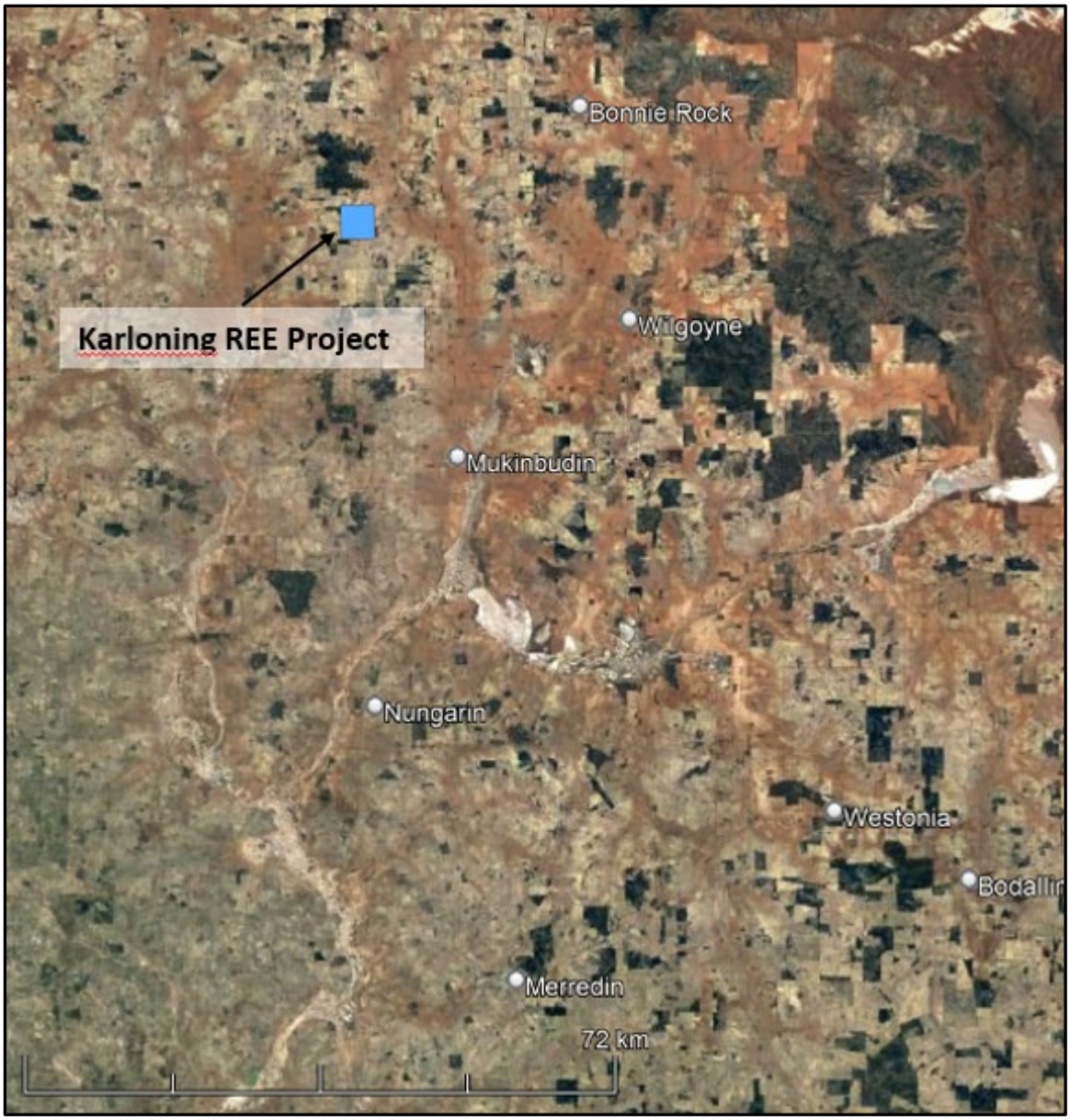

Figure 1. *Location of the Karloning REE Project in the Western Australian wheatbelt.*

Codrus Managing Director, Shannan Bamforth, said: *"This is an exceptional opportunity for Codrus to secure a majority interest in a highly prospective REE project in a Tier-1 location just two-and-a-half hours' drive from Perth. We secured this opportunity as part of our ongoing business development activities to add further depth to our existing portfolio of gold projects in Australia and the USA. We are attracted to the rare earths sector because of its strong fundamentals and the relative scarcity of quality exploration opportunities.*

"The Karloning pegmatite is located in an existing quarry, providing us with a unique opportunity to see the geology and make a rapid assessment of the exploration potential. We believe the pegmatite has significant scale, and grab sampling has returned impressive grades of the four key REE's required in the manufacture of permanent rare earth magnets.

"This is a walk-up exploration opportunity, and we are looking forward to getting on the ground as soon as possible to commence initial exploration activities with a view to firming up targets for drilling in early 2023."

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 (pending)) comprises mainly medium to coarse grained biotite granite and adamellite with a large quartz-microcline pegmatite, known as the Karloning Pegmatite *(see Figure 2)*.

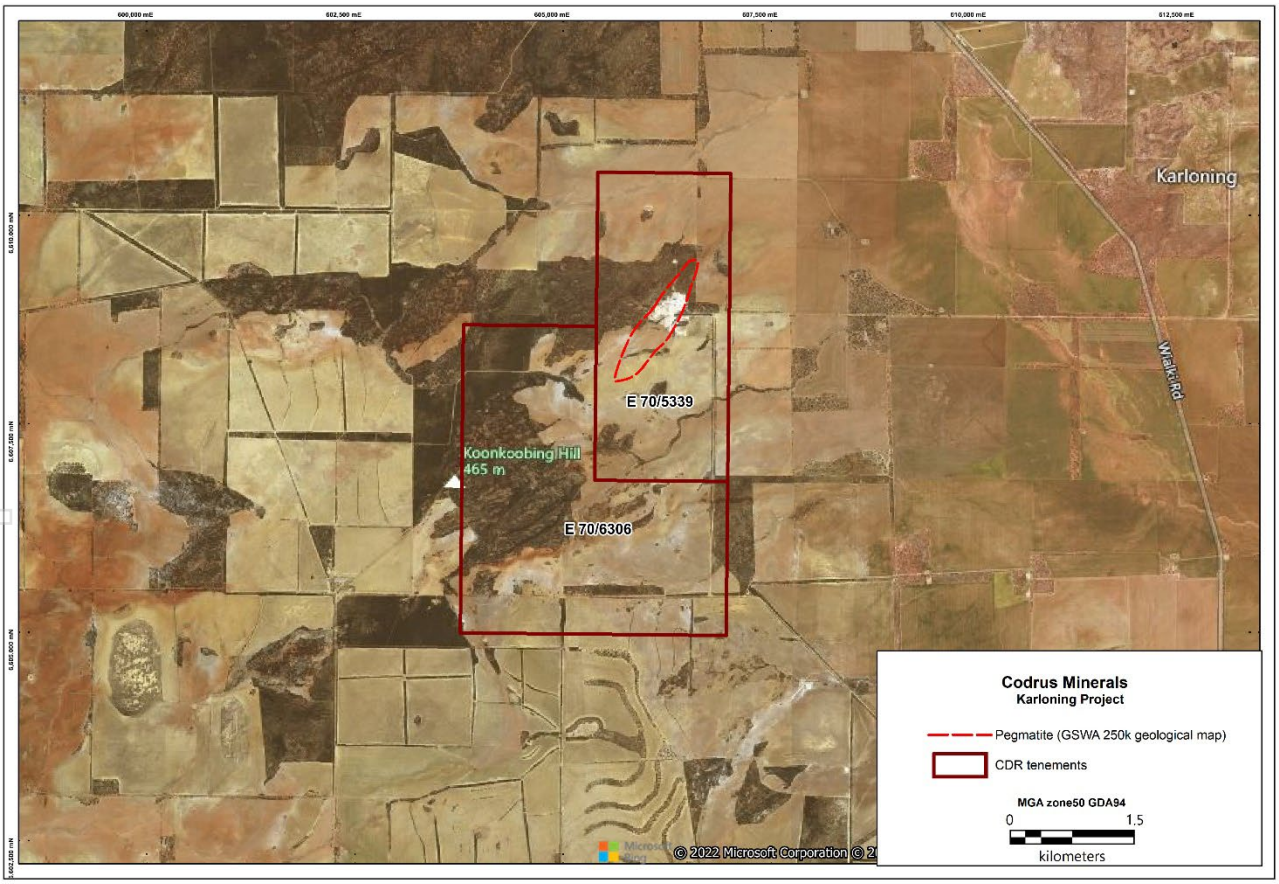

Figure 2. *Karloning Project location showing the location of E70/5339 (Talgomine Joint Venture CDR earning in), and E70/6306 (100% Codrus, pending), with the historic quarry visible in E70/5339.*

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 on the project *(see Figure 3)*.

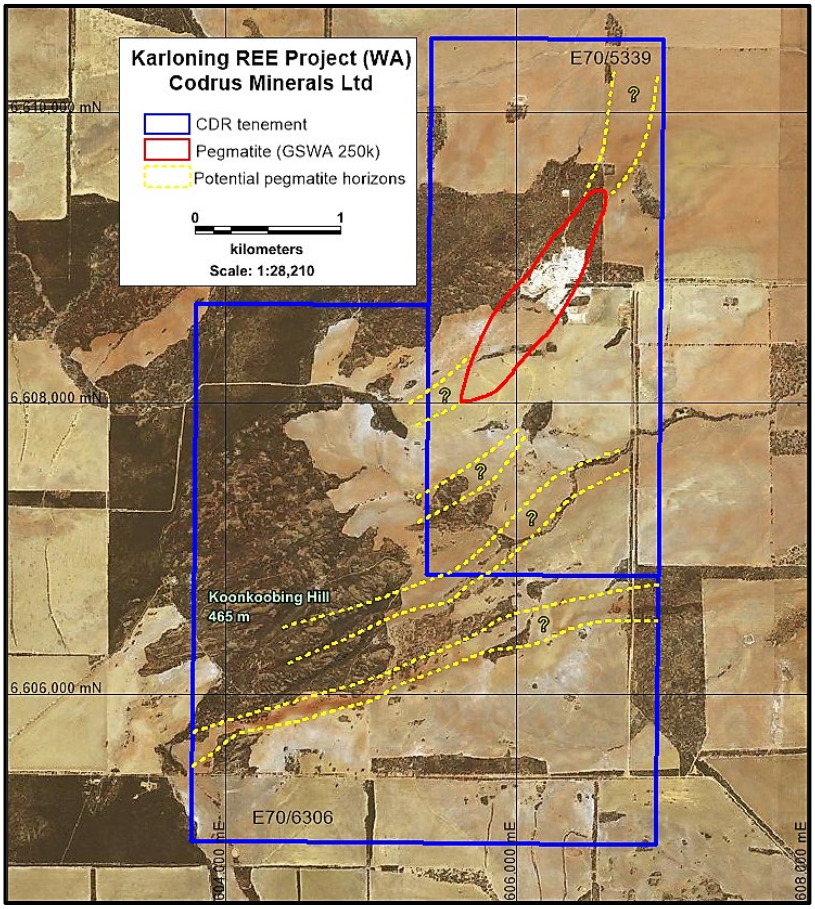

Figure 3. *Karloning Project location showing the location of the mapped Karloning Pegmatite (red) and potential extensions by way of extending the known occurrence and identifying multiple horizons on the property (yellow), based on GSWA geophysical and radiometric data.*

A quarry has been operated at the site historically (E70/5339) focused on the production of feldspar and quartz for industrial purposes *(see Figure 4).*

The pegmatite has had minor historic soil sampling completed to the north and west of the quarry which identified anomalous (+250ppm) total rare earths and Yttrium (TREY). The quarry area was subject to shallow (maximum depth 21.3m) vertical rotary air blast drilling (RAB) in the 1970s that only assessed presence of quarry target minerals quart and feldspar, with no analysis for REE's.

Due to the shallow and very restricted nature of the drilling, the geometry of the Karloning Pegmatite remains poorly constrained.

Figure 4. *Historic Quarry at the Karloning Project showing pegmatite and the host granitoid in the quarry wall.*

The mineralisation seen in the surface outcrop of the quarry was dominated by xenotime with minor fergusonite hosting the REE and minor columbite and tantalite *(see Figure 5 & 6)*.

It is very encouraging for this early-stage sampling in the quarry to demonstrate the presence of the high-value permanent magnet rare earths Dysprosium, Neodymium, Terbium and Praseodymium.

Figure 5. *Quarry wall showing albite pegmatite spotted with xenotime with distinctive rusty (preferentially weathered) haloes.*

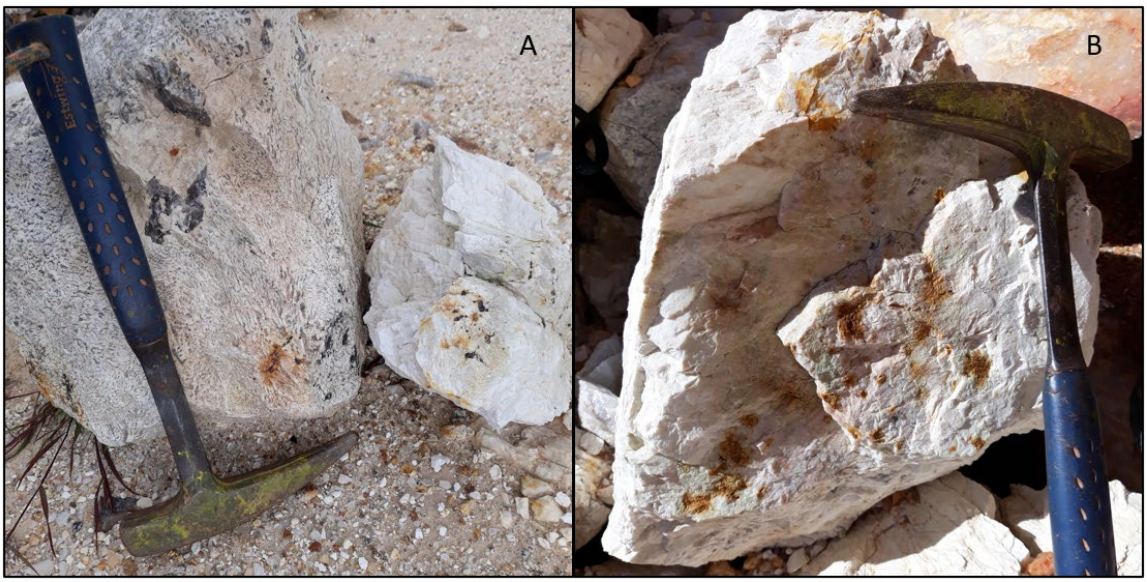

Figure 6. *Rocks found on the quarry floor displaying xenotime in graphic pegmatite (left in tile A) and in albite pegmatite.*

Planned Work Programs

Initial planned work programs at the site include completing either drone or ground magnetics and ground radiometric surveys as a priority. Soil sampling across the tenement package will be completed at 100m line spacing with 50m sample spacing along the lines.

The results of these surveys will underpin the maiden drilling program, planned for Q1 CY2023, which will focus on defining the extents of the pegmatite and primary controls on the distribution and continuity of REE mineralisation.

Work will commence on the JV ground as soon as is practicable and on the 100% CDR tenement as soon as the tenement is granted.

Talgomine Agreement

The key terms of the farm in and joint venture agreement between Codrus and Talgomine, the owner of the Karloning Project, are:

- Within 7 days, Codrus must pay Talgomine $30,000 cash and issue $30,000 worth of Codrus shares at a 10-day VWAP (approximately 430,000 shares at $0.07).
- Codrus will grant Talgomine 1,000,000 options when it has met the minimum expenditure of $100,000, with an exercise price of $0.20 with a 2-year expiry from the date of issue.
- Codrus will grant Talgomine 2,500,000 options when it has earnt a participating interest of 70% (by spending an additional $300,000), with an exercise price of $0.50 with a 2-year expiry from the date of issue.
- The shares and options to be issued to Talgomine, will be issued under existing ASX Listing Rule 7.1 placement capacity.
- Once Codrus has earnt a 70% interest, Talgomine can contribute to the joint venture or be free-carried to DFS. If it is free-carried then Codrus' participating interest will increase to 85%.
- When Codrus increases from 70% to 90% interest there is no additional consideration payable to Talgomine.
- On completion of a DFS, Talgomine can contribute to the joint venture or be free-carried to the commencement of mining production (to be repaid to CDR at a rate equal to the then current London Inter-Bank Offered Rate plus 2.5% of Talgomine's 100% entitlement to revenue received from the project. If free-carried then Codrus' participating interest increases to 90%.

Standard farm-in and joint venture terms are referenced in the agreement.

Sample	East	North	Description	MREO ppm preliminary	MREO % preliminary	TREYO ppm preliminary	La2O3 ppm	CeO2 ppm	Pr6O11 ppm	Nd2O3 ppm	Sm2O3 ppm	Eu2O3 ppm	Gd2O3 ppm	Tb4O7 ppm	Dy2O3 ppm	Ho2O3 ppm	Er2O3 ppm	Tm2O3 ppm	Yb2O3 ppm	Lu2O3 ppm	Y2O3 ppm	Ta ppm	Nb ppm
SOKG001	606,240	6,608,910	xenotime rich material from albite pegmatite	10,074	1.01	103,154	110	629	193	1,895	2,958	25	5,765	2,246	5,740	3,908	5,715	2,387	5,695	2,388	63,500	>5000	>5000
SOKG002A	606,250	6,608,922	albite pegmatite	38	0.00	330	8	10	2	9	4	-	9	3	24	6	23	4	30	4	194	16	101
SOKG002B	606,250	6,608,922	graphic pegmatite with REE minerals	391	0.04	3,636	14	32	7	50	62	1	134	38	296	64	226	37	271	35	2,369	726	854
SOKG003	606,266	6,608,885	xenotime rich material from albite pegmatite	12,149	1.21	111,206	95	707	235	2,658	4,304	36	5,765	3,516	5,740	5,730	5,715	3,860	5,695	3,650	63,500	1,300	1,285
SOKG004	606,279	6,608,898	albite pegmatite	64	0.01	495	104	111	11	30	8	1	10	3	20	4	14	3	19	3	154	>5000	4,430
SOKG005	606,129	6,608,829	albite pegmatite	35	0.00	314	12	25	3	11	5	-	9	2	19	4	16	2	18	3	185	18	18
SOKG005A	606,129	6,608,829	columbite-tantalite in albite pegmatite	353	0.04	2,650	12	80	10	66	82	1	126	34	243	45	157	30	257	34	1,473	>5000	>5000
KLHT196A	606,246	6,608,934	biotite adamellite host to pegmatite	136	0.01	593	111	215	27	92	20	1	15	2	15	3	9	1	9	1	72	59	59
KLHT196B	606,246	6,608,934	graphic textured bioite granite	7	0.00	42	7	12	1	4	1	-	1	-	2	-	2	-	1	-	11	6	4
KLHT197	606,248	6,608,922	pegmatite with graphic biotite+magnetite granite	69	0.01	770	12	18	2	9	9	-	21	6	52	12	45	8	53	7	516	33	67
KLHT198	606,239	6,608,912	pegmatite with REE minerals	268	0.03	3,058	14	135	5	28	35	1	90	25	210	47	170	29	214	29	2,026	15	43
KLHT200A	606,271	6,608,885	albite pegmatite with REE minerals	135	0.01	1,460	6	14	2	16	18	-	48	13	104	23	84	14	103	14	1,001	47	58
KLHT200B	606,271	6,608,885	albite pegmatite	53	0.01	575	12	22	2	10	7	-	16	4	37	8	30	5	36	5	381	12	6
KLHT202	606,126	6,608,828	pegmatite with columbite-tantalite clusters	102	0.01	739	59	85	9	33	15	1	23	7	53	11	39	7	49	6	342	>5000	>5000

Table 1. *Assay results from grab samples taken within the quarry at the Karloning project.*

- *Samples with values above detection limits highlighted in yellow. Upper detection limit for REE, Ta, Nb 5,000ppm, Y 50,000ppm. Assays expressed as REE oxide. Over detection limit samples dispatched to another laboratory for assaying at a higher detection limit, assays pending. Results will be updated when received. MREO., MREO% and TREYO ppm values highlighted in yellow will also be updated when over detection limit assays are returned.*
- *The samples collected were not in situ and had been variably disturbed by historic quarrying activities.*
- *Co-ordinates expressed as MGA Zone50 GDA94*
- *MREO = Pr6O11 + Nd2O3 + Tb4O7 + Dy2O3.*
- *TREYO = La2O3 + CeO2 + Pr6O11 + Nd2O3 + Sm2O3 + Eu2O3 + Gd2O3 + Tb4O7 + Dy2O3 + Ho2O3 + Er2O3 + Tm2O3 + Yb2O3 + Y2O3 + Lu2O3*

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

ENDS

Investor Inquiries:

Shannan Bamforth, Managing Director

Codrus Minerals

Media Inquiries:

Nicholas Read

Read Corporate

Phone: (08) 9388 1474

About Codrus Minerals Limited

Codrus Minerals is a gold focused explorer with 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 three projects in WA, comprising 29 tenements. 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 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 7km^2 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:

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.

JORC Code, 2012 Edition – Table 1 report

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	• *Nature and quality of sampling (e.g., cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.* • *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* • *Aspects of the determination of mineralisation that are Material to the Public Report.* • *In cases where 'industry standard' work has been done this would be relatively simple (e.g., 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases, more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.*	• Fourteen rock grab samples were collected by suitably qualified Codrus Minerals geologists from in-situ and float material within the Karloning quarry, • The samples were typically 1-2kg each, field checked for indicator elements such as yttrium with an Olympus Vanta hand held portable XRF, and submitted to ALS Geochemistry, Perth for preparation and assay by lithium metaborate fusion with ICPAES finish (ME-MS81h).
Drilling techniques	• *Drill type (e.g., core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (e.g., core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).*	• Not applicable – no drilling was carried out.
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise sample recovery and ensure representative nature of the samples.* • *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.*	• Not applicable – no drilling was carried out.

Criteria	JORC Code explanation	Commentary
Logging	• *Whether core and chip samples have been geologically and*	• Not applicable – no drilling samples were logged.
	geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies. • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* • *The total length and percentage of the relevant intersections logged.*	• Geology, alteration, and structure were recorded at selected sample sites; the field record is qualitative in nature.
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all cores taken.* • *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* • *For all sample types, the nature, quality, and appropriateness of the sample preparation technique.* • *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* • *Measures taken to ensure that the sampling is representative of the in-situ material collected, including for instance results for field duplicate/second-half sampling.* • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	• Not applicable – no drilling was carried out. • Not applicable – no drilling was carried out. • Sample preparation follows industry standard best-practice. Samples were dried, crushed (2mm) and rotary divided where required. Pulverisation was done by LM1 mill, and bowls were barren-washed after each sample. • No sub-sampling undertaken on assayed samples. No field duplicates collected as samples were taken for indications of mineralisation only. The sampling was of reconnaissance nature to verify the presence and nature of rare earth element mineralisation within the Karloning Pegmatite and can not be considered representative of in situ grades or in any way suitable for resource estimation. • Sample sizes of greater than 1kg are considered appropriate for the style of mineralisation.
Quality of assay data and laboratory tests	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* • *For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.* • *Nature of quality control procedures adopted (e.g., standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e., lack of bias) and precision have been established.*	• At ALS Perth the rock chip grab samples were oven dried at 60° C, pulverised to P85 -75 microns and assayed by ALS Perth's ME-MS81h method. • One commercial reference standard was included in the submissions; the laboratory also utilized internal standards. • The standards returned satisfactory assay results.

Criteria	JORC Code explanation	Commentary
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* • *Discuss any adjustment to assay data.*	• Sampling was conducted by suitably qualified Codrus Minerals geologists, the reported REE grades agree with observed minerology verified on site using an Olympus Vanta portable XRF. • Not applicable – no drilling. • Primary data was collected into a spread sheet and was loaded into the Company database. Adjustments made to the assay data were limited to the conversion of reported elemental assays for their equivalent rare earth oxides. In all instances the original elemental data were stored in the database and the equivalent oxide values were tagged as calculated values; random checks on the calculated fields returned no issues. The oxides were calculated from the element according to the following element to oxide conversion factors: CeO2 (1.228), Dy2O3 (1.148), Er2O3 (1.143), Eu2O3 (1.158), Gd2O3 (1.1523), Ho2O3 (1.146), La2O3 (1.173), Lu2O3 (1.137), Nd2O3 (1.166), Pr6O11 (1.208), Sm2O3 (1.16), Tb4O7 (1.176), Tm2O3 (1.142), Y2O3 (1.27), Yb2O3 (1.139). Ratios of each oxide to Total Rare Earth Oxides (TREO) are used to determine the percentages of heavy (HRE), light (LRE) and magnetic (MRE) rare earth oxides.
Location of data points	• *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	• Measurement points were located with a handheld GPS with an accuracy of +/- 5 metres. • All coordinates and maps presented here are in the MGA Zone 50 GDA94 system. • Not applicable at this stage of the exploration.
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *Whether the data spacing, and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.* • *Whether sample compositing has been applied.*	• Not applicable – no drilling was carried out. • The rock sampling was of a reconnaissance nature to verify the presence and nature of rare earth element mineralisation within the Karloning Pegmatite and can not be considered representative of in situ grades or in any way suitable for resource estimation. Significant further work will be needed to determine in situ REE grades • Not applicable

Criteria	JORC Code explanation	Commentary
Orientation of data in relation to geological structure	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* • *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	• The rock sampling was of reconnaissance nature to verify the presence and nature of rare earth element mineralisation within the Karloning Pegmatite and can not be considered representative of in situ grades or in any way suitable for resource estimation. The coarse nature of the observed mineralisation as shown by figures in this announcement point to a significant "nugget" effect with the REE mineralization. • At this stage geometry, zonation, extents and in situ REE grade of the Karloning Pegmatite remain very poorly defined.
Sample security	• *The measures taken to ensure sample security.*	• The chain of custody of the samples, starting from sample collection up to delivery of the samples to ALS Laboratory was managed by Codrus Minerals personnel. Sample numbers were unique and without location information. The level of security is considered appropriate for such a sampling exercise.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• External audits or reviews have not been conducted at this stage.
Mineral tenement and land tenure status	• *Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.* • *The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.*	• The sampling was entirely conducted within granted exploration licence E70/5339 together with the tenement holder (Talgomine). • The tenement is in good standing, without known impediments.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• Most of the previous owners and explorers efforts were focused on the quarrying of feldspar and quartz from the Karloning pegmatite as aggregate products saleable to the construction industry and not relevant to the Codrus Minerals' exploration interests. Details of 20 RAB holes drilled vertically to a maximum depth of 21.3m have been collated with analysis only completed for Na_2O and K_2O • Kinloch Resources completed a partial soil survey over the area (144 samples) in the 2011-2012 period and samples were analysed by ACME labs, Vancouver for REEs using a Lithium Metaborate fusion and ICP-MS finish. This work showed multiple soil anomalous zones with >1000ppm TREEs over the northern part of the Karloning Pegmatite as mapped by the GSWA. Other than this work by Kinloch the Karloning Pegmatite does not appear to have been evaluated in any systematic way for REEs

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
Geology	• *Deposit type, geological setting, and style of mineralisation.*	• The tenement encompasses the Karloning Pegmatite, an NYF type pegmatite which is typically zoned from biotite adamellite through graphic granite the margins, transitioning into albite zone (with biotite veins and aplite dikes) and a quartz core. The reconnaissance rock sampling announced here shows potentially significant REE mineralization within at least the graphic and albite zones of the Karloning Pegmatite.
Drill hole Information	• *A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:* ○ *easting and northing of the drill hole collar* ○ *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar* ○ *dip and azimuth of the hole* ○ *down hole length and interception depth* ○ *hole length.* • *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly* ○ *explain why this is the case.*	• Not applicable – no drilling was carried out.

Criteria	JORC Code explanation	Commentary
Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g., cutting of high grades) and cut-off grades are usually Material and should be stated.* • *Where aggregate intercepts incorporate short lengths of high-grade results and longer lengths of low-grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.* • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	• None applied or considered necessary for the style of sampling undertaken. • Not applicable. • No metal equivalents reported.
Relationship between mineralisation widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results.* • *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* • *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g., 'down hole length, true width not known').*	• Not applicable – no drilling was carried out and the geometry of the pegmatite is not currently known.
Diagrams	• *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	• Relevant diagrams are included in this report.
Balanced reporting	• *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced avoiding misleading reporting of Exploration Results.*	• The rock sampling was of reconnaissance nature and all Codrus Minerals rock sample assay results are reported.
Other substantive exploration data	• *Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	• The results are considered indicative only of the mineralisation in the area. • Geological observations and relevant photographs of the mineralisation style are included in this report
Further work	• *The nature and scale of planned further work (e.g., tests for lateral extensions or depth extensions or large-scale step-out drilling).* • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	• Follow-up work to better define the extent of the REE mineralisation and host Karloning Pegmatite is planned and expected to include detailed magnetic and radiometric surveying, and detailed soil sampling. This work will be used to plan trenching and/or drilling to delineate the identified REE mineralisation • Extent of the Karloning Pegmatite is currently poorly constrained and

Criteria	JORC Code explanation	Commentary
		significant extension beyond the currently mapped extent may be possible. Appropriate maps and diagrams are included in this report.

Section 3 Estimation and Reporting of Mineral Resources
Not applicable

Section 4 Estimation and Reporting of Ore Reserves
Not applicable