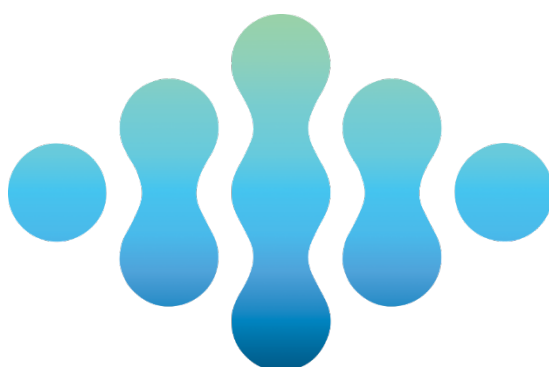




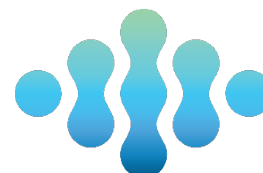
TARUGA

TARUGA MINERALS LIMITED

ACN 153 868 789

**INTERIM FINANCIAL REPORT
31 DECEMBER 2024**

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TARUGA

AND CONTROLLED ENTITIES

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DIRECTORS' REPORT



AND CONTROLLED ENTITIES

DIRECTORS' REPORT

Your directors submit the financial report of the Group for the half-year ended 31 December 2024. 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
Gary Steinepreis	Non-executive Director (resigned 22 November 2024)
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 2024 was \$494,409 (31 December 2023: loss of \$380,775).

REVIEW OF OPERATIONS

Project Overview

Taruga Minerals Limited (**Taruga** or the **Company**) is a resources exploration company with a large portfolio of base metals, precious metals and rare earth elements (REE) focussed exploration projects in South Australia and Western Australia.

Uaroo West and Uaroo East projects, Western Australia (TAR 100%)

Taruga has applied for three contiguous exploration licences 08/3733, E08/3734 and E08/3752 in the highly prospective Gascoyne province of Western Australia (**Figure 1**). The Uaroo West and Uaroo East projects have both been subject to sporadic, small high-grade base and precious metal production. Historical exploration within the licence areas had a focus on base and precious metals (but no drilling), iron ore and uranium.

DIRECTORS' REPORT



AND CONTROLLED ENTITIES

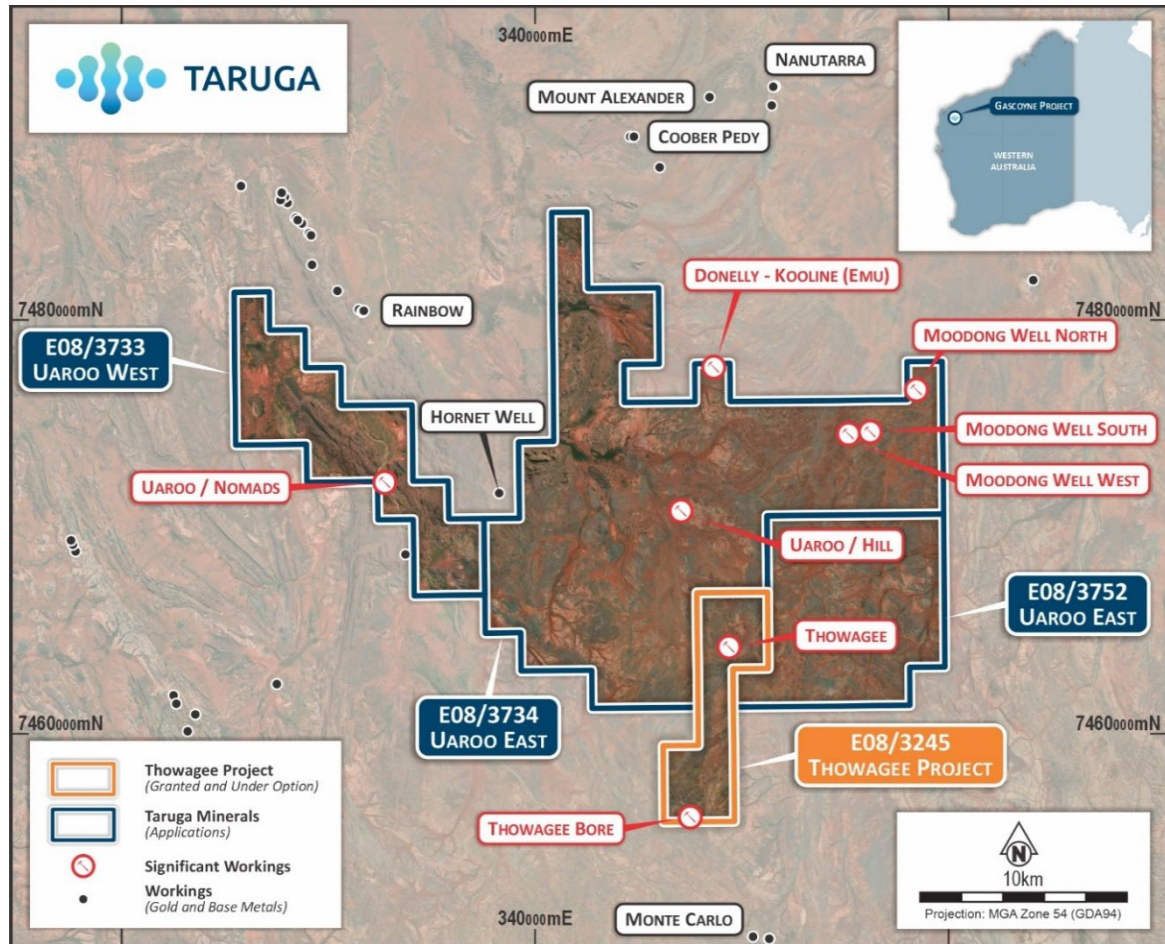


Figure 1: Location and tenement map displaying historic workings and mines within and around Taruga applications.

Of particular interest to Taruga is the 1km structural corridor that exists between the high - grade polymetallic mines of **Donelly Kooline** and **Uaroo/Hill**, within the Uaroo East project. This corridor is part of a larger high-grade trend of polymetallic mineralisation, which spans 5km from Mount Alexander to the North and finishing at the Monte Carlo deposit to the South.

Historic records indicate that many of the mines/workings have been classified as hydrothermal vein/shear hosted deposits, although Mount Alexander is listed as a strataform base metal deposit with numerous outcropping gossans. Further exploration at Mount Alexander (inc RC drilling) postulated the likelihood of sulphides having remobilised into skarns/veins at surface. This type of polymetallic mineral assemblage is also common among VMS deposits, and, given the possible remobilisation of sulphides at Mount Alexander, the geological model that applies to the workings within the Taruga permit areas requires further investigation.

Taruga will also review lithium/REE potential, with historic reports mapping the presence of pegmatoids and associated leucogranites in mafic migmatites within the tenure near Moodong Well.

DIRECTORS' REPORT



AND CONTROLLED ENTITIES

The granites of the Moorarie Supersuite appear to be fertile, with fractionated and altered felsic and metamorphic rocks with quartz, K-Feldspar, muscovite, and tourmaline dykes cutting through these migmatites being reported.

Thowagee Project, Western Australia (under option)

During the December 2024 quarter, the Company announced that it had entered into an option agreement to acquire 100% of Thowagee (E08/3245/), complimenting the existing Taruga application portfolio which now consists of 416.5km² of contiguous acreage in the Northern Gascoyne province of WA.

Thowagee includes two sites of historic mining (Thowagee Mine and Thowagee Bore) with high grade polymetallic mineralisation occurring in outcropping veins and gossans.

The Company is currently planning to map and sample the known historical workings (Thowagee Mine) and surrounding areas within the northern portion of the tenement as part of an initial program. Additional field work is also being planned for the southern portion of Thowagee, which includes historical mining site Thowagee Bore, plus additional anomalies and surface veining and gossans reported in historical reports and identified in Taruga desktop studies.

Geology

The Thowagee and Uaroo project areas sit within the northern portion of the Gascoyne province, a complex set of folded, faulted, metamorphosed and later intruded set of rocks. The permit areas have what is considered favourable geology, with the important presence of the Leake Springs Metamorphics (previously called the Morrisey Metamorphics), which are also present in the Dreadnought Resources Ltd (DRE) tenure further south. The majority of the workings sit near the significant structures of the Goordeman and Uaroo Faults (which run NW-SE through the permits), with the late mafic dykes (N-S trending) likely to provide conduits for fluid movement and possible traps for mineralisation. The Thowagee project specifically includes Leake Springs Metamorphics and Moorarie Supersuite granites with dolerite dykes (**Figure 2**).

DIRECTORS' REPORT



AND CONTROLLED ENTITIES

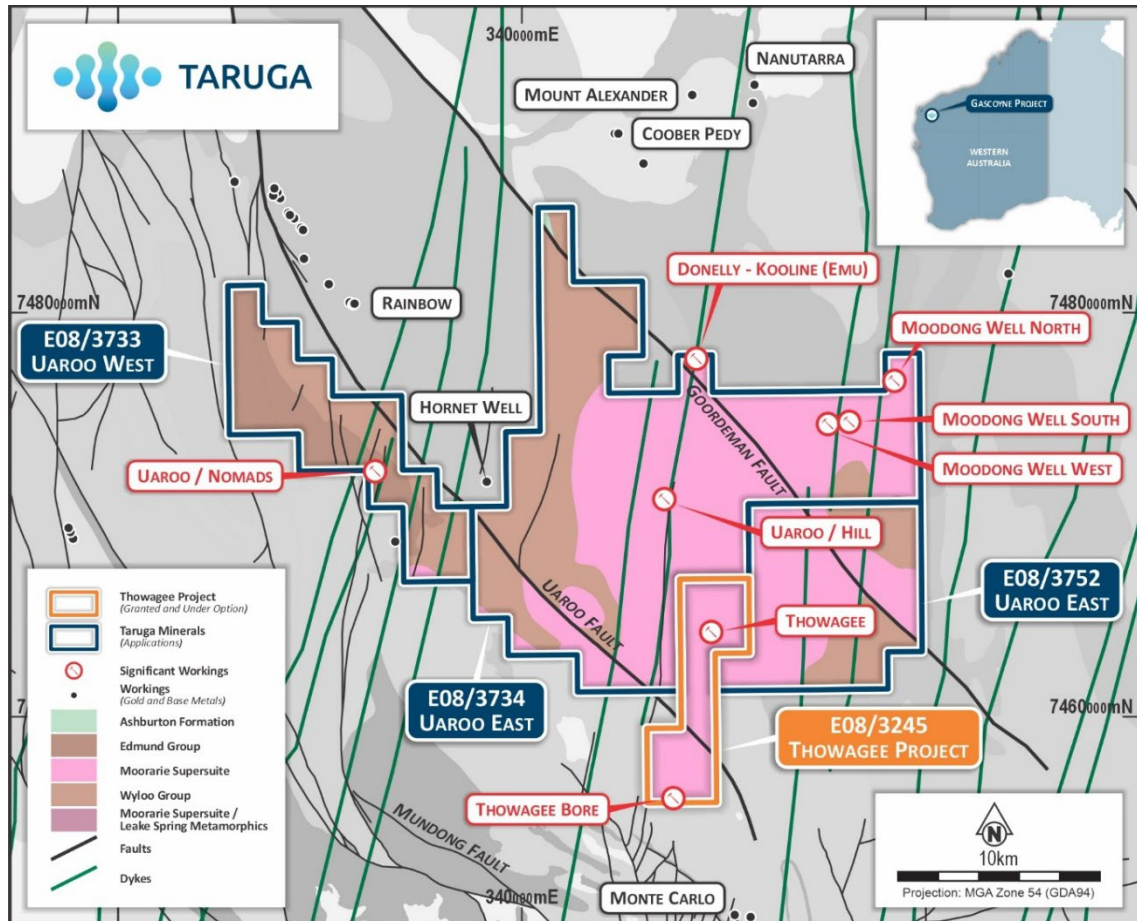


Figure 2: Local geology (GSWA 500K interpreted basement) and workings.

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

The Mt Craig Copper Project (MCCP) spans more than 850km² centred around a major structure – the Woorumba Anticline (**Figure 3**). The Project is considered prospective for copper and rare earth elements (REE's).

DIRECTORS' REPORT



AND CONTROLLED ENTITIES

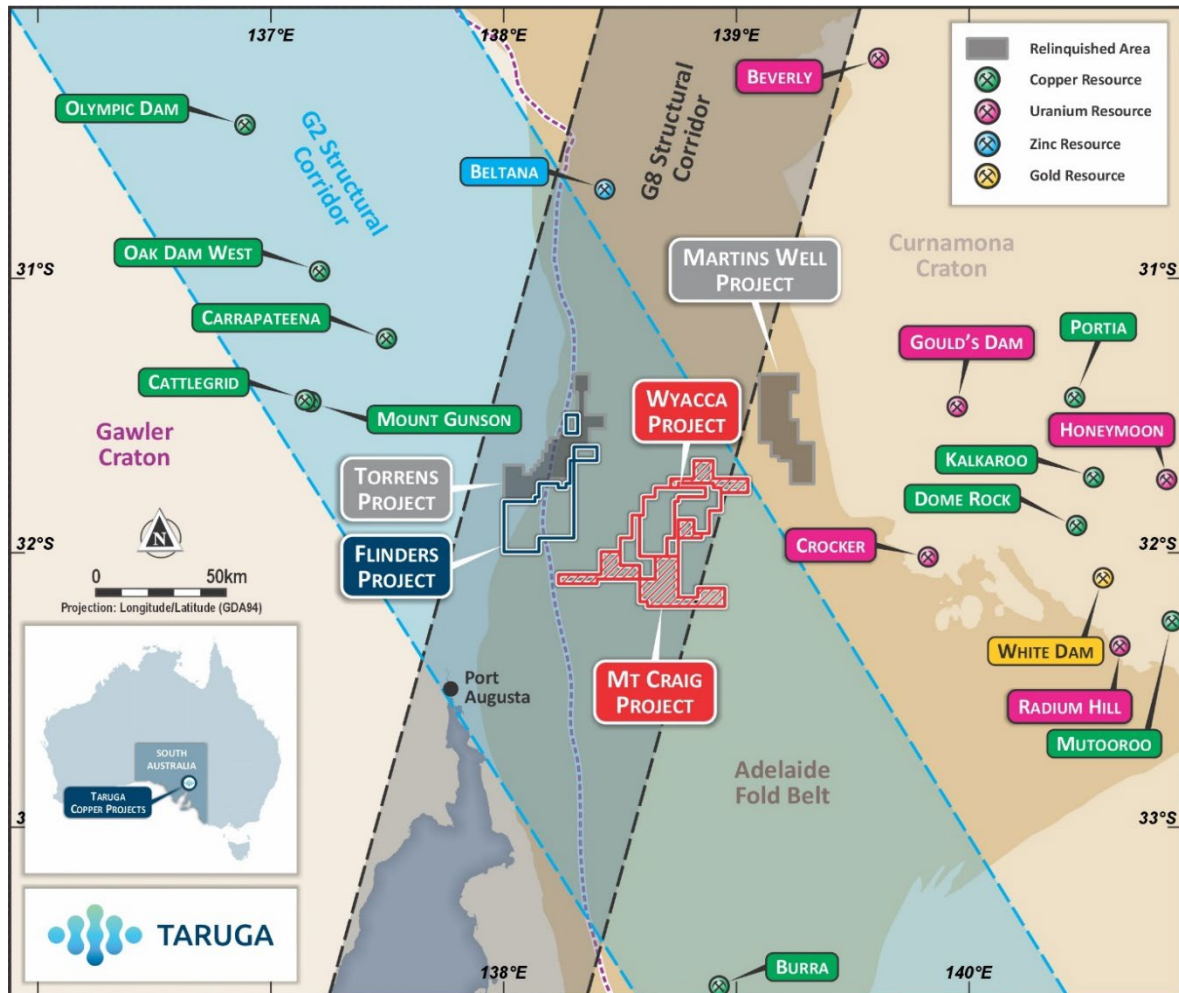


Figure 3: Tenement Map showing Taruga's South Australian projects and the regional and structural setting including the Gawler Craton outline as published by the Geological Survey of South Australia in purple.

Morgan Creek REE Exploration

Morgan's Creek (Morgan's) sits at the southern end of the MCCP. The Morgan Creek geology includes large exposures of highly reactive trap rocks such as the Skilloalee Dolomite and the Yednalue Quartzite. Taruga's exploration has been investigating the scope and characteristics of the REE occurrences intercepted in earlier Taruga RC and Aircore drilling programs. There is no material change to results and metallurgical testwork that has been previously reported (ASX release 15/12/2022).

Taruga continues to evaluate the broader Mt Craig Project for potential REE mineralisation.

DIRECTORS' REPORT



AND CONTROLLED ENTITIES

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.

In the second half of 2024, the Company carried out a handheld slimline core drilling program providing an expanded view of the Wyacca vein system, following up on 2024 mapping, rock chip sampling and work completed for Taruga by SA exploration expert Richard Lilly. Mr Lilly investigated the paragenesis of the Wyacca copper mineralisation with a key observation being that the economic copper assemblage was the final significant paragenetic stage after quartz and then dolomite veining.

The visual observations of core confirm chalcopyrite as the main copper mineral and chalcocite and malachite being later surficial weathering products at or near the location of emplacement of the original primary mineralisation. Mineralisation is likely following a structural pathway from a possible igneous intrusive source at depth with the potential for a broader vein or breccia hosted target in the core of the controlling structure at Wyacca.

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. Future large scale exploration potential is reliant on clearly identifying the mineralised conduits and strategically testing them to depth.

DIRECTORS' REPORT



AND CONTROLLED ENTITIES

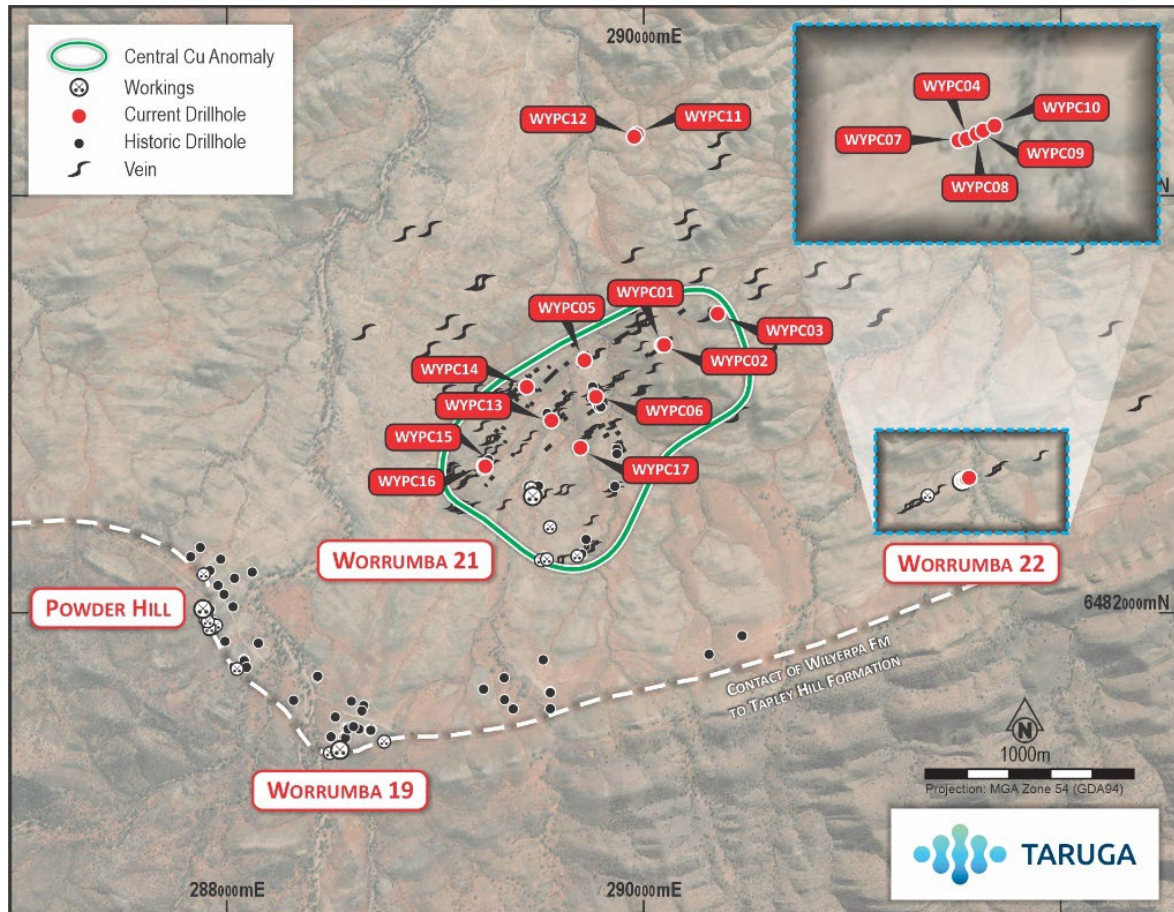


Figure 4: Wyacca copper project area with 2024 handheld slimline core holes in red.

Flinders IOCG Project, South Australia

The Company continues to assess the compliance requirements and the Company's ability to advance activities at Flinders.

On 15 January 2024, Taruga provided an update in relation to authorisations sought pursuant to sections 21 and 23 of the Aboriginal Heritage Act 1988 (SA) (Act) with respect to the Flinders Project, South Australia.

Through its 100% owned subsidiary Strikeline Resources Pty Ltd, the Company sought approval to continue exploration in two prospect areas in the north of the Flinders Project (EL 6362) called Jenkins and Woolshed. Taruga made the applications for authorisations in March 2021 and were advised of an estimated timeframe to receive a determination of 6-9 months.

On the 12th of January 2024, after a determination period of nearly three years, Taruga received a letter from the Minister for Aboriginal Affairs (SA), the Hon Kyam Maher MLC, advising that he has decided not to grant the authorisations requested under sections 21 and 23 of the Act.

DIRECTORS' REPORT



AND CONTROLLED ENTITIES

Western Australian projects

Manjimup Project (100% TAR)

Taruga holds 3 exploration licence applications in the Greenbushes area of Western Australia (the Manjimup Project) (Figure 4). 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 notes that the Southwest area contains a high level of land use (e.g. farming, state forest) which requires careful consideration in the progression of its applications towards grant. Taruga continues its technical assessment with a focus on the lithium potential in the known pegmatites and the potential for Ni-PGE mineralisation in a similar geological setting to the Chalice Mining (JV with Venture Minerals) "Thor" and "Odin" prospects.

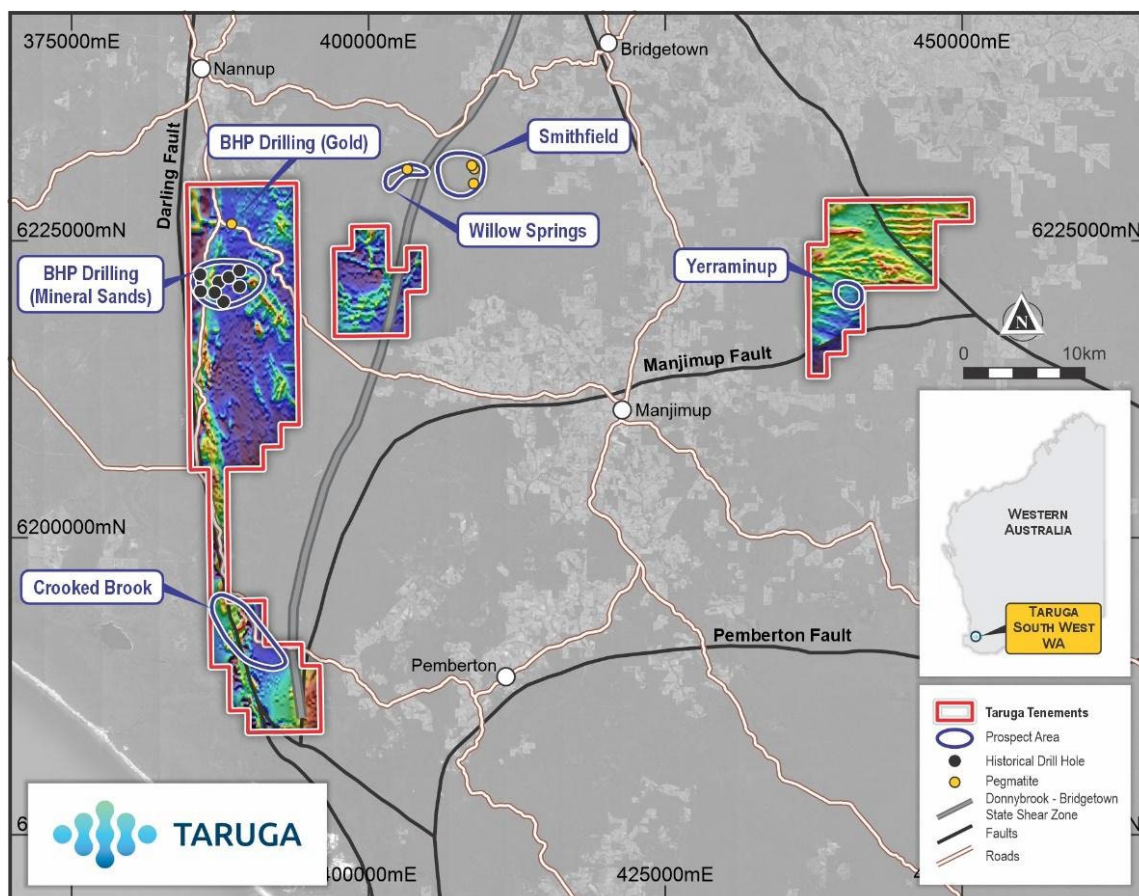


Figure 5: Manjimup Projects with underlying magnetics image.

Meekatharra, Western Australia

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.

DIRECTORS' REPORT



AND CONTROLLED ENTITIES

Community and ESG

Taruga is committed to developing sustainable exploration projects which benefit local communities in the areas in which we operate. The Group aims to deliver value to local communities via local employment and utilising local businesses.

CORPORATE

Annual General Meeting

The Company's annual general meeting was held on 22 November 2024 with all resolutions passing by way of a poll.

Board Changes

During the half year period, Mr Gary Steinepreis retired as a director of the Company. Mr Paul Cronin transitioned to Non-executive Chairman.

Loyalty Option Issue

During the half year period, the Company undertook a Loyalty Option Entitlement Offer (offering one Loyalty option for every four Shares held) made under the Prospectus dated 29 October 2024. Following the closure of the Entitlement Offer, the Company issue 176,506,969 options, raising \$176,506 (before costs).

Subsequent Events

There are no other matters or circumstances that have arisen since 31 December 2024 that may significantly affect operations, results or state of affairs of the Group in future financial years.

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 2024.

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, 14 March 2025

AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the review of the consolidated interim financial report of Taruga Minerals Limited for the half-year ended 31 December 2024, 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
14 March 2025



N G Neill
Partner

hlb.com.au

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A Western Australian Partnership

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Liability limited by a scheme approved under Professional Standards Legislation.

HLB Mann Judd is a member of HLB International, the global advisory and accounting network.

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME



FOR THE HALF-YEAR ENDED 31 DECEMBER 2024

AND CONTROLLED ENTITIES

	31 December 2024 \$	31 December 2023 \$
Revenue	68,649	36,805
Fair value loss on financial assets	(4,274)	-
Depreciation	(26,237)	(28,890)
Consultants	(89,500)	(23,500)
Employee benefits expense	(8,174)	(92,551)
Professional fees	(68,114)	(46,409)
Travel and accommodation	-	(1,130)
Exploration expenditure expensed	(293,491)	-
Impairment expense	-	(93,516)
Project evaluation	-	(29,109)
Other expenses	(73,268)	(102,475)
Loss from continuing operations before income tax	(494,409)	(380,775)
Income tax expense	-	-
Net loss for the period	(494,409)	(380,775)
Other comprehensive income		
<i>Items that may be reclassified to profit and loss</i>		
Exchange differences on translation of foreign subsidiaries	-	-
Total comprehensive loss for the period	(494,409)	(380,775)
Basic and diluted loss per share (cents per share)	(0.07)	(0.05)

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 2024

AND CONTROLLED ENTITIES

	Note	31 December 2024 \$	30 June 2024 \$
CURRENT ASSETS			
Cash and cash equivalents		1,989,484	2,330,422
Trade and other receivables		60,406	25,053
Financial assets		19,546	23,820
Total Current Assets		2,069,436	2,379,295
NON-CURRENT ASSETS			
Mineral exploration and evaluation	2	3,825	3,825
Plant and equipment		141,706	156,248
Other assets		110,000	110,000
Total Non-Current Assets		255,531	270,073
TOTAL ASSETS		2,324,967	2,649,368
CURRENT LIABILITIES			
Trade and other payables	3	245,823	237,901
Total Current Liabilities		245,823	237,901
TOTAL LIABILITIES		245,823	237,901
NET ASSETS		2,079,144	2,411,467
EQUITY			
Issued capital	4	35,136,895	35,136,895
Reserves	5	3,638,240	3,498,863
Accumulated losses		(36,695,991)	(36,224,291)
TOTAL EQUITY		2,079,144	2,411,467

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 2024

AND CONTROLLED ENTITIES

	Issued Capital	Accumulated Losses	Option Reserve	Share Based Payments Reserve	Foreign Currency Translation Reserve	Total Equity
	\$	\$	\$	\$	\$	\$
Half-year to 31 December 2023						
Balance at 1 July 2023	35,136,895	(25,925,715)	-	3,464,013	34,850	12,710,043
Loss for the period	-	(380,775)	-	-	-	(380,775)
Other comprehensive loss	-	-	-	-	-	-
Total comprehensive loss for the period	-	(380,775)	-	-	-	(380,775)
Issue of shares net of costs	-	-	-	-	-	-
As at 31 December 2023	35,136,895	(26,306,490)	-	3,464,013	34,850	12,329,268
Half-year to 31 December 2024						
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 loss	-	-	-	-	-	-
Total comprehensive loss for the period	-	(494,409)	-	-	-	(494,409)
Issue of shares net of costs	-	-	-	-	-	-
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

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 2024

AND CONTROLLED ENTITIES

	31 December 2024 \$	31 December 2023 \$
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers	55,182	-
Payments to suppliers and employees	(225,440)	(342,961)
Interest income received	13,195	33,055
Net cash used in operating activities	(157,063)	(309,906)
CASH FLOWS FROM INVESTING ACTIVITIES		
Payments for exploration and evaluation	(334,266)	(304,222)
Payments for property plant & equipment	(11,695)	-
Net cash used in investing activities	(345,961)	(304,222)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of options	176,507	-
Option transaction costs	(14,421)	-
Net cash provided by financing activities	162,086	-
Net (decrease)/ increase in cash held	(340,938)	(614,128)
Cash and cash equivalents at the beginning of the period	2,330,422	3,220,789
Cash and cash equivalents at the end of the period	1,989,484	2,606,661

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

NOTES TO THE FINANCIAL STATEMENTS



FOR THE HALF-YEAR ENDED 31 DECEMBER 2024

AND CONTROLLED ENTITIES

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 13 March 2025.

It is recommended that this financial report be read in conjunction with the annual financial report for the year ended 30 June 2024 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 \$494,409 for the period ended 31 December 2024, and a net cash outflow from operating activities amounting to \$157,063, the Directors are of the opinion that the Group is a going concern.

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 FINANCIAL STATEMENTS



FOR THE HALF-YEAR ENDED 31 DECEMBER 2024

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 2024.

Adoption of new and revised Accounting Standards

Standards and Interpretations applicable to 31 December 2024

In the half-year ended 31 December 2024 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 2024. 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 2024. 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 2024 \$	Year Ended 30 June 2024 \$
Opening balance	3,825	9,334,516
Capitalised exploration expenditure	-	431,924
Impaired during the period	-	(9,762,615)
Acquisition costs in respect of areas of interest in the exploration phase	3,825	3,825

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.

NOTES TO THE FINANCIAL STATEMENTS



FOR THE HALF-YEAR ENDED 31 DECEMBER 2024

AND CONTROLLED ENTITIES

NOTE 3 - TRADE AND OTHER PAYABLES

Consolidated

	31 December 2024	30 June 2024
	\$	\$
Trade creditors	66,352	60,840
Other payables	179,471	177,061
	<u>245,823</u>	<u>237,901</u>

NOTE 4 - ISSUED CAPITAL

Consolidated

	31 December 2024	30 June 2024
	\$	\$
Ordinary Shares		
Issued and fully paid	<u>35,136,895</u>	<u>35,136,895</u>

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

Year to 30 June 2024

	Number	\$
Opening balance at 1 July 2023	706,026,785	35,136,895
Closing balance at 30 June 2024	<u>706,026,785</u>	<u>35,136,895</u>

Half-year to 31 December 2024

Opening balance at 1 July 2024	706,026,785	35,136,895
Closing balance at 31 December 2024	<u>706,026,785</u>	<u>35,136,895</u>

Movements in options were as follows:

	Number
Opening balance at 1 July 2024	57,750,000
1-Dec-23 Options expired	(18,000,000)
18-Feb-24 Options expired	<u>(26,250,000)</u>
Closing balance 30 June 2024	13,500,000
22-Nov-24 Placement options issued at \$0.001	176,506,696
8-Dec-24 Options expired	<u>(5,000,000)</u>
Closing balance at 31 December 2024	<u>185,006,696</u>

NOTE 5 – RESERVES

	31 December 2024	30 June 2024
		\$
Share-based Payments Reserve	3,441,304	3,464,013
Option Reserve	162,086	-
Foreign Currency Translation Reserve	34,850	34,850
	<u>3,638,240</u>	<u>3,498,863</u>

NOTES TO THE FINANCIAL STATEMENTS



FOR THE HALF-YEAR ENDED 31 DECEMBER 2024

AND CONTROLLED ENTITIES

NOTE 5 – RESERVES (CONTINUED)

	31 December 2024	30 June 2024
Share-based Payment Reserve		
Balance at beginning of the year	3,464,013	3,464,013
Options expired and transferred to Accumulated Losses	(22,709)	-
Balance at end of the year	<u>3,441,304</u>	<u>3,464,013</u>
Option Reserve		
Balance at beginning of the period	-	-
Placement options issued (net of costs)	162,086	-
Balance at end of the period	<u>162,086</u>	<u>-</u>
Foreign Currency Translation Reserve		
Balance at beginning of the period	34,850	34,850
Balance at end of the period	<u>34,850</u>	<u>34,850</u>

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 - CONTINGENT LIABILITIES

The Group will make the following performance milestone payments to the sellers of Strikeline Resources Pty Ltd. The probability and timing of these milestones cannot be reliably estimated.

Performance Milestone 1: Following Taruga delineating a JORC Indicated Resource (as defined in JORC 2012) of 150,000t Cu Equivalent (Cu, Au, Ag) at the Project, Taruga will make a milestone payment to the sellers of A\$400,000 which may at the election of Taruga be paid in cash or Ordinary Fully Paid Shares at the 14-day VWAP of Taruga's Share price as traded on the ASX;

Performance Milestone 2: Following Taruga completing a positive Bankable Feasibility Study (as defined in JORC 2012) in relation to the Project, Taruga will make a milestone payment to the sellers of A\$500,000 which may at the election of Taruga be paid in cash or Ordinary Fully Paid Shares at the 14-day VWAP of Taruga's Share price as traded on the ASX; and

Performance Milestone 3: Following Taruga commencing commercial production (being first concentrate sales) at the Project, the Group will make a payment to the sellers of A\$500,000 which may at the election of Taruga be paid in cash or Ordinary Fully Paid Shares at the 14-day VWAP of Taruga's Share price as traded on the ASX.

NOTES TO THE FINANCIAL STATEMENTS



FOR THE HALF-YEAR ENDED 31 DECEMBER 2024

AND CONTROLLED ENTITIES

NOTE 6 - CONTINGENT LIABILITIES (CONTINUED)

In accordance with the Net Smelter Royalty (NSR) agreement the Group will grant to the Vendors a 1% NSR in respect of all precious, industrial minerals and base metals produced, sold and proceeds received from the Project. Taruga will have the right to buy back the NSR from the sellers for total consideration of A\$500,000 which may at the election of Taruga be paid in cash or Ordinary Fully Paid Shares at the 30-day VWAP of Taruga's Share price as traded on the ASX.

The Group had no other contingent liabilities at 31 December 2024.

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

There are no other matters or circumstances that have arisen since 31 December 2024 that may significantly affect operations, results or state of affairs of the Group in future financial years.

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.

DIRECTORS' DECLARATION



FOR THE HALF-YEAR ENDED 31 DECEMBER 2024

AND CONTROLLED ENTITIES

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 Accounting Standards, 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 2024 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, 14 March 2025

INDEPENDENT AUDITOR'S REVIEW REPORT

To the Members of Taruga Minerals Limited

Report on the Condensed Interim financial Report*Conclusion*

We have reviewed the interim 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 2024, 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 interim 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 2024 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 our audit of the annual financial report 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 interim 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 interim 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 interim 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 interim 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 2024 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 an interim 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
14 March 2025



N G Neill
Partner