Codrus sells Gold Rights to the Silver Swan South Project for Cash and a Royalty

Transaction provides exposure and upside to future gold production

Highlights

- **Binding agreement for the sale of the Silver Swan South Project to FMR Investments**.
- Consideration to Codrus includes cash and a royalty on future gold production.
- Codrus to retain base metal rights including nickel.
- FMR, a mining company with operations in the district, provides Codrus with a key partner to explore for and potentially mine any gold discovery.
- Cash component bolsters **Codrus's cash balance to underpin ongoing exploration activities at its key rare earth and gold projects**.
- Exploration activities including ground geophysics continuing at the Karloning REE Project in WA, with results eagerly awaited.

Codrus Minerals (ASX: **CDR**, **Codrus** or **the Company**) is pleased to advise that it has executed a binding sale agreement with FMR Investments Pty Ltd (**FMR**) in respect to the tenements that make up the Silver Swan South Project, located ~40km north-east of Kalgoorlie in Western Australia (see Figure 1).

Figure 1. Location of the Silver Swan South Project, in Western Australia.

CODRUS MINERALS

ASX Announcement
1 February 2024

Directors

Andrew Radonjic
Non-Executive Chairman

Shannan Bamforth
Managing Director

Jamie Byrde
Non-Executive Director & Company Secretary

Investment Highlights

ASX Code	CDR
Issued Capital	87,250,004
Share Price	$0.051
Market Cap.	$4.45M
Cash (Dec '23)	$1.6M

Contact
Level 2, 16 Altona Street
West Perth WA 6005

codrusminerals.com.au

@CodrusMinerals

Codrus Minerals

The Silver Swan South Project, which is prospective for nickel, base metals and gold, is located ~2km from FMR's Gordon Sirdar gold mine, which hauls gold ore for processing to their Greenfields Mill in Coolgardie (see Figure 2).

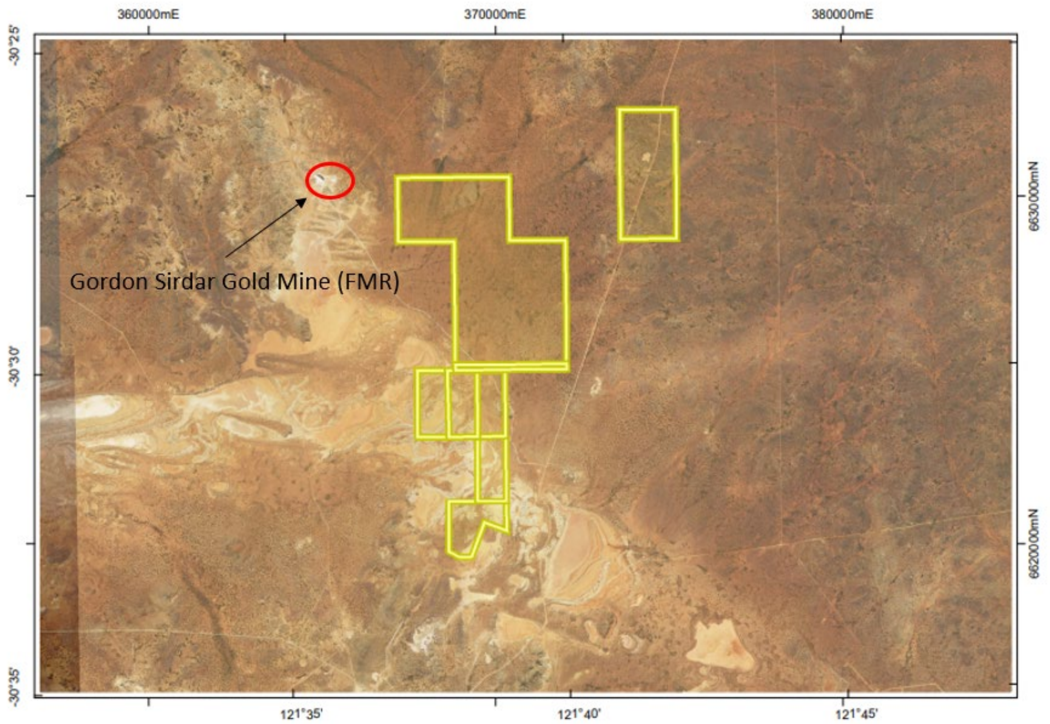

Figure 2. Location of the Silver Swan South Project tenements relative to FMR's Gordon Sirdar gold mine.

Codrus Managing Director, Shannan Bamforth, commented:

"The agreement to divest the gold rights at Silver Swan South to FMR Investments represents a sensible and logical rationalisation of our portfolio. As an operating mining company with a gold mine situated close by, FMR is the logical partner for us to team up with to explore for and develop any gold discoveries at Silver Swan South. The transaction crystallises $300,000 in cash to strengthen our treasury position to $1.9m to underpin ongoing exploration activities, with Codrus also retaining exposure to future upside from production via a 2.5% NSR royalty. At the same time, Codrus retains the rights to explore for nickel and base metals at Silver Swan South."*

** End of December 2023 cash balance $1.6m*

Key Terms of the Agreement

Codrus has entered into an agreement for the sale of the tenements that make up the Silver Swan South Project to FMR.

In consideration for the transfer of a 100% interest in the tenements that comprise the Silver Swan South Project (P27/2191, P27/2192, P27/2193, P27/2194, P27/2195, P27/2196 and E27/545), FMR will provide the following consideration to Codrus:

- Cash consideration of $300,000;
- A Royalty of 2.5% (Net Smelter Return) after 5,000oz of gold production from the project capped at $2,700,000; and
- Codrus retains nickel and base metal rights over the project (retained Mineral Rights).

Codrus will also provide FMR:

- A royalty of 2.5% (Net Smelter Return) for any products produced from the retained Mineral Rights, after $15,000,000 of gross revenue has been received, capped at $2,700,000.

Codrus will have the ability to explore on the tenements for their retained Mineral Rights.

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: +61 8 9388 1474

About Codrus Minerals Limited

Codrus Minerals has secured an exciting new growth and diversification opportunity in the rare earths sector after entering into a farm-in and joint venture agreement with Talgomine Minerals Pty Ltd to earn up to a 90% interest in the Karloning Rare Earth Element (REE) Project, located in Western Australia's Wheatbelt. In addition to our REE project, Codrus has a portfolio of 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 four projects in WA, comprising 31 tenements with a total landholding of approximately 243km^2. The Karloning REE Project in the Wheatbelt, 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 rare earth elements and potential 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 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.