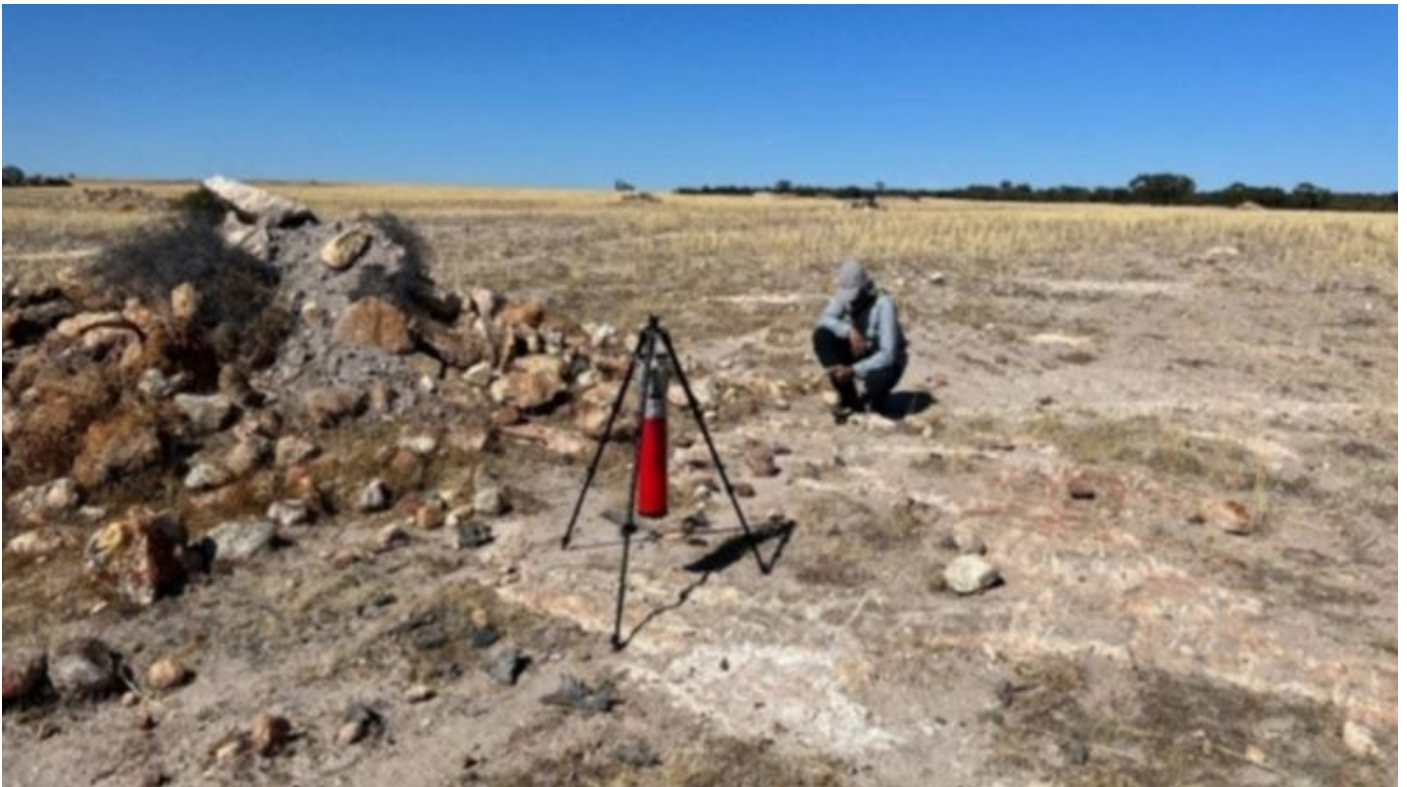


Codrus adds more rich tenure for rare earths chase



Doug Bright | SPONSORED

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Ground radiometric data collection at Codrus Minerals' Karloning project. Credit: File

Codrus Minerals has significantly expanded the initial tenement area at its Karloning project in Western Australia by securing access to additional prospective ground adjacent to its recent high-grade rare earths discovery.

The company has pegged two new exploration licence applications and is entering into a farm-in agreement with Fleet Street Holdings on ground north and north-east of its original licence. The deal will increase its contiguous landholding to about 246 square kilometres - more than 16 times the area of its initial holding.

It follows Codrus' maiden reverse-circulation (RC) drilling program at Karloning, which hit high-grade, clay-hosted rare earths mineralisation near the project's pegmatite quarry.

The West Australian

"We are pleased to have been in a position to move swiftly to tie up what we believe to be all the prospective rare earth ground surrounding and along strike from the Karloning REE discovery. Given that we are first movers in this district, it made strategic sense to expand our footprint quickly to make sure that Codrus is positioned to expand the scale of the mineralisation we have already discovered and potentially make additional discoveries in an area that we believe could emerge as a new rare earths' province. This is an important box to tick as we embark on the next phase of drilling to evaluate the broader scale of the mineralisation already drilled and begin to look further afield for possible new discoveries."

Codrus Minerals Managing Director, Shannan Bamforth

As part of the completed farm-in agreement with Fleet, Codrus can earn up to an 80 per cent interest in the ground by paying \$30,000 cash within a week, issuing \$30,000 worth of its shares and making minimum exploration expenditure of \$350,000 in two stages within three years. It must also undertake a minimum of 1500m of air-core (AC) drilling.

Other conditions include defining a resource and completing all relevant studies, including a definitive feasibility study (DFS). The completed DFS would then free carry Fleet to a decision to mine, or it could elect to contribute its share, convert its share to a net smelter royalty, or sell its interest, with Codrus maintaining a pre-emptive right.

The expansion of Codrus' land position will allow it to explore for additional enriched clay-hosted rare earths deposits in the same geological setting as the results received from its maiden drill program.

The company will hunt for more critical mineral resources at a time when the demand for rare earths is increasing due to the rapid growth in industries making electric vehicles, wind turbines and other renewable energy applications.

A new 2000m AC drilling program is already in progress and will allow Codrus to rapidly investigate the potential scale of its clay-hosted mineralisation at Karloning.

Management says that once it completes the current drilling campaign and assesses the results, it will start work on the new ground using its growing baseline datasets to refine its next target selections.

Source: <https://thewest.com.au/business/public-companies/codrus-adds-more-rich-tenure-for-rare-earths-chase-c-11467766>