

Torian Enters Into Agreement To Acquire Tarmoola Station

Highlights:

- Torian enters into an exclusive call option agreement to purchase the 172,662Ha (424,748Ac) Tarmoola Station and “Carhill Contracting” a mining services business operated upon and from the Station
- Station acquisition to help fast track further exploration and potential mining operation at the Mt Stirling Gold Project
- Tarmoola Station is 50% covered by mining / exploration leases, including operating and abandoned mines
- Agreement includes the purchase of the following cash flow positive businesses with cumulative free cash flow of ~\$1,000,000 p.a. (unaudited):
 - A mining services business “Carhill Contracting” (Includes ~\$700k of machinery and equipment)
 - Rights to continuing carbon credits valued at approximately \$360k per annum
 - Approximately 700 head of cattle
 - A 20-person camp with approvals in place and infrastructure built to upgrade to a 50-person camp with associated mess and kitchen facilities.
- As owners of the station, Torian will receive continuing carbon credits valued at approximately \$360,000 per annum
- Torian to spin off its Mt Monger and Gibraltar assets to focus attention on the Mt Stirling Gold Project
- Torian still awaiting the results from 43 drill holes at Mt Stirling, 18 holes at Stirling Well and 19 holes from Diorite
- Torian’s drilling program will continue into Q1 of 2021
- Interim JORC resource for Mt Stirling on track to be delivered in Q1 2021

Torian Resources Limited (**Torian** or the **Company**) is pleased to advise that via its wholly owned subsidiary Tarmoola Holdings Pty Ltd (**THP**) it has entered into an exclusive option agreement to purchase the 172,662Ha (424,748 Acre) Tarmoola Station.

Directors

The majority of Torian's Mt Stirling Gold Project including the Mt Stirling, Stirling Well, numerous historical Au workings, and much of the Diorite prospects and historical mines and workings, falls within the bounds of Tarmoola Station. Approximately 50% of the pastoral lease is covered by mining / exploration leases, with the station hosting numerous operating and abandoned mines including Red 5 Ltd's KOTH Operation; Round Oak Minerals Jaguar Project and the operating Bentley underground mine.

The station currently contains a 20-person camp with approvals in place as well as infrastructure already built to expand to a 50-person accommodation facility. The Pastoral Lease also includes the 10 Mile Outcamp accommodation facility, in the NE of the property, and is serviced by the Goldfields Highway and a myriad of pastoral access tracks, including the Agnew and Darlot access roads. The station is neighboured by Nambi Station – leased by Glencore Mining, and Melrose Station leased by Red 5 Ltd.

Since 2018 the owners have invested in excess of \$1,000,000 in infrastructure upgrades across the Station including maintaining and upgrading 34 automated solar powered wells out of 42 existing wells that draw from the abundant water resource of the Tarmoola Aquifer.

In addition to the pastoral lease and camp, the station agreement includes a number of revenue generating assets, including approximately 700 head of cattle, a continuous \$360,000 per annum of carbon credits and a mining services business "Carhill Contracting" which is cash flow positive and includes plant and machinery assets valued at approximately \$700,000. In the last 12 months Carhill Contracting's customers have included Red 5 (ASX:RED), St Barbara Ltd (ASX:SBM), Round Oak Mining (ASX:SOL) amongst other regional explorers.

The revenue earned from carbon credits is as a result of the delivery and sale of Australian Carbon Credit Units ascribed to the Pastoral Station pursuant to the Carbon Credits (Carbon Farming Initiative) Act 2011 (Cth).

As part of this option agreement, the current Station Manager has agreed to stay on for at least 12 months post settlement to provide stability during this transition. Torian Resources envisages a long and mutually benefiting business model whereby Pastoral interests can co-exist with the mineral wealth of the region and its rich pioneering history.

As the agreement includes a number of cash flow positive businesses, Torian believes it can fund the bulk of the purchase through debt finance, thereby limiting any potential shareholder dilution.

Torian Executive Director Mr Peretz Schapiro said, *"The option to purchase the Tarmoola station is a crucial step towards fast-tracking the exploration of and potential mining production at the Mt Stirling Gold Project. As owners of the pastoral lease, obtaining permits for exploration and / or mining becomes a much more seamless process. Further, owning the earthworks equipment, accommodation camp, and associated infrastructure will help drastically reduce our per ounce discovery cost."*

There are substantial access benefits by holding pastoral leases. Owning and controlling the pastoral lease on which the majority of our flagship project lies, in addition to the accommodation facilities and earth moving equipment, gives us enormous flexibility when it comes to our future exploration plans, as we continue to put runs on the board, prove up and expand on multiple targets and deposits to deliver JORC resources in the region.

We are now deep into our drilling campaign at our Mt Stirling Gold Project, with 11,750m drilled Q4 2020 and are very encouraged by the results received thus far. We are looking forward to further drilling results in the coming weeks which will all feed into an interim JORC resource to be delivered in Q1 2021.

We look forward to keeping the market updated on our progress.”

About Tarmoola Station

Tarmoola Station is a pastoral lease located about 25 kilometres north west of Leonora and 100 kilometres south of Leinster in the Goldfields of Western Australia. The western boundary of Tarmoola adjoins Sturt Meadows Station.

The property was established on land that was previously owned by the Leonora Pastoral Company but had remained largely undeveloped. Reuben McBride inspected the area and took up a lease over approximately 500,000 acres in 1923. Together with W. G. Hawkes, McBride formed the Tarmoola Pastoral Company in 1924 and embarked on an improvement program. Shortly afterward some 240,000 acres was fenced and several bores sunk.

Further information regarding the station can be found on its Wikipedia page. https://en.wikipedia.org/wiki/Tarmoola_Station

Terms of the agreement

Torian via its wholly owned subsidiary THP has entered into two option agreements summarised below.

1. Tarmoola Pastoral Station Call Option and Acquisition Agreement

THP has executed a call option agreement with Horizon 888 Management Pty Ltd as trustee for the Next Horizon Agricultural Trust No.1 to acquire the Pastoral Station on the following material terms:

- a. Initial Option fee of \$75,000 with a further option fee of \$75,000 payable upon extension of option term;
- b. Initial option term expiring 1 March 2021 with an extension of term at THP's election to 30 April 2021;
- c. Completion due 60 days from the latter of the date of the Minister of Lands (WA) consent or the date of exercise of the Option by THP;
- d. Upon exercise of the Option THP will acquire:

- the crown leases that comprises the Pastoral Station which have been granted for the term of 45 years, 1 month and 27 days commencing on 1 July 2015; and
 - all improvements, stock, plant and equipment and rights as agreed between the parties;
- e. Completion subject to any statutory and regulatory approvals required;
- f. Completion conditional on the approval of the Minister of Lands (WA) to the sale and assignment of the Pastoral leases (x2); and
- g. Option Exercise Price payable at Completion by Torian equal to \$3,000,000 less option fee(s) paid, plus 18 months of carbon credits retained by the Seller from the date of THP's possession of the Station.

2. Carhill Contracting Asset Sale Call Option Agreement

THP has executed a call option agreement with Carhill Contracting Pty Ltd (**Carhill Contracting**) to acquire the Carhill Contracting business on the following material terms:

- a. Initial Option fee of \$25,000 with a further option fee of \$25,000 payable upon extension of option term;
- b. Initial option term expiring 1 March 2021 with an extension of term at THP's election to 30 April 2021;
- c. Completion due the first business day following 14 days after the date of exercise by THP of the option;
- d. Upon exercise of the Option THP will acquire Carhill Contracting including:
- its mining services and civil contracting business; and
 - all plant and equipment used by Carhill Contracting in undertaking its Business;
- e. Completion subject to any statutory and regulatory approvals required;
- f. Option Exercise Price payable at Completion by Torian equal to \$1,000,000 less option fee(s) paid;
- g. Settlement post-conditional on the approval of the Minister of Lands (WA) to the sale and assignment of the Pastoral leases (x2); and
- h. Completion of the Pastoral Station Sale and the Carhill Asset Sale are conditional upon each other. In the event the sale and assignment by the Minister of Lands is not approved the Carhill Contracting Pty Ltd and THP are bound by a put and call option whereby the Carhill Assets will be repurchased from THP for the sum of \$1,000,000 without further obligation.

Mt Monger and Gibraltar Projects Spin Off

The acquisition of this station further solidifies the Company's land holdings in the Leonora region, where the Company is committed to systematically exploring and developing its Mt Stirling Gold Project with a vision on proving it up to what the Company believes can be a World Class Gold Camp.

In order to further focus its funds and resources in the Leonora region, the Company is proposing to spin off its assets located in other regions, whilst still maintaining Torian shareholders' exposure to its upside.

The Company is currently proposing a spin-off of its Mt Monger and Gibraltar assets into its own entity, Monger Gold Ltd, with a view towards floating this company on the ASX towards the end of Q1 2021. The Company is in advanced discussion with the ASX and other regulatory bodies to move ahead with the proposed spin-off.

As part of this spin-off it is proposed that Torian will hold a direct interest in Monger Gold Ltd of approximately 10% in addition to a 20% free carry of the respective projects until the BFS stage. At this point Torian can elect to contribute to retain its share of the projects or convert to a royalty. It is also proposed that Torian shareholders will be given priority access to the IPO of Monger Gold Ltd.

Torian will be keeping the market informed of its intentions in the coming weeks.

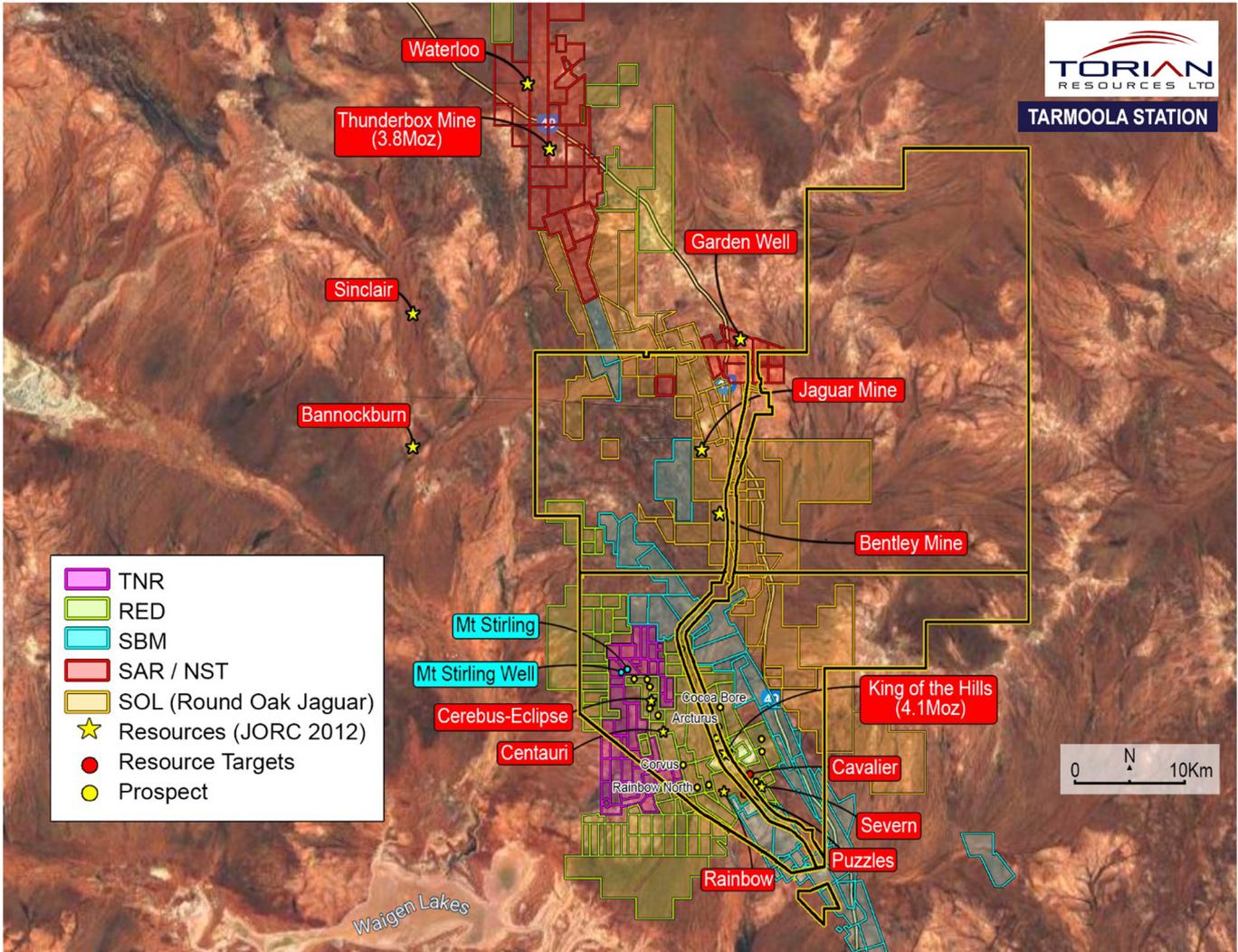


Figure 1: Map plan of Tarmoola Station Pastoral Lease showing the exploration and mining tenements, mines and prospects of various regional companies.



Figure 2: Tarmoola Exploration Camp



Figure 3: Tarmoola Exploration Camp (NW view)



Figure 4: Tarmoola Station (SW view)



Figure 5: Tarmoola Exploration Camp Mess Hall



Figure 6: Carhill Contracting Earth moving equipment



Figure 7: Carhill Contracting Earth moving equipment



Figure 8: Tarmoola Exploration Camp

This announcement has been authorised for release by the Board.

Peretz Schapiro
Executive Chairman
Torian Resources Ltd
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About Torian:

Torian Resources Ltd (ASX: TNR) is a highly active gold exploration and development company with an extensive and strategic land holding comprising six projects and over 400km² of tenure in the Goldfields Region of Western Australia. All projects are nearby to excellent infrastructure and lie within 50km of major mining towns.

Torian's flagship Mt Stirling Project is situated approximately 40km NW of Leonora, and neighbours Red 5's Kind of the Hills mine. The region has recently produced approximately 14M oz of gold from mines such as Tower Hills, Sons of Gwalia, Thunderbox, Harbour Lights and Gwalia.

The Mt Stirling Project consists of 2 blocks:

1. The Stirling Block to the north which contains two JORC Inferred resources.
 - a. Mt Stirling – 727,000t at 1.45 g/t Au for 33,900oz
 - b. Stirling Well – 253,500t at 2.01 g/t Au for 16,384oz
2. The Diorite Block to the south, home of the historic 73 g/t Diorite King Mine.

Another key project and one of renewed focus for the Company is the Mount Monger Project, located 50 km south east of Kalgoorlie. The Mount Monger goldfield is located within the Kalgoorlie terrane subdivision of the Eastern Goldfields Province. This 3,700-hectare project lies within close vicinity of Silver Lake Resources Ltd's (ASX: SLR) key asset, the Mount Monger Gold Camp, a prolific part of the Eastern Goldfields district of Western Australia. The Mount Monger Camp had produced more than 1.67Moz in the last 30 years, and more than 330,000 ounces for Silver Lake in in the last 24 months alone.

The project consists of two distinct areas:

1. The Wombola area to the north
2. The Mt Dam area to the south

Another project in the Kalgoorlie region is the Zuleika project in which the Company is involved in a JV with Dampier Gold Ltd (ASX: DAU). The Zuleika project is located along the world-class Zuleika Shear, which is the fourth largest gold producing region in Australia and consistently produces some of the country's highest grade and lowest cost gold mines. This project lies north and partly along strike of several major gold deposits including Northern Star's (ASX: NST) 7.0Moz East Kundana Joint Venture and Evolution's (ASX: EVN) 1.8Moz Frogs Legs and White Foil deposits.

Torian's other projects within the Kalgoorlie region include the Bonne Vale and Gibraltar Projects, and its Credo Well JV with Dampier Gold Ltd (ASX: DAU), host of a JORC Inferred resource of 86,419t at 4.41 g/t Au for 12,259 oz.

Streamlined Competent Person Statement

The information in this relating to Minerals Resource Estimates is based on information compiled, reviewed and relied upon by Mr Dale Schultz. Mr Dale Schultz, Principle of DjS Consulting, who is Torian's consulting Geologist and Director, compiled, reviewed and relied upon prior data and ASX releases dated 25 February 2019 and 29 January 2020 to put together the technical information in this release and is a member of the Association of Professional Engineers and Geoscientists of Saskatchewan (APEGS), which is ROPO, accepted for the purpose of reporting in accordance with ASX listing rules. Mr Schultz has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 edition of the 'Australian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Schultz consents to the inclusion in the report of the matters based on information in the form and context in which it appears.

The JORC Resource estimate released on 25 February 2019 were reviewed and relied upon by Mr Dale Schultz were reported in accordance with Clause 18 of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (2012 Edition) (JORC Code).

Torian Resources confirms in the subsequent public report that it is not aware of any new information or data that materially affects the information included in the relevant market announcements on the 25 February 2019 and 29 January 2020 and, in the case of the exploration results, that all material assumptions and technical parameters underpinning the results in the relevant market announcement reviewed by Mr Dale Schultz continue to apply and have not materially changed.

Cautionary Note Regarding Forward-Looking Statements

This news release contains “forward-looking information” within the meaning of applicable securities laws. Generally, any statements that are not historical facts may contain forward-looking information, and forward looking information can be identified by the use of forward-looking terminology such as “plans”, “expects” or “does not expect”, “is expected”, “budget” “scheduled”, “estimates”, “forecasts”, “intends”, “anticipates” or “does not anticipate”, or “believes”, or variations of such words and phrases or indicates that certain actions, events or results “may”, “could”, “would”, “might” or “will be” taken, “occur” or “be achieved.” Forward-looking information is based on certain factors and assumptions management believes to be reasonable at the time such statements are made, including but not limited to, continued exploration activities, Gold and other metal prices, the estimation of initial and sustaining capital requirements, the estimation of labour costs, the estimation of mineral reserves and resources, assumptions with respect to currency fluctuations, the timing and amount of future exploration and development expenditures, receipt of required regulatory approvals, the availability of necessary financing for the Project, permitting and such other assumptions and factors as set out herein.

Forward-looking information is subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of the Company to be materially different from those expressed or implied by such forward-looking information, including but not limited to: risks related to changes in Gold prices; sources and cost of power and water for the Project; the estimation of initial capital requirements; the lack of historical operations; the estimation of labour costs; general global markets and economic conditions; risks associated with exploration of mineral deposits; the estimation of initial targeted mineral resource tonnage and grade for the Project; risks associated with uninsurable risks arising during the course of exploration; risks associated with currency fluctuations; environmental risks; competition faced in securing experienced personnel; access to adequate infrastructure to support exploration activities; risks associated with changes in the mining regulatory regime governing the Company and the Project; completion of the environmental assessment process; risks related to regulatory and permitting delays; risks related to potential conflicts of interest; the reliance on key personnel; financing, capitalisation and liquidity risks including the risk that the financing necessary to fund continued exploration and development activities at the Project may not be available on satisfactory terms, or at all; the risk of potential dilution through the issuance of additional common shares of the Company; the risk of litigation.

Although the Company has attempted to identify important factors that cause results not to be as anticipated, estimated or intended, there can be no assurance that such forward-looking information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information. Accordingly, readers should not place undue reliance on forward-looking information. Forward looking information is made as of the date of this announcement and the Company does not undertake to update or revise any forward-looking information this is included herein, except in accordance with applicable securities laws.