

Torrens' December 2020 Quarterly Activities Report

Summary

- ▶ Torrens debuted on the ASX after completing \$10m IPO
- ▶ Prospective stratigraphy and gold-bearing structures confirmed in Mt Piper Project area
- ▶ Torrens free carried for further \$2 million at Elizabeth Creek Copper Project after farminee earns 70% interest by \$6.62M expenditure
- ▶ Drilling program continues at Elizabeth Creek
- ▶ Patrick Say appointed as Exploration Manager
- ▶ New Tenement Applications in Victoria and PNG
- ▶ Laloki Exploration Licence Application (ELA2557) refused by PNG Minister for Mines

Gold and copper explorer Torrens Mining Limited (**ASX: TRN**) (**Torrens** or **the Company**) is pleased to provide its quarterly activities report for the period ended 31 December 2020 and an overview of the material announcements made post-listing and subsequent to the end of the reporting period.

Corporate

Torrens lists on the ASX with strong investor support

On 7 January 2021, Torrens commenced trading on the ASX after closing its Initial Public Offer to raise \$10 million before costs. Torrens' IPO closed over-subscribed on 4 December 2020.

Taylor Collison acted as lead manager of the IPO.

The Company issued 50 million shares at 20 cents each, with the proceeds to be used to advance its mineral exploration initiatives in Victoria, South Australia and Papua New Guinea (PNG).

Torrens' asset portfolio includes the Mt Piper Gold Project in Central Victoria, located just 30km south-east of the Fosterville Gold mine (the world's most profitable underground gold mine), the Club Terrace Gold Project in Eastern Victoria, the Elizabeth Creek Copper-Cobalt Project in South Australia, which is subject to a farm-in agreement with partner Coda Minerals Limited (ASX: COD) (Coda), and the Laloki Copper-Gold Project in PNG (Figure 1).

Appointment of Patrick Say, Exploration Manager

Torrens announced the appointment of Patrick Say as Exploration Manager on 12 January 2021. A qualified geologist, Mr Say brings strong leadership and project management skills, in a broad range of relevant areas including exploration geology, ore definition, financial evaluation, grade control processes and mining, honed by 20 years' experience in the gold, copper and nickel sectors.



Figure 1 – Location of Torrens' Projects

Operations

Activities during the Quarter

During the quarter, exploration was undertaken at the Company's Elizabeth Creek Copper Project, under the management of farminee Coda. Drilling comprising 10 reverse circulation pre-collar holes and 7 diamond tails was completed, with assay results pending. The target was extensions of the Emmie Bluff mineralisation. Updates on the drilling program were given by Coda to ASX on 18 December 2018 and on the resumption of the program after the holiday break, on 12 January 2021.

The results of a follow-up electromagnetic (EM) survey on two holes, together with plans for follow-up drilling, were given to ASX by Coda on 28 January 2021.

Coda also announced on 22 January 2021 that it had earned a 70% in the Elizabeth Creek Project by expenditure of \$6.62 million and was now expecting to complete an additional \$2 million free carry of Torrens by ongoing exploration expenditure.

Coda's announcements are available on ASX market announcements platform under the ticker code "COD."

Other exploration activities on the Company's tenements were confined to the geophysical investigations on the Mt Piper area disclosed below during the quarter ended 31 December 2020, as a result of the Company's focus being on completing its IPO and raising the funds for its exploration activities as disclosed in the Company's IPO prospectus dated 13 November 2020.

Gold-prospective structures confirmed at Mt Piper

Shortly after listing on ASX, Torrens provided an update on the Company's exploration activities at its 100% owned Mt Piper Gold Project in Central Victoria. For full details, see Torrens's ASX announcement of 20 January 2021.

The Company engaged geophysical consultants Resource Potentials to review and compile all the historical geophysical data within the 1,626km² Mt Piper Project area. This work demonstrated the potential for known gold mineralising structures to extend into the Mt Piper area and also identified new structures within the area which require further exploration (Figure 3).

Torrens' next phase of its Mt Piper program will include a series of airborne and ground-based geophysical surveys as well as infill geochemical sampling over the tenement package, to be followed by targeted drill testing.

Torrens' Mt Piper Project (Figure 3) includes a granted exploration licence (EL6775) and five exploration licence applications (ELAs 7331, 7337, 7366, 7380 and 7481), with further detail on each outlined below:

Mt Piper EL6775

EL6775 encompasses a suite of historical gold geochemical targets (Figure 4), a nearby (located within the excluded Mt Piper Nature Conservation Reserve) historical 1980s drill hole by BHP, which intersected the gold and antimony mineralised Mt Piper breccia, together highlighting the potential of the area for discovery of gold-antimony mineralisation, and now the confirmation of gold prospective structures.

Mt Piper North ELA7331

ELA7331 includes the existing Northwood Hill Gold Prospect, which contains historical shallow gold drilling intercepts over a 5km gold anomalous corridor which is yet to be followed up (Figure 5). Torrens is optimistic that ELA7331, containing the south-eastern section of the Northwood Hill trend, will be granted in Q1 this year.

Puckapunyal ELA7481 & Graytown ELA7366

ELA7481 and ELA 7366 cover 469km² of Central Victorian prospective gold geology, which includes the historic Puckapunyal region. This area is notable for the very limited historical exploration undertaken in this strategic area of the Central Victorian goldfields, except for a small amount of drilling by previous explorer Perseverance Mining Limited in the early 1990s at the Rowell Hill Prospect – which is the north-western extension of the Northwood Hill gold mineralised corridor. Outside of this piece of work, the area is considered grossly underexplored for gold-antimony mineralisation, given the occurrence of gold and antimony mineralisation in areas immediately surrounding and historical reports of mineralisation within the tenement area.

The tenement area includes:

- The extension of the Moormbool Fault system (Figure 3), the key regional-scale host geological structure associated with gold-antimony mineralisation presently being mined by Mandalay Resources Corporation at its Costerfield gold mine,
- Historical gold mines on the Moormbool Fault system at Majors Line,
- The north-western section of the Northwood Hill gold trend (Rowell Hill) trending in the same orientation as interpreted antiformal fold axes in the area, and

- Elements of the historical Graytown and Mitchellstown goldfields.

Mt Piper South ELA7337

This tenement application covers a key geological extension south from the Mt Piper gold-antimony mineralisation previously drilled by BHP within the excluded Mt Piper Nature Conservation Reserve.

Mangalore ELA7380

ELA7380 encompasses prospective stratigraphy immediately east of Mt Piper and south-east of the Northwood Hill gold trend, and includes historical gold workings at Mangalore and Cunninghams.

Exploration Fieldwork

Following its ASX listing on 7 January 2021, Torrens is preparing for the commencement of fieldwork, with the following work programs scheduled at Mt Piper over the next 6 months:

- Q1 2021 – Infill soil geochemistry to vector into gold rich targets
- Q1 2021 – Complimentary geophysical surveys including aero-magnetics, passive seismic and IP to optimise drill targeting
- Q1 to Q2 2021 – Drill testing of key gold target areas

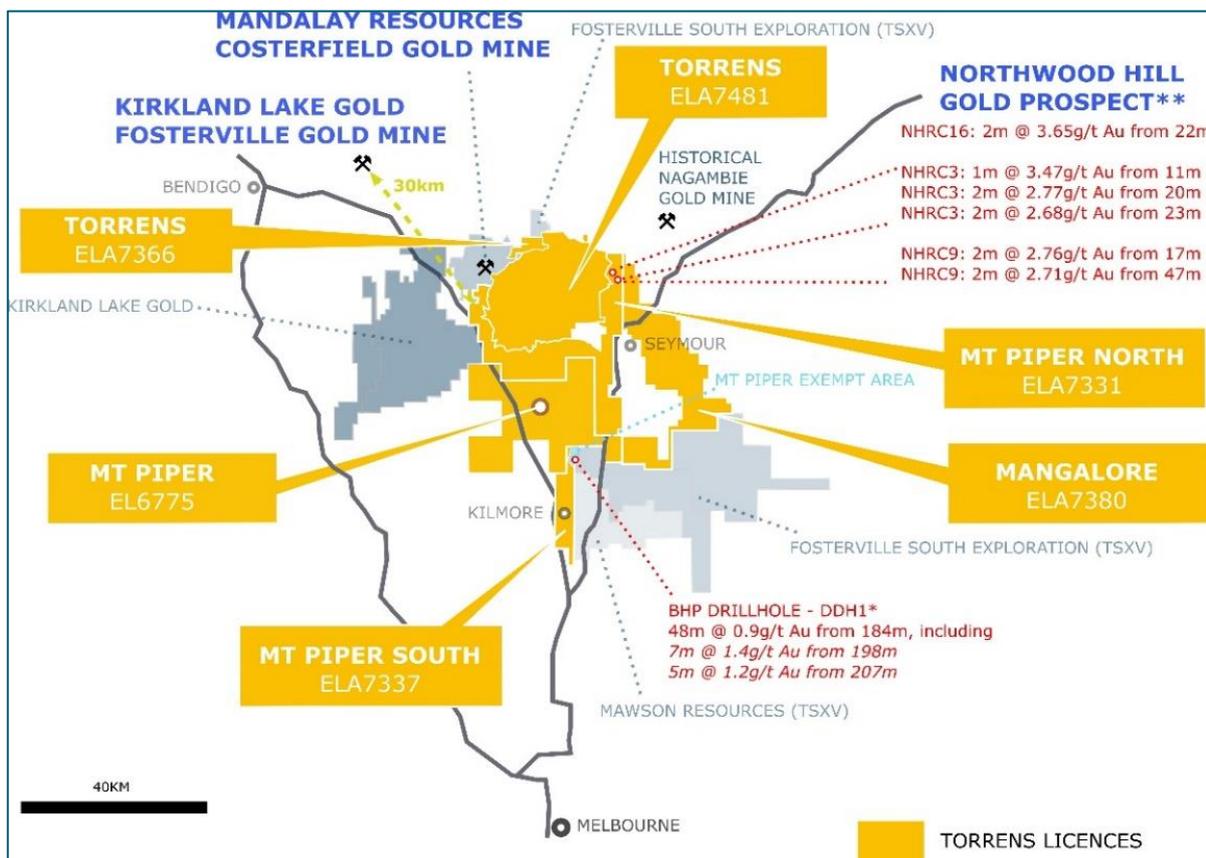


Figure 2 – Mt Piper Project Location Map

*BHP MINERALS EXPLORATION. 1981. EL827, Broadford. Six monthly report for the period ending 30 September 1981.

**P WHELAN. EL3028 Annual Report for period ending 22 December 1992.

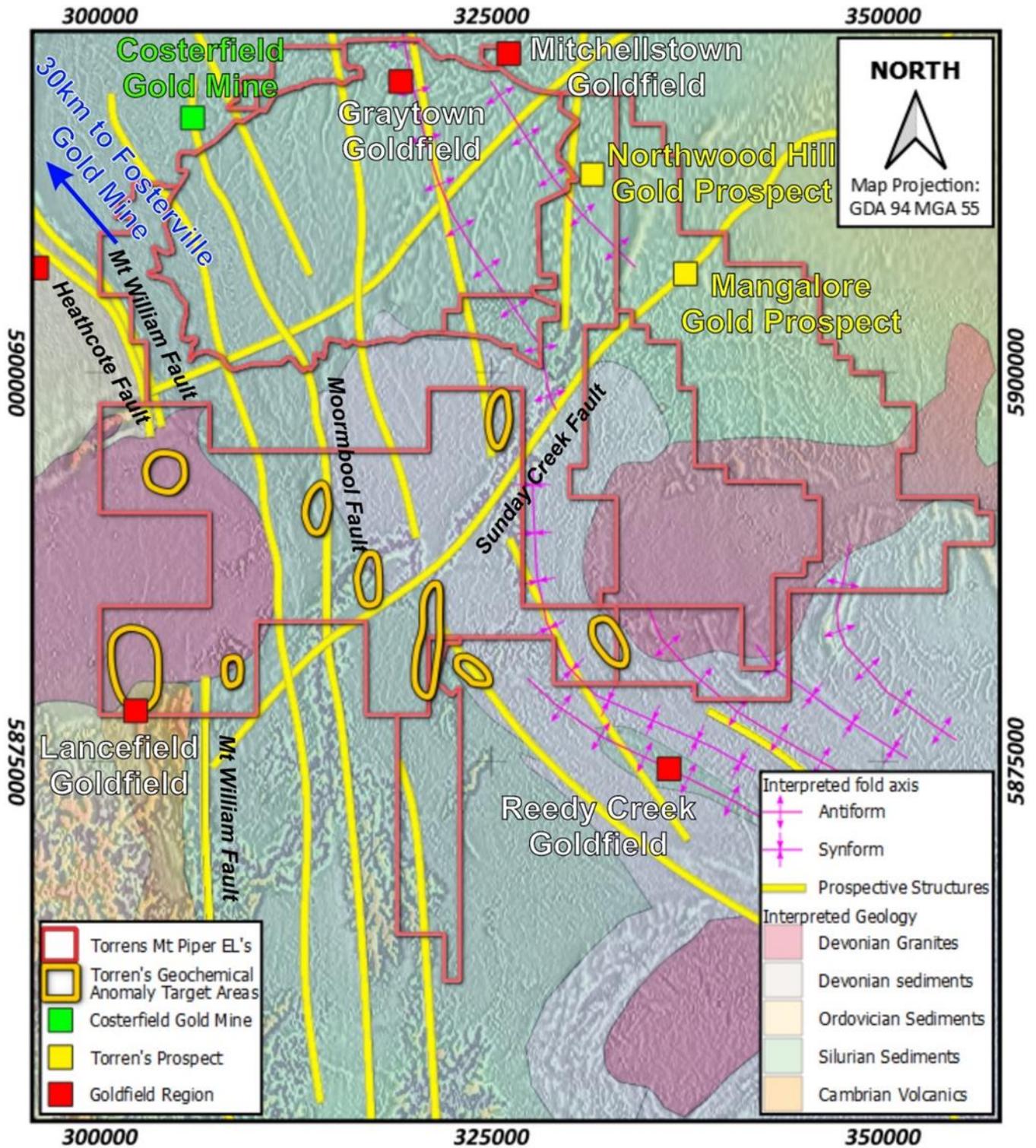


Figure 3 – Prospective Structures, Interpreted Geology, Geochemical Anomalies and Torrens Prospects overlying filtered magnetics at the Mt Piper Project

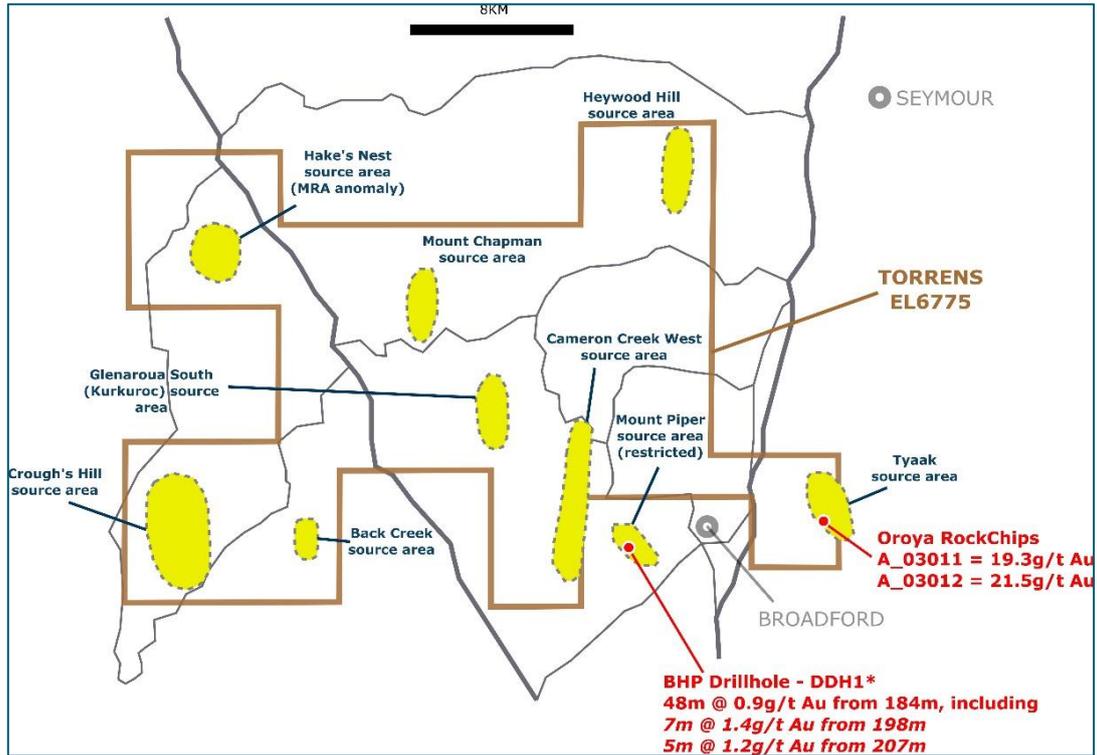


Figure 4 – EL6775 Anomalous Geochemical Zones (yellow)

*BHP MINERALS EXPLORATION. 1981. EL827, Broadford. Six monthly report for the period ending 30 September 1981.

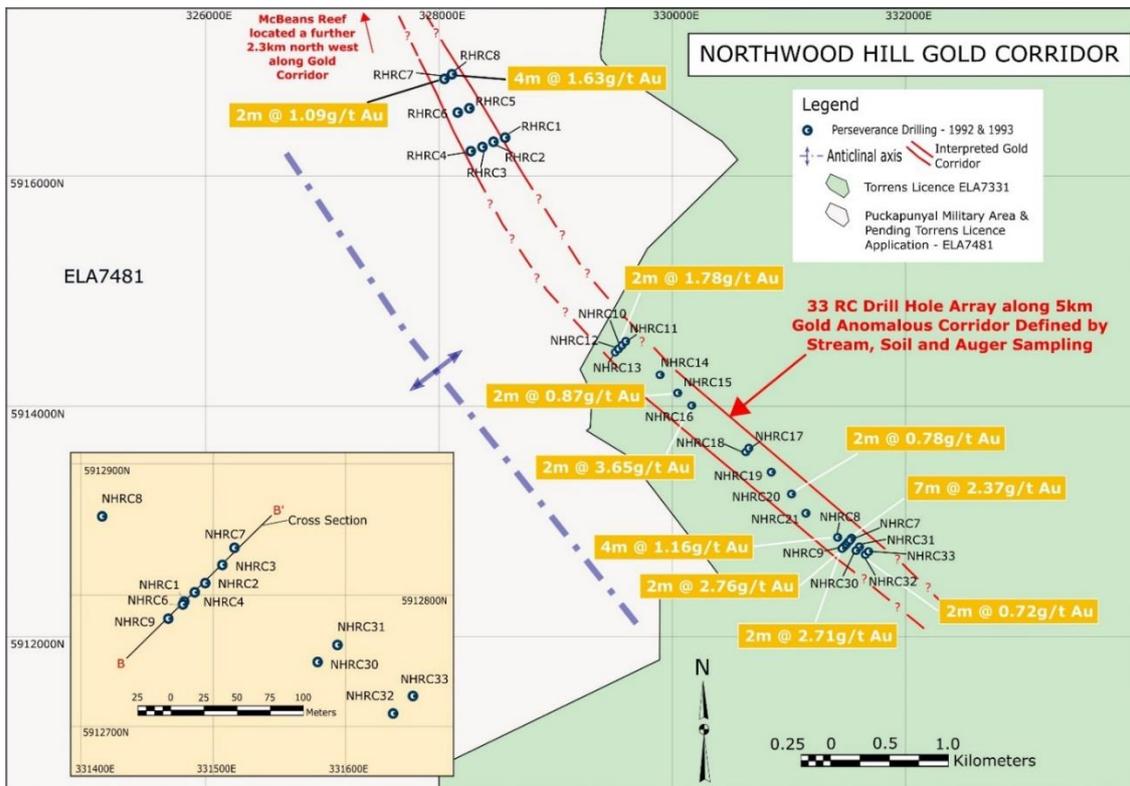


Figure 5 – Northwood Hill Prospect Drilling and 5km Long Anomalous Gold Corridor

Torrens' free carry-on Elizabeth Creek continues for another \$2m

In late January 2021, Torrens received notice that its farm-in partner Coda had earned an additional 19% interest in the Elizabeth Creek Project, following exploration expenditure of an additional \$2.75 million (Stage 3 Earning Obligation), bringing its earned interest up to 70%, for an overall expenditure of \$6.62 million (refer to COD ASX announcement on 22 January 2021 "Coda Minerals Earns 70% Ownership of Elizabeth Creek Copper Project").

Under the terms of the Farm-in and Joint Venture Agreement (Farm-in Agreement) between Coda and Terrace Mining Pty Ltd (Terrace), a wholly owned subsidiary of Torrens, Coda is free carrying Terrace for an additional \$2 million expenditure, upon completion of which a Joint Venture between the parties will be formed to continue exploration and development activities.

Following formation of the joint venture, the parties will contribute to the expenditure of the project in accordance with their interest in the project (refer to Section 6 of Torrens' Prospectus dated 13 November 2020 for a summary of the material terms of the Farm-in Agreement).

For full details, see Torrens's ASX announcement of 22 January 2021.

Strandline Agreement

Under the terms of an agreement with Terrace Mining Pty Limited (Terrace), a wholly-owned subsidiary of Torrens dated 14 December 2015, Strandline Resources Limited (Strandline) holds 4.2 million Torrens shares issued as part consideration from the sale of the Elizabeth Creek project. Strandline was also eligible to receive a further deferred consideration of A\$1,000,000 when Torrens made a formal decision to mine in connection with the project. If, however, prior to a decision to mine, Torrens' project assets become listed on ASX, then A\$250,000 of the deferred consideration, or at Torrens' election, an equivalent value in Torrens' shares calculated at Torrens' IPO price of 20 cents per share, will become payable within 60 days and the remaining amount of the deferred cash consideration will convert to a 2% net smelter royalty (capped at \$1.25M).

The royalty right may be bought back by Torrens for \$750,000 cash. Torrens was admitted to the official list of ASX on 6 January 2021 and as a result, the \$250,000 deferred consideration is due and payable (in cash or shares at Torrens' election) by 7 March 2021, as disclosed in Torrens' IPO Prospectus of 13 November 2020.

Mineral Tenements

Formal Refusal of Laloki ELA2557 by PNG Minister for Mines

Torrens announced to the market on 28 January 2021, that the Hon. Minister for Mining, Mr Johnson Tuke (Hon Minister) had refused Torrens application for Exploration Licence Application ELA2557 Laloki. Torrens is considering its options in the matter, noting that the decision can be challenged by a Judicial Review application to the National Court. For full details, see Torrens' ASX announcement of 28 January 2021.

New Tenement Application at Club Terrace

On 18 January 2021 Torrens Gold Exploration Pty Ltd, a wholly-owned subsidiary of Torrens, applied for "Lockup" ELA7584, covering an area of 108.6sq.km. and surrounded on three sides by Torrens' "Club Terrace" application (ELA7342). The objective of ELA7584 is to consolidate systematic exploration for gold mineralisation over the contiguous zone along the regional-scale Combienbar Fault system encompassed by ELA7342 and the granted "Buldah" EL5455.

New Tenement Application in PNG

On 11 January 2021, Torrens Mining (PNG) Limited, a wholly-owned subsidiary of Torrens, lodged an application for Rigo Exploration Licence ELA2690 covering 1164 sq.km. to the south-east of Port Moresby and immediately abutting the area applied for under Laloki ELA2557 to the south and east.

Tenement Schedule

In accordance with ASX Listing Rule 5.3.3, Torrens provides the following summary of its mineral tenement holdings located in Victoria, South Australia and Papua New Guinea, as at the date of this report:

Tenement	Tenement Name	Project Name	Holder/Applicant	Status	Grant Date	Expiry Date	Area (sq.km.)
EL6775	Mt Piper	Mt Piper	Torrens Gold Exploration Pty Ltd 100%	Granted	3/07/2020	2/07/2025	414
ELA7331	Mt Piper North		Torrens Gold Exploration Pty Ltd 100%	Application	TBA	TBA	342
ELA7337	Mt Piper South		Torrens Gold Exploration Pty Ltd 100%	Application	TBA	TBA	67
ELA7366	Graytown		Torrens Gold Exploration Pty Ltd 100%	Application	TBA	TBA	22
ELA7380	Mangalore		Torrens Gold Exploration Pty Ltd 100%	Application	TBA	TBA	334
ELA7481	Puckapunyal		Torrens Gold Exploration Pty Ltd 100%	Application	TBA	TBA	447
EL5455	Buldah	Club Terrace	Terrace Mining Pty Ltd 100%	Granted	22/10/2013	21/10/2024	8
ELA7342	Club Terrace		Torrens Gold Exploration Pty Ltd 100%	Application	TBA	TBA	375
ELA7584	Lockup		Torrens Gold Exploration Pty Ltd 100%	Application	TBA	TBA	108.5
EL6518	Mt Gunson	Elizabeth Creek	Coda Minerals Limited 70% Terrace Mining Pty Ltd 30%	Granted	25/03/2020	24/03/2025	402
EL6141	Mt Moseley			Granted	29/10/2017	28/10/2017	57
EL6265	Yeltacowie			Granted	7/10/2018	6/10/2023	291
ELA2557	Laloki River	Laloki	Torrens Mining (PNG) Limited 100%	Refused	TBA	TBA	126
ELA2690	Rigo		Torrens Mining (PNG) Limited 100%	Application	TBA	TBA	1164

*TBA = To be advised

The Company did not acquire or dispose of any mining tenements nor did it enter into any farm-in or farm-out agreements during the quarter.

Finance

Use of Funds

The Company was admitted to the Official List of ASX on 6 January 2021. The reporting quarter ended 31 December 2020 and therefore is not included in a period covered by the "use of funds" statement in the Company's prospectus dated 13 November 2020. The Company will provide a comparison of its actual expenditure against its estimated expenditure as disclosed in its prospectus in accordance with Listing Rule 5.3.4 in its next quarterly activities report.

Payments to related parties and their associates

In accordance with Listing Rule 5.3.5, payments to related parties of the Company and their associates during the quarter totalled \$113,000 relating to executive and non-executive director fees. These amounts are included in item 6.1 of the Appendix 5B.

Exploration

ASX Listing Rule 5.3.1: Exploration and Evaluation Expenditure during the quarter was \$69,000. Details of activity during the quarter are set out above.

ASX Listing Rule 5.3.2: There were no mining production and development activities during the Quarter.

This announcement has been approved for release by the Torrens Board.

ENDS

About Torrens

Torrens Mining Limited (ASX: TRN) is an Australian-headquartered company exploring for gold, copper and cobalt and has positioned itself for growth through its assets in the Victorian Goldfields, the advanced and active Elizabeth Creek Copper-Cobalt Project in South Australia and, pending the grant of an exploration licence, at the formerly producing high-grade copper-gold Laloki Project in Papua New Guinea (PNG).

At Mt Piper in Central Victoria, exploration is focused on structurally-controlled gold-antimony mineralisation similar to that being successfully mined at the nearby Fosterville and Costerfield mines. Previous exploration has generated several targets for immediate follow-up, including the Northwood Hill gold prospect.

The Club Terrace Project in Eastern Victoria covers some 50km of the Combienbar Fault Zone, where historical mining and exploration activities have generated targets that are yet to be drill-tested.

The Elizabeth Creek Project in South Australia covers an area of approximately 739km² in the Olympic Copper Province, which is Australia's most productive copper province. The Project is now owned 70% Coda (ASX:COD) and 30% Torrens (ASX:TRN), subject to completion of the transfer of Coda's new 19% interest. The Project is managed under the terms of a farm-in agreement between the Company and Coda. Coda is presently funding a drilling campaign now underway.

Subject to its exploration licence applications being granted, the Company also intends to explore high-grade copper-gold Volcanogenic Massive Sulphide (VMS) mineralisation at Laloki, located about 15km from Port Moresby, the capital of PNG and in the adjoining Rigo area.

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No New Information or Data

This announcement contains references to exploration results which have been cross-referenced to previous market announcements by the Company. The Company confirms that it is not aware of any new information or data that materially affects the information included in the relevant market announcements.

Forward-Looking Statements

This announcement contains "forward-looking statements." All statements other than those of historical facts included in this announcement are forward-looking statements. Where the Company expresses or implies an expectation or belief as to future events or results, such expectation or belief is expressed in good faith and believed to have a reasonable basis. However, forward-looking statements are subject to risks, uncertainties and other factors, which could cause actual results to differ materially from future results expressed, projected or implied by such forward-looking statements. Such risks include, but are not limited to, copper, gold, cobalt and other metals price volatility, currency fluctuations, increased production costs and variances in ore grade or recovery rates from those assumed in mining plans, as well as political and operational risks and governmental regulation and judicial outcomes. The Company does not undertake any obligation to release publicly any revisions to any "forward-looking statement".