

March 2022 Quarterly Activities Report

Highlights:

- ▶ Coda Minerals Limited and Torrens Mining Limited announce recommended takeover offer consolidating 100% ownership of the Elizabeth Creek Copper Project
- ▶ Coda off-market takeover to acquire Torrens with 0.23 new Coda Shares offered for every 1 Torrens share held
- ▶ Approval of Torrens Mining Papua New Guinea Rigo exploration license on 26 January 2022

Summary

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 March 2022 (the Quarter).

Torrens is an Australian-headquartered company exploring for gold, copper, cobalt and other metals in the Victorian Goldfields, its participating joint venture interest in the very active and multi-faceted Elizabeth Creek Copper-Cobalt Project in South Australia, and in Papua New Guinea (PNG) following the grant of Torrens' Rigo exploration license and pending the grant of its exploration license at the formerly producing high-grade copper-gold Laloki Project.

The Quarter was underpinned by the off-market takeover offer made by Coda Minerals Limited, under which Coda will issue 0.23 new Coda shares for every 1 Torrens Share held (ASX announcement 9 February). The Company pursued minimal exploration activities throughout the quarter due to the Coda offer, and conserved capital for costs associated with the transaction and potential future cash call obligations associated with the joint venture if the transaction was unsuccessful.

Coda off-market takeover

The offer was recommended for acceptance by Torrens' directors to consolidate 100% of the Elizabeth Creek Project based on several key considerations, including:

- Coda's offer represented an attractive premium to the pre-offer Torrens Share Price
- Logical ownership and simplification of the Elizabeth Creek Joint Venture
- Provided Torrens' shareholders with the opportunity to participate in a larger, well-funded mineral exploration Company
- Coda's offer had the unanimous support directors and key shareholders
- Shareholders may be eligible for Australian Capital Gains Tax relief

Full details of these factors have been disclosed in the Company's Target's Statement released on the ASX (refer to announcement on 2 March 2022).

The Elizabeth Creek project is strategically located in the heart of South Australia's Olympic Copper-Gold Province, just 100km south of Australia's largest underground mine at Olympic Dam and to the west of OZ Minerals Limited's Carrapateena copper-gold mine. The combined 43Mt maiden Inferred and Indicated Mineral Resource at the Emmie Bluff Copper-Cobalt Deposit confirmed the deposit as one of the largest "Zambian-style" copper-cobalt deposits in Australia and is now one of three published Mineral Resources at Elizabeth Creek, which also includes JORC 2012 Compliant Indicated Mineral Resources at the MG14 and Windabout deposits. For further details surrounding exploration activity undertaken at the Elizabeth Creek project for the quarter, refer to Coda's March 2022 exploration activities report.

Laloki Copper-Gold Project, Papua New Guinea - 100% Torrens

Laloki ELA2557

During the Quarter, Torrens continued legal proceedings in the Papua New Guinea Supreme Court, through its wholly-owned subsidiary, Torrens Mining (PNG) Limited, to protect its interests in exploration license application ELA2557, which was refused by the Mining Minister in January 2021.

The tenement application covers known high-grade copper-gold Volcanogenic Massive Sulphide (VMS) mineralisation at Laloki, located about 15km east of Port Moresby, the capital of PNG.

Rigo EL2690

Torrens Mining (PNG) Limited's ELA690 was granted on 26 January 2022, covering an area of about 1164km². The granted exploration license area abuts Laloki ELA2557 and covers much of the historical Astrolabe Mineral Field which was gazetted by the Australian Government firstly in 1906 as the Astrolabe Copper Field, and which was then expanded and renamed the Astrolabe Mineral Field in 1916. The tenement application areas extend south-easterly along the Papuan coast for about 80km from Port Moresby.

Events Subsequent to Quarter End

On 19 April 2022, subsequent to the end of the March 2022 quarter, the Coda's Takeover Offer was declared unconditional after Coda received 86.87% of shareholders acceptances. Pursuant to terms of the offer, Keith Jones (Coda Non-Executive Chairman) and Chris Stevens (Coda Chief Executive Officer) were appointed as Non-Executive Directors of Torrens. Consequently, Managing and Executive Director Mr Steve Shedden resigned, along with Non-Executive Directors Mr Richard Graaug and Mr Mike Collings.

On 22 April 2022, Coda received acceptances of 91.28% and proceeded to lodge its Compulsory Acquisition Notice (see ASX announcement) with the Australian Investments and Securities Commission (ASIC) for the compulsory acquisition for the remaining Torrens shares in respect of acceptances that have not been received. In line with ASX Listing Rule 17.4, the ASX will suspend trading on Torrens shares at close of trade on Monday, 2 May 2022, five (5) days from the lodgement of the compulsory acquisition notice. Following this, the Company is scheduled to be delisted from the ASX prior to trade on Thursday 5 May 2022.

Corporate

Use of Funds

In line with obligations under ASX Listing Rule 5.3.4, the Company provides the following information with respect to its Use of Funds Statement set out in its Prospectus dated 13 November 2020 and its actual expenditure since ASX admission on 6 January 2021.

Expenditure Item	Use Funds '000	of Actual Expenditure (6.1.21- 31.03.22) '000	Variance '000	Note
Estimated expenses of the Offer	845	704	141	1
Exploration expenditure – Mt Piper, Club Terrace and Laloki Projects	5,705	2,033	3,672	2
Elizabeth Creek – JV Contributions	1,164	4,246	(2,506)	3
Payment to Strandline	250	-	250	4
Administration expenses and working capital	1,860	1,008	852	2
Total	10,400	7,991	2,357	

Notes:

- Expenses of the Offer paid prior to 6.1.21 were \$234k giving a grand total of \$938k. Actual expenses of the Offer are materially consistent with the use of funds budget.
- Variance relates to timing and allocation of funds to Elizabeth Creek Joint Venture.
- Elizabeth Creek JV commenced during the April quarter 2021 with cash contributions to date of \$4,246k paid by Torrens to the JV. As at 31 March 2022, Torrens held proportionate cash in the JV of \$1,409k, with costs of \$4,117k paid by the JV since its inception. Strong assay results from drilling at Emmie Bluffs Deep since the beginning of the JV has resulted in a greater allocation of funds to the project to fund cash calls and support exploration. Consequently, the Company has exceeded its anticipated expenditure provided in the Use of Funds guidance on this project. This eventually led to the successful acquisition of Torrens by Coda as announced on 22 April 2022.
- The amount payable to Strandline of \$250k was satisfied by the issue of 1,250,000 Torrens shares, as announced to ASX on 8 March 2021.

Related Party Payments

ASX Listing Rule 5.3.5: Payments to related parties of the Company and their associates during the Quarter totalled \$115k. The Company advises that this relates to non-executive director's fees, executive directors' salaries, and legal fees to Richard Simon Legal.

Other ASX requirements

ASX Listing Rule 5.3.1: Exploration and Evaluation Expenditure during the Quarter was \$1,193. Full details of activities during the Quarter are set out above.

Tenement Schedule at 31 March 2022

Tenement	Tenement Name	Project Name	Jurisdiction	Percentage Held	Status	Application Date	Grant Date	Expiry Date	Area (sq.km.)
EL6775	Mt Piper	Mt Piper	Victoria	100%	Granted		3/07/2020	2/07/2025	414
EL7331	Mt Piper North				Granted		8/04/2021	7/04/2026	342
EL7337	Mt Piper South				Granted		29/04/2021	28/04/2026	67
EL7366	Graytown				Granted		15/03/2021	14/03/2026	22
EL7380	Mangalore				Granted		15/03/2021	14/03/2026	334
ELA7481	Puckapunyal				Application	4/09/2020	TBA1	TBA ¹	447
EL5455	Buldah	Club Terrace	Victoria	100%	Granted		22/10/2013	21/10/2023	8
ELA7342	Club Terrace				Application	19/08/2020	TBA1	TBA ¹	375
ELA7584	Lockup				Application	18/01/2021	TBA1	TBA ¹	108.5
ELA6263	Craigie		NSW		Granted		3/08/2021	3/08/2027	260 [#]
ELA7612	Balmoral	Balmoral	Victoria		Application	17/06/2021	TBA1	TBA ¹	835
EL6518	Mt Gunson	Elizabeth Creek	South Australia	30%	Granted		25/03/2020	24/03/2022	401
EL6141	Mt Moseley				Granted		29/10/2017	28/10/2022	47
EL6265	Emmie Bluff				Granted		7/10/2018	6/10/2023	291
ELA2557	Laloki River	Laloki	Papua New Guinea	100%	Refused ²	16/11/2017	TBA1	TBA ¹	126
EL2690	Rigo				Granted	11/01/2021	26/01/2022	26/01/2024	1164

1 To be advised

2 Subject to litigation in Papua New Guinea Courts

Provisional area

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

For further information:

Bill Bloking
 Non-Executive Chairman
 Torrens Mining Limited
 +61 417 319 213
 bill@torrensmining.com

For further information:

Chris Stevens
 Non-Executive Director
 Torrens Mining Limited
 +61 8 9238 0888
 info@codaminerals.com

Competent Persons Statements

The information in this announcement for the Mt Piper Project that relates to Exploration Results, Exploration Targets or Mineral Resources is based on, and fairly reflects, information and supporting documentation prepared by Patrick Say, a Competent Person who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Say is an employee of Torrens Mining Limited and holds securities in the Company. Mr Say has a minimum of five years' experience which is 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 Joint Ore Reserves Committee Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Say consents to the inclusion of the matters based on his information in the form and context in which it appears.

No New Information or Data

This announcement contains references to exploration results which have been cross-referenced to previous market announcements by the Company and by fellow joint venturer and the manager Coda Minerals Limited. 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".

Ends

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

TORRENS MINING LIMITED

ABN

82 168 295 092

Quarter ended ("current quarter")

31 March 2022

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
1.	Cash flows from operating activities		
1.1	Receipts from customers		
1.2	Payments for		
	(a) exploration & evaluation	(1,193)	(5,192)
	(b) development		
	(c) production		
	(d) staff costs	(109)	(305)
	(e) administration and corporate costs	(10)	(247)
1.3	Dividends received (see note 3)		
1.4	Interest received		
1.5	Interest and other costs of finance paid		
1.6	Income taxes paid		
1.7	Government grants and tax incentives		
1.8	Other (provide details if material)		
1.9	Net cash from / (used in) operating activities	(1,312)	(5,744)

2.	Cash flows from investing activities		
2.1	Payments to acquire or for:		
	(a) entities		
	(b) tenements		
	(c) property, plant and equipment	-	(50)
	(d) exploration & evaluation		
	(e) investments		
	(f) other non-current assets		

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities		
	(b) tenements		
	(c) property, plant and equipment		
	(d) investments		
	(e) other non-current assets		
2.3	Cash flows from loans to other entities		
2.4	Dividends received (see note 3)		
2.5	Other (provide details if material)		
2.6	Net cash from / (used in) investing activities	-	(50)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)		
3.2	Proceeds from issue of convertible debt securities		
3.3	Proceeds from exercise of options		
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(3)	(8)
3.5	Proceeds from borrowings		
3.6	Repayment of borrowings		
3.7	Transaction costs related to loans and borrowings		
3.8	Dividends paid		
3.9	Other (provide details if material)		
3.10	Net cash from / (used in) financing activities	(3)	(8)

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	3,390	7,877
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(1,312)	(5,744)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	(50)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(3)	(8)

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
4.5	Effect of movement in exchange rates on cash held		
4.6	Cash and cash equivalents at end of period	2,075	2,075

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	666	2,845
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other – proportionate (30%) cash held in Elizabeth Creek JV	1,409	545
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	2,075	3,390

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	115
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
<i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i>		

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

7.	Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	Total financing facilities	-	-
7.5	Unused financing facilities available at quarter end		-
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		

8.	Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	(1,312)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	-
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(1,312)
8.4	Cash and cash equivalents at quarter end (item 4.6)	2,075
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	2,075
8.7	Estimated quarters of funding available (item 8.6 divided by item 8.3)	1.58
<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>		
8.8	If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1	Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
Answer: Per the announcement released on 22 April 2022, the Company has been successfully acquired by Coda Minerals and under ASX listing 17.4, will go into suspension from close trade on Monday 2 May 2022 prior to being delisted		
8.8.2	Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
Answer: Not applicable, refer to the reason stated in to 8.8.1.		

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: Not applicable, refer to the reason stated in to 8.8.1.

Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: **29 April 2022**

Authorised by: **By the Board**

(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.