

Project Acquisition Completed, Lithium Drill Campaign Commences

Torque Metals Limited (ASX: **TOR**) ("**Torque**") has completed its 100% acquisition of an extensive package of tenements, creating the Penzance Exploration Camp. Torque immediately activated an RC drill campaign at the New Dawn Lithium Project to extend the scale of spodumene lithium bodies.

Highlights

- New tenement consolidation covers ~800km² across 12 wholly owned, development-ready, pre-native title mining, 4 prospecting and 26 exploration licences (7 under application) situated in the heart of the Western Australian Goldfields.
- Penzance Exploration Camp is in the vicinity of quality producers such as Mineral Resources (Bald Hill and Mt Marion Lithium mines), Gold Fields (St Ives Gold mine), Karora Resources (Higginsville plant and Beta Hunt Gold and Nickel mine), plus explorers Lunnon Metals (Silver Lake-Fisher Nickel deposits) and newly listed Kali Metals.
- RC drill campaign commenced at New Dawn to extend **35 meters** (cumulative thickness) of spodumene lithium mineralised pegmatites to the North, South and at-surface mapped pegmatites to the West tracking, as previously intersected high-grade lodes underscored by¹

10m @ 1.51% Li₂O, from 51m including **1m @ 3.99% Li₂O**, from 52m
and: **15m @ 1.17% Li₂O**, from 220m including **7m @ 2.12% Li₂O**, from 221m
and: **10m @ 1.15% Li₂O**, from 265m including **6m @ 1.76% Li₂O**, from 267m

- Drill campaign comprises 4,000m of RC drilling and 1,000m of diamond drilling.

Torque's Managing Director, Cristian Moreno comments:

*"We are pleased to announce completion of the acquisition of the Penzance tenement package, encompassing the New Dawn Lithium Project, strategically located 600m west of the active Bald Hill Lithium mine (ASX: **MIN**) in WA.*

*"Torque's extensive Penzance Exploration Camp is nearby to industry-leading producers: Mineral Resources, Gold Fields, Karora Resources and explorers such as Kali Metals (ASX: **KM1**) and Lunnon Metals (ASX: **LM8**), showcasing Torque's prime location and significant asset potential.*

*"Torque has moved swiftly to initiate post-acquisition drilling campaign at New Dawn, focussed on extending the scale of spodumene lithium pegmatites encountered in our recent drilling. The program aims to expand the presence of stacked pegmatites, including **10m @ 1.51% Li₂O**, **15m @ 1.17% Li₂O**, and **10m @ 1.15% Li₂O**. These pegmatites can potentially be extended in multiple directions according to Torque's geological model.*

"Torque's acquisition and ongoing exploration activities solidify its position as a key player in this dynamic exploration province, with steady exploration news flow expected over the coming months."

¹ Refer to ASX announcement "Assays Confirm High-Grade Lithium at New Dawn" dated 7 December 2023

Penzance Exploration Camp – Due Diligence Satisfied

During its due diligence period under the Option Agreements, Torque conducted approximately 7,000 meters of RC drilling and Diamond drilling which intersected high-grade Lithium (spodumene) lodes at New Dawn, with peak grade of **3.99% Li₂O**, underscoring results such as:

10m @ 1.51% Li₂O, from 51m including **1m @ 3.99% Li₂O**, from 52m
and: **15m @ 1.17% Li₂O**, from 220m including **7m @ 2.12% Li₂O**, from 221m
and: **10m @ 1.15% Li₂O**, from 265m including **6m @ 1.76% Li₂O**, from 267m²

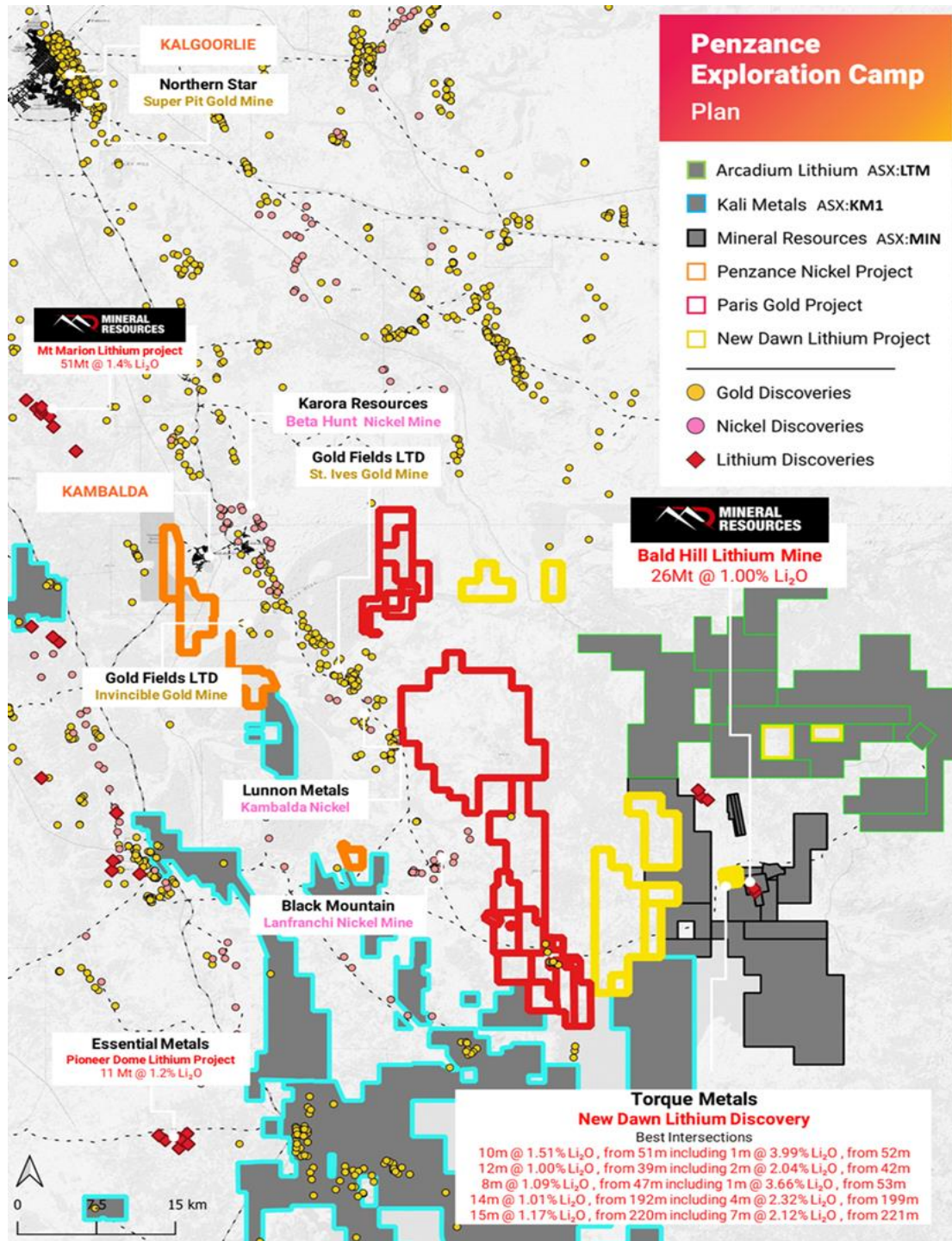


Figure 1 Penzance Exploration Camp³

² Refer to ASX announcement "Assays Confirm High-Grade Lithium at New Dawn" dated 7 December 2023.

³ Mt Marion lithium mine - Indicated and Inferred Pegmatite Mineral Resources of 51.4 Mt @ 1.45% Li₂O reported at a 0.5% Li₂O cut-off (Mineral Resources ASX release dated 7 October 2022)

Bald Hill lithium mine - Indicated and Inferred Mineral Resources of 26.5 Mt @ 0.96% Li₂O reported at a 0.3% Li₂O cut-off (Tawana Resources ASX release dated 6 June 2018)

Dome North lithium deposit - Indicated and Inferred Mineral Resources of 11.2Mt @ 1.16% Li₂O reported at a 0.3% Li₂O cut-off (Essential Metals ASX release dated 20 December 2022)

New Dawn Lithium Project – Drill Campaign Commenced

Torque plans to execute approximately 5,000m of drilling at New Dawn to extend significant spodumene lithium pegmatites discovered through its recent due diligence drilling.

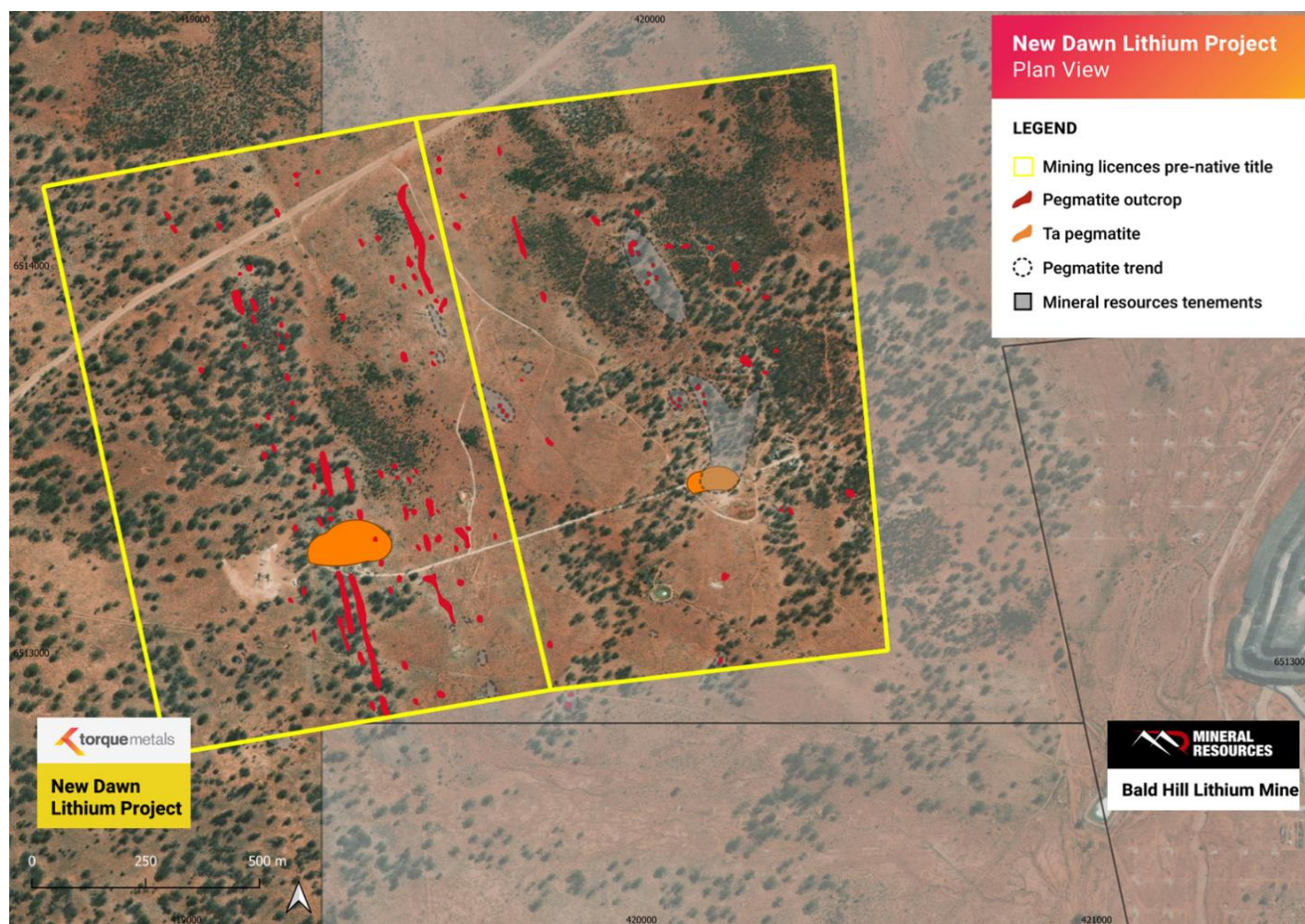


Figure 2 New Dawn Lithium Project (Plan View)

4,000 meters of RC drilling will be conducted. The campaign aims to extend the spodumene-rich pegmatitic lodes towards the North, South and West of Torque's recent discoveries.

Similarly, 1,000 metres of Diamond drilling is planned to target high-grade spodumene areas to understand lode continuity, geometry, structure, mineralisation, provide samples for metallurgical test work and test for additional mineralisation at depth and along strike. A Diamond drilling program will follow completion of RC drilling.

Penzance Exploration Camp – Commercial Completion

As announced to ASX on 5 September 2023, Torque had entered into Binding Option Agreements with ABEH Pty Ltd and its associates, a group of private individuals ("**Vendors**"), pursuant to which the Vendors granted Torque an option to acquire multiple mining, exploration and prospecting tenements in the Goldfields region ("**Option**"), which in total cover approximately 300 km², adjacent to the Company's Paris Gold Camp ("**Acquisition**").⁴ Torque advises that it has exercised the Option and completion of the Acquisition occurred on 16 January 2024.

Minor amendments to the terms of the Acquisition were agreed between the parties immediately before completion was to take place. The amended terms confirmed the arrangements in place for the treatment of EL15/1892 which was granted in December 2023 (previously a pending exploration licence application), accelerated completion to 16 January 2024 and confirmed that Torque will seek shareholder approval for the amendments to the terms of the Performance Shares to be issued to the Vendors⁵ shortly after completion. The terms of the Option Agreements were otherwise consistent with the terms announced to ASX previously.

⁴ Refer to ASX Announcement "Option to Acquire Known Lithium and Gold Exposures in WA" dated 5 September 2023.
⁵ Refer to ASX announcement "Amendment to Acquisition Terms" dated 11 December 2023.

Penzance Exploration Camp – Upcoming News

In the forthcoming weeks, Torque is poised for significant developments across its key projects:

- Late January to early February marks a pivotal phase for the New Dawn Lithium Project, as Torque intends to release a maiden exploration target.
- Initial RC drilling results in February, offering insights into the New Dawn Lithium potential.
- Torque intends to conclude the first quarter with a notable milestone—the release of the mineral resource estimate for the Paris Gold Project.

About Torque Metals

Torque is a smart exploration company with a proven discovery methodology, combining drilling results with machine learning algorithms and geological interpretation. Torque's Board and management have successful records and extensive experience in the exploration, development and financing of mining projects in Australia.

Torque's Penzance Exploration Camp, extending over ~800km², includes 12 wholly owned, development-ready, pre-native title mining, 4 prospecting and 26 exploration licences (7 under application) ~30km east of Widgiemooltha in WA.

Torque is focused on mineral exploration in this well-established mineral province. Torque continues to evaluate and pursue other prospective opportunities in the resources sector in line with a strategy to develop high quality assets.

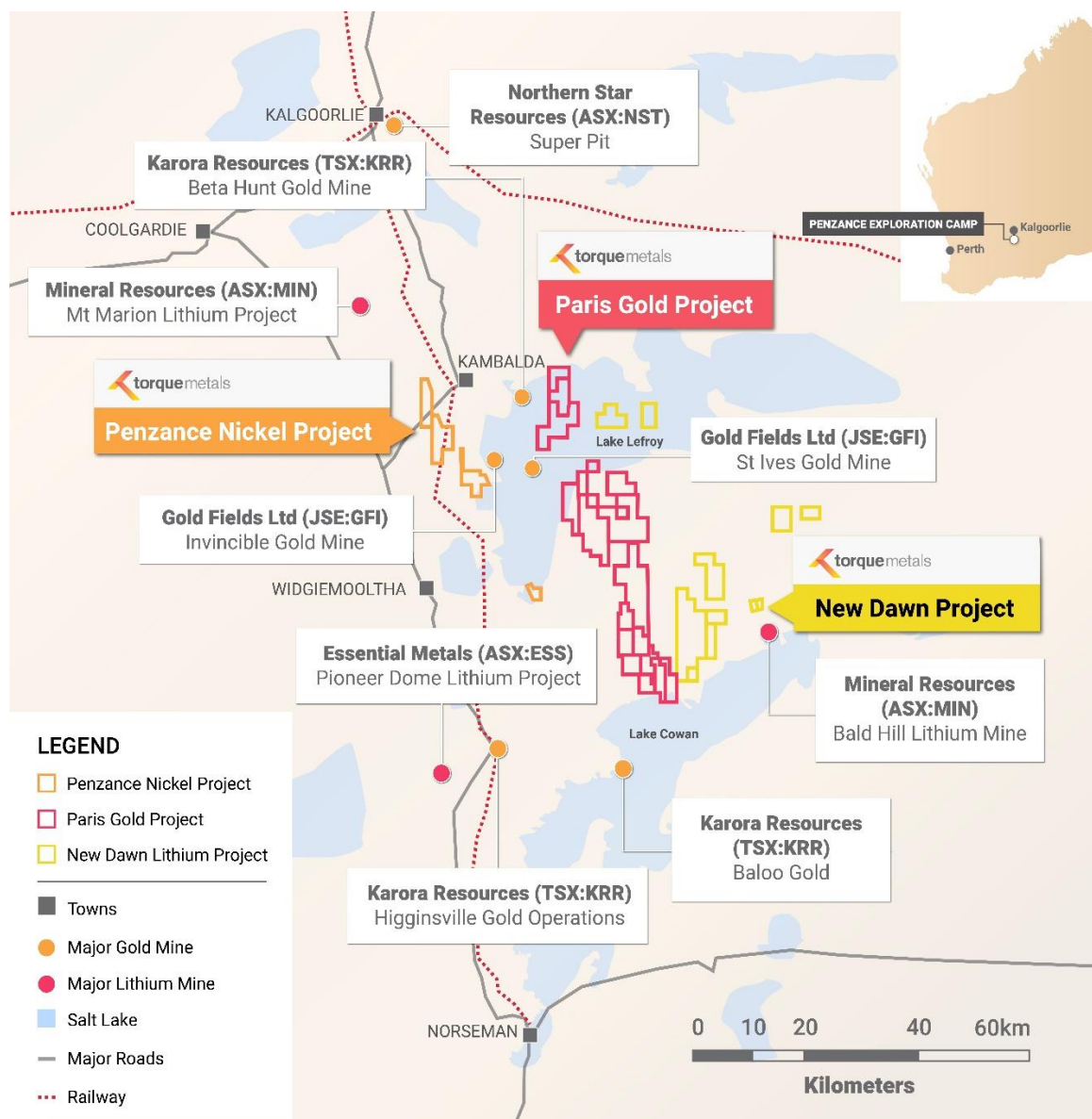


Figure 3 Penzance Exploration Camp

Competent Person Statement – Exploration Results

The information in this announcement that relates to Exploration Results is based on information compiled by Mr Cristian Moreno, who is a Member of the Australasian Institute of Mining and Metallurgy as well a Member of the Australian Institute of Company Directors. Mr Moreno is an employee of Torque Metals Limited (“the Company”), is eligible to participate in short and long-term incentive plans in the Company and holds performance rights in the Company as has been previously disclosed to ASX. Mr Moreno has sufficient 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 ‘Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves’. Mr Moreno consents to the inclusion in this announcement of the matters based on his information in the form and context in which it appears.

Forward Looking Statements

This report may contain certain “forward-looking statements” which may not have been based solely on historical facts, but rather may be based on the Company’s current expectations about future events and results. 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, assumptions, and other factors which could cause actual results to differ materially from future results expressed, projected, or implied by such forward-looking statements. Readers should not place undue reliance on forward looking information. The Company does not undertake any obligation to release publicly any revisions to any “forward-looking statement” to reflect events or circumstances after the date of this report, or to reflect the occurrence of unanticipated events, except as may be required under applicable securities laws.

This announcement has been authorised by the Board of Directors of Torque.

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