

ASX RELEASE

6 November 2018

Field Preparations commence for drilling at Toro's Yandal Gold Project

Highlights

- Toro Energy Ltd has initiated field preparations for drilling on its recently announced Yandal Gold Project.
- The drilling will be part of a first phase exploration program within the proven Yandal Greenstone gold district in an area previously untested for gold.
- All drilling will be within Toro's interpreted 'Bronzewing Structural Corridor'¹, an intensive zone of northeast (NE) trending structures forming a general NE alignment with the Mt McClure, Bronzewing and Sundowner group gold deposits within Yandal Greenstone Belt rocks.
- Drilling will begin on E53/1060, at the northern end of an intense zone of intersecting NE and NW structures interpreted from detailed airborne magnetic and ground gravity surveys¹.
- The initial phase of drilling will consist of at least 20,000 metres of aircore drilling.
- It is expected that drilling will start in the coming days and continue through to Christmas.
- Drill planning around other targets is continuing as is the submission of related work programs for approval with the Western Australian Government.

Toro Energy Limited (ASX: TOE) ('the **Company**' or '**Toro**') wishes to advise that it has initiated field preparations for the upcoming first phase gold exploration drilling on the Company's 100% owned Yandal Gold Project ('the **Project**' or 'the **Yandal Gold Project**'). The Yandal Gold Project is located within the world class gold district, the Yandal Greenstone Belt, only 10 to 30km NE of the multi-million ounce Bronzewing Gold Mine (**Figure 1**).

The first phase drilling program will consist of at least 20,000m of aircore drilling and will target basement rocks around interpreted structural settings considered favourable for gold mineralisation. The drilling is aimed at collecting samples from unweathered basement rock, the base of paleochannels and parts of the weathering profile for geochemical signatures of gold mineralisation as well as for intersecting oxide gold mineralisation in the regolith above targets.

All drilling will be within a selected part of the Bronzewing Structural Corridor, a NE trending structural corridor interpreted by Toro that it is believed could include the Mt McClure, Bronzewing and Sundowner Group gold deposits as well as a number of smaller deposits and occurrences to their north (**Figure 2**)². Drilling is planned to start in the north of this corridor, on exploration license E53/1060, at the northern end of an extensive NW trending concentration of intersecting NE and NW structures considered

¹ Refer to text and footnotes on following pages.

² For further details of the 'Bronzewing Structural Corridor' refer to the Company's ASX announcement of 26 September 2018.

favourable for gold mineralisation (**Figure 2**)³. This zone of intersecting structures has been interpreted from the detailed ground gravity survey conducted in May-June this year (2018)⁴.

It is important to note that the major zone of cross-structural settings has generated multiple exploration targets and that these are too numerous for Toro to cover in the impending first phase drilling program.

Drilling is expected to start in the coming days and will continue through until Christmas.

This will be the first time exploration for gold has occurred in the area described and encompassed by the Yandal Gold Project. The tenure has been owned by uranium companies since the discovery of the Lake Maitland Uranium Deposit in the early 1970s.

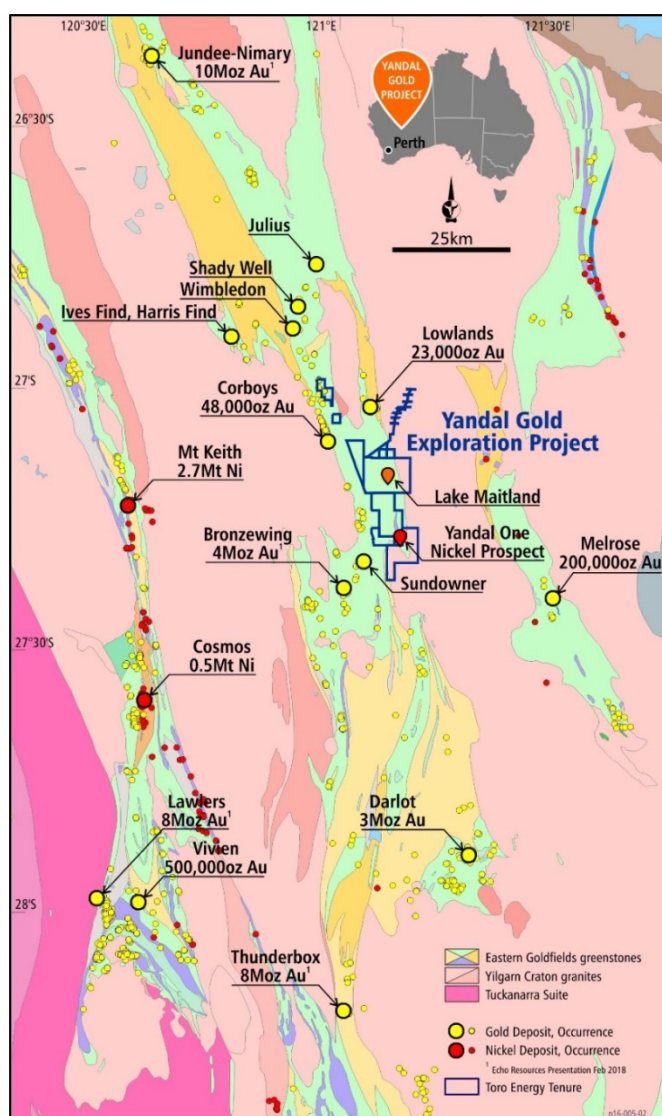


Figure 1: Location of Toro's Yandal Gold Project within the high yielding Yandal Gold District, showing the Yandal Greenstone Belt running through the project area according to state government mapping, the location of gold deposits and occurrences and the three major gold producing operating centres, Jundee-Nimary, Bronzewing and Darlot.

³ For further details of the zone of intersecting NE and NW structures refer to the Company's ASX announcement of 17 October 2018.

⁴ Refer to the Company's ASX announcement of 23 May 2018 for the details of the ground gravity survey.

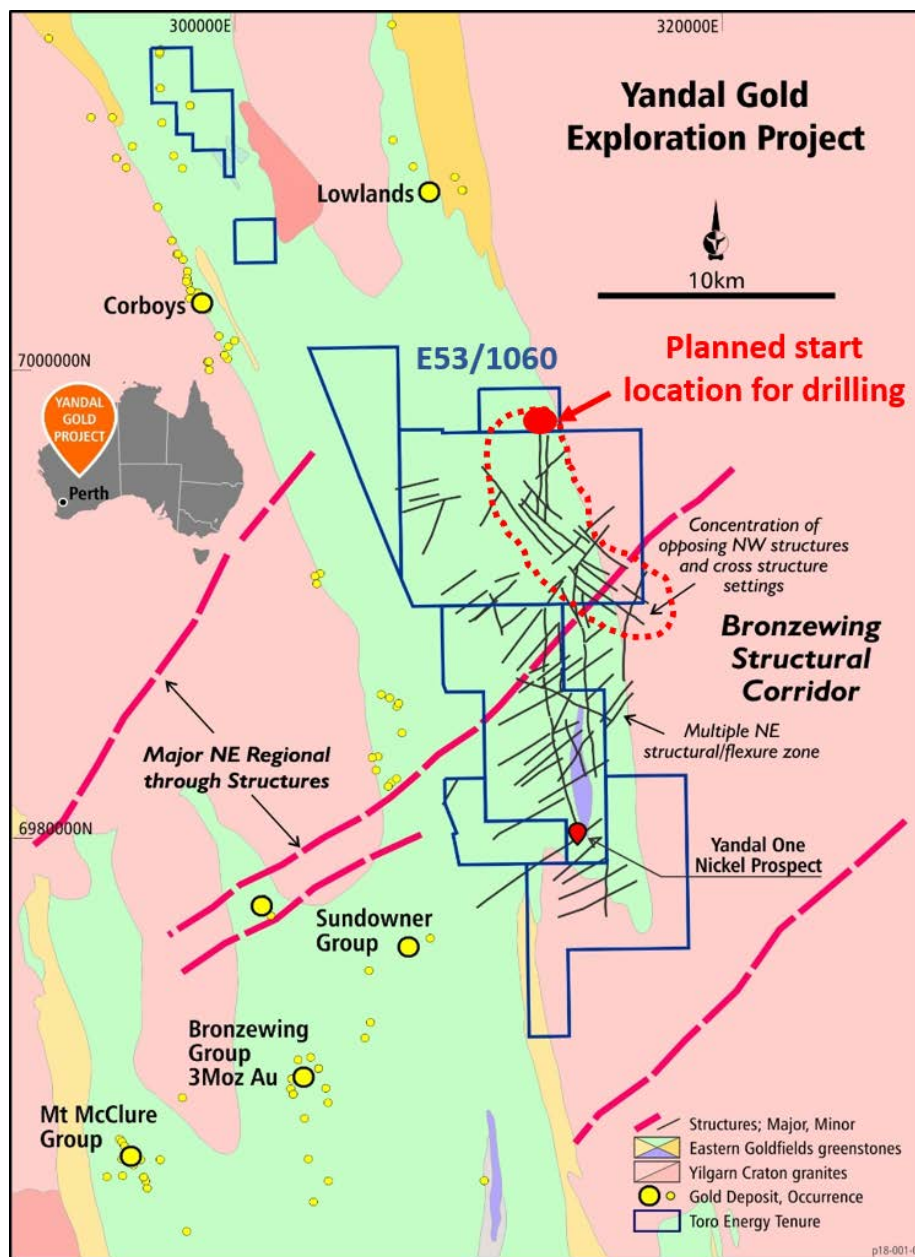


Figure 2: Planned start location for the first phase exploration aircore drill program on Toro Energy's Yandal Gold Project. The map also shows the Interpreted Bronzewing Structural Corridor with main regional structures identified from regional magnetic imagery as well as the main NE structures identified in the large zone of closely spaced NE trending structures and associated fractures within the Yandal Gold Project tenure identified from detailed airborne magnetics and ground gravity geophysical data. State government regional geological mapping has been used for the background geology.

BACKGROUND

The Yandal Gold Project, located on Toro's Lake Maitland tenure, comprises over 143 square kilometres of contiguous and untested yet highly prospective exploration ground, in the high yielding Yandal Gold District (refer to **Figure 1**).

Why is the Yandal Greenstone Belt such a good location to explore for gold?

- The northerly trending Yandal greenstone belt is only 300km long (approximately) and has been one of Australia's most prolific gold producing belts, accounting for around 10% of Australia's entire gold production at the end of the 1990's⁵, despite the first operation commencing only ten years earlier⁶.
- The Yandal has so far produced >14Moz of gold from three well known operations, Jundee-Nimary, Bronzewing and Darlot^{6, 7} (refer to **Figure 1**).
- Echo Resources Limited is currently actively exploring ground surrounding the Yandal Gold Project and has so far accumulated a Mineral Resource of 1.7M ounces and Ore Reserves of 856,000 ounces of gold⁷.
- Greenfields gold discoveries are still being made within the Yandal gold district such as Great Western Exploration Limited's discovery of a potential large gold system on its Yandal West project in November 2017⁸.

Although gold will be the primary target of the exploration project, Toro acknowledges the prospectivity of greenstone belts for other metals and may therefore investigate and follow-up any corresponding anomalies.

Toro has engaged OzFinancial to assist with investor communications and encourages all Shareholders to update their contact details to stay informed on Company news here:

<http://www.toroenergy.com.au/subscribe/>

FURTHER INFORMATION:

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⁵ Gold Fields Limited presentation <https://www.goldfields.com/pdf/investors/presentation/2014/australia-site-visits/darlot-gold-mine.pdf>

⁶ Phillips, G. N, and Anand, R. R. (2000) Importance of the Yandal greenstone belt, In Yandal Greenstone Belt Regolith, Geology and Mineralisation, (eds) Phillips, G. N, and Anand, R. R., CRC for Landscape Evolution and Mineral Exploration, AIG Bulletin No. 32, July 2000.

⁷ Echo Resources Limited Mineral Resource and Ore Reserve Estimates, refer to ASX release of 27 November 2017.

⁸ Great Western Exploration Limited ASX release of 28 November 2017.

Competent Persons Statement

The information in this document that relates to geology and exploration was authorised by Dr Greg Shirtliff, who is a full time employee of Toro Energy Limited. Dr Shirtliff is a Member of the Australian Institute of Mining and Metallurgy and has sufficient experience of relevance to the tasks with which he is employed to qualify as a Competent Person as defined in the 2012 Edition of the Joint Ore reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Dr Shirtliff consents to the inclusion in the report of matters based on information in the form and context in which it appears.

Toro's flagship asset is the 100% owned Wiluna Uranium Project, located 30 kilometres southwest of Wiluna in Central Western Australia. The Wiluna Uranium Project has received environmental approval from the state and federal governments providing the Project with the opportunity to become Western Australia's first uranium mine. Toro will maximise shareholder returns through responsible mine development and asset growth including evaluating the prospectivity of its asset portfolio for minerals other than uranium and increasing their value.

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