

ASX RELEASE

21 March 2019

Exploration drilling recommences on Toro's Yandal Gold Project

Highlights

- Drilling has recommenced on Toro Energy Ltd's Yandal Gold Project.
- The drilling is part of a first phase exploration program within the proven Yandal gold district in an area previously untested for gold.
- The 2019 drilling will begin with the continuation and completion of a 20,000 metre aircore drilling program that was initiated in November 2018.
- The aircore drilling program is aimed at understanding the geology within Toro's Yandal Gold Project tenure as well as testing structural targets identified in geophysical surveys.
- Drilling will continue on E53/1060 and then extend across the project focusing on a major regional NE-SW structure that continues to the north of the Bronzewing Gold Mine.

Toro Energy Limited (**ASX: TOE**) ('the **Company**' or '**Toro**') wishes to advise that drilling has recommenced 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 (refer to **Figure 1**).

The drilling will continue the first phase exploration drilling program of approximately 20,000m that was initiated in November 2018. The first phase aircore drilling program targets 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.

The 2019 aircore drilling will initially complete the planned program on exploration license E53/1060 before moving to the south to test areas along a regional NE-SW structure that extends across the full width of the Yandal Gold Project tenure and continues to north of the Bronzewing Gold Mine deposits (refer to **Figure 2**). The remaining planned air core drilling is expected to take at least one month to complete, however the program may be extended depending on results.

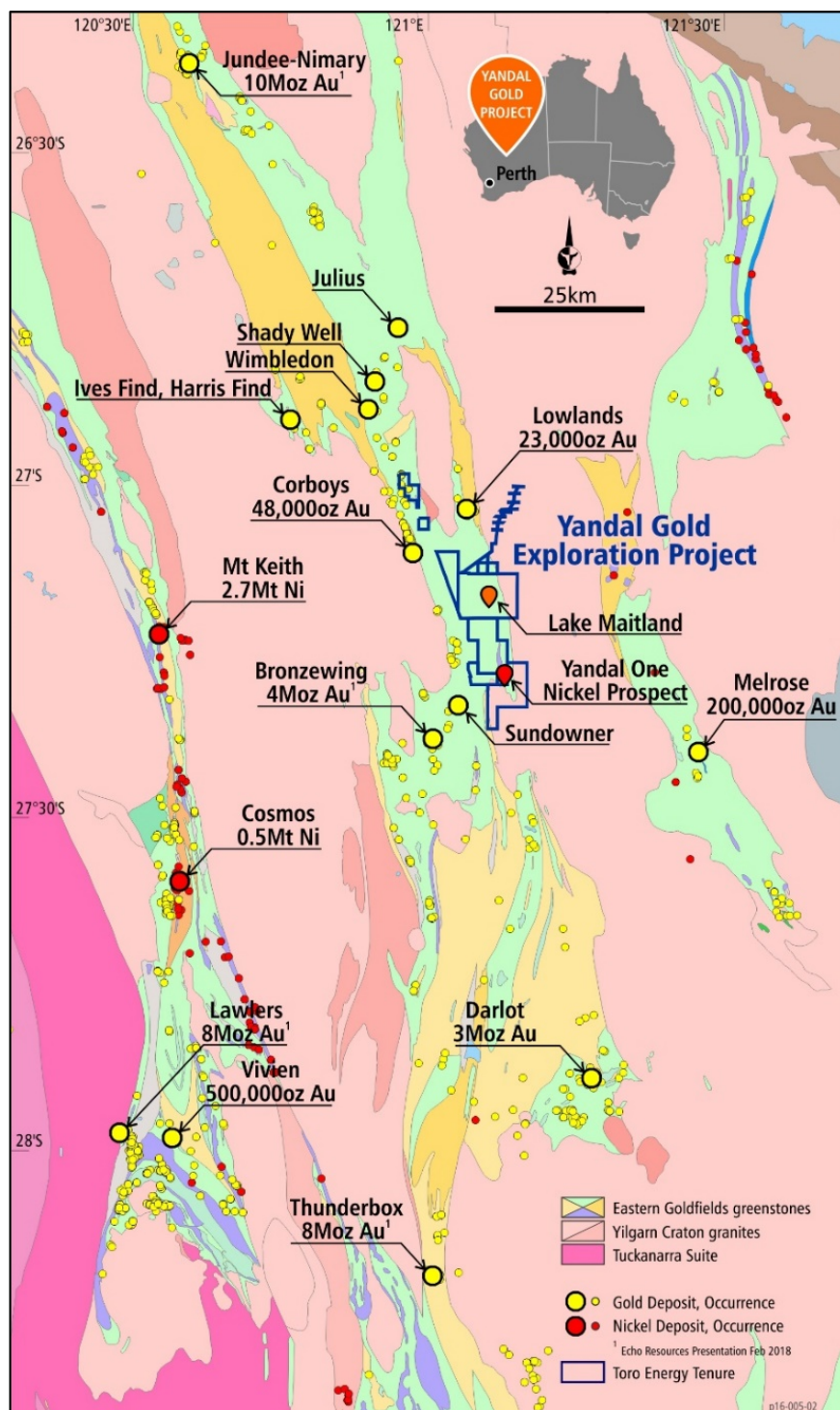


Figure 1: Location of Toro's Yandal Gold Project within the high yielding Yandal Gold District, showing the Yandal Greenstone Belt running through the project area according to state government mapping, the location of gold deposits and occurrences and the three major gold producing operating centres,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

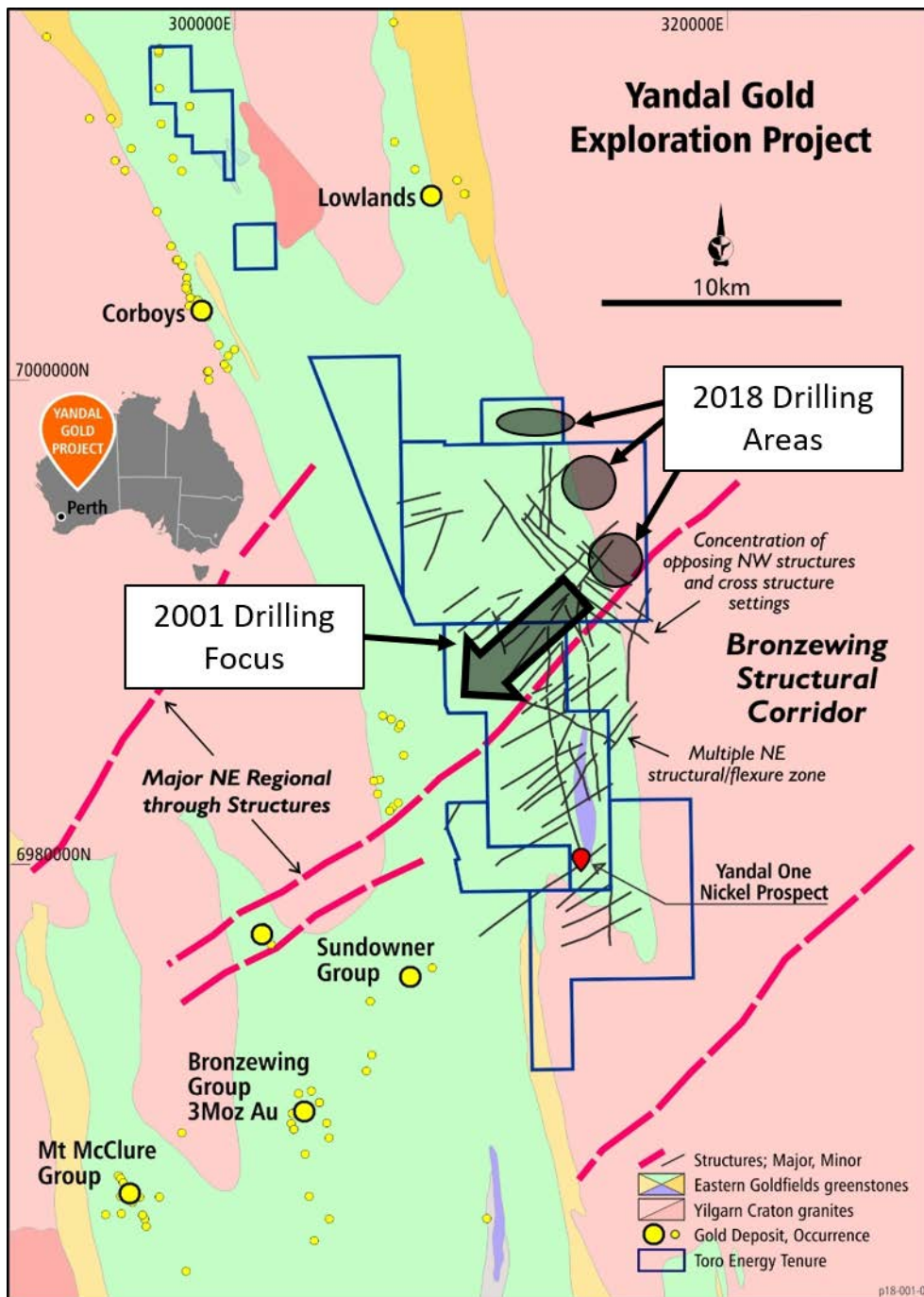


Figure 2: Start location for the first phase exploration aircore drill program on Toro's Yandal Gold Project. The map also shows the Interpreted Bronzewing Structural Corridor with main regional structures identified from regional magnetic imagery as well as the main NE structures identified in the large 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's¹, despite the first operation commencing only ten years earlier².
- The Yandal has so far produced >14Moz of gold from three well known operations, Jundee-Nimary, Bronzewing and Darlot³ (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 gold⁴.
- 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 2017⁵.

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 remains focussed on the long-term feasibility of uranium production for its shareholders, however the Company has an opportunity to further advance the Lake Maitland tenure within the Wiluna Uranium Project by undertaking activities and studies to advance exploration for gold on that area.

FURTHER INFORMATION:

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¹ Gold Fields Limited presentation <https://www.goldfields.com/pdf/investors/presentation/2014/australia-site-visits/darlot-gold-mine.pdf>

² 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.

³ According to calculations presented by Echo Resources Limited in its ASX release of 22 August 2017.

⁴ Echo Resources Limited Mineral Resource and Ore Reserve Estimates, refer to ASX release of 27 November 2017.

⁵ Great Western Exploration Limited ASX release of 28 November 2017.

Competent Person's 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 they were 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, project is 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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