

ASX RELEASE

9 September 2019

Exploration Drilling on Toro's Yandal Gold Project expected to soon recommence

Highlights

- Exploration drilling on Toro's Yandal Gold Project is planned to recommence by the end of September.
- The drilling will consist of up to 4,000m of reverse circulation (RC) drilling at various depths.
- Drill plan includes follow-up drilling beneath the top of basement gold anomalies uncovered at the Christmas and Shadow Rock target areas by the first pass aircore drilling completed in May.
- A new drilling area, known as Golden Ways, to the north of the current Project area and which includes historical gold prospects and drill targets, will be targeted and brought into the Project.
- It is expected that drilling will be completed by the end of October and all assay results will be returned by the end of November.

Toro Energy Limited (**ASX: TOE**) ('the **Company**' or '**Toro**') wishes to advise that exploration drilling is planned to recommence on the Company's 100% owned Yandal Gold Project ('the **Project**') by the end of September. The Yandal Gold Project is located within the world class gold district, the Yandal Greenstone Belt less than 35km NE of the multi-million ounce Bronzewing Gold Mine (**Figure 1**).

The planned exploration drill program will consist of up to 4,000m of RC drilling and will target three main areas within the Project. Two of these will include follow-up drilling beneath the gold anomalies uncovered at the Christmas and Shadow Rock target areas (**Figure 2**) by the first pass aircore drilling completed in May.

A third area will be introduced to the greater exploration plan for the Project, situated some 21km to the NW of Christmas (**Figure 2**). This area is known as 'Golden Ways' after historical gold workings located near-by (**Figure 3**). At this early stage the drilling will be centred around a limited amount of historical drilling.

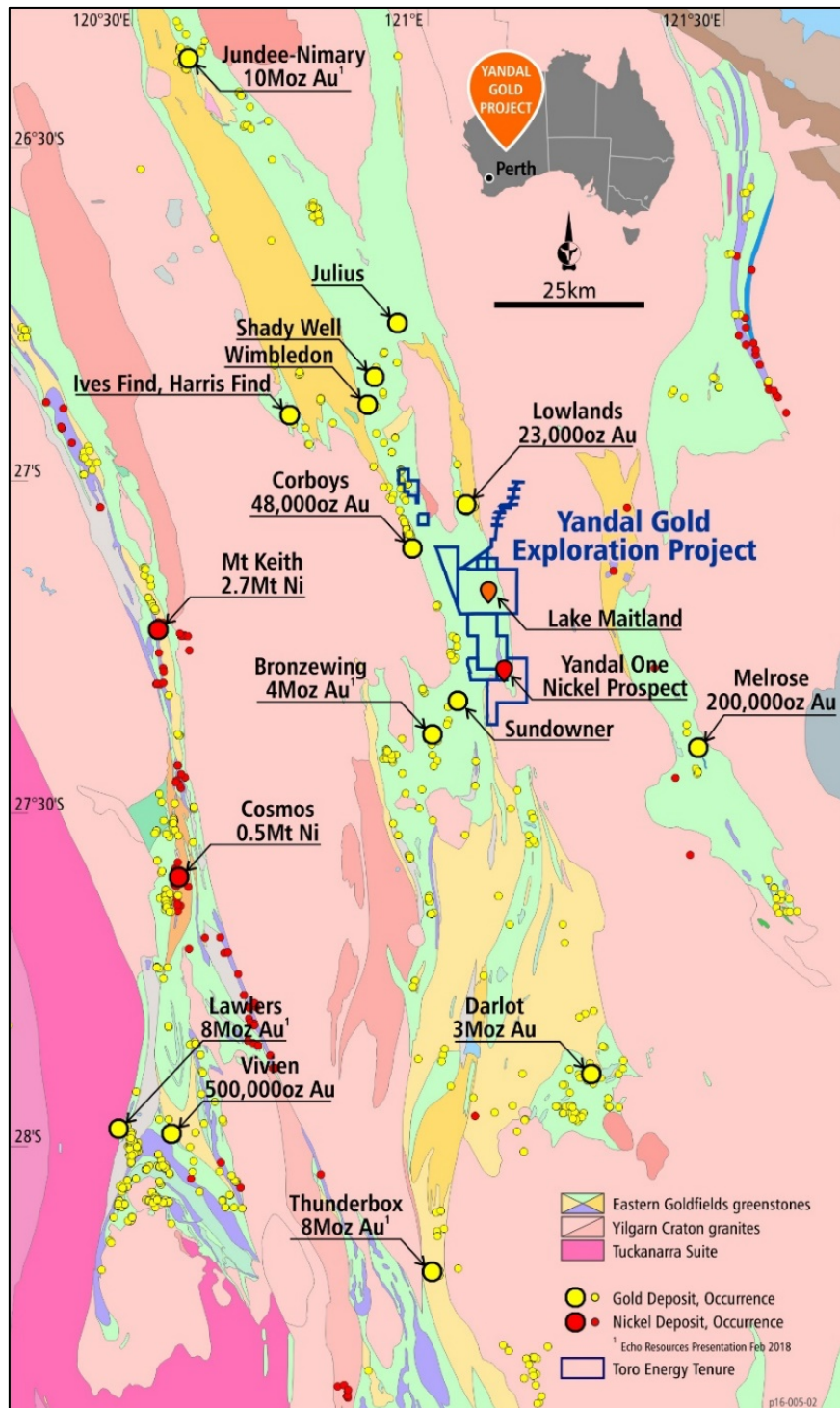


Figure 1: Location of Toro's Yandal Gold Project within the high yielding Yandal Gold District, showing the Yandal Greenstone Belt running through the Project area according to state government mapping, the location of gold deposits and occurrences and the three major gold producing operating centres,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

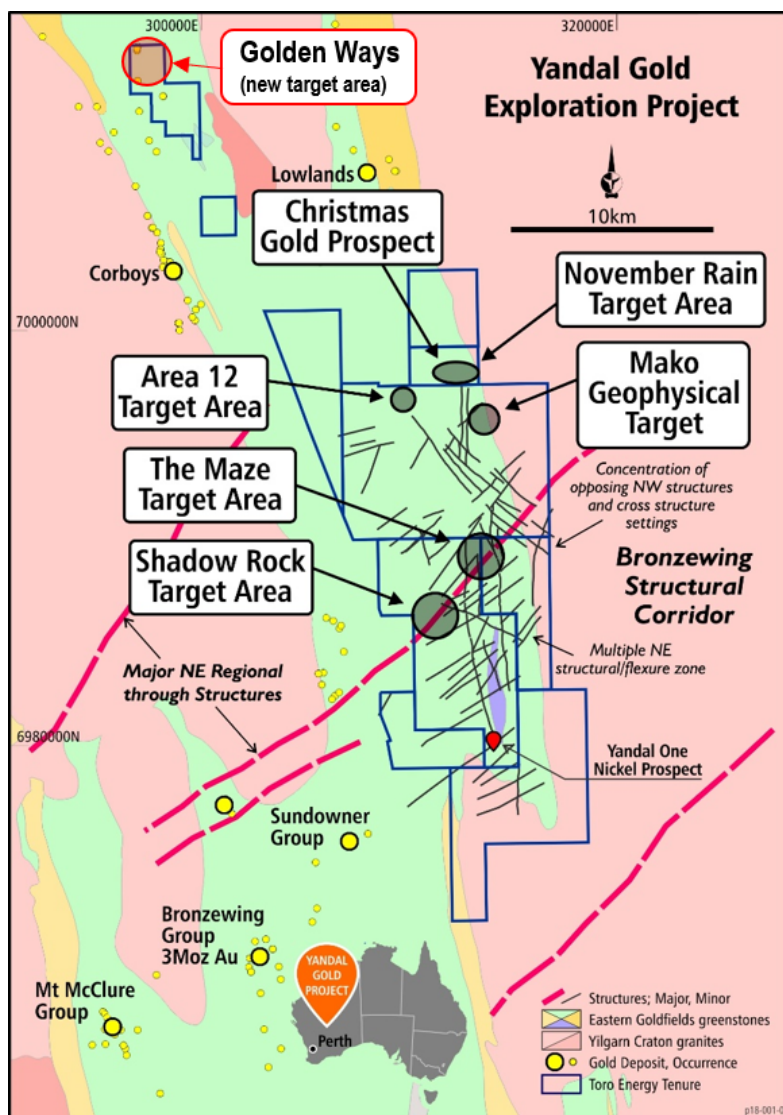


Figure 2: Target areas resulting from the first-pass aircore drilling program for the Yandal Gold Project completed in May 2019 along with the new target area, Golden Ways, to be introduced in the current drilling planned for September and October 2019. The map also shows the Interpreted Bronzewing Structural 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.

The Golden Ways Target Area has been geologically mapped from limited sub-crop and previous drilling as meta-basalt greenstone with some NE trending lenses of granitoid-gneiss. The geology trends to the NNW and numerous NW and NE striking structures can be traced in historical airborne magnetics. Previous limited RC drilling by Newmont has intersected tight vein gold mineralisation at shallow depth (maximum grade of 4m at 2.52g/t from 40m – Newmont Hole No. NEWBEMC0034, DMP Annual Report Number A-68334), however this has not been followed-up and Toro believes the area to be under-explored, both along structures and at depth.

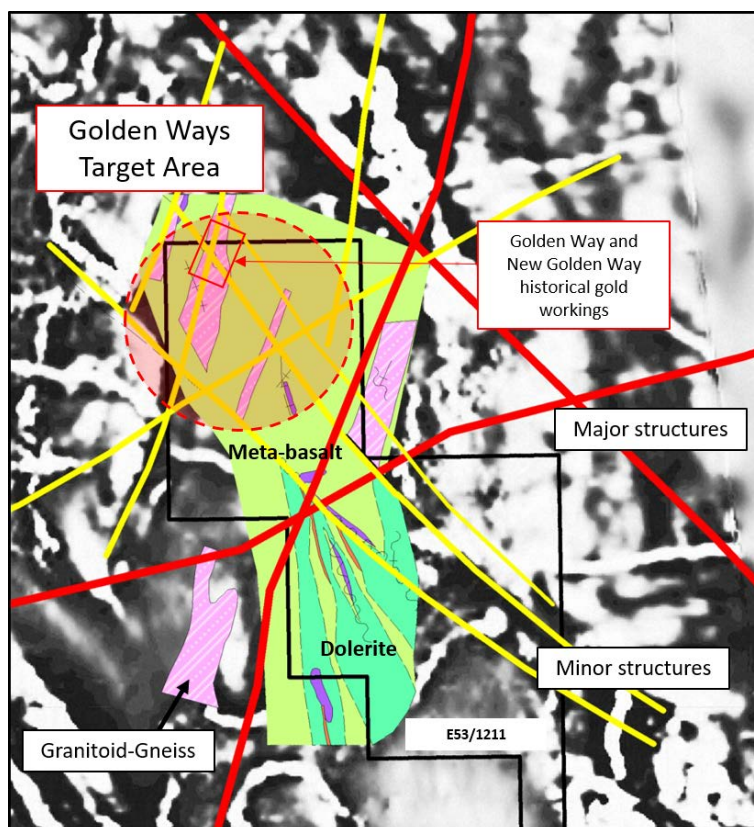


Figure 3: The Golden Ways target area, which is to be part of the focus of the upcoming RC drilling campaign on Toro's Yandal Gold Project. The location map includes the current geological interpretation of the area with the publicly available regional total magnetic intensity image as the background. Major structures are highlighted in red and minor structures in yellow.

The gold anomaly in the top of basement rock uncovered by aircore drilling at the Christmas Target Area is approximately 1.3km long and 300m wide on a N-NW strike and open to the south where it extends into the November Rain Target Area (refer to **Figure 4**). It is associated with a large, up to 700m wide, sericite-illite \pm pyrite hydrothermal alteration zone within chloritised schists (interpreted as meta-basalt and associated meta-sediments) that trend northerly. Copper (Cu), nickel (Ni), chrome (Cr), zinc (Zn), platinum (Pt) and palladium (Pd) are also anomalous in various locations within the vicinity of the gold anomaly and alteration and carbonate veining is also present. Peak gold anomalism is 0.12g/t over 3m from 108m depth (in vertical drill hole TEAC43). Please refer to the ASX announcement of 9th July 2019 for further information on the gold anomaly at Christmas and drill hole information related to the anomaly.

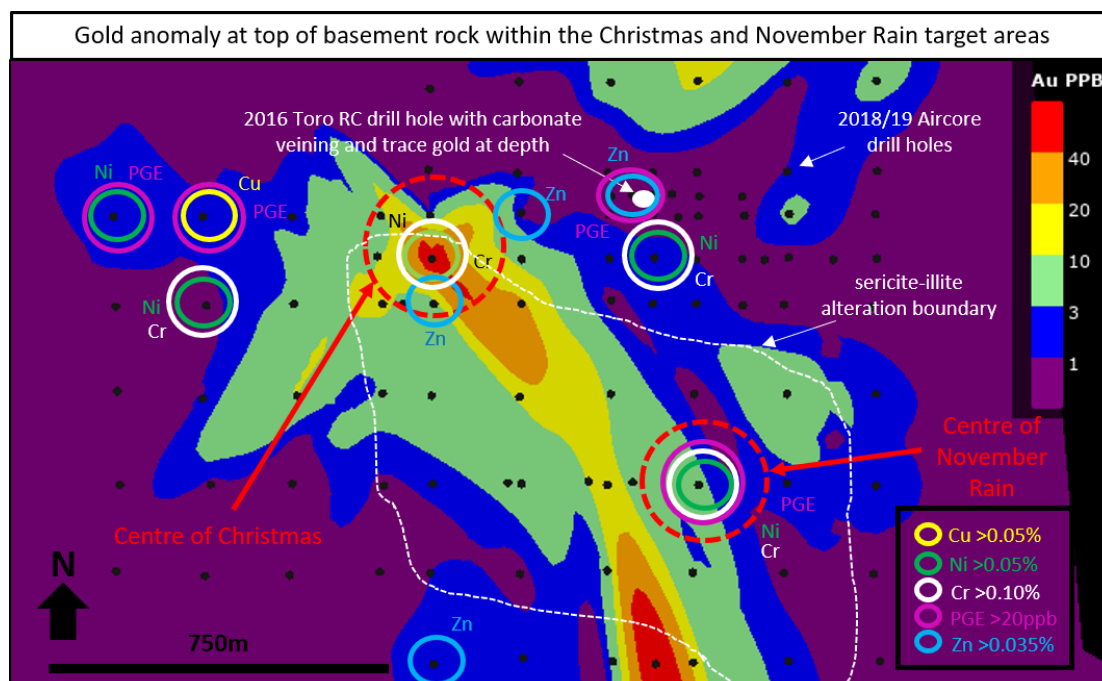


Figure 4: 2D surface map of the LeapFrog® modelled gold (Au) anomaly discovered in the top of the basement rock at the Christmas Target Area that continues south through the November Rain Target Area. The map also shows anomalies of other metals Ni, Cu, Cr and the PGEs Pt and Pd as well as the region of most intense sericite-illite alteration. See text for further details. In the model, all basement samples in a single hole have been amalgamated and weight averaged for modelling purposes. Modelling was achieved by first modelling the geochemical gold values without any controlling structural trend and then applying preferred orientations within the data based on the results of the first model. Modelling trend criteria as follows; NW trend strength of 10 with a range of 20 and a base range of 500; NE trend strength of 5 and a range of 200 with a base range of 500. Note that the interpolant base range was chosen according to general modelling rules based on drill hole spacing (in this case 100-200m) and so is considered conservative.

The gold anomaly in the top of basement rock uncovered by aircore drilling at the Shadow Rock target area is 1.7km long and 500m wide on a N-NE strike and open to the north and south (refer to **Figure 5**). It is associated with sericite-illite ± pyrite as well as pink potassic/hematite hydrothermal alteration along a large NE trending regional structure clearly seen on regional airborne magnetic data. The anomalism is hosted in chloritised biotite schist and amphibolite and the zone of peak gold anomalism is also anomalous in the key gold pathfinder element, bismuth (Bi). Peak gold anomalism is 0.08g/t over 3m from 60m depth (in vertical drill hole TEAC251). Please refer to the Company's ASX announcement of 30 July 2019 for further information on the gold anomaly at Shadow Rock and drill hole information related to the anomaly.

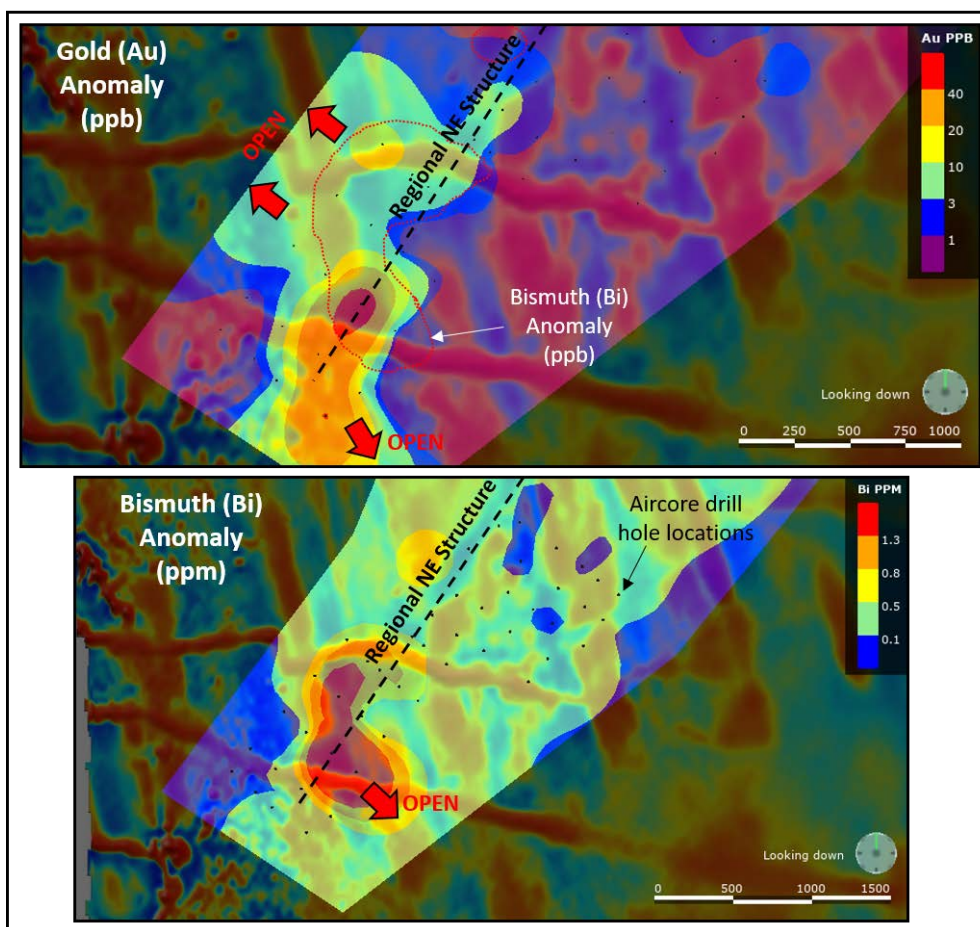


Figure 5: Anomaly maps of the Shadow Rock Target Area with gold (Au) and the gold pathfinder element Bismuth (Bi). The anomaly maps have been created in LeapFrog® without any directional trends. The main structures have been identified by their corresponding features on the underlying magnetic image of the airborne magnetic data (First Vertical Derivative). See text for further details.

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.

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.

- The Yandal has so far produced >14Moz of gold from three well known operations, Jundee-Nimary, Bronzewing and Darlot^{2, 3, 4} (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 gold³.

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.

FURTHER INFORMATION:

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Competent Persons Statement

The information in this document that relates to geology and exploration was authorised by Dr Greg Shirliff, who is a full time employee of Toro Energy Limited. Dr Shirliff 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 Shirliff 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, 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.

www.toroenergy.com.au

³ Echo Resources Limited Mineral Resource and Ore Reserve Estimates, refer to ASX release of 27 November 2017.

⁴ Great Western Exploration Limited ASX release of 28 November 2017.