ASX RELEASE
30 October 2019

Nickel in Massive Sulphide Intersected in Drilling at the Christmas Target Area

HIGHLIGHTS

- **Reverse Circulation (RC) drill hole TERC13, drilled within the Christmas Target Area on Toro's Yandal Gold Project, has intersected thin lenses or 'fingers' of massive sulphide containing nickel.**
- **The massive sulphide lenses are hosted in a geological setting consistent with komatiite hosted nickel sulphide deposits present elsewhere in the Yilgarn.**
- **The lenses are concentrated at 177-178m downhole where the total nickel concentration is 0.38% nickel over the metre interval.**
- **Hand-held Portable X-Ray Fluorescence (hh_pXRF) analysis of drill chips suggests individual massive sulphide lenses containing at least 1% nickel[1].**
- **Sulphides observed as coatings on rock cleavage and fracture surfaces, which extend intermittingly for tens of metres above the massive sulphide lenses, may also contain nickel according to hh_pXRF analysis[1].**
- **Toro believes that the nickel with sulphides in TERC13 suggests there may be a significant concentration of komatiite hosted nickel sulphides nearby, where it remains untested to the north, east and south.**
- **The intersection in TERC13 also highlights the prospectivity of the extensive ultramafic rock package that exists on the Yandal Gold Project.**
- **Cross-section through TERC13 and micro-photographs of drill chip samples are contained in Figures 3 and 4 respectively below.**
- **Current nickel values are from a limited number of selected samples for expedited analysis – more geochemistry is expected by the end of November.**
- **The Yandal Gold Project is only 50km east of the world class Mt Keith Nickel Mine.**

Toro Energy Limited (**ASX: TOE**) ('the **Company**' or '**Toro**') is pleased to announce that the Company has intersected 'fingers' of massive sulphide containing nickel in reverse circulation (RC) drill hole TERC13, as part of its exploration drilling at the Christmas Target Area, on the Company's 100% owned Yandal Gold Project ('the **Project**').

[1] Refer to Appendix 3 for details of hh_pXRF reliability/accuracy– results are used for indicative purposes only and should not be considered absolute

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 Yandal Gold Project is also only some 50km east of the world class Mt Keith Nickel Mine.

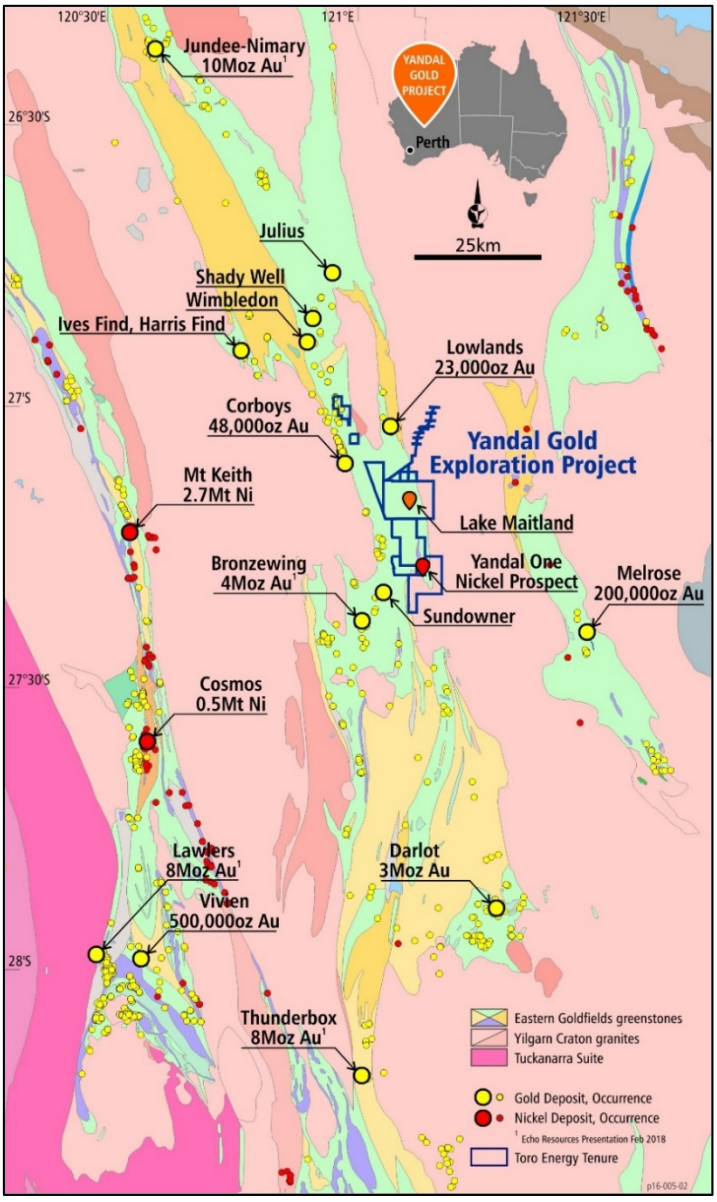

Figure 1: Location of Toro's Yandal Gold Project within the high yielding Yandal Gold District, showing the Yandal Greenstone Belt running through the project area according to state government mapping, the location of gold deposits and occurrences and the three major gold producing operating centres,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

The thin lenses of massive sulphide containing nickel are concentrated over 1m from 177m downhole in TERC13, which was drilled on the western side of the Christmas Target Area, some 730m west northwest of TERC06 (**Figure 2**). They are hosted in ultramafic/komatiite near to a basement contact with granite (**Figure 3**).

Preliminary assay results from a limited number of samples chosen for expedited geochemical analysis returned a 0.38% nickel concentration over the metre interval containing the massive sulphides (refer to table in **Appendix 2** for details on assay results). However, analysis of a number of drill chips of massive sulphide by hand-held portable X-ray Fluorescence (**hh_pXRF**) (chips filed flat for a more accurate analysis), suggests the massive sulphide lenses contain at least 1% nickel (refer to **Figure 4** and to **Appendix 3** for details of hh_pXRF reliability/accuracy – results are used for indicative purposes only and should not be considered absolute). It is likely that such concentrations are due to the presence of nickel sulphides such as pentlandite.

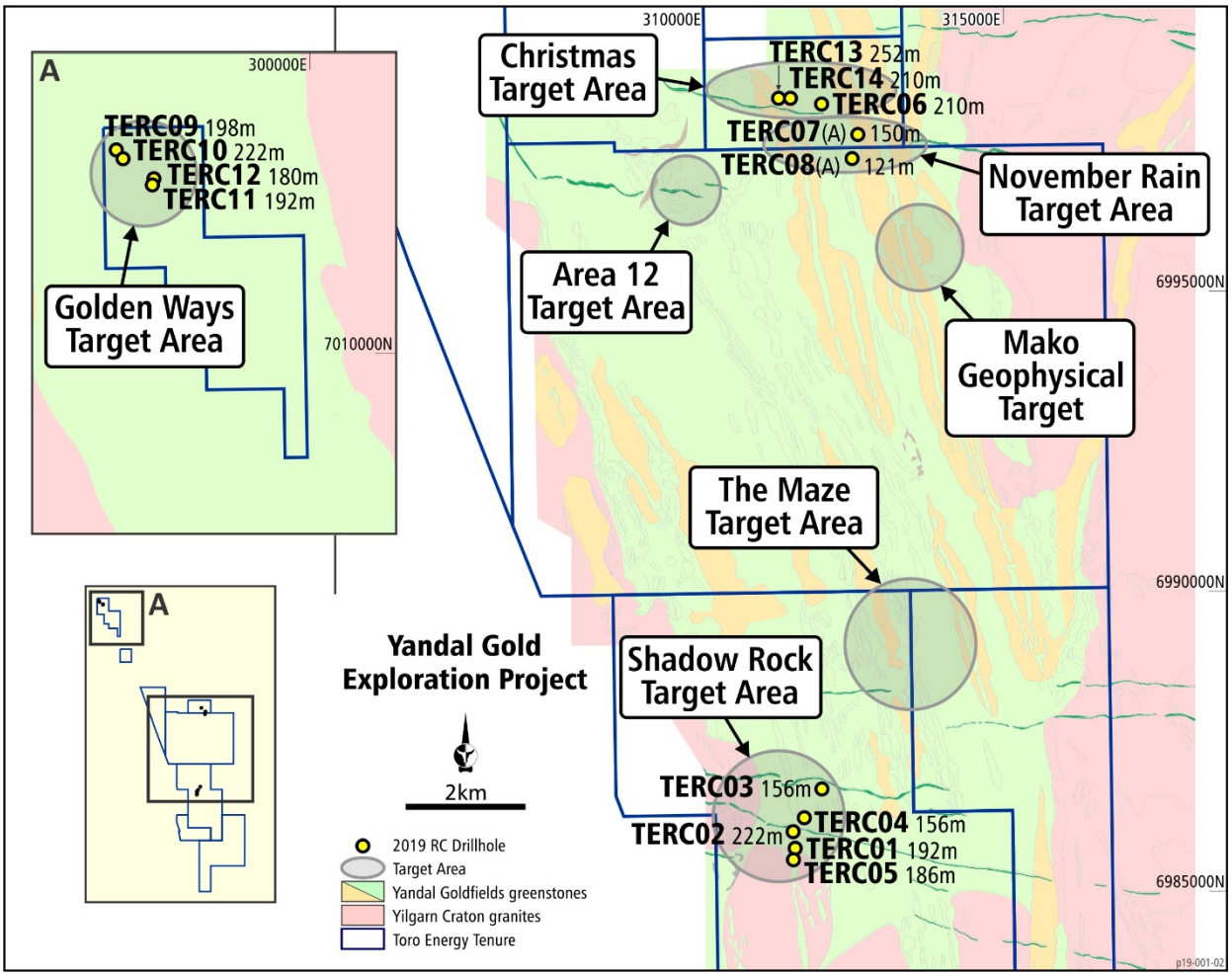

Figure 2: Location of RC drill holes completed to date in the current drilling program (see text for details), relative to the location of the target areas developed so far on the project. Background geology is a simplified version of the 1:15K Interpretation of the 2016 airborne magnetic survey by Core Geophysics. No geological information from the aircore or RC drilling to date has been added to this geology.

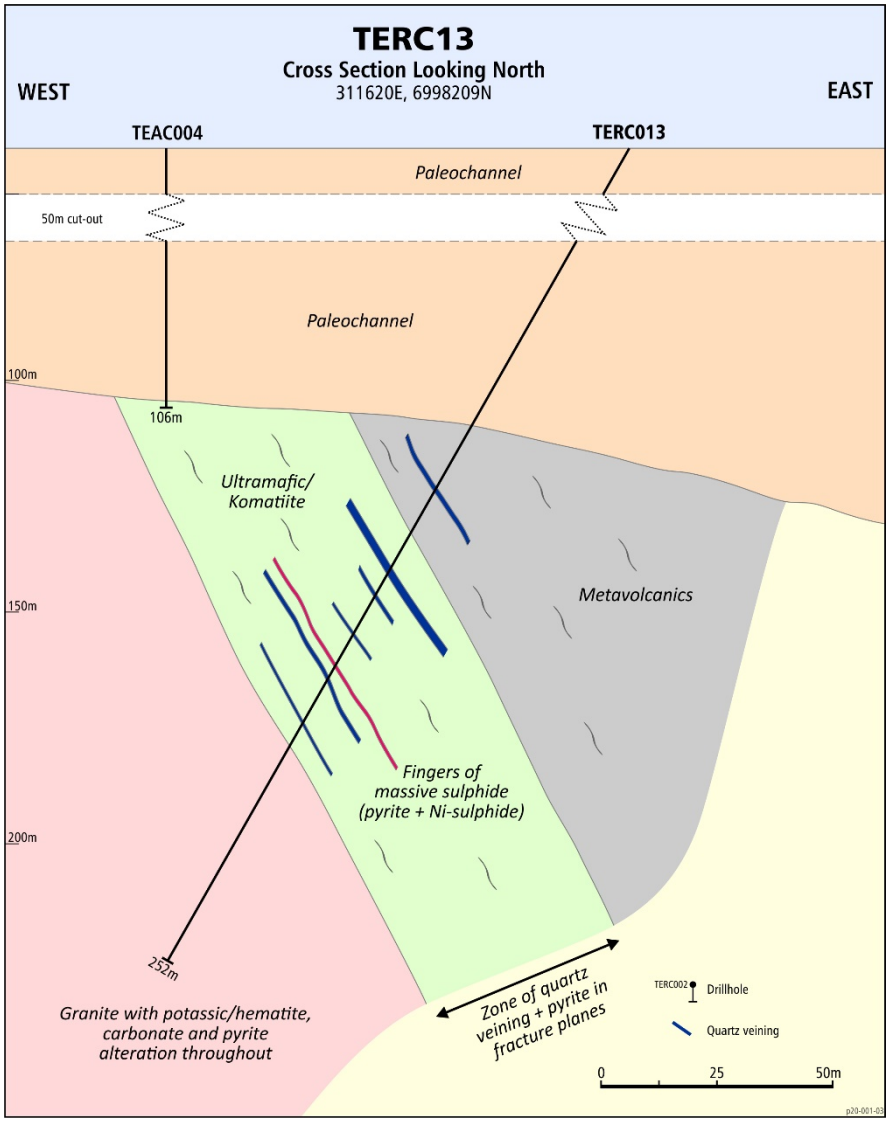

Figure 3: Cross-section through TERC13, showing location of the intersection of massive sulphides containing nickel as well as the general geology throughout the hole, consisting of chloritised and silicified meta-volcanics (east), sheared ultramafic/Komatiite (centre) and granite (west). See text for further details.

The presence of nickel sulphides was also potentially detected by hh_pXRF in minor concentrations with pyrite found coating fracture surfaces within the ultramafic/komatiite intermittently for some 30-40m (downhole length) above the interval of massive sulphide 'fingers' within TERC13. Analysis of such surfaces large enough to be analysed by the hh-pXRF returned concentrations of up to 0.4-0.6% nickel, which is considered too high to be a 'background' for the ultramafic/komatiite. Surfaces without the sulphide coating returned hh-pXRF closer to 0.1-0.2% nickel (refer to **Appendix 3** for details of hh_pXRF reliability/accuracy – results are used for indicative purposes only and should not be considered absolute). These observations, as well as those of the potential pentlandite in the massive sulphide lenses, will need to be confirmed by detailed mineralogy and mineral chemistry analysis, which is currently being planned.

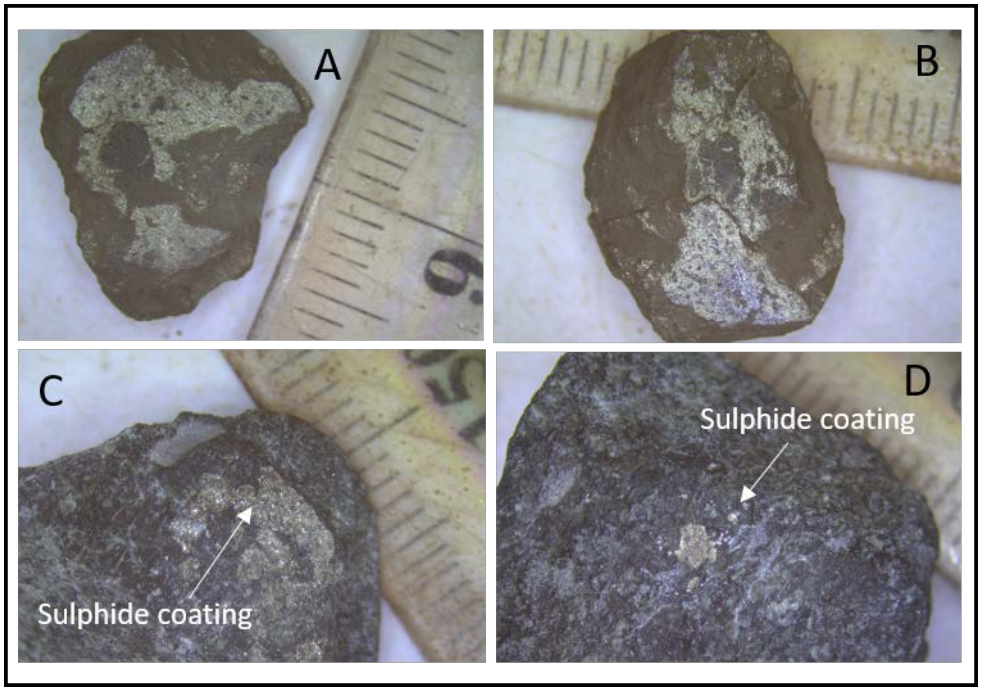

Figure 4: Micro-photographs of drill chip samples using stereo microscope, direct LED lighting and 6 Mgp camera. Field of view can be measured by the mm measurements on the ruler in the photograph. (A) Massive sulphide sample 1 diamond filed for flat surface, from TERC13, 177-178m downhole – hand held portable X-Ray Fluorescence (hh_pXRF) analysis result for nickel of 1.03% with a 0.1% error (B) Massive sulphide sample 2 diamond filed for flat surface, from TERC13, 177-178m downhole – hh_pXRF analysis result for nickel of 1.09% with a 0.11% error (C) Ultramafic/Komatiite with coating of sulphide on fracture surface from TERC13, 159-160m downhole - hh_pXRF analysis result for nickel of 0.41% with a 0.03% error (D) Ultramafic/Komatiite with coating of sulphide on fracture surface from TERC13, 139-140m downhole - hh_pXRF analysis result for nickel of 0.60% with a 0.03% error. See Appendix 1 for drill hole details and Appendix 3 for details on hh_pXRF accuracy data. See text for further details.

Given the geological setting near to the basal contact of an ultramafic/komatiite package with a felsic granite, Toro believes this intersection of probable nickel sulphides signifies that the ultramafic/komatiite package drilled is fertile for komatiite hosted nickel sulphide deposits similar to those found elsewhere in the Yilgarn.

Toro's Yandal Gold Project hosts extensive stretches of ultramafic/komatiite, all of which now needs to be considered seriously for nickel sulphide mineralisation. Within the direct vicinity of TERC13 (being the only hole to depth along the ultramafic/komatiite contact) the area is open to exploration to the north for at least 2km, to the south for some 500m and at depth throughout. TERC13 was aimed at testing beneath a top of basement geochemical anomaly of nickel, chrome, platinum and palladium in drill hole TEAC04 from the May 2019 aircore drilling. However, more significant anomalies of nickel were uncovered in the aircore program in the November Rain Target Area, suggesting the ultramafic/komatiite sequence continues to the south from November Rain. Toro has already uncovered a large folded komatiite sequence of at least 12km (both hinges) in the south of the Yandal Gold Project at Yandal One from limited RC drilling in 2016. This has yet to be followed up.

Further analytical work such as detailed mineralogy and mineral chemistry, is currently being planned to better understand the nickel mineralisation intersected in TERC13 and so as to better plan for the future exploration for komatiite nickel sulphides on the Project.

It should be understood that the assay results reported here have been from a limited number of selected sampled for expedited geochemical analysis. The full geochemistry of TERC13 is expected at the end of November.

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's[2], despite the first operation commencing only ten years earlier[3].

- The Yandal has so far produced >14Moz of gold from three well known operations, Jundee-Nimary, Bronzewing and Darlot (refer to **Figure 1**) [2, 3, 4].

- 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 gold[4].

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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[2] Gold Fields Limited presentation https://www.goldfields.com/pdf/investors/presentation/2014/australia-site-visits/darlot-gold-mine.pdf
[3] 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.
[4] Echo Resources Limited Mineral Resource and Ore Reserve Estimates, refer to ASX release of 27 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 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, 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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Appendix 1

Drill hole summary table - Reverse Circulation - As at 23rd October 2019 drilling								
Actual Hole ID	Target Area	Easting	Northing	Elevation	Azimuth	Dip	Actual Depth	Status
TERC01	Shadow Rock	311530	6985722	468.609	270	60	192	Completed
TERC02	Shadow Rock	311500	6985999	468.7649	270	60	222	Completed
TERC03	Shadow Rock	311982	6986698	469.6847	315	60	156	Completed
TERC04	Shadow Rock	311686	6986219	468.9165	270	60	156	Completed
TERC05	Shadow Rock	311510	6985521		270	60	186	Completed
TERC06	Christmas	311977	6998113	471.8948	270	60	210	Completed
TERC07	Christmas	312583	6997607	472.0643	270	60	150	Abandoned
TERC08	Christmas	312488	6997206	471.9751	270	60	121	Abandoned
TERC09	Golden Way	296767	7013392		270	60	198	Completed
TERC10	Golden Way	296884	7013244		270	60	222	Completed
TERC11	Golden Way	297390	7012840		270	60	192	Completed
TERC12	Golden Way	297394	7012914		90	60	180	Completed
TERC13	Christmas	311260	6998210		270	60	252	Completed
TERC14	Christmas	311460	6998210		270	60	210	Completed

Table of drill hole details for all drill holes so far completed and reported on in this ASX release. All holes are reverse circulation (RC).

Appendix 2

Table of significant Ni assays reported in this ASX Release				
Drill hole	From (m)	To (m)	Assay Ni (w%)	Lab Duplicate
TERC13	177	178	0.382	NA

Table of assay results reported on in this ASX release. Note that these results are preliminary results from the laboratory only; these are not finalized according to the laboratory. These samples have also not yet been subject to Toro's normal QAQC procedures such as checking for total sampling error by comparing the original sample with the field duplicate. Thus, the total error cannot be calculated for these samples and therefore Toro cannot guarantee their accuracy.

Appendix 3

All Portable X-Ray Fluorescence (pXRF) analysis that has been reported in this ASX release was done held in the hand (hand held) on a Niton XL3t by Thermo Scientific using a 30 second analysis on 'Test All Geo' function. The table below shows the performance of the hh_pXRF analysis against two certified standard powders at two extreme values, one low (OREAS45e at 0.0454 wt% Ni) and one high (OREAS76b at 7.78 wt% Ni). Note that the values reported in this ASX release are in between the two values for the standards. The hh_pXRF has performed well on the lower standard but lower than the higher standard on two of the three tests, although the error puts it back within the lower cut-off. This is not considered a concern for the analyses presented in this ASX release especially considering it suggests the hh_pXRF results presented are conservative.

Table of hh_pXRF performance against certified standard powders (30 secs)					
Standard	Certified Value (Ni wt%)	Lower cut off - 95% CL (wt%)	Upper cut off - 95% CL (wt%)	hh_pXRF Result (Ni wt%)	Error (Ni wt%)
OREAS45e Lateritic soil (test 1)	0.0454	0.0442	0.0465	440	184
OREAS45e Lateritic soil (test 2)	0.0454	0.0442	0.0465	456	185
OREAS45e Lateritic soil (test 3)	0.0454	0.0442	0.0465	499	181
OREAS 76B Ni-sulphide ore (test 1)	7.78	7.65	7.91	7.75	0.56
OREAS 76B Ni-sulphide ore (test 2)	7.78	7.65	7.91	6.96	0.9
OREAS 76B Ni-sulphide ore (test 3)	7.78	7.65	7.91	7.49	0.52