

QUARTERLY ACTIVITIES REPORT

For period ending 30 September 2019

Highlights

Wiluna Uranium Project

- Continued efforts to improve the value of the Wiluna Uranium Project through research, innovation and engineering opportunities despite the subdued uranium market.
- Processing Flowsheet optimisation programme undertaken to assess the potential to produce a vanadium by-product from the Lake Maitland ore body. Early stage test work showed promise in the ability to recover vanadium into a by-product stream through a relatively minor change to the existing processing flowsheet, building on earlier development work proving the use of ion exchange as a viable process in the Wiluna Uranium Project.
- Maiden JORC 2012 vanadium resource of 68.3M pounds of vanadium pentoxide for the Wiluna Uranium Project announced subsequent to the end of the quarter on 21 October 2019 as a result of test-work conducted during the quarter, disclosing the potential for vanadium to be a valuable by-product for the Wiluna Uranium Project.

Yandal Gold Project, Western Australia

- 1.7km gold anomaly uncovered by aircore drilling at the Shadow Rock Target Area.
- 1.3km gold anomaly uncovered by aircore drilling at the Christmas and November Rain Target Areas.
- Exploration drilling campaign for up to 4,000m of reverse circulation drilling commenced, including follow-up drilling beneath basement gold anomalies uncovered at the Christmas and Shadow Rock target areas by first pass aircore drilling completed in May 2019.
- New drilling area, Golden Ways, targeted and brought into project.
- Drill results received subsequent to the end of the quarter disclose that Toro has intersected gold and nickel within the Yandal Gold Project.

Corporate

- Fully underwritten Share Purchase Plan to raise up to \$3.5million (before costs) launched. Shares issued under the Share Purchase Plan will be issued at a 20% discount to the volume weighted average price for the Company's shares traded on ASX over the five days prior to the issue date.
- Share Purchase Plan closes 1 November 2019. Shareholders can apply for up to \$30,000 worth of shares.

Wiluna Uranium Project, Western Australia

As previously reported by Toro Energy Limited (**Toro** or **the Company**), the successful completion of environmental permitting of the Company's Wiluna Uranium Project (**Figure 1**) in 2017 is a major milestone for Toro. Several years of assessment under a bi-lateral agreement between the Federal and State governments have resulted in an environmentally and legally robust set of approvals for the Wiluna Uranium Project.

Current uranium market conditions continue to be instrumental in guiding Toro's technical and development programs for the Wiluna Uranium Project. The focus remains on pursuing studies that potentially can significantly advance the technical and financial feasibility of the Wiluna Uranium Project including to support a scoping study update.

The Company continues to progress the Wiluna Uranium Project so that it is capable of being financed and brought into production as and when economic conditions justify the development.

As announced by the Company on 7 March 2019, 19 September 2018, 12 September 2018, 27 June 2018, 20 June 2018 and 12 September 2019 (amongst others) the Company has been making a continued effort to improve the value of its Wiluna Uranium Project through research, innovation and engineering opportunities despite the subdued uranium market. The Company's efforts in this regard include the implementation of changes to the proposed processing flowsheet design announced as part of the Company's 2016 scoping study in respect of the Wiluna Uranium Project (**2016 Scoping Study**) which have consequently resulted in potential improvements in the capital and operating costs of the Project as well as a potential improvement in overall uranium recovery from the plant. The changes implemented to the processing flow sheet for the update to the 2016 Scoping Study (**2019 Scoping Study Update**) have resulted from the opportunities highlighted by the test work completed as part of the Beneficiation and Process Design studies (**Studies**) that have been ongoing since completion of the 2016 Scoping Study¹. Please refer to the Company's ASX releases of 30 January 2018, 20 April 2018, 20 June 2018, 27 June 2018 and 12 September 2019 for further information.

During the quarter the Company conducted leach optimisation test-work followed by ion exchange test-work which has proven vanadium to be a potentially viable by-product for the Wiluna Uranium Project. Research and development of leach conditions has resulted in high extractions of both uranium and vanadium from Lake Maitland ore. Ion exchange test-work on pregnant leach solution has demonstrated that ion exchange is a valuable process for selectively recovering and separating both uranium and vanadium into high concentration clean product streams, and it is expected that the vanadium pentoxide product V_2O_5 can be easily precipitated from the clean vanadium recovery stream. After the end of the quarter the Company announced a significant maiden vanadium JORC 2012 Resource of 68.3M pounds of vanadium pentoxide for the Wiluna Uranium Project.²

¹ Please refer to the Company's ASX announcement of 5 December 2016.

² The information presented here that relates to V_2O_5 Mineral Resources of the Centipede-Millipede, Lake Way and Lake Maitland deposits is based on information compiled by Dr Greg Shirliff of Toro Energy Limited and Mr Daniel Guibal of Condor Geostats Services Pty Ltd. Mr Guibal takes overall responsibility for the Resource Estimate, and Dr Shirliff takes responsibility for the integrity of the data supplied for the estimation. Dr Shirliff is a Member of the Australasian Institute of Mining and Metallurgy (AusIMM) and Mr Guibal is a Fellow of the AusIMM and they have sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity they are undertaking to qualify as Competent Persons as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code 2012)'. The Competent Persons consent to the inclusion in this release of the matters based on the information in the form and context in which it appears.



Figure 1: Wiluna Uranium Project

Exploration³

During the quarter the Company continued to review the drilling results from its first-pass aircore drilling campaign on the Yandal Gold Project, which resulted in the Company being able to confirm that a regional NE trending cross-cutting structure targeted in Toro's greenfields exploration is prospective for gold, as announced by the Company on 25 July 2019. 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 2**).

A review of the drilling results from the northern end of the structure showed that the related rocks within and adjacent to the structure contain sulphides and other signs of hydrothermal alteration in places as well as anomalies of gold and gold pathfinder elements. On 30 July 2019 the Company announced that a 1.7km long, 500m wide gold anomaly had been uncovered at the top of basement rock within the Shadow Rock Target Area on the Yandal Gold Project by aircore drilling. The anomaly is associated with a regional NE trending structure that cross-cuts the central part of the entire Yandal Gold Project and is accompanied by an extensive zone of hydrothermal alteration that is often associated with mineral deposits, including pyrite, illite-sericite and potassic/hematite alteration. The sulphide alteration stretches along the main structure for some 1.5km with sulphur concentrations reaching as high as 2.3% by weight. Prior to this the Company had extended the gold anomaly at the Christmas Target Area to up to 1.3km long, extending it into the November Rain Target Area. This is the first time exploration for gold has occurred in the area described and encompassed by the Yandal Gold

³ Information in this report relating to Exploration is based on information compiled by Dr Greg Shirtliff, who is a Member of the Australasian Institute of Mining and Metallurgy. Dr Shirtliff is a full-time employee of Toro, and has sufficient experience in mineral exploration 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' for the information presented here. Dr Shirtliff consents to the inclusion in this release of the matters based on his information in the form and context in which it appears.

Project. The tenure has been owned by uranium companies since the discovery of the Lake Maitland Uranium Deposit in the early 1970s.

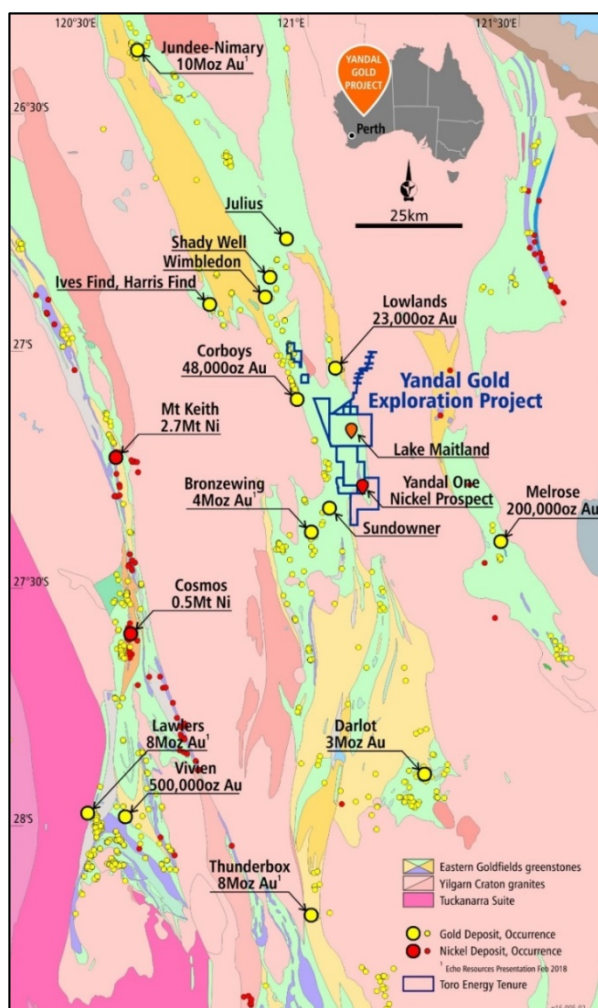


Figure 2: Location of Toro's Yandal Gold Project within the high yielding Yandal Gold District, showing the Yandal Greenstone Belt running through the project area according to state government mapping, the location of gold deposits and occurrences and the three major gold producing operating centres, Jundee-Nimary, Bronzewing and Darlot.

Towards the end of the quarter, as announced by the Company on 9 September 2019, the Company recommenced drilling on the Yandal Gold Project, with an exploration drilling programme consisting of up to 4,000m of reverse circulation drilling being planned. The drill programme included 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 campaign completed in May 2019. A new drilling area, known as Gold Ways, to the north of the current Yandal Gold Project area and which includes historical gold prospects and drill targets, was also targeted and brought into the Yandal Gold Project. See **Figure 3** for target areas resulting from the first-pass aircore drilling programme for the Yandal Gold Project completed in May 2019 along with the new target area, Golden Ways. After the end of the quarter on 30 October 2019 the Company announced that its reverse circulation drilling within the Christmas Target Area on the Yandal Gold Project had intersected thin lenses or 'fingers' of massive sulphide containing nickel. The reverse circulation drill programme also successfully intersected gold at

Golden Ways Target Area, including 1m at 4.35g/t from 80m downhole (drill hole TERC11) and 5m at 0.94g/t from 97m downhole.

Although gold is the primary target of the Yandal Gold Project, other commodities will not be discounted in the overall exploration program. Toro would also like to re-affirm that the Company remains focussed on the long-term feasibility of uranium production for its shareholders from the Wiluna Uranium Project, from which it is permitted to mine up to 62 million pounds of measured or indicated uranium resources (JORC 2012). Please see the Competent Person's Statement at the end of this release for information about the reporting of the resource.



Figure 3: Target areas resulting from the first-pass aircore drilling programme 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.

Corporate

On 26 September 2019, during the quarter the Company announced a fully underwritten Share Purchase Plan (2019 SPP) to raise up to \$3.5 million before costs (Offer). The 2019 SPP provides the opportunity for eligible shareholders to subscribe for up to \$30,000 worth of fully paid ordinary new shares in the capital of Company

(**New Shares**) free from brokerage and fees. Registered holders of fully paid ordinary shares in the capital of Toro as at the Record Date of 5:00pm WST on 25 September 2019 with a registered address in Australia or New Zealand are eligible to participate in the Offer. The New Shares will be issued at a 20% discount to the volume weighted average trading price of Company shares traded on the ASX during the five (5) days immediately prior to the issue date of the New Shares in accordance with the ASX Listing Rules. The 2019 SPP remained open as at the end of the quarter and as at the date of this release. The 2019 SPP is fully underwritten by Patersons Securities Limited (**Patersons**), which has been appointed as Lead Manager and Underwriter to the Offer. Funds raised under the 2019 SPP will be used to undertake a 4,000m reverse circulation drill programme at the Company's 100% owned Yandal Gold Project, to retire up to \$2 million of debt owed to a major shareholder Sentient Group, to advance processing studies on the Wiluna Uranium Project and for general working capital. In addition to the 2019 SPP the Company has agreed that Patersons may facilitate an offer of New Shares to sophisticated or professional investors at the same issue price as under the 2019 SPP which, if conducted, will utilise the Company's available placement capacity pursuant to ASX Listing Rules 7.1 and 7.1A to raise up to a further \$2.5 million (before costs).

Tenement Movements

There were no tenement movements during the quarter.

A tenement status map is attached at Appendix 1 and Appendix 2. Attached at Appendix 3 is the Wiluna Uranium Project resource table.

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For further information contact:

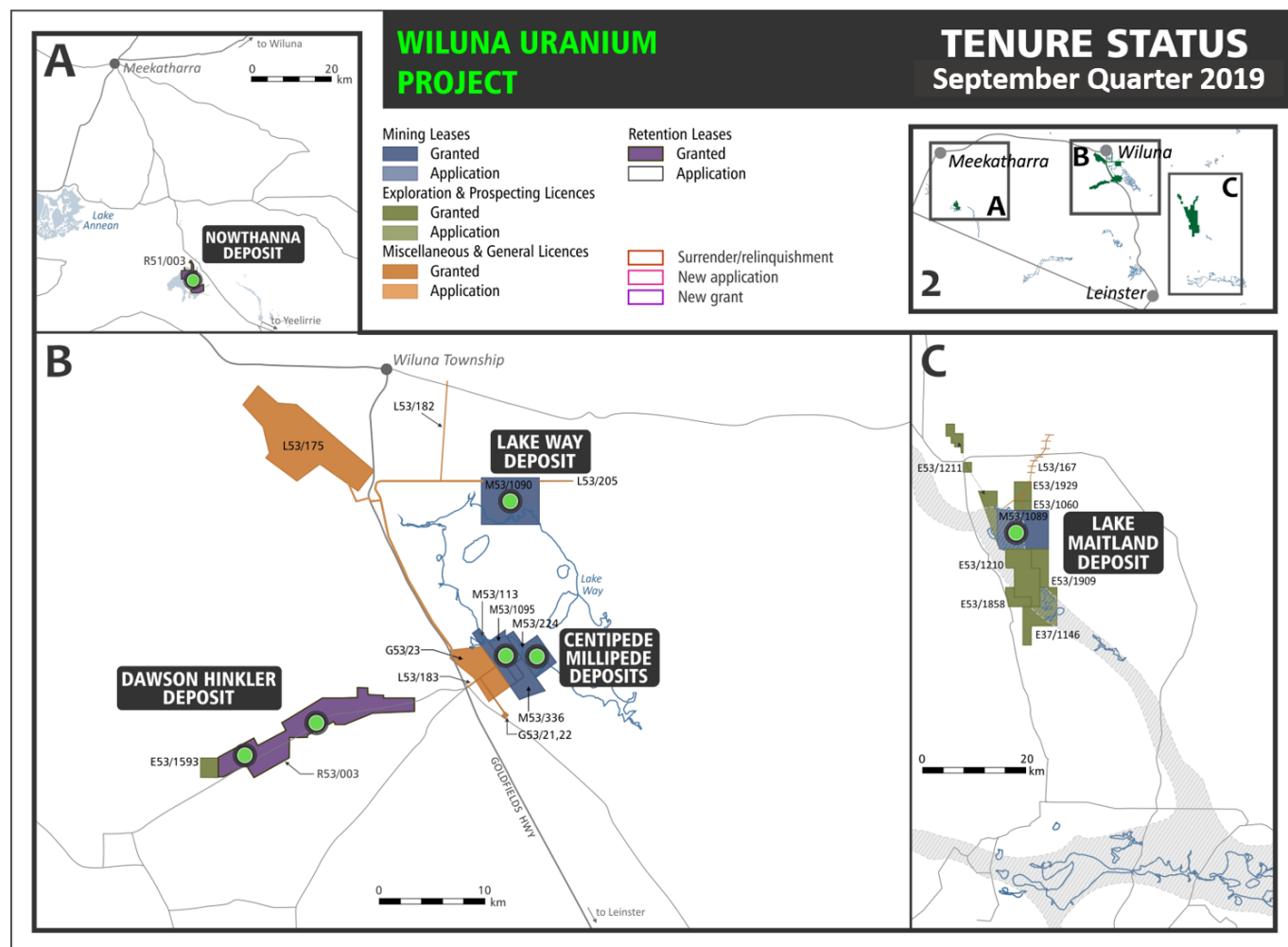
Richard Homsany

Executive Chairman

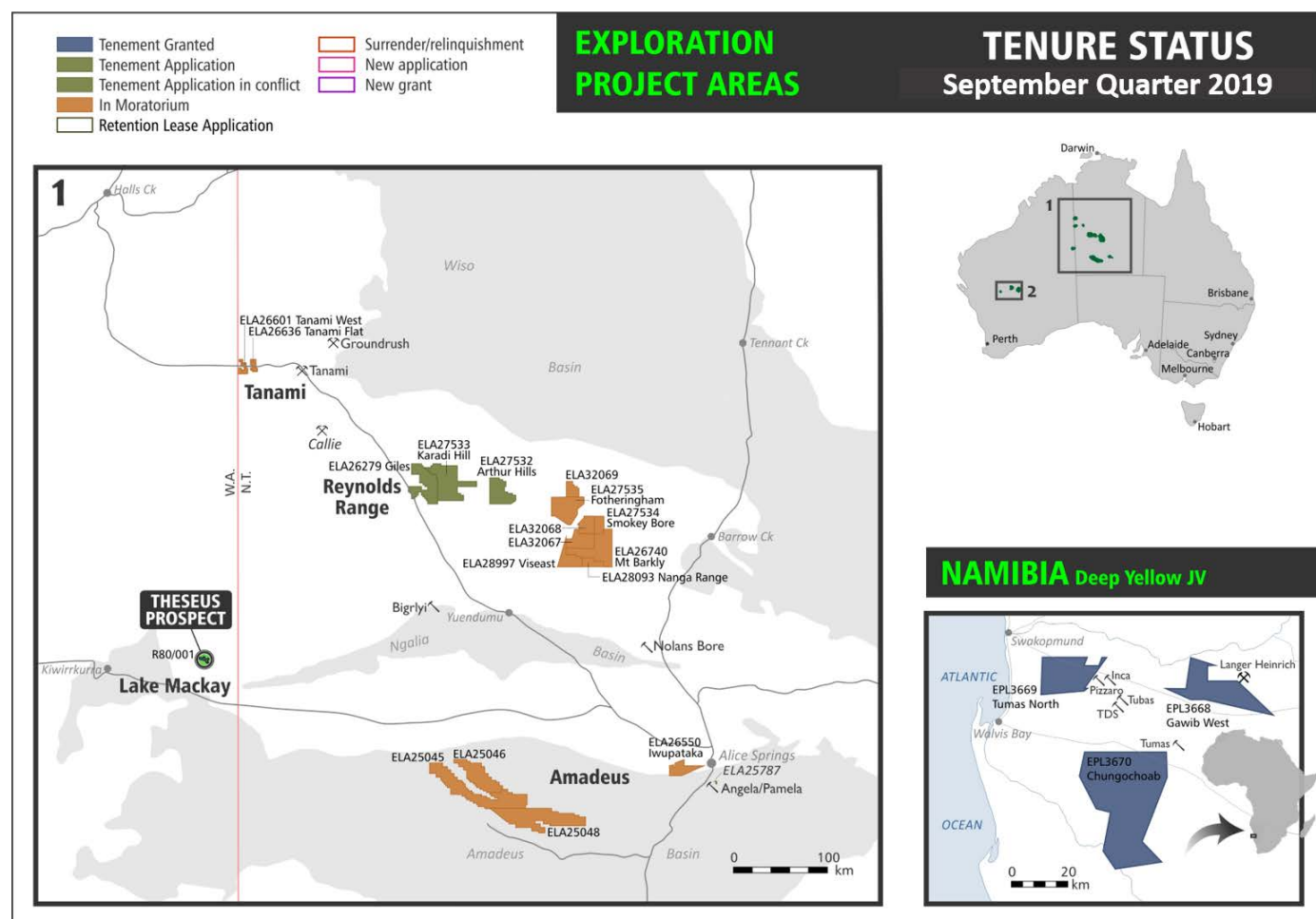
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APPENDIX 1: SEPTEMBER 2019



APPENDIX 2: SEPTEMBER 2019



APPENDIX 3: Wiluna Uranium Project Resource Table – JORC 2012

Wiluna Uranium Project Resources Table (JORC 2012)									
		Measured		Indicated		Inferred		Total	
		200ppm	500ppm	200ppm	500ppm	200ppm	500ppm	200ppm	500ppm
Centipede / Millipede	Ore Mt	4.9	1.9	12.1	4.5	2.7	0.4	19.7	6.8
	Grade ppm	579	972	582	1,045	382	986	553	1,021
	U ₃ O ₈ Mlb	6.2	4.2	15.5	10.3	2.3	0.9	24.0	15.3
Lake Maitland	Ore Mt	-	-	22.0	8.2	-	-	22.0	8.2
	Grade ppm	-	-	545	929	-	-	545	929
	U ₃ O ₈ Mlb	-	-	26.4	16.9	-	-	26.4	16.9
Lake Way	Ore Mt	-	-	10.3	4.2	-	-	10.3	4.2
	Grade ppm	-	-	545	883	-	-	545	883
	U ₃ O ₈ Mlb	-	-	12.3	8.2	-	-	12.3	8.2
Sub-total	Ore Mt	4.9	1.9	44.3	16.9	2.7	0.4	52.0	19.2
	Grade ppm	579	972	555	948	382	986	548	951
	U ₃ O ₈ Mlb	6.2	4.2	54.2	35.3	2.3	0.9	62.7	40.4
Dawson Hinkler	Ore Mt	-	-	8.4	0.9	5.2	0.3	13.6	1.1
	Grade ppm	-	-	336	596	282	628	315	603
	U ₃ O ₈ Mlb	-	-	6.2	1.1	3.2	0.4	9.4	1.5
Nowthanna	Ore Mt	-	-	-	-	13.5	2.6	13.5	2.6
	Grade ppm	-	-	-	-	399	794	399	794
	U ₃ O ₈ Mlb	-	-	-	-	11.9	4.6	11.9	4.6
Total	Ore Mt	4.9	1.9	52.7	17.8	21.4	3.3	79.0	23.0
	Grade ppm	579	972	520	931	368	765	482	916
	U ₃ O ₈ Mlb	6.2	4.2	60.4	36.4	17.4	5.5	84.0	46.4

Competent Person's Statement

Wiluna Project Mineral Resources – 2012 JORC Code Compliant Resource Estimates – Centipede, Millipede, Lake Way, Lake Maitland, Dawson Hinkler and Nowthanna Deposits

The information presented here that relates to Mineral Resources of the Centipede, Millipede, Lake Way, Lake Maitland, Dawson Hinkler and Nowthanna deposits is based on information compiled by Dr Greg Shirliff of Toro Energy Limited, Mr Sebastian Kneer formerly of Toro Energy Limited and Mr Daniel Guibal of SRK Consulting (Australasia) Pty Ltd. Mr Guibal takes overall responsibility for the Resource Estimate and Dr Shirliff takes responsibility for the integrity of the data supplied for the estimation. Dr Shirliff is a Member of the Australasian Institute of Mining and Metallurgy (AusIMM) and Mr Guibal is a Fellow of the AusIMM and they have sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity they are undertaking to qualify as Competent Persons as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code 2012)'. The Competent Persons consent to the inclusion in this release of the matters based on the information in the form and context in which it appears.