

ASX RELEASE

13 November 2019

Yandal Gold Project Update – 2019 Exploration Drilling Programme Completed – Analysis and Review Underway

HIGHLIGHTS

- The Yandal Gold Project 2019 exploration drilling programme has been completed.
- 15 reverse circulation drill holes for a total of 2,896m were drilled during the September-October programme.
- The final hole was completed within the Broken Nose Target Area on Exploration Licence 37/1146.
- The Broken Nose Target Area is located in the southern extent of the Project, just south of the Yandal One Nickel Prospect drilled by Toro¹.
- Broken Nose is focused around a significant NE trending offset in the nose of the folded ultramafic-komatiite that was targeted in the 2016 drilling.
- Analysis and review of the geology of the 2019 RC drill programme is underway and any developments from this will be announced.
- Full geochemistry is still pending with the first results expected to be returned by the end of November.
- Exploration drilling on the Yandal Gold Project is expected to recommence in the first quarter of 2020.

Toro Energy Limited (**ASX: TOE**) ('the **Company**' or '**Toro**') wishes to advise that exploration drilling on the Company's 100% owned Yandal Gold Project ('the **Project**') has been completed for 2019, with drilling is expected to recommence in the first quarter of 2020.

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.

¹ Refer to the Company's ASX announcements of 11 December 2015 and 25 November 2016 for details of the drilling by Toro at the Yandal One Nickel Prospect.

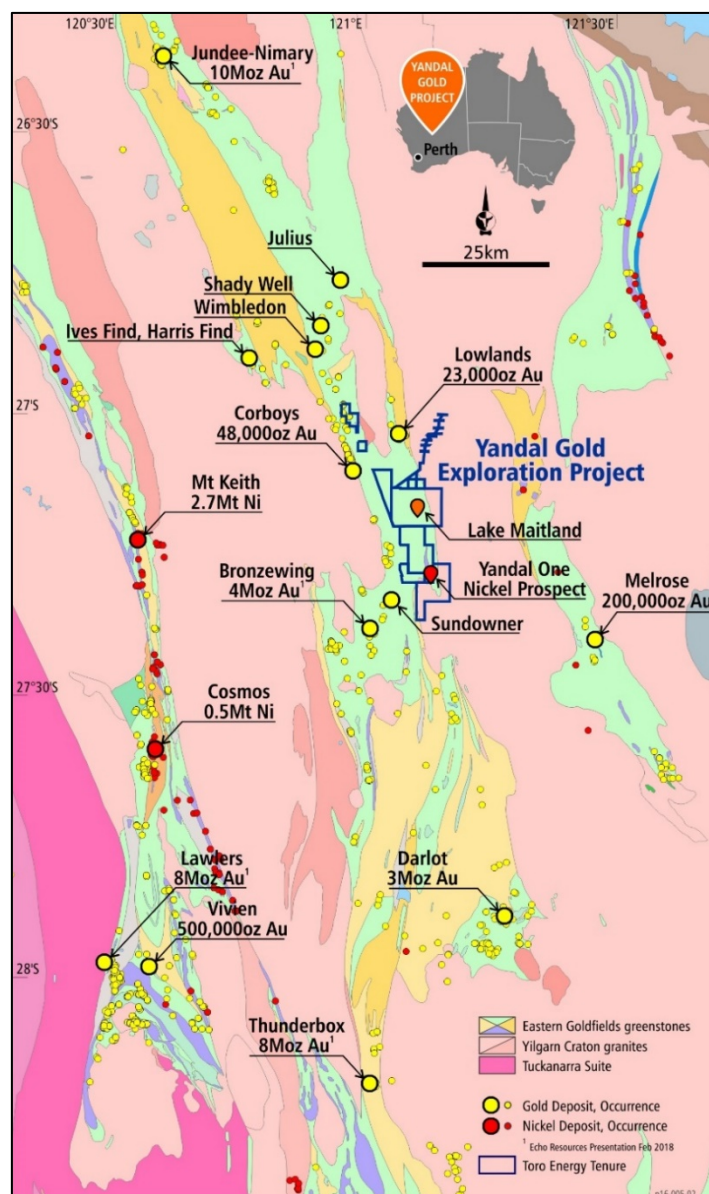


Figure 1: Location of Toro's Yandal Gold Project within the high yielding Yandal Gold District, showing the Yandal Greenstone Belt running through the project area according to state government mapping, the location of gold deposits and occurrences and the three major gold producing operating centres,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

A total of 15 reverse circulation (RC) drill holes were completed in the recent exploration programme for 2,896m (refer to **Appendix 1** for table of drill hole details). Two of the drill holes did not reach target depth due to difficult drilling conditions within a deep paleochannel with saturated collapsing sands at its base. Mud rotary/diamond combination drilling techniques are being planned for future drilling through the deeper sections of the paleochannel.

The fifteenth and final RC hole drilled in the programme, TERC15, was located on a target area known as Broken Nose. The Broken Nose Target Area is situated on the southern extremities of the Project on exploration licence 37/1146 (**Figure 2**). It is focused on a major NE trending offset, presumed to be a fault or shear, in the nose of a folded ultramafic-komatiite unit observed in airborne magnetic data (see **Figure 3**). The ultramafic unit is the same unit targeted previously by Toro in its joint venture with OZ Minerals Limited in 2016², just to the north of Broken Nose at the Yandal One Nickel Prospect (refer to **Figure 1**).

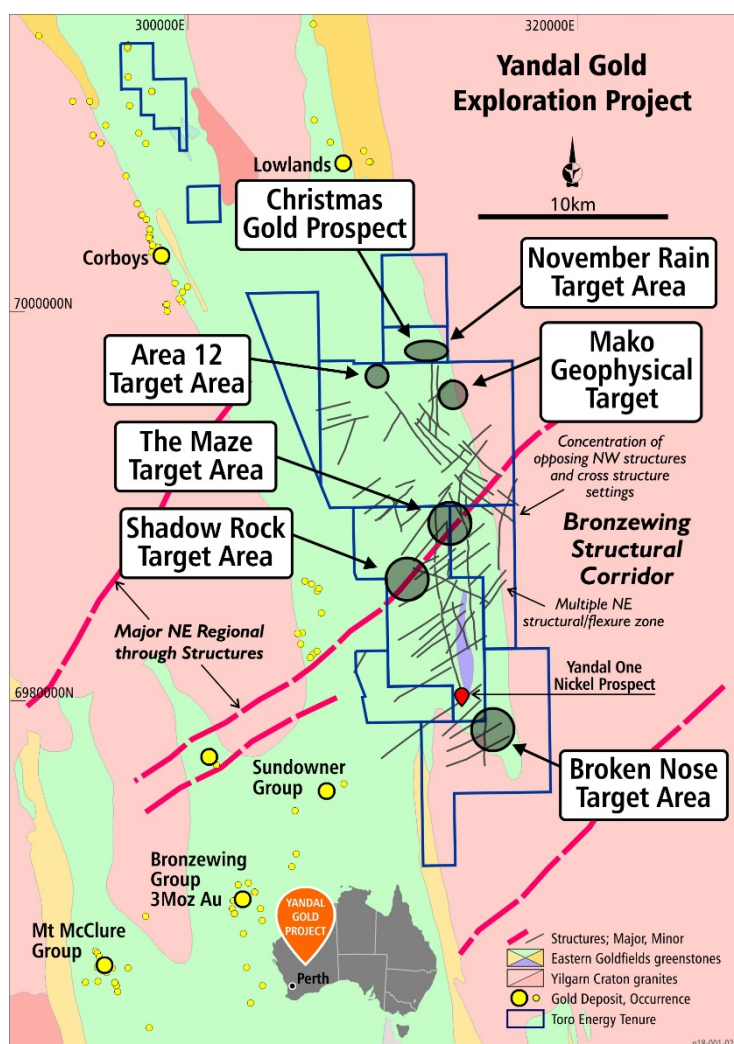


Figure 2: Location of RC drill holes completed to date in the current drilling programme (see text for details), relative to the location of the target areas developed so far on the Project. Background geology is a simplified version of the 1:15K Interpretation of the 2016 airborne magnetic survey by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

² Refer to the Company's ASX announcements of 11 December 2015 and 25 November 2016 for details of the drilling by Toro at the Yandal One Nickel Prospect.

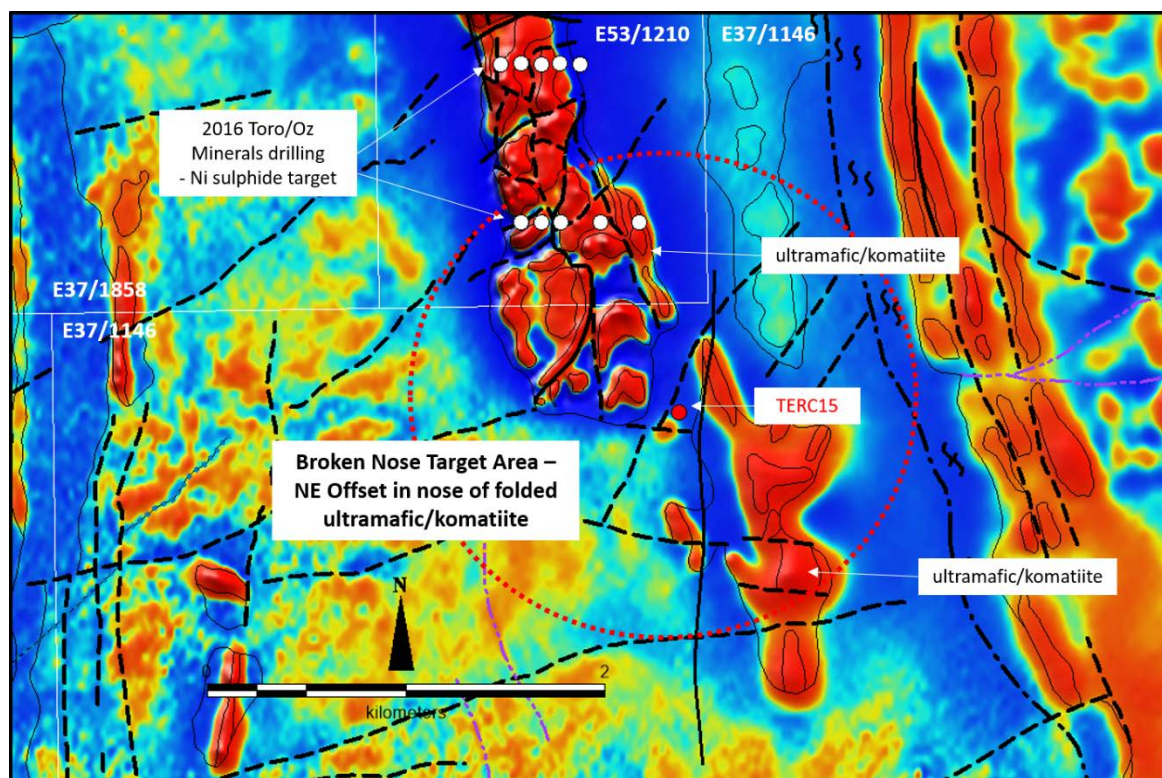


Figure 3: Location of the Broken Nose Target Area in detail along with the position of RC hole TERC15 and the 2016 Toro -OZ Minerals RC drill holes. The image shows the N-S elongate nose of the folded ultramafic/komatiite, which has a higher magnetic response than surrounding geology, which has been offset by a NE trending fault or shear. Background image is the red-green-blue re-projection of the first vertical derivative of the magnetic data from the airborne geophysical survey flown in 2015. See the Company's ASX announcements of 11 December 2015 and 25 November 2016 for details of the 2016 drilling and 2015 magnetics. See the table in Appendix 1 for details of the 2019 drill hole TERC15. See text for further details.

TERC15 was aimed at gaining information on the nature of the NE structure that has offset the ultramafic unit, in particular the nature of the contact between granite and the ultramafic unit within the fault/shear. The drill hole made target depth and was terminated at 249m downhole. The geology of the hole is currently being reviewed and geochemistry is pending.

Geological review and analysis is underway on the entire 2019 RC drill programme and full geochemistry is still pending, with results expected to begin being returned by the end of November. Findings and results will be announced accordingly. Exploration drilling, focused on follow-up drilling from the recently completed campaign, is expected to recommence in the first quarter of 2020.

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's³, despite the first operation commencing only ten years earlier⁴.

- The Yandal has so far produced >14Moz of gold from three well known operations, Jundee-Nimary, Bronzewing and Darlot (refer to **Figure 1**)^{3, 4, 5}.
- 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 gold⁵.

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:

Richard Homsany	Toro Energy	08 9214 2100
Greg Shirtliff	Toro Energy	08 9214 2100

³ Gold Fields Limited presentation <https://www.goldfields.com/pdf/investors/presentation/2014/australia-site-visits/darlot-gold-mine.pdf>

⁴ 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.

⁵ 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.

www.toroenergy.com.au

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
TERC15	Broken Nose	315128	6978406		315	60	249	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).