**ASX RELEASE**
19 February 2020

# Gold and Nickel Mineralisation Confirmed at Christmas - Toro Validates Nickel as Target for Exploration at Yandal

**HIGHLIGHTS**

- **Geochemistry results from Toro's 2019 maiden reverse circulation (RC) drill campaign on the Yandal Gold Project confirm that both nickel (Ni) in sulphides and gold (Au) mineralisation were intersected by a single drill hole, TERC13, in the west of the Christmas Target Area.**
- **Both gold and nickel prospectivity have been validated.**

**NICKEL**

- **Nickel was intersected over at least 3m from 177m downhole, including 0.38% Ni and 6% sulphur (S) over a single metre (from 177m) with fingers of massive sulphide.**
- **Hand held XRF analysis suggests that the fingers of massive sulphide may have nickel concentrations of up to 1.7% locally.**
- **Geochemistry has confirmed that the nickel is hosted at the base of a komatiite-ultramafic, consistent with many of the nickel sulphide deposits of the Yilgarn's world renowned Agnew-Wiluna greenstone nickel belt, which lays 50km to the west.**
- **The intersection of komatiite-ultramafic hosted nickel in sulphides is a significant development for Toro's exploration in the Yandal Greenstone Belt as it suggests that the extensive komatiite-ultramafic rock packages within the Project are fertile for potential nickel sulphide deposits.**
- **Geophysics and aircore drilling suggest that the komatiite-ultramafic host rock at Christmas may extend for over 8km in length and 2016 RC drilling by Toro confirmed a folded komatiite-ultramafic unit of at least 9km in total length in the far south of the Project.**

**GOLD**

- **Directly beneath the nickel intersection, 10m of gold at 0.36g/t was intersected from 182m downhole inclusive of 2m at 0.57g/t from 182m and 1m at 1.3g/t from 188m.**
- **The gold intersection is located in a silica rich and highly chloritised contact zone between the komatiite-ultramafic and a granite.**
- **The discovery of gold on the granite-greenstone contact further upgrades the Christmas-November Rain area but also extends it to Area 12, which has a similar setting.**
- **Follow-up exploration is currently being planned to commence soon in the immediate surrounds of TERC13.**

Toro Energy Limited (**ASX: TOE**) ('the **Company**' or '**Toro**') is pleased to announce that geochemical assay results from the 2019 maiden RC drilling programme on the Company's 100% owned Yandal Gold Project ('the **Project**') (**Figure 1**) have confirmed that drill hole TERC13, located at the western limits of the Christmas Target Area (**Figure 2**), intersected both nickel (Ni) in sulphides and gold (Au) at the contact of a komatiite-ultramafic and a granite from 177m downhole (see **Figure 3**).

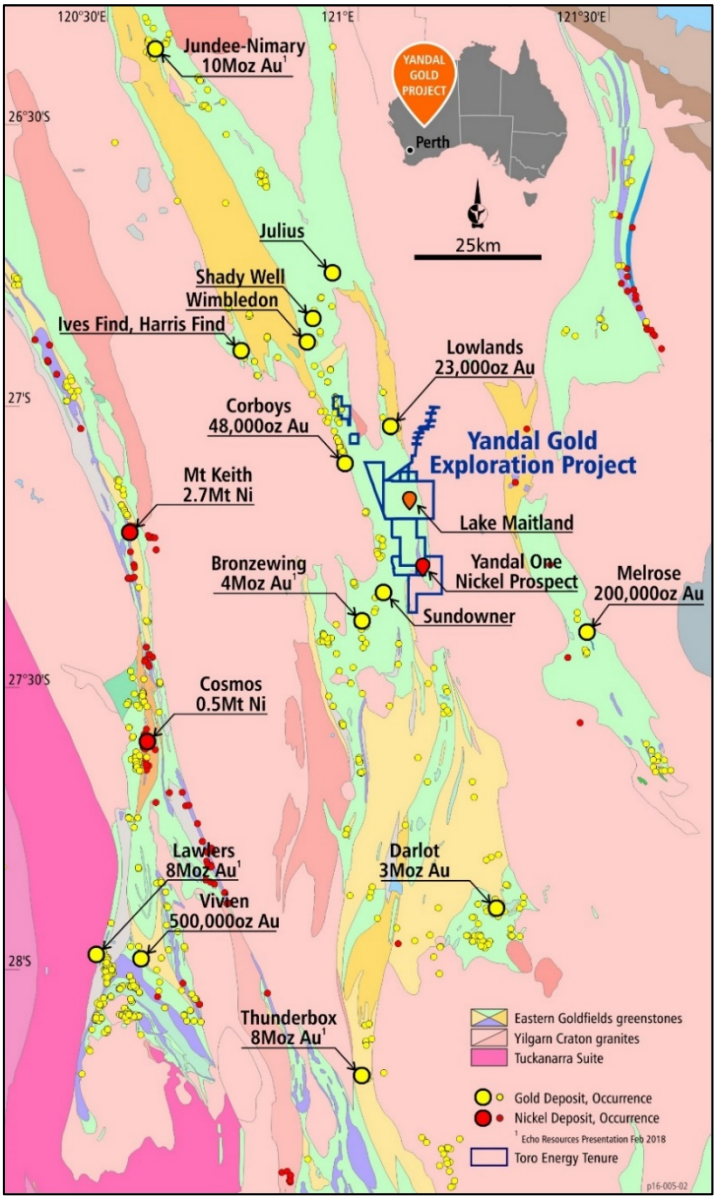


*Figure 1: Location of Toro's Yandal Gold Project within the high yielding Yandal Gold District, showing the Yandal Greenstone Belt running through the project area according to state government mapping, the location of gold deposits and occurrences and the three major gold producing operating centres, Jundee-Nimary, Bronzewing and Darlot. The map also shows the location of the Mt Keith and Cosmos nickel deposits on the Wiluna-Agnew greenstone belt along with the location of Toro's Yandal One Nickel Prospect.*

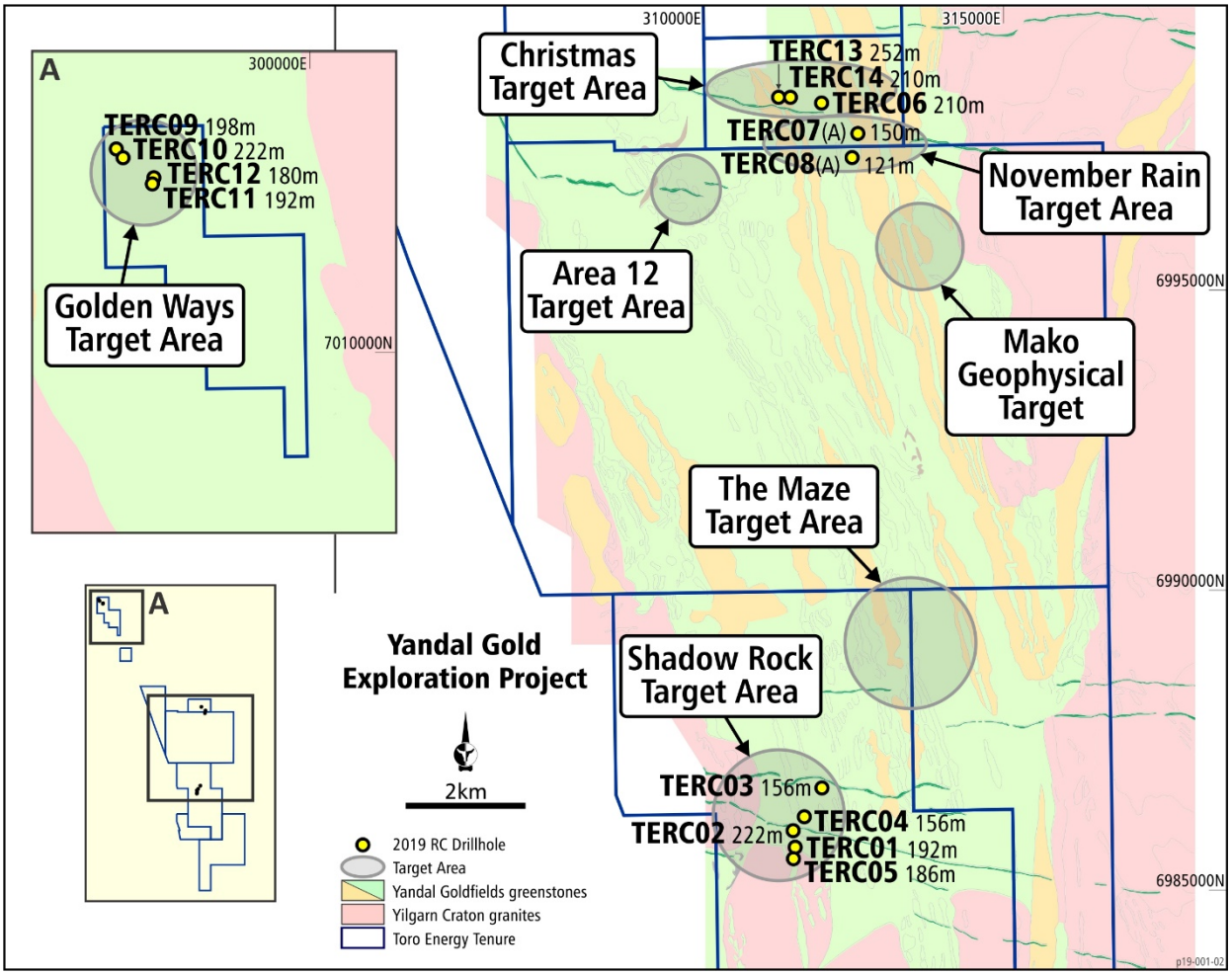


*Figure 2: Location of RC drill holes completed to date in the current drilling program (see text for details), relative to the location of the target areas developed so far on the project. Background geology is a simplified version of the 1:15K Interpretation of the 2016 airborne magnetic survey by Core Geophysics. No geological information from the aircore or RC drilling to date has been added to this geology. Refer to ASX announcement 13 November 2019 for details of the drill holes from the 2019 RC drilling campaign, those labelled on this map.*

**Nickel Intersection**

Nickel sulphides were intersected over at least 3m starting at the base of a Komatiite-ultramafic where fingers of massive sulphide were found in drill chips over 1m from 177m downhole (**Figure 3**). The bulk geochemistry of the 1m that contained the fingers of massive sulphide returned 0.38% nickel and 6% sulphur (S) (see **Appendix 1** for table of all results referred to in this ASX announcement and the Company's ASX announcement of 13 November 2019 for drill hole details of the 2019 RC drilling campaign). Further, hand held portable XRF (hh_pXRF) analysis of chips of the massive sulphide showed they may contain up to 1.7% nickel locally (see **Appendix 2** for hh_pXRF certified standards checks).

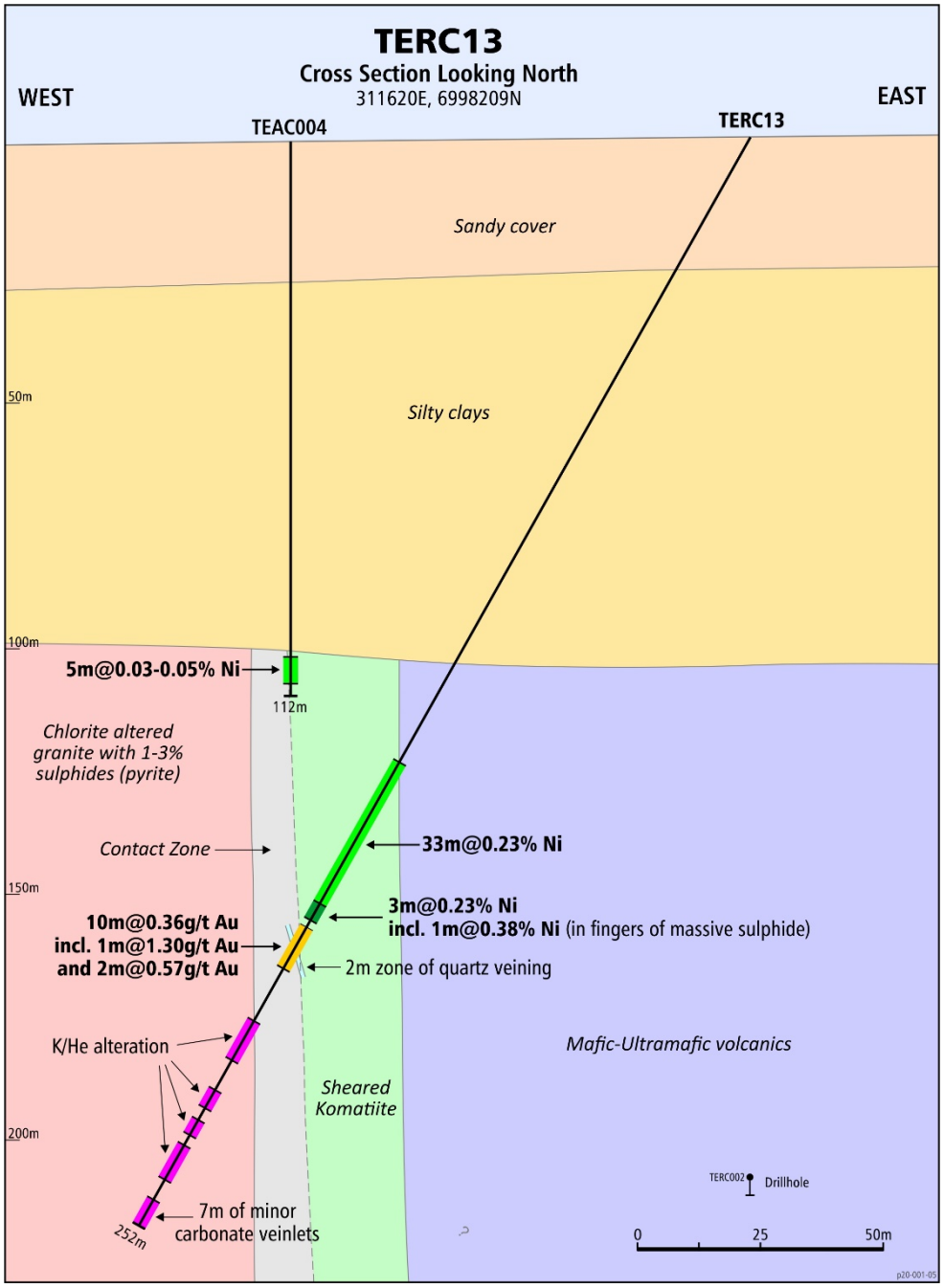


*Figure 3: Cross-section through TERC13, showing location of the intersection of massive sulphides containing nickel as well as the general geology throughout the hole, consisting of chloritised and silicified meta-volcanics (east), sheared ultramafic/Komatiite (centre) and granite (west). See text for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

Above the nickel in sulphide zone, the grades of nickel in the rest of the Komatiite-ultramafic unit were relatively high at 0.23% Ni over 33m from 144m downhole (**Figure 3**), however it is unclear at this stage if this nickel is in a sulphide or silicate phase. The komatiite-ultramafic has been observably sheared in TERC13 and higher than usual platinum (Pt) and palladium (Pd) concentrations may suggest some mobilisation of nickel sulphides has taken place throughout the rock unit. A limited number of samples are being sent for mineral chemistry analysis at a micro-scale using an electron microscope to ascertain if nickel sulphides extend further throughout the komatiite-ultramafic unit in fine disseminated form or within coatings of pyrite observed on shear fracture/foliation surfaces.

**Gold Intersection**

Gold mineralisation over 10m was intersected directly beneath the nickel, grading 0.36g/t from 182m downhole inclusive of 2m at 0.57g/t from 188m and 1m at 1.3g/t from 188m (see **Figure 3**). The gold was hosted within a silica rich and heavily chlorite altered contact zone on the edge of the granite with granite-like trace element geochemistry. The highest grade gold was associated with significant quartz veining with carbonate. Silver (Ag), with grades of up to 2.6g/t (over 1m from 203m downhole) was also a prominent geochemical feature of the contact zone. Disseminated pyrite alteration continued throughout the granite to the end of hole, some 74m beyond the contact with the komatiite-ultramafic. Potassic-hematite alteration and carbonate veining is also a common feature within the granite. It is considered likely that the gold mineralisation is a different mineralisation event to that of the nickel.

**Significance of Nickel and Gold Intersections for Future Exploration on the Project.**

The gold intersection of up to 1.3g/t Au in TERC13, along with extensive pyrite and potassic-hematite alteration and quartz-carbonate veining and silicification is a strong indication that significant gold mineralisation may be present nearby to TERC13 and that gold deposits at granite-greenstone contacts, common in the Yilgarn and present in the Yandal, are a genuine consideration for exploration on the Project. In this context, combined with the updated basement mapping from the 2019 drilling and further interpretation of geophysics, the TERC13 gold hit extends the prospectivity of the Christmas and November Rain areas out to the west to Area 12 (**Figure 4**). Aircore drilling in 2019 uncovered a top of basement gold anomaly in Area 12, also at a granite contact, and near breccia and thick quartz veining (refer to the Company's ASX announcement of 11 June 2019), which has yet to be followed up by deeper drilling.

The gold intersection in TERC 13 further proves that a significant hydrothermal system carrying gold was operational in the Christmas and November Rain areas. It lies only 720m to the west of TERC06 where a recently announced gold anomaly continued downhole for 52m with numerous intervals of over 0.1g/t Au (refer to the Company's ASX announcement of 10 January 2020). TERC06 is the only hole to have tested beneath the 1.3km long top of basement gold anomaly from Christmas to November Rain to date (see **Figure 4**).

The intersection of nickel in sulphides in komatiite-ultramafic in TERC13 significantly alters the exploration perspective for the Yandal Gold Project, such that future exploration will now target nickel sulphides along with gold. In particular the confirmation of nickel sulphides at Christmas validates previous exploration for nickel sulphides at Yandal One, where the Company's 2016 RC drilling campaign intersected an extensive package of folded komatiite-ultramafic in the south of the Project (see **Figure 5** and refer to the Company's ASX announcement of 25 November 2016 for information on Yandal One exploration).

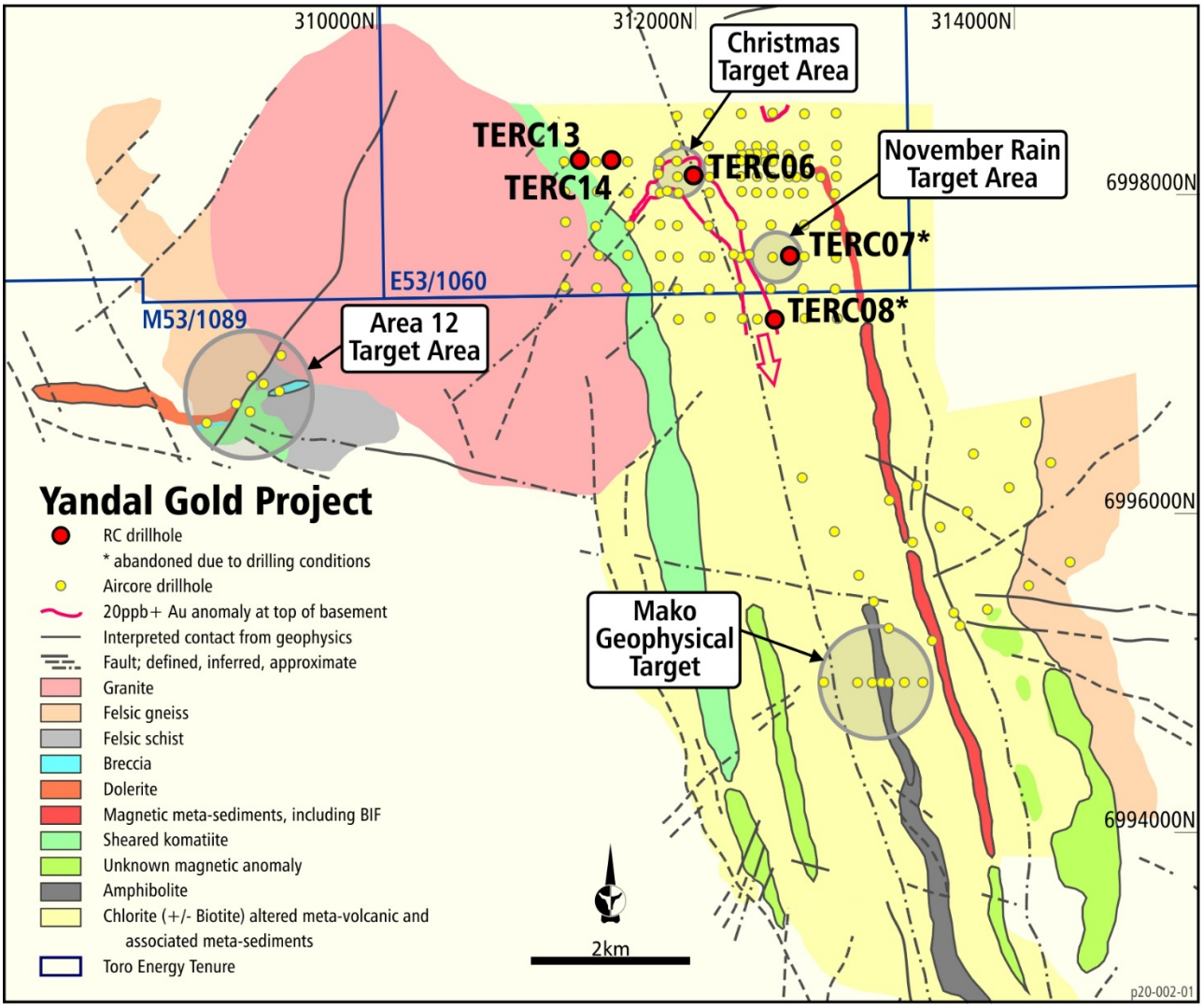


*Figure 4: Basement geology map of the Yandal Gold Project focused on the Christmas, November Rain and Area 12 target areas and including the Mako geophysical target. The geology has been interpreted using the geological logs of Toro's 2018 and 2019 aircore drilling, the geological logs of the recent 2019 RC drilling, the first vertical derivative of the total magnetic intensity geophysical image and ground gravity interpretations. Collar locations of all drilling so far has been included with the 2019 RC holes labelled. Note that RC holes TERC07 and TERC08 did not reach target depth and so did not test any anomalies from the aircore drilling.*

The location of the intersection of nickel in sulphides in TERC13, at the base of a komatiite-ultramafic and at a granite contact, is consistent with the basic geology of many of the nickel sulphide deposits in the world-renowned Agnew-Wiluna nickel belt of Western Australia. The Agnew-Wiluna greenstone nickel belt lays approximately 50km to the west of Christmas with the 250Mt+ Mount Keith deposit and the 500Kt+ Cosmos deposit further to the south (refer to **Figure 1**). Although it is so far only a relatively thin and low-grade intercept, it is only the first hole drilled into the komatiite-granite contact in the Christmas area and is evidence that komatiite-ultramafic sequences within the Project may be fertile for nickel sulphides.

The target area for nickel sulphides on the Project is potentially extensive. Based on aircore drilling and geophysics, the target komatiite-ultramafic from TERC13 may extend to the south for at least 8km (**Figure 4**). More komatiite-ultramafic may exist further to the east beneath November Rain, where

aircore drilling uncovered top of basement anomalies of nickel and chrome (Cr) as anomalous as those targeted by TERC13. Further to the south, at Yandal One, RC drilling in 2016 revealed a folded komatiite-ultramafic sequence in contact with granite that can be mapped by geophysics for at least 9km (refer to **Figure 5**).

The Company's Yandal One nickel exploration project culminated in a detailed airborne magnetic survey and follow-up RC drilling campaign in 2016 of 18 holes for 3,537m. The drilling was considered to adequately test for the primary target of large Mt Keith scale disseminated nickel sulphide deposits within the area of drilling, but not for the smaller in area but higher grade massive nickel sulphide deposits. It is Toro's opinion that the komatiite-ultramafic sequence at Yandal One remains prospective for massive nickel sulphide deposits in the area drilled, further at depth and further to the north of the area drilled. The nickel in sulphide intersection in TERC13 provides support for this.

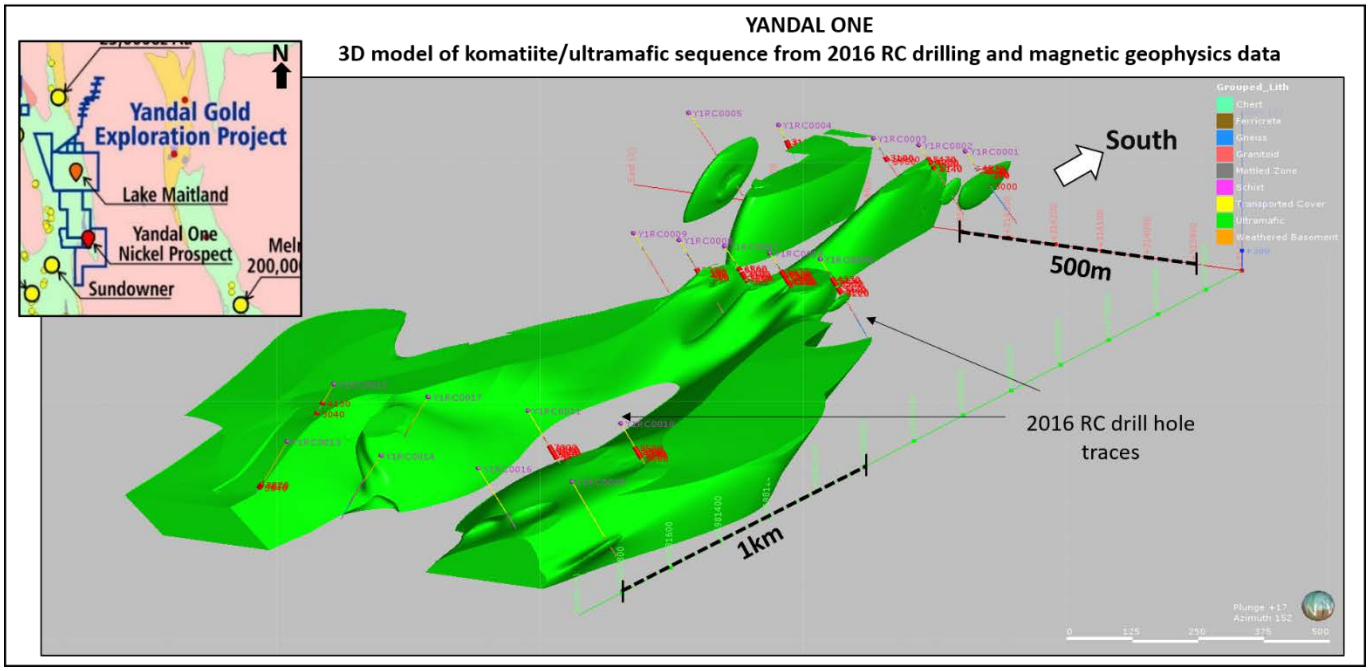


*Figure 5: 3D model of the komatiite-ultramafic unit, restricted to the area drilled at the Yandal One Nickel Prospect. The model was produced using the 3D modelling software LeapFrog© from data from the geological logs of the 2016 RC drilling programme, the geochemistry results from the 2016 RC drilling programme and depth slice models of magnetic data from a detailed airborne magnetic survey. Note that the komatiite/ultramafic unit continues beyond the model to the north and to a lesser extent, to the south. The rock inside the fold is chloritised meta-volcanic rock and associated meta-sediments and the rock outside the fold is gneiss and granite.*

Toro is now actively planning follow-up exploration on the Yandal Gold Project, including further drilling around TERC13, both at depth and along strike. The search for conductors via ground electromagnetic (EM) and downhole EM surveying is being considered for future nickel exploration. Analysis of the full geochemistry is ongoing for the Golden Ways target area with results expected to be reported in the coming weeks.

## THE YANDAL GOLD PROJECT

Toro's 100% owned 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.

The Project is considered by the Company to be a rare opportunity for potential greenfields discoveries within a mature gold district. Aggressive gold exploration operations are currently being undertaken by other companies on adjacent ground, such as those of Echo Resources Ltd and Yandal Resources Ltd. Toro acknowledges the prospectivity of greenstone belts for other metals and so although the main focus of exploration on the Project will be gold, findings favourable for the discovery of other metals will also be considered in exploration planning.

Toro sees the Project as an opportunity to build additional value in the Company's ground whilst the uranium market remains subdued, however the Company remains focused on advancing its Wiluna Uranium Project in parallel with the exploration for other commodities.

Interpretation of a detailed airborne magnetic survey completed in 2016 in combination with a ground gravity survey completed in early 2018 identified well over 70 structural settings within the Project that may be favourable for gold mineralisation.

An extensive aircore drilling campaign conducted over late 2018 and early 2019 that incorporated only a few of these structural targets (refer to the Company's ASX announcement of 17 October 2018) identified six (6) main target areas for gold exploration, including a number of gold and nickel-copper-platinum group element (PGE) geochemical anomalies in top-of-basement rock. These target areas are now known as Christmas (gold and gold-nickel-copper-PGE anomalies over structural targets), November Rain (gold and gold-nickel-copper-PGE anomalies over structural targets), Area 12 (gold over structural target), Mako (magnetic and gravity geophysical target), The Maze (gold anomalies over structural targets) and Shadow Rock (gold anomalies over structural targets) (**Figure 2**).

The recently completed RC drilling campaign of 15 drill holes for 2,896m followed up geochemistry anomalies from the aircore drilling at Christmas, November Rain and Shadow Rock. It also incorporated two new target areas, Golden Ways and Broken Nose.

Golden Ways, in the far north east of the Project, has a number of historical gold prospects and drill targets. Toro believes the area to be under-explored, both along structures and at depth (refer to the Company's ASX announcement of 9 September 2019).

Broken Nose, in the far south of the Project, is focused around a significant NE trending structural offset in the nose of a folded ultramafic-komatiite (refer to the Company's ASX announcement of 13 November 2019) where the magnetic geophysical data shows significant structural disruption around potentially sheared greenstone-granitoid contacts where gold mineralisation could have been concentrated.

This announcement was authorised for issue by the board of Toro Energy Limited.

Katherine Garvey
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60 Havelock Street, West Perth WA 6005

**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 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: Tables of Assays Relating to the Significant Geochemical Results Reported on in this ASX Announcement for Nickel (Ni), Gold (Au) and Silver (Ag).**

| HoleID | Depth From (m) | Depth To (m) | Interval width (m) | Ni (wt%) | Ni (wt%) - Field Dup. |
|---|---|---|---|---|---|
| TERC013 | 144 | 147 | 3 | 0.20 | 0.2 |
| TERC013 | 147 | 149 | 2 | 0.20 | NA |
| TERC013 | 149 | 150 | 1 | 0.18 | NA |
| TERC013 | 150 | 154 | 4 | 0.18 | NA |
| TERC013 | 154 | 156 | 2 | 0.19 | NA |
| TERC013 | 156 | 159 | 3 | 0.17 | 0.17 |
| TERC013 | 159 | 160 | 1 | 0.23 | NA |
| TERC013 | 160 | 164 | 4 | 0.28 | NA |
| TERC013 | 164 | 165 | 1 | 0.27 | NA |
| TERC013 | 165 | 169 | 4 | 0.26 | NA |
| TERC013 | 169 | 173 | 4 | 0.27 | NA |
| TERC013 | 173 | 174 | 1 | 0.26 | NA |
| TERC013 | 174 | 175 | 1 | 0.27 | NA |
| TERC013 | 175 | 176 | 1 | 0.26 | NA |
| TERC013 | 176 | 177 | 1 | 0.26 | NA |
| TERC013 | 177 | 178 | 1 | 0.38 | NA |
| TERC013 | 178 | 179 | 1 | 0.06 | NA |
| TERC013 | 179 | 180 | 1 | 0.24 | NA |

Table of Assays for significant Nickel (Ni) results reported on in this ASX announcement. Drill holes are reverse circulation (RC) technique. Analysis is by Inductively Coupled Plasma Atomic Emission Spectrometry (ICPMS) via a mixed 4-acid digest. Detection limit = 1ppm or 0.0001wt% Ni).

| HoleID | Depth From (m) | Depth To (m) | Interval Width (m) | Au (g/t) | Au (g/t) - Field Dup. |
|---|---|---|---|---|---|
| TERC013 | 182 | 183 | 1 | 0.58 | NA |
| TERC013 | 183 | 184 | 1 | 0.56 | NA |
| TERC013 | 184 | 185 | 1 | 0.02 | NA |
| TERC013 | 185 | 186 | 1 | 0.01 | NA |
| TERC013 | 186 | 187 | 1 | 0.02 | NA |
| TERC013 | 187 | 188 | 1 | 0.14 | NA |
| TERC013 | 188 | 189 | 1 | 1.30 | NA |
| TERC013 | 189 | 190 | 1 | 0.45 | NA |
| TERC013 | 190 | 191 | 1 | 0.33 | NA |
| TERC013 | 191 | 192 | 1 | 0.22 | NA |

Table of Assays for significant Gold (Au) results reported on in this ASX announcement. Drill holes are reverse circulation (RC) technique. Analysis was by Fire Assay followed by Atomic Absorption Spectrometry (AAS) for the samples from 188m to 192m (detection limit = 0.005g/t). Samples from 182m to 188m were analysed differently as they were firstly analysed as part of a composite and then re-analysed as individual metres. The latter analysis was by Fire Assay and Atomic Emission Spectrometry (AES) (detection limit = 0.005g/t Au).

| HoleID | depth from (m) | depth to (m) | Interval width | Ag (g/t) | Ag (g/t) - Field Dup. |
|---|---|---|---|---|---|
| TERC013 | 177 | 178 | 1 | 0.6 | NA |
| TERC013 | 179 | 180 | 1 | 1 | NA |
| TERC013 | 182 | 183 | 1 | 1.7 | NA |
| TERC013 | 183 | 184 | 1 | 0.9 | NA |
| TERC013 | 184 | 185 | 1 | 0.5 | NA |
| TERC013 | 187 | 188 | 1 | 0.6 | NA |
| TERC013 | 188 | 189 | 1 | 1.1 | NA |
| TERC013 | 189 | 190 | 1 | 1.4 | NA |
| TERC013 | 191 | 192 | 1 | 0.6 | NA |
| TERC013 | 202 | 203 | 1 | 1.1 | 1.2 |
| TERC013 | 203 | 204 | 1 | 2.6 | NA |
| TERC013 | 204 | 205 | 1 | 0.6 | NA |
| TERC013 | 205 | 206 | 1 | 1.2 | NA |

Table of Assays for significant Silver (Ag) results reported on in this ASX announcement. Drill holes are reverse circulation (RC) technique. Analysis is by Inductively Coupled Plasma Atomic Emission Spectrometry (ICPM) via a mixed 4-acid digest. Detection limit = 0.5ppm Ag).

**Appendix 2: Description of Hand Held Portable XRF Method of Analysis and Instrument Check Against Certified Standards**

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 analysis on the massive sulphide was performed on the flat surface of drill chips that had been polished flat by diamond file and washed and dried.

The table below shows the performance of the hh_pXRF analysis against two certified standard powders at two end member values, one low (OREAS45e at 0.0454 wt% Ni) and one high (OREAS76b at 7.78 wt% Ni) at the time of analysis of the samples reported on in this ASX announcement. The results of the standards check shows the instrument was within 10% of the certified value for each standard, which is considered adequate for the measurements reported in this ASX announcement.

| Standard | Nickel (Ni) Certified Value (wt%) | hh-pXRF Result (Ni - wt%) | Error (% from certified value) |
|---|---|---|---|
| OREAS45e Lateritic Soil | 0.0454 | 0.0411 | -9.47 |
| OREAS 76b Ni-sulphide Ore | 7.78 | 8.16 | 4.88 |

# JORC Code, 2012 Edition – Table 1 report Yandal Gold Project

## Section 1 Sampling Techniques & Data

(Criteria in this section apply to all succeeding sections.)

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| *Sampling techniques* | • *Nature & quality of sampling (e.g. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc.). These examples should not be taken as limiting the broad meaning of sampling.*<br>• *Include reference to measures taken to ensure sample representivity & the appropriate calibration of any measurement tools or systems used.*<br>• *Aspects of the determination of mineralisation that are Material to the Public Report.*<br>• *In cases where 'industry standard' work has been done this would be relatively simple (e.g. 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (e.g. submarine nodules) may warrant disclosure of detailed information.* | • Geochemical samples were taken from drill chips produced by a reverse circulation (RC) drill rig. Samples were split from the sample stream every metre as governed by metre marks on the drill string, by a cone splitter approximating between 7-13% of the full metre of sample. The dust box was used to control the flow of chips to the cone splitter.<br>• Duplicates were taken every metre from the alternate sample opening on the cone splitter. This gave flexibility to where field duplicates were introduced into the geochemical sampling stream to the lab and allowed for compositing at any depth or interval.<br>• All compositing was completed at the lab to reduce the average grain size prior to compositing and therefore resulting in a better representation of the entire downhole composite.<br>• Compositing was usually every 4m but depended on end of hole and where 1m samples had been analysed.<br>• 1m samples were analysed on a subjective basis according to the geologists instructions after examining drill chips.<br>• On a regular basis both sample and duplicate were weighed with a simple hook based hand held scale to check for representivity of both the metre sampled and the duplicate. This weight was not recorded, rather used as an in-filed measure to alert drillers of issues with the cone splitter and drilling.<br>• Samples were collected in calico bags – each bag weighed approximately 1-3kg.<br>• Blanks, duplicates and standards were introduced at the laboratory stage.<br>• A small (1-2 teaspoon sized) representative sample was kept of each metre for record purposes. |
| *Drilling techniques* | • *Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc.) & details (e.g. core* | • Reverse Circulation drilling was used to obtain 1m samples for the purpose of geological logging and geochemistry. Compositing was performed for |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| | *diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented & if so, by what method, etc.).* | some geochemical samples (see above elsewhere in this table)<br>• RC sampling was completed using a 5.5" diameter drill bit with a face sampling hammer. RC drilling rigs were equipped with a booster compressor and this was used where appropriate. |
| *Drill sample recovery* | • *Method of recording & assessing core & chip sample recoveries & results assessed.*<br>• *Measures taken to maximise sample recovery & ensure representative nature of the samples.*<br>• *Whether a relationship exists between sample recovery & grade & whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.* | • RC Drillers were advised by geologists of the ground conditions expected for each hole and instructed to adopt an RC drilling strategy to maximize sample recovery, minimize contamination and maintain required spatial position.<br>• Sample recovery is approximated by assuming volume and rock densities for each metre of the drill hole and back referencing to this for individual metres coming from the cone splitter.<br>• No sample bias was observed according to recovery. |
| *Logging* | • *Whether core & chip samples have been geologically & geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies & metallurgical studies.*<br>• *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc.) photography.*<br>• *The total length & percentage of the relevant intersections logged.* | • All drilling in this ASX release is by reverse circulation (RC). RC holes are geologically logged on a 1m interval basis. Where no sample is returned due to voids or lost sample, it is logged and recorded as such. The weathering profile is logged with no washing/sieving as well as washed/sieving to identify the transition into fresh rock and to identify unweathered quartz veins. In fresh rock all RC chips are logged by washing/sieving.<br>• Geological logging is qualitative and quantitative in nature.<br>• Visual estimations of sulphides and geological interpretations are based on examination of drill chips from a reverse circulation (RC) drill rig using a 20x hand lens during drilling operations. Chips are washed and sieved prior to logging.<br>• It should be noted that whilst % mineral proportions are based on standards as set out by JORC, they are estimation only and can be subjective to individual geologists to some degree.<br>• Details of the sulphides, type, nature of occurrence and general % proportion estimation are found within the text of the release if reported at all. |
| *Sub-sampling techniques & sample preparation* | • *If core, whether cut or sawn & whether quarter, half or all core taken.*<br>• *If non-core, whether riffled, tube sampled, rotary split, etc.& whether sampled wet or dry.*<br>• *For all sample types, the nature, quality &* | • Geochemical samples were taken from drill chips produced by a reverse circulation (RC) drill rig. All sampling techniques are described above. The nature and quality of the sampling technique was considered appropriate for the drilling technique applied and for the geochemical analysis sought.<br>• As described above a cone splitter was used to |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| | *appropriateness of the sample preparation technique.*<br>• *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.*<br>• *Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.*<br>• *Whether sample sizes are appropriate to the grain size of the material being sampled.* | split samples from the RC sample stream. The cone splitter was levelled prior to drilling and this level was checked at regular intervals throughout the drilling of each drill hole to ensure representivity of sample.<br>• A field duplicate was taken for every metre sampled and both duplicate and original sample were checked in an approximate manner weighed in the field using a hook based hand held scale to check for sample representivity.<br>• Filed duplicates were introduced into the geochemical sample submission at approximately 1 in 20 samples or 5% of the sample stream or where considered appropriate due to observations of drill chips and according to the geologist's instructions.<br>• Quartz sand blanks were introduced into the sample stream at 1 in 20 or 5% at the lab.<br>• The laboratory introduced geochemical standards for specific elements and of different grades as per the geologist's instructions at the rate of 1 in 20 or 5% or at smaller intervals. In this case the specific standards used were targeted for nickel (Ni) and gold (Au).<br>• At the lab, samples were crushed to a nominal 2mm using a jaw crusher before being split using a rotary splitter into 400-700g samples for pulverising.<br>• Samples were pulverised to a nominal >90% passing 75 micron for which a 100g sample was then selected for analysis. A spatula was used to sample from the pulverised sample for digestion.<br>• The ALS and Bureau Veritas geochemical laboratories in Perth that were used for this Project both use their own internal standards and blanks as well as flushing and cleaning methods accredited by international standards.<br>• Sample sizes and splits are considered appropriate to the grain size of the material being sampled as according to the Gi standard formulas. |
| *Quality of assay data & laboratory tests* | • *The nature, quality & appropriateness of the assaying & laboratory procedures used & whether the technique is considered partial or total.*<br>• *For geophysical tools, spectrometers, handheld XRF instruments, etc., the parameters used in determining the analysis including instrument make & model, reading times, calibrations factors* | • Geochemical analysis consisted of a four acid digestion before Inductively Coupled Plasma Atomic Emission Spectrometry (ICPAES) for all elements analysed except for gold (Au). Gold was analysed by Fire Assay followed by Atomic Adsorption Spectrometry (AAS) in the first run, which included composites. Selected composites were then chosen, based on the first run results, for analysis by individual metre using the individual 1m pulps that were split and |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| | *applied & their derivation, etc.*<br>• *Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) & whether acceptable levels of accuracy (i.e. lack of bias) & precision have been established.* | composited. This second analysis for gold, platinum (Pt) and palladium (Pd) was achieved by Fire Assay followed by AES. Detection limits for the elements reported on in this announcement are presented in appendix 1.<br>• Hand held portable XRF analysis (hh_pXRF) has been reported on in this ASX announcement. The method used and the results of the testing of the instrument against certified standards are given in the text of the document and in Appendix 2.<br>• All standards, blanks and field duplicate procedures are described above.<br>• Acceptable levels of accuracy for all data referenced in this ASX announcement have been achieved given the purpose of the analysis (first pass exploration) |
| *Verification of sampling & assaying* | • *The verification of significant intersections by either independent or alternative company personnel.*<br>• *The use of twinned holes.*<br>• *Documentation of primary data, data entry procedures, data verification, data storage (physical & electronic) protocols.*<br>• *Discuss any adjustment to assay data.* | • Verification of significant intersections as shown by the results of geochemical analyses has been made via contractors working for Zephyr Professional Pty. Ltd. internally with Toro.<br>• There were no dedicated twinned holes in this drilling program.<br>• All geological and geochemical data has been checked by both Toro Energy employees and Zephyr Professional Pty Ltd consultants. All geological and drilling data is entered into a Toro database. The geochemistry is currently being analysed but will also eventually be included in the Access database. |
| *Location of data points* | • *Accuracy & quality of surveys used to locate drill holes (collar & down-hole surveys), trenches, mine workings & other locations used in Mineral Resource estimation.*<br>• *Specification of the grid system used.*<br>• *Quality & adequacy of topographic control.* | • All drill hole collars referenced in this ASX release have been surveyed for easting, northing & elevation using handheld GPS at this stage only. An RTK GPS system will be used for pick-ups upon the next drilling campaign. |
| *Data spacing & distribution* | • *Data spacing for reporting of Exploration Results.*<br>• *Whether the data spacing & distribution is sufficient to establish the degree of geological & grade continuity appropriate for the Mineral Resource & Ore Reserve estimation procedure(s)&classifications applied.*<br>• *Whether sample compositing has been applied.* | • Drilling has been for exploration only, spacing varies between targets. A map of all drill hole locations in the RC campaign referenced in this ASX announcement has been provided in Figure 2 above and the drill hole collar table was provided in the ASX announcement of 13 November 2019. |
| *Orientation of data in* | • *Whether the orientation of sampling achieves unbiased sampling of possible* | • Drill angle details are given in the text and tables of the ASX announcement of 13 November 2019. |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| *relation to geological structure* | *structures & the extent to which this is known, considering the deposit type.*<br>• *If the relationship between the drilling orientation & the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed & reported if material.* | Orientation is according to the exploration target. Drill hole TERC13 was angled 60 degrees towards 270 degrees. Total depth was 252m. |
| *Sample security* | • *The measures taken to ensure sample security.* | • All geochemical samples were selected by geologists in the field and sent directly to the laboratory via truck from Wiluna (to Perth). Samples were packaged inside polyweave bags inside bulka bags. Results of geochemical analysis were sent directly to the designated geologist for entering into the Access database and for analysis. |
| *Audits or reviews* | • *The results of any audits or reviews of sampling techniques & data.* | • Not applicable |

## Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| *Mineral tenement & land tenure status* | • *Type, reference name/number, location & ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park & environmental settings.*<br>• *The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.* | • The Yandal Gold Project is located approximately 770km km NE of Perth and less than 35km NE of the Bronzewing Gold Mine operations. The project includes the tenements M53/1089, E53/1211, E53/1060, E53/1210 and E37/1146 which are 100% owned by Redport Exploration Pty Ltd (subject to the agreements referred to below), as well as E53/1858, E53/1929 and E53/1909, which are 100% owned by Toro Exploration Pty Ltd. Redport Exploration Pty Ltd and Toro Exploration Pty Ltd are both wholly owned subsidiaries of Toro Energy Ltd.<br>• All tenements are granted.<br>• A heritage agreement has been entered into with the traditional owners of the land the subject of the Yandal Gold Project.<br>• M53/1089 is subject to agreements with JAURD International Lake Maitland Project Pty Ltd (**JAURD**) and ITOCHU Minerals and Energy of Australia Pty Ltd (**IMEA**) under which JAURD and IMEA can acquire a 35% interest inM53/1089 and certain associated assets.<br>• The agreements with JAURD and ITOCHU may also be extended, at JAURD and IMEA's election, to uranium rights only on |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| | | E53/1211, E53/1060, E53/1210 and E37/1146.<br>• Toro Exploration Pty Ltd has rights to all minerals on E53/1858, E53/1909 and E53/1929.<br>• Toro has agreed to pay JAURD and IMEA net smelter return royalty on non-uranium minerals produced from E53/1211, E53/1060, E53/1210 and E37/1146. The exact percentage of that royalty will depend on Toro's interest in the non-uranium rights at the time and will range from 2% to 6.67%.<br>• E53/1060 is subject to a 1% gross royalty on all minerals produced and sold from that tenement. M53/1089 is subject to a 1% net smelter return royalty on gold and on all other metals derived from that tenement, in addition to a 1% gross royalty on all minerals produced and sold from a discrete area within that tenement. |
| *Exploration done by other parties* | • *Acknowledgment & appraisal of exploration by other parties.* | • Almost all drilling on the Yandal Gold Project exploration ground has targeted carbonate associated shallow groundwater uranium deposits. As such, prior to 2016 there was no drilling that penetrated the basement. The only exploration targeting gold or other metals in the basement rocks of the project area was 19 RC holes drilled by Toro targeting nickel in November-December 2016. A total of 18 holes were drilled into the southern part of the project area in E53/1210 and one hole was drilled into the area presented in this release (Christmas gold prospect) on E53/1060. The former holes were unsuccessful but the latter hole found a trace of gold that has contributed to the targeting of the area represented by the Christmas gold prospect. |
| *Geology* | • *Deposit type, geological setting & style of mineralisation.* | • Target mineralisation is Yandal style gold, that is gold in veins and fractures, often associated with sulphides and related to late NE and NW structures over Archaean greenstone and granitoid geology oriented sub-vertically in a N-S lineament. Gold is concentrated in the greenstones but can be found in granitoid near to greenstone-granitoid contact zones.<br>However, TERC13 was targeting a Ni and chrome (Cr) anomaly at the top of basement discovered in the 2018-19 aircore drilling campaign (refer to text in this ASX announcement). |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| *Drill hole Information* | • *A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:*<br>o *Easting & northing of the drill hole collar*<br>o *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar*<br>o *dip & azimuth of the hole*<br>o *down hole length & interception depth*<br>o *hole length.*<br>• *If the exclusion of this information is justified on the basis that the information is not Material & this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.* | • All information contained in the table within ASX announcement of 13 November 2019. |
| *Data aggregation methods* | • *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades)&cut-off grades are usually Material & should be stated.*<br>• *Where aggregate intercepts incorporate short lengths of high grade results & longer lengths of low grade results, the procedure used for such aggregation should be stated & some typical examples of such aggregations should be shown in detail.*<br>• *The assumptions used for any reporting of metal equivalent values should be clearly stated.* | • Compositing has been described above. The technique for compositing used entailed the lab crushing every metre to a nominal 2mm crushed grain size before splitting off a 400-700g, sample using a rotary splitter. The samples were then pulverised as described above and composited from the pulverised samples. See above for further details. |
| *Relationship between mineralisation widths & intercept lengths* | • *These relationships are particularly important in the reporting of Exploration Results.*<br>• *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.*<br>• *If it is not known & only the down hole lengths are reported, there should be a clear statement to this effect (e.g. 'down hole length, true width not known').* | • No true widths have been stated in this ASX release, all relate to downhole intercept lengths. This has been adequately reported in the text of the announcement. |
| *Diagrams* | • *Appropriate maps & sections (with scales)&tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations & appropriate sectional views.* | • All provided above within the ASX announcement. |
| *Balanced reporting* | • *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low & high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.* | • All relevant information for TERC13 has been reported and is shown in Figure 3 cross-section of drill hole. Reporting of other results is reported elsewhere or in reporting to come. |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| *Other substantive exploration data* | • *Other exploration data, if meaningful & material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size & method of treatment; metallurgical test results; bulk density, groundwater, geotechnical & rock characteristics; potential deleterious or contaminating substances.* | • No other exploration data collected is considered material to this announcement. |
| *Further work* | • *The nature & scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling).*<br>• *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations & future drilling areas, provided this information is not commercially sensitive.* | • The details of the nature of future work around TERC13 and the rest of the Yandal Gold Project are currently being assessed.<br>• This has been expressed in this ASX announcement where considered appropriate, see announcement for further details. |

## Section 3 Estimation & Reporting of Mineral Resources

NOT APPLICABLE