

ASX RELEASE

24 June 2020

Yandal Gold Project Drilling Update

- THE FIRST DIAMOND DRILL HOLE, TED01, HAS BEEN SUCCESSFULLY COMPLETED AT THE NOVEMBER RAIN TARGET AREA ON TORO'S YANDAL GOLD PROJECT.
- TED01 TRIALLED A NEW TECHNIQUE OF COMBINING MUD ROTARY AND DIAMOND DRILLING TO PENETRATE THROUGH GROUND CONDITIONS THAT WERE PREVIOUSLY TOO DIFFICULT FOR REVERSE CIRCULATION DRILLING.
- THE SUCCESSFUL COMPLETION OF TED01 TO 354.9M PROVED THE NEW DRILLING TECHNIQUE SUCCESSFUL. THE METHOD CAN THEREFORE BE USED IN SIMILAR CONDITIONS THROUGHOUT THE PROJECT.
- DRILLING HAS NOW COMMENCED ON TED02 AT THE NOVEMBER RAIN TARGET AREA WHILST DRILL CORE FROM TED01 IS CURRENTLY BEING PROCESSED FOR GEOCHEMICAL SAMPLE SELECTION.

Toro Energy Limited (**ASX: TOE**) ('the **Company**' or '**Toro**') is very pleased to announce the successful completion of the first diamond hole, TED01, in the first phase of its 2020 exploration drilling programme on the Company's 100% owned Yandal Gold Project ('the **Project**'). The Project is located in the Yandal Greenstone Belt, some 50km east of the world class Mt Keith nickel deposit (**Figure 1**) and 15km NE of the world class Bronzewing Gold Mine.

The diamond hole TED01 was completed at a depth of 354.9m in fresh rock. It was located at the November Rain Target Area in the same location as reverse circulation (RC) hole TERC08 from the 2019 drilling programme (**Figure 2** and **Figure 3**), which failed to reach target depth due to difficult drilling conditions. Apart from a technical trial (see below), the purpose of TED01 was to test the geology and structural orientations beneath a top of basement gold anomaly in aircore drilling completed in 2018 and 2019 (refer to **Figure 3** and to the Company's ASX announcement of 9 July 2019). Drill core from TED01 is currently being processed for geochemical sample selection.

TED01 was also a test of a new drilling technique, which combines mud-rotary and diamond drilling, to drill through the paleochannel and beyond into basement at the November Rain Target Area. This ground produced drilling conditions too difficult for RC drilling in the 2019 drilling campaign, with the two holes planned in the area, TERC07 and TERC08, failing to reach their target. The successful completion of TED01 has proved the new combined technique can be used for such drilling conditions throughout the Project going forward.

Drilling has now commenced on TED02, which is located in the same position as TERC07 at the November Rain Target Area (**Figure 3**), which had failed to reach target depth during the 2019 drilling programme. It will test for accurate geological information and structural orientation beneath a top of basement gold, nickel, chrome and platinum group element (PGE) anomaly from aircore drilling completed in 2018 and 2019 (refer to the Company's ASX announcement of 9 July 2019).

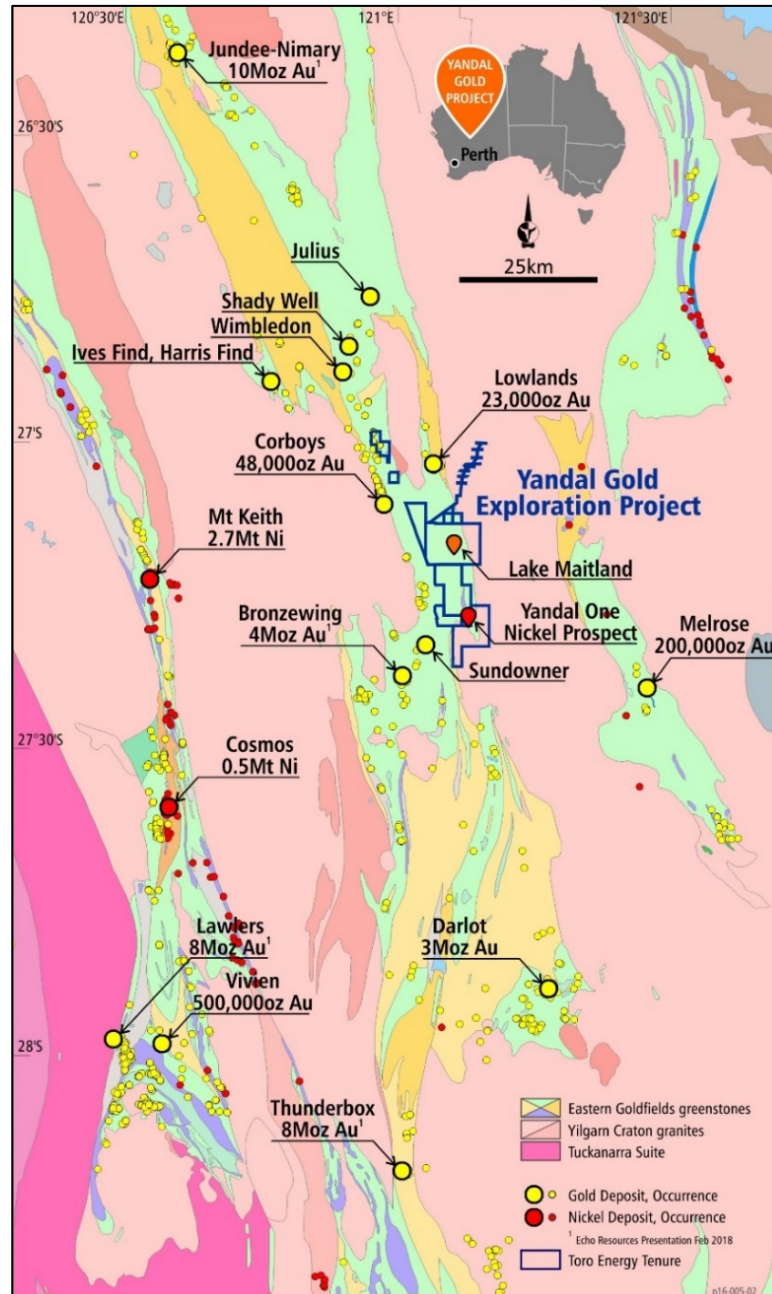


Figure 1: Location of Toro's Yandal Gold Project.

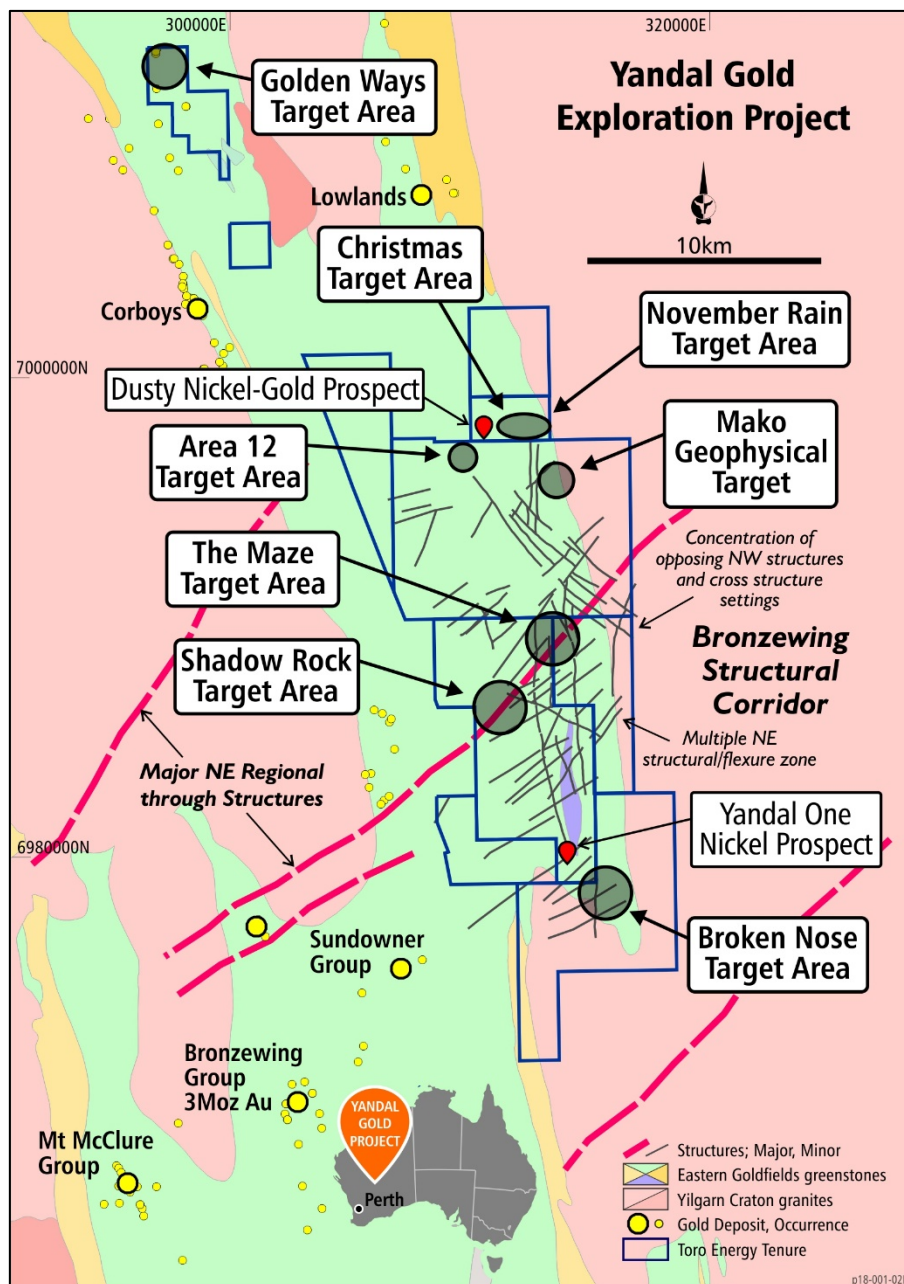


Figure 2: Close up map of the Yandal Gold Project.

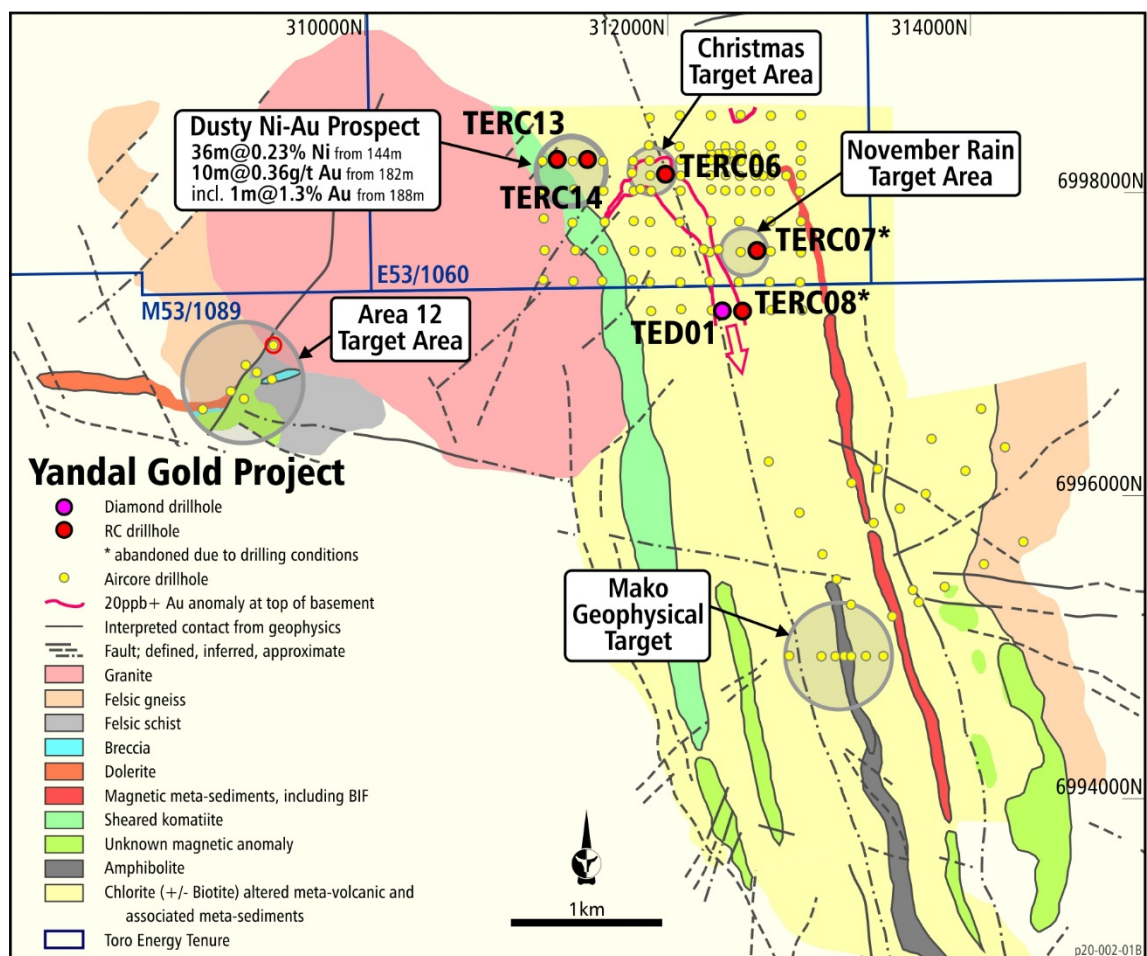


Figure 3: Geological interpretation from drilling data with relative location of gold target areas to the Dusty Ni-Au Prospect and recent drilling, inclusive of the recently completed diamond drill hole, TED01.

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

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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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