

QUARTERLY ACTIVITIES REPORT

For period ending 30 June 2020

Highlights

Yandal Gold Project, Western Australia

- Mineralogical analysis by quantitative scanning electron microscope (QEMSCAN) completed on drill chip samples from the 2019 reverse circulation (RC) drill hole TERC13 in the area of the Dusty Nickel-Gold Prospect.
- Results of QEMSCAN confirm that the nickel discovery at Dusty in RC drill hole TERC13 is primary nickel sulphide (pentlandite) and suggestive of a disseminated nickel sulphide sequence averaging 0.23% nickel over 36m from 144m downhole.
- 2020 exploration drilling programme commenced on Yandal Gold Project.
- Systematic rock chip sampling along outcropping gold bearing quartz veins carried out at Golden Ways prospect.
- Ground based moving loop electromagnetic survey (MLEM) conducted over much of the Project area including the Dusty Nickel-Gold Prospect, the Golden Ways Target Area and the Yandal One Nickel Prospect.
- Third diamond drill hole, TED03 twins TERC13 and confirms the potential for massive nickel sulphides at Dusty Nickel-Gold Prospect.
- Fourth diamond drill hole, TED04, intersects 2.6m of massive nickel sulphides from 184.5m downhole at the Dusty Nickel-Gold Prospect, with hand-held portable XRF analysis suggesting grades of between 2-6% nickel.

Wiluna Uranium Project, Western Australia

- Continued efforts to improve the value of the Wiluna Uranium Project through research, innovation and engineering opportunities including the recovery of vanadium as a valuable by-product.

Exploration during the Quarter¹

During the quarter Toro Energy Limited (**Toro** or **the Company**) commenced the 2020 exploration drilling programme on its Yandal Gold Project. 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, Figure 2**).

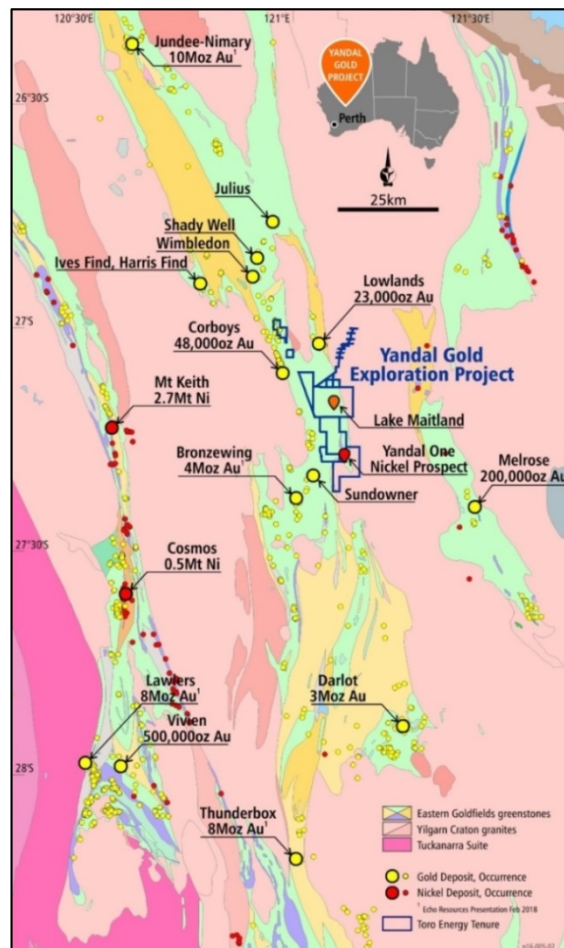


Figure 1: Location of Toro's Yandal Gold Project within the high yielding Yandal Gold District, showing the Yandal Greenstone Belt running through the project area according to state government mapping, the location of gold deposits and occurrences and the three major gold producing operating centres,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

¹ 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.

During the quarter the Company also carried out a ground based moving loop electromagnetic survey over the Dusty Nickel-Gold Project, targeting conductivity anomalies beneath the surface that may represent massive sulphide bodies containing nickel. The electromagnetic survey was subsequently extended to cover much of the Project including the Golden Ways Target Area and the Yandal One Nickel Prospect.

Systematic rock chip sampling along outcropping gold bearing quartz veins was also carried out at the Golden Ways prospect, prioritising large veins in the centre of the target area which outcrop at the surface for up to 500m. These veins have yielded gold values of up to 65 g/t from previous limited surface sampling, highlighting the potential to elevate average gold grades by high grade gold nuggets.

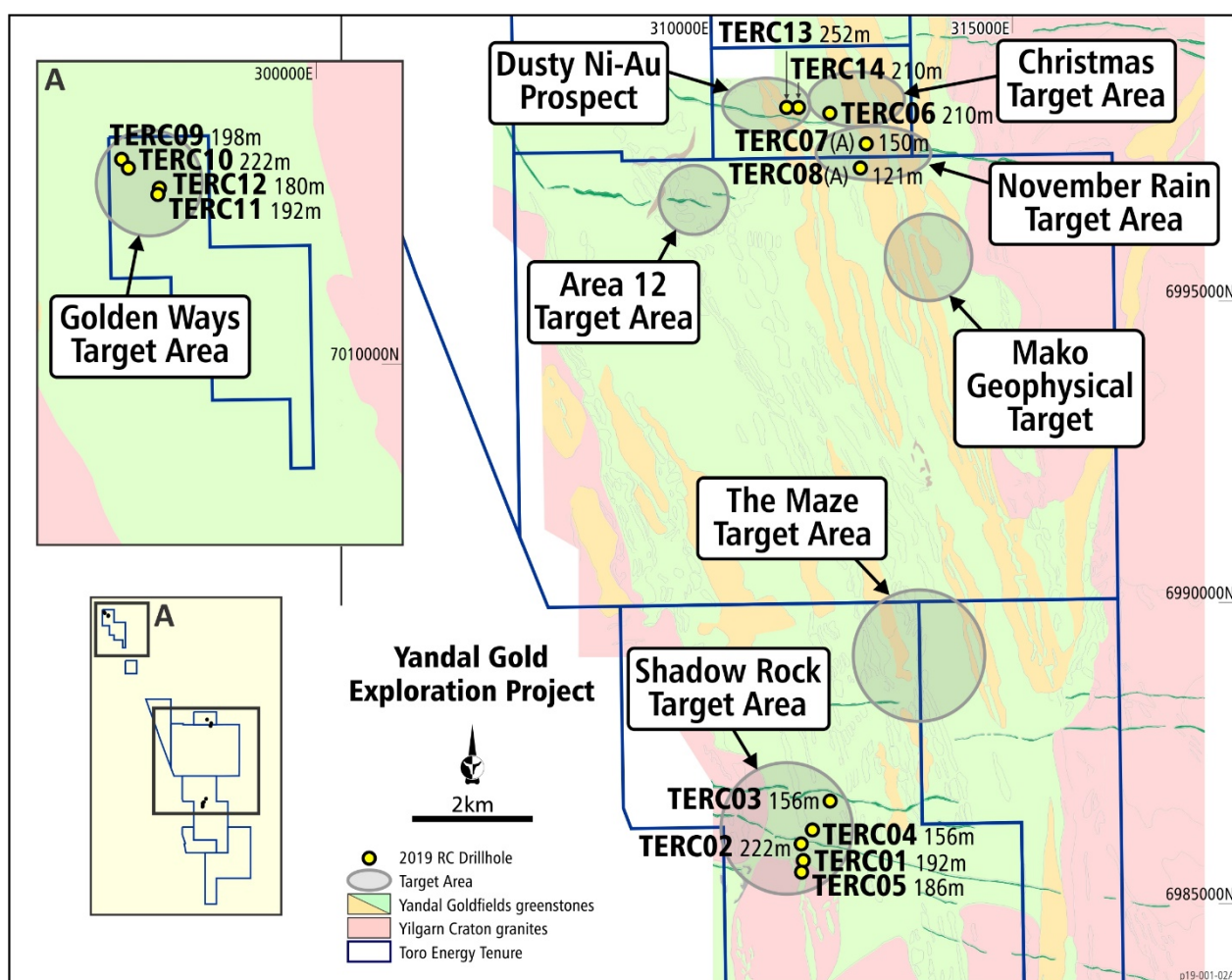


Figure 2: Location of RC drill holes completed to date relative to the location of the target areas developed so far on the project. Background geology is a simplified version of the 1:15K Interpretation of the 2016 airborne magnetic survey by Core Geophysics. No geological information from the aircore or RC drilling to date has been added to this geology. Refer to the Company's ASX announcement of 13 November 2019 for details of the drill holes shown on this map.

Mineralogical analysis by quantitative scanning electron microscope (QEMSCAN) was completed during the quarter on drill chip samples from the 2019 reverse circulation (RC) drill hole TERC13 in the area now named the Dusty Nickel-Gold Prospect (refer to the Company's ASX announcement of 9 June 2020 for further information about the QEMSCAN mineralogical analysis). The results of that analysis confirmed that:

- TERC13 intersected 36m of disseminated nickel sulphides hosted in Komatiite rock from 144m downhole, a much thicker intersection than the 3m previously announced (refer to the Company's ASX announcement of 19 February 2020).
- The main nickel sulphide mineral present throughout is the primary nickel 'ore' mineral pentlandite.
- The concentration of pentlandite in the massive sulphide 'fingers' intersected at the base of the komatiite rock unit is up to 4.1%, which aligns well with the 1.7% nickel returned from hand held portable XRF results previously announced.
- The nickel discovery at Dusty likely represented a disseminated nickel sulphide sequence averaging 0.23% nickel over 36m from 144m downhole.

The third diamond drill hole of the 2020 drilling programme, TED03, twinned RC drill hole TERC13 (approximately 6m to the west) to confirm the nature and orientation of the nickel mineralisation intersected. It intersected the same geology but proved that the 'fingers' of massive sulphide thought to have been intersected in TERC13 was actually a 15cm thick lens of massive nickel sulphide (refer to the Company's ASX announcement of 13 July 2020). After the end of the quarter the Company announced that the second diamond hole drilled at the Dusty Nickel-Gold Prospect, TED04, had intersected 2.6m of massive nickel sulphides from 184.5m downhole (**Figure 3**) with potential grades of between 2 to 6% nickel according to hand held portable x-ray fluorescence ('pXRF') analysis.

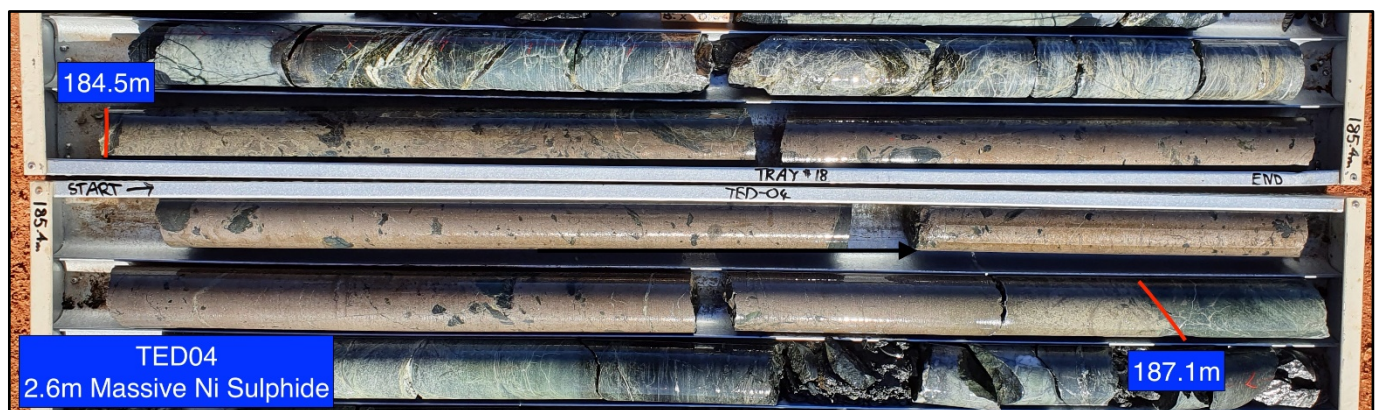


Figure 3: Photo of massive nickel sulphide intersection in diamond hole TED04, the second diamond hole drilled at the Dusty Nickel-Gold Prospect.

The diamond hole TED04 was positioned approximately 40m southeast of diamond drill hole TED03 (**Figure 4**), with the same orientation (refer to Appendix 2 in the Company's ASX announcement of 16 July 2020 for drill hole details). The purpose of TED04 was to test the rock unit hosting the 15cm massive nickel sulphide intersection in TED03 for a thicker intersection along strike to the southeast, which it succeeded in doing. The drill core from TED04 is currently being processed for geochemical sampling and analysis.

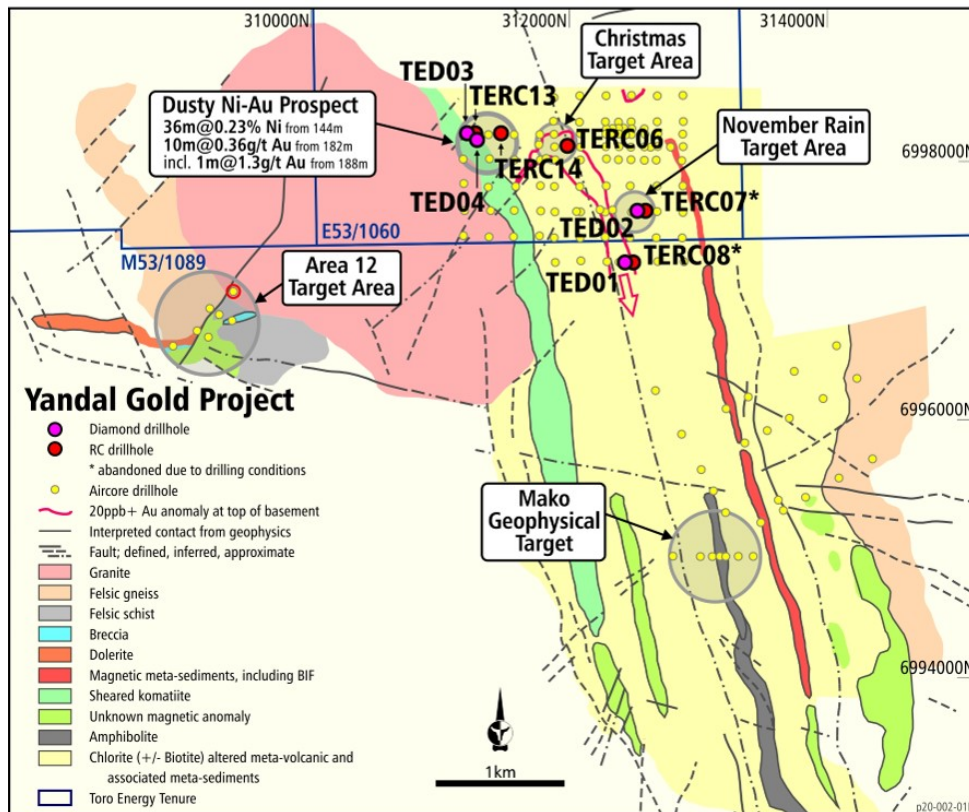


Figure 4: Geological interpretation from drilling data with relative location of gold target areas to the Dusty Ni-Au Prospect and recent drilling, inclusive of the recently completed diamond drill hole, TED04, drilled at the Dusty Nickel-Gold Prospect.

Commenting on the excellent result Toro Executive Chairman, Mr Richard Homsany, said:

"We are delighted to report this result which proves the potential for mineralisation at our Yandal Project. Intersecting 2.6m of massive sulphide potentially grading between 2 and 6% (as suggested by hand held portable xrf) is an excellent result. However when combined with the fact that this intersection is only approximately 40m southeast of diamond drill hole TED03, which also intersected massive nickel sulphide, and given that it bears the same orientation, it underscores that Toro has discovered an exciting nickel prospect. This should provide investors confidence in our strategy at Yandal."

The excellent work of our exploration team led by Dr Greg Shirtliff is increasingly upgrading and unlocking the potential that exists on Toro's tenure. We look forward to providing further updates as our drilling campaign progresses."

Although gold is the primary target of the Yandal Gold Project, other commodities will not be discounted in the overall exploration program. 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.

During the quarter the Company entered into a Controlled Placement Agreement with Acuity Capital Investment Management Pty Ltd, as announced by the Company on 11 May 2020.

Wiluna Uranium Project, Western Australia

As previously reported by Toro, the successful completion of environmental permitting of the Company's Wiluna Uranium Project (**Figure 5**) in 2017 is a major milestone for Toro.

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.

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 proposed changes to the proposed processing flowsheet design which have resulted in potential improvements in the capital and operating costs of the Wiluna Uranium Project as well as a potential improvement in overall uranium recovery from the plant. The changes 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 Study².

The Company has announced a Maiden Vanadium JORC (2012) Resource for the Wiluna Uranium Project (refer to **Figure 5**). The Maiden 2012 Inferred Mineral Resource for the Wiluna Uranium Project has been estimated at **53.6Mt** at **0.0382% Vanadium Pentoxide** (V_2O_5) comprising **68,300,000 pounds V_2O_5** using a cut-off grade of 200ppm V_2O_5 inside the U_3O_8 mineralisation envelopes for all deposits. Test work completed by the Company has established that V_2O_5 may be a valuable by-product of processing uranium ore from the proposed uranium mine on the Wiluna Uranium Project³. Given the expected long-term growth in the price of V_2O_5 (see the Company's ASX announcement of 21 October 2019 for further information) and the potential future demand, including from Vanadium Redox

² Please refer to the Company's ASX announcement of 5 December 2016.

³ Please refer to the Company's ASX announcements of 18 March 2019 and 5 September 2019 for information on the vanadium processing test-work.

Batteries (VRBs), Toro believes producing vanadium as a by-product is likely to result in a significant improvement to the feasibility and value of the Wiluna Uranium Project. Please see the Company's ASX announcement of 21 October 2019 for further details of the vanadium resource as well as information concerning the pricing of, and demand for, vanadium.

The successful leaching and IX processes developed by Toro should allow for the recovery of vanadium into a vanadium pentoxide (V_2O_5) product for sale without any significant loss to the recovery of uranium⁴. Due to simplification of the downstream refining process and a reduction in ion reagent cost resulting from using ion exchange instead of the previously proposed method (see the Company's ASX announcement of 21 October 2019 for further information), it is expected that producing V_2O_5 as a by-product will not result in any significant increase in costs to the Wiluna Uranium Project⁴.



Figure 5: Wiluna Uranium Project

Tenement Movements

There were no tenement movements on the Wiluna Uranium Project or Yandal Gold Project during the quarter. A number of exploration applications in the northern territory were not renewed during the quarter for both commercial and strategic reasons (refer to **Appendix 2**).

⁴ Refer to the Company's ASX announcements of 18 March 2019 and 5 September 2019 for information on the vanadium processing test-work.

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

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

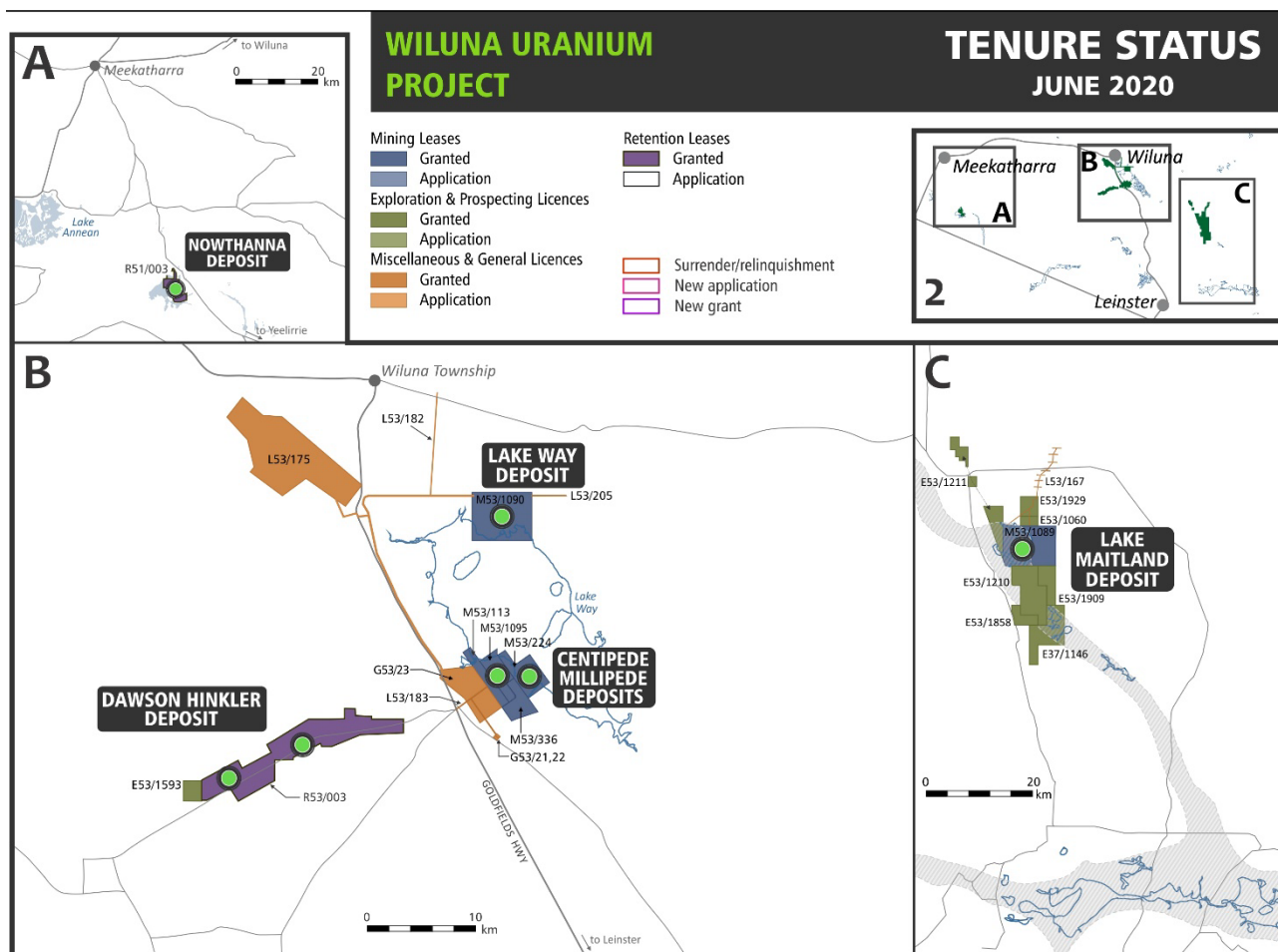
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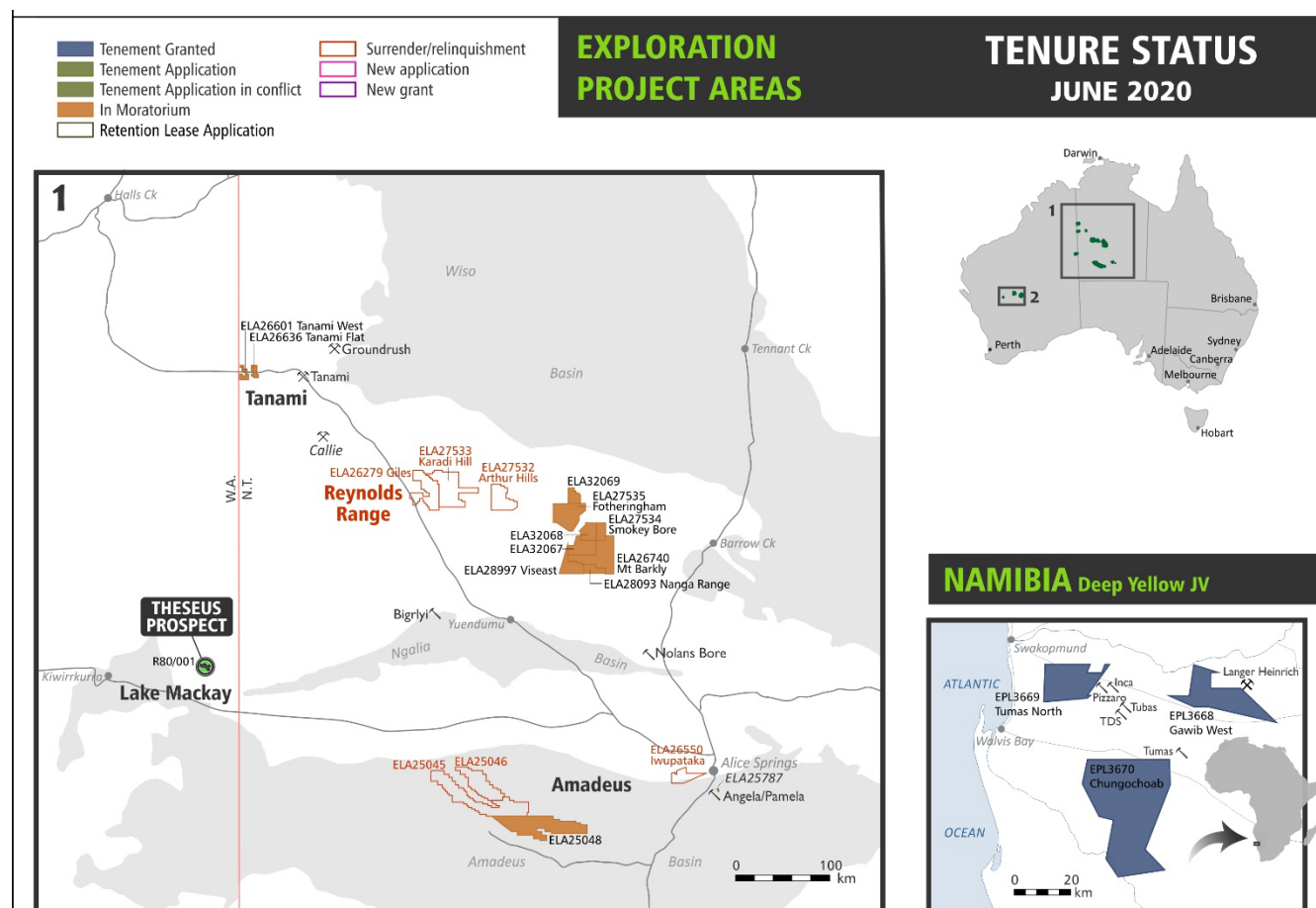
For further information contact:

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APPENDIX 1: JUNE 2020



APPENDIX 2: JUNE 2020



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 Shirtliff 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 Shirtliff takes responsibility for the integrity of the data supplied for the estimation. Dr Shirtliff 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.