

ASX AND MEDIA RELEASE

Vatovorona Drilling & Sampling Results Clarification

5 December 2011

Highlight Summary

- 5,900 metres of drilling to commence this week
- Joint Venture drilling contractor on site
- Drillers camp under construction
- All initial holes pegged and flagged

Drilling Up Date

Torian undertook a due diligence program into drilling contractors for its Vatovorona project in Madagascar before recommending to Varun Torian International (VTI) (35% held by Torian) that it enter a contract for the provision of 5,900 metres with Lanoe Forges, a respected French/Malagasy drilling company capable of both RAB (percussion/hammer rotary air blast drilling) and diamond drilling with over 50 years of experience world-wide.



For the past 4 weeks Torian has supervised site and track construction to support the drilling program. Several kilometres of additional access track has been constructed to provide for an efficient means to access the proposed pegged and flagged drill hole locations. Some 251 hole sites (hammer and diamond core) have been identified and pegged, although some of the locations may still be too steep to provide access to the drill rigs.

Lanoe will have some 25 staff on site through the program and has constructed several solid semi-permanent buildings on site to support its team. One multipurpose (RAB/diamond) and one diamond rig will operate for up to 16 hours per day; with a third diamond rig on standby.

One of the Lanoe Forges caterpillar track drilling rigs to be used at Vatovorona

The planned drill collars for the initial phase of drilling are set out in Appendix 1.

Torian has assigned two geologists to supervise the operation and provide on-site technical support.

Lanoe has requested to operate through the wet season in Madagascar to complete the 5900 metres of drilling as soon as possible. There will be a short break between Christmas and New Year. The contract terms with Lanoe do not include any penalties to VTI for wet weather or slow drilling and all cost risks associated with any extended delays are borne by Lanoe.

If there are delays during the wet season they are not expected to be severe as historically the Vatovorona area is not significantly impacted. Excessively wet weather could impact road access to the site with ramifications for getting staff and supplies (fuel/consumables) to the site and samples out. Torian estimates that the first 5900 metres of drilling will be completed towards the end of March 2012.

The focus of the initial diamond holes is the area in or near the pit, targeting extensions to the identified zone of possible mineralisation at moderate depths (20 to 100 metres). Work to date suggests completion of the planned drilling will not close off the target mineralisation along strike. Potential also exists for mineralisation to be present below the planned holes. RAB holes are planned to geochemically test under areas of transported cover, with the aim to identify further mineralisation to the south of the pit.



The target zone of mineralisation has been identified in the pit and runs along the bottom of the trench show in the photo

Follow up field sampling has discovered gold in a sample of quartz veining in one target area located approximately 500 metres south south-east of the pit. This result supports Torian's view that the Vatovorona project area contains significant potential to host further gold mineralisation. Capacity exists within the initial 5900 metre drilling program to drill test some additional target areas aside from those discussed above, ongoing field work and sampling will guide the direction of this additional drilling.

Note, while planning of holes has been based on an accumulation of technical information leading to an expectation these holes will intersect gold mineralisation there is a possibility the expected mineralisation will not be intersected in some or all holes.

15 November 2011 Market Release Clarification

Torian has received a significant number of shareholder inquiries regarding our Vatovorona project release on 15 November 2011. It is clear from the inquiries and market reaction that the release did not adequately explain what the sampling methods and subsequent results mean in terms of the ongoing viability of the project. For the purposes of clarity we include the following.

Extraction Method

Observations of material at the base of the excavated pit indicate a mineralised zone between 10 and 100 cm. The information gathered from the pit has assisted in determining the most appropriate drill locations and extraction methods for this site. Torian initially determined that an open cut extraction pit would be the most suitable mining method based on our observations of the artisanal mining, however Torian is now of the opinion that underground mining at least in the immediate vicinity of the pit may be more appropriate.

The published sample results are not an indication of the gold grade of the mineralised zone. There are two reasons for this:

1. Artisanal mining had extended throughout the majority of the mineralised zone within the pit creating areas of both void and backfill
2. Many of the samples collected were clearly outside the mineralised zone, and any samples in the area of the identified mineralised zone were diluted by either backfill or marginal waste rock.

The samples collected recently were 'grade control' samples designed to segment across the pit giving an indication of the width and location of the mineralised zone, as well as testing for the presence of gold in areas adjacent to the interpreted mineralised zone. The typical sample length of 1.5 to 3 metres, while relevant for the selected open cut mining method has resulted in the incorporation of adjacent waste rock causing dilution.

The original bulk sample (results published 7 March 2011), that returned high grades, was collected by artisanal miners (under our supervision) exclusively from within the mineralised zone. The sample did not include backfill and was not diluted with surrounding waste rock.

Further sampling by Peter Ashcroft and onsite geologists with hand crushing and panning has resulted in gold being visible in the pans. It is **not** possible to make any reasonable assessment of grades using this method however it does indicate the presence of gold.

Results pending

Results from samples collected at the bottom of the pit including some that are direct extractions from unmined material (below artisanal workings) are expected in 8 weeks. The samples taken along the bottom of the trench were not taken in the same manner as the grade control sample lines which were at 90degrees to the line of mineralisation. The trench is 2.2 metres wide (one bucket) and samples were taken at about 2 metre intervals along the identified line of mineralisation.)

Slow turnaround of results

With growing frustration, sampling results continue to take up to 14 weeks.

The process of sampling is as follows;

- Samples are collected by hand on site. Each sample is about 5-7 kgs.
- The samples in lots of about 100, are transported to Antananarivo to Intertek-Genalysis.
- Intertek-Genalysis undertake a process of sample preparation which includes drying, crushing, pulverising (which by its very nature homogenises the sample) and
- A 150 gram pulp sample is prepared for despatch to Genalysis in Johannesburg for assaying. The assaying is by fire assay which destroys the sample.

Intertek-Genalysis has decided to close the facility in Antananarivo which means we will need to undertake this part of the process to avoid exporting a significant volume of material to South Africa at significant cost. We are currently constructing a facility to be located on site, although a new pulveriser will not be available for several months. We are seeking to hire a pulveriser in the short term.

As a result of these extended delays Torian has instituted a program of crushing and panning on-site to determine the presence of gold to support decisions in the field.

Future prospects

Although Torian has not yet received gold assay results from targeted samples collected from the zone of interpreted mineralisation, the board remains committed to the project and feels confident the Vatovorona site will become a viable mining project. This optimism is based on:

- Initial bulk sample results (as published 7 March)
- Continuing good indicators from onsite sampling as discussed above
- More extensive artisanal mining than first thought
- Access to 11km of a 14km interpreted strike extension of the local mineralised zone, also rights to 112 sq kilometres of the surrounding area
- Further gold prospects have been identified in the quartz vein 200 metres east of the current line of mineralisation
- A greater understanding of the local geology suggests there is potential for a concentration of gold within dilation zones associated with structural intersections. The initial targeted drilling program is focussed on some of these prospects

Chairman's comments:

The trial mining pit has delivered valuable information and is shaping the direction of the project as we move forward.

The mineralised zone appears narrower than initially thought which impacts any mine size and extraction methods. If the drilling confirms extensions of the zone of mineralisation, below the pit or north or south of the pit it is likely any significant production in this area will require the application of "narrow vein style" underground mining techniques.

If however, the targets currently being developed by Torian's geologists prove areas of mineralisation amenable to open pit mining this will be our preferred operational model and to which first priority will be given. Importantly no reliable assessment of likely mining methods can be made until a mineral resource is defined. I am hopeful completion of the budgeted 12,000 metres of drilling will generate a JORC classified mineral resource allowing such an assessment to be made.

During my recent visits to the Vatovorona project area I have been involved in three programs of sampling where samples were collected in the base of the trial pit, in the stream adjacent to the pit and in the target area discussed above. Each produced panned gold. Associated samples have been dispatched to Intertek-Genalysis and I eagerly anticipate these results.



Panning gold from sample collected from the quartz vein 500 metres south east of the pit

The total expenditure over the next 4 months on the drilling, sample analysis and support will exceed \$1 million whilst over the next 15 months total expenditure on the project is budgeted at \$3 million. The equity funding secured from La Jolla will allow this to take place. Prudent management of the program and expenditure has seen us split the program to allow us to ensure we get the best performance from our contract drillers and further to assess the results before proceeding to the final 6,000 metres intended to take place in Q3 2012.

I am looking forward to seeing the next phase of the project including the successful completion of the first 5,900 metres of drilling.

For further information contact:

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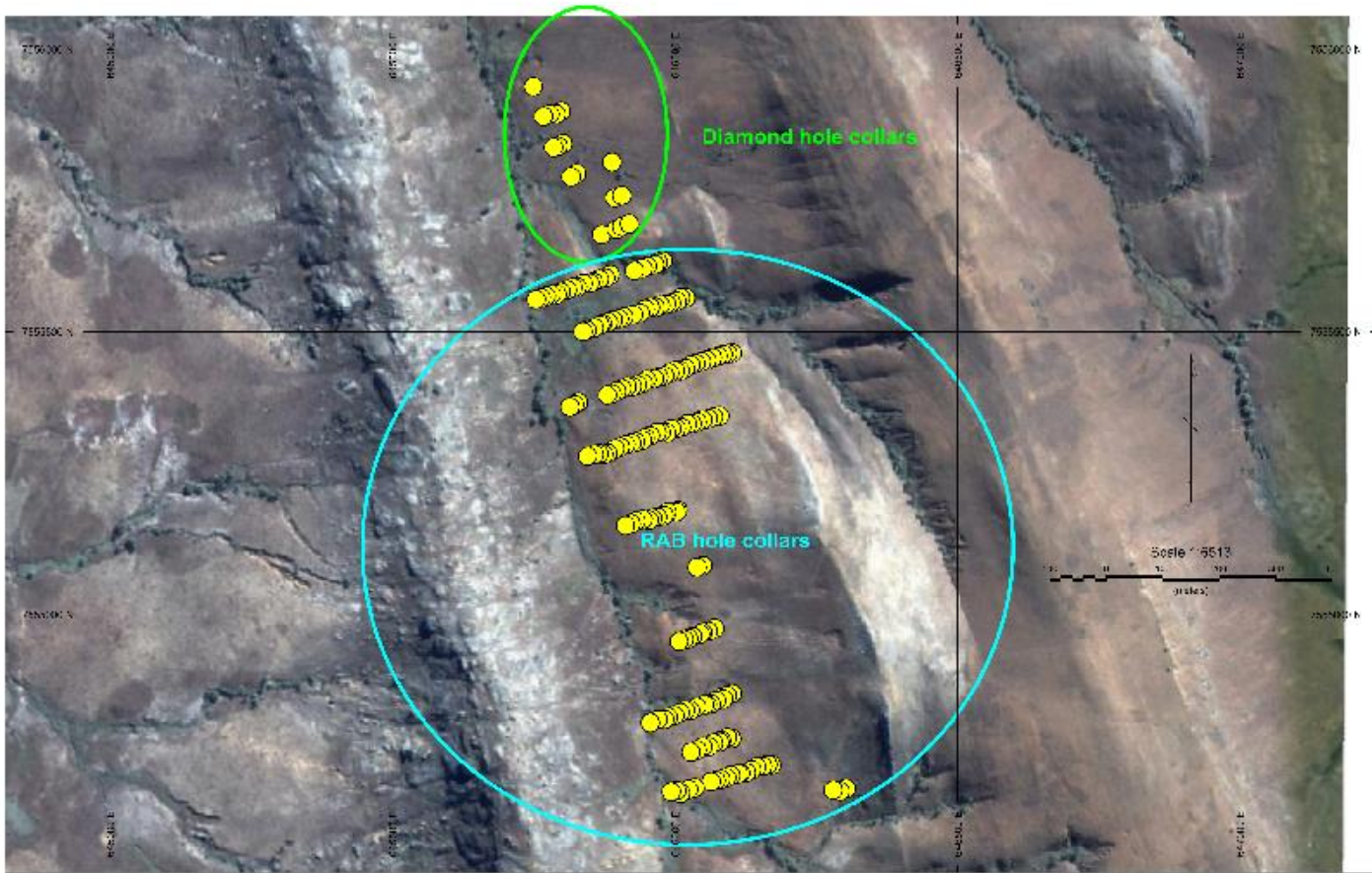
Peter Ashcroft Executive Chairman

Attribution

The information in this report that relates to Exploration Results is based on information compiled by Todd Axford, who is a member of the Australasian Institute of Mining and Metallurgy. Todd Axford is a part-time employee of the company, and has sufficient experience relevant to the styles of mineralisation and type of deposit under consideration and to the activity he is undertaking, to qualify as a Competent Person as defined in the December 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Todd Axford consents to the inclusion in the report of the matters based on his information in the form and context in which it appears

APPENDIX 1

(Planned Drill Collar Locations Vatovorona Initial Phase 1 Drilling)



Vatovorona Project Planned Drilling: Phase 1

NOTE TO ALL TORIAN RESOURCES SHAREHOLDERS

The company has called a general meeting on 16 December 2011 at 11 am at 2nd Floor, 12 Loftus Street, Sydney. We encourage all shareholders to attend and to vote on the resolutions set out on the Notice of Meeting.

The board of Torian Resources takes this opportunity to wish all the shareholders the compliments of the season. The board of Torian is looking forward to the challenges of 2012 and the completion of our work program in Madagascar, but we do ask that everyone take time to reflect on the privileges and benefits they have as compared to many parts of the world and our particular emphasis is those much less fortunate than ourselves in Madagascar. Torian is looking forward to working with the local communities in the Vatovorona area in 2012 and beyond to bring some lasting benefits, particularly in respect to food sustainability, water supply and education.

We wish you a very Merry Christmas and prosperous and safe New Year

