

ASX RELEASE

13 December 2019

Company Update**HIGHLIGHTS**

- **Geochemical assay results have begun to be returned from the laboratory.**
- **The results are currently being processed and assessed according to normal internal procedures.**
- **Toro will announce significant results as they are finalised.**
- **Negotiations underway to extend maturity date of Sentient loan facility by at least 12 months.**

Toro Energy Limited (**ASX: TOE**) ('the **Company**' or '**Toro**') wishes to advise that the geochemical assay results from the recent maiden Reverse Circulation ('**RC**') drill programme on the Company's 100% owned Yandal Gold Project ('the **Project**') have begun to be returned from the laboratory. The results are currently being processed and assessed according to normal internal company procedures and significant results will be announced to the market once these procedures have been completed and as the results are finalised.

Toro recommends a review of its ASX announcements of 3 October, 11 October, 25 October, 28 October, 30 October, 7 November and 11 November 2019 for details of the recent RC drilling on the Project where initial results from a limited number of selected samples disclosed that gold and nickel in sulphide have been intersected.

Yandal Gold Project Background

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.

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 that by Echo Resources Ltd and Yandal Resources Ltd. Toro acknowledges the prospectivity of greenstone belts for other metals and, 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 considers the Project as an opportunity to build additional value in the Company's ground whilst the uranium market awaits a recovery. However, the Company remains focused on advancing its Wiluna Uranium Project in parallel with the exploration for other commodities.

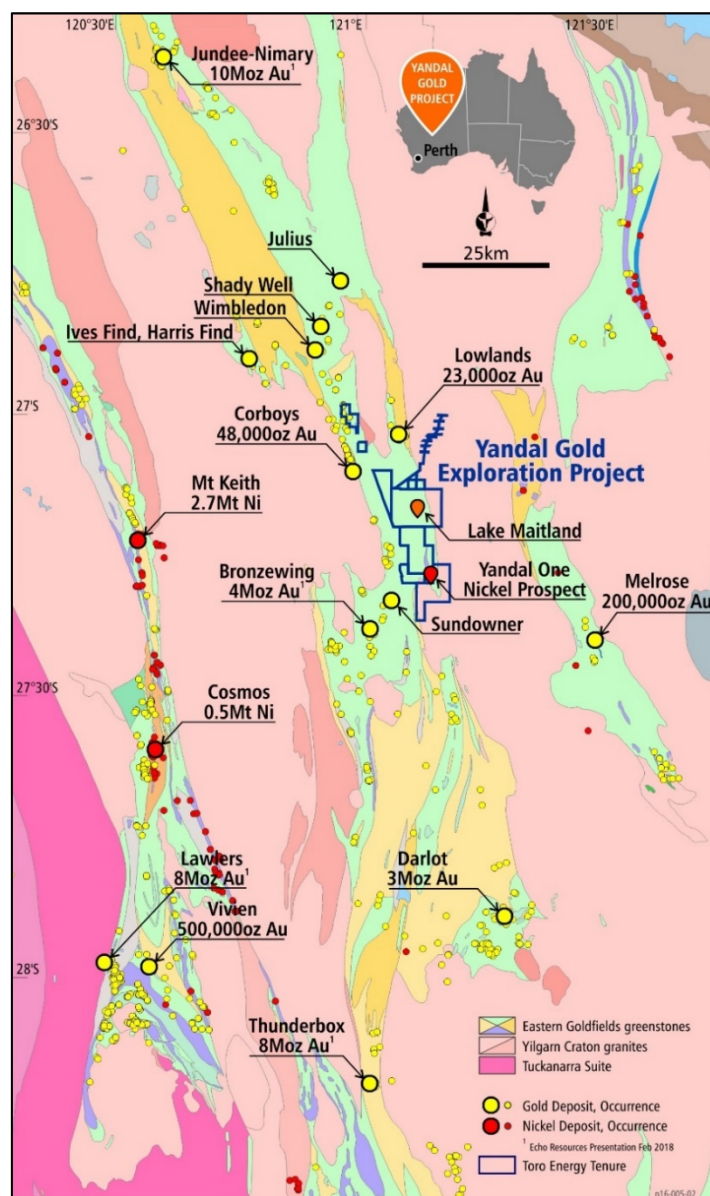


Figure 1: Location of Toro's Yandal Gold Project within the high yielding Yandal Gold District, showing the Yandal Greenstone Belt running through the project area according to state government mapping, the location of gold deposits and occurrences and the three major gold producing operating centres,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

Toro exploration to date

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 in 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 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:

1. **Christmas** (gold and gold-nickel-copper-PGE anomalies over structural targets)
 2. **November Rain** (gold and gold-nickel-copper-PGE anomalies over structural targets)
 3. **Area 12** (gold over structural target)
 4. **Mako** (magnetic and gravity geophysical target)
 5. **The Maze** (gold anomalies over structural targets)
 6. **Shadow Rock** (gold anomalies over structural targets)
- (see Figure 2).

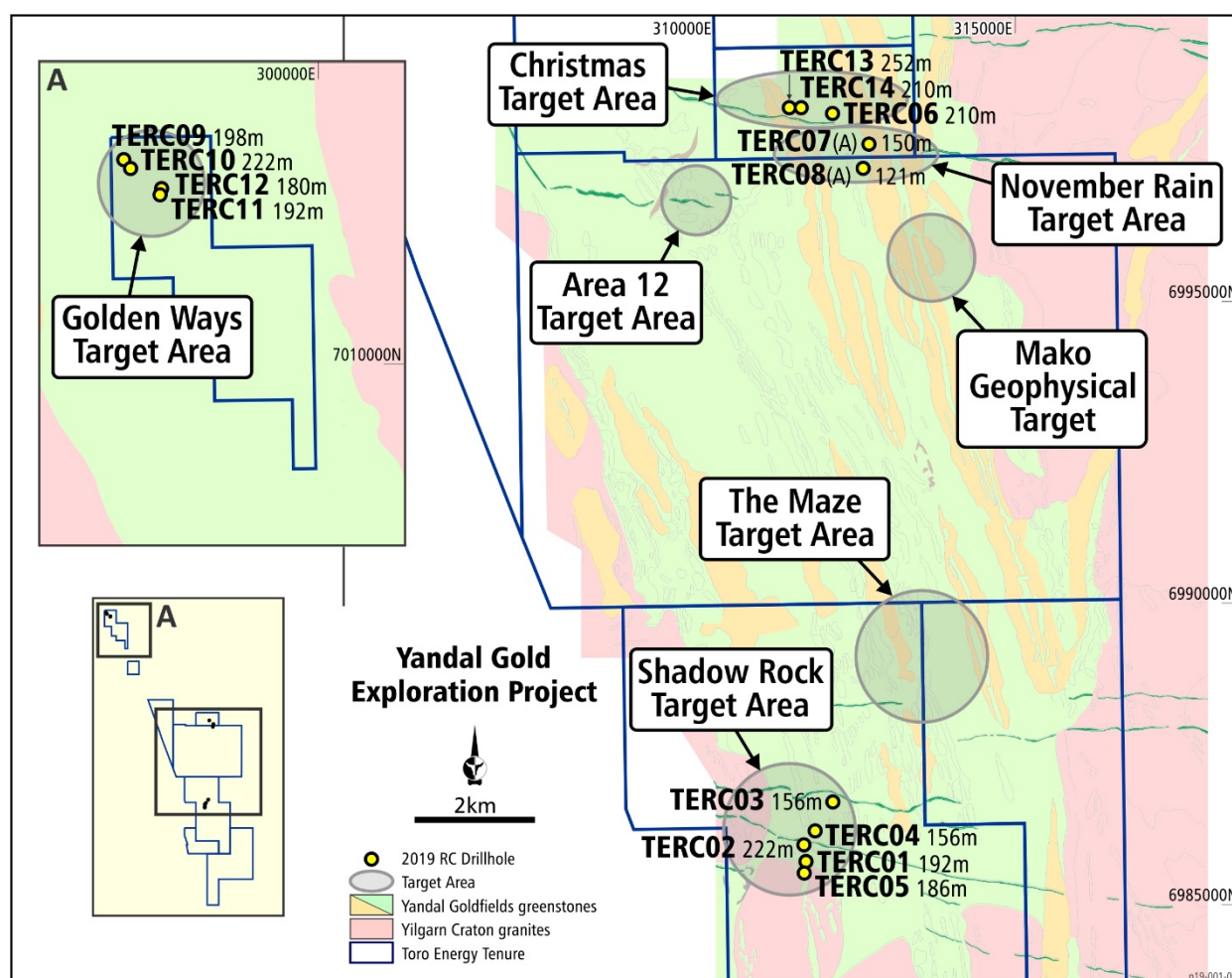


Figure 2: Location of RC drill holes completed to date in the current drilling program (see text for details), relative to the location of the target areas developed so far on the project. Background geology is a simplified version of the 1:15K Interpretation of the 2016 airborne magnetic survey by Core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

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 and Toro believe 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).

The board of Toro is encouraged by preliminary results and retains strong confidence in the significant potential for the Company's tenure to host gold mineralisation as well as base metal prospectivity.

Extension of Sentient loan facility maturity date

Negotiations are currently underway with The Sentient Group (**Sentient**) to extend the maturity date of a \$6,000,000 loan made available to the Company by Sentient (**Sentient Loan**). In exchange for repaying \$1,000,000 Sentient has agreed in principle to extend the maturity date of the Sentient Loan by at least 12 months from February 2020.

Sentient is a long time substantial shareholder in the Company and supports the Company's current strategy of extracting additional value from the Company's ground by exploring for commodities other than uranium whilst the uranium market awaits a recovery.

Further details of the revised terms and conditions of the Sentient Loan will be announced once negotiations are complete.

FURTHER INFORMATION:

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Greg Shirliff	Toro Energy	08 9214 2100

Competent Persons Statement

The information in this document that relates to geology and exploration was authorised by Dr Greg Shirliff, who is a full time employee of Toro Energy Limited. Dr Shirliff 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 Shirliff 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

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

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).

Appendix 2

Table of significant Au assays reported in ASX release				
Drill hole	From	To	Assay Au (g/t)	Lab duplicate
TERC13	181	182	0.16	NA
TERC13	188	189	0.677	NA
TERC13	189	190	1.275	1.15
TERC13	190	191	0.412	NA
TERC13	192	193	0.049	0.056
TERC13	205	206	0.025	NA
TERC13	219	220	0.013	NA
TERC13	227	228	0.01	NA
TERC13	242	243	0.011	NA
TERC13	248	249	0.011	NA
TERC13	251	252	0.012	NA

Table of assay results reported on in this ASX release. Note that these results have not yet been subject to Toro's normal QAQC procedures such as checking for total sampling error by comparing the original sample with the field duplicate. Thus, the total error cannot be calculated for these samples and therefore Toro cannot guarantee their accuracy.