

Quarterly Activities Report Period ending 31 March 2023

- Outstanding, high-grade gold assays received from phase five of RC drilling targeting resource extension and in-fill support the concept of a potential Gold Camp embracing the Paris project.
- High-grade mineralisation reported. Best results included:
 - **39m @ 6.05 g/t Au** from 175m including
 - **9m @ 10.66 g/t Au** from 178m; and **3m @ 29.4 g/t Au** from 202m (22PRC053)
 - **42m @ 2.48 g/t Au** from 186m including
 - **15m @ 5.9 g/t Au** from 189m (22PRC056)
 - **30m @ 1.12 g/t Au** from 195m including
 - **6m @ 4.08 g/t Au** from 204m (22PRC054)
 - **18m @ 3.66 g/t Au** from 120m, including
 - **6m @ 10.6 g/t Au** from 123m within (22PRC059)
 - **18m @ 1.07 g/t Au** from 51m, including
 - **3m @ 4.38 g/t Au** from 51m (22HRC035)
- Multiple circa one ounce per tonne gold intercepts received from 1m-split RC assays indicate a consistent high-grade lateral extent to the main mineralised body at Paris. Best intercepts included:
 - **2m @ 35.65 g/t Au** from 203m and **2m @ 27.1 g/t Au** from 183m (22PRC053)
 - **2m @ 59.35 g/t Au** from 204m and **3m @ 25.54 g/t Au** from 189m (22PRC056)
 - **3m @ 7.69 g/t Au** from 204m (22PRC054)
 - **2m @ 26.18 g/t Au** from 129m (22PRC059)
- Sixth phase of drilling (1,000m diamond and 5,000m RC) well underway, pursuing extensions of the Paris prospect.
- Appointment of respected senior executive Mr Andrew Woskett to the Board of Torque Metals as Non-Executive Director.
- Torque well-funded post \$2.5 million Placement to accelerate exploration.

Perth-based, Western Australian-focused gold explorer Torque Metals Limited (“**Torque**” or “**the Company**”) (**ASX: TOR**) is pleased to report on its activities for the three months ending March 2023.

MD Cristian Moreno’s overview

“Torque continued its accelerated exploration program through the March Quarter, with another campaign of RC drilling completed at the Paris Gold Project. I am very encouraged by the elevated gold grades we continue to see, lining up in a north, north-westerly orientation, giving weight to the potential delineation of a Paris Gold Camp.”

“The Board is reinforcing capability at Torque, with the appointment of Andrew Woskett as Non-Executive Director. Andrew’s extensive experience in Western Australian gold projects, his long track record in mine development and listed company management, brings useful expertise to our team.

“The Company’s well supported capital injection placed it in a sound financial position with which to pursue its project objectives and the Board committed to a sixth and substantial drill program, now well underway.”

Exploration Report – Paris Gold Project

During the March Quarter the Company made substantial progress on its 100% owned Paris Gold Project near Kalgoorlie in Western Australia. The fifth RC drilling campaign targeted deposit extensions and in-fill between HHH-Observation-Paris prospects, lending support to Torque Metals’ hypothesis for the potential existence of multiple mineralised structures linking the three prospects along 2.5km.

Moreover, significant gold grades exceeding an ounce per tonne - as evidenced by assays from 1m-splits - from west of the Paris prospect indicate a consistent high-grade, lateral extent to the main mineralised body. This zone remains open to the west and at depth.

Phase Five Drilling Campaign

During the Quarter, Torque completed its fifth exploration and extensional drilling¹ campaign at its Paris Project.

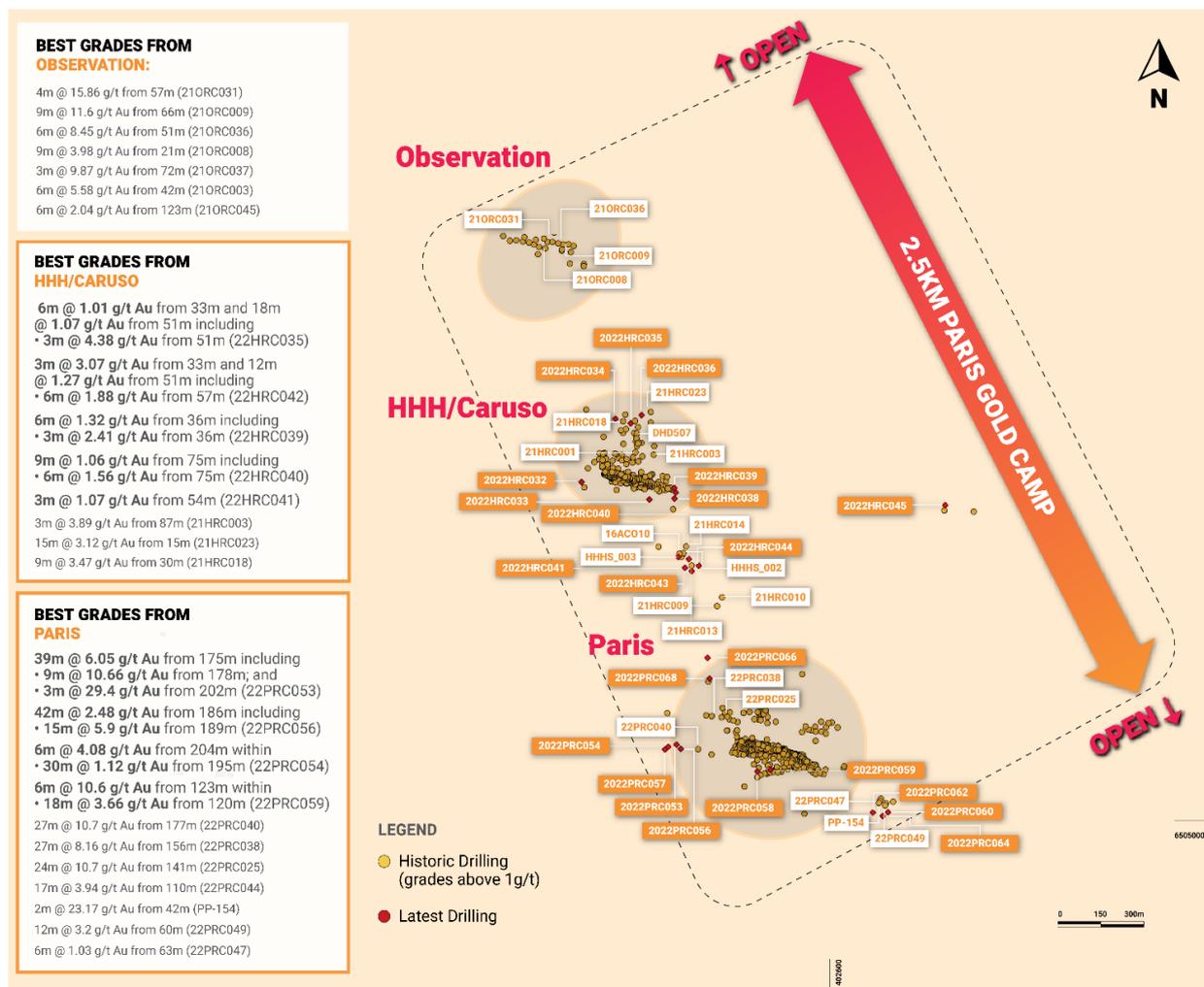


Figure 1: The Paris Gold Camp opportunity, including Phase 5 drilling results.

¹ ASX Announcement 25 January 2023 – Drilling Results Imminent from Paris Gold Project

4,855m of reverse circulation (RC) drilling was completed, with a total of 40 holes over gold prospects Paris, Observation, and HHH targeting significant gold anomalies obtained from historical drilling, machine learning algorithms, and geological models. Pleasingly, the results delivered several outstanding, wide zones of high-grade gold².

The strength of these results re-affirmed Torque's expectation that the 2.5km corridor that hosts Observation and the historic HHH and Paris open pits has potential to host a series of parallel high-grade deposits, creating a camp-scale mining opportunity (Figure 1).

Assay highlights included:

- **39m @ 6.05 g/t Au** from 175m including
 - **9m @ 10.66 g/t Au** from 178m; and **3m @ 29.4 g/t Au** from 202m (22PRC053)
- **42m @ 2.48 g/t Au** from 186m including
 - **15m @ 5.9 g/t Au** from 189m (22PRC056)
- **30m @ 1.12 g/t Au** from 195m including
 - **6m @ 4.08 g/t Au** from 204m (22PRC054)
- **18m @ 3.66 g/t Au** from 120m, including
 - **6m @ 10.6 g/t Au** from 123m within (22PRC059)
- **18m @ 1.07 g/t Au** from 51m, including
 - **3m @ 4.38 g/t Au** from 51m (22HRC035)

Holes drilled to the west intersected multiple wide gold zones including **45m @ 5.26 g/t** from 172 (22PRC053), **42m @ 2.48 g/t** from 186m (22PRC056), and **30m @ 1.12 g/t** from 195m (22PRC054).

The Paris zone now has a strike length of more than 1000m, and extends 400m west of the historic Paris pit, 250m beneath the pit, and 350m to the east of the pit (Figure 2).

Lab analysis revealed one ounce per tonne gold intercepts in 1m-split assay samples and other important assays, including³:

- **2m @ 35.65 g/t Au** from 203m and **2m @ 27.1 g/t Au** from 183m (22PRC053)
- **2m @ 59.35 g/t Au** from 204m and **3m @ 25.54 g/t Au** from 189m (22PRC056)
- **3m @ 7.69 g/t Au** from 204m (22PRC054)
- **2m @ 26.18 g/t Au** from 129m (22PRC059)
- **10m @ 1.26 g/t Au** from 24m, **8m @ 2.73 g/t Au** from 46m, **3m @ 1.62 g/t Au** from 64m and **1m @ 3.06 g/t Au** from 79m (22HRC035)
- **4m @ 1.22 g/t Au** from 41m and **3m @ 1.28 g/t Au** from 53m (22HRC039)
- **3m @ 1.82 g/t Au** from 36m and **9m @ 1.05 g/t Au** from 52m (22HRC041)

² ASX Announcement 02 February 2023 – Further High-Grade Gold Intersections at Paris

³ ASX Announcement 23 February 2023 – Multiple One Ounce Per Tonne Intercepts at 'Paris Gold Camp'

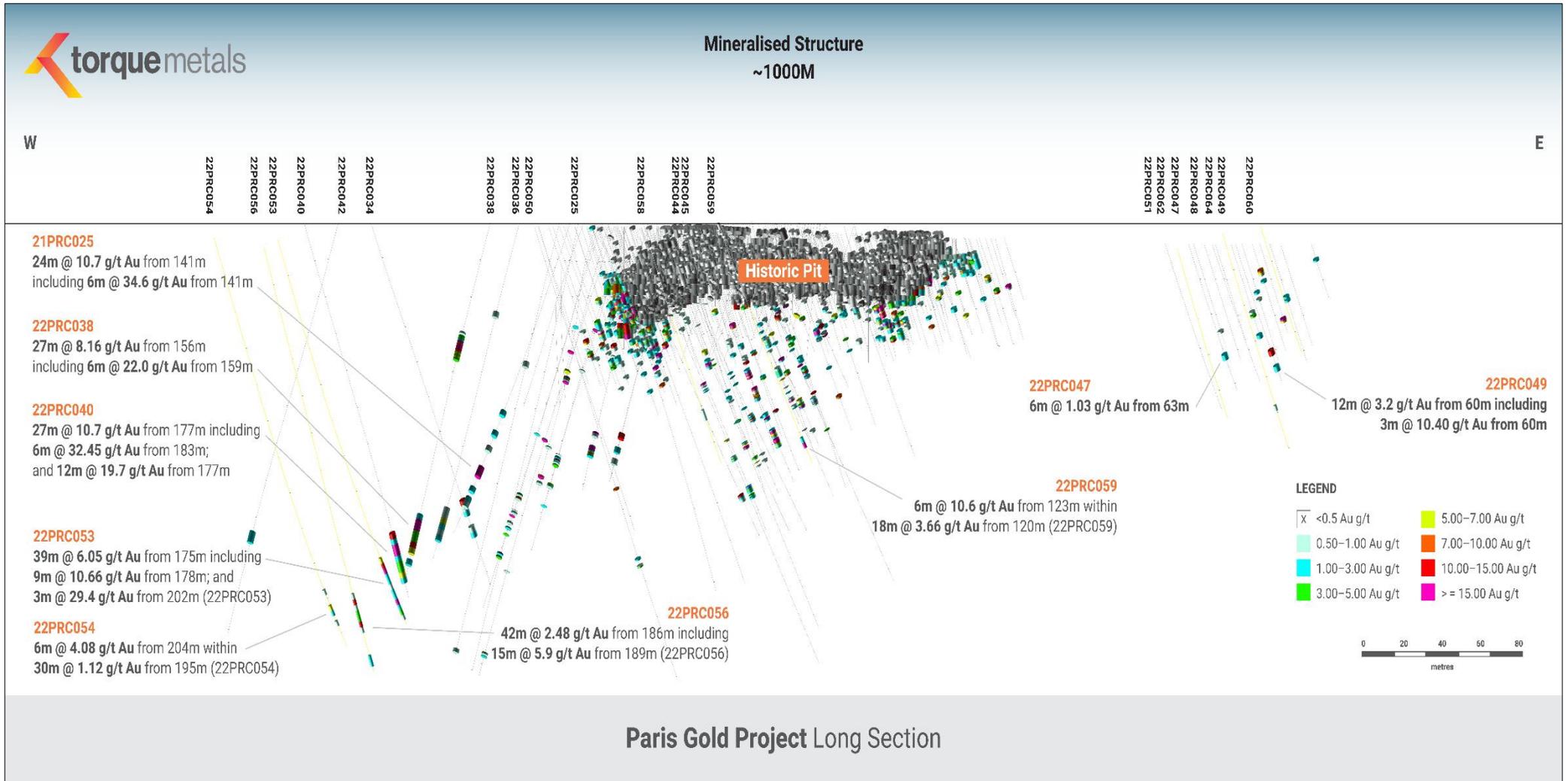


Figure 2: Drilling results at Paris Deposit (cross-section)

Phase Six exploration underway

With such positive results to hand Torque quickly resumed drilling at the Paris Project⁴, with a multi-purpose drill rig in early April.

Torque's new campaign entails 5,500m drilling over the Paris, Observation and HHH prospects (Figure 3).

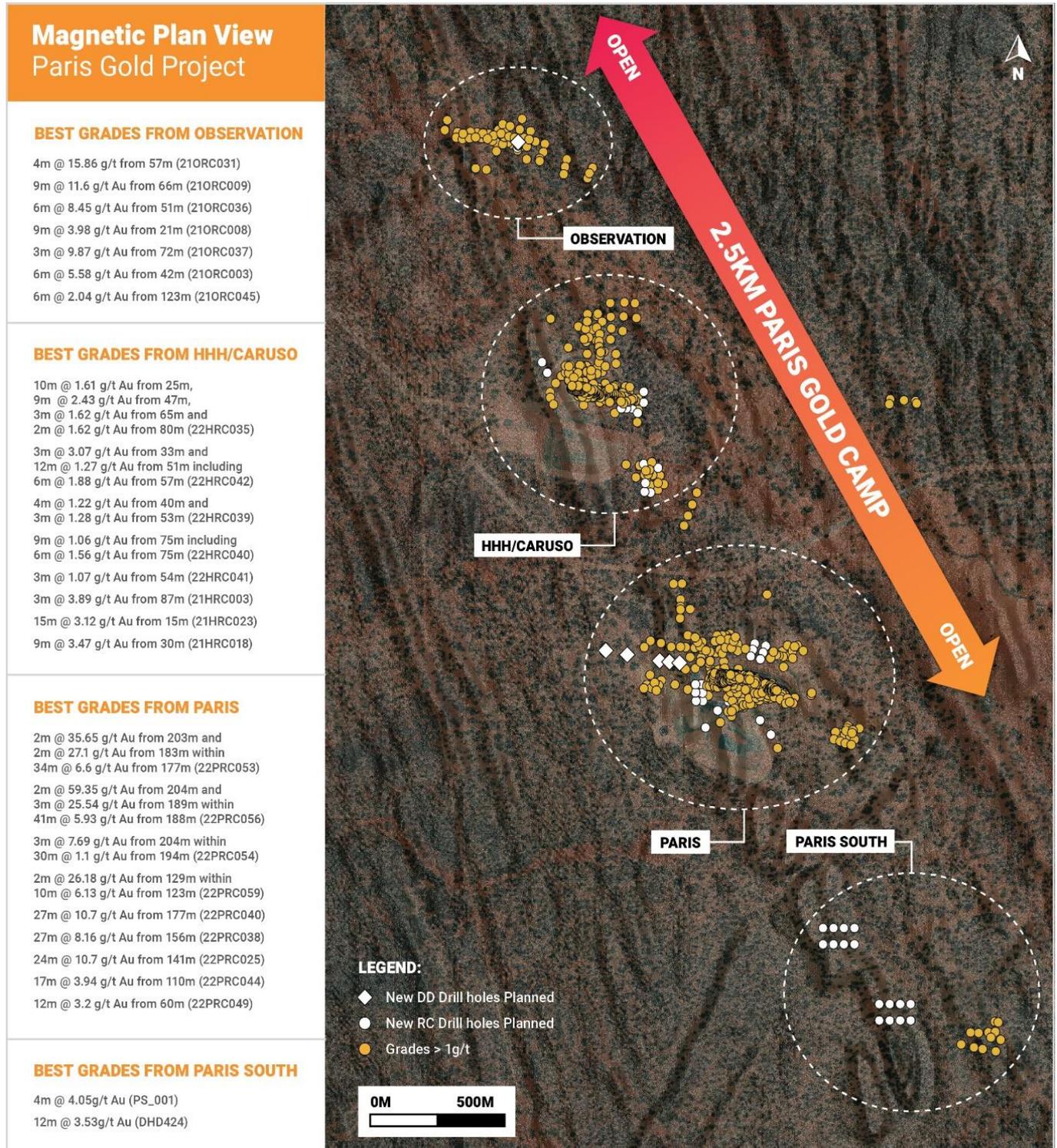


Figure 3: Diamond and RC drilling plan, Phase 6

⁴ ASX Announcement 4 April 2023 – Drilling Resumes at Paris Gold Project in WA

The diamond drilling campaign of 1,500 meters is focussed on identifying the lode's continuity, geometry, structure, mineralisation at depth and along strike. Torque reported progress on the first stage diamond program (3 holes for 988m) on 21 April 2023⁵.

The 43-hole RC drilling campaign of 5,000 metres started on 21 April and aims to complete in-fill and extensional drilling, providing additional information on the continuity and distribution of gold mineralisation.

The combined results of the fifth and sixth drilling campaigns will provide valuable insights into the best areas for resource definition and deliver preliminary metallurgical data for future resource characterisation.

Bullfinch Gold Project

Torque has a large tenement package with a footprint of 572km² at the Bullfinch Project near Southern Cross in Western Australia. The Project comprises five contiguous exploration licences, four of which are wholly owned by Torque and one over which Torque has an agreement to purchase, giving the Company exclusive access to explore the prospective Bullfinch gold province.

No activities were carried out at this project during the Quarter as Torque maintains its focus on the Paris project.

Corporate

\$2.5 million Placement

Torque was pleased to receive firm commitments for a Placement to raise \$2.5 million⁶. The Placement was well supported and provided a strong cash balance with which to recommence drilling at Paris. Shareholders are requested to ratify the Placement shares and related Options at a General Meeting to be held on 28 April 2023.

Appointment of Board Member

Mr Andrew Woskett accepted a casual Board vacancy of Non-Executive Director, further bolstering Torque's Board. Andrew is a respected senior executive with over 40 years of project and corporate experience in the resources industry - until late 2022 the Managing Director of Demetallica (ASX: DRM) and previously Minotaur Exploration (ASX: MEP), He adds corporate depth to Torque's Board and will help guide the Company's growth.

Capital Structure

The Capital Structure at the end of the March Quarter was as follows:

- 98,156,991 Ordinary Shares on issue.
- 38,509,092 Unlisted Options on issue; and
- 13,000,000 Performance Rights on Issue.

Cash Balance as of 31 March was \$2.715 million. Torque aims to maximise shareholder investment through judicious application of its cash reserves.

ASX Announcements

This Quarterly Activities Report contains information disclosed during the March 2023 Quarter, from which full details of exploration results including relevant JORC information can be accessed, as follow:

25 January 2023 – Drilling Results Imminent from Paris Gold Project

2 February 2023 – Further High-Grade Gold Intersections Supports 'Paris Gold Camp' in WA Gold Fields

23 February 2023 – Multiple One Ounce Per Tonne Intercepts at 'Paris Gold Camp'

⁵ ASX Announcement 21 April 2023 – Drilling identifies multiple mineralised zones at Paris Gold Project

⁶ ASX Announcement 1 March 2023 – Torque Appoints Leading Executive Coincident With \$2.5 Million Placement

1 March 2023 – Torque Appoints Leading Executive Coincident with \$2.5 Million Placement

4 April 2023 – Drilling resumes at Paris Gold Project in WA

21 April 2023 – Drilling identifies multiple mineralised zones at Paris Gold Project

Information pursuant to ASX Listing Rules

Listing Rule 5.3.1: Exploration and Evaluation Expenditure spent during the Quarter was \$669,000. Summaries of exploration activity during the March 2023 Quarter are set out in this report.

Listing Rule 5.3.2: There were no mining production or development activities during the Quarter.

Listing Rule 5.3.4: Use of Funds

The Company was admitted to the official list of the ASX on 23 June 2021 with official quotation commencing 25 June 2021. Torque Metals provides the following information with respect to its Use of Funds Statement set out in its Prospectus dated 14 April 2021 and its actual expenditure since admission to ASX.

Expenditure Item	Use of Funds \$	Actual \$ Expenditure 23 June 21 to 31 March 2022	\$ Variance Favourable / (Unfavourable)
Existing cash reserves	-	28,000	28,000
Funds raised from the offer	5,000,000	5,500,000	500,000
Sub Total	5,000,000	5,528,000	528,000
Option entitlement (net)	-	126,000	126,000
Share placement (net)	-	5,185,000	5,185,000
Other	-	183,000	183,000
Total	5,000,000	11,022,000	6,022,000
Use of Funds			
Evaluation and exploration of the Paris Gold Project	2,540,000	4,616,000	¹ (2,076,000)
Evaluation and exploration of the Bullfinch Project	535,000	453,000	¹ 82,000
Estimated expenses of the Offers	475,000	674,000	(199,000)
Administration and general working capital	811,000	1,223,000	¹ (412,000)
Director salaries and fees (including Executive Directors)	639,000	783,000	¹ (144,000)
Plant and equipment	-	125,000	(125,000)
Tenement & rights acquired	-	179,000	(179,000)
Loan Repayments	-	175,000	(175,000)
Other	-	79,000	(79,000)
Total Expenditure	5,000,000	8,307,000	(3,307,000)
Closing Cash on Hand	-	\$2,715,000	\$2,715,000

Note: Variances are due to timing differences of the Prospectus forecast of 2 years against 12-month cash actual expenditure from 25 June 2021.

Listing Rule 5.3.5: During the Quarter ended 31 March 2023, the Company made payments of \$122,741 to related parties and their associates. The payments relate to remuneration arrangements including directors' fees and superannuation.

Listing Rule 5.3.3: Tenement Information

Tenement	Project Name	Registered Holder	Area	Status	Beneficial Interest
M 15/1175	Paris Gold	Torque Metals Ltd	9.299 ha	Granted	100%
M 15/479	Paris Gold	Torque Metals Ltd	965.2 ha	Granted	100%
M 15/480	Paris Gold	Torque Metals Ltd	976.65 ha	Granted	100%
M 15/481	Paris Gold	Torque Metals Ltd	930.85 ha	Granted	100%
M 15/482	Paris Gold	Torque Metals Ltd	855.6 ha	Granted	100%
M 15/496	Paris Gold	Torque Metals Ltd	911.5 ha	Granted	100%
M 15/497	Paris Gold	Torque Metals Ltd	989.85 ha	Granted	100%
M 15/498	Paris Gold	Torque Metals Ltd	998.55 ha	Granted	100%
M 15/1719	Paris Gold	Torque Metals Ltd	120.15 ha	Granted	100%
P 15/5992	Paris Gold	Torque Metals Ltd	8.84 ha	Granted	100%
P 15/6149	Paris Gold	Torque Metals Ltd	30 ha	Granted	100%
E 15/1736 ¹	Paris Gold	Torque Metals Ltd	1 bl	Granted	80%
E 15/1747 ¹	Paris Gold	Torque Metals Ltd	4 bl	Granted	80%
E 15/1752 ¹	Paris Gold	Torque Metals Ltd	20 bl	Granted	80%
E15/1904	Paris Gold	Torque Metals Ltd	1 bl	Pending	100%
E15/1916	Paris Gold	Torque Metals Ltd	18 bl	Pending	100%
E15/1961	Paris Gold	Torque Metals Ltd	3 bl	Pending	100%
E15/1990	Paris Gold	Torque Metals Ltd	8 bl	Pending	100%
E15/1991	Paris Gold	Torque Metals Ltd	4 bl	Pending	100%
E15/1992	Paris Gold	Torque Metals Ltd	4 bl	Pending	100%
E15/1993	Paris Gold	Torque Metals Ltd	2 bl	Pending	100%
E 77/2522	Bullfinch	Torque Metals Ltd	70 bl	Granted	100%
E 77/2222	Bullfinch	Torque Metals Ltd	27 bl	Granted	100%
E 77/2251	Bullfinch	Torque Metals Ltd	2 bl	Granted	100%
E 77/2350	Bullfinch	Torque Metals Ltd	64 bl	Granted	100%
E 77/2607	Bullfinch	Torque Metals Ltd	16 bl	Granted	100%
E77/2939	Bullfinch	Torque Metals Ltd	19 bl	Pending	100%

¹ Torque completed 80% earn-in during the December 2022 Quarter and on final approval from DMIRS the tenements were transferred to Torque, while Jindalee Resources Ltd retained a 20% free carried interest

Torque Metals Limited is the Manager of all Tenements.

P: Prospecting Licence | E: Exploration Licence | M: Mining Licence

Competent Person Statement – Exploration Results

The information in this Report that relates to Exploration Results is based on information compiled by Mr Cristian Moreno, who is a Member of the Australasian Institute of Mining and Metallurgy as well a Member of the Australian Institute of Company Directors. Mr Moreno is an employee of Torque Metals Limited (“the Company”), is eligible to participate in short and long-term incentive plans in the Company and holds performance rights in the Company as has been previously disclosed. Mr Moreno has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking 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’. Mr Moreno consents to the inclusion in this Report of the matters based on his information in the form and context in which it appears.

Previously Reported Results

Information in this Report relates to exploration results as previously announced on 21 April 2023, 4 April 2023, 2 February 2023, 23 February 2023, 25 January 2023, 1 March 2023. The Company states that it is not aware of any new information or data that materially affects the information included in the original market announcements.

Forward Looking Statements

This Report may contain certain “forward-looking statements” which may not have been based solely on historical facts, but rather may be based on the Company’s current expectations about future events and results. Where the Company expresses or implies an expectation or belief as to future events or results, such expectation or belief is expressed in good faith and believed to have a reasonable basis.

However, forward looking statements are subject to risks, uncertainties, assumptions, and other factors which could cause actual results to differ materially from future results expressed, projected, or implied by such forward-looking statements. Readers should not place undue reliance on forward looking information. The Company does not undertake any obligation to release publicly any revisions to any “forward-looking statement” to reflect events or circumstances after the date of this Report, or to reflect the occurrence of unanticipated events, except as may be required under applicable securities laws.

This Report has been authorised by the Board of Directors of Torque Metals.

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Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

Torque Metals Limited

ABN

44 621 122 905

Quarter ended ("current quarter")

31 March 2023

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers		
1.2 Payments for		
(a) exploration & evaluation	-	-
(b) development	-	-
(c) production	-	-
(d) staff costs	(23)	(100)
(e) administration and corporate costs	(195)	(440)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	-
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Promotion and Events	(20)	(134)
1.9 Net cash from / (used in) operating activities	(238)	(674)
2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) tenements	-	-
(c) property, plant and equipment	(38)	(125)
(d) exploration & evaluation	(669)	(2,254)
(e) investments	-	-
(f) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	16	16
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	(691)	(2,363)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	2,365	2,365
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(142)	(142)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other	(79)	88
3.10	Net cash from / (used in) financing activities	2,144	2,311

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	1,500	3,441
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(238)	(674)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(691)	(2,363)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	2,144	2,311

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	2,715	2,715

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	2,715	1,500
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	2,715	1,500

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	(51)
6.2	Aggregate amount of payments to related parties and their associates included in item 2	(72)

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.

7. Financing facilities	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
<i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>		
7.1 Loan facilities	-	-
7.2 Credit standby arrangements	-	-
7.3 Other (please specify)	-	-
7.4 Total financing facilities	-	-
7.5 Unused financing facilities available at quarter end		-
7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		
Short term unsecured loans at no interest rate and payable upon demand by C. Moreno and N. McKay during the Holiday Season to meet creditor commitments during the official closure of the Company's office.		

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (item 1.9)	(238)
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(669)
8.3 Total relevant outgoings (item 8.1 + item 8.2)	(907)
8.4 Cash and cash equivalents at quarter end (item 4.6)	2,715
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	2,715
8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3)	2.99
<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>	
8.8 If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
Answer: NA	
8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
Answer: NA	

8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: NA

Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 26 April 2023

Authorised by: By the Board of Torque Metals
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [*name of board committee – eg Audit and Risk Committee*]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.