



SMALL SHAREHOLDING SALE FACILITY

Torian Resources Ltd (**Torian** or **Company**) (**ASX:TNR**) recognises that there are a large number of shareholders with small parcels of shares for whom it may not be cost effective to sell those shares on the Australian Securities Exchange (**ASX**).

Torian advises it has established a small shareholding sale facility (**Sale Facility**) for shareholders on the register who have Torian holdings valued at less than A\$500 (**Small Shareholdings**).

Your Torian shares have been included in the Sale Facility because our share register shows that, as at 5pm WST on 22 August 2018, the number of shares held by you was a Small Shareholding (i.e. less than A\$500).

If the market value of your holding remains below A\$500 at 5pm (WST) on Thursday, 4 October 2018 (**Sale Facility Closing Date**), your Torian shares will be sold and the proceeds sent to you unless you notify us that you do not want them sold.

If you wish to retain your shares, please notify us prior to the Sale Facility Closing Date by completing and returning the Retention Form to Advanced Share Registry.

WHY HAS TORIAN ESTABLISHED THE SALE FACILITY?

Torian is offering shareholders with Small Shareholdings an opportunity to sell their shares through the Sale Facility at a market price, without incurring any brokerage or transfer fees. Shareholders can choose to opt out of the Sale Facility by completing and returning the Retention Form included.

The Sale Facility will also reduce Torian's administrative and registry costs associated with small parcels of shares.

HOW DOES THE SALE FACILITY WORK?

Shares included in the Sale Facility will be sold following the Sale Facility Closing Date, unless we are notified otherwise or the holding is no longer less than A\$500.

Shareholders will not pay any brokerage or handling fees for the sale of their Torian shares under the Sale Facility. The price that you receive for your shares under the Sale Facility will be determined by when and how the shares are sold. The shares will be sold at the authorised price being the price per share of the Torian securities equal to the simple average of the last sale prices of Torian on ASX for each of the ten trading days immediately preceding the date of any offer received by the Company pursuant to Clause 3.8 of the Constitution. Torian directors may sell your shares on market or in any other way they consider fair and reasonable in the circumstances. You will not have control over the time at which your shares are sold, the price you receive may be different from the price appearing in the newspaper or quoted by ASX on any day, may not be the best price on the day that your shares are sold and may be an average price per share based on the price obtained for all the shares sold under the Sale Facility.

ASX / MEDIA ANNOUNCEMENT

23 August 2018

ABN: 72 002 261 565

ASX CODE: TNR

Board of Directors

Mr Richard Mehan
Non-Executive Chairman

Mr Matthew Sullivan
Managing Director

Mr Paul Summers
Non-Executive Director

Mr Mark Borman
Executive Director

Mr Matthew Foy
Company Secretary

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WHAT DO I NEED TO DO?

You can choose whether or not to participate in the Sale Facility prior to the Sale Facility Closing Date at 5pm (WST) on Thursday, 4 October 2018.

Option 1: No further action is required to participate in the Sale Facility. If you have not submitted a Retention Form by the Sale Facility Closing Date, your shares will be sold through the Sale Facility if your holding is still less than A\$500.

If your shares are sold through the Sale Facility, you will receive the sale proceeds as soon as practicable following the Sale Facility Closing Date.

There is an option on the Sale Facility / (this form) to choose to donate the proceeds of your sale to the Royal Flying Doctor Service of Australia, Western Operations (RFDSWA). RFDSWA is an Australian Public Company and registered charity in Western Australia. The RFDS services over 2.5 million square kilometres in Western Australia, with a fleet of 17 aircraft and five operating facilities located at Jandakot, Kalgoorlie, Meekatharra, Port Hedland, and Broome. Last year alone, RFDSWA aero medically retrieved more than 8,500 patients, and attended or facilitated the treatment of a further 15,900 patients through remote clinics. RFDS is a non profit organisation providing access to critical primary health care to those people living, working and travelling throughout the vast expanse of Western Australia.

You must take action before the Sale Facility Closing Date if you do not want to sell your shares through the Sale Facility.

Option 2: To Retain Your Shares, You Must Either:

a) Complete and submit the attached Retention Form to Advanced Share Registry prior to the Sale Facility Closing Date or

b) Top up your shareholding to be more than a Small Shareholding prior to the Sale Facility Closing Date (for example, by acquiring additional shares on the ASX). If you submit a Retention Form, please allow a reasonable time for it to be received by Advanced Share Registry.

If you hold shares in multiple shareholdings, some of which are Small Shareholdings, then Torian will sell those Small Shareholdings, unless a Retention Form is received for each shareholding or you merge the holdings by contacting Advanced Share Registry on +61 8 9389 8033.

IMPORTANT NOTES

The attached Frequently Asked Questions, which form part of this document, set out further details on the Sale Facility. Please read the Frequently Asked Questions before making any decision.

Torian and Advanced Share Registry do not make any recommendation or gives any advice to you as to whether you should participate in the Sale Facility. Torian may modify the Sale Facility Closing Date, or may terminate or suspend the Sale Facility. Any such modification, termination or suspension will be notified by way of a market announcement on the ASX.

Information on the market price of Torian shares is available from the ASX website (www.asx.com.au) under ASX Code "TNR".

If you require further information, please contact the Company on (08) 9420 8208 (within Australia) or +61 8 9420 8208 (outside Australia).

Sincerely,

A handwritten signature in dark ink, appearing to read 'M. Foy', is positioned above the printed name.

Matthew Foy

Company Secretary

THE SALE FACILITY - FREQUENTLY ASKED QUESTIONS

1. What is the Sale Facility?

Torian has established the Sale Facility to facilitate shareholders holding Small Shareholdings in Torian to sell their shares. Torian will arrange to sell the Small Shareholdings at no cost to you, and to remit payment to you.

2. Why is the Sale Facility being offered?

Torian has established the Sale Facility to enable you to sell your shares cost effectively and simply, while also assisting Torian to reduce administrative and registry costs associated with servicing Small Shareholdings.

As at 5pm (WST) on 22 August 2018, the number of Torian shareholders with Small Shareholdings was 1,024 (being 60.01% of all Torian shareholders), with those holdings representing 1.51% of Torian's issued capital.

3. Does Torian have the right to sell my shares?

Under ASX Listing Rule 15.13 and Clause 3.3 of the Company's Constitution, Torian may notify shareholders who hold Small Shareholdings that it intends to arrange for their shares to be sold on their behalf. This letter and the Retention Form satisfy the notice requirements under ASX Listing Rule 15.13 and Clause 3.3 of the Company's Constitution.

MY ELIGIBILITY

4. What is a Small Shareholding?

A 'Small Shareholding' is a holding of Torian shares with a value of less than A\$500. Based on the closing price of Torian shares at 22 August 2018, this is a holding of 16,129 shares or less.

5. What if the value of my holding increases before the Sale Facility Closing Date?

Torian will not sell your Torian shares if the market value of the shares increases such that you no longer have a Small Shareholding on the Sale Facility Closing Date.

6. If I buy more Torian shares before the Closing Date, will I retain my holding?

Torian will not sell your shares if you increase your holding of Torian shares prior to the Sale Facility Closing Date, such that you no longer have a Small Shareholding on that date. Any additional shares acquired must be registered by the Sale Facility Closing Date under the same name and address and with the same holder number (SRN or HIN) as set out in the accompanying Retention Form.

7. What if I sell my shares before the Sale Facility Closing Date?

If you sell your shares in Torian prior to the Sale Facility Closing Date, no further action will be taken.

MY PARTICIPATION

8. What are the advantages and disadvantages of selling my shares through the Sale Facility?

The following out the key advantages and possible disadvantages of selling your shares through the

Sale Facility Advantages

- Cash payment from sale of shareholding
- No brokerage or other selling expenses
- May not be cost effective to sell holding in other ways

Sale Facility Disadvantages

- No further shareholding in Torian, unless you buy Torian shares again
- Possible capital gains tax payable following sale of holding
- The price of shares could be higher in the future

10. Do I need to pay anything if I participate in the Sale Facility?

Torian will pay the brokerage and handling costs associated with your participation in the Sale Facility. However, any taxation consequences arising from the sale of your shares will be your responsibility.

11. What do I have to do if I wish to retain my shares?

Torian will not sell your shares if you wish to retain your Small Shareholding and you complete the Retention Form included and return it to Advanced Share Registry. Your Retention Form must be received by Advanced Share Registry before 5pm (WST) on Thursday, 4 October 2018 in order to be effective.

If you hold shares in multiple shareholdings, some of which are Small Shareholdings, in order to retain your shares, you must submit a Retention Form for each Small Shareholding or merge the shareholdings by contacting Advanced Share Registry.

12. Can I withdraw my Retention Form?

You can only withdraw your Retention Form before the Sale Facility Closing Date, by sending a written request to Advanced Share Registry which details your name, address and holder number (SRN or HIN) and states that you would like to withdraw your Retention Form. Your request must be signed. If your holding is in more than one name, your request must be signed by all shareholders. Your written request must be received by Advanced Share Registry before the Sale Facility Closing Date in order to be effective.

13. How do I sell my shares through the Sale Facility?

If you wish to have your shares sold through the Sale Facility you do not need to do anything in response to this letter.

There is an option on the Sale Facility / (this form) to choose to donate the proceeds of your sale to the Royal Flying Doctor Service of Australia, Western Operations (RFDSWA). RFDSWA is an Australian Public Company and registered charity in Western Australia. The RFDS services over 2.5 million square kilometres in Western Australia, with a fleet of 17 aircraft and five operating facilities located at Jandakot, Kalgoorlie, Meekatharra, Port Hedland, and Broome. Last year alone, RFDSWA aero medically retrieved more than 8,500 patients, and attended or facilitated the treatment of a further 15,900 patients through remote clinics. RFDS is a non profit organisation providing access to critical primary health care to those people living, working and travelling throughout the vast expanse of Western Australia.

14. What if my shares are held in a CHESS Holding?

If your shares are in a CHESS holding and remain in a CHESS holding on 4 October 2018, your shares will be sold under the Sale Facility and Torian may, without further notice to you, initiate a holding adjustment to move these shares to an issuer sponsored holding or a certificated holding for the purposes of that sale.

15. How and when will my shares be sold?

Your shares will be sold in the ordinary course of trading at prevailing market prices following the Sale Facility Closing Date. Torian will arrange for the shares in the Sale Facility to be sold.

16. How much will I receive for my shares?

The price that you receive for your shares under the Sale Facility will be determined by when and how the shares are sold. The shares will be sold at the authorised price being the price per share of the Torian securities equal to the simple average of the last sale prices of Torian on ASX for each of the ten trading days immediately preceding the date of any offer received by the Company pursuant to Clause 3.5 of the Constitution. Torian directors may sell your shares on market or in any other way they consider fair and reasonable in the circumstances. You will not have control over the time at which your shares are sold, the price you receive may be different from the price appearing in the newspaper or quoted by ASX on any day, may not be the best price on the day that your shares are sold and may be an average price per share based on the price obtained for all the shares sold under the Sale Facility.

Neither Torian nor its respective agents and employees, provide any assurance as to what the sale price of the shares on the ASX will be or what price you will receive for your shares through the Sale Facility.

Information on the market price of Torian shares is available from the ASX website (www.asx.com.au) under ASX Code "TNR".

Shareholders using the Sale Facility are not able to nominate a sale price, sale date, nor a method for selling their shares. However, shareholders can opt out of the Sale Facility by sending in a Retention Form, and can choose to hold or sell their shares by other means. For instance, you can sell your shares on the ASX by contacting a broker.

17. How and when will the proceeds for the sale be sent to me?

The proceeds will be sent to you as soon as practicable and in any event within eight weeks of the sale. The proceeds of the sale will be sent to you by Australian dollar cheque at the address last recorded in Torian's register of members.

You will be notified of the number of your shares that have been sold, the sale price and the total sale proceeds payable to you. A statement will be sent by post to your address as shown in Torian's register of members.

Further Information

If you require further information, please contact the Company on (08) 9420 8208 (within Australia) or +61 8 9420 8208 (outside Australia).