

## **TORIAN SIGNS UNDERWRITING AGREEMENT ON TNRO 0.02c OPTIONS EXP 7 FEBRUARY 2022**

Torian Resources Limited (ASX: TNR) (**Torian Resources, the Company**) is pleased to announce that it has entered into an underwriting agreement (**Underwriting Agreement**) with GBA Capital Pty Ltd (**GBA Capital or Underwriter**) to partially underwrite the listed options (ASX: TNRO) which are exercisable at \$0.02 on or before 5.00pm (WST) on 7 February 2022 (**Options**). There are 249,153,807 TNRO on issue and which remain unexercised. The Underwriter has agreed to underwrite 150,000,000 TNRO representing an underwriting amount of \$3,000,000 (**Underwritten Amount**).

GBA Capital is a boutique advisory and stockbroking firm, offering clients high quality and independent capital markets advice, equities sales and trading execution.

In accordance with ASX Listing Rule 3.11.3, the Company gives notice that GBA Capital are not a related party of the Company. GBA Capital will receive a 4.5% capital raising fee (plus GST if applicable) on the gross proceeds of any subscription amount taken up the Underwriter.

Any shortfall of exercise of TNRO up to the Underwritten Amount will result in the shortfall of shares being issued and acquired by the Underwriter pursuant to the Underwriting Agreement. The allocation to the Underwriter (if any) will be issued in accordance with ASX Listing Rule 7.2 (Exception 10) :

- (a) do not require shareholder approval; and
- (b) will not form part of the Company's ASX Listing Rule 7.1 placement capacity.

Commenting on the Underwriting Agreement, Torian's Executive Director Mr Peretz Schapiro said *"Having this Agreement in place provides the market with relative certainty that Torian will continue to have sufficient capital to execute on our exploration activities at the Mt Stirling Project."*

*To be clear, should at least \$3,000,000 worth of options be converted by option holders, no fee is payable by Torian to the Underwriter. Torian would only pay the capital raising fee of 4.5% in the event that less than \$3,000,000 worth of options is converted, in which case the fee is only payable on the shortfall amount.*

*All in all, this is an excellent deal for the Company and its shareholders, as it provides us with certainty of funding at a relatively low cost."*

**Directors**

Paul Summers, Executive Chairman  
Peretz Schapiro, Executive Director  
Dale Schultz, Non-Executive Director  
Ian Pamensky, Company Secretary

**The Underwriting Agreement is subject to the following material terms:**

1. The Company and the Underwriter have agreed as follows:
  - a. Underwriter to fully underwrite 150,000,000 Options (of the 249,153,807 Options outstanding on the date of the Agreement) representing an underwriting amount of \$3,000,000
  - b. Company to pay GBA Capital a 4.5% capital raising fee (plus GST if applicable) on the gross proceeds of any subscription taken up by the Underwriter. For example, if the Underwriter shortfall of the \$3,000,000 underwritten amount, amounts to \$500,000 then the Company must pay GBA Capital \$22,500 (being a 4.50% fee on the \$500,000).
  - c. the Underwriter may procure such persons to sub-underwrite as the Underwriter at its sole and absolute discretion; and
  - d. the obligation of the Underwriter to subscriber for shares (**Shortfall Shares**) on exercise of Options which remain unexercised as at 5:00pm WST on the 7 February 2022 (**Expiry Date**) at \$0.02 per Shortfall Shares is subject to and conditional upon a number of conditions precedent, including (but not limited to) the Company providing the Underwriter a shortfall notice outlining the number of outstanding Options as at the Expiry Date and a certificate confirming (among other things) that no termination event has occurred (as outlined below) and the representations and warranties given by the Company are true and correct (**Certificate**), as at the date of the certificate.

The Underwriting Agreement also contains a number of indemnities, representations and warranties from the Company to the Underwriter that are considered standard for an agreement of this type.

2. Termination events

The obligations of the Underwriter to underwrite the Underwritten Amount is subject to certain events of termination. Subject to the following events, the Underwriter may terminate its obligations under the Underwriting Agreement if one or more of the events set out below occurs before 5:00PM (Perth time) on 7 February 2022 (being the **Shortfall Settlement Date**).

Unless otherwise defined, capitalised terms set out below have the meaning given to them in the Underwriting Agreement.

- (a) (**Share price fall**) the three-day volume weighted average price of Shares is at any time after the date of this agreement below the Option Exercise Price as at the close of business on any given trading day, and remains below the Exercise Price for 3 consecutive trading days;
- (b) (**Indices fall**) the S&P ASX 200 Index is at any time after the date of this agreement 20% or more below its respective level as at the close

of business on the Business Day prior to the date of this agreement and remains there for 3 consecutive trading days;

- (c) **(suspension of banking services)** a general moratorium on commercial banking activities in Australia, the United States of America or the United Kingdom is declared by the relevant central banking authority in any of those countries, or there is a material disruption in commercial banking or securities settlement or clearance services in any of those countries;
- (d) **(market conditions)** any material adverse change or disruption to the existing financial markets, political or economic conditions of any of Australia, New Zealand, United Kingdom, Canada and United States of America, or to the international financial markets, or any change in national or international political, financial or economic conditions, the effect of which, in any such case, is to make it, in the reasonable opinion of the Underwriter, impracticable to market the Shortfall Shares or to enforce contracts to issue and allot the Shortfall Shares;
- (e) **(change of law)** there is introduced into the Parliament of the Commonwealth of Australia or any State or Territory of Australia a law or any new regulation is made under any law, or a Government Agency adopts a policy, or there is any official announcement on behalf of the Government of the Commonwealth of Australia or any State or Territory of Australia or a Governmental Agency that a law or regulation will or may be introduced or policy adopted (as the case may be) which does or is likely to prohibit or regulate the Business Activity of the Issuer or the Issuer, the Issue, capital issues generally in Australia, or stock markets generally in Australia;
- (f) **(regulatory requirements)** the Issuer or an entity in the Issuer contravenes its constitution, the Corporations Act or any other applicable law or regulation, or the Listing Rules or the Market Rules, and the contravention, if remediable, is not promptly and completely remedied to the reasonable satisfaction of the Underwriter;
- (g) **(ASIC actions)** any of the following actions is taken:
  - (i) **(investigation)** an application is made by ASIC for an order under Part 9.5 of the Corporations Act in relation to the Issue or ASIC commences or directs any investigation or hearing under Part 3 Division 1 of the ASIC Act in relation to the Issue; or
  - (ii) **(examination)** ASIC commences an examination of any person or requires any person to produce documents in connection with the Issue under sections 19 or 30, 31, 32A or 33 of the ASIC Act;

- (h) **(offence by director)** a director of the Issuer is charged with an indictable offence;
- (i) **(disqualification of director)** a director of the Issuer is disqualified from managing a corporation under sections 206B, 206C, 206D, 206E, 206F or 206G of the Corporations Act;
- (j) **(breach of this agreement)** the Issuer fails to perform or observe any of its material obligations under this agreement and that failure is not remedied to the satisfaction of the Underwriter;
- (k) **(Issuer breach of warranty)** a representation or warranty made or given or deemed to have been made or given by the Issuer under this agreement proving to have been untrue or incorrect in any material respect and the matters rendering the representation or warranty untrue in such respect are not remedied to the satisfaction of the Underwriter;
- (l) **(undisclosed Security Interest over Issuer's assets)** the Issuer grants a Security Interest in, or agrees to grant a Security Interest in, the whole or a substantial part, of its business or property;
- (m) **(Issuer insolvency)** an Insolvency Event occurs with respect to the Issuer;
- (n) **(unauthorised alterations)** the Issuer issues shares or reduces, buys back, consolidates or otherwise alters its share capital or its Constitution in any respect without the prior written consent of the Underwriter;
- (o) **(Timetable not met)** any date in the Timetable is not met for more than five (5) Business Days otherwise than as the direct result of actions taken by the Underwriter (unless those actions were requested by the Issuer) or the actions of the Issuer (where those actions were taken with the prior consent of the Underwriter);
- (p) **(forward looking statements)** any statement made by the Issuer prior to the Allotment Date which relates to future matters is or becomes, in the reasonable opinion of the Underwriter, incapable of being met;
- (q) **(legal proceedings)** material legal proceedings are commenced by a person other than the Underwriter against an entity in the Issuer or any director of the Issuer in their capacity as a director of the Issuer;
- (r) **(judgment and execution)** a judgment for more than \$100,000 is obtained against the Issuer or an entity in the Issuer, or any process, such as distress, attachment or execution, for an amount over \$100,000 is issued against, levied or enforced upon any assets of the Issuer or an entity in the Issuer and is not paid, set aside or satisfied within ten (10) Business Days;

- (s) **(regulatory action)** any Governmental Agency commences any public action against the Issuer or any of its directors or announces that it intends to take any such action;
- (t) **(Shortfall Notice and Compliance Certificate)** the Shortfall Notice or Compliance Certificate is not furnished by the Issuer or a statement in the Shortfall Notice or Compliance Certificate is untrue or incorrect in a material respect;
- (u) **(misleading statements generally)** any information supplied by or on behalf of the Issuer to the Underwriter in relation to the Issuer or the Issue is materially misleading or deceptive or there is a material omission from it;
- (v) **(corrective action)** corrective action is in the reasonable opinion of the Underwriter required to be taken under the Corporations Act, and the Issuer fails to take that action to the reasonable satisfaction of the Underwriter;
- (w) **(unauthorised statement)** the Issuer issues a public statement concerning the Issue, which has not been approved by the Underwriter, such approval not to be unreasonably withheld, unless permitted by this agreement;
- (x) **(prescribed occurrence)** an event specified in subsection 652C(1) or subsection 652C(2) of the Corporations Act occurs, as if the references to “target” were references to the Issuer, other than as envisaged by this agreement;
- (y) **(finance default)** an event of default or a potential event of default occurs in any banking accommodation or financing facility of the Issuer;
- (z) **(material adverse change)** there is a material adverse change in assets, liabilities, financial position or performance, profits, losses or prospects of the Issuer, from those respectively disclosed to ASX, or a change in the nature of the business of the Issuer from that disclosed to ASX, including but not limited to:
  - (i) **(prospects)** any change in the earnings, future prospects or forecasts of the Issuer or an entity in the Issuer;
  - (ii) **(nature of business)** any change in the nature of the business conducted by the Issuer or an entity in the Issuer;
  - (iii) **(asset disposal)** any disposal by the Issuer or agreement by the Issuer to dispose of the whole, or a substantial part, of its business or property;
  - (iv) **(insolvency)** the insolvency or voluntary winding up of the Issuer or an entity in the Issuer or the appointment of any

receiver, receiver and manager, liquidator or other external administrator; and

- (v) **(financial position)** any significant change in the assets, liabilities, financial position or performance, profits and losses of the Issuer from those respectively disclosed in the Issuer's most recently published financial or other information;
- (aa) **(adverse publicity)** any adverse or negative publicity or findings of any kind against either the Issuer or any of its directors or officers;

*This announcement has been authorised for release by the Board.*

Paul Summers  
Executive Chairman  
**Torian Resources Ltd**  
[info@torianresources.com.au](mailto:info@torianresources.com.au)

### **About Torian:**

Torian Resources Ltd (ASX: TNR) is a highly active gold exploration and development company with an extensive and strategic land holding comprising six projects and over 400km<sup>2</sup> of tenure in the Goldfields Region of Western Australia. All projects are nearby to excellent infrastructure and lie within 50km of major mining towns.

Torian's flagship Mt Stirling Project is situated approximately 40km NW of Leonora, and neighbours Red 5's Kind of the Hills mine. The region has recently produced approximately 14M oz of gold from mines such as Tower Hills, Sons of Gwalia, Thunderbox, Harbour Lights and Gwalia.

The Mt Stirling Project consists of 2 blocks:

1. The Stirling Block to the north which contains two JORC compliant resources at a 0.5g/t cut-off: (refer ASX release 27/5/21 for further information)
  - (a) Mt Stirling – 355,000t at 1.7 g/t Au for 20,000oz (Indicated)
    - 1,695,000 at 1.5 g/t Au for 82,000oz (Inferred)
  - (b) Stirling Well – 253,500t at 2.01 g/t Au for 16,384oz (Inferred)
2. The Diorite Block to the south, home of the historic 73 g/t Diorite King Mine.

Another project in the Kalgoorlie region is the Zuleika project in which the Company is involved in a JV with Zuleika Gold Ltd (ASX: ZAG). The Zuleika project is located along the world-class Zuleika Shear, which is the fourth largest gold producing region in Australia and consistently produces some of the country's highest grade and lowest cost gold mines. This project lies north and partly along strike of several major gold deposits including Northern Star's (ASX: NST) 7.0Moz East Kundana Joint Venture and Evolution's (ASX: EVN) 1.8Moz Frogs Legs and White Foil deposits.

Torian's other projects within the Kalgoorlie region include the Credo Well JV with Zuleika Gold Ltd (ASX: ZAG), host of a JORC Inferred resource of 86,419t at 4.41 g/t Au for 12,259 oz.

Torian also holds ~10.7% of Monger Gold (ASX:MMG) as well as a 20% free carried JV interest in its projects. Significant High-grade gold was recently intercepted at Providence with 8m @ 16.15 g/t Au from 60m (MNRC004); inc 1m @ 111.40 g/t Au from 61m; and 8m @ 31.84 g/t Au from 66m (MNRC007); inc 1m @ 190.06 g/t Au from 70m.

Torian is the Pastoral Lease holder of the 172,662 hectare Tarmoola Station, which is home to Torian's Mt Stirling Project, in addition to exploration assets and operating mines of numerous other resource companies, including RED5 (ASX:RED) and St Barbara (ASX:SBM).

There are numerous operating businesses on the Tarmoola station including a 20 person accommodation camp with approvals in place to expand to a 50 person camp, a mining services business, and cattle farming. The station is also entitled to approximately \$360,000 (av in each year) worth of carbon credits over a 15 year period.

Torian holds approximately 7% of BullionFX, a gold backed crypto currency company. As a shareholder of 15,000,000 shares Torian is entitled to 15,000,000 BULL tokens. The paper value of Torian's tokens is ~USD\$4.47m (14/12/21).