



TORQUE METALS LIMITED  
P.O. Box 27, West Perth WA 6872, Australia  
T: 08 6323 6826  
M: 0421977617; 0414270248

## June 2020

Dear Member,

I am delighted to inform you that on Wednesday (3<sup>rd</sup> June 2020), following completion of the due diligence process and sign off by the various Independent Consultants, we were able to lodge our prospectus with the Australian Securities and Investments Commission (ASIC).

Once approved by ASIC, which will be a minimum of 7 days the prospectus will become “Live” on 11<sup>th</sup> June 2020 and the indicative date for listing on the Sydney Stock Exchange (SSX) is 16<sup>th</sup> July. The prospectus will form the basis for the IPO capital raising and indicated ongoing work programmes. In the meantime you may download the Prospectus from our website [www.torquemetals.com](http://www.torquemetals.com)

### Why the SSX?

#### Advantages of Listing on the Sydney Stock Exchange (SSX)

As you are aware in recent times, the major ASX listed gold companies are being strongly supported.. However junior resource, ASX listed exploration and development companies continue to struggle for “start up” capital.

For this sector, ASX I.P.O’s are few and far between. Aspirants are faced with unimaginable hurdles of a minimum listing price of 20 cents a share, a minimum \$4 million capital raising (after costs) and a register containing a minimum of 300 individual and unrelated shareholders. Recent past experience has shown that these hurdles, are all but impossible to overcome without internal access to significant capital. Those very few I.P.O’s that have been successful and not pre I.P.O. managed by vested interests, fail and their share price, in the main, has plunged accordingly.

The model needs to be changed and seriously reformed if our industry is to regain its position as the breeding ground for exploration success on which the major gold miners ultimately feed.

Australia needs (in fact demands), a junior market similar to the Canadian TSXV Exchange and AIM the UK’s market for smaller companies.

The Sydney Stock Exchange is well positioned to be such an Australian alternative.....,

- It is authorised to act as an Australian Stock Exchange by A.S.I.C.
- It is CHESS trading compliant
- It requires only a 50 shareholder spread
- It has a minimum capital raising requirement of \$500,000
- Requires an initial working capital of more than \$300,000 in the first year
- It has a minimum share issue price, upon listing, of 5 cents
- Listing and annual fees are appropriate to the size of the listed companies.

Your Company has taken on the challenge to become the first, significant junior gold exploration / development company to be listed on SSX. We believe that our success will pave the way for many others, with the ultimate

## TORQUE METALS LIMITED

result being a revitalised industry which will have a significant positive impact on the national economy over time.

### **The Listing**

Within the prospectus you will see the indicative timetable for our listing, which is aimed for mid-July. The process, to this point, has been supported and aided by a number of third parties (outside of the hard working independent consultants) who deserve mention here:

- Lead Broker - Martin Place Securities (MPS).
  - MPS, under the direction of Barry Dawes, agreed to assist our aims and objectives by supporting our pre IPO and IPO capital requirements. In, what is still a difficult market for junior resource IPOs; Barry has done a magnificent job in raising the capital which has allowed us get to this point. We have no doubt that MPS will remain supportive of the Company beyond listing and well into the future.
  - I take this opportunity to welcome those new members, introduced to us via MPS. I look forward to meeting each of you, in person, in the not too distant future.
- Sydney Stock Exchange (SSX).
  - In my last letter I indicated that the board was actively comparing the Sydney Stock Exchange (SSX) with other accredited Australian Exchanges, in order to ascertain which would be the best fit for our Company and its shareholders.
  - In the event, we found solid support from the SSX management team for our ground breaking venture. Both Torque (ticker symbol - 8TM), and SSX share the same vision of a need for a dedicated and viable second board in Australia.
  - We discovered some concerns within the market that share trading on alternative boards might be restrictive. We found that this important issue had been best addressed by SSX. I provide more detailed information under “Trading” later in this letter.
- SSX Sponsor -Trident Capital.
  - It is a requirement of SSX that each potential listing has an approved sponsor. We are pleased to have Perth based Trident Capital as our corporate sponsor.

### **Trading.**

The depth and extent to which trading can be effected on alternative exchanges, in Torque’s opinion, is superior within the SSX network.

The SSX has registered brokers through which Torque shareholders can trade post SSX listing, with a wide distribution, including: CMC Markets, Canaccord, State One Stockbroking and Amscot Stockbroking,

## **TORQUE METALS LIMITED**

What is not widely known is that CMC Markets acquired the share trading platform of ANZ Banking (which included the E\*Trade clients) approximately 18 months ago. CMC Markets also provide SSX connectivity for other banks such as the Bendigo Bank via Bendigo Bank Direct, St. George's Bank, via St. George Direct Shares, Bank of Queensland Trading, SunCorp Share Trading and ANZ clients. As well as On Market Bookbuild.

The number of investors connected to the SSX Market is approximately 550,000

If you are unsure as to how to access this broad market and trade your 8TM shares Torque Metals suggest:

- If you are already a client of E-Trade/ANZ book of clients, Bendigo Bank Direct, St. George Direct Shares, Bank of Queensland Trading or Sun Corp Share Trading, then your 8TM shares are easily tradable on the SSX Market, please contact the Advanced Share Registry to ensure your existing Torque Metal Securities will be allocated to your preferred HIN (Holder Identification Number)
- Otherwise, to trade your Torque Metals securities once listed on the SSX, then it is recommended you register with one of the SSX accredited brokers. In the short term of transition, Torque has arranged with State One Stockbroking and Amscot Stockbroking for you to register as a client through [www.amscot.com.au](http://www.amscot.com.au) or Dawn Chai, National Business Development Manager 1300 308 305

Either of these two brokers will ensure you are registered and able to trade on SSX from our date of listing

### **The Projects**

In order to utilise our capital to best effect we have deferred all technical work until after the listing. This has allowed us to focus solely on the listing process.

I said in my April letter that mining at the Paris Project could be achieved “...in a relatively short space of time”. It is, perhaps important to expand on this statement as it is very significant for the Company.

The Mining Leases (MLs) on which the Paris and HHH prospects lie were granted pre native title legislation. There is, therefore, unlikely to be delays due to environmental and/or native title issues. Furthermore, the current owners (Austral Pacific) produced a detailed scoping study in 2018 which demonstrated the viability of a mining project at Paris / HHH. That study was undertaken at a gold price of AUD\$1650/oz. We will utilise much of those data from that study in preparing a feasibility study prior to committing to mine. However the fact that mining was undertaken in 2016/17, by Austral, and the scoping study is recent, and based on that mining experience means that the planned feasibility study is likely to be simpler and quicker to complete than it would ordinarily be.

Clearly, the sooner we can commence production the sooner we can become self-funding and rely less upon the markets to provide capital. This means that the shares of all existing members will be much less prone to dilution through expanding capital and an increase in wealth easier to attain.

### **Looking Forward**

Following our listing on SSX in mid-July a number of technical programmes will commence.

A “resource enhancement” programme of drilling is planned in conjunction with the commencement of the project feasibility study at Paris. Where possible the results of the drilling will be incorporated into the feasibility study. The aim will be to begin a viable mining operation as soon as possible.

**TORQUE METALS LIMITED**

At Bullfinch a programme of scout drilling (AC /RAB) at selected high grade, near surface gold prospects will be undertaken with a view to establishing a bulk sampling programme which will assist in better determining the grade, attitude and extent of the more prospective lodes.

I thank you all for your goodwill and patience and, as always, I am looking forward to the future with increasing optimism.

Yours Sincerely,

A handwritten signature in cursive script, appearing to read 'Ian Finch', written in dark ink.

**Ian Finch.**