



TORQUE METALS LIMITED
7/1200 Hay Street, West Perth WA 6005
P.O. Box 27, West Perth WA 6872, Australia
T: 08 6323 6826
M: 0414270248; 0421977617

Member Update

Dear Member,

Firstly, I would like to sincerely apologise for the delay in providing this update to you and to thank you for your patience.

To date your Company has raised a total of \$725,000 in seed capital. These funds were used to acquire the Bullfinch project from Talga Resources Ltd (approximately 450 Km²) and also to secure a contiguous Exploration Licence, EL77/2522. At that time, the total area under Torque's control was approximately 615Km² of, what was, the State's first major goldfield.

The balance of the funds was used to produce and lodge a prospectus pursuant to a planned listing of the Company on ASX. No fees or salaries were, or have subsequently been, paid to any of the directors for their efforts in attempting to list the Company.

The prospectus, to raise a minimum of \$4.5 million, was lodged on 18th October 2018, and subsequently approved by both ASIC and ASX.

In the event, despite extensive efforts to raise the required capital and obtain the necessary shareholder spread (minimum 300 shareholders); it became apparent that, at that time, there was little appetite in the market for junior resource company IPO's.

Your board therefore, made the decision to withdraw the prospectus on the 11th December 2018.

What a difference a few months can make!

At the time the prospectus was withdrawn last December the gold price was AUD\$1,657. At the time of writing this letter to you the price has risen to AUD\$2,215 – a jump of AUD\$558 or, over\$ 33%!!

As a result of the above figures, the sentiment towards the resource sector, and particularly gold companies, has become much more positive. The Company has, therefore, decided to recommence the ASX listing process with a listing date target of late October this year.

The prospectus will need to be updated as some changes from last year's prospectus are inevitable. The main ones being...

- The intended addition of shares to the corporate structure, brought about by the necessity to raise an additional \$200K to effect the listing. (Should any member wish to purchase additional discounted shares from this pool, please contact the Company before close of business on 16th August).
- One of the tenement licences (E77/2139) was not renewed by the Western Australian Mines Department and an application was made for that ground by a third party. The Company is in discussion with the third party and are hopeful of regaining control of

TORQUE METALS LIMITED

some, or all, of the area. The area in question covers about 45 Km² or approximately 7.3% of the original area under Torque's control.

The Bullfinch tenements, which lie approximately 40Kms North of the town of Southern Cross, midway between Perth and Kalgoorlie in Western Australia, include over 200 gold prospects outlined by high grade surface sampling, small scale mining and drilling (generally by local prospectors) immediately East of the ~ 1.5 million ounce Copperhead gold deposit.

The plan to bulk sample many of these shallow, high grade gold reefs has been brought into sharp focus by the significant rise in the gold price. What was originally planned as a programme to better define the gold grade of these reefs and establish their geological structure, can now be used, also as a potential source of ongoing revenue in the quest to discover the main target - the next + 1Million ounce gold deposit(s).

We now go forward with renewed optimism of attaining the goal of becoming a significant gold Company.

Yours Sincerely,

A handwritten signature in black ink, appearing to read 'I. Finch', written in a cursive style.

Ian Finch

Managing Director

9 August 2019