October 20, 2025

# Torque Metals

## High grade, higher torque

## SPECULATIVE BUY (initiation)

| | |
|---|---|
| Stock code: | TOR AU |
| Price: | A$0.295 |
| 12-month target price: | A$0.80 |
| Previous target price: | A$N/A |
| Up/downside to target price: | 171.2% |
| Dividend yield: | 0.0% |
| 12-month TSR*: | 171.2% |
| Market cap: | A$207m |
| Average daily turnover: | A$0.5m |
| Index inclusion: | N/A |

** Total stock return – Up/downside to target price + 12-month forward dividend yield.*

### Price performance

| (%) | 1M | 3M | 12M | 3Y |
|---|---|---|---|---|
| Absolute | -10.6 | 47.5 | 268.8 | 59.5 |
| Rel ASX/S&P200 | -12.8 | 42.5 | 259.3 | 23.4 |


*Source: Iress*

### Financial summary

| | Jun-25A | Jun-26F | Jun-27F | Jun-28F |
|---|---|---|---|---|
| Revenue (A$m) | 0.0 | 0.0 | 374.3 | 365.9 |
| EBITDA Norm (A$m) | 0.0 | 0.0 | 212.8 | 213.0 |
| NPAT (A$m) | 0.0 | 0.0 | 146.8 | 155.0 |
| EPS Norm (A$) | 0.00 | 0.00 | 0.20 | 0.21 |
| EPS Growth Norm (%) | NA | NA | NA | 5.6% |
| P/E Norm (x) | NA | NA | 1.5 | 1.4 |
| DPS (A$) | 0.000 | 0.000 | 0.000 | 0.000 |
| Dividend Yield (%) | 0.0% | 0.0% | 0.0% | 0.0% |
| Franking (%) | NA | NA | NA | NA |
| EV/EBITDA (x) | NA | NA | 0.5 | -0.1 |
| Gearing (Net Debt/EBITDA) | 0.00 | 0.00 | -0.51 | -1.17 |

*Source: Company data, Morgans estimates*

**Ross Bennett**
+61 8 6160 8707
ross.bennett@morgans.com.au

*Analyst(s) own shares in the following stocks mentioned in this report:*
*– N/A*

- We initiate coverage on Torque Metals (ASX.TOR) with a SPECULATIVE BUY rating and price target of A$0.80ps.
- Drilling beyond the existing 250koz @ 3.1 g/t Au resource has delivered some of the most impressive gram-metre (grade × interval) gold intercepts seen in Western Australia this year, with six holes exceeding 200+ gram-metres.
- The Paris system remains open, with simple and effective geophysical targeting delivering a high success rate in intercepting high-grade gold. This supports rapid resource growth - we see scope for +500koz Au in the near term (just at Paris main) and a broader 1.0 - 1.5 Moz Au potential across the 57 km mineralised corridor.
- Upside potential at Paris is supported by several potential commercial avenues: 1) near-term toll treatment and cash flow generation; 2) resource growth supporting a standalone operation; and 3) strategic interest via M&A.

### Strategic, high-grade assets command premium valuations

- **High grade and permitted:** Paris hosts a 250koz @ 3.1g/t Au resource on granted mining leases, positioned within a broader gold camp containing several known - and likely additional mineralised systems beyond the current Mineral Resource Estimate (MRE). The resource remains open in all directions, where we expect strong potential for growth at depth and parallel lodes. This is supported by standout intercepts well outside the defined envelope, including 22m @ 12g/t, 15m @ 12g/t, and 16m @ 8g/t Au.
- **Toll treatment optionality:** As spot gold continues to strengthen, implied margins under a speed-to-market toll treatment strategy look increasingly compelling. With granted mining leases and access to multiple third-party processing facilities, we think TOR is well positioned to chart its own course - balancing resource growth with the optionality to generate near-term cashflow without major capital investment.
- **Appealing free cashflow:** Under MorgansF's toll treatment scenario, we forecast attractive free cashflow generation, averaging A$80m per annum and implying an average free cashflow yield of ~49%. Strong earnings are driven by high-grade open pit ore and minimal sustaining capex, reflecting the absence of a processing plant and the simplicity of open pit mining operations.
- **M&A target:** The combination of grade, scale potential, and proximity to established processing infrastructure makes it a logical bolt-on for mid-tier producers seeking high-margin feed or regional consolidation opportunities. Many of these mid-tiers are guiding mill expansions despite not currently operating at nameplate throughput, highlighting an industry-wide shortage of quality, high-grade feed.
- **Compares favourably:** TOR trades on an EV/resource multiple of A$550/oz (Paris only) or A$80/oz (global). The most relevant peer, New Murchison Gold (ASX:NMG), is toll-treating a similar 279koz Au resource and trades at A$1,100/oz, underscoring TOR's immediate value appeal.

### Forecast and valuation

- Our DCF-based valuation for TOR is A$0.80ps. The valuation is underpinned by robust free cash flow from a toll treating scenario but note current global resources support our forecasts on an implied EV/Resource basis of A$568/oz. Our forecasts incorporate costs associated with trucking and toll treating, derived from an in-house proprietary formula.

### Investment view

- We rate TOR a SPECULATIVE BUY with a price target of A$0.80ps. Our valuation remains conservative, based solely on a toll-treated mining scenario underpinned by the existing Paris resource. As exploration success and resource growth continue, we see potential for material valuation uplift beyond our current assumptions.

### Price catalysts

- Drilling, MRE update/s, studies, fast tracked production, commodity price, M&A.

### Risks

- Resource growth, commodity price, FX, metallurgy & potential tolling dependency.

![morgans]

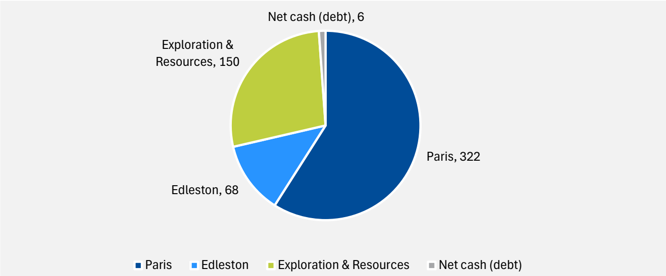
# Torque Metals

**SPECULATIVE BUY** — **as at October 20, 2025**

| | | | |
|---|---|---|---|
| Price (A$): | 0.295 | 12-month target price (A$): | 0.80 |
| Market cap (A$m): | 207 | Up/downside to target price (%): | 171.2 |
| Free float (%): | 80 | Dividend yield (%): | 0.0 |
| Index inclusion: | N/A | 12-month TSR (%): | 171.2 |

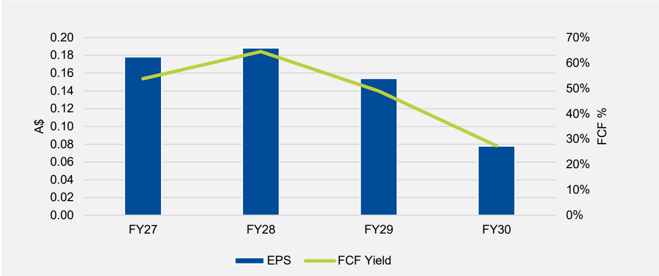
TOR wholly own the Paris Gold Project - a prime asset located in the heart of the Western Australian Boulder-Lefroy Fault. Positioned 12 km southeast of Goldfields’ St Ives project and 10 km east of Karora Resources’ Higginsville project with an existing 250koz Au resource, it benefits from proximity to key processing facilities including the Higginsville and St Ives mills. Situated on the prolific Boulder-Lefroy Fault, this world-class gold province is surrounded by other significant projects, such as Northern Star Resources’ Super Pit, Goldfields’ Invincible, and Karora Resources’ Beta Hunt and Baloo operations.

### Valuation Breakdown (A$m)



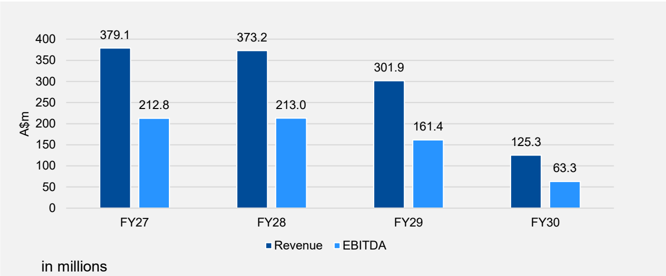
Source: Morgans Estimates

### EPS & FCF Yield



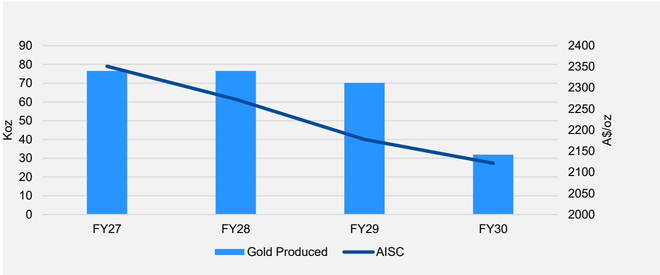
Source: Morgans Estimates

### Revenue and EBITDA (A$m)



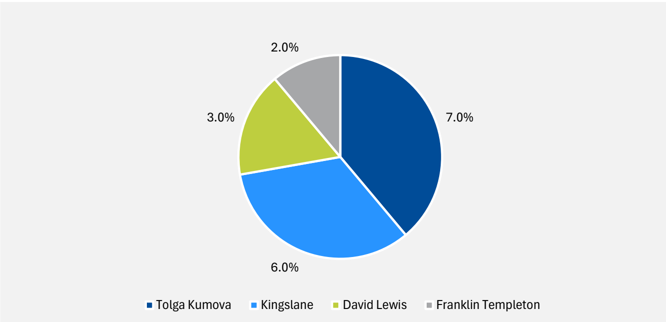
Source: Morgans Estimates

### Units Costs & Gold Production



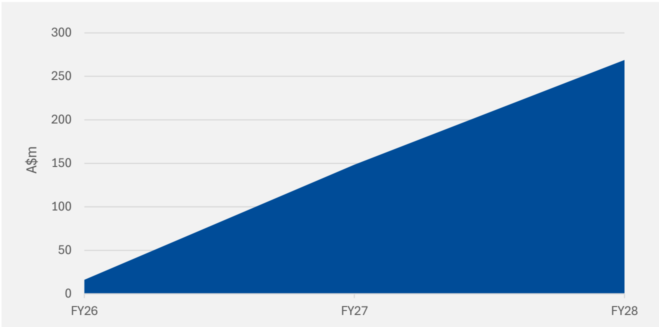
Source: Morgans Estimates

### Share Register



Source: Morgans Estimates

### Cash Balance (A$m)



Source: Morgans Estimates

### Bull points

**High Grade Gold on Mining Licenses**
Paris continues to deliver high-grade results which drive indicative margin. Hits such as as 35m @ 14.1g/t Au, 15m @ 12.6g/t Au, and 5m @ 27.9g/t Au sit outside of the current MRE boundary, implying material upside. Drilling has confirmed the presence of multiple high-grade lodes across an expanding system with current endowment supported by strong recoveries (>96%). indicative scale appears promising - we expect ongoing focus of drilling to delineate rapid resource growth. With continued success, we expect Paris to emerge as one of the higher-grade undeveloped gold systems near Kalgoorlie.

**Strategic Asset**
Paris sits within trucking distance of underutilised mills that are in care and maintainance or have latent process capacity - (Higginsville, WGX and (St Ives, Gold Fields) both reportedly short feed. Relative proximity provides TOR the ability to chose its own destiny. We think a stand alone operation is an option with continued success, but optionality remains with potential third party treatment or M&A.

### Bear points

**Resource Growth**
While Paris has shown promising extensional drilling through ongoing drilling which highlights the significant expansion potential, quantifying the upside requires further drilling. Despite this, we remain optimistic due to 1) our confidence in the geology and vectoring technique; 2) Our valuation is based off current Mineral Resource Estimates.

**Commodity & Sentiment Risk**
Share price remains highly geared to short-term movements in gold price and sector sentiment. Any reversal in the gold bull cycle or increased investor risk aversion could materially affect funding capacity and valuation.

## Figure 1: Financial summary

| Profit & Loss - A$m | Jun-25A | Jun-26F | Jun-27F | Jun-28F |
|---|---|---|---|---|
| Sales revenue | - | - | 374 | 366 |
| Other revenue | - | - | - | - |
| **Underlying EBITDA** | | | **213** | **213** |
| Other costs | **-7** | **-7** | - | - |
| **EBITDA** | **-** | **-** | **213** | **213** |
| D&A | - | - | -4 | -4 |
| **EBIT** | **-** | **-** | **209** | **209** |
| Net interest | - | - | 1 | 12 |
| PBT | -7 | -7 | 210 | 221 |
| Corporate tax | - | - | -63 | -66 |
| **Reported NPAT** | **-7** | **-7** | **147** | **155** |
| Adjustments | - | - | - | - |
| **Underlying NPAT** | **-7** | **-7** | **147** | **155** |

| Balance Sheet - A$m | Jun-25A | Jun-26F | Jun-27F | Jun-28F |
|---|---|---|---|---|
| Cash | 3 | 16 | 148 | 269 |
| Fixed assets | 1 | 16 | 45 | 60 |
| **Assets** | **60** | **89** | **251** | **386** |
| Debt | -0 | 24 | 39 | 19 |
| **Liabilities** | **2** | **27** | **42** | **22** |
| **Equity** | **57** | **61** | **207** | **362** |
| Net Debt / (Cash) | -4 | 8 | -109 | -250 |

| Cash Flow - A$m | Jun-25A | Jun-26F | Jun-27F | Jun-28F |
|---|---|---|---|---|
| Cash Flow from Operations | -2 | -2 | 151 | 159 |
| Capex | -3 | -21 | -33 | -18 |
| Cash Flow from Investing | -4 | -22 | -33 | -18 |
| Incr/(Decr) in Debt | 1 | 25 | 15 | -20 |
| Dividends Paid | 1 | 1 | - | - |
| Cash Flow from Financing | 7 | 36 | 15 | -20 |
| **Net Change in Cash** | **1** | **12** | **132** | **120** |
| Free Cash Flow | -5 | -24 | 117 | 140 |

| | Morgans Forecast | | Spot (US$3500/Oz) | |
|---|---|---|---|---|
| **Valuation Summary** | **A$m** | **A$ps** | **A$m** | **A$ps** |
| Paris Gold Project | 322 | 0.44 | 403 | 0.55 |
| Edleston | 68 | 0.09 | 68 | 0.09 |
| Total Assets | 390 | 0.53 | 470 | 0.64 |
| Corporate | -15 | -0.02 | -15 | -0.02 |
| Exploration & Resources | 150 | 0.20 | 150 | 0.20 |
| Net cash (debt) | 6 | 0.01 | 6 | 0.01 |
| **Valuation** | **531** | **0.72** | **612** | **0.83** |
| **Target Price 50/50 (Base/Spot)** | | | | **0.80** |

| Price Assumptions | Jun-25A | Jun-26F | Jun-27F | Jun-28F |
|---|---|---|---|---|
| Australian dollar (AUD/USD) | 0.65 | 0.65 | 0.69 | 0.70 |
| Gold price assumptions (US$/oz) | 2,840 | 3,600 | 3,325 | 3,250 |

| Operations | Jun-25A | Jun-26F | Jun-27F | Jun-28F |
|---|---|---|---|---|
| **Production** | | | | |
| Gold production (koz) | 0 | 0 | 77 | 77 |
| **Operating costs** | | | | |
| Group AISC (A$/ounce) | 0 | 0 | 2,351 | 2,273 |

| Resources | Material (Kt) | (Au g/t) | (Koz) |
|---|---|---|---|
| Paris | 2518 | 3.1 | 250 |
| Edleston | 34,114 | 1.0 | 1,500 |
| **Total** | **36,632** | **1.1** | **1,750** |

| Morgans Mined Inventory | Ore (Kt) | (Au g/t) | (Koz) |
|---|---|---|---|
| Paris Open Pit | 2,029 | 2.9 | 190 |
| Paris Underground | 489 | 3.8 | 60 |
| Total | 2,518 | 3.1 | 250 |

| Substantial Holders | Shares (m) | Stake (%) |
|---|---|---|
| Tolga Kumova | 37 | 7.0% |
| Kingslane | 32 | 6.0% |
| David Lewis | 15 | 3.0% |
| Franklin Templeton | 12 | 2.0% |

| Key Metrics | Jun-25A | Jun-26F | Jun-27F | Jun-28F |
|---|---|---|---|---|
| EPS - underlying (A$ps) | 0.00 | -0.01 | 0.18 | 0.19 |
| P/E ratio (x) | - | - | 1.7 | 1.6 |
| DPS (UScps) | - | - | - | - |
| Dividend yield (%) | - | - | - | - |
| Div payout ratio (% EPS) | - | - | - | - |
| EBITDA margin (%) | - | - | 57% | 58% |
| EBIT margin (%) | - | - | 56% | 57% |
| EV/EBITDA (x) | - | - | 0.5 | -0.1 |
| EV/EBIT (x) | - | - | 0.5 | -0.2 |
| FCF yield (%) | 0.0% | 0.0% | 53.8% | 64.5% |
| ND/EBITDA (x) | 0.0 | 0.0 | -0.5 | -1.2 |
| Gearing (ND/[ND+E]) | 0% | 0% | -111% | -221% |
| ROA (%) | 0% | 0% | 58% | 40% |
| ROCE (%) | 0% | 0% | 84% | 55% |
| Ord Shares on issue (m shares) | 739 | 739 | 739 | 739 |

Source: Morgans estimates, company data

## Torque Metals snapshot

Torque Metals (ASX.TOR) is an advanced ASX listed gold explorer with short-term production potential based in the heart of WA gold mining, 100km south of Kalgoorlie. Production potential is anchored by an existing high grade and rapidly growing resource of 250koz Au at Paris. Step out drilling at Paris bolsters our confidence for long-term production potential, demonstrated by results of 54m @ 4g/t Au, 22m @ 12g/t, 15m @ 12g/t, and 16m @ 8g/t Au outside the MRE.

Paris is proximal to several processing hubs including Higginsville (ASX.WGX), St Ives (Goldfields), Jubilee (ASX.NST) and Lakewood (ASX.BC8). A number of these plants are short ore despite aggressive growth portfolios, meaning the value of Paris compounds over time as others may increasingly rely on it to unlock their own growth or lower unit costs with time.

Exploration at Paris has proven efficient in defining high-grade gold, due to a clear association between gold mineralisation and massive pyrrhotite, a sulphide mineral that generates a strong electromagnetic (EM) response in geophysical surveys. These EM conductors are modelled as plates, enabling precise and effective drill targeting of high-grade zones. We note no false positives have been recorded and conductors consistently correspond to high-grade gold. Gold occurs independently of conductors, as such we see further potential beyond mapped EM plates. TOR currently has multiple untested conductors at depth at Paris, with other prospects yet to be assessed using this proven geophysical method.

TOR is well positioned to deliver value this gold cycle, demonstrated through:

1) An existing high-grade resource of 250koz @ 3.1g/t Au at Paris, underpinning near-term production potential on granted mining leases.

2) A proven and efficient exploration model, with gold closely associated with EM conductors that enable simple, high-success rate, drill targeting.

3) Toll treatment optionality leveraging multiple nearby processing hubs, allowing a rapid, capital-light pathway to cashflow.

4) Compelling free cashflow metrics, with Morgans forecasting ~A$78m per annum and ~45% average FCF yields under a tolling scenario.

5) Strategic M&A relevance, as mid-tier producers expand mill capacity yet remain short of high-grade feed positions TOR as a highly desirable regional acquisition target

## Initiating coverage with a SPECULATIVE BUY rating – target price A$0.80ps

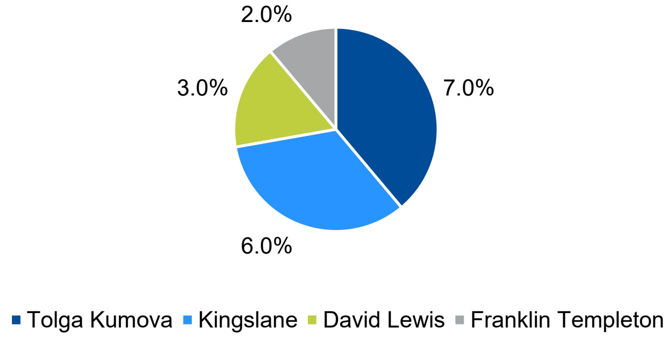
**Investment view:** We rate TOR as a SPECULATIVE BUY and A$0.80 target price. In precious metals, grade is king and drives high margins whilst exploration upside drives momentum. TOR's existing high-grade asset base and indicative growth is complemented by granted mining leases, proximal process infrastructure and a premier mining jurisdiction.

**Figure 2: Capital structure**

| | | |
|---|---|---|
| Ordinary Shares | m | 540 |
| Performance rights | m | 90 |
| Options | m | 109 |
| Diluted Capital | m | 739 |
| Undiluted Capital | m | 540 |
| Price | A$ps | 0.295 |
| **Undiluted Market Capitalisation** | **A$m** | **159** |
| **Diluted Market Capitalisation** | **A$m** | **218** |
| Debt | A$m | 0 |
| Cash | A$m | 6 |
| **Enterprise Value** | **A$m** | **153** |
| Morgans Valuation | A$m | 0.80 |
| **Capital Upside** | **%** | **171%** |

Source: IRESS

**Figure 3: Share register**




Source: IRESS

## Reasons to buy

**High grade:** Paris has delivered a series of impressive step-out drill results, with standout intercepts including 54m @ 4g/t Au and 22m @ 12g/t. Grade remains the key differentiator at Paris, underpinning our confidence in the broader development story. Recent M&A reinforces the value of high-grade ounces - Penny (14g/t Au) transacted at ~A$670/oz and Spartan (4.8g/t Au) at ~A$1,000/oz. In comparison, TOR trades on an implied EV/Resource multiple of ~A$568/oz on the Paris resource alone and ~A$81/oz on a global resource basis, highlighting a clear valuation disconnect and significant re-rate potential as resource growth and development optionality advance.

**Strategic value:** Paris sits at the heart of a mine-constrained district, where mid-tiers are guiding capacity expansions without sufficient tonnes/feed. The longer others wait, the more strategically valuable TOR becomes.

**Resource growth:** The resource remains open in all directions with step-out drilling consistently extending mineralisation. We see clear line-of-sight to a +500koz near-term resource and potential to scale toward 1-1.5Moz Au across the broader corridor.

**Regional upside:** The 57km mineralised corridor within the greater Paris tenement package hosts multiple underexplored prospects (Honeypot, Manyards, New Dawn and Strauss) each with the potential to replicate Paris-style mineralisation. We see the regional prospects providing scope for critical mass to support a potential future multi-deposit development play, underpinning longer-term production optionality. Notably, no electromagnetic surveys have yet been completed across the broader package - a proven key driver of exploration success at Paris.

**Effective exploration:** The association of high-grade gold with pyrrhotite, coupled with the effectiveness of EM targeting, underpins our confidence in rapid exploration progress leading into resource growth and potential near-term production, all against the backdrop of record gold prices.

**Premier mining hub:** Paris is situated in the heart of the WA Goldfields, one of the world’s most established and infrastructure-rich mining regions, ensuring ready access to power, roads, skilled labour, and processing facilities - all on granted tenure.

**Free cash flow potential**: We forecast average free cashflow of A$80m per annum and an average FCF yield of ~49%, driven by high-grade open-pit ore, minimal sustaining capital, and the capital-light tolling model. We see scope for material upside contingent on resource growth.

## Risks

**Resource growth**: While exploration results to date have been strong, resource expansion is key to driving long-term value and upside. A lack of continued growth across the Paris corridor or broader tenement package could limit scalability and delay development timelines. Despite this, we think existing prospects and drilling outlines the potential scope for toll treatment/ore sale agreements.

**Metallurgical performance and recoveries:** Although test work confirms the Paris ore is amenable to conventional processing, variability in ore hardness, grind size, and gravity/CIL response may influence recoveries when treating through a third-party plant configured for different ore types. Any requirement for additional reagents, extended crushing, or longer residence times could increase unit processing costs and impact overall project margins.

**Cost inflation and labour availability:** Persistent tightness in WA contractor/labour markets and higher input prices (diesel, explosives, reagents, parts) creates risk of structural AISC creep and capex overruns and productivity losses.

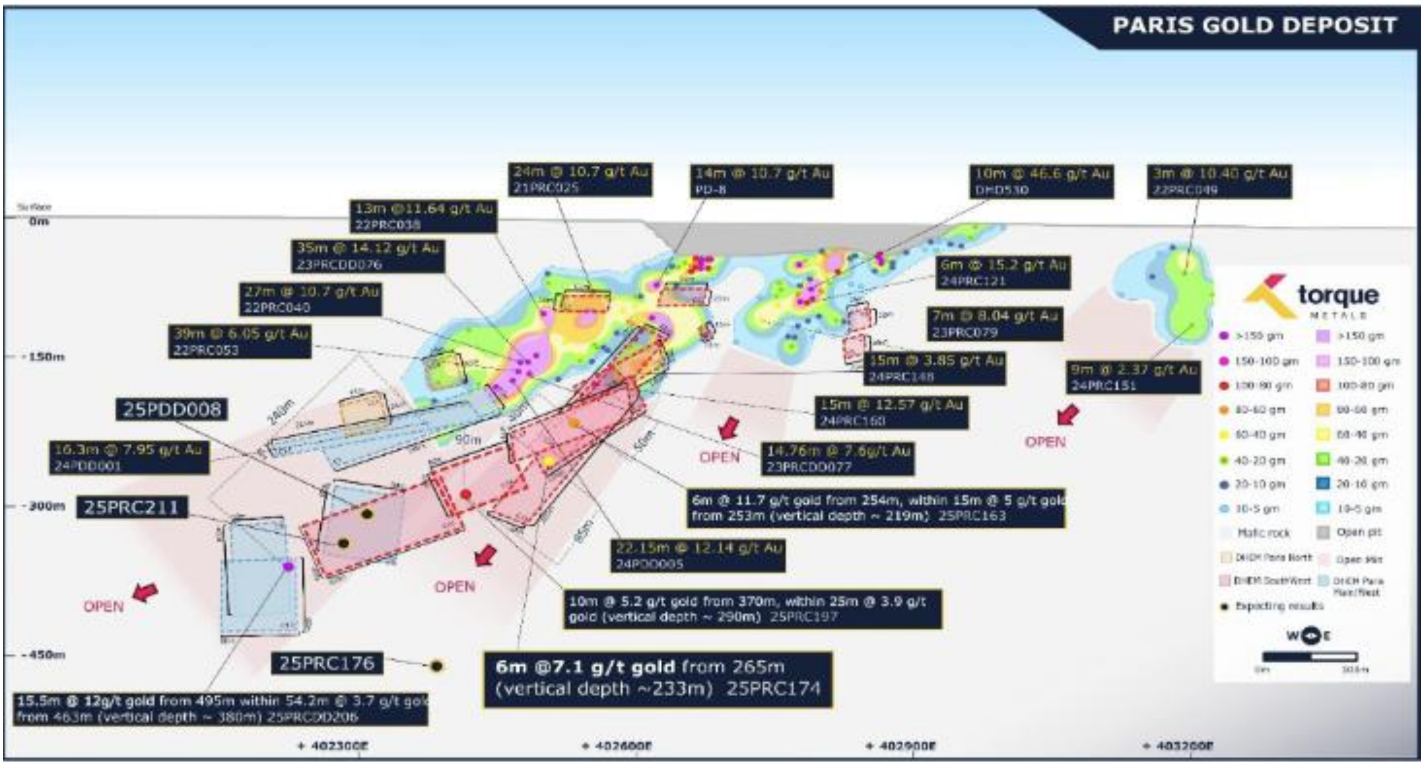
**FX and commodity price:** A stronger AUD/USD compresses AUD gold revenues. More broadly, TOR's valuation and funding optionality remains sensitive to gold price. A sustained decline in gold prices would directly impact our valuation.

## Near-term strategy

TOR's core near-term strategy is based on: 1) strengthening momentum through high quality drill results and additional geophysical anomalies; 2) growing existing resources; 3) delineating regional prospects and scale potential; and 4) progress Paris to a production ready state.

## Prospects and targets

**Figure 4: Paris main – long section**




Source: TOR

**Figure 5: Observation long section**


Source: TOR

**Figure 6: HHH long section**


Source: TOR

Strauss: 6km under explored soil anomaly on Boulder Lefroy Fault Limited historical drilling below 30m.

Best result to date 8m @ 1.7 g/t from 64m.

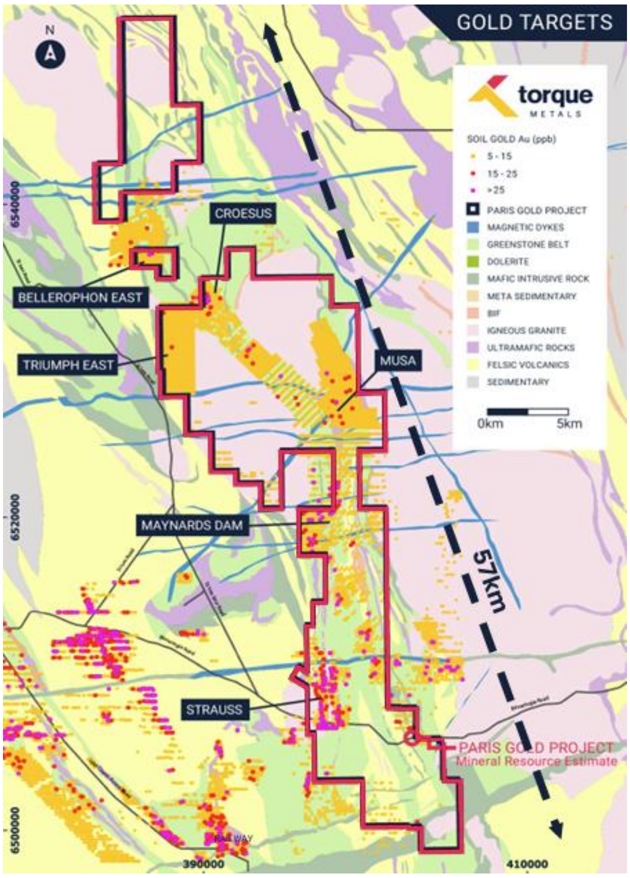
Opportunity to get to MRE rapidly.

We like the oxide potential at Strauss.

Maynards Dam: Best result to date 5m @ 16.9 g/t Au from 21m. This Prospect is not included in the current MRE.

Triumph East: 800m east of Goldfields operations, gold mineralisation identified from historical soils sampling, only two drill shallow holes drilled.

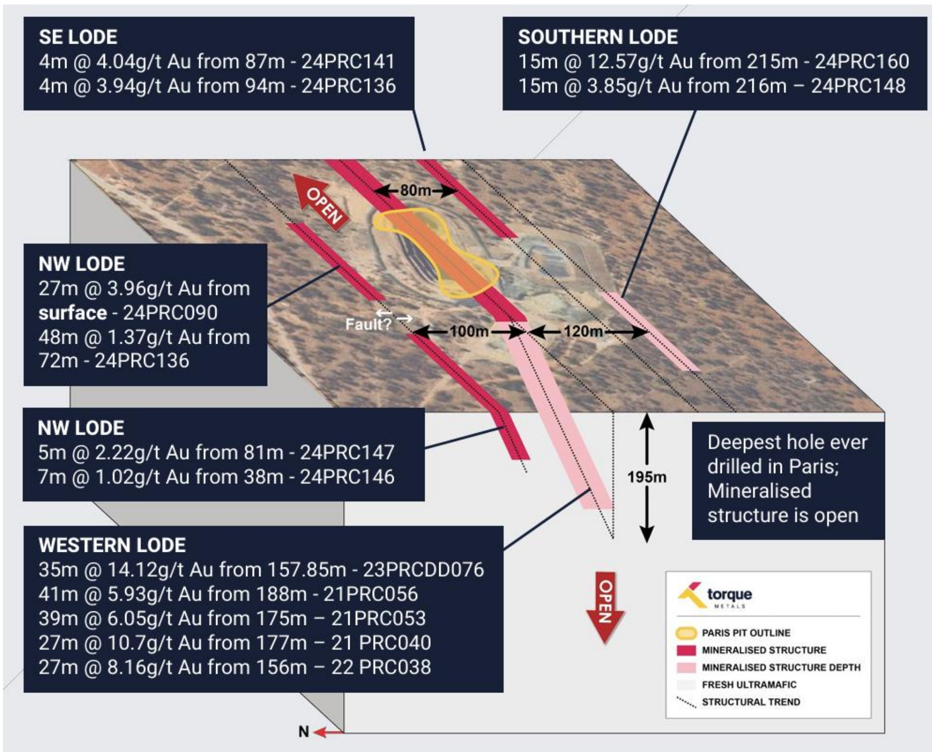
**Figure 7: Plan view – all prospects**




Source: TOR

Schematic outlines the simple geometry of Paris – We see scope for analogues across the project tenure.

**Figure 8: Paris main**




Source: TOR

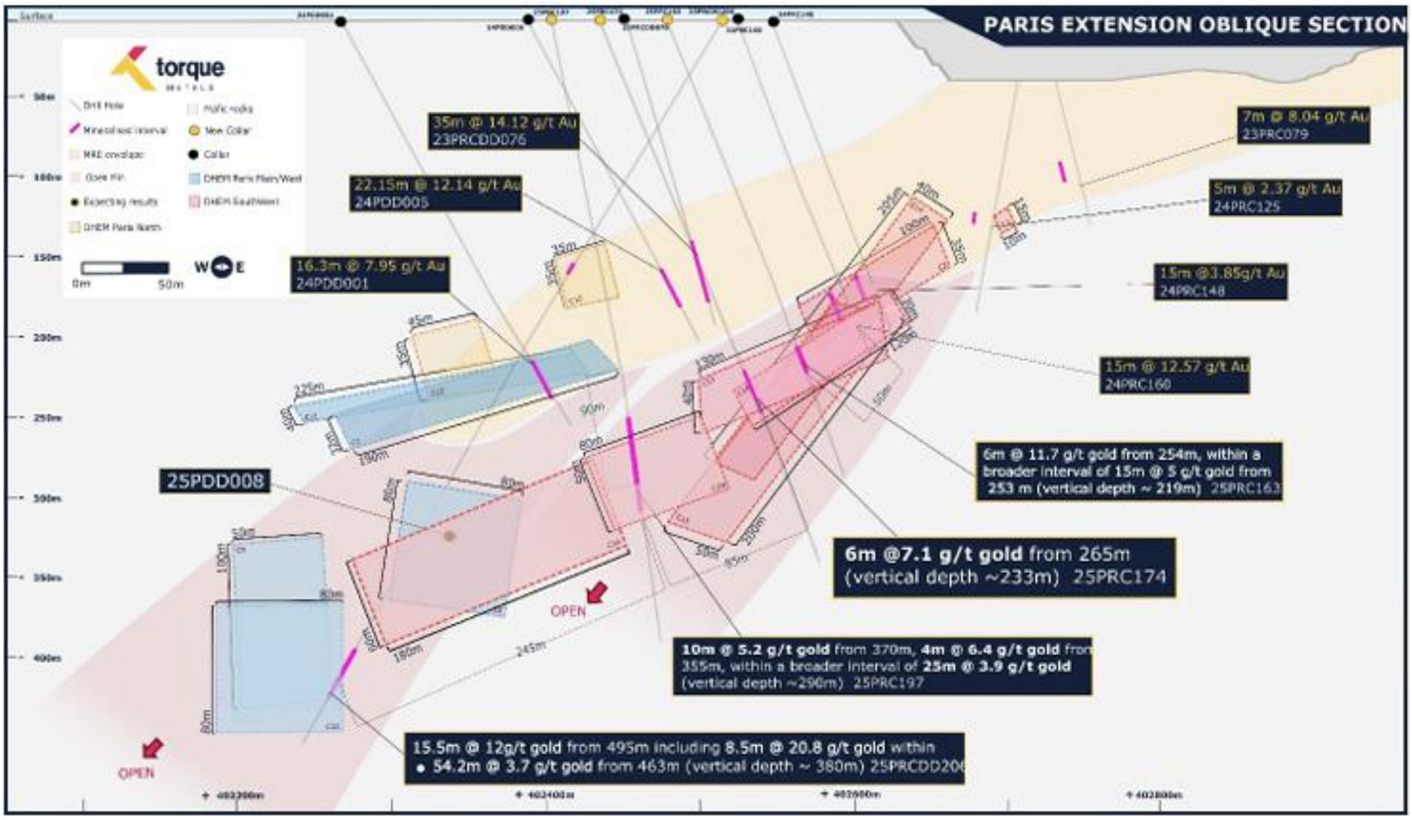
## Catalysts

### Drill results and targeting

Follow up drilling of several thick, high-grade intercepts (54m @ 4g/t Au, 22m @ 12g/t, 15m @ 12g/t, 16m @ 8g/t Au) beyond the existing resource, in our view, is the immediate catalyst for TOR.

**Untested conductors:** There are multiple untested and sparsely drilled EM conductors at Paris, each strongly correlated with high-grade gold mineralisation. We remain confident these conductors will continue to deliver high-grade results, driving both share price momentum and implied resource growth. Beyond being an effective vectoring tool for drill targeting, the EM data also allows quantitative extrapolation of resource potential. For context, assuming conductor dimensions of 180m strike, 100m dip extent, 15m thickness and a grade of 7.5g/t Au implies ~188koz Au per conductor at these specifications – we note several identified conductors exceed these dimensions, underscoring the scale of upside yet to be realised.

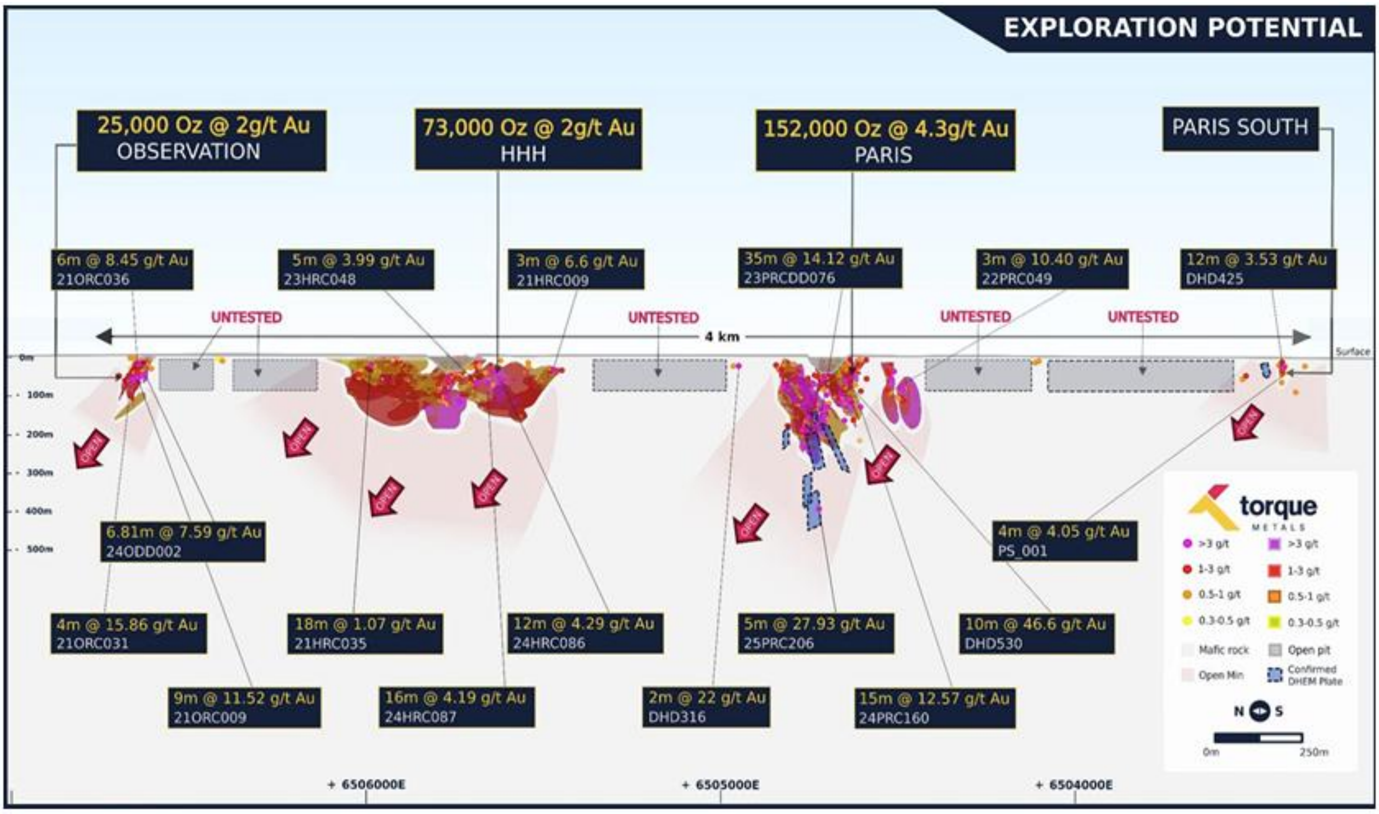
**Figure 9: EM conductors at Paris**




Source: TOR

**Resource growth:** Resource expansion remains a key near-term catalyst, with material upside to the existing 250koz @ 3.1g/t Au resource. Based on current drilling, we anticipate substantial resource growth, with ~500koz Au achievable in the short term across Paris, HHH, and Observation. Broader regional potential provides a clear line of sight to 1.0 - 1.5Moz Au, underpinned by multiple underexplored corridors within the 57km mineralised belt, contingent on drilling success.

**Figure 10: Current Resources – tangible upside**




Source: TOR

**Regional corridor potential:** Beyond Paris, multiple underexplored corridors within the 57km mineralised belt - including Honeypot, Manyards Dam, New Dawn, and Strauss - remain largely untested. While soil geochemistry and limited historical drilling have only scratched the surface, early results such as 5m @ 17g/t Au highlight compelling discovery potential and the capacity to build critical mass. Each in-soil anomaly could represent a Paris-style repeat, with EM surveying across these areas expected to rapidly define high-priority drill targets and expand the broader gold inventory.

**Optimisation and studies:** Optimisation and technical studies are additional catalysts for TOR. Initial metallurgical test work confirms Paris ore is amenable to conventional gravity and CIL processing with recoveries up to 99.7%, providing confidence in straightforward metallurgy. Future optimisation work determining metrics around ideal grind size, reagent usage, and ore variability has the potential to enhance recoveries and reduce implied unit costs, directly improving project economics.

Further process flow-sheet refinement and updated technical studies will also sharpen implied capital and operating cost assumptions ahead of a hypothetical mining operation, which may reinforce Paris as a low-risk, high-margin orebody which may be well suited to third-party processing or have merit as a stand-alone production.

**Toll treatment optionality:** Located proximal to several operating mills provides TOR genuine flexibility to monetise ore through third-party processing, delivering a capital-light pathway to early cashflow. Being close to Higginsville (ASX.WGX), St Ives (Gold Fields), Jubilee (ASX.NST) and Lakewood (ASX.BC8) gives TOR multiple potential partners in a region short on high-grade feed. Following the success of New Murchison Gold (ASX.NMG), which currently toll treats ore through Westgold Resources (WGX) and trades on an EV/Resource multiple of ~A$1,100/oz, highlights the market premium attributed to high-grade, toll-treatment-ready assets. By comparison, TOR trades on an implied ~A$393/oz, underscoring significant re-rating potential as potential commercial discussions progress and production optionality is crystallised. M&A appeal: We think the gold price will continue to be an ongoing catalyst for the RMS.

## Valuation and assumptions

Our DCF-based valuation for TOR is A$531m, which increases to A$612m at a spot gold price of US$3,500/oz. Our price target is derived from a 50/50 blend of MorgansF and spot assumptions (US$3,500/oz). The valuation assumes no material grade uplift at Paris and no mine life extension beyond the current resource, leaving clear scope for upside. Given the strength of existing results and continued drilling success, we anticipate meaningful increases in tonnes, ounces, and grade - all of which remain unmodelled in our base case. We therefore view our assumptions as conservative, with potential production and earnings likely to exceed forecasts as the high-grade nature of the asset base is further demonstrated. Paris is funded by an assumed A$50m debt inclusive of contingency - a 5% discount rate is applied, consistent with gold's status as a monetary asset, with operating costs escalated appropriately.

*The bulk of the valuation is informed through our MorgansF toll treatment scenario.*

*We capture additional value through the 1.5Moz Au Edleston Gold Project and additional exploration & resource value.*

**Figure 11: Valuation breakdown**

| | Morgans Forecast | | Spot (US$3500/Oz) | |
|---|---|---|---|---|
| **Valuation Summary** | **A$m** | **A$ps** | **A$m** | **A$ps** |
| Paris Gold Project | 322 | 0.44 | 403 | 0.55 |
| Edleston | 68 | 0.09 | 68 | 0.09 |
| Total Assets | 390 | 0.53 | 470 | 0.64 |
| Corporate | -15 | -0.02 | -15 | -0.02 |
| Exploration & Resources | 150 | 0.20 | 150 | 0.20 |
| Net cash (debt) | 6 | 0.01 | 6 | 0.01 |
| **Valuation** | **531** | **0.72** | **612** | **0.83** |
| **Target Price 50/50 (Base/Spot)** | | | | **0.80** |

Source: Morgans estimates, company data

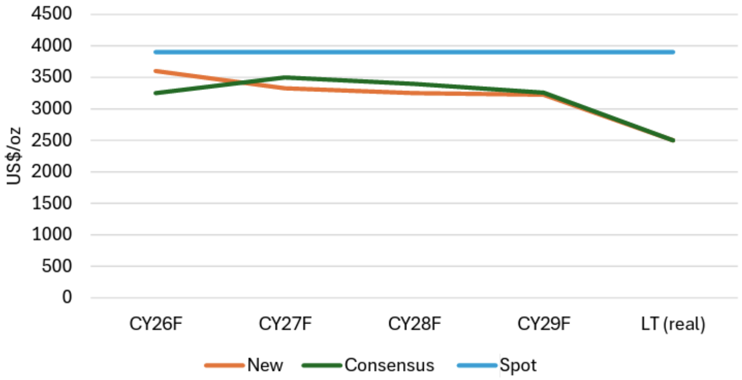
**Edleston:** We attribute A$68m to the Edleston Gold Project (Canada), which hosts 1.5Moz Au @ 1.1g/t Au resource. Our valuation is based on an EV/Resource ounce benchmark of A$45/oz sourced from ASX listed, continental American gold projects. We think this is conservative and in the right market conditions foresee a potential asset sale to transact at a premium to our valuation.

**Exploration and Resources:** We value residual exploration and resource upside at A$150m, supported by genuine, thick high-grade intercepts beyond the existing MRE at Paris. Notable results include 54m @ 4g/t Au, 16m @ 8g/t Au, 15m @ 5g/t Au, and 25m @ 4g/t Au, collectively implying meaningful resource growth potential. Our modelling indicates A$1.23m in project NPV for every additional 1koz processed, suggesting that an incremental 122koz of production would deliver our resource/exploration valuation - a realistic and conservative target given the project's demonstrated grade endowment.

## Morgans forecasts

*We recently updated our gold price deck, increasing our short-term forecasts to reflect realistic earnings potential*

**Figure 12: MorgansF gold price**




Source: Morgans estimates

*In our toll treating scenario, we forecast production to commence in FY27. We incorporate mining dilution and metallurgical recoveries into our forecasts.*

**Figure 13: MorgansF mine plan**

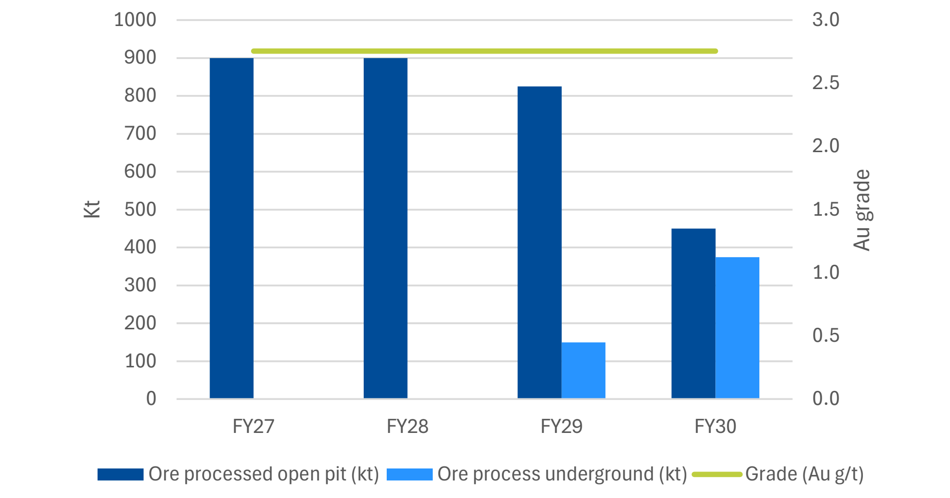
| | FY27 | FY28 | FY29 | FY30 |
|---|---|---|---|---|
| Ore processed open pit (kt) | 900 | 900 | 900 | 825 |
| Ore process underground (kt) | 0 | 0 | 0 | 150 |
| Grade (Au g/t) | 2.76 | 2.76 | 2.76 | 2.87 |

Source: Morgans estimates

*We forecast a base case consisting of 900ktpa from open pit operations before underground mining commencing in FY29.*

*Our forecasts include no mine life extensions beyond the current mineral inventory.*

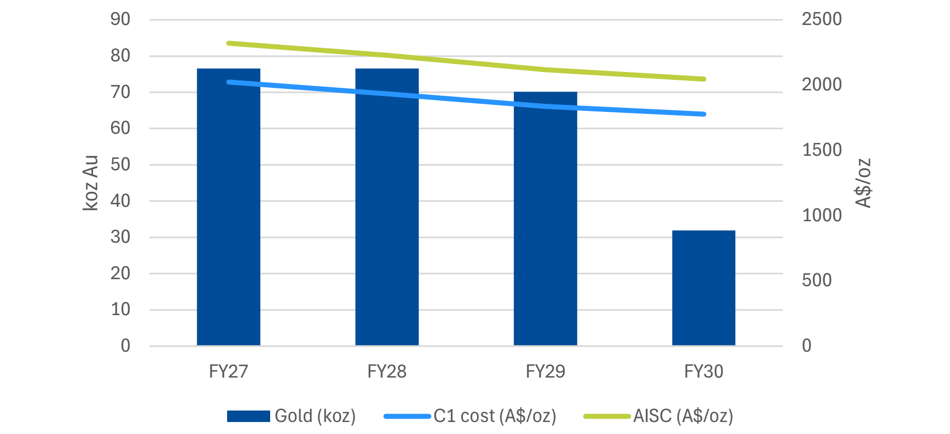
**Figure 14: Forecast annual average ore feed & grade**




Source: Morgans estimates

*Our unit costs fall with time, a function of our price deck – our toll treatment processing charge formula references gold price (which reduces with time).*

**Figure 15: Forecast gold production vs unit costs**

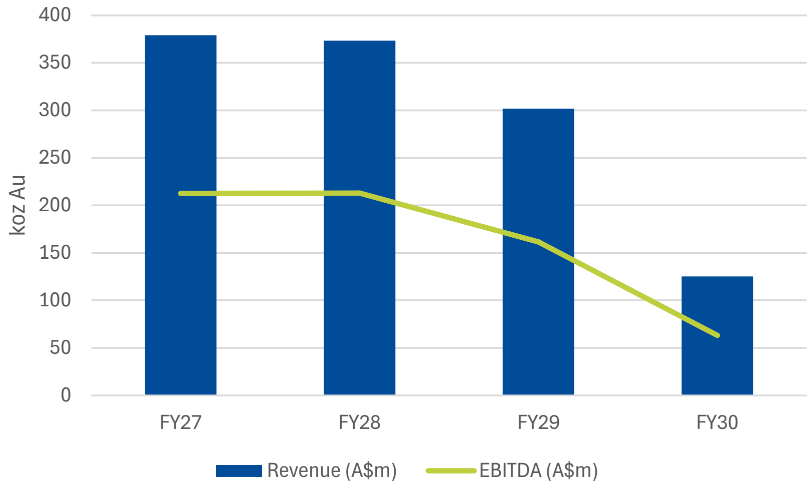



Source: Morgans estimates

We forecast solid annual EBITDA and EBITDA margins, as high as +A$350m/56% in FY27.

Our margins are sensitive to gold price noting our long-term price remains US$2,500/oz.

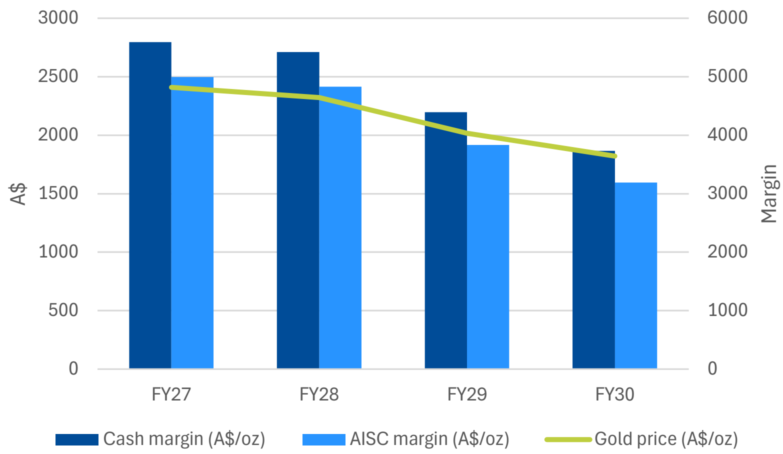
**Figure 16: Forecast revenue and EBITDA**




Source: Morgans estimates

Due to the relatively high-grade ore, we forecast average cash and AISC margins of A$2,393 / A$2,100/oz using our price deck.

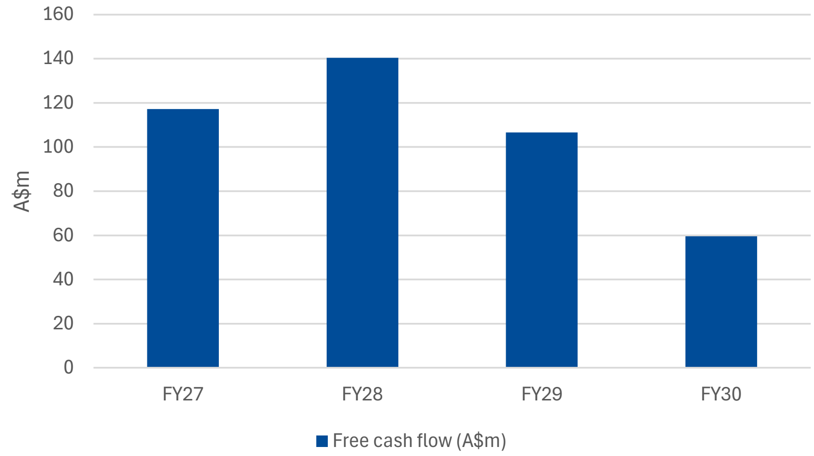
**Figure 17: Forecast margins**




Source: Morgans estimates

We forecast an average A$80m of FCF per annum, inclusive of development period.

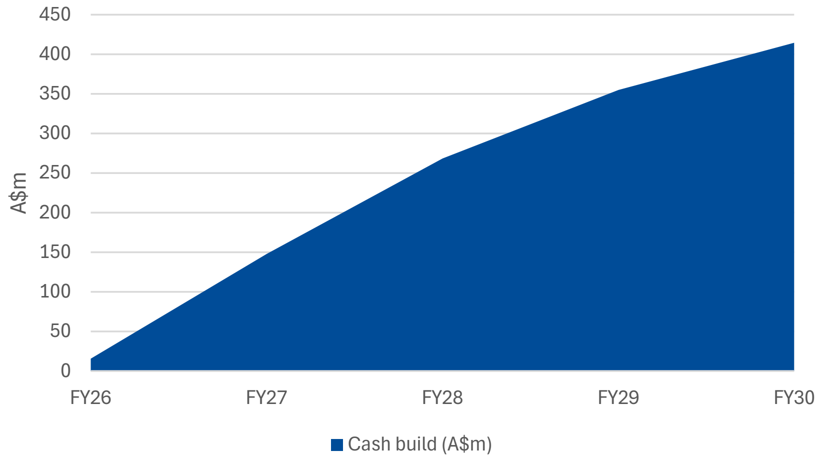
**Figure 18: Free cash flow**




Source: Morgans estimates

Cash build in a toll treat scenario is significant.

**Figure 19: Forecast cash build**




Source: Morgans estimates

## Sensitivity analysis

*We flex for FX and gold price.*

**Figure 20: Valuation sensitivity analysis**

| | | Gold Price (US$/oz) | | | |
|---|---|---|---|---|---|
| | | 3000 | 3500 | 4000 | 4500 |
| FX (AUD:USD) | 0.60 | 0.8 | 0.95 | 1.10 | 1.25 |
| | 0.63 | 0.77 | 0.92 | 1.07 | 1.22 |
| | 0.65 | 0.74 | 0.89 | 1.04 | 1.19 |
| | 0.68 | 0.71 | 0.86 | 1.01 | 1.16 |

Source: Morgans estimates, company data

## Paris

### History

The Paris Gold Project has a history of sporadic exploration and small-scale production, primarily targeting high-grade mineralisation near surface. Activity was initially led by the Paris Gold Mining Company in the 1890s.

Following a 50-year period of dormancy, conceptual targeting and grassroots exploration recommenced. Groups including Billiton, WMC, Aztec, and Julia Mines conducted geophysics, auger soils, and RC drilling across HHH and Observation, resulted in minor gold production (~24koz Au). The industry's focus later shifted toward copper and nickel exploration, leaving Paris largely idle.

Renewed interest in the early 2010s saw operators such as Gold Fields and Austral Pacific undertake AC drilling, although exploration spend remained modest as Gold Fields' attention refocused on the St Ives operations following the discovery of Invincible.

In 2016, small-scale mining was undertaken by Austral Pacific. Operations consisted of selective high-grade open pit mining, producing approximately 99koz @ 28g/t Au from Paris and 10.4koz @ 4.2g/t Au from HHH. Exploration was limited as private ownership lacked the capital and focus for systematic growth.

TOR acquired Paris in 2020, re-energising and strategically consolidating exploration across the belt. Belt-scale targeting was followed by extensive RC and diamond drilling, establishing an initial 250koz Au MRE, underpinned by a new board, modern EM exploration, and a resource growth strategy. Torque's dedicated focus and financial position now position it to aggressively expand resources and unlock the broader 57km mineralised belt.

### Mineral Resource Estimate

TOR has defined an initial JORC (2012) compliant Mineral Resource Estimate of 250koz @ 3.1g/t Au across the Paris, HHH, and Observation deposits, all located on granted mining leases within WA's Goldfields. The flagship Paris Deposit hosts 152koz @ 4.3g/t Au, complemented by 73koz @ 2.0g/t Au at HHH and 25koz @ 2.8g/t Au at Observation. The resource is predominantly shallow and high-recovery (>96%), with 190koz @ 2.9g/t Au amenable to open-pit extraction and a further 60koz @ 3.8g/t Au potentially mineable underground. Notably, the current MRE covers only 2.5km² of Torque's 350km² landholding, leaving substantial growth potential along the 57km mineralised corridor. The company plans to drive resource expansion by testing strike extensions, interlinking structures, and depth potential, while concurrently advancing technical and scoping studies to evaluate a toll-treatment development pathway leveraging proximity to major regional mills (Higginsville and St Ives).

### Geophysical targeting

The use of electromagnetic (EM) surveying mirrors the approach successfully employed by Bellevue Gold (ASX. BGL) in defining its 3.1Moz Au high-grade gold resource. Like BGL, TOR benefits from a strong association between gold and pyrrhotite, enabling EM to clearly delineate conductive zones that correspond to high-grade mineralisation. The technique offers a low-cost, high-resolution means of target generation and rapid prioritisation of drill holes with a proven high hit rate driving resource growth. At Paris, EM has already demonstrated its predictive power, guiding drilling into multiple thick, high-grade zones. The company's ability to systematically map untested conductors - using the same geophysical logic that underpinned Bellevue's discovery success - positions Torque to replicate that exploration efficiency and scale of outcome across its broader 57km corridor.

## Toll treatment

A toll treatment scenario underpins our target price and forms the basis of our DCF valuation. We assume trucking to Jubilee Mill, given it is the only mill that is currently in care and maintenance (C&M) but we note Higginsville is likely the most likely/practical processing plant.

We assume A$50m in pre-production capital accounting for pre-strip, non-process infrastructure, G&A costs and working capital.

### Jubilee/South Kal (ASX.NST)

The Jubilee Mill, presently owned by Northern Star Resources (ASX.NST), is another near-term toll treatment opportunity for TOR. Located within trucking distance of Paris (105km via road). Jubilee is fully permitted as an established gold processing facility which is currently in care and maintenance. This processing option provides a low-capex restart potential for high-grade third-party ore. While not in active operation, the infrastructure remains intact, including crushing, grinding, and CIL circuits suitable for Paris-style free-milling ore. Jubilee's idle status may offer favourable commercial terms and rapid speed-to-market potential, particularly for a smaller-scale tolling scenario during TOR's early production phase. Inclusion of Jubilee in our valuation reflects a pragmatic, low-risk pathway to monetisation, consistent with our broader capital-light development thesis.

### Higginsville (ASX.WGX)

We view Higginsville (ASX: WGX) as one of the most likely processing hubs, offering commercially viable processing optionality given its 1.6Mtpa capacity, regional position, and current latent capacity. Higginsville is a large, modern mill complex situated within trucking distance of Paris (70km by road). The existing infrastructure and established operating team substantially reduce execution risk, offering a low-capex, high-margin development pathway. We anticipate TOR will assess commercial agreements with nearby operators and will continue to remain an important near-term catalyst.

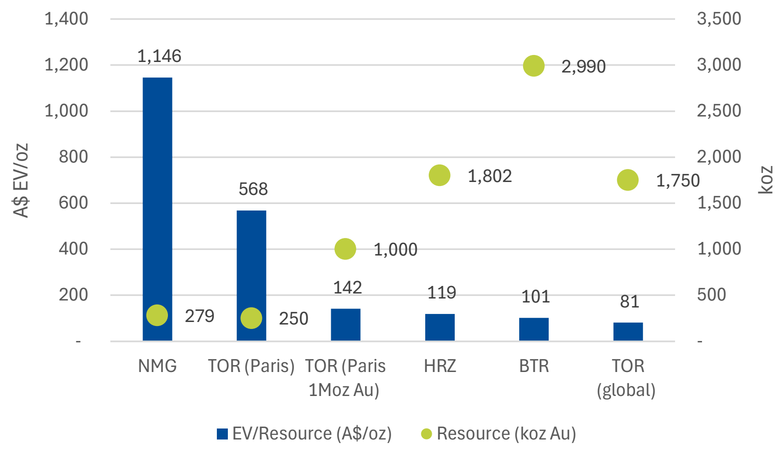
### St Ives (Goldfields)

The St Ives mill, owned by Gold Fields, represents another logical toll treatment pathway for TOR given its scale (4Mtpa) and regional optionality. St Ives has a strong operational track record and demonstrated openness to third-party ore, evident through the recent toll treatment agreement with Lunnon Metals (ASX.LM8) to process ore from its Lady Herial operations. This underscores Gold Fields' commercial flexibility and willingness to utilise spare capacity where ore quality aligns with its circuit. With the Paris Gold Project located within trucking distance (85km by road), St Ives represents another option and a potential strategic processing arrangement for TOR.

## Peer analysis

EV/Resource ounce comparison. We think NMG is the most appropriate comparison, given NMG is currently selling ore to West Gold Resources (WGX).

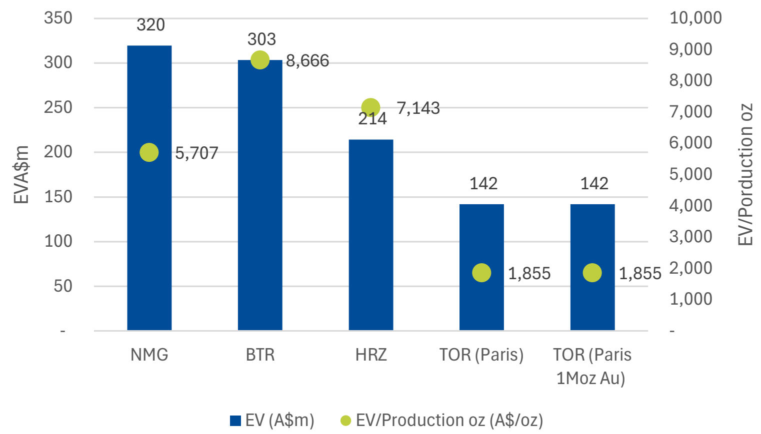
**Figure 21:ASX Peers: EV/Resource ounce**




Source: Morgans estimates, company data, Visible Alpha.

EV/Production ounce comparison. We think NMG is the most appropriate comparison given the existing ore sale agreement with WGX. TOR appears cheap by comparison.

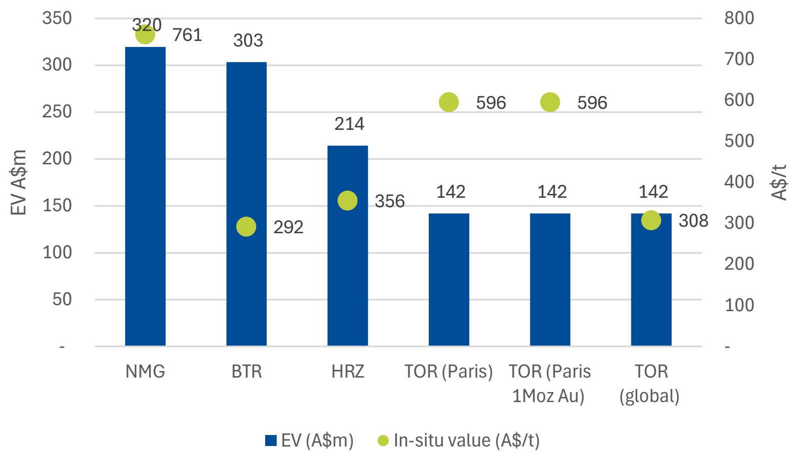
**Figure 22: ASX Peers: EV/Production oz**




Source: Morgans estimates, company data, Visible Alpha

*The in-situ value per tonne outlines TOR is comparable to peers which are valued at superior enterprise values than TOR.*

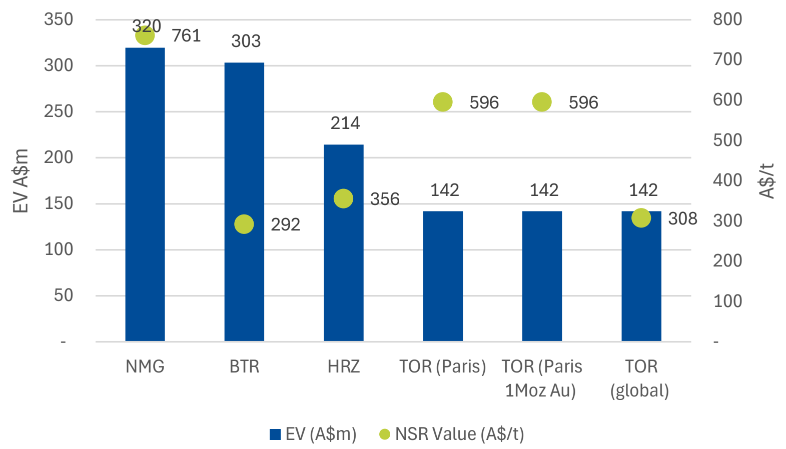
**Figure 23: ASX Peers: In-Situ Value**




Source: Morgans estimates, company data, Visible Alpha

*The NSR per tonne outlines TOR is comparable to peers which are valued at superior enterprise values than TOR.*

**Figure 24: ASX Peers NSR Value**




Source: Morgans Estimates, Company Data, Visible Alpha

## Board & Management

**Evan Cranston – Non-Executive Chairman**

An experienced Metals and Mining executive, Mr Cranston is a corporate lawyer executive with over 15 years' experience in public markets.

He has been instrumental in multiple ASX recapitalisations and asset transactions, including at Bellevue Gold, New Century Zinc, Boss Resources and Benz Mining. His background in corporate law and finance, coupled with extensive capital markets experience, provides Torque with strong governance and funding capability.

**Cristian Moreno – Managing Director**

Mr Moreno is an experienced geologist and manager with over a decade in the mining and resource industries across Australia and internationally. He joined Torque in 2021, initially in a technical role, before being appointed CEO in 2022 and MD later that year.

During his tenure, Mr Moreno has overseen Torque's landholding expansion from 143 km² to 1,200 km², established the highly prospective Paris Gold Camp, and delivered the maiden 250 koz resource at the flagship Paris Gold Project. He has previously worked across multiple gold systems and holds degrees in Geology (Structural), Engineering, and MSc Geophysics, along with an MBA (Finance). He is currently completing a Masters in Mining and Energy Law, and is a member of AusIMM, AIM and AICD.

**Tolga Kumova– Non-Executive Director**

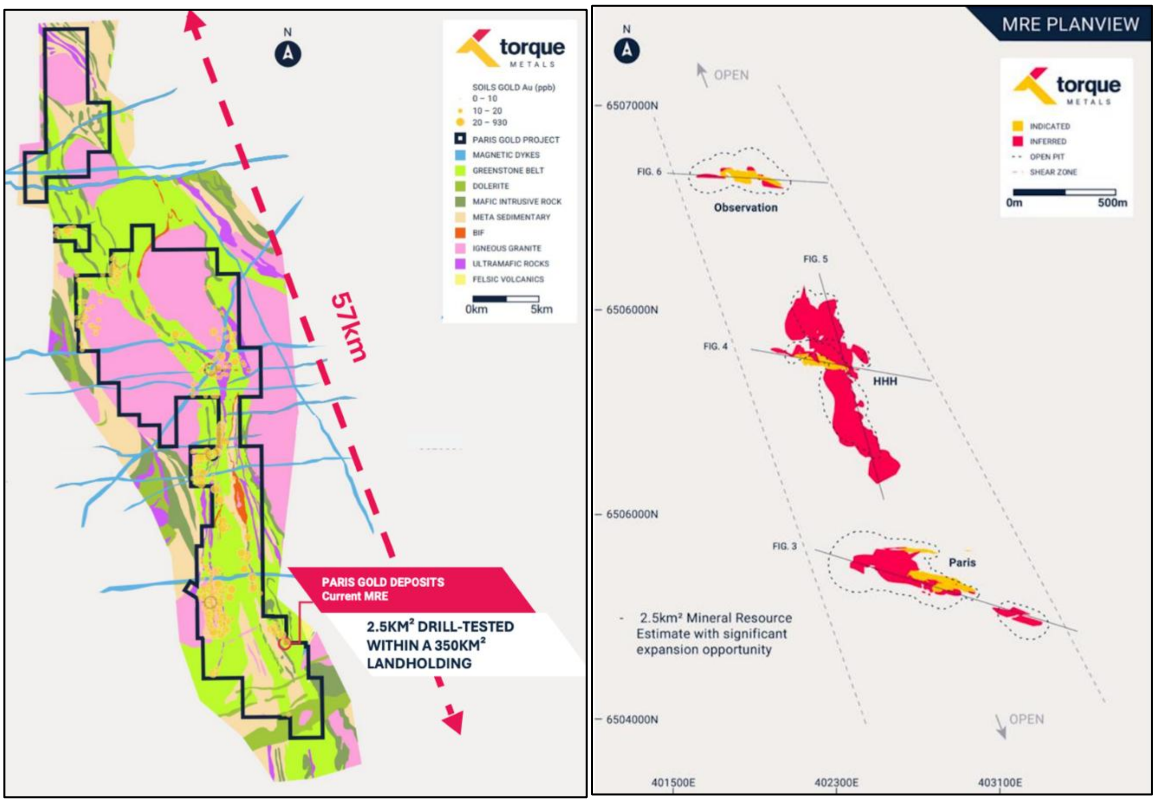
A mining professional, Mr Kumova is a highly regarded mining entrepreneur and financier with over 15 years in stockbroking, corporate finance, and restructuring. He has raised more than $500 million for mining ventures across commodities and project stages, ranging from inception through to construction and production.

He was the founding Managing Director and major shareholder of Syrah Resources (ASX: SYR), which he grew from a junior explorer into an ASX200 graphite producer. He remains one of the most influential financiers in the junior mining sector, leveraging strong networks across institutional investors and family offices. His presence on Torque's board brings profile, funding capacity, and market visibility.

Board and management collectively hold approximately 18% of Torque Metals shares.

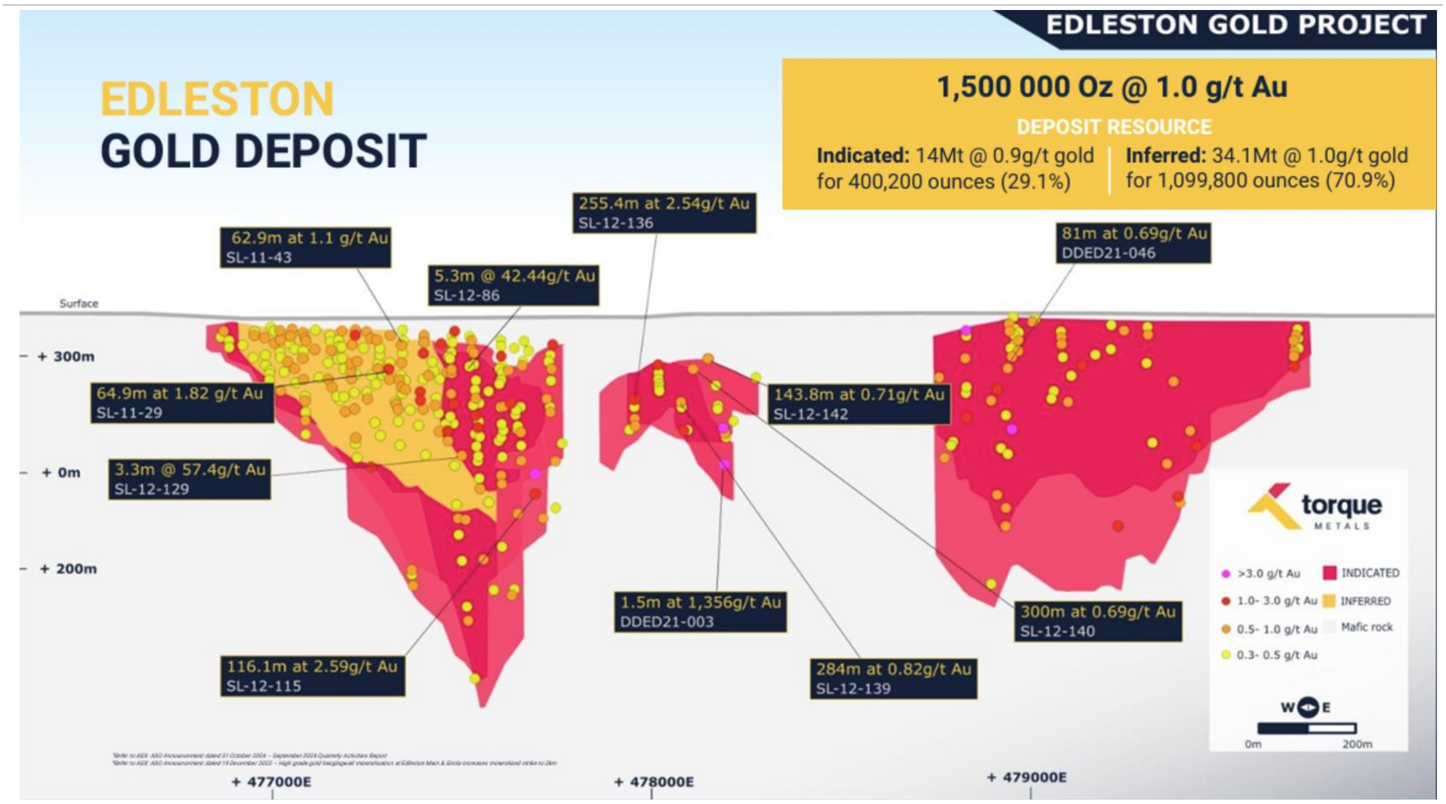
# Appendix

**Figure 25: Paris Gold Project**



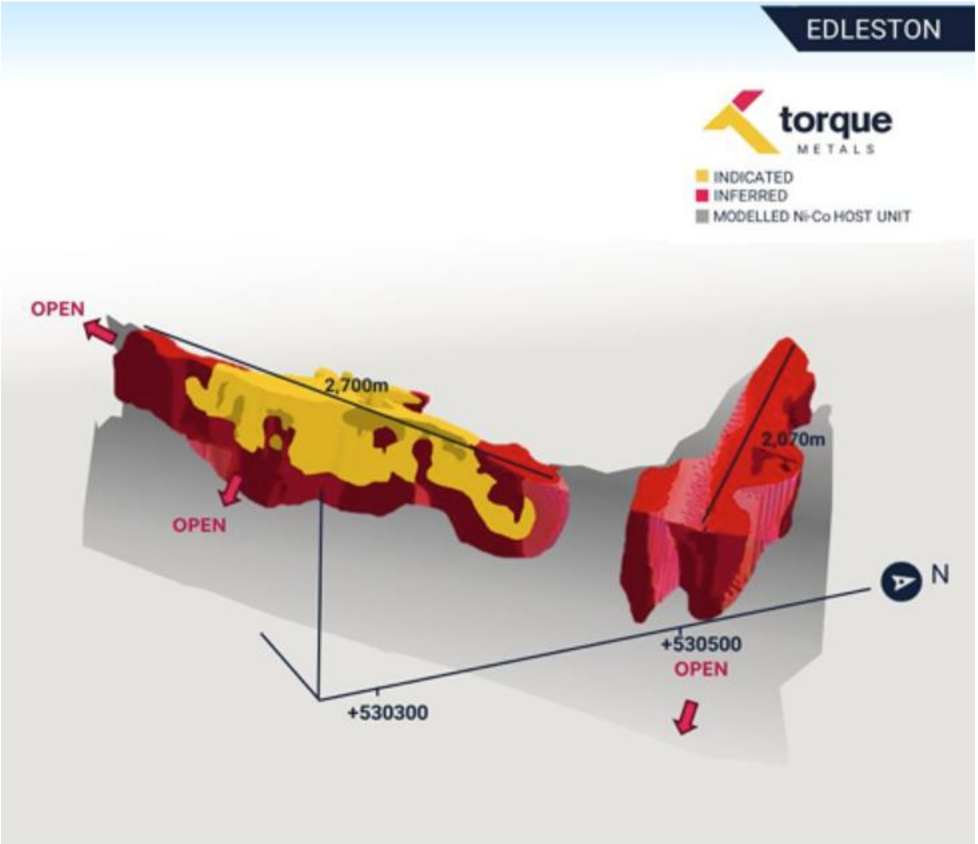

Source: TOR

**Figure 26: Edleston Gold Project**




Source: TOR

**Figure 27: Boomerang Nickel Project**




| Nickel Project | Tonnage (Mt) | Grade | | | | Contained Metals | |
|---|---|---|---|---|---|---|---|
| | | Ni (%) | Co (ppm) | NiEq(%) | S (%) | Ni (kt) | Co (kt) |
| Indicated | 231 | 0.27 | 109 | 0.3 | 0.2 | 629 | 25 |
| Inferred | 1,039 | 0.27 | 109 | 0.3 | 0.07 | 2,800 | 110 |
| Total Resources | 1,270 | 0.27 | 109 | 0.3 | 0.09 | 3,429 | 135 |

Source: TOR

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