

ASX Announcement | 2 March 2022

ASX code: TRN

ASX Compliance Pty Limited
Level 40 Central Park
152-158 St George's Terrace
Perth WA 6000

Target's Statement

In accordance with Item 14 of section 633(1) of the Corporation Act 2001, Torrens Mining Limited (**Torrens**) attaches its target's statement (**Target's Statement**) in response to the off-market takeover offer by Coda Minerals Limited (**Coda**) for all of the fully paid ordinary shares of Torrens (**Offer**).

The Target's Statement sets out the Torrens Board's reasons for unanimously recommending that shareholders **ACCEPT** the Offer and other information that is material to shareholders in assessing the Offer.

The Target's Statement has or will be sent to Coda and lodged with the Australian Securities and Investments Commission (ASIC) today. Dispatch of the Target's Statement to Torrens' shareholders will occur shortly.

An electronic copy of the Target's Statement and updates in relation to the Offer will be made available on Torrens' website (www.torrensmining.com) and we encourage shareholders to call the Torrens' Information Line on 1300 290 691 (for callers within Australia) or +61 2 9066 4055 (for callers outside of Australia) Monday to Friday between 8.30am and 5.30pm (Perth AWST time) to address any queries.

This announcement has been approved for release by the Torrens Board

Sincerely,



Benjamin Smith
Torrens Mining Limited
Joint CFO and Company Secretary

THIS IS AN IMPORTANT DOCUMENT AND REQUIRES YOUR IMMEDIATE ATTENTION.
YOU SHOULD READ ALL OF THE DOCUMENT. IF YOU ARE IN DOUBT AS TO WHAT YOU SHOULD DO, YOU SHOULD CONSULT YOUR INVESTMENT, FINANCIAL, TAXATION OR OTHER PROFESSIONAL ADVISER.



Target's Statement

Torrens Mining Limited

(ACN 168 295 092)

In response to the Offer by

Coda Minerals Ltd

(ACN 625 763 957)

to acquire all of your ordinary shares in Torrens for:

- 0.23 Coda shares per Torrens share

The Directors unanimously recommend, in the absence of a superior proposal, that you **ACCEPT** the Offer.

Financial Adviser



Legal Adviser

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Important Notices

Nature of this Document

This document is the Target's Statement dated 2 March 2022 given by Torrens under Part 6.5 Division 3 of the Corporations Act in response to the Bidder's Statement by Coda dated 2 March 2022.

ASIC and ASX Disclaimer

A copy of this Target's Statement has been lodged with ASIC. Neither ASIC nor any of its officers takes any responsibility for the contents of this Target's Statement.

A copy of this Target's Statement has also been provided to the ASX. Neither the ASX nor any of its officers takes any responsibility for the contents of this Target's Statement.

Defined Terms and Interpretation

Capitalised terms used in this Target's Statement are defined in Section 11. Section 11 also sets out some rules of interpretation that apply to this Target's Statement.

No Account of Personal Circumstances

This Target's Statement and the recommendations and other information contained in it do not constitute financial product advice. The recommendations and other information contained in this Target's Statement should not be taken as personal financial or taxation advice, as each Shareholder's deliberations and decision will depend upon their own financial situation, tax position, investment objectives and particular needs.

It is important that you read this Target's Statement in its entirety before making any investment decision and any decision relating to the Offer. Your Directors encourage you to obtain independent advice from your investment, financial, taxation or other professional adviser before making a decision whether or not to accept Coda's Offer.

Forward Looking Statements

This Target's Statement contains forward looking statements. All statements other than statements of historical fact are forward looking statements. Shareholders should note that those forward looking statements are only predictions and are inherently subject to uncertainties, in that they may be affected by a variety of known and unknown risks, variables and other important factors, many of which are beyond the control of Torrens. Actual values or results, performance or achievements may differ materially from those expressed or implied by such statements. The risks, variables and other factors that may affect the forward looking statements include matters specific to the mining sector in which Torrens operates, as well as economic and financial market conditions; legislative, fiscal or regulatory developments; the price performance of Torrens Shares, including the risk of possible price decline in the absence of the Offer or other takeover or merger speculation; and risks associated with the business and operations of Torrens. Further information about these risks can be found in Section 7.1 of this Target's Statement.

None of Torrens, any of its officers or any person named in this Target's Statement with their consent or any person involved in the preparation of this Target's Statement makes any representation or warranty (express or implied) or gives any assurance as to the accuracy or likelihood of fulfilment of any forward looking statement, or any events or results expressed or implied in any forward looking statements, except to the extent required by law. You are cautioned not to place undue reliance on any such statement. The forward looking statements in this Target's Statement reflect views held only as at the date of this Target's Statement.

Reliance on Information Obtained from Coda or Public Sources

The information in this Target's Statement about Coda has been compiled from or is otherwise based on information obtained from Coda or publicly available sources, and has not been independently audited or verified by Torrens or its advisers. If the information obtained from Coda or the public sources is inaccurate or incomplete, this may affect the information included in the Target's Statement. In particular, if the information has been used as the basis for forward looking statements in the Target's Statement, this may add to the risk that actual values, results, performance or achievements will differ materially from those expressed or implied by the forward looking statements.

See Section 7.1 for a discussion about the risks that apply to holding Torrens Shares.

Privacy

Torrens has collected your information from Torrens' Share Register for the purpose of providing you with this Target's Statement. The type of information Torrens has collected about you includes your name, contact details and information on your shareholding (as applicable) in Torrens. Without this information, Torrens would be hindered in its ability to issue this Target's Statement. The Corporations Act requires the name and address of Shareholders to be held in a public register. Your information may be disclosed on a confidential basis to external service providers (including Torrens' Share Registry and print and mail service providers) and may be required to be disclosed to regulators such as ASIC. If you would like details of information about you held by Torrens, please contact Torrens' Share Registry on 1300 850 505 (within Australia) or +61 3 9415 4000 (outside Australia) between 8.30am and 5.00pm (Perth AWST time) Monday to Friday.

Offer Information Line

If you have any questions in relation to the Offer or how to accept it, or if you have lost your Acceptance Form and require a replacement, please call the Offer Information Line on 1300 290 691 (within Australia) or +61 2 9066 4055 (from outside of Australia) from 8.30am – 5.00pm (WST) on Business Days.

Further information relating to Coda's Offer can be obtained from Torrens' website at www.torrensmine.com.

Risk Factors

Torrens' Shareholders should note that there are a number of risks that they should have regard to before deciding how to respond to the Offer. Further information about those risks can be found in Section 7 of this Target's Statement.

Charts and diagrams

Any diagrams, charts, graphs, maps and tables appearing in this Target's Statement are illustrative only and may not be drawn to scale. Unless stated otherwise, all data contained in diagrams, charts, graphs, maps and tables is based on information available at the date of this Target's Statement.

Your Choices in Relation to the Offer

You should read this Target's Statement in full. If you have any questions, please call the Offer Information Line on 1300 290 691 (within Australia) or +61 2 9066 4055 (outside Australia) between 8.30am and 5.00pm (Perth AWST time) Monday to Friday.

ACCEPT

To accept the Offer, return your completed Acceptance Form before the end of the Offer Period.

To validly accept Coda's Offer for your Torrens Shares, your acceptance must be received before 4.00pm (Perth AWST time) on 6 April 2022 unless the Offer Period is extended.

REJECT

To reject the Offer, you do not need to take any action.

If you reject the Offer, you may choose to either hold or sell some of all of your Shares.

See Section 7.1 of this Target's Statement for further information relevant to continuing to hold an interest in Torrens Shares.

Key Dates

Announcement of the Offer	9 February 2022
Date of Bidder's Statement	2 March 2022
Date of this Target's Statement	2 March 2022
Offer Period opens	7 March 2022
Date for Coda to provide Notice of Status of Conditions	29 March 2022
Offer period closes – 4.00pm Perth AWST (unless extended or withdrawn)	6 April 2022 ¹

¹ This date is indicative only and may be changed as permitted by the Corporations Act.

Chairman's Letter



2 March 2022

Dear Torrens' Shareholders

Your Directors unanimously recommend that you ACCEPT Coda's Offer for your Shares, in the absence of a superior proposal.

On 9 February 2022, Torrens Mining Limited (**Torrens**) and Coda Minerals Ltd (**Coda**) jointly announced that Torrens and Coda have entered into a Bid Implementation Deed setting out the terms on which Coda will make an off-market takeover bid to acquire all of the issued capital in Torrens.

Coda is offering to shareholders of Torrens (**Torrens' Shareholders**) 0.23 Coda shares (**Coda Shares**) for every one Torrens share (**Torrens Shares**) held by Torrens' Shareholders (**Offer**).

This Target's Statement contains your Directors' formal response to Coda's Offer. After careful consideration of the Offer, the Board unanimously recommends that Torrens' Shareholders **ACCEPT** the Offer, in the absence of a superior proposal. Section 1 of this Target's Statement outlines the reasons for the Board's recommendation.

Your Directors believe that the Offer is an excellent opportunity for Torrens' Shareholders to realise the value of their investment in Torrens. In particular, the Offer is expected to maximise value for Torrens' Shareholders by delivering an immediate and attractive premium for their Torrens Shares, enhanced liquidity, and the ability to retain exposure to the Elizabeth Creek Project via a shareholding in Coda (without the funding risks and the potential for dilution of its interest in that project faced by Torrens as a minority joint venture partner, should it be unable to meet future joint venture cash calls).

Each Director intends to accept, or procure the acceptance of, the Offer in relation to the Torrens Shares they own or control, in the absence of a superior proposal. Further, several of Torrens' largest Shareholders have indicated their intention to accept the Offer in respect of 20,577,125 Torrens Shares on issue, in the absence of a superior proposal.

Your Directors note that Coda's share price has declined since the announcement of the Offer but are of the view that Torrens' share price is linked given the ownership of the Elizabeth Creek Project and, as at the date of this Target's Statement, no superior proposal has emerged. Separately, in view of Torrens' current cash position and its forecast expenditure through to successful completion of the Offer, Coda has made a \$2.0 million short term loan facility available to Torrens to cover its forecast expenditure.

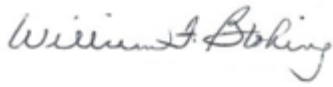
Please read this Target's Statement and the Bidder's Statement carefully, and in their entirety, as they will assist you in making an informed decision on whether or not to accept the Offer. If you are in any doubt as to what you should do, you should seek advice from independent and appropriately licensed financial, legal, taxation and other professional advisers before making your decision in relation to your Torrens Shares.

The Offer is scheduled to close at 4:00pm Perth AWST on 6 April 2022, unless withdrawn or extended by Coda. To accept the Offer, please carefully follow the instructions set out at page 5 of the Bidder's Statement. You should not assume that the Offer Period will be extended.

Should you have any questions in relation to the Offer, please contact the Offer Information Line on 1300 290 691 (within Australia) or +61 2 9066 4055 (outside Australia) between 8.30am and 5.00pm Perth AWST time Monday to Friday.

I also take this opportunity to thank you for your continued support of Torrens.

Yours sincerely

A handwritten signature in cursive script that reads "William A. Bloking". The signature is written in dark ink and is centered below the "Yours sincerely" text.

Bill Bloking
Non-Executive Chairman

1 Directors' Recommendation and Reasons

Your Directors have considered the advantages and disadvantages of the Offer. It is the unanimous recommendation of all of your Directors that you ACCEPT the Offer, in the absence of a superior proposal.

Your Director's reasons for their recommendation are set out below.

1	CODA'S OFFER REPRESENTS AN ATTRACTIVE PREMIUM TO THE PRE-OFFER TORRENS SHARE PRICE
2	LOGICAL OWNERSHIP SIMPLIFICATION OF THE ELIZABETH CREEK JOINT VENTURE
3	TORRENS' SHAREHOLDERS WILL HAVE THE OPPORTUNITY TO PARTICIPATE IN A LARGER, WELL-FUNDED MINERAL EXPLORATION COMPANY
4	CODA'S OFFER HAS THE UNANIMOUS SUPPORT OF THE DIRECTORS AND KEY SHAREHOLDERS
5	YOU MAY BE ELIGIBLE FOR AUSTRALIAN CAPITAL GAINS TAX RELIEF

1.1 Coda's Offer Represents an Attractive Premium to the Pre-Offer Torrens Share Price

The Offer values the Torrens Shares at \$0.202 each² or approximately \$23.2 million equity value and delivers Torrens' Shareholders a:

- 30% premium to Torrens closing price of \$0.155 on 8 February 2022;
- 30% premium to 10-day VWAP of \$0.156³; and
- 35% premium to 20-day VWAP of \$0.150³.

As at 1 March 2022, the last practicable date prior to the finalisation of this Target's Statement, the Offer valued each Torrens Share at \$0.173⁴.

² Based on the 5-day VWAP of Coda's shares up to and including 8 February 2022, being the last trading day prior to the announcement of the Offer.

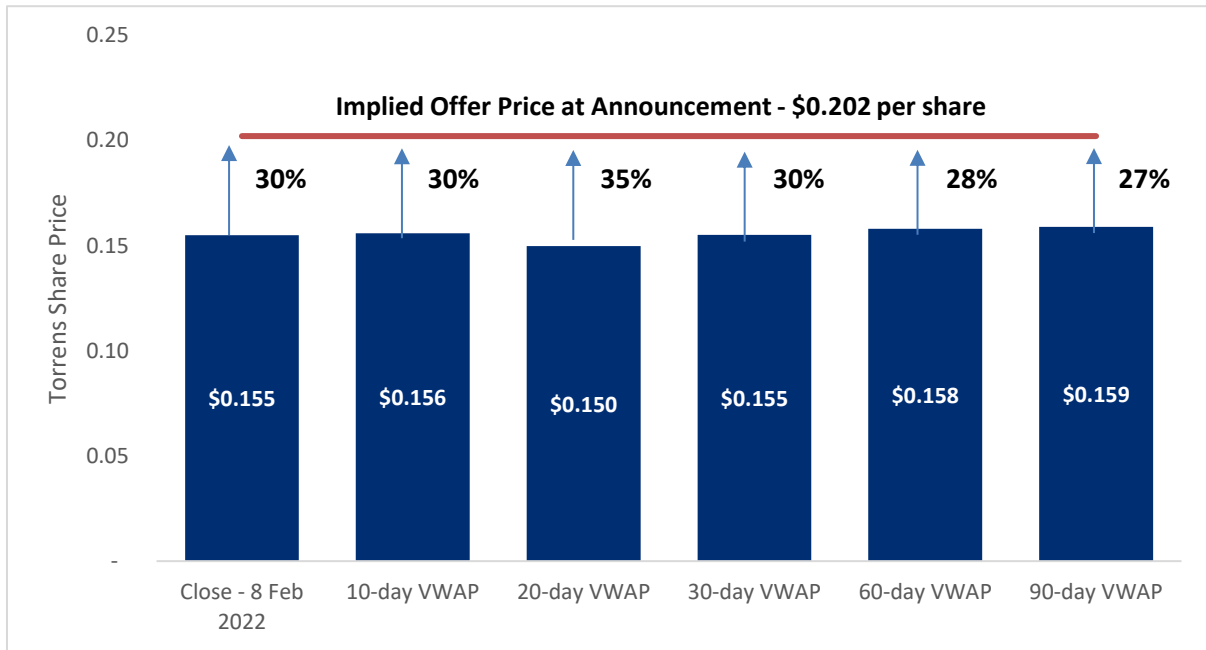
³ VWAP of Torrens Shares is calculated for the period up to and including the 8 February 2022, the last trading day prior to Coda announcing its intention to make the Offer.

⁴ To three decimal places, based on the closing Coda share price of \$0.75 on 1 March 2022, the last practicable trading day prior to finalisation of this Target's Statement.

As set out below, the consideration under the Offer reflects an attractive premium over the recent market trading prices of Torrens Shares prior to the announcement of Coda's Offer. The implied value of the Offer is not fixed, as the offer consideration consists of Coda Shares, and the implied value of the offer will vary with the market price of Coda Shares, which is impacted by both company-specific and macro-economic conditions.

Your Directors note that the Coda Share price has declined since the announcement date of the Offer but are of the view that Torrens Share price is linked to Coda's given the ownership of the Elizabeth Creek Project.

Premiums Implied by the Offer



Trading risks following the close of the Offer

Since Coda's Offer, Torrens Shares have traded at a level that reflects the terms of Coda's Offer, and at a VWAP for the period from the announcement date of 9 February 2022 until the last practicable date before the date of this Target's Statement of \$0.167. If the Offer was not to succeed, the future performance of Torrens' Share price is uncertain.

Prior to recommending the Offer, your Directors assessed a range of strategic alternatives to advance the development of Torrens' assets and to maximise Torrens' Shareholder value.

After careful consideration of these potential alternatives and in view of the fact that the Offer currently comprises the only corporate control proposal capable of being put to Torrens' Shareholders, your Directors have concluded that the Offer represents the best way to maximise Torrens' Shareholder value.

You should note that your Directors' recommendation of the Offer is subject to the absence of a superior proposal for your Torrens Shares. As at the date of this Target's Statement, no superior proposal has emerged that would cause your Directors to reconsider their current recommendation. Should such a proposal arise, your Directors will reconsider their recommendation of the Offer and inform you accordingly.

Separately, if Coda acquires relevant interests in at least 50.1% of the Torrens Shares on a fully diluted basis and the Offer becomes or is declared unconditional and you have not accepted Coda's Offer by the end of the Offer Period in respect of all of your Torrens Shares, you may

become a minority Torrens' Shareholder in a company controlled by a single large shareholder. A single large shareholder will have control of the company and may reduce liquidity of shares. This may make it more difficult to sell your Shares outside of the Offer at current price levels.

At the conclusion of the Offer, regardless of the level of take-up achieved, remaining Torrens Shares may trade lower. Should the Offer lapse, the amount which you will be able to realise for your Torrens Shares which were the subject of the Offer will necessarily be uncertain and subject to, amongst other things, the performance of the Torrens business and the vagaries of share market conditions.

1.2 Logical Ownership Simplification of the Elizabeth Creek Joint Venture

Coda and Terrace Mining, a subsidiary of Torrens, are respectively the majority and minority joint venture partners in the Elizabeth Creek Project. The Offer is expected to create a leading mineral exploration company through Coda consolidating 100% ownership of the Elizabeth Creek Project into one single entity.

On successful completion of the Offer, Torrens' Shareholders will hold approximately 21.2% of Coda, ensuring that Torrens' Shareholders will retain significant exposure to the Elizabeth Creek Project, as well as the potential upside that can be unlocked by consolidated ownership of this asset within Coda.

The consolidated ownership is expected to facilitate Coda's funding for the development of the Elizabeth Creek Project, unlocking the value in the Elizabeth Creek Project and providing benefits for both sets of shareholders. By comparison, Torrens faces significant funding challenges associated with being the minority joint venture partner. As a result, the Offer represents an attractive opportunity for Torrens' Shareholders to realise the value of their investment whilst decreasing project participation risks ahead for Torrens.

In addition, Coda's Cameron River Copper Gold Project, located approximately 60 km east of Mt Isa in Queensland, further complements and supports the creation of a leading Australian mineral exploration company with enhanced growth prospects.

The simplification of the joint venture structure is expected to provide additional synergies and resourcing efficiencies within Coda.

1.3 Torrens' Shareholders will have the Opportunity to Participate in a Larger, Well-Funded Mineral Exploration Company

Successful completion of Coda's Offer will deliver greater exploration and cost efficiency opportunities for both Torrens and Coda and their respective shareholders, including:

Diversified exposure with continuing participation	<ul style="list-style-type: none"> Torrens' Shareholders will retain a 21.2% shareholding in Coda. Consolidates 100% ownership of the Elizabeth Creek Project into one single entity. Torrens' Shareholders will retain exposure to the Torrens' existing gold assets in Victoria, New South Wales and Papua New Guinea and its tenement applications in Victoria and Papua New Guinea, and gain exposure to Coda's portfolio, including the Cameron River Copper copper-gold project in the Mt Isa district of North Queensland.
Increased Scale and Financial Strength	<ul style="list-style-type: none"> Post the Offer being fully implemented, Coda is expected to have an implied market capitalisation of approximately \$109 million (prior to any re-rate). Given the nature of the all-scrip consideration, the Offer preserves Coda's strong balance sheet which has current cash above \$12 million (as at 28

February 2022).

- Coda's enlarged size and stronger balance sheet should improve access to future equity funding at a lower cost than what Torrens could achieve on its own and provide increased flexibility to accelerate exploration activities.

Requirement to raise new capital

The nature of exploration and development is capital intensive. In the opinion of Torrens' directors, the ability of Torrens to meet its business objectives and create shareholder value is dependent on its ability to raise new capital at an appropriate cost.

As at 1 March 2022, Torrens has cash of approximately \$2.54 million (of which approximately \$1.74 million has been provided to Coda by way of cash calls in connection with the Elizabeth Creek joint venture and approximately \$800,000 is unrestricted).

During the Offer period, Torrens will be subject to further cash calls and contributions under the Farm-in Agreement and may not have sufficient capital to comply with these calls. As a result, Torrens has entered into a Loan Facility Agreement with Coda pursuant to which Coda has agreed to provide Torrens with a Loan Facility of up to \$2,000,000 to assist with Torrens' short term funding requirements and obligations in connection with the Elizabeth Creek Project. There is no obligation on Torrens to draw down on this loan facility, but Torrens anticipates that such draw down may be necessary to maintain its interest in the Elizabeth Creek joint venture and to meet general working capital requirements during the Offer period.

Under the Loan Facility Agreement, if Torrens chooses to draw down any money under the Loan Facility, and Torrens does not become a wholly-owned subsidiary of Coda, Torrens will need to pay the outstanding amount to Coda within 60 days of the end of the Offer period. Alternatively Torrens has the option to dilute its joint venture interest in the Elizabeth Creek Project in accordance with the Loan Facility. See Section 8.13 for further information.

To the extent that Shareholders cannot or choose not to participate in future equity raisings, their ownership in Torrens would be diluted.

In addition to or in lieu of equity raisings, Torrens may also seek to undertake a sale of part or all of its asset base to raise capital. If Torrens is unable to obtain additional financing as needed, it may be required to reduce the scope of its activities. This could have a material adverse effect on Torrens' interest in the Elizabeth Creek Project and/or its interest in the other Tenements, and could affect Torrens' ability to continue as a going concern. Please see Section 7.2(a) for further details of this risk.

1.4 Coda's Offer has the Unanimous Support of the Directors and Key Shareholders

The Directors have considered the advantages and disadvantages of Coda's Offer and unanimously recommend that Torrens' Shareholders **ACCEPT** the Offer, in the absence of a superior proposal.

Torrens' Directors, who collectively own or control approximately 26.8%⁵ of Torrens Shares have confirmed they will each **ACCEPT** the Offer in respect of all Torrens Shares they own or control, in the absence of a superior proposal and subject to any restrictions in relation to any restricted shares.

⁵ Of the 26.8% collectively owned or controlled by Torrens' directors, 24.8% are Restricted Securities.

In addition, certain Torrens' Shareholders (representing 17.9%⁶ of Torrens' shares on issue) have provided intention statements confirming their intention to accept the Offer, in the absence of a superior proposal and subject to any restrictions in relation to any restricted shares.

The following Torrens' Shareholders have consented to the inclusion of this intention statement in this Target's Statement:

- (a) Mr Paul L Duncan, Mrs Daranee Duncan and Mr Paul K Duncan, with a beneficial holding of 9,952,125 Torrens Shares, representing 8.68% of Torrens Shares on issue;
- (b) Strandline Resources Limited, with a beneficial holding of 3,450,000 Torrens Shares, representing 3.01% of Torrens Shares on issue;
- (c) Mr Peter James Collings with a beneficial holding of 1,250,000 Torrens Shares, representing 1.09% of Torrens Shares on issue;
- (d) Crescente Investments Pty Ltd with a beneficial holding of 1,225,000 Torrens Shares, representing 1.07% of Torrens Shares on issue;
- (e) Say Superannuation Pty Ltd with a beneficial holding of 625,000 Torrens Shares, representing 0.54% of Torrens Shares on issue;
- (f) Mr Paul Leslie Duncan (in his individual capacity) with a beneficial holding of 615,000 Torrens Shares, representing 0.54% of Torrens Shares on issue;
- (g) Mr Matthew Edward Collings with a beneficial holding of 560,000 Torrens Shares, representing 0.49% of Torrens Shares on issue;
- (h) Croftbank Pty Ltd, with a beneficial holding of 1,900,000 Torrens Shares, representing a beneficial holding of 1.66% of Torrens Shares on issue; and
- (i) Jorgensen-Watts Pty Ltd with a beneficial holding of 1,000,000 Torrens Shares, representing 0.87% of Torrens Shares on issue.

These intentions by your Directors and several of Torrens' Shareholders supports the assessment of your Directors of the merits of Coda's Offer.

Further, Coda may waive its condition that it must obtain at least 90% of Torrens Shares in order to become entitled to obtain 100% of Torrens Shares through compulsory acquisition. Coda may be satisfied in holding more than 50% of Torrens Shares as this shareholding will grant it the ability to:

- (a) appoint such number of nominee directors so as to comprise the majority of the Torrens Board; and
- (b) pass ordinary resolutions.

1.5 You may be Eligible for Australian Capital Gains Tax Relief

If, as a result of the Offer, Coda becomes the holder of 80% or more of the voting shares in Torrens, Torrens' Shareholders who would otherwise make a capital gain from the disposal of their Torrens Shares pursuant to the Offer may be entitled to capital gains tax scrip-for-scrip rollover relief. Such rollover relief, if available, will allow those eligible Torrens' Shareholders to disregard any capital gain, in whole or in part, that would otherwise arise in respect of the disposal of their Torrens Shares by way of acceptance of the Offer.

⁶ Of the 17.9% of Shareholders who have provided intention statements, 10.2% are Restricted Securities.

See Section 13 of the Bidder's Statement and Section 8.17 of this Target's Statement for further information in relation to the availability of capital gains tax rollover relief and taxation considerations generally.

1.6 Other matters

Section 7 of this Target's Statement describes a number of risks and other matters that you should also consider in deciding whether or not to accept the Offer. In considering whether to accept the Offer, your Directors also encourage you to:

- (a) read both this Target's Statement and the Bidder's Statement in their entirety; and
- (b) obtain professional advice from your broker, financial advisor, accountant or other professional adviser.

2 Answers to Frequently Asked Questions

This Section answers some frequently asked questions about Coda's Offer. It is not intended to address all issues relevant to Torrens' Shareholders. This Section should be read together with all other parts of this Target's Statement.

Question	Answer
<p>1 What is the Bidder's Statement?</p>	<p>The Bidder's Statement is the document setting out the terms of Coda's Offer. Coda lodged the Bidder's Statement with ASIC on 2 March 2022 and sent the Bidder's Statement to Torrens' Shareholders on 2 March 2022. A copy of the Bidder's Statement is available on the Torrens website (www.torrensmine.com) and on the ASX website (www.asx.com.au).</p>
<p>2 What is this Target's Statement?</p>	<p>This Target's Statement has been prepared by Torrens and provides Torrens' response to Coda's Offer, including the recommendation of your Directors.</p>
<p>3 Who is Coda?</p>	<p>According to publicly available information, Coda is a mineral exploration company focused on the exploration, discovery and development of minerals in the base metals, precious metals and battery minerals sector. Coda is looking to unlock the value of its highly prospective Elizabeth Creek Copper Project, which is located in the heart of the Olympic Copper Province, Australia's most productive copper belt.</p> <p>Coda has a history of exploration activities at Elizabeth Creek, and is the other joint venture party to the Elizabeth Creek Copper Project, currently holding a majority (70%) interest in the project. Coda holds the rights and interests to earn up to 75% interest in the project in joint venture with Torrens.</p> <p>Section 3 of the Bidder's Statement contains further information on Coda.</p>
<p>4 What is Coda offering for my Torrens Shares?</p>	<p>Coda is offering 0.23 Coda Shares for every one Torrens Share that you hold.</p> <p>The Implied Offer Price is \$0.202 per Torrens Share, based on the Coda Share price of \$0.875 which applied as at close of trading of Coda Shares on 8 February 2022 (being the last trading day prior to the announcement of the Offer).</p> <p>As set out in Section 12 of the Bidder's Statement:</p> <p>(a) if the calculation of the number of Coda Shares you are to receive as the Offer Consideration results in an entitlement to a fraction of a Coda Share, that fraction will be rounded up to the next whole number of Coda Shares; or</p> <p>(b) if you are a Foreign Torrens Shareholder or a Small Holding Shareholder, you will not be provided Coda Shares. Instead, you will be paid the net proceeds of the sale of the Coda Shares you would have been entitled to.</p>
<p>5 What if I am a Foreign Torrens Shareholder?</p>	<p>Generally speaking, if your address on the Torrens' Share Register is in a jurisdiction other than Australia or New Zealand, you will be considered to be a Foreign Torrens Shareholder.</p> <p>If you are a Foreign Torrens Shareholder, you are entitled to accept the Offer just like any other Torrens Shareholder. However, you will not be</p>

	<p>entitled to receive Coda Shares as a result of acceptance. Instead, the Coda Shares to which you would otherwise be entitled to will be issued to a sale nominee approved by ASIC who will sell those Coda Shares on the ASX and provide you with the net sale proceeds.</p> <p>See Sections 11.14 and 12.6 of the Bidder's Statement and Section 6.2 of this Target's Statement for further information.</p>
6	<p>Can I accept the Offer if I would receive a Small Holding of Coda Shares?</p> <p>Yes, but if you are a Small Holding Shareholder, you will not receive Coda Shares. Instead, the Coda Shares to which you would otherwise be entitled to will be issued to a sale nominee approved by ASIC who will sell those Coda Shares on the ASX and provide you with the net sale proceeds.</p> <p>See Sections 11.14 and 12.6 of the Bidder's Statement and Section 6.2 of this Target's Statement for further information.</p>
7	<p>What are your Directors recommending?</p> <p>Your Directors unanimously recommend that you ACCEPT Coda's Offer, in the absence of a superior proposal. The reasons for this recommendation are set out in Section 1 of this Target's Statement.</p> <p>If there is a change in your Directors' recommendation or there are any material developments in relation to the Offer, your Directors will make appropriate supplementary disclosure.</p>
8	<p>What do the Directors of Torrens intend to do with their Torrens Shares?</p> <p>Each Director of Torrens intends to ACCEPT Coda's Offer in relation to those Torrens Shares held by them or in which they have a relevant interest, in the absence of a superior proposal.</p>
9	<p>What choices do I have in response to the Offer?</p> <p>As a Torrens' Shareholder, you have three options available:</p> <p>(a) ACCEPT Coda's Offer.</p> <ul style="list-style-type: none"> • Your Directors recommend that you ACCEPT Coda's Offer in the absence of a superior proposal. • To accept the Offer, return your completed Acceptance Form before the end of the Offer Period. • You will only receive that consideration if the numerous conditions of Coda's Offer are all either satisfied or waived. • If you accept Coda's Offer, you may be liable for capital gains tax or income tax as a result of your acceptance. <p>(b) Sell your shares on ASX or off-market (unless you have already accepted the Offer and have not validly withdrawn your acceptance).</p> <ul style="list-style-type: none"> • You will lose the ability to accept Coda's Offer and receive 0.23 Coda Shares (and any subsequent improvement in the Offer consideration) in relation to those Shares pursuant to Coda's Offer. • You may be liable for capital gains tax or income tax on the sale of those Shares. • You may incur a brokerage charge. • You will lose the opportunity to receive future returns from Torrens. <p>(c) REJECT the Offer and do nothing.</p>

		<ul style="list-style-type: none"> To reject the Offer, you do not need to take any action. If you reject the Offer, you may choose to either hold or sell some or all of your Shares on the ASX. If Coda acquires more than 50% but less than 90% of the Torrens Shares, all of the conditions of Coda's Offer are satisfied or waived, and you continue to hold Torrens Shares, you will be exposed to the risks associated with being a minority Shareholder of Torrens. <p>If you are in any doubt as to what to do, your Directors recommend that you consult with your investment, financial, taxation or other professional adviser.</p>
10	How do I ACCEPT Coda's Offer?	Details of how to ACCEPT the Offer are set out in Section 12.3 of the Bidder's Statement and on Section 6.4 of the Target's Statement.
11	When does the Offer close?	<p>Coda's Offer is currently scheduled to expire at 4.00pm (Perth AWST time) on 6 April 2022, unless withdrawn or extended.</p> <p>Your Directors will keep you informed if there are any material developments in relation to the Offer. Shareholders are also encouraged to monitor Torrens' website at www.torrensmine.com for any updates on the Offer.</p>
12	If I ACCEPT the Offer now, can I withdraw my acceptance?	<p>Once you accept the Offer, you will not be able to revoke your acceptance unless a withdrawal right exists or arises under the Corporations Act. Such a right may arise if, after you have accepted the Offer and the Offer remains conditional, the offer is varied in a way that postpones, for more than one month, the time by which Coda has to meet its obligations under the Offer. If this occurs, a notice will be sent to you at the relevant time that explains your rights to withdraw your acceptance of the Offer.</p> <p>Further details are set out in Section 12.4 of the Bidder's Statement and 6.14 of this Target's Statement.</p>
13	If I choose to ACCEPT the Offer, when will I receive my consideration?	<p>If you accept the Offer, you will have to wait until the later of Coda's receipt of your acceptance and the date on which Coda's Offer becomes unconditional, as well as a further period of up to one month before you receive the Offer consideration.</p> <p>As set out in Section 12.5 of the Bidder's Statement, Foreign Torrens' Shareholders and Small Holding Shareholders will be provided with the net proceeds from the sale of their Coda Shares to which they are entitled under the Offer at a different time.</p> <p>It is uncertain when (if ever) Coda's Offer will become unconditional. See Section 12.5 of the Bidder's Statement for further details.</p>
14	What are the tax implications of accepting the Offer?	<p>A general outline of the tax implications of accepting the Offer for Australian resident Torrens' Shareholders is set out in Section 13 of the Bidder's Statement.</p> <p>Your Directors note, in relation to Section 13 of the Bidder's Statement, that 'scrip for scrip' CGT rollover relief will not be available to Torrens' Shareholders if Coda does not obtain at least 80% of Torrens' Shares. Unless CGT rollover relief is available, accepting Torrens' Shareholders who are Australian residents for tax purposes and who make a capital gain from accepting Coda's Offer may be required to pay (in cash) tax on those gains. There is no cash component in Coda's Offer to pay any</p>

		<p>such tax.</p> <p>You should not rely on the outline in Section 13 of the Bidder's Statement as advice on your own affairs. It does not deal with the position of certain Torrens' Shareholders. It also does not take into account the particular circumstances of each Torrens' Shareholder. You should therefore seek your own professional financial and taxation advice before making a decision as to whether or not to accept Coda's Offer for your Torrens Shares.</p> <p>More information about this is contained in Section 8.17 of this Target's Statement.</p>
15	If I reject the Offer but Coda obtains more than 50%, but less than 90% of the Torrens Shares, where do I stand?	<p>If Coda acquires between 50% and 90% of Torrens Shares and waives the 90% acceptance condition of its Offer, you may be exposed to the risks associated with being a minority Shareholder in Torrens. Some of these risks are described in Section 6.16 of this Target's Statement. See Section 6.13 of this Target's Statement for more details.</p> <p>It is not the present intention of Coda to waive the 90% acceptance condition however if this was waived, Section 7.3 of the Bidder's Statement sets out Coda's current intentions if Torrens were to be a part-owned controlled entity.</p>
16	If I reject the Offer but Coda obtains more than 90% of the Torrens Shares, where do I stand?	<p>If Coda obtains more than 90% voting power in Torrens, then (subject to satisfaction of various legal requirements) Coda will be entitled to proceed to compulsory acquisition of Torrens Shares held by Shareholders who did not accept the Offer, in which case you will receive the same consideration as the Offer consideration.</p> <p>Coda has stated in Section 7.2 of the Bidder's Statement that if it becomes entitled to compulsorily acquire the Torrens Shares, it may exercise those rights. More information about this is contained in Section 6.16 of this Target's Statement.</p>
17	What happens if the Offer consideration is improved?	<p>If Coda improves the Offer consideration, Coda may extend the Offer Period, or it may be automatically be extended by the statutory provisions (see Sections 6.4 and 6.5 of this Target's Statement for further details). Your Directors will carefully consider the revised Offer and advise you accordingly.</p> <p>If you had already accepted Coda's Offer and Coda subsequently improves the Offer consideration, you will be entitled to the increased Offer consideration if the Offer is or becomes unconditional.</p> <p>Your Directors will carefully consider the revised Offer and advise you accordingly.</p>
18	During the period of the Offer, can I sell my Torrens Shares on ASX?	<p>Yes. See item 9(b) above for further information.</p>
19	What are the conditions of the Offer?	<p>Coda's Offer is subject to a number of conditions. Offer conditions include that:</p> <ul style="list-style-type: none"> • Minimum acceptance At the end of the Offer Period, the Offer results in Coda having relevant interests in at least 90% of Torrens Shares. • Torrens Option Holder Agreements The Torrens Option Offer is accepted by all Torrens Option

Holders and Coda enters into binding agreements with each Torrens Option Holder to record such transaction, that will cause the unexercised Torrens Options to be cancelled or transferred to Coda.

- **Authorisations**

Before the end of the Offer Period, all necessary authorisations required by law, or by any other third party are granted, made or obtained on an unconditional basis and remain in full force and effect.

- **No regulatory action**

Between the date of the Bid Implementation Deed and the end of the Offer Period:

- there is not in effect any decision, order or decree issued by a government agency;
- no action or investigation is announced, commenced or threatened by any government agency; and
- no application is made to government agency (other than by Coda or any associate of Coda).

- **No prescribed occurrences**

Between the date of the Bid Implementation Deed and the end of the Offer Period, no Prescribed Occurrence occurs (subject to certain exclusions specified in the Bid Implementation Deed).

- **No exercise of certain contractual rights**

Between the date of the Bid Implementation Deed and the end of the Offer Period, no person other than Coda exercises any rights under any agreement, deed, instrument or other binding arrangement to which an entity of the Torrens Group is a party, or by which an entity of the Torrens Group or any of its assets may be bound.

- **No change of control rights**

Between the date of the Bid Implementation Deed and the end of the Offer Period, no person has or will have any right as a result of Coda making the Offer or announcing its intention to make the Offer, or acquiring Torrens Shares under the Offer, to:

- acquire or require the disposal of any interest in any entity within the Torrens Group;
- terminate or vary the term of performance of any agreement with any entity within the Torrens Group; or
- terminate or vary the terms of any material approvals, licences or permits issued by any government agency to any entity within the Torrens Group.

- **No Material Adverse Event**

Between the date of the Bid Implementation Deed and the end of the Offer Period, no Material Adverse Event occurs in relation to Torrens.

- **Market announcement**

Between the date of the Bid Implementation Deed and the end of the Offer Period, Torrens has not released any announcement to ASX which is misleading in any material respect, that, if known to Coda, could reasonably be expected to have resulted in Coda not proceeding with the Offer, or proceeding with the Offer on materially different terms.

- **Tenement Interests**

Between the date of the Bid Implementation Deed and the end of the Offer Period, other than in the ordinary course of business, no entity in the Torrens Group does, or agrees to, or announces any intention to:

- enter into a contract or an arrangement in relation to any of the Tenements or the Tenement Interests;
- dispose of any interest or create any encumbrance over any of the Tenements or the Tenement Interests;
- take or omit to take any action that results in, or may be reasonably expected to result in, a breach of the terms of any authorisations in relation to any of the Tenements or the Tenement Interests; or
- take or omit to take any action that results in, or may be reasonably expected to result in, the surrender of any Tenements, Tenement Interests or any authorisation relating to the same.

- **Material transactions**

Except for any proposed transaction or item fairly disclosed by Torrens in an ASX announcement within 6 months prior to the Bid Implementation Deed, none of the following events occurred between the date of the Bid Implementation Deed and the end of the Offer Period:

- an entity of the Torrens Group disposes of, offers to dispose of, or agrees to dispose of, one or more entities in the Torrens Group, Tenement Interests or assets for:
 - an amount in excess of \$50,000 (alone or in aggregate); or
 - relating in any way to the Elizabeth Creek Project;
- an entity of the Torrens Group enters into, or agrees to enter into, an agreement or series of agreements that requires, or is reasonably likely to involve payments, expenditure or the foregoing of revenue, by an entity of the Target Group in excess of \$50,000; or
- a Tenement in which any entity of the Torrens Group has a Tenement Interest is revoked, surrendered, relinquished or terminated, or an entity of the Torrens Group agrees to the same.

- **Litigation**

Between the date of the Bid Implementation Deed and the end

	<p>of the Offer Period, litigation is not threatened, commenced, announced or made known to Coda against an entity of the Torrens Group which could reasonably result in a judgment or order:</p> <ul style="list-style-type: none"> • exceeding \$100,000 against an entity of the Torrens Group; or • which could reasonably be expected to have a material adverse effect on the Tenement Interest of an entity of the Torrens Group. <ul style="list-style-type: none"> • No breach of Bid Implementation Deed At the end of the Offer Period, Torrens is not in breach of any material term of the Bid Implementation Deed. <p>This is only a summary of some of the conditions of Coda's Offer. See Section 6.8 of this Target's Statement and Section 12.8 of the Bidder's Statement for further details.</p>
<p>20 What happens if the conditions of the Offer are not satisfied or waived?</p>	<p>If the conditions are not satisfied or waived before the Offer closes, the Offer will lapse, and you will not receive the Offer consideration (even if you had accepted the Offer). However, you would then be free to deal with your Torrens Shares.</p>
<p>21 What are the consequences of accepting the Offer now?</p>	<p>If you accept the Offer now then, unless withdrawal rights are available at the applicable time and you exercise those rights, you will not be able to sell your Torrens Shares on market or to any other bidder that may make a takeover offer, or deal with them in any other manner.</p> <p>If you accept Coda's Offer and Coda subsequently improves the Offer consideration, you will receive the improved consideration.</p>
<p>22 What if there is a competing offer?</p>	<p>The Directors will carefully consider the merits of any competing offer and will send a supplementary Target's Statement to Torrens' Shareholders advising whether the competing offer affects their recommendation that Torrens' Shareholders accept Coda's Offer.</p> <p>Under the Bid Implementation Deed, Torrens is subject to customary no shop, no talk restrictions (subject to a customary fiduciary exception), and must also notify Coda of any third party approaches which may reasonably be expected to lead to a competing proposal, or requests for information relating to Torrens, other than requests occurring in the ordinary course of business, during the exclusivity period. Torrens does not expect to receive a competing offer from a third party.</p> <p>If you have already accepted Coda's Offer, then you may not be able to participate in any competing offer. Refer to question 21 above for further information.</p>
<p>23 Can I accept the Offer for only some of my Torrens Shares?</p>	<p>You can only accept the Offer for all of your Shares. See Section 12 of the Bidder's Statement for further information.</p>
<p>24 Who should I call if I have questions?</p>	<p>You can contact the Offer Information Line on 1300 290 691 (within Australia) or +61 2 9066 4055 (outside Australia) between 8.30am and 5.00pm (Perth AWST time) Monday to Friday, or speak to your financial or other professional adviser.</p>

3 Information on Torrens

3.1 Business overview

Torrens is an Australian mineral exploration company, focused on exploration for gold, copper and cobalt and positioned for growth through its strategic projects in Australia, and, in Papua New Guinea, where one application for an exploration licence has been granted and the second application for an exploration licence is subject to litigation in the Supreme Court of Papua New Guinea.

Torrens' strategy is threefold:

- (a) to build a profitable business by employing state-of-the-art exploration to discover mineral resources with robust economics;
- (b) to explore for new mineral deposits in the highly prospective Victorian Goldfields and adjoining areas in New South Wales and South Australia; and
- (c) to explore for mineral deposits in formerly producing Laloki copper-gold project area and the adjacent Rigo area in Papua New Guinea.

Torrens was listed on the ASX in January 2021, following the successful completion of its \$10 million initial public offering.

3.2 Overview of projects

Torrens' operations comprise the following:

(a) **Elizabeth Creek Copper Project**

The Elizabeth Creek Copper Project in South Australia covers an area of approximately 701km² in the Olympic Copper Province, which is Australia's most productive copper province.

The Elizabeth Creek Project comprises three adjoining exploration licences (EL6141, EL6265 and EL6518) within the Eastern Gawler Craton region of South Australia, some 135km north-west of Port Augusta and 35km south-east of Woomera.

The Elizabeth Creek Copper Project is funded under a farm-in and joint venture agreement with Coda, which is the operator and manager. Terrace Mining, a subsidiary of Torrens, owns 30% of the Elizabeth Creek Project, and Coda owns 70%, with Coda holding the option to acquire an additional 5% for \$1.5 million.

(b) **Mt Piper Gold Project**

The Mt Piper Gold Project comprises five granted exploration licences (EL6775, EL7331, EL7337, EL7366 and EL7380) and one exploration licence application (ELA7481), covering some 1609km², located approximately 75km north of Melbourne, adjacent to the Hume Highway.

Torrens' key exploration target is disseminated, sulphidic, quartz-poor stockwork bodies that contain gold-antimony mineralisation, similar to those of the Fosterville, Costerfield and Nagambie mines further to the north-west and the north-east respectively.

(c) **Club Terrace Copper-Gold Project**

The Club Terrace Copper-Gold Project comprises four exploration licences, two of which are granted, namely Buldah EL5455, which forms the original core of the project and includes geochemical anomalies associated with the Buldah Fault, and the abutting New South Wales Craigie EL9238.

To further extend the scope of the project, two exploration licence applications, Club Terrace ELA7342 and Lockup ELA7584, were applied for during FY21.

Torrens' main target at Club Terrace is large, untapped, orogenic gold and associated copper mineralisation associated with the regional-scale Combiénbar Fault system.

(d) **Laloki & Rigo Copper-Gold Project**

The Laloki Project is located about 15km from Port Moresby, the capital of Papua New Guinea, covering an area of 126 km² on the East Papuan Peninsula. The Laloki project is readily accessed via the Sogeri Road to the north or the Magi Highway to the south. The unsealed Old Rigo Road, which traverses the Laloki project area, links the two highways. The Laloki project area is covered by a network of unsealed local roads and tracks.

During the 1920s and 1930s, significant mining and smelting of high-grade Volcanogenic Massive Sulphide (**VMS**) copper-gold ores was undertaken at Laloki. Metallurgical issues and Second World War hostilities led to its closure.

Drilling and feasibility studies were undertaken during the period to the 1980s, but the property has since been neglected. Laloki, if granted, represents a unique opportunity for Torrens to discover additional high grade copper-gold mineralisation, building on significant drill-proven mineralisation.

Torrens' application for ELA2557 was lodged in November 2017 and the Minister of Mining rejected the application in January 2021. A subsidiary of Torrens', Torrens PNG, filed an application for judicial appeal to review the Minister's decision in March 2021. However the National Court refused to grant leave to apply for judicial review. As at the date of this Target's Statement, Torrens PNG has lodged an appeal with the Supreme Court of Papua New Guinea, seeking to quash the National Court's decision.

See Section 8.16 for further details in relation to the status of litigation in relation to ELA2557.

In support of the future Laloki Project, in January 2021, a second exploration licence was applied for over a 1164km² area, extending from the southern edge of Laloki ELA2557, along the Papuan coastal lowlands for about 80km, to the Rigo area. The Rigo Exploration Licence (EL2690), which is noted for several historic battery-grade manganese mines, was granted on 26 January 2022 for a period of two years. Several copper prospects are also located in the area, the geology of which appears as an extension of that of Laloki, and which is considered prospective for similar VMS and associated manganese mineralisation.

(e) **Balmoral Project**

In June 2021, Torrens lodged an application for an exploration licence over an area of 737km² in Western Victoria. Previous exploration in the area had examined gold, base metal, diamonds and beach sand minerals in the region, which is associated with the regional scale Glenelg Fault Zone and has a thick weathering profile.

Following the grant of the tenement, the opportunity at Balmoral for Torrens is to explore initially by surface geochemical methods to define drilling targets, principally aimed at gold mineralisation.

Further details in relation to each of these projects is included in Torrens' 2021 Annual Report (released to the ASX on 30 September 2021) and in Torrens' Quarterly Activities Report for the period ending 31 December 2021 (released to the ASX on 31 January 2022). Figure 1 below illustrates the location of Torrens' Australian projects and table 1 contains a summary of the

Tenements granted to Torrens or applied for by Torrens in relation to Torrens' projects.

Figure 1 – location of Torrens' Australian projects

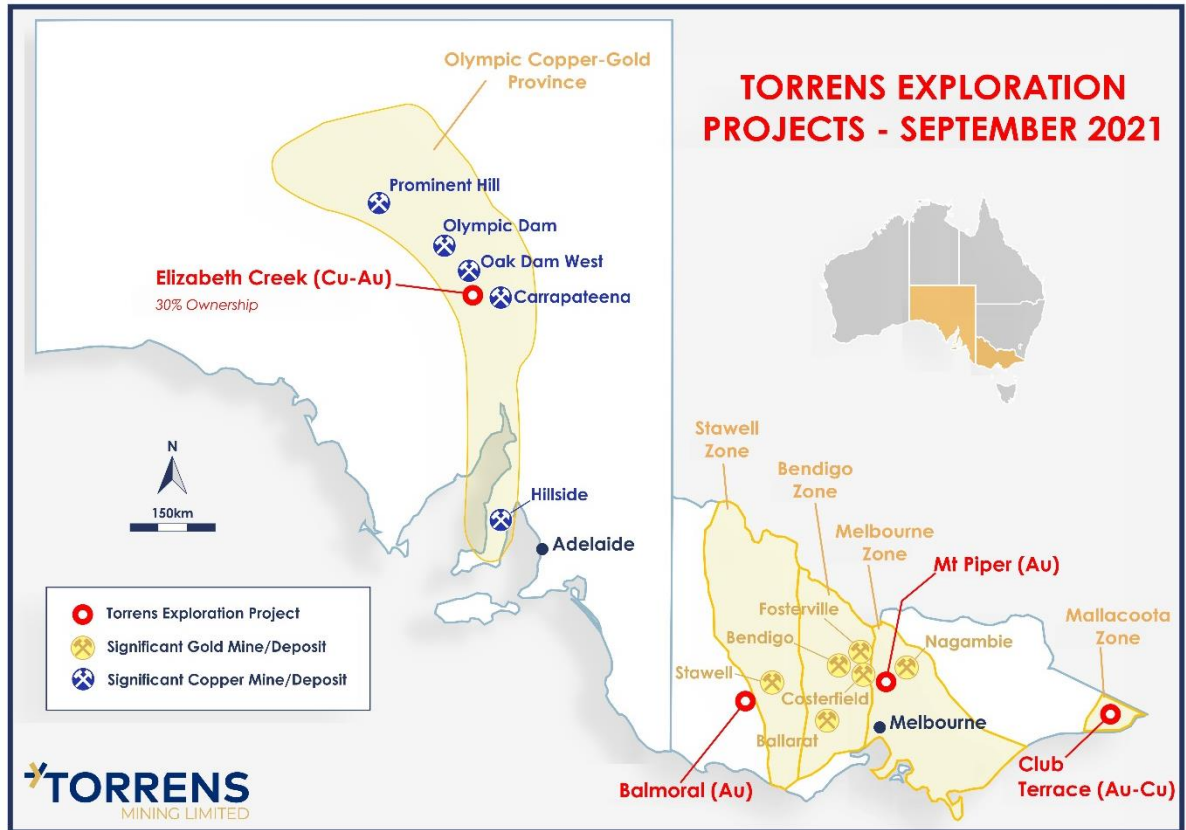


Figure 2 – Location of Torrens’ Papua New Guinea Projects



Table 1 – summary of the Tenements that underlie each Project

Holder / applicant	Jurisdiction	Tenement number	Interest	Status
Elizabeth Creek Copper-Cobalt IOCG Project				
Coda Minerals Ltd Terrace Mining Pty Ltd	South Australia	EL6141	70% 30%	Granted
Coda Minerals Ltd Terrace Mining Pty Ltd	South Australia	EL6265	70% 30%	Granted
Coda Minerals Ltd Terrace Mining Pty Ltd	South Australia	EL6518	70% 30%	Granted
Mt Piper Gold Project				
Torrens Gold Exploration Pty Ltd	Victoria	EL6775	100%	Granted
Torrens Gold Exploration Pty Ltd	Victoria	EL7331	100%	Granted
Torrens Gold Exploration Pty Ltd	Victoria	EL7337	100%	Granted

Holder / applicant	Jurisdiction	Tenement number	Interest	Status
Torrens Gold Exploration Pty Ltd	Victoria	EL7366	100%	Granted
Torrens Gold Exploration Pty Ltd	Victoria	EL7380	100%	Granted
Torrens Gold Exploration Pty Ltd	Victoria	ELA7481	100%	Application
Club Terrace Copper-Gold Project				
Torrens Gold Exploration Pty Ltd	Victoria	EL5455	100%	Granted
Torrens Gold Exploration Pty Ltd	Victoria	ELA7342	100%	Application
Torrens Gold Exploration Pty Ltd	Victoria	ELA7584	100%	Application
Torrens Gold Exploration Pty Ltd	New South Wales	EL9238	100%	Granted
Laloki & Rigo Copper-Gold Project				
Torrens Mining (PNG) Limited (Company No 1-116287), which is wholly-owned by Torrens Mining (Holdings) Pty Ltd (ACN 622 768 683)	Papua New Guinea	ELA2557	100%	Grant refused by the Minister for Mining on 26 January 2021 – subject to litigation in Supreme Court of PNG
Torrens Mining (PNG) Limited (Company No 1-116287), which is wholly-owned by Torrens Mining (Holdings) Pty Ltd (ACN 622 768 683)	Papua New Guinea	EL2690	100%	Granted on 26 January 2022
Balmoral Gold Project				
Torrens Gold Exploration Pty Ltd	Victoria	ELA7637	100%	Application

3.3 Board and management

(a) Board

The Directors of Torrens as at the date of this Target's Statement are:

Name	Position
William (Bill) Bloking	Non-Executive Chairman
Steve Shedden	Managing Director
Mike Collings	Non-Executive Director
Richard Grauaug	Non-Executive Director

A summary of the qualifications and experience of the Directors is set out in Torrens' 2021 annual report, released to the ASX on 30 September 2021.

In accordance with cl 8.3 of the Bid Implementation Agreement, as soon as practicable after Coda acquires a relevant interest in more than 50% of Torrens' Shares and the Offer

becomes or is declared unconditional, Coda will have the right to appoint such nominee directors (**Nominee Directors**) so as to comprise the majority of the Torrens board and Torrens must procure the resignation and appointment of the directors so that a majority of the Torrens board comprises the Nominee Directors as directed by Coda.

(b) **Management**

The Torrens senior executive management team as at the date of this Target's Statement is:

Name	Position
Steve Shedden	Managing Director
David Palumbo	Joint Company Secretary and Joint Chief Financial Officer
Benjamin Smith	Joint Company Secretary and Joint Chief Financial Officer
Patrick Say	Exploration Manager

A summary of the qualifications and experience of each member of the Torrens senior management team is set out in Torrens' 2021 annual report, released to the ASX on 30 September 2021 and on Torrens' website www.torrensmining.com.

3.4 Substantial shareholders

The following persons have notified Torrens of the fact that they hold substantial shareholdings (within the meaning of the Corporations Act), as at 1 March 2022, being the last practicable date prior to the date of this Target's Statement, based on substantial shareholder notice lodgements with ASX, which are available on the ASX website.

Shareholder	Number of shares	% of shares on issue
William (Bill) Bloking ¹	11,635,000	10.14%
Mr Paul Leslie Duncan ²	10,567,125	9.21%
Thecia Pty Ltd ³	7,600,000	6.63%
Shedden Associates Pty Ltd ⁴	7,400,000	6.45%

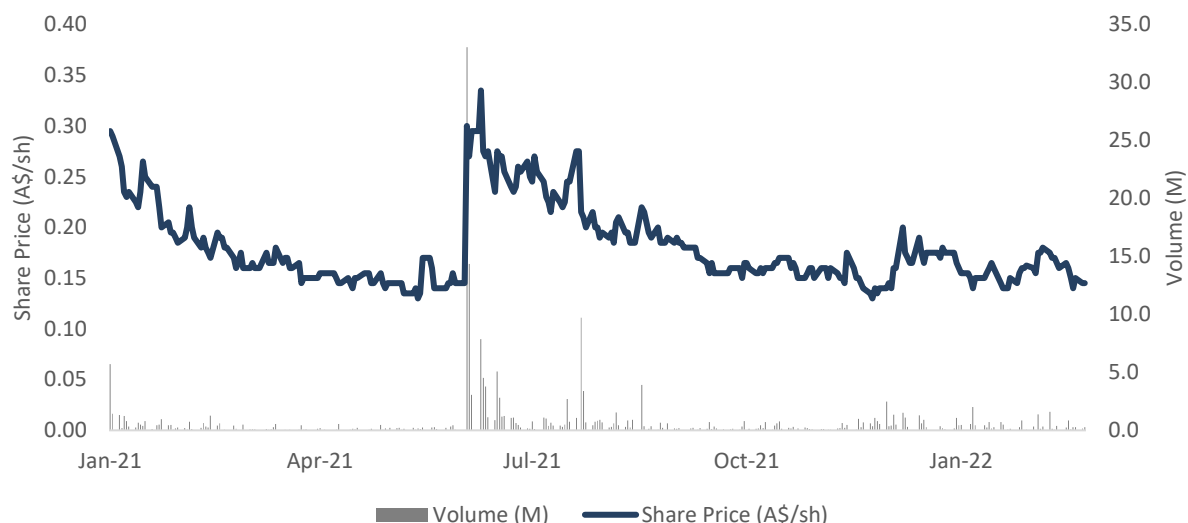
Notes:

- 10,750,000 Shares held by Mr Bill Bloking, 375,000 Shares held by Wilblok Pty Ltd <Bloking Super Fund A/C> and 510,000 Shares held by Australian Executor Trustees Limited <Bloking Superannuation Fund>. Wilblok Pty Ltd is an entity controlled by Director Mr Bill Bloking and the Shares held by Australian Executor Trustees Limited <Bloking Superannuation Fund> are controlled by Mr Bill Bloking.
- 615,000 Shares held by Mr Paul Leslie Duncan and 9,952,125 Shares held by Mr Paul L Duncan, Mrs Daranee Duncan and Mr Paul K Duncan <Pochana Super Fund A/C>.
- Thecia Pty Ltd is an entity controlled by Director Mr Mike Collings.
- 7,400,000 Shares held by Shedden Associates Pty Ltd <Shedden Super Fund A/C>. Shedden Associates Pty Ltd is an entity controlled by Director Mr Steve Shedden.

3.5 Historical trading prices

Torrens' trading price performance since January 2021 is outlined in the chart below.

Figure 2 – historical trading prices of Torrens' shares



As at 1 March 2022, being the last practicable date prior to the date of this Target's Statement:

- (a) the last recorded trading price of the Torrens Shares was \$0.145; and
- (b) the lowest and highest closing prices of the Shares during the preceding three months were \$0.135 (2 December 2021) and \$0.200 (13 December 2021) respectively.

3.6 Financing arrangements

Torrens' financing arrangements and information about the Loan Facility Agreement is set out at Section 11.2 of the Bidder's Statement and Section 8.13 of this Target's Statement.

3.7 Capital structure

Torrens' capital structure is set out at Section 8.10 of this Target's Statement.

3.8 Financial information

The table below contains a summary of Torrens' key historical financial information for the financial years ending 30 June 2020 and 30 June 2021, and the half year ended 31 December 2021. The information has been extracted from Torrens' audited annual financial statements and reviewed half year financial statements for the relevant periods.

Category	\$ as at 31 December 2021	\$ as at 30 June 2021	\$ as at 30 June 2020
Statements of Financial Position (extract)			
Total current assets	3,782,235	8,050,500	461,096
Total non-current assets	64,755	19,800	-
Total assets	3,846,990	8,070,300	461,096
Total current liabilities	700,052	760,203	315,293
Total non-current liabilities	-	-	-
Total liabilities	700,052	760,203	315,293

Category	\$ as at 31 December 2021	\$ as at 30 June 2021	\$ as at 30 June 2020
Net assets	3,146,938	7,310,097	145,803
Statements of Profit or Loss and Other Comprehensive Income (extract)			
Revenue	-	1,474	6,731
Loss before income tax	(4,157,748)	(3,085,316)	(81,928)
Net (loss) for the year after income tax	(4,157,748)	(3,085,316)	(81,928)
Total comprehensive (loss) for the year	(4,157,748)	(3,085,316)	(81,928)
Statements of Cash Flows (extract)			
Cash and cash equivalents at beginning of the year/half-year	7,877,350	447,930	21,885
Net cash used in operating activities	(4,432,085)	(1,913,753)	(96,705)
Net cash used in investing activities	(50,286)	(21,797)	-
Net cash inflow from financing activities	(5,411)	9,364,970	522,750
Cash and cash equivalents at end of financial year/half-year	3,389,568	7,877,350	447,930

Torrens' financial statements (including notes) for the above periods can be obtained on Torrens' website, www.torrensmining.com under the 'Investor' tab.

4 Information about Coda

This section sets out publicly available information about Coda. See Section 3 of the Bidder's Statement for further detail.

4.1 Business overview

Coda is an Australian mineral exploration company, focused on exploration, discovery and development of minerals in the base metals, precious metals and battery minerals sector.

Coda's mission is to generate earning accretive value for its shareholders through the application of technical processing expertise and new technologies. Coda's strategy is predicated on capitalising on the following:

- (a) Coda's strong cash balance;
- (b) Coda's in-house technical and commercial experience; and
- (c) positive long-term outlook for base metals.

Coda was listed on the ASX in October 2020, following the successful completion of its \$8.5 million initial public offering.

For further information about Coda, see Section 3.1 of the Bidder's Statement.

4.2 Overview of projects

Coda's operations comprise the following:

(a) Elizabeth Creek Copper Project

The Elizabeth Creek Copper Project is funded under the Farm-In Agreement with Coda, which is the operator and manager. Terrace Mining, a subsidiary of Torrens, owns 30% of the Elizabeth Creek Project, and Coda owns 70%, with Coda holding an option to acquire an additional 5% for \$1.5 million.

Further information about the project between Coda and Terrace Mining is set out at Section 3.2 of the Bidder's Statement and Section 3.2(a) above.

(b) Cameron River Copper Gold Project

The Cameron River Copper Gold Project consists of two Exploration Permits (EPM 27042 and EPM 27053) and covers approximately 35 km² in the highly prospective Mount Isa Inlier in Queensland.

Coda has entered into a binding Farm-in and Joint Venture Agreement with Wilgus Investments Pty Ltd giving it the right to acquire up to an 80% ownership in the Cameron River Project by spending up to \$2 million on exploration in stages over a three-year period.

For further information about the project, see Section 3.4 of the Bidder's Statement.

4.3 Board and management

(a) Board

The Directors of Coda as at the date of this Target's Statement are:

Name	Position
Keith Jones	Non-Executive Chair
Chris Stevens	Chief Executive Officer and Executive Director
Colin Moorhead	Non-Executive Director

Name	Position
Andrew (Robin) Marshall	Non-Executive Director
Paul Hallam	Non-Executive Director

A summary of the qualifications and experience of the Coda directors is set out in Section 3.5 of the Bidder's Statement.

(b) **Management**

The Coda senior executive management team as at the date of this Target's Statement is:

Name	Position
Kudzai Mtsambiwa	Chief Financial Officer
Susan (Patricia) Park	Company Secretary
Matthew Weber	Manager – Economics and Geology

A summary of the qualifications and experience of each member of the Coda senior management team is set out in Section 3.6 of the Bidder's Statement.

4.4 Financial information

The table below contains a summary of Coda's key historical financial information for the financial years ending 30 June 2020 and 30 June 2021, and the half year ended 31 December 2021. The information has been extracted from Coda's audited annual financial statements and reviewed half year financial statements for the relevant periods.

Category	\$ as at 31 December 2021	\$ as at 30 June 2021	\$ as at 30 June 2020
Statements of Financial Position (extract)			
Total current assets	14,326,570	22,036,114	4,564,067
Total non-current assets	2,170,482	2,166,141	1,771,365
Total assets	16,497,052	24,202,255	6,335,433
Total current liabilities	911,796	1,126,637	556,053
Total non-current liabilities	43,181	91,786	8,002
Total liabilities	954,977	1,218,424	564,056
Net assets	15,542,075	22,983,832	5,771,337
Total equity	15,542,075	22,983,832	5,771,337
Statements of Profit or Loss and Other Comprehensive Income (extract)			
Results from operating activities	(7,526,740)	(6,523,750)	(3,948,184)
Loss before income tax	(7,523,230)	(6,523,291)	(3,937,764)
Total comprehensive	(7,523,230)	(6,523,291)	(3,937,764)

Category	\$ as at 31 December 2021	\$ as at 30 June 2021	\$ as at 30 June 2020
(loss) for the period attributable to owners of the company			
Statement of Cash Flows (extract)			
Cash and cash equivalents at beginning of the year/half-year	21,787,110	4,192,295	17,542
Net cash used in operating activities	(7,785,596)	(5,550,058)	(3,821,508)
Net cash used in investing activities	(22,290)	(239,393)	(47,269)
Net cash inflow from financing activities	(49,694)	23,384,266	8,043,530
Cash and cash equivalents at end of financial year/half-year	13,929,530	21,787,110	4,192,295

Coda's financial statements (including notes) for the above periods can be obtained on Coda's website, www.codaminerals.com under the 'Investor' tab. For more details on the financial information on Coda, refer to Section 3.7 of the Bidder's Statement.

5 Your Choices as a Torrens' Shareholder

The Board encourages you to consider your personal risk profile, investment strategy, tax position and financial circumstances before making any decision in relation to your Torrens Shares.

As a Torrens' Shareholder, you currently have three choices available to you.

5.1 ACCEPT Coda's Offer

You may choose to accept Coda's Offer. This is the approach recommended by your Directors.

Details of the Offer consideration that you will receive if you accept the Offer are set out in Section 6 of this Target's Statement and Section 12.5 of Coda's Bidder's Statement. You will only receive that Offer consideration if the conditions of Coda's Offer are all either satisfied or waived. Refer to Section 12.8 of the Bidder's Statement for full details of the conditions of the Offer.

The consequences of accepting the Offer are discussed in Section 6.13. If you accept Coda's Offer, you will not be able to sell your Torrens Shares on market unless, at the time you decide that you no longer wish to accept the Offer, you have the right to withdraw your acceptance and you have exercised that right. The circumstances in which acceptances of Coda's Offer may be withdrawn are set out in Section 6.14.

If you accept the Offer, you may be liable for capital gains tax or income tax as a result of your acceptance. An overview of the taxation consequences for Shareholders accepting Coda's Offer is provided in Section 13 of the Bidder's Statement and Section 8.17 of this Target's Statement.

Refer to Section 12.3 of the Bidder's Statement and the Acceptance Form provided to you by Coda for instructions on how to accept the Offer.

Torrens encourages you to consider your personal risk profile, investment strategy, tax position and financial circumstances before making any decision in relation to your Shares.

5.2 Sell your Shares on ASX or off-market

During the Offer Period, you may sell your Shares through ASX for cash, provided you have not accepted the Offer for those Shares (or, if you have accepted the Offer, provided you have validly withdrawn that acceptance).

If you sell your Shares on market, you will receive the consideration for your Shares sooner than if you accept the Offer while it is subject to conditions.

If you sell your Shares on market, you:

- (a) will lose the ability to accept the Offer and receive 0.23 Coda Shares per Torrens Share you hold (and any subsequent increase in the Offer consideration) in relation to those Shares pursuant to the Offer;
- (b) may be liable for capital gains tax or income tax on the sale of those Torrens Shares; and
- (c) may incur a brokerage charge.

You should contact your broker for information on how to sell your Torrens Shares on ASX and your tax adviser to determine your tax implications from such a sale.

5.3 Take no action

If you do not wish to sell your Torrens Shares on market or off-market and do not wish to accept the Offer, you should take no action. Simply disregard the documents sent to you by Coda in relation to the Offer.

You should note that:

- (a) if you choose not to accept the Offer, you will not receive any Offer consideration unless Coda holds 90% of the Torrens Shares at the end of the Offer Period. In that event, Coda will become entitled to compulsorily acquire those Torrens Shares that it does not already own and Coda intends to exercise this right (refer to Section 6.15 for further information regarding compulsory acquisition); and
- (b) if Coda acquires more than 50% but less than 90% of the Torrens Shares, and you continue to hold Torrens Shares, you will be exposed to the risks associated with being a minority shareholder of Torrens. Some of these risks are explained in Section 6.16.

6 Details of the Offer

6.1 The Offer

Coda is offering to acquire all of your Torrens Shares, including any rights attaching to those Shares.

6.2 Foreign Torrens' Shareholders and Small Holding Shareholders

Torrens' Shareholders who are Foreign Torrens Shareholders or Small Holding Shareholders will not be entitled to receive Coda Shares as consideration for their Torrens Shares pursuant to the Offer, unless Coda otherwise determines.

A Torrens Shareholder is a Foreign Torrens Shareholders for the purposes of the Offer if their address as shown in the Torrens Share Register at 5.00pm (WST) on the register date of 2 March 2022 is in a jurisdiction other than Australia or external territories or New Zealand. However, such a person will not be a Foreign Torrens Shareholder if Coda is satisfied that it is not legally or practically constrained from making the Offer in such circumstances in the relevant jurisdiction.

A Torrens Shareholder is a Small Holding Shareholder if the total number of Coda Shares it would be entitled to on acceptance of the Offer is less than a Marketable Parcel.

The Coda Shares which would otherwise have been issued to Foreign Torrens Shareholders and Small Holding Shareholders will instead be issued to a nominee approved by ASIC, who will sell these Torrens Shares. The net proceeds of the sale of such shares will then be remitted to the relevant Foreign Torrens Shareholders and Small Holding Shareholders.

See Sections 11.14 and 12.6 of the Bidder's Statement for further information in relation to payment of consideration to Foreign Torrens' Shareholders and Small Holding Shareholders.

6.3 Offer Price

Coda is offering 0.23 Coda Shares for every one Torrens' Share that you hold.

The Implied Offer Price is \$0.202 per Torrens' Share, based on the Coda Share price of \$0.875 which applied as at close of trading of Coda Shares on 8 February 2022 (being the last trading day prior to the announcement of the Offer).

6.4 Offer Period and acceptance

The Offer is open for acceptance from 2 March 2022 until 4:00pm Perth AWST time, on 6 April 2022, unless it is withdrawn or the Offer Period is extended in accordance with the Corporations Act. If you choose to accept the Offer, then your acceptance must be received by Coda before the end of the Offer Period. Instructions on how to accept the Offer are set out in the Bidder's Statement and on the Acceptance Form that accompanies the Bidder's Statement. If you want to accept Coda's Offer, you should follow these instructions carefully to ensure that your acceptance is valid.

If your Torrens' Shares are in a CHESS holding and you want to accept the Offer, you should give instructions to your broker in sufficient time before the end of the Offer Period to allow your broker to initiate your acceptance under the CHESS system. If your Torrens' Shares are in an issuer sponsored holding and you want to accept the Offer, you should complete and deliver the Acceptance Form in sufficient time that it is received by Coda before the end of the Offer Period.

If you have misplaced your Bidder's Statement, this is available from Coda's website at www.codaminerals.com. If you have misplaced your Acceptance Form, please contact Coda's share registry, Link Market Services Limited on 1300 554 474.

6.5 Extension of the Offer Period

If the Offer becomes unconditional (that is, all the conditions are satisfied or waived), Coda may extend the Offer Period at any time before the end of the Offer Period. However, until the conditions of the Offer are fulfilled or waived, Coda may extend the Offer Period at any time before it gives ASX and Torrens' Shareholders a Notice of Status of Conditions (as described in Section 6.11), but may only extend the Offer after it gives the notice in the circumstances described in the paragraph below. There are other limited circumstances set out in the Corporations Act, which only apply where another person also announces or makes a takeover bid for Torrens Shares.

Coda must extend the Offer Period if, within the last seven days of the Offer Period, Coda improves the Offer consideration or Coda's voting power in Torrens increases to more than 50%. If that happens, the Offer must be extended so it ends 14 days after that event.

6.6 Withdrawal of the Offer

Coda may be able to withdraw the Offer if it obtains the written consent of ASIC, subject to the conditions (if any) specified in such consent.

6.7 Lapse of Coda's Offer

Coda's Offer will lapse if, at the end of the Offer Period, the conditions to which Coda's Offer is subject are not satisfied or waived. If this occurs then acceptances given by Torrens' Shareholders will be void. Torrens' Shareholders will continue to own the Torrens Shares the subject of any such acceptances and will be free to deal with them as they choose.

6.8 Conditions of the Offer

Coda's Offer is subject to a number of conditions. Those conditions are set out in full in Section 12.8 of the Bidder's Statement. By way of broad overview, the conditions include:

- **Minimum acceptance**

At the end of the Offer Period, the Offer results in Coda having relevant interests in more than 90% of Torrens Shares.

- **Torrens Option Holder Agreements**

The Torrens Option Offer is accepted by all Torrens Option Holders and Coda enters into binding agreements with each Torrens Option Holder to record such transaction.

- **Authorisations**

Before the end of the Offer Period, all necessary authorisations required by law, or by any other third party are granted, made or obtained on an unconditional basis and remain in full force and effect.

- **No regulatory action**

Between the date of the Bid Implementation Deed and the end of the Offer Period:

- there is not in effect any decision, order or decree issued by a government agency;
- no action or investigation is announced, commenced or threatened by any government agency; and
- no application is made to government agency (other than by Coda or any associate of Coda).

- **No prescribed occurrences**

Between the date of the Bid Implementation Deed and the end of the Offer Period, no Prescribed Occurrence occurs (subject to certain exclusions specified in the Bid Implementation Deed).

- **No exercise of certain contractual rights**

Between the date of the Bid Implementation Deed and the end of the Offer Period, no person other than Coda exercises any rights under any agreement, deed, instrument or other binding arrangement to which an entity of the Torrens Group is a party, or by which an entity of the Torrens Group or any of its assets may be bound.

- **No change of control rights**

Between the date of the Bid Implementation Deed and the end of the Offer Period, no person has or will have any right as a result of Coda making the Offer or announcing its intention to make the Offer, or acquiring Torrens Shares under the Offer, to:

- acquire or require the disposal of any interest in any entity within the Torrens Group;
- terminate or vary the term of performance of any agreement with any entity within the Torrens Group; or
- terminate or vary the terms of any material approvals, licences or permits issued by any government agency to any entity within the Torrens Group.

- **No Material Adverse Event**

Between the date of the Bid Implementation Deed and the end of the Offer Period, no Material Adverse Event occurs in relation to Torrens.

- **Market announcement**

Between the date of the Bid Implementation Deed and the end of the Offer Period, Torrens has not released any announcement to ASX which is misleading in any material respect, that, if known to Coda, could reasonably be expected to have resulted in Coda not proceeding with the Offer, or proceeding with the Offer on materially different terms.

- **Tenement Interests**

Between the date of the Bid Implementation Deed and the end of the Offer Period, other than in the ordinary course of business, no entity in the Torrens Group does or agrees to, or announces any intention to:

- enter into an arrangement in relation to any of the Tenements or the Tenement Interests;
- dispose of any interest or create any encumbrance over any of the Tenements or the Tenement Interests;
- take or omit to take any action that results in, or may be reasonably expected to result in, a breach of the terms of any authorisations in relation to any of the Tenements or the Tenement Interests; or
- take or omit to take any action that results in, or may be reasonably expected to result in, the surrender of any Tenements, Tenement Interests or any authorisation relating to the same.

- **Material transaction**

Except for any proposed transaction or item fairly disclosed by Torrens in an ASX announcement within 6 months prior to the Bid Implementation Deed, none of the following events occur between the date of the Bid Implementation Deed and the end of the Offer Period:

- an entity of the Torrens Group disposes of, offers to dispose of, or agrees to dispose of, one or more entities in the Torrens Group, Tenement Interests or assets for:
 - an amount in excess of \$50,000 (alone or in aggregate); or
 - relating in any way to the Elizabeth Creek Project;
- an entity of the Torrens Group enters into, or agrees to enter into, an agreement or series of agreements that requires, or is reasonably likely to involve payments, expenditure or the foregoing of revenue, by an entity of the Target Group in excess of \$50,000; or
- a Tenement in which any entity of the Torrens Group has a Tenement Interest is revoked, surrendered, relinquished or terminated, or an entity of the Torrens Group agrees to the same.

- **Litigation**

Between the date of the Bid Implementation Deed and the end of the Offer Period, litigation is not threatened, commenced, announced or made known to Coda against an entity of the Torrens Group which could reasonably result in a judgment or order:

- exceeding \$100,000 against an entity of the Torrens Group; or
- which could reasonably be expected to have a material adverse effect on the Tenement Interest of an entity of the Torrens Group.

- **No breach of Bid Implementation Deed**

At the end of the Offer Period, Torrens is not in breach of any material term of the Bid Implementation Deed.

6.9 Comments regarding particular conditions

Most of the conditions of the Offer are outside Torrens' control and your Directors are therefore unable to give any indication as to whether those conditions will be satisfied.

However, in relation to the following conditions of Coda's Offer, the Directors comment as follows:

- **Torrens' Option Holder Agreements**

The number of Torrens' Options on issue is set out at Section 8.10 of this Target's Statement. As Torrens' Options are a separate class of securities, the Offer does not include Torrens' Options. However, the Offer does extend to Torrens' Shares that are issued on the exercise of Torrens' Options before the end of the Offer Period.

As noted in the Bid Implementation Deed, and subject to any required waiver of the Listing Rules, Coda must make an offer to each Torrens Option Holder for Coda to acquire, or for the Torrens Option Holder to consent to the cancellation of, all of the Torrens Options held by the Torrens Option Holder, in exchange for unquoted Coda options or Coda Shares. Coda must make the Torrens Option Offer before the Offer becomes unconditional.

Completion of the acquisition or cancellation of the Torrens Options under the Torrens Options Offer:

- is subject to Torrens obtaining all legal, regulatory and shareholder authorisations (including under the Corporations Act and the Listing Rules) necessary to effect completion of the Torrens Option Offer;
- is subject to and conditional upon all Torrens Option Holders accepting the Torrens Option Offer; and
- must occur within 5 business days of the Offer becoming unconditional.

As noted in clause 7.1.4 of the Bid Implementation Deed, Torrens may apply to ASX for a waiver from certain Listing Rules, including Listing Rule 6.23.2 (relating to cancellation of options for consideration), if necessary to effect completion of the Torrens Option Offer.

- **Litigation**

Torrens PNG, a subsidiary of Torrens, has filed an appeal with the Supreme Court of Papua New Guinea, in relation to Torrens PNG's application for ELA2557 for the Laloki Project. See Section 8.16 for further details in relation to the status of this litigation.

In the event Torrens PNG's appeal is not successful and the proceedings are dismissed, your Directors estimate that the further costs of this litigation are not expected to exceed \$100,000, as at the date of this Target's Statement.

6.10 Regulatory approvals

The Offer is not conditional upon any regulatory approvals being obtained.

6.11 Consequences of conditions not being satisfied

You should be aware that, even if the conditions of the Offer are not satisfied (or are triggered, as appropriate), they may be waived by Coda.

If any condition is unsatisfied (or has been triggered), and has not been waived, Coda will have an option as to whether to proceed with the acquisition of the Shares under its Offer or allow its Offer to lapse with unsatisfied conditions.

6.12 Notice of Status of Conditions

The Bidder's Statement indicates that Coda will give to ASX and Torrens a Notice of Status of Conditions on 29 March 2022 (subject to extension in accordance with the Corporations Act) if the Offer Period is extended.

Coda is required to set out in its Notice of Status of Conditions:

- (a) whether its Offer is free of any or all of the conditions of the Offer;
- (b) whether, so far as Coda knows, any of the conditions have been fulfilled; and
- (c) Coda's voting power in Torrens at that time.

If the Offer Period is extended before the Notice of Status of Conditions is to be given, the date that Coda must give its Notice of Status of Conditions will be taken to be postponed for the same period. In the event of such an extension, Coda is required, as soon as reasonably practicable after the extension, to notify ASX and Torrens of the new date for giving the Notice of Status of Conditions.

In addition, if a condition of Coda's Offer is fulfilled during the Offer Period but before the date on which the Notice of Status of Conditions is required to be given, Coda must, as soon as practicable, give ASX and Torrens a notice stating that the particular condition has been fulfilled.

6.13 Effect of acceptance

Accepting Coda's conditional Offer would (subject to the possible withdrawal rights discussed below):

- (a) **prevent you from accepting any higher takeover bid** that may be made by a third party or any alternative transaction proposal that may be recommended by the Torrens' Board;
- (b) **relinquish control** of your Torrens' Shares to Coda with no guarantee of Offer consideration until Coda's Offer becomes, or is declared, unconditional. As the Offer Period could be extended by Coda so that its Offer is open for up to 12 months, this could result in further delays in payment from Coda;
- (c) **give Coda the option** to keep your Torrens' Shares (if the conditions of its Offer are not satisfied (i.e. by waiving the conditions)) or return your Torrens' Shares; and
- (d) **prevent you from selling** your Torrens' Shares on ASX (bearing in mind that since Coda's Offer was announced, Torrens' Shares have traded at prices below the Implied Offer Price of \$0.202 which is based on the Coda Share price of \$0.875 which applied as at close of trading of Coda Shares on 8 February 2022 (being the last trading day prior to the announcement of the Offer).

If Coda improves the Offer consideration, all Torrens' Shareholders who accept Coda's Offer (whether or not they have accepted prior to that improvement) will be entitled to the benefit of that improved Offer consideration.

The effect of acceptance of Coda's Offer is explained in more detail in Section 12.4 of the Bidder's Statement. You should read those provisions in full to understand the effect that acceptance will have on your ability to exercise the rights attaching to your Torrens' Shares and the representations and warranties that you are deemed by Coda to give to it by accepting Coda's Offer.

6.14 Withdrawal rights

If you accept Coda's Offer, you will have a right to withdraw your acceptance in some circumstances. Those withdrawal rights comprise general statutory withdrawal rights under the Corporations Act. In summary:

- (a) Under the Corporations Act, you may withdraw your acceptance of Coda's Offer if Coda varies its Offer in a way that postpones, for more than one month, the time at which Coda needs to meet its obligations under the Offer. This will occur if Coda extends the Offer Period by more than one month and Coda's Offer is still subject to conditions.
- (b) In those circumstances, you will have a period of one month after the date that Coda's Offer is extended to withdraw your acceptance. Your statutory withdrawal rights will terminate upon the expiry of that one month period, although if the Offer Period is then further extended you may receive further statutory withdrawal rights.

The manner in which you can withdraw your acceptance will depend on whether the Torrens' Shares the subject of the acceptance were held in a CHESS holding or in an issuer sponsored holding.

(a) CHESS Holdings

If the Torrens' Shares were held in a CHESS holding, you should contact your broker to instruct them to effect the withdrawal by transmitting a Valid Originating Message in accordance with Rule 14.16 of the ASX Settlement Operating Rules.

(b) **Issuer sponsored holdings**

If the Torrens Shares were held in an issuer sponsored holding, you should send a written notice of withdrawal to Coda's share registry provider, Link Market Services, QV1 Building, Level 12, 250 St Georges Terrace, Perth WA 6000. It is recommended that your notice attach a copy of your completed Acceptance Form or refer to your Securityholder Reference Number, and be signed by the same person(s) who signed your Acceptance Form.

6.15 Compulsory acquisition

(a) **Post-bid compulsory acquisition**

As noted in Section 7 of the Bidder's Statement, Coda will be entitled to acquire compulsorily any outstanding Torrens' Shares for which it has not received acceptances on the same terms as the Offer if, during or at the end of the Offer Period, Coda (taken together with its associates):

- has a relevant interest in at least 90% (by number) of Torrens' Shares; and
- has acquired at least 75% (by number) of Torrens' Shares for which it has made an Offer.

In applying the 75% test described above, Torrens' Shares in which Coda and its associates have a relevant interest as at the date of the Offer is first made are disregarded.

If the compulsory acquisition thresholds are met, Coda will have one month from the end of the Offer Period within which to give compulsory acquisition notices to Torrens' Shareholders who have not accepted the Offer, but it may choose to commence compulsory acquisition as soon as the relevant thresholds are satisfied. A Torrens Shareholder has statutory rights to challenge compulsory acquisition, but this will require the relevant Shareholder to establish to the satisfaction of a court that the terms of the Offer do not represent fair value for Torrens' Shares. Shareholders should be aware that, if their Torrens' Shares are acquired compulsorily, they are not likely to receive any payment until at least one month after the compulsory acquisition notices are sent.

(b) **General compulsory acquisition**

Section 7.2 of the Bidder's Statement describes Coda's general compulsory acquisition rights, which may be triggered even if Coda does not reach the compulsory acquisition thresholds described above.

Under Part 6A.2 of the Corporations Act, Coda will be entitled to compulsorily acquire any:

- Torrens Shares, if Coda (either alone or together with a related body corporate) holds full beneficial interests in at least 90% (by number) of Torrens Shares; and
- Torrens Securities, if Coda (either alone or together with its related bodies corporate) holds 90% voting power in Torrens and full beneficial interests in at least 90% by value of Torrens Securities.

If this threshold is met, Coda will have six months after Coda becomes a 90% holder within which to give compulsory acquisition notices to the relevant Torrens Securityholders. The compulsory acquisition notices sent to the Torrens Securityholders must be accompanied by an independent expert's report and an objection form.

The independent expert's report must set out whether the terms of the compulsory acquisition give 'fair value' for the Torrens Securities concerned and the independent expert's reasons for forming that opinion.

If Torrens Securityholders with at least 10% of Torrens Securities covered by the compulsory acquisition notice object to the acquisition before the end of the objection period (which must be at least one month), Coda may apply to the court for approval of the acquisition of the Torrens Securities covered by the notice. The costs incurred by any Torrens Securityholder who objects in legal proceedings in relation to the compulsory acquisition must be borne by Torrens, unless the court is satisfied that the Torrens Securityholder acted improperly, vexatiously or otherwise unreasonably.

(c) **Post-bid buy-out**

Under Part 6A.1 of the Corporations Act, if Coda (together with its associates) has a relevant interest in at least 90% (by number) of Torrens' Shares at the end of the Offer Period, and a compulsory acquisition notice has not been given, Coda must offer to buy out the remaining holders of Torrens' Shares.

In such circumstances, Coda must give notice to Torrens Securityholders of their right to be bought out, during, or within one month after the end of, the Offer Period. A copy of the notice must be lodged with ASX and ASIC.

Within one month after the notice is given by Coda, the relevant Torrens Securityholders may choose to give Coda notice requiring that it acquire their Torrens Securities.

The terms on which any Torrens Shares would be acquired would be the same as those provided under Coda's Offer.

(d) **General buy out of Torrens Securities**

Under Part 6A.2 of the Corporations Act, if Coda (either alone or with a related body corporate) acquires full beneficial interests in 100% of the Torrens Shares through compulsory acquisition under Part 6A.2 of the Corporations Act, Coda must offer to buy out any remaining Torrens Securityholders.

In these circumstances, Coda must give notice to the remaining Torrens Securityholders of their right to be bought out within one month after Coda acquires full beneficial interests in 100% of the Torrens Shares. A copy of the notice must be lodged with ASX and ASIC. The notice to the relevant Torrens Securityholders must be accompanied by an independent expert's report.

Within one month after the notice is given by Coda, the relevant Torrens Securityholders may choose to give Coda notice requiring Coda to acquire their Torrens Securities.

The terms on which any Torrens Securities would be acquired would be:

- as agreed to by Coda and the relevant Torrens Securityholder; or
- as determined by a court on application by the relevant Torrens Securityholder.

6.16 Implications of Coda acquiring more than 50% but less than 90% of Torrens Shares

If Coda waives its minimum acceptance condition and acquires a majority but not all of the Torrens Shares, the number of Torrens Shares traded on ASX could be significantly reduced, thereby potentially lessening the value of the shareholdings of Torrens' Shareholders who do not accept the Offer. Torrens Shares could become an illiquid and infrequently traded share and, as such, the ASX market price may no longer be a reliable indicator of value.

There are a number of further possible implications, including:

- (a) Coda will be in a position to cast the majority of votes at a general meeting of Torrens. This will enable it to control the composition of the Torrens Board and senior management and control the strategic direction of Torrens and its subsidiaries;
- (b) Coda has stated in Section 7.2(b) of its Bidder's Statement that, subject to the Corporations Act and Torrens' Constitution, Coda intends to replace the members of the Torrens Board with nominees of Coda and an appropriate number of independent directors to represent minority Shareholders;
- (c) if Coda acquires 75% or more of the Torrens Shares, it will be able to pass special resolutions at meetings of Torrens' Shareholders. This will enable Coda to, among other things, change Torrens' Constitution;
- (d) some or all of the synergies referred to in the Bidder's Statement may not be achieved; and
- (e) Torrens may become delisted from the ASX.

See also Section 8.14 below.

7 Risks and Other Matters to Consider in Deciding Whether or Not to Accept the Offer

7.1 Risks of holding Torrens Shares

The risks and uncertainties that apply to holding Torrens' Shares can be categorised as risks that Torrens shares with others in the mineral exploration industry, risks specific to Torrens, and risks relating to the outcome of the Offer. Many of these risks are outside the control of Torrens and its Directors.

This Section 7 describes some of the material risks that apply to holding Torrens' Shares. These are not the only risks Torrens faces. Some risks may not be known to Torrens, and some that Torrens currently believes to be immaterial could later turn out to be material. One or more or a combination of these risks could materially impact Torrens' future operating and financial performance, and the value of Torrens' Shares.

7.2 Risks specific to Torrens

The structure of Torrens' business and assets gives rise to the following risks:

(a) Future capital requirements

Torrens has no operating revenue and is unlikely to generate any operating revenue unless and until its projects are successfully developed and production commences. The future capital requirements of Torrens will depend on many factors including its business development activities. Torrens believes its available cash together with the short term funding facility with Coda should be adequate to assist Torrens with its corporate activities for the next 4 months, including to meet its obligations in connection with the Elizabeth Creek Project.

In the event the Offer is unsuccessful, Torrens will need to raise additional funds and there can be no assurance that sufficient debt or equity funding will be available on acceptable terms or at all. Debt financing, if available, may involve restrictions on financing and operating activities. Any additional equity financing may be dilutive to Shareholders, may be undertaken at lower prices than the then market price or may involve restrictive covenants which limit Torrens' operations and business strategy. Debt financing, if available, may involve restrictions on financing and operating activities.

If Torrens is unable to obtain additional financing as needed, it may be required to reduce the scope of its activities and this could have a material adverse effect on Torrens' activities including resulting in the Tenements being subject to dilution or forfeiture, and could affect Torrens' ability to continue as a going concern.

(b) Limited operational history

Torrens has limited operational history on which to evaluate its business and prospects. The prospects of Torrens must be considered in light of the risks, expenses and difficulties frequently encountered by companies in the early stages of their development, particularly in the mineral exploration sector, which has a high level of inherent risk and uncertainty.

No assurance can be given that Torrens will achieve commercial viability through the successful exploration on, or mining development of, its projects, including the Elizabeth Creek Project. Until Torrens is able to realise value from its projects, it is likely to incur operational losses.

(c) **Contractual risk**

The ability of Torrens to achieve its objectives may be materially affected by the performance by the parties of obligations under certain agreements. If any party defaults in the performance of its obligations, it may be necessary for Torrens to approach a court to seek a legal remedy, which can be costly. If Torrens enters into agreements with third parties for the acquisition or divestment of equity interests in mineral exploration and mining projects there are no guarantees that any such contractual obligations will be satisfied in part or in full.

(d) **Farm-in or joint venture risk**

Torrens operates certain projects with third parties through farm-ins or joint ventures (including the Farm-In Agreement summarised in Section 8.12(b)) and Torrens may be adversely affected by the financial failure, withdrawal or default of a farm-in or joint venture party. This may have an adverse effect on the operations and performance of Torrens.

(e) **Strategic Risks**

Torrens' strategic plan may not be wholly appropriate or sufficiently flexible to respond to changes in future economic, political or societal trends or unforeseen external events and actions affecting financial prospects. Torrens' strategic initiatives may not be fully effective in evolving Torrens' business to maintain its competitive advantage and profitably win and deliver work in the future, affecting financial prospects.

(f) **Litigation risks**

Torrens' is exposed to possible litigation risks including native title claims, tenure disputes, environmental claims, occupational health and safety claims and employee claims. Further, Torrens may be involved in disputes with other parties in the future which may result in litigation. Any such claim or dispute if proven, may impact adversely on Torrens' operations, financial performance and financial position.

As noted in Section 8.16, a subsidiary of Torrens has filed an appeal with the Supreme Court of Papua New Guinea, seeking to quash the National Court's decision in relation to ELA2557 (Laloki). Other than as disclosed above and in Section 8.16, Torrens is currently not engaged in any litigation.

7.3 Risks affecting mineral exploration industry

Torrens is exposed to the following additional risks, which apply to the mineral exploration industry generally:

(a) **Grant Risk for Exploration Licence Applications**

Victorian tenements ELA7481, ELA7637, ELA7342 and ELA7584 are applications for exploration licences which must be granted to Torrens before Torrens may acquire 100% legal and beneficial interest in those tenements. Torrens has also lodged a tenement application for ELA2557 located in Papua New Guinea, however this was initially refused by the Minister for Mining and is the subject to litigation in the Supreme Court of PNG (see Section 8.16 for further details). Interests in tenements are governed by the mining acts and regulations of the various countries in which Torrens operates. There is a risk that these applications may not be granted in their entirety or only granted on conditions unacceptable to Torrens. If the tenement applications are not granted, Torrens will not acquire an interest in these tenements. The tenement applications therefore should not be considered as assets of Torrens. Information in respect of the tenement applications is

provided in this Target's Statement to provide investors with sufficient information about each in the event such applications are granted.

(b) **Exploration and development risks**

Mineral exploration and development are high-risk undertakings. There can be no assurance that exploration of any projects that may be acquired in the future will result in the discovery of an economic resource. Exploration in terrains with existing mineralisation endowments and known occurrences may slightly mitigate this risk. Even if an apparently viable resource is identified, there is no guarantee that it can be economically exploited due to various issues including lack of ongoing funding, adverse government policy, geological conditions, commodity prices or other technical difficulties.

Future exploration activities may be affected by a range of factors including geological conditions, limitations on activities due to seasonal weather patterns, unanticipated operational and technical difficulties, industrial and environmental accidents, and the native title process.

(c) **Operating risks**

Mineral exploration operations may be affected by various factors, including failure to locate or identify mineral deposits, failure to achieve predicted grades in exploration and mining, operational and technical difficulties encountered in mining, difficulties in commissioning and operating plant and equipment, mechanical failure or plant breakdown, unanticipated metallurgical problems which may affect extraction costs, adverse weather conditions, industrial and environmental accidents, industrial disputes and unexpected shortages or increases in the costs of consumables, spare parts, plant and equipment.

(d) **Metallurgy**

Metal and/or mineral recoveries are dependent upon the metallurgical process that is required to liberate economic minerals and produce a saleable product and by nature contain elements of significant risk such as:

- (i) identifying a metallurgical process through test work to produce a saleable metal and/or concentrate;
- (ii) developing an economic process route to produce a metal and/or concentrate; and
- (iii) changes in mineralogy in the ore deposit can result in inconsistent metal recovery, affecting the economic viability of the project.

(e) **Land access risks**

Land access is critical for exploration and/or exploitation to succeed. It requires both access to the mineral rights and access to the surface rights. Minerals rights may be negotiated and acquired. In all cases the acquisition of prospective exploration and mining licences is a competitive business, in which proprietary knowledge or information is critical and the ability to negotiate satisfactory commercial arrangements with other parties is often essential.

Success in acquiring or obtaining the necessary licences to conduct exploration or evaluation activities outside of the mineral tenements is not certain.

(f) **Resource estimation risks**

No assurances can be given that the exploration will result in the determination of a resource. Even if a resource is identified, no assurance can be provided that this can be

economically extracted. The calculation and interpretation of resource estimates are by their nature expressions of judgment based on knowledge, experience and industry practice.

Estimates which were valid when originally calculated may alter significantly through additional fieldwork or when new information or techniques become available. This may result in alterations to development and mining plans, which may in turn adversely affect operations.

(g) **Payment obligations**

Pursuant to the licences comprising Torrens' projects, Torrens will become subject to payment and other obligations. In particular, holders are required to expend the funds necessary to meet the minimum work commitments attaching to the Tenements. Failure to meet these work commitments may render the Tenements subject to forfeiture or result in the holders being liable for fees. Further, if any contractual obligations are not complied with when due, in addition to any other remedies that may be available to other parties, this could result in dilution or forfeiture of Torrens' interest in the projects.

(h) **Competition risk**

The mineral exploration industry is subject to domestic and global competition, including major mineral exploration and production companies. The activities or actions of competitors may, positively or negatively, affect the operating and financial performance of Torrens' projects and business. Some competitors have greater financial and other resources than Torrens and, as a result, may be in a better position to compete for future business opportunities.

(i) **Native title risks**

There remains a risk that in the future, native title and/or registered native title claims may affect the land the subject of the Tenements or in the vicinity. The existence of native title claims over the area covered by the Tenements, or a subsequent determination of native title over the area, will not impact the rights or interests of the holder under the Tenements provided the Tenements have been validly granted in accordance with the Native Title Act. However, if any Tenement was not validly granted in compliance with the Native Title Act, this may have an adverse impact on Torrens' activities. There is nothing in our enquiries to indicate that any of the Tenements were not validly granted in accordance with the Native Title Act. The grant of any future tenure to Torrens over areas that are covered by registered claims or determinations will likely require engagement with the relevant claimants or native title holders (as relevant) in accordance with the Native Title Act.

(j) **Aboriginal Heritage Risk**

There remains a risk that additional Aboriginal sites may exist on the land the subject of the Tenements. The existence of such sites may preclude or limit mining activities in certain areas of the Tenements.

(k) **Sovereign risk**

Torrens holds an exploration license in Papua New Guinea (Rigo Exploration Licence EL2690) and is subject to the risks associated in operating in a foreign country. These risks include economic, social or political instability or change, currency non-convertibility or instability and changes of law affecting foreign ownership, government participation, taxation, working conditions, rates of exchange, exchange control, exploration licensing, export duties, repatriation of income or return of capital, environmental protection, labour

relations as well as government control over natural resources or government regulations that require the employment of local staff or contractors or require other benefits to be provided to local residents.

There can be no assurance that the current systems of government in any country will remain stable and conducive to foreign investment. Any future material adverse changes in government policies or legislation in foreign jurisdictions in which Torrens has projects that affect foreign ownership, exploration, development or activities of companies involved in exploration and production, may affect the viability and profitability of Torrens.

(l) **Environmental risk**

The operations and proposed activities of Torrens are subject to Australian and Papua New Guinean laws and regulations concerning the environment. The costs of complying with these laws and regulations may impact the development of economically viable projects. As with most exploration projects and mining operations, Torrens' activities are expected to have an impact on the environment, particularly if advanced exploration or field development proceeds. It is Torrens' intention to conduct its activities to the highest standard of environmental obligation, including compliance with all environmental laws.

The cost and complexity of complying with the applicable environmental laws and regulations may prevent Torrens from being able to develop potentially economically viable mineral deposits.

Although Torrens believes that it is in compliance in all material respects with all applicable environmental laws and regulations, there are certain risks inherent to its activities, such as accidental spills, leakages or other unforeseen circumstances, which could subject Torrens to extensive liability. Government authorities may, from time to time, review the environmental bonds that are placed on permits. The Directors are not in a position to state whether a review is imminent or whether the outcome of such a review would be detrimental to the funding needs of Torrens.

Further, Torrens may require approval from the relevant authorities before it can undertake activities that are likely to impact the environment. Failure to obtain such approvals will prevent Torrens from undertaking its desired activities. Torrens is unable to predict the effect of additional environmental laws and regulations, which may be adopted in the future, including whether any such laws or regulations would materially increase Torrens' cost of doing business or affect its operations in any area. There can be no assurances that new environmental laws, regulations or stricter enforcement policies, once implemented, will not oblige Torrens to incur significant expenses and undertake significant investments in such respect which could have a material adverse effect on Torrens' business, financial condition and results of operations.

(m) **Heritage and sociological risk**

Some of the tenements which Torrens proposes to mine may be of significance from a heritage or sociological perspective, including native title issues. Some sites of significance may be identified within the tenements and Torrens may be hindered by legal and cultural restrictions on mining those tenements. The *Native Title Act 1993* (Cth) recognises and protects the rights and interests in Australia of Aboriginal and Torres Strait Islander people in land and waters, according to their traditional laws and customs. There is significant uncertainty associated with native title in Australia and this may impact on Torrens' operations and future plans.

(n) **Economic risks**

General economic conditions, movements in interest and inflation rates, the prevailing global commodity prices and currency exchange rates may have an adverse effect on exploration, development and production activities, as well as on Torrens' ability to fund those activities.

As with any exploration or mining project, the economics are sensitive to metal and commodity prices. Commodity prices fluctuate and are affected by many factors. Such factors include supply and demand fluctuations for minerals, technological advances, forward selling activities and other macro-economic factors. These prices may fluctuate to a level where the proposed mining operations are not profitable. Should Torrens achieve success leading to mineral production, the revenue it will derive through the sale of commodities also exposes potential income of Torrens to commodity price and exchange rate risks.

(o) **Infectious diseases**

The outbreak of the coronavirus disease (COVID-19) is having a material effect on global economic markets. The global economic outlook is facing uncertainty due to the pandemic. Further measures to limit the transmission of the virus implemented by governments around the world (such as travel bans and quarantining) may adversely impact mineral exploration operations and may cause disruptions to supply chains and potential impediments to Torrens' access to its projects if travel restrictions are implemented.

(p) **Government policy and regulation risks**

Changes in government, monetary policies, taxation and other laws can have a significant impact on Torrens' assets, operations and ultimately the financial performance of Torrens and its Shares. Such changes are likely to be beyond the control of Torrens and may affect industry profitability as well as Torrens' capacity to explore and mine.

Torrens is not aware of any reviews or changes that would affect the projects. However, changes in community attitudes on matters such as taxation, competition policy and environmental issues may bring about reviews and possibly changes in government policies. There is a risk that such changes may affect Torrens' development plans or its rights and obligations in respect of its projects. Any such government action may also require increased capital or operating expenditures and could prevent or delay certain operations by Torrens.

(q) **Insurance risks**

Torrens intends to insure its operations in accordance with industry practice. However, in certain circumstances, Torrens' insurance may not be of a nature or level to provide adequate insurance cover. The occurrence of an event that is not covered or fully covered by insurance could have a material adverse effect on the business, financial condition and results of Torrens. Insurance against all risks associated with mining exploration and production is not always available and where available the costs can be prohibitive.

(r) **Taxation**

The acquisition and disposal of Torrens Securities will have tax consequences, which will differ depending on the individual financial affairs of each investor. All potential investors in Torrens are urged to obtain independent financial advice about the consequences of disposing of Torrens Securities from a taxation point of view and generally. To the

maximum extent permitted by law, Torrens, its officers and each of their respective advisers accept no liability and responsibility with respect to the taxation consequences to the Torrens Securities under this Target's Statement.

7.4 Risks relating to the outcome of Coda's Offer

Maintaining your investment in Torrens may attract the following risks, depending on the outcome of the Offer:

- (a) Torrens' Shares acquired by Coda under the Offer will reduce the number of Torrens' Shares that can be expected to be available for trading on ASX. This is likely to reduce the liquidity of Torrens' Shares, as has been the case in other ASX listed entities where shareholders have taken majority control or further increased their existing level of majority control of the particular entity. Depending on the level of acceptances under the Offer, the liquidity of Torrens' Shares may be substantially reduced, which may adversely affect the price at which they might otherwise be expected to trade.
- (b) If Coda acquires control of Torrens (i.e. acquires 75% or more of Torrens' Shares), it will have enhanced capacity to influence the manner in which Torrens' business is conducted and pass special resolutions at general meetings. This will enable Coda to change Torrens' Constitution or delist Torrens from the ASX. Coda's intentions for Torrens is described in Section 7 of the Bidder's Statement, but those intentions may change, particularly as a result of the review which Coda states that it will undertake. Changes to the business which are implemented by Coda may mean that you may subsequently choose to dispose of your Torrens Shares at a time when market conditions are less favourable than those prevailing at the date of this Target's Statement.
- (c) If you choose not to accept the Offer and Coda subsequently exercises compulsory acquisition rights, you are likely to be paid later than Shareholders who accept the Offer.
- (d) In the event the conditions to the offer under the Bid Implementation Deed are not met or waived, the Offer will not proceed and Torrens will need to raise additional funds to ensure it can meet its obligations in connection with repayment of the Loan Facility (to the extent funds are drawn down and repayable under the terms of the Loan Facility Agreement), in order to maintain its interest in the Elizabeth Creek joint venture, fund exploration and meet general working capital requirements. If Torrens is unable to obtain additional financing as needed, it may be required to reduce the scope of its activities and this could have a material adverse effect on Torrens' activities including resulting in its interest in the Elizabeth Creek Project being subject to dilution and/or its interest in the other Tenements being subject to forfeiture, and could affect Torrens' ability to continue as a going concern. Please see Section 7.2(a) for further details of this risk.

8 Other Material Information

8.1 Directors' interests in Torrens Securities

The only marketable securities that Torrens has on issue are Torrens Shares and Torrens Options.

The number of marketable securities of Torrens in which each Director has a relevant interest as at the date of this Target's Statement is set out below:

Name of Director	Number of Torrens Shares	Number of Torrens Options
William (Bill) Bloking ¹	11,635,000	1,225,000
Steve Shedden ²	7,400,000	2,100,000

Name of Director	Number of Torrens Shares	Number of Torrens Options
Mike Collings ³	7,600,000	1,575,000
Richard Grauaug ⁴	4,120,000	1,225,000

Notes:

1. 10,750,000 Shares held by Mr Bill Bloking, 375,000 Shares and 1,225,000 Torrens Options held by Wilblok Pty Ltd <Bloking Super Fund A/C> and 510,000 Shares held by Australian Executor Trustees Limited <Bloking Superannuation Fund>. Wilblok Pty Ltd is an entity controlled by Director Mr Bill Bloking and the Shares held by Australian Executor Trustees Limited <Bloking Superannuation Fund> are controlled by Mr Bill Bloking.
2. 7,400,000 Shares and 2,100,000 Torrens Options held by Shedden Associates Pty Ltd <Shedden Super Fund A/C>, an entity controlled by Director Mr Steve Shedden.
5. 7,600,000 Shares and 1,575,000 Torrens Options held by Thecia Pty Ltd, an entity controlled by Director Mr Mike Collings.
3. 4,120,000 Shares and 1,225,000 Torrens Options held by Bohemian Pty Ltd <The Bohemian Family A/C>, an entity controlled by Director Mr Richard Grauaug.

8.2 Dealings by Directors in Torrens Securities

No Director acquired or disposed of any relevant interests in Torrens Securities within the period of four months immediately preceding the date of this Target's Statement.

8.3 Directors' interests in Coda securities

No Director has a relevant interest in any marketable securities of Coda as at the date of this Target's Statement.

8.4 Dealings by Directors in Coda securities

No Director acquired or disposed of any marketable securities in Coda within the period of four months immediately preceding the date of this Target's Statement.

8.5 Conditional agreements

There are no agreements made between any Director and any other person in connection with, or conditional upon, the outcome of the Offer other than in their capacity as a Torrens' Shareholder.

8.6 Contracts with Coda

None of the Directors has any interest in any contract with Coda.

8.7 Interests of Directors of Torrens in any contract with Coda

No Director has an interest in any contract entered into by them with Coda.

8.8 Payments and benefits

As a result of the Offer, no benefit (other than a benefit permitted by section 200F or 200G of the Corporations Act) will or may be given to a Director:

- (a) in connection with their retirement from office in Torrens or a related body corporate of Torrens; or
- (b) in connection with the transfer of the whole or any part of the undertaking or property of Torrens.

8.9 Insurance and indemnities

Torrens has entered into standard form deeds of indemnity with each Torrens Director against all liabilities which they may incur in the performance of their duties as directors or officers of Torrens, except liability to Torrens or a related body corporate, liability for a pecuniary penalty or compensation order under the Corporations Act, and liabilities arising from conduct involving a lack of good faith. Torrens is obliged to meet the full amount of all such liabilities in accordance with the terms of the deeds of indemnity.

In addition, each Torrens Director is indemnified, as authorised by the Torrens Constitution, against personal liability arising from their respective positions within Torrens and its related bodies corporate.

Torrens holds a Directors' and Officers' Liability Insurance Policy on behalf of current directors and officers of Torrens and its controlled entities. The period of the policy extends from 19 November 2021 to 19 November 2022. The policy excludes any claims brought by major Shareholders holding a direct or beneficial ownership of, or control over 15% or more of the issued capital or alternatively, has representation on the board of Torrens. A claim from Coda falls within this exception if they acquire 15% or more of the issued capital of Torrens.

8.10 Torrens' capital structure

Torrens' issued capital comprises 114,701,662 fully paid ordinary shares, and 13,547,583 options to subscribe for Shares.

Some of those shares and options are subject to transfer restrictions, which are described below:

- 43,786,724 fully paid ordinary shares are classified by ASX as Restricted Securities and to be held in escrow until 7 January 2023;
- 1,250,000 fully paid ordinary shares, held by Strandline Resources Limited, are classified by ASX as Restricted Securities and to be held in escrow until 8 March 2022;
- 7,500,000 options held by the Directors and certain Torrens employees, exercisable at \$0.30 on or before 12 April 2024, are classified by ASX as Restricted Securities and to be held in escrow until 7 January 2023; and
- 6,047,583 options held by Taylor Collison, in lieu of services performed in its capacity as lead manager in connection with Torrens' initial public offering, exercisable at \$0.30 on or before 22 December 2023, are classified by ASX as Restricted Securities and to be held in escrow until 7 January 2023.

As at the announcement date of 9 February 2022, 45,036,724 Torrens Shares are Restricted Securities as defined in the ASX Listing Rules following the initial public offering in January 2021. The Restricted Securities represent approximately 39% of the total number of Torrens Shares on issue. ASX Listing Rule 9.5 enables the holder of Restricted Securities to accept the Offer, if amongst other conditions, the holders of at least half of the shares in Torrens that are not Restricted Securities have accepted the Offer.

See Section 6.9 of this Target's Statement in relation to the Torrens Option Offer under the terms of the Bid Implementation Deed. It is a condition of the Offer that the Torrens Option Offer is accepted by all Torrens Option Holders and Coda enters into binding agreements with each Torrens Option Holder to record such transaction, that will cause the unexercised Torrens Options to be cancelled or transferred to Coda.

As noted in Section 6.2 of the Bidder's Statement, notwithstanding the Torrens Options Offer, Torrens Option Holders may still exercise their Torrens Options and accept the Offer in respect of the Torrens Shares issued. The Offer will extend to Torrens Shares issued on the exercise of

Torrens Options after the Register Date but before the end of the Offer Period, provided those Torrens Options were on issue as at the Register Date.

8.11 Torrens Securities Trading Policy

Dealing in Torrens Securities by its Directors, Company Secretary and employees of Torrens is restricted by the Torrens Securities Trading Policy.

Under that policy, Torrens prohibits Directors, Company Secretaries and employees of Torrens, while in the possession of price sensitive information, from:

- (a) trading in Torrens Securities;
- (b) procuring another person to trade in Torrens Securities; or
- (c) communicating the price sensitive information to any other person.

The Board has resolved to permit trading by Directors and employees in Torrens Shares during the period between release of this Target's Statement to the ASX and the end of the current Offer Period. However, if the Offer Period is extended the permission to trade will be reviewed on an ongoing basis.

8.12 Potential impact of Coda's Offer on Torrens' material contracts

(a) Overview

Other than the arrangements described below, Torrens is not, after due inquiry, aware of any financing arrangement or other contract that has been entered into by Torrens or any of its subsidiaries, that Torrens considers to be material in the context of Torrens or the Torrens Group taken as a whole, that contains a change of control provision that may be triggered if Coda acquires Torrens Shares as a result of the Offer.

(b) Elizabeth Creek Project Farm-In Agreement

On 17 March 2017, Gindalbie Metals Limited and Terrace Mining, a wholly owned subsidiary of Torrens, entered into the Farm-in Agreement. The Farm-in Agreement was subsequently novated to Coda in May 2018 (with the conditions to the novation being satisfied in August 2018) and the project was renamed from 'Mt Gunson' to 'Elizabeth Creek'. Torrens, through Terrace Mining, owns a 30% interest in the Elizabeth Creek Project pursuant to the terms of the Farm-in Agreement. Coda owns a 70% interest in the Elizabeth Creek Project.

If Coda acquires all of the Torrens Shares as a result of the Offer, Coda would, through its ownership of all of the Torrens Shares, in effect own a 100% interest in the Elizabeth Creek Project. If the Offer does not proceed, Terrace Mining and Coda will continue to hold 70% and 30% respectively in the Elizabeth Creek Project. Coda may use its option to purchase an additional 5% interest in consideration for the payment of \$1.5 million.

(c) Strandline Elizabeth Creek Project Acquisition Agreement

Terrace Mining and Strandline Resources Limited (**Strandline**) entered into a letter agreement dated 14 December 2015 known as the Strandline Elizabeth Creek Agreement (amended on 18 January 2016), pursuant to which Terrace Mining acquired sole ownership of the Elizabeth Creek Project tenements.

The Strandline Elizabeth Creek Agreement provides, in effect, that if an event such as the listing of Torrens on ASX following an initial public offering (**IPO**) or if substantially all of the assets are sold by Terrace to a third party, occurs prior to a formal "decision to mine" being made (based on amongst other things, financial close of debt or equity finance in respect of a mining project located on the Tenements), then Terrace Mining will be

required to pay \$250,000 in deferred consideration to Strandline within 60 days of completion of the IPO or asset sale (as applicable), and the balance of \$750,000 in deferred consideration is converted to an unsecured 2% net smelter royalty of all minerals produced from the area of the tenements, capped at \$1,250,000, payable from production from the Elizabeth Creek Project tenements. In addition, Terrace Mining will have the option to buy-back the net smelter royalty for an amount of \$750,000.

Following Torrens' successful IPO and admission to ASX in January 2021, Terrace Mining satisfied its obligation to pay \$250,000 of the deferred consideration, through the issue of 1,250,000 ordinary fully paid shares in Torrens (issued on 8 March 2021).

8.13 Impact of Coda's Offer on Loan Facility Agreement

On 9 February 2022, the Offer was jointly announced by Torrens and Coda. That announcement noted that Torrens and Coda have entered into a Loan Facility Agreement pursuant to which Coda has agreed to provide Torrens with a Loan Facility of up to \$2,000,000 to assist with Torrens' short term funding requirements during the Offer Period. Terrace Mining is also a party to the Loan Facility Agreement, as guarantor for Torrens.

Under the Loan Facility Agreement, Torrens may request Coda advance any portion of the Loan Facility for the following approved purposes:

- (a) the short-term funding requirements of Torrens as set out in a budget approved by Coda on or about the date of the Loan Facility Agreement for expenses to be incurred by the Torrens Group up to 30 June 2022, including without limitation in relation to:
 - (i) Terrace Mining's participation in the Elizabeth Creek Project, including Terrace Mining's share of a 'cash call' made under the Farm-In Agreement; and
 - (ii) the Offer, including the costs of legal, accounting, taxation, corporate advisory and other professional advisers incurred in relation to considering, negotiating and implementing the Offer; and
- (b) any other use that Coda expressly approves in writing.

Under the Loan Facility Agreement, Torrens must repay any outstanding amount (including interest accruing at a rate of 2.1% per annum) to Coda on or before the earlier of the following:

- (a) if Torrens becomes a wholly-owned subsidiary of Coda pursuant to the Offer, the date agreed by Torrens and Coda in writing;
- (b) the date falling 60 days after the Bid Implementation Deed is terminated; and
- (c) the date falling 60 days after the Offer closes.

If Torrens does not pay any outstanding amount to Coda on the repayment date, the outstanding amount will be deemed to be repaid under the Loan Facility Agreement on the application of the dilution calculation and reduction in Terrace Mining's joint venture interest in accordance with clause 19.2(d)(i) and the formula of the Farm-in Agreement. The dilution of Torrens' interest will be calculated by multiplying Torrens' interest prior to the dilution by the amount of the cash call, divided by the fair market value of the joint venture interest.

As at the date of this Target's Statement, Torrens has not drawn down on the Loan Facility, and has no obligation to draw down on the loan. Torrens is required to have approximately \$877,000 of funding to pay a cash call expected to be called in April 2022 in order to maintain its current interest in the Elizabeth Creek Project. As at the date of this Target's Statement, Torrens does not have this amount available in unrestricted cash.

Given its current unrestricted cash position, Torrens anticipates that it will need to draw down on the Loan Facility in order to maintain its interest in the Elizabeth Creek joint venture, fund exploration and meet general working capital requirements.

8.14 Impact on arrangements with Coda

If Coda acquires control of Torrens but not full ownership, future transactions between members of the Coda group and members of the Torrens Group which are entered into after that date will be related party transactions for the purposes of the Listing Rules and the Corporations Act. Transactions under which a financial benefit is given by a member of the Torrens Group to a member of the Coda group will need to be on terms which are at least as favourable to the Torrens Group member as arm's length terms, or the transactions will need to be approved by disinterested Shareholders. Under the Listing Rules, any transfers of assets between members of the Coda group and members of the Torrens Group where the consideration payable or the value of the relevant assets is more than 5% of Torrens' Shareholders' funds will need to be approved by disinterested Shareholders.

8.15 Changes in financial position

So far as known to any Director, the financial position of Torrens has not materially changed since 31 December 2021 (the date of Torrens' last reviewed financial report for the half year ended 31 December 2021) and the date of this Target's Statement, except as disclosed in this Target's Statement and in Torrens' announcements to ASX since 24 February 2022.

8.16 Material litigation

Other than as set out in this Section 8.16, as at the date of this Target's Statement, Torrens has no knowledge of, nor any expectation of, any litigation or dispute that is material in the context of the Torrens Group taken as a whole.

On or about 16 November 2017, Torrens PNG, a PNG-registered company which is a wholly owned subsidiary of Torrens, lodged an application for Exploration Licence ELA2557 over the historic Laloki mineral field in Papua New Guinea. Upon an application being made for an exploration licence in Papua New Guinea, it is the Minister for Mining (**Minister**) who has the power to grant that application, but only after considering a recommendation of the Mining Advisory Council. Torrens PNG understood that it had complied with all obligations imposed on it under the Mining Act 1992 of Papua New Guinea for the grant of an exploration licence pursuant to ELA2557. The company also understood that the Mining Advisory Council made its recommendation to the Minister on a date prior to 25 February 2019. Given the delay in the Minister determining ELA2557, on 30 September 2020 Torrens PNG commenced proceedings OS (JR) 58 of 2020 in the National Court of Papua New Guinea to obtain an order in the nature of mandamus to compel the Minister to, in effect, make a decision on the grant of ELA2557.

On 16 December 2020, the National Court granted an order of mandamus, compelling the Minister to make a decision on the grant of ELA2557 within 7 days. On 27 January 2021, the Minister formally refused the grant of ELA2557.

On 25 March 2021, Torrens PNG filed an Application for Judicial Review to review the decision making process of the Minister in ultimately refusing to grant Torrens PNG ELA 2557. On 23 June 2021, the National Court refused to grant leave to apply for judicial review and awarded legal costs in favour of the Minister. To date, the Minister has not advised of the quantum, nor sought to recover, its legal costs from Torrens PNG in this matter.

On 30 July 2021, Torrens PNG filed an appeal with the Supreme Court of Papua New Guinea, seeking to quash the National Court's decision. If the appeal is successful, Torrens Mining will be reinstated as an applicant for ELA2557 and the Minister for Mining will have to make a decision

again in relation to Torrens Mining's application for ELA2557. In a Supreme Court hearing on 23 December 2021, the Supreme Court granted Torrens PNG leave to amend its substantive notice of motion filed on 30 July 2021. Torrens filed an application for an injunction in September 2021. Holistically, the appeal is anticipated to take somewhere between 6-8 months (it could take longer if there are unexpected circumstances that may arise).

8.17 Taxation considerations for Torrens' Shareholders

Section 13 of the Bidder's Statement sets out advice on Australian capital gains tax consequences of accepting Coda's Offer.

In particular, Torrens' Shareholders should note that if Coda's Offer proceeds (ie, the Offer conditions are satisfied or waived) and Coda does not obtain at least 80% of the Torrens' Shares, 'scrip for scrip' CGT rollover relief will not be available in respect of any capital gain realised as a result of accepting Coda's Offer.

Torrens' Shareholders should consult their own tax adviser for tax advice tailored to their own particular circumstances. Torrens' Shareholders should not solely rely on Section 13 of the Bidder's Statement in relation to the taxation implications of accepting the Offer. In particular, Torrens' Shareholders who are subject to taxation outside Australia should obtain their own advice as to the tax consequences for them of the Offer, which may be different to those applicable to Australian resident Torrens' Shareholders.

8.18 ASIC modifications and exemption

ASIC has published various 'class order' instruments providing for modifications to, or exemptions from, the Corporations Act that apply generally to all persons, including Torrens, such as ASIC Class Order 13/521.

Torrens has not been granted any modifications or exemptions by ASIC from the Corporations Act in relation to the Offer.

8.19 Consents

The following persons have given and have not, before the date of issue of this Target's Statement, withdrawn their consent to:

- be named in this Target's Statement in the form and context in which they are named;
- the inclusion of their respective reports or statements noted next to their names and the references to those reports or statements in the form and context in which they are included in this Target's Statement; and
- the inclusion of other statements in this Target's Statement that are based on or referable to statements made in those reports or statements, or that are based or referable to other statements made by those persons in the form and context in which they are included.

Person	Named As	Reports or Statements
Allens	Legal adviser	N/A
Longreach Capital	Financial adviser	N/A
Computershare Investor Services Pty Limited	Share Registry	N/A

Each of the above persons:

- does not make, or purport to make, any statement in this Target's Statement other than those statements referred to above and as consented to by that person; and

- to the maximum extent permitted by law, expressly disclaims and takes no responsibility for any part of this Target's Statement other than as described in this Section with the person's consent.

As permitted by ASIC Class Order 13/521, this Target's Statement contains statements that are made, or based on statements made, in documents lodged with ASIC or ASX (in compliance with the Listing Rules). Pursuant to this Class Order, the consent of persons such statements are attributed to is not required for the inclusion of those statements in this Target's Statement. See Section 8.21 of this Target's Statement for further details.

Additionally, as permitted by ASIC Corporations (Consents to Statements) Instruments 2016/72, this Target's Statement may include or be accompanied by certain statements:

- fairly representing a statement by an official person; or
- from a public official document or published book, journal or comparable publication.

Pursuant to that Class Order, the consent of persons such statements are attributed to is not required for inclusion of those statements in this Target's Statement.

8.20 Reliance on information obtained from Coda or public sources

The information in this Target's Statement about Coda has been compiled from or is otherwise based on information obtained from Coda or publicly available sources, and has not been independently audited or verified by Torrens or its advisers. If the information obtained from Coda or the public sources is inaccurate or incomplete, this may affect the information included in the Target's Statement. In particular, if the information has been used as the basis for forward looking statements in the Target's Statement, this may add to the risk that actual values, results, performance or achievements will differ materially from those expressed or implied by the forward-looking statements.

See Section 7.1 for a discussion about the risks that apply to holding Torrens' Shares.

8.21 Publicly available information

This Target's Statement contains statements that are made, or based on statements made, in documents lodged with ASIC or ASX (in compliance with the Listing Rules) by Torrens and Coda, including the Bidder's Statement.

As required by ASIC Class Order 13/521, any Torrens' Shareholder who would like to receive a copy of any of those documents (or relevant extracts from those documents) may obtain a copy free of charge by contacting the Offer Information Line on 1300 290 691 (within Australia) or +61 2 9066 4055 (outside Australia) between 8.30am and 5.00pm (Perth AWST time) Monday to Friday.

8.22 Continuous disclosure

Torrens is a 'disclosing entity' under the Corporations Act and is subject to regular reporting and disclosure obligations under the Corporations Act and the Listing Rules. These obligations require Torrens to notify ASX of information about specified matters and events as they occur for the purpose of making that information available to the market. In particular, Torrens has an obligation (subject to limited exceptions) to notify ASX immediately on becoming aware of any information that a reasonable person would expect to have a material effect on the price or value of Torrens Shares.

Copies of the documents filed with ASX may be obtained from the ASX website at www.asx.com.au.

In addition, Torrens will make copies of the following documents available for inspection at Level 11, 216 St Georges Terrace, Perth WA 6000 (between 9am and 5pm on Business Days):

- Torrens' Annual Report for the year ended 30 June 2021 and the reviewed financial report for the half year ended 31 December 2021;
- Torrens' Constitution; and
- any continuous disclosure document lodged by Torrens with ASX between the lodgement of its 2021 Annual Report on 30 September 2021 and the date of this Target's Statement.

Copies of the documents are also available on Torrens' website (www.torrensmining.com), or may be requested to be provided free of charge by contacting the Offer Information Line on 1300 290 691 (within Australia) or +61 2 9066 4055 (outside Australia) between 8.30am and 5.00pm (Perth AWST time) Monday to Friday.

Copies of documents lodged with ASIC in relation to Torrens may be obtained from, or inspected at, an ASIC office.

8.23 Other information

This Target's Statement is required to include all the information Torrens' Shareholders and their professional advisers would reasonably require to make an informed assessment of whether to accept Coda's Offer, but:

- only to the extent to which it is reasonable for investors and their professional advisers to expect to find this information in this Target's Statement; and
- only if the information is known to any of the Torrens' Directors.

The Directors are of the opinion that the information that Torrens' Shareholders and their professional advisers would reasonably require to make an informed assessment of whether to accept the Offer is:

- the information contained in the Bidder's Statement (to the extent that the information is not inconsistent with or superseded by information in this Target's Statement);
- the information contained in Torrens' Annual Report for the year ended 30 June 2021 and Torrens' reviewed report for the half year ended 31 December 2021 announced on 24 February 2022;
- the information contained in Torrens' announcements to ASX prior to the date of this Target's Statement; and
- the information contained in this Target's Statement.

The Directors have assumed, for the purposes of preparing this Target's Statement, that the information contained in the Bidder's Statement is accurate (unless they have expressly indicated otherwise in this Target's Statement). However, the Torrens' Directors do not take any responsibility for the contents of the Bidder's Statement and are not to be taken as endorsing, in any way, any or all statements contained in it.

In deciding what information should be included in this Target's Statement, the Directors have had regard to:

- the nature of the Torrens' Shares;
- the matters Torrens' Shareholders may reasonably be expected to know;
- the fact that certain matters may reasonably be expected to be known to the professional advisers of Torrens' Shareholders; and

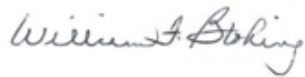
- the time available to Torrens to prepare this Target's Statement.

10 Authorisation

This Target's Statement has been approved by a resolution passed by the Directors of Torrens. Each Director of Torrens voted in favour of the resolution authorising this Target's Statement.

Dated 2 March 2022

Signed for and on behalf of Torrens:

A handwritten signature in cursive script that reads "William A. Bloking".

William (Bill) Bloking
Non-Executive Chairman

11 Definitions and Interpretation

11.1 Definitions

The following definitions apply in this Target's Statement unless the context requires otherwise.

Acceptance Form means the Transfer and Acceptance Form provided to you by Coda with its Bidder's Statement containing instructions on how to accept the Offer.

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited (ABN 98 008 624 691) or, as the context requires, the financial market known as 'ASX' operated by it.

ASX Settlement means ASX Settlement Pty Ltd (ABN 49 008 504 532).

ASX Settlement Operating Rules means the operating rules of ASX Settlement or of any relevant organisation which is an alternative or successor to or replacement of, ASX Settlement or of any applicable CS facility licensee.

AWST means Australian Western Standard Time.

Bid Implementation Deed means the bid implementation deed between Coda and Torrens dated 8 February 2022 and announced by Coda and Torrens with ASX on 9 February 2022 in relation to the Offer.

Bidder's Statement means the bidder's statement dated 2 March 2022 and lodged by Coda with ASIC in relation to the Offer.

Business Day means a day which is not a Saturday, Sunday or a public holiday in Perth, Western Australia.

CHES means the Clearing House Electronic Subregister System, which provides for electronic security transfer in Australia.

Coda means Coda Minerals Ltd (ACN 625 763 957).

Coda's Offer or **Offer** means the takeover bid by Coda to acquire all of the Torrens Shares on the terms and conditions set out in the Bidder's Statement as subsequently varied in accordance with the Corporations Act.

Coda Share means a fully paid ordinary share in Coda.

Corporations Act means the *Corporations Act 2001* (Cth).

CS facility licensee means a person who holds a licence under the Corporations Act that authorises the person to operate a clearing and settlement facility.

Director or **Torrens Director** means a director of Torrens.

Elizabeth Creek Copper Project or **Elizabeth Creek Project** means the Elizabeth Creek copper cobalt project in South Australia (formerly the Mt Gunson Copper-Cobalt Project) conducted by Terrace Mining and Coda pursuant to the Farm-in Agreement.

Farm-In Agreement means the farm-in agreement for the Elizabeth Creek Project entered between Gindalbie Metals Limited (ACN 060 857 614) (novated to Coda on 21 May 2018) and Terrace Mining dated 17 March 2017.

Foreign Torrens' Shareholder means a Torren Shareholder whose address shown in the Torrens Share Register at 5:00pm (AWST) on the register date of 2 March 2022, is a place outside of Australia and its external territories or New Zealand.

Implied Offer Price means the implied value of Coda's Offer, being \$0.202, based on the Coda Share price of \$0.875 which applied as at close of trading of Coda Shares on 8 February 2022 (being the last trading day prior to the announcement of the Offer).

IPO means initial public offering on the ASX.

Listing Rules means the listing rules of ASX.

Loan Facility means a loan facility of \$2,000,000 made available by Coda to Torrens under the Loan Facility Agreement.

Loan Facility Agreement means the Loan Facility Agreement between Coda (as lender), Torrens (as borrower) and Terrace Mining (as guarantor) dated 8 February 2022.

Marketable Parcel has the meaning given in the ASX Operating Rules procedures which, among other things, includes a parcel of shares, the value of which is not less than \$500.

Material Adverse Event has the meaning given in schedule 4, clause 5(h) of the Bid Implementation Deed.

Minority Shareholder means Shareholders other than Coda.

Native Title Act means the Native Title Act 1993 (Cth).

Notice of Status of Conditions means Coda's notice disclosing the status of the conditions of the Offer, which is required to be given under section 630(3) of the Corporations Act.

Offer Information Line means 1300 290 691 (within Australia) or +61 2 9066 4055 (from outside Australia).

Offer Period means the period within which Coda's Offer is open for acceptance in accordance with the Bidder's Statement and the Corporations Act.

PNG means Papua New Guinea.

Prescribed Occurrence has the meaning given in to the term 'Target Prescribed Occurrence' in the Bid Implementation Deed.

Restricted Securities has the meaning given in the Listing Rules.

Small Holding Shareholder means a Torrens Shareholder to whom, if they accept the Offer, Coda Shares would be issued which would not constitute a Marketable Parcel.

Strandline means Strandline Resources Limited (ACN 090 603 642).

Target's Statement means this document, being the statement of Torrens under Part 6.5 of the Corporations Act in relation to Coda's Offer.

Tenement Interest means Torrens' rights or interests in a Tenement.

Tenements means:

- (a) each of the mining tenements listed in Table 1 of this Target's Statement;
- (b) any other mining, exploration or other tenement which may be granted in lieu of or relate to the same ground as, any of the tenements specified in paragraph (a) of this definition; and
- (c) all rights to mine, explore, prospect and other privileges appurtenant to the tenement specified in paragraph (a) of this definition.

Terrace Mining means Terrace Mining Pty Ltd (ACN 161 377 340), a subsidiary of Torrens.

Torrens or **Company** means Torrens Mining Limited (ACN 168 295 092).

Torrens Board or **Board** means the board of directors of Torrens from time to time.

Torrens Constitution means the Constitution of Torrens as amended from time to time.

Torrens Director or **Director** means a director of Torrens.

Torrens Group means Torrens and its subsidiaries.

Torrens Option Offer means the offer from Coda to all Torrens Option Holders to acquire, or cancel, all of the unexercised Torrens Options, as set out in the Bid Implementation Deed.

Torrens Option Holders means each person who is registered with Torrens as a holder of one or more Torrens Options.

Torrens Options means the options to subscribe for Torrens Shares granted by Torrens to each of the directors of Torrens, certain employees and consultants of Torrens, and to the lead manager in connection with Torrens' initial public offering.

Torrens PNG means Torrens Mining (PNG) Limited (1-116287), a subsidiary of Torrens.

Torrens Securities means Torrens Shares and Torrens Options.

Torrens Securityholder means a holder of Torrens Securities.

Torrens Share or **Share** means a fully paid ordinary share in Torrens.

Torrens Shareholder or **Shareholder** means a person who is registered as the holder of a Torrens Share in the Torrens register of members.

Torrens Share Register means the register of Torrens Shares.

Torrens Share Registry means Computershare Investor Services Pty Limited.

VWAP means the volume weighted average price of Torrens Shares.

11.2 Interpretation

- (a) Headings are for convenience only and do not affect interpretation.
- (b) The following rules apply unless the context requires otherwise.
 - (i) The singular includes the plural, and the converse also applies.
 - (ii) A gender includes all genders.
 - (iii) If a word or phrase is defined, its other grammatical forms have a corresponding meaning.
 - (iv) A reference to a person includes a corporation, trust, partnership, unincorporated body or other entity, whether or not it comprises a separate legal entity.
 - (v) A reference to a section is a reference to a section of this Target's Statement.
 - (vi) A term not specifically defined in this Target's Statement has the meaning given to it (if any) in the Corporations Act, the Listing Rules or the ASX Settlement Operating Rules (as is appropriate to the context).
 - (vii) A reference to an agreement or document (including a reference to this Target's Statement) is to the agreement or document as amended, supplemented, novated or replaced, except to the extent prohibited by this Target's Statement or that other agreement or document, and includes the recitals, schedules and annexures to that agreement or document.
 - (viii) A reference to a party to this Target's Statement or another agreement or document includes the party's successors, permitted substitutes and permitted assigns (and, where applicable, the party's legal personal representatives).

- (ix) A reference to legislation or to a provision of legislation includes a modification or re-enactment of it, a legislative provision substituted for it and a regulation or statutory instrument issued under it.
- (x) A reference to a person includes a reference to the person's executors, administrators, successors, substitutes (including, but not limited to, persons taking by novation) and assigns.
- (xi) A reference to a *right* or *obligation* of any two or more people comprising a single party confers that right, or imposes that obligation, as the case may be, on each of them severally and each two or more of them jointly. A reference to that party is a reference to each of those people separately (so that, for example, a representation or warranty by that party is given by each of them separately).
- (xii) A reference to *dollars* or \$ is to Australian currency.
- (xiii) A reference to time is to Perth AWST time.
- (xiv) All numbers in this Target's Statement, unless otherwise stated, have been rounded to two decimal places.

Corporate Directory

Torrens
ACN 168 295 092

Directors

William (Bill) Bloking – Non-Executive Chairman
Steve Shedden – Managing Director
Michael Collings – Non-Executive Director
Richard Graaug – Non-Executive Director

Financial Adviser

Longreach Capital
Level 1, 317 Rokeby Road
Subiaco WA 6008

Joint Company Secretary and Chief Financial Officer

David Palumbo
Ben Smith

Legal Adviser

Allens
Mia Yellagonga Tower 2
Level 11, 5 Spring Street
Perth WA 6000

Registered office and principal place of business

Level 11, London House
216 St Georges Terrace
Perth WA 6000

Phone: +61 (08) 9481 0389

Facsimile: + 61 (08) 9463 6103

Email: info@torrensmining.com

Website: www.torrensmining.com

Share Registry

Computershare Investor Services Pty Limited
172 St Georges Terrace
Perth WA 6000

Phone (within Australia): 1300 850 505

Phone (outside Australia): +61 3 9415 4000

Stock Exchange

Australian Securities Exchange

ASX Code: TRN