

STANDARD TERM SHEET

Torq Resources Inc.

Public Offering of Units

December 22, 2023

The Units will be offered by way of a prospectus supplement in each of the provinces and territories of Canada other than Quebec.

A final base shelf prospectus containing important information relating to the securities described in this document has been filed with the securities regulatory authorities in each of the provinces and territories of Canada, other than Quebec. A copy of the final base shelf prospectus, any amendment to the final base shelf prospectus, and any applicable shelf prospectus supplement that has been filed is required to be delivered with this document and copies may be obtained from Paradigm Capital Inc at ecm@paradigmcap.com or Red Cloud Securities Inc. at ecm@redcloudsecurities.com and are also available electronically at www.sedarplus.ca. This document does not provide full disclosure of all material facts relating to the securities offered. Investors should read the final base shelf prospectus, any amendment and any applicable prospectus supplement, for disclosure of those facts, especially risk factors relating to the securities offered, before making an investment decision.

The Units have not been and will not be registered under the United States Securities Act of 1933, as amended, and may not be offered or sold in the United States absent registration or an applicable exemption from registration requirements. This term sheet shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the Units in any jurisdiction in which such offer, solicitation or sale would be unlawful.

- Issuer:** Torq Resources Inc. (the “**Company**”).
- Marketed Offering:** Minimum of 11,739,130 units to a maximum of 26,086,956 units of the Company (each, a “**Unit**”)
- Each Unit shall comprise of one common share of the Company (a “**Common Share**”) and one common share purchase warrant (a “**Warrant**”). Each Warrant shall be exercisable for a period of three years from the Closing Date to purchase one Common Share (each, a “**Warrant Share**”) at an exercise price of C\$0.30 per Warrant Share.
- Offering Size:** Minimum of C\$2,700,000 to a maximum of C\$6,000,000 (up to C\$6,900,000 assuming the Over-Allotment Option is exercised in full).
- Issue Price:** C\$0.23 per Unit (the “**Issue Price**”).
- Over-Allotment Option:** The Company will grant to the Agents an option, exercisable, in whole or in part, at any time up to and including 30 days following the closing of the Marketed Offering, to sell up to an additional 15% of the Units sold pursuant to the Marketed Offering at the Issue Price to cover over-allotments, if any (the “**Over-Allotment Option**”, and together with the Marketed Offering, the “**Offering**”).
- Form of Offering:** Reasonable commercial efforts public offering by way of an amended and restated prospectus supplement to a base shelf prospectus filed in all the provinces and territories of Canada, other than Québec.

- Jurisdictions:** The qualifying jurisdictions for this Offering will be all the provinces and territories of Canada, other than Québec. The Units may also be sold outside of Canada and in the United States on a private placement basis pursuant to available exemptions in accordance with all applicable laws and provided that no prospectus or registration statement filing or comparable obligation arises.
- Concurrent Private Placement** In addition, to the Marketed Offering, the Company will complete a private placement of 5,678,260 units (“**Placement Units**”) with Gold Fields Atacama Holdings Inc., a wholly-owned subsidiary of Gold Fields Limited, a current shareholder of the Company, at a price of C\$0.23 per Placement Unit for gross proceeds of C\$1,306,000.
- Each Placement Unit shall comprise of one common share of the Company (a “**Placement Share**”) and one common share purchase warrant (a “**Placement Warrant**”). Each Placement Warrant shall be exercisable for a period of up to five years from the Closing Date to purchase one Common Share (each, a “**Placement Warrant Share**”) at an exercise price of C\$0.30 per Placement Warrant Share.
- The Offering and the Concurrent Private Placement are cross-conditional and will be completed concurrently.
- Use of Proceeds:** The net proceeds from the Marketed Offering and the Concurrent Private Placement will be used for exploration of the Company’s Santa Cecilia Project and for general corporate and working capital purposes.
- Listing:** Application will be made to list the Common Shares, the Warrant Shares, the Placement Shares, the Placement Warrant Shares, and the Common Shares underlying the Broker Warrants (as defined below) on the TSX Venture Exchange (the “**TSXV**”). The Company’s common shares are listed on the TSXV under the symbol “TORQ”.
- Eligibility:** Eligible under the usual statutes and for RRSPs, RRIFs, RESPs, RDSPs and TFSA’s.
- Agents:** Paradigm Capital Inc. and Red Cloud Securities Inc. (collectively, the “**Co-Lead Agents**”) and Beacon Securities Limited (together with the Co-Lead Agents, the “**Agents**”).
- President’s List:** The Company shall have the right to include a list of subscribers to purchase up to C\$600,000 in Units at the Issue Price under the Offering (the “**President’s List**”).
- Agents’ Commission:** The Company will pay to the Agents, on the Closing Date of the Marketed Offering, a cash commission of 6.0% of the aggregate gross proceeds from the Marketed Offering and 3.0% of the aggregate gross proceeds from the Concurrent Private Placement. At the closing of the Over-Allotment Option, as applicable, the Company shall pay to the Agents a cash commission equal to 6.0% of the aggregate gross proceeds from the Over-Allotment Option.
- All Units sold to purchasers on the President’s List will be subject to a reduced Agents’ Commission of 3.0% of the gross proceeds from the sale of such Units.
- Broker Warrants:** The Agents will receive, on the Closing Date, broker warrants (the “**Broker Warrants**”) entitling the Agents to acquire that number of Common Shares

(“**Broker Warrant Shares**”) that is equal to 6.0% of the number of Units issued pursuant to the Marketed Offering and 3.0% of the number of Placement Units issued pursuant to the Concurrent Private Placement. The Company shall issue to the Agents, at the closing of the Over-Allotment Option, that number of Broker Warrants equal to 6.0% of the Units sold pursuant to the Over-Allotment Option. Each Broker Warrant will be exercisable to purchase one Broker Warrant Share at an exercise price equal to the Issue Price for a period of two years from the applicable closing date.

Notwithstanding the above, the Agents will receive, at the applicable closing, that number of Broker Warrants equal to 3.0% of the number of Units sold to purchasers under the President’s List.

Closing Date: On or around January 4, 2023, or as mutually agreed between the Co-Lead Agents and the Company (the “**Closing Date**”).

Unless otherwise disclosed in any applicable prospectus supplement, only offered common shares should be expected to be listed on a stock exchange. Any warrants, subscription receipts, debt securities sold alone or as units should not be expected to be listed on any securities exchange unless the relevant prospectus supplement otherwise expressly provides. Unless the securities are disclosed to be listed or quoted, there will be no market through which such securities may be sold and purchasers may not be able to resell any such securities purchased under the final base shelf prospectus. This may affect the pricing of such securities in the event the holder wishes to seek to sell them, the transparency and availability of trading prices, the liquidity of such securities, and the extent of issuer regulation in respect of such securities. See “Risk Factors” in the final base shelf prospectus.