6 August 2012

Mr Simon Daniels
Advisor, Listings (Sydney)
20 Bridge Street
SYDNEY NSW 2000

By Email: Simon.Daniels@asx.com.au

Dear Simon

QUARTERLY CASHFLOW REPORT FOR THE PERIOD ENDED 30 JUNE 2012 – APPENDIX 5B

I refer to your letter dated 1 August 2012 in relation to figures reported in Torian's Appendix 5B and refer you to:

- the foot note on page 2:

  "On 10 July 2012, the company received $170,000 from the issue of two convertible notes. These funds were immediately available to the company"; and

- the Notes on page 5:

  "The company is proceeding to finalise a converting loan of $330,000. It is anticipated these funds will be fully available on or before 10 August 2012. The company proposes to hold a general meeting on or about 20 September 2012 to approve the issue of a convertible note of $330,000 in substitution of the previously referred to converting loan. At such general meeting the company also intends approving a restoration of its full 15% capacity to make further placements. The company has entered a funding terms sheet with Greenard Willing who has confirmed the converting loan and its conversion to a convertible note."

Accordingly I respond to your questions as follows:

Suite 1, Level 10
15-17 Young Street, Sydney NSW 2000
Australia
Phone +61 2 9247 2277
Fax +61 2 9247 7055
info@torianresources.com
www.torianresources.com
ABN 72 002 261 565

1. The Company received $170,000 on 10 July and is expecting to receive a further $330,000 on or before 10 August 2012. Therefore, it should be concluded that the Company will have sufficient cash to fund its activities including future administration costs.
2. Although the Company does expect to have negative cash flows similar to that reported in the Appendix 5B for the quarter, it has taken the necessary steps to ensure that it has sufficient funds to continue its operations by securing additional funding.
3. The Company has taken the necessary steps to enable it to continue to meet its business objectives by securing the required funding to meet its objectives.
4. The Company confirms that it is in compliance with the listing rules and, in particular, listing rule 3.1. The Company announced the new funding package on 30 May 2012 detailing the provision of at least $980,000 as arranged by Greenard Willing. This included an $80,000 placement received 5 June 2012; $170,000 convertible note received 10 July 2012; and $330,000 converting loan expected to be received on or before 10 August 2012.
5. The Company believes it is in compliance with listing rule 12.2 and that its financial position should be considered by the ASX as adequate to warrant continued quotation of its securities and its continued listing, particular with reference to the note to that rule whereby the company's access to funds is an indication of its financial condition.

Should you have any questions or require any further information whatsoever, please do not hesitate to contact me.

Kind regards

Elissa Hansen
Company Secretary

ASX Compliance Pty Limited
ABN 26 087 780 489
20 Bridge Street
Sydney NSW 2000
PO Box H224
Australia Square
NSW 1215

Telephone 61 2 9227 0137
Facsimile 61 2 9241 7620
www.asx.com.au

1 August 2012

Elissa Hansen
Company Secretary
Suite 1
Level 10
15-17 Young St
Sydney NSW 2000

By Email

Dear Elissa,

Torian Resources (the "Company")

I refer to the Company's Quarterly Report in the form of Appendix 5B for the period ended 30 June 2012, released to ASX Limited ("ASX") on 30 June 2012 (the "Appendix 5B").

ASX notes that the Company has reported the following.

1. Receipts from product sales and related debtors of $2000.
2. Net negative operating cash flows for the quarter of $-214,000.
3. Cash at end of quarter of $116,000.

In light of the information contained in the Appendix 5B please respond to each of the following questions.

1. It is possible to conclude on the basis of the information provided that if the Company were to continue to expend cash at the rate for the quarter indicated by the Appendix 4C, taking into account future administration costs, the Company may not have sufficient cash to fund its activities. Is this the case, or are there other factors that should be taken into account in assessing the Company's position?
2. Does the Company expect that in the future it will have negative operating cash flows similar to that reported in the Appendix 4C for the quarter and, if so, what steps has it taken to ensure that it has sufficient funds in order to continue its operations at that rate?
3. What steps has the Company taken, or what steps does it propose to take, to enable it to continue to meet its business objectives?
4. Can the Company confirm that it is in compliance with the listing rules, and in particular, listing rule 3.1?

5. Please comment on the Company's compliance with listing rule 12.2, with reference to the matters discussed in the note to the rule.

Listing rule 3.1

Listing rule 3.1 requires an entity to give ASX immediately any information concerning it that a reasonable person would expect to have a material effect on the price or value of the entity's securities. The exceptions to this requirement are set out in the rule.

In responding to this letter you should consult listing rule 3.1 and the guidance note titled "Continuous disclosure: listing rule 3.1".

If the information requested by this letter is information required to be given to ASX under listing rule 3.1 your obligation is to disclose the information immediately.

Your responsibility under listing rule 3.1 is not confined to, or necessarily satisfied by, answering the questions set out in this letter.

This letter and your response may be released to the market. If you have any concerns about your response being released, please contact me immediately. Your response should be sent to me by e-mail to simon.daniels@asx.com.au or by facsimile on facsimile number (02) 9241 7620. It should not be sent to the Company Announcements Office.

Unless the information is required immediately under listing rule 3.1, a response is requested as soon as possible and, in any event, not later than 5:00 p.m. A.E.S.T. on Tuesday 7 August 2012.

If you are unable to respond by the time requested you should consider a request for a trading halt in the Company's securities.

If you have any queries, please do not hesitate to contact me on (02) 9227 0892.

Yours sincerely,

[Sent electronically without signature]

Simon Daniels
Adviser, Listings (Sydney)