

QUARTERLY ACTIVITIES REPORT

For period ending 30 June 2017

Highlights

- Federal environmental approval received for Extension to Wiluna Uranium Project subsequent to quarter end.
- Federal and State government environmental approvals in place for mining uranium at the Centipede, Lake Way, Millipede and Lake Maitland deposits, the construction of a processing facility and all mine and processing related infrastructure, tailings storage facilities and finished product transport to port ('**Wiluna Uranium Project**').
- WA State Government has confirmed it will not prevent the development of the Wiluna Uranium Project.
- Expanded beneficiation research programs initiated.
- Cash balance at end of the quarter was \$6.63M.



Figure 1: Wiluna Uranium Project

Wiluna Uranium Project, Western Australia

The successful environmental permitting of the Wiluna Uranium Project achieved in July 2017 is a major milestone for Toro. It is the culmination of over seven years of assessment under a bi-lateral agreement between federal and state governments and has been conducted with great transparency through federal and state environmental statutes ensuring both an environmentally and legally robust set of approvals.

With the assessment process completed the focus of the Company is to improving the economics of the Wiluna Uranium Project by progressing a number of mining, metallurgical and process design and research initiatives that expand on the studies completed in 2016. All work streams are geared to ensure the Project is capable of being financed and brought into production as and when economic conditions justify the development.

Approvals and Community

On 7 July 2017 Toro received confirmation that the Federal government's Minister for the Environment and Energy, the Hon Josh Frydenberg, has granted environmental approval subject to implementation conditions, for the Extension to the Wiluna Uranium Project (EPBC 2014/7138) in Western Australia.

The approval complements the federal approval granted in April 2013 by the then Minister for the Department of Sustainability, Environment, Water, Population and Communities, the Hon Tony Burke (EPBC No. 2009/5174) that approved the development of a uranium mine comprising the Centipede and Lake Way deposits and associated processing plant and infrastructure.

The effect of the two federal approvals is that the assessment process under the EPBC Act is complete and the Wiluna Uranium Project, being the mining of uranium at the Centipede, Lake Way, Millipede and Lake Maitland deposits, the construction of a processing facility and all mine and processing related infrastructure, tailings storage facilities and finished product transport to port, can be implemented subject to the conditions outlined in the two approval documents.

On 9 January 2017 the then Western Australian Minister for Environment; Heritage, the Hon. Albert Jacob MLA, approved a revised proposal for the Wiluna Uranium Project. The Minister's consent is documented in Ministerial Statement 1051.

The full State and Federal government approval documents were published as annexures to the ASX release dated 10 July 2017. Toro is now proceeding with meeting the implementation conditions outlined in the various government approvals.

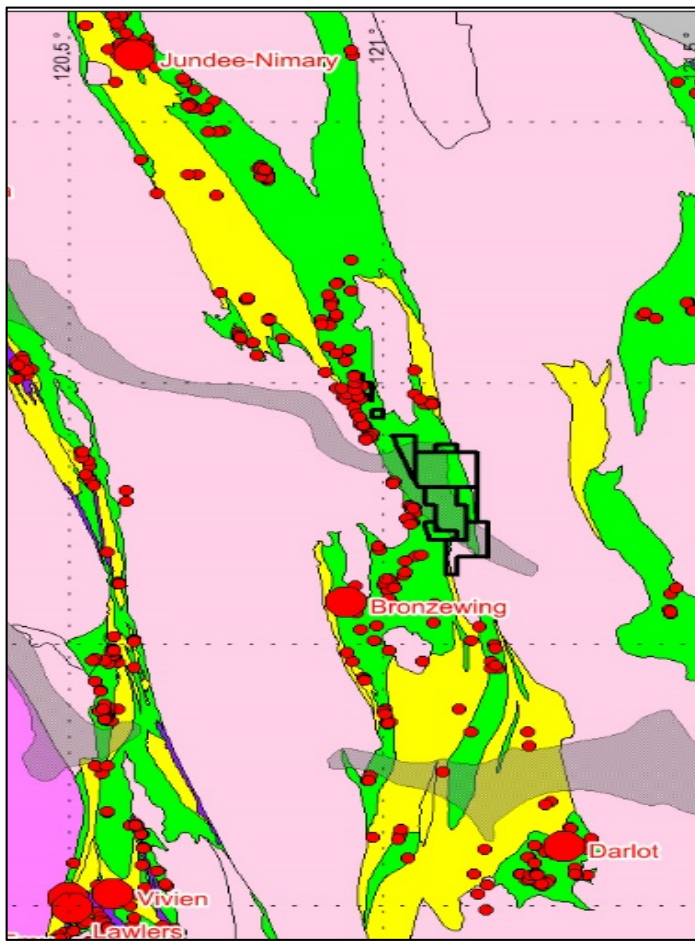
Project Development

A new beneficiation testwork program has been initiated to assess the effect which variability in samples from the Centipede / Millipede and Lake Maitland deposits has on the beneficiation process developed in the 2016 Scoping Study. The aim of the beneficiation process is to maximise uranium recovery and grade to concentrate for leaching, effectively remove slimes, maximise concentrate filtration rates and wash efficiencies and minimise recovery of reagent consuming gangue. Four additional samples from Lake Maitland and eight additional samples from Centipede / Millipede have been tested. Results from the program are currently being received and analysed and will be released when in final form.

In accordance with a non-uranium rights deed between Nova Energy Pty Ltd (a 100% owned subsidiary of Toro) and Kimba Resources Pty Ltd (a 100% owned subsidiary of Blackham Resources Limited) Nova agreed to transfer ten non-core Wiluna mining leases and an exploration licenses to Kimba. The transfers are currently being processed by government agencies.

Exploration ¹

The Lake Maitland tenement portfolio is located in the centre of the Yandal Greenstone belt, one of Western Australia's most productive gold districts with world class deposits such as Jundee, Bronzewing and Darlot. The tenements are underexplored having been tied up with uranium companies for decades. Toro believe the ground is highly prospective for gold, but also untested for Yilgarn style nickel and base metals. .



¹ Information in this report relating to Exploration is based on information compiled by Dr Greg Shirliff, who is a Member of the Australasian Institute of Mining and Metallurgy. Dr Shirliff is a full-time employee of Toro, and has sufficient experience in mineral exploration to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' for the information presented here. Dr Shirliff consents to the inclusion in this release of the matters based on his information in the form and context in which it appears.

Figure 2: Yandal Greenstone belt with Lake Maitland tenements shown in black and the location of gold deposits and prospects as red circles.

Oz Minerals and Toro entered into a Heads of Agreement in December 2015 that contemplated OZ earning up to a 70% interest in the non-uranium rights on E53/1210 and E53/1060 by spending \$5 million. Oz Minerals’ main target was a large world class disseminated nickel sulphide deposit like Mt Keith, which is situated just 50km to the west of the Yandal One Prospect.

Exploration drilling was undertaken during the December 2016 quarter at the Yandal One Nickel Prospect (see Figure 3). Nineteen reverse circulation drill holes were completed for a total of 3,704 metres of drilling. Although the correct geology was proven, no nickel sulphides were intersected. Accordingly OZ Minerals has elected to discontinue work and withdraw from the Heads of Agreement. Toro believes that other deposit styles have still not been adequately tested, especially gold, and continue to investigate the prospectivity of the land holding for other metals.

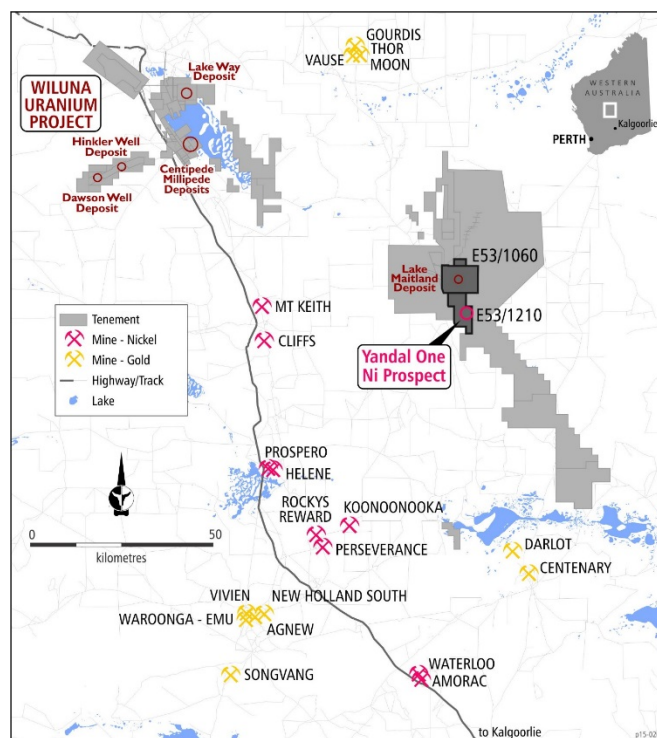


Figure 3: Location of the Yandal One Ni Prospect relative to current and historical mining within the region.

Tenement Movements

An updated tenement status map is attached at Appendix 1 and 2.

Corporate and Finance

The quarter end closing cash balance was \$6.63M. Reducing corporate overheads continues to be a focus of the Company. Toro moved its head office to 60 Havelock St West Perth during the quarter. Spot uranium prices end the quarter at US\$20.20/lb.

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ENDS

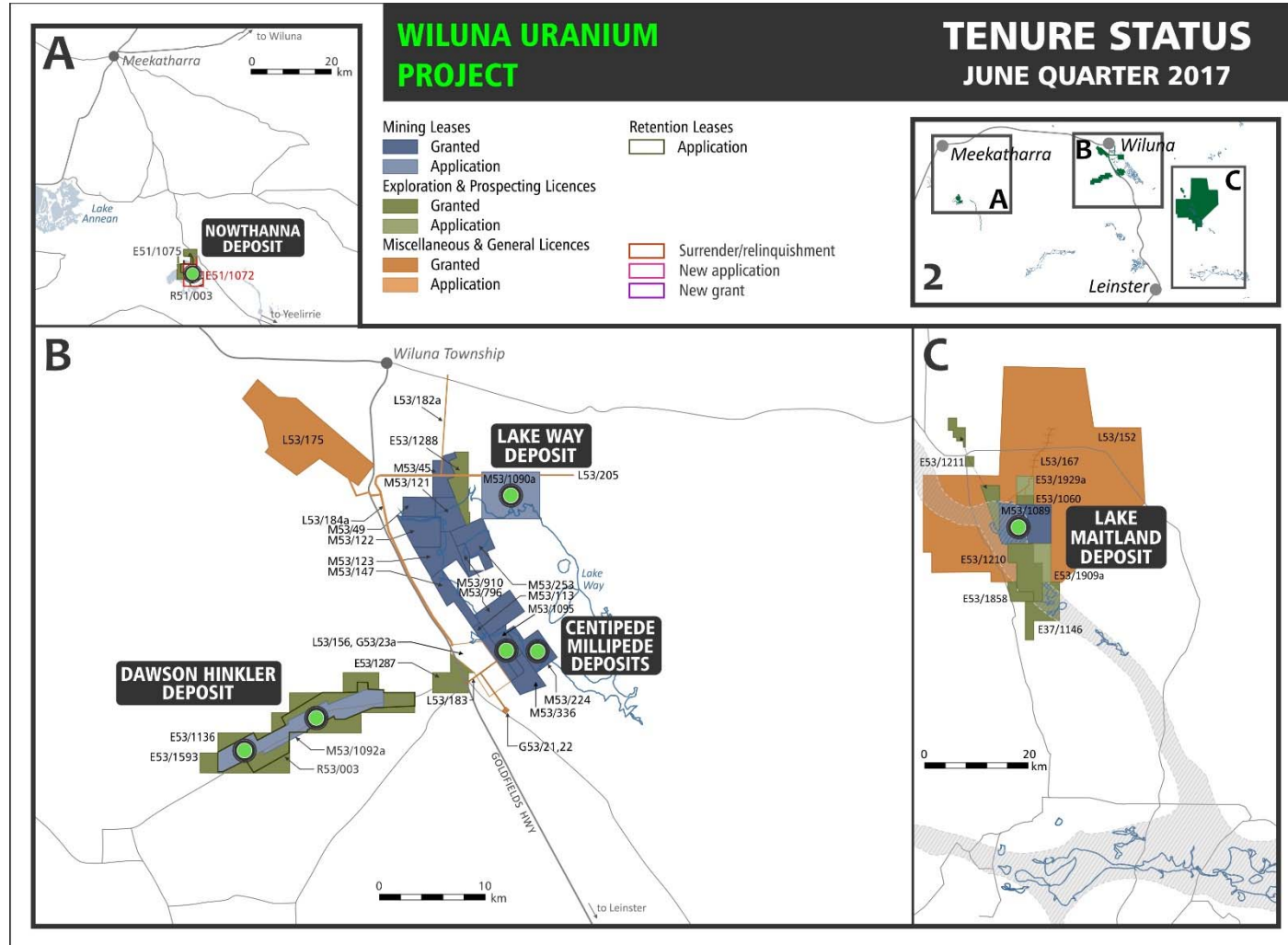
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APPENDIX 1: JUNE 2017

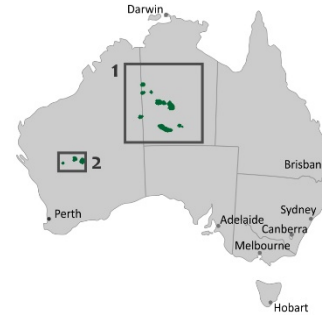
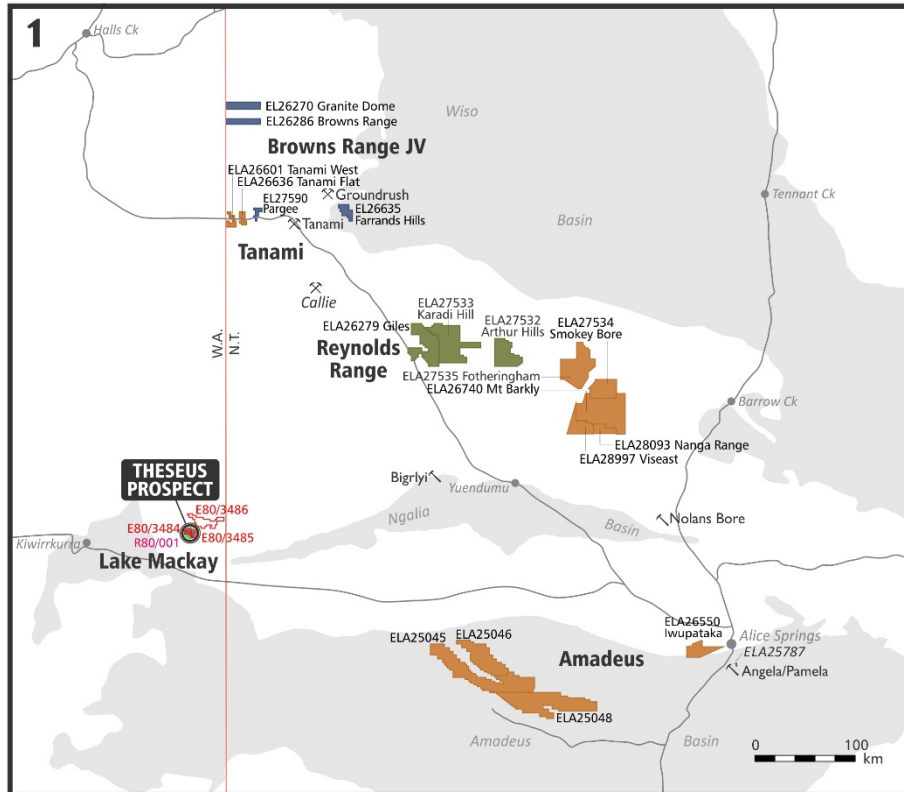


APPENDIX 2: JUNE 2017

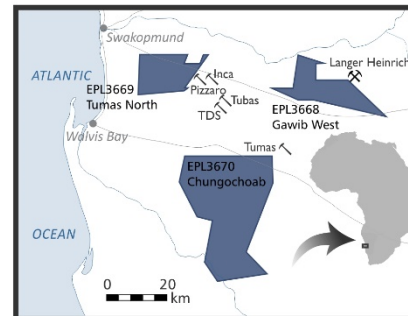
EXPLORATION PROJECT AREAS

TENURE STATUS JUNE QUARTER 2017

- Tenement Granted
- Tenement Application
- Tenement Application in conflict
- In Moratorium
- Surrender/relinquishment
- New application
- New grant



NAMIBIA Deep Yellow JV



APPENDIX 3: Wiluna Uranium Project Resource Table – JORC 2012

Wiluna Uranium Project Resources Table (JORC 2012)									
		Measured		Indicated		Inferred		Total	
		200ppm	500ppm	200ppm	500ppm	200ppm	500ppm	200ppm	500ppm
Centipede / Millipede	Ore Mt	4.9	1.9	12.1	4.5	2.7	0.4	19.7	6.8
	Grade ppm	579	972	582	1,045	382	986	553	1,021
	U ₃ O ₈ Mlb	6.2	4.2	15.5	10.3	2.3	0.9	24.0	15.3
Lake Maitland	Ore Mt	-	-	22.0	8.2	-	-	22.0	8.2
	Grade ppm	-	-	545	929	-	-	545	929
	U ₃ O ₈ Mlb	-	-	26.4	16.9	-	-	26.4	16.9
Lake Way	Ore Mt	-	-	10.3	4.2	-	-	10.3	4.2
	Grade ppm	-	-	545	883	-	-	545	883
	U ₃ O ₈ Mlb	-	-	12.3	8.2	-	-	12.3	8.2
Sub-total	Ore Mt	4.9	1.9	44.3	16.9	2.7	0.4	52.0	19.2
	Grade ppm	579	972	555	948	382	986	548	951
	U ₃ O ₈ Mlb	6.2	4.2	54.2	35.3	2.3	0.9	62.7	40.4
Dawson Hinkler	Ore Mt	-	-	8.4	0.9	5.2	0.3	13.6	1.1
	Grade ppm	-	-	336	596	282	628	315	603
	U ₃ O ₈ Mlb	-	-	6.2	1.1	3.2	0.4	9.4	1.5
Nowthanna	Ore Mt	-	-	-	-	13.5	2.6	13.5	2.6
	Grade ppm	-	-	-	-	399	794	399	794
	U ₃ O ₈ Mlb	-	-	-	-	11.9	4.6	11.9	4.6
Total	Ore Mt	4.9	1.9	52.7	17.8	21.4	3.3	79.0	23.0
	Grade ppm	579	972	520	931	368	765	482	916
	U ₃ O ₈ Mlb	6.2	4.2	60.4	36.4	17.4	5.5	84.0	46.4

Competent Persons' Statement

Wiluna Project Mineral Resources – 2012 JORC Code Compliant Resource Estimates – Centipede, Millipede, Lake Way, Lake Maitland, Dawson Hinkler and Nowthanna Deposits

The information presented here that relates to Mineral Resources of the Centipede, Millipede, Lake Way, Lake Maitland, Dawson Hinkler and Nowthanna deposits is based on information compiled by Dr Greg Shirliff of Toro Energy Limited, Mr Sebastian Kneer formerly of Toro Energy Limited and Mr Daniel Guibal of SRK Consulting (Australasia) Pty Ltd. Mr Guibal takes overall responsibility for the Resource Estimate and Dr Shirliff takes responsibility for the integrity of the data supplied for the estimation. Dr Shirliff is a Member of the Australasian Institute of Mining and Metallurgy (AusIMM) and Mr Guibal is a Fellow of the AusIMM and they have sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity they are undertaking to qualify as Competent Persons as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code 2012)'. The Competent Persons consent to the inclusion in this release of the matters based on the information in the form and context in which it appears.