

Toro Energy Limited
NOTICE OF MEETING 2014



ABN 48 117 127 590

Toro Energy Limited



Notice of General Meeting

10:00am (AWST), Monday 22 December 2014

Level 1

33 Richardson St

West Perth, Western Australia

Toro Energy Limited

NOTICE OF MEETING 2014

A General Meeting of Toro Energy Limited (**Toro** or the **Company**) will be held at Level 1, 33 Richardson St, West Perth, Western Australia at 10:00am (AWST), Monday 22 December 2014

Dear shareholder

This Notice of Meeting and Explanatory Notes sets out resolutions that seek shareholder approval for, amongst other incidental matters, the issue of Toro Shares to The Sentient Group (**Sentient**) pursuant to the Subscription and Securities Sale Agreement (**SSSA**) signed with Sentient on 31 October 2014 and announced to the ASX on 3 November 2014.

The issue of Shares to Sentient under the SSSA is subject to Foreign Investment Review Board approval. That approval has been sought by Sentient. Sentient considers it likely that approval will be received during December 2014.

Shareholder approval for the issue of Shares to Sentient is only required to the extent that the Company does not have sufficient capacity under chapter 7 of the ASX Listing Rules (**Listing Rules**). However, given the timing of FIRB approval, Toro is of the view that seeking shareholder approval for the issue of all the Shares required under the SSSA is a sensible way of maximising the flexibility Toro has over its capital structure for the next year. This would ensure Toro has capacity to issue further securities without the need for shareholder approval where the Board considers it prudent and in the best interests of the Company to make such issues.

Should shareholders not support the resolutions tabled at this meeting, Toro is nevertheless obliged under the SSSA to, and will, issue those Shares that it has the capacity to issue at the relevant time under the Listing Rules.

A resolution to approve the appointment of Michel Marier, a nominee of Sentient, and a resolution to ratify the recent placement to RealFin Capital Partners Pty Ltd are also being sought at the meeting.

The following pages contain details on the items of business to be conducted at the General Meeting. Your directors believe that each of the Items are in the best interests of the Company and its shareholders.

Toro's two largest shareholders, Oz Minerals Limited and Mega Uranium Ltd have both indicated that they intend to vote in favour of the resolutions at the General Meeting.

Voting on the Items is important and I encourage you to nominate a proxy by returning the enclosed Proxy Form or by completing the online proxy nomination, details for which are explained on the proxy form attached to this notice of meeting.

If you nominate a proxy, please carefully consider the proxy comments in this notice of meeting. Please ensure you complete the online nomination or forward the manual proxy form to the Company's Share Registry, Computershare Investor Services Pty Limited, so that it is received by 10:00am (AWST) on 20 December 2014.

Yours faithfully



Dr Erica Smyth

Chair

21 November 2014

Toro Energy Limited

EXPLANATORY NOTES

Items of Business	Shareholder Approval	Voting Restrictions and Further Details
BUSINESS OF THE MEETING		
1. APPROVAL OR RATIFICATION OF THE ISSUE OF 12,500,000 SHARES	To approve or ratify the issue of 12,500,000 Shares to RealFin Capital Partners Pty Ltd as described in the Explanatory Notes.	Ordinary resolution Page 5
2. APPROVAL FOR THE ISSUE TO THE SENTIENT GROUP UNDER THE SUBSCRIPTION AND SECURITIES SALE AGREEMENT	To approve the issue of up to 365,240,220 Shares to the Sentient Group as described in the Explanatory Notes.	Ordinary resolution Page 5
3. APPOINTMENT OF MICHEL MARIER AS A DIRECTOR	That Michel Marier be elected to the Board of directors.	Ordinary resolution Page 7

Toro Energy Limited

NOTICE OF MEETING 2014

VOTING

Notice Record Date

The Company's shareholders (**Shareholders**) recorded on the Company's register of members at 4pm on 17 November 2014 (AWST) (**Notice Record Date**) will be entitled to receive this notice of meeting (**Notice**).

Voting Entitlement

Shareholders recorded on the Company's register of members at 4pm on, Friday, 19 December 2014 (AWST) (**Voting Entitlement Date**) will be entitled to vote on Items at this general meeting (**Meeting**).

Becoming a Shareholder

Persons who become registered Shareholders between the Notice Record Date and the Voting Entitlement Date, and wish to vote at the Meeting by proxy should call +61 3 9415 4000 and request an additional personalised voting form.

Persons who become beneficial Shareholders between the Notice Record Date and the Voting Entitlement Date, and wish to vote at the Meeting by proxy should contact their broker or intermediary for instructions on how to do so.

Voting Procedure

Under the Company's constitution (**Constitution**), a poll will be conducted as directed by the chair of the Meeting (**Chair**). Shareholders can vote in one of two ways:

- by attending the Meeting and voting; or
- by appointing a proxy to attend and vote on their behalf.

Shareholders are asked to arrive at the venue 30 minutes prior to the time designated for the Meeting, if possible, so that the Company may check their Shareholding against the Company's share register and note attendances.

Voting Restrictions

The voting prohibitions under the Corporations Act and voting exclusions under the Listing Rules for each Item are set out in the Explanatory Notes to this Notice.

VOTING FORMS

Proxy Form

Enclosed with this Notice is a personalised proxy form (**Proxy Form**). The Proxy Form allows Shareholders who are not attending the Meeting to appoint a proxy to vote on their behalf.

If you hold fully paid ordinary shares in the capital of the Company (**Shares**) in more than one capacity, please complete the Proxy Form that is relevant to each holding.

Appointing proxies

Shareholders, who are entitled to attend and vote at the Meeting, may appoint a proxy to act generally at the Meeting on their behalf, and to vote.

A proxy need not be a Shareholder of the Company.

A Shareholder entitled to attend and vote can appoint up to two proxies, and should specify the proportion or number of votes each proxy is appointed to exercise. If no proportion or number is specified, each proxy may exercise half of the Shareholder's votes. If you wish to appoint two proxies please call +61 3 9415 4000 and request an additional Proxy Form.

A corporate Shareholder or proxy must appoint a person as its corporate representative.

Undirected proxies

The Chair intends to vote all valid undirected proxies for all Items in favour of those Items.

Power of attorney and corporate representatives

If the Proxy Form is signed by an attorney, the power of attorney or a certified copy of it must be sent with the Proxy Form.

A body corporate member or proxy may elect to appoint a representative, rather than appoint a proxy. Where a body corporate appoints a representative, written proof of the representative's appointment must be lodged with, or presented to, the Company before the Meeting.

A body corporate appointed as a proxy must also lodge a Certificate of Appointment of a Corporate Representative.

LODGING VOTING FORMS

Deadline

Proxy Forms must be received by 10.00 am (AWST) on Saturday, 20 December 2014.

How to lodge Proxy Forms

You can lodge your Proxy Form with the Company by:

Mail: to Computershare Investor Services Pty Ltd at GPO Box 242, Melbourne, Victoria 3001.

Facsimile: 1800 783 447 (within Australia) or +61 3 9473 2555 (outside Australia).

Electronically: for Shareholders, by visiting www.investorvote.com.au, or for intermediary online subscribers (custodians), by visiting www.intermediaryonline.com.

Further details on how to lodge your Proxy Form can be found on the reverse side of the Proxy Form.

ENQUIRIES

If you have any questions about this Notice or your Proxy Form please contact Company's share registry, Computershare Investor Services Pty Ltd, at 1300 556 161 or (within Australia) +61 3 9415 4000 (outside Australia).

By order of the Board of Directors



Mr Todd Alder

Company Secretary

21 November 2014

Toro Energy Limited

EXPLANATORY NOTES

ITEM 1 APPROVAL OR RATIFICATION OF ISSUE OF 12,500,000 SHARES TO REALFIN

Background

On 9 November 2014 the Company signed a Subscription Agreement with RealFin Capital Partners Pty Ltd (**RealFin**) to issue to Realfin or its nominees 12,500,000 Shares at \$0.08 per Share to raise \$1,000,000 (**Placement**). The Placement was part of a broader initiative of the Company to supplement the Company's working capital following the announcement of the transaction with Sentient on 3 November 2014. The Shares are expected to be issued in late November within the Company's capacity to issue equity securities up to 15% of the Company's ordinary securities without Shareholder approval, under Listing Rule 7.1 (**15% Capacity**).

Purpose of approval

Listing Rule 7.1 provides that a Company must not issue more than the 15% Capacity within a 12 month period unless a specified exception applies or the issue is made with prior Shareholder approval.

Listing Rule 7.4 allows an issue made by the Company (without Shareholder approval) to be treated as having been made with approval for the purposes of Listing Rule 7.1, provided that:

- it is subsequently ratified by Shareholders at a general meeting; and
- the issue did not breach Listing Rule 7.1 at the time it was made.

Approval of Item 1 will refresh its 15% Capacity and so enable it to raise further capital or make additional acquisitions by issuing equity securities, without the delays involved with seeking prior Shareholder approval.

The Board will only undertake further issues of equity securities if they consider it is in the best interests of the Company to do so.

Details required by Listing Rules

Securities issued	12,500,000 Shares.
Date of issue	To be issued in November or December 2014 and in any event within 3 months after the date of Shareholder approval.
Issue price	\$0.08 per Share.
Allottee	Realfin and its nominees. Realfin is not a related party of the Company.
Terms	Each Share will rank equally in all respects with existing fully paid ordinary Shares on issue.
Use of funds	For development of the Wiluna Uranium Project and working capital.

It is noted that the Company is also seeking approval to ratify an earlier Share issue at the Annual General Meeting to be held on 27 November 2014.

Board Recommendation

The Board unanimously recommends Shareholders vote **in favour** of Item 1.

The Chair intends to vote undirected proxies **in favour** of Item 1.

Voting exclusion statement

The Company will disregard any votes cast on Item 1 by or on behalf of RealFin and any of its associates.

However, the Company need not disregard a vote if the vote is cast as proxy for a person who is entitled to vote:

- in accordance with the directions on the Proxy Form; or
- the Chair of the meeting in accordance with a direction on the Proxy Form to vote as the proxy decides.

ITEM 2 APPROVAL FOR THE ISSUE OF UP TO 365,240,220 SHARES TO SENTIENT

Background

On 3 November 2014, the Company announced it had entered into a Subscription and Securities Sale Agreement (**SSSA**) with Sentient.

Pursuant to the SSSA, Sentient agreed to subscribe for a total of 125,000,000 Shares in Toro at \$0.08 per Share (**Subscription Shares**) to raise \$10,000,000. Toro agreed to acquire various uranium interests from Sentient (**Uranium Interests**) for 236,490,220 Shares in Toro (**Consideration Shares**). Toro has also agreed to a subscription fee of 3% on funds raised from Sentient, payable in Shares, being 3,750,000 Shares (**Subscription Fee Shares**).

The Uranium Interests being acquired for the Consideration Shares consist of:

- 43,000,000 common shares in TSX-listed Strateco Resources Inc. (**Strateco**), equivalent to 19.8% of the Strateco common shares on issue;
- a C\$14,100,000 of secured convertible notes receivable in Strateco;
- a C\$3,000,000 senior secured first ranking loan receivable in Strateco;
- 5,000,000 common shares in Strateco's private subsidiary, SeqUr Exploration Inc. (**SeqUr**), representing a 25% direct interest in SeqUr; and
- 2,000,000 common shares in TSX-listed European Uranium Resources Ltd (**European Uranium**).

For further information relating to the Uranium Interests, see the Strateco and European Uranium websites at www.stratecoinc.com and www.euroresources.com.

The issue of Shares to Sentient under the SSSA is subject to receipt of Foreign Investment Review Board (**FIRB**) approval by Sentient. Sentient expects approval will be received in December 2014.

Shareholder approval for the issue of Shares to Sentient is only required to the extent that the Company does not have sufficient capacity under chapter 7 of the Listing Rules.

Toro Energy Limited

EXPLANATORY NOTES

However, given the timing of FIRB approval, Toro is of the view that seeking Shareholder approval for the issue of all the Shares required under the SSSA is a sensible way of maximising the flexibility to issue shares over the next 12 months. Approval will facilitate the issue of further securities without the need for Shareholder approvals where the Board considers it prudent and in the best interests of the Company to make such issues.

Following FIRB approval, the Consideration Shares, Subscription Shares and Subscription Fee Shares will each be issued in two tranches.

The Consideration Shares will be paid in two tranches as follows:

- 177,367,665 Shares upon FIRB approval (**Initial Consideration Shares**); and
- 59,122,555 Shares deferred (**Deferred Consideration Shares**).

The Subscription Shares will be payable in two tranches as follows:

- 93,750,000 Shares at \$0.08 per share to raise \$7,500,000 conditional upon FIRB approval (**Initial Subscription Shares**); and
- 31,250,000 Shares at \$0.08 per share to raise \$2,500,000 (**Deferred Subscription Shares**).

Sentient is also entitled to a 3% placement fee payable in Shares as follows:

- 2,812,500 Shares conditional upon FIRB approval (**Initial Subscription Fee Shares**); and
- 937,500 Shares deferred (**Deferred Subscription Fee Shares**).

In total 273,930,165 Shares are capable of being issued to Sentient upon FIRB approval. Toro is able under its remaining 15% Capacity and its Listing Rule 7.1A share issue capacity to issue these Shares should it need to.

The issue of the second tranche of Shares – being the Deferred Consideration Shares, Deferred Subscription Shares and Deferred Subscription Fee Shares – is conditional upon various conditions in relation to the Uranium Interests being met (or waived by Toro) and any Shareholder approval required for the issue of those Shares.

In total 91,310,055 Shares may be issued to Sentient on a deferred basis.

The conditions relate to impact of conversion of the convertible notes triggering the need to make a takeover or resulting in a new issue of securities in Strateco and that there is no material adverse change in Strateco. The conditions can be waived by Toro at any time.

Purpose of approval for the issue of Shares

Toro is electing to seek shareholder approval for the issue of the Initial Consideration Shares, Initial Subscription Shares and Initial Subscription Fee Shares and is required to seek Shareholder approval to issue the Deferred Consideration Shares, Deferred Subscription Shares and Deferred Subscription Fee Shares under ASX Listing Rule 7.1.

Listing Rule 7.1 provides that the Company must not issue more than the remaining 15% Capacity within a 12 month period unless a specified exception applies or the issue is made with prior Shareholder Approval.

Approval of Item 2 will provide the Company with its full 15% Capacity to raise further capital or make additional acquisitions by issuing equity securities, without the delays involved with seeking prior Shareholder approval. The Board will only undertake further issues of equity securities if they consider it is in the best interests of the Company to do so.

Should Shareholders note approve the issue of the Shares under Item 2, Toro will proceed to issue those Shares it can under Listing Rule 7 pursuant to the SSSA.

Details required by Listing Rules

Securities to be issued	Shares	Amount
Initial Consideration Shares		177,367,665
Initial Subscription Shares		93,750,000
Initial Subscription Fee Shares		2,812,500
Initial Tranche		273,930,165
Deferred Consideration Shares		59,122,555
Deferred Subscription Shares		31,250,000
Deferred Subscription Fee Shares		937,500
Deferred Tranche		91,310,055
Total		365,240,220

Date of issue

The Initial Tranche will be issued within 10 business days after the later of receipt of FIRB approval and receipt of Shareholder approval to Resolution 2.

The Deferred Tranche will be issued upon satisfaction or waiver of the conditions to the acquisition of the Uranium Interests. This is expected to occur during 2015. If the conditions are not satisfied or waived within 12 months from the date of FIRB approval (or any later date which is agreed), the Deferred Tranche will not be issued.

Toro has applied for a waiver of ASX Listing Rule 7.3.2 to allow the issue of Shares under this approval to be made within 12 months following the date of this Meeting. If the conditions have not been satisfied by that time, Toro may seek a further waiver from ASX.

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EXPLANATORY NOTES

Issue price	The Consideration Shares issued to acquire the Uranium Interests have a value ascribed under the SSSA of \$0.08 per Share. The Subscription Shares are to be issued at \$0.08 per Share. The Subscription Fee Shares are to be issued at \$0.08 per Share.
Allottees	Sentient Executive GP III, Limited in its capacity as general partner of Sentient GP III, L.P. which in turn acts as the general partner of the Sentient Global Resources Fund III, L.P.; Sentient Executive GP III, Limited in its capacity as general partner of Sentient GP III, L.P. which in turn acts as the general partner of SGRF III, Parallel I, L.P. Sentient Executive GP IV, Limited in its capacity as general partner of Sentient GP IV, L.P. which in turn acts as the general partner of the Sentient Global Resources Fund IV, L.P.
Terms	Each Share ranks equally in all respects with existing fully paid ordinary Shares on issue.
Use of funds	The funds raised from the issue of the Subscription Shares are to be used for the development of the Wiluna Uranium Project and working capital.

Board Recommendation

The Board unanimously recommends Shareholders vote **in favour** of Item 2.
The Chair intends to vote undirected proxies **in favour** of Item 2.

Major Shareholder Support

Toro's two largest shareholders, Oz Minerals Limited and Mega Uranium Ltd have both indicated that they intend to vote in favour of the resolutions at the Meeting.

Voting exclusion statement

The Company will disregard any votes cast on Item 2 by or on behalf of Sentient and any of its associates.
However, the Company need not disregard a vote if the vote is cast as proxy for a person who is entitled to vote:

- in accordance with the directions on the Proxy Form; or
- the Chair of the meeting in accordance with a direction on the Proxy Form to vote as the proxy decides.

ITEM 3 ELECTION OF MICHEL MARIER AS A DIRECTOR

Under the SSSA, Toro has granted to Sentient a Board nominee appointment right for 3 years (while the Unitisation Agreement funds are being utilised) and thereafter for so long as Sentient continues to own a minimum 11% equity interest in Toro. Sentient has nominated Mr Michel Marier to join the Board and Mr Marier was appointed on 3 November 2014.

In accordance with the Company's Constitution, Mr Marier retires as a director at the general meeting and seeks re-election to the Board.

Michel Marier

MFin, CFA

Appointment date 3 November 2014.

Independent Nominee of Sentient.


Skills and experience Mr Marier joined Sentient in 2009 as an investment manager. Before joining Sentient, Mr Marier worked for 8 years at the Private Equity division of la Caisse de dépôt et placement du Québec (CDPQ). Mr Marier holds a Master's Degree in Finance from HEC Montreal and is a CFA charter holder.

Other directorships Geodynamics Ltd - ASX
Samco Gold - TSX.V

Board Recommendation

The Board unanimously recommends Shareholders vote **in favour** of Item 3.
The Chair intends to vote undirected proxies in favour of Item 3.

Lodge your vote:

 **Online:**
www.investorvote.com.au

 **By Mail:**
Computershare Investor Services Pty Limited
GPO Box 242 Melbourne
Victoria 3001 Australia

Alternatively you can fax your form to
(within Australia) 1800 783 447
(outside Australia) +61 3 9473 2555

For Intermediary Online subscribers only
(custodians) www.intermediaryonline.com

For all enquiries call:
(within Australia) 1300 556 161
(outside Australia) +61 3 9415 4000

Proxy Form



Vote and view the annual report online

- Go to www.investorvote.com.au or scan the QR Code with your mobile device.
- Follow the instructions on the secure website to vote.

Your access information that you will need to vote:

PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.

 **For your vote to be effective it must be received by 10:00am (AWST) Saturday 20 December 2014**

How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

Appointment of Proxy

Voting 100% of your holding: Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote or abstain as they choose (to the extent permitted by law). If you mark more than one box on an item your vote will be invalid on that item.

Voting a portion of your holding: Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

Appointing a second proxy: You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

A proxy need not be a securityholder of the Company.

Signing Instructions for Postal Forms

Individual: Where the holding is in one name, the securityholder must sign.

Joint Holding: Where the holding is in more than one name, all of the securityholders should sign.

Power of Attorney: If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held. Delete titles as applicable.

Attending the Meeting

Bring this form to assist registration. If a representative of a corporate securityholder or proxy is to attend the meeting you will need to provide the appropriate "Certificate of Appointment of Corporate Representative" prior to admission. A form of the certificate may be obtained from Computershare or online at www.investorcentre.com under the help tab, "Printable Forms".

Comments & Questions: If you have any comments or questions for the company, please write them on a separate sheet of paper and return with this form.

**GO ONLINE TO VOTE,
or turn over to complete the form** →

Change of address. If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.

Proxy Form

Please mark to indicate your directions

STEP 1 Appoint a Proxy to Vote on Your Behalf

XX

I/We being a member/s of Toro Energy Limited hereby appoint

the Chairman of the Meeting OR

PLEASE NOTE: Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the General Meeting of Toro Energy Limited to be held at Level 1, 33 Richardson Street, West Perth WA on Monday, 22 December 2014 at 10:00am (AWST) and at any adjournment or postponement of that meeting.

STEP 2 Items of Business

PLEASE NOTE: If you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

	For	Against	Abstain
1 Approval or ratification of issue of 12,500,000 shares to Realfin	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Approval for the issue of up to 365,240,220 shares to Sentient	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 Election of Michel Marier as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business. In exceptional circumstances, the Chairman of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

SIGN Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

Contact Name _____

Contact Daytime Telephone _____

Date / /