



ASX RELEASE

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TORO ANNOUNCES A\$4.5m URANIUM SPEND FOR NT & WA IN 2010

An exploration program costing A\$4.5 million to expand its uranium exploration drive in Western Australia and the Northern Territory in calendar 2010, has been announced by Toro Energy Limited (ASX: "TOE").

The allocation is the largest single exploration spend to date by Toro in any calendar year in the two regions and reflects, the Company says, its intense focus on building new uranium exploration, development and future mining hubs in both.

Toro is already well anchored in the uranium sector in WA and the NT, with work to start next month on a resource evaluation pit at its advanced Wiluna project in WA and evaluation studies continuing on its Napperby project and surrounds northwest of Alice Springs.

Toro announced today the 2010 program in WA and the NT will comprise a total of 25,000m of drilling, along with significant airborne geophysics and ground sampling programs on several uranium targets. The schedule includes targeted exploration on greenfield projects along with drilling on more developed brownfield shallow calcrete targets in proximity to the Wiluna Uranium Project.

On its new 100% owned and highly prospective uranium discovery at Lake Mackay in WA, Toro is planning to complete two phases of drilling using both aircore and mud rotary to fully assess the project's Theseus prospect. Highlights from 2009 drilling at Theseus included:

- **Hole LP0029** reporting 6m @ 216ppm U_3O_8 from chemical assays corresponding to a grade-thickness of 1296ppm U_3O_8 , and
- **Hole LP0031** drilled 1600m to the east of LP0029 reporting 2m @ 646ppm U_3O_8 from chemical assays corresponding to a grade-thickness of 1292ppm U_3O_8

These holes have wide intervals of anomalous uranium associated with oxidised and reduced inter-bedded sands and clays and have grade-thickness intervals approaching the tenor of a typical In-situ Recovery (ISR) operations. In addition, the two closest drillholes LP0019 and LP0020, also report anomalous uranium mineralisation and demonstrate the large areal extent of the mineralised system.

A second, calcrete-style, uranium discovery in drillhole LP0049 of 0.34m @ 110ppm eU_3O_8 from 2.5m has opened up the potential for a significant surficial uranium deposit to the east of the Theseus Prospect. This area will also be tested with shallow aircore drilling.

At Toro's Birrindudu Project in WA (JV with Cameco) a program of drill testing targets generated by previous geophysical surveys will commence and involve 2,100m of Reverse Circulation (RC) and diamond drilling. Cameco Australia previously undertook over A\$1m of geophysical surveys to identify targets at Birrindudu.

Airborne electromagnetic (EM) surveys and drill testing will be undertaken over parts of Toro's significant tenement package in the Northern Territory. This will include drilling programs at Napperby Deeps, Reynolds Range and Sandover projects along with EM airborne surveys over new areas.

In Namibia in Africa, Deep Yellow is earning into Toro-held tenements there, and drilling potential extensions to the Langer Heinrich ore zone channel to the west of this deposit.

Toro Energy believes that greenfield and brownfield exploration using new and existing geological models and techniques will add to the Company's potential pipeline of uranium projects. Along with carefully targeted value-adding project acquisitions, these will allow Toro to continue to grow as it heads towards its first mine development project at Wiluna by early 2013.

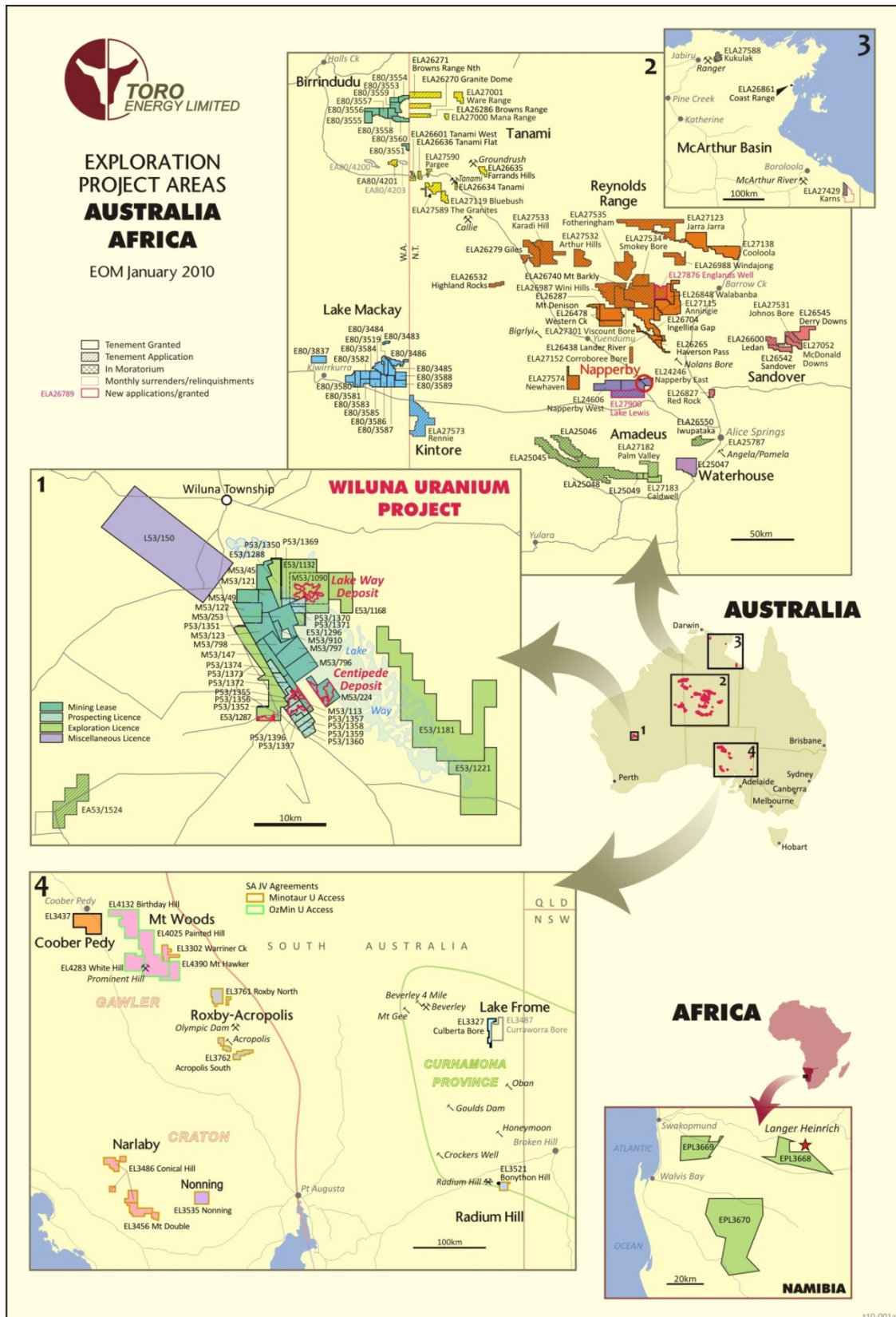


Figure 1: Toro Energy's tenement interests at end of January 2010

Western Australia

Lake Mackay region, incorporating newly discovered Theseus Prospect

The 2009 aircore drilling program at Lake Mackay was designed to test the model of shallow calcrete uranium mineralisation adjacent to the intense radiometric anomaly on the southern margin of Lake Mackay. This radiation signature is about ten times the areal extent and same magnitude compared to that observed around Lake Way, at Wiluna.

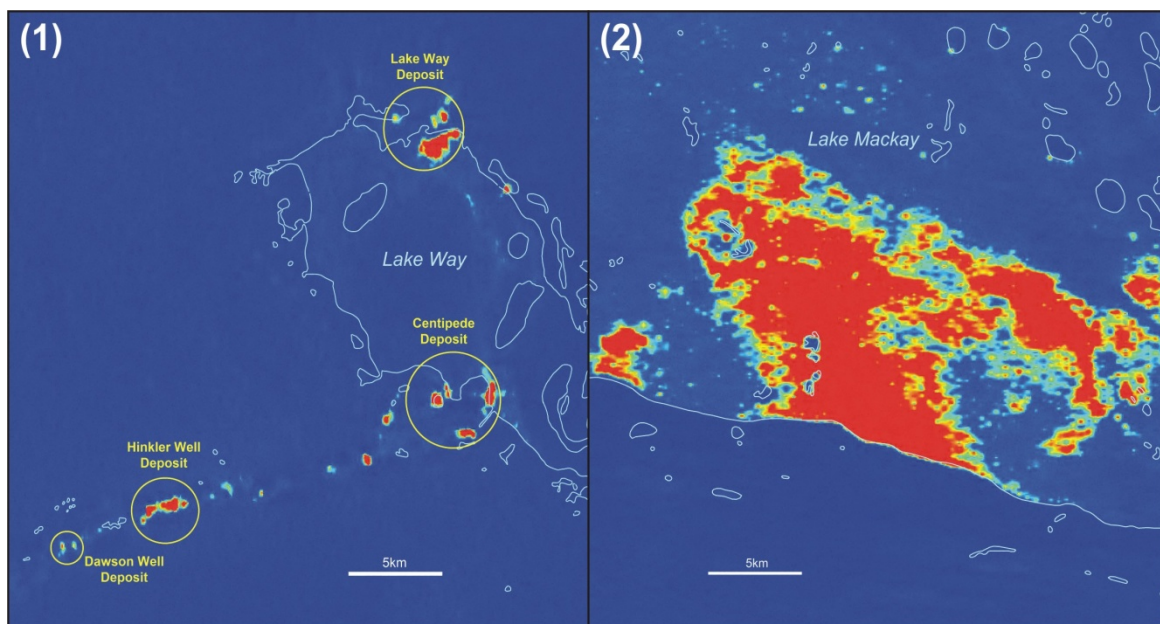


Figure 2: Map showing a comparison of the radiometric signatures of Wiluna (1) and Lake Mackay (2) projects

Two east-west drill traverses tested a calcrete exploration model adjacent to the lake, using mostly aircore drilling as shown on Figure 3. Only minor shallow calcrete was intersected on the traverses but at least two deeper palaeochannel systems with anomalous uranium mineralisation were intersected. The anomalous intersections for this drilling are shown on Table I. The most eastern hole on the southern traverse intersected anomalous uranium associated with calcrete at 2.5m, and together with the uranium mineralisation identified in a gravel pit along the Kiwirrikurra Road, provide a target for near-surface mineralisation.

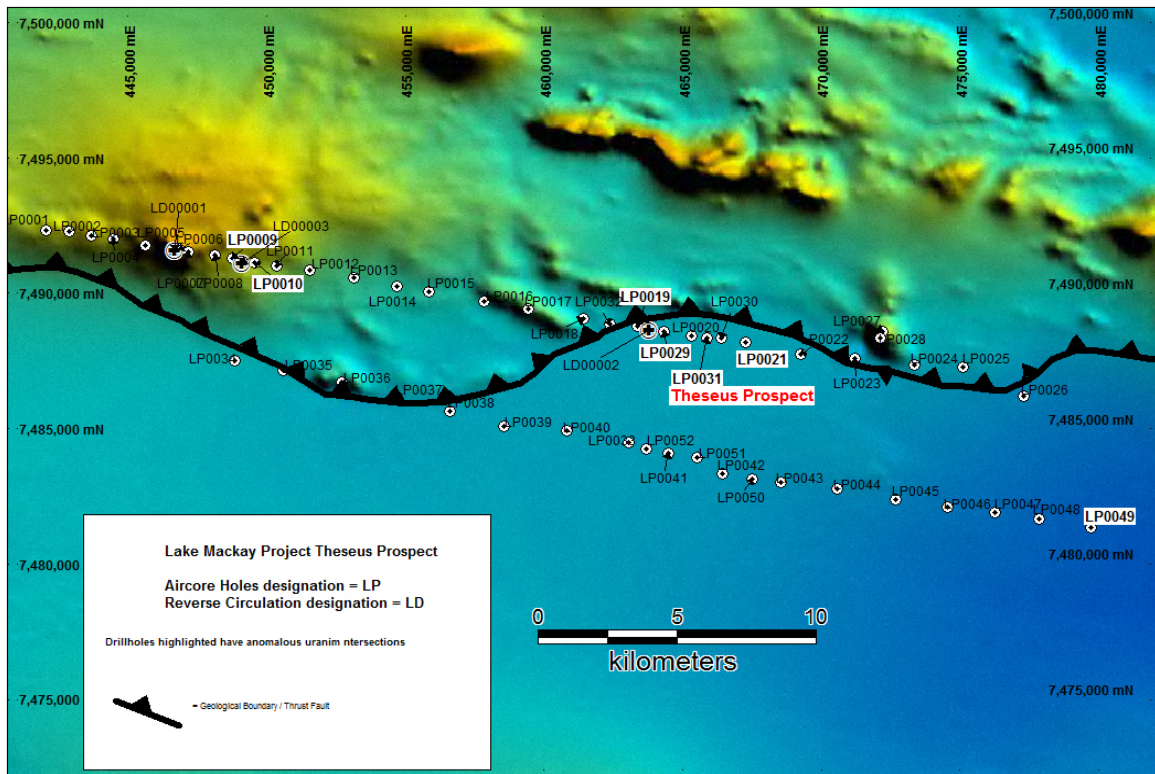


Figure 3: Map showing 2009 drillhole locations at the Lake Mackay Project over regional airborne magnetics

It is important to note that the first pass drilling was conducted on a regional scale with drill traverses 5km apart and with drill holes generally on 2km spacings. Toro considers the results from this first pass drilling to be an excellent indication of the potential of the region to host significant uranium mineralisation, with the potential for at least two different styles of mineral systems already identified:

1. Sandstone/sedimentary hosted uranium mineralisation which may be potentially amenable to ISR extraction; and
2. Calcrete/surficial hosted uranium mineralisation potentially amenable to open pit mining and extracted in the same manner as the Toro's Wiluna project in WA.

However Toro emphasises that exploration is at a very early stage and both scenarios described above require significant work before any mineral resources (prepared in accordance with the JORC Code) are defined and development proposals are identified.

Hole ID	Hole Type	Hole Depth (m)	Best Chemical Assay (> 50ppm U ₃ O ₈)	Gamma Probe Depth (m)	Best 0.5m-composited Gamma Assay (> 50ppm eU ₃ O ₈)
LP0009	AC	114	4m @ 76ppm from 100m	110.2	1m @ 93ppm from 100m
LP0010	AC	117	4m @ 26ppm from 100m	116.2	1m @ 73ppm from 97m
LP0019	AC	111	4m @ 76ppm from 100m	105.1	2m @ 177ppm from 102m
LP0020	AC	108	2m @ 78ppm from 97m	106.7	4m @ 120ppm from 97m
LP0029	AC	120	5m @ 216ppm from 103m	118.11	4.5m @ 365ppm from 102m
LP0031	AC	120	2m @ 646ppm from 106m	118.96	3m @ 175ppm from 106m
LP0049	AC	69	4m @ 27ppm from 0m	68.78	1m @ 69ppm from 2.5m

Table I : Selected Drillhole Information and Anomalous Results for 2009 Lake Mackay Drilling (refer to Appendix I for full results)

Table I compares the average deconvolved eU₃O₈ gamma results composited to 0.5m intervals (>50ppm eU₃O₈) with the comparable 1m, or 4m composite drill assays for selected holes. Assays were completed by ALS Brisbane routinely using ICP methods for uranium, with assays greater than 100ppm U being reassayed using XRF pressed powder. XRF results are used in preference, where available.

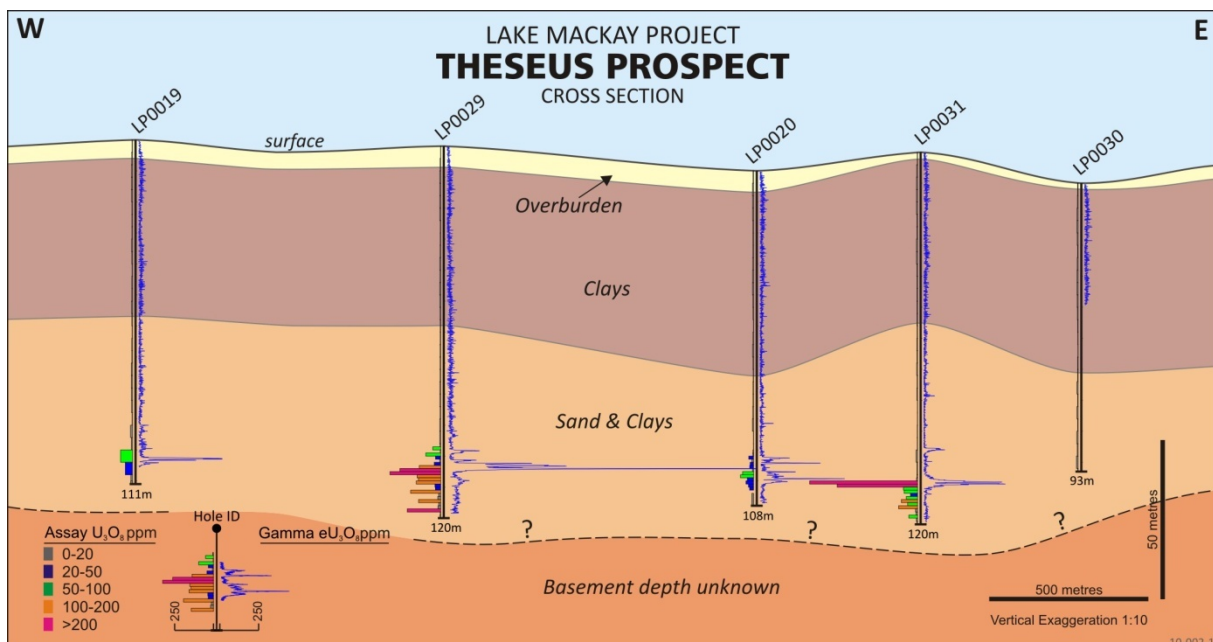


Figure 4: Cross-section showing mineralized drill holes at the Theseus Prospect

The assay results shown on the Figure 4 cross-section confirm a significant, grass-roots uranium discovery hosted in palaeochannel style sands over a surface width of 2.5km, at depths around 100m below surface intersected in drillholes; LP 19, 20, 29 and 31. This discovery has been named the Theseus Prospect.

The airborne Tempest EM survey, flown in early December last year, is being processed. Preliminary data shows moderately conductive zones that can be interpreted as palaeochannels extending to the south from the lake.

Planning is now underway to assess the uranium discovery at the Theseus Prospect with initial aircore drilling and mud rotary drilling at 800m centres planned for mid 2010. Further widespread reconnaissance aircore drilling is also planned for mid year designed to evaluate other uranium mineral systems in the region.

Wiluna Regional

Toro has launched an exploration program following the purchase in WA of two tenements E53/1181 and E53/1221 from Liberty Resources (LBY) (ASX Release 13 Nov 2009). The objective is to explore for shallow, small-scale uranium resources that may have been missed by previous explorers to complement the Wiluna Project. The Firestrike Prospect is the primary target on these two tenements. A number of anomalous intersections from Firestrike drilling were reported by the previous owners (ASX, LBY, 22 Apr 2008), such as:

1m @ 1245ppm U_3O_8 from 4m
1m @ 1091ppm U_3O_8 from 1m
2m @ 655ppm U_3O_8 from 2m

These results will be verified using a combination of aircore drilling and sonic drilling in mid year.

Toro has also applied for E53/1524 located on the Abercrombie channel, upstream of the Centipede uranium resource. Exploration will commence on this tenement once it is granted. Toro is also continuing to actively assess other uranium opportunities in the Wiluna district.

Birringudu Project – JV with Cameco – Toro earning 51%

This project is a joint venture with Cameco, Toro being the operator and manager. The exploration target is for “unconformity style” uranium associated with reduced and conductive units in the basement.

Four main target areas have already been defined in the airborne EM data acquired by Cameco in 2008 and these will be explored with RC and diamond drilling in the middle of the year. It is planned to drill approximately 1500m of RC and 600m of diamond core.

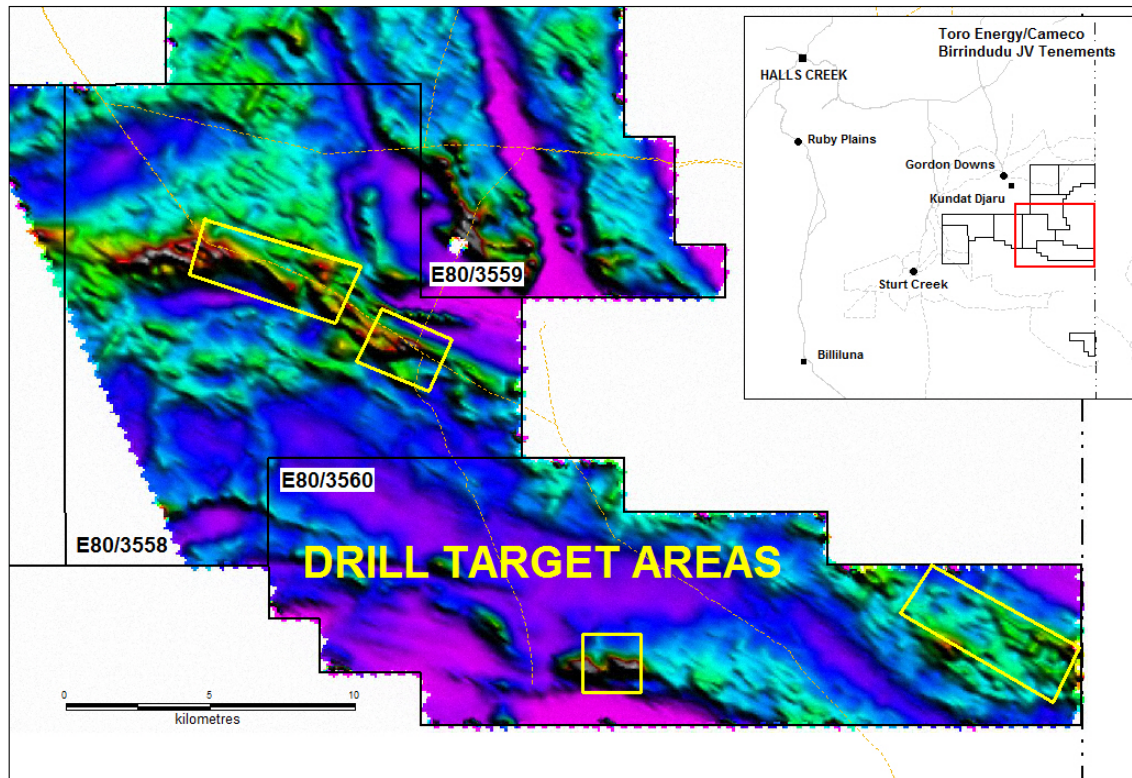


Figure 5: Drill target areas overlying conductive units on Birrindudu JV.

Northern Territory

Napperby Deeps JV Project with Deep Yellow Limited

This project, which Toro and DYL are jointly funding, is designed to evaluate magnetic and gravity targets in the basement underlying the two Napperby tenements. The project is outside the Napperby Option Agreement related to the shallow Napperby Uranium Deposit, which is under scoping evaluation.

In 2009, Toro completed a gravity survey covering magnetic basement anomalies. Two gravity targets offset from magnetic anomalies were defined along with a combined gravity and magnetic target. Drilling in late 2009 was only able to test one of these targets (LR00041) intersecting a magnetite rich, biotite granite with the source of a weak downhole gamma response consistent with a high thorium background.

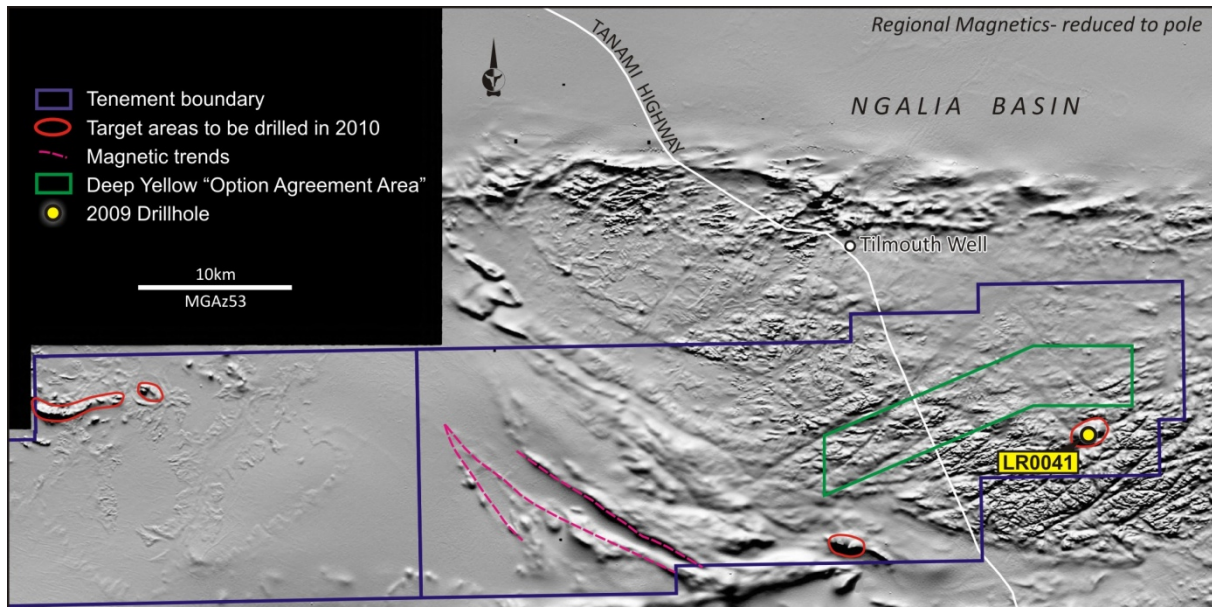


Figure 6: Napperby Deeps JV Drill target areas overlying magnetic trends.

In 2010, Toro plans to complete the drilling of the other combined magnetic and gravity targets using a combination of mud rotary and diamond tail drilling.

Reynolds Range Project

The southern part of this project covers the radiometrically anomalous granites and metamorphics of the Aileron Province. The main exploration model is to test Tertiary palaeochannels draining this area to the north.

A detailed airborne electromagnetic (Tempest) survey flown in 2009 over parts of the project area, shows the sedimentary architecture and identify conductive features. Initial interpretation indicates the presence of well defined palaeochannels, basement conductors and structural dismemberment. An example of an interpreted palaeochannel is shown on Figure 7 coincident with increased conductivity.

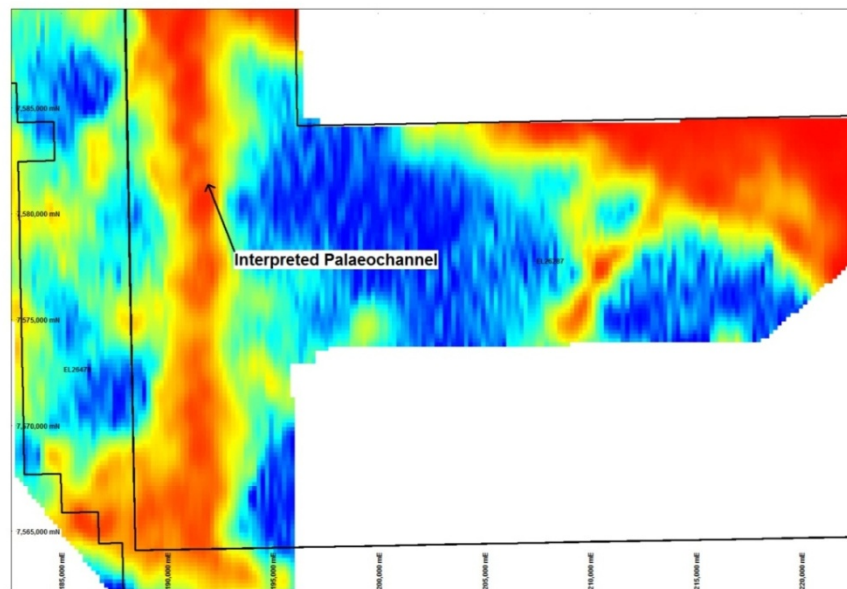


Figure 7: Airborne EM image for the western areas of Reynolds Range Project showing conductivity of interpreted palaeochannel

The palaeochannel targets like those shown on Figure 7 will be tested this year. About 5000m of aircore drilling is proposed.

On the southern margin of the Wiso Basin, one tenement EL 27138 has recently been granted. It is proposed to a fly heliborne EM survey known as Skytem to define palaeochannels.

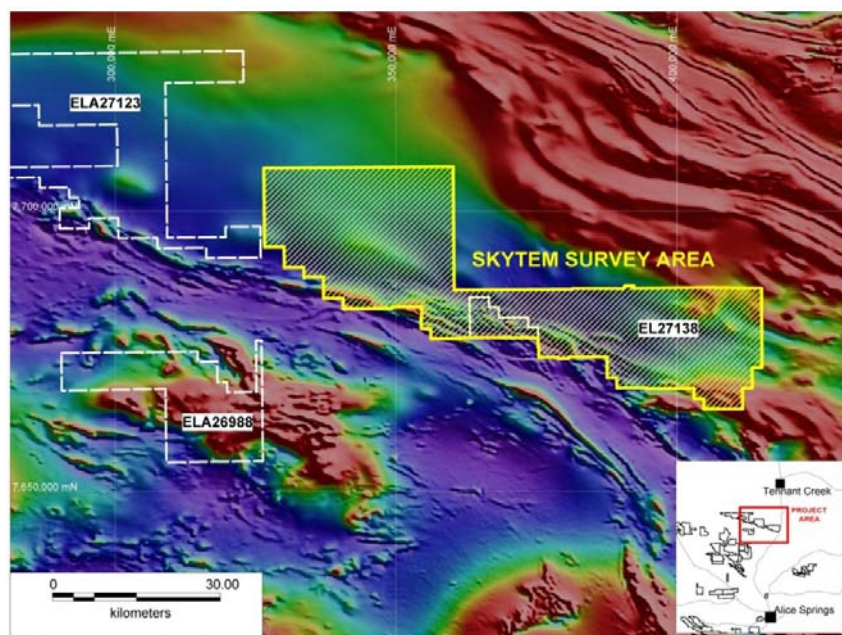


Figure 8: Planned Skytem survey for the southern margin of the Wiso Basin, Reynolds Range Project, NT

Sandover Project

This project lies on the southeastern extension of the Reynolds Range Project. A number of exploration models will be pursued including; Angela style uranium in foreland sedimentary sequences, shallow calcrete-sandstone uranium in outwash fans and deeper IOCGU-style targets

Tempest airborne EM flown in 2009 and recent seismic traverses define a major regional structure called the Delney-Sainthill Fault with the potential for deep-seated and granite associated hydrothermal systems that could host IOCGU systems.

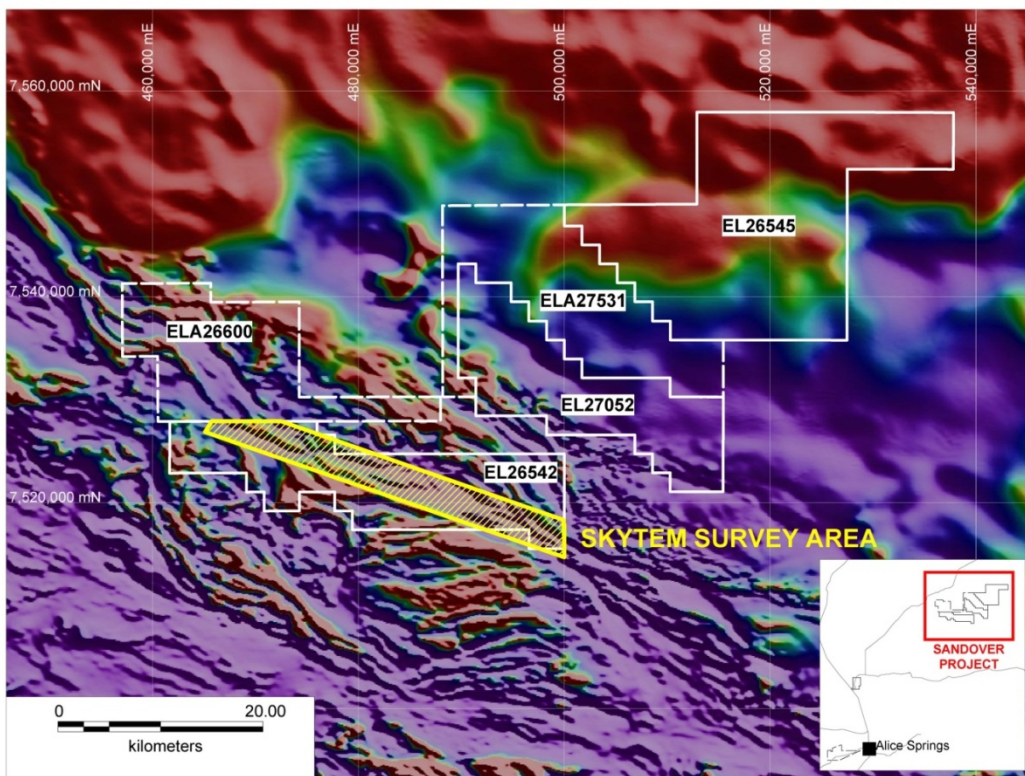


Figure 9: Planned Skytem survey for the Sandover Project, NT

In 2010, Toro intend to fly the length of the Delney-Sainthill Fault system with Skytem over the area shown on Figure 9. This detailed EM work is scheduled to occur in March with follow-up of targets generated using 1000m aircore drilling in July.

Namibia – JV Toro 90% - Sixzone Investments 10% - Deep Yellow earning 65%

Nova Energy Namibia, a subsidiary of Toro, holds three exploration licences in Namibia. Deep Yellow Limited (DYL) through its Namibian subsidiary, Reptile Mineral Resources and Exploration (Proprietary) Limited (Reptile) is continuing active drilling in EPL 3668 along the south western boundary of the Langer Heinrich lease area. Recently Langer Heinrich announced that its Stage 4 resource drilling is extending the ore zones to the west, towards the Toro owned tenements.

Geophysical targets are being prioritised for drilling planned for the next few months.

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- 1) *Information in this report relating to Exploration Results from the Lake Mackay Project is based on information compiled by Dr David Rawlings who is a Member of the Australasian Institute of Mining and Metallurgy. Dr Rawlings is a full-time employee of Toro and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity he is undertaking 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'. Dr Rawlings consents to the inclusion in this release of the matters based on his information in the form and context in which it appears.*
- 2) *Information in this report relating to Deconvolved Gamma Results composited to 0.5m, is based on information compiled by Mr David Wilson BSc MSc who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Wilson is a full-time employee of 3D Exploration Ltd, a consultant to Toro and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity he is undertaking 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'. Mr Wilson consents to the inclusion in this release of the matters based on his information in the form and context in which it appears.*
- 3) *Information in this report relating to Exploration is based on information compiled by Mr Mark McGeough BSc who is a Member of the Australasian Institute of Mining and Metallurgy. Mr McGeough is a full-time employee Toro Energy and has sufficient experience which is relevant to the styles of mineralisation and types of deposits under consideration and to the activity he is undertaking 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'. Mr McGeough consents to the inclusion in this release of the matters based on his information in the form and context in which it appears.*

Appendix I: Full List of Drill Holes at Lake Mackay

Hole ID	Hole Type	Hole Depth (m)	Best Chemical Assay (> 50ppm U ₃ O ₈ over 1m)	Gamma Probe Depth (m)	Best Probe Assay (> 50ppm eU ₃ O ₈ over 1m)
LP0001	AC	105		97	
LP0002	AC	102		14.2	
LP0003	AC	72		N/A	
LP0004	AC	104		9.3	
LP0005	AC	108		102	
LP0006	AC	96		N/A	
LP0007	AC	93		46.8	
LP0008	AC	96		89.3	
LP0009	AC	115	4m @ 76ppm from 100m	110.2	1m @ 93ppm from 100m
LP0010	AC	117	4m @ 26ppm from 100m	116.2	1m @ 73ppm from 97m
LP0011	AC	105		103.2	
LP0012	AC	116		113.2	
LP0013	AC	96		94.8	
LP0014	AC	84		82.9	
LP0015	AC	90		71.1	
LP0016	AC	87		71.1	
LP0017	AC	102		64.1	
LP0018	AC	108		99.8	
LP0019	AC	111	4m @ 76ppm from 100m	15.1	2m @ 177ppm from 102m
LP0020	AC	108	2m @ 78ppm from 97m	106.7	4m @ 120ppm from 97m
LP0021	AC	102		101.5	
LP0022	AC	105		101.5	
LP0023	AC	114		75.8	
LP0024	AC	99		97.8	
LP0025	AC	105		83.5	
LP0026	AC	102		101.4	
LP0027	AC	90		N/A	
LP0028	AC	117		109.33	
LP0029	AC	120	5m @ 216ppm from 103m	118.11	4.5m @ 365ppm from 102m
LP0030	AC	93		38.88	
LP0031	AC	120	2m @ 646ppm from 106m	118.96	3m @ 175ppm from 106m
LP0032	AC	107		101.8	
LP0033	AC	71		57.84	
LP0034	AC	93		91.56	
LP0035	AC	78		47.01	
LP0036	AC	90		59.38	
LP0037	AC	87		28.38	
LP0038	AC	75		71.3	
LP0039	AC	93		97.66	
LP0040	AC	120		119.62	

Hole ID	Hole Type	Hole Depth (m)	Best Chemical Assay (> 50ppm U ₃ O ₈ over 1m)	Gamma Probe Depth (m)	Best Probe Assay (> 50ppm eU ₃ O ₈ over 1m)
LP0041	AC	120		119.64	
LP0042	AC	120		111.2	
LP0043	AC	77		50.9	
LP0044	AC	106		104.14	
LP0045	AC	102		90.2	
LP0046	AC	120		116.32	
LP0047	AC	120		103.26	
LP0048	AC	105		104.55	
LP0049	AC	69	4m @ 27ppm from 0m	68.78	1m @ 69ppm from 2.5m
LP0050	AC	120		117.84	
LP0051	AC	120		119.58	
LP0052	AC	18		N/A	
LD001	RC/Dia	437.5		409	
LD002	RC	106		52.7	
LD003	RC	112		104.5	
AC =	Aircore		RC = Reverse Circulation		
Dia =	Diamond		All holes drilled at - 90 deg		