

**APPENDIX 5B**  
**Mining exploration entity quarterly report**

**TORO ENERGY LTD**

**ABN. 48 117 127 590**

Quarter ended

**December 2013**

**Consolidated statement of cash flows (Note 6.0)**

<b>Cash flows related to operating activities</b>		Current quarter \$A'000	Year to date (6 months) \$A'000
1.1	Receipts from product sales and related debtors	-	-
1.2	Payments for (a) exploration and evaluation	(1,258)	(2,749)
	(b) development	-	-
	(c) production	-	-
	(d) administration	(2,177)	(2,901)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	83	181
1.5	Interest and other costs of finance paid	(155)	(474)
1.6	Income taxes paid	-	-
1.7	Other	-	-
<b>Net Operating Cash Flows</b>		<b>(3,507)</b>	<b>(5,943)</b>
<b>Cash flows related to investing activities</b>			
1.8	Payment for purchases of: (a) prospects	-	-
	(b) equity investments	-	-
	(c) other fixed assets	(14)	(35)
1.9	Proceeds from sale of: (a) prospects	-	-
	(b) equity investments	-	-
	(c) other fixed assets	-	-
1.10	Loans to other entities	-	-
1.11	Loans repaid by other entities	-	-
1.12	Other	-	-
<b>Net Investing cash flows</b>		<b>(14)</b>	<b>(35)</b>
1.13	Total operating and investing cash flows (carried forward)	<b>(3,521)</b>	<b>(5,978)</b>

1.13	Total operating and investing cash flows (brought forward)	<b>(3,521)</b>	<b>(5,978)</b>
<b>Cash flows related to financing activities</b>			
1.14	Proceeds from issues of shares, options, etc	3,956	3,956
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	(7)	(7)
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other	-	-
<b>Net financing cash flows</b>		<b>3,949</b>	<b>3,949</b>
<b>Net increase (decrease) in cash held</b>		<b>428</b>	<b>(2,029)</b>
1.20	Cash at beginning of quarter / year to date	<b>8,787</b>	<b>11,244</b>
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	<b>Cash at end of quarter</b>	<b>9,215</b>	<b>9,215</b>

<b>Payments to directors of the entity and associates of the directors related entities of the entity and associates of the related entities</b>	
	Current quarter \$A'000
<b>1.23</b> Aggregate amount of payments to the parties included in item 1.2	134
<b>1.24</b> Aggregate amount of loans to the parties included in item 1.10	-

<b>1.25</b> Explanation necessary for an understanding of the transactions	
	Directors' fees, wages, expenses and superannuation for the quarter
<b>Non-cash financing and investing activities</b>	
<b>2.1</b> Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows	
	Share based transaction for the acquisition of the Lake Maitland uranium project from Mega Uranium (see ASX release dated 12 August 2013 and relevant Appendix 3B released on 20 November 2013.)
	-
<b>2.2</b> Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest	
	Nil

<b>Financing facilities available</b>	Amount available \$A'000	Amount used \$A'000
<b>3.1</b> Loan facilities (A\$12m debt facility)	0	12,000
<b>3.2</b> Credit standby arrangements	-	-

<b>Estimated cash outflows for next quarter</b>	\$A'000
<b>4.1</b> Exploration and evaluation:	3,912
<b>4.2</b> Development	-
<b>4.3</b> Production	-
<b>4.4</b> Administration	590
<b>Total</b>	4,502

<b>Reconciliation of cash</b>	Current quarter \$A'000	Previous quarter \$A'000
Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.		
<b>5.1</b> Cash on hand and at bank	2,581	844
<b>5.2</b> Deposits at call	6,634	10,400
<b>5.3</b> Bank overdraft		
<b>5.4</b> Other (provide details)		
<b>Total: cash at end of quarter (item 1.22)</b>	9,215	11,244

Changes in interests in mining tenements				
	Tenement reference	Nature of interest (note 2)	Interest at beginning of quarter	Interest at end of quarter
6.1 Interests in mining tenements relinquished, reduced or lapsed				
6.2 Interests in mining tenements acquired or increased		See Annexure 1		


#### Issued and quoted securities at end of current quarter

	Total number	Number quoted	Issue price per security (cents)	Amount paid up per security (cents)
7.1 <b>Preference securities</b> (description)				
7.2 Changes during quarter				
(a) Increases through issues				
(b) Decreases through returns of capital, buy-backs, redemptions				
7.3 <b>Ordinary securities</b>	1,041,936,676	1,041,936,676	Fully paid	Fully paid
7.4 Changes during quarter				
(a) Increases through issues	447,946,777	447,946,777	\$0.08	\$0.08
(b) Decreases through returns of capital, buy-backs				
7.5 <b>Convertible debt securities</b> (description)				
7.6 Changes during quarter				
(a) Increases through issues				
(b) Decreases through securities matured, converted				
7.7 <b>Options</b> (description and conversion factor)			<u>Exercise Price</u>	<u>Expiry Date</u>
	1,000,000		\$0.25	19/03/2014
	4,120,000		\$0.22	2/02/2015
	24,390,244		\$0.12	1/11/2015
	3,680,000		\$0.22	3/01/2016
	5,000,000		\$0.22	11/01/2016
	1,000,000		\$0.30	11/01/2016
	35,714,286		\$0.08	7/03/2016
	42,253,521		\$0.14	7/03/2016
	250,000		\$0.15	25/05/2016
	250,000		\$0.22	25/05/2016
	750,000		\$0.11	30/06/2016
	500,000		\$0.22	30/06/2016
	750,000		\$0.25	30/06/2016
	9,300,000		\$0.13	31/07/2016
	225,000		\$0.13	25/08/2016
7.8 Issued during quarter				

7.9	Exercised during quarter				
7.10	Cancelled during quarter	1,665,000	-	\$0.25	17/12/2013
		1,435,000	-	\$0.22	2/02/2015
		590,000	-	\$0.22	3/01/2016
		1,000,000	-	\$0.13	31/07/2016
		300,000	-	\$0.13	25/08/2016
7.11	<b>Debentures</b> (totals only)				
7.12	<b>Unsecured notes</b> (totals only)				

### Compliance statement

- 1.0 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 4).
- 2.0 This statement does give a true and fair view of the matters disclosed.

  
 Sign here: .....  
 Company Secretary

Date: 31 Jan 2014

Print name: TODD ALDER  
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### Notes

- 1.0 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2.0 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3.0 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4.0 The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.
- 5.0 **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

**ANNEXURE 1**

## Changes in interest in mining tenements

Tenement reference	Nature of interest	Interest at beginning of quarter*	Interest at end of quarter
E37/970 - partial	Partial Surrender - 8 blocks surrendered, 6 remaining	100%	100%
E37/971 - partial	Partial Surrender - 17 blocks surrendered, 8 remaining	100%	100%
EL27429 - partial	Partial Surrender - 99 blocks surrendered, 52 remaining	100%	100%
E80/3837	Surrender	100%	0%
EL27115 -partial	Partial Surrender - 212 blocks surrendered, 124 remaining		
EL28751	Surrender	100%	0%
EL28806	Surrender	100%	0%
EL28750	Surrender	100%	0%
*Note: Percentage interests relate to Toro's equity interest in the tenements which may be nil due to uranium rights being held or joint venture earn-in arrangements not yet crystallising.			