

# THIRD QUARTER ACTIVITIES REPORT

for the quarter ending:

## 31 March 2011

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### CORPORATE

- Toro signed a Letter of Intent with Norilsk Nickel Australia to purchase leases adjacent to the Wiluna deposit, with an exploration target range of 4-6 Mt at 0.04% - 0.06% for a contained 4 to 5mlbs U<sub>3</sub>O<sub>8</sub>.\*
- After completion of the earn-in with Cameco on the Birrindudu Project (WA), Toro is now the majority owner and operator of the Joint Venture.
- Cash at end of quarter A\$32.2m

### GLOBAL URANIUM MARKET

- On March 11<sup>th</sup> Japan was hit by a massive earthquake that moved the central part of the country a few metres east. This was followed by a devastating tsunami that was reported to be in excess of 15m in height.
- The tsunami caused a loss of backup power at the Fukushima Daiichi power plant, where 3 reactors were in the process of safely shutting down after the earthquake. This resulted in a heat and pressure build up at the reactors causing a release of significant radiation which is still being managed.
- Due to cautious evacuations, no immediate health impacts have resulted from the release of radiation.
- Global energy demand after this incident is essentially unchanged, and the main nuclear power countries are continuing with their planned build programs, while adapting to lessons learnt from the incident.
- The uranium spot price dropped significantly immediately after the incident, but at the end

of the quarter had returned to its level at the end of December of US\$62.50 per lb U<sub>3</sub>O<sub>8</sub>, and the long term price remained steady at US\$72 per lb U<sub>3</sub>O<sub>8</sub>.

- Toro still sees a strong future demand for uranium, and is continuing with its aim of achieving production from the Wiluna Project by late 2013.

### WILUNA PROJECT DEVELOPMENT

- The first draft of the Environmental Review and Management Programme (ERMP) was submitted to the Environmental Protection Agency on 2 March.
- Bench-scale testing for the agitated leach process continued during the quarter with very encouraging results, reinforcing previous results and offering potential improvements.
- Pilot testing has been deferred to around mid-year to await final benchscale testing outcomes for best design.

### EXPLORATION

- A review of the drillhole geology for Lake Mackay (WA) confirms the link between palaeochannels and the Theseus uranium mineralisation.
- A drilling program targeting "alaskite style uranium in Namibia is being finalised. This program will test the potential of EPL3669 that lies south of Bannerman's known mineralised trend, and a few kilometres from the new Pizzaro discovery by Extract Resources.

\*Note: the total potential tonnage and grade is conceptual in nature and Toro needs to determine whether there has been sufficient exploration to define a Mineral Resource and while Toro has confidence in this target range it is uncertain if this work will result in the determination of a Mineral Resource.

# REVIEW OF BUSINESS

## GLOBAL URANIUM MARKET

(Summarised from World Nuclear News full report - refer to link below)

On March 11<sup>th</sup> Japan was impacted by a magnitude 9.0 earthquake centered 130kms offshore the city of Sendai in Miyagi prefecture on the eastern coast of Honshu Island. It was a rare and complex double quake giving a severe duration of about 3 minutes. The central part of Japan moved a few metres to the east, and the local coastline subsided a half a metre.

Approximately 1 hour after the earthquake a devastating tsunami hit the eastern coastline, submerging towns already severely damaged by the quake and sending a wall of water far inland. The tsunami was estimated at between 7 and 20m high depending on the geography of the coastline where it impacted.

Eleven nuclear reactors were operating in the region at the time of the earthquake and all shut down automatically and started cooling as designed. Power, from grid or backup generators, was available to run the Reactor Heat Removal (RHR) system cooling pumps at 8 of the eleven units, and despite some problems they achieved 'cold shutdown' within about four days. The other three, at Fukushima Daiichi, lost power at 3.42 pm, almost an hour after the quake, when the entire site lost the ability to maintain proper reactor cooling and water circulation functions due to being flooded by the tsunami. This disabled all 13 back-up generators

on site and also the heat exchangers for dumping reactor heat to the sea.

This combined earthquake and tsunami event was a major natural disaster, which caused huge loss of life. The nuclear reactor incident was caused by this act of nature and not by human error or system failure. Due to cautious evacuations in the vicinity of the nuclear reactor no immediate health impacts have resulted from the release of radiation. There will be significant lessons learnt regarding the operation and safety of older reactors.

Global energy demand after this incident is essentially unchanged, and the main nuclear power countries are continuing their new build programs, while adapting to lessons learnt from the incident.

The uranium spot price dropped significantly immediately after the incident, but at the end of the quarter had returned to its level at the end of December of US\$62.50 per lb U<sub>3</sub>O<sub>8</sub>, with the long term price remaining steady at US\$72 per lb U<sub>3</sub>O<sub>8</sub>. Toro still sees a strong future demand for uranium, and is continuing with its aim of achieving production from the Wiluna Project by late 2013.

[http://www.world-nuclear.org/info/fukushima\\_accident\\_inf129.html](http://www.world-nuclear.org/info/fukushima_accident_inf129.html)



Figure 1: Spot and Long Term Uranium prices  
Source: Ux Consulting

## CORPORATE

Toro signed a Letter of Intent with MPI Nickel Pty Ltd ("MPI", a subsidiary of Norilsk Nickel Australia Pty Ltd) for the acquisition of additional Mining Leases immediately adjacent to its advanced Wiluna Uranium Project.

The three Mining Leases cover a uranium mineralised zone called Millipede which borders Toro's Centipede deposit. Based on historical drilling data Toro has an exploration target for the three tenements covering Millipede in the range of 4 - 5 Mlb U3O8 (1,800t-2,300t) at a grade similar to the Centipede and Lake Way deposits (0.04%-0.06% or 400-600ppm).

Consideration for the leases includes a A\$4.5 million cash payment to MPI and a 2% Net Smelter Return (NSR) style royalty in favour of

MPI on production in excess of 4.5 Mlb U3O8 from the tenements.

Toro achieved a majority 50.01% ownership interest in the Birrindudu Uranium JV with Cameco following expenditure of more than A\$1million and the successful completion of five reverse circulation and thirteen aircore drill holes. Toro is now the majority owner and operator of the JV.

The Half Year Accounts were released on 25 February 2011.

On 12 January 2011 the company notified the ASX that it had granted 6 million unlisted options to directors subject to shareholder approval.

Cash at the end of the March 2011 quarter was A\$32.2m.

# PROJECT DEVELOPMENT

## WILUNA PROJECT - LAKE WAY/ CENTIPEDE URANIUM DEPOSITS (WA)

(Toro Energy 100%)

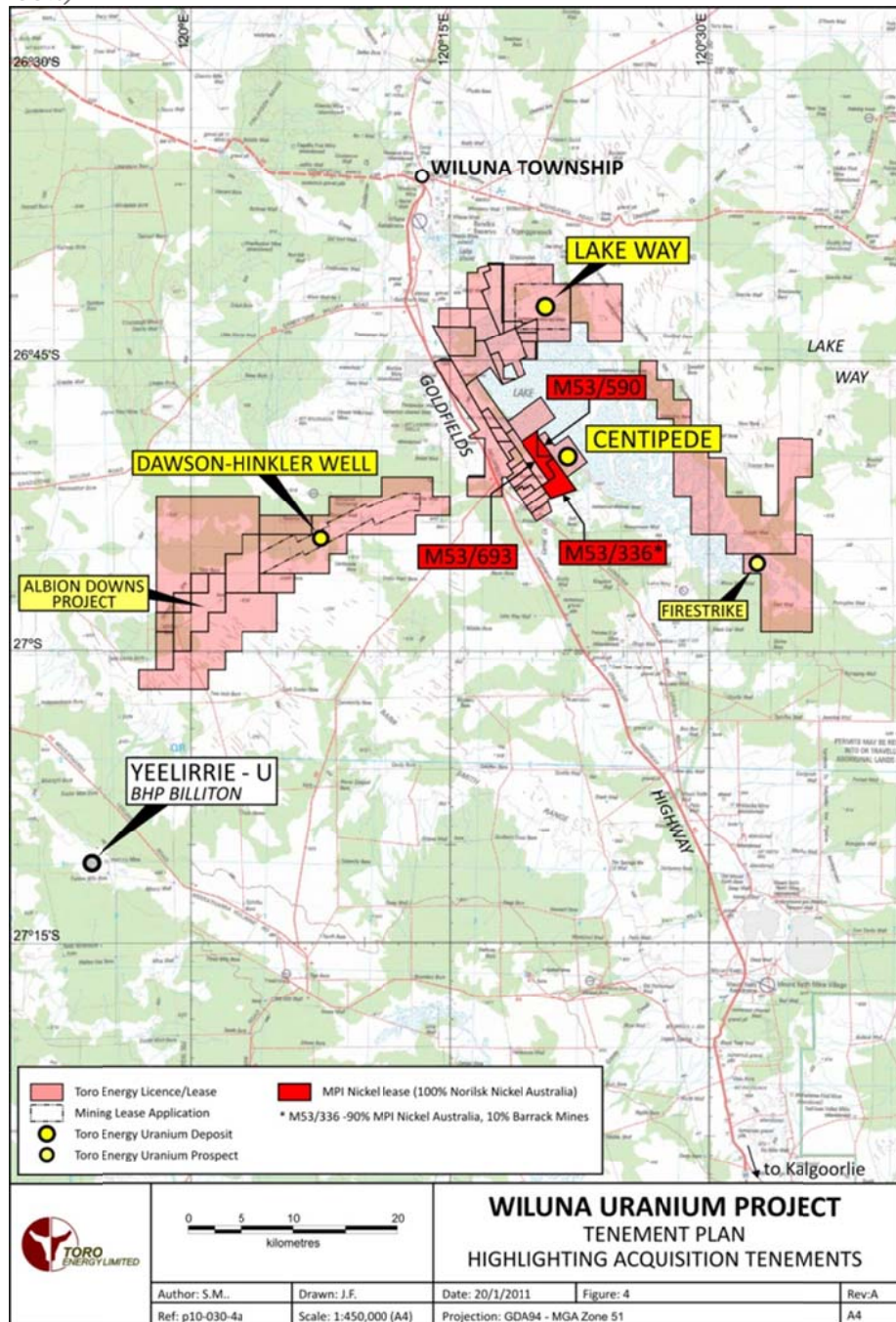


Figure 2: Wiluna Project Location

Wiluna Project activity continued to focus on the compilation and drafting of the Environmental Review and Management Programme (ERMP) document. The first draft of the ERMP was lodged with the EPA on 2 March 2011. Review of drilling results from the 2010 resource drilling program, metallurgical testing on trial pit samples, along with new project acquisition work continued during the quarter.

## Project Progress

A program of bench-scale testwork for the agitated leach processing option commenced late in November and continued into the New Year.

The bench test program was completed during the period and while the final report is still in preparation, the test results have met all expectations and have confirmed the viability of the preferred agitated leach process route.

In particular, good results were achieved from the direct precipitation tests indicating high uranium recovery efficiencies by direct precipitation from chloride alkaline leach solution. Settling and separation of the solids in CCDs was successful, with scientific identification of a flocculant which improves settling performance.

A full processing update will be issued upon receipt of final reports, as part of a broader Wiluna Project update.

The Pilot Plant test program is now planned to commence and operate from June using approximately 15 tonnes of the mineralised material extracted from the trial pit. Some potential enhancements and improvements to

the preferred process route are currently being investigated. These will be added into the design of the pilot process work.

Assay results from the sonic drilling program conducted at both Centipede and Lake Way have been received (Appendix 2). Some selected results are given in the tables below. The drilling at Centipede was undertaken to compare updated assay results with historical gamma results, and this has successfully been done with good correlation.

The drilling at Lake Way indicated some higher grade deeper mineralisation below existing known mineralisation, as shown in holes LWS019 and LWS 024. These significant grades greater than 1,000ppm U<sub>3</sub>O<sub>8</sub> at around 10 metres depth are close to those found at Yeelirrie.

This drilling program was successful in continuing to increase the confidence in the resource estimate and confirming the resource model in the areas drilled. Further aircore drilling to bring a significant proportion of the Centipede Resource to a Measured category is planned for later in the year.

### Centipede Sonic Drill Results (Intersections using 200ppm U<sub>3</sub>O<sub>8</sub> cutoff)

Hole No	From (m)	To (m)	Metres	U3O8 (ppm)
CPS002	1.0	5.5	4.5	817
CPS017	0.5	4.5	4.0	948
CPS022	0.0	4.5	4.5	812
CPS026	1.5	5.0	3.5	691
CPS036	1.0	5.0	4.0	724
CPS037	1.0	5.0	4.0	642
CPS038	0.5	4.0	3.5	1251
CPS039	1.0	4.0	3.0	1124
CPS057	1.0	3.5	2.5	1199
CPS058	0.5	2.5	2.0	1253

## Lake Way Sonic Drill Results (Intersections using 200ppm U<sub>3</sub>O<sub>8</sub> cutoff)

Hole No	From (m)	To (m)	Metres	U3O8 (ppm)
LWS001	1.5	3.0	1.5	684
LWS006	2.0	4.0	2.0	913
LWS007	1.5	5.0	3.5	1202
LWS008	3.0	9.0	6.0	322
LWS010	2.0	5.5	3.5	452
LWS011	1.5	8.0	6.5	562
LWS012	1.0	6.5	5.5	353
LWS017	2.5	6.5	4.0	333
LWS019	8.5	10.0	1.5	1455
LWS024	10.0	11.5	1.5	1082

## Coordinates for all holes listed

Hole No	Hole Type	Grid	Easting	Northing	RL	Hole Depth	Lease	Prospect
CPS002	Sonic	MGA94_51	237900	7027905	492.4	9.0	M53/224	Centipede
CPS017	Sonic	MGA94_51	238620	7028960	491.6	9.0	M53/224	Centipede
CPS022	Sonic	MGA94_51	238661	7029246	491.5	9.0	M53/224	Centipede
CPS026	Sonic	MGA94_51	238535	7029401	491.7	9.0	M53/224	Centipede
CPS036	Sonic	MGA94_51	238146	7029608	491.7	9.0	M53/224	Centipede
CPS037	Sonic	MGA94_51	238300	7029718	491.8	9.0	M53/224	Centipede
CPS038	Sonic	MGA94_51	238461	7029836	491.6	9.0	M53/224	Centipede
CPS039	Sonic	MGA94_51	238623	7029954	491.5	9.0	M53/224	Centipede
CPS057	Sonic	MGA94_51	236593	7029666	491.7	9.0	M53/224	Centipede
CPS058	Sonic	MGA94_51	236465	7029836	491.7	9.0	M53/224	Centipede
LWS001	Sonic	MGA94_51	233314	7043934	492.4	8.0	E53/1132	Lake Way
LWS006	Sonic	MGA94_51	233600	7043896	492.4	11.5	E53/1132	Lake Way
LWS007	Sonic	MGA94_51	233724	7043949	492.5	9.0	E53/1132	Lake Way
LWS008	Sonic	MGA94_51	233863	7044010	492.5	9.0	E53/1132	Lake Way
LWS010	Sonic	MGA94_51	233652	7043752	492.3	8.0	E53/1132	Lake Way
LWS011	Sonic	MGA94_51	233788	7043816	492.3	10.5	E53/1132	Lake Way
LWS012	Sonic	MGA94_51	233917	7043866	492.4	10.5	E53/1132	Lake Way
LWS017	Sonic	MGA94_51	233989	7043732	492.7	10.0	E53/1132	Lake Way
LWS019	Sonic	MGA94_51	234265	7043857	493.5	12.0	E53/1132	Lake Way
LWS024	Sonic	MGA94_51	234469	7043788	494.6	15.0	E53/1132	Lake Way

## Wiluna Community

Toro attended a meeting of Traditional Owners at Wiluna in March to further discuss potential impacts of the Project on cultural heritage. This followed cultural mapping of the Project Area undertaken by the Traditional Owners during October 2010. As a result of their latest meeting,

Toro and the Traditional Owners agreed to undertake an on-site inspection of the Project Area so that Toro can demonstrate the proposed limits of ground disturbance required for Project implementation.

# EXPLORATION

The Australian and Namibian (African) exploration licenses and applications held by Toro, or subject to uranium access and joint

venture rights, as at 31 March 2011, are shown on Figure 4 and are summarised in Table 1.

Toro Tenure Area Stats (km2)			Exploration	Comment
	Granted	Application	Commitment	
South Australia	5,830	0	0	Uranium rights only
Northern Territory	10,010	18,922	\$773,500	
Namibia	1,323		0	25% share of Nova Energy Namibia
Western Australia	4,850	207	\$1,769,500	
<b>TOTAL</b>	27,843	19,129	\$2,543,000	

**Table 1: Toro Tenement area statistics as at end of March 2011**

## Tenement Activity

- Toro has formerly withdrawn its uranium rights for EL3486 "Conical Hill" in South Australia. Toro will also formerly withdraw uranium rights for two other tenements; EL3456 "Mt Double" and EL 3535 "Nonning" also in South Australia, during the quarter.
- An application ELA28624 "Buntine" has been made adjacent to the Limbunya EL28040 tenement in the Victoria River Basin, NT. The target is unconformity-style uranium.
- New applications contiguous with the Lake Mackay land package, E80/4606 and E80/4607, are underway to cover small areas with geological interest. It is unlikely that any on-ground activities will take place on these tenements during 2011.
- EL28054 "Benmara" located in the NT was granted during the quarter. The target in this area is for structural "Westmoreland style" uranium mineralisation.
- ELA28567 "Running Ck" has been offered to Toro. This ELA covers known "Redbank copper style" breccia pipes with potential for uranium mineralisation.

## Western Australia

### Lake Mackay Project

100% Toro - ELs 80/3483, 3484, 3485, 3486, 3519, 3580, 3581, 3582, 3583, 3584, 3585, 3586, 3587, 3588, 4449, 3589, 3837 and applications, E80/4498, 4606 and 4607

For the first three months of the year, the nearest settlement to Lake Mackay, Kintore in the NT received a total of 162mm of rain, about two thirds of its annual rainfall. Aircore drilling at the Theseus Prospect scheduled for mid to late March has now been postponed until mid June.

This unfortunate delay is due to the contracted drillers being delayed on their current drilling programs. A soil sampling program commenced at the end of March designed to evaluate the IOCGU potential in the southern part of the Lake Mackay Project.



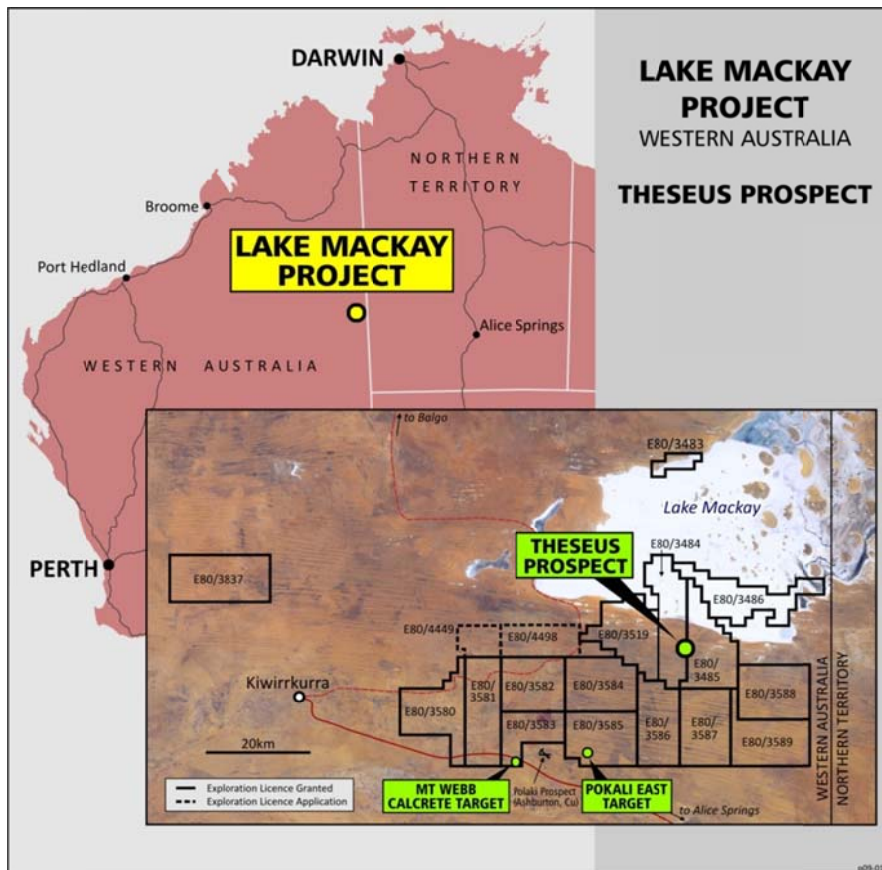


Figure 1: Lake Mackay location diagram

During the quarter, relogging and review of all drilling and geophysics at Lake Mackay was undertaken. Figure 2 shows the latest

interpretation of the palaeochannel systems from this work and the location of the Theseus mineralisation intersected in 2009.

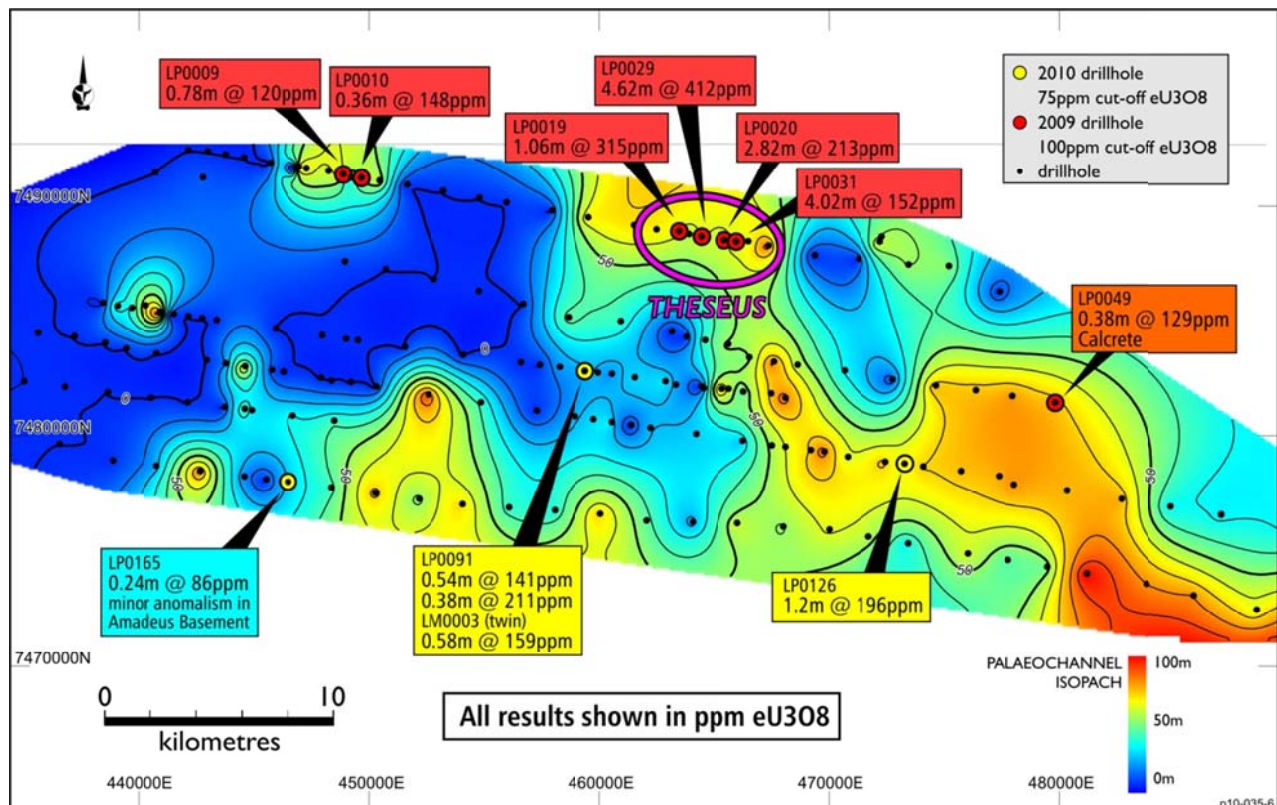


Figure 2: Lake Mackay location diagram



## Birrindudu JV

*JV Toro earning 50.01% from Cameco on ELs 80/3551, 3555, 3556, 3557, 3558, 3559 and 3560*

Following Toro's completion of the earn-in expenditure to achieve 50.01% (ASX release: 1 Feb 2011), Toro and Cameco agreed to complete a ground EM survey across two target areas, prior to committing to drill targets. The ground EM survey is scheduled to begin in late May, after heritage surveys are completed. Diamond drilling is scheduled tentatively for the start of July.

TOC (Total Organic carbon) results from samples submitted from drillholes BR001 and BR003 at the Ventura Prospect indicate only minor graphite in the dark grey, sulphidic

intervals of the Gardiner Sandstone. TOC values average about 2.5% suggesting the fine dark amorphous mineral is probably a type of pyrobitumen associated with pyrite rather than graphite. The origin of this material is unknown at this stage but the occurrence within oxidised sandstones is considered highly significant.

Soil-gas results and spectral logging of drill chips also support the prospectivity of the Ventura Prospect for uranium mineralisation.

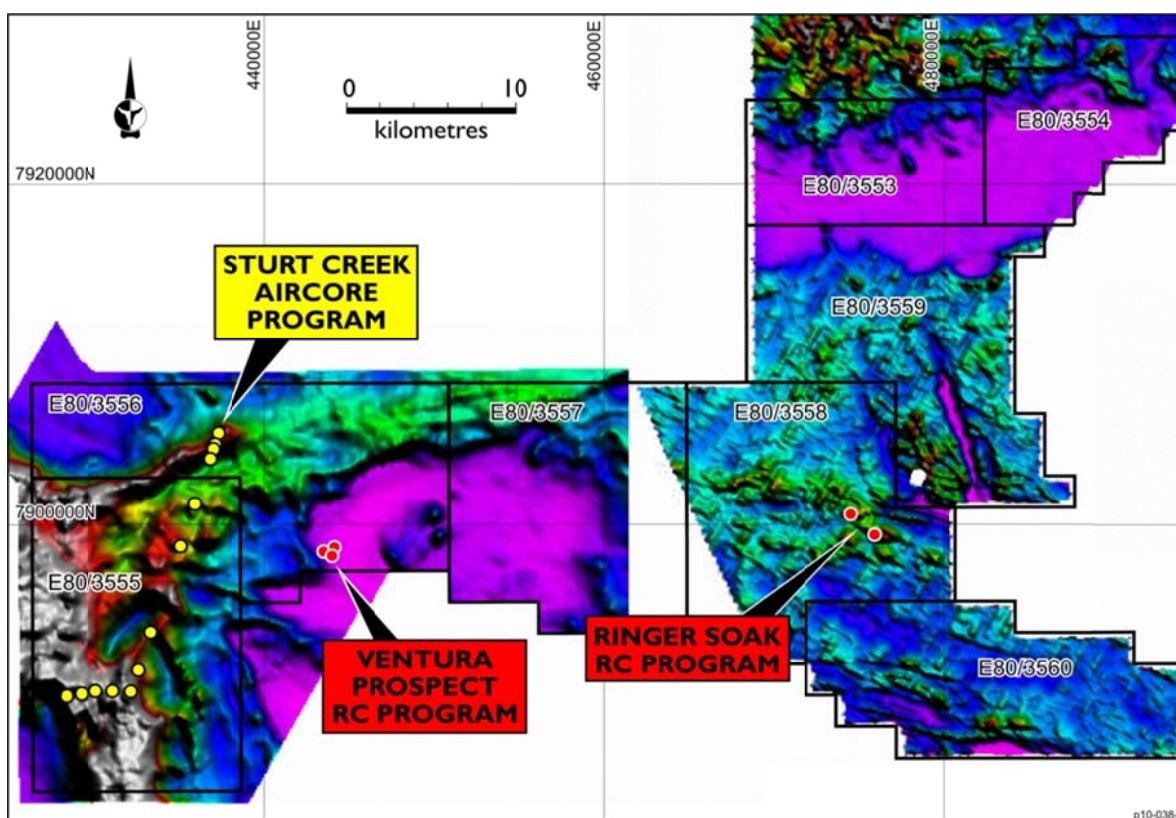


Figure 3: Airborne EM image of the Birrindudu Project area with 2010 drill locations

## Northern Territory

### Reynolds Range Project

*100% Toro - ELs 26265, 26287, 26438, 26478, 26704, 27115, 26848, 27138 and 26542; Various ELA's shown on map*

Meetings arranged as part of the access process for Aboriginal Freehold Land were scheduled for mid March. Unfortunately heavy rain led to postponed of these meetings until early April.

Aircore drilling on the eastern Anningie targets, postponed from late 2010 because of rain are expected to commence in June.

## South Australia IOCGU Targets (Uranium access rights only)

### Mount Woods Project

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*Oxiana (now OZ Minerals) Uranium Access Agreement- ELs 4132, 4025, 4283 and 4390 - held 100% by OZ Minerals Limited*

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Toro released (ASX: 24 Feb 2011) a series of anomalous uranium intersections intersected by OZ Minerals during that company's 2008 to 2010 drilling programs. These uranium results along with results from previous explorers highlight the uranium potential on the Mt Woods tenements, close to Prominent Hill mine.

Toro intends to complete a full review of the uranium mineralised intersections during the June quarter once all the recently acquired geophysical and drilling data is supplied to Toro.

### Acropolis/Roxby and Bonython Hill Projects

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*Minotaur Uranium Access Agreement- ELs 3761, 3762 - 100% Minotaur Exploration and ELA356/2010 Minotaur 56.16% BHP Billiton 43.84%*

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Assessment continues of drilling data arising from hole AS10D04 drilled late last year into the Aphrodite gravity anomaly in order to ascertain the source for the geophysical anomaly.

Scheduled drilling of two RC holes targeting magnetite iron on the Bonython Hill project was not possible due to access difficulties. Widespread heavy rains across northeast pastoral districts in January were the main cause.

### Namibia (Africa)

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*25% Toro (through Nova Energy (Africa) Pty Ltd) - EPL's 3668, 3669 and 3670, Sixzone 10%, (Deep Yellow Limited through Reptile Mineral Resources and Exploration (Proprietary) Limited 65%)*

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Reptile Mineral Resources and Exploration Pty Ltd (Reptile), a fully owned subsidiary of Deep Yellow Ltd, completed the earn-in expenditure of \$3.5m on the three Nova tenements. Reptile now owns 65 % of Nova Energy Namibia Pty Ltd with Toro retaining 25% and the remaining 10% being held by a Namibia group; Sixzone.

Reptile is finalising plans for a drilling program targeting "alaskite style" uranium targets to commence during the June quarter.



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Toro Energy Limited

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## APPENDIX I: COMPETENT PERSONS STATEMENT AND RESOURCE TABLE

The information in this report that relates to Exploration Results and Mineral Resources is based on information compiled by:

- 1) 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.
- 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.

Project Name	Category	Resource Tonnes	Grade U <sub>3</sub> O <sub>8</sub>	Contained U <sub>3</sub> O <sub>8</sub> , tonnes	Contained U <sub>3</sub> O <sub>8</sub> , mlb
Centipede	Measured	0.3	588	177	0.39
Centipede	Indicated	7.68	619	4,754	10.48
Centipede	Inferred	1.69	251	424	0.94
Lake Way	Inferred	10.53	543	5,714	12.60
<b>Total Wiluna Project</b>		<b>20.21</b>	<b>548</b>	<b>11,070</b>	<b>24.40</b>
Dawson-Hinkler Well	Inferred	9.50	293	2,800	6.20
<b>Total</b>		<b>29.71</b>	<b>467</b>	<b>13,870</b>	<b>30.60</b>

Prepared at a 200ppm U<sub>3</sub>O<sub>8</sub> cut-off grade

*Toro's total uranium resource base in the Wiluna area, upon completion of the transaction*

- 3) The information in this report that relates to Mineral Resources at the Dawson-Hinkler Well Project is based on information compiled by S. Mann MAusIMM, S. Gatehouse MAIG and A. van der Heyden MAusIMM. Messrs Mann, Gatehouse and van der Heyden have sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which they are 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 Mann is a full-time employee of U3O8 Limited. Messrs Gatehouse and van der Heyden are employees of Hellman & Schofield Pty Ltd. Each of the above named consents to the inclusion of the information in this announcement in the form and context in which it appears.
- 4) The information in this report that relates to Mineral Resources, other than for the Dawson-Hinkler Well Project, is based on information compiled by Mr Daniel Guibal who is a Fellow of the Australasian Institute of Mining and Metallurgy (AusIMM). Mr Guibal is a fulltime employee of SRK Consulting 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 Persons as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Guibal consents to the inclusion in this release of the matters based on his information in the form and context in which it appears.
- 5) Information in this report that relates to the Wiluna drilling results is based on information compiled by Mr Craig Gwatkin who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Gwatkin 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'. Mr Gwatkin consents to the inclusion in this release of the matters based on his information in the form and context in which it appears.

## **APPENDIX 2:**

### **ASSAY RESULTS FROM SONIC DRILLING PROGRAM**

Centipede Sonic Drill Intersections using 200ppm U3O8 cutoff

Hole No	From (m)	To (m)	Metres	U3O8 (ppm)
CPS001	0.5	4.0	3.5	434
CPS002	1.0	5.5	4.5	817
CPS003	4.5	7.0	2.5	829
CPS007	8.0	8.5	0.5	348
CPS008	1.5	3.0	1.5	649
CPS009	3.5	4.0	0.5	246
CPS010	1.5	4.5	3.0	511
CPS014	4.0	4.5	0.5	250
CPS017	0.5	4.5	4.0	948
CPS018	1.5	5.0	3.5	371
CPS019	6.0	7.0	1.0	397
CPS020	6.0	7.0	1.0	541
CPS021	3.0	3.5	0.5	716
CPS022	0.0	4.5	4.5	812
CPS026	1.5	5.0	3.5	691
CPS027	1.0	2.5	1.5	721
CPS027	4.0	5.0	1.0	238
CPS028	7.0	8.5	1.5	488
CPS029	4.0	6.0	2.0	404
CPS030	2.0	5.0	3.0	560
CPS031	0.5	4.5	4.0	453
CPS032	1.0	5.0	4.0	404
CPS033	10.5	11.0	0.5	255
CPS036	1.0	5.0	4.0	724
CPS037	1.0	5.0	4.0	642
CPS038	0.5	4.0	3.5	1251
CPS039	1.0	4.0	3.0	1124
CPS039	7.5	8.0	0.5	481
CPS040	1.5	4.0	2.5	293
CPS041	1.5	5.0	3.5	581
CPS042	1.0	2.5	1.5	373
CPS042	4.5	5.0	0.5	323
CPS045	1.5	2.0	0.5	3030
CPS050	1.0	2.0	1.0	558
CPS050	4.0	4.5	0.5	241
CPS052	3.5	4.0	0.5	278
CPS053	3.0	3.5	0.5	237
CPS054	2.0	2.5	0.5	289
CPS054	4.5	5.0	0.5	243
CPS057	1.0	3.5	2.5	1199
CPS058	0.5	2.5	2.0	1253
CPS058	4.5	5.0	0.5	265
CPS058	6.0	6.5	0.5	778



CPS059	1.5	2.0	0.5	639
CPS060	2.0	3.5	1.5	922
CPS061	0.0	2.0	2.0	229
CPS063	0.5	3.5	3.0	772
CPS064	1.0	1.5	0.5	315
CPS065	1.5	2.5	1.0	572
CPS067	2.0	2.5	0.5	250

Lake Way Sonic Drill Intersections using 200ppm U3O8 cutoff

Hole No	From (m)	To (m)	Metres	U3O8 (ppm)
LWS001	1.5	3.0	1.5	684
LWS001	5.0	6.0	1.0	252
LWS002	2.5	3.5	1.0	476
LWS003	5.5	6.0	0.5	541
LWS005	2.0	3.0	1.0	393
LWS005	4.0	4.5	0.5	213
LWS006	2.0	4.0	2.0	913
LWS007	1.5	5.0	3.5	1202
LWS008	3.0	9.0	6.0	322
LWS009	1.5	2.5	1.0	327
LWS010	2.0	5.5	3.5	452
LWS011	1.5	8.0	6.5	562
LWS012	1.0	6.5	5.5	353
LWS013	3.0	3.5	0.5	374
LWS016	2.5	4.0	1.5	534
LWS016	6.0	6.5	0.5	253
LWS017	2.5	6.5	4.0	333
LWS018	3.0	4.0	1.0	490
LWS018	5.5	6.0	0.5	278
LWS019	8.5	10.0	1.5	1455
LWS020	8.5	10.5	2.0	229
LWS021	8.0	8.5	0.5	205
LWS021	9.5	10.5	1.0	982
LWS021	13.5	14.0	0.5	453
LWS023	3.0	3.5	0.5	365
LWS023	4.5	6.0	1.5	248
LWS023	7.5	8.5	1.0	278
LWS023	10.5	13.0	2.5	353
LWS024	10.0	11.5	1.5	1082
LWS028	6.0	7.0	1.0	321
LWS029	9.0	10.0	1.0	208
LWS030	6.0	7.0	1.0	437
LWS031	8.0	9.0	1.0	420
LWS032	4.5	6.5	2.0	427
LWS033	7.0	9.0	2.0	313
LWS034	4.0	4.5	0.5	256
LWS035	3.5	6.0	2.5	381

Coordinates for all holes listed

Hole No	Hole Type	Grid	Easting	Northing	RL	Hole Depth	Lease	Prospect
CPS001	Sonic	MGA94_51	238017	7027764	491.4	9.0	M53/224	Centipede
CPS002	Sonic	MGA94_51	237900	7027905	492.4	9.0	M53/224	Centipede
CPS003	Sonic	MGA94_51	238071	7028051	493.7	9.0	M53/224	Centipede
CPS007	Sonic	MGA94_51	237946	7028203	495.9	11.0	M53/224	Centipede
CPS008	Sonic	MGA94_51	238110	7028339	492.8	9.0	M53/224	Centipede
CPS009	Sonic	MGA94_51	238259	7028443	491.9	9.0	M53/224	Centipede
CPS010	Sonic	MGA94_51	238580	7028682	491.6	9.0	M53/224	Centipede
CPS017	Sonic	MGA94_51	238620	7028960	491.6	9.0	M53/224	Centipede
CPS018	Sonic	MGA94_51	238785	7029078	491.3	9.0	M53/224	Centipede
CPS019	Sonic	MGA94_51	237708	7028520	494.9	11.0	M53/224	Centipede
CPS020	Sonic	MGA94_51	237881	7028626	495.1	11.0	M53/224	Centipede
CPS021	Sonic	MGA94_51	238337	7029000	492.0	9.0	M53/224	Centipede
CPS022	Sonic	MGA94_51	238661	7029246	491.5	9.0	M53/224	Centipede
CPS026	Sonic	MGA94_51	238535	7029401	491.7	9.0	M53/224	Centipede
CPS027	Sonic	MGA94_51	238674	7029507	491.3	9.0	M53/224	Centipede
CPS028	Sonic	MGA94_51	238099	7029324	496.0	12.0	M53/224	Centipede
CPS029	Sonic	MGA94_51	238272	7029445	492.9	10.0	M53/224	Centipede
CPS030	Sonic	MGA94_51	238418	7029564	492.0	9.0	M53/224	Centipede
CPS031	Sonic	MGA94_51	238578	7029676	491.6	9.0	M53/224	Centipede
CPS032	Sonic	MGA94_51	238659	7029738	491.5	9.0	M53/224	Centipede
CPS033	Sonic	MGA94_51	237161	7028855	496.1	16.0	M53/224	Centipede
CPS036	Sonic	MGA94_51	238146	7029608	491.7	9.0	M53/224	Centipede
CPS037	Sonic	MGA94_51	238300	7029718	491.8	9.0	M53/224	Centipede
CPS038	Sonic	MGA94_51	238461	7029836	491.6	9.0	M53/224	Centipede
CPS039	Sonic	MGA94_51	238623	7029954	491.5	9.0	M53/224	Centipede
CPS040	Sonic	MGA94_51	238773	7030074	491.2	9.0	M53/224	Centipede
CPS041	Sonic	MGA94_51	238177	7029882	491.4	9.0	M53/224	Centipede
CPS042	Sonic	MGA94_51	238501	7030119	491.4	9.0	M53/224	Centipede
CPS045	Sonic	MGA94_51	237902	7029919	491.8	9.0	M53/224	Centipede
CPS050	Sonic	MGA94_51	237786	7030075	491.8	8.0	M53/224	Centipede
CPS052	Sonic	MGA94_51	238102	7030312	491.4	8.0	M53/224	Centipede
CPS053	Sonic	MGA94_51	238264	7030438	491.4	8.0	M53/224	Centipede
CPS054	Sonic	MGA94_51	238348	7030505	491.2	8.0	M53/224	Centipede
CPS057	Sonic	MGA94_51	236593	7029666	491.7	9.0	M53/224	Centipede
CPS058	Sonic	MGA94_51	236465	7029836	491.7	9.0	M53/224	Centipede
CPS059	Sonic	MGA94_51	236628	7029949	491.7	6.3	M53/224	Centipede
CPS060	Sonic	MGA94_51	236235	7030154	492.0	7.0	M53/224	Centipede
CPS061	Sonic	MGA94_51	236387	7030276	491.9	7.0	M53/224	Centipede
CPS063	Sonic	MGA94_51	236107	7030311	492.0	6.5	M53/224	Centipede
CPS064	Sonic	MGA94_51	236270	7030423	491.6	6.0	M53/224	Centipede
CPS065	Sonic	MGA94_51	235987	7030469	492.2	6.3	M53/224	Centipede
CPS067	Sonic	MGA94_51	235749	7030788	492.1	6.0	M53/224	Centipede

LWS001	Sonic	MGA94_51	233314	7043934	492.4	8.0	E53/1132	Lake Way
LWS002	Sonic	MGA94_51	233449	7043998	492.5	8.5	E53/1132	Lake Way
LWS003	Sonic	MGA94_51	233656	7044090	492.6	9.0	E53/1132	Lake Way
LWS005	Sonic	MGA94_51	233439	7043819	492.4	10.5	E53/1132	Lake Way
LWS006	Sonic	MGA94_51	233600	7043896	492.4	11.5	E53/1132	Lake Way
LWS007	Sonic	MGA94_51	233724	7043949	492.5	9.0	E53/1132	Lake Way
LWS008	Sonic	MGA94_51	233863	7044010	492.5	9.0	E53/1132	Lake Way
LWS009	Sonic	MGA94_51	233507	7043685	492.7	6.3	E53/1132	Lake Way
LWS010	Sonic	MGA94_51	233652	7043752	492.3	8.0	E53/1132	Lake Way
LWS011	Sonic	MGA94_51	233788	7043816	492.3	10.5	E53/1132	Lake Way
LWS012	Sonic	MGA94_51	233917	7043866	492.4	10.5	E53/1132	Lake Way
LWS013	Sonic	MGA94_51	234057	7043935	492.7	10.5	E53/1132	Lake Way
LWS016	Sonic	MGA94_51	233843	7043673	492.6	8.0	E53/1132	Lake Way
LWS017	Sonic	MGA94_51	233989	7043732	492.7	10.0	E53/1132	Lake Way
LWS018	Sonic	MGA94_51	234117	7043801	493.0	12.0	E53/1132	Lake Way
LWS019	Sonic	MGA94_51	234265	7043857	493.5	12.0	E53/1132	Lake Way
LWS020	Sonic	MGA94_51	234405	7043918	493.6	14.0	E53/1132	Lake Way
LWS021	Sonic	MGA94_51	234541	7043980	494.4	15.0	E53/1132	Lake Way
LWS023	Sonic	MGA94_51	234328	7043722	494.5	15.5	E53/1132	Lake Way
LWS024	Sonic	MGA94_51	234469	7043788	494.6	15.0	E53/1132	Lake Way
LWS028	Sonic	MGA94_51	233609	7042894	493.5	14.0	E53/1132	Lake Way
LWS029	Sonic	MGA94_51	233720	7042935	495.5	14.5	E53/1132	Lake Way
LWS030	Sonic	MGA94_51	233671	7042756	493.3	9.5	E53/1132	Lake Way
LWS031	Sonic	MGA94_51	233812	7042823	494.8	12.0	E53/1132	Lake Way
LWS032	Sonic	MGA94_51	233945	7042712	493.3	12.0	E53/1132	Lake Way
LWS033	Sonic	MGA94_51	234080	7042771	493.6	12.0	E53/1132	Lake Way
LWS034	Sonic	MGA94_51	233935	7042543	492.3	9.0	E53/1132	Lake Way
LWS035	Sonic	MGA94_51	234081	7042605	492.6	9.5	E53/1132	Lake Way

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

TORO ENERGY LTD		
	Quarter ended	
ABN. 48 117 127 590	March 2011	
Consolidated statement of cash flows (Note 6.0)		
Cash flows related to operating activities	Current quarter	Year to date
	\$A'000	(9 months) \$A'000
1.1 Receipts from product sales and related debtors	-	-
1.2 Payments for		
(a) exploration and evaluation	(3,070)	(13,325)
(b) development	-	-
(c) production	-	-
(d) administration	(222)	(1,850)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	239	2,093
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other	-	-
Net Operating Cash Flows	(3,053)	(13,082)
Cash flows related to investing activities		
1.8 Payment for purchases of:		
(a) prospects	-	(7,300)
(b) equity investments	-	-
(c) other fixed assets	(99)	(740)
1.9 Proceeds from sale of:		
(a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	-	15
1.10 Loans to other entities	-	-
1.11 Loans repaid by other entities	-	-
1.12 Other - Purchase of Pastoral Lease	-	(1,200)
Net Investing cash flows	(99)	(9,225)
1.13 Total operating and investing cash flows (carried forward)	(3,152)	(22,307)
1.13 Total operating and investing cash flows (brought forward)	(3,152)	(22,307)
Cash flows related to financing activities		
1.14 Proceeds from issues of shares, options, etc	-	-
1.15 Proceeds from sale of forfeited shares	-	-
1.16 Proceeds from borrowings	-	-
1.17 Repayment of borrowings	-	-
1.18 Dividends paid	-	-
1.19 Other	-	-
Net financing cash flows	-	-
Net increase (decrease) in cash held	(3,152)	(22,307)
1.20 Cash at beginning of quarter / year to date	35,356	54,511
1.21 Exchange rate adjustments to item 1.20	-	-
1.22 Cash at end of quarter	32,204	32,204

<b>Payments to directors of the entity and associates of the directors</b>		
<b>Payments to related entities of the entity and associates of the related entities</b>		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	167
1.24	Aggregate amount of loans to the parties included in item 1.10	-
<b>1.25 Explanation necessary for an understanding of the transactions</b>		
Directors' fees, wages, expenses and superannuation for the Quarter		
<b>Non-cash financing and investing activities</b>		
2.1	Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows	
Nil		
2.2	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
3.1	Loan facilities	-
3.2	Credit standby arrangements	-
<b>Estimated cash outflows for next quarter</b>		
		\$A'000
4.1	Exploration and evaluation	9,500
4.2	Development	-
4.3	Production	-
4.4	Administration	700
Total		10,200
<b>Reconciliation of cash</b>		
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.		Current quarter \$A'000
		Previous quarter \$A'000
5.1	Cash on hand and at bank	1,276
5.2	Deposits at call	30,928
5.3	Bank overdraft	
5.4	Other (provide details)	
<b>Total: cash at end of quarter (item 1.22)</b>		32,204
		35,356



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>	964,936,676	964,936,676	Fully paid	Fully paid
7.4 Changes during quarter (a) Increases through issues (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>Excise Price</u>	<u>Expiry Date</u>
	1,000,000		\$0.45	31/03/2012
	500,000		\$0.65	26/09/2011
	440,000		\$0.88	11/12/2011
	200,000		\$1.15	18/03/2012
	100,000		\$1.21	09/04/2012
	20,000		\$1.21	18/02/2012
	100,000		\$1.21	02/07/2012
	760,000		\$0.61	13/12/2012
	500,000		\$0.73	18/11/2012
	3,000,000		\$0.73	19/11/2012
	850,000		\$0.55	06/08/2013
	1,665,000		\$0.25	17/12/2013
	1,000,000		\$0.25	19/03/2014
	5,555,000		\$0.22	02/02/2015
	4,270,000		\$0.22	03/01/2016
7.8 Issued during quarter				

7.9	Exercised during quarter				
7.10	Cancelled during quarter	4,000,000 2,000,000		<u>Excise Price</u> \$0.40 \$0.35	<u>Expiry Date</u> 23/03/2011 31/03/2011
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: 28 Apr 2011

DONALD STEPHENS

Print name: .....

### 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
	<u>Northern Territory</u>		
EL26478	Reduction - Reynolds Range (526km <sup>2</sup> to 75km <sup>2</sup> )	100%	100%
EL26287	Reduction - Reynolds Range (579km <sup>2</sup> to 254km <sup>2</sup> )	100%	100%
EL28042	Granted - Tanami	0%	100%
EL28054	Granted - McArthur	0%	100%
	<u>Western Australia</u>		
E36/750	Granted - Wiluna Tenement	0%	100%
E80/4449	Granted - Lake MacKay	0%	100%