

## ASX RELEASE

Tuesday, 1 February 2011

# Toro achieves majority ownership in Birrindudu uranium JV in WA with Cameco

*Toro Energy Limited ("Toro" / ASX: TOE) is pleased to announce that, following expenditure of more than A\$1million and successful completion of five Reverse Circulation (RC) and thirteen aircore drill holes, Toro has achieved a majority 50.01% ownership interest in the Birrindudu Uranium Joint Venture ("JV") in far northeastern Western Australia.*

## Birrindudu Uranium Joint Venture (WA)

The Birrindudu Uranium Project consists of nine exploration tenements (1,613sq km, Figure 1), covering the regional unconformity between the Tanami Domain and the Birrindudu Basin. The geological setting is analogous with the Alligator Rivers uranium field in the Northern Territory that hosts Ranger and Jabiluka uranium ore bodies. Toro and Cameco are jointly exploring for high-grade uranium near the unconformity, using a modified Athabasca Basin model, focussing exploration on conductive basement structures and alteration plumes evident in electromagnetic data. Toro will be the first Manager and Operator of the JV.

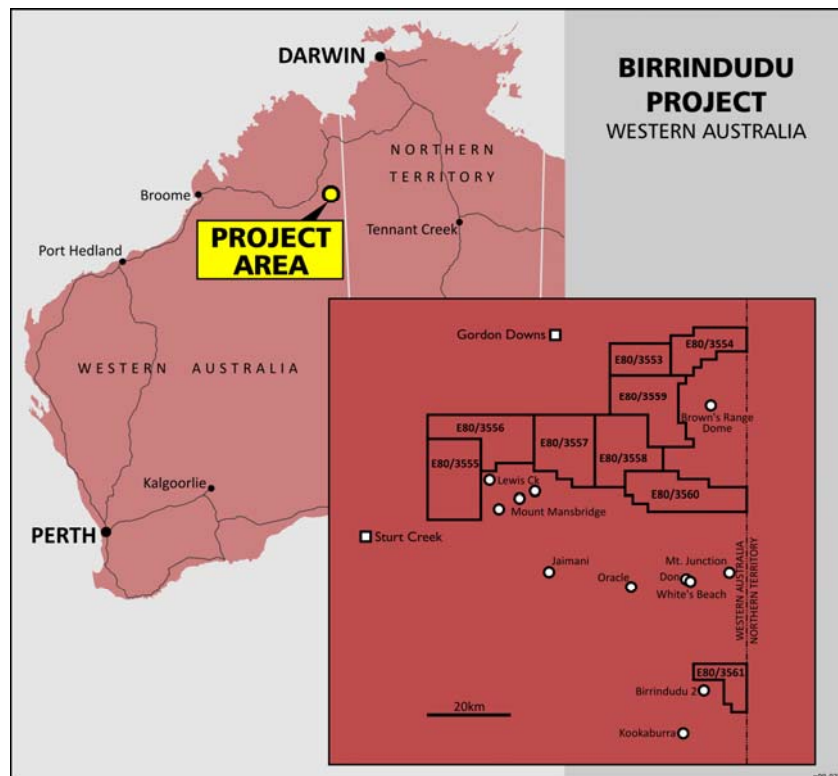


Figure 1: Location and aerial extent of the Birrindudu JV with Cameco

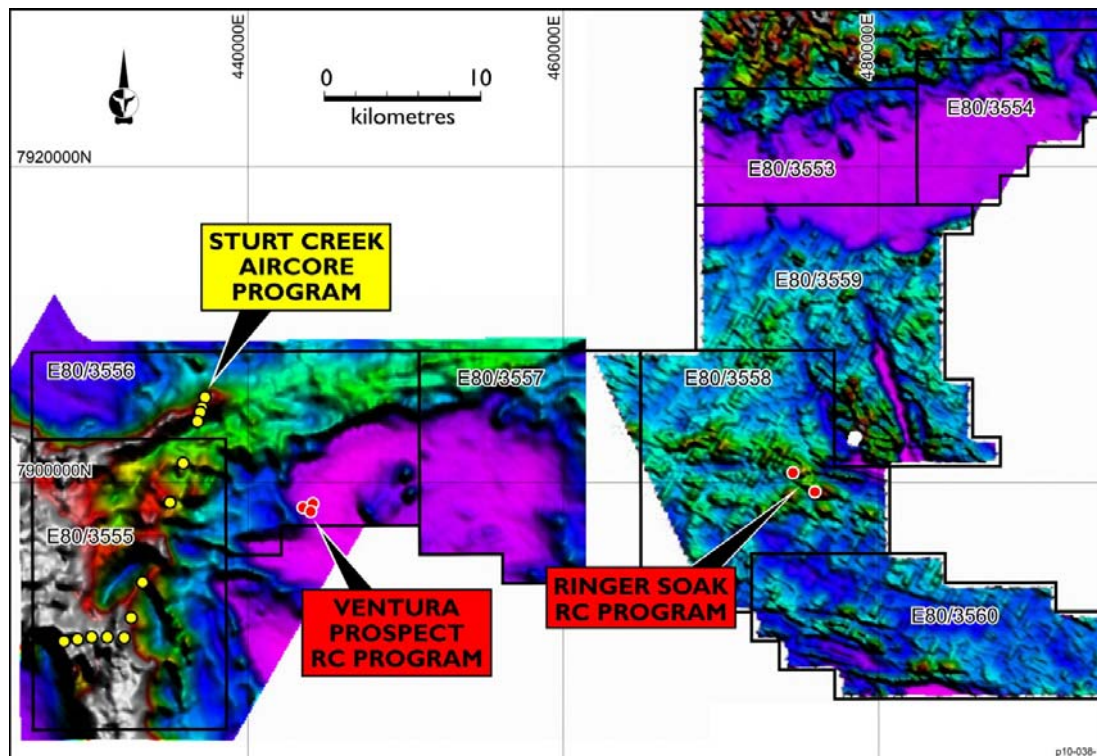


Figure 2: Airborne EM image of the Birrindudu Project area with 2010 drill locations

During 2010, thirteen aircore holes for 950m were drilled in the western part of the project area and five RC drill holes for 804m were drilled testing airborne EM anomalies (*Ringer Soak and Ventura respectively; Figure 2*).

The most encouraging results were from RC drill holes BR0001 and BR0003 at the Ventura prospect where dark grey, pyritic and now confirmed graphitic alteration (*Figure 3*) was intersected in Gardiner Sandstone over a 30m wide interval. Highly anomalous potassium and aluminium along with anomalous copper, lead, zinc, silver, arsenic, selenium and uranium occur over this interval. This shallow zone is interpreted to be an alteration plume from a deeper mineralised source, perhaps at or near the unconformity and represents an exciting follow-up drill target scheduled for testing in 2011.



Figure 3: RC sample pulps showing comparison of grey and graphitic altered, with adjacent unaltered Gardiner Sandstone.

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## **Comment by Toro Energy Managing Director, Mr Greg Hall:**

*“The results from this first pass drilling program at Birrindudu confirm our exploration model for unconformity-style uranium mineralisation. I congratulate the exploration team on what has been an excellent technical success in a new greenfield prospect. The Joint Venture partners look forward to further exciting drill results in this highly prospective area during the course of 2011.”*

### **Greg Hall** Managing Director

*Information in this report is based on Exploration Results compiled by Mr Mark McGeough who is a Member of the Australasian Institute of Mining and Metallurgy. Mr McGeough 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 McGeough consents to the inclusion in this release of the matters based on his information in the form and context in which it appears.*

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Toro Energy is a modern Australian uranium company with progressive project development, acquisition and growth. The company is based in Adelaide, South Australia with a project office in Perth, Western Australia.

Toro’s flagship and wholly-owned Wiluna uranium project (includes existing mining lease) is 30 kilometres southeast of Wiluna in Central Western Australia.

Wiluna contains two shallow calcrete deposits, Lake Way and Centipede, with prefeasibility and optimisation studies completed and a definitive feasibility study underway. Toro has commenced the Approvals process targeting the Company’s first uranium production by late 2013.

Toro has three other exploration and development projects in Western Australia, and owns uranium assets in Northern Territory, South Australia and in Namibia, Africa. Toro is well funded with a supportive major shareholder in OZ Minerals.

[www.toroenergy.com.au](http://www.toroenergy.com.au)