



**Chairman's Address**  
**Toro Energy Limited Annual General Meeting**  
**Wednesday 30 November 2011**

I am pleased to offer the report on the 2010 /2011 year which has previously been circulated to you in the annual report. I would like to highlight a few points from this report, as well as the continuing significant progress which has been made by your Company since the end of the financial year.

The devastating earthquake and tsunami in Japan in March this year resulted in the Fukushima Daichii nuclear plant accident. From our shock at the loss of life and property from the earthquake and tsunami, we watched while TEPCO and the Japanese authorities brought the damaged power stations under control. There is no doubt that this accident has impacted on public perception of nuclear power. However due to the immediate precautionary 20km evacuation zone, the International Atomic Energy Agency preliminary summary is that “to date no health effects have been reported in any person as a result of radiation exposure from the nuclear accident”. It is now believed that no member of the public was exposed to any harmful levels of radiation.

The Managing Director will discuss this subject further during his presentation, including the impact on uranium supply and demand, and I refer shareholders to the letter published in June by Toro regarding the earthquake and tsunami, copies of which are available at the meeting entrance.

Toro Energy is confident that lessons learnt from Fukushima will be effectively applied, that the long term impact on nuclear energy expansion will be minimal, and that your Company is part of an expanding industry globally which can continue to grow safely.

Toro has continued to advance its flagship Wiluna Uranium Project. During and subsequent to the year-end we have also substantially increased the contained resource base of the Wiluna Regional Resources from 24 million lbs uranium oxide at 30 June 2010, to just over 50 million lbs uranium oxide by 10 October 2011. This was achieved through the acquisition of the Dawson-Hinkler and Millipede uranium deposits, and the purchase of a significant portion of the Nowthanna uranium deposit, along with the resource remodeling of these. These acquisitions took substantial time and effort to achieve and at very value-additive prices, and will take some years of additional work to determine their economic feasibility. The Business Development and Finance teams are to be commended for their professional perseverance.

The Wiluna Project team achieved a first in Western Australia with the completion of the Environmental Review and Management Plan, or “ERMP”, which was released for public review on 25 July 2011. The closing period for submissions was 31 October 2011, with 48 submissions received of which 15 were a standard form letter from the WA Conservation Council website.

The Wiluna team is now working on the responses and any additional information required for the final ERMP submission which we anticipate will be in early to mid December. Subject to WA and Federal Government process, Toro Energy anticipates final government approval for the Project around mid-2012.

A pilot process plant, utilising a bulk ore sample from the 2010 resource test pit operations, was very successfully trialed for the Wiluna Project during August and September this year. As well as proving the overall uranium extraction process, this plant also provided significant technical and economic data for ongoing project evaluation and detailed feasibility and engineering design.

Further groundwater barrier trials, along with geological and hydrogeological drilling, were carried out at the Wiluna site post year end, providing significant additional information for approval assessment, and for completion of detailed feasibility. The Wiluna Project team is to be commended for their safe and effective site operations during the year, with no serious accidents or incidents occurring.

Last, but not least, the Toro Exploration team has received an excellent reward for their persistent efforts, with the Theseus Project discovery announced last year now developing into a major regional uranium province. Some very high uranium grades have been intersected, and a very significant exploration target range of 22 to 44 million lbs contained uranium oxide has been announced.

Toro continues to actively assess business development opportunities for its future growth and to provide a pipeline of production opportunities. These include resource extensions, project or corporate acquisitions, and other significant potential M&A growth opportunities. Toro's aim is to be a sustainable and significant uranium producer into the long term global nuclear market, and while discoveries like Theseus help to achieve this, we will need to continue to pursue other growth opportunities.

Shareholders will note that Toro Energy is currently in a Trading Halt pending an announcement regarding a proposed capital raising. It would be inappropriate for me to make comment about this at this time, however shareholders will be informed via an announcement when we re-commence trading.

I take this opportunity to thank the whole Toro Energy team. We have had a very difficult and very busy year and I think you will agree with me that much has been achieved. On behalf of the Board of Directors, I thank Greg Hall and all of the staff, contractors and consultants who have actively contributed over the past year.

Thank you.

Erica Smyth

Chairman of the Toro Energy Board

## COMPETENT PERSONS STATEMENT AND RESOURCE TABLE

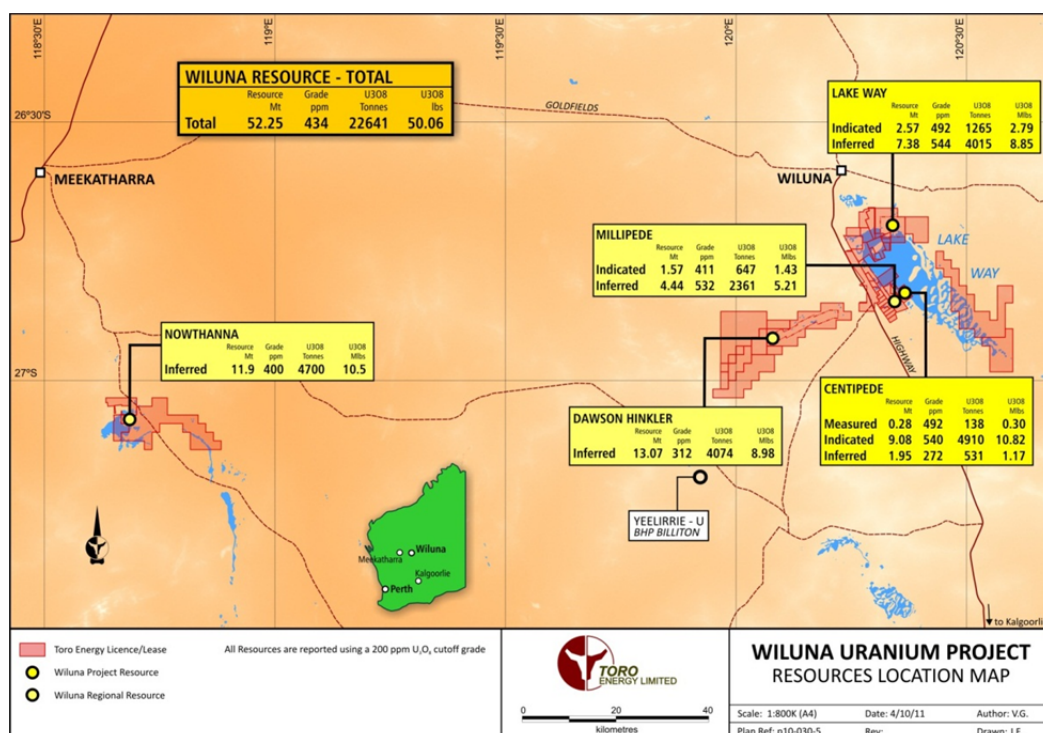
Project Name	Category	Resource M Tonnes	Grade U <sub>3</sub> O <sub>8</sub>	Contained U <sub>3</sub> O <sub>8</sub> , tonnes	Contained U <sub>3</sub> O <sub>8</sub> , Mlb
Centipede	Measured	0.28	492	138	0.30
Centipede	Indicated	9.08	540	4,910	10.82
Centipede	Inferred	1.95	272	531	1.17
Lake Way	Indicated	2.57	492	1,265	2.79
Lake Way	Inferred	7.38	544	4,015	8.85
<b>Total Wiluna Uranium Project</b>		<b>21.27</b>	<b>510</b>	<b>10,859</b>	<b>23.94</b>
Millipede	Indicated	1.57	411	647	1.43
	Inferred	4.44	532	2,361	5.21
Dawson Hinkler Well	Inferred	13.07	312	4,074	8.98
Nowthanna *	Inferred	11.90	400	4,700	10.50
<b>Total Wiluna Regional Resources</b>		<b>30.98</b>	<b>382</b>	<b>11,782</b>	<b>26.12</b>
<b>Total Wiluna Project and Regional</b>		<b>52.25</b>	<b>434</b>	<b>22,641</b>	<b>50.06</b>

All Resources are reported using a 200 ppm U<sub>3</sub>O<sub>8</sub> cutoff grade

\*Note: Toro owns 100% of two tenements which comprise the major portion of the Nowthanna deposit – Toro's resource shown here.

Figure 2. Toro's total uranium resource base in the Wiluna area.

The information in this report that relates to Mineral Resources is based on information compiled by Dr Katrin Karner and Mr Craig Gwatkin of Toro Energy Limited, Mr Robin Simpson and Mr Daniel Guibal of SRK Consulting (Australasia) Pty Ltd. Daniel Guibal takes overall responsibility for the Resource Estimate, and Dr Karner takes responsibility for the integrity of the drilling results. Dr Karner, Mr Gwatkin, Mr Simpson and Mr Guibal are Members of the Australasian Institute of Mining and Metallurgy (AusIMM), and have sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity they are undertaking to qualify as Competent Persons as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code 2004)'. The Competent Persons consent to the inclusion in this release of the matters based on the information in the form and context in which it appears.



# Theseus Project Target Exploration Range

**20Mt to 40Mt @ approx 400 to 500 parts per million (ppm)  $U_3O_8$ ,  
for 10,000t to 20,000t  $U_3O_8$  or 22Mlb to 44Mlb  $U_3O_8$  #.**

<b># CAUTIONARY STATEMENT</b>
The Exploration Target Range (ETR) is conceptual in nature and there has been insufficient exploration completed to define this material as a Mineral Resource. There is no certainty that the further work referred to herein will result in the determination of a Mineral Resource.

*Information in this report is based on information compiled by Mr Mark McGeough, who is a Fellow 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.*

*Information in this report relating to Deconvolved Gamma Results, 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.*

*\* Downhole gamma logging of drill holes provides a powerful tool for uranium companies to explore for and evaluate uranium deposits. Such a method measures the natural gamma rays emitted from material surrounding a drill hole. Gamma radiation is measured from a volume surrounding the drill hole that has a radius of approximately 35cm. The gamma probe is therefore capable of sampling a much larger volume than the geological samples recovered from any normal drill hole.*

*Gamma ray measurements are used to estimate uranium concentrations with the commonly accepted initial assumption being that the uranium is in (secular) equilibrium with its daughter products (or radio-nuclides) which are the principal gamma ray emitters. If uranium is not in equilibrium (viz. in disequilibrium), as a result of the redistribution (depletion or enhancement) of uranium and/or its daughter products, then the true uranium concentration in the holes logged using the gamma probe will be higher or lower than those reported in this announcement.*

*The logging of aircore was undertaken by Toro Energy Ltd utilising an Auslog Logging System. The gamma tools were calibrated in Adelaide at the Department of Water in calibration pits constructed under the supervision of CSIRO. Toro Energy carries out regular recalibration checks to validate the accuracy of gamma probe data.*

*The gamma ray data was converted from counts per second to eU3O8 using calibration factors obtained from measurements made at the calibration pits. The eU3O8 data was also adjusted by an attenuation factor, determined onsite, due to logging in drill rods. These factors also take into account differences in drill hole size and water content. The eU3O8 data has been filtered (deconvolved) to more closely reproduce the true grades and thicknesses where thin narrow zones are encountered.*

*The various calibration factors and deconvolution parameters were calculated by David Wilson BSc MSc MAusIMM from 3D Exploration Ltd based in Perth, Western Australia.*

*Bore Hole Geophysical Services based in Perth, WA collected down-hole gamma measurements along with density and resistivity measurements in mud rotary holes.*

*Downhole gamma and PFN measurements in hole LM0054 and LM0055 were collected by GAA Wireline of Mt Barker SA. For further information on the use and calibration of the PFN readers are directed to the GAA Wireline website [www.gaawireline.com](http://www.gaawireline.com)*

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