



ASX RELEASE

Monday, 13 December 2010

Toro Energy completes acquisition of Dawson-Hinkler Well Project from U3O8 Ltd

Toro Energy Limited ("Toro", ASX Code: TOE) has executed a Definitive Agreement with U3O8 Ltd ("U3O8", ASX Code: "UTO") to acquire 100% of the Dawson-Hinkler Well Uranium Project near Wiluna in Western Australia for a consideration of A\$6.2 million.

The completion of this acquisition adds significant additional resources close to Toro's advanced Wiluna Uranium Project currently being assessed for approval by the Western Australian and Federal Governments. The addition increases Toro's total Wiluna region uranium resource base by 25% to more than 30 million pounds of uranium oxide.

The Dawson-Hinkler Well Uranium Project comprises tenements M53/1092(a), E53/1254, E53/1169 and E53/1136, approximately 15 kilometres west of Toro's Centipede deposit (one of two comprising the Wiluna Project), as illustrated by the map on page 3 of this release.

On completion of the tenement transfers, Toro's total uranium resource base in the area, prepared in accordance with the JORC code, will be:

Project Name	Category	Resource Tonnes	Grade U ₃ O ₈	Contained U ₃ O ₈ , tonnes	Contained U ₃ O ₈ , 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
Total Wiluna Project		20.21	548	11,070	24.40
Dawson-Hinkler Well	Inferred	9.50	293	2,800	6.20
Total		29.71	467	13,870	30.60

Prepared at a 200ppm U3O8 cut-off grade

The commercial terms of the Definitive Agreement remain unchanged from the Memorandum of Understanding announced by Toro on 19 October 2010.

In 2011, Toro will initiate drill programs and other work at Dawson-Hinkler in order to model the deposit and define the mineral resource in accordance with Toro's established methodology. Toro will also conduct preliminary test work to better define properties such as rock density and leach characteristics.

While much work remains to be undertaken at Dawson-Hinkler, Toro believes this agreement is an exciting and important enhancement of its position in the Wiluna region and is in line with the Company's stated aim of resource consolidation.

Greg Hall
Managing Director

An Emerging Australian Uranium Producer

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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.

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.

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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 2012/early 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.

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