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**NEW TORO-STELLAR PARTNERSHIP BOOSTS PRIME
S.A. GAWLER CRATON URANIUM PROSPECT**

Exploration of one of South Australia's prime Gawler Craton uranium projects is to be boosted under a proposed new joint venture announced today between Toro Energy and Stellar Resources.

Uranium explorer, Toro Energy Limited (ASX code "TOE"), plans to spend more than \$3 million in a staged farm-in over the next four years on parts of the highly prospective Warrior Project owned by listed base metals and gold explorer, Stellar Resources Limited (ASX code "SRZ").

The Stellar tenements, EL 3372 and EL 3369W – are to the immediate north and south of the Toro Energy Warrior project tenement, EL 3040 – in which Toro Energy is earning 75% of the uranium rights from Range River Gold Ltd.

The proposed joint venture provides Toro with access to a contiguous "whole of Warrior uranium project" exploration corridor while Stellar retains a significant 30% equity stake in any exploration success on its tenements, as it concentrates on its key copper and gold projects.

Under a Memorandum of Understanding announced by Toro and Stellar today, both companies are expected to formalise the Warrior joint venture within a month.

The acquisition is the first expansion move by Toro since it listed on the ASX in March this year and coincides with the start this week by the Company on its first major exploration work across its Warrior acreage.

Formal completion of the Joint Venture will allow the Stellar-owned acreage to be included immediately in Toro's newly launched Warrior exploration initiatives.

"Warrior has been called the most significant palaeochannel uranium occurrence within SA's Gawler Craton," Toro's Managing Director, Mr Greg Hall, said today.

"Previous drilling, including work by Stellar this year, Minotaur Exploration last year, and PNC Exploration in the 1970s, has confirmed the widespread extent of uranium within the Warrior palaeochannel," Mr Hall said.

“We have reviewed all such data and believe it continues to show the uranium potential of the tenements. Once the joint venture is formalised, we should be readily able to add the Stellar acreage into this new work program.”

Stellar Chairman, Mr Tom Burrowes, said the proposed joint venture provided a more rapid and higher level financial and exploration focus on the uranium potential of EL 3372 and EL 3369W than under Stellar’s current project scheduling.

“We have exciting copper and gold projects maturing to critical stages elsewhere in Australia and the Toro partnership allows our interest in Warrior to be significantly advanced without loss of exposure to the project’s upside,” Mr Burrowes said.

“Subject to exploration success, any invigorated exploration drive at Warrior on a sooner rather than later basis will also ensure maximum project potential for Stellar and Toro for development and offtake opportunities.”

To generate additional exploration information from Warrior, Toro this week is commencing a significant airborne EM survey on 400m spaced flight lines over the Warrior palaeochannel as well as an infill drilling program over the lines previously worked last year by Minotaur Exploration.

Warrior farm-in terms

Under the proposed joint venture terms, Toro will farm into Stellar’s EL 3372 and EL 3369W tenements. The agreement includes:

- \$150,000 up-front access payment
- \$1.5 million exploration expenditure by Toro over 2 years to earn 51% equity
- Toro can then elect to spend a further \$1.75 million on exploration expenditure over the following 2 years to increase its equity to 70%
- Stellar will retain a 30% equity after this \$3.25 million spend.

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