



TORO ENERGY LIMITED

ASX Release

Renounceable Rights Issue to raise A\$26m to advance Australian uranium projects OZ Minerals to take up full 46% entitlement

Highlights

- 1 for 3.8 renounceable Rights Issue at 20 cents per share to raise A\$26.0 million
- Rights Issue price set at 11% and 19% discount to the respective 10 and 30 day volume weighted average prices of \$0.224 and \$0.247 per Share as at 30 September 2008
- Rights Issue available to all registered holders of Toro shares as at the Record Date, being 10 October 2008
- OZ Minerals has undertaken to subscribe for its full entitlement, representing approximately 46% or A\$12m of the Rights Issue
- Proceeds to be used to fund Toro's ongoing project development, including the advanced Wiluna (WA) and Napperby (NT) uranium projects

The Offer

Toro Energy Ltd ("Toro" or "the Company") is pleased to announce a 1 for 3.8 renounceable pro rata Rights Issue to Shareholders to raise up to a total of approximately A\$26.0 million through the issue of approximately 130.2 million new fully paid ordinary Shares in Toro at an issue price of 20 cents per ordinary share. This represents a 11% discount to the 10 day volume weighted average price of \$0.224 per Share and a 19% discount on the 30 day volume weighted average price of \$0.247 per Share on 30 September 2008.

The Rights Issue will provide Shareholders with the opportunity to increase their investment in Toro at an attractive price. Funds raised will be primarily used to accelerate the Company's Australian uranium projects, allowing Toro to advance towards becoming one of the few sustainable uranium producers listed on the ASX.

To this end, OZ Minerals Limited ("OZ Minerals"), a substantial Shareholder accounting for approximately 46% of Toro's shares on issue, has undertaken to subscribe for its full entitlement under the Rights Issue determined as at the Record Date, demonstrating its continuing support for Toro and its portfolio of advanced uranium projects.

Use of Funds

Proceeds from the Rights Issue will be used primarily to fund Toro's ongoing project development and exploration, including:

- Acceleration of the Wiluna Uranium Project to bankable feasibility status in the context of an improved political environment in Western Australia and following the recent completion of a successful prefeasibility study that demonstrated economic viability;
- Advancing the Napperby Uranium Project near Alice Springs in the Northern Territory (where Toro has an option to acquire 100% of the project), to prefeasibility status through completion of a scoping study and expansion of the JORC resource base; and
- Progressing high priority uranium exploration targets in Western Australia, the Northern Territory and South Australia.

1 October 2008

ASX Code: TOE

ACN 117 127 590

TORO ENERGY LIMITED
3 Boskenna Avenue
Norwood 5067
South Australia

Tel: +61 8 8132 5600
Fax: +61 8 8362 6655

W: www.toroenergy.com.au
E: info@toroenergy.com.au

Eligibility and Indicative Timetable

Shareholders whose registered addresses are in Australia or New Zealand (“Eligible Shareholders”) and who are registered as at 5:00pm (ACDT) on 10 October 2008 (the “Record Date”) will be given the opportunity to subscribe for shares pursuant to the issue. Please note that Toro shares will be quoted on an “ex” basis from 3 October 2008, and therefore any Toro shares bought or sold on market on or after this date will not carry entitlements under the Rights Issue.

In relation to Shareholders with a registered address outside Australia and New Zealand (“Foreign Shareholders”), Toro has appointed the Royal Bank of Canada as an ASIC approved nominee to sell the rights to which those Foreign Shareholders are entitled on market.

Toro intends to conduct the Rights Issue according to the following indicative timetable:

Offer announced	1 October 2008
Offer Memorandum lodged with ASX	1 October 2008
Notice of Rights Issue sent to shareholders	2 October 2008
Shares quoted on an “ex” Entitlement basis	3 October 2008
Rights trading commences	3 October 2008
Record Date	10 October 2008
Offer Memorandum and Entitlement and Acceptance Forms despatched to Eligible Shareholders – Offer Opens	15 October 2008
Rights trading ends	30 October 2008
Closing date for acceptances	7 November 2008
Issue of new Shares and despatch date	17 November 2008

This timetable is indicative only and subject to change. Subject to the ASX Listing Rules, the Directors of Toro Energy reserve the right to vary these dates, including the closing date of the Offer, without prior notice.

Full details of the Rights Issue, including the proposed ASX code of the traded rights, will be contained in the Offer Memorandum to be lodged with the ASX and to be despatched to Eligible Shareholders in accordance with the timetable set out above. The Offer Memorandum is also available on the Toro website: www.toroenergy.com.au.

Toro has appointed Gryphon Partners as its corporate advisor and RBC Capital Markets has been appointed as Broker to the Offer.

The next phase of Toro’s evolution as an emerging top tier ASX listed uranium company should be an exciting time for the Company and its shareholders. Toro welcomes and appreciates its Shareholders’ support in the Company’s progress towards its goal of becoming a significant sustainable uranium producer.



Greg Hall
Managing Director

MEDIA CONTACT:

Greg Hall Toro Energy Ltd
Kevin Skinner Field Public Relations

08 8132 5600
08 8234 9555 / 0414 822 6313