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CLEANSING NOTICE

Section 708AA(2)(f) of the Corporations Act 2001 (Cth)

On 1 October Toro Energy Limited ACN 117 127 590 (**Company**) (ASX Code: TOE) announced that it proposed to make a renounceable rights issue to shareholders on the record date at 10 October 2008, of up to 130.2 million fully paid ordinary shares in the capital of the Company (**New Shares**) at an issue price of \$0.20 each, to raise approximately \$26.0 million (before expenses of the issue) (**Rights Issue**). The New Shares will be offered on the basis of 1 New Share for every 3.8 existing shares held.

In addition to being able to apply for New Shares under the Rights Issue, eligible shareholders who take up their full entitlement under the Rights Issue will be able to apply for New Shares that are not subscribed for in the Rights Issue (**Shortfall Shares**). The directors of the Company reserve the right to issue the Shortfall Shares at their discretion within 3 months (**3 Month Period**) after the close of the Rights Issue offer period, under Exception 3 to ASX Listing Rule 7.2. The Company has engaged the services of Royal Bank of Canada to use its best endeavours to place with institutional investors any Shortfall Shares which are not taken up by eligible shareholders of the Company.

Shareholders with registered addresses in countries outside of Australia and New Zealand will not be eligible to participate in the Rights Issue (**Excluded Shareholders**). The rights to acquire the New Shares (**Rights**) will not be offered to the Excluded Shareholders and will instead be issued to Royal Bank of Canada (a nominee appointed by Toro, with the approval of the Australian Securities and Investments Commission), on the basis that Royal Bank of Canada will be required to sell those Rights and distribute to each of the Excluded Shareholders their proportion of the proceeds of the sale net of expenses.

Rights trading will commence on 3 October 2008 and will end on 30 October 2008.

An Offer Memorandum in relation to the Rights Issue and Shortfall Shares will be dispatched to all eligible shareholders together with an Entitlement and Acceptance Form, on 15 October 2008.

Pursuant to section 708AA (2)(f) of the *Corporations Act 2001* (Cth) (**Act**), the Company hereby states:

1. The Company will offer the New Shares for issue without disclosure to investors under Part 6D.2 of the Act.
2. The Company is giving this notice under section 708AA(2)(f) of the Act.
3. As at the date of this notice, the Company has complied with:
 - (a) the provisions of Chapter 2M of the Act as they apply to the Company; and
 - (b) section 674 of the Act.
4. As at the date of this notice there is no information:
 - (a) that has been excluded from a continuous disclosure notice in accordance with the ASX Listing Rules; and

- (b) that investors and their professional advisers would reasonably require for the purpose of making an informed assessment of:
 - (i) the assets and liabilities, financial position and performance, profits and losses and prospects of the Company; or
 - (ii) the rights and liabilities attaching to the New Shares.
5. The potential effect the Rights Issue will have on the control of the Company and the consequences of that effect are as follows:
- (a) At the date of this notice, the issued share capital of the Company is 494,670,520 issued fully paid ordinary shares (**Existing Shares**).
 - (b) At the date of this notice, there are 10,570,000 issued options each relating to 1 fully paid ordinary share in the Company on exercise of the option. Given that the exercise prices of the options range from a low of \$0.35 to a high of \$1.21, it is considered unlikely that any of these options will be exercised in order to enable the holders to participate in the Rights Issue in respect of shares which would be issued consequent upon exercise of the options.
 - (c) At the date of this notice, OZ Minerals Limited ACN 005 482 824 (**OZ Minerals**) holds 36,001,000 Existing Shares which represent 7.3 % of the Existing Shares and its wholly owned subsidiary OZ Minerals Agincourt Pty Ltd ACN 088 174 565 (**OZ Agincourt**) holds 191,517,860 Existing Shares which represent 38.7% of the Existing Shares. Between them, OZ Minerals and OZ Agincourt hold 46.0% of the Existing Shares.
 - (d) OZ Minerals and OZ Agincourt have used their combined voting power to ensure the election of only 2 directors (namely Peter Lester and Jeff Sells) of the 6 current directors of the Company. It is considered that at the date of this notice, neither OZ Minerals, nor OZ Agincourt nor both of them jointly controls the Company.
 - (e) OZ Minerals has undertaken to the Company that it will take up its full entitlement of 9,473,685 New Shares under the Rights Issue, and OZ Agincourt has undertaken to the Company that it will take up its full entitlement of 50,399,437 New Shares under the Rights Issue.
 - (f) Each of OZ Minerals and OZ Agincourt has advised the Company that it will not apply for any Shortfall Shares.
 - (g) Each of OZ Minerals and OZ Agincourt has undertaken to the Company that during the period (**Relevant Period**) from the date on which the Company issues to it the New Shares to which it is entitled as a result of it having taken up its full entitlement under the Rights Issue until whichever first occurs of the expiry of the 3 Month Period and the date by which the last of the Shortfall Shares are issued, neither OZ Minerals nor OZ Agincourt will exercise any increase in its voting power which is attributable to those New Shares.
 - (h) By way of example, upon each of OZ Minerals and OZ Agincourt taking up its full entitlement under the Rights Issue:
 - (i) if none of the other eligible shareholders take up their entitlements under the Rights Issue and none of the Shortfall Shares are issued during the Relevant Period, then during the Relevant Period OZ Minerals and OZ

