

ASX RELEASE

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New drilling program commences at Toro's Lake Mackay (WA) uranium discovery

A new phase of aircore drilling has commenced at Toro Energy Limited's 100% owned Lake Mackay uranium discovery in Western Australia.

The new drilling program – of at least 9000 metres - follows the discovery of the Theseus uranium prospect during Toro's highly successful first phase of aircore drilling at the Lake Mackay project late in 2009 (see ASX announcement 28 October 2009).

“Prior to last year's discovery of uranium mineralisation at the Theseus prospect, the Lake Mackay area had not experienced any form of modern exploration”, Toro's Managing Director, Mr Greg Hall, said today.

“The area is an exciting, genuine greenfields project that is considered highly prospective for a number of uranium mineralisation styles, including: palaeochannel sand hosted; sandstone hydrocarbon-associated; calcrete hosted; and iron-oxide copper gold uranium (“IOCGU”),” Mr Hall said.

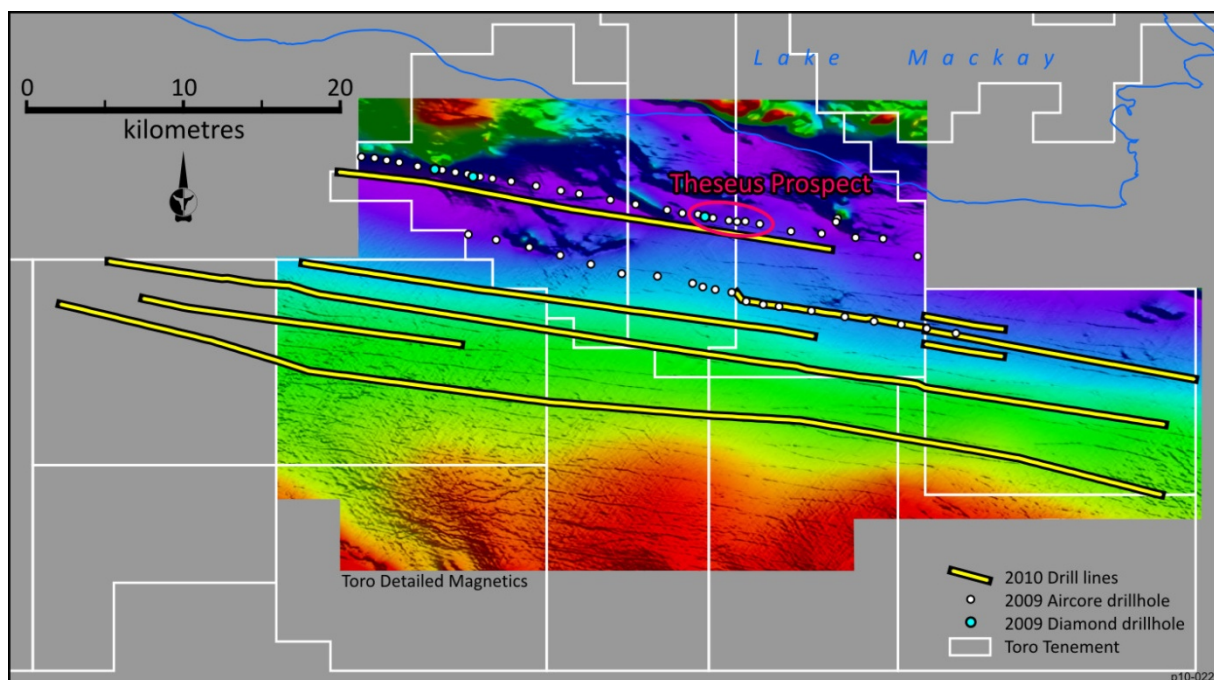


Successful uranium Aircore drilling at Lake Mackay in 2009.

The aircore drilling program currently underway is designed to delineate new areas of mineralisation around the Theseus Prospect. Aircore drilling will cheaply and efficiently test for the existence of palaeochannel trends and downhole radiometric anomalism in other parts of the project area as well as follow up other anomalous intersections from the 2009 program. This drilling program will also test near-surface conductive anomalies identified by the late 2009 Tempest airborne electromagnetic survey and the newly acquired detailed magnetics-radiometrics survey covering the eastern half of the project area (see ASX announcement 5 May 2010).

The uranium mineralisation already identified at the Theseus Prospect will be explored and in-filled by a subsequent program of mud rotary drilling totalling 10,000m, which is specifically designed for the prevailing unconsolidated wet sand conditions. Mud rotary drilling will also be used to follow-up any anomalies generated by the 2010 aircore program.

The broad regional footprint of the exploration program is illustrated in the map below.



Lake Mackay Total Magnetic Intensity Map showing planned drill traverses

The drilling schedule will see more or less continual drilling at the Lake Mackay Project from now until early September, with assay results released on a regular basis.

“We have embarked on an extensive drilling program in a frontier uranium province in which Toro is first mover. Funding is in accord with the high degree of prospectivity of the project and will see the Company well positioned to increase its stable of advanced uranium projects in Australia,” Mr Hall said.

“The drilling announced today is in addition to Toro’s recently completed detailed airborne magnetics and radiometrics survey at Lake Mackay and we are well advanced in scheduling drilling programs at our other key exploration projects. This includes Birrindudu (also in Western Australia), where Toro is in Joint Venture with Canadian major Cameco, and the Reynolds Range and Sandover projects in the Northern Territory,” he said.

Greg Hall
Managing Director

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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 the Northern Territory, South Australia and in Namibia, Africa. Toro is well funded with a supportive major shareholder in OZ Minerals.

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