



Chairman's Address

Toro Energy Limited Annual General Meeting

Wednesday 10th November 2010

I am pleased to offer the report on the 2009 /2010 year which has previously been circulated to you in the annual report. I would like to highlight a few items from it as I think in hindsight we will recognise this as a very important year for our company.

- Of most importance to me was that we completed a capital raising of \$61 million in September last year. This put your company in a very strong cash position at a difficult time in the uranium industry price cycle. As a result we have been able to progress many key parts of our business.
- We have driven significant progress on the ground at our flagship and advanced Wiluna project in Western Australia, such that the environmental approvals process has been agreed with the State Government with the Scoping Study released for public comment in May.
- During the year we also reached in Principle agreement with MMG to acquire the tenements which contain our Wiluna project where we previously held uranium rights. Included in this agreement were two pastoral leases and some houses near Wiluna. Finalisation of this agreement will put us in control of our own land tenure and is a significant risk management improvement.
- At the resource evaluation test pit at the Wiluna Centipede deposit water barrier trials were started in June

- Long term metallurgical heap leaching bench scale trials showed that the proposed heap leach process may not be as economic as first thought for the Centipede ores and further test work was commenced for alkali agitated leach.
- We completed the purchase of the Firestrike prospect to the east of the Centipede deposit in November 2009 and plan further drilling and resource assessment in 2011 subject to heritage clearances.
- We completed the project scoping study for Napperby northwest of Alice Springs and concluded that the option with Deep Yellow should not be exercised. Rehabilitation was well underway at the end of this reporting year
- Our exploration team made the discovery of the Theseus deposit at Lake Mackay in Western Australia in October 2009, we acquired new ground at Birrindudu also in WA and rationalised some of our tenement holdings in South Australia.

Looking at subsequent events post the end of the fiscal year, we have continued our multipurpose development, business development and exploration work and I am pleased to offer you the following updates on work undertaken since year end.

- Our Wiluna Project team has received approval of the environmental scoping study and is now well down the track in the preparation of a full ERMP. We anticipate this document being available for public comment in the first half of calendar 2011
- This team also completed the trials of the continuous miner at the Centipede deposit resource test pit and these proved to be very effective at both the physical digging and in providing the means for accurate grade control

- Extraction of material from the resource test pit and its rehabilitation was completed in the first half of September
- Additional benchscale testing of these samples for the agitated leach process is now underway in Perth
- Our WA exploration team has been sorely tested this field season with very unseasonally wet weather in most of the areas we regard as of high prospectivity. The work on the ground upstream of the Theseus deposit at the Lake Mackay palaeochannel deposit found evidence of low level but anomalous U in the system but we could not get any drill rigs into the Theseus area and we will now need to wait until next season to test this prospect.
- The exploration of initial targets at Birrindudu has not identified any anomalous U grades and we are now reassessing the area for further testing.
- We have been actively assessing business development opportunities, and our business development team has completed a Memorandum of Understanding with U308 to acquire approximately 2,800t of inferred U3O8 resource at Dawson- Hinkler Well**. This deposit is some 20 km west of our Centipede Deposit and offers us an opportunity to optimize the capital spend in the Wiluna region.
- And finally we have recently received formal notification from the Northern Territory department of the completion of the rehabilitation work at Napperby. This project has now been formally handed back to Deep Yellow Ltd.

I take this opportunity to thank the whole Toro Energy team. We have had a very busy year and I think you will agree with me that much has been achieved. On behalf of the Board of Directors I thank Greg Hall and all of the staff, contractors and consultants who have contributed over the past year.

Thank you.

Erica Smyth

Chair of the Toro Energy Board

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Dawson-Hinkler Well has been the subject of exploration drilling, resource definition and a scoping study completed by U3O8 Ltd during the period 2007-2009 and has an Inferred Resource, prepared in accordance with the JORC code as follows:

Cut-off Grade	Tonnes	Grade	Contained U₃O₈, tonnes	Contained U₃O₈, mlb
200ppm	9.5 million	293ppm	2,800	6.2

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.