



FOURTH QUARTER ACTIVITIES REPORT

for the quarter ending:
30 June 2011

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Subsequent to quarter end, Toro's Wiluna Uranium Project in WA entered the public review phase for its government assessment and approval process, the first WA uranium project to do so.

Expansion of Wiluna regional resource by 25% to 38mlbs U₃O₈ with purchase of ~70% of Nowthanna uranium deposit.*

Uranium targeted drilling at southern Lake Mackay area (WA) uncovers Ni-Cr-Mg mineralisation.

Along with this, Toro is evaluating the potash potential over the Lake Mackay salt lake on its tenements.

CORPORATE

- Two senior appointments strengthen Toro's product marketing, financing and Wiluna Project teams.
- Subsequent to quarter end, Toro signed a non-binding MoU with ASX-listed Impact Minerals and other vendors to purchase ~70% of the Nowthanna (WA) uranium deposit for A\$1.3 million cash and 10m Toro shares, making a purchase price around \$0.30 per lb U₃O₈.
- Cash at end of quarter A\$29.7m.

GLOBAL URANIUM MARKET

- Recovery work continues at Japan's Fukushima Daiichi nuclear power plant, with some success in bringing all reactors closer to cold shutdown.
- Toro released a Letter to Shareholders updating the Fukushima Daiichi power plant situation, and re-affirming the medium to long term global uranium market demand, despite this tsunami induced accident.
- While Germany and Switzerland have announced plans to phase out nuclear power, they still require uranium as their phase outs are over 10 and 25 years respectively.
- The major nuclear countries of France, USA, China, India, S Korea, Russia and the UK have re-confirmed their commitment to nuclear power.
- The uranium spot price ended the financial year at US\$54.25 lifting from its post Fukushima lows. The long term price declined slightly to US\$68 per lb U₃O₈ but is showing the continued strength needed to support new uranium mining operations.

WILUNA PROJECT DEVELOPMENT

- Subsequent to quarter end, Toro was granted approval by the Western Australian Environmental Protection Authority (EPA) for the Environmental Review and Management Programme (ERMP) for the Wiluna Project to be publicly released on Monday 25 July through to 31 October.
- Bench-scale process route development testing was completed and planning being finalised for a pilot plant test of Wiluna ore commencing early next quarter. Variability testing is now underway.
- Drilling results and geological interpretation data were finalised in preparation for a resource upgrade due in August.

EXPLORATION

- Aircore drilling for uranium at the southern Lake Mackay tenements has uncovered a potential new province with mafic intrusion related Ni-Cr mineralisation. Specifically selected samples have assayed 6m @ 0.13% Ni, 0.4% Cr and 7.9% Mg. Further assays are awaited.
- Due to the interest in a potash resource announced by Reward Minerals in 2009 over the central and northern Lake Mackay salt lake, Toro has now completed a heritage clearance to allow vibrocore drilling and possible trenching to test the potash potential on its own tenements.

* Note: refer to the Wiluna Project and Regional Resources table at the end of this document.

REVIEW OF BUSINESS

GLOBAL URANIUM MARKET

For a summary of the tsunami induced Fukushima Daiichi nuclear power plant accident, shareholders are referred to the recent Letter to Shareholders on Toro Energy's website, which includes links to other up to date information sites.

There is still understandable public concern in some countries regarding nuclear power use. However, the global energy demand situation has changed little. Ongoing safety reviews and "stress tests" for likely or similar events continue at many reactors around the world, improving awareness and confidence in safety.

Germany has decided to phase out nuclear power over the coming ten years. However, that country's replacement power is likely to be: 1) imported from the nuclear electricity generating countries of France and the Czech Republic, 2) from some German nuclear reactors which will be maintained in cold shutdown, ready to generate power within a number of days if needed, 3) from new coal and gas fired generation which is being planned, which will mean Germany's CO₂ emission targets will not be met, 4) planned from renewables over the next 20 years, however no country has yet managed to generate more than about 22% of actual power from renewable energy and successfully maintain a stable power grid. Note that some locations have greater than 22% *installed capacity*, but renewable power utilization rarely runs greater than 30% availability and needs to be augmented by baseload power.

It is understood Germany's current availability from installed renewable capacity runs to around 19%, and therefore requires base load backup.

Switzerland has stated it will phase out its five nuclear reactors over the next 25 years, and hence is still a uranium buyer for the next 20 years. Japan is currently deciding which nuclear power stations to re-start, as it needs the power for summer. However, Japan is reviewing its new reactor build program, with short term political issues overshadowing longer term energy planning.

In short, most decisions about phasing out nuclear power are politically motivated. The decisions above, if they stick, will mean a short term uranium demand impact of between 4 to 8%, with medium to long term demand still firm. Sixty-two new reactors are under construction around the world, with none of these being halted. Figure 1 below provides a before and after indication of the number of reactors operating, under construction and planned.

The uranium spot price ended the 30 June financial year at US\$54.25 per lb U₃O₈, lifting slightly from its post Fukushima lows. The long-term price declined slightly to US\$68 per lb U₃O₈ but is showing the continued strength needed to support new uranium mining operations. Toro still sees a strong future demand for uranium, and is continuing with its aim of achieving production from the Wiluna Project by late in 2013.

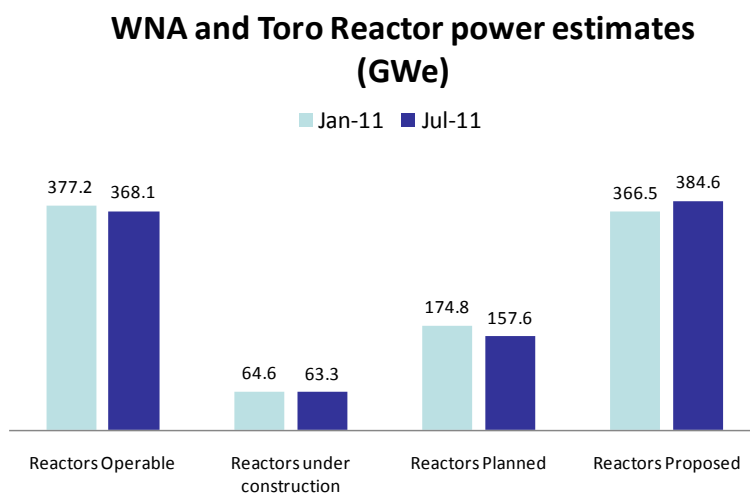


Figure 1: World Nuclear Association (WNA) and Toro Energy combined estimates of global nuclear generating capacity - before and after the tsunami induced Fukushima Daiichi accident

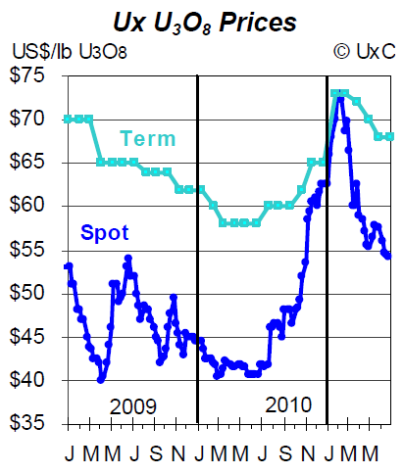


Figure 2: Spot and Long Term Uranium prices
Source: Ux Consulting

CORPORATE

Toro made two senior appointments during the quarter, being:

Martin Janes: General Manager Marketing and Project Finance. Martin is continuing and expanding our potential customer contacts and draft proposals for initial uranium sales agreements with nuclear power utilities. He is also working in the Wiluna project financing options area with the Business Development group.

Dr Vanessa Guthrie: Executive General Manager, Wiluna Project. Vanessa takes charge of the Wiluna Project, and with key experience in sustainability, project approvals, community and mining operations will lead the team to advance Wiluna Project approvals, technical and feasibility work.

Subsequent to the quarter end, Toro Energy has signed a non-binding term sheet to acquire from a group of vendors two WA exploration tenements covering approximately 70% of the Nowthanna uranium deposit near Meekatharra and 150 km west of Toro's Wiluna project in Western Australia. Purchase price is A\$1.3 million in cash and 10 million ordinary Toro shares. On a 100% basis, the Nowthanna deposit has Inferred Resources prepared in accordance with the JORC code of 10.37 Mt @ 446ppm U_3O_8 for 4,600t (10.1Mlb) of contained U_3O_8 at a 200ppm cut-off grade. Toro is acquiring two of the three tenements that cover this deposit. These tenements encapsulate approximately 70% of the resource, or net to Toro of 7.39 Mt @ 450 ppm U_3O_8 for 3,350t (7.4Mlb) of contained U_3O_8 at a 200ppm cut-off grade, equating to a headline purchase price of ~\$0.30 per lb

This represents a 25% increase to 37.10 Mt @ 464 ppm U_3O_8 for 17,220t (38.0Mlb)* of contained U_3O_8 at a 200 ppm cut-off grade, in Toro's regional uranium prospective Wiluna footprint (Refer Figure 3). Toro is currently undertaking a full update to its Wiluna Project and regional resources, expected to be completed in August.

This acquisition follows similar transactions by Toro in the past 12 months that secured uranium tenements in WA from U308 Limited, MPI Nickel Pty Ltd (a subsidiary of Norilsk Nickel Australia Pty Ltd, transaction in process) and the Minerals and Metals Group - and all of which host either uranium resources or defined uranium mineralisation.

Cash held at the end of the June 2011 quarter was A\$29.7m.

* Note: refer to the Wiluna Project and Regional Resources table at the end of this document.

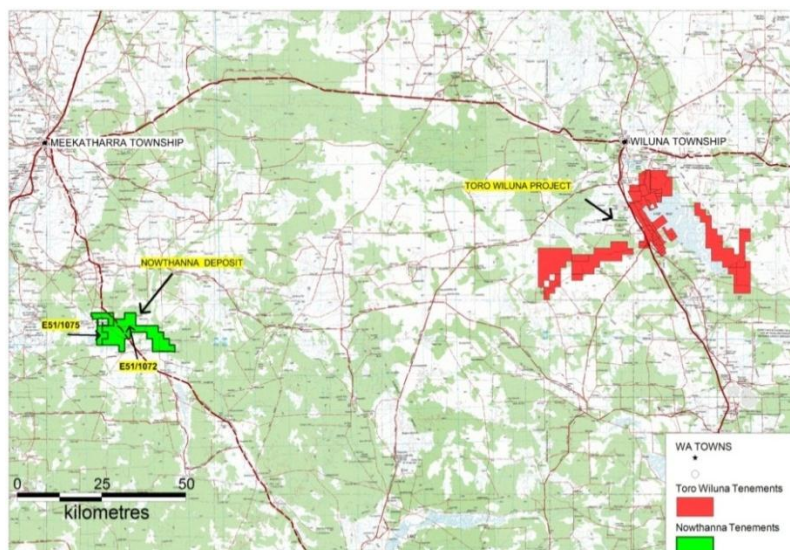


Figure 3: Regional Tenement Plan indicating context of the tenements to be acquired by Toro

PROJECT DEVELOPMENT

WILUNA PROJECT - LAKE WAY/ CENTIPEDE URANIUM DEPOSITS (WA)

(Toro Energy 100%)

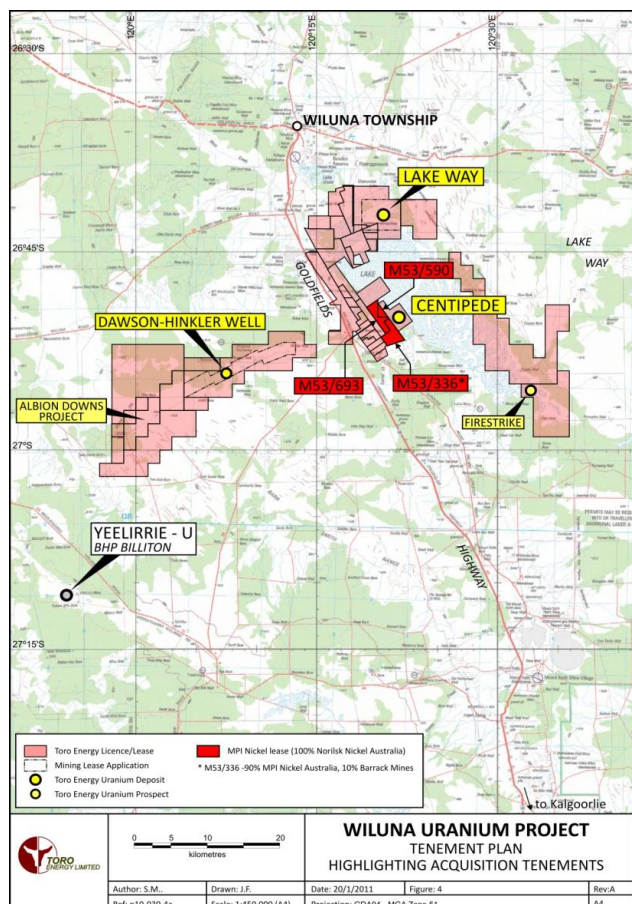


Figure 4: Wiluna Project Location

Wiluna Project activity continued to focus on the completion of the Environmental Review and Management Programme (ERMP) documentation. Post this reporting period the Environmental Protection Authority gave approval for the ERMP to go on public exhibition for a 14 week period from 25 July 2011. (The full ERMP documentation is available on Toro's website).

Project Progress

The program of development bench-scale testwork for the agitated leach processing option that commenced late in November is now complete. The test results have confirmed the viability of the preferred agitated leach process route with results meeting expectations.

A program of variability testwork has now commenced and will continue through the next quarter. This program will test a range of different ore samples taken from across both the Centipede and Lake Way resources during the 2010 drill program.

The Pilot Plant test program was awarded to SGS Lakefield during the quarter and preparation and plant setup is under way. The first continuous pilot run is expected to commence late in July. Two continuous plant runs, each of approximately 10 days duration are planned. Results from this program are expected to be available at the end of August.

In June, a Request for Proposals document was sent to several Perth based engineering companies seeking proposals to undertake the engineering component of the Definitive Feasibility Study. Five companies responded positively (of the six approached) and submissions from them are due in mid July.

Detailed geological interpretation has been undertaken for the Centipede Resource in preparation to undertaking a resource update, to be announced in August. The resource update will utilise this interpretation as well as including all drill data from last year's drilling. Further aircore drilling to bring a significant proportion of the Centipede Resource to a Measured category, is planned for later in the year.

Wiluna Community

Toro and Traditional Owners participated in a two day site visit in April to further discuss Project configuration and any impacts on cultural heritage. This followed cultural mapping of the Project Area undertaken by the Traditional Owners during 2010. Toro has proposed to the representative body for the Traditional Owners, Central Desert Native Title Services, that negotiation of a mining agreement commence as soon as issues associated with project configuration are resolved.

EXPLORATION

Toro Tenure Area Stats (km2)			Exploration	Comment
	Granted	Application	Commitment	
South Australia	4,462	0	0	South Australia
Northern Territory	6,552	19,589	\$546,500	Northern Territory
Namibia	1,323		0	Namibia
Western Australia	4,531	348	\$2,090,000	Western Australia
TOTAL	16,868	19,937	\$2,636,500	TOTAL

Table 1: Toro Tenement area statistics as at end of June 2011

The Australian and Namibian (African) exploration licenses and applications held by Toro, or subject to uranium access and joint venture rights, as at 30 June 2011, are shown on Figure 3 and are summarised in Table 1.

Tenement Activity

- Five new applications; ELA's 28750, 28751, 28752, 28806 and 28840; have been made in the McArthur Basin area of the NT. The tenements occupy the basal McArthur Basin unconformity and the target is "redox related" or "Westmoreland style" uranium mineralisation.
- Application was made for E80/4617, adjacent to the Birrindudu JV, WA for an area with a prospective conductive zone reported from historical airborne work.
- Relinquishment of two tenements, E80/3553 and E80/3554, in the Birrindudu JV, WA and a partial relinquishment of E80/3555, were completed during the quarter. Toro is now focussed on areas with the highest potential for "unconformity style" uranium.
- All four granted tenements in the Sandover Project in the NT were relinquished during the quarter after a review of the uranium potential provided no encouragement to continue exploration in the area.
- On-country meetings were held in May and June in the NT as part of the process for gaining access to Aboriginal Freehold Land. Exploration agreements required under the Aboriginal Land Rights Act have been negotiated with traditional owners and are ready to be signed. A number of highly prospective tenement applications in the Reynolds Range and Tanami areas will proceed to grant during the next quarter.
- Following a review of data, Toro has relinquished its uranium rights to EL3535 "Nonning" in SA.

Western Australia

Lake Mackay Project

100% Toro - ELs 80/3483, 3484, 3485, 3486, 3519, 3580, 3581, 3582, 3583, 3584, 3585, 3586, 3587, 3588, 4449, 3589, 3837 and applications, E80/4498, 4606 and 4607

Toro is exploring the Lake Mackay Project for three styles of uranium mineralisation, namely "palaeochannel" within Tertiary sands and clays, "sandstone hosted" within Carboniferous sandstone units and "Iron Oxide Copper Gold Uranium (IOCGU)" related to intense magnetic and gravity features in the southern part of the tenement package.

Drilling at the Theseus Prospect for palaeochannel uranium was again delayed this quarter due to extended drill company commitments elsewhere. It is hoped to mobilise an aircore rig to Theseus late in July to focus on the main area of uranium mineralisation identified in 2009. Attempts are being made to secure a second mud rotary rig to fully assess the Theseus Prospect and other priority targets in the coming months.

A Toyota-mounted aircore drilling program commenced in mid June, taking the opportunity to test the shallow cover above the significant magnetic and gravity anomalies with IOCGU signatures in the southern part of the Lake Mackay Project, known as Pokali East. This program was completed early in July with a total of 169 holes drilled for 4928m. In addition, a vehicle and helicopter assisted soil, rockchip and lag sampling program was carried out at Pokali East and within E80/3837, covering a prominent magnetic feature in regional datasets.

Cover at Pokali East was found to comprise 2-40 m of wind-blown sand, calcrete, silcrete and saprolite, underlain by fresh to weathered basement of gneiss, phyllite, granite and mafic intrusive rock.

Lake Mackay Project (Cont'd)

A number of holes intersected an apple green mineral within saprolite that is suspected to be chrysoprase, a nickel bearing silicate. This has been largely confirmed by geochemical analysis. Drill assay results are only available for nine, specifically selected, green coloured, 2m composite samples. Drillhole LRB0075 reports from 50 to 56m: 6m @ 0.13% Ni, 0.4% Cr and 7.9% Mg.

The element association and presence of rocktypes ranging from titanomagnetite-chromite cumulates to anorthosite suggests that the magnetic and gravity anomalies may be due to strongly fractionated mafic intrusions rather than the assumed IOCGU signatures. These intrusions post-date major metamorphism and deformation in the area and therefore are believed to belong to the ~1070 Ma Warakurna Large Igneous Province (Geoscience Australia, 2010), which hosts the world-class Nebo-Babel Cu-Ni-PGE deposits in the Musgrave region, WA.

Toro therefore now believes the area has potential for intrusion-related Ni-Cu-Co-PGE mineralisation, and saprolitic Ni analogous with Wingellina Ni laterite deposit, also in the Musgrave region, WA.

Assays are expected within the next month for a further 1142 drill samples, 54 surface rockchip/lag samples and 84 soils samples collected at Pokali East and E80/3837. Aircore drill testing of similar geophysical anomalies further to the east and north is scheduled for late in August, while a Reverse Circulation (RC) drilling program to test deeper geophysical targets, is also likely to occur in September.

The drill locations are shown on Figures 5 and 6, overlying gravity and magnetics. The list of drill collar locations and depths for the drillholes will be released upon receipt of assay results.

Reward Minerals Limited previously announced (ASX:RWD 16 Nov 2009) a significant potash resource over the central and northern part of the Lake Mackay salt lake in WA. Reward quote an Inferred resource of 4,780,400,000 bench cubic metres ("BCM") @ 4.3kg of K₂SO₄ (sulphate of potash) per BCM for 20.56Mt of K₂SO₄. Although not central to Toro's exploration efforts for uranium, Toro will establish the quantum of potash resources attributable to its tenements over the southern section of the lake. In line with this, a heritage survey was conducted to allow "vibrocore" drilling and, if necessary, trenching and recharge testing later in the year.

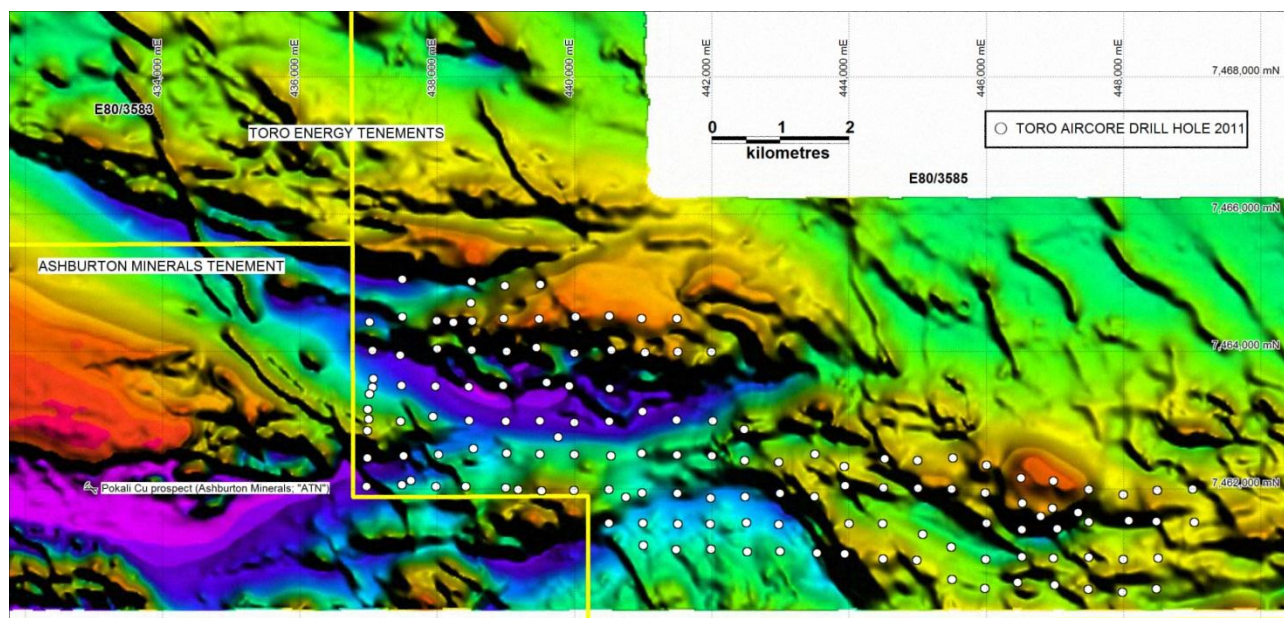


Figure 5: Aircore drill holes at Pokali East (Lake Mackay Project) on airborne magnetics

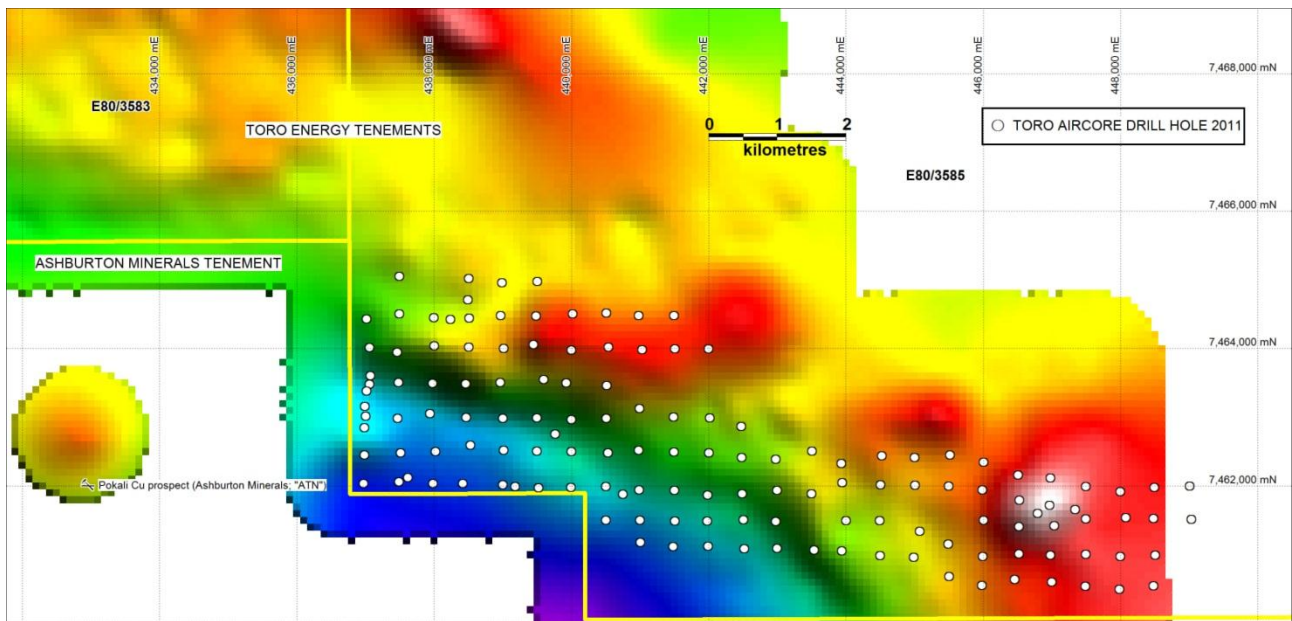


Figure 6: Aircore drill holes at Pokali East on detailed ground gravity

Birrindudu JV

JV Toro 50.01% Cameco 49.99% on ELs 80/3555, 3556, 3557, 3558, 3559, 3560 and 3561; ELAs 80/4477a and 4617a

In joint venture with Cameco Australia, Toro is exploring the Birrindudu Project for high grade “unconformity style” uranium, associated with the basal unconformity of the Birrindudu Basin and conductive (graphitic) units in the underlying basement.

Ground EM and IP surveys were undertaken during June and July with reconnaissance 200m moving loops covering airborne EM anomalies at the Brophy Springs, Ringer Soak and Ventura Prospects (Figure 7). The surveys were designed to investigate the presence of conductive alteration halos and fault offsets, and confirm the depth of the unconformity at the base of the Gardiner Sandstone.

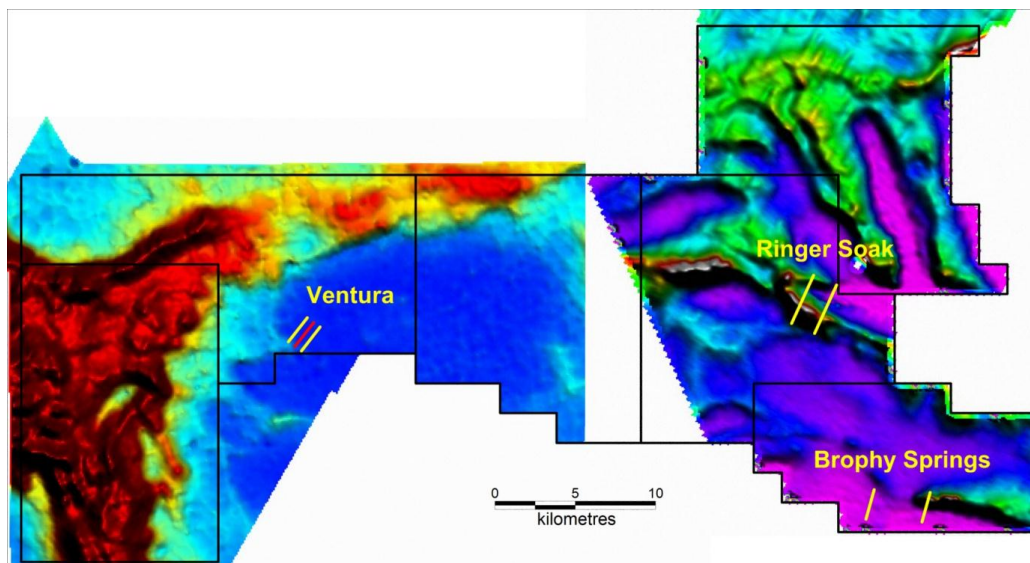


Figure 7: Location of ground EM (yellow) and IP (red) lines for Birrindudu, on airborne EM (Tempest in west and VTEM in east)

Birrindudu JV (Cont'd)

The ground EM inversions for both Brophy Springs and Ringer Soak model a conductive layer about 160m below the surface. This layer probably defines the unconformity at the base of the Gardiner Sandstone. Minor structural and fault contacts are defined in the models and a full assessment and drill targeting will be carried out next quarter.

Along with two EM lines, one IP line was also completed across the Ventura Prospect. The preliminary 2D IP inversion model for the chargeability is shown on Figure 8.

This shows a shallow (30-50m), possibly vertical chargeable response located at approximately 1750m (local grid). This corresponds to dark grey organic carbon sulphidic intersections from 2010 holes BR001 and BR003. A larger, deeper chargeable source at around 400m below surface is located at 1600m (local grid). Both chargeable anomalies will be diamond drill tested during the next quarter.

Heritage clearances for expanded “low impact” and “drilling areas” were successfully completed at the end of June.

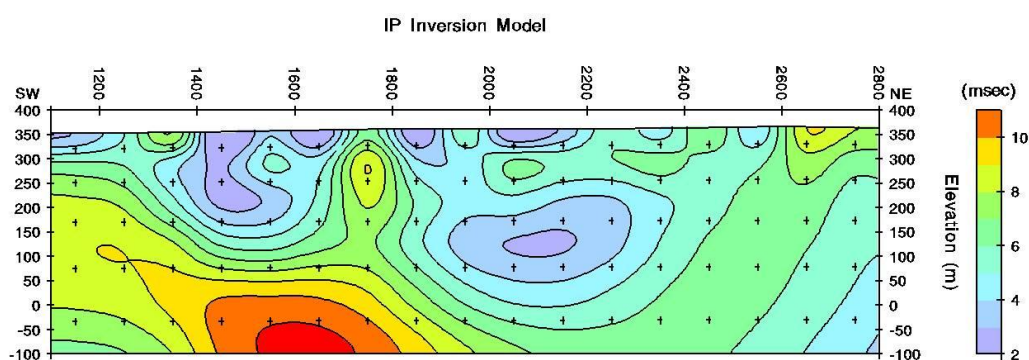


Figure 8: 2D smooth model IP inversion from Ventura Prospect, Birrindudu Project

Northern Territory

Ngalia Project

100% Toro - EL 27152 and ELA27574

This project covers the northern boundary of the Ngalia Basin in a similar structural and geological position to the Bigrlyi uranium deposit.

A small aircore program of 6 holes for 597m was completed in June. The 2km spaced drilling was completed to test the potential for uranium mineralisation both in the Tertiary sands and clays and overlying the basement of Mount Eclipse Sandstone.

One drillhole NP2 reported 3.12m @ 125ppm eU_3O_8 from 96.25m from a red clay lithology just above the basement. Unfortunately, chemical assay results report 4m @ 47ppm U_3O_8 and 72ppm Th from 96m confirming the gamma response is substantially related to thorium rather than uranium.

Namibia (Africa)

25% Toro (through Nova Energy (Africa) Pty Ltd) - EPL's 3668, 3669 and 3670, Sixzone 10%, Deep Yellow Limited through Reptile Uranium Namibia Proprietary Limited 65%

In joint venture with Deep Yellow and Sixzone, Toro is exploring tenements in Namibia for Rossing/Husab “alaskite style” uranium. Geophysical and geological data indicate continuation of prospective stratigraphy into the Toro JV tenements.

Natango Project

Nova EPL 3669

Drilling of three traverses with drill holes spaced at 100m across stratigraphic targets was completed during the quarter. Only minor radiometric intervals are reported to date with drillhole NTNR16 reporting:

10m @ 290 ppm eU_3O_8 from 96m and
27m @ 236 ppm eU_3O_8 from 186m

Follow up XRF assaying is being completed to confirm the radiometric response.

Chungochoab

Nova EPL 3670

A total of 20 RC holes were drilled at the Chungochoab Project for a total of 2,735 m.

The first ten holes were designed to test across an airborne radiometric and magnetic anomaly. All holes were drilled as angled holes (-60°) down to a maximum depth of 151 m in an easterly direction (90°). Significant radioactive intercepts were made in holes CHBR8 and CHBR9, but XRF analysis confirmed that the radioactivity was mainly due to Thorium.

Holes CHBR11 to 20 were drilled to test both magnetic and coincident magnetic/EM anomalies. Strong magnetite was intersected in one hole over narrow intervals with no radiometric response. Two holes intersected significant pyrite and mineral scans will confirm their mineralisation potential.

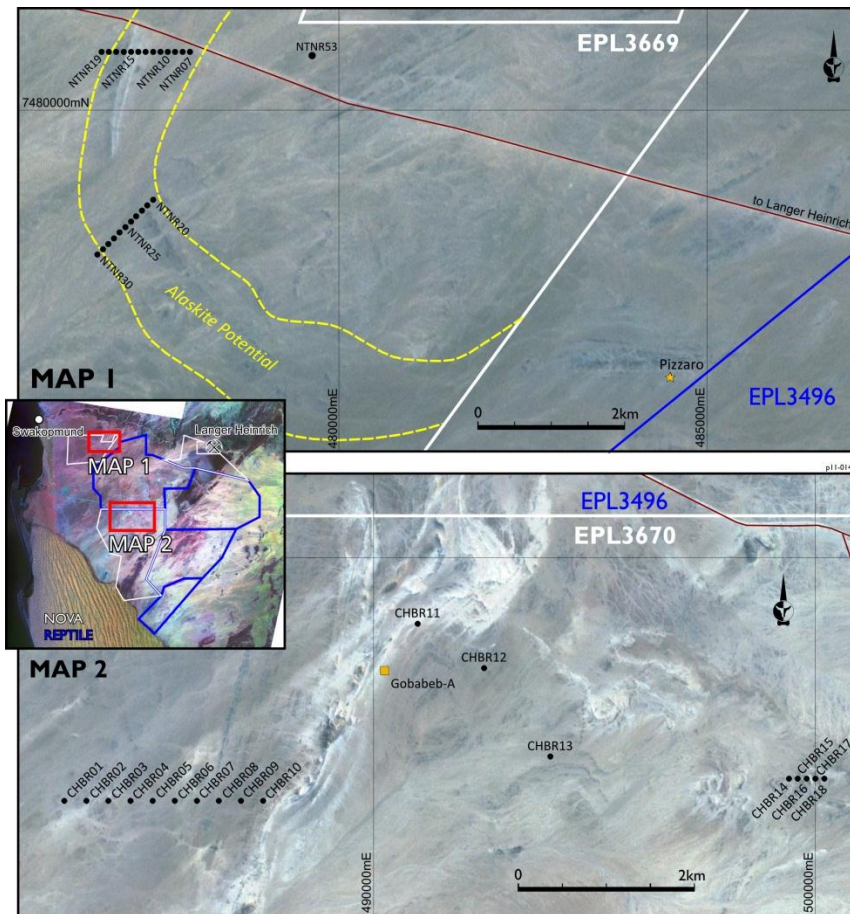


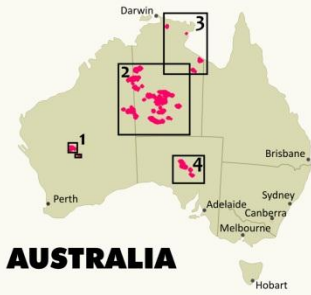
Figure 9: Drilling carried out under the JV in Namibia

Greg Hall
 Managing Director
 Toro Energy Limited

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EXPLORATION PROJECT AREAS AUSTRALIA AFRICA EOM June 2011



AUSTRALIA

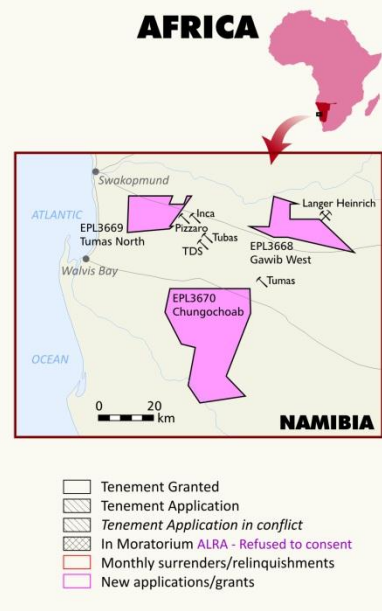
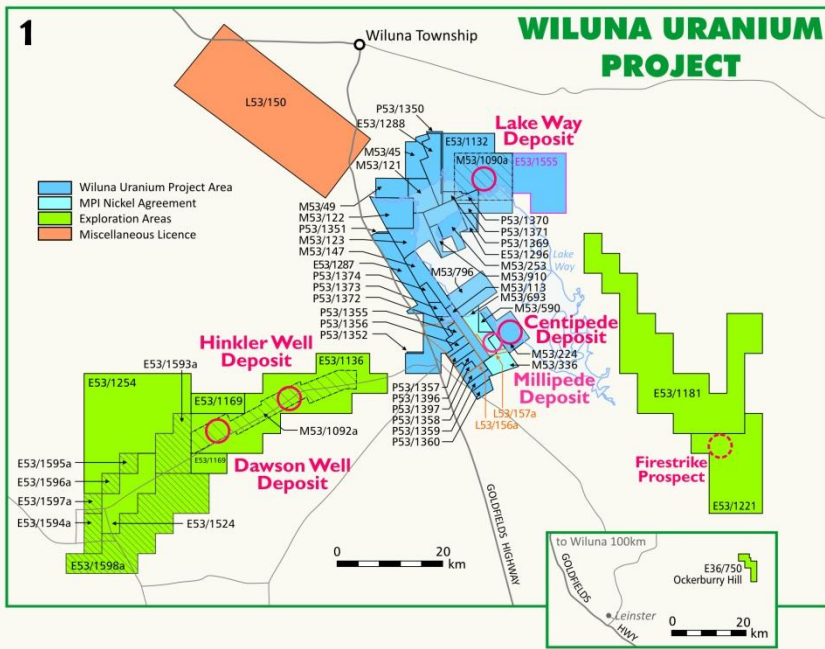
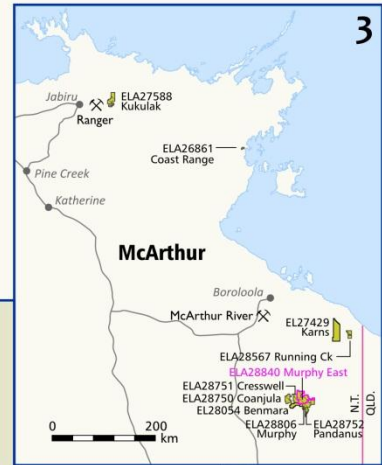
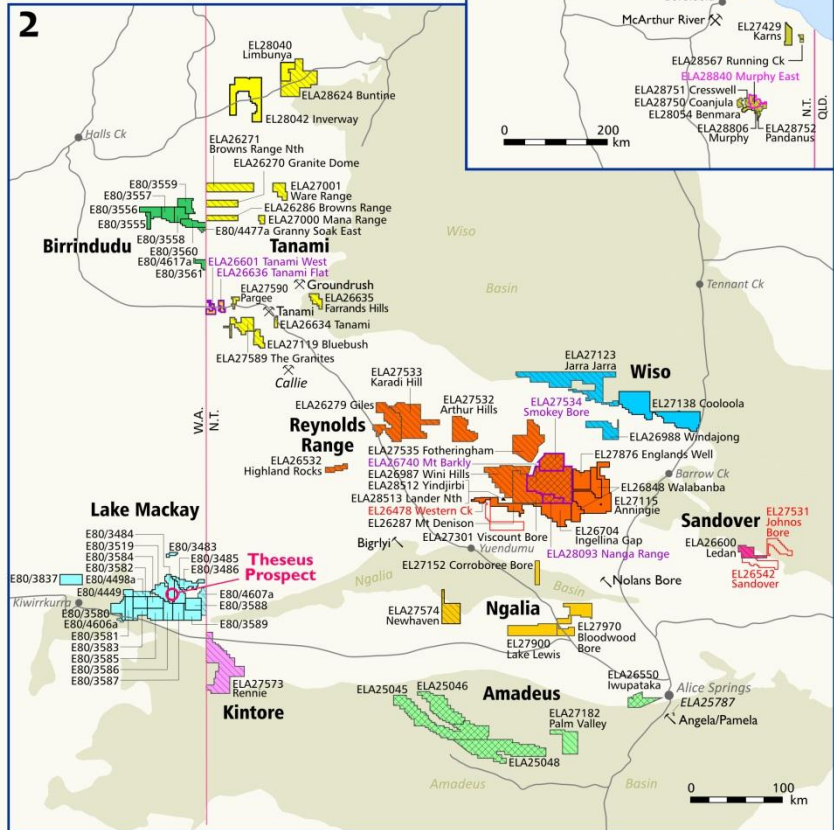
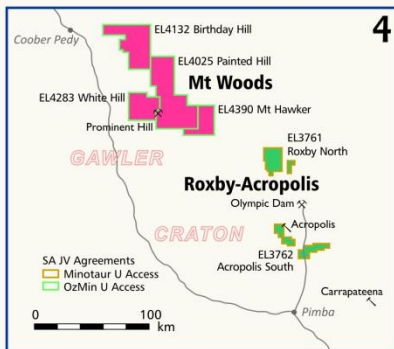


Figure 10: Areas under exploration or JV in Australia or Namibia

APPENDIX I: COMPETENT PERSONS STATEMENT AND RESOURCE TABLE

The information in this report that relates to Exploration Results and Mineral Resources is based on information compiled by:

- 1) Information in this report relating to Exploration is based on information compiled by Mr Mark McGeough BSc who is a Member of the Australasian Institute of Mining and Metallurgy. Mr McGeough is a full-time employee Toro Energy and has sufficient experience which is relevant to the styles of mineralisation and types of deposits under consideration and to the activity he is 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 McGeough consents to the inclusion in this release of the matters based on his information in the form and context in which it appears.

Project Name	Category	Resource M Tonnes	Grade U ₃ O ₈	Contained U ₃ O ₈ tonnes	Contained U ₃ O ₈ Mlb
Centipede	Measured	0.3	588	177	0.39
Centipede	Indicated	7.68	619	4,754	10.48
Centipede	Inferred	1.69	251	424	0.94
Lake Way	Inferred	10.53	543	5,714	12.60
Total Wiluna Project		20.21	548	11,070	24.40
Dawson-Hinkler Well	Inferred	9.50	293	2,800	6.20
Nowthanna	Inferred	7.39	453	3,350	7.38
Total Wiluna Regional	<i>Inferred</i>	16.89	364	6,150	13.58
Total Wiluna Project and Regional		37.10	464	17,220	37.96

Toro's total uranium resource base in the Wiluna area, including the recently acquired ~70% of the Nowthanna deposit

- 2) Information in this report that relates to Mineral Resources at the Nowthanna deposit is based on information compiled by Ian Glacken who is a Fellow of the Australasian Institute of Mining and Metallurgy. Ian Glacken is a full-time employee of Optiro, and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity he is 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 Glacken consents to the inclusion in this release of the matters based on his information in the form and context in which it appears.
- 3) 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.
- 4) The information in this report that relates to Mineral Resources, other than for the Dawson-Hinkler Well Project, is based on information compiled by Mr Daniel Guibal who is a Fellow of the Australasian Institute of Mining and Metallurgy (AusIMM). Mr Guibal is a fulltime employee of SRK Consulting and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity he is undertaking to qualify as a Competent Persons as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Guibal consents to the inclusion in this release of the matters based on his information in the form and context in which it appears.
- 5) Information in this report that relates to the Wiluna drilling results is based on information compiled by Mr Craig Gwatkin who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Gwatkin is a full-time employee of Toro, and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity he is 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 Gwatkin consents to the inclusion in this release of the matters based on his information in the form and context in which it appears.

APPENDIX 5B
Mining exploration entity quarterly report

TORO ENERGY LTD

ABN. 48 117 127 590	Quarter ended June 2011	
Consolidated statement of cash flows (Note 6.0)		
Cash flows related to operating activities		
1.1 Receipts from product sales and related debtors	Current quarter \$A'000	Year to date (12 months) \$A'000
1.2 Payments for (a) exploration and evaluation (b) development (c) production (d) administration	-	-
1.3 Dividends received	(2,410)	(15,736)
1.4 Interest and other items of a similar nature received	-	-
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	(1,240)	(3,090)
1.7 Other	-	-
Net Operating Cash Flows	-	-
	(2,401)	(15,484)
Cash flows related to investing activities		
1.8 Payment for purchases of: (a) prospects (b) equity investments (c) other fixed assets	-	(7,300)
1.9 Proceeds from sale of: (a) prospects (b) equity investments (c) other fixed assets	-	-
1.10 Loans to other entities	-	-
1.11 Loans repaid by other entities	-	-
1.12 Other - Purchase of Pastoral Lease	-	15
Net Investing cash flows	-	-
1.13 Total operating and investing cash flows (carried forward)	(121)	(9,346)
	(2,522)	(24,830)
1.13 Total operating and investing cash flows (brought forward)	(2,522)	(24,830)
Cash flows related to financing activities		
1.14 Proceeds from issues of shares, options, etc	-	-
1.15 Proceeds from sale of forfeited shares	-	-
1.16 Proceeds from borrowings	-	-
1.17 Repayment of borrowings	-	-
1.18 Dividends paid	-	-
1.19 Other	-	-
Net financing cash flows	-	-
Net increase (decrease) in cash held	(2,522)	(24,830)
1.20 Cash at beginning of quarter / year to date	32,204	54,511
1.21 Exchange rate adjustments to item 1.20	-	-
1.22 Cash at end of quarter	29,682	29,681

Payments to directors of the entity and associates of the directors			
Payments to related entities of the entity and associates of the related entities		Current quarter \$A'000	
1.23	Aggregate amount of payments to the parties included in item 1.2	166	
1.24	Aggregate amount of loans to the parties included in item 1.10	-	
1.25 Explanation necessary for an understanding of the transactions			
Directors' fees, wages, expenses and superannuation for the Quarter			
Non-cash financing and investing activities			
2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows			
Nil			
2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest			
Nil			
Financing facilities available		Amount available \$A'000	Amount used \$A'000
3.1	Loan facilities	-	-
3.2	Credit standby arrangements	-	-
Estimated cash outflows for next quarter		\$A'000	
4.1	Exploration and evaluation: <i>Includes a \$4.5m acquisition of tenements adjacent to the Wiluna Project (ref. announcement 17 February 2011)</i>	10,400	
4.2	Development	-	
4.3	Production	-	
4.4	Administration	700	
Total		11,100	
Reconciliation of cash			
Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.		Current quarter \$A'000	Previous quarter \$A'000
5.1	Cash on hand and at bank	767	1,276
5.2	Deposits at call	28,915	30,928
5.3	Bank overdraft		
5.4	Other (provide details)		
Total: cash at end of quarter (item 1.22)		29,682	32,204

Changes in interests in mining tenements					
		Tenement reference	Nature of interest (note 2)	Interest at beginning of quarter	Interest at end of quarter
6.1	Interests in mining tenements relinquished, reduced or lapsed				
6.2	Interests in mining tenements acquired or increased		See Annexure 1		

Issued and quoted securities at end of current quarter

	Total number	Number quoted	Issue price per security (cents)	Amount paid up per security (cents)
7.1 Preference securities <i>(description)</i>				
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3 Ordinary securities	964,936,676	964,936,676	Fully paid	Fully paid
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs				
7.5 Convertible debt securities <i>(description)</i>				
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7 Options <i>(description and conversion factor)</i>			<u>Excise Price</u>	<u>Expiry Date</u>
	1,000,000		\$0.45	31/03/2012
	500,000		\$0.65	26/09/2011
	440,000		\$0.88	11/12/2011
	200,000		\$1.15	18/03/2012
	100,000		\$1.21	09/04/2012
	20,000		\$1.21	18/02/2012
	100,000		\$1.21	02/07/2012
	760,000		\$0.61	13/12/2012
	500,000		\$0.73	18/11/2012
	3,000,000		\$0.73	19/11/2012
	850,000		\$0.55	06/08/2013
	1,665,000		\$0.25	17/12/2013
	1,000,000		\$0.25	19/03/2014
	5,555,000		\$0.22	02/02/2015
	4,270,000		\$0.22	03/01/2016
	250,000		\$0.15	26/05/2016
	250,000		\$0.22	26/05/2016
7.8 Issued during quarter	250,000		\$0.15	26/05/2016
	250,000		\$0.22	26/05/2016

7.9	Exercised during quarter				
7.10	Cancelled during quarter				
7.11	Debentures <i>(totals only)</i>				
7.12	Unsecured notes <i>(totals only)</i>				

Compliance statement

- 1.0 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 4).
- 2.0 This statement does give a true and fair view of the matters disclosed.



Sign here:.....
Company Secretary

Date: 14 Jul 2011

DONALD STEPHENS

Print name:

Notes

- 1.0 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2.0 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3.0 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4.0 The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.
- 5.0 **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

ANNEXURE 1

Changes in interest in mining tenements

Tenement reference	Nature of interest	Interest at beginning of quarter	Interest at end of quarter
	<u>South Australia</u>		
EL3535	Surrender - Nonning (<i>U308 rights</i>)	100%	0%
EL3435	Surrender - Narlaby (<i>U308 rights</i>)	100%	0%
	<u>Northern Territory</u>		
EL26545	Surrender - Sandover	100%	0%
EL27052	Surrender - Sandover	100%	0%
EL26542	Surrender - Sandover	100%	0%
EL27531	Surrender - Sandover	100%	0%
	<u>Western Australia</u>		
E80/3553	Surrender - Birrindudu	100%	0%
E80/3554	Surrender - Birrindudu	100%	0%
E80/3555	Reduction - Birrindudu (<i>reduced by 48 blocks</i>)	100%	100%
E53/1555	Granted - Wiluna	100%	0%