

Toro Energy Limited (ASX:TOE)

BUY
VALUATION: A\$0.17
SHARE PRICE: A\$0.13

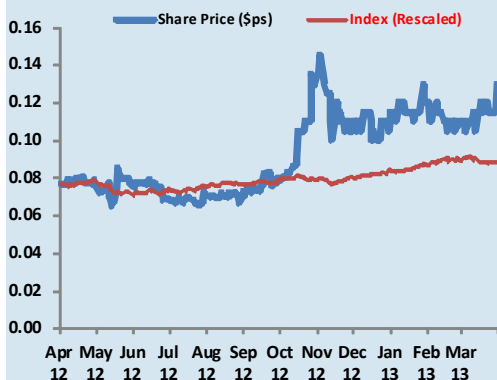
COMPANY DATA

Share Price (AUD/sh)		0.13
12m Target Price (AUD/sh)		0.17
Issued Capital (M)		1041.9
Market Capitalisation (AUDM)		119.8
Year High - Low (AUD/sh)	0.15	- 0.06
Cash Forecast (AUDM)		5.1
Debt Forecast (AUDM)		12.4
Gearing Forecast ND/E (%)		8.1
Average Monthly Turnover (AUDM)		2.9

INVESTMENT FUNDAMENTALS

Year ending 30 Jun	2012A	2013F	2014F	2015F
Revenue	0.0	0.0	0.0	63.0
EBITDA	-10.9	-4.8	-4.8	8.1
Net Attrib Profit	-10.7	-4.8	-8.8	-10.9
Reported Profit	-10.7	-4.8	-8.8	-10.9
EPS (c)	-1.1	-0.5	-0.5	-0.5
P/E (x)	nm	nm	nm	nm
EPS Growth (%)	nm	nm	0.2	nm
CFPS (c)	-0.2	-0.7	-0.5	0.1
P/CF (x)	nm	nm	nm	211.7
DPS (c)	0.0	0.0	0.0	0.0
Dividend Yield (%)	0.0	0.0	0.0	0.0
EV/EBITDA	nm	nm	nm	49.9
Franking (%)	0.0	0.0	0.0	0.0

TOE vs ASX 200 INDEX



PERFORMANCE

	1M	3M	12M
Absolute	18.2%	18.2%	68.8%
Relative to ASX 200	18.8%	12.4%	46.8%

BOARD

Erica Smyth	Non-Executive Chairman
Vanessa Guthrie	Managing Director
Greg Hall	Non-Executive Director
Peter Lester	Non-Executive Director
Andrew Coles	Non-Executive Director

MAJOR SHAREHOLDERS

Oz Minerals Ltd	39.4%
JP Morgan Nominees	2.9%

Federal Approval To Crystallise Value

SUMMARY OPINION

Toro Energy Limited (TOE) is a uranium exploration and development company based in Australia. TOE is focused on developing its flagship and wholly-owned Wiluna Uranium Project located in Central Western Australia.

The Wiluna Project has cleared its final hurdle in receiving Federal environmental approval. We expect detailed engineering and design to start immediately leading to a Final Investment Decision by the end of 2013. Furthermore we believe that the desirability of a fully permitted project situated in a favourable jurisdiction will attract a range of persistent suitors for development.

We initiate coverage with a BUY and a 12 month price target in line with our valuation of AUD0.17 per share.

KEY POINTS

- The Wiluna Uranium Project involves the development of a uranium mine and processing and infrastructure to support the project including an accommodation village, water supply bore field and associated pipeline, on-site electricity generation and communications infrastructure. Capex is estimated at AUD270M with operating costs averaging AUD41/lb over the first 10 years of operation.
- The Theseus deposit is a new discovery with an Inferred JORC resource of 6.3Mt at a grade of 493ppm containing 6.9Mlbs U₃O₈ at a cut-off of 200ppm. The exploration target has been revised to 28Mt to 35Mt at around 450ppm to 520ppm for 28Mlb to 40Mlb U₃O₈. Theseus is potentially mineable with low cost ISR technology
- On the corporate side, TOE continues to engage with potential JV partners, with confidentiality agreements in place with a number of parties. We are of the opinion that the recent federal approval will accelerate this process markedly. Toro has drawn down the first tranche of AUD8M of an AUD12M convertible debt facility.
- As part of a planned succession, Greg Hall has resigned from his position as MD and Dr Vanessa Guthrie (previously EGM – Wiluna Project) has assumed the role of MD. Greg remains on the TOE Board as a Non-Executive Director, after 7 years at the helm.

FINANCIAL INFORMATION

Assumptions

Year ending 30 June	2012A	2013F	2014F	2015F	2016F
U ₃ O ₈ Market Price (US\$/lb)	54	56	61	65	67
U ₃ O ₈ Price Received (US\$/lb)	55	60	70	70	70
Exchange Rate (A\$/US\$)	1.04	1.03	1.00	0.90	0.90

Production

Year ending 30 June	2012A	2013F	2014F	2015F	2016F
Wiluna					
Tons crushed (Mt)	0.0	0.0	0.0	0.6	1.0
Uranium produced (t)	0	0	0	367	612
Uranium produced (Mlbs)	0.00	0.00	0.00	0.81	1.35
Cost (US\$/lb)	0	0	0	62	52

Profit and Loss (A\$m)

Year ending 30 June	2012A	2013F	2014F	2015F	2016F
Total Operating Revenue	0	0	0	63	105
EBITDA	-11	-5	-5	8	51
Dep & Amort	1	0	0	12	13
EBIT	-12	-5	-5	-4	38
Net Interest	1	0	-4	-7	-6
NPBT	-11	-5	-9	-11	33
Tax	0	0	0	0	0
NPAT (pre exceptional)	-11	-5	-9	-11	33
Exceptional Items (after tax)	0	0	0	0	0
NPAT (reported)	-11	-5	-9	-11	33

Cash Flow (A\$m)

Year ending 30 June	2012A	2013F	2014F	2015F	2016F
Gross Cash Flow	-3	-8	-5	8	51
Net Interest	1	0	-4	-7	-6
Income Taxes Paid	0	0	0	0	0
Net Operating Cashflow s	-2	-8	-9	1	45
Maintenance Capex	0	0	0	0	0
Expansion Capex	0	0	-230	-40	0
Exploration & Evaluation	-24	-12	-12	-12	-12
Free Cash Flow	-26	-20	-251	-51	33
Net Investing Cash Flow s	-20	-12	-242	-52	-12
Net Financing Cash Flow s	5	12	300	0	0
Net Cash Flow s	-17	-8	49	-51	33
Closing Cash Balance	13	5	54	4	37

Balance Sheet A\$m)

Year ending 30 June	2012A	2013F	2014F	2015F	2016F
Cash & Equivalents	13	5	54	4	37
Total Current Assets	13	5	54	4	37
Net PPE	2	2	232	260	247
Total Non Current Assets	86	86	316	344	331
Total Current Liabilities	3	0	0	0	0
Borrowings	0	12	112	112	112
Total Non Current Liabilities	0	0	88	76	64
Total Shareholders Equity	95	91	282	271	303

Issued Shares

Year ending 30 June	2012A	2013F	2014F	2015F	2016F
Opening Balance	964.9	1041.9	1041.9	2291.9	2291.9
Placement/Pro-Rata Issue	77.0	0.0	1250.0	0.0	0.0
Options Exercised	0.0	0.0	0.0	0.0	0.0
Other	0.0	0.0	0.0	0.0	0.0
Closing Balance	1041.9	1041.9	2291.9	2291.9	2291.9

Per Share Ratios

Year ending 30 June	2012A	2013F	2014F	2015F	2016F
PE Ratio	nm	nm	nm	nm	8
Price to Book Value	1.2	1.3	0.7	0.9	0.8
Price to NTA	1.2	1.3	0.7	0.9	0.8
EPS (¢)	-1.1	-0.5	-0.5	-0.5	1.4
DPS (¢)	0.0	0.0	0.0	0.0	0.0
Dividend Yield (%)	0%	0%	0%	0%	0%
Payout Ratio	0	0	0	0	0
Franking (%)	0%	0%	0%	0%	0%
CFPS (¢)	0	-1	-1	0	2
Book Value (¢)	10	9	17	12	13
NTA (¢)	10	9	17	12	13

Operating Ratios (%)

Year ending 30 June	2012A	2013F	2014F	2015F	2016F
Op EBITDA Margin	0%	0%	0%	13%	49%
Op EBIT Margin	0%	0%	0%	-7%	37%
D&A / Sales	nm	nm	nm	20%	12%
Interest Cover - EBIT	12	nm	-1	-1	6
Interest Cover - GFCF	4	nm	-1	1	9
Tax Rate	0%	0%	0%	0%	0%
ROA	-22%	-5%	-4%	-3%	9%
ROE	-22%	-5%	-5%	-4%	11%

Cash Flow Analysis

Year ending 30 June	2012A	2013F	2014F	2015F	2016F
Gross CF / Op EBITDA	31%	160%	100%	100%	100%
Maint Capex / Sales	nm	nm	nm	0%	0%
Total Capex / Sales	nm	nm	nm	64%	0%
Maint Capex / Deprec	0%	nm	nm	0%	0%
Total Capex / D&A	0%	nm	nm	325%	0%
Maint Capex / GFCF	0%	0%	0%	0%	0%
Growth Spend \$M	0	0	230	40	0

Balance Sheet Analysis

Year ending 30 June	2012A	2013F	2014F	2015F	2016F
Net Debt \$M	-13	7	58	109	75
Net Debt / Equity	-13%	8%	21%	40%	25%
Debt / Equity	0%	14%	40%	41%	37%
Working Capital \$M	-3	0	0	0	0
Work. Cap / Sales	nm	nm	nm	0%	0%
D & A / PPE	33%	0%	0%	5%	5%
Current Ratio	4	25	259	18	106

Growth

Year ending 30 June	2012A	2013F	2014F	2015F	2016F
Sales Growth	nm	nm	nm	nm	67%
EBITDA	nm	nm	0%	nm	528%
NPAT	nm	nm	82%	24%	nm
EPS	nm	nm	15%	nm	nm

Base Case Valuation (DCF @ 10% : LT U3O8 = USD70/lb)

	A\$m	US\$ps
Wiluna	166	0.16
Theseus	7	0.01
Other	0	0.00
Total	173	0.17

Source: Helmsec Estimates

COMPANY SUMMARY

Toro Energy Limited (TOE) is a uranium exploration and development company based in Australia. TOE is focused on developing its flagship and wholly-owned Wiluna Uranium Project located in Central Western Australia. Exploration is concentrated on the Theseus Project in Western Australia but is also in the Northern Territory and Namibia.

A substantial amount of work has been done on the Wiluna Project, with the process engineering stage completed. The final hurdle was cleared in on 2 April 2012 when state Ministerial approval was granted. We would expect an immediate start on the Bankable Feasibility Study (BFS) with the Final Investment Decision (FID) expected before the end of 2013.

Toro had AUD4.7M in cash at Dec 12. TOE has secured a AUD12M convertible debt facility with Macquarie Bank available in two tranches. Tranche 1 (AUD8M) has been drawn down with Tranche 2 (AUD4M) available after Federal Government approval of the Wiluna Project. The loan facility has a 3 year term with associated options.

The largest risk now appears to be the ability to attract financing and /or a JV partner in order to initiate project construction.

VALUATION

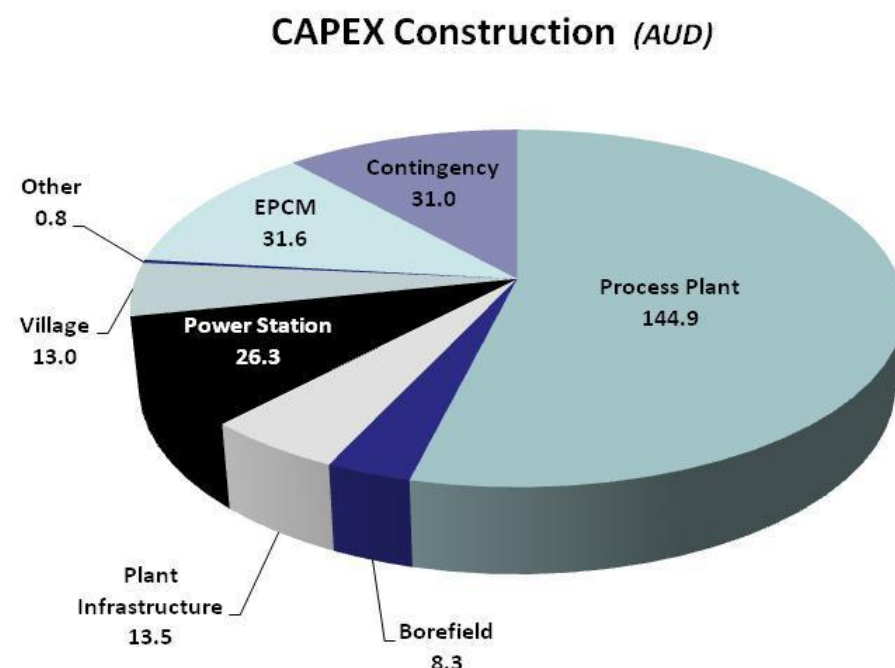
SUMMARY

We value TOE at AUD173M or AUD0.17 per share. This is made up of a DCF valuation of Wiluna of AUD166M (AUD0.16ps) and a resource valuation of AUD7M (AUD0.01ps) on Theseus – 6.9Mlbs at AUD1/lb.

WILUNA PROJECT COSTS – CAPEX AND OPEX

Project Capex and Opex were updated by the Wiluna Project team and the DFS consultant, to reflect the completed process design of DFS Phase 1 in a full Wiluna Project update released during 4Q12. Project Capex has an estimated direct cost of AUD\$207M with a full capital estimate of \$269M including EPCM and contingency.

FIGURE 1: WILUNA CAPITAL COSTS (TOTAL = AUD270M)



Source: Company Reports

Operating cost estimates are AUD41/lb U₃O₈.

TABLE 1: TOTAL CASH COSTS BREAKDOWN (AUD/LB)

Mining Cost	\$8.00
Milling / Processing	\$23.00
Transport, overheads	\$5.50
Other (Royalties, Marketing etc)	\$4.50
Total	\$41.00

Source: Company Reports, Helmsec Estimates

MAJOR ASSUMPTIONS - WILUNA

We have used the following major assumptions as inputs to our DCF model.

TABLE 2: WILUNA ECONOMICS AND MAJOR ASSUMPTIONS

Parameter	Economics
Start-up	2015
Processing Plant	Alkaline tank leach with direct precipitation
Plant Capacity	1.3Mtpa
Product	800t (1.8Mlb) U ₃ O ₈
Recovery	~85%
C1 Cash Cost	A\$41/lb
Capital Cost	A\$270m
Long Term U3O8 Price	USD70/lb
Exchange Rate (AUD/USD)	0.90
Discount Rate	10%
Royalty	5%
Tax Rate	30%
Debt/Equity	50%
Mining Duration	14 years
Mining Method	Shallow open pit mining (<10m overburden)
Strip Ratio	3.8:1

Source: Company Reports and Helmsec Estimates

We have assumed 100% ownership of the project with around AUD180M being raised in equity and AUD90M raised as debt. We are aware that Toro hopes to attract a JV partner willing to take on 35% of the project with an upfront payment for the JV interest, which will contribute towards TOE's equity stake. We believe that the recent federal environmental approval will accelerate this process. Indeed, this may also prompt a takeover offer, as a fully permitted uranium project in a secure jurisdiction would be highly desirable.

The Group has tax losses arising in Australia of AUD95M that are available indefinitely for offset against future taxable profits of the companies in which the losses arose. We also estimate that a further circa AUD234M could be available for immediate deduction from the Nova Energy acquisition which was completed in December 2007. About 346M shares were issued to Nova shareholders in three tranches (TOE 2008 Annual Report) at an average price of approximately AUD0.72 per share (TOE price at the time of issue) totalling around AUD250M which were allocated to exploration assets, less AUD16M of cash on Nova's balance sheet. Our calculations indicate that a total of around AUD329M in tax losses would be available to be offset against tax charges. Under our base case scenario we do not believe that Toro would be liable for any tax over Wiluna's current LOM.

VALUATION - WILUNA

The following table reflects the range of valuations based on exchange rates and long term uranium prices. Our base case valuation of AUD166M is highlighted. The interesting issue is that the resumption of a uranium bull market would see a migration of the valuation to lower discount rates and higher uranium prices, profoundly affecting valuations.

TABLE 3: WILUNA NPV (AUDM AND \$ PER SHARE)

Discount Rate (%)	Uranium Price (USD/lb)		
	50	70	90
0% - NPV	128	721	1315
0% - \$ps	0.12	0.69	1.26
5% - NPV	-15	361	736
5% - \$ps	-0.1	0.35	0.71
10% - NPV	-88	166	419
10% - \$ps	-0.08	0.16	0.40
15% - NPV	-126	54	234
15% - \$ps	-0.12	0.05	0.22

Source: Helmsec Estimates

As previously mentioned, we believe the attraction of a fully permitted and costed project would attract a number of suitors, both as potential JV partners to outright acquirers. As such we feel we should make an attempt to quantify the amount a party could be willing to pay for a stake in the project. We have used Extract Resources Ltd (EXT), as the only applicable post Fukushima example, in order to build up a set of assumptions. There are the obvious differences between Husab and Wiluna, but we believe that the size of the Husab deposit could be balanced with the jurisdiction in which Wiluna is positioned.

Environmental approval for the Husab Project was received in Jan 2011 with the DFS released soon afterwards in April 2011. The offer for EXT from Taurus Mineral Ltd was AUD8.65/share or AUD2.1B and the total published resources were 513Mlbs. At that stage our DCF valuation for EXT was slightly in excess of AUD5.00/share (AUD1.3B), using the DFS metrics published by the company, a discount rate of 10% and a USD70/lb long term U₃O₈ price. The takeover price implied a premium to our EXT valuation of about 70%, a value of AUD4.15 per resource lb and an implied discount rate of 6% (at USD70/lb).

Applying these metrics to TOE yields the following:

- 70% premium to NPV – AUD282M (AUD0.27/share)
- AUD4.15/resource lb – AUD224M (AUD0.22/share)
- Discount rate 6% - AUD312M (AUD0.30/share)
- Average – AUD273M (AUD0.26/share)

We would expect a full takeover offer around AUD273M (AUD0.26/share) to be justifiable. Assuming a 25% takeover premium is implied in the AUD273M, a JV partner could be expected to value Wiluna at AUD218M (AUD0.21/share). A 35% stake would equate to AUD76M, which would leave TOE to raise equity of about AUD41M.

NPV SENSITIVITY - WILUNA

The valuations are highly sensitive to uranium prices and to a lesser extent; operating costs, reflecting the upside in our appraisal should we see a return to positive sentiment in the uranium market.

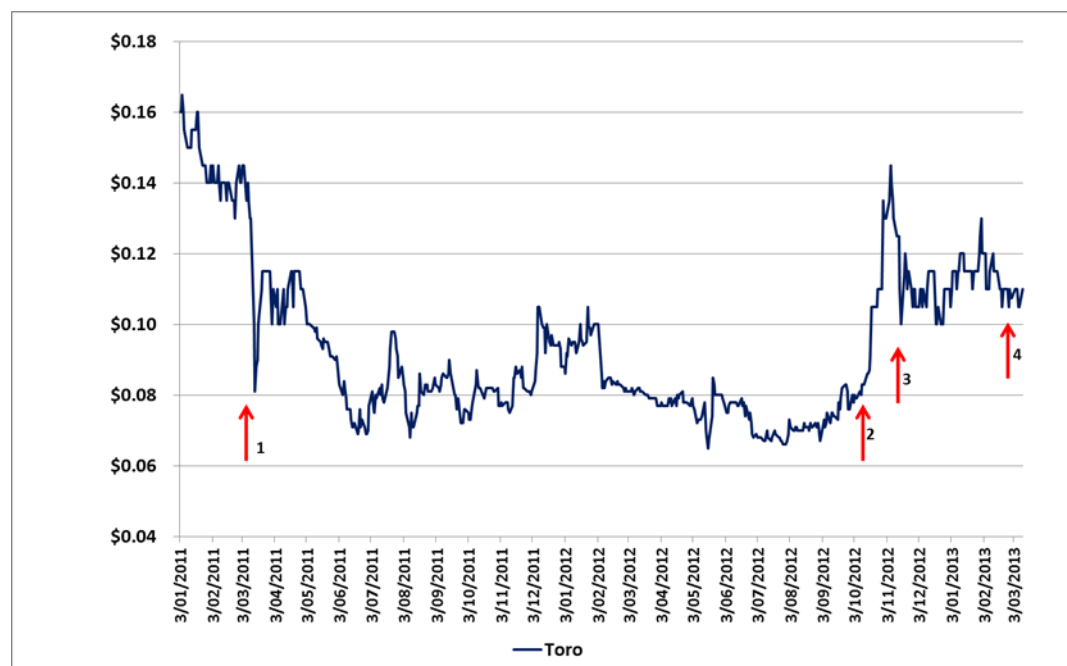
TABLE 4: WILUNA NPV SENSITIVITIES (BASE CASE NPV₁₀=AUD166M)

Item	NPV ₁₀ (AUDM)	Sensitivity (%)
Operating Costs (+10%)	122	-27%
U ₃ O ₈ Prices (+10%)	254	+53%
U ₃ O ₈ Prices (-10%)	77	-54%
Capital Costs (+10%)	148	-11%

Source: Helmsec Estimates

TORO SHARE PRICE HISTORY

FIGURE 2: TOE SHARE PRICE AND MAJOR EVENTS



Source: IRESS and Helmsec

1. Fukushima
2. WA Minister for environment approves Wiluna Project
3. Federal Minister delays approval to 31 March 2013
4. TOE secures \$12m funding

THE WILUNA PROJECT (100%)

SUMMARY

The Wiluna Uranium Project involves the development of a uranium mine in two deposits - Lake Way and Centipede. The project is located to the south and south-east of Wiluna in Western Australia. The deposits occur on two pastoral leases which TOE holds. TOE proposes an open pit mine and on site processing to produce up to 800tpa U_3O_8 over an anticipated life of 14 years. The Centipede deposit will be mined for the first 5 years followed by the Lake Way deposit. The concentrate will be transported by road to Adelaide for export to global markets. Infrastructure to support the project will include an accommodation village, water supply bore field and associated pipeline, on-site electricity generation and communications infrastructure.

In October 2012 the state Ministerial approval process was completed. Federal Government approval was initially delayed, but approved prior to their 31 March deadline. Final Investment Decision is targeted for 2013, subject to market conditions and project financing success. In September 2011, Bateman Engineering Australia (Bateman) was awarded the engineering component of the DFS to be conducted in two phases. The first, for process engineering, has been completed and the second for engineering design and costing will be undertaken after government environmental decisions on the Project.

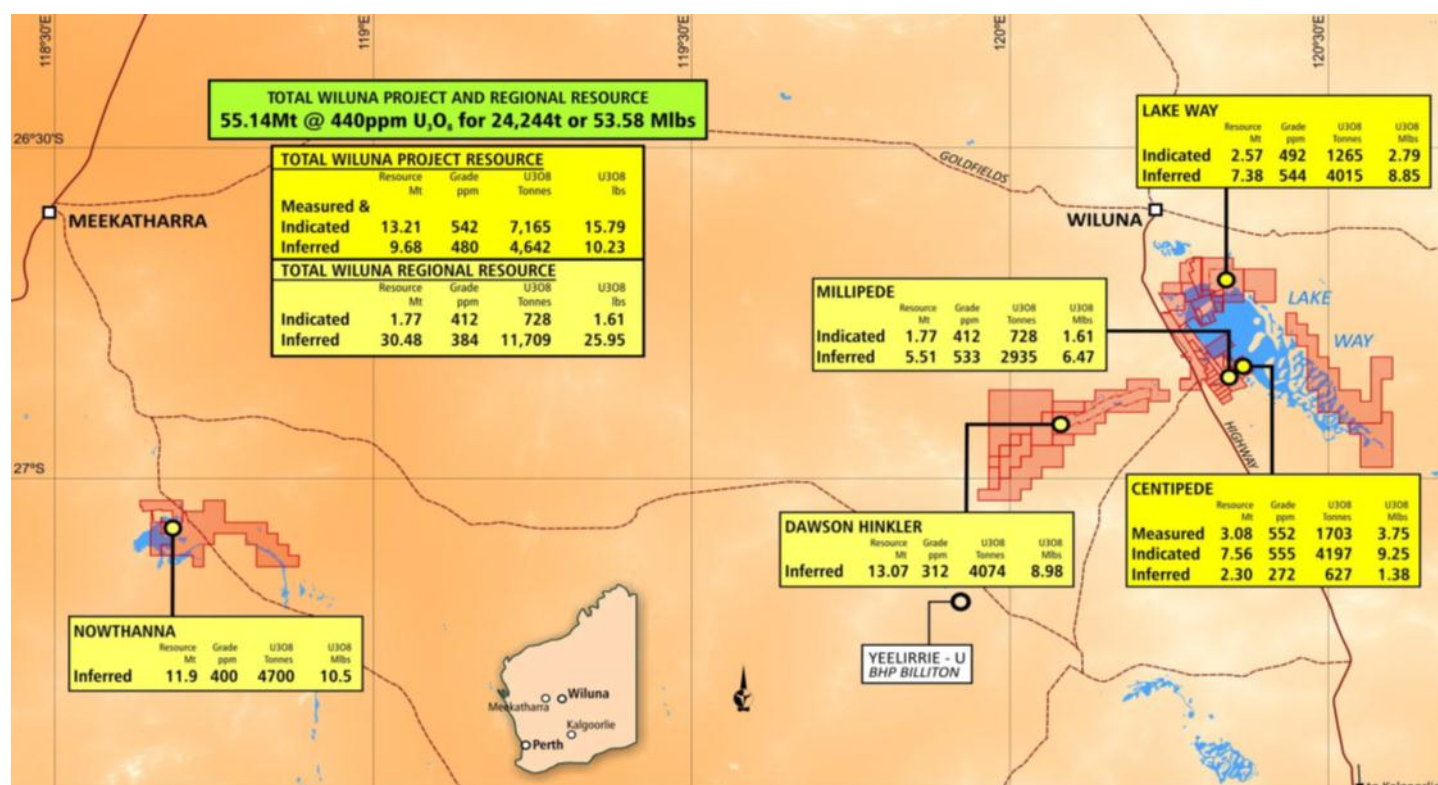
Toro continues its meetings with Traditional Owners at Wiluna. A negotiation protocol for a mining agreement was signed, paving the way for the commercial negotiations.

TOE continues to engage with potential JV partners, with confidentiality agreements in place with a number of parties.

MINING

The ore in the Wiluna deposit is shallow at between 1m and 12m below the surface. Mining would be by open cut, with Centipede deposit being initially mined followed by Lake Way, which together make up the 25Mlb JORC resource.

FIGURE 3: WILUNA PROJECT AND REGIONAL RESOURCES



Source: Company reports

No blasting would be required as the ore occurs in relatively thin layers of low to medium strength rock, laterally extensive but variable vertically. Toro proposes to use a Veneer continuous mining machine to mine the ore. This is a

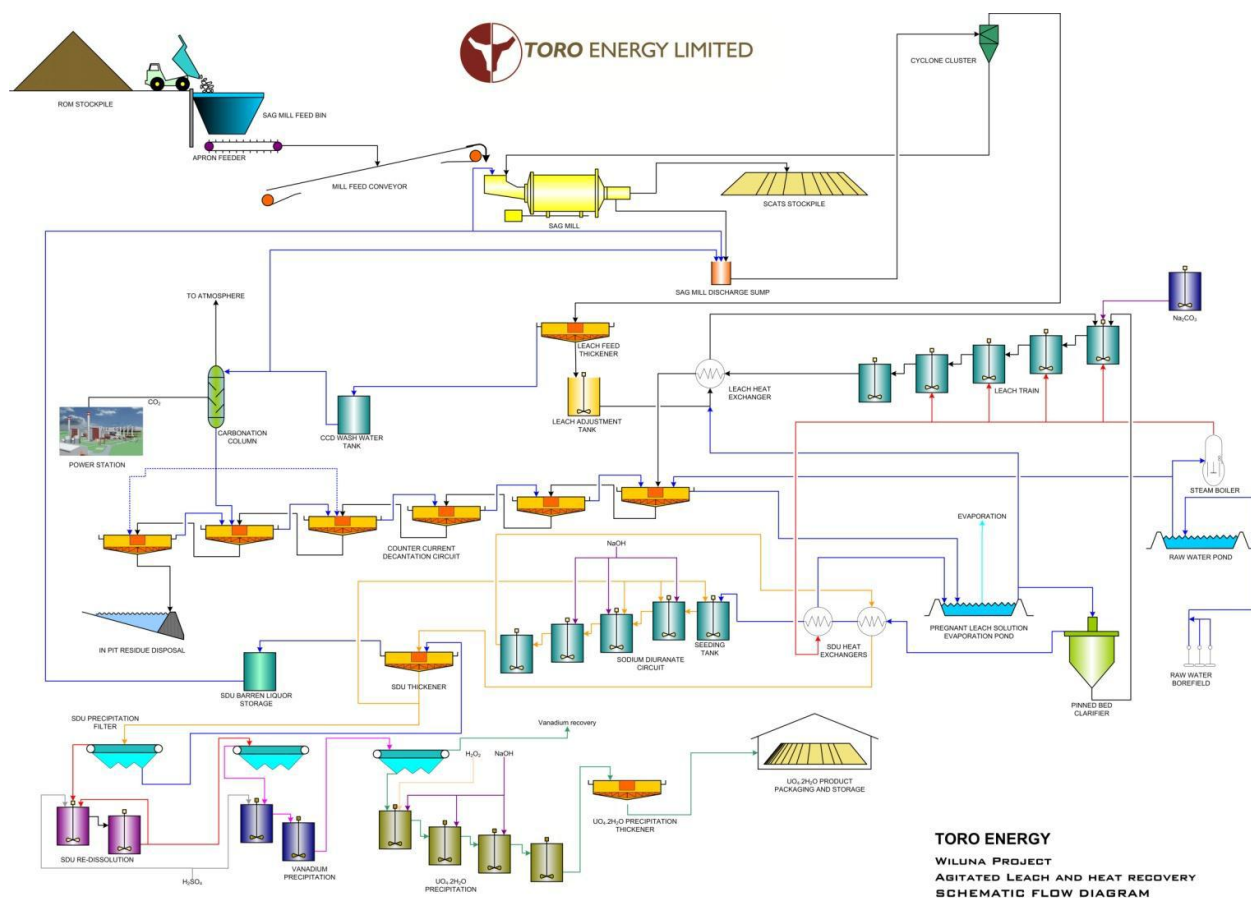
tracked vehicle with a cutting drum to break up the ore. The Veneer is capable of cutting a 25cm bench and has the ability to map and select grade through GPS/gamma logging instruments. The uranium occurs at or below the water table and would require dewatering of the open pits. To minimise pumping TOE proposes will develop in pit water barriers by compacting clay in backfilled perimeter trenches. Mining is planned to take place on a 24 hour basis with waste stripping taking place on night shift and ore mining on day shift with an overall strip ratio of 3.8:1. Waste will be either stockpiled for backfilling or directly backfilled into suitable mined out areas. Surface soil will be stripped and stockpiled separately to be placed over backfill for rehabilitation.

PROCESSING

Toro proposes to utilise the Alkaline Agitated Leach process to extract the uranium. This process is commercially proven and exhibits very good recoveries approaching 85%. As part of the study for the Project, a pilot plant test program which utilised bulk sampled material from the test-pit was recently completed. The test program confirmed the viability of the process and its operating parameters.

Importantly, saline groundwater from Wiluna project's Centipede deposit was successfully used as wash water and flocculent make-up water, significantly reducing the need for TOE to source high quality, low salinity water. Total water demand is estimated at 2.5Glp. A 32m³/hr water treatment plant is required to produce demineralised water for steam to heat the slurry and a further 5m³/hr reverse osmosis plant for potable water is required for product washing and amenities.

FIGURE 4: PLANT LAYOUT



Source: Company reports

As seen in Figure 4 above, ore will be delivered by truck to the milling circuit which consists of a SAG mill in a closed cyclone circuit. The grinding circuit produces a ~300µm product with cyclone overflow is gravity fed to a leach feed

thickener prior to entering the leach circuit. Leaching of the heated slurry (95°C) will take place at atmospheric pressure in alkaline conditions by the addition of sodium carbonate.

The CCD circuit will recover leach solution and wash residues. Underflow from the final stage will be pumped to the tailings storage facility. A portion of the CCD overflow will be pumped to the plant via the evaporation pond which would evaporate excess solution for water balance purposes. The clarified solution would then be heated to 85°C and Sodium diuranate ($\text{Na}_2\text{U}_2\text{O}_7 \cdot 6\text{H}_2\text{O}$) would be precipitated by addition of sodium hydroxide (NaOH). The solution is then returned to the CCD via a carbonation process to enhance the extraction process.

The precipitate is redissolved in sulphuric acid (H_2SO_4) where the remaining vanadium is filtered after precipitation by adjusting the pH.

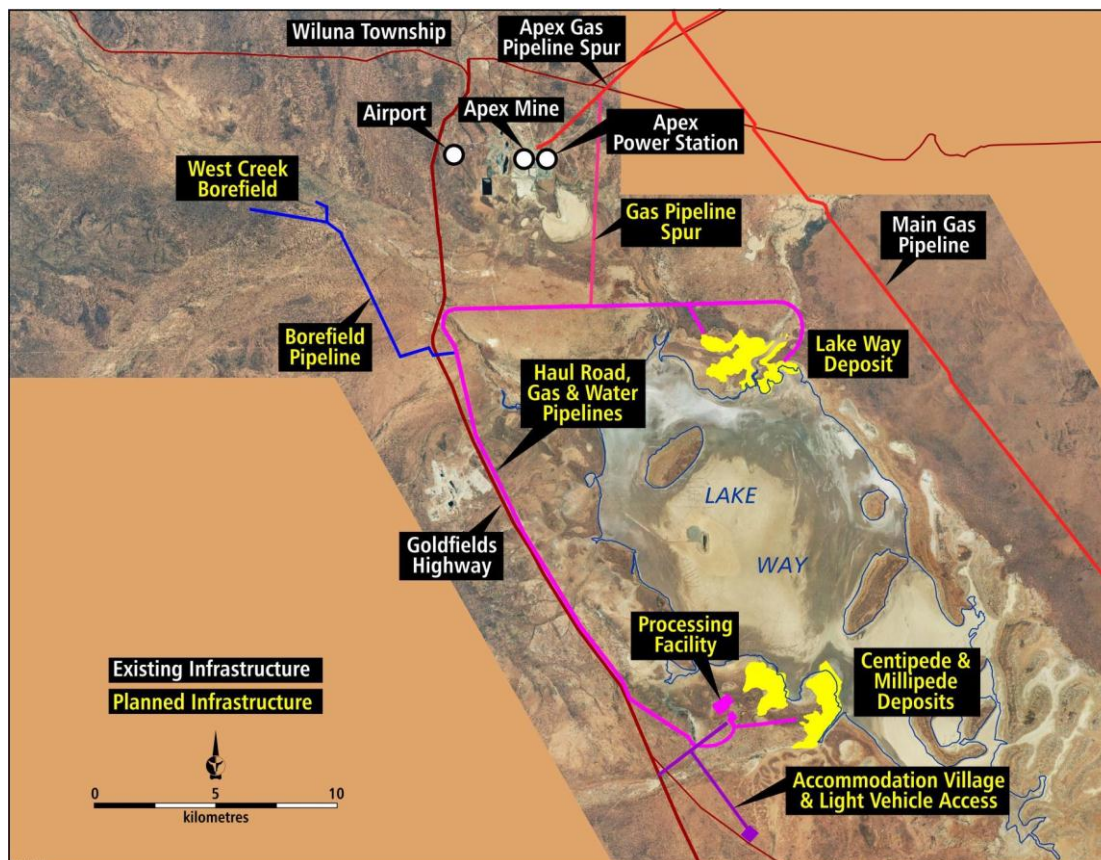
Uranium is then precipitated from the solution in the form of uranyl peroxide ($\text{UO}_4 \cdot n\text{H}_2\text{O}$) by the addition of hydrogen peroxide (H_2O_2) and NaOH. The product slurry is then thickened, centrifuged and dried before packing into 200l drums and packed onto pallets for transport.

INFRASTRUCTURE

Existing infrastructure includes close proximity to the Goldfields Gas Pipeline, the Goldfields Highway and Wiluna Airport (direct flights to Perth). Toro will establish accommodation for the workforce and up to 12 MW of on-site gas-fired power generation. The Dampier to Kalgoorlie Goldfields Gas Transmission (GGT) pipeline runs within 25km of the plant. The pipeline has sufficient gas to meet the demands of the project (~3TJ/day).

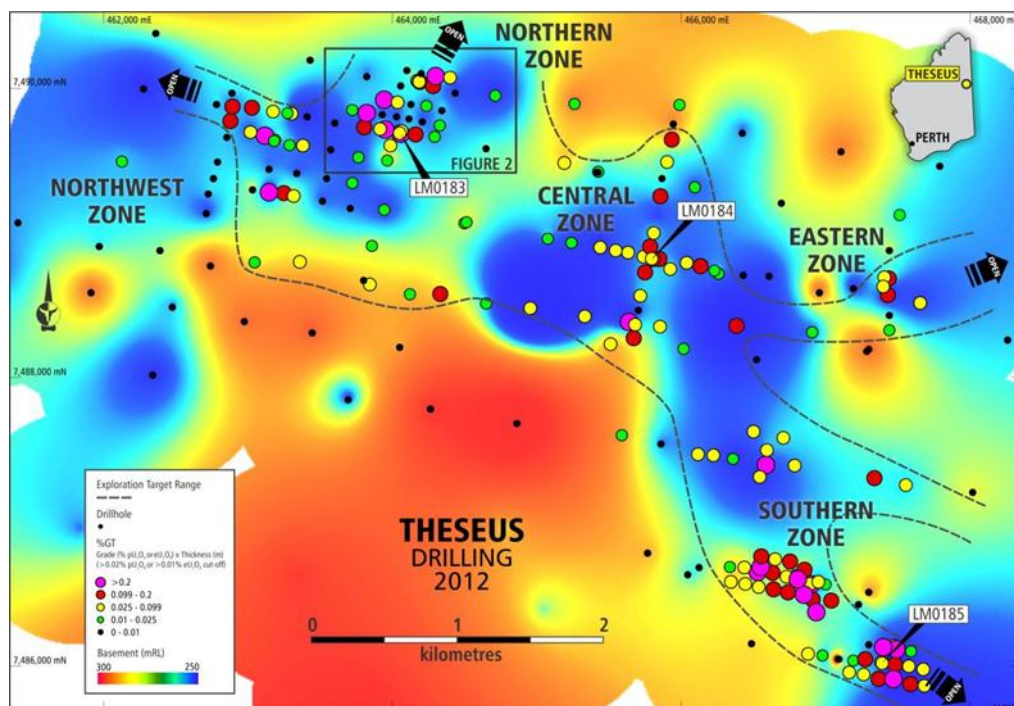
TOE proposes to refurbish and upgrade a disused bore field at West Creek, approximately 10km SW of Wiluna to supply the majority of water needs for processing and other requirements.

FIGURE 5: PLANNED INFRASTRUCTURE



Source: Company reports

FIGURE 7: DETAILED THESEUS DRILLING



Source: Company reports

The mineralised envelope at Theseus, defined by greater than 0.5m thickness at 0.01% eU_3O_8 intersections, now covers a contiguous area of at least 6km by 1km that is open to the east, southeast, north and northwest. The exploration target has been revised to 28Mt to 35Mt at around 450ppm to 520ppm for 28Mlb to 40Mlb U_3O_8 .

BOARD

Dr Erica Smyth, MSc, FAICD, FAIM (Non-Executive Chairman)

Dr Smyth was appointed to the Board on 30 October 2007, as Chair on 30 April 2009 and has over 30 years experience in the mineral and petroleum industries. She was Principal Geologist for BHP Minerals Limited (including several years in uranium exploration) and BHP-Utah Minerals International's Beenup Project Manager, Manager Gas Market Development WA for BHP Petroleum and, more recently, General Manager – Corporate Affairs for Woodside Petroleum Limited. She has a Bachelor of Science from University of Western Australia and an Applied Master of Science from McGill University in Montreal, Canada. In 2008 she was awarded an Honorary Doctor of Letters from the University of Western Australia.

Dr Smyth is a Fellow of the Australian Institute of Company Directors, is the Chair of Toro Energy Limited, the WA interactive science centre Scitech; the WA Government's film screen industry funding body ScreenWest and the Diabetes Research Foundation of WA. She is also a Director of the Australian Nuclear Science and Technology Organisation (ANSTO); the Cooperative Research Centre for Sustainable Resource Processing and the Diabetes Western Australia. The Chamber of Mines & Energy (WA) awarded Dr Smyth a Lifetime Achievement Award in 2010 for her contribution to the industry and as part of the Women in Resources Award 2010.

Dr Vanessa Guthrie, BSc (Hons), Dip Nat Res, PhD (Geol), Dip Bus Mgt, MAICD (Managing Director)

Dr Vanessa Guthrie has an academic background in geology, environment and business management which includes a Bachelor of Science with Honours, a Doctor of Philosophy (Geology), and Graduate Diplomas in Natural Resources and Business Management. Dr Guthrie's doctorate was completed under an Australian Institute of Nuclear Science and Engineering post-graduate scholarship, and she was the recipient of a six month Fellowship with France's Commissariat à l'Energie Atomique.

Dr Guthrie is a member of the Australian Institute of Company Directors, was a former Director of uranium explorer, Nova Energy, and is currently a Non-Executive Director at Reed Resources Limited, and holds Board positions on the International Centre for Radioastronomy Research, University of WA's Centre for Social Impact Advisory Board and Scotch College.

She is one of Western Australia's foremost resources sector authorities on sustainability, environmental management, carbon emission management and government liaison, is a former mine manager for WA's Huntly bauxite mine at Dwellingup, Sustainability Manager for Alcoa World Alumina Australia and former Vice President for Sustainable Development with Woodside Energy, a position which involved high level interface on community relations, indigenous affairs, environment and carbon strategies. She has held previous roles with RGC Limited, Pasminco Limited and WMC overseeing environmental management of mining and refining operations in gold, nickel and base metals, including those in the Northern Goldfields.

Most recently, she was Chief Executive of Wellard Enterprises, a group which provides communications, control systems and consultancy services to mining, port and infrastructure providers in Western Australia, Queensland and throughout South East Asia.

Mr Greg Hall, BEng, M AusIMM, MAICD (Non-Executive Director)

Mr Hall is a Mining Engineer with 28 years experience in the resources industry, including 17 years in the uranium sector in engineering, senior marketing and operational management roles.

Mr Hall was Marketing Manager (North America) for ERA Ltd from 2000 to 2004 and during this time he undertook uranium sales negotiations and contracts with North American utilities, and visited a number of nuclear power plants, conversion and enrichment plants and various waste repository facilities, enabling a broad view and understanding of the global nuclear power industry. During this time he also undertook a period managing a business improvement project at the Ranger Mine.

Prior to this Mr Hall was Manager – Mining of ERA Ltd’s Ranger and Jabiluka operations and coordinated and updated the Jabiluka mine feasibility study and managed technical and planning work for the mine. This encompassed stakeholder liaison with state and federal governments, Aboriginal organisations and external parties and ongoing involvement in community issues and committees.

Mr Hall has also held a variety of senior technical and operational management roles at WMC Resources Ltd at its nickel operations and the Olympic Dam project, where he was Underground Manager then Mining Manager from 1987 to 1992.

Mr Peter Lester, BEng (Mining – Hons), MAICD (Non-Executive Director)

Mr Lester was appointed to the Board on 30 October 2007 having previously served on the Nova Energy Board. He is a mining engineer with over 40 years’ experience in the resources industry including senior operating, development and corporate roles with Newcrest Ltd, North Ltd, CRA Ltd and MIM Ltd. He was the Executive General Manager Corporate Development for Oxiana when Toro Energy Limited was initially floated and then OZ Minerals Ltd prior to joining Citadel Resource Group as Executive Director responsible for Corporate Development. His activities have covered Australia, South East and Central Asia, the Middle East and the Americas and include a period in broking in both the research and corporate roles. Mr Lester is a Non- Executive Director of Castlemaine Goldfields Ltd and Nord Gold N.V. Mr Lester is the Chairman of the Company’s Audit Committee.

Mr Andrew Coles, BEc, MBA, CPA, MAICD (Non-Executive Director)

Mr Coles was appointed to the Board on 14 September 2009 and is the Chief Financial Officer of OZ Minerals Ltd and has over 30 years’ experience in the resources industry. He commenced his career with CRA Ltd (now Rio Tinto) where he held roles in accounting, finance and treasury in Melbourne, London and Dampier. He then joined Esso Australia where he held roles in treasury, planning and public affairs in Melbourne and Houston, including as Treasurer of ExxonMobil Australia. In 2003, he joined Pasminco Ltd during its administration as Group Treasurer then held the same role in Zinifex Ltd following its float in 2004. From 2007, he worked primarily on M&A activities, including the IPO of Nyrstar in Belgium in 2007, the merger with Oxiana in 2008 and the asset sale process in 2009. Mr Coles was appointed CFO of OZ Minerals Ltd in June 2009. Mr Coles is a member of the Company’s Remuneration Committee.

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