

QUARTERLY

ACTIVITIES REPORT

for period ending:

31 December 2014

ACN: 117 127 590

33 Richardson Street West Perth WA 6872

E: info@toroenergy.com.au W: www.toroenergy.com.au



HIGHLIGHTS

- Toro Managing Director Dr Vanessa Guthrie appointed by the Prime Minister, the Hon Tony Abbott, MP to the Australia - India CEO Forum - follows signature of Nuclear Civil Cooperation Agreement.
- Sentient agrees to invest \$10M in Toro Energy Limited ('Toro' or 'the Company') under a placement at 8 cents per share and a further \$10M under a project level funding arrangement.
- Toro acquires Canadian-based uranium investments from Sentient headlined by the acquisition of debt and equities in TSX-listed Strateco Resources Inc.
- Changes to the Board composition with the appointment of Mr Michel Marier, investment manager with The Sentient Group, Mr John Cahill, as an independent non-Executive Director and Audit Committee Chair (January 2015), and the retirements of both non-Executive Directors Mr Andrew Coles and Mr Peter Lester.
- Completion of a Share Purchase Plan raising \$3.9M and private placement through RealFin Capital Partners raising \$1M, both at 8 cents per share.
- The Environmental Scoping Document for the Wiluna Uranium Project to include mining at Millipede and Lake Maitland deposits was released for public review.
- Improvements in both spot and long term uranium prices during the quarter.
- Cash at end of the quarter was \$25.2M.

1. Overview

The December 2014 quarter was a landmark period of Toro that included successful financings, asset acquisitions, the continued development of the Wiluna Uranium Project and its environmental assessment and the first steps toward a new market for Australian uranium supplies.

Development opportunities for the Australian uranium industry have expanded appreciably following the signing in September 2014 of the Nuclear Civil Cooperation Agreement between India and Australia. The Prime Ministers of both countries have expressed a desire to expand the bilateral economic relationship, marked by the Australia-India CEO Forum to be chaired by Rio Tinto Managing Director Sam Walsh. Toro's Managing Director Dr Vanessa Guthrie has been appointed to the CEO Forum, a further tangible indication of the growing recognition of the importance of Australian uranium to Indian economic development. Vanessa is also a on the Board of the Minerals Council of Australia, providing advice on energy policy.

As a low emission fuel source, nuclear power can make a significant positive difference to people in developing economies. The Nuclear Civil Cooperation Agreement is a significant first step towards the sale of uranium concentrates from Australia to the growing nuclear power market in India. The agreement paves the way for Australian uranium to bring energy to more than 300 million Indian people who currently have no access to electricity.

India is a long standing importer of uranium for civil (ie power generation) needs. This latest agreement follows similar agreements India has with the United States, Canada, Russia and France.

The two governments are currently working upon the administrative protocols that will underpin the cooperation agreement including the significant safeguards arrangements, consistent with international standards. The US-India nuclear agreement announcement on nuclear liability issues further confirm the role of nuclear power in India's economic development.

In January 2015, Toro accompanied the Federal Minister for Trade and Investment, the Hon. Mr Andrew Robb and 450 delegates to the Australia Business Week in India. Toro heard first hand from private enterprise, government owned mining companies, power generators and regulators on the importance of energy to the growth of India and the increasing reliance on nuclear power as a clean energy source.

Prior to the Business Week, Dr Guthrie attended the Vibrant Gujarat Summit where world leaders, business and community leaders were energized by the commitment of 2015 Prime Minister Modi to improve the living standards of the 1.25 billion people in India through commerce and investment.

2. Corporate and Finance

During the quarter Toro announced and completed a Subscription and Securities Sale Agreement ("SSAA") and Unitisation Deed with independent global private equity firm The Sentient Group.

Under the terms of the SSSA dated 31 October 2014, Sentient agreed to subscribe for 125M new fully paid ordinary shares in Toro at 8 cents per share for \$10M ("Share Subscription") and Toro acquired from Sentient, on the SSSA signing date, a 19.8% interest in Strateco Resources Ltd ("Strateco"), a C\$3M senior secured loan receivable in Strateco, C\$14.1M of junior secured Convertible Notes in Strateco and certain other interests from Sentient ("Sentient Uranium Interests"). The consideration paid for the Sentient Uranium Interests is 236.5M new fully paid ordinary shares in Toro ("Consideration Shares").

Settlement of the Share Subscription is to take place in two tranches. The Initial Subscription Shares of 93.75M new fully paid ordinary shares for \$7.5M were allotted on 22 December 2014. Settlement of the Consideration Shares is also to take place in two tranches. The Initial Consideration Shares totalling 177.4M new fully paid ordinary shares were allotted on 22 December 2014.

The balance of the Consideration Shares (59.1M shares) are to be issued upon agreed conditions in relation to the Sentient Uranium Interests being met (or waived by Toro). At this point, the balance of the Share Subscription of \$2.5M will be due from the Sentient Group and 31.25M new fully paid ordinary shares will be issued.

Shares issued to Sentient under SSSA	Total 'M	Issued during the quarter 'M	Outstanding to issue 'M
Share Subscription	125.00	93.75	31.25
Subscription Fee Shares	3.75	2.81	0.94
Consideration Shares	236.50	177.37	59.13

Under the Unitisation Agreement Sentient has provided Toro \$10M to be used for research and development activities for the Wiluna Project in return for a fee of a 2.5% of the gross proceeds from production of uranium on Toro's Wiluna Project tenements.

The unitisation funding was received on 22 December 2014.

Toro and Sentient have established a Technical Committee to manage the research and development work. The mandate of the committee is to explore opportunities to enhance and optimize the process design, project configuration and operating and capital cost structure for the Wiluna Project.

The Unitisation Agreement can be terminated by either party after three years (or earlier in certain circumstances, including a change in control of Toro). Upon termination, the unitisation fee is to be bought back by Toro at the higher of \$10M less amounts paid under the Unitisation Agreement and the independently assessed fair market value of the unitization fee at or around the time of termination. Toro may elect to satisfy the consideration payable on termination in cash or Toro Shares. In addition, where a change of control event has occurred, Sentient may elect to receive shares as the consideration for the payment due on termination.

Funds received from Sentient under SSSA and Unitisation Deed	Total A\$'M	Received during the quarter A\$'M	Outstanding to receive A\$'M
Share Subscription	10.0	7.5	2.5
Unitisation Deed	10.0	10.0	-

Upon signing of the SSSA, Mr Michel Marier was appointed to the Toro Board, reflecting the agreement terms that while Sentient maintain a minimum interest in Toro of 11%, or the Unitisation Deed is in place, Sentient has the right to appoint a director to the Board. Mr Marier joined Sentient in 2009 as an investment manager. Before joining Sentient, Mr Marier worked for 8 years at the Private Equity division of la Caisse de dépôt et placement du Québec (CDPQ).

Following the announcement of the signing of the SSSA and Unitisation Deed, Toro completed a Share Purchase Plan raising \$3.9M, priced at 8 cents per share. In addition existing Toro shareholder RealFin Capital Partners subscribed for \$1M of new equity also priced at 8 cents per share.

In total, Toro received \$22.4M in funding during the quarter, with a further \$2.5M due from Sentient if conditions to the Deferred Consideration Shares are met.

During the quarter Mr Andrew Coles and Mr Peter Lester retired from the Toro Board. Mr Coles is the Chief Financial Officer of Oz Minerals Ltd, a major shareholder of Toro and retires after five years of service. Oz Minerals has indicated that it does not intend to nominate a replacement for Mr Coles at this time. Mr Lester had been a board member since 2007.

After the quarter Mr John Cahill, was appointed to the Toro Board as an independent non-Executive Director and Audit Committee Chair. Mr Cahill has over 25 years' experience working in senior treasury, finance, accounting and risk management positions predominantly in the energy utility sector.

As at 31 December 2014 Toro had \$25.2 million cash on hand.

3. Uranium Market

Both spot and long term uranium prices improved over the quarter. At the time of writing the spot uranium price was US\$36.75 (+\$1.25 on last quarter) and the long term price was US\$49.00 (+\$4.00 on last quarter).

Key market events over the quarter included:

- The Liberal Democrat Party of Japan won a significant majority in the lower house of Japan's Parliament strengthening Prime Minister Abe's ability to restart Japan's nuclear reactors and return nuclear power to be part of the Japanese energy mix;
- 2 additional Japanese reactors received Nuclear Regulatory Authority approvals adding to the 2 Sendai units that have already received full restart approvals. TradeTech estimates 5 Japanese reactors will be back online in 2015 and 30+ reactors will be back online by 2019;
- India's nuclear growth ambitions gained momentum with:

- Plans signed between India and Russia scheduling up to 12 additional Russian built reactors in India;
- Significant progress (leading to an agreement in Jan 15) between America and India allowing American companies to supply India with civilian nuclear technology;
- China (Beijing) maintained its forecast of 32 operating reactors by 2015, 54 by 2020 and 97 by 2025. Currently there are 22 reactors in operation and 26 under construction.
- IEA's World Energy Outlook forecasts 60% (+230GWe) growth in nuclear energy by 2040 and banks on renewables meeting half the increased world energy requirements (+1,700Gwe);
- Cameco's Cigar Lake (Saskatchewan) began transporting ore to McClean Lake Mill, producing 0.34Mlbs in 2014; forecast production is 6-8Mlbs in 2015 and 18Mlbs by 2018.

4. Wiluna Uranium Project (WA)

4.1. Project Update

Toro continues to work on ensuring the Wiluna Project can be financed and brought into production as soon as the uranium market improves and subject to achieving uranium pricing conditions that support development. The approvals process for the Millipede and Lake Maitland deposits continued during the quarter, including final responses to submissions to the Environmental Scoping Document being submitted.

Data from the resource disequilibrium results announced in the September quarter continued to be evaluated. With further working capital and project level funding secured during the quarter, Toro is now well funded to continue project optimization work prior to a commitment to initiating the definitive feasibility study.

In January Mr Andrew Worland was appointed as General Manager to the Wiluna Project, a role not filled since Dr Guthrie's appointment as Managing Director in February 2013. Mr Worland has consulted to Toro since May 2013 working on finance and strategic initiatives including the acquisition of Lake Maitland asset from Mega U and the transaction with The Sentient Group.

4.2. Resource

Following on from the results of the 2014 drilling and secular disequilibrium analysis, a potential positive difference between geochemistry derived uranium values and gamma probe derived values in the Wiluna resources was identified. Toro geologists, in collaboration with SRK Consulting, continued to work on evaluating the magnitude and extent of the positive difference. Results of this work are expected in the next quarter, inclusive of whether there is any potential for upgrade after further drilling.

4.3. Approvals and Community

The Environmental Scoping Document (ESD) for government assessment of mining at Millipede and Lake Maitland was released for public review on 6 October for a two-week period. The ESD describes an extension to the existing Centipede and Lake Way approvals incorporating mining at the Millipede and Lake Maitland deposits.

The Millipede deposit is located immediately adjacent to the approved Centipede deposit and much of the work undertaken during the Centipede assessment is relevant to Millipede.

Toro's proposed activities at Lake Maitland represent a significant decrease to the original mine planning by the deposits previous owners, Mega Uranium Ltd. Mega was well advanced in their assessment process when Toro acquired the property in November 2013. Under Toro's proposal there

will be no processing facility or tailings disposal at Lake Maitland thereby significantly reducing the environmental footprint of operations. Ore is proposed to be hauled from Lake Maitland to the approved processing facility at Centipede, as per Figure 1.

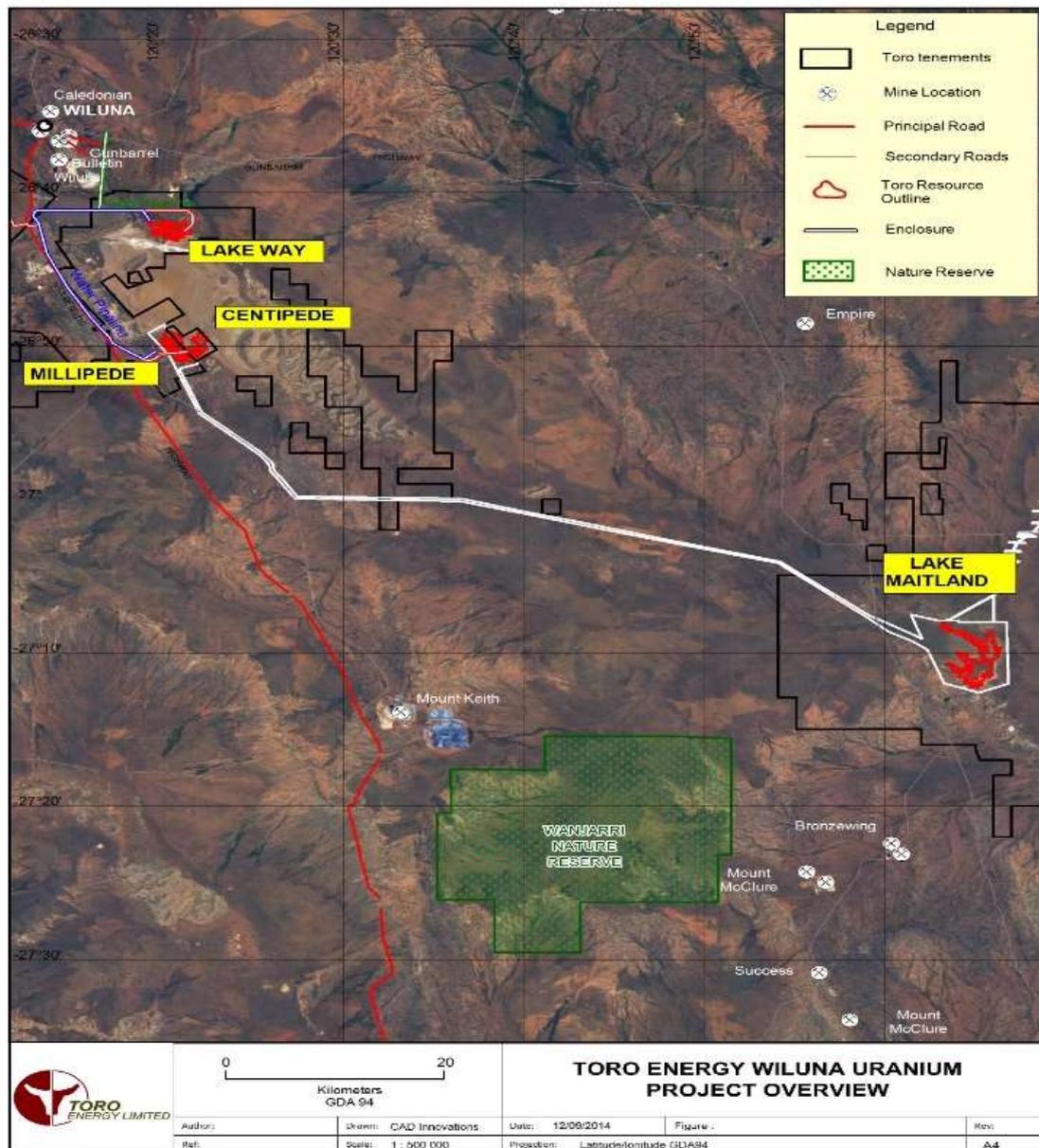


Figure 1: Proposed ore haulage from Lake Maitland to Centipede

The Western Australian Environmental Protection Authority (EPA) received 27 responses to the ESD. The ESD establishes the environmental studies necessary to complete the PER. During the quarter Toro further reviewed the ESD to take into account these responses and presented a revised ESD to the EPA. The EPA Board is currently considering the ESD, which, if accepted, will allow the company to move into the Public Environmental Review stage.

Toro is undertaking the final environmental studies at Millipede and Lake Maitland for inclusion in the environmental impact assessment process. The PER will be open for a 12 week public review period and Toro is planning to publish the PER by mid-2015.

Negotiation of a mining agreement with the Wiluna Native Title Holders continued during the quarter with further progress on the final few outstanding issues. All parties are aiming to complete the negotiations by mid-2015.

Toro hosted a two-day visit to the Lake Maitland mine site as part of its continuing engagement with the Barwidgee People, who assert an interest in the area. During the visit, the company discussed with the Barwidgee People a range of issues including cultural heritage management and support for community development initiatives.

Engineering

The focus of the Technical Committee and \$10M unitisation funds provided by Sentient for Wiluna is to explore opportunities to enhance and optimize the process design, project configuration and operating and capital cost structure for the Wiluna Project. A number of projects have already been conceptualised and during the quarter, Toro initiated a program to assess the applicability of Marenica's U-pgrade™ beneficiation technology to Wiluna ore.

5. Exploration

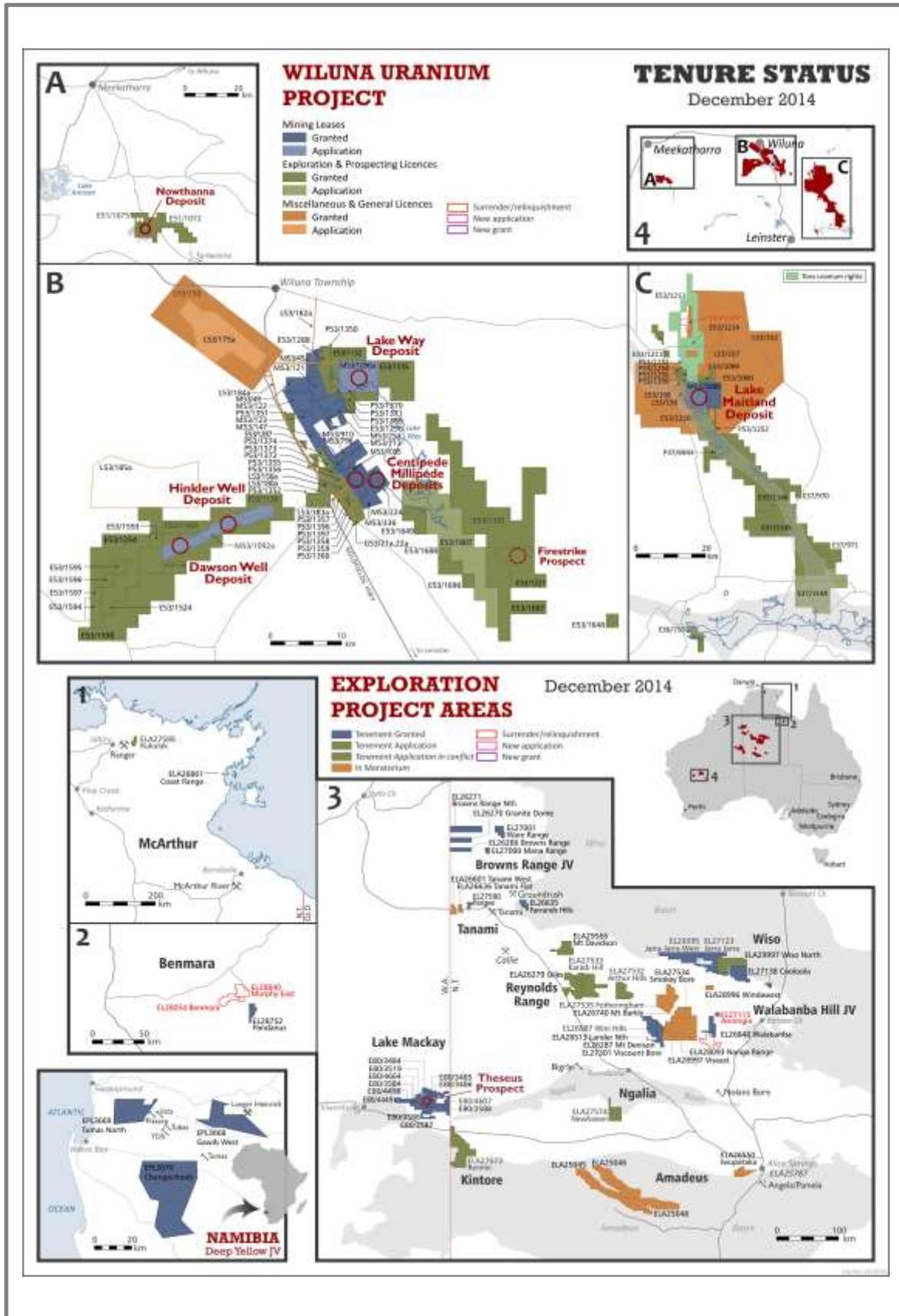
The Company continues to assess its exploration properties with a view to consolidating ground holdings. There was no material site exploration work carried out during the quarter. Areva Australia have begun planning for a drilling program on the Wiso Project in the first half of 2015.

6. Tenement Movements

An updated tenement status map is attached at Appendix 1.

Tenement movement details are included in Appendix 5B attached to this report.

APPENDIX I: Tenement Status Map



APPENDIX 2: Wiluna Uranium Project Resource Table^{1, 2}

Current Resources Table Wiluna Uranium Project In accordance with JORC 2012									
DEPOSIT	U3O8 cutoffs	Measured		Indicated		Inferred		TOTAL	
		200 ppm	500 ppm	200 ppm	500 ppm	200 ppm	500 ppm	200 ppm	500 ppm
Centipede	Mt's	2.9	1.2	7.5	3.1	0.0	0.0	10.4	4.3
	Grade ppm	551	872	572	943	0	0	567	923
	Mlb's U3O8	3.5	2.4	9.5	6.5	0.0	0.0	13.0	8.8
LakeWay	Mt's	0.0	0.0	10.3	4.2	0.0	0.0	10.3	4.2
	Grade ppm	0	0	545	883	0	0	545	883
	Mlb's U3O8	0.0	0.0	12.3	8.2	0.0	0.0	12.3	8.2
Millipede	Mt's	0.0	0.0	4.5	1.6	1.9	0.4	6.4	1.9
	Grade ppm	0	0	530	956	382	887	486	943
	Mlb's U3O8	0.0	0.0	5.3	3.3	1.6	0.7	6.9	4.0
Lake Maitland	Mt's	0.0	0.0	19.9	7.5	0.0	0.0	19.9	7.5
	Grade ppm	0	0	555	956	0	0	555	956
	Mlb's U3O8	0.0	0.0	24.3	15.7	0.0	0.0	24.3	15.7
Sub-total	Mt's	2.9	1.2	42.2	16.3	1.9	0.4	47.0	17.9
	Grade ppm	551	874	553	934	382	887	546	929
	Mlb's U3O8	3.5	2.4	51.4	33.7	1.6	0.7	56.6	36.7
Dawson Hinkler	Mt's	0.0	0.0	8.4	0.9	5.2	0.3	13.6	1.1
	Grade ppm	0	0	336	596	282	628	315	604
	Mlb's U3O8	0.0	0.0	6.2	1.1	3.2	0.4	9.4	1.5
Nowthanna	Mt's	0.0	0.0	0.0	0.0	11.9	2.3	11.9	2.3
	Grade ppm	0	0	0	0	399	794	399	794
	Mlb's U3O8	0.0	0.0	0.0	0.0	10.5	4.1	10.5	4.1
Total Regional Resource	Mt's	2.9	1.2	50.6	17.2	19.0	2.9	72.5	21.3
	Grade ppm	551	874	519	915	365	791	479	898
	Mlb's U3O8	3.5	2.4	57.6	34.8	15.3	5.1	76.5	42.3

Competent / Qualified Persons' Statements

The information presented here that relates to mining block model evaluations and reconciliations for the four 100 m x 100 m evaluation areas at Centipede, Millipede, Lake Way and Lake Maitland is based on information compiled by Dr Greg Shirliff and Mr Sebastian Kneer of Toro Energy Limited and Mr Daniel Guibal of SRK Consulting (Australasia) Pty Ltd. The review of the mining operability for the 100 m x 100 m-evaluation areas was conducted by independent mining engineer Mr Carl Murray of SRK Consulting (Australasia) Pty Ltd. Mr Guibal takes overall responsibility for the resource estimates of the individual evaluation areas and Dr Shirliff takes responsibility for the integrity of the data supplied for the estimations. Dr Shirliff and Mr Murray are Members of the Australasian Institute of Mining and Metallurgy (AusIMM), Mr Guibal is a Fellow of the AusIMM and Mr Kneer is a Member of the Australian Institute of Geoscientists (AIG) and they have sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity they are undertaking to qualify as Competent Persons as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code 2012)'. The Competent Persons consent to the inclusion in this release of the matters based on the information in the form and context in which it appears.

It is important to note that there has been no material change to the resources of the Wiluna Project since the last reporting of the Wiluna Project's resources on the 20th November 2013. As such the competent/qualified persons' statement for stated resources on the Wiluna Project remains as follows:

The information presented here that relates to Mineral Resources of the Centipede, Millipede, Lake Way, Lake Maitland, Dawson Hinkler and Nowthanna deposits is based on information compiled by Dr Greg Shirliff of Toro Energy Limited (with the aid of Mega Uranium Limited geologists Mr Stewart Parker and Mr Robin Cox in the case of Lake Maitland) and Mr Robin Simpson and Mr Daniel Guibal of SRK Consulting (Australasia) Pty Ltd. Mr Guibal takes overall responsibility for the Resource Estimate, and Dr Shirliff takes responsibility for the integrity of the data supplied for the estimation. Dr Shirliff is a Member of the Australasian Institute of Mining and Metallurgy (AusIMM), Mr Guibal is a Fellow of the AusIMM and Mr Simpson is a Member of the Australian Institute of Geoscientists (AIG) and they have sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity they are undertaking to qualify as Competent Persons as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code 2012)'. The Competent Persons consent to the inclusion in this release of the matters based on the information in the form and context in which it appears.

¹ Refer to Competent Persons' Statement in this report. It can be confirmed that there has been no material change to resources of the Wiluna Project since the last reporting of the Wiluna Project's resources on the 20 November 2013.

² Tonnes and pounds are quoted to one decimal place which may cause rounding errors when tabulating.

APPENDIX 5B
Mining exploration entity quarterly report

TORO ENERGY LTD

ABN. 48 117 127 590

Quarter ended
December 2014

Consolidated statement of cash flows (Note 6.0)

	Current quarter \$A'000	Year to date (6 months) \$A'000
Cash flows related to operating activities		
1.1 Receipts from product sales and related debtors	-	-
1.2 Payments for		
(a) exploration and evaluation	(1,227)	(2,438)
(b) development	-	-
(c) production	-	-
(d) administration	(143)	(390)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	46	108
1.5 Interest and other costs of finance paid	(225)	(600)
1.6 Income taxes paid	-	-
1.7 Other	-	-
Net Operating Cash Flows	(1,549)	(3,320)
Cash flows related to investing activities		
1.8 Payment for purchases of:		
(a) prospects	-	-
(b) equity investments	(39)	(39)
(c) other fixed assets	(483)	(496)
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	-	-
Net Investing cash flows	(522)	(535)
1.13 Total operating and investing cash flows (carried forward)	(2,071)	(3,855)
1.13 Total operating and investing cash flows (brought forward)	(2,071)	(3,855)
Cash flows related to financing activities		
1.14 Proceeds from issues of shares, options, etc	12,404	12,404
1.15 Proceeds from sale of forfeited shares	-	-
1.16 Proceeds from borrowings	10,000	10,000
1.17 Repayment of borrowings	-	-
1.18 Dividends paid	-	-
1.19 Other (Costs of share issue and Unitisation deed)	(447)	(447)
Net financing cash flows	21,957	21,957
Net increase (decrease) in cash held	19,886	18,102
1.20 Cash at beginning of quarter / year to date	5,367	7,151
1.21 Exchange rate adjustments to item 1.20	-	-
1.22 Cash at end of quarter	25,253	25,253

Payments to directors of the entity and associates of the directors 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	150
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		
Refer to ASX announcement - 'Toro Secures Funding & Uranium Assets from Sentient' on 3 November 2014		
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 (A\$12m debt facility)	-	12,000
3.2 Credit standby arrangements	-	-

Estimated cash outflows for next quarter	\$A'000
4.1 Exploration and evaluation:	1,510
4.2 Development	-
4.3 Production	-
4.4 Administration	999
Total	2,509

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	553	1,167
5.2 Deposits at call	24,700	4,200
5.3 Bank overdraft		
5.4 Other (provide details)		
Total: cash at end of quarter (item 1.22)	25,253	5,367

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	1,903,769,581	1,903,769,581	Fully paid	Fully paid
7.4 Changes during quarter				
(a) Increases through issues	760,623	760,623	<i>Fully paid</i>	<i>Fully paid</i>
	12,500,000	12,500,000	<i>Fully paid</i>	<i>Fully paid</i>
	48,794,375	48,794,375	<i>Fully paid</i>	<i>Fully paid</i>
	273,930,165	273,930,165	<i>Fully paid</i>	<i>Fully paid</i>
(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>Exercise Price</u>	<u>Expiry Date</u>
	4,120,000		\$0.22	2/02/2015
	24,390,244		\$0.12	1/11/2015
	3,680,000		\$0.22	3/01/2016
	5,000,000		\$0.22	11/01/2016
	1,000,000		\$0.30	11/01/2016
	35,714,286		\$0.08	7/03/2016
	42,253,521		\$0.14	7/03/2016
	250,000		\$0.15	25/05/2016
	250,000		\$0.22	25/05/2016
	750,000		\$0.11	30/06/2016
	500,000		\$0.22	30/06/2016
	750,000		\$0.25	30/06/2016
	9,300,000		\$0.13	31/07/2016
	225,000		\$0.13	25/08/2016
	5,750,000		\$0.11	16/01/2017
Performance Rights				
	8,335,492		\$0.00	30/09/2016
	2,778,868		\$0.00	1/07/2015
7.8 Issued during quarter				
Performance Rights				

7.9	Exercised during quarter Performance Rights				
7.10	Cancelled during quarter (expired) Performance Rights				
7.11	Debentures (totals only)				
7.12	Unsecured notes (totals only)				

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: 30 Jan 2015

TODD ALDER

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
EL28840	Surrendered in full	100%	0%
EL28054	Surrendered in full	100%	0%
EL27115	Partial Surrender - 115 blocks - 9 blocks remaining	100%	100%
E53/1026	Expired	100%	0%
E53/1099	New Tenement	0%	100%