

Update on Operations

November 2015

Recent Announcement

Toro Energy has recently announced and released their Public Environmental Review (PER) as part of their proposal to extend the Wiluna Uranium Project. The extended project will include the mining of two additional deposits - Millipede and Lake Maitland. The PER is reviewed by State and Federal Government as well as being made available to the public for comment.

The proposed extension to the Wiluna Uranium Project would allow Toro Energy to integrate the Centipede, Lake Way, Millipede and Lake Maitland deposits into the Wiluna Project. The method of mining all four deposits, processing of the ore and transport of finished product would be identical.

Path to Mining Commencement

To make the transition from an exploration property to a mining operation is a long and sometimes complicated bureaucratic process. It involves finding the correct balance between commercial viability, the preservation of the environment, the concerns of indigenous people and the regulatory requirements of both Federal and State government.

It is worth reflecting on the path and the accomplishments of the Toro Energy management team who have slowly and steadily continued to progress on a variety of issues. This progress will ensure that when the economic climate and market environment becomes conducive to the commencement of mining operations, they are perfectly positioned to take immediate advantage.

The timeline below shows the steps Toro Energy have taken since their listing application in 2006 to position themselves as the “go-to” mid-size uranium producer in Western Australia.

Toro Energy Timeline Focussed on the Wiluna Project

2006

- Mar: Toro Energy ASX listing application

2007

- Aug: Toro Energy and Nova (ASX: NEL) merge providing Toro with the Wiluna Project asset

2008

- Sep: Wiluna Project prefeasibility study conducted

2009

- Mar: First resource drilling at Wiluna
- Apr: Application for mining lease at Lake Way lodged

2010

- Jun: Public release of ESD
- Jun: EPA of Western Australia approves ESD

2011

- Feb: Toro Energy acquires Millipede from MPUI Nickel Pty Ltd
- Jul: ERMP submitted for public comment

2012

- May: EPA recommends approval for Wiluna Project to proceed
- Oct: Western Australia Environment Minister grants State final approval for Wiluna

2013

- Apr: Federal Environmental Minister approves Centipede & Lake Way deposits
- Aug: Acquisition of Lake Maitland

2014

- Feb: Toro Energy seeks Government approval for Millipede and Lake Maitland
- Oct: ESD released for public consultation on extended Wiluna project

2015

- Feb: Millipede & Lake Maitland - EPA approve ESD
- Nov: Millipede & Lake Maitland PER available for public comment

2016

- Jan: Finalisation of negotiations with Wiluna Traditional Owners
- Apr: Millipede & Lake Maitland - OEPA assesses proposal for consideration by EPA
- Sep: Western Australia Ministerial decision
- Nov: All Government approvals in place to commence mining

Abbreviations:

EPA: Environmental Protection Authority

ESD: Environmental Scoping Document

ERMP: Environmental Review and Management Programme

OEPA: Office of the Environmental Protection Authority

Comments

It is worth noting, that the Wiluna Project initially consisted of only the Centipede and Lake Way properties acquired through the merger with Nova in August 2007. Millipede was acquired in February 2011 from MPI Nickel (Pty) Ltd and Lake Maitland in August 2013. Together, the Wiluna Project (Centipede/Lake Way/Millipede/Lake Maitland) comprises 39.2 Mlbs of U₃O₈ at a 500ppm cut-off as released in the updated JORC resources results in October 2015.

The knowledge of the mineral resources at Wiluna has been steadily improving through rigorous scientific analysis and a series of drilling and survey programmes conducted by Toro Energy's geology team. This knowledge allows the Toro Energy management team to prepare highly informed optimisation strategies to determine the best possible mining and recovery schedule to maximise shareholder value.

Toro Energy has shown an ability to navigate through a challenging environment for a pre-production mining company since their 2006 listing. The company remains on track to finalise the necessary regulatory steps and requirements into 2016 to ensure an absolute readiness to commence operations as market conditions improve.