



## ASX RELEASE

7 July 2014

# RECORD URANIUM GRADES DELIVERED AT TORO'S MILLIPEDE DEPOSIT AT WILUNA PROJECT, WA

### Highlights:

- **Highest ever recorded grades of uranium mineralisation at Millipede deposit;**
- **Maximum grade of 1.4% eU<sub>3</sub>O<sub>8</sub> intersected at just 1m below surface;**
- **Average grade intersections of around 0.4% U<sub>3</sub>O<sub>8</sub> over 1.5m;**
- **Closely spaced drilling confirms continuous high grade mineralisation zone at just 1m below surface extending over the whole 100m x 100m drilling grid area;**
- **Confirms robust grades and mineralisation at shallow depths in Millipede;**
- **Further results from three other deposits are expected to be released in the next quarter.**

Toro Energy (ASX: TOE) is pleased to announce initial drilling results from the Company's largest ever drilling campaign conducted at the approved Wiluna Uranium Project. Intersections of the highest ever recorded grades of uranium mineralisation at Millipede deposit represent a significant improvement in the previously reported results.

Results from drilling at the Millipede deposit (see Figures 1a and 1b) have exceeded the Company's expectations. Specific intersections have shown (at Figure 2):

1. The highest grade intersection is **1.4%<sup>1</sup> eU<sub>3</sub>O<sub>8</sub> at just 1m below the surface**, which exceeds all previous recorded grades;
2. A continuous high grade mineralisation zone of over **0.1% eU<sub>3</sub>O<sub>8</sub>, up to 1.5m thick at only 1.3m below surface.**

The campaign began in April 2014 and comprised 1,639 air core and sonic holes for 16,375m at the Centipede, Millipede, Lake Way and Lake Maitland deposits. These deposits represent 56.6Mlbs (at a 200ppm cut-off) of the total regional resource of 76.5Mlbs which form the basis of the current project economic model which has approval for the processing facility and Centipede and Lake Way deposits (see Table 1). The Millipede deposit has been referred to the Western Australian and Federal governments for environmental approval.

A 100m x 100m grid with closely spaced 5m x 5m grade control drilling pattern was applied across each of the four deposits within high grade zones planned to be mined initially to test the integrity of current resource estimations and assess the continuity of the mineralisation.

<sup>1, 4</sup> Deconvolved gamma radiation measurements (refer ASX announcement 8 October 2013 for explanation of sampling techniques and data relating to the previous and current drill campaign referred to in this announcement)

The results were continuous across the whole of the drilling grid and represent a significant increase on previously reported grade intersections<sup>2</sup> which averaged up to 0.24%<sup>3</sup> U<sub>3</sub>O<sub>8</sub> and peaked at 1.14%<sup>4</sup> eU<sub>3</sub>O<sub>8</sub>.

“The new high grade intersections are extremely encouraging and further confirm Toro’s belief that the Wiluna deposits comprise robust grades and mineralisation at shallow depths,” the Company’s Managing Director, Dr Vanessa Guthrie, said today. “Each drilling campaign Toro has undertaken at Wiluna has shown higher grade mineralisation than has been historically indicated.”

“Toro continues to advance the approved Wiluna Project which stands out as the one of the few projects globally that is approved and capable of being financed to bring new product to the market as the uranium price recovers.”

Full results of the drilling program across all four deposits are expected by the end of the next quarter.

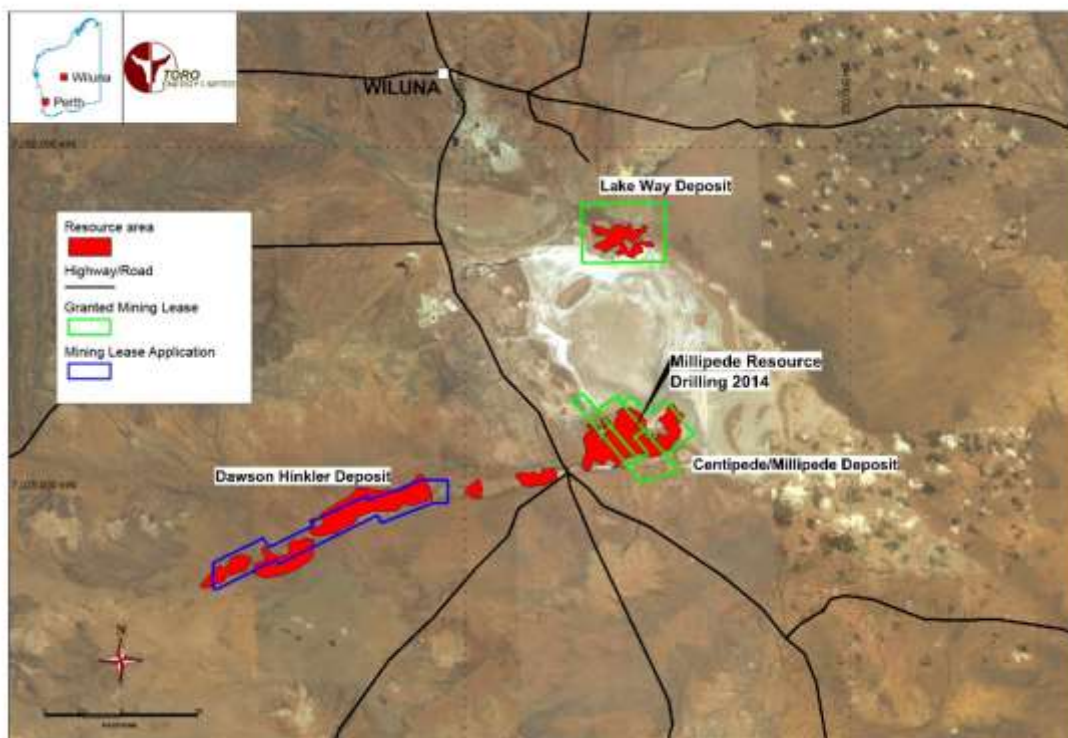


Figure 1a: Location of the Millipede deposit in the Wiluna Project.

<sup>2</sup> Refer ASX announcement 9 September 2013

<sup>3</sup> Gamma radiation and geochemical assays (refer ASX announcement 8 October 2013 for explanation of sampling techniques and data relating to the previous and current drill campaign referred to in this announcement)



*Figure 1b: Location of the Millipede close spaced drilling pattern within the 200ppm grade shell of Millipede and Centipede*

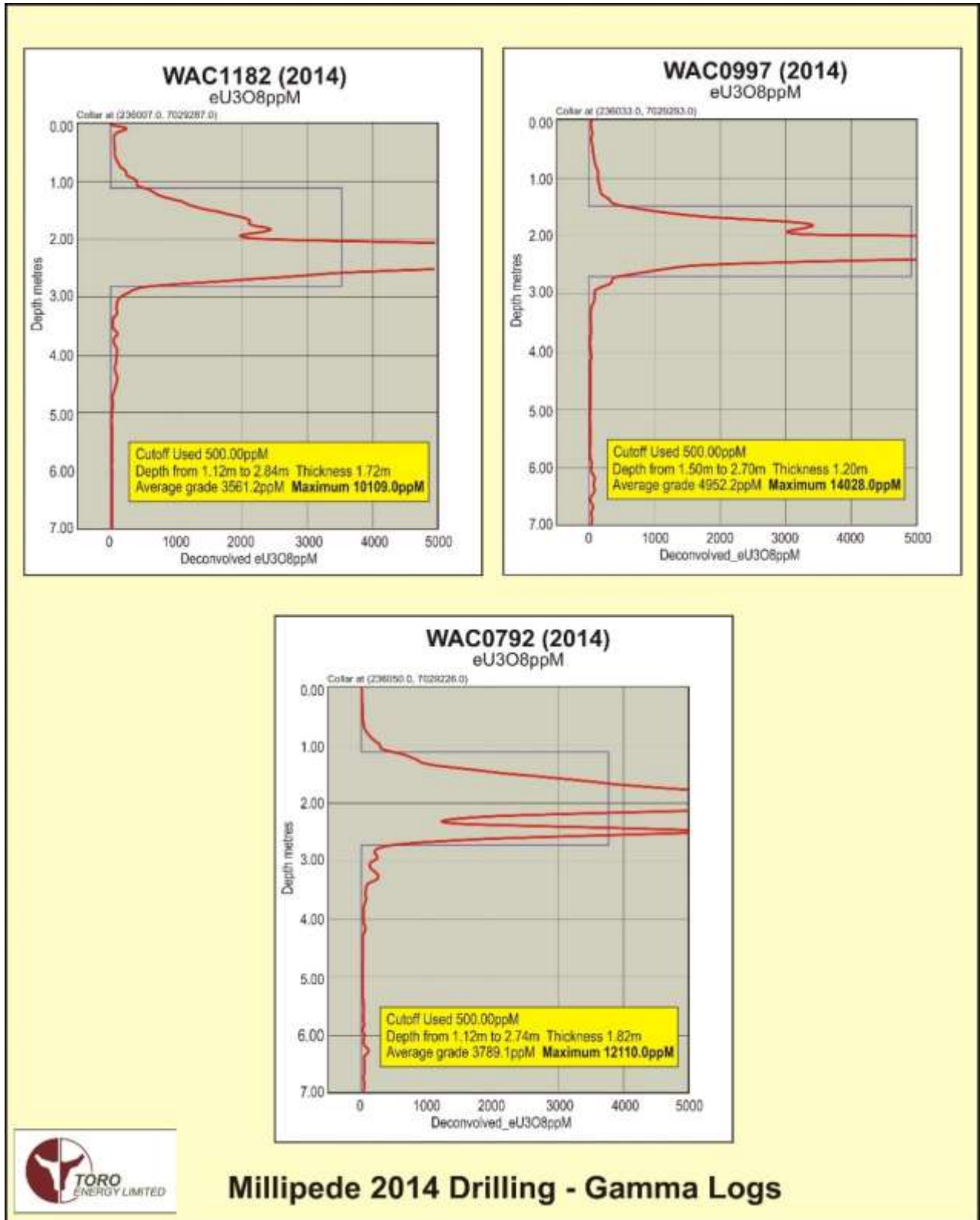


Figure 2. Gamma log results showing high grade intersections between 1 and 3 metres depth from surface at the Millipede deposit.

Current Resources Table <sup>5</sup> Wiluna Uranium Project In accordance with JORC 2012 <sup>6</sup>							
		Measured and Indicated		Inferred		Total	
		200 ppm Cut-off	500ppm Cut-off	200 ppm Cut-off	500ppm Cut-off	200 ppm Cut-off	500ppm Cut-off
Centipede, Millipede, Lake Maitland, Lake Way	Tonnes (Mts)	45.1	<b>17.6</b>	1.9	0.4	<b>47.0</b>	<b>17.9</b>
	Grade (ppm)	553	<b>930</b>	382	887	<b>546</b>	<b>930</b>
	Mlbs U <sub>3</sub> O <sub>8</sub>	55.0	<b>36.0</b>	1.6	0.7	<b>56.6</b>	<b>36.7</b>
Dawson Hinkler, Nowthanna	Tonnes (Mts)	8.4	0.9	17.1	2.6	25.5	3.4
	Grade (ppm)	336	596	364	779	354	732
	Mlbs U <sub>3</sub> O <sub>8</sub>	6.2	1.1	13.7	4.4	19.9	5.5
Total Wiluna Project	Tonnes (Mts)	53.5	18.5	19.0	2.9	<b>72.5</b>	<b>21.3</b>
	Grade (ppm)	519	915	365	791	<b>479</b>	<b>898</b>
	Mlbs U <sub>3</sub> O <sub>8</sub>	61.2	37.1	15.3	5.1	<b>76.5</b>	<b>42.3</b>

Table 1: Wiluna Uranium Project Resources table

**Vanessa Guthrie**  
Managing Director

**MEDIA CONTACT:**

Vanessa Guthrie      Toro Energy      08 9214 2100  
Kevin Skinner      Field Public Relations      08 8234 9555 / 0414 822 631

Toro Energy is a uranium development and exploration stage mining company based in Perth, Western Australia.

Toro's flagship asset is the 100% owned Wiluna Uranium Project, consisting of six calcrete hosted uranium deposits with a total JORC Resource of 76.5Mlb. The project is located 30 kilometres southeast of Wiluna in Central Western Australia. The Centipede and Lake Way deposits have received full government approval for mining providing the Wiluna Project with the opportunity to be Western Australia's first uranium mine.

Toro also owns a highly prospective suite of exploration properties highlighted by Toro's own discovery at the Theseus Project. The Company also owns uranium assets in the Northern Territory and in Namibia, Africa.

Toro is also pursuing growth opportunities through accretive uranium project acquisitions.

[www.toroenergy.com.au](http://www.toroenergy.com.au)  
TOE - A member of the All Ordinaries Index

<sup>5</sup> Refer ASX announcement released 20th November 2013 for full details.

<sup>6</sup> Tonnes and pounds are quoted to one decimal place which may cause rounding errors when tabulating.