

# Toro Energy Limited

## Positioning in Today's Uranium Market

**Dr Vanessa Guthrie**  
Managing Director

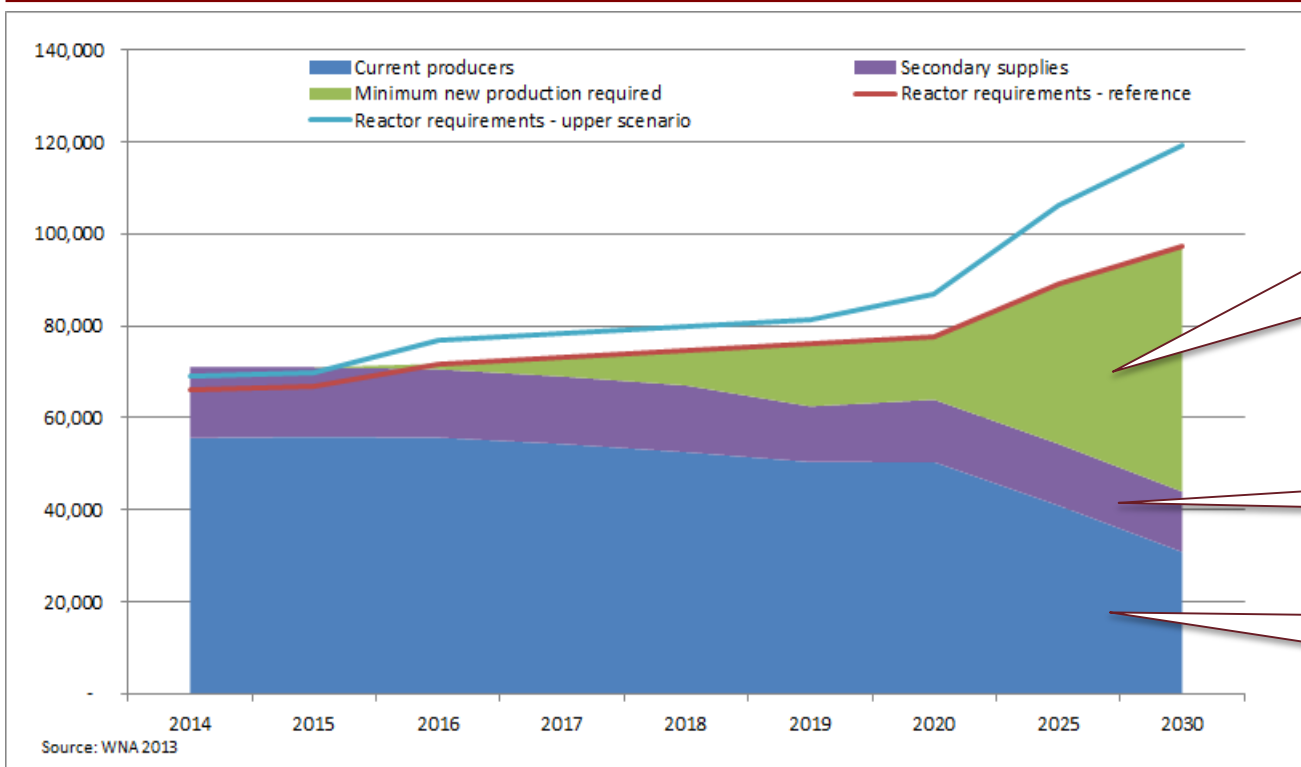
**Australia's  
Leading  
Development  
Stage Uranium  
Company**

**We all know the price will turn,  
the question is when....**

# WNA Forecast – a market in balance



Supply/Demand Forecast ('000 T's U<sub>3</sub>O<sub>8</sub>)



Assumes new production on line:

- Four Mile
- Cigar Lake
- Husab
- Imouraren
- Talvivaara Finland
- Mkuju River
- Kazakhstan expansion

Assumes HEU agreement production backfilled by tails underfeeding

Assumes continuing production at:

- Kayelekera
- Kazakhstan full production rate
- Ranger

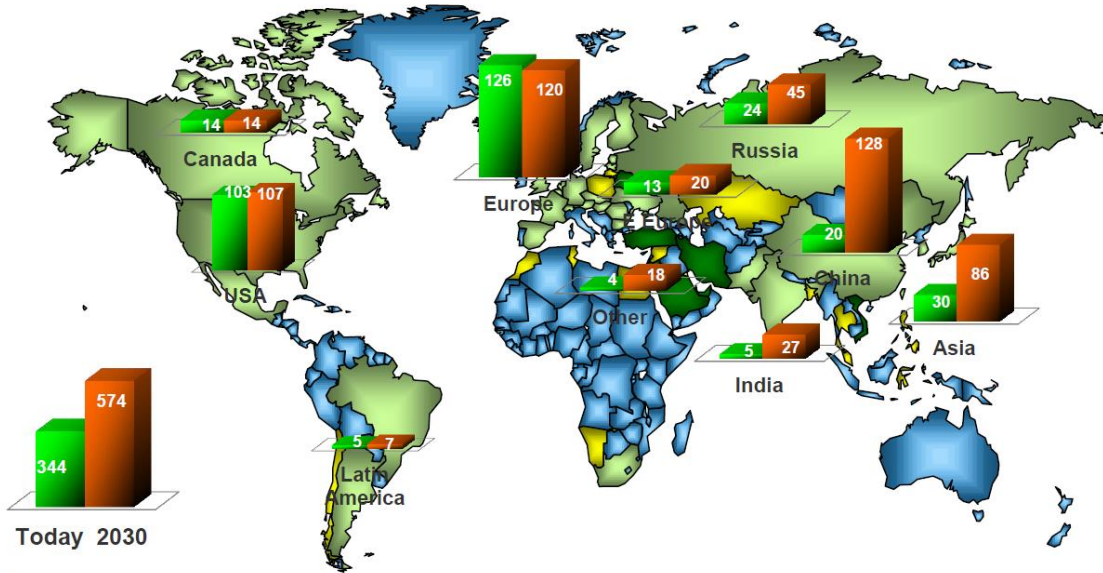
# Uranium demand is growing in emerging economies



## Reference Case Capacity

Net GWe (2013 to 2030)

operating serious emerging



		2013	2030
✗	US & Canada	117	121
✗	Europe	126	120
✓	Russia	24	45
✓	China	20	128
✓	India	5	27
✓	Asia	30	86
✓	Middle East	4	18

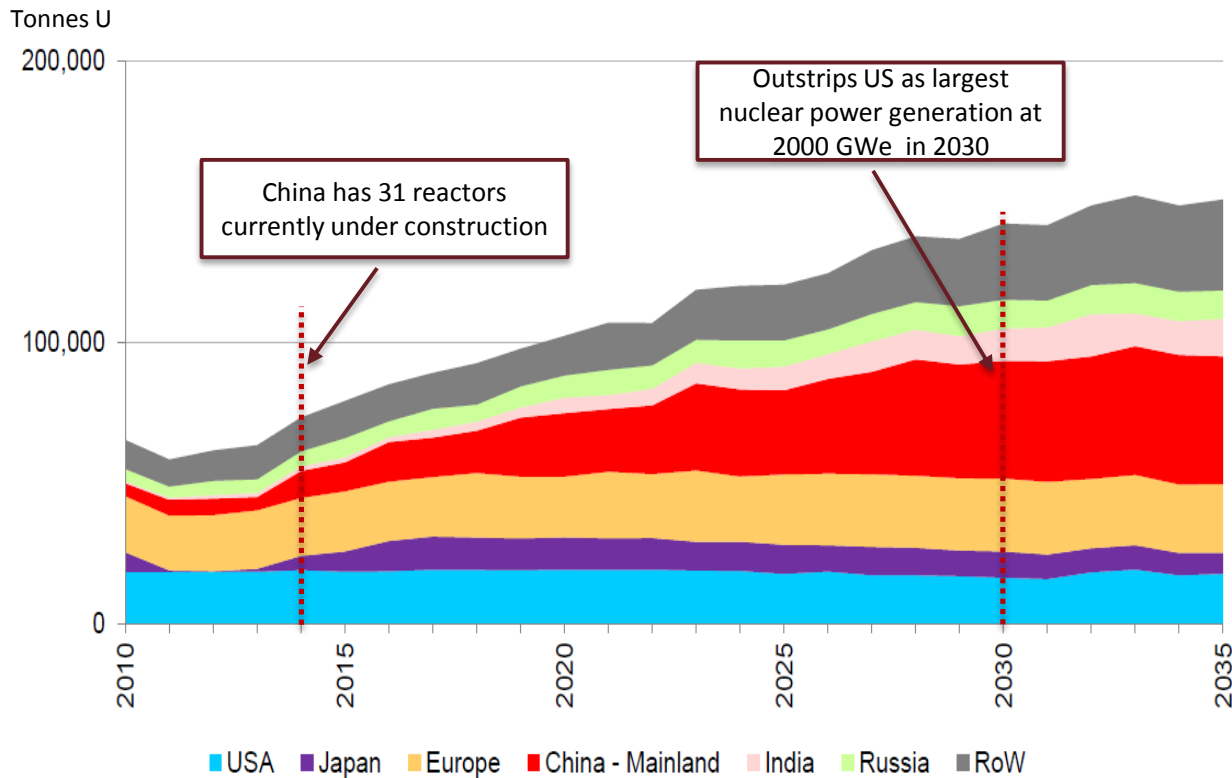
# China is the new demand driver

## Potential growth drivers:

- ✓ Japanese reactor restarts
  - 17 re-start applications
- ✓ Up to 58 GWe in China by 2020 (31 reactors under construction)
- ✓ India doubling nuclear power capacity by 2020
- ✓ End to HEU agreement 2013
- ✓ Delayed large projects, no expansion and no new mines on line

## Offset by:

- ⊗ US low cost gas competition
- ⊗ Secondary US DoE & underfeeding supplies
- ⊗ Japanese inventory & slow recovery
  - 12 unlikely to restart
  - 3-4 years to reach capacity
- ⊗ Continuing low spot price



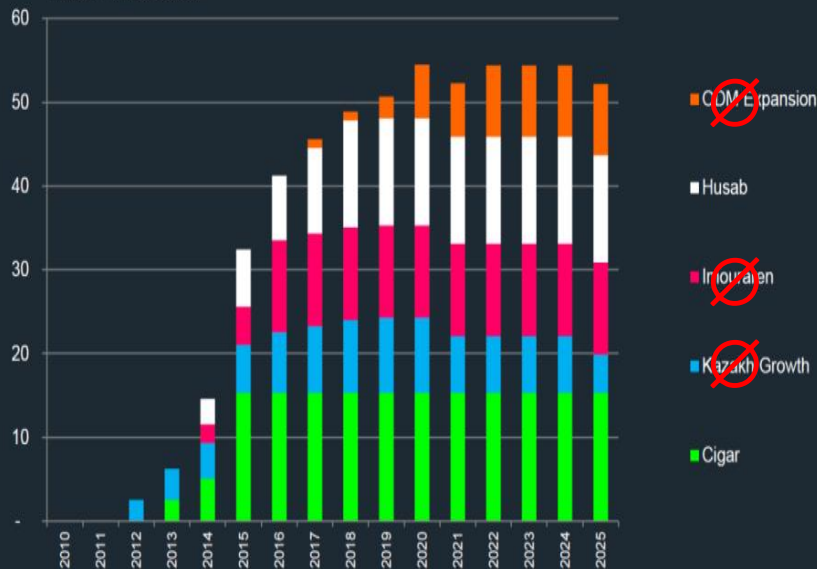
# Uranium Supply



## Five Pivotal Projects

(defined as large and low cost or with strategic value to the stakeholders)

Million Pounds U3O8

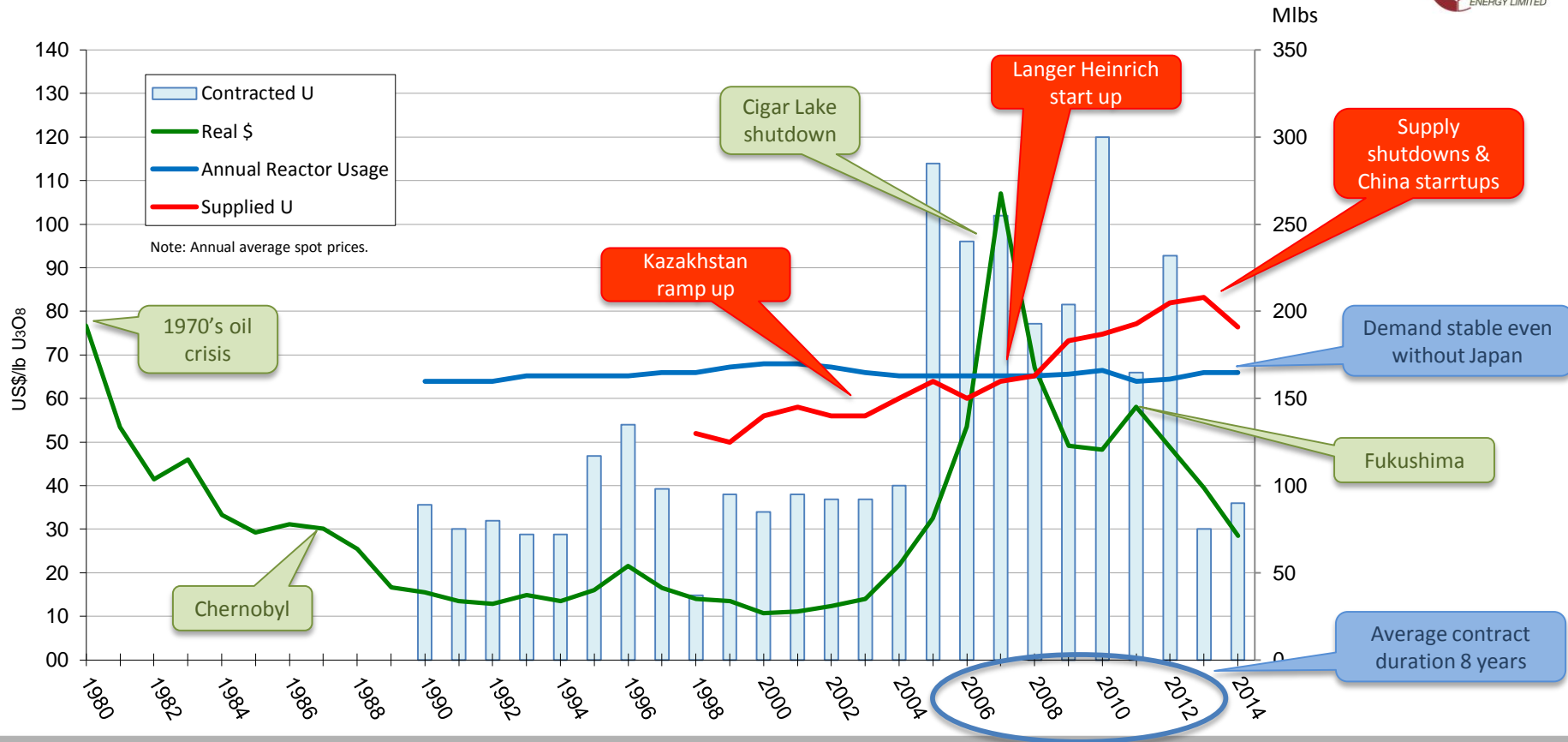


**TradeTech**  
uranium prices & analysis since 1968

- 51% world's primary supply from 10 current mines
- 2013 future global supply projected on 5 major projects:
  - Olympic Dam expansion
  - Imouraren
  - Cigar Lake
  - Husab, Namibia
  - Kazakhstan

Deposit	Financial	Technical	Social, political, environmental
Olympic Dam	V		V
Imouraren	V		V
Cigar Lake		V	
Husab	V		V
Kazakhstan	V	V	

# What will create a supportive price?...

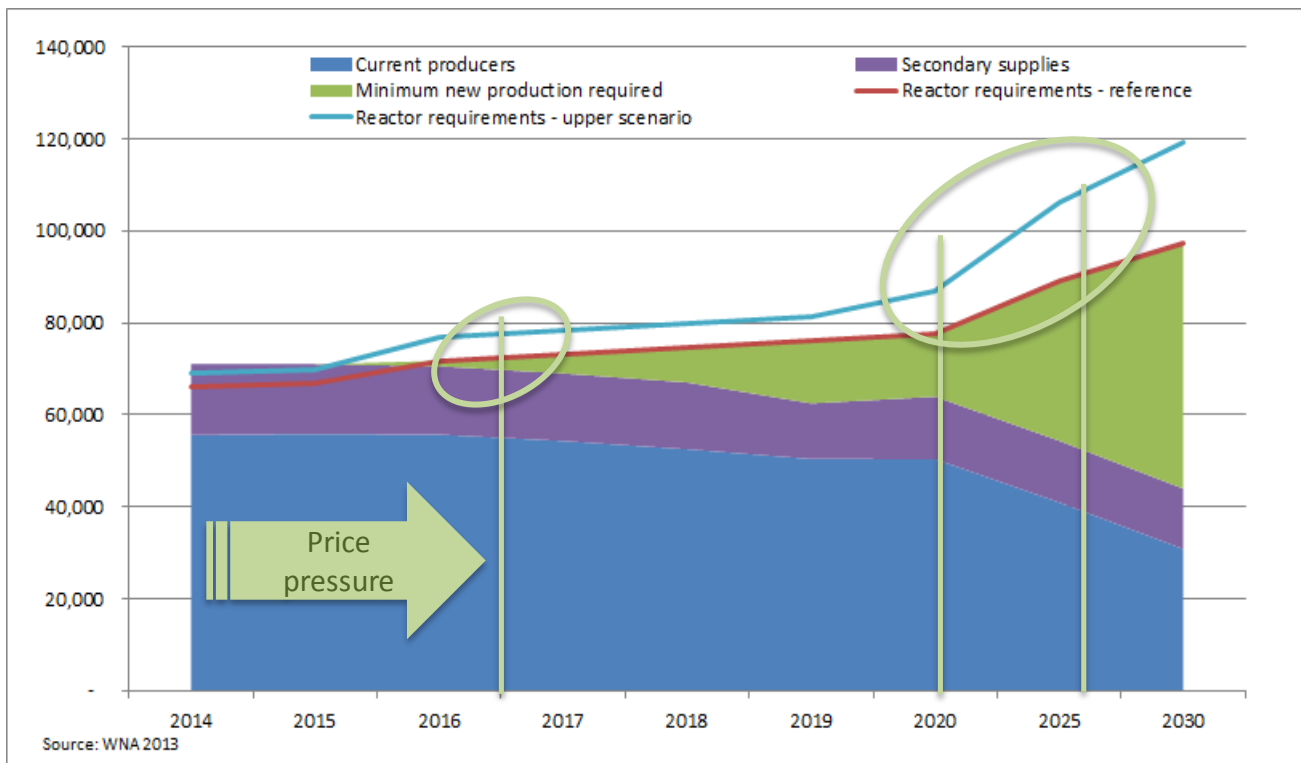




# When supply gap and lead times converge...



Supply/Demand Forecast ('000 T's U<sub>3</sub>O<sub>8</sub>)



MIbs*	2020	2023
Secondary supplies	37	37
Existing mines	126	113
Mines under construction (Husab, Cigar Lake)	27	27
New mines	5	30
<b>Supply gap</b>	<b>30</b>	<b>35</b>

\* Paladin and Cameco estimates



# Incentive price for new supply looks a long way off....

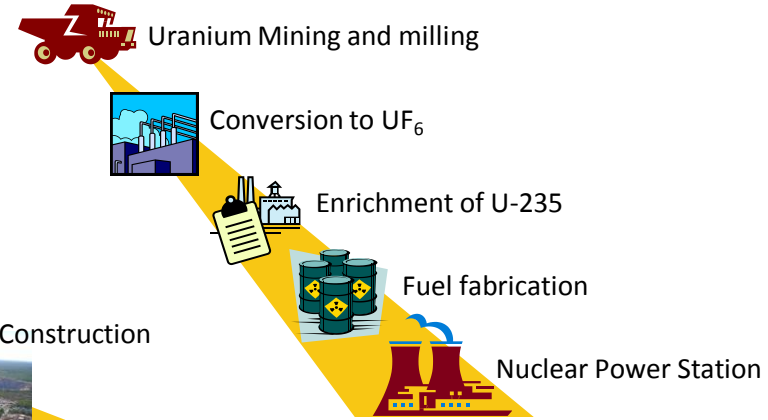


# ...but there is not that much time

## Uranium Mine Development



## Nuclear Fuel Cycle



**First Production  
UOC**

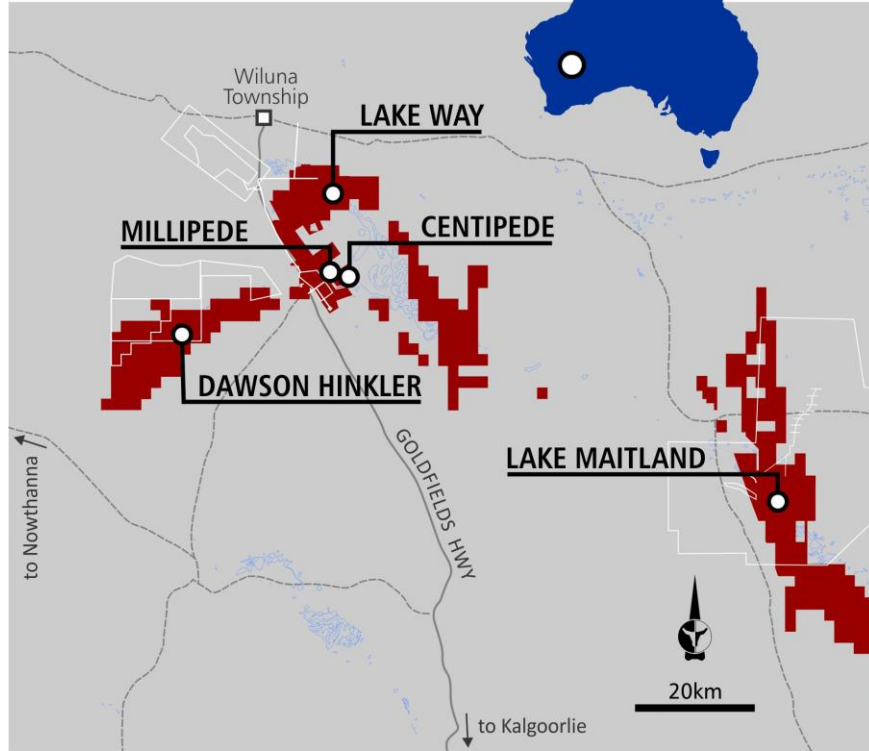
2015

2019

2021

2023

# Why Wiluna?



# Wiluna Development Aligned with Market Recovery



Toro's flagship asset, the Wiluna project, has a development timeline well positioned for the anticipated uranium market recovery.



# Major Approval & Permitting Requirements



	Wiluna Deposit	Government environmental approvals	Mining Leases Granted	Traditional Owner Agreement
CORE DEPOSITS	Centipede	✓	✓	2014
	Lake Way	✓	Application	2014
	Millipede	Anticipated 2016	✓	2014
	Lake Maitland	Anticipated 2016	✓	2014
	Dawson Hinkler	Post 2016	Application	Negotiations 2016
	Nowthanna	Post 2016	Post 2016	Negotiations 2016

# Wiluna – a de-risked project, ready for market

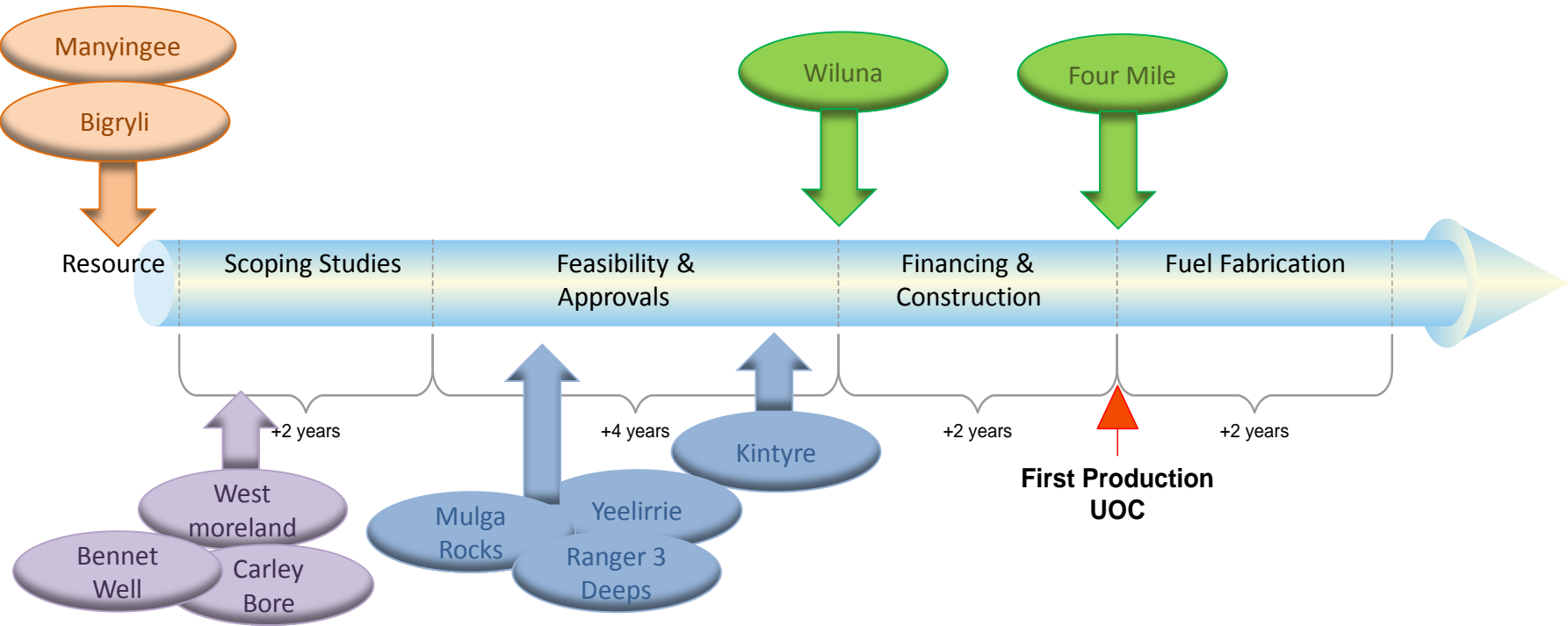


<b>Permits</b>	<ul style="list-style-type: none"><li>▪ Centipede and Lake Way approved for mining by Federal and State government</li><li>▪ Processing facility and tailings location approved</li><li>▪ Millipede and Lake Maitland referred to government, approval expected mid 2016</li></ul>
<b>Resource</b>	<ul style="list-style-type: none"><li>▪ Independent assessment (SRK)</li><li>▪ 2012 JORC compliant</li><li>▪ 98% of the Centipede, Lake Way, Millipede and Lake Maitland resources classified as Measured or Indicated Resource</li><li>▪ Nowthanna and Dawson Hinkler deposits at Indicated and Inferred status</li></ul>
<b>Mining</b>	<ul style="list-style-type: none"><li>▪ Independent (Tetra-tech Proteus) scoping study completed highlights optimal mine design and schedule</li></ul>
<b>Metallurgy</b>	<ul style="list-style-type: none"><li>▪ Pilot plant completed confirming recoveries and plant design</li></ul>
<b>Plant design and capital cost</b>	<ul style="list-style-type: none"><li>▪ Independent study (Bateman Engineering)</li><li>▪ Completed to definitive feasibility study level of accuracy</li></ul>
<b>Infrastructure</b>	<ul style="list-style-type: none"><li>▪ Gas pipeline studies confirm gas availability</li><li>▪ Known water availability</li></ul>

**Now is the time to use the market  
to our advantage....**



# Through focus on development and growth



**Because the price will turn,  
it is just a matter of when....**

**Dr Vanessa Guthrie**

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