



# Toro Energy Limited

*Australian Uranium Conference  
Hyatt Regency, Perth*

15-16 July 2015

*Uranium:  
critical to a  
clean energy  
future*

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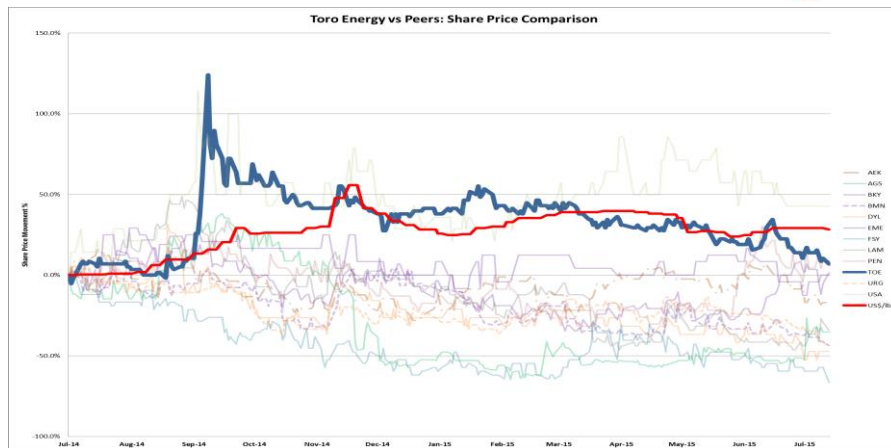


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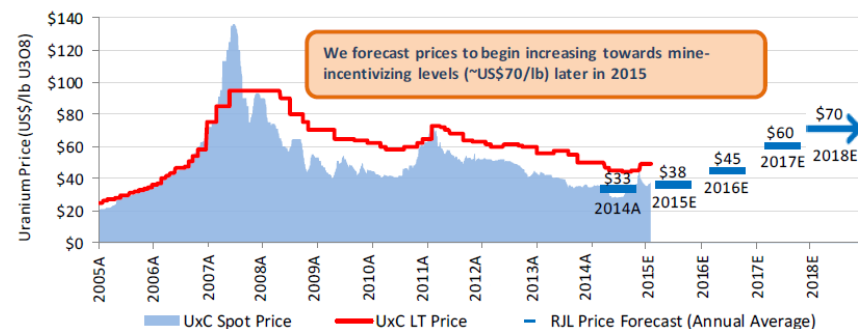
# The uranium market and Toro's response



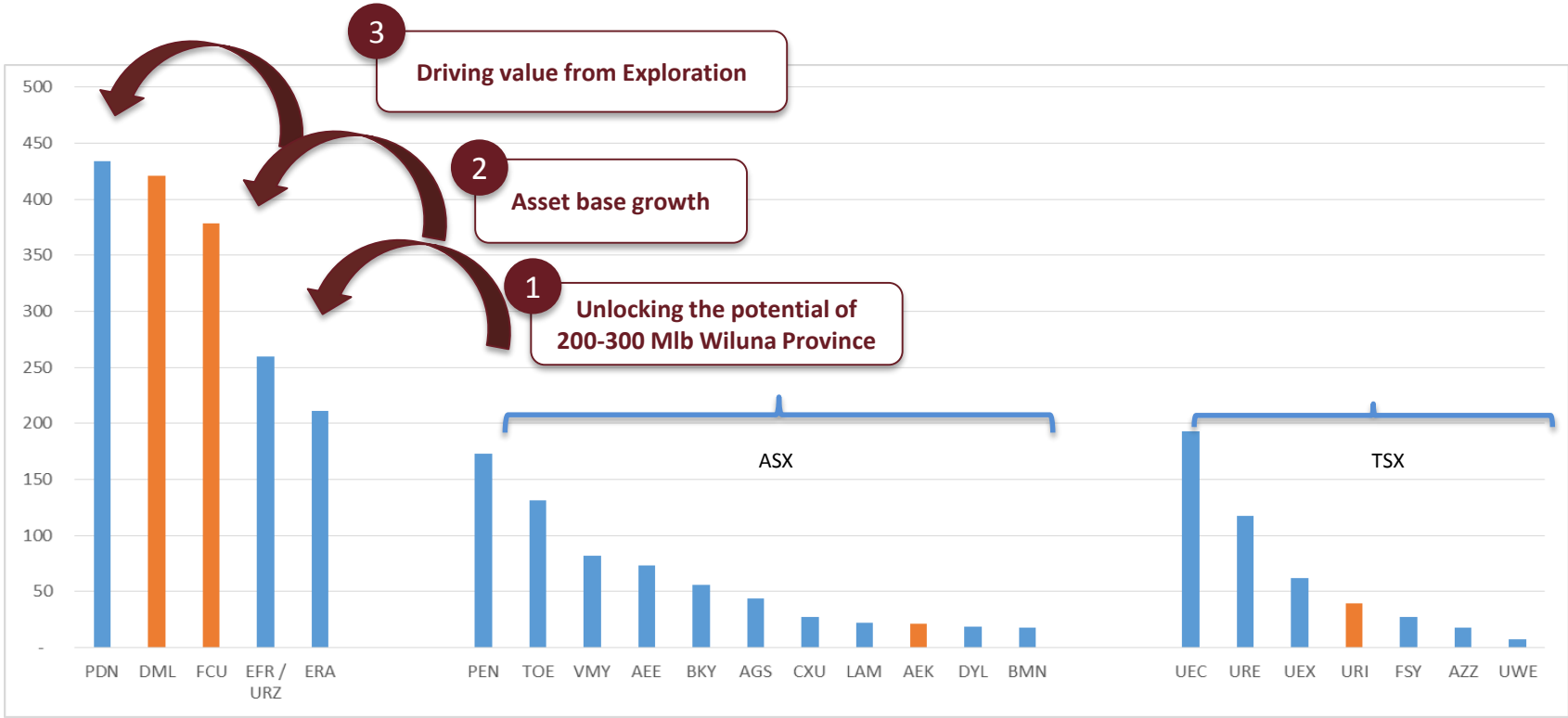
- Uranium prices have taken longer to recover than forecast, but long term fundamentals remain strong
- Despite market conditions Toro has expanded its asset portfolio, improved its share register and maintained a healthy balance sheet
- Continued focus on the critical Wiluna development activities that will allow value to be realized .... permitting and traditional owner agreements, resource improvement
- Continue to enhance the value of our current assets and seek new properties that are capable of development to coincide with forecast improvement in uranium prices



## RJL Uranium Price Outlook



# Our goal is to create a significant mid tier uranium company



# Toro's asset portfolio



## Global Projects

(1) Refer Resources table at slide 10 and Competent Person's statement following this presentation

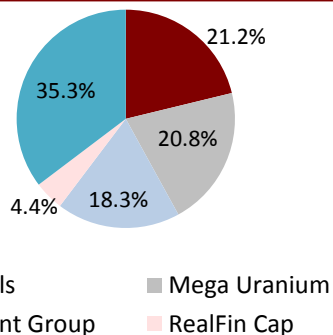
# Capital structure



## Capital Structure

|                                 |      |         |
|---------------------------------|------|---------|
| ASX Code                        |      | TOE     |
| Ordinary Shares on Issue        | m    | 1,994.1 |
| Share Price                     | cps  | 6.3     |
| Undiluted Market Capitalisation | A\$m | 125.6   |
| Cash (30 June 2015)             | A\$m | 22.9    |
| Loan <sup>(1)</sup>             | A\$m | 12.0    |

## Shareholders



## Directors

|  |                              |
|--|------------------------------|
| John Cahill <sup>(2)</sup>   | Acting Chairman              |
| Vanessa Guthrie  | Managing Director            |
| Richard Patricio – Mega  | NED                          |
| Richard Homsany – Mega   | NED                          |
| Michel Marier – Sentient   | NED                          |
| Board and management shareholding – OTM options and performance rights | 2% of diluted issued capital |

## Research Coverage

Realfin Capital Partners

Dundee

(1) In June 2015 Toro announced a financing transaction which at completion would result in the repayment of the \$12M to Macquarie Bank in full from existing cash and a new \$6M loan from The Sentient Group. Completion is expected during quarter 3 2015

(2) Fiona Harris has been granted three months personal leave effective 1 July 2015. John Cahill is acting Chair during this period.

# A leadership team to deliver...

...proven in permitting, government, exploration through to operations



**Vanessa Guthrie, Managing Director**, PhD in Geology, Environment

- Extensive executive & management experience in sustainability, environment, government & approvals, mine operations, community & indigenous in Western Australia
- India – Australia CEO Forum, Minerals Council of Australia and Uranium Forum, Chamber of Minerals and Energy, AMEC, Murlpirrmarra, CCIWA, CEDA, AICD



**Andrew Worland, General Manager**

- ~20 years corporate, project development, financing, corporate and product marketing experience in bulk, base, strategic and precious metals

**Todd Alder, Chief Financial Officer & Company Secretary**

- ~20 years financial management experience within the Mining, Energy and Steel Manufacturing industries



**Greg Shirtliff, Geology Manager**

- 15 years experience in geology and geochemistry of uranium including a PhD from Australian National University.
- Employed in roles within the environment, mining and exploration side of the uranium mining industry with ERA-Rio Tinto and Cameco prior to joining Toro Energy



**Richard Yeeles, Approvals and Community Director - Wiluna**

- Extensive management experience in government/ community relations, ex-BHPB Olympic Dam Expansion, WMC, Government



**John Baines, Processing Manager**

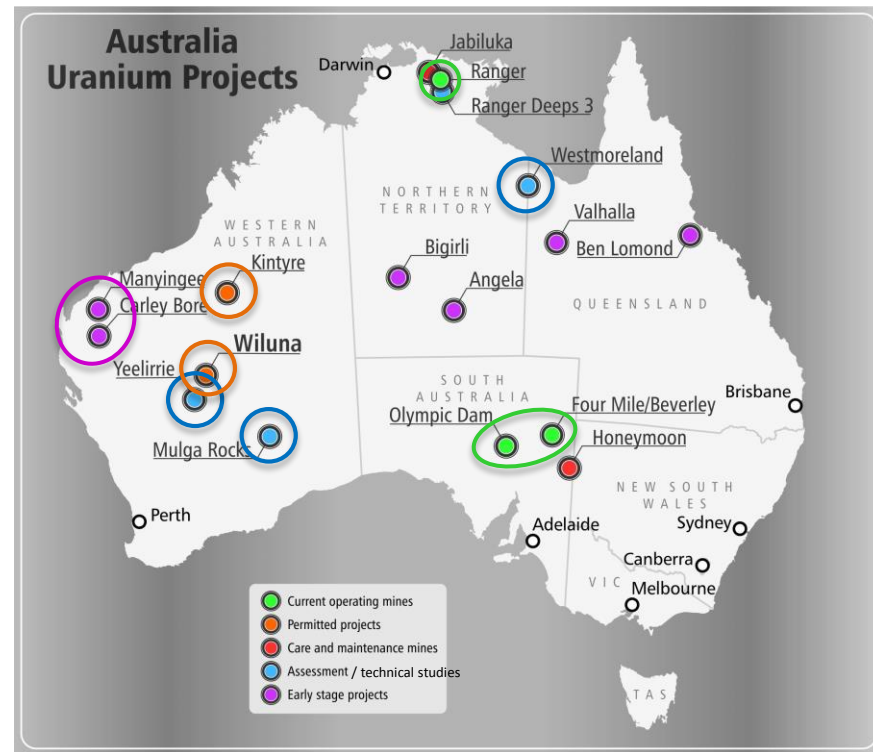
- ~20 years of experience in a range of operational and process design roles. He specialises in uranium processing and has worked for BHPB, WMC and as a general consultant to the industry



# Australian uranium...under-explored for 30 years now open for development

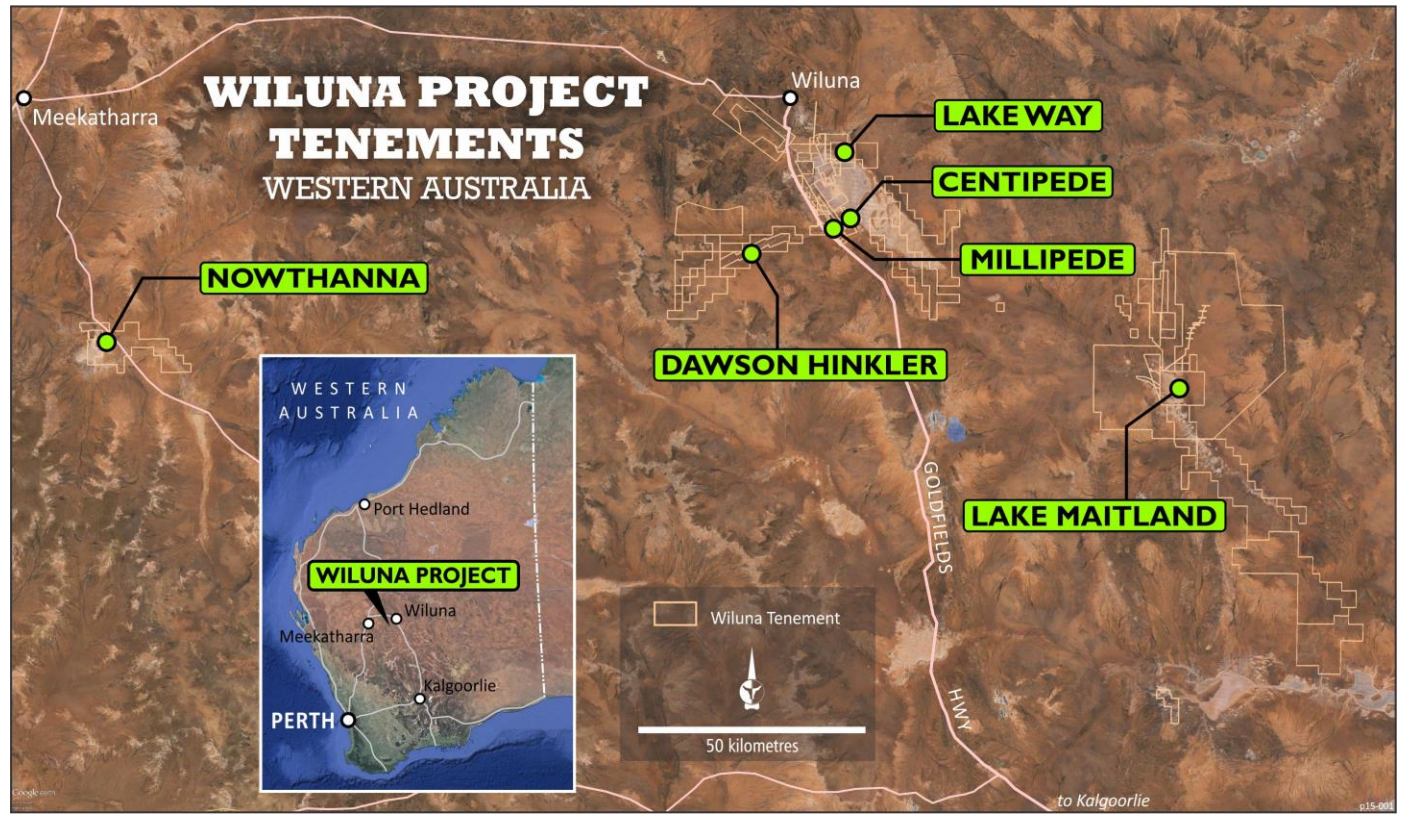


- Free trade deals – China, South Korea and Japan
- India – Australia Nuclear Civil Cooperation Agreement signed, Free Trade Agreement expected 2015
- US – China agreement on greenhouse gas omission targets, including China commitment to energy sourced from zero carbon emitting sources
- Strong production history but only three mines currently in operation
- South Australian Government announce Royal Commission into the nuclear fuel cycle
- Uranium mining, conversion/enrichment, power generation & waste disposal





# Wiluna – the flagship project



# Resources



| The Wiluna Uranium Project - JORC 2012 |   |            |            |             |             |                             |             |             |            |             |             |
|--|---|------------|------------|-------------|-------------|-----------------------------|-------------|-------------|------------|-------------|-------------|
| Deposit                                | Measure                                 | Measured   |            | Indicated   |             | Total Measured or Indicated |             | Inferred    |            | Total       |             |
|  |   | 200 ppm    | 500 ppm    | 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         | 10.4                        | 4.3         | -           | -          | 10.4        | 4.3         |
|  | Grade ppm                               | 551        | 872        | 572         | 943         | 566                         | 923         | -           | -          | 566         | 923         |
|  | Mlb's U <sub>3</sub> O <sub>8</sub>     | 3.5        | 2.3        | 9.5         | 6.5         | 13.0                        | 8.8         | -           | -          | 13.0        | 8.8         |
| Lake Way                               | Mt's                                    | -          | -          | 10.3        | 4.2         | 10.3                        | 4.2         | -           | -          | 10.3        | 4.2         |
|  | Grade ppm                               | -          | -          | 545         | 883         | 545                         | 883         | -           | -          | 545         | 883         |
|  | Mlb's U <sub>3</sub> O <sub>8</sub>     | -          | -          | 12.3        | 8.2         | 12.3                        | 8.2         | -           | -          | 12.3        | 8.2         |
| Millipede                              | Mt's                                    | -          | -          | 4.5         | 1.6         | 4.5                         | 1.6         | 1.9         | 0.4        | 6.4         | 1.9         |
|  | Grade ppm                               | -          | -          | 530         | 956         | 530                         | 956         | 382         | 887        | 486         | 943         |
|  | Mlb's U <sub>3</sub> O <sub>8</sub>     | -          | -          | 5.3         | 3.3         | 5.3                         | 3.3         | 1.6         | 0.7        | 6.9         | 4.0         |
| Lake Maitland                          | Mt's                                    | -          | -          | 19.9        | 7.5         | 19.9                        | 7.5         | -           | -          | 19.9        | 7.5         |
|  | Grade ppm                               | -          | -          | 555         | 956         | 555                         | 956         | -           | -          | 555         | 956         |
|  | Mlb's U <sub>3</sub> O <sub>8</sub>     | -          | -          | 24.3        | 15.7        | 24.3                        | 15.7        | -           | -          | 24.3        | 15.7        |
| <b>Sub-total</b>                       | <b>Mt's</b>                             | <b>2.9</b> | <b>1.2</b> | <b>42.2</b> | <b>16.3</b> | <b>45.1</b>                 | <b>17.6</b> | <b>1.9</b>  | <b>0.4</b> | <b>47.0</b> | <b>17.9</b> |
|  | <b>Grade ppm</b>                        | <b>551</b> | <b>872</b> | <b>553</b>  | <b>935</b>  | <b>553</b>                  | <b>930</b>  | <b>382</b>  | <b>887</b> | <b>546</b>  | <b>930</b>  |
|  | <b>Mlb's U<sub>3</sub>O<sub>8</sub></b> | <b>3.5</b> | <b>2.3</b> | <b>51.4</b> | <b>33.7</b> | <b>55.0</b>                 | <b>36.0</b> | <b>1.6</b>  | <b>0.7</b> | <b>56.6</b> | <b>36.7</b> |
| Dawson Hinkler                         | Mt's                                    | -          | -          | 8.4         | 0.9         | 8.4                         | 0.9         | 5.2         | 0.3        | 13.6        | 1.1         |
|  | Grade ppm                               | -          | -          | 336         | 596         | 336                         | 596         | 282         | 628        | 315         | 603         |
|  | Mlb's U <sub>3</sub> O <sub>8</sub>     | -          | -          | 6.2         | 1.1         | 6.2                         | 1.1         | 3.2         | 0.4        | 9.4         | 1.5         |
| Nowthanna                              | Mt's                                    | -          | -          | -           | -           | -                           | -           | 11.9        | 2.3        | 11.9        | 2.3         |
|  | Grade ppm                               | -          | -          | -           | -           | -                           | -           | 399         | 794        | 399         | 794         |
|  | Mlb's U <sub>3</sub> O <sub>8</sub>     | -          | -          | -           | -           | -                           | -           | 10.5        | 4.0        | 10.5        | 4.0         |
| <b>Total Regional Resource</b>         | <b>Mt's</b>                             | <b>2.9</b> | <b>1.2</b> | <b>50.6</b> | <b>17.2</b> | <b>53.5</b>                 | <b>18.4</b> | <b>19.0</b> | <b>2.9</b> | <b>72.5</b> | <b>21.3</b> |
|  | <b>Grade ppm</b>                        | <b>551</b> | <b>872</b> | <b>517</b>  | <b>918</b>  | <b>519</b>                  | <b>915</b>  | <b>365</b>  | <b>791</b> | <b>479</b>  | <b>898</b>  |
|  | <b>Mlb's U<sub>3</sub>O<sub>8</sub></b> | <b>3.5</b> | <b>2.3</b> | <b>57.7</b> | <b>34.8</b> | <b>61.2</b>                 | <b>37.1</b> | <b>15.3</b> | <b>5.1</b> | <b>76.5</b> | <b>42.2</b> |

(1) Tonnes and pounds are quoted to one decimal place which may cause rounding errors when tabulating

(2) All Resources reported in accordance with the 2012 edition of the JORC code.

# Centipede and Lake Way environmental approvals

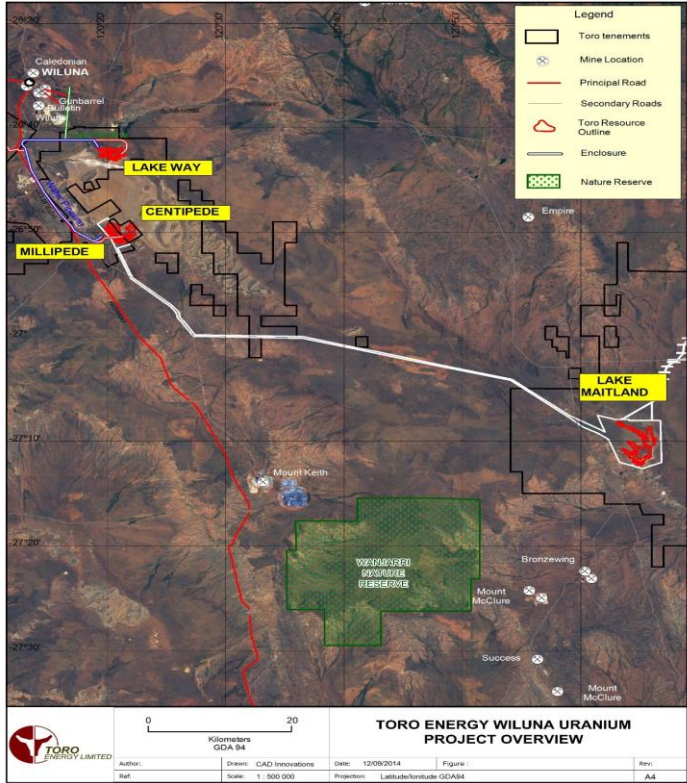


- The first mine to be approved in Western Australia
- Followed a rigorous state and federal ERMP process over four years
- Required extensive research and application of scientific information by Toro and lengthy consultation
  - 4,000 pages of documentation
  - 4 opportunities for public consultation
  - 6 meetings with EPA Board
  - 8 key environmental factors
  - 15 Government agencies involved
  - Public appeals process with no significant challenge to project approval
- State government (Liberal) approval received in October 2012 - 11 conditions
- Federal government (Labor) approval received in April 2013 - 36 conditions

# Project overview



| Area                                | Work Completed  |
|-------------------------------------|---|
| Resources                           | <ul style="list-style-type: none"><li>Measured and Indicated JORC 2012</li><li>97% of current mine plan M&amp;I resource <sup>(1)</sup></li><li>Resource revision underway due Q4 2015</li></ul>  |
| Permits                             | <ul style="list-style-type: none"><li>Centipede and Lake Way environmental approvals including processing facility at Centipede, water consumption, power draw and tailings disposal methodology</li><li>“Extension” for mining at Millipede and Lake Maitland referred to government</li><li>Traditional Owner agreements being negotiated</li></ul>   |
| Mining, rehab and tailings disposal | <ul style="list-style-type: none"><li>Trial mining demonstrated mineability of the resources, validated equipment selection, demonstrated mine dewatering and ground water control, generated bulk samples for pilot plant testwork, process design and equipment selection, provided data for tailings assessment and rehabilitation</li><li>Scoping study / pre-feasibility study completed</li></ul> |
| Metallurgy and Plant Design         | <ul style="list-style-type: none"><li>Process flowsheet defined supported by pilot plant</li><li>Plant equipment defined</li><li>Optimisations and R&amp;D studies in progress</li><li>Final feasibility study outstanding</li></ul>  |
| Infrastructure                      | <ul style="list-style-type: none"><li>Scoping study / pre-feasibility study completed</li></ul>   |



(1) Refer Resources table at slide 10

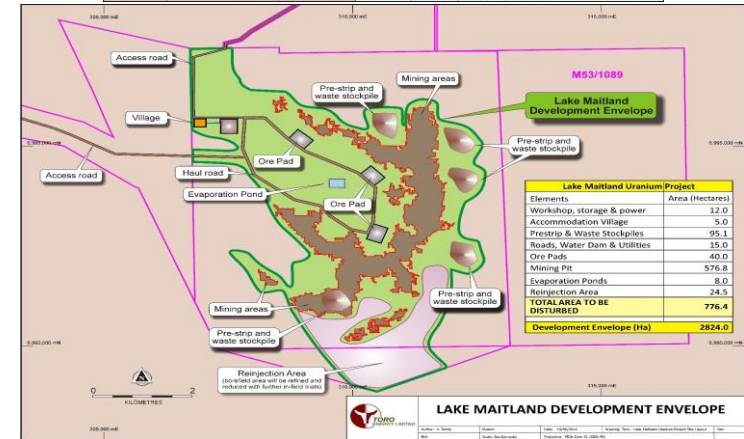
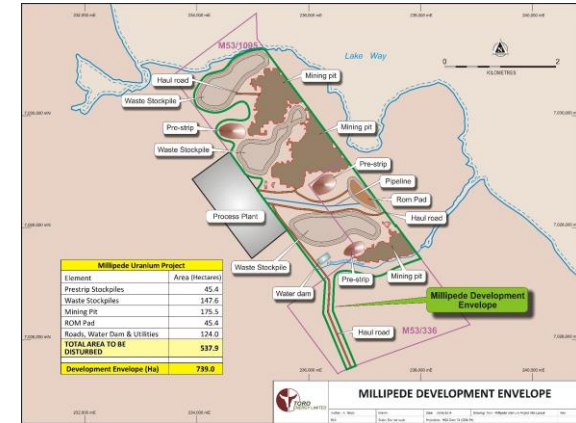


- Strong regional support for Toro's efforts including the Wiluna shire and Traditional Owners
- The region needs new mining proposals – Magellan recently placed on care and maintenance, no exploration discoveries
- Mine would employ over 300 people in construction and an operating workforce of 180
- Annual mine expenditure of approximately \$80M
- Well advanced with a mining agreement with the Traditional Owners
  - Consultation has been consistent for many years
  - Commitments to training and education to build capacity
  - Liaison Committee to be formed, representatives to be employed
  - The mine will require land management services, environmental and heritage management and monitoring
  - Production and milestone payments

# PER for Millipede and Lake Maitland



- “Extension to the Wiluna Uranium Project” - mining of uranium at **Millipede** and **Lake Maitland**, construction of roads, power and water source and supply facilities and other associated infrastructure, and discharge of waste to an in-pit tailings storage facility at Millipede
- Referred to government in February 2014 - assessed through bi-lateral arrangements with State and Federal government (EPBC Act),
- PER level of assessment appropriate under Part IV of the EP Act and a 12 week public review period would ensue following release of the PER
- Environmental Scoping Document was approved by the EPA in February 2015



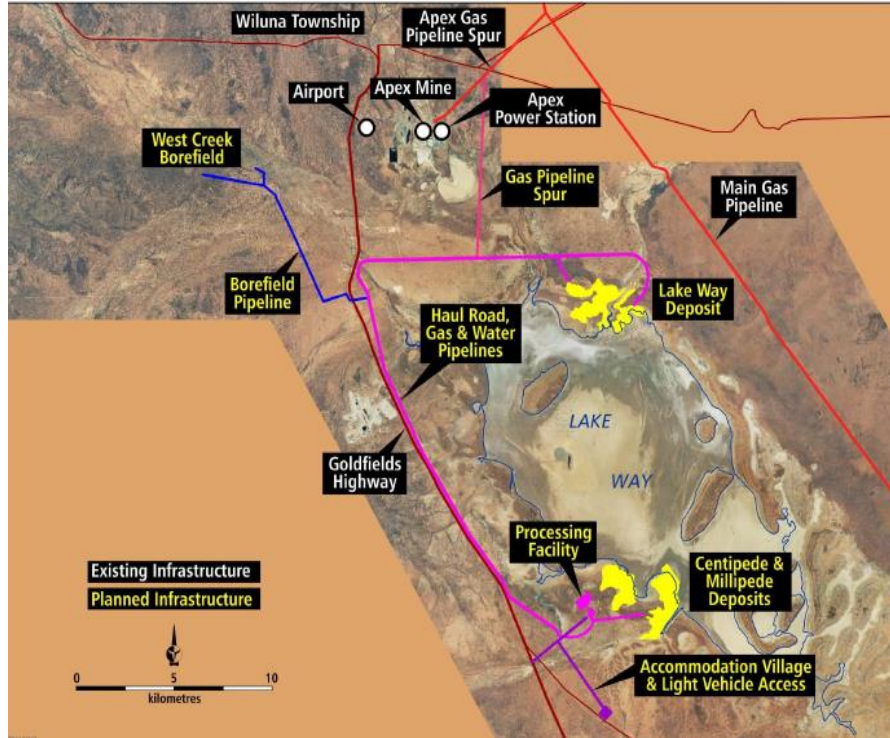
# Summary of Extension Proposal



| Key elements                          | The extension adds to the operating life of the project but does not seek to adjust any of the key project characteristics of the assessed Centipede and Lake Way mines   |
|---------------------------------------|---|
| Mining Method                         | Open pit using surface miners and mining to depth of approximately 15 metres (m)  |
| Processing Method                     | Use of already approved plant - 1.3Mtpa capacity remains<br>Grinding followed by elevated temperature agitated alkaline leach (in tanks), solid/liquid separation and direct precipitation of uranium oxide concentrate |
| Tailings Management                   | In-pit disposal at Millipede only   |
| Mine Rehabilitation                   | Progressive rehabilitation during mining with land re-contoured to blend with local terrain and re-vegetated using local provenance species   |
| Power                                 | No change – 12 MW   |
| Water                                 | No change to the annual assessed water demand of 2.5GL/a<br>Water supply met from the proposed Lake Maitland borefield, dewatering of Millipede and Lake Maitland and West Creek  |
| Product                               | No change to annual maximum output – 1,200tpa<br>By road via Goldfields Highway, Eyre Highway and other existing roads to Adelaide and by rail between Adelaide and Darwin  |
| Key Environmental Factors to consider | Impact and cumulative impact on flora and vegetation, terrestrial fauna and environmental quality, inland water quality and hydrological processes, human health, heritage, mine closure and rehabilitation and offsets |

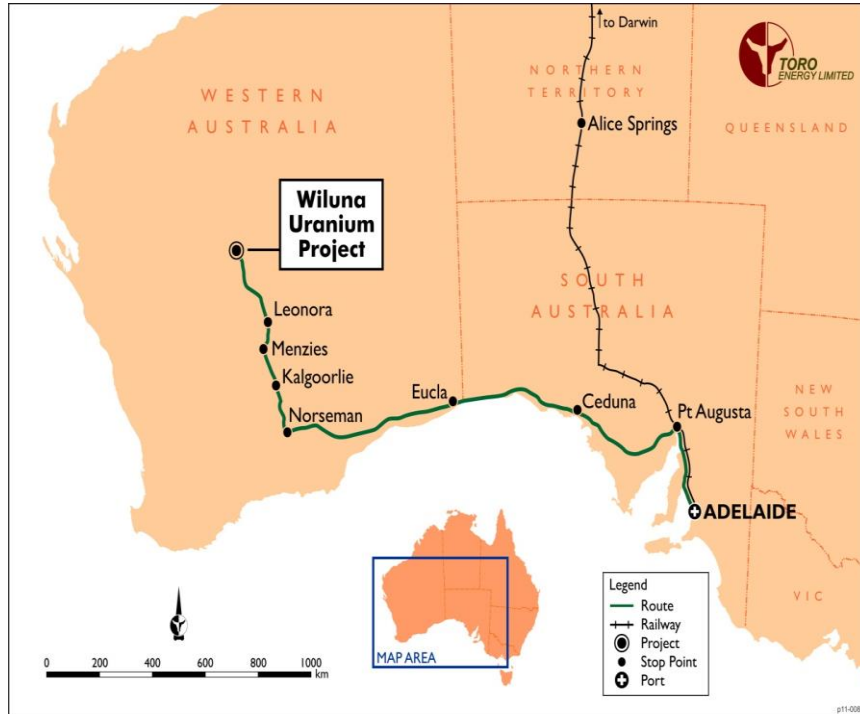


# Local infrastructure



- Wiluna is an established mining town
- Sealed airstrip
- Sealed highways provides access for construction and operations supplies
- Power – Goldfields Gas Transmission line
- Water – large aquifers available
- Local community services

# Product transport route



- Goldfields - Eyre Highways to Port Augusta then Port Adelaide
- Option of rail from Adelaide to Darwin
- 1,200t UOC per year, sealed drums
- 5 conventional ship containers per month
- Up to 36 truck movements per year
- 2 drivers per truck, limited stops, re-fuelling points only

# Project funding considerations



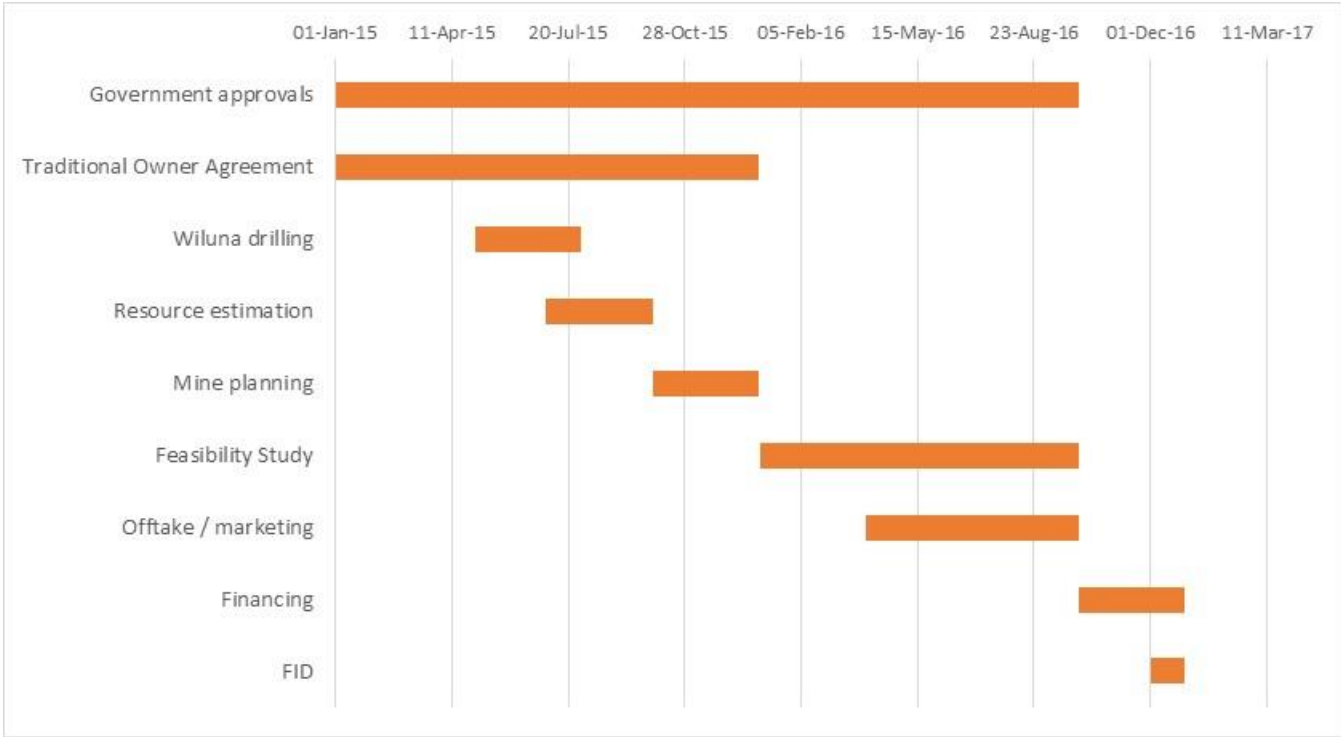
Partner

Capital \$315m



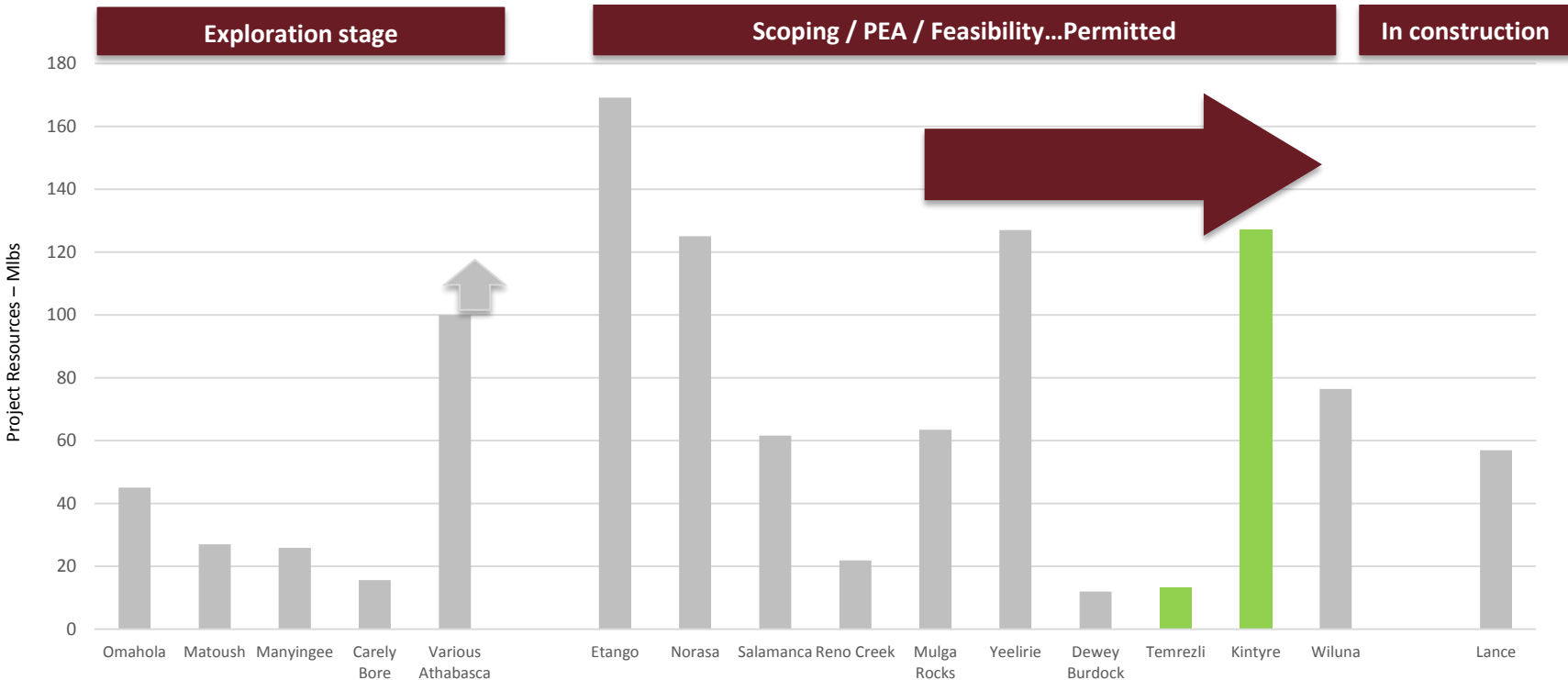
- Debt financing with suitable offtake in place could support up to \$160M project finance
- JAURD / Itochu own an option to invest US\$39M in Lake Maitland for a 35% interest
- Opportunity for significant strategic partner to assist the project financing
- Asia and the merging economies the target

# Development timetable



Wiluna – ready for the uranium price rise

# Why Wiluna? ...pathway to production



# Other interests – exploration



## Theseus - Lake McKay

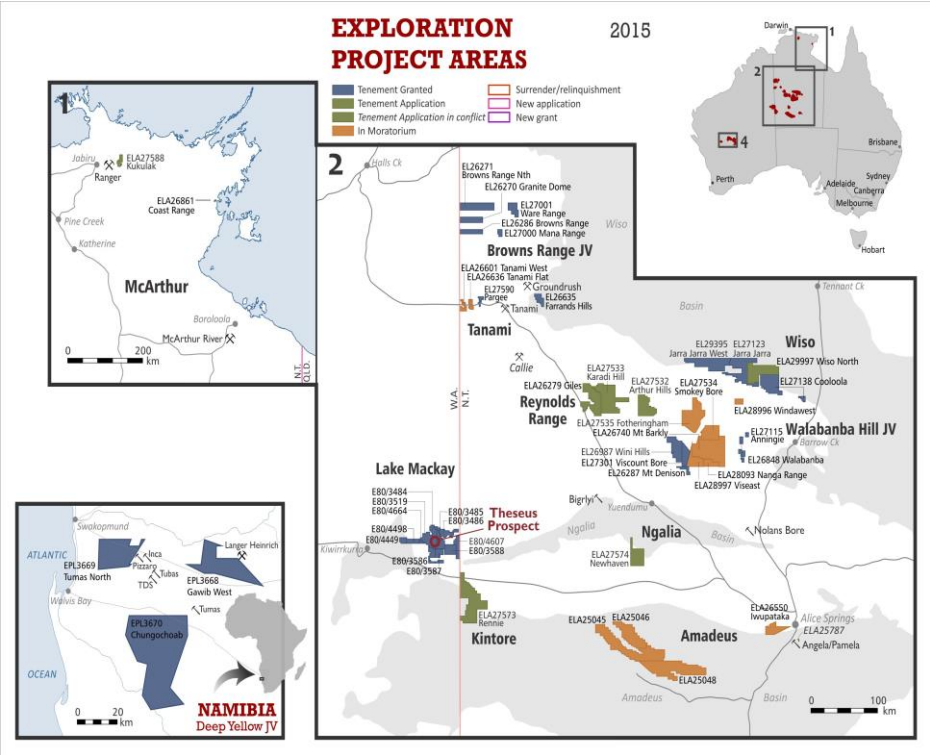
- Toro discovery 2012 <sup>(1)</sup>

| Inferred Mineral Resource | ppm<br>ppm.m | Tonnes<br>(M) | Grade<br>ppm | MIbs |
|---------------------------|--------------|---------------|--------------|------|
| Grade cut-off             | 200          | 6.3           | 493          | 6.9  |
| GT cut-off                | 1,000        | 6.1           | 491          | 6.6  |

Theseus resource information was prepared and first disclosed under the JORC Code 2004. It has not been updated since to comply with JORC Code 2012 on the basis that this information has not materially changed since it was reported.

## Reynolds Range

- Areva has carried out initial exploration but elected not to pursue further
- Toro assessing geological information



<sup>(1)</sup> Refer Competent Persons statement in this presentation. GT is a calculation of the average grade of the mineralised interval multiplied by the width (thickness) of the interval. Tonnes and pounds are quoted to one decimal place which may cause rounding errors when tabulating



# Other interests – Strateco Resources



- Strateco is a TSX-listed uranium exploration company
- Main property is the Matoush Uranium Project in northern Quebec, Canada - 2.5Mt at 0.49% for 27Mlbs U<sub>3</sub>O<sub>8</sub> <sup>(1)</sup>
- Over C\$125M spent on the property
- Toro owns 18% equity interest in Strateco, C\$3M Loan and C\$14.1M Convertible Note secured by first ranking hypothec over the assets of Strateco
- Strateco currently seeking protection under Canadian Creditor Arrangement Act
- Matoush is on care and maintenance following failure to obtain exploration permits – litigation commenced against the Quebec government seeking C\$190M in damages



Photo of Matoush camp taken prior to placing the project on care and maintenance and rehabilitation work. Source: [www.stratecoinc.com](http://www.stratecoinc.com)

<sup>(1)</sup> Strateco's NI43-101 compliant resource estimate published on 15 February 2012 states a total Resource of 2.5Mt at 0.49% for 27Mlbs U<sub>3</sub>O<sub>8</sub>, comprising Indicated Resource of 0.4Mt at 0.78% for 7.8Mlbs U<sub>3</sub>O<sub>8</sub> and Inferred Resource of 2.0Mt @ 0.43% for 19.2Mlbs U<sub>3</sub>O<sub>8</sub> all calculated at a cut-off of 0.1% U<sub>3</sub>O<sub>8</sub>. Further information can be found at [www.stratecoinc.com](http://www.stratecoinc.com)



# Summary



- A clear vision to create value in the uranium industry
- Our belief in the uranium market and in the need to continue to advance the **approved** Wiluna Uranium Project despite slow market pressure
- A first class jurisdiction...
- ...On the doorstep of the fastest growing world economies in China and India...
- ...Where Toro has strong corporate and political connections
- Australia's increasing competitiveness with a lowering Australian dollar
- The Wiluna Uranium Project status at the front of the Australian project development queue

# Thank You



**Vanessa Guthrie**

Managing Director

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**Andrew Worland**

General Manager Wiluna & Project Development



# Competent Persons Statements



## **Wiluna Uranium Project** **2012 JORC code compliant resource estimates**

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.

## **Theseus Prospect** **2004 JORC code compliant resource estimate**

The information presented here that relates to the Mineral Resources of the Theseus Prospect is based on information compiled by Dr David Rawlings, formerly of Toro Energy Limited and Mr Michael Andrew of Optiro. Mr Andrew takes overall responsibility for the Resource Estimate and Dr Rawlings takes responsibility for the integrity of the data supplied for the estimation. Dr Rawlings and Mr Andrews are Members of the Australasian Institute of Mining and Metallurgy (AusIMM) 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 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. The Competent Person consents to the information presented here relating to Mineral Resources as well as to the form and context in which it appears.