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Dear Fellow Toro Shareholder,

Toro Pushes Forward with Wiluna as Japan Reactors Restart

It is timely to update you on key developments in the wider global uranium and nuclear energy industry and the progression of our wholly owned and government approved Wiluna Uranium Project in Western Australia, Australia's most advanced uranium development stage project.

The nuclear market gathers in London next week for the World Nuclear Association's annual conference. Toro will be represented at the Conference – the industry's premier global gathering that links miners, energy utilities and financiers. The Conference coincides with re-emergence of the Japanese nuclear industry as the Sendai Reactor 1 reaches full power production this week and Sendai Reactor 2 ready to restart during September. Nuclear utilities are expected to return to the medium to long term contracting market as global inventories are drawn down.

Australia is set to welcome a major new uranium trading partner – India. Administrative arrangements between the Australian and Indian governments are expected to be finalized later this year or early next year. China and India continue with their new reactor build programs and other countries including Egypt and the United Arab Emirates are increasing their commitment to nuclear reactor new builds as part of their long term energy mix.

Toro remains well positioned to take advantage of the improving uranium market conditions with our flagship, near-term production asset, the Wiluna Project. During 2015, Wiluna has gone from strength to strength. Early results from the 2015 drilling program are encouraging. Drill targets specifically included high grade areas of all deposits that have previously lacked geochemical analysis, with the aim of further investigating a potential under-calling of uranium values by the gamma probe observed in high grade zones elsewhere. We expect to be able to release an updated resource estimation in the next few weeks and use this to revise our project economic model and mine plan.

Recently, Toro also announced promising results from the process improvement studies. This included testing a beneficiation process to upgrade the concentration of uranium in the leach process and reduce the material throughput. These results indicated that removal of fine particles from the ore (or "desliming") results in a rejection of approximately 15% of the mass with very low loss of uranium. Desliming may also result in a reduction in the size of equipment – thereby realising a capital and operating cost saving to the project.

Government environmental assessment of the Millipede and Lake Maitland deposits (the "Wiluna Extension") continues to advance according to the agreed timetable. The Wiluna Extension assessment utilises the same mining methodology, tailings disposal, rehabilitation plans and processing facility as that previously approved by government for Wiluna. The Western Australian Environmental Protection Authority has reviewed Toro's draft public environmental review document and the public comment process is expected to commence in fourth quarter this year. Your company is on schedule to have secured the approvals from both State and Federal governments during 2016.

The Wiluna development program for the coming months includes completing a new resource estimate and further process improvement studies, and revising the mine planning and project economic model, as well as finalising the Traditional Owner agreement with the local Aboriginal people to secure local economic benefits and provide Toro with development certainty.

Much of this work has been made possible by the refinancing of the Company this year and the introduction of a new major shareholder, The Sentient Group. As a result, Toro has an enviable cash position and are well placed to execute our project development and growth agenda, maintaining Toro's position at the front of the curve, ready for the anticipated uranium price rise.

Toro continues to seek strategic investment and offtake partners for Wiluna. As India and China continue with their nuclear growth agenda, we are actively pursuing the high level of interest shown in Australian uranium supplies. Roadshows are planned to India and China later this year in addition to further meetings with JAURD and Itochu of Japan – Toro's joint venture partners for the Lake Maitland deposit. With increasing interest in Australian uranium in the world supply mix, Wiluna is best placed for customers seeking uranium supplies from a reliable, safe trading partner.

For investors and shareholders seeking to benefit from the anticipated increase in uranium price, we believe Toro is the natural choice for Australian uranium. We are confident in the long-term fundamentals of the global uranium market, and remain focussed on strengthening our position as the lead Australian uranium project development company that creates value for our shareholders. With a strong cash position and supportive major shareholders, Toro is well positioned to bridge through the current down cycle and be ready to deliver new uranium production to the market to meet the growing global nuclear energy demand.

I look forward to bringing you further good news in the near future.

Yours sincerely
TORO ENERGY LIMITED

A handwritten signature in black ink, appearing to read "Vanessa Guthrie", enclosed within a circular flourish.

Vanessa Guthrie
Managing Director