

7 August 2007

Mr Dion Silvy / Mr Justin Nelson
Companies Adviser
Australian Stock Exchange
91 King William Street
Adelaide SA 5000

Dear Sirs,

**TORO AND NOVA MERGER PROPOSAL PRESENTATION
UPDATED VERSION**

On 6 August 2007 the Company (TOE) issued an announcement headed "Toro and Nova Merger Proposal Presentation" that contained certain errors in the table on page 14, and omitted reference to Wildhorse Energy (WHE) in the graph on page 6.

Accompanying this letter is an updated version of that presentation. The Company requests that the attached updated version be substituted for the presentation lodged with the ASX on 6 August.

Please acknowledge receipt and confirm that this request will be approved.

Yours sincerely,



Donald Stephens
Company Secretary



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Toro Energy Ltd and Nova Energy Ltd

Merging premier assets to create a powerful new uranium exploration and development company

August 2007



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All amounts in A\$ unless stated otherwise.



Transaction Overview

Toro makes offer for Nova Energy

- ❑ Toro has made a friendly takeover offer for Nova of 5.5 Toro shares for every Nova share
- ❑ On the Toro closing price of \$0.80 on the 2/08/07 this is the equivalent of \$4.40 for each Nova share
- ❑ Provides a premium of 19% based on Nova's closing price of \$3.70 on the same date
- ❑ Provides a premium of 37% based on the Toro and Nova 60 day VWAP's of \$1.00 and \$4.02 respectively
- ❑ The offer values Nova at \$276 million compared to the current market capitalisation of \$232 million
- ❑ The offer has unanimous Toro and Nova Board approval, and major shareholder support
- ❑ The offer is subject to Toro shareholder approval under ASX Listing Rule 10.1



Transaction Overview

What does each party bring to the transaction?

Nova

- ❑ Lake Way – Centipede Project
 - ❑ 19.8mlb U3O8 JORC Inferred Resource
 - ❑ Development-ready/ infrastructure support
- ❑ Wide Exploration Footprint (>17,000km²)
 - ❑ WA (~4,000 km² excl LW-C),
 - ❑ NT (~9,300 km²)
 - ❑ SA (~2,300 km²)
 - ❑ Namibia (~1,300km²)
 - ❑ Guinea (~300 km²)
- ❑ Experienced exploration & development team
- ❑ Cash \$14 million (after transaction costs)

Toro

- ❑ Napperby Project
 - ❑ 1.3mlb U3O8 JORC Inferred Resource
 - ❑ JORC resource is defined on 1/14th the 'strike' of the historically defined deposit
- ❑ Substantial Exploration Footprint (>27,000km²)
 - ❑ Warrior Project in SA (Advanced Exploration)
 - ❑ NT (~1,000 km²)
 - ❑ SA (~26,000 km²)
 - ❑ Morocco (tbd, but potentially substantial)
 - ❑ Uranium rights at Oxiana's Mt Woods tenements
- ❑ Experienced exploration & development team
- ❑ Cash \$10 million (after transaction costs)



The New Toro Energy

A merger of premier uranium assets

- ❑ A significant emerging uranium producer with a pipeline of advanced projects in Australia (Wiluna, Napperby & Warrior Projects)
- ❑ Premium exploration tenure offering geopolitical diversity in Australia (SA, NT & WA) & Africa (Namibia, Morocco & Guinea)
- ❑ Capacity and skills to advance from exploration through to production
- ❑ Market capitalisation ranking at or near the top of ASX listed uranium explorers enabling an active role in sector consolidation
- ❑ Strong cash position of approximately A\$24M
- ❑ Excellent liquidity through free float of ~420M shares spread over 6,000 shareholders
- ❑ Highly experienced board and management
- ❑ Technical and financial support from Oxiana as major shareholder

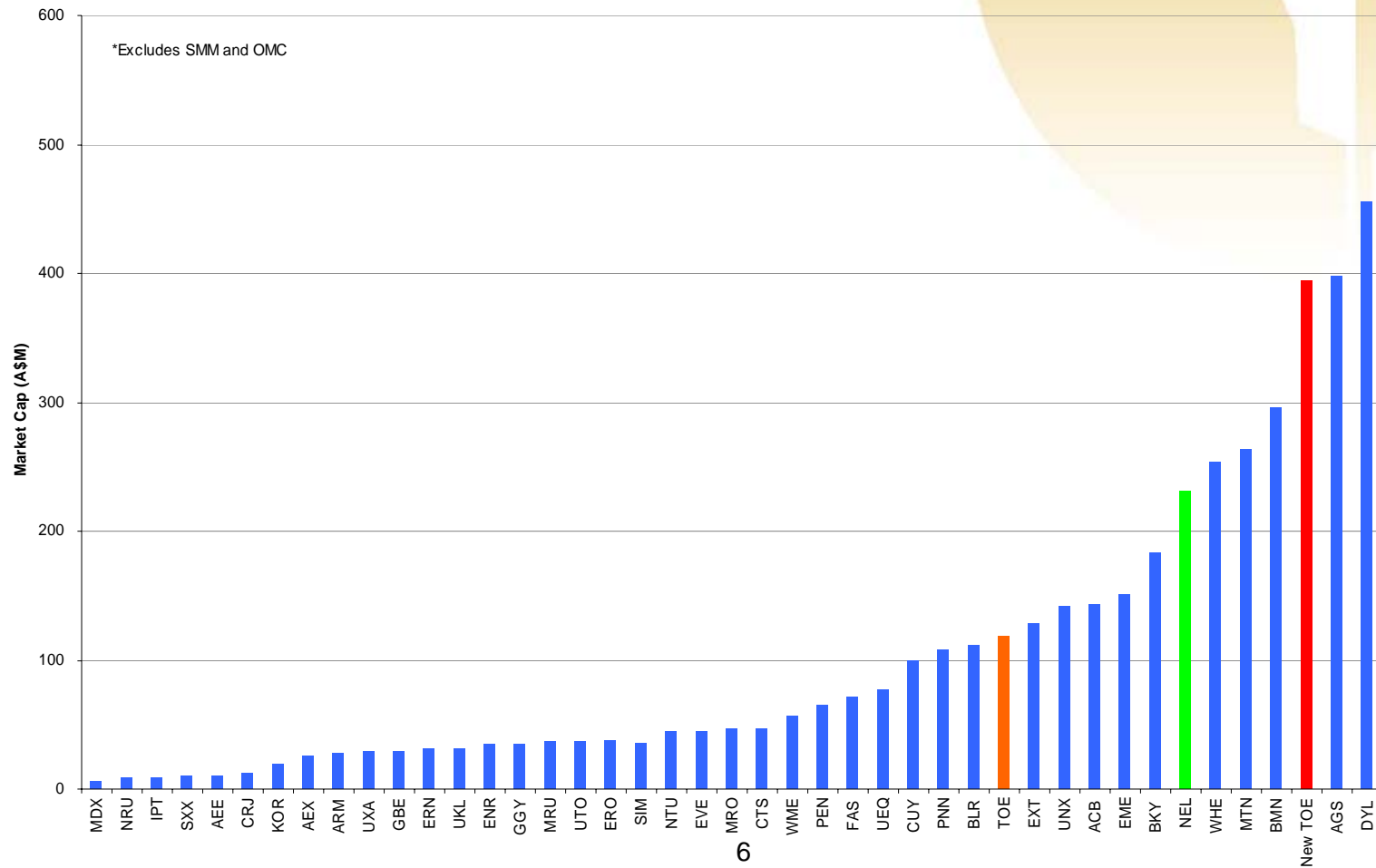


Significant Market Capitalisation

An attractive proposition for institutional and offshore equity investors

- Market cap will approach inclusion in the ASX300 and enjoy increased coverage from research analysts
- Increased capacity to raise funds, offshore list and add value from potential multiples-based re-rating

Market capitalisation of ASX listed uranium explorers as at 20 June 2007

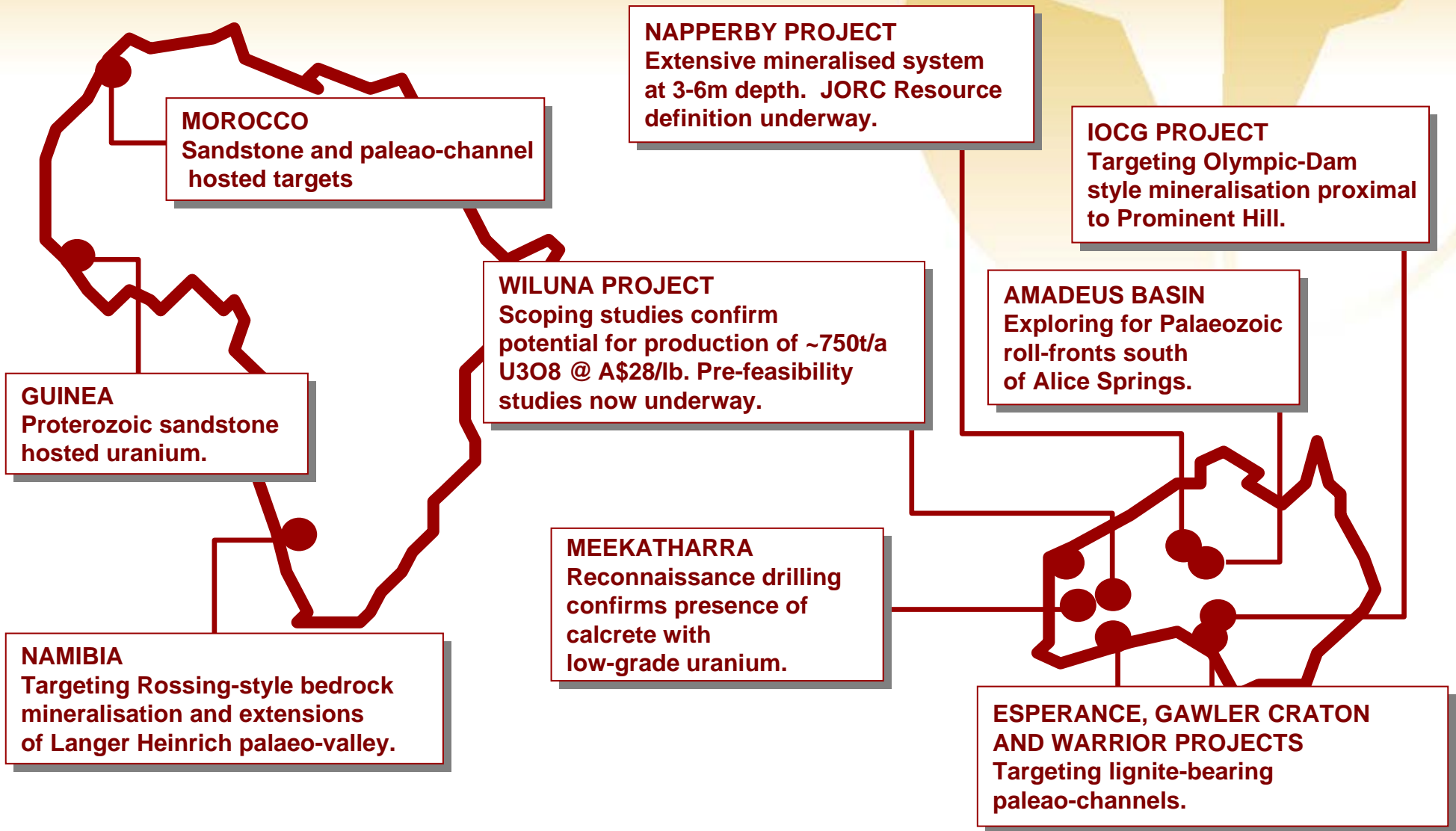


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Geopolitical Diversity

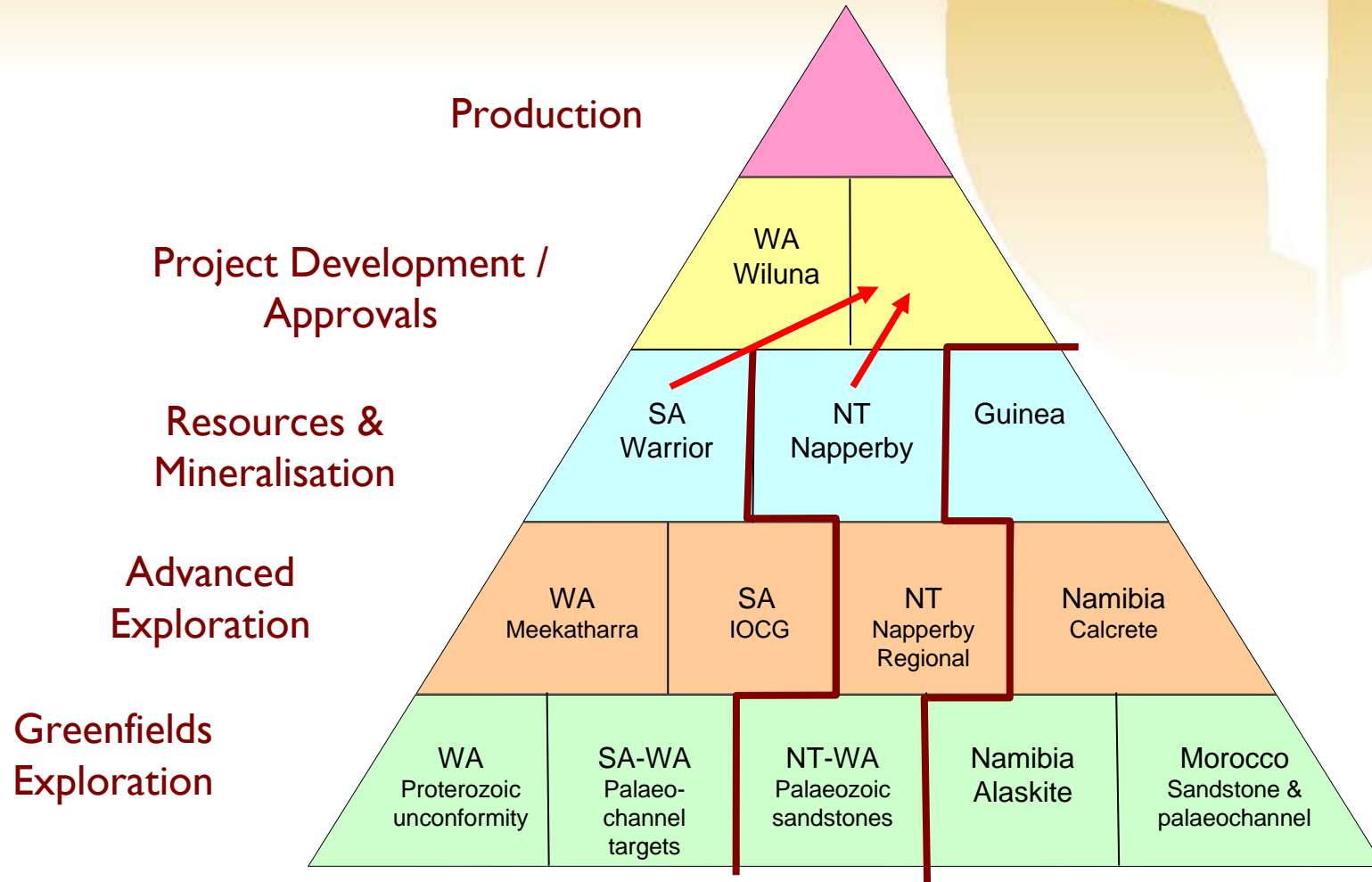
Focused on exploration and development throughout Australia and Africa





Project Pyramid

Pipeline of early to advanced-stage projects



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Significant JORC-Compliant Resources

Further growth anticipated at Wiluna & Napperby

JORC Inferred Resources	Tonnes (m)	% U3O8	Kg/t U3O8	lb/t U3O8	Contained U3O8 (t)	Contained U3O8 (mlb)
Lake Way	8.51	0.054	0.54	1.19	4,600	10.12
Centipede	7.00	0.063	0.63	1.38	4,400	9.68
Wiluna Project Total	15.51	0.058	0.58	1.27	9,000	19.80
Napperby	1.9	0.036	0.36	0.79	670	1.47
Total	17.41	0.056	0.56	1.23	9,670	21.27

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Highly Experienced Board

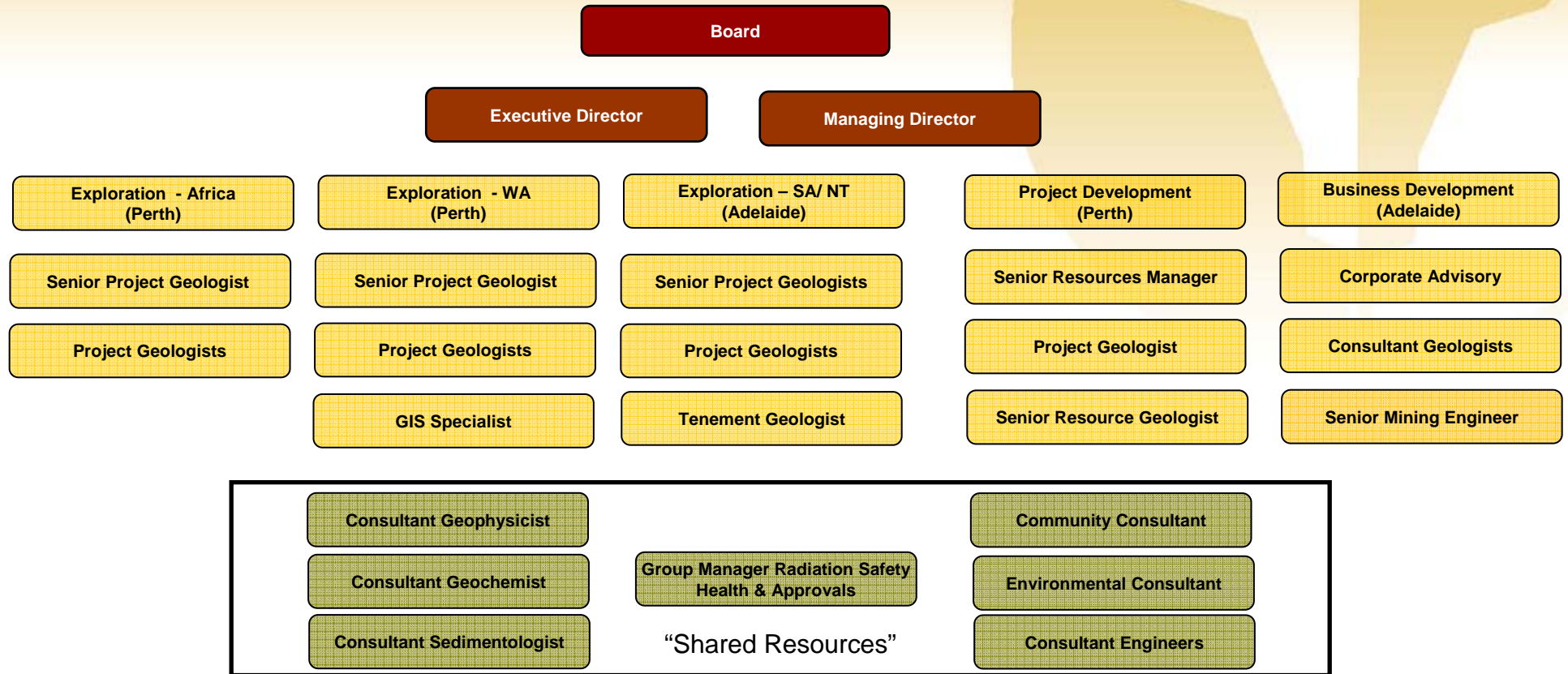
Board members with extensive management experience in the largest international and Australian companies and specific expertise in uranium, exploration, operations, business growth, Federal and State political arenas

<p>Dr Ian Gould Non-Executive Chairman</p>	<p>Over 36 years experience in senior executive positions in the minerals industry, including 17 years in the CRA/Rio Tinto Group, where he was Managing Director of Comalco's bauxite and alumina interests and subsequently Group Executive responsible for exploration, before his appointment as the first Managing Director - Australia for Rio Tinto. He was subsequently Managing Director of Normandy Mining.</p>
<p>Greg Hall Managing Director</p>	<p>A mining engineer with 27 years experience in the resources industry, including over 10 years in the uranium industry in senior marketing and operational management roles. He was Marketing Manager (North America) for ERA, Manager – Mining of ERA's Ranger and Jabiluka operations and Underground Development Manager at Olympic Dam.</p>
<p>Dr Tim Sugden Executive Director</p>	<p>A geologist with 20 years experience in exploration, feasibility studies, mine management and corporate development, including roles at Olympic Dam and WA Nickel Operations for WMC. He was Exploration Manager, Chief Geologist and General Manager of Wiluna Gold Operations for Normandy and Newmont Australia, and Managing Director of Agincourt Resources and Nova Energy.</p>
<p>Jeff Sells Non-Executive Director</p>	<p>Chartered accountant and CFO of Oxiana Ltd. Extensive experience in Australia, Africa and South East Asia, and a background in general management, accounting, tax, treasury and corporate finance.</p>
<p>Derek Carter Non-Executive Director</p>	<p>A geologist with over 30 years experience in corporate management, exploration and mining. He worked in Australia and overseas for Billiton (Shell Group of Companies) for 16 years. He was General Manager-Exploration for Burmine Ltd before establishing Minotaur Gold NL (now Redport Ltd) in 1993. He formed Minotaur Resources Ltd in 2000 and Minotaur Exploration Ltd in 2005. He is currently the Managing Director of Minotaur Exploration Ltd.</p>
<p>Erica Smyth Non-Executive Director</p>	<p>Over 30 years experience in the mineral and petroleum industries. She was Principal Geologist for BHP Minerals Ltd and BHP-Utah Minerals International; Beenup Project Manager; Manager Market Development WA for BHP Petroleum; and more recently General Manager – External Affairs and Corporate Affairs for Woodside Energy Ltd. She is principal of Voice4U, a consultancy focused on community consultation, sustainability, regional development, strategic planning and government influence.</p>
<p>Peter Lester Non-Executive Director</p>	<p>A mining engineer and Executive General Manager - Corporate Development for Oxiana Ltd, responsible for generating new business and development opportunities, early stage studies and overall external relations activities.</p>



A Quality Uranium Exploration & Development Team

Positioned for growth



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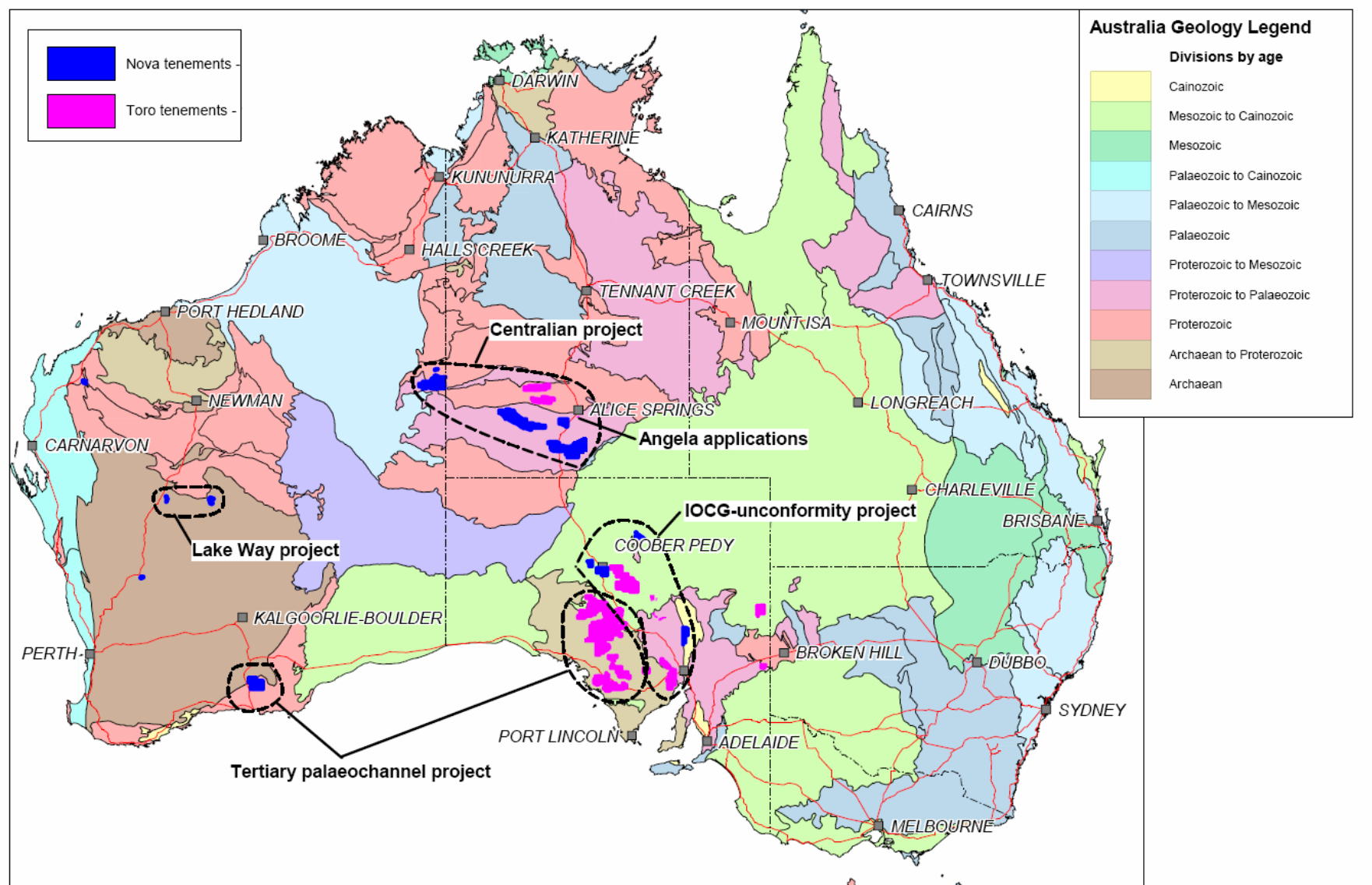
Current Activities and Opportunities

- ❑ Two development projects (Wiluna & Napperby) with potential production by 2012
- ❑ More than 21 million lb U₃O₈ in JORC Inferred Resources in two projects
- ❑ A pre-eminent exploration position in Australia with more than 44,000km² of highly prospective exploration ground in SA, NT and WA
- ❑ An evolving African strategy with advanced exploration and greenfields opportunities in three countries with relatively high grade deposit potential
- ❑ An enhanced application for the Angela-Pamela deposits, NT
- ❑ At least 14 full time staff and A\$24m in cash



Project Synergies

Bringing together strategic uranium assets



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The Value Proposition

Future shareholdings

- ❑ The new Toro will have strong support from Oxiana as major shareholder while maintaining a substantial free float
- ❑ Nova and Toro shareholders will comprise 70% and 30% of the new Toro respectively

Shareholders	Current no. shares held in Toro ('000)	Current no. shares held in Nova ('000)	Shares held in merged entity ('000)	% held in merged entity
Oxiana	36,001	34,821	227,519	46.0%
Minotaur	36,001	0	36,001	7.3%
Argonaut Capital	0	3,700	20,350	4.1%
Allarrow	0	4,485	24,668	5.0%
Toro minority shareholders	76,567	0	76,567	15.5%
Nova minority shareholders	0	19,604	109,565	22.1%
Total	145,502	62,610	494,669	100.0%



News Flow

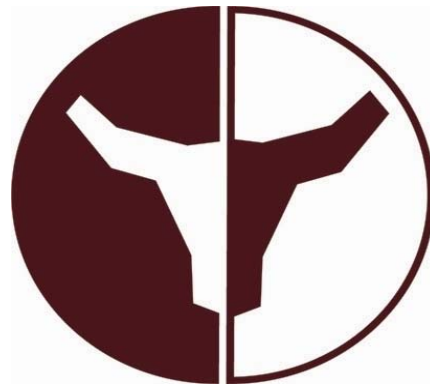
Near-term activity on exploration and development projects

Short Term (1-2 years)

- ❑ Wiluna Project JORC Indicated Resource definition and prefeasibility
- ❑ Napperby Project JORC Inferred Resource definition and scoping study
- ❑ Warrior Project JORC Inferred Resource definition
- ❑ Regional exploration, especially by Oxiana on Mt Woods tenements
- ❑ Offshore advanced exploration projects in Namibia and Morocco

Medium to Long Term (>3 years)

- ❑ Wiluna Project Development
- ❑ Napperby Project Development
- ❑ Regional exploration upside on 44,000km² of tenements
- ❑ Business Development growth in Australia and offshore



TORO ENERGY LIMITED

ASX CODE : 'TOE'

www.toroenergy.com.au