



ASX RELEASE

Monday, 27 February 2012

Toro's Wiluna Uranium Project in WA increases key Centipede Resource by 17%

Highlights:

- **Toro Energy Limited (ASX: TOE - "Toro") announces a further upgrade to its total Wiluna regional resource base in Western Australia resulting from infill drilling and improved bulk density analysis of the Centipede deposit.**
- **The total Centipede Resource (Measured, Indicated and Inferred) is 14.4 Mlbs contained U₃O₈ (12.9 Mt @ 504ppm at 200ppm U₃O₈ cut-off), which is an increase of 17% contained metal.**
- **The average grade for the Measured Resource at Centipede – targeted for first mining at Wiluna - increased 12% from 492 ppm U₃O₈ to 552 ppm U₃O₈. The contained U₃O₈ in Measured Resource also increased to 3.75 Mlbs, providing increased confidence in developing the mining reserve.**
- **The total Wiluna regional resource base is now 53.6 Mlbs contained U₃O₈ (55.1 Mt @ 440 ppm at 200 ppm U₃O₈ cut-off), which is an increase of 7% contained metal.**

Toro's Managing Director, Mr Greg Hall, said "the improved uranium grades and resources for the Centipede deposit significantly enhance the economic viability and the confidence in the Wiluna Project. The Wiluna Project is moving closer to being Australia's next uranium producer as it continues through the environmental assessment phase of government approvals, with a government decision anticipated in mid-2012."

The Centipede deposit, combined with the Lake Way deposit, form the basis of the Project for which Toro is seeking government approvals to commence mine construction (subject to other additional permits and Toro Board approval) from late in 2012, with commissioning production planned from late in 2013 and first uranium sales during 2014 (see Figure 1 and Table 1).

The increase in Measured Resource at the Centipede deposit will increase the amount of higher grade material available in the earlier stages of the project's operation and will defer capital expenditure on the development of Lake Way.

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Changes in the global resource since the last release in October 2011 are included below:

<i>Project Name</i>	<i>Category</i>	<i>October 2011 Contained U₃O₈, Mlb</i>	<i>February 2012 Contained U₃O₈, Mlb</i>
Total Wiluna Project	<i>Measured& Indicated</i>	13.91	15.79
	<i>Inferred</i>	10.03	10.23
	Total	23.94	26.02
Total Wiluna Regional	<i>Measured& Indicated</i>	1.43	1.61
	<i>Inferred</i>	24.69	25.95
	Total	26.12	27.56
Total Resource	<i>Measured& Indicated</i>	15.34	17.40
	<i>Inferred</i>	34.72	36.18
Total	All Categories	50.06	53.58

Technical Discussion

Infill Drilling Program

A resource infill drilling program was conducted at Centipede in October 2011. This program included a combination of aircore and sonic drilling totaling 307 boreholes for approximately 3,300 m. All boreholes were radiometrically logged. The eU₃O₈ grades were checked against chemical assay data derived from ICP-MS analysis of sonic drill core samples.

Bulk Density Results

The density used to report the current Mineral Resource for Centipede is based upon the mean of the composited radiometric density readings (1.80 t/m³) and confirms the bulk density values determined during the Resource Evaluation Pit at Centipede in 2010, which were derived from weight in air/weight in water measurements of grab samples.

The updated density has also been applied to uranium mineralisation at Millipede, since it is part of the same mineralised system.

The new bulk density values were not applied to the Lake Way, Dawson-Hinkler or Nowthanna deposits as they are separate deposits. There is no change to the resource estimation of these deposits as a result. Additional drilling and bulk density testing at Lake Way, Dawson Hinkler and Nowthanna is planned for 2012.

Greg Hall
 Managing Director

COMPETENT PERSON'S STATEMENT AND RESOURCE TABLE

Project Name	Category	Resource M Tonnes	Grade U₃O₈	Contained U₃O₈ tonnes	Contained U₃O₈ Mlb
<i>Centipede</i>	<i>Measured</i>	<i>3.08</i>	<i>552</i>	<i>1,703</i>	<i>3.75</i>
<i>Centipede</i>	<i>Indicated</i>	<i>7.56</i>	<i>555</i>	<i>4,197</i>	<i>9.25</i>
<i>Centipede</i>	<i>Inferred</i>	<i>2.30</i>	<i>272</i>	<i>627</i>	<i>1.38</i>
<i>Lake Way</i>	<i>Indicated</i>	<i>2.57</i>	<i>492</i>	<i>1,265</i>	<i>2.79</i>
<i>Lake Way</i>	<i>Inferred</i>	<i>7.38</i>	<i>544</i>	<i>4,015</i>	<i>8.85</i>
SubTotal Wiluna Project	Measured & Indicated Inferred	13.21 9.68	542 480	7,165 4,642	15.79 10.23
<i>Millipede</i>	<i>Indicated</i>	<i>1.77</i>	<i>412</i>	<i>728</i>	<i>1.61</i>
<i>Millipede</i>	<i>Inferred</i>	<i>5.51</i>	<i>533</i>	<i>2,935</i>	<i>6.47</i>
<i>Dawson Hinkler Well</i>	<i>Inferred</i>	<i>13.07</i>	<i>312</i>	<i>4,074</i>	<i>8.98</i>
<i>Nowthanna *</i>	<i>Inferred</i>	<i>11.9</i>	<i>400</i>	<i>4,700</i>	<i>10.5</i>
SubTotal Wiluna Regional	Indicated Inferred	1.77 30.48	412 384	728 11,709	1.61 25.95
Total Wiluna Resources	Measured Indicated and Inferred	55.14	440	24,244	53.58

Table 1 : Wiluna Project and Wiluna Regional Resource Table

All Resources are reported using a 200 ppm U₃O₈ cut-off grade

*Note: Toro owns 100% of two tenements which comprise the major portion of the Nowthanna deposit – Toro's resource shown here.

- 1) The information in this report that relates to Mineral Resources is based on information compiled by Dr Katrin Karner of Toro Energy Limited, Mr Robin Simpson and Mr Daniel Guibal of SRK Consulting (Australasia) Pty Ltd. Daniel Guibal takes overall responsibility for the Resource Estimate, and Dr Karner takes responsibility for the integrity of the drilling and bulk density results. Dr Karner, Mr Simpson and Mr Guibal are Members of the Australasian Institute of Mining and Metallurgy (AusIMM), and 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 (JORC Code 2004)'. 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.

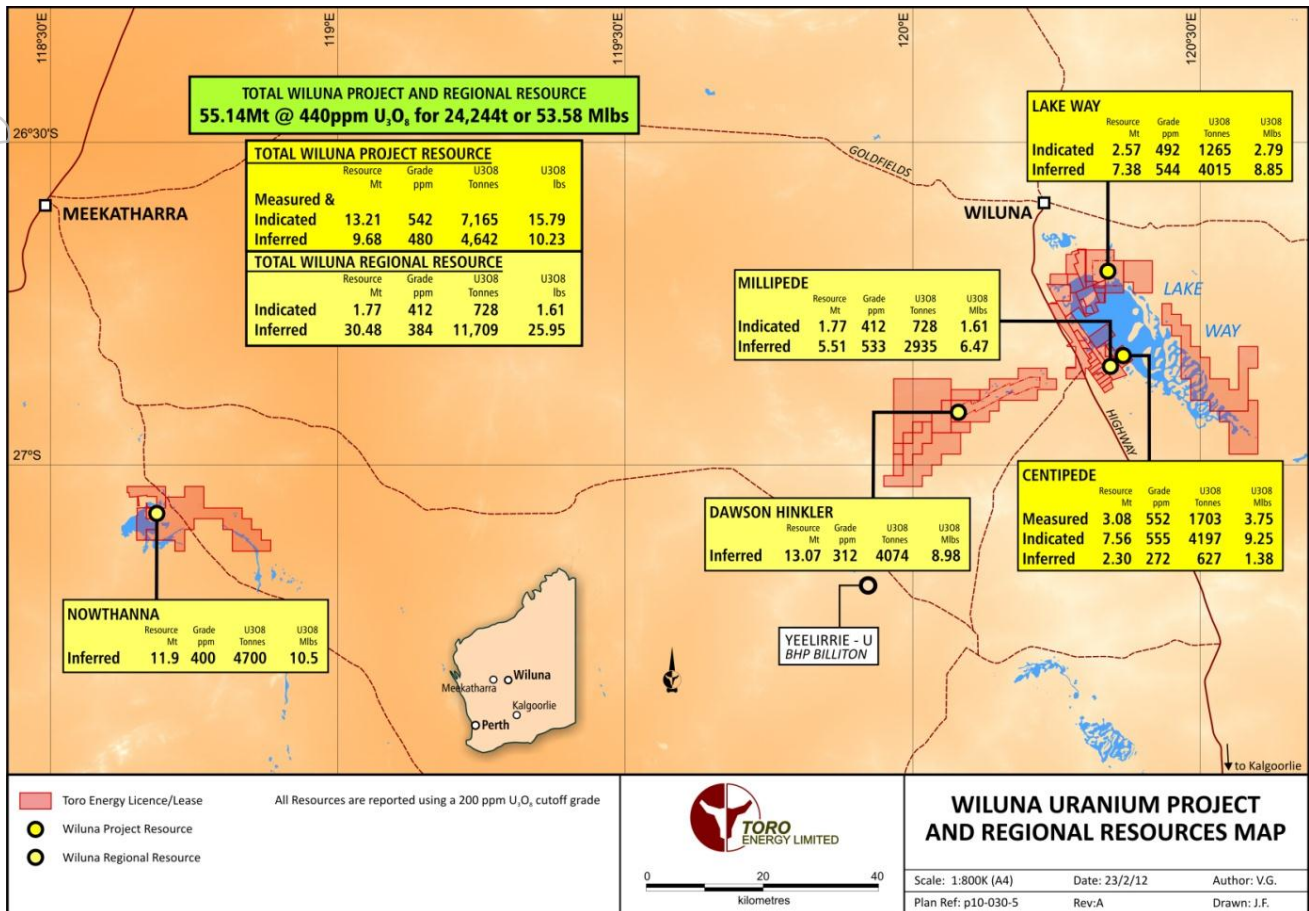


Figure 1 : Toro's total uranium resource base in the Wiluna area.

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Toro Energy is a modern Australian uranium company with progressive project development, acquisition and growth. The company is based in Adelaide, South Australia with a project office in Perth, Western Australia.

Toro's flagship and wholly-owned Wiluna uranium project (includes existing mining lease) is 30 kilometres southeast of Wiluna in Central Western Australia.

Wiluna contains two shallow calcrete deposits, Lake Way and Centipepe, with prefeasibility and optimisation studies completed and technical work leading to a definitive feasibility study underway. Toro has advanced the Approvals process targeting the Company's first uranium production late 2013.

Toro has three other exploration and development projects in Western Australia, and owns uranium assets in Northern Territory, South Australia and in Namibia, Africa.

www.toroenergy.com.au