ASX RELEASE

Tuesday, 15 November 2011

Significant First Exploration Target Range for Toro's Theseus Uranium Project in WA

Toro Energy Limited (ASX: TOE, "Toro") is pleased to provide the following Exploration Target Range for its 100%-owned Theseus Uranium Project in Western Australia:

20Mt to 40Mt @ approx 400 to 500parts per million (ppm) U_3O_8, for 10,000t to 20,000t U_3O_8 or 22Mlb to 44Mlb U_3O_8#.

CAUTIONARY STATEMENT
The Exploration Target Range (ETR) is conceptual in nature and there has been insufficient exploration completed to define this material as a Mineral Resource. There is no certainty that the further work referred to herein will result in the determination of a Mineral Resource.

This Exploration Target Range (ETR) will be evaluated by mud rotary drilling during 2012, following the results of studies of disequilibrium and bottle roll leach testing. Studies will focus on recovery characteristics and the potential to improve uranium grades from gamma data collected so far.

Following the highly successful Theseus 2011 drilling program, Toro has estimated the project's ETR by using a compilation of individual drillhole downhole gamma, prompt fission neutron (PFN) and assay results. This information plus the exploration potential along extensions of the defined palaeovalley system at Theseus, forms the basis of the ETR.

Figure 1 highlights the higher-grade uranium intercepts expressed as grade thickness (GT) values from within the newly defined mineralised zone at Theseus. This mineralised zone, roughly 10km x 2km, is bounded within a palaeovalley system mapped using basement intercepts from drilling. Significantly, the mineralised zone is open to the northwest, east and to the southeast.

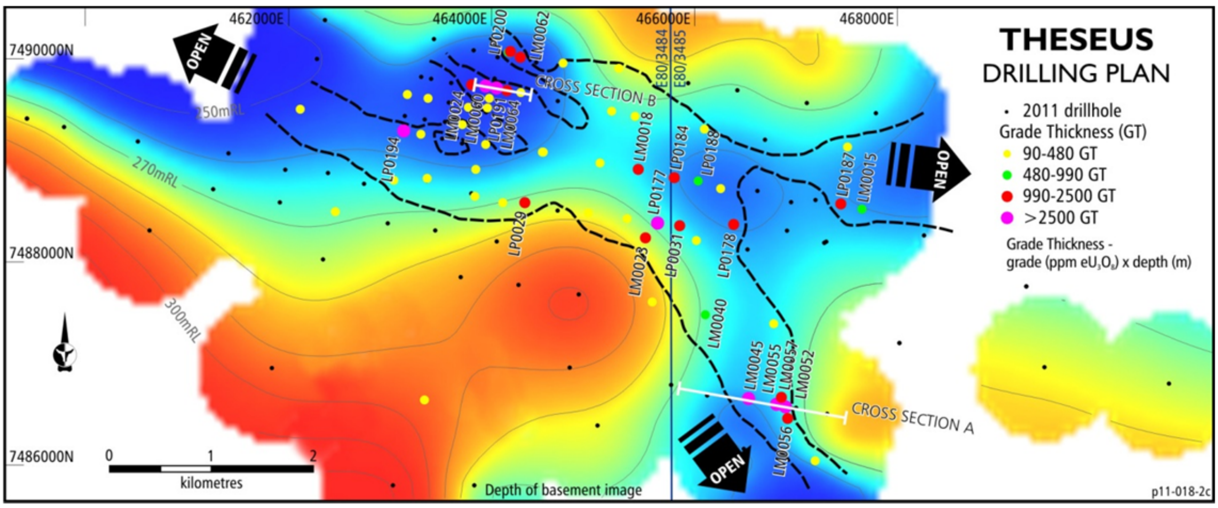

Figure 1: Theseus Drilling Plan showing drillholes with assigned GT over regional depth to basement contour image

Background

Theseus was discovered by Toro during a grassroots regional aircore drilling program by the Company in 2009. Initial results highlighted the potential for sandstone hosted uranium mineralisation at Theseus. Drilling in 2011 has now confirmed the presence of significant uranium mineralisation. A total of 130 vertical mud rotary and aircore holes have now been drilled and downhole gamma logged at the project. Almost 50% of the holes (64 of 130, drilled at Theseus) report a gamma, assay or PFN result greater than 0.5m @ 100ppm U_3O_8. All Theseus drillhole location and drill intercept information is tabulated in Appendices 1 and 2.

The 2011 drilling program at Theseus (Figure 1) has defined in detail, a small portion of the regional palaeovalley system broadly outlined by regional drilling in 2009 and 2010 (Figure 2). The upper interval of the palaeovalley fill is dominated by clay and is mostly oxidised. The lower section of the palaeovalley fill, between about 90m and 130m, comprises alternate layers of sand and clay that are variably oxidised and reduced. In the deepest sections where the palaeovalley is juxtaposed against basement, the sediments are mostly reduced, and locally carbonaceous, lignitic and pyritic.

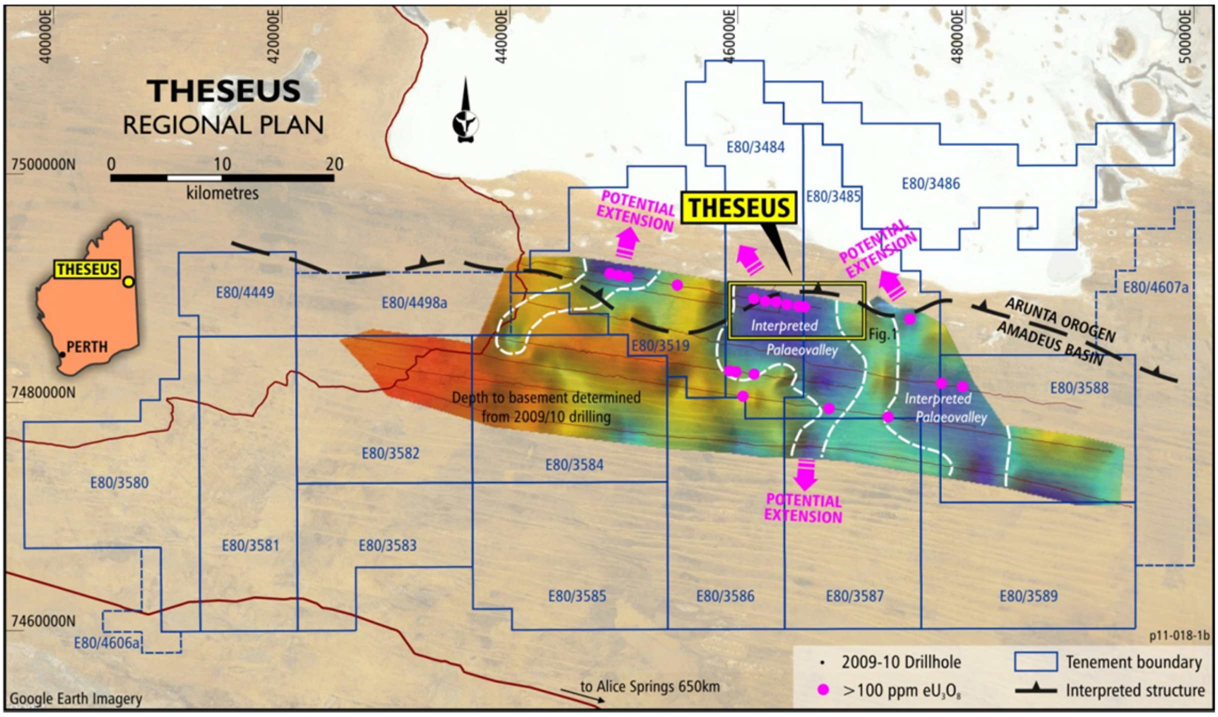

Figure 2: Exploration potential extending from the Theseus Project

Figure 2 shows three discrete palaeovalley systems that based on Toro's experience of drilling in 2011 have the potential to be as prospective as Theseus. Each area reports anomalous intercepts at kilometre spacing worthy of follow up in 2012.

Uranium mineralisation is hosted within the variably oxidised sand-clay sequence and its distribution is concentrated at boundaries between reduced and oxidised sediments ("redox" boundaries). The thickest and highest grade mineralised intercepts are hosted within sands ranging from 1m to 6m thick, while thinner intercepts are localised at the upper and lower boundaries of sand units. This distribution is consistent with the classic "roll-front" style of mineralisation as shown on Figure 3.

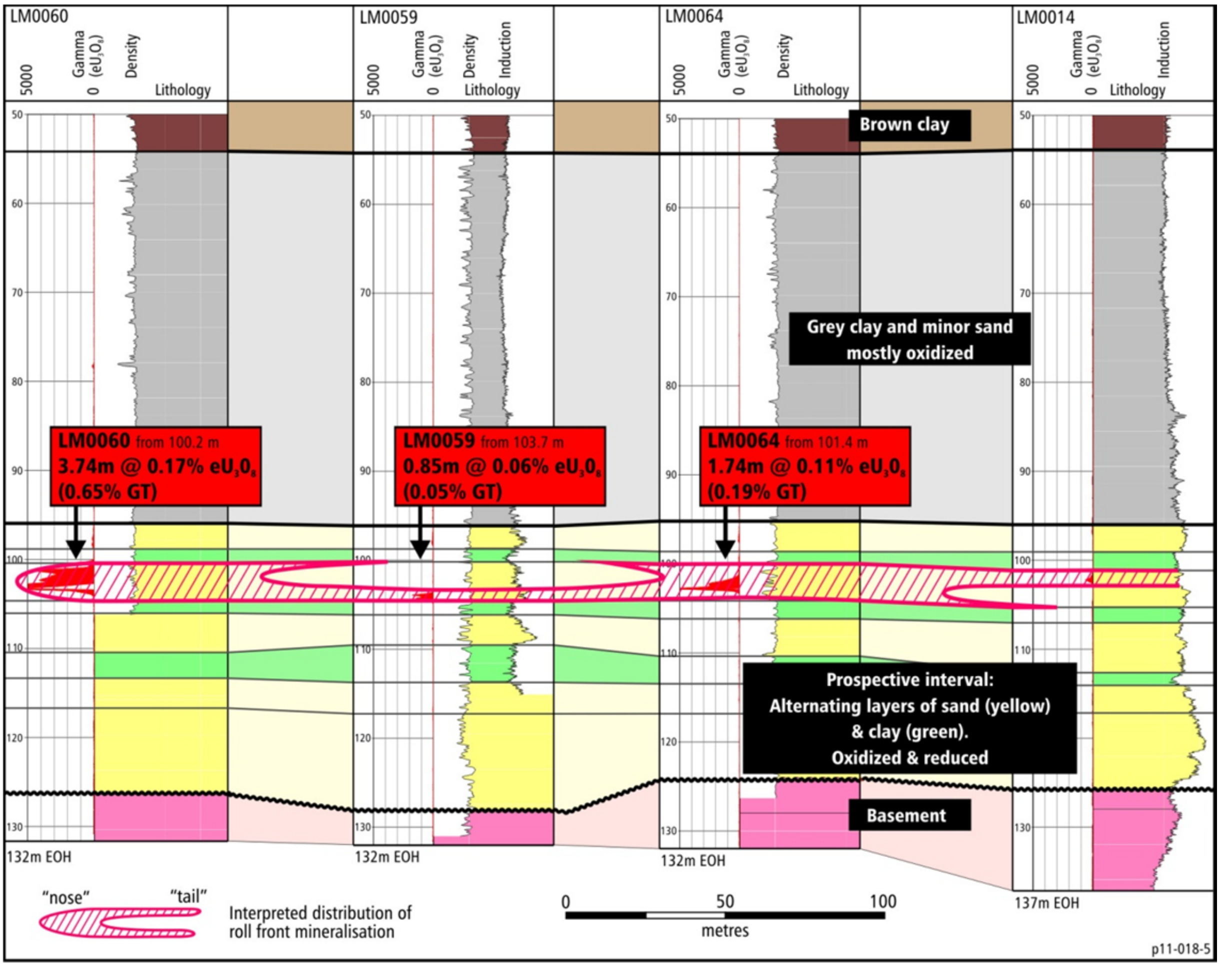

Figure 3: Well cad-type cross section for holes LM0060, LM0059, LM0064, and LM0014 showing 50m to 140m, including down-hole gamma intersections and the interpreted distribution of sand-hosted "roll-front" style uranium mineralisation.

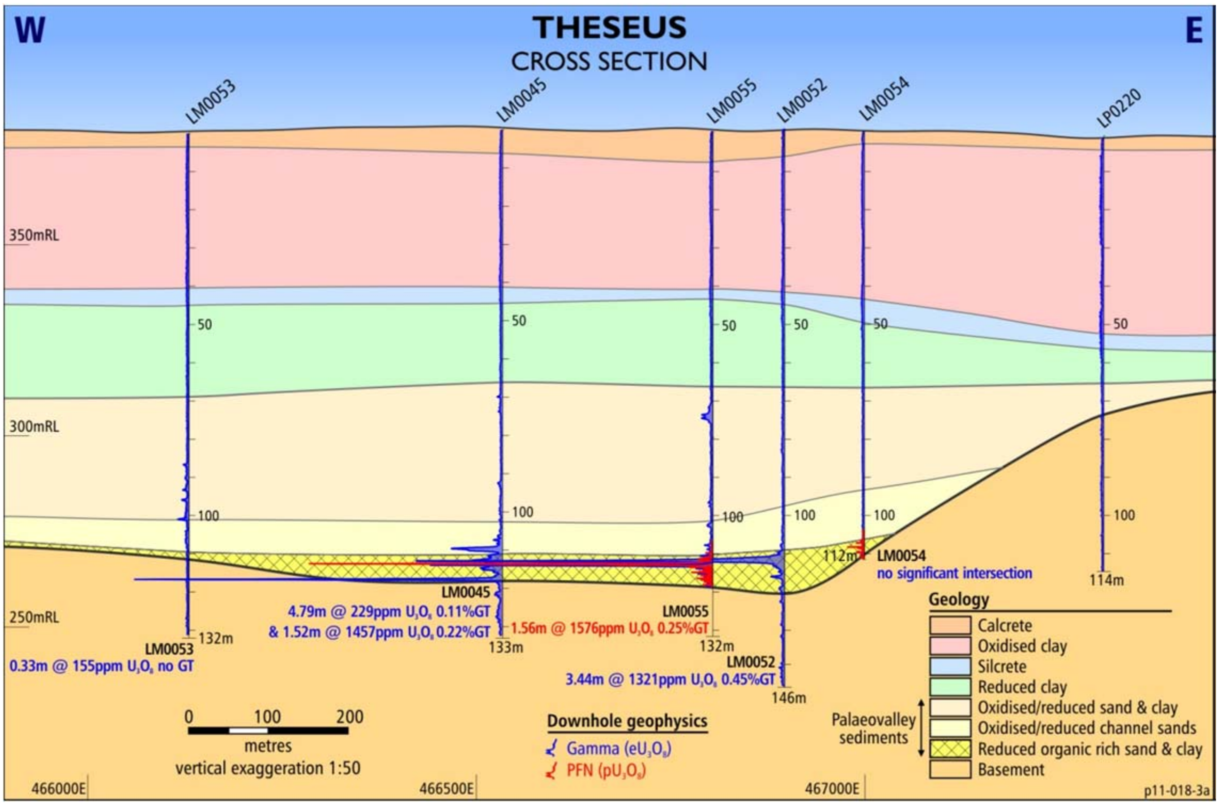

Figure 4: Typical summary cross-section for the southern part of the Theseus Project

A typical cross-section for the southern part of the project is shown in Figure 4 with mineralisation located towards the steeper eastern flank of the palaeovalley. Drill holes LM0045, LM0052 and LM0055 all report the tenor of mineralisation typically considered "ore-grade" in ISR type operations in Australia and overseas. Drilling on the western flank of this palaeovalley failed to intersect significant uranium suggesting that mineralisation may be concentrated on the steeper flanks of the palaeovalley system, in this case on the eastern side. Higher grade uranium is also noted on other cross sections associated with steep flanks to the palaeovalley.

Studies are underway that are designed to provide information on leaching parameters and uranium speciation. It is hoped that this information will be available by the end of this year. In conjunction with this work, disequilibrium studies are being carried out on samples to determine the gross magnitude and distribution of disequilibrium. Sampling of aircore chips has proven to be problematic given high water flows and fine sands being removed by the aircore drilling technique.

The main intersection logged with both natural gamma and PFN in LM0055 and shown in Figure 4 was reassessed by combining deconvolved data from two discrete gamma surveys and comparing directly to the PFN result. This intersection is now confirmed as:

1.56m @ **0.16%** pU_3O_8 [0.25%GT] from 112.43m from the PFN compared to

4.28m @ **0.06%** eU_3O_8 [0.25%GT] from 111.15m from down-hole gamma.

This comparison adds confidence in the use of deconvolved gamma data given the similar GT value for this drill-hole. A full program of PFN logging will be scheduled for next year.

Toro Managing Director, Mr Greg Hall said: "*Theseus has to date been a major success story for Toro and one that is yet to be fully recognised by equities markets as a major grass roots uranium discovery. It is becoming clear that Theseus may only be one prospect within this new uranium province and the region has the potential for further major discoveries. Toro believes that the Exploration Target Range announced today is only a small indication of the significant potential of this region.*"

Greg Hall
Managing Director

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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 Centipede, with prefeasibility and optimisation studies completed and technical work leading to a definitive feasibility study underway. Toro has commenced 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

Information in this report is based on information compiled by Mr Mark McGeough, who is a Fellow of the Australasian Institute of Mining and Metallurgy. Mr McGeough is a full-time employee of Toro, and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr McGeough consents to the inclusion in this release of the matters based on his information in the form and context in which it appears.

Information in this report relating to Deconvolved Gamma Results, is based on information compiled by Mr David Wilson BSc MSc who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Wilson is a full-time employee of 3D Exploration Ltd, a consultant to Toro and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Wilson consents to the inclusion in this release of the matters based on his information in the form and context in which it appears.

** Downhole gamma logging of drill holes provides a powerful tool for uranium companies to explore for and evaluate uranium deposits. Such a method measures the natural gamma rays emitted from material surrounding a drill hole. Gamma radiation is measured from a volume surrounding the drill hole that has a radius of approximately 35cm. The gamma probe is therefore capable of sampling a much larger volume than the geological samples recovered from any normal drill hole.*

Gamma ray measurements are used to estimate uranium concentrations with the commonly accepted initial assumption being that the uranium is in (secular) equilibrium with its daughter products (or radio- nuclides) which are the principal gamma ray emitters. If uranium is not in equilibrium (viz. in disequilibrium), as a result of the redistribution (depletion or enhancement) of uranium and/or its daughter products, then the true uranium concentration in the holes logged using the gamma probe will be higher or lower than those reported in this announcement.

The logging of aircore was undertaken by Toro Energy Ltd utilising an Auslog Logging System. The gamma tools were calibrated in Adelaide at the Department of Water in calibration pits constructed under the supervision of CSIRO. Toro Energy carries out regular recalibration checks to validate the accuracy of gamma probe data.

The gamma ray data was converted from counts per second to eU3O8 using calibration factors obtained from measurements made at the calibration pits. The eU3O8 data was also adjusted by an attenuation factor, determined onsite, due to logging in drill rods. These factors also take into account differences in drill hole size and water content. The eU3O8 data has been filtered (deconvolved) to more closely reproduce the true grades and thicknesses where thin narrow zones are encountered.

The various calibration factors and deconvolution parameters were calculated by David Wilson BSc MSc MAusIMM from 3D Exploration Ltd based in Perth, Western Australia.

Bore Hole Geophysical Services based in Perth, WA collected down-hole gamma measurements along with density and resitivity measurements in mud rotary holes.

Downhole gamma and PFN measurements in hole LM0054 and LM0055 were collected by GAA Wireline of Mt Barker SA. For further information on the use and calibration of the PFN readers are directed to the GAA Wireline website www.gaawireline.com

Appendix 1: Final summary of Theseus mud rotary drill-hole locations and significant uranium results

Mud Rotary Holes	East	North	Interval From (m)	Interval >100ppm eU3O8 (m)	>100ppm Grade eU3O8	*eU3O8 Grade x Interval (% GT)*	Interval From (m)	Interval >500ppm eU3O8 (m)	>500ppm Grade eU3O8
LM0008	467788	7489464			No significant intersections				
LM0009	467511	7489120	99.78	1.42	**174**	0.03			
LM0010	466695	7489204			No significant intersections				
LM0011	466100	7489300	98.85	0.68	**180**	0.01			
LM0012	465430	7489415	Terminated short of mineralisation		No significant intersections		Redrilled as LM00013		
LM0013	465415	7489415	Gamma probe stuck at 84m		No significant intersections				
LM0014	464295	7489655	101.92	0.56	**216**	0.01			
LM0015	467650	7488514	99.92	0.86	**737**	0.06	100.18	0.6	**932**
LM0015	467650	7488514	103.78	1.48	**179**	0.03			
LM0016	467190	7488610	101.98	0.7	**166**	0.01			
LM0017	466620	7488700			No significant intersections				
LM0018	465445	7488895	100.26	1.62	**370**	0.06			
LM0018	465445	7488895	108.24	2.02	**456**	0.09	108.48	0.52	**1141**
LM0019	461257	7488717			No significant intersections				
LM0020	462470	7488488			No significant intersections				
LM0021	466523	7488122	95.5	0.81	**107**	0.009			
LM0022	466020	7488200	101.04	1	**198**	0.02			
LM0023	465516	7488226	86.74	1.84	**208**	0.04			
LM0023	465516	7488226	90.44	1.42	**434**	0.06	90.94	0.64	**647**
LM0024	463805	7489732	103.75	2.26	**534**	**0.12**	103.93	0.75	**1231**
LM0025	463602	7489763			No significant intersections				
LM0026	463404	7489803			No significant intersections				
LM0027	463181	7489640	109.71	0.5	**454**	0.02			
LM0028	463379	7489600	103.72	1	**334**	0.03			
LM0029	463579	7489569			No significant intersections				
LM0030	463765	7488519	103.59	0.92	**135**	0.01			
LM0031	463722	7489340	105.12	1.52	**161**	0.03			
LM0032	463540	7489380			No significant intersections				
LM0033	463340	7489404			No significant intersections				
LM0034	463144	7489438			No significant intersections				
LM0035	463315	7489250	106.83	1.76	**176**	0.03			
LM0036	463513	7489214			No significant intersections				
LM0037	463709	7489167			No significant intersections				
LM0038	464439	7489965			No significant intersections				
LM0039	463823	7490083			No significant intersections				

Mud Rotary Holes	East	North	Interval From (m)	Interval >100ppm eU3O8 (m)	>100ppm Grade eU3O8	*eU3O8 Grade x Interval (% GT)*	Interval From (m)	Interval >500ppm eU3O8 (m)	>500ppm Grade eU3O8
LM0040	466110	7487480	105.01	2.7	**234**	0.06			
LM0041	464860	7487680			No significant intersections				
LM0042	463695	7487850			No significant intersections				
LM0043	462340	7488025			No significant intersections				
LM0044	460630	7488310			No significant intersections				
LM0045	466535	7486650	109.04	1.42	**521**	0.07			
LM0045	466535	7486650	111.07	4.79	**229**	**0.11**			
LM0045	466535	7486650	116.61	1.52	**1457**	**0.22**	109.31	0.9	**694**
LM0046	464770	7486960			No significant intersections				
LM0047	466485	7486160			No significant intersections				
LM0048	465045	7486390			No significant intersections				
LM0049	463345	7486635	80.11	0.89	**387**	0.03			
LM0050	467190	7486045	120.54	1.38	**131**	0.02			
LM0051	461835	7486955			No significant intersections				
LM0052	466895	7486570	111.4	3.44	**1321**	**0.45**	112	1.34	**3070**
LM0053	466125	7486685			No significant intersections				
LM0054	467000	7486565			No significant intersections				
LM0055**	466805	7486600	112.43	1.56	**1576**	**0.25**			
LM0055	466805	7486600	111.15	4.28	**588**	**0.25**	112.63	0.72	**2190**
LM0056	466920	7486460	110.63	4.46	**258**	**0.12**			
LM0056			117.27	0.72	**142**	0.01			
LM0057	466855	7486665	110.16	2.9	**610**	**0.18**	111.16	0.74	**1698**
LM0058	466900	7486575	110.75	2.96	**320**	0.01			
LM0059	464060	7489690	103.69	0.85	**575**	0.05	103.79	0.64	**682**
LM0060	463950	7489715	100.2	3.74	**1727**	**0.65**	100.98	2.62	**2321**
LM0061	464030	7489805			No significant intersections				
LM0062	464285	7490005	105.12	2.14	**516**	**0.11**	106.26	0.76	**1029**
LM0063	464060	7490015			No significant intersections				
LM0064	464155	7489680	101.39	1.74	**1085**	**0.19**	101.79	1.22	**1441**
LM0065	463981	7489601	102.68	0.74	**443**	0.03			
LM0066	464955	7488480	98.77	1.2	**221**	0.03			
LM0067	464650	7488505			No significant intersections				
LM0068	464115	7488575	102.58	0.5	**286**	0.01			
LM0069	463855	7488905	107.96	0.68	**259**	0.02			
LM0070	464510	7489065	101.82	1.37	**164**	0.02			
LM0071	463963	7489503	103.18	0.78	**164**	0.01			
LM0072	464190	7490045	102.18	1.94	**267**	0.05			

*Table 1: Summary of mud rotary holes, all drilled vertical with results >100ppm eU_3O_8 over 0.5m, max dilution 0.5m. **PFN result*

Appendix 2: Final summary of Theseus aircore drill-hole locations and significant uranium results

Aircore Holes ID	East	North	Interval From (m)	Interval >100ppm eU3O8 (m)	>100ppm Grade eU3O8	*eU3O8 Grade x Interval (% GT)*	Interval From (m)	Interval >500ppm eU3O8 (m)	>500ppm Grade eU3O8
LP0019	463377	7488811	102.13	1.96	**332**	0.03			
LP0020	465339	7488417	96.63	3.46	**135**	0.05			
LP0029	464333	7488573	101.83	2.74	**592**	**0.16**	102.55	1.44	**867**
LP0031	465854	7488349	105.24	2.24	**229**	0.05			
LP0031*	465854	7488349	104	2	**646**	**0.13**			
LP0173	463847	7488636	100.56	0.76	**145**	0.01			
LP0173	463847	7488636	103.7	0.92	**334**	0.03			
LP0174	463049	7488796	110.46	0.64	**199**	0.01			
LP0175	462743	7488770			No significant intersections				
LP0176	464956	7480489			No significant intersections				
LP0177	465638	7488378	87.25	3.2	**138**	0.04			
LP0177	465638	7488378	91.19	3.72	**121**	0.05			
LP0177	466382	7488356	96.81	5.76	**721**	**0.42**	98.47	1.56	**2010**
LP0178	466382	7488356	101.58	3.36	**295**	**0.1**			
LP0179	467298	7488200	Terminated short of mineralised zone		No significant intersections				
LP0180	466912	7488308	102.45	0.58	**149**	0.009			
LP0181	463946	7489154	104.04	0.68	**172**	0.01			
LP0182	464511	7489071	102.42	1.12	**219**	0.03			
LP0183	465074	7488961	109.72	1.32	**139**	0.02			
LP0184	465800	7488816	105.65	3.52	**381**	**0.13**			
LP0185	466257	7488720	101.86	0.72	**134**	0.01			
LP0186	467435	7488559	Terminated short of mineralised zone		No significant intersections				
LP0187	467435	7488559	107.54	4.84	**294**	**0.14**	108.6	0.66	**1035**
LP0188	466040	7488789	74.87	1.02	**256**	0.03			
LP0188	466040	7488789	99.51	0.7	**469**	0.03			
LP0188	466040	7488789	106.39	0.9	**365**	0.03			
LP0189	468262	7488262	Terminated short of mineralised zone		No significant intersections				
LP0190	464653	7489583			No significant intersections				
LP0191	464050	7489698	100.36	9.06	**620**	**0.56**	101.14	0.78	**1159**
LP0191							102.58	1.48	**2191**
LP0192	462128	7489491	109.05	0.74	**144**	0.01			
LP0193	463163	7489280	Terminated short of mineralised zone		No significant intersections		Redrilled as LP00194		
LP0194	463143	7489276	107.93	5.36	**460**	**0.25**	109.49	1.18	**1145**
LP0194	463143	7489276	118.83	1.74	**167**	0.03			
LP0195	462280	7489998			No significant intersections				
LP0196	463306	7498823	114.18	0.98	**222**	0.02			
LP0197	462359	7490381			No significant				

Aircore Holes ID	East	North	Interval From (m)	Interval >100ppm eU3O8 (m)	>100ppm Grade eU3O8	*eU3O8 Grade x Interval (% GT)*	Interval From (m)	Interval >500ppm eU3O8 (m)	>500ppm Grade eU3O8
					intersections				
LP0198	463433	7490195			No significant intersections				
LP0199	464168	7490053	101.86	1.88	**351**	0.07			
LP0199			109.42	1.18	**128**	**0.02**			
LP0200	464193	7490054	102.07	1.6	**982**	**0.16**	102.27	1.1	**1316**
LP0201	464713	7489949	100.64	0.68	**146**	0.01			
LP0202	465259	7489890	89.49	0.64	**348**	0.02			
LP0203	465937	7489760			No significant intersections				
LP0204	466424	7489687	79.94	0.5	**137**	0.01			
LP0205	467106	7489565	Terminated short of mineralised zone		No significant intersections				
LP00206	459788	7489328			No significant intersections				
LP00207	460514	7489187			No significant intersections				
LP00208	461967	7488908			No significant intersections				
LP00209	464050	7488202			No significant intersections				
LP00210	463445	7488310			No significant intersections				
LP00211	462977	7488380			No significant intersections				
LP00212	461913	7488586			No significant intersections				
LP00213	464265	7487775			No significant intersections				
LP00214	465588	7487601	88.08	0.81	**133**	0.01			
LP00215	466777	7487388	119.27	1.58	**173**	0.03			
LP00216	468019	7487202			No significant intersections				
LP00217	469448	7486963			No significant intersections				
LP00218	470675	7486803			No significant intersections				
LP00219	465770	7486790			No significant intersections				
LP00220	467307	7486505			No significant intersections				
LP00221	463029	7485801			No significant intersections				
LP00222	463829	7485801			No significant intersections				
LP00223	465420	7489423	97.95	0.9	**224**	0.02			
LP00224	465191	7489480	100.87	1.84	**156**	0.03			

*Table 2: Summary of aircore holes, all drilled vertical with results >100ppm eU_3O_8 over 0.5m, max dilution 0.5m *assay result*