



## ASX RELEASE

21 June 2012

# Greater than 1% pU<sub>3</sub>O<sub>8</sub> Drill Intersection from the Theseus Project, WA

Toro Energy Limited ("Toro" ASX: TOE) is very pleased to announce the first intercept greater than 1% pU<sub>3</sub>O<sub>8</sub> from drillhole LM175, located in the southern zone of its 100% owned Theseus Uranium Project in WA. Follow-up drilling at Theseus continues to define new mineralised zones to the south-east (Zone 1), to the north (Zone 4) and north west (Zone 3) of the main Theseus area including:

- A very high-grade intersection in drillhole LM175 reporting:

**0.82m @ 1.14% pU<sub>3</sub>O<sub>8</sub> from 124.3m** (Using a 200ppm pU<sub>3</sub>O<sub>8</sub> cut-off)

**This result is similar in tenor to higher grade intersections at producing ISR mines in Australia or Kazakhstan, and demonstrates the high potential for the Theseus area to contain high-grade uranium mineralisation within a very large >200ppm U<sub>3</sub>O<sub>8</sub> mineralised halo. It also provides Toro with confidence that further close infill drilling will define other areas of high grade uranium mineralisation that will significantly enhance the potential of the Theseus Project. Refer Figure 1 "Zone 1".**

- A probable roll-front position at least 100m wide that can be traced along strike for at least 500m. This zone is open to the NNE and probably to the SSW (Figure 1, new "Zone 4"). This is the first clear evidence of a "roll front" situation and drilling can now be realigned to target the high-grade nose. While still awaiting all results from this new zone, drillhole LM 157 reports:

**2.01m @ 1,158ppm pU<sub>3</sub>O<sub>8</sub> from 104.42m** (Using a 200ppm pU<sub>3</sub>O<sub>8</sub> cut-off)

- A new mineralised area that is at least 200m wide, that can be traced for at least 1km lying to the north-west of the Theseus prospect (Figure 1, new "Zone 3"). Although this zone is not yet fully defined, drillhole LM143 reports a very wide intersection of:

**10.64m @ 220ppm eU<sub>3</sub>O<sub>8</sub> from 109.01m** (Using a 100ppm pU<sub>3</sub>O<sub>8</sub> cut-off)

An initial coring program is now underway designed to obtain lithological, density, and grade and porosity information to assist in preparing a resource estimation in the near future. This includes a twin hole to LM175 to provide the full combination of PFN, gamma and XRF data for the area.

A summary of drill locations and results is given in Appendix 1 and drillhole locations are shown on Figure 1.

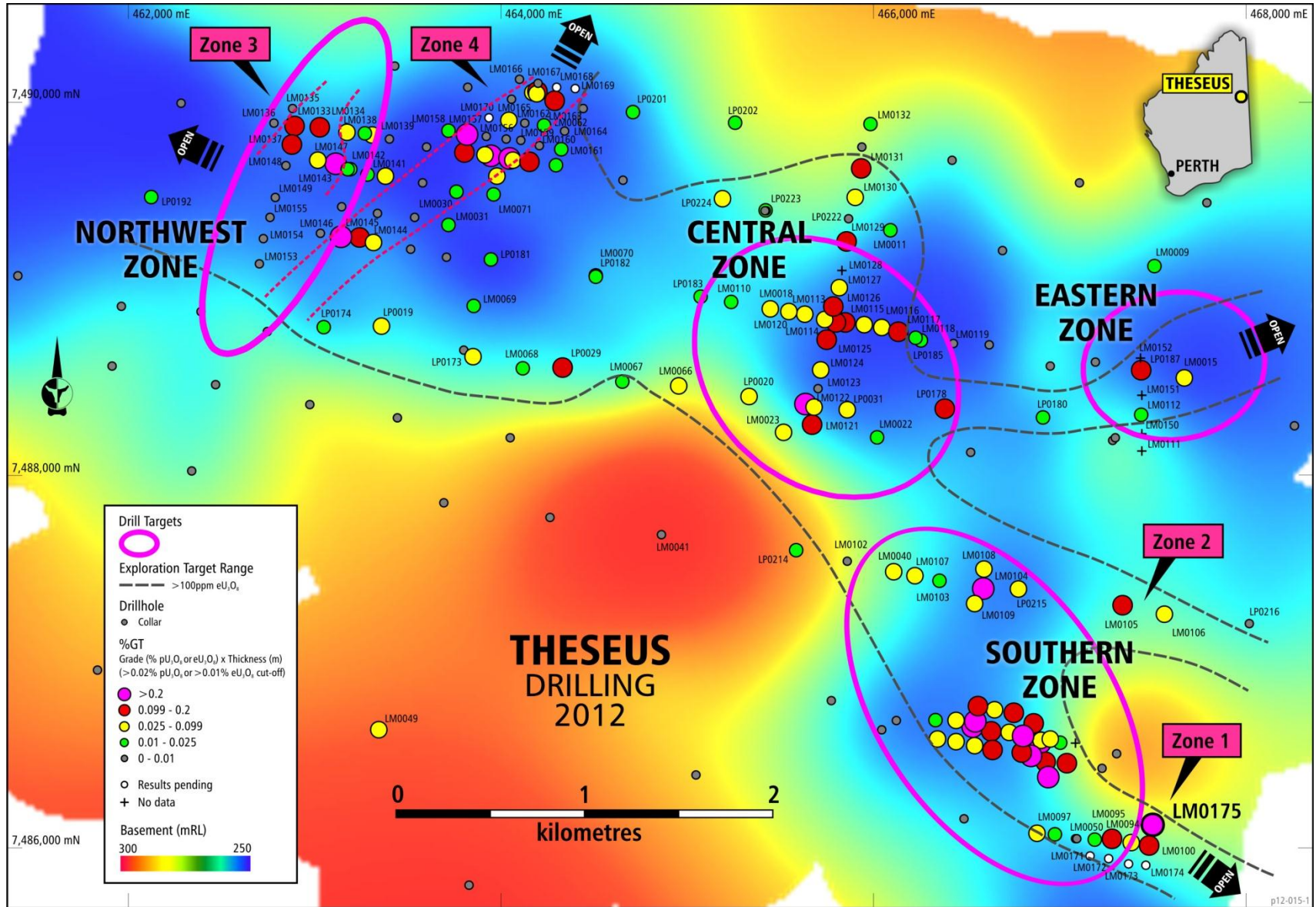


Figure 1: Drill plan of the Theseus Prospect showing drillhole collars ranked by %GT, and updated mineralized halo.

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## Comment

The follow-up drilling campaign of 2012 has now defined a series of roll fronts from wide spaced drilling. The mineralised halo at Theseus as defined by 100ppm  $U_3O_8$  continues to expand. To date the southern zone shows the best continuity of grade extending over 2km roughly North-South and up to 1km wide East-West. Drillhole intersections like LM175 confirm the potential within these mineralised zones for high-grade uranium mineralisation.

A small program of five core holes is now underway. Results from this work will confirm many of the technical aspects of Theseus that can then be applied to resource work in the near future.

Toro Managing Director, Mr Greg Hall said: “*The Theseus deposit continues to produce surprises including the very high grade intersection in LM175 located at the south eastern most point of known mineralisation to date. Toro are looking forward to the maiden resource estimation currently scheduled for August*”.

**Greg Hall**  
Managing Director

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## MEDIA CONTACT:

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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 a definitive feasibility study underway. Toro has advanced the approvals process with an anticipated date of mid-late 2012, construction through 2013 and first uranium sales in 2014.

Toro also has a new uranium project called Theseus in Western Australia, and owns uranium assets in the Northern Territory and in Namibia, Africa.

[www.toroenergy.com.au](http://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.*

*Downhole gamma and PFN measurements in 2012 drillholes 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](http://www.gaawireline.com)*

*The down-hole PFN logging tool directly measures the amount of the isotope U235 that is present in all natural uranium. This is considered to give a reliable estimate of the grade of uranium, while down-hole gamma logging is a proxy that relies on detecting the daughter products of uranium, including Bi214 and Pb214. Uranium results quoted from the PFN tool have the prefix p $U_3O_8$  while gamma results usually are shown as e $U_3O_8$ . PFN uranium results below 200ppm are considered unreliable and this cut off is applied when averaging intersections. Density and porosity are also measured and the data is used to correlate lithological units.*

*GT is an estimation presented as %m  $U_3O_8$ . It is calculated by multiplying the interval (metres width) by the average grade of the interval.*

### APPENDIX I: Drill Summary showing PFN and Gamma data

| Hole ID       | GDA 94 Easting Z52 | GDA 94 Northing Z52 | Interval From (m)                           | Interval > 0.5m @ 200ppm pU <sub>3</sub> O <sub>8</sub> (m) | Grade >0.5m @ 200ppm pU <sub>3</sub> O <sub>8</sub> (ppm) | pU <sub>3</sub> O <sub>8</sub> Grade x Interval (% GT) | Interval From (m)                                      | Interval > 0.5m @ 100ppm eU <sub>3</sub> O <sub>8</sub> (m) | Grade >0.5m @ 100ppm eU <sub>3</sub> O <sub>8</sub> (ppm) | eU <sub>3</sub> O <sub>8</sub> Grade x Interval (% GT) |             |
|---------------|--------------------|---------------------|---|---|---|--|--|---|---|--|-------------|
| LM0109        | 466543             | 7487307             | No significant PFN or gamma response        |   |   |  |  |   |   |  |             |
| LM0110        | 465240             | 7488927             | Gamma data to be reviewed no PFN in hole    |   |   |  |  |   |   |  |             |
| LM0111        | 467441             | 7488128             | Hole abandoned with no geophysical log      |   |   |  |  |   |   |  |             |
| LM0112        | 467437             | 7488324             | Hole abandoned with no full geophysical log |   |   |  |  |   |   |  |             |
| LM0113        | 465631             | 7488860             | No PFN data                                 |   |   |  |  | 104.7   | 2.59  | 439  | <b>0.11</b> |
| LM0114        | 465740             | 7488835             | 106.31                                      | 1.32  | 267   | 0.04   |  |   |   |  |             |
| LM0115        | 465845             | 7488820             | 106.35                                      | 5.81  | 245   | <b>0.14</b>  |  |   |   |  |             |
| LM0116        | 465923             | 7488749             | 106.1                                       | 0.66  | 478   | 0.03   |  |   |   |  |             |
| LM0117        | 466132             | 7488769             | No PFN data                                 |   |   |  |  | 95.51   | 2.49  | 226  | 0.06        |
| LM0117        |                    |                     |   |   |   |  |  | 102.39  | 2.02  | 174  | 0.04        |
| LM0118        | 466229             | 7488738             | 70.42                                       | 5.76  | 287   | <b>0.17</b>  |  |   |   |  |             |
| LM0119        | 466426             | 7488706             | No significant PFN or gamma response        |   |   |  |  |   |   |  |             |
| LM0120        | 465544             | 7488875             | 99.02                                       | 1.48  | 201   | 0.03   |  |   |   |  |             |
| LM0120        |                    |                     | 108.67                                      | 1.74  | 205   | 0.04   |  |   |   |  |             |
| LM0121        | 465667             | 7488270             | 91.12                                       | 1.42  | 237   | 0.03   |  |   |   |  |             |
| LM0121        |                    |                     | 98.36                                       | 2.24  | 304   | 0.07   |  |   |   |  |             |
| LM0121        |                    |                     | 108.02                                      | 1.36  | 226   | 0.03   |  |   |   |  |             |
| LM0122        | 465680             | 7488366             | 104.28                                      | 1.91  | 229   | 0.04   |  |   |   |  |             |
| LM0123        | 465700             | 7488465             | No significant PFN or gamma response        |   |   |  |  |   |   |  |             |
| LM0124        | 465718             | 7488564             | 95.94                                       | 2.18  | 241   | 0.05   |  |   |   |  |             |
| LM0125        | 465744             | 7488728             | 106.04                                      | 2.43  | 415   | <b>0.10</b>  |  |   |   |  |             |
| LM0126        | 465784             | 7488906             | 97.43                                       | 2.14  | 327   | 0.07   |  |   |   |  |             |
| LM0126        |                    |                     | 105.48                                      | 2.37  | 244   | 0.06   |  |   |   |  |             |
| LM0127        | 465813             | 7489002             | 104.27                                      | 1.35  | 209   | 0.03   |  |   |   |  |             |
| LM0128        | 465827             | 7489101             | No PFN or gamma completed in the hole       |   |   |  |  |   |   |  |             |
| LM0129        | 465855             | 7489249             | 95.69                                       | 1.55  | 223   | 0.03   |  |   |   |  |             |
| LM0129        |                    |                     | 107.02                                      | 4.02  | 238   | <b>0.09</b>  |  |   |   |  |             |
| LM0130        | 465902             | 7489488             | No significant PFN or gamma response        |   |   |  |  |   |   |  |             |
| LM0131        | 465934             | 7489647             | 85.76                                       | 4.65  | 202   | 0.09   |  |   |   |  |             |
| LM0131        |                    |                     | 93.14                                       | 2.76  | 252   | 0.07   |  |   |   |  |             |
| LM0132        | 465984             | 7489882             | No significant PFN or gamma response        |   |   |  |  |   |   |  |             |
| LM0133        | 462892             | 7489872             | No PFN data                                 |   |   |  |  | 111.32  | 7.56  | 236  | <b>0.18</b> |
| LM0134        | 463025             | 7489862             | 102.33                                      | 1.67  | 212   | 0.04   |  |   |   |  |             |
| LM0134        |                    |                     | 113.03                                      | 4.95  | 256   | <b>0.13</b>  |  |   |   |  |             |
| LM0135        | 462885             | 7489967             | No significant PFN or gamma response        |   |   |  |  |   |   |  |             |
| LM0136        | 462780             | 7489890             | No significant PFN or gamma response        |   |   |  |  |   |   |  |             |
| LM0137        | 462878             | 7489774             | No PFN data                                 |   |   |  |  | 114.21  | 1.95  | 431  | 0.08        |
| LM0137        |                    |                     | No PFN data                                 |   |   |  |  | 117.09  | 1.27  | 332  | 0.04        |
| LM0138        | 463172             | 7489841             | No significant gamma                        |   |   |  |  |   |   |  |             |
| LM0139        | 463269             | 7489831             | PFN not working through this period         |   |   |  | No significant gamma                                   |   |   |  |             |
| LM0140        | 463915             | 7489718             |   |   |   |  | 103.76   | 0.65  | 564   | 0.04   |             |
| LM0141        | 463288             | 7489610             |   |   |   |  | No significant gamma responses but data being reviewed |   |   |  |             |
| LM0142        | 463190             | 7489643             |   |   |   |  |  |   |   |  |             |
| <b>LM0143</b> | 463117             | 7489668             | No PFN data                                 |   |   |  | <b>109.01</b>  | <b>10.64</b>  | <b>220</b>  | <b>0.23</b>  |             |
| LM0144        | 463243             | 7489273             | 100.78                                      | 2.27  | 211   | 0.05   |  |   |   |  |             |
| LM0144        |                    |                     | 108.77                                      | 3.68  | 280   | <b>0.10</b>  |  |   |   |  |             |
| LM0145        | 463144             | 7489284             | 96.81                                       | 1.69  | 209   | 0.04   |  |   |   |  |             |
| LM0145        |                    |                     | 109.94                                      | 2.4   | 213   | 0.05   |  |   |   |  |             |
| LM0146        | 463033             | 7489300             | No significant PFN or gamma response        |   |   |  |  |   |   |  |             |
| LM0147        | 463014             | 7489692             | 118.37                                      | 1.82  | 224   | 0.04   |  |   |   |  |             |
| LM0148        | 462850             | 7489663             | No significant PFN or gamma response        |   |   |  |  |   |   |  |             |
| <b>LM0157</b> | 463821             | 7489828             | <b>104.42</b>                               | <b>2.01</b>   | <b>1,153</b>  | <b>0.23</b>  |  |   |   |  |             |
| <b>LM0175</b> | 467492             | 7486119             | <b>124.3</b>                                | <b>0.82</b>   | <b>11,4000</b>  | <b>0.93</b>  |  |   |   |  |             |

Table I: 2012 Drillhole summary information and significant intersections with both PFN (>0.5m @ 200ppm pU<sub>3</sub>O<sub>8</sub> and natural gamma values >0.5m @ 100ppm eU<sub>3</sub>O<sub>8</sub>, when PFN data is not available).

The gamma data presented is raw gamma without a deconvolved formula being run on the data.

All drill holes are vertical and all intersections are considered to be true widths.