

HD Toro **Energy** Limited - Studies Confirm Combined Wiluna **Uranium** Project Improvements

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Uranium developer Toro **Energy** Limited (ASX: TOE) today announced the completion of an independent **Mining** Scoping Study and a Preliminary Economic Assessment integrating the newly acquired Lake Maitland deposit into the Wiluna **Uranium** Project in Western Australia.

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Based solely on **mining** at the already approved Centipede and Lake Way deposits and the yet to be approved Millipede and Lake Maitland deposits, the studies have confirmed:

An initial **operations** life of 16 years;

20.1Mt **ore** mined @ 799 parts per **million** (ppm), including 15.9Mt **ore** @ 907ppm;

Processing head grade: 883ppm average over the first 10 years;

Total production at life of mine recovery of 85.6% - 30.2Mlb U3O8;

Average annual production over the first 10 years - 2.0Mlb U3O8 and

Average C1 cost for life of project of US\$31.1/lb.

Toro will soon initiate the government assessment and approval process for both Millipede and Lake Maitland deposits.

The studies include process plant design information and capital costs from the Phase 1 definitive feasibility study completed in November 2012 and a new independent **mining** scoping study completed by Tetra-Tech Proteus.

The strategic **acquisition** of Lake Maitland, completed in November 2013, provided Wiluna with additional high grade resources to add to those at Centipede, Millipede and Lake Way. The **mining** study re-assessed the **mining** plan based on a high-grade **mining** scenario incorporating the Centipede, Lake Way, Millipede and Lake Maitland deposits.

'The new results validate Toro's project development work in 2013, in particular the drilling that delivered resource upgrades at each of Centipede, Millipede and Lake Way as well as the **acquisition** of Lake Maitland,' Toro's Managing Director, Dr Vanessa Guthrie, said today.

'The studies have also shown that under suitable market conditions, lower cut-off grades would allow the exploitation of the 200ppm cut-off resources at these deposits. Moreover, there remains further upside potential at Wiluna as the **mining** study does not include the Indicated and Inferred Resources at the project's Dawson Hinkler and Nowthanna deposits which could extend the total mine life well beyond 20 years.'

'Pleasingly, these results have been achieved without affecting the processing facility throughput or development approvals in place at Centipede and Lake Way. Toro also understands the need for further government approvals to advance an extended Wiluna Project, and our immediate priority is to refer the Millipede and Lake Maitland deposits for State and Federal government environmental assessment. These will add to those already secured for **mining** at Centipede and Lake Way.'

Toro has also determined additional initial capital will be required, including \$27M to acquire and operate a **mining** fleet under an owner operator **mining** scenario. Total capital costs will be confirmed during the definitive feasibility study.

Dr Guthrie said Toro's goal was to continue to position itself as one of the few **mining** companies capable of bringing a cost competitive, sustainable, low sovereign risk project to market at a time when **uranium** prices are forecast to significantly lift in the second half of this decade.

The continued construction of new nuclear capacity in **China** and elsewhere in the world, planned re-start of Japanese reactors and the conclusion in December 2013 of the secondary supply 'megatons to megawatts' program bode well for stronger future U3O8 prices.

'During 2014 Toro will pursue the further necessary government environmental approvals and progress funding arrangements with potential partners to underpin project financing and product offtake agreements,' Dr Guthrie said.

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