

24 July 2024

WILUNA URANIUM PROJECT UPDATE

Pilot plant design close to completion with start-up aimed for H2 2024

- Design phase for the pilot plant commissioned by Toro is nearing completion ahead of planned start-up later this year
- Sonic drill programs designed to supply material feed to the pilot plant from all three deposits approved by the Department of Energy, Mines, Industry Regulation and Safety (DEMIRS)
- Detailed reworking of the geometallurgical models for all three deposits, to ensure the drill plan is representative of all ore types likely to be mined and processed, has been initiated
- Pilot plant will test the improved beneficiation & hydrometallurgical circuit developed by Toro at closer to production scale
- Pilot plant to test potential ore from all three uranium deposits – *Lake Maitland*, *Lake Way* and *Centipede-Millipede* – these deposits could potentially underpin an expanded Lake Maitland operation
- Project optimisation work continues to evaluate further economic improvements driven by Lake Maitland's close proximity to Toro's 100% owned Centipede-Millipede and Lake Way uranium deposits within Wiluna by the potential integration of additional resources from these deposits. Strong improved financial outcomes from the updated Lake Maitland Scoping Study include:
 - Pre-tax NPV₈ of A\$832.8M (+37% increase of A\$223.20M)
 - Excellent 48% IRR (+7% increase)
 - Total EBITDA of \$2,303.3M (+30% increase of A\$534.4M)
 - Total undiscounted cash flow of A\$1,903.3M pre-tax – average >\$2M per week (+36% increase of A\$507.3M)
 - Short payback period of 2.1 years
 - Low C1 operating cost of US\$17.28/lb U₃O₈ in years 1 to 7 when high grade uranium resource is being processed
 - Strong life of mine C1 operating cost of only US\$24.78/lb U₃O₈
 - Low AISC cost of US\$22.58/lb U₃O₈ in years 1 to 7 when high grade uranium resource is being processed
 - Strong life of mine AISC cost of only US\$30.55/lb U₃O₈
 - Modest total CAPEX of US\$149M plus 20% for contingency and 15% for EPCM over a 17.5 year mine life producing a total of 22.8Mlbs U₃O₈ and 11.9 Mlbs V₂O₅

Management Commentary

Commenting on the update Toro's Executive Chairman, Richard Homsany, said:

"Toro continues to advance important workstreams across our flagship Wiluna Uranium Project in WA, and we are pleased to report that work on the pilot plant design is nearing completion. The pilot plant is an important step in demonstrating the potential scale and value of not only the Lake Maitland Uranium deposit, but of the entire Wiluna Uranium Project.

This latest body of work further builds upon the excellent economics resulting from the updated Lake Maitland Scoping Study which confirmed a significant uplift of 36% or A\$223M in pre-tax NPV₈ to A\$832.8M.

It should be emphasised that the pilot plant will aim to test potential ore from all three uranium deposits – (1) Lake Maitland (2) Lake Way and (3) Centipede-Millipede – that Toro believes could contribute to an extended Lake Maitland processing operation. The proximity of Lake Way and Centipede-Millipede to Lake Maitland provides Toro with valuable optionality to substantially increase the feasibility of the broader Wiluna Uranium Project beyond the A\$832M NPV₈ resulting from the updated stand-alone Lake Maitland Scoping Study. Another outcome could be that Lake Way and Centipede-Millipede sustain a separate feasible mining and processing operation to that at Lake Maitland.

Toro remains committed to ensuring the Wiluna Uranium Project is ready to be brought into production when government policy aligns. Our ongoing evaluation work, in a strong global uranium market and backdrop of an evolving sophisticated nuclear energy debate in Australia, is exciting for Toro shareholders and potential investors."

Toro Energy Limited (ASX: TOE) ('the **Company**' or '**Toro**') is pleased to announce that the Company is continuing to advance its plans to begin operation of a pilot plant for its Wiluna Uranium Project in the second half of 2024.

The design phase of the proposed research pilot plant is now in the final stage with the first draft of the engineer's drawings being completed. These drawings will be refined for a final design, which will in turn be used to construct the pilot plant for operation at a designated site in Perth, Western Australia.

The pilot plant design has assumed an extended mining operation, beyond a Lake Maitland stand-alone, to a larger Wiluna Uranium Project where potential ore from the **Lake Way** and **Centipede-Millipede** deposits are included (see **Figure 1**). Therefore, in addition to potential bulk ore from Lake Maitland, the plant will be testing Toro's new processing technique on potential bulk ore from Centipede-Millipede as well as Lake Way.

To supply the pilot plant with potential ore material Toro has chosen a low impact technique of sampling large diameter sonic drill core instead of trenching or digging into the deposits. This

technique will also allow for an overall more representative sample of ore types across all three of the Wiluna Uranium Project deposits, Lake Maitland, Centipede-Millipede and Lake Way. Additionally, to ensure the pilot plant feed is representative of any proposed mining and processing operation, a detailed reworking of the geometallurgical models for all three deposits has also been initiated. This work will give further confidence that the final drill plan for the proposed sonic core drilling will provide an 'as realistic as possible' test of the newly derived processing circuit on Wiluna Uranium Project potential ore.

Whilst the detail of the drill planning is continuing, the work programs for the drilling have recently been approved by the West Australian Government Department of Energy, Mines, Industry Regulation and Safety (DEMIRS) for all three of the Wiluna Uranium Project deposits.

Toro has now notified and initiated communication with representatives for the native title groups at Lake Way and Centipede-Millipede, and Lake Maitland, for the planned drilling activities over the respective potential ore bodies.

It should be noted that the pilot plant will be equipped to take at least 20 dry tonnes of potential ore through two campaigns of testing, both on the proposed beneficiation circuit and the proposed hydrometallurgical circuit.



Figure 1: Wiluna Uranium Project

Wiluna Uranium Project Summary

Toro's 100%-owned Wiluna Uranium Project is located near Wiluna on the Goldfields Highway, some 750km NE of Perth in Western Australia. The Wiluna Uranium Project consists of the **Lake Maitland**, **Lake Way**, and **Centipede- Millipede** deposits (see **Figure 1**).

Together, these deposits of the Wiluna Uranium Project contain some **52 Mt grading 548ppm U_3O_8 for 62.7 Mlbs of contained U_3O_8 at a 200ppm U_3O_8 cut-off** (JORC 2012 – refer to ASX announcements of 15 October 2015, 1 February 2016, 21 October 2019 and 30 November 2021).

This is in addition to the vanadium resource of **96.3Mt grading 322ppm V_2O_5 for 68.3Mlbs of contained V_2O_5 at a 200ppm V_2O_5 cut-off** as referred to above (JORC 2012 – Inferred – refer to the Company's ASX announcement of 21 October 2019).

Key Characteristics

- ✓ **Approvals:** Federal & State government environmental approvals received 2017 – amendments required
- ✓ **Mining:** Shallow open pit to 15m
- ✓ **Infrastructure:** Established mining centre, access to water, power and services
- ✓ **Finance optionality:** Japan Australia Uranium Resource Development Co. Ltd (three Japanese utilities) and ITOCHU Corporation have the right to acquire a 35% interest in Lake Maitland for US\$39.6M

Mineral Resource Estimate

The Mineral Resource Estimate in this announcement was reported by the Company in accordance with Listing Rule 5.8 via ASX announcements dated 1 February 2015, 1 February 2016, 21 October 2019 and 14 December 2021. The Company confirms it is not aware of any new information or data that materially affects the information included in the previous announcements and that all material assumptions and technical parameters underpinning the estimates in the previous announcements continue to apply and have not materially changed.

– Ends –

This announcement was authorised for release to the ASX by the Board of Toro Energy Limited.

Katherine Garvey
Legal Counsel and Company Secretary, Toro Energy Limited
60 Havelock Street, West Perth WA 6005

For further information contact

Richard Homsany
Greg Shirliff

+61 8 9214 2100

About Toro

Toro Energy Limited (ASX:TOE) is an ASX listed uranium development and exploration company with projects in Western Australia. Toro's tenure in Western Australia is also prospective for gold and base metals. Toro is committed to building an energy metals business with the flagship Wiluna Uranium Project as the centrepiece. The Wiluna Uranium Project consists of the Centipede-Millipede, Lake Maitland, Lake Way uranium deposits 30km to the south of the town of Wiluna in Western Australia's northern goldfields.

Please visit www.toroenergy.com.au for further information.