



The Wiluna Uranium Project, Western Australia: Bringing a new project to the market

23-27 June 2014

URAM 2014 - IAEA

**Australia's
Leading
Development
Stage Uranium
Company**

toroenergy.com.au

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Toro Energy:

A Pure Play Uranium Company Positioning for the Market Recovery

Toro Snapshot



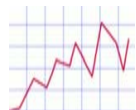
STRUCTURE



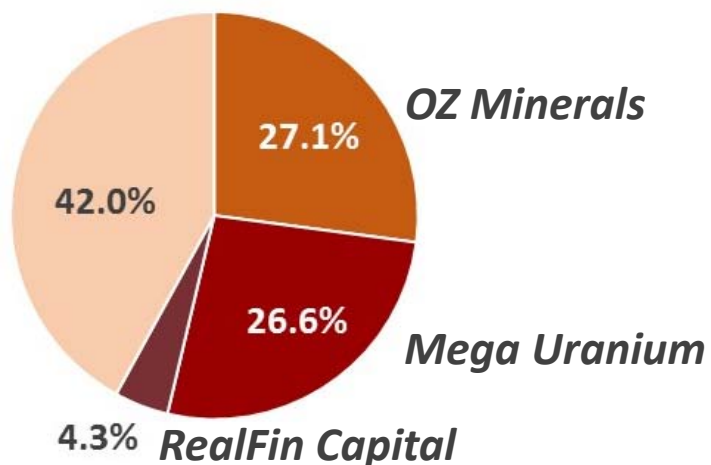
Board & Management
Extensive Uranium
Experience



\$9.3M Cash on hand
\$5M RealFin option

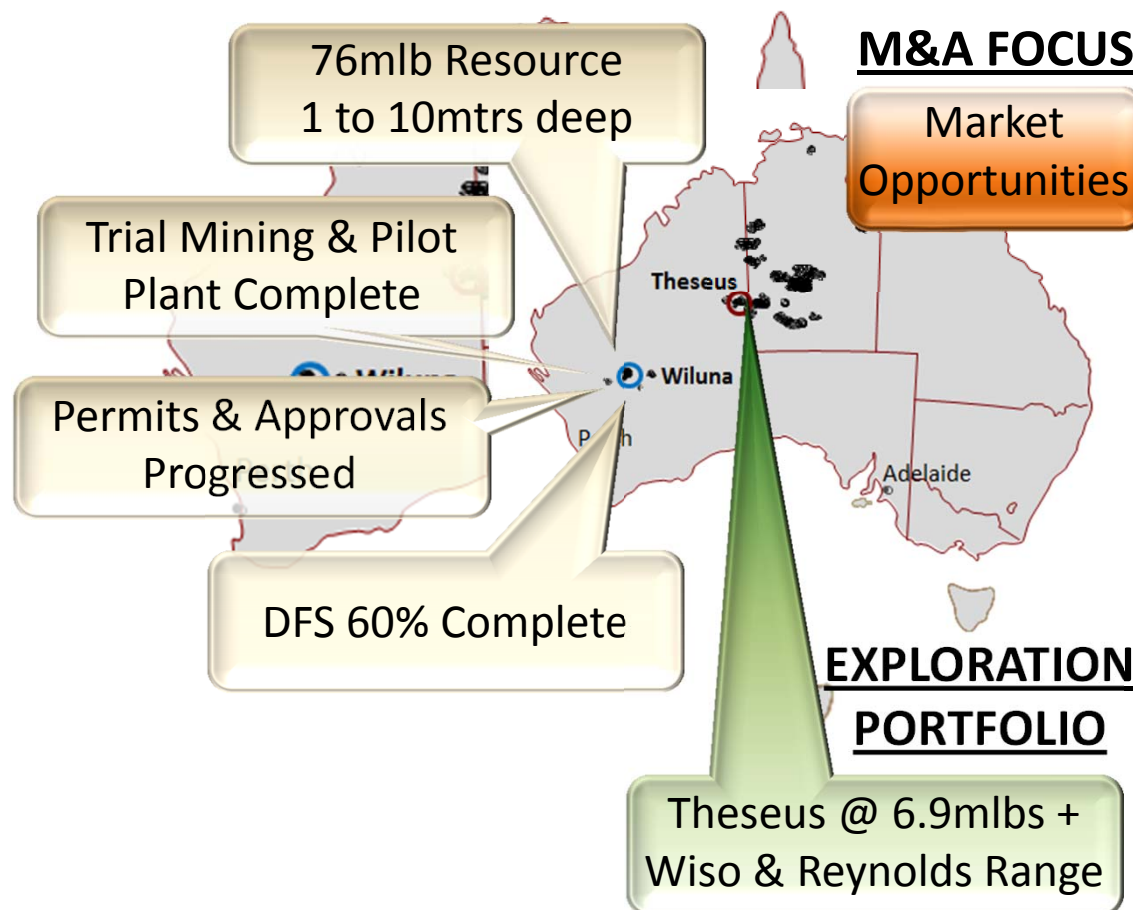


Market Capitalisation
AUD \$95M



GROWTH ASSETS & STRATEGY

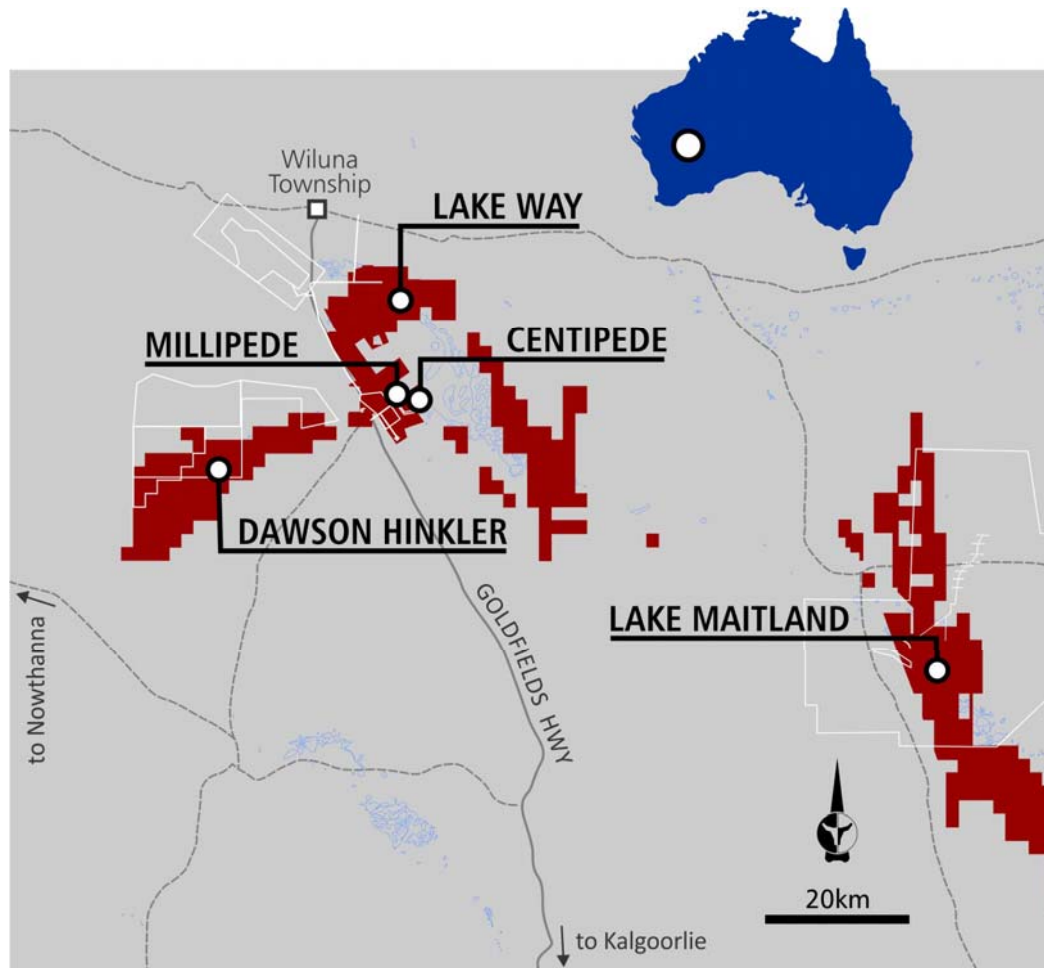
WILUNA URANIUM PROJECT



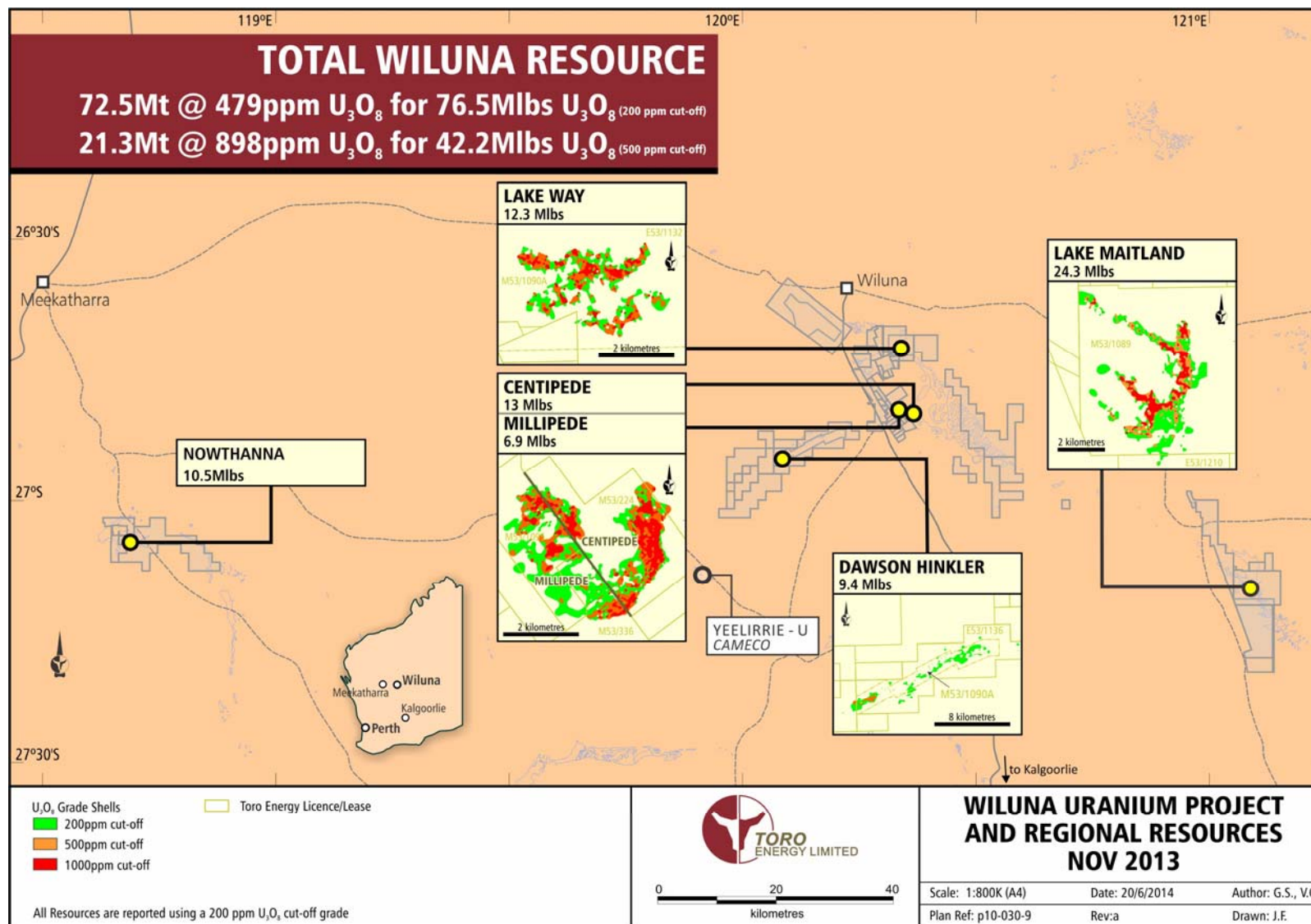
Wiluna Uranium Project:

an environmental approvals case study

Project Overview



Six Regional Deposits



Wiluna – Aligned with Market Recovery



Toro's flagship asset, the Wiluna project, has a development timeline well positioned for the anticipated uranium market recovery.

Internal



Technical Confidence:

- Resource
- Mining
- Processing
- DFS

Technically Feasible



- Environmental Approval
- Mining Leases
- Traditional Owner Agreements

Required Permissions

External



Timing:
Supportive price
environment
approaching.

Optimal Timing



Technical De-Risking



Trial mining confirmed selective mining process



- Vermeer continuous miner cutting 25cm bench
- GPS/gamma logger for pit floor grade mapping
- Groundwater control systems



- ✓ *Ability to map and select higher grade confirmed*
- ✓ *Continuous miner confirmed efficient method*
- ✓ *In pit tailings deposition and full rehabilitation*
- ✓ *Groundwater control through water barriers*

Pilot plant confirms Toro's proposed process

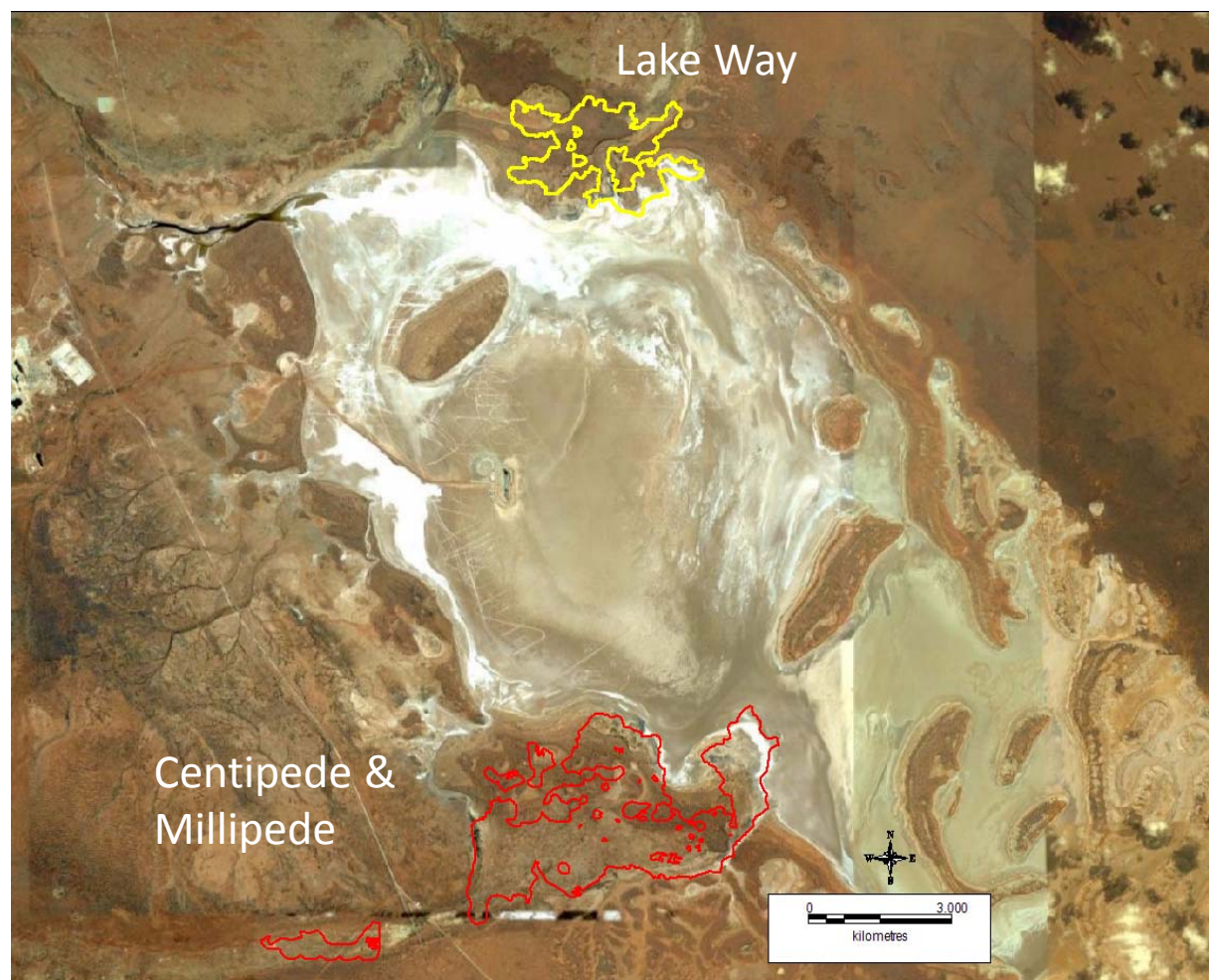


- Fully integrated continuous hydrometallurgical circuit
- Utilised 15 tonne sample from trial mining
- 40 tonne of site groundwater used in process
- Calcrete and clay dominant processes tested



- ✓ *Economic processing and recovery proven (~86%)*
- ✓ *Saline water used for processing*
- ✓ *Sample uranium to be sent to uranium converters*
- ✓ *Savings from coarser grind & lower leach temperature*

Robust Project Economics



Parameter	January 2014 Economics
Processing Plant	1.3mtpa
Head grade	880ppm
Recovery	Ramping to 86%
C1 Cash Cost	USD \$29-31/lb
Capital Cost	AUD \$315m
Product (per annum)	1000t U ₃ O ₈ (2.1mlb)
Mining Duration	20+ years

Wiluna – a Low Impact Project



- No discharge to surface waters
- No listed species of significance
- Re-use of all mine dewatering
- In-pit tailings storage
- CoGen power – heat and off gas recovery into processing facility
- No standing landforms post-mining
- Culturally sensitive areas excluded from mining

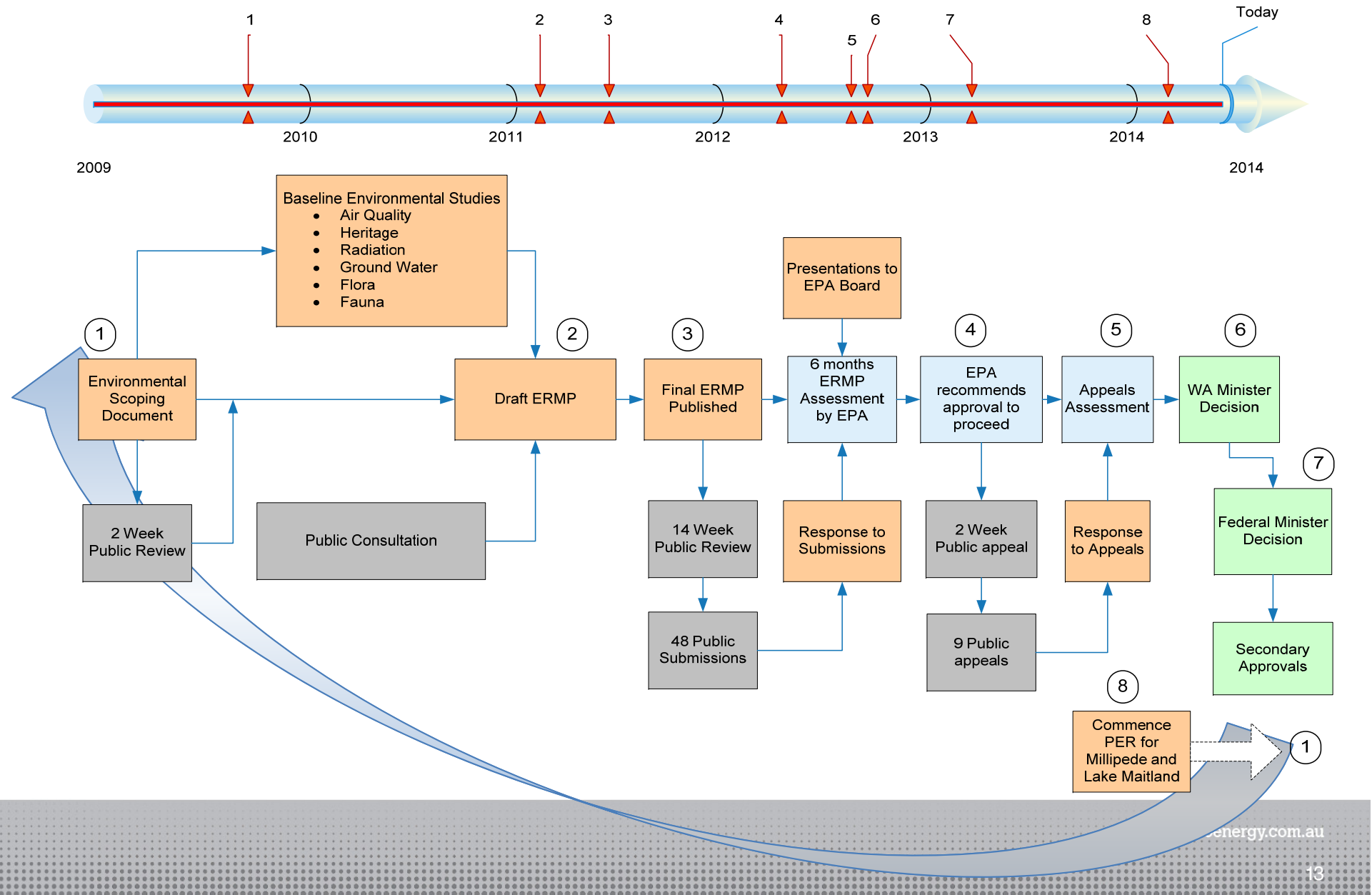


Major Approval & Permitting Requirements



Wiluna Deposit		Government environmental approvals	Mining Leases Granted	Traditional Owner Agreement
CORE DEPOSITS	Centipede & plant	✓	✓	2014
	Lake Way	✓	Application	2014
	Millipede	Application	✓	2014
	Lake Maitland	Application	✓	2014
Dawson Hinkler		Post 2016	Application	Negotiations 2016
Nowthanna		Post 2016	Post 2016	Negotiations 2016

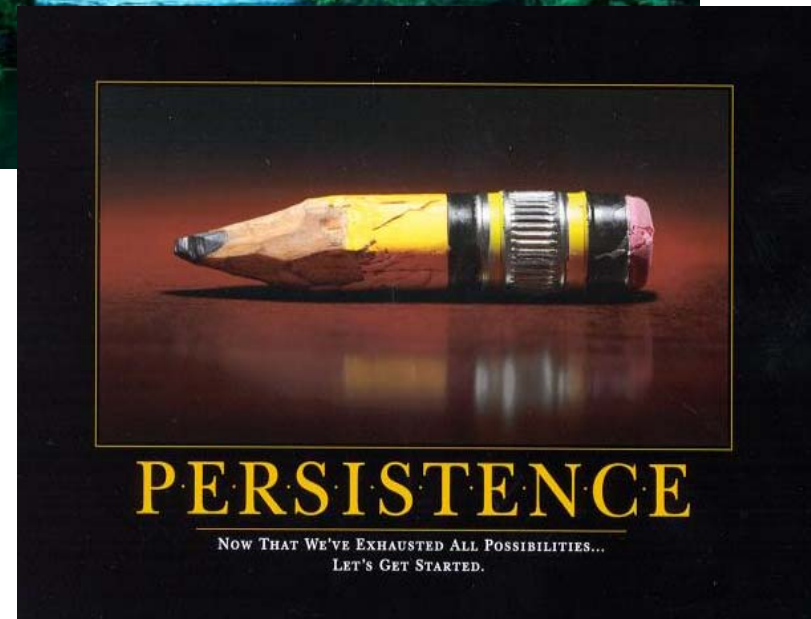
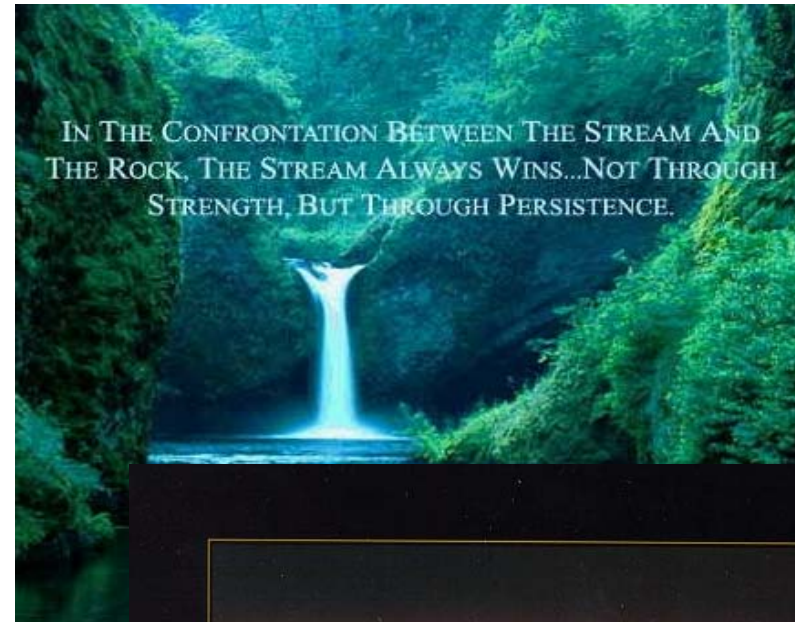
4 Year Approvals Process – the First “P”



Government Approvals – the Second “P”



- Assessed under a bilateral agreement:
 - EPA (lead agency)
 - DEC • SEWPAC
 - DoW • DRET
 - DMP • OSS
 - DIA • Geoscience Australia
 - DMR • ARPANSA
 - WA Radiological Council
 - Local Councils
- 4000 pages of documentation
- 4 opportunities for public consultation
- 6 meetings with EPA Board
- Approval NOT under bilateral process



Key Environmental Requirements



Risk-based assessment on key environmental factors:

- Groundwater
- Tailings
- Mine Closure
- Flora and Fauna
- Surface water
- Radiation
- Cultural Heritage



Ministerial Approvals: The Second “P”



“The Liberal-National Government is committed to ensuring that uranium mining in WA will be subject to strict security provisions and world’s best practice safety and environmental standards.”

WA Government Minister Marmion; 10 October 2012

“My decision comes after a rigorous environmental assessment.”

Australian Government Minister Burke; 2 April 2013

Outcome – Eight Month Delay

➤ 8 EPA recommended conditions

- EPBC “stop the clock” triggered
- WA Appeals Committee

➤ 11 WA Ministerial conditions

- EPBC “stop the clock” triggered

➤ 36 Commonwealth Ministerial conditions

- EPBC “stop the clock” triggered
- 3 extensions of time
- Further information required repeated assessment process

➤ No Federal Court Appeals

EPA recommends approval for Toro's Wiluna Uranium Project in WA to proceed.

Paul Vogel, EPA Chair; 21 May 2012



“The Liberal-National Government is committed to ensuring that uranium mining in WA will be subject to strict security provisions and world's best practice safety and environmental standards.”

WA Government Minister Marmion; 10 October 2012



“My decision comes after a rigorous environmental assessment.”

Australian Government Minister Burke; 2 April 2013



10 June 2013

Impact




- \$5M extra project holding costs over 8 months
 - Delay in approvals can cause project to “miss the market window”
- Increased uncertainty for strategic project partners and investors
 - Loss of confidence in Australian sovereign risk profile
 - Asian investment partners reduced project interests due to “high sovereign risk”
- Extra conditions and operating costs
 - Duplication of conditions
 - Duplication of management plans
 - Duplication of 60+ secondary approvals

Community Consultation: The Third “P”



- Industry collaboration on regional consultation program since 2008
- Information days in Wiluna, Kalgoorlie, Menzies and Leonora for ERMP
- Wiluna Shire (Local Government) adopted policy of support for uranium mining
- Consultation with Emergency Services
- Consultation with SA and NT Governments
- Issues raised:
 - Road vs. Rail
 - WA port
 - Transport Management
 - Emergency Response

 WILUNA URANIUM PROJECT			
ENVIRONMENTAL REVIEW AND MANAGEMENT PROGRAMME (ERMP) EPA Assessment No 1819 DECEMBER 2011			
RESPONSE TO SUBMISSIONS Responses by Toro Energy to submissions made during the public exhibition phase of the ERMP			

Traditional Owner Interests

- 4 years of consultation
- Independent consultants
- Site visits to other mines
- Wiluna population ~ 650 – more than half indigenous
- Short term employment during technical site works
- Key issues:
 - Cultural Heritage Management
 - Bush Tucker
 - Radiation & Environmental Monitoring
 - Environmental Management
 - Land Rehabilitation



Lessons to Learn



- One-Stop Shop
 - Assessment bilateral agreement
 - Approvals bilateral agreement
- One set of outcomes based conditions
 - Based on science and risk assessment
 - No duplication with Commonwealth
 - Coordination of State agency requirements
- Clarification of “stop the clock” provisions
- State-based regulation of operations

Summary



Wiluna:

One of the few projects able to provide new production from 2016 to take advantage of the predicted U market upswing.

The 3Ps

➤ **Process**

- Sound science is fundamental
- There are no short-cuts (but can be lots of delays)!

➤ **Persistence**

- Tell your story over and over again
- Every roadblock can be overcome

➤ **Patience**

- Start early
- Expect all stakeholders to take longer to accept the project

Toro Energy



Dr Vanessa Guthrie

Managing Director

Toro Energy Limited

L3 33 Richardson St

WEST PERTH WA 6005

Telephone: +61 8 9214 2100

Email: info@toroenergy.com.au

Website: www.toroenergy.com.au

