

QUARTERLY REPORT APRIL TO JUNE 2017

THOR MINING PLC

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ASX Listings:
Shares: THR

AIM Listings:
Shares: THR

Directors:
Mick Billing
David Thomas
Gervaise Heddle
Paul Johnson
Alastair Middleton

Highlights

Outlook for September Quarter 2017

TUNGSTEN & MULTI COMMODITIES

Pilot Mountain, Nevada USA

- Minerals resource estimate up by 55% following successful drilling campaign
- Maiden drill program at Good Hope deposit
- Deeper diamond drilling at Desert Scheelite

Molyhil NT Australia

- Grant of adjoining exploration tenement
- Re-process magnetic data from geophysical survey to develop new drilling targets

GOLD

Spring Hill NT

- Small production run generates initial royalty payment

Dundas WA

- Air core drill program resulted in no significant mineralisation

LITHIUM

US Lithium Investment

- Agreement to acquire 25% interest in Arizona & New Mexico focussed US Lithium Pty Ltd.
- Option to acquire remaining 75% interest.
- Initial due diligence visit
- Finalise due diligence with the objective of completion of 100% acquisition

FINANCE

In June, the Company announced a share placement to sophisticated investors to raise UK£460,000 before expenses, subject to approval at a general meeting of shareholders (subsequently received)



Figure 1: Thor Mining PLC Project Location Map

Commenting, Mr Mick Billing, Executive Chairman of Thor Mining, said:

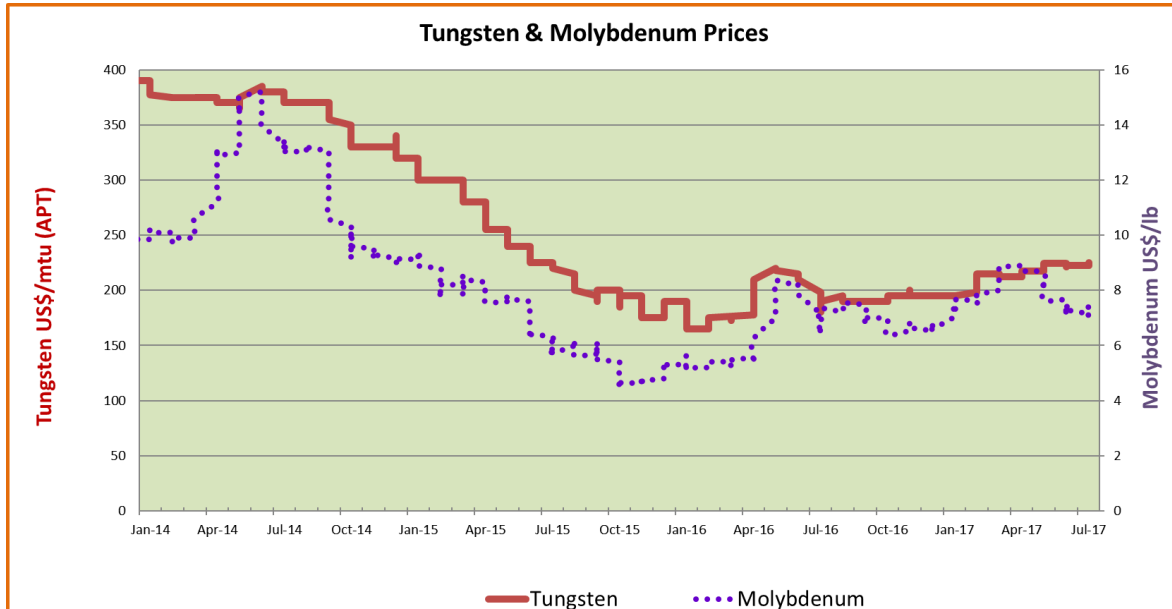
"A busy and productive period for the Company and its investors, with significant progress on both new and existing projects. The continued positive results at Pilot Mountain demonstrate the significant and increasing value of this project and we are very keen to commence the next drilling program in the next 2 to 3 weeks.

"We are also highly encouraged by our recent site visit and due diligence exercise, which is ongoing, at the Big Sandy Lithium project in Nevada"

TUNGSTEN PROJECTS

Tungsten & Molybdenum Price Trends

Figure 2: Tungsten & Molybdenum price movements (Metal- Pages.com)



PILOT MOUNTAIN TUNGSTEN PROJECT - NEVADA USA (100% Thor)

Thor's Pilot Mountain Project, acquired in 2014, is located approximately 200 kilometres south of the city of Reno and 20 kilometres east of the town of Mina, located on US Highway 95.

The Pilot Mountain Project is comprised of four tungsten deposits: Desert Scheelite, Gunmetal, Garnet and Good Hope. All of these deposits are in close proximity (~three kilometres) to each other and have been subjected to small-scale mining activities at various times during the 20th century.

In December 2014, Thor outlined a proposed exploration and development plan with the objective of upgrading the knowledge and status of the mineralisation of these deposits where historical drilling outlined potentially economic mineralisation.

A full background on the project is available on the Thor Mining website www.thormining.com/projects.



Figure 3: Pilot Mountain Project Location map

Table 1: Pilot Mountain Resource Summary 2017 (JORC 2012) - 100% owned by Thor Mining Plc. Announced May21 2017

Resource			WO ₃		Ag		Cu	
		MT	Grade %	Contained metal (t)	Grade g/t	Contained metal (t)	Grade %	Contained metal (t)
Garnet	Indicated		-	-				
	Inferred	1.83	0.36	6,590				
Sub Total		1.83	0.36	6,590				
Desert Scheelite	Indicated	8.41	0.27	22,700	21.3	179	0.14	11,800
	Inferred	1.49	0.23	3,430	9.07	13	0.17	2,500
Sub Total		9.90	0.26	26,130	19.39	192	0.14	14,300
Summary	Indicated	8.41	0.27	22,690				
	Inferred	3.32	0.30	10,020				
Pilot Mountain Total		11.73	0.28	32,720				

*Note: All figures are rounded to reflect appropriate levels of confidence.
Apparent differences may occur due to rounding.*

In addition to the Resource Estimate, Exploration Targets (summarised in Table 2) have been determined. Even partial success in the conversion of these targets will add significantly to the project value.

Table 2: Summary of Pilot Mountain exploration targets

	Tonnage (Mt)	% WO ₃	Comment
Tier 1 Exploration Targets*	6.0 - 10.5	0.3 - 0.5	Based on historic drill intersections
Tier 2 Exploration Targets*	3.5 - 9.1	0.2 - 0.4	Based on favourable geology and proximity to known mineralisation.
Total Exploration Target*	9.5 - 19.6	0.2 - 0.5	Combined Tier 1 & 2

Tier 1 Exploration Targets at Pilot Mountain are based on 1970s drilling undertaken by Union Carbide Corporation and total 6.0 to 10.5 Mt at 0.2 to 0.4% WO₃ (Table 2).*

**Exploration Targets are conceptual in nature and there has been insufficient exploration to define a Mineral Resource under the JORC Code and it is uncertain if further exploration will result in the determination of a Mineral Resource.*

Following the March quarter drilling program the Company announced, on 22 April 2017, a 55% increase in the Pilot Mountain resource estimate (Tables 1 & 2).

Subsequent to this, a follow up drill program is due to commence early in August 2017, comprising:

- Two diamond drill holes at Desert Scheelite, aimed at extending the 5.7% copper ("Cu") equivalent at depth
- Up to four RC drill holes at the Good Hope deposit to follow up on historical high grade intersections including 36.5 m @ 0.4% WO₃, 0.25% Cu, and 0.47% Zn.

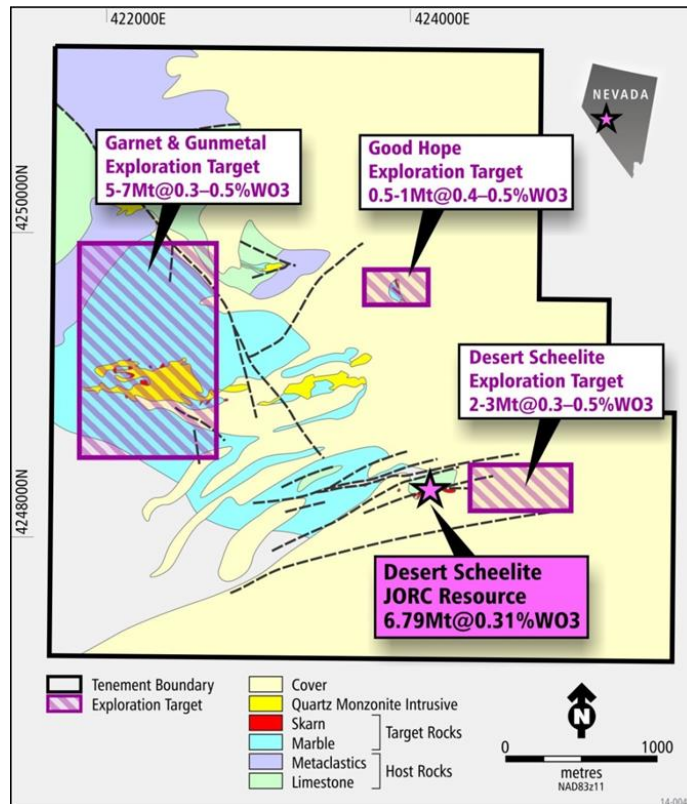


Figure 4: Pilot Mountain project deposits

A drill program in 2012 at Desert Scheelite facilitated the estimate and publication of a resource estimate for that deposit, shown in Table 1. Importantly, the final hole of the program intersected 17.5 metres @ 1.80% Copper (Cu) plus 2.2% Zinc (Zn) and 32 g/t Silver (Ag), along with 13.5metres of 0.89% tungsten trioxide (WO₃). At current commodity prices (US\$2.8/lb Cu, US\$1.27/lb Zn, US\$16.70/oz Ag, and US\$225/mtu WO₃) this delivers 7an equivalent copper grade of 5.7%.

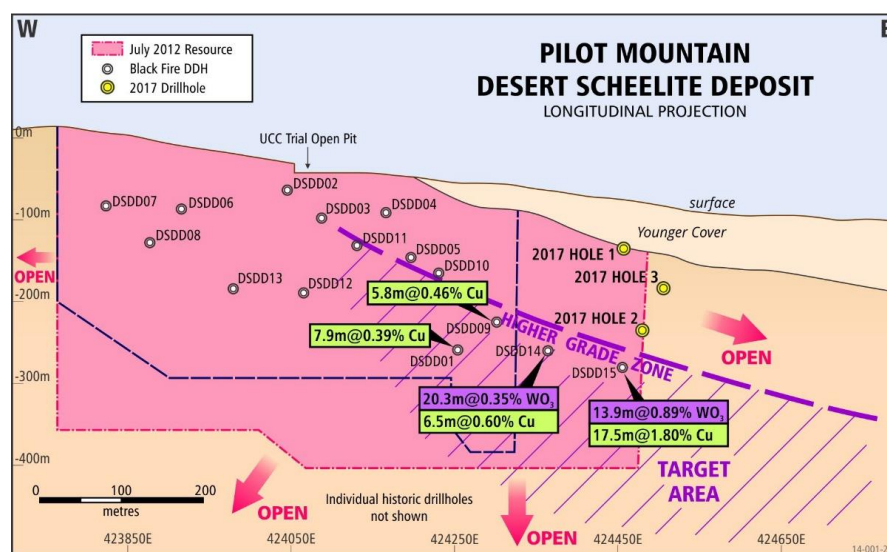


Figure 5: Desert Scheelite drill intersections viewed in long section looking northwards.

Good Hope comprises a small inlier (window) of mineralised skarn exposed within an area overlain by younger volcanic rock. The area has been worked to some extent with small scale exploratory shafts, plus trenches & adits but little systematic exploration of basement below the volcanic cover is apparent. Exposed mineralisation in the exploration trenches and the vertical extent of mineralisation in RDH-2 (highlighted in bold Figure. 2) indicate Good Hope mineralisation is likely to be steeply dipping and similar to the Desert Scheelite deposit rather than the flat lying mineralisation to the west.

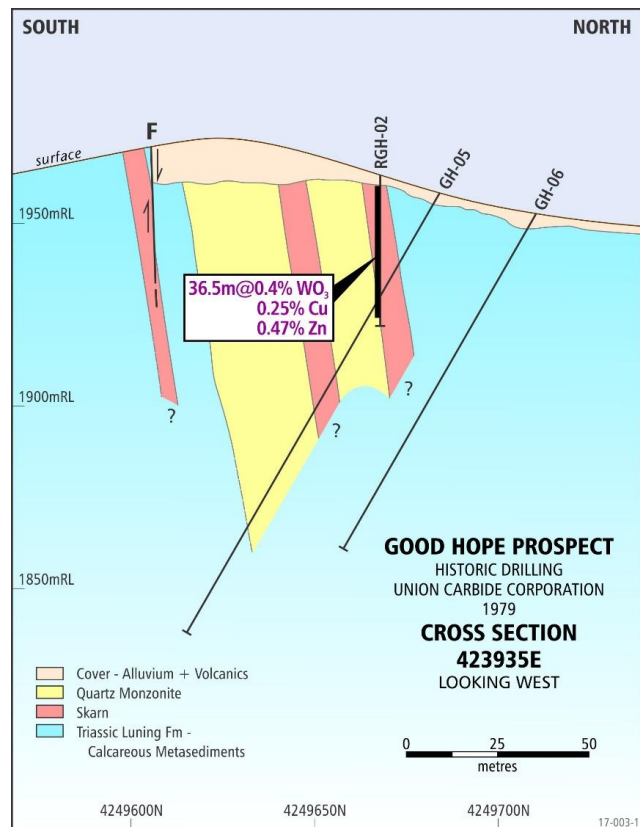


Figure 6: Cross section through the Good Hope prospect showing RGH-02 intersection. No assays exist for GH-05 in the historic database.

MOLYHIL TUNGSTEN PROJECT - NT (100% Thor)

In January 2015, Thor announced an updated feasibility study for its wholly-owned Molyhil tungsten project, with robust outcomes.

The project development cost for Molyhil is estimated at A\$64 million, or US\$48 million at current exchange rates. Of this, approximately US\$10 million is for equipment, for which equipment or leasing finance could be secured, thus reducing the project finance requirement to below US\$40 million.

Molyhil has a forecast 12 month construction schedule from development commencement to first production.

The Company continues to refine operating and capital parameters to improve the project viability.

A full background on the project is available on the Thor Mining website www.thormining.com/projects.

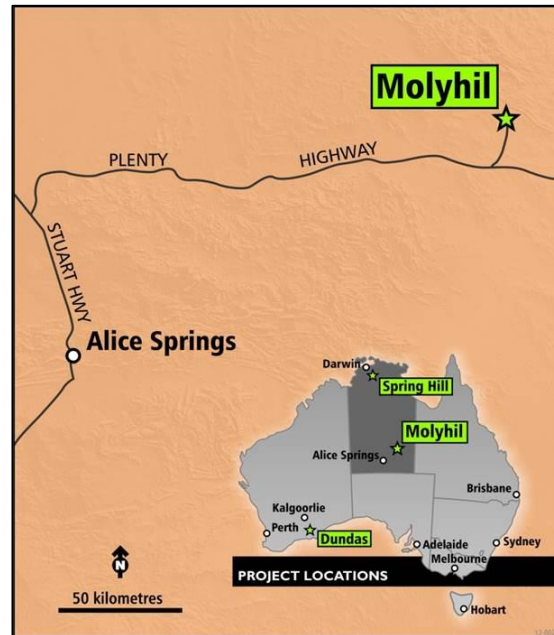


Figure 7: Molyhil Project Location map

In June 2107 the Company was granted an additional Exploration Licence ("EL") area to secure prospective ground contiguous with the Gap Track prospect to the south of existing tenements (Figure 8).

The new EL area will facilitate exploration access to a further 68 square kilometres of ground highly prospective for further Molyhil style skarn hosted tungsten deposits. First steps will comprise reprocessing the latest aero-magnetic data to prioritise targets for drill testing.

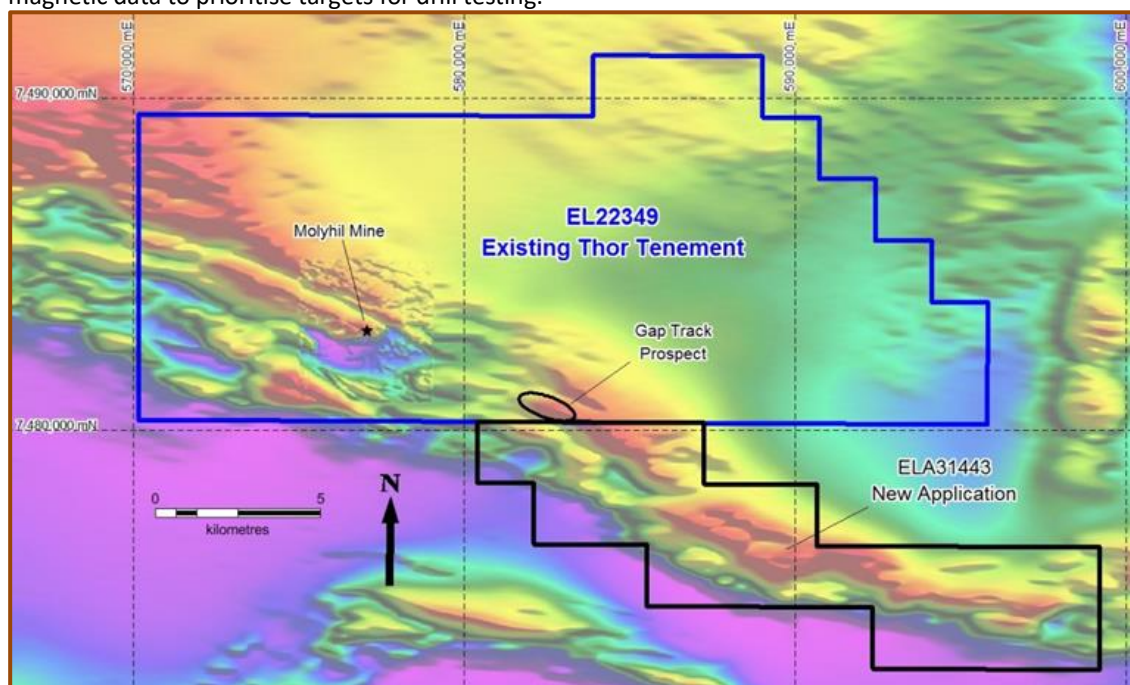
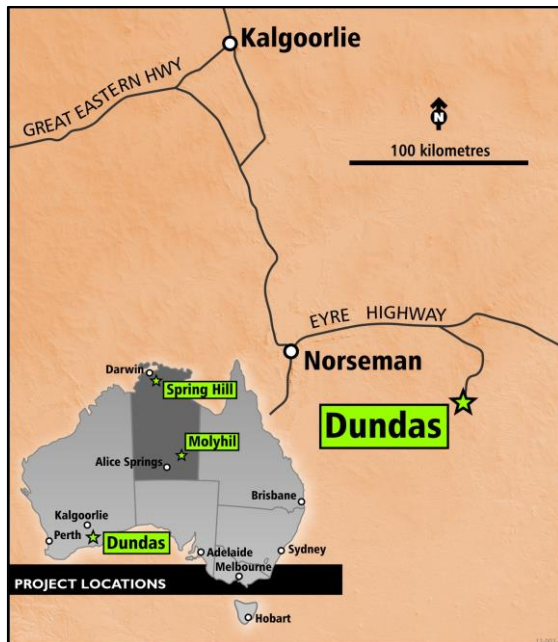


Figure 8: New Exploration Licence application area (black outline) shown over total magnetic intensity image (NTDME database)

GOLD PROJECTS

DUNDAS GOLD PROJECT - WA (60% THOR)



The Dundas gold project is located approximately 100 kilometres east-south-east of Norseman in Western Australia. The tenements are in close proximity to the sealed arterial Eyre Highway, providing all-weather access to the project area. Within the tenements, access is provided by bulldozed tracks. It is also approximately 250 kilometres south of the major regional mining centre of Kalgoorlie.

A full background on the project is available on the Thor Mining website www.thormining.com/projects.

An air-core drilling program conducted during the quarter encountered no significant mineralisation.

Figure 9: Dundas Project Location map

SPRING HILL GOLD PROJECT - NT (ROYALTY ENTITLEMENT)

In February Thor completed the A\$3.5 million sale of its Spring Hill Gold project¹.

The sale transaction carries an ongoing residual royalty of:

- A\$6 per ounce of gold produced from the Spring Hill tenements where the gold produced is sold for up to A\$1,500 per ounce; and
- A\$14 per ounce of gold produced from the Spring Hill tenements where the gold produced is sold for amounts over A\$1,500 per ounce.

Gold is currently trading for approximately A\$1,570/oz, and has remained above A\$1,500 per ounce for the last 12 months.

Subsequent to the end of the quarter the Company was advised of gold production from a small stockpile of ore, totalling 955 ounces of gold. Of this total 645 ounces were produced during the June quarter, and a royalty payment of A\$9,030.00 has been advised.

¹Refer ASX and AIM announcement of 29 February 2016

LITHIUM PROJECTS

On 14th June 2017, the Company announced the acquisition of a 25% interest in US Lithium Pty Ltd ("USL"). In addition, Thor holds an option to acquire the remaining 75% of USL, subject to satisfactory completion of project due diligence.

Should the Company exercise the option, Thor will acquire the remaining 75% of USL through the issue of 52,777,777 ordinary shares of 0.01p each in the capital of Thor ("Ordinary Shares") at a deemed price of 0.90p per Ordinary Share (for a total deemed share consideration value of £475,000).

USL is an Australian private limited company which has a 100% owned subsidiary company, registered in the United States of America ("USA"), that holds 100% of four exploration properties; three in the State of Arizona and one in the State of New Mexico. USL's primary asset is the Big Sandy project, which comprises 112 Federal claims each of approximately 20 acres in size. A 2017 exploration program was concluded with 231 hand dug channel samples, with some promising lithium grades discovered, averaging 786 ppm lithium with a range of 19 ppm to 2,930 ppm lithium.

Subsequent to the end of the period, Thor representatives visited each of the Arizona project sites and collected independent samples, in particular from the Big Sandy project. Assay testing of samples collected is now underway along with mineralogy testwork and Thor has now agreed with the remaining USKL shareholders that the due diligence option period will now not expire until the receipt and review of these findings. Discussions were also held with the US Bureau of Land Management ("BLM") who are responsible for title and permitting issues.

Thor and USL have further agreed to apply for additional mineral claims, adjacent and close to the existing Big Sandy claims where both parties agree significant potential exists to expand the potential deposit.

CORPORATE AND FINANCE

During the quarter, a placement to raise UK£460,000 from sophisticated investors was announced. This was subsequently ratified at a General Meeting of shareholders on 27th July 2017.

Yours faithfully,

THOR MINING PLC

Mick Billing
Executive Chairman

Competent Person's Report

The information in this report that relates to exploration results, and exploration targets, is based on information compiled by Richard Bradey, who is a Member of The Australasian Institute of Mining and Metallurgy. Mr Bradey is an employee of Thor Mining PLC. He has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Richard Bradey consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/13, 01/09/16

Name of entity

THOR MINING PLC

ABN

121 117 673

Quarter ended ("current quarter")

30 June 2017

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (12 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation	(416)	(1,000)
(b) development	-	-
(c) production	-	-
(d) staff costs	(32)	(87)
(e) administration and corporate costs	(175)	(1,005)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	-
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Research and development refunds	52	52
1.8 Other (provide details if material)	-	-
1.9 Net cash from / (used in) operating activities	(571)	(2,040)

2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment	(43)	(47)
(b) tenements (see item 10)	-	-
(c) investments	-	-
(d) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) property, plant and equipment	-	-
	(b) tenements (see item 10)	-	1,500
	commission paid on proceeds	-	(75)
	(c) investments	-	-
	(d) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (security bonds)	(30)	(30)
2.6	Net cash from / (used in) investing activities	(73)	1,348

3.	Cash flows from financing activities		
3.1	Proceeds from issues of shares	12	1,099
3.2	Proceeds from issue of convertible notes		
3.3	Proceeds from exercise of share options		
3.4	Transaction costs related to issues of shares, convertible notes or options		
3.5	Proceeds from borrowings	-	30
3.6	Repayment of borrowings	-	(83)
3.7	Transaction costs related to loans and borrowings		
3.8	Dividends paid		
3.9	Other (Finance Lease)	43	43
3.10	Net cash from / (used in) financing activities	55	1,089

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	1,266	307
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(571)	(2,040)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(73)	1,348
4.4	Net cash from / (used in) financing activities (item 3.10 above)	55	1,089
4.5	Effect of movement in exchange rates on cash held	8	(19)
4.6	Cash and cash equivalents at end of period	685	685

5. Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1 Bank balances	685	1,266
5.2 Call deposits		
5.3 Bank overdrafts		
5.4 Other (provide details)		
5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)	685	1,266

6. Payments to directors of the entity and their associates

- 6.1 Aggregate amount of payments to these parties included in item 1.2
- 6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2

Current quarter \$A'000
48
-

7. Payments to related entities of the entity and their associates

- 7.1 Aggregate amount of payments to these parties included in item 1.2
- 7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2

Current quarter \$A'000
-
-

8. Financing facilities available

Add notes as necessary for an understanding of the position

- 8.1 Loan facilities
- 8.2 Credit standby arrangements
- 8.3 Other (please specify)

Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
50	50

- 8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.

A Director had previously advanced funds to the Company on an unsecured and interest free basis.

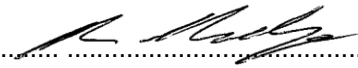
9. Estimated cash outflows for next quarter	\$A'000
9.1 Exploration and evaluation	(484)
9.2 Development	-
9.3 Production	-
9.4 Staff costs	(10)
9.5 Administration and corporate costs	(214)
9.6 Other (Acquisition of equity investment)	(149)
9.7 Total estimated cash outflows	(857)

Cash inflows expected for the next quarter: The Company expects to receive £460,000 from a placing announced on the ASX on 21 June 2017, and approved by shareholders on 27 July 2017. The allotment of the placing shares occurred on 28 July 2017.

10. Changes in tenements (items 2.1(b) and 2.2(b) above)	Tenement reference and location	Nature of interest	Interest at beginning of quarter	Interest at end of quarter
10.1 Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced				
10.2 Interests in mining tenements and petroleum tenements acquired or increased				

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Sign here: .....
(Company secretary)

Date:31 July 2017.....

Print name: ..Ray Ridge.....

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, AASB 6: Exploration for and Evaluation of Mineral Resources and AASB 107: Statement of Cash Flows apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.