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Company Update

10 August 2020

Highlights

- **Drilling program completed at Yalgogrin gold project in Lachlan Fold Belt**
- **Preliminary results: best intercepts**
  - TGRC08: **2m at 7.5g/t Au** from 34m depth in an overall intercept of 50m at 0.5g/t Au from surface
  - TGRC06: **5m at 10.3g/t Au** from 92m depth;
  - TGRC05: **11m at 0.5g/t Au** from 8m depth in an overall intercept of 44m at 0.3g/t Au from surface
  - TGRC07: **5m at 0.8g/t Au from surface**
- **Agreement to acquire Chillagoe gold project executed**
- **Options issued as part of Entitlements Issue now quoted**

Yalgogrin Drilling Program

Thomson Resources Ltd ("**Thomson**" or "**Company**", ASX:TMZ), advises that the drilling program at the Company's Yalgogrin gold project in the Lachlan Fold Belt has completed. 12 RC holes were drilled on various targets in the region of the Bursted Boulder and Cherry Tree targets (see Figure 1) on the Company's 100% owned Yalgogrin tenement, EL 8684, for a total of 1,166 metres (see Table 4 at end). All assay results are still to be received and analysed, but significant intercepts (greater than 5m at 0.5 g/t Au) results already received are:

Hole	FROM	WIDTH	Au g/t	Intercept
TGRC05	0	44	0.3	44m at 0.3 g/t Au
including	*35*	*5*	*0.7*	*5m at 0.7 g/t Au*
TGRC06	8	11	0.5	**11m at 0.5 g/t Au**
TGRC06	92	5	10.3	**5m at 10.3 g/t Au**
TGRC07	0	5	0.8	5m at 0.8 g/t Au
TGRC08	0	50	0.5	**50m at 0.5 g/t Au**
including	21	3	1.7	3m at 1.7 g/t Au
and	34	2	7.5	**2m at 7.5 g/t Au**
TGRC09	10	60	0.3	60m at 0.3 g/t Au
including	18	6	1.0	**6m at 1.0 g/t Au**
and	34	9	0.5	**9m at 0.5 g/t Au**
TGRC10	0	28	0.3	28m at 0.3 g/t Au
TGRC10	59	15	0.3	15m at 0.3 g/t Au

These results show the potential for both high grade at depth and shallow lower grade oxide potential. A more detailed analysis and discussion of the results of the drilling program once all drilling results have been received and analysed over the next few days.

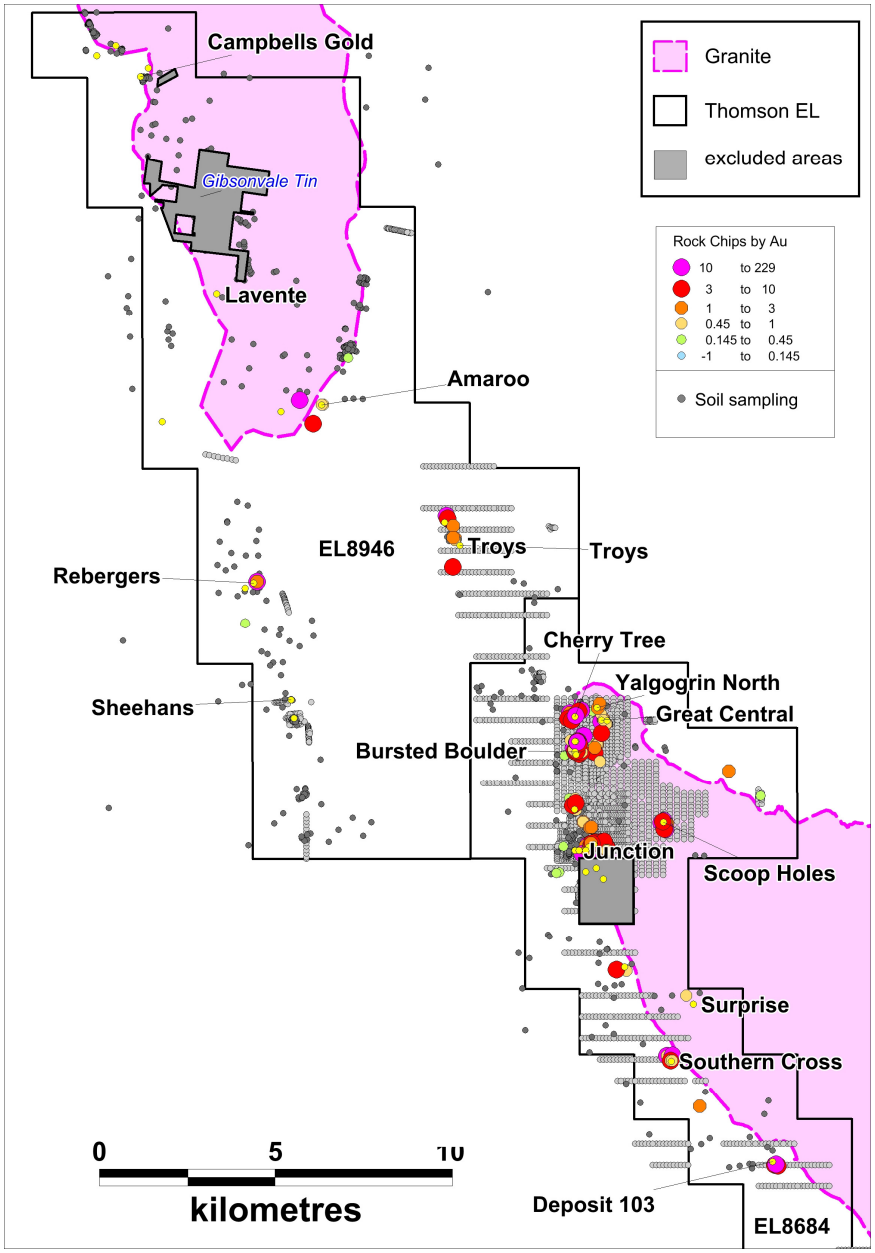


Figure 1 –Yalgogrin Gold Field. All reported rock chips shown coloured by gold assay. Soil sampling also shown as grey samples to show area covered.

Conditions were still too wet at Harry Smith gold prospect to commence the drilling program there so the drill rig has been released. Thomson will come back to do the drilling program at Harry Smith gold prospect later in the year when conditions are more suitable.

The planned drill program at the Harry Smith gold prospect in the Lachlan Fold Belt will comprise approximately 2,000 metre of RC drilling aiming to test and extend the known gold zones, probe a possible connection between them and assess the potential 800m strike extent (see Figure 2).

After further reviewing data acquired to date, further potential has been identified at Thomson's Harry Smith gold project with drilling planned to include follow up of intercepts such as 33m @ 2.8 g/t Au (including **9m at 9 g/t Au**)(Hole HSRC09) and 54m at 1 g/t Au (Hole HSRC04) (see ASX Releases dated 16 January 2019 and 29 January 2019). Old workings to the NW revealed by the drought and new aerial imagery offer the potential for significant strike extension (Figures 2 and 3).

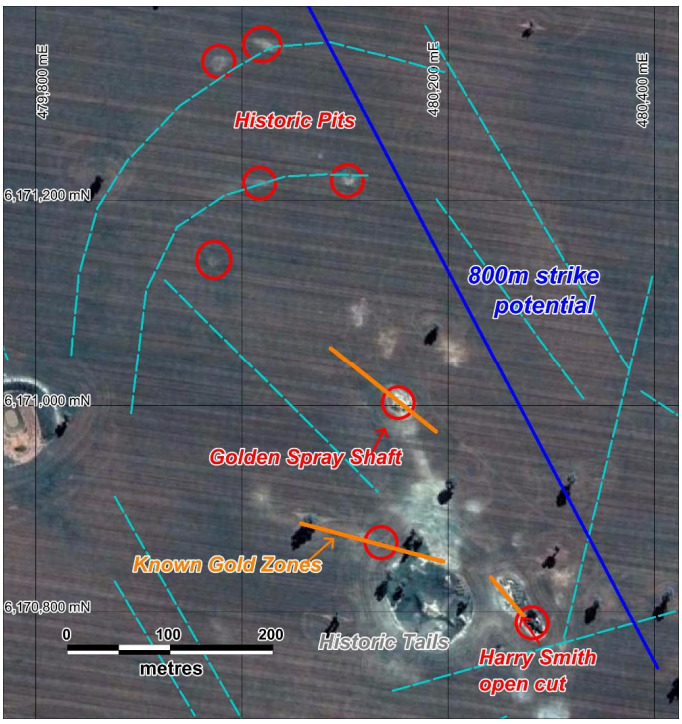


Figure 2 – Known, drilled, Gold Zones with historic workings and interpreted structures

Figure 3 – Thomson Resources drill intercepts at Harry Smith (red bar graph shows gold intercepts greater than 0.5 g/t Au, the other side shows that rock types are mostly siltstone or sandstone with yellow indicating quartz veining)

Chillagoe Gold Project Acquisition Agreement

Given the impact of land use and weather on the Company's access for drilling programs on its Lachlan Fold Belt projects at this time of the year, and given the highly encouraging initial results from the maiden drill program on the Yalgogrin tenement which was acquired from the private company, Bacchus Resources Pty Ltd (see ASX Release dated 15 October 2019), the Company revisited the possible acquisition of the Chillagoe project which it had entered into an option agreement with Bacchus Resources in March 2019 (see ASX Release dated 1 March 2019) but which expired unexercised on 30 June 2019 (see ASX Release dated 31 July 2019). Thomson and Bacchus Resources have reached agreement on Thomson acquiring the Chillagoe Project on terms broadly similar to those agreed in March 2019, save the cash consideration is now share consideration. Details of the terms of the acquisition are set out below.

The Chillagoe tenements are situated in Far North Queensland, 150km west of Cairns and consequently provide good conditions for on ground work during the NSW winter and hence provide the Company with a suite of projects accessible all year round for on ground exploration activities.

Greater detail is provided on the Chillagoe tenements in the Company's ASX Releases of 1 March 2019, 30 April 2019 and 31 July 2019 and the package of tenements includes EPM 27186 referred to in the 31 July 2019 ASX Release (which has since been granted).

However, since that time, Bacchus Resources has undertaken further rock chip sampling on the Chillagoe Project which produced the following significant results.

Table 2: Rock Chip significant results (g/t unless % indicated)

EPM	Prospect	Description	X	Y	Au	Ag	Cu	Others
26502	Arizona	Copper lode	189592	8114887	**3.1**	46.3	**19.1%**	In 355 ppm
26502	Jessica	Vein quartz	204763	8114607	0.3	0.52	37.6	
26502	Argosy	Quartz boxwork	190570	8114367	0.5	1.69	72.8	
27186	Borderline	Quartz boxwork	194859	8111256	0	**3,000**	705	Sb 1%+, Pb 1.5%
27186	Borderline	Quartz boxwork in rhyolite	194840	8111052	**1.5**	66.3	14.8	
27186	Borderline	Gossanous quartz boxwork	194820	8111346	0	**2,130**	461	Sb 1%+, Pb 8%
27186	Borderline	Gossanous quartz boxwork	194883	8111360	0.6	12.8	37.8	
27186	Laverock	Copper gossan	195520	8113971	**1.7**	128	**14.5%**	In 111 ppm
27186	Laverock	Copper gossan	195492	8113931	**5.0**	338	**1.3%**	Co 1245 ppm

These further results provide even greater strength to the prospectivity of the Chillagoe Project and when coupled with the initial strong results from the Company's maiden drilling program on the Yalgogrin gold project referred to above, which was also acquired from Bacchus Resources, the Company believes that the Chillagoe Project will be another quality project which will further strengthen the Company's portfolio of assets.

Chillagoe Project Description

The Chillagoe Project comprises 5 granted Exploration Permits and 1 Exploration Permit Application covering 593 square kilometers as set out in Table 3 and shown on Figure 4, which are all owned 100% by Bacchus Resources:

Table 3: details of Chillagoe Project Tenements

Number	Name	Permitst_1	Granted	Expiry	Sq km
EPM 26333	South Vol	Granted	14/02/2017	13/02/2022	23
EPM 26502	Loretta	Granted	6/10/2017	5/10/2022	174
EPM 26638	Williamstown	Granted	31/05/2018	30/05/2023	121
EPM 26996	Mammoth	Application			180
EPM 27102	West Vol	Granted	4/07/2019	3/07/2024	23
EPM 27186	Simpsons South	Granted	17/10/2019	16/10/2024	72

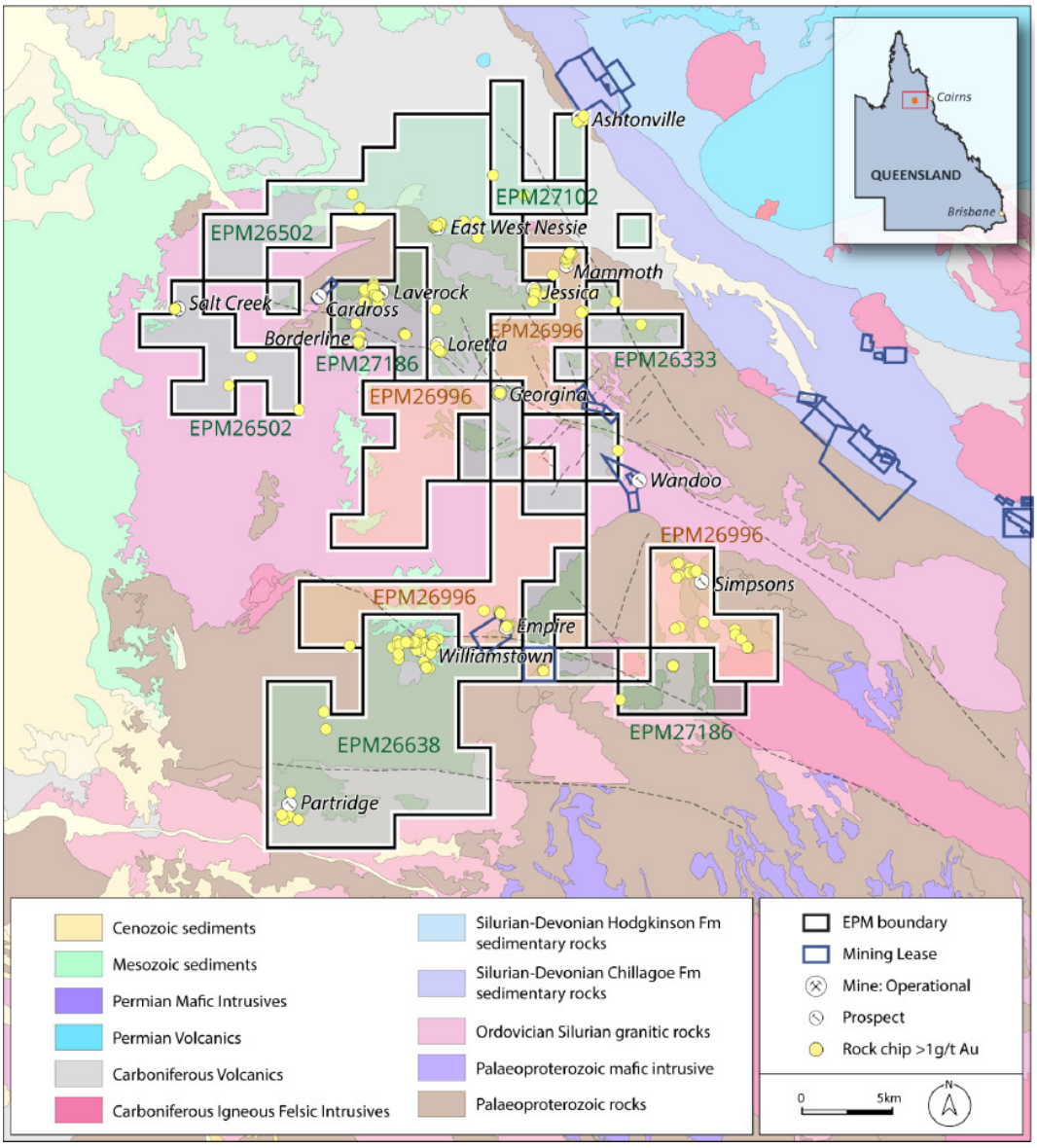


Figure 4: Chillagoe Project Titles and Prospects/Mines with Rock Chips values >1g/t Au Granted Title – green, Application - orange

Regional Geology

Igneous activity in the Late Carboniferous to Early Permian resulted in the widespread intrusion of granitic rocks, extrusion of felsic volcanic rocks and the localised emplacement of high-level rhyolitic porphyry stocks in the Chillagoe region. The high-level rhyolitic intrusions are interpreted to be the source of the mineralisation.

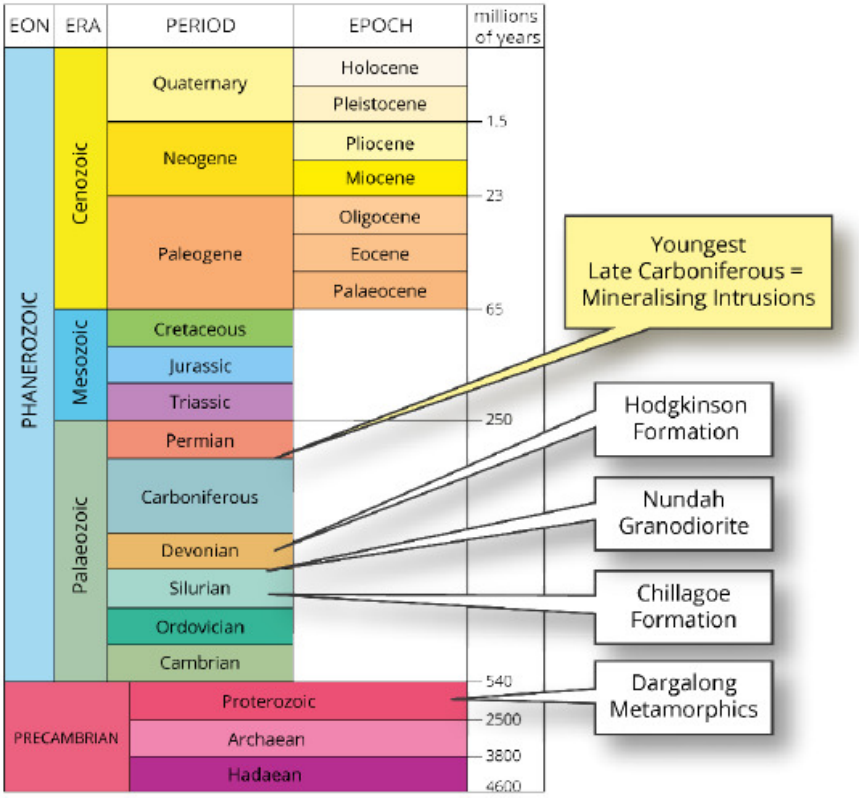
The dominant mines in the region are Red Dome, Mungana and King Vol are all hosted within the Chillagoe Formation Limestones and are skarns. As a result most of the previous exploration has focused

on repetitions for the known deposits within limestone. The mineralising intrusions are Late Carboniferous and mineralisation is developed in all older rock types with styles that are different depending on the host rock; base metal and gold skarns form in the Chillagoe Formation and sheeted and stockwork quartz-arsenopyrite-gold mineralisation with strong phyllic alteration in granites. Where the erosion depth is not as extensive high-level epithermal gold veins are developed above the source intrusions and display similar characteristics to Pajingo.

Local Geology

The Project area is dominated by Late Carboniferous Pratt Volcanics, Late Silurian Nundah Granodiorite and Proterozoic Dargalong Metamorphics, with minor unconformable mesas of Late Jurassic to Early Cretaceous sediments.

Mineralisation is associated with Late Carboniferous high-level rhyolitic intrusions of similar age to the Pratt Volcanics.



Stratigraphic Column

Targets

Chillagoe Project is underexplored. Strong north-west trending structures associated with the Palmerville Fault cross the project area, the most prominent north-west orientated structures are parallel to the section of the Palmerville Fault that separates the granites, metamorphics and volcanics to the south from the Chillagoe Formation limestones to the north.

Secondary to the strong north-west oriented structures are cross structures which are close to perpendicular to the Palmerville Fault, these structures are interpreted to connect the Wandoo-Yum Yum and Empire Prospects and the Mammoth Line-Jessica Prospects. Additional south-west to north-east oriented structures are easily identifiable in the reprocessed digital magnetic survey.

South Vol Prospect (EPM26333): Significant soil arsenic anomaly associated with a north-south ridgeline immediately south of King Vol Zinc Deposit.

- Field checking of the prospect area confirmed the high-grade polymetallic nature of the Ashtonville Prospect and indicated that the surface arsenic anomalism at the South Vol Prospect is related to gossanous veining on top of the ridge line.

- The host rock is variably altered, with alteration decreasing away from the main ridge line.
  - Petrology confirms the presence of intense sericite alteration associated with the mineralisation at the crest of the ridge.
- Open to the south of EPM 26333 within granted EPM 27102.
- Ashtonville rock chip samples:
  - Maximum values from the 17 samples collected were 0.6 g/t Au, 537 g/t Ag, 1.2% Cu, 15.5% Pb, 1,755ppm Bi and 11.45% As.

Rookwood Project (EPM26502): Compilation of previous exploration data highlighted significant surface geochemical anomalism at Loretta and Jessica.

- Gold values up to 8.8g/t Au, 669g/t Ag and 16.49% Pb.
- Jessica is interpreted to be the south-west extension of the Mammoth Prospect (within EPM 26996) implying a strike length of at least 2km.

Borderline Prospect (EPM 27186): Recent rock chip sampling of an outcropping quartz veined rhyolite returned 1.47g/t Au.

Acquisition Terms

Thomson will acquire 90% of the interest of Bacchus Resources in the tenements comprising the Chillagoe Project (as detailed above) and the associated information and agreements ("**Sale Interest**").

The Consideration for the Sale Interest shall comprise:

(a) The Share Consideration shall be the number of shares equal to $200,000 divided by the 5 day VWAP immediately prior to the earlier of the announcement of the entering into of this Key Terms document and the date Thomson announces the results of the current drilling program at Yalgogrin; and

(b) The Option Consideration shall be 5,000,000 Options on the same terms as the options issued pursuant to the approval given by Thomson shareholders at the AGM held on 29 November 2018 in resolutions 7 to 10 (both inclusive),

to be issued on the registration of the transfer of the Sale Interest ("**Completion**").

Completion will be subject to a number of conditions precedent:-

(a) Thomson will enter into a preferred drillers contract with Australian Mineral & Waterwell Drilling Pty Ltd ("AMWD");

(b) Ministerial consent to be obtained in relation to transfer of the Tenements;

(c) the parties are to comply with all the Corporations Act and Listing Rule requirements and any other applicable laws or government policies.

The conditions must be satisfied (or waived) on or before 31 December 2020 (or such other date as the parties agree).

The 10% interest retained by Bacchus Resources will be free carried until a Decision To Mine when Bacchus can elect to retain its interest as a contributing interest or have Thomson acquire it for 95% of the fair value of the interest.

Thomson can elect to acquire Bacchus Resources retained 10% interest at any time during the 3 years from Completion for a combination of shares and options linked to the 5 day VWAP of the Thomson share price at the time of election to undertake the buyout.

Forward Work Program

After Completion, the Company intends to work up a series of scout drill targets. As a first step this will likely include portable XRF and rock chip surface sampling surveys.

Corporate

As advised on 3 August 2020, the options which were issued as part of the recent Entitlements Issue are now being quoted on the ASX under the Code: TMZO.

This announcement was authorised for issue by the Board

Thomson Resources Ltd

Eoin Rothery
Chief Executive Officer

Table 4: Drilling Details for holes drilled at Yalgogrin

Hole_id	Depth	X	Y	RL	Prospect	Dip	Azimuth
TGRC01	96	482950	6257387	305	Shellys	-55	26
TGRC02	30	482983	6257757	315	Bottrells	-60	320
TGRC03	96	482991	6257735	315	Bottrells	-60	319
TGRC04	80	482957	6257736	315	Bottrells	-60	334
TGRC05	114	482941	6257519	315	Bursted Boulder	-60	22
TGRC06	114	482940	6257488	311	Bursted Boulder	-60	15
TGRC07	114	482952	6257447	309	Bursted Boulder	-60	353
TGRC08	114	482962	6257400	304	Shellys	-60	44
TGRC09	114	482870	6257480	314	Bursted Boulder	-60	41
TGRC10	108	482740	6258463	312	Cherry Tree	-60	209
TGRC11	108	482912	6258539	310	Cherry Tree	-60	214
TGRC12	78	482843	6258411	308	Cherry Tree	-60	237

Competent Person
The information in this report that relates to Exploration Targets, Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Eoin Rothery, (MSc), who is a member of the Australian Institute of Geoscientists. Mr Rothery is a full-time employee of Thomson Resources Ltd. Mr Rothery 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". Mr Rothery consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

This report contains information extracted from previous ASX releases which are referenced in the report and which are available on the company's website. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

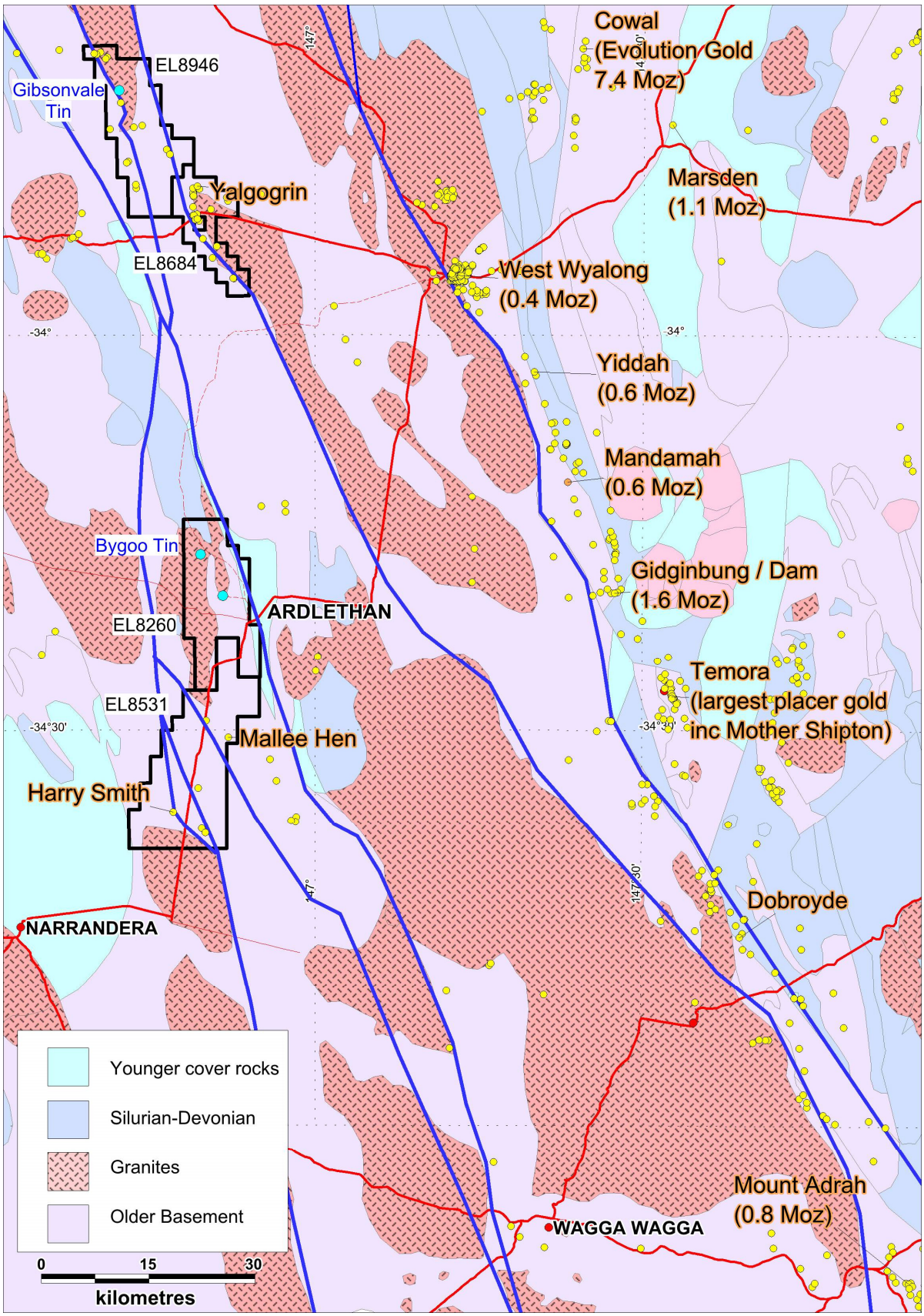
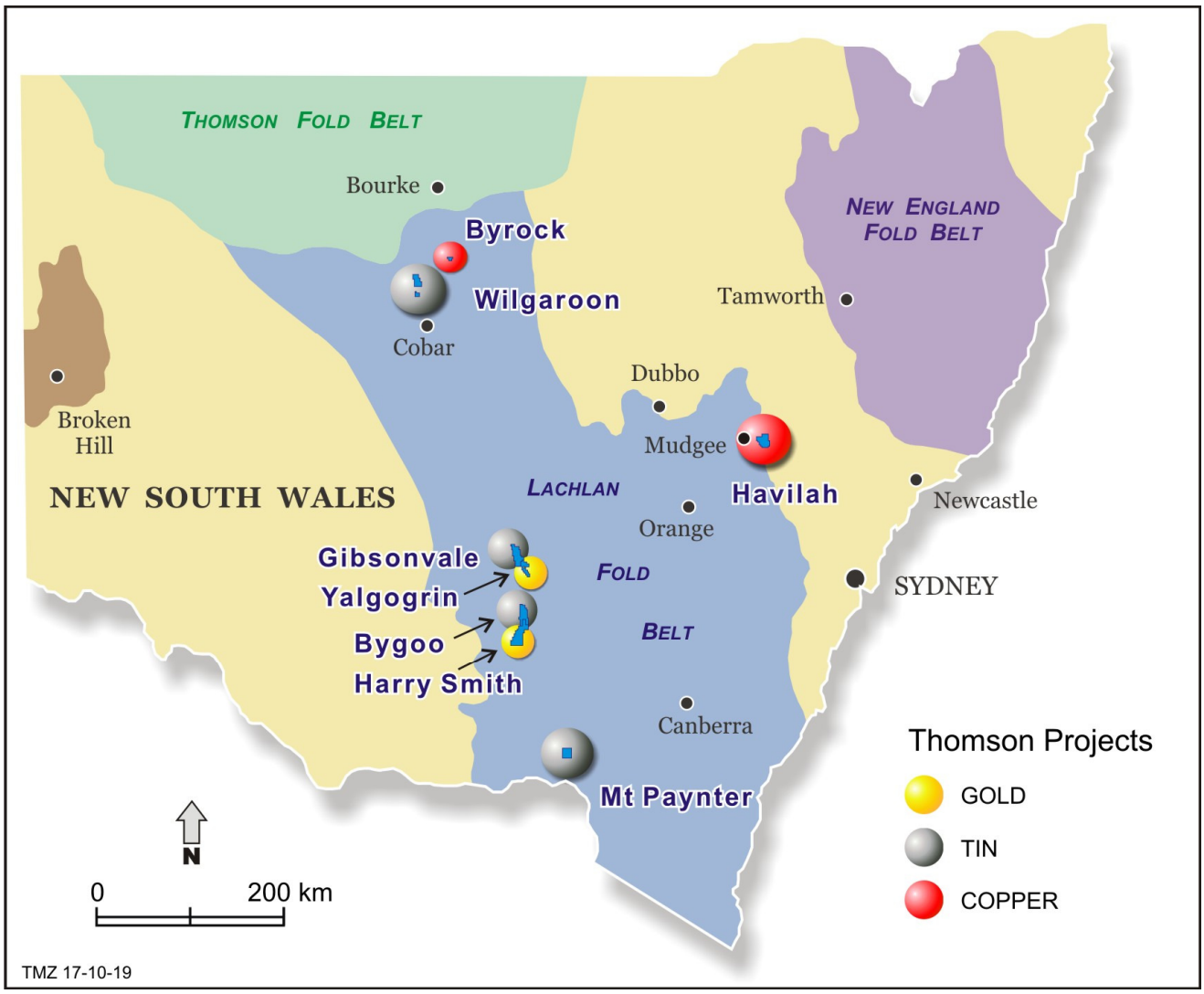


Figure 5 - Thomson's central NSW Lachlan Fold Belt tenements, showing the Yalgogrin gold project at the northern end of the Yalgogrin Granite. The Gilmore Fault Zone is a crustal scale structure that dips west and underlies all the named granites (Open File Report GS2018/0576).



Thomson Resources projects in NSW

Harry Smith Gold Project

The Harry Smith Gold Project was granted to Thomson Resources in 2016 and lies 30km south of Ardlethan. Three distinct gold-bearing quartz reefs occur at the Harry Smith prospect and were worked historically from 1893 to 1942. Total recorded production was over 3,500 ounces of gold (Mines Record 2507). Thomson Resources has drilled 14 holes to date with significant gold intercepts on all three lodes including a strong high-grade hit on the Silver Spray lode (**9m at 9.2 g/t Au** from 38m in HSRC009, within a broader zone of **17m at 5.2 g/t Au).**

[For further information and the detail of the above see Thomson Resources ASX Releases of 16 September 2016, 26 March 2018, 19 June 2018, 16 January 2019 and 29 January 2019].

Yalgogrin Gold Project

The Yalgogrin Gold Project was acquired by Thomson in October 2019. EL 8684, together with the recently granted EL 8946, covers the Yalgogrin Gold Field with multiple historic gold workings. Gold was first produced at Yalgogrin in 1893 and continued sporadically at multiple centres until 1954. Total historic production from the workings is estimated at more than 15,000 ounces at grades averaging over 1 ounce per ton. Multiple high-grade surface samples occur at and between historic workings and there has been little modern drill follow up (see Thomson's ASX release of 15 October 2019).

Bygoo Tin Project

The Bygoo Tin Project was acquired by Thomson Resources in 2015 and lies on the 100% owned EL 8260. The EL surrounds the major tin deposit at Ardlethan which was mined until 1986, with over 31,500 tonnes of tin being produced (reference Paterson, R.G., 1990, Ardlethan tin deposits in the Australasian Institute of Mining and Metallurgy Monograph no. 14, pages 1357-1364). There are several early-twentieth century shallow tin workings scattered up to 10km north and south of Ardlethan, and few have been tested with modern exploration. Thomson has had immediate success in drilling near two of the historic workings, Bygoo North and South, which lie towards the northern end of the tin-bearing Ardlethan Granite.

At Bygoo North Thomson has intersected multiple high-grade tin intersections in a quartz-topaz-cassiterite greisen including **11m at 1.0% Sn** (BNRC10), **35m at 2.1% Sn** (BNRC11), **11m at 1.4% Sn** (BNRC13), **11m at 2.1% Sn** (BNRC20), **29m at 1.0% Sn** (BNRC33) and **19m at 1.0% Sn** (BNRC40). The greisens appear to be steep to vertical; about 5-10m wide in true width; strike east-west; and the tin intersections appear to have continuity within the greisen.

At Bygoo South Thomson has intersected a sulphide-rich quartz topaz greisen with high-grade tin intersections including 8m at 1.3% Sn (BNRC21), 20m at 0.9% Sn (BNRC31) and 7m at 1.3% Sn (BNRC35). The orientation and geometry of this greisen is not yet clear.

20km south of Bygoo Thomson has intersected more tin at one of the old workings in the Bald Hill tin field with a best result of 15m at 0.4% Sn from 19m depth in hole BHRC01.

[For further information and the detail of the above see Thomson Resources ASX Releases of 21 November 2016, 28 June 2017, 16 October 2017, 5 April 2018, 5 July 2018 and 7 January 2019]

JORC Code, 2012 Edition – Table 1 report

Section 1 Sampling Techniques and Data

Criteria	Commentary
Sampling techniques	RC samples are by riffle split each metre (Table 1). Rock chip samples (Table 2) are grab samples, but as representative of the area e.g. 1m x 1m being sampled. All samples were outcrop.
Drilling techniques	Reverse Circulation
Drill sample recovery	Recovery average estimate 80-90%.
Logging	All holes logged metre by metre, with chips sieved and washed and stored for potential further study.
Sub-sampling techniques and sample preparation	None
Quality of assay data and laboratory tests	Standard lab assay quality control applies. RC samples were analysed at SGS, West Wyalong (Fire assay gold). RC Chip samples were analysed at ALS Townsville (Fire assay gold) and TerraSearch Townsville (XRF – other elements).
Verification of sampling and assaying	No independent verification has taken place
Location of data points	Locations are given (Table 2) in GDA Zone 56 co-ordinates. For the RC drilling a full table is presented above as Table 4.
Data spacing and distribution	Data spacing is irregular as this is exploration.
Orientation of data in relation to structure	Holes are generally drilled at a high angle to the interpreted structure. Chip samples are generally taken across any surface mineralised zones.

Criteria	Commentary
Sample security	RC samples were delivered directly to the laboratory at the conclusion of the days drilling by the senior geologist on site.
Audits or reviews	No audits or reviews have taken place.

Section 2 Reporting of Exploration Results

Criteria	Commentary
Mineral tenement and land tenure status	The RC drilling took place on EL8648, 100% owned by Thomson Resources Ltd. Details of the Chillagoe tenure is given above in Table 3
Exploration by other parties	Figure 1 shows historically reported rock chip samples. This comes from a database compiled by Thomson Resources which looked at 176 reports by 47 exploration companies. 2,632 rock chip samples were identified and located from those reports. All reports are available on Queensland Government websites (QDEX)
Geology	Geology is from publicly available Queensland Geological Survey work and other public reports
Drill hole Information	The drill hole details are given in Table 4 above
Data aggregation methods	Assay intervals are combined as a simple average, as all data are from 1m intervals
Relationship between mineralisation widths and intercept lengths	Al widths quoted are downhole widths. True widths have not been estimated as the structures are not known, however holes are generally drilled at a high angle to the interpreted structure
Diagrams	Diagrams, including plans and sections for the Yalgogrin drilling program are being compiled and will be issued as soon as all assay results from the program are received and assessed.
Balanced reporting	The intercepts given here in Table 1 are selected as being above 5m at 5 g/t Au or better. A full account of all results will be tabulated once all assay results from the program are received and assessed. Given the high grades reported to Thomson so far, it was considered essential to release a preliminary report. The rock chips quoted in Table 2 are selected as highly anomalous. 49 samples were assayed and these 9 were considered highly anomalous. 10 other samples had anomalous gold of 0.1 g/t or greater and several other samples were anomalous in metallic pathfinder elements such as Pb, Cu, Zn, As, W and Sn
Other substantive exploration data	Historic exploration at Yalgogrin was detailed in Thomson's ASX release of 15th October 2019. Historic exploration at Chillagoe was detailed in Thomson's ASX release of 1st March 2019.
Further work	Further exploration, including drilling, surface geochemistry and geophysics is being planned