

Follow Up Drilling for Yalgogrin Gold Project

12 October 2020



Highlights

- **RC drilling rig secured for follow up drilling at Yalgogrin gold project**
- **Drilling anticipated to commence towards end of October 2020**
- **Focusing on July 2020 maiden drilling program key intercepts of:**
 - **TGRC08: 2m at 7.5 g/t Au** from 34m depth in an overall intercept of 50m at 0.5g/t Au from surface; and
 - **TGRC06: 5m at 10.3 g/t Au** from 92m depth
- **Planning underway for drilling programs on other Projects**

Yalgogrin Gold Project Follow Up Drilling

Thomson Resources Ltd (“**Thomson**” or “**Company**”, ASX:TMZ), advises that it has managed to secure the RC drilling rig that undertook the Company’s maiden drilling program at the Yalgogrin Gold Project, for a short follow up drilling program commencing towards the end of October 2020. COVID-19 restrictions and the increased mineral exploration activity has meant that access to drilling rigs has become tight. The Company is pleased that Australian Mineral & Waterwell Drilling Pty Ltd (“AMWD”) were able to make the drilling rig available for Thomson between commitments to other customers.

Thomson’s drilling program in July 2020 (see ASX Release dated 18 August 2020) discovered thick low-grade gold mineralisation from surface as well as deeper high-grade lodes, essentially on one north-south drill section (Figures 1 and 2). The follow up drilling program is proposed to extend the mineralisation by drilling sections either side of the first drill section and following the mineralisation east and west. Samples will be analysed for gold and results should be available in November-December.

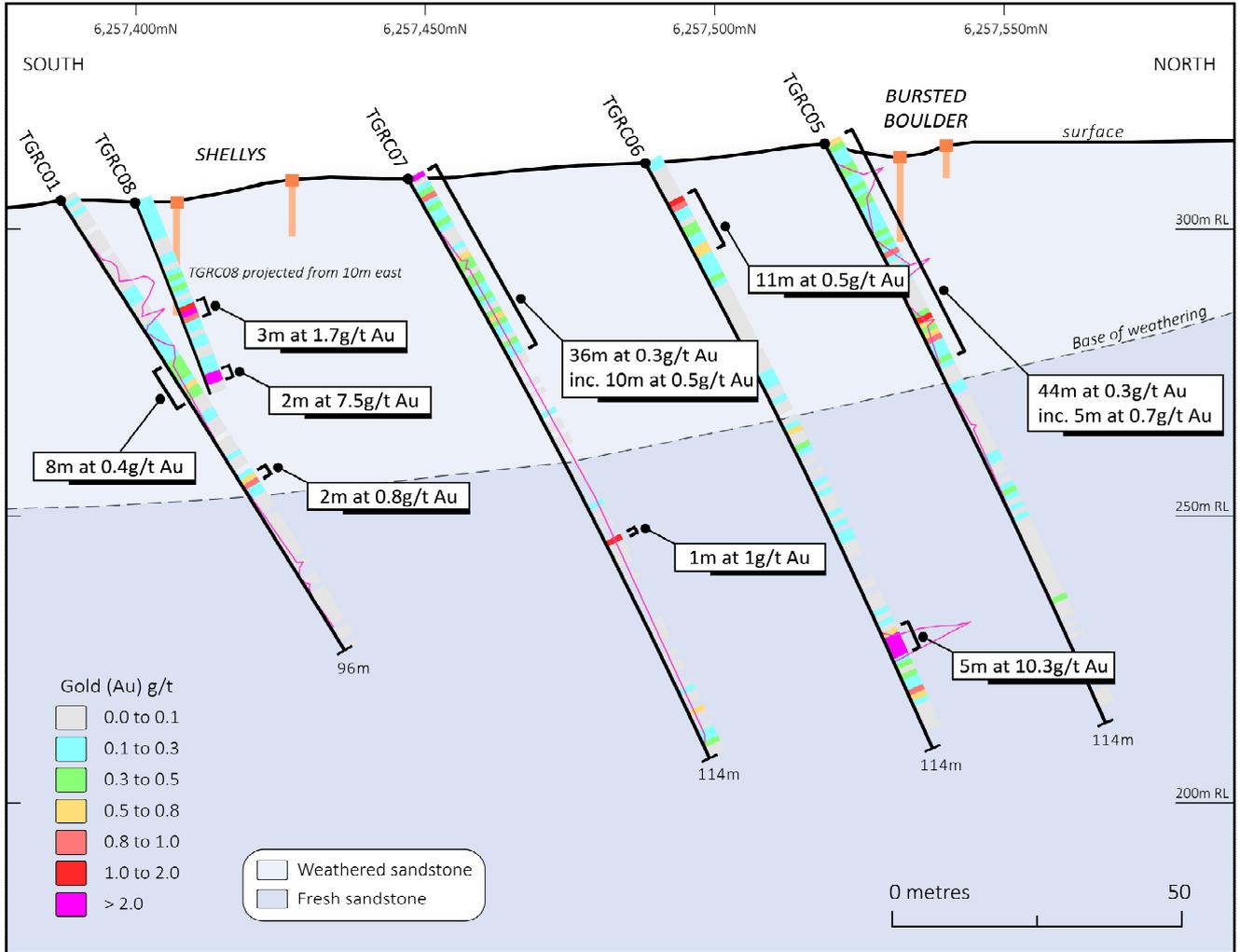


Figure 1 – Thomson Resources July 2020 drilling in the Shellys-Bursted Boulder area. Historic workings shown in orange; surface position is accurate by GPS but depth is only estimated. The purple lines on the drill hole traces show quartz vein percentage as logged – highest value is 20%.

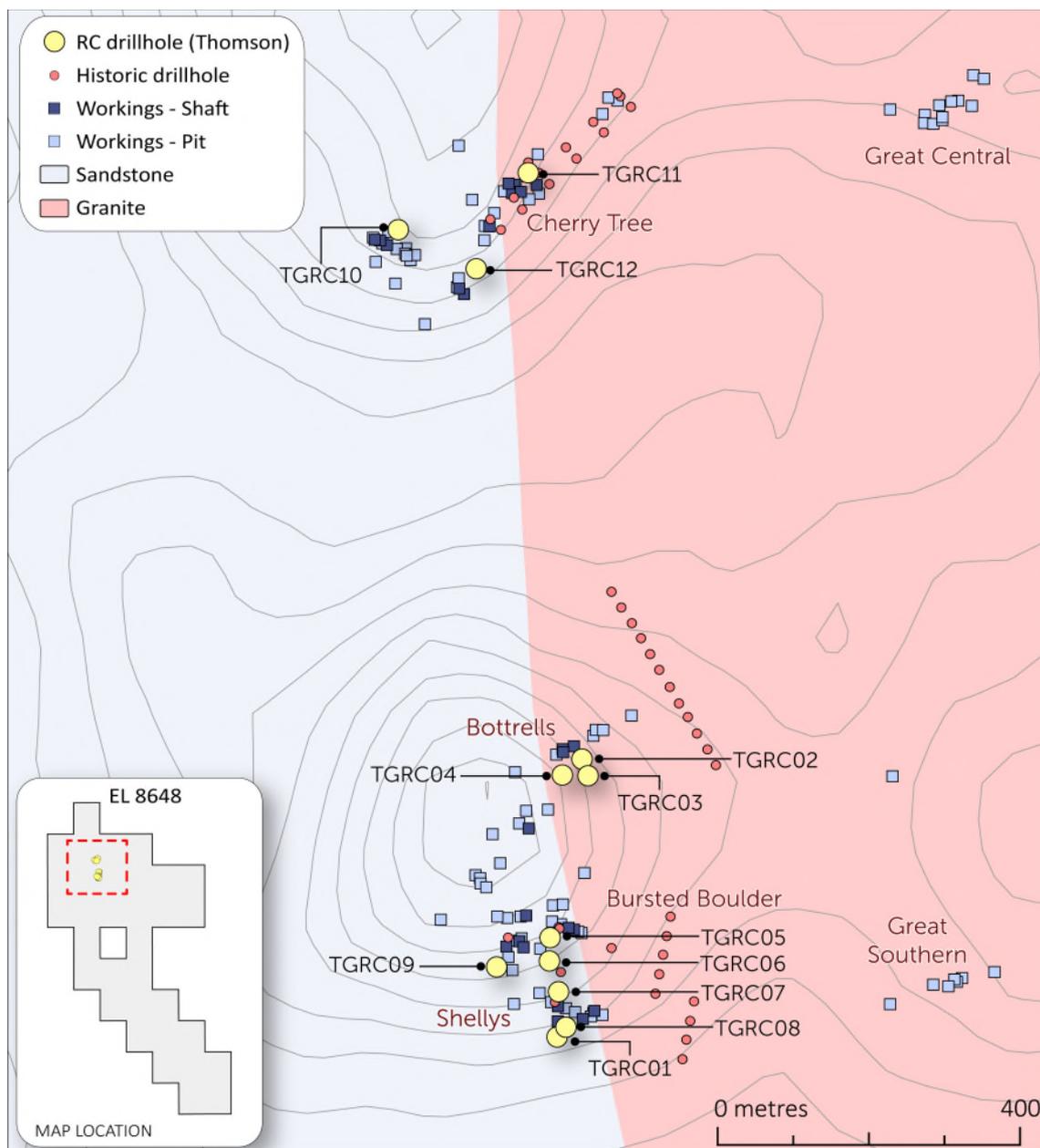


Figure 2 – Thomson Resources drilling in the Yalgogrin Gold Field in July 2020 (TGRC01-12).

Planning for other Projects

Thomson is advancing its plans for drilling programs on its various projects to be undertaken once Chillagoe and Hortons acquisitions are completed, crops are off the land and necessary capital has been raised. This will be impacted by drilling rig availability, which Thomson is proceeding to secure where possible, and all necessary approvals being obtained. It is likely these programs will not commence until towards the end of this calendar year and will extend into and through the first half of 2021.

Current planning is looking at, in no particular order:

- **Harry Smith Gold Project (Lachlan Fold Belt):**
 - approximate 2,000 metre RC drilling program to test and extend the known gold zones, probe a possible connection between them and assess the potential 800m strike extent;
 - follow up of intercepts such as **33m @ 2.8 g/t Au** (including **9m at 9 g/t Au** in Hole HSRC09) and **54m at 1 g/t Au** in Hole HSRC04). Also old workings to the NW revealed by the drought and new aerial imagery offer the potential for significant strike extension (see ASX Release dated 10 August 2020).
- **Yalgogrin Gold Project (Lachlan Fold Belt):**
 - Other projects under consideration for drilling are Amaroo, Troys, Southern Cross and Deposit 103 (Figure 2).

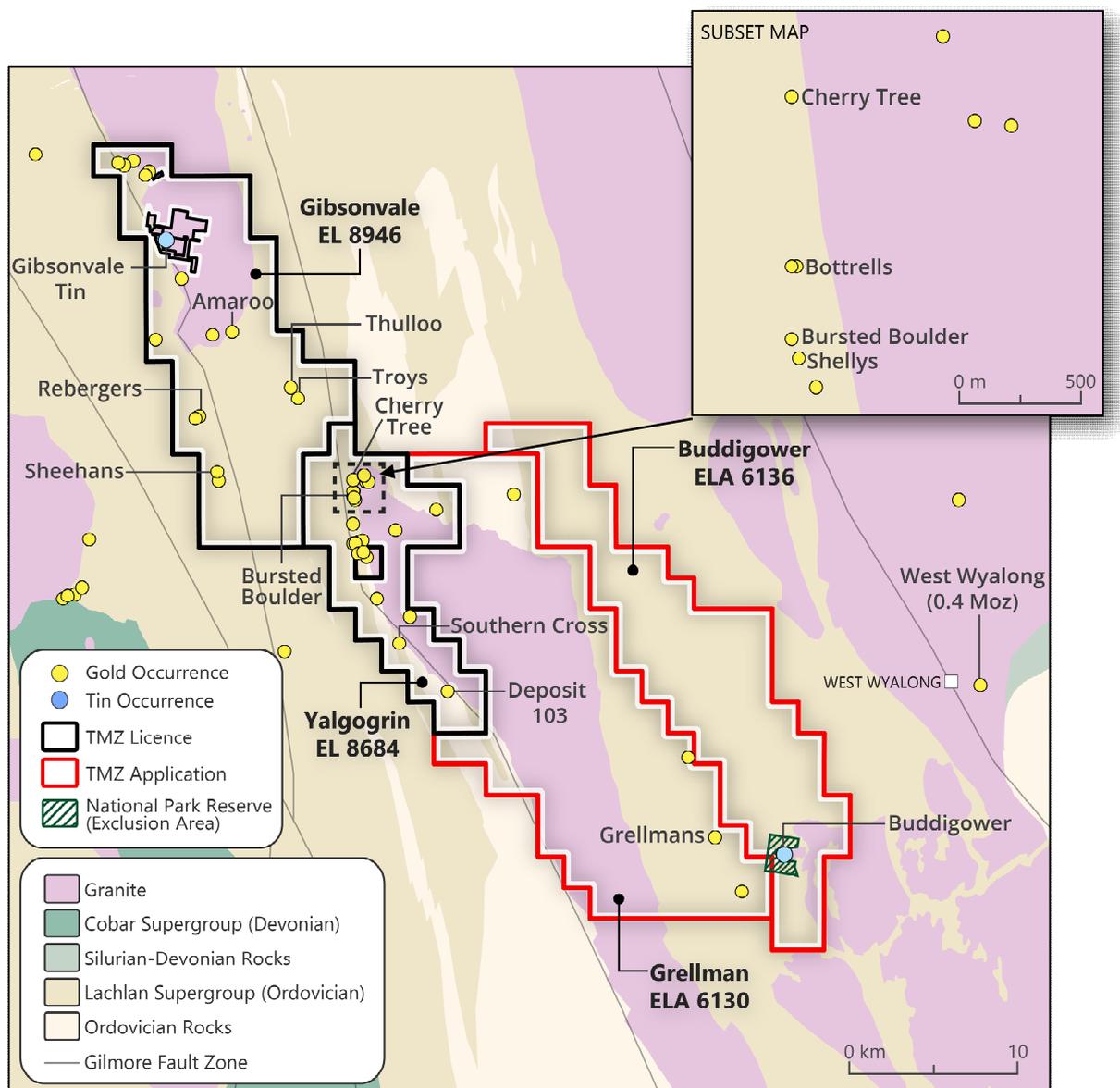


Figure 3 – Regional prospects in the Yalgogrin Gold Field area with zoom in on Yalgogrin targets

- **New Yalgogrin/Harry Smith tenements (Lachlan Fold Belt):**
 - Whilst Thomson is still reviewing data and refining its targets, the Exploration Licences are still to be granted, which will impact on the timing of any exploration activities being undertaken. However, Thomson has started to identify targets for drilling, should time permit. There may be other targets identified subsequently and prioritised ahead of these targets.
 - The Kildary Gold Field, 10km northeast of Bygoo, is a prime prospect for follow up. It lies on ELA 6133 and features previous drill results of up to **2m at 13.7 g/t Au** from 40m depth (see ASX Release dated 21 September 2020).

- **Hortons Gold Project (New England Fold Belt):**
 - Timing is dependent on Completion of the acquisition of this Project.
 - The key targets in EL8927 are Hortons, which features intersections up to **30m at 8.6 g/t Au** from 24m depth, and Surface Hill, with **26m at 2.5 g/t Au** from 20m depth (see ASX Release dated 1 October 2020).

- **Bygoo Tin Project (Lachlan Fold Belt):**
 - The primary focus here will be a drilling program designed to enable a maiden Resource to be defined in accordance with the JORC (having previously declared an Exploration Target under the JORC Code 2012 of 0.9 to 1.4 million tonnes at a grade of 0.8 – 1.4% tin with 7,200 to 20,100 tonnes of contained tin – see ASX Release dated 2 November 2016), but other extensional exploratory drilling is likely to be undertaken as part of the same program.
 - Drilling at Bygoo will be to extend the Bygoo North Main Zone east and the Dumbrells Greisen to the north and northwest (see March 2019 Quarterly Report dated 30 April 2019).

- **Bald Hills Tin Prospect (Lachlan Fold Belt):**
 - Bald Hill is 12km south of the Ardlethan mine, or 20km south of the Bygoo prospects on the same exploration license (EL 8260) and had the first round of drilling undertaken by Thomson in February/March 2018 (see ASX Release dated 5 April 2018).
 - Follow up drilling on the southern end of the Bald Hill tin field (as identified in that ASX Release) is planned and will seek to extend the mineralization southwest and northeast.

This announcement was authorised for issue by the Board.

Thomson Resources Ltd



Eoin Rothery

Executive Director

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.

Thomson Resources Project Overview

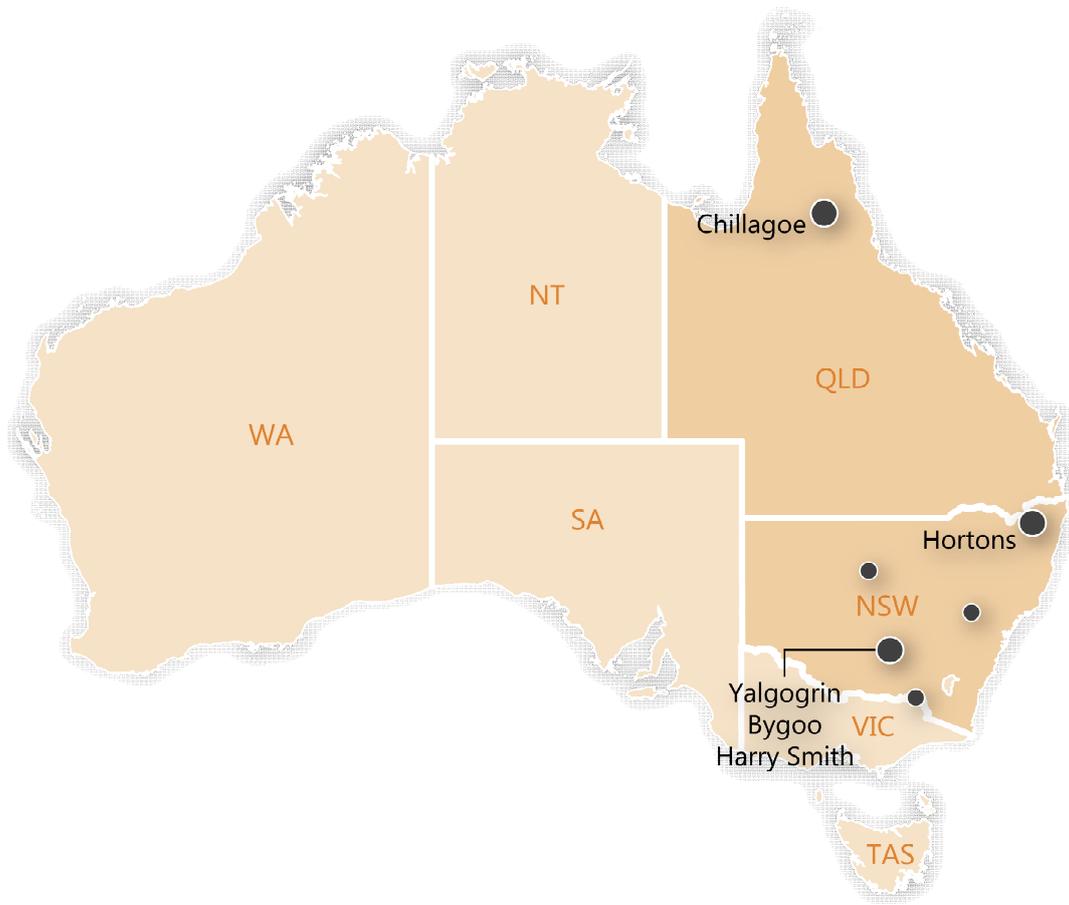


Figure 4 - Thomson Resources Project Areas



Figure 5: Location of 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 Ardlathan. 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). Maiden drilling by Thomson in August 2020 intersected the first known high grade gold results below two sets of workings: 5m at 10.3 g/t Au below the Bursted Boulder shafts and pits and 2m at 7.5 g/t Au below Shellys (Thomson Resources ASX Release 18 September 2020).

Queensland Gold Project (Chillagoe)

The Queensland Gold Project is located near Chillagoe in Far North Queensland, 150km west of Cairns. It lies 30km west of Chillagoe near the Mungana, Red Dome and King Vol mining operations. The Project comprises 5 granted Exploration Permits and 1 Exploration Permit Application covering 593 square kilometers. The Project is currently being acquired from Bacchus Resources Pty Ltd and the Company is working towards completing satisfaction of all of the conditions precedent (see ASX Release dated 10 August 2020 for more details regarding the Project and acquisition terms).

The principal target type in the area is Intrusion Related Gold (IRG) deposits which are typically associated with felsic Carboniferous breccia pipe and intrusive complexes. In this area several such bodies are known and display features typical of the nearby Red Dome and Mungana IRG deposits.

Hortons Gold Project

The Hortons Gold Project is situated 30km south east of Tenterfield in Northern NSW and comprises one exploration licence which covers 58 sq. km and has several gold anomalies. The Project is currently being acquired from Syndicate Minerals Pty Ltd and the Company is working towards completing satisfaction of all of the conditions precedent (see ASX Release dated 31 August 2020 for more details regarding the Project and acquisition terms).

The Project has high potential for Intrusion-Related Gold System ("IRGS") type gold mineralization and has a number of gold targets, of which some have historic drilling. Best intercepts were at the Hortons Prospect with **30m at 8.6 g/t Au** from 24m depth in HOD100 and **67m at 3.8 g/t Au** from 15m depth in RSMPQ4.

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 Ardlathan which was mined until 1986, with over 31,500 tonnes of tin being produced (reference Paterson, R.G., 1990, Ardlathan 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 Ardlathan, 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 Ardlathan 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]