

QUARTERLY ACTIVITIES REPORT FOR PERIOD ENDED 31 DECEMBER 2020

Thomson Resources (ASX: TMZ) (Thomson or the Company) is pleased to provide an update on its activities for the December 2020 Quarter. The Company's focus for the reporting period was the advancement of its precious and base metals projects in Queensland and New South Wales.

HIGHLIGHTS

Hortons Gold Project

- **Completion of due diligence at Hortons gold project** being acquired from private company, Syndicate Minerals Pty Ltd ("Syndicate") near Tenterfield, NSW¹.

Chillagoe Gold Project

- **Auger Drilling commencement** and completion over the period with 465 samples obtained from 10 prospect areas. Assays pending.
- Rock taken from Laverock workings contains copper oxide azurite – a surface indicator of the presence of weathered copper sulphide ores².

Yalgogrin Gold Project

- **Phase 2 Reverse Circulation (RC) drilling program completed** during the quarter at Yalgogrin (6-holes for 720 metres)³.
- The Program was designed to further enhance the Company's geological understanding of the structures controlling the mineralisation and follow up significant intercepts from the July 2020 maiden drilling program. Significant intercepts from the maiden program included⁴:
 - 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

Harry Smith Gold Project

- **Completion of 2,000m RC Drilling follow up program at Harry Smith** gold project designed to test various targets including⁵:
 - **800m strike gold potential** targeted; and
 - Follow up previous high-grade results including, **17m at 5.2 g/t Au from 28m, incl. 9m @ 9g/t Au and 54m at 1 g/t Au**⁶

¹ See ASX Release dated 1 October 2020 - Thomson moving ahead with Hortons Gold Project

² See ASX Release dated 7 October 2020 - Auger Program for Chillagoe Gold Project, ASX Release dated 26- Auger Program commenced at Chillagoe Gold Project, ASX Release dated 18 November 2020 - Visible Copper Oxide Azurite at surface at Chillagoe Auger Program & ASX Release dated 3 December 2020 - Harry Smith High Grade Gold Hits Follow Up Drilling Commencing

³ See ASX Release dated 12 October 2020 - Follow up Drilling for Yalgogrin Gold Project, ASX Release dated 19 November 2020 - Yalgogrin Gold Project Phase-2 Drill Program Commences & ASX Release dated 3 December 2020 - Harry Smith High Grade Gold Hits Follow Up Drilling Commencing

⁴ ASX Release dated 18 August 2020 - Yalgogrin Gold results

⁵ See ASX Release dated 2 November 2020 - Drilling Rig locked in for Harry Smith Gold Project Program, ASX Release dated 3 December 2020- Harry Smith High Grade Gold Hits Follow Up Drilling Commencing & ASX Release dated 24 December 2020 – Company Update

⁶ See ASX Releases dated 16 January 2019 - High Grade Gold Intersections at Harry Smith Prospect & ASX Releases 29 January 2019 - Further Gold Intersections at Harry Smith Prospect

Cannington Silver Project

- **EPM application submitted** for 6 sub-blocks 10km west of the Cannington silver mine and has been designated EPM27742⁷ and contains the Brumby Cu prospect.
- **Completion of the acquisition of Caesar Resources Pty Ltd**, the holder of the application for EPM27530 next to the Cannington silver mine, completed⁸.
- Total project tenement holding area after EPMs granted will be 111.5km² in a prolific silver region.

Webbs and Conrad Silver Projects

- **Binding terms sheet with Silver Mines Limited (ASX: SVL) (“Silver Mines”) to acquire 100% of the Webbs Silver Project and Conrad Silver Project**, covering approximately 86km² of highly prospective land located in the New England Fold belt in NSW⁹.
- Both projects have seen **historic high-grade silver production** and have a resource defined compliant with the JORC Code 2004 published by Silver Mines¹⁰
- **Due Diligence on Conrad and Webbs Silver projects completed** in January 2021 with the assistance of Global Ore Discovery and now focusing on **identifying potential extensions to the Silver resources at Conrad and Webbs**, with aim of potentially **growing the resource inventory**¹¹.
- **Definitive Agreements exchanged** after Quarter end and parties moving to complete the sale and purchase.¹²

Corporate

The Company completed a AUD\$6.0M capital raise in November 2020, with Joint Lead Managers, Canaccord Genuity (Australia) Limited and Merchant Corporate Advisory Australia Pty Ltd. The purpose of which was to provide funding to fund to continue exploration activities over the Company's existing projects and new projects in NSW and Queensland⁹.

The placement received exceptionally strong demand from both institutional and sophisticated investors.

Thomson currently has 314,988,294 fully paid ordinary shares on issue and 50,917,189 listed Options (TMZO) on issue and had cash of \$5.4M as at 31 December 2020.

Hortons Gold Project

In October the Company completed due diligence on the Hortons gold tenement (EL8927) it was acquiring from private company, Syndicate Minerals Pty Ltd (“Syndicate”) with approval from Thomson shareholders to the issue of the equity consideration achieved at the company AGM in late October 2020.

Hortons has multiple intrusion related gold targets across multiple prospects future drilling at Hortons Prospect will look for extensions NW and SE of previous drilling.

⁷ See ASX Releases dated 5 November 2020 - New Land Pegged 10km from Cannington Silver Mine

⁸ See ASX Release dated 16 November 2020 - Thomson Portfolio Grows with Acquisition of Silver Permit Surrounding Cannington & ASX Release dated 4 December 2020 - Completion of Cannington Silver Tenement Acquisition

⁹ See ASX Release dated 12 November 2020 - Thomson to Acquire Two Transformational NSW Silver Deposits & Completion of \$6M Capital Raise

¹⁰ Refer SVL 2020 Annual Report https://www.silvermines.com.au/wp-content/uploads/2020/09/20200930_2020-Final-SVL-Annual-Report-Audited-and-Signed.pdf

¹¹ See ASX Releases dated 9 December 2020 - Webbs and Conrad Silver Project Due Diligence Well Advanced

¹² See ASX Release dated 27 January 2021 - Harry Smith Gold Project Land Package Significantly Expands

Previous historic drilling significant intercepts include¹³:

- 30m at 8.6 g/t Au from 24m depth (Hortons)
- 67m at 3.8 g/t Au from 15m depth (Hortons)
- 44m at 4.3 g/t Au from 46m depth (Hortons)
- 35m at 4.7 g/t Au from 31m depth (Hortons)
- 42m at 3.6 g/t Au from 34m depth (Hortons)
- 36m at 2.0 g/t Au from 6m depth (Hortons)
- 26m at 2.5 g/t Au from 20m depth (Surface Hill)

Chillagoe Gold Project

A soil auger drilling program on the Queensland Gold Project at Chillagoe Thomson is acquiring from private company and shareholder, Bacchus Resources Pty Ltd (“Bacchus”), commenced on 24th October 2020¹⁴. Ten prospects were selected from a large portfolio of strong targets developed by Thomson for priority testing in this program. The prospects to be tested feature extensive historic workings; multiple rock chips with anomalous gold, copper, silver and base metals; and magnetic anomalies suggestive of pipe-like buried intrusions.

Holes were drilled using a trayback mounted soil auger drill rig at 20m intervals across mineralised trends or magnetic anomalies. They were drilled to solid basement and an end-of-hole sample collected. A total of 14km of soil sampling lines was planned subject to access.

Drilling concluded in early December 2020 with 465 samples obtained from 10 prospect areas¹⁵. The analysis of the samples taken, which is currently being undertaken, will assist in the understanding of the potentiality for other minerals in the Project area and assist in planning the RC drill program to be undertaken in the 2021 dry season.

Rock chip sampling previously undertaken by Bacchus on the Laverock target area, on EPM 27186 had confirmed anomalous gold and copper of up to **5 g/t Au** and **1.3% Cu**¹⁶. Rocks collected during Thomson’s auger drilling program at Laverock have shown a strong presence of copper oxide azurite. The presence of azurite is a good surface indicator of the presence of weathered copper sulphide ores.

Yalgogrin Gold Project

In November 2020 a Phase 2 RC drilling commenced at the Yalgogrin Gold Project with the program being performed by Thomson major shareholder, Australian Mineral & Waterwell Drilling Pty Ltd (“AMWD”)¹⁷.

The 6-hole (720m) program was designed to follow up on the July 2020 drilling program which discovered thick low-grade gold mineralisation from surface as well as deeper high-grade lodes, essentially on one north-south drill section¹⁸ (Figure 1 & 2). The Phase-2 drilling program was designed to extend the known mineralisation by drilling sections either side of the first drill section and following the mineralisation east and west. Samples were analysed for gold with results received from 6 Reverse circulation holes in January 2021. Drilling returned peak values of **2m at 5.2 g/t Au** from 80m (TGRC14) and **3m at 6.9 g/t Au** from 73m (TGRC17) and successfully

¹³ See ASX Release dated 1 October 2020 - Thomson moving ahead with Hortons Gold Project

¹⁴ See ASX Release dated 26 October 2020 - Auger Program commenced at Chillagoe Gold Project

¹⁵ See ASX Release dated 3 December 2020 - Harry Smith High Grade Gold Hits Follow Up Drilling Commencing

¹⁶ See ASX Release dated 18 November 2020 - Visible Copper Oxide Azurite at surface at Chillagoe Auger Program

¹⁷ See ASX Release dated 19 November 2020 - Yalgogrin Gold Project Phase-2 Drill Program Commences

¹⁸ See ASX Release dated 18 August 2020 - Yalgogrin Gold results

extended the Bursted Boulder mineralisation east, west and down dip; which still remains open in all directions providing targets for further follow up drilling¹⁹.

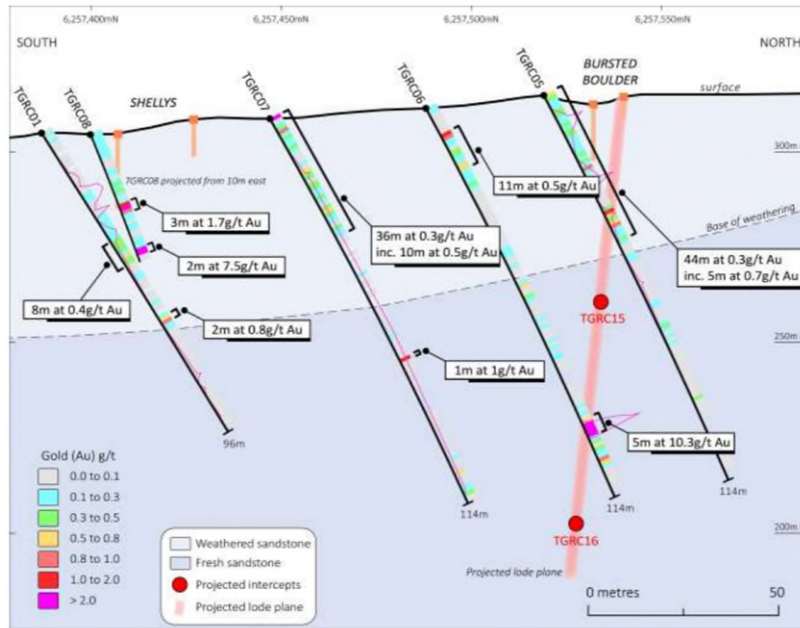


Figure 1 – Thomson July 2020 drilling in the Shellys-Bursted Boulder area. Historic workings shown in orange; surface position is accurate by GPS but depth is only estimated. Purple lines on the drill hole traces show quartz vein percentage as logged – highest value is 20%. Red dots show projected intercepts of Phase 2 drill holes through the projected lode.

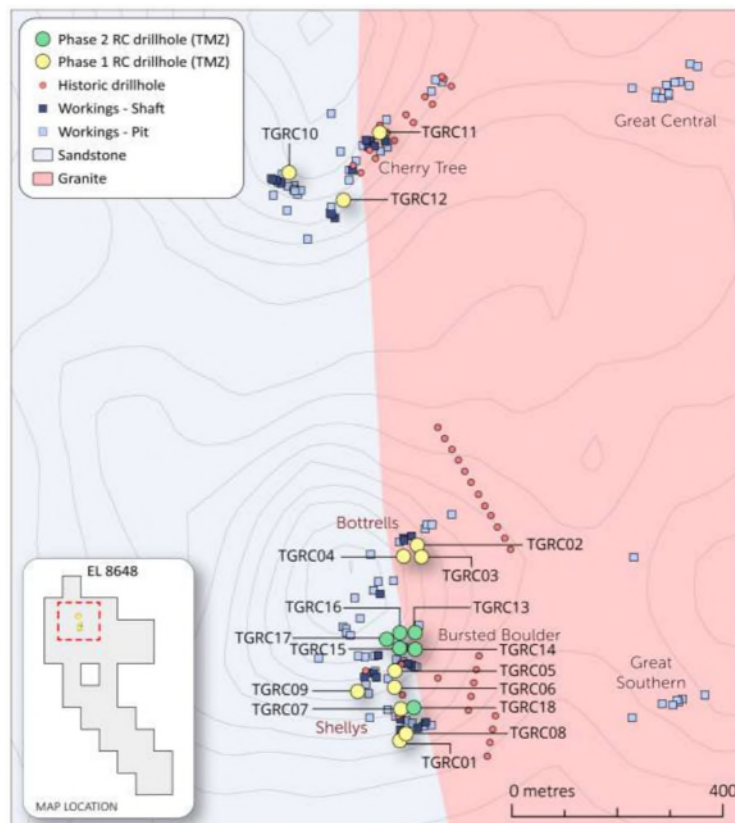


Figure 2 - Thomson Resources drilling in the Yalgogrin Gold Field in July 2020 (TGRC01-12) and November/December 2020 (TGRC13-18).

¹⁹See ASX Release dated 19 January 2021 - Yalgogrin Phase-2 Drilling Delivers Strong Gold Results

Harry Smith Gold Project

Following the Phase 2 RC drilling program on Yalgogrin, in December 2020, the AMWD drilling rig moved to the Harry Smith gold project area and Thomson completed an 11-hole (1,266m) RC drilling program at the Harry Smith gold project in the Lachlan Fold Belt in NSW. The program was designed to test and extend the known gold zones, probe for potential connections between these zones and assess the potential 800m strike extent (Figure 3) as well as to follow up previous Thomson drilling intercepts such as 17m at 5.2 g/t Au, incl. 9m at 9 g/t Au (Hole HSRC009) and 54m at 1 g/t Au (Hole HSRC004) (Figure 4)²⁰.

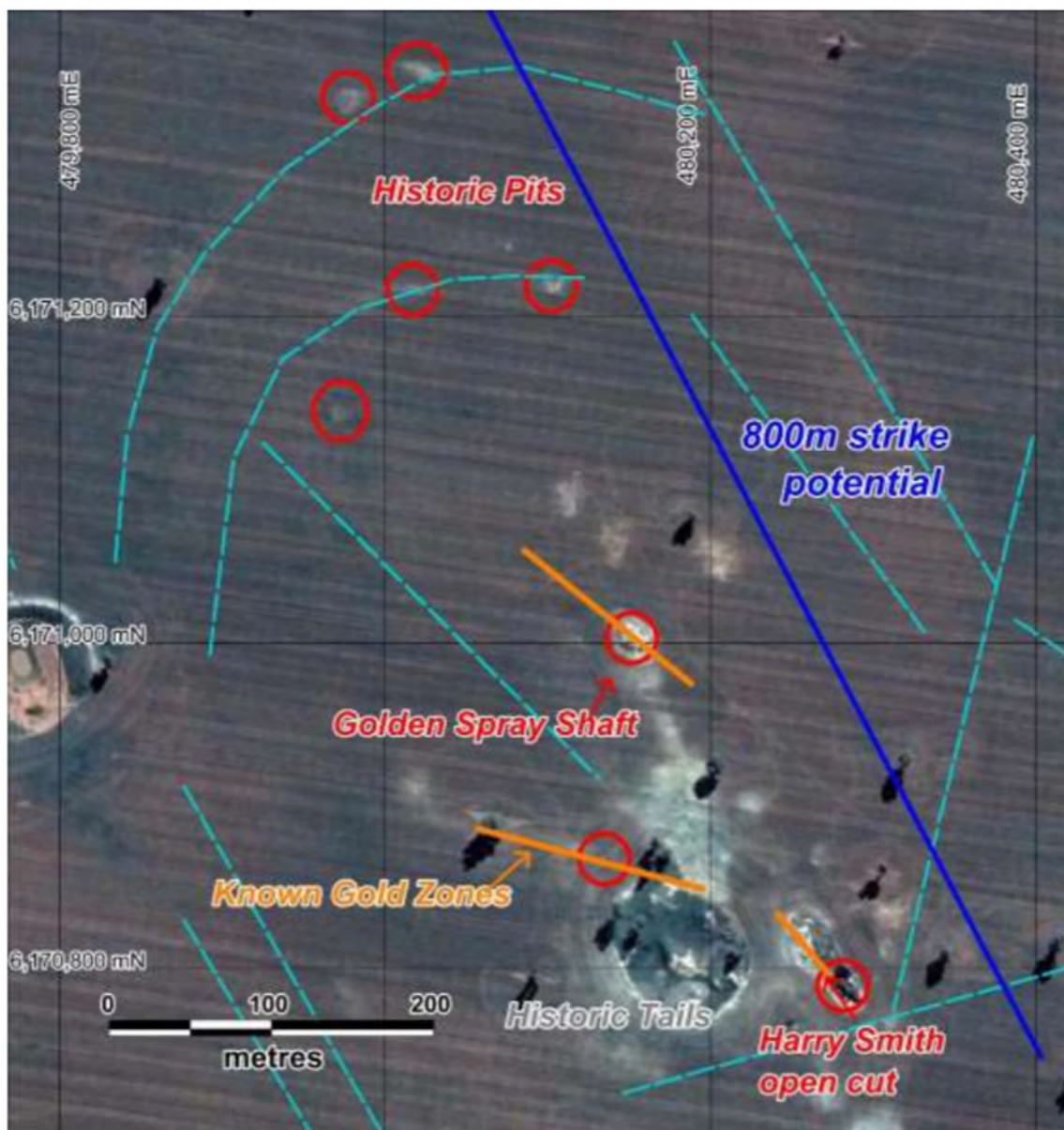


Figure 3 - Known, drilled, Gold Zones with historic workings and interpreted structures

²⁰ ASX Releases dated 16 January 2019 - High Grade Gold Intersections at Harry Smith Prospect
 ASX Releases 29 January 2019 - Further Gold Intersections at Harry Smith Prospect
 THOMSON RESOURCES LTD ASX:TMZ ABN 82 138 358 728
 Level 1, 80 Chandos Street, St Leonards, NSW 2065
 Tel: +61 2 9906 6225 E:info@thomsonresources.com.au www.thomsonresources.com.au

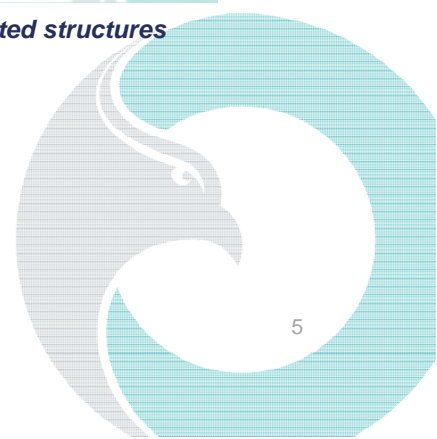
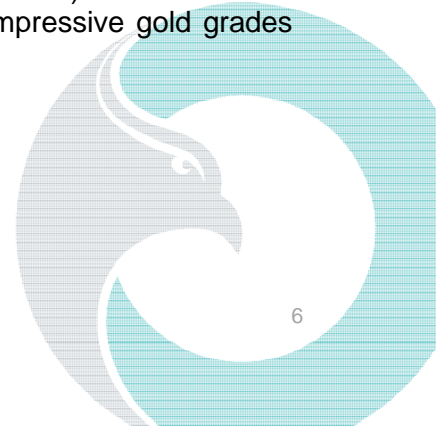




Figure 4 - Thomson Resources drill intercepts at Harry Smith (red bar graph shows gold intercepts greater than 0.5 g/t Au, the other side shows that rock types are mostly siltstone or sandstone with yellow indicating quartz veining)

NSW Mines Report no. 2507 states that 16,000 ounces of gold were produced from these historic workings up to 1941, after being discovered in 1893. The same report (MR 2507) has a sectional diagram of the Golden Spray shafts to the northwest which feature some impressive gold grades (Figure 5).



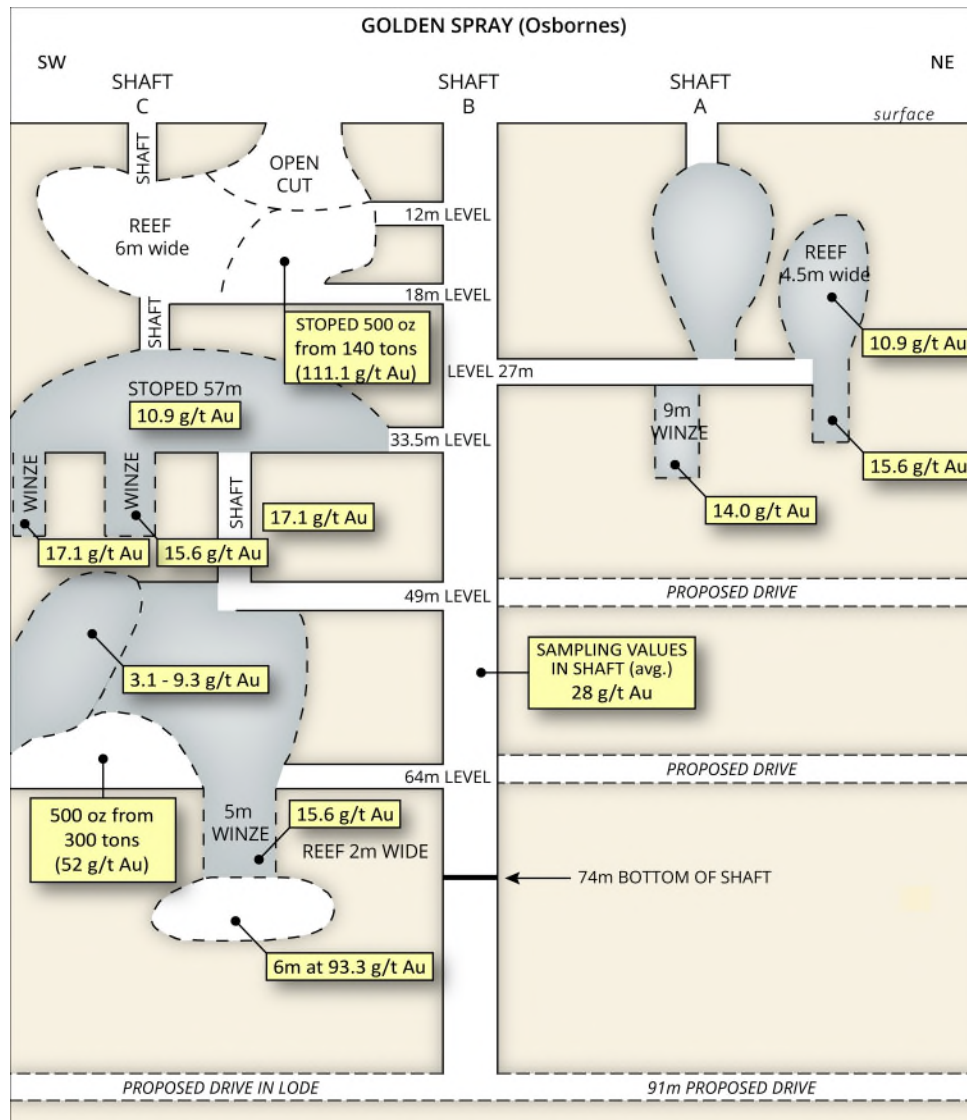


Figure 5 - redrawn after Mines Report 2507 diagram of the Golden Spray ("Osbornes") workings

There are three lodes in this part of the Harry Smith gold project - Harry Smith, Golden Spray and Silver Spray. Key results from each of these are:

- Silver Spray in 2019²¹:
 - HSRC008 – 49m at 0.8 g/t Au from 30m inc. **5m at 2.6 g/t Au**
 - HSRC009 – 17m at 5.2 g/t Au from 38m inc. **9m at 9.2 g/t Au**
- Golden Spray in 2019⁵:
 - HSRC010 - **22m at 1.6 g/t Au** from 30m;
- Harry Smith in 2019²²:
 - HSRC014 - **12m at 1.2 g/t Au** from 63m;
- Golden Spray in 2018²³:

²¹ ASX Release dated 16 January 2019 - High Grade Gold Intersections at Harry Smith Prospect

²² ASX Release dated 16 January 2019 - High Grade Gold Intersections at Harry Smith Prospect

²³ See ASX Release 26 March 2018 - Promising Gold Intersections at Harry Smith Prospect



- HSRC004 - 54m @ 1.0g/t Au from 8m depth, inc. **12m @ 2.1g/t**

The RC drilling program was designed to test for the dip of gold zones as well as strike extensions and connections. As an example, the intercept of **9m at 9 g/t Au** is open, not only along strike, but down dip.

Assay results from the drilling program were received in January 2021 and successfully intersected wide zones of mineralisation which confirmed the existence of a large gold system with open pit potential at Harry Smith. Peak results from drilling included **7m at 4.4 g/t Au** from 23m (HSRC18) and **5m at 4.1 g/t Au** from 21m²⁴.

Cannington Silver Project

In November 2020 Thomson announced that it had submitted an EPM application for 6-blocks located 10km west of the Cannington Silver mine owned by South32 (ASX: S32) and was designated EPM27742²⁵. In the same month the Company entered into a binding term sheet to acquire 100% of Caesar Resources Pty Ltd which holds EPM27530, covering approximately 90km² of land within the same area near the Cannington Silver mine in Queensland and by December 2020 the acquisition was complete providing Thomson with a collective land package of 111.5km² in this prolific silver region²⁶ (Figures 6 & 7).

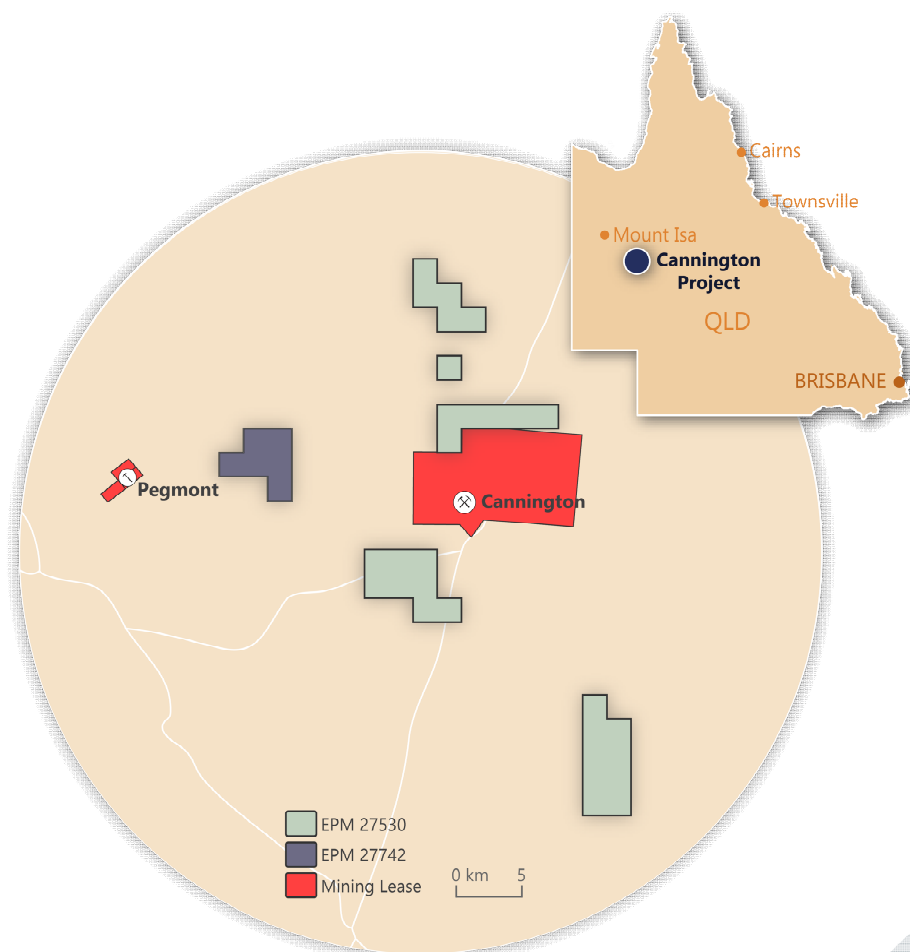


Figure 6 - Location of Thomson Tenement Package (EPM 27742 & 27530)

²⁴ See ASX Releases dated 5 November 2020 - Large Gold System Confirmed at Harry Smith

²⁵ See ASX Releases dated 5 November 2020 - New Land Pegged 10km from Cannington Silver Mine

²⁶ See ASX Release dated 16 November 2020 Thomson Portfolio Grows with Acquisition of Silver Permit Surrounding Cannington & ASX Release dated 4 December 2020 - Completion of Cannington Silver Tenement Acquisition

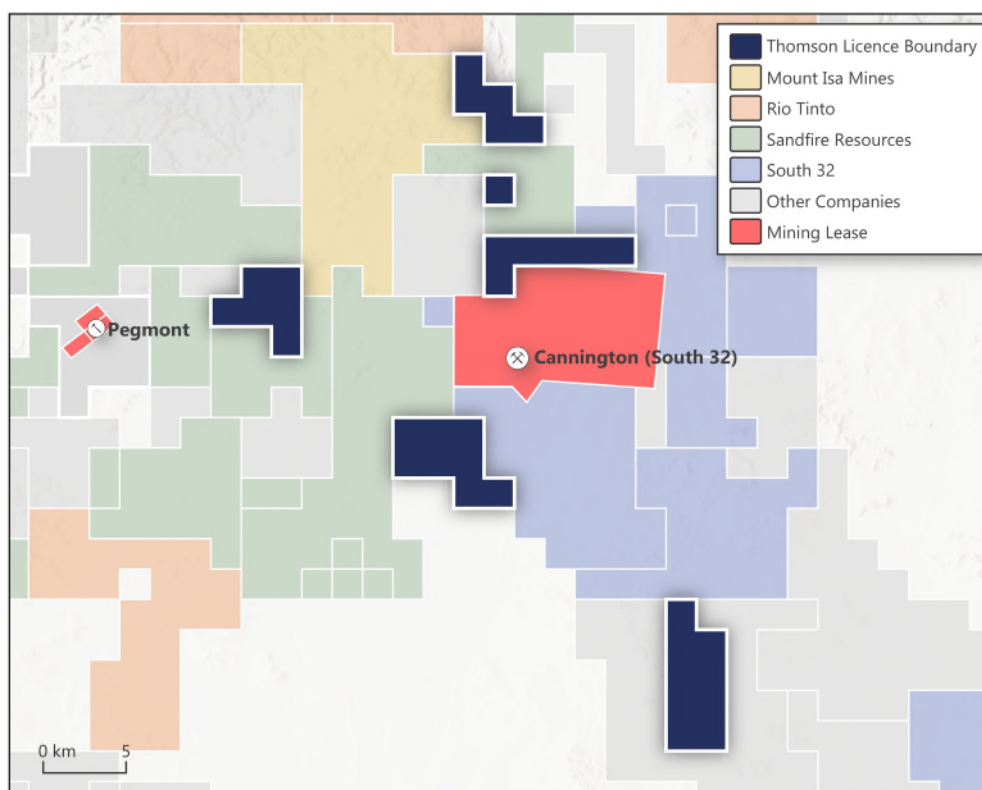


Figure 7 – Thomson EPMA's with near neighbours

EPM 27530 - Caesar Resources Tenement

Partly bordering the Cannington silver mine, EPM27530 (“CR Tenement”), along with EPM27742 (“TMZ Tenement”), sit amongst tenements held by some notable major and mid-tier companies – Mount Isa Mines, Rio Tinto, Sandfire Resources and South 32 (see Figure 8).

There are multiple magnetic and geological structures that run through the Cannington mine and continue into the CR Tenement (see Figures 8 and 9).

The Tenement areas are also on trend and in the same rock types as the Cannington deposit (Paleoproterozoic to Mesoproterozoic metasedimentary), making the CR Tenement area fertile for major silver-lead deposits.

Major copper-gold deposits in the area include Barrick’s Osborne and Oz Minerals’ Eloise and Jericho projects, which the TMZ Tenement is increasingly looking analogous to.

An initial review of geology and geophysics indicates potential, especially in the central areas of the permits.

Following the granting of the two EPM Tenements Thomson’s strategy is to conduct a comprehensive search over the whole area to discover BH-type or IOCG-type deposits under thin cover at exploitable depths with the intention of targeting silver, gold, copper, zinc and lead mineralisation.



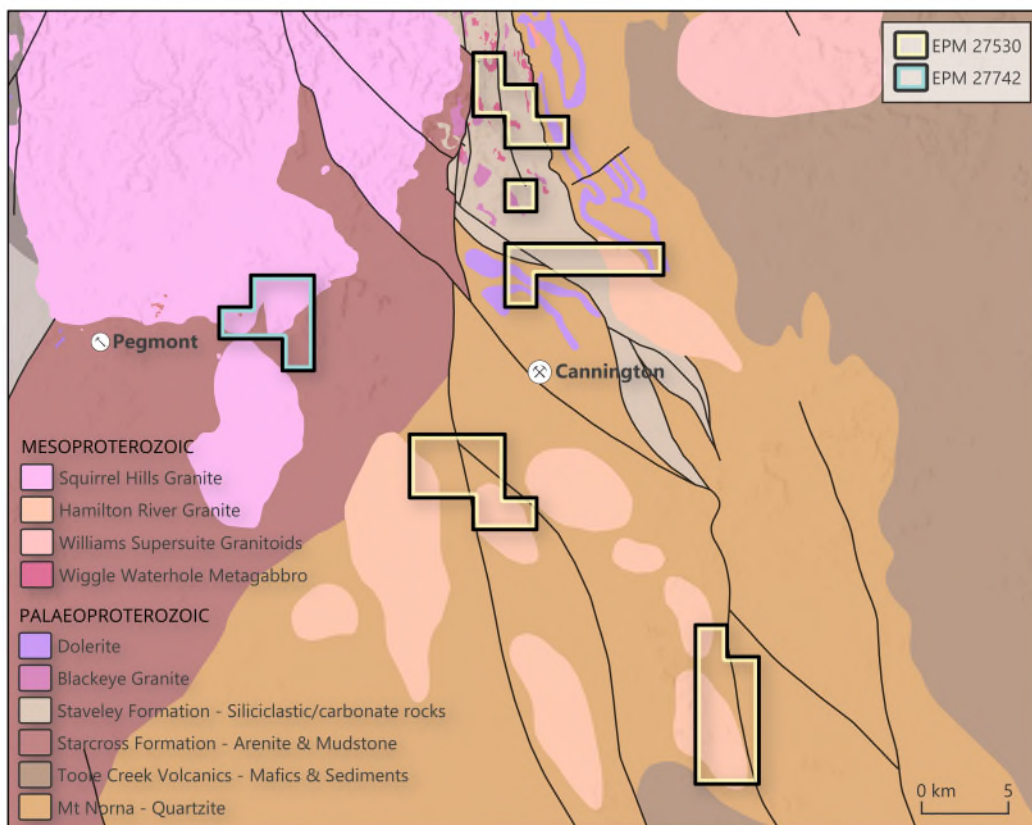


Figure 8 –Thomson EPMA's against local geology

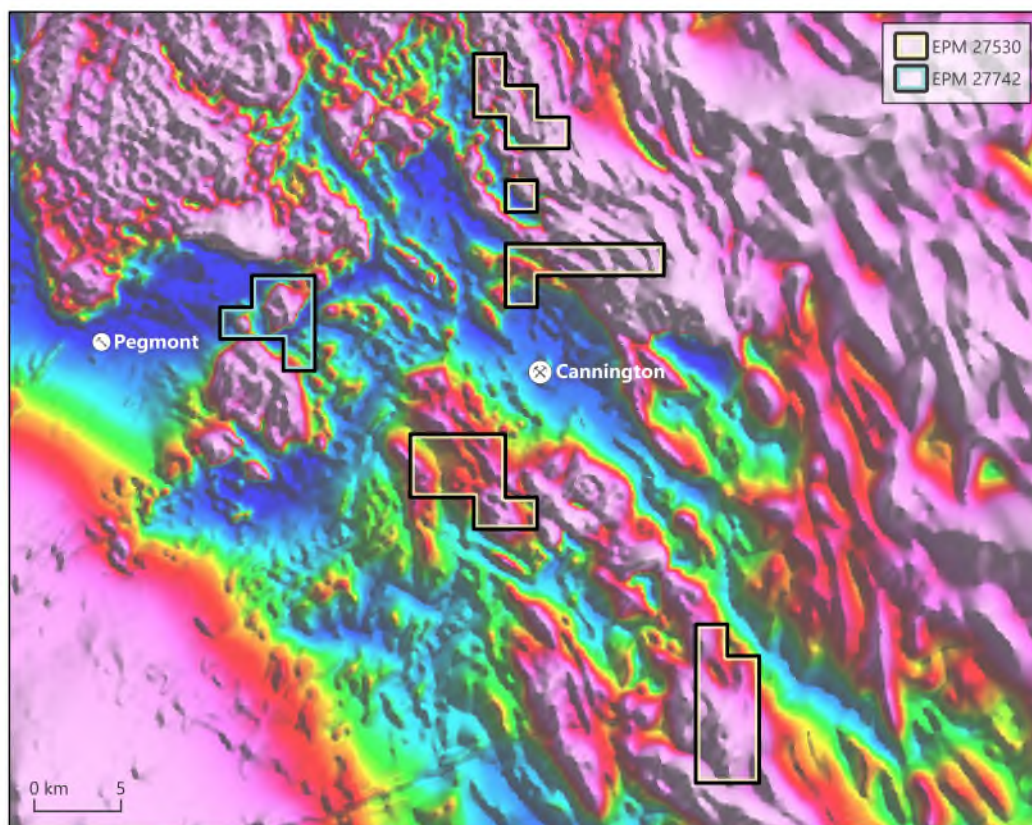


Figure 9 –Thomson EPMA's against aeromagnetics

EPM 27742 – TMZ Tenement (Brumby prospect)

The TMZ Tenement contains the Brumby prospect. The prospect appears as a discrete magnetic high (see Figure 10), the Cannington orebody was discovered through drill-testing of an isolated magnetic anomaly. However, in the Tringadee Project Final Report lodged by Western Metals Copper Limited in April 2002 (Report CR 33502) (“Report”), the Brumby prospect is noted as being analogous to the Osborne Cu-Au Deposit and the Eloise Cu-Au deposit and is of the Iron Ore-Copper-Gold (IOCG) type²⁷.

A review of historical work is ongoing. The Brumby area has been drilled by Aberfoyle Resources, North Ltd and Barrick Ltd. Aberfoyle drilled 7 RC, 4 diamond and 8 RAB holes, while North Ltd drilled 1 RC hole and 11 RAB holes at Brumby. Barrick drilled six percussion/diamond holes. Several of these holes intersected significant widths of low-grade mineralisation

PETD 06 34-61m 27m @ 0.35% Cu (including 42-47m 5m @ 0.43% Cu; 49-53m 4m @ 0.54% Cu and 0.15ppm Au).

PDTD 13 27m @ 0.66% Cu, 0.38ppm Au (including 9m @ 1.02% Cu, 0.6ppm Au).

PETD 25 33m @ 0.4% Cu, 0.46ppm Au (including 1m @ 9.1ppm Au and 3m @ 0.99% Cu, 0.32ppm Au).

TGRC 14 92-116m 24m @ 0.47% Cu, 0.24ppm Au (including 112-116m 4m @ 1.48% Cu, 0.54ppm Au).

These drill holes outline a steeply dipping NW trending mineralised zone at least 350m in length that remains open both to the NW and SE. This NW-SE trending alignment appears to be a regional magnetic feature.

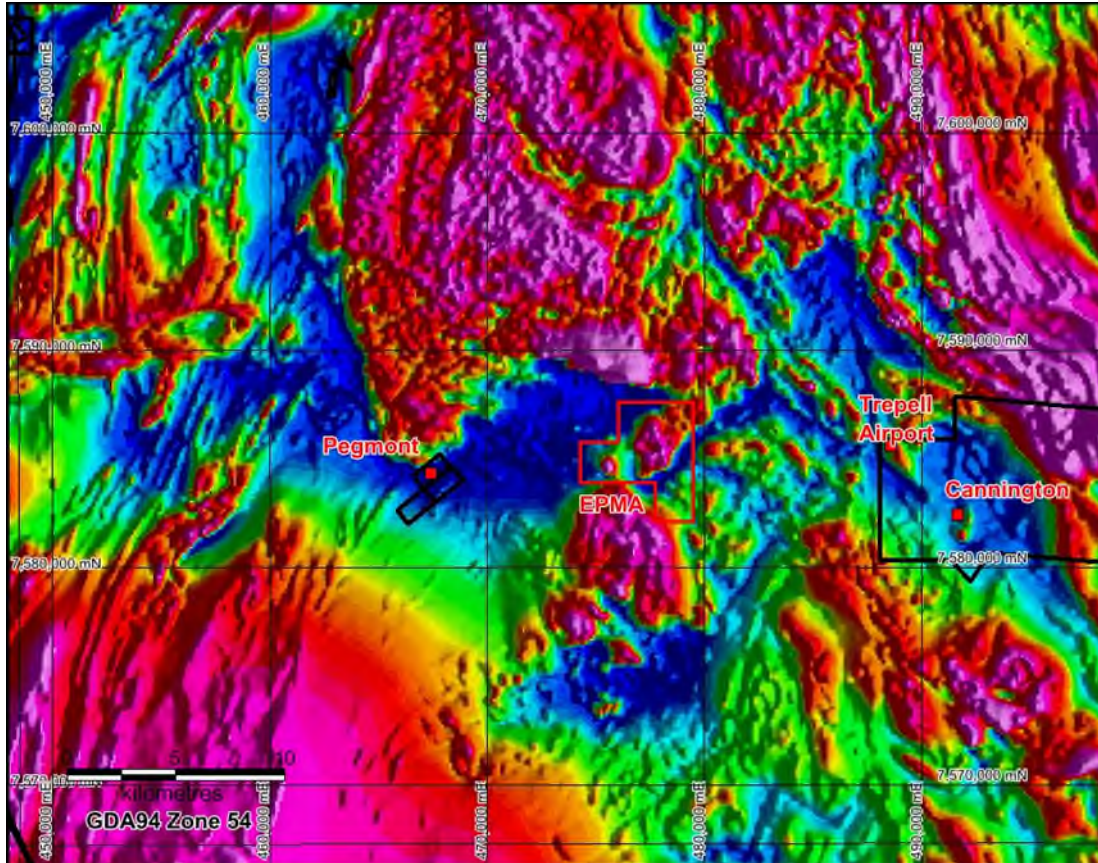


Figure 10 – Thomson’s EPMA set against a background of regional total magnetic intensity

²⁷ See ASX Release dated 4 November 2020 - New Land Pegged 10km From Cannington Silver Mine
 THOMSON RESOURCES LTD ASX:TMZ ABN 82 138 358 728
 Level 1, 80 Chandos Street, St Leonards, NSW 2065
 Tel: +61 2 9906 6225 E:info@thomsonresources.com.au www.thomsonresources.com.au

Webbs and Conrad Silver Projects

In November 2020 the Company announced it had signed a binding terms sheet with Silver Mines Limited to acquire 100% interest in the Webbs Silver Project (“Webbs”) and Conrad Silver Project (“Conrad”), covering approximately 86km² of highly prospective land located in the New England Fold belt in NSW (see Figure 11)²⁸.

Due diligence was completed in January 2021 with Mr Steven Nano and the team from Global Ore Discovery (“Global Ore Discovery”) assisting with the technical due diligence program. Thomson, with the assistance of Global Ore Discovery, is now focused to developing an exploration strategy, including identifying potential extensions to the Silver resources at Conrad and Webbs, with aim of potentially growing the resource inventory. Definitive agreements have been executed and exchanged in January 2021 and the parties are now moving to complete the transaction.²⁹ Upon Completion, Thomson will hold a 100% interest in both the Webbs Silver Project and the Conrad Silver Project³⁰.



Figure 11 – Webbs and Conrad Silver Projects Locations

Webbs Silver Project

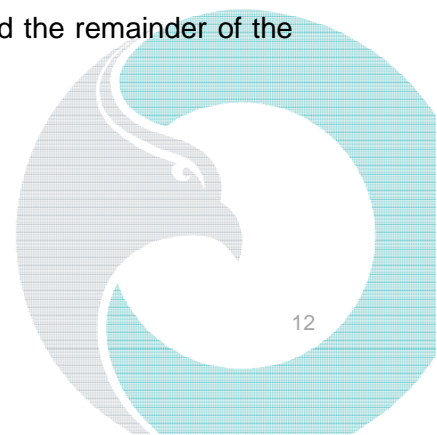
The Webbs Silver Project is a very high-grade silver bearing lode system located in northern New South Wales (see Figure 11).

There are several down-plunge extensions that require testing for drilling and the remainder of the tenement is largely underexplored.

²⁸ See ASX Release dated 12 November 2020 - Thomson to Acquire Two Transformational NSW Silver Deposits & Completion of \$6M Capital Raise

²⁹ See ASX release dated 27 January 2021 - XXX

³⁰ See ASX Releases dated 9 December 2020 – Webbs and Conrad Silver Project Due Diligence Well Advanced



The Webbs Deposit is located approximately 65 kilometres northeast of Inverell and 230 kilometres southwest of the Gold Coast in northern New South Wales, Australia. The area consists of moderate to steep wooded hills, open farm country and open country and is dissected by several seasonal streams.

EL5674 comprises 4 graticular units for Group One Minerals and is centered about 10km north of Emmaville, in northern New South Wales. The license is located within the New England Fold Belt (Figure 12) which comprises a Palaeozoic fore-arc and volcanic chain to the west, a fore-arc basin in the centre and a subduction complex to the east. The Palaeozoic units in the area are undifferentiated Early Permian meta-sediments including sediments, conglomerate and metabasalt, which have been metamorphosed to lower chlorite/green schist facies and is attributed to a regional granitic heat source.

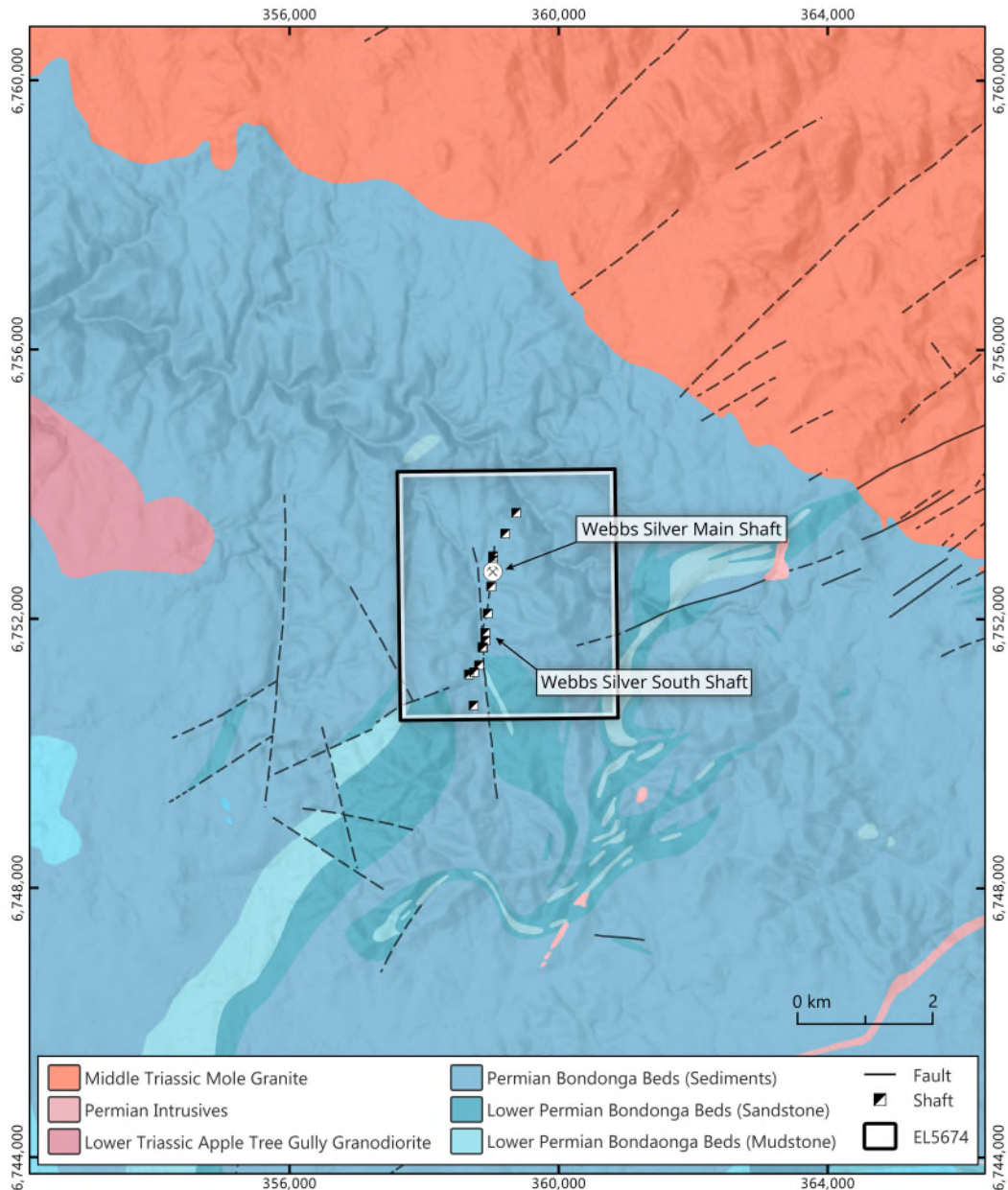


Figure 12 – Webbs silver project set against the underlying geology

The dominant feature in the area is the Upper Permian Mole Granite which is mapped as a granite/granodiorite (Geological Survey of NSW, Grafton 1:250 000 sheet, SH56-06). The Mole Granite is part of the large New England Batholith that extends over more than 400 km along the east coast of Australia. The batholith formed between 270 Ma and 225 Ma along an Andean-type active continental margin, and consists of a large number of individual plutons that intruded in several pulses

into a complex crustal association of the New England Fold Belt, now recognised as an orogenic wedge sequence.

Three lines of lode are identified in the vicinity of the main shaft, with historical production centered on the centre lode. Two lodes, identified as ‘Eastern’ and ‘Western’ lodes, form a left hand en-echelon arrangement and are potentially structurally repeated equivalents of the central lode.

Silver mineralisation at Webb’s was discovered in 1884. From 1884 to 1901 approximately 55,000t of ore was mined at an average grade of at least 23oz/t silver. At Webb’s Main, mining reached 210m below surface and extracted a high grade south plunging chute. Numerous shafts some up to 50m deep and smaller prospecting pits occur along the 2km long trend.

Silver Mines Limited acquired the project in 2006 and subsequently conducted aggressive drilling campaigns for a total of approximately 30,000m in 314 holes.

Conrad Silver Project

The Conrad Mine and deposit represents a polymetallic exploration and mining opportunity located in northern New South Wales (see Figure 11). There are existing resources of high grade silver, lead, zinc, copper, tin and indium.

The line of lode of the ore system extends south-eastwards for at least a further 2000 metres and there is considerable exploration potential throughout the granites.

The Conrad Deposit is located approximately 25 kilometres south of Inverell and 80 kilometres northwest of Armidale in northern New South Wales. The area consists of moderate to steep wooded hills and open country and is dissected by several seasonal streams.

The Project comprises 5 tenements as set out in Table 1 below.

Table 1: Schedule of Tenements for Conrad silver project

Tenement	Mineral	Area
EL 5977 (1992)	Group 1	16 Units
EPL 1050 (1973)	Group 1	4 Units
ML 5992 (1906)	Copper Lead Silver Tin Zinc	0.121406 km ² (12.1406 ha)
ML 6040 (1906)	Copper Lead Silver Tin Zinc	0.1563 km ² (15.63 ha)
ML 6041 (1906)	Copper Lead Silver Tin Zinc	0.1155 km ² (11.55 ha)

The Conrad deposit lies in the southern New England Fold Belt, and is hosted in batholiths belonging to the Permo-Triassic Moonbi Super-suite. The Tingha Adamellite and the Gilgai Granite, underlie the entire Conrad project area and host the Conrad Lode System. These rocks form a roughly circular, composite pluton of about 70km in diameter. The Gilgai Granite, which is interpreted to have intruded the Tingha Adamellite, (though it is possible that this intrusive relationship is the reverse) is the main unit of interest as it is a highly mineralised, fractionated I-type granitoid.

The Conrad deposit comprises the Conrad Lode, the King Conrad Lode and the Greisen Zone; text references to a Davis Lode relate to a SE extension of the Conrad Lode. The Conrad/King Conrad Lode has approximately 2.3km of strike length in a north-west direction. The lode occurs at the NW

end of a fault zone that has 7.5km of strike, and which transects the Tingha Adamellite and Gilgai Granite on the western side of the pluton. At the northwest end of the Conrad Lode is a zone of broad, more intense alteration known as the Greisen Zone, which locally outcrops.

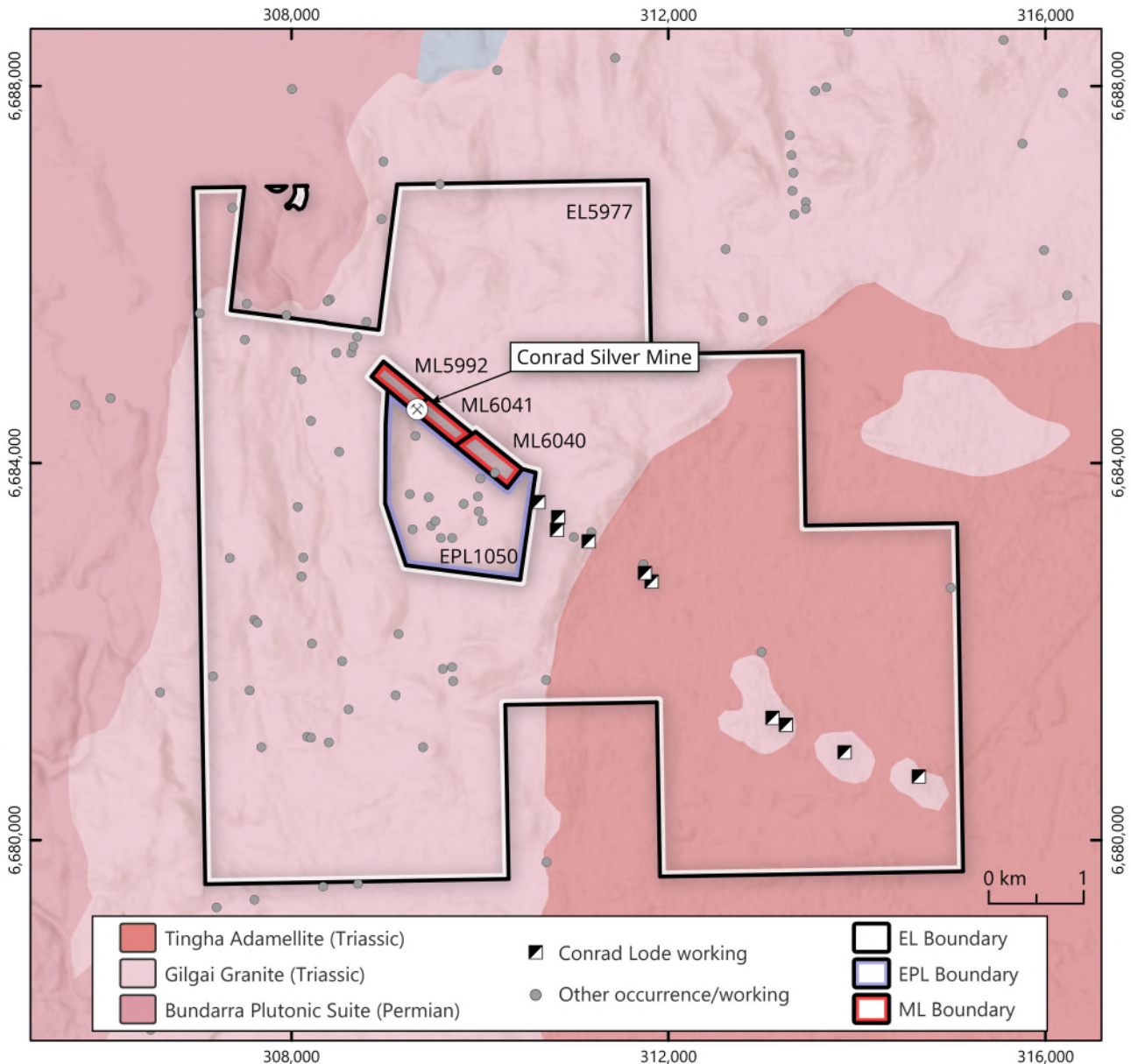


Figure 13 – Local geology map. Peach colour on right is the Tingha Adamellite, pale brown is the Gilgai Granite. Roads and tracks and lease boundaries also shown.

Historically, the Conrad mine was one of the largest silver producer in the New England region, with about 3.5 million ounces of silver production recorded from around 175,000 tonnes of ore, together with by-product lead, zinc, copper and tin. Recorded average grades were of the order of 600g/t Ag, 8% Pb, 4% Zn, 1.5% Cu and 1.5% Sn. The lodes were worked over a 1.4km strike length to a maximum depth of 267m. Production commenced in 1891 and continued until 1912, when production ceased, reportedly due to industrial relations problems. Mining-related activities re-commenced in 1947 when Broken Hill South acquired the property, and further production took place from 1955 to 1957.

Prior to being acquired by Silver Mines in 2015/16, the project was explored by Malachite Resources NL. Over 25,000 metres of predominantly diamond drilling has been completed in the modern era

exploration. Drilling has focused on the King Conrad, Conrad and Greisen Zones, with very little exploration drilling outside of the main line of lodes.

Mining has occurred at the Conrad deposit on two separate occasions previously. Initially commencing in 1891, production continued until industrial relations issues brought about the mines closure in 1912. The last phase of mining was conducted by Broken Hill South Ltd and ceased in 1957 as a result of declining lead prices with no mining occurring since that time.³¹

Historical mining targeted the Conrad lode over a strike length of 1.4km. Access was via the Conrad, Moore and Davis shafts, with the deepest development off the Conrad shaft at 267m below surface. The majority of the old workings are at a shallower depth than this.

The Conrad Mine was the largest silver producer in the New England region, producing approximately 3,500,000 ounces of silver, however, the Conrad lodes are truly polymetallic and have been worked for lead and tin bearing ores as well as silver. Recorded average grades for the historical production are 600g/t silver, 1.5% copper, 8% lead, 4% zinc and 1.5% tin, though there are minimal written records and mine plans for this period.³²

Pacific Nickel Mines Limited (PNM:ASX) (**Pacific Nickel**), previously Malachite Resources Limited (ASX: MAR), purchased the Conrad silver project in 2002 and undertook an extensive exploration program initially aiming to delineate resources within the Conrad lode, King Conrad lode and Greisen Zone that would justify the re-development of a mining and processing operation at Conrad.³³

Historic Mining & Malachite's Drilling

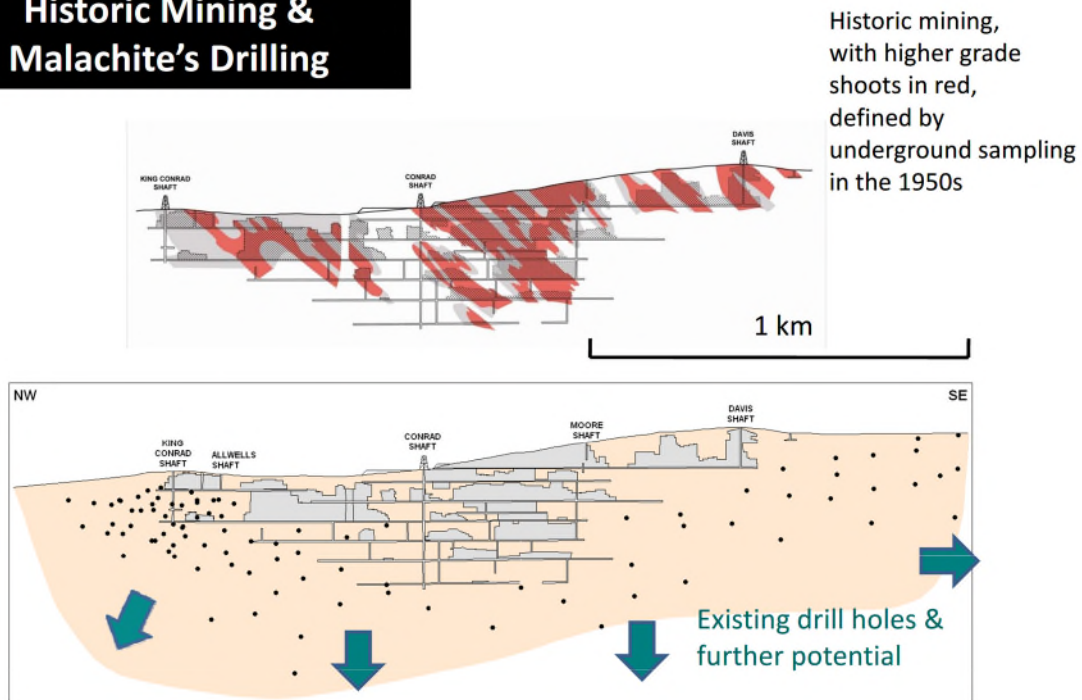


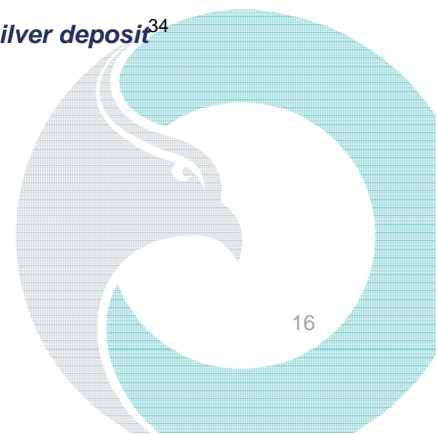
Figure 14 - Pacific Nickel interpretation of historic mining of the Conrad silver deposit³⁴

³¹ Source: M Donnelly, "Conrad Silver Project", New England Orogen 2010 Conference papers, pp. 136-141

³² Source: Brown, R.E., and Stroud, W.J., 1997. Inverell 1:250,000 Metallogenic Map: Metallogenic Study and Mineral Deposit Data Sheets. Geological Survey of New South Wales, Sydney

³³ Source: M Donnelly, "Conrad Silver Project", New England Orogen 2010 Conference papers, pp. 136-141

³⁴ Source: PNM/MAR ASX Release dated 18 May 2020



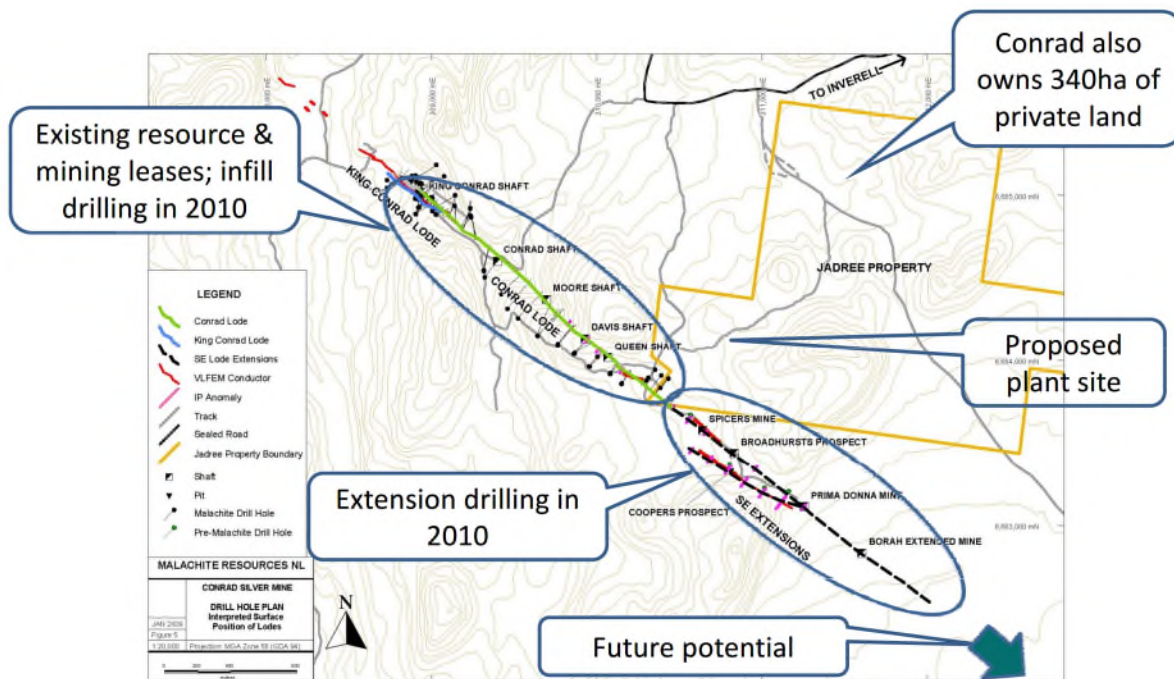


Figure 15 - Malachite Resources previous drilling of the Conrad Silver Deposit³⁵

A broad mineralogical zonation is apparent along strike with Ag-Pb-Zn rich mineralisation at the northwest end in the King Conrad and Conrad lodes and a Ag-Cu-Sn-Pb association towards the southeast in an area referred to as the Princess Shoot. Using drill intersections to illustrate (and from which core was used for metallurgical test work), drill hole CMRD63 intersected the Conrad Lode some 200m northwest of the Conrad Shaft and assayed 2.60m (0.7m true width) at 430g/t Ag, 0.20% Cu, 8.95% Pb, 4.35% Zn, 0.10% Sn and 31g/t In while CMRD93, located 500m southeast of Davis Shaft, assayed 1.02m (0.6m true width) of 382g/t Ag, 1.76% Cu, 2.01% Pb, 0.15% Zn, 1.36% Sn and 23g/t In. Lode mineralisation at Conrad can be seen from these intersections to contain anomalous levels of indium.³⁶

In 2010 Pacific Nickel stepped out from the main area of focus along the Conrad Lode to what was referred to as the Princess Shoot with a best intersection of 1.6m @ 819g/t Ag, 0.59% Cu, 0.71% Sn and 8.35% Pb in drill hole CMDD113.³⁷

Cautionary Statement

- The Exploration Results referred to in the above two paragraphs are not reported in accordance with the JORC Code 2012;
- A Competent Person has not done sufficient work to disclose the Exploration Results in accordance with the JORC Code 2012;
- It is possible that following further evaluation and/or exploration work that the confidence in the prior reported Exploration Results may be reduced when reported under the JORC Code 2012;

³⁵ Source: MAR ASX Release dated 18 May 2020

³⁶ Source: M Donnelly, "Conrad Silver Project", New England Orogen 2010 Conference papers, pp. 136-141 and see MAR ASX Releases dated 8 May 2008 and 20 August 2008. **Note:** This information was prepared and first disclosed under the JORC Code 2004. It has not been updated since to comply with the JORC Code 2012 on the basis that the information has not materially changed since it was last reported.

³⁷ See MAR ASX Release dated 21 September 2010

- Nothing has come to the attention of Thomson that causes it to question the accuracy or reliability of Pacific Nickel's Exploration Results; but
- Thomson has not independently validated Malachite's Exploration Results and therefore is not to be regarded as reporting, adopting or endorsing those results.

Pacific Nickel's work on assessing what was in the main part of the Conrad deposit produced an image of the lode resource (see Figure 16) which showed that it was open in a number of places at depth.

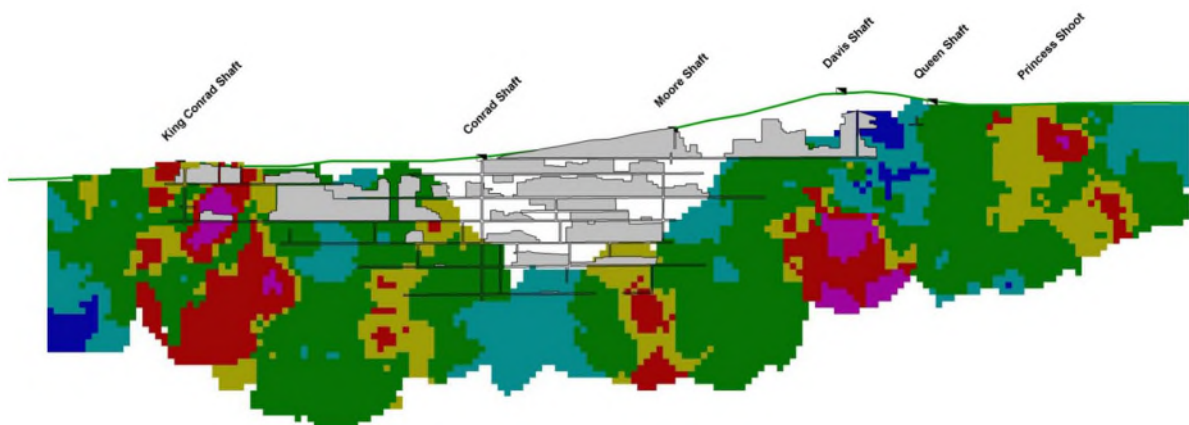


Figure 16 - Conrad Lode Resource Block Model as prepared by Malachite Resources Limited⁶⁸

The due diligence work undertaken on Conrad has not demonstrated that this is not the case. Thomson will release its findings on this in the next few weeks.

2020 DECEMBER QUARTER - ASX ANNOUNCEMENTS

This Quarterly Activities Report contains information extracted from ASX market announcements reported in accordance with the 2012 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" ("2012 JORC Code"). Further details (including 2012 JORC Code reporting tables where applicable) of exploration results referred to in this Quarterly Activities Report can be found in the following announcements lodged on the ASX:

24-Dec-20	Company Update
14-Dec-20	Investor Update Presentation
9-Dec-20	Webbs and Conrad Silver Projects Due Diligence Well Advanced
7-Dec-20	Completion of Cannington Silver Tenement Acquisition
3-Dec-20	Harry Smith High Grade Gold Hits Follow Up Drilling Commencing
19-Nov-20	Yalgogrin Gold Project Phase-2 Drill Program Commences
18-Nov-20	Visible Copper Oxide Azurite at surface at Chillagoe Auger Program
16-Nov-20	Thomson Portfolio Grows with Acquisition of Silver Permit Surrounding Cannington
12-Nov-20	Thomson to Acquire Two Transformational NSW Silver Deposits & Completion of \$6M Capital Raise
5-Nov-20	New Land Pegged 10km from Cannington Silver Mine

⁶⁸ Source: MAR 2011 AGM Presentation

2-Nov-20	Drilling Rig locked in for Harry Smith Gold Project Program
26-Oct-20	AGM - Results
26-Oct-20	Auger Program commenced at Chillagoe Gold Project
12-Oct-20	Follow up Drilling for Yalgogrin Gold Project
7-Oct-20	Auger Program for Chillagoe Gold Project
1-Oct-20	Thomson Moving Ahead with Hortons Gold Project

These announcements are available for viewing on the Company's website under the "News and Reports" tab. The Company confirms that it is not aware of any new information or data that materially affects the information included in any original ASX announcement.

This announcement was authorised for issue by the Board.

Thomson Resources Ltd

David Williams

Executive Chairman

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

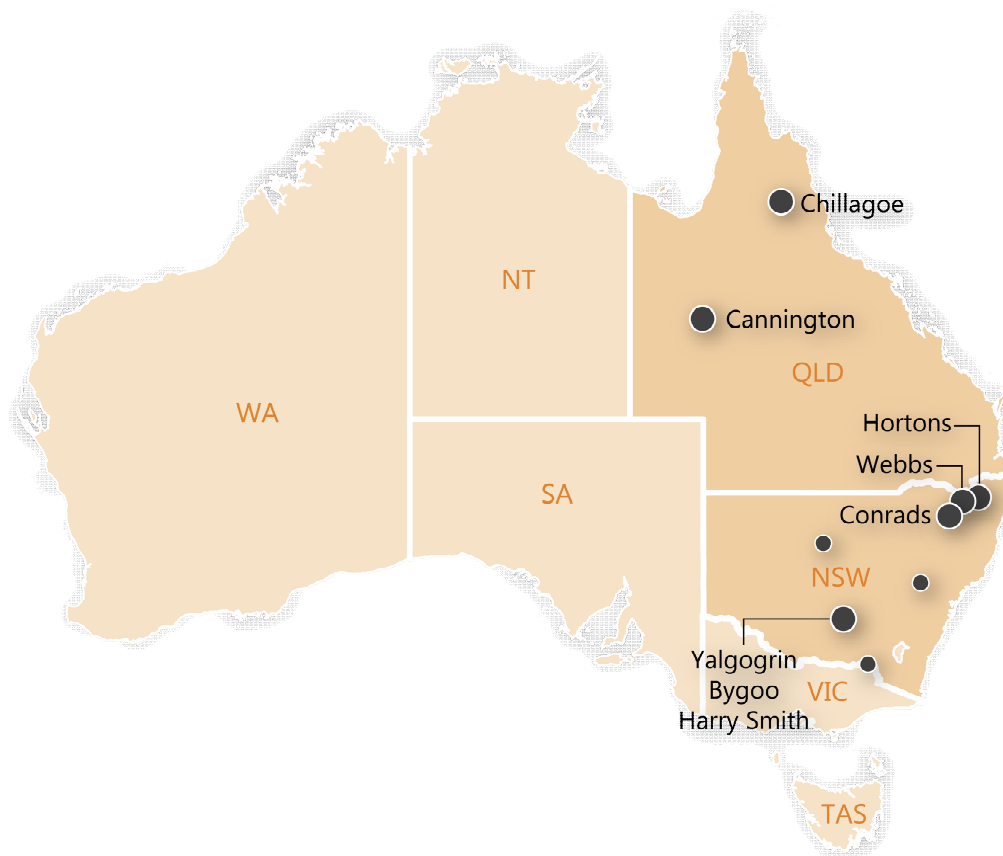


Figure A -Thomson Resources Project Areas

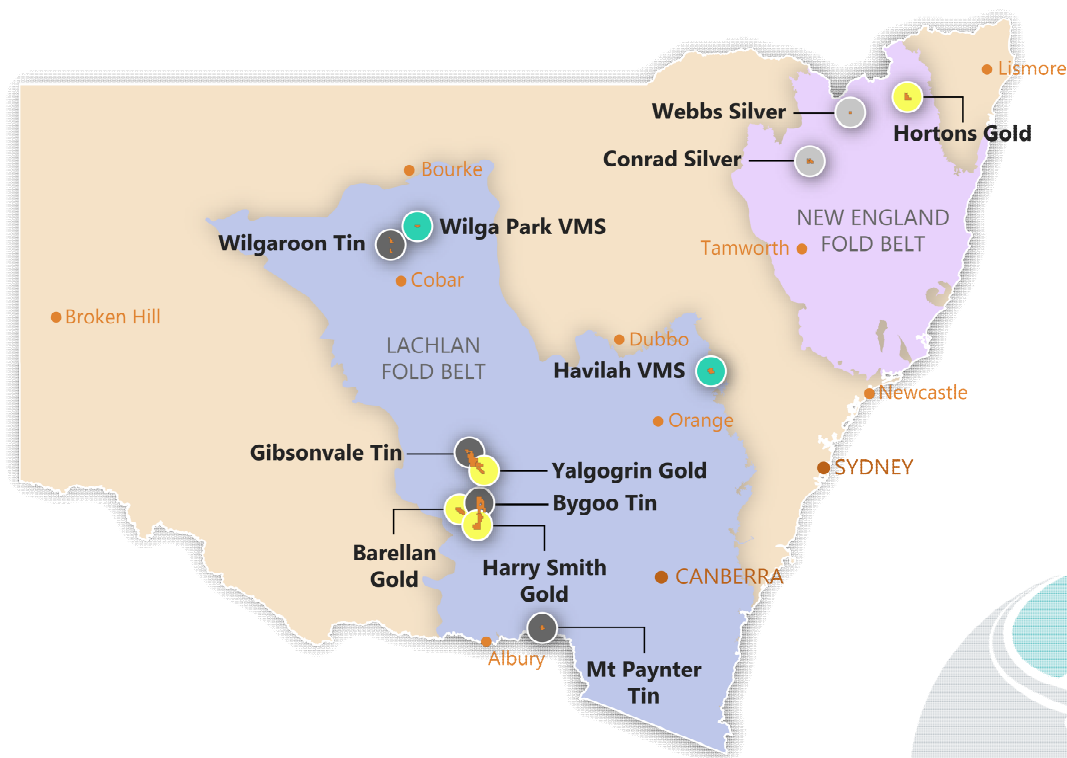


Figure B: Location of Thomson Resources Projects in NSW



Webbs and Conrad Silver Projects

Thomson has entered into a binding Terms Sheet with Silver Mines Limited (ASX: SVL) to acquire the Webbs and Conrad silver projects in the New England Fold Belt, NSW. Webbs silver project is the highest-grade undeveloped silver project in Australia. When Conrad silver mine operated in 1891 to 1912 it was one of the largest silver producers in the New England region. Collectively the projects have a combined JORC (2004) Resource of 34M ozs Ag Eq at a grade of 257g/t Ag Eq (Webbs has 16.5M ozs Ag Eq at 345g/t Ag Eq & Conrad 17.5M ozs Ag Eq at 206g/t Ag Eq)³⁹.

Cannington Silver Project

Thomson has submitted an EPM application, EPM27742, over an area 10km west of the Cannington silver mine. The EPM contains the Brumby prospect which is a discrete magnetic high. It is noted that the Cannington silver deposit was discovered through drill-testing of an isolated magnetic anomaly⁴⁰.

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**)⁴¹.

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 up⁴². 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 Shellys⁴³.

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 kilometres. 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 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**

³⁹ These resources were prepared and first disclosed under the JORC Code 2004 (Conrad: Malachite Resources – ASX:MAR – ASX release 16 December 2008, Webbs: Silver Mines Ltd – ASX:SVL – ASX release 27 February 2012). These resources have not been updated since to comply with the JORC Code 2012 on the basis that the information has not materially changed since it was last reported. All material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed

⁴⁰ Thomson Resources ASX Release dated 4 November 2020

⁴¹ Thomson Resources ASX Releases of 16 September 2016, 26 March 2018, 19 June 2018, 16 January 2019 and 29 January 2019

⁴² Thomson Resources ASX Releases 12 October 2020

⁴³ Thomson Resources ASX Release 18 September 2020

ASX ANNOUNCEMENT

29 January 2021

THOMSON

Resources Ltd

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 Bygoon 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 Bygoon 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 BHRC01⁴⁴.

⁴⁴ Thomson Resources ASX Releases of 21 November 2016, 28 June 2017, 16 October 2017, 5 April 2018, 5 July 2018 and 7 January 2019

