



2019 ANNUAL REPORT



Company Information

Registered Number
United Kingdom 05 276 414
Australia 121 117 673

Incorporation

Incorporated in England on 3 November 2004,
as Thor Mining Ltd, and reregistered as a public
company, Thor Mining Plc on 6 June 2005.

Directors

Michael Robert Billing	(Executive Chairman)
David Edward Thomas	(Non-Executive Director)
Alastair Middleton	(Non-Executive Director)
Mark Potter	(Non-Executive Director)
Richard Bradey	(Executive Director)

Joint Company Secretaries

Stephen Ronaldson	(United Kingdom)
Ray Ridge	(Australia)

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Email: corporate@thormining.com

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Nominated Adviser to the Company

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Fax: +44 (0) 20 7184 4308

Auditors and Reporting Accountants

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London SE1 1HH

Solicitors to the Company

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Hybridan LLP
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2019 ANNUAL REPORT

THOR MINING PLC – CHAIRMAN’S STATEMENT – 2019 ANNUAL REPORT

The year ended 30 June 2019 was one of significant progress in all core projects, with significant advances in each of our Molyhil and Pilot Mountain projects and significant progress with our copper investment. Unfortunately the rebound in tungsten pricing of 2017 and early 2018 was not sustained, although it has recently shown signs of recovery. Molybdenum and copper prices however remain robust. The view of the Board of Directors is that our strategy for commercialisation of our key assets is realistic.

Tungsten

In August 2018, we completed an upgraded Definitive Feasibility Study (DFS) for our **Molyhil** tungsten/molybdenum project in the Northern Territory of Australia, with very positive outcomes, following which we engaged a Corporate Advisory to assist with securing project finance. We also completed the acquisition of a 40% interest in the nearby **Bonya** deposits, which were subsequently drilled with successful outcomes.

Our objective to secure finance for Molyhil, remains core, and all activities with this project are central to that objective.

A Scoping Study for the **Pilot Mountain** tungsten project in Nevada in the United States was released in September 2018, indicating the potential for profitable operations for up to 12 years. This was followed by an incremental upgrade in the resource estimate for the project with an additional 6.5% tungsten metal, and the inclusion of zinc in the resource estimate. Later in the financial year we were able to announce successful outcomes from metallurgical testwork on ore from Pilot Mountain.

Copper

The Company holds a 25% equity interest in private Australian company EnviroCopper Limited, along with rights to increase that interest to 30%. EnviroCopper holds earn-in rights for up to 75% of each of the Kapunda and Moonta projects, focussing upon recovery of copper and gold from these deposits via Insitu Recovery (ISR) processes.

In July 2018, we announced that EnviroCopper subsidiary, Environmental Copper Recovery Pty Ltd, were successful in securing an Australian Government grant of A\$2.85 million towards the costs of demonstrating an ISR process at Kapunda. We expect this grant will cover the majority of feasibility study funding requirements for the Kapunda project.

During the year EnviroCopper Limited conducted successful recovery tests, extracting both copper and gold from Kapunda drill samples, and established proof of concept for the Insitu Recovery process at Kapunda. Subsequent to the end of the year, EnviroCopper Limited announced an initial resource estimate containing copper, at Moonta, adding to the existing resource estimate for Kapunda.

Other Commodities

In June 2017, the Company announced the acquisition of a 25% interest in US Lithium Pty Ltd (“USL”) which held lithium projects in Arizona and New Mexico, along with an option to acquire the remaining 75% interest. That option was not exercised, and USL was subsequently acquired by ASX listed Hawkstone Mining Limited (ASX: “HWK”), with Thor receiving consideration of 7,421,875 ordinary shares in Hawkstone. A further 7,812,500 ordinary shares are due to Thor provided, inter alia, that Hawkstone is able to publish an inferred resource estimate on the Arizona Big Sandy deposit of not less than 30 million tonnes at a grade greater than 2,000ppm Lithium (Li) (or equivalent, subject to a minimum average grade of 1,000ppm Li). In September 2019 Hawkstone announced an Indicated and Inferred Mineral Resource Estimate of 32.5 Million Tonnes grading 1,850 parts per million (ppm) Li, or 320,800 tonnes Lithium Carbonate Equivalent, reported above an 800ppm Li cut-off.

During the year also, the Company acquired 100% of the shares in two Australian private companies with tenement holdings prospective for gold and uranium.

Corporate Activities

During the year under review, Thor continued to raise funds successfully from a share placement to new and existing investors in the United Kingdom and through the exercise of warrants.

Personnel

The board structure was enhanced with the appointment of Mark Potter on 27 August 2019.

The Directors and I gratefully acknowledge the efforts of our very small team including contractors and consultants, who have assisted us during the past year, and continue to assist, as the Company adds value to our projects and moves towards the development of its maiden mining operations.

Outlook

The Directors look to the future with confidence, with the Company in a significantly enhanced position in all core assets, when compared with the same time a year ago.

While tungsten prices eased during the year, they have begun to recover and other relevant commodity prices remain firm. Our confidence that we can secure finance for the Molyhil tungsten project remains undiminished, while our other core investments, Pilot Mountain and EnviroCopper Limited, have advanced considerably.



Mick Billing

Chairman and Chief Executive Officer
30 September 2019

REVIEW OF OPERATIONS AND STRATEGIC REPORT

Molyhil Tungsten Project – Northern Territory

The 100% owned Molyhil tungsten project is located 220 kilometres north-east of Alice Springs (320km by road) within the prospective polymetallic province of the Proterozoic Eastern Arunta Block in the Northern Territory.

Thor Mining PLC acquired this project in 2004 as an advanced exploration opportunity. Since then the project has been taken to the level where it is substantially permitted for development and, by global standards, it is recognised as one of the higher grade open pit tungsten projects, with low capital and operating costs per unit of tungsten production. We have demonstrated the production of tungsten concentrates to a quality acceptable to the market, and hold a Memorandum of Understanding in respect of concentrate sales with a major international downstream processor.

Highlights 2018/19

- The publication of an upgraded DFS with significantly enhanced economic outcomes.
- Completion of the acquisition of a 40% interest in the nearby Bonya licence which hosts outcropping deposits of scheelite (tungsten trioxide) as well as a small high grade copper resource, and a series of vanadium deposits.
- Early drilling success at Bonya, in particular from the White Violet and Samarkand deposits.

Feasibility Highlights - 23 August 2018	
Net Present Value (at 5% discount rate)	A\$101m
Project Finance required	US\$43m
Operating Expense (after deduction of molybdenum by-product credits)	US\$90/mtu
Project Payback	18 months

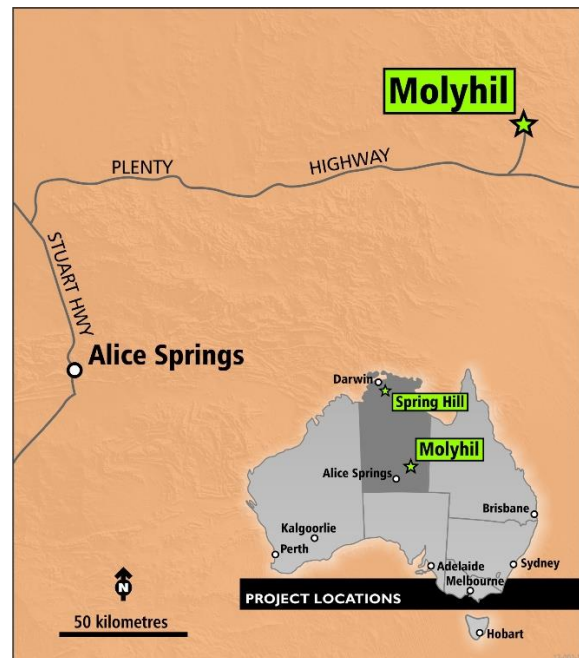


Figure 1: Molyhil Location Map

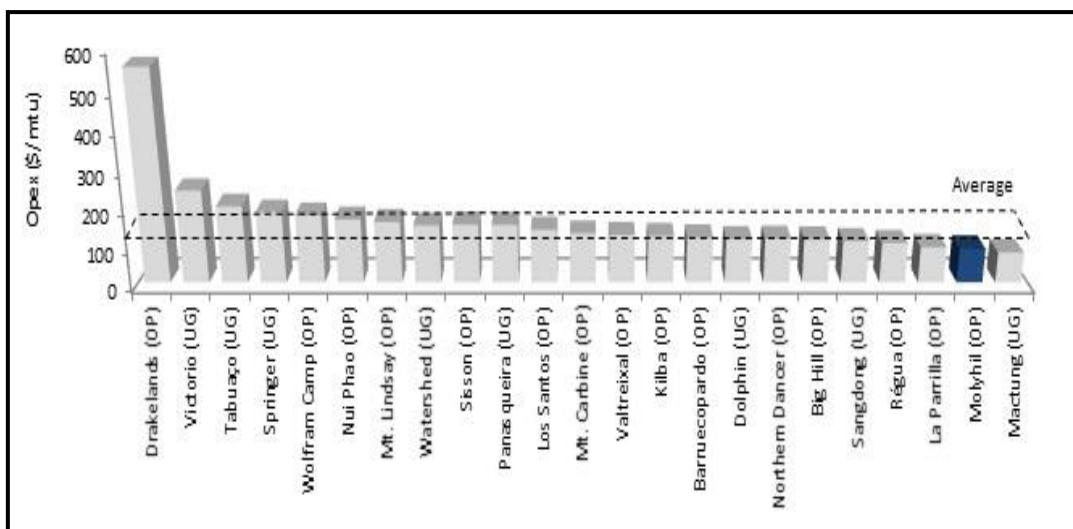


Figure 2: A comparison of unit operating costs for Molyhil with other proposed tungsten developments.
Source Northland Capital Partners, October 2018

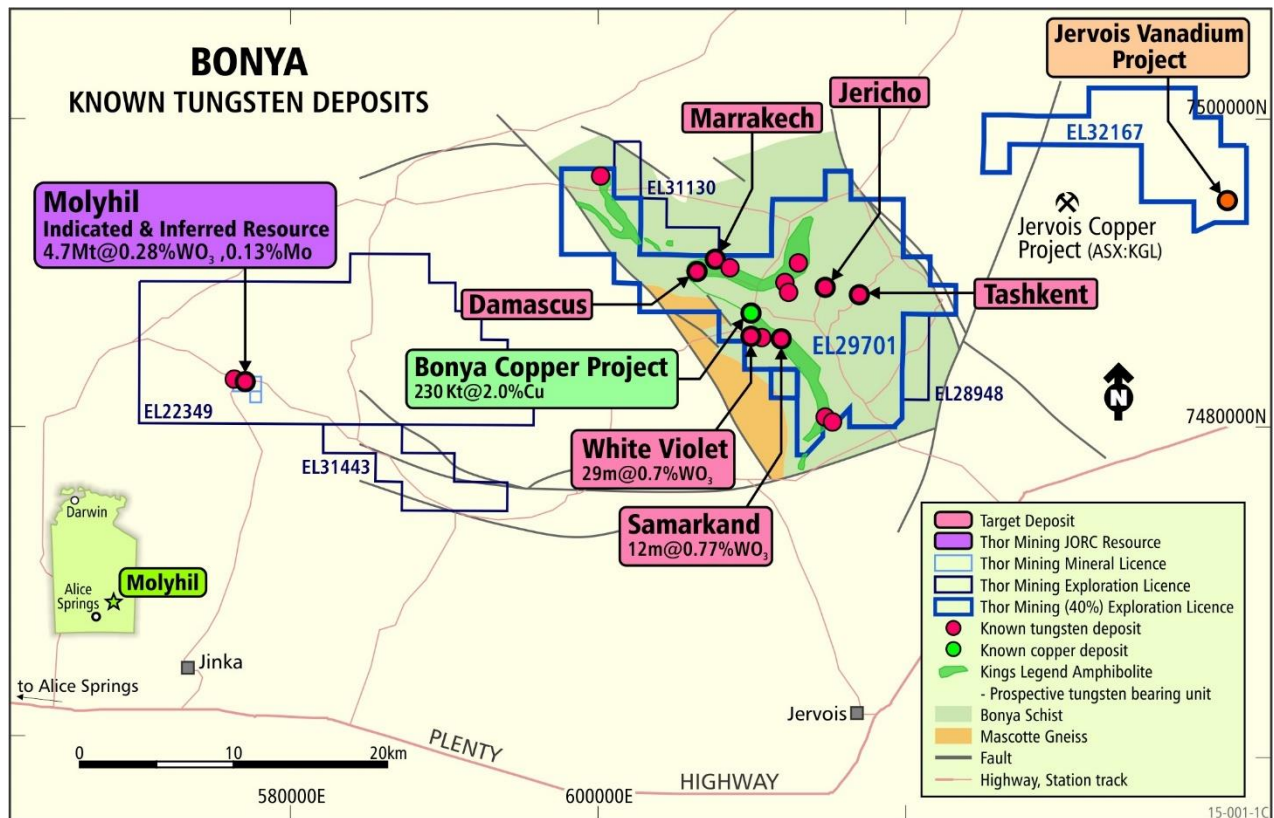


Figure 3: Map showing Bonya prospects in proximity to Molyhil

In April 2018, a drilling program was conducted by the joint venture parties at Bonya with best results, announced 24th June 2019, and 26th June 2019, shown below:

Tungsten highlights from White Violet include;

- 27m @ 0.29% WO₃ from 35m including 16m at 0.31% Cu from 43m and 7m @ 0.2% WO₃ from 67m; White Violet hole 19RC020
- 12m @ 0.67% WO₃ from 46m; 25m @ 0.39% WO₃ from 63m and; 5m @ 0.1%WO₃ from 96m; White Violet hole 19RC021
- 29m @ 0.70% WO₃ from 81m; including 13m at 1.13% WO₃ from 91m; White Violet hole 19RC022

Tungsten highlights from Samarkand include;

- 13m @ 0.48% WO₃ from 19m; Samarkand hole 19RC026
- 8m @ 0.45% WO₃ from 38m; Samarkand hole 19RC028
- 9m @ 0.74% WO₃ from 64 m including 2m @ 0.2% Cu from 69m; Samarkand hole 19RC030

Copper intersections from Samarkand include

- 5m @ 0.36% Cu from 9m including 2m @ 0.23% WO₃; Samarkand hole 19RC029
- 12m @ 0.77% Cu from 22m; Samarkand hole 19RC030
- 7m @ 1.23% Cu from 37m; Samarkand hole 19RC030

A follow-up drill program is scheduled to commence late September 2019, and it is hoped that the results will be sufficient to produce maiden resource estimates for both the White Violet and Samarkand deposits.

The construction period for the Molyhil development is estimated at 12 months from the time finance is secured, and discussions with various parties in order to secure finance for this purpose are proceeding.

Pilot Mountain Tungsten Project – Nevada, United States

The 100% owned Pilot Mountain Project, acquired late 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 are in close proximity (~3 kilometres) of each other and have been subjected to small-scale mining activities at various times during the 20th century.

Thor Mining PLC acquired this project as an advanced exploration opportunity. It has resource estimates for both Desert Scheelite and Garnet and significant mineralisation has been intersected, in 2017, at the Good Hope deposit. Sufficient metallurgical test work has been conducted to demonstrate that a saleable concentrate can be produced.

Highlights 2018/19

- In September 2018, the Company announced the results of a scoping study which strongly suggest the potential for a mining and processing operation at Pilot Mountain for a period of up to 12 years.
- During the year the Company released an update to the resource estimate for the Desert Scheelite deposit, containing a 6.5% increase of contained tungsten, along with, for the first time, attractive zinc grades.
- Follow-up metallurgical studies in the form of locked cycle testwork was successfully conducted during the year. This resulted in the production of a high grade scheelite concentrate grading over 68% WO₃, with recovery of 73.6%. Further work is in progress to improve this recovery



Figure 4: Pilot Mountain Location Map

Metal Prices

At 30 June 2019 the selling price in Europe of Tungsten APT was US\$245/mtu, while the price of Molybdenum Roasted Concentrates was US\$12.15/lb (Figure 5). Since then a seasonal slowdown in the northern hemisphere summer, along with uncertainty in respect of the fate of the stocks held in the failed Chinese FANYA exchange further impacted the tungsten price, however at the date of this report, the FANYA exchange stocks are reported to have been sold and some recovery has been shown. Industry forecasts suggests this recovery should be sustained. Molybdenum pricing has held firm at around US\$12/lb for the past year.

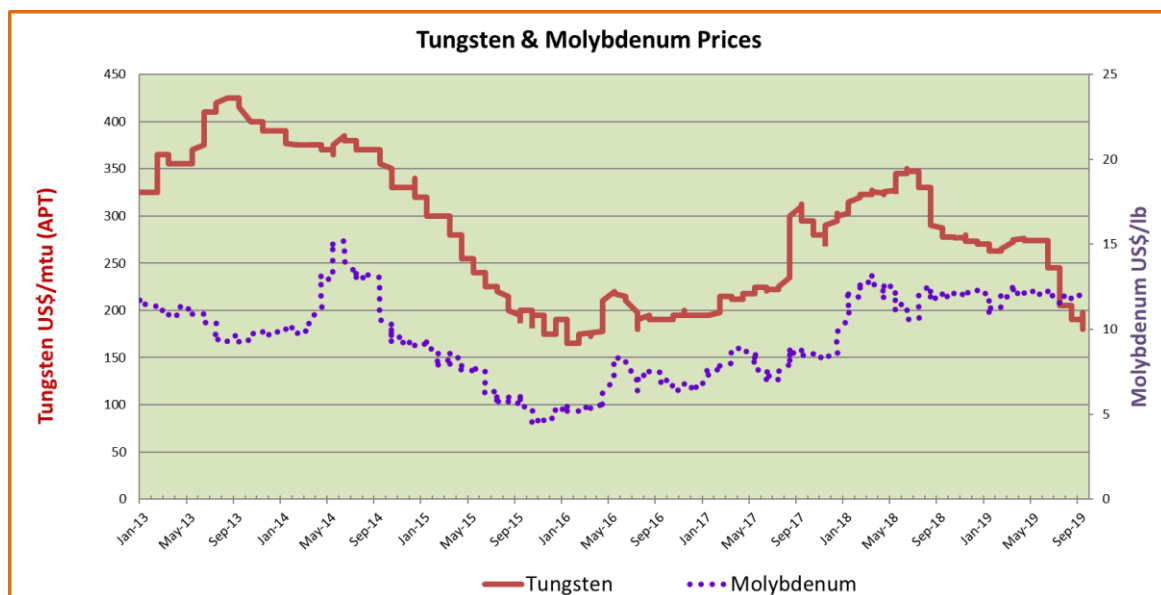


Figure 5: Tungsten & Molybdenum price movements (Argus Metals)

Copper Investment

In August 2017 Thor announced an investment in a newly incorporated private Australian company, Environmental Copper Recovery SA Pty Ltd. ("ECR"), initially via convertible loan notes of up to A\$1.8 million, to be used to fund field test work and feasibility activities at Kapunda over the subsequent three years. In turn ECR had entered into an agreement to earn, in two stages, up to 75% of the rights over metals which may be recovered via In-situ Recovery contained in the Kapunda deposit from Australian listed company, Terramin Australia Limited ("Terramin" ASX: "TZN").

Subsequently, a Memorandum of Understanding (MOU) announced 5 March 2019, was executed between Thor Mining, ECR, and Environmental Metals Recovery Pty Ltd (holding earning rights, subject to due diligence, to 75% of Moonta copper project comprising the northern portion of exploration licence EL5984 held by Andromeda Metals Limited (ASX:ADN), for the merging of the respective interests, and the formation of EnviroCopper Limited, to hold and advance those interests.

Under the MOU, Thor has relinquished its interest in ECR and acquired a 25% interest in EnviroCopper Limited for total funding of A\$0.6million (funds already provided). Further Thor will hold the right to acquire a further 5% seed capital interest in EnviroCopper Limited for consideration of an additional A\$0.4 million.

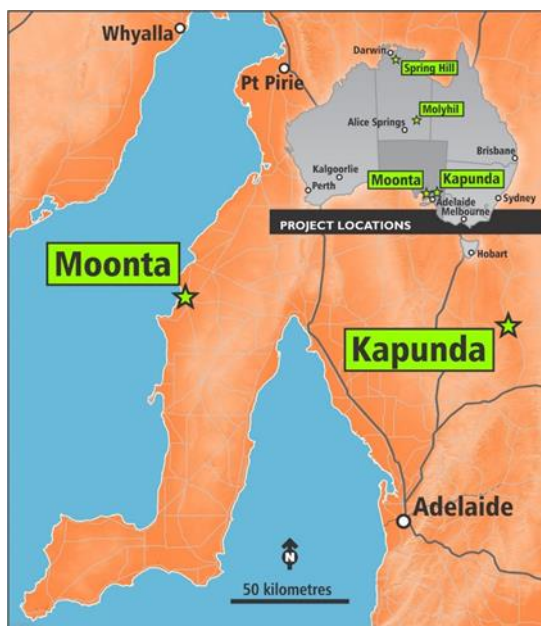


Figure 6. Kapunda Location Map

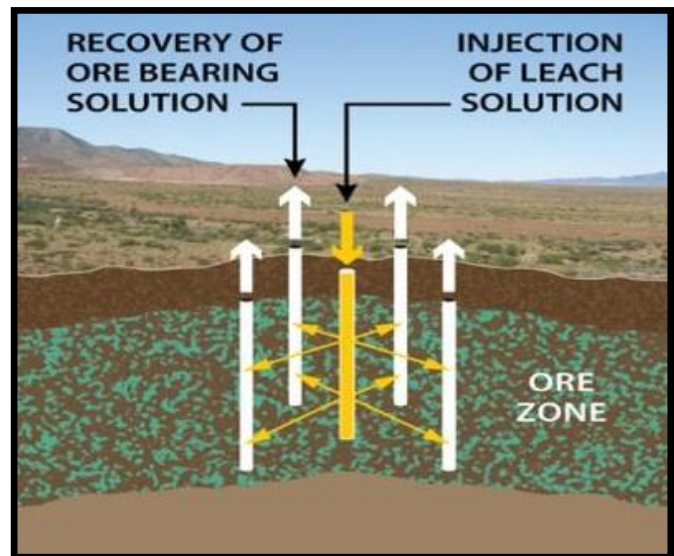


Figure 7. Schematic of Insitu Recovery process

Kapunda Copper

The copper mineralisation at Kapunda is well known, as is the presence of leached copper from the deposit into the mine groundwater, thus providing the opportunity to develop plans for a staged approach to assess the potential to produce copper commercially via In-situ Recovery technology.

During the year EnviroCopper Limited successfully demonstrated recovery of both copper and gold from historical drill samples from the Kapunda field. While gold does not feature in the mineral resource estimate for Kapunda, drill samples from a total of 14 of the historical drill holes have produced gold assays, with a better intersection of 95.1 metres @ 3.06g/t gold.

During the next stage of work on this project, EnviroCopper Limited will conduct field pump test work and commercial field recovery trials prior to DFS and regulatory approval activities.

This work has received a substantial boost following the grant by the Australian Government of A\$2.85million which is earmarked for costs in respect of demonstration of an Insitu Recovery (ISR) process at Kapunda. We expect this grant will cover a very substantial portion of feasibility study funding requirements for the project.

Moonta Copper

The Moonta project comprises steeply dipping zones of copper oxide mineralisation hosted within a deep weathering trough interpreted to extend over 11 kilometres strike length, and potentially beyond. The prospect is entirely under sedimentary cover with variable amounts of geological data from drilling in addition to data from geophysical surveys. Copper mineralisation within the trough is in the order of 50 to 75 metres width with drill intersections in excess of 350 metres deep. In areas where there is enough drill information, grades appear to be in the order of 0.18% – 0.23% copper.

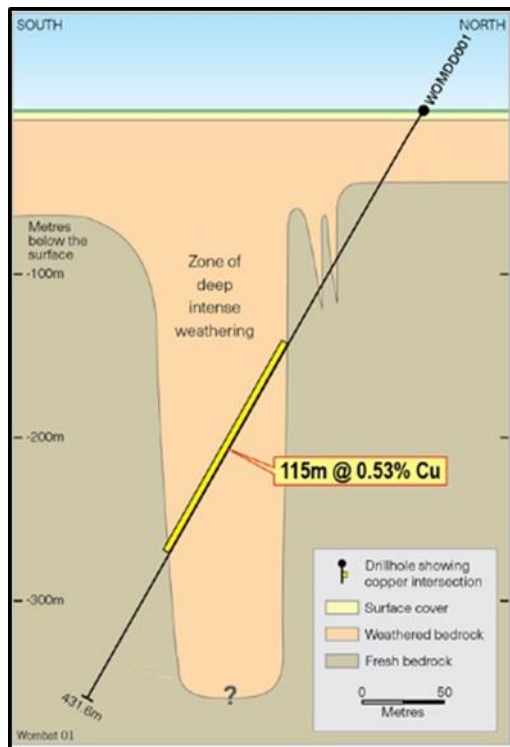


Figure 8: Wombat section showing weathering trough

Subsequent to the end of the year, on 15 August 2019, the Company advised that EnviroCopper Limited had announced an Inferred Resource estimate of 66.1 million tonnes (MT) grading 0.17% copper (Cu), containing 114,000 tonnes of contained copper, at a cutoff grade of 0.05%Cu from the Wombat Larwood and Bruce deposits.

At a higher cutoff grade of 0.1% Cu the resource stands at 35.4 MT grading 0.26% Cu, containing 93,000 tonnes of contained copper.

This extended the EnviroCopper Limited managed resource inventory to 233,000 tonnes of contained copper over the Kapunda and Moonta fields.

The Moonta resource estimate is considered preliminary with assays from an additional 308 holes from these three deposits to be included in the resource modelling once quality assurance process are complete. Further historical drill assays from several other deposits at Moonta show copper mineralisation but at insufficient drill density for mineral resource estimation.

Lithium Investment

Thor holds a minority interest of 7,421,875 ordinary shares in Hawkstone Mining Limited (ASX: "HWK"), which is exploring the Big Sandy lithium project in Arizona USA. A further 7,812,500 ordinary shares are due to Thor provided, *inter alia*, that Hawkstone is able to publish by September 2021 an inferred resource estimate on the Arizona Big Sandy deposit of not less than 30 million tonnes at a grade greater than 2,000ppm Lithium (Li) (or equivalent, subject to a minimum average grade of 1,000ppm Li).

In September 2019 Hawkstone announced an Indicated and Inferred Mineral Resource Estimate of 32.5 Million Tonnes grading 1,850 parts per million (ppm) Li, or 320,800 tonnes Lithium Carbonate Equivalent, reported above an 800ppm Li cut-off.

Gold and other commodities

Spring Hill Gold Project – Northern Territory

In February 2017, Thor completed the sale of the Spring Hill gold project. A royalty agreement is in place for all future gold production from this project.

The Thor royalty entitlement at Spring Hill comprises:

- A\$6.00 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.

The owners of the Spring Hill project have advised that they are progressing mine permitting, and also that the treatment plant for toll processing the ore has been refurbished. They are hopeful of commencement of operations during the upcoming dry season.

Other projects

In March 2019 the Company advised of an agreement to acquire two private Australian companies (Hamersley Metals Pty Ltd, and Pilbara Gold Pty Ltd) with licences and applications in areas prospective for gold and uranium in Western Australia and the Northern Territory. Two of these tenements, including the NT March Fly uranium project have been granted. The Company has withdrawn applications for two others following advice of significant opposition from traditional owner groups. Documentation of draft agreements with traditional owners for site access to allow activities classed as ground disturbing are in progress for other tenement applications.

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.

JORC (2012) Compliant Mineral Resources and Reserves

Table A: Molyhil Mineral Summary Resource Estimate (Reported 30 January 2014)

Classification	Resource	WO ₃		Mo		Fe
	'000 Tonnes	Grade %	Tonnes	Grade %	Tonnes	Grade %
Indicated	3,820	0.29	10,900	0.13	4,970	18.8
Inferred	890	0.25	2,200	0.14	1,250	15.2
Total	4,710	0.28	13,100	0.13	6,220	18.1

Notes:

- Thor Mining PLC holds 100% equity interest in this resource.
- Mineral Resource reported at 0.1% combined Mo + WO₃ Cut-off and above 200mRL only.
- Minor rounding errors may occur in compiled totals.
- The Company is not aware of any information or data which would materially affect this previously announced resource estimate, and all assumptions and technical parameters relevant to the estimate remain unchanged.

Table B: Pilot Mountain Resource Summary 2018 (Reported 13 December 2018)

Resource			WO ₃		Ag		Cu		Zn	
MT			Grade %	Contained metal (t)	Grade g/t	Contained metal (t)	Grade %	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	9.01	0.26	23,400	20.73	187	0.15	13,200	0.41	37,100
	Inferred	1.69	0.25	4,300	12.24	21	0.16	2,800	0.19	3,200
	Sub Total	10.70	0.26	27,700	19.38	207	0.15	16,000	0.38	40,300
Summary	Indicated	9.01	0.26	23,400						
	Inferred	3.53	0.31	10,890						
Pilot Mountain Total			12.53	34,290						

Notes:

- Thor Mining PLC holds 100% equity interest in this resource.
- All figures are rounded to reflect appropriate levels of confidence. Apparent differences may occur due to rounding.
- Cut-off grade 1,500ppm WO₃.
- Garnet deposit resource reported 22 May 2017. The Company is not aware of any information or data which would materially affect this previously announced resource estimate, and all assumptions and technical parameters relevant to the estimate remain unchanged.

Table C: Kapunda Resource Summary 2018 (Reported 12 February 2018)

Resource			Copper	
Mineralisation	Classification	MT	Grade %	Contained copper (t)
Copper Oxide	Inferred	30.3	0.24	73,000
Secondary copper sulphide	Inferred	17.1	0.27	46,000
Total		47.4	0.25	119,000

Notes:

- EnviroCopper are earning a 75% interest in this resource, and Thor have investment rights for up to 30% of EnviroCopper.
- All figures are rounded to reflect appropriate levels of confidence. Apparent differences may occur due to rounding.
- The Company is not aware of any information or data which would materially affect this previously announced resource estimate, and all assumptions and technical parameters relevant to the estimate remain unchanged.

Table D: Moonta Copper Mineral Resource Estimate (Reported 15 August 2019)

Resource Classification	COG (Cu %)	Deposit	Volume (Mm3)	Tonnes (Mt)	Cu (%)	Cu (metal Kt)	Au (g/t)	Au (kOz)
INFERRED	0.05	Wombat	20.91	46.5	0.17	80		
		Bruce	5.51	11.8	0.19	22		
		Larwood	3.48	7.8	0.15	12	0.04	10
Total			29.9	66.1	0.17	114		

Notes:

- EnviroCopper are earning a 75% interest in this resource, and Thor have investment rights for up to 30% of EnviroCopper.
- Figures are rounded to reflect appropriate levels of confidence. Apparent differences may occur due to rounding.
- Cut-off grade used of 0.05% Cu.
- The Company is not aware of any information or data which would materially affect this previously announced resource estimate, and all assumptions and technical parameters relevant to the estimate remain unchanged.

Table E: Molyhil Open Cut Ore Reserve Statement (Reported 15 January 2018)

Classification	Reserve '000 Tonnes	WO ₃		Mo	
		Grade %	Tonnes	Grade %	Tonnes
Probable	3,500	0.29	10,200	0.12	4,300
Total	3,500	0.29	10,200	0.12	4,300

Notes:

- Thor Mining PLC holds 100% equity interest in this reserve.
- Estimate has been rounded to reflect accuracy.
- All estimates are on a dry tonne basis.
- The reserve is based upon the Resource Estimate reported on 30 January 2014. The Company is not aware of any changes which could affect this resource estimate.
- The statement is derived from the Indicated portion of the resource estimate only, and the Inferred portion is excluded from the calculations.

Directors' Report

The Directors are pleased to present this year's annual report together with the consolidated financial statements for the year ended 30 June 2019.

Review of Operations

The net result of operations for the year was a loss of £735,000 (2018 loss: £1,249,000). A detailed review of the Group's activities is set out in the Review of Operations & Strategic Report.

Directors and Officers

The names and details of the Directors and officers of the company during or since the end of the financial year are:

Michael Robert Billing – CPA – B Bus MAICD - Executive Chairman and CEO

Mr Billing has over 40 years of mining and agri-business experience and a background in finance, specialising in recent years in assisting in the establishment and management of junior companies. His career includes experience in company secretarial, senior commercial, and CFO roles including lengthy periods with Bougainville Copper Ltd and WMC Resources Ltd. He has worked extensively with junior resource companies over the past 20 years. He was appointed to the Board in April 2008.

He is also a director of ASX listed company Southern Gold Limited.

Alastair Middleton – BSc Geol, MSc (MinEx) - Non-Executive Director

Mr Middleton is a mining industry executive with more than 27 years of international experience, in both underground and open pit operations. He is a qualified geologist and has a Master of Science Degree in Mineral Exploration from the Royal School of Mines, Imperial College. Alastair worked for four years as a Mining Geologist with Goldfields of South Africa in the early 1990s before joining Datamine International (UK) where he worked for 14 years as Mining Consultant. In 2008 he joined Standard Bank as a Technical Advisor where he had overall responsibility of technical approvals and "signing off" mining finance deals. Alastair worked on number of deal transactions involving debt finance, corporate finance, off-takes, equipment finance, M&A, advisory and business recoveries. Alastair was a Director of Metal Tiger Plc, a company quoted on the AIM market. He resigned from that role on 27 June 2018.

David Edward Thomas – BSc(Eng), ARSM, FIMM, FAusIMM (CPMin) - Non-Executive Director

Mr Thomas is a Mining Engineer from Royal School of Mines, Imperial College, with experience in all facets of the mining industry.

He has worked for Anglo American in Zambia, Selection Trust in London, BP Minerals, WMC and BHP Billiton in Australia in senior positions in mine and plant operational management, and is experienced in project management and completion of feasibility studies. He has also worked as a consultant in various parts of the world in the field of mine planning, process plant optimisation, business improvement and completion of studies.

His most recent role was as Deputy Project Director for BHP Billiton's proposed expansion at Olympic Dam, South Australia. David was appointed to the Board 11 April 2012.

Mark Potter – Non-Executive Director (appointed 27 August 2019)

Mark is currently a Director and Chief Investment Officer of Metal Tiger Plc, a London Stock Exchange AIM-quoted investing company primarily focused on undervalued natural resource opportunities. Mark is also the founder and a partner of Sita Capital Partners LLP, an investment management and advisory firm specialising in investments in the mining industry.

Mark was formerly a Director and Chief Investment Officer of Anglo Pacific Group, a London listed natural resources royalty company, where he successfully led a turnaround of the business through acquisitions, disposals of non-core assets, and successful equity and debt fundraisings.

Prior to Anglo Pacific, Mark was a founding member and Investment Principal for Audley Capital Advisors LLP, a London based activist hedge fund, where he was responsible for managing all natural resources investments. Mark worked on several landmark deals in the mining sector including the successful distressed investment and turnaround of Western Coal Corp and its Can\$3.3bn sale to Walter Energy Inc. And prior to Audley Capital, Mark worked in corporate finance for Salomon Smith

Barney (Citigroup) and Dawnay, Day, a private equity and corporate finance advisory firm. Mark graduated with an MA degree from Trinity College, University of Cambridge.

Richard Bradey – BSc (App Geol), MSc (Nat Res Man), MAusIMM – Executive Director (appointed 29 December 2017)

Mr Bradey is a Geologist with over 25 years exploration and development experience. He holds a Bachelor of Science in Applied Geology and a Masters Degree in Natural Resources. His career includes exploration, resources development and mine geology experience with a number of Australian based mining companies. Mr Bradey is the Company's Exploration Manager.

Paul Johnson – Non-Executive Director (resigned 13 July 2018)

Paul Johnson is the former Chief Executive Officer of Metal Tiger Plc, a company quoted on the AIM market of the London Stock Exchange and Non-executive Director of Metal NRG Plc, a company quoted on the ISDX Growth Market. Mr Johnson is a Chartered Accountant, and an Associate of the Chartered Institute of Loss Adjusters and of the Chartered Insurance Institute. He holds a BSc (Hons) in Management Science from UMIST School of Management in Manchester.

Ray Ridge – BA(Acc), CA, GIA(cert) – Chief Financial Officer/Company Secretary

Mr Ridge is a chartered accountant with over 25 years accounting and commercial management experience. Previous roles include Senior Audit Manager with Arthur Andersen, Financial Controller and then Divisional CFO with Elders Ltd, and more recently, General Manager Commercial & Operations at engineering and construction company Parsons Brinckerhoff. Mr Ridge was appointed 7th April 2014.

Stephen F Ronaldson – Joint Company Secretary (UK)

Mr Stephen Ronaldson is the joint company secretary as well as a partner of the Company's UK solicitors, Druces LLP.

Mr Ronaldson has an MA from Oriel College, Oxford and qualified as a Solicitor in 1981. During his career Mr Ronaldson has concentrated on company and commercial fields of practice undertaking all issues relevant to those types of businesses including capital raisings, financial services and Market Act work, placings and admissions to AIM and NEX. Mr Ronaldson is currently company secretary for a number of companies including eight AIM listed companies.

Executive Director Service contracts

All Directors are appointed under the terms of a Directors letter of appointment. Each appointment provides for annual fees of Australian dollars \$40,000 for services as Directors inclusive of the 9.50% as a company contribution to Australian statutory superannuation scheme. The agreement allows that any services supplied by the Directors to the Company and any of its subsidiaries in excess of 2 days in any calendar month, may be invoiced to the Company at market rate, currently at A\$1,000 per day for each Director other than Mr Michael Billing who is paid A\$1,200 per day and Mr David Thomas who is paid A\$1,500 per day.

Principal activities and review of the business

The principal activities of the Group are the exploration for and potential development of tungsten and other mineral deposits.

Thor holds 100% of the advanced Molyhil tungsten project in the Northern Territory of Australia, together with a 40% interest in deposits of tungsten, copper, and vanadium, in two tenements adjacent to Molyhil.

Thor also holds 100% of the Pilot Mountain tungsten project in Nevada USA which has a JORC 2012 Indicated and Inferred Resources Estimate on two of the four known deposits.

Thor is acquiring up to a 30% interest Australian copper development company EnviroCopper Limited, which in turn holds rights to earn up to a 75% interest in the mineral rights and claims over the resource on the portion of the historic Kapunda copper mine in South Australia, recoverable by way of in situ recovery, and also holds rights to earn a 75% interest in the portion of the Moonta Copper project in South Australia, considered amenable to recovery by way of in situ recovery.

Thor has an interest in Hawkstone Mining Limited, an Australian ASX listed company with a 100% interest in a Lithium project in Arizona, USA.

Finally, Thor also holds a production royalty entitlement from the Spring Hill Gold project in the Northern Territory of Australia.

A detailed review of the Group's activities is set out in the Review of Operations & Strategic Report.

Business Review and future developments

A review of the current and future development of the Group's business is given in the Chairman's Statement and the Chief Executive Officer's Review of Operations & Strategic Report.

Results and dividends

The Group incurred a loss after taxation of £735,000 (2018 loss: £1,249,000). No dividends have been paid or are proposed.

Key Performance Indicators

Given the nature of the business and that the Group is on an exploration and development phase of operations, the Directors are of the opinion that analysis using KPIs is not appropriate for an understanding of the development, performance or position of our businesses at this time.

Post Balance Sheet events

At the date these financial statements were approved, the Directors were not aware of any other significant post balance sheet events other than those set out in note 21 to the financial statements.

Substantial Shareholdings

At 13 September 2019, the following had notified the Company of disclosable interests in 3% or more of the nominal value of the Company's shares:

	Date notified	Ordinary shares	%
Metal Tiger Plc	27/08/2019	74,050,000	9.0
Mr Paul Johnson	17/07/2018	33,250,000	5.1
Mr Michael Billing	7/11/2018	35,407,423	4.3

For the above table, the number of shares held and the percentage of total issued capital (and voting rights) are as at the date of the last notification received by the Company. Substantial shareholders are required to notify the Company based on the percentage of voting rights held, where there is a movement through a 1% band. Therefore, the number of shares last notified may have changed from that shown above, without the need for a substantial shareholder to notify the Company, where their percentage of voting rights remains within the 1% band last notified. However, as a Director, Mr Billing's number of shares held is maintained up to date for any change, and therefore the number of shares held and the corresponding percentage of issued capital and voting rights, is accurate for Mr Billing as at the date of this report.

Directors & Officers Shareholdings

The Directors and Officers who served during the period and their interests in the share capital of the Company at 30 June 2019 or their date of resignation if prior to 30 June 2019, were follows:

	Ordinary Shares/CDIs		Unlisted Options	
	30 June 2019	30 June 2018	30 June 2019	30 June 2018
Michael Billing	35,407,423	32,407,423	14,500,000	26,265,040
David Thomas	9,410,970	9,410,970	9,500,000	11,806,800
Alastair Middleton	250,000	250,000	5,500,000	5,500,000
Richard Bradey	31,792	31,792	9,500,000	9,500,000
Paul Johnson (resigned 13/7/18)	33,250,000	33,250,000	26,825,000	26,825,000

Directors' Remuneration

The remuneration arrangements in place for directors and other key management personnel of Thor Mining PLC, are outlined below.

The Company remunerates the Directors at a level commensurate with the size of the Company and the experience of its Directors. The Board has reviewed the Directors' remuneration and believes it upholds the objectives of the Company with regard to this issue. Details of the Director emoluments and payments made for professional services rendered are set out in Note 4 to the financial statements.

The Australian based directors are paid on a nominal fee basis of A\$40,000 per annum, and UK based directors £24,000, with the exception of Mr Bradey. Mr Bradey receives a salary as Exploration Manager, no further fees are payable to Mr Bradey as an Executive Director.

Directors and Officers

Summary of amounts paid to Key Management Personnel

The following table discloses the compensation of the Directors and the key management personnel of the Group during the year.

2019	Salary and Fees £'000	Post Employment Superannuation £'000	Total Fees for Services rendered £'000	Short-term employee benefits Salary & Fees £'000	Options Granted during the year No. millions	Options (based upon Black-Scholes formula) £'000	Total Benefit £'000
Directors ¹							
Michael Billing ²	146	2	148	148	-	-	148
David Thomas	43	2	45	45	-	-	45
Alastair Middleton	45	-	45	45	-	-	45
Richard Bradey ³	120	11	131	131	-	-	131
Paul Johnson ⁴	-	-	-	-	-	-	-
Key Personnel:							
Ray Ridge ¹	46	-	46	46	-	-	46
2019 Total	400	15	415	415	-	-	415

¹ As at 30 June 2019 amounts of £73,365, £8,502, £9,372, and £4,211, remained unpaid to Messrs Billing, Thomas, Middleton and Ridge respectively.

² In lieu of a cash payment for consulting fees, Mr Billing elected to utilise £36,000 owing for consulting fees as payment for the exercise of 3,000,000 options at an exercise price of £0.012 on 2 November 2018.

³ Mr Bradey receives a salary as an executive of the Company, and does not receive any additional fees as a Director.

⁴ Resigned 13 July 2018.

2018	Salary and Fees £'000	Post Employment Superannuation £'000	Total Fees for Services rendered £'000	Short-term employee benefits Salary & Fees £'000	Options Granted during the year No. millions	Options (based upon Black-Scholes formula) £'000	Total Benefit £'000
Directors ^{1,3}							
Michael Billing ²	139	2	141	141	4.5	24	165
David Thomas	53	2	55	55	2.5	13	68
Alastair Middleton	24	-	24	24	2.5	13	37
Richard Bradey ⁴	125	12	137	137	8.0	33	170
Paul Johnson ⁵	20	-	20	20	12.5	111	131
Gervaise Heddle ⁶	11	-	11	11	-	-	11
Key Personnel:							
Ray Ridge ¹	52	-	52	52	-	-	52
2018 Total	424	16	440	440	30.0	194	634

¹ As at 30 June 2018 amounts of £71,621, £23,761, £6,000, and £6,793, remained unpaid to Messrs Billing, Thomas, Johnson and Ridge respectively.

² M Billing elected to receive £51,000 as shares, through participation in two placements (28 July 2017 and 1 December 2017) on the same terms as other placees, in lieu of cash payments outstanding for consulting fees as Executive Chairman from prior years.

³ Messrs Billing, Thomas and Middleton acquired a portion of the shares available for sale from the unmarketable parcel process in lieu of amounts owing for Directors fees and/or Consulting fees (refer ASX announcement 8 June 2018) in the amounts of £26,325, £6,000, and £6,000.

⁴ Appointed 29 December 2017. The above remuneration for R Bradey covers payments for the full year, being payments through to 28 December 2017 as 'Key Personnel' and payments post 29 December 2017 whilst also Director.

⁵ Resigned 13 July 2018.

⁶ Resigned 14 December 2017.

Directors Meetings

The Directors hold meetings on a regular basis and on an as required basis to deal with items of business from time to time. Meetings held and attended by each Director during the year of review were:

2019	Meetings held whilst in Office	Meetings attended
Michael Billing	12	12
David Thomas	12	11
Alastair Middleton	12	12
Richard Bradey	12	12
Paul Johnson (resigned 13/7/18)	-	-

Corporate Governance

The Board have chosen to apply the ASX Corporate Governance Principles and Recommendations (ASX Corporate Governance Council, 3rd Edition) as the Company's chosen corporate governance code for the purposes of AIM Rule 26. Consistent with ASX listing rule 4.10.3 and AIM rule 26, this document details the extent to which the Company has followed the recommendations set by the ASX Corporate Governance Council during the reporting period. A separate disclosure is made where the Company has not followed a specific recommendation, together with the reasons and any alternative governance practice, as applicable. This information is reviewed annually.

The Company does not have a formal nomination committee, however it does formally consider board succession issues and whether the board has the appropriate balance of skills, knowledge, experience, and diversity. This evaluation is undertaken collectively by the Board, as part of the annual review of its own performance.

Whilst a separate Remuneration Committee has not been formed, the Company undertakes alternative procedures to ensure a transparent process for setting remuneration for Directors and Senior staff, that is appropriate in the context of the current size and nature of the Company's operations. The full Board fulfils the functions of a Remuneration Committee, and considers and agrees remuneration and conditions as follows:

- All Director Remuneration is set against the market rate for Independent Directors for ASX listed companies of a similar size and nature.
- The financial package for the Executive Chairman and other Executive Directors is established by reference to packages prevailing in the employment market for executives of equivalent status both in terms of level of responsibility of the position and their achievement of recognised job qualifications and skills.

The Company does not have a separate Audit Committee, however the Company undertakes alternative procedures to verify and safeguard the integrity of the Company's corporate reporting, that are appropriate in the context of the current size and nature of the Company's operations, including:

- the full Board, in conjunction with the joint company secretaries, fulfils the functions of an Audit Committee and is responsible for ensuring that the financial performance of the Group is properly monitored and reported.
- in this regard, the Board is guided by a formal Audit Committee Charter which is available on the Company's website at <http://www.thormining.com/aboutus#governance>. The Charter includes consideration of the appointment and removal of external auditors, and partner rotation.

Further information on the Company's corporate governance policies is available on the Company's website www.thormining.com.

Environmental Responsibility

The Company is aware of the potential impact that its subsidiary companies may have on the environment. The Company ensures that it and its subsidiaries at a minimum comply with the local regulatory requirements with regard to the environment.

Employment Policies

The Group will be committed to promoting policies which ensure that high calibre employees are attracted, retained and motivated, to ensure the ongoing success for the business. Employees and those who seek to work within the Group are treated equally regardless of gender, age, marital status, creed, colour, race or ethnic origin.

Health and Safety

The Group's aim will be to achieve and maintain a high standard of workplace safety. In order to achieve this objective the Group will provide training and support to employees and set demanding standards for workplace safety.

Payment to Suppliers

The Group's policy is to agree terms and conditions with suppliers in advance; payment is then made in accordance with the agreement provided the supplier has met the terms and conditions. Under normal operating conditions, suppliers are paid within 60 days of receipt of invoice.

Political Contributions and Charitable Donations

During the period the Group did not make any political contributions or charitable donations.

Annual General Meeting ("AGM")

This report and financial statements will be presented to shareholders for their approval at the AGM. The Notice of the AGM will be distributed to shareholders together with the Annual Report.

Auditors

A resolution to reappoint Chapman Davis LLP, and authorise the Directors to fix their remuneration, will be proposed at the next Annual General Meeting.

Statement of disclosure of information to auditors

As at the date of this report the serving Directors confirm that:

- So far as each Director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- they have taken all the steps that they ought to have taken as Directors in order to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Going Concern

The Directors note the losses that the Group has made for the Year Ended 30 June 2019. The Directors have prepared cash flow forecasts for the period ending 30 September 2020 which take account of the current cost and operational structure of the Group.

The cost structure of the Group comprises a high proportion of discretionary spend and therefore in the event that cash flows become constrained, some costs can be reduced to enable the Group to operate with a lower level of available funding. As a junior exploration company, the Directors are aware that the Company must go to the marketplace to raise cash to meet its exploration and development plans, and/or consider liquidation of its investments and/or assets as is deemed appropriate.

These forecasts demonstrate that the Group has sufficient cash funds available to allow it to continue in business for a period of at least twelve months from the date of approval of these financial statements on the basis of continued ability to raise capital in the marketplace. Accordingly, the financial statements have been prepared on a going concern basis. Further consideration of the Group's Going Concern status is detailed in Note 1 to the financial statements.

Statement of Directors' Responsibilities

Company law in the United Kingdom requires the Directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and the group and of the profit or loss of the group for that period. In preparing those financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group will continue in business.

The Directors are responsible for keeping proper accounting records, for safeguarding the assets of the group and for taking reasonable steps for the prevention and detection of fraud and other irregularities. They are also responsible for ensuring that the annual report includes information required by the AIM Market ("AIM") of the London Stock Exchange plc.

Electronic communication

The maintenance and integrity of the Company's website is the responsibility of the Directors: the work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website.

The Company's website is maintained in accordance with AIM Rule 26.

Legislation in the United Kingdom governing the preparation and dissemination of the financial statements may differ from legislation in other jurisdictions.

This report was approved by the Board on 30 September 2019.

A handwritten signature in black ink, appearing to be 'M. Billing', written in a cursive style.

Michael Billing
Executive Chairman

A handwritten signature in black ink, appearing to be 'R. Ridge', written in a cursive style.

Ray Ridge
Chief Financial Officer

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THOR MINING PLC

OPINION

We have audited the financial statements of Thor Mining Plc (the 'Parent Company') and its subsidiaries (the 'Group') for the year ended 30 June 2019 which comprise the consolidated and company statements of comprehensive income, the consolidated and company statements of financial position, the consolidated and company statements of changes in equity, the consolidated and company statements of cash flows and notes to the financial statements, including a summary of significant accounting policies.

The financial reporting framework that has been applied in the preparation of the group and parent company financial statements is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

In our opinion:

- the financial statements give a true and fair view of the state of the Group's and of the Parent Company's affairs as at 30 June 2019 and of the Group's and Parent Company's losses for the year then ended;
- the Group and Parent Company financial statements have been properly prepared in accordance with IFRSs as adopted by the European Union;
- the Parent Company financial statements have been properly prepared in accordance with IFRS as adopted by the European Union and as applied in accordance with the provisions of the Companies Act 2006; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard as applied to listed entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

EMPHASIS OF MATTER – GOING CONCERN

We have considered the adequacy of the going concern disclosures in note 1(c) to the accounts concerning the Group's ability to continue as a going concern. The Group incurred a net loss before tax of £735,000 during the year ended 30 June 2019 and expects to continue to generate negative cash flow and be reliant upon the completion of capital raisings to continue its operations and fund discretionary exploration spend. These conditions, along with other matters disclosed in note 1(c) indicate the existence of a material uncertainty which may cast significant doubt about the Group's ability to continue as a going concern. The accounts do not include the adjustments, such as impairment of assets, that would result if the Group were unable to continue as a going concern.

Our opinion is not modified in respect of the above matter.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified. These matters included those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. This is not a complete list of all risks identified by our audit. Our audit procedures in relation to these matters were designed in the context of our audit opinion as a whole. They were not designed to enable us to express an opinion on these matters individually and we express no such opinion.

We have determined the matters described below to be the key audit matters to be communicated in our report.

(a) *CARRYING VALUE OF INTANGIBLE NON-CURRENT ASSETS- DEFERRED EXPLORATION COSTS*

The Group's intangible non-current assets – Deferred Exploration costs represent the most significant asset on its statement of financial position totalling £11.688m as at 30 June 2019.

Management and the Board are required to ensure that only costs which meet the IFRS criteria of an asset and accord with the Group's accounting policy are capitalised within the Intangible asset. In addition in accordance with the requirements of IFRS 6 'Exploration for and Evaluation of Mineral Resources' ('IFRS 6') Management and the Board are required to assess whether there is any indication whether there are any indicators of impairment of the Intangible Non-Current assets.

Given the significance of the Intangible assets on the Group's statement of financial position and the significant management judgement involved in the determination of the capitalisation of costs and the assessment of the carrying values of these assets there is an increased risk of material misstatement.

How the Matter was addressed in the Audit

The procedures included, but were not limited to, assessing and evaluating management's assessment of whether any impairment indicators in accordance with IFRS 6 have been identified across the Group's exploration projects, the indicators being:

- Expiring, or imminently expiring, rights to tenure
- A lack of budgeted or planned exploration and evaluation spend on the areas of interest
- Discontinuation of, or a plan to discontinue, exploration activities in the areas of interest
- Sufficiency of data existing to suggest the carrying value of deferred exploration costs is likely be recovered in full through successful development or sale.

In addition, we obtained the cash projections and expenditure budget for the 2020 year end and assessed whether or not there is reasonable forecasted expenditure to confirm continued exploration spend into the projects indicating that Management are committed to the projects.

We also assessed the disclosures included in the financial statements.

(b) *GOING CONCERN*

The accounts are prepared on the going concern basis, which assumes the continuity of normal business activities and the realisation of assets and the settlement of liabilities in the normal course of business. As the Group continues to generate negative cash flow and be reliant upon capital raisings, going concern was considered to be a possible uncertainty during the audit process.

How the Matter was addressed in the Audit

We reviewed the Group's cash forecast projections for the 13 month period ending 30 September 2020 for its reasonableness in predicting the components of expenditure and the sources of financing included therein.

We also considered the Group's track record in obtaining funds from capital raisings.

Our audit report therefore includes an 'emphasis of matter' paragraph as set out above earlier in this report.

MATERIALITY

In planning and performing our audit we applied the concept of materiality. An item is considered material if it could reasonably be expected to change the economic decisions of a user of the financial statements. We used the concept of materiality to both focus our testing and to evaluate the impact of misstatements identified. Based on professional judgement, we determined overall materiality for the Group financial statements as a whole to be £125,000, based on less than 1% of the Group's total assets.

OTHER INFORMATION

The Directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

OPINIONS ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' report have been prepared in accordance with applicable legal requirements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In the light of the knowledge and understanding of the Group and the Parent Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic report or the Directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the Parent Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the Parent Company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

RESPONSIBILITIES OF DIRECTORS

As explained more fully in the Directors' responsibilities statement, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Group's and the Parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or the Parent Company or to cease operations, or have no realistic alternative but to do so.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) or ISA IAASB will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at:
www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

USE OF OUR REPORT

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Rowan J. Palmer

(Senior Statutory Auditor)

For and on behalf of Chapman Davis LLP, Statutory Auditor
London

Chapman Davis LLP is a limited liability partnership registered in England and Wales
(with registered number OC306037).

30 September 2019

Statements of Comprehensive Income for the year ended 30 June 2019

	Note	Consolidated		Company	
		£'000	£'000	£'000	£'000
		2019	2018	2019	2018
Administrative expenses		(91)	(92)	(139)	(191)
Corporate expenses		(601)	(705)	(271)	(292)
Share based payments expense		(22)	(229)	(22)	(229)
Realised gain on financial assets		(1)	-	-	-
Exploration expenses		(21)	(245)	-	-
Net impairment of subsidiary loans		-	-	(403)	(742)
Write off/Impairment of exploration assets	7	(28)	-	-	-
Operating Loss	3	(764)	(1,271)	(835)	(1,454)
Interest Received		12	13	-	-
Interest paid		-	(1)	-	-
Sundry Income		17	10	-	5
Loss before Taxation		(735)	(1,249)	(835)	(1,449)
Taxation	5	-	-	-	-
Loss for the period		(735)	(1,249)	(835)	(1,449)
Other comprehensive income:					
Exchange differences on translating foreign operations		(100)	(471)	-	-
Other comprehensive income for the period, net of income tax		(100)	(471)	-	-
Total comprehensive income for the period		(835)	(1,720)	(835)	(1,449)
Basic loss per share	6	(0.10)p	(0.23)p		

The accompanying notes form an integral part of these financial statements.

Statements of Financial Position at 30 June 2019

Co No: 05276414

	Note	Consolidated		Company	
		£'000	£'000	£'000	£'000
		2019	2018	2019	2018
ASSETS					
Non-current assets					
Intangible assets - deferred exploration costs	7	11,688	10,133	-	-
Investment in subsidiaries	8a	-	-	1,206	688
Investments at cost	8b	103	103	103	103
Loans to subsidiaries	8c	-	-	11,252	10,374
Loan receivable (convertible note)	8d	332	113	-	-
Deposits to support performance bonds	9	42	21	-	-
Plant and equipment	10	14	22	-	-
Total non-current assets		12,179	10,392	12,561	11,165
Current assets					
Cash and cash equivalents		523	1,374	56	463
Trade receivables & other assets	11	64	49	14	10
Total current assets		587	1,423	70	473
Total assets		12,766	11,815	12,631	11,638
LIABILITIES					
Current liabilities					
Trade and other payables	12	(245)	(286)	(12)	(25)
Employee annual leave provision		(45)	(50)	-	-
Interest bearing liabilities	13	-	(9)	-	-
Total current liabilities		(290)	(345)	(12)	(25)
Non Current Liabilities					
Total non-current liabilities		-	-	-	-
Total liabilities		(290)	(345)	(12)	(25)
Net assets		12,476	11,470	12,619	11,613
Equity					
Issued share capital	14	3,692	3,675	3,692	3,675
Share premium		21,449	19,693	21,449	19,693
Foreign exchange reserve		2,084	2,184	-	-
Merger reserve		405	405	405	405
Share based payments reserve	15	359	297	359	297
Retained losses		(15,513)	(14,784)	(13,286)	(12,457)
Total shareholders equity		12,476	11,470	12,619	11,613

The accompanying notes form part of these financial statements. These Financial Statements were approved by the Board of Directors on 30 September 2019 and were signed on its behalf by:



Michael Billing
Executive Chairman



Ray Ridge
Chief Financial Officer

Statements of Cash Flows for the year ended 30 June 2019

	Consolidated		Company	
Note	£'000	£'000	£'000	£'000
	2019	2018	2019	2018
Cash flows from operating activities				
Operating Loss	(764)	(1,271)	(835)	(1,454)
Sundry income	17	10	-	5
Decrease/(increase) in trade and other receivables	(8)	(66)	10	(1)
(Decrease) in trade and other payables	(12)	(43)	(13)	(3)
Increase in provisions	(4)	30	-	-
Depreciation	8	9	-	-
Exploration expenditure written off	28	-	-	-
Impairment subsidiary loans	-	-	403	742
Share based payment expense	22	229	22	229
Net cash outflow from operating activities	(713)	(1,102)	(413)	(482)
Cash flows from investing activities				
Interest received	17	9	-	-
Interest paid	-	(1)	-	-
Expenditure on refundable performance bonds	(22)	-	-	-
Purchase of property, plant and equipment	-	(9)	-	-
Purchase of investment	-	(103)	-	(103)
Cash acquired in purchase of subsidiaries	41	-	-	-
R&D Grants for exploration expenditure	-	-	-	-
Payments for exploration expenditure	(876)	(688)	-	-
Loan advanced (convertible note)	(221)	(113)	-	-
Loans to controlled entities	-	-	(943)	(2,340)
Net cash in/(out)flow from investing activities	(1,061)	(905)	(943)	(2,443)
Cash flows from financing activities				
Directors advances repaid	-	(28)	-	-
Finance lease repaid	(10)	(8)	-	-
Net issue of ordinary share capital	949	3,009	949	3,009
Net cash inflow from financing activities	939	2,973	949	3,009
Net increase in cash and cash equivalents	(835)	966	(407)	84
Non cash exchange changes	(16)	3	-	-
Cash and cash equivalents at beginning of period	1,374	405	463	379
Cash and cash equivalents at end of period	523	1,374	56	463

Statements of Changes in Equity For the year ended 30 June 2019

Consolidated	Issued share capital £'000	Share premium £'000	Retained losses £'000	Foreign Currency Translation Reserve £'000	Merger Reserve £'000	Share Based Payment Reserve £'000	Total £'000
Balance at 1 July 2017	3,648	16,641	(13,554)	2,655	405	115	9,910
Loss for the period	-	-	(1,249)	-	-	-	(1,249)
Foreign currency translation reserve	-	-	-	(471)	-	-	(471)
Total comprehensive (loss) for the period	-	-	(1,249)	(471)	-	-	(1,720)
Transactions with owners in their capacity as owners							
Shares issued	27	3,105	-	-	-	-	3,132
Cost of shares issued	-	(53)	-	-	-	-	(53)
Options exercised	-	-	19	-	-	(19)	-
Options issued	-	-	-	-	-	201	201
At 30 June 2018	3,675	19,693	(14,784)	2,184	405	297	11,470
Balance at 1 July 2018	3,675	19,693	(14,784)	2,184	405	297	11,470
Loss for the period	-	-	(735)	-	-	-	(735)
Foreign currency translation reserve	-	-	-	(100)	-	-	(100)
Total comprehensive (loss) for the period	-	-	(735)	(100)	-	-	(835)
Transactions with owners in their capacity as owners							
Shares issued	17	1,782	-	-	-	-	1,799
Cost of shares issued	-	(26)	-	-	-	-	(26)
Options exercised/lapsed	-	-	6	-	-	(6)	-
Options issued	-	-	-	-	-	68	68
At 30 June 2019	3,692	21,449	(15,513)	2,084	405	359	12,474
Company							
Balance at 1 July 2017	3,648	16,641	(11,027)	-	405	115	9,782
Loss for the period	-	-	(1,449)	-	-	-	(1,449)
Total comprehensive (loss) for the period	-	-	(1,449)	-	-	-	(1,449)
Transactions with owners in their capacity as owners							
Shares issued	27	3,105	-	-	-	-	3,132
Cost of shares issued	-	(53)	-	-	-	-	(53)
Options exercised	-	-	19	-	-	(19)	-
Options issued	-	-	-	-	-	201	201
At 30 June 2018	3,675	19,693	(12,457)	-	405	297	11,613
Balance at 1 July 2018	3,675	19,693	(12,457)	-	405	297	11,613
Loss for the period	-	-	(835)	-	-	-	(835)
Total comprehensive (loss) for the period	-	-	(835)	-	-	-	(835)
Transactions with owners in their capacity as owners							
Shares issued	17	1,782	-	-	-	-	1,799
Cost of shares issued	-	(26)	-	-	-	-	(26)
Options exercised/lapsed	-	-	6	-	-	(6)	-
Options issued	-	-	-	-	-	68	68
At 30 June 2019	3,692	21,449	(13,286)	-	405	359	12,619

Notes to the Accounts for the year ended 30 June 2019

1 Principal accounting policies

a) Authorisation of financial statements

The Group financial statements of Thor Mining PLC for the year ended 30 June 2019 were authorised for issue by the Board on 30 September 2019 and the Balance Sheets signed on the Board's behalf by Michael Billing and Ray Ridge. The Company's ordinary shares are traded on the AIM Market operated by the London Stock Exchange and on the Australian Securities Exchange.

b) Statement of compliance with IFRS

The Group's financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"). The Company's financial statements have been prepared in accordance with IFRS as adopted by the European Union. The principal accounting policies adopted by the Group and Company are set out below.

c) Basis of preparation and Going Concern

The consolidated financial statements have been prepared on the historical cost basis, except for the measurement of assets and financial instruments to fair value as described in the accounting policies below, and on a going concern basis.

The financial report is presented in Sterling and all values are rounded to the nearest thousand pounds ("£'000") unless otherwise stated.

The consolidated entity incurred a net loss before tax of £735,000 during the period ended 30 June 2019, and had a net cash outflow of £1,774,000 from operating and investing activities. The consolidated entity continues to be reliant upon the completion of capital raisings for continued operations and the provision of working capital.

The Group's cash flow forecast for the 12 months ending 30 September 2020, highlight the fact that the Company is expected to generate negative cash flow by that date, inclusive of the discretionary exploration spend. The Board of Directors, are evaluating all the options available, including the injection of funds into the Group during the next 12 months, and are confident that the necessary funds will be raised in order for the Group to remain cash positive for the whole period. If additional capital is not obtained, the going concern basis may not be appropriate, with the result that the Group may have to realise its assets and extinguish its liabilities, other than in the ordinary course of business and at amounts different from those stated in the financial report. As noted above, the financial statements have been prepared on a going concern basis, with no adjustments in respect of the concerns of the Group's ability to continue to operate under that assumption.

d) Basis of consolidation

The consolidated financial statements comprise the financial statements of Thor Mining PLC and its controlled entities. The financial statements of controlled entities are included in the consolidated financial statements from the date control commences until the date control ceases.

The financial statements of subsidiaries are prepared for the same reporting period as the parent company, using consistent accounting policies.

All intercompany balances and transactions have been eliminated in full.

e) Intangible assets – deferred exploration costs

Exploration, evaluation and development expenditure incurred is accumulated in respect of each identifiable area of interest. These costs are only carried forward to the extent that they are expected to be recouped through the successful development of the area or where activities in the area have not yet reached a stage which permits reasonable assessment of the existence of economically recoverable reserves.

Accumulated costs in relation to an abandoned area are written off in full against the income statement in the year in which the decision to abandon the area is made.

Notes to the Accounts

1 Principal accounting policies (continued)

A review is undertaken of each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest.

Restoration, rehabilitation and environmental costs necessitated by exploration and evaluation activities are expensed as incurred and treated as exploration and evaluation expenditure.

f) Revenue

Revenue is recognised to the extent that it is probable that economic benefits will flow to the group and the revenue can be reliably measured.

Interest revenue

Interest revenue is recognised as it accrues using the effective interest rate method.

g) Deferred taxation

Deferred income tax is provided on all temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred income tax assets are recognised for all deductible temporary differences, carry-forward of unused tax assets and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry-forward of unused tax credits and unused tax losses can be utilised.

Unrecognised deferred income tax assets are reassessed at each balance sheet date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the Balance Sheet date.

h) Trade and other payables

Trade and other payables are carried at amortised costs and represent liabilities for goods and services provided to the Group prior to the end of the financial year that are unpaid and arise when the Group becomes obliged to make future payments in respect of the purchase of these goods and services.

i) Foreign currencies

The Company's functional currency is Sterling ("£"). Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency. As at the reporting date the assets and liabilities of these subsidiaries are translated into the presentation currency of Thor Mining PLC at the rate of exchange ruling at the Balance Sheet date and their Income Statements are translated at the average exchange rate for the year. The exchange differences arising on the translation are taken directly to a separate component of equity.

All other differences are taken to the Income Statement with the exception of differences on foreign currency borrowings, which, to the extent that they are used to finance or provide a hedge against foreign equity investments, are taken directly to reserves to the extent of the exchange difference arising on the net investment in these enterprises. Tax charges or credits that are directly and solely attributable to such exchange differences are also taken to reserves.

j) Share based payments

During the year the Group has provided share based remuneration to Directors of the Group, an employee and the Group's joint sponsoring brokers, in the form of share options. For further information refer to Note 15.

The cost of equity-settled transactions is measured by reference to the fair value of the services provided. If a reliable estimate cannot be made, the fair value of the Options granted is based on the Black-Scholes model.

Notes to the Accounts

1 Principal accounting policies (continued)

In valuing equity-settled transactions, no account is taken of any performance conditions, other than conditions linked to the price of the shares of Thor Mining PLC (market conditions) if applicable.

The cost of equity-settled transactions is recognised, together with a corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled, ending on the date on which the relevant holders become fully entitled to the award (the vesting period).

The cumulative expense recognised for equity-settled transactions at each reporting date until vesting date reflects (i) the extent to which the vesting period has expired and (ii) the Group's best estimate of the number of equity instruments that will ultimately vest. No adjustment is made for the likelihood of market performance conditions being met as the effect of these conditions is included in the determination of fair value at grant date. The Income Statement charge or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period.

No expense is recognised for awards that do not ultimately vest, except for awards where vesting is only conditional upon a market condition.

If the terms of an equity-settled award are modified, as a minimum an expense is recognised as if the terms had not been modified. In addition, an expense is recognised for any modification that increases the total fair value of the share-based payment arrangement, or is otherwise beneficial to the holder, as measured at the date of modification.

If an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately. However, if a new award is substituted for the cancelled award and designated as a replacement award on the date that it is granted, the cancelled and new award are treated as if they were a modification of the original award, as described in the previous paragraph.

k) Leased assets

The determination of whether an arrangement is or contains a lease is based on the substance of the arrangement and requires an assessment of whether the fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset.

(i) Finance Leases

Assets funded through finance leases are capitalised as fixed assets and depreciated in accordance with the policy for the class of asset concerned.

Finance lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised as an expense in the Income Statement.

(ii) Operating Leases

All operating lease payments are charged to the Income Statement on a straight line basis over the life of the lease.

l) Cash and cash equivalents

Cash and short-term deposits in the Balance Sheet comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less.

For the purposes of the Cash Flow Statement, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts.

m) Trade and other receivables

Trade receivables, which generally have 30 day terms, are recognised and carried at original invoice amount less an allowance for any uncollectible amounts.

An allowance for doubtful debts is made when there is objective evidence that the Group will not be able to collect the debts. Bad debts are written off when identified.

Notes to the Accounts

1 Principal accounting policies (continued)

n) Investments

Investments in subsidiary undertakings are stated at cost less any provision for impairment in value, prior to their elimination on consolidation.

Investments in associates are initially recognised at cost and subsequently accounted for using the equity method "Equity accounted investments". Any goodwill or fair value adjustment attributable to the Group's share in the associate is not recognised separately and is included in the amount recognised as investment in associate. The carrying amount of the investment in associates is increased or decreased to recognise the Group's share of the profit or loss and other comprehensive income of the associate, adjusted where necessary to ensure consistency with the accounting policies of the Group. Unrealised gains and losses on transactions between the Group and its associates are eliminated to the extent of the Group's interest in those entities. Where unrealised losses are eliminated, the underlying asset is also tested for impairment.

o) Financial instruments

The Group's financial instruments, other than its investments, comprise cash and items arising directly from its operation such as trade debtors and trade creditors. The Group has overseas subsidiaries in Australia and USA, whose expenses are denominated in Australian Dollars and US Dollars. Market price risk is inherent in the Group's activities and is accepted as such. There is no material difference between the book value and fair value of the Group's cash.

p) Merger reserve

The difference between the fair value of an acquisition and the nominal value of the shares allotted in a share exchange have been credited to a merger reserve account, in accordance with the merger relief provisions of the Companies Act 2006 and accordingly no share premium for such transactions is set-up. Where the assets acquired are impaired, the merger reserve value is reversed to retained earnings to the extent of the impairment.

q) Property, plant and equipment

Plant and equipment is stated at cost less accumulated depreciation and any accumulated impairment losses. Land is measured at fair value less any impairment losses recognised after the date of revaluation.

Depreciation is provided on all tangible assets to write off the cost less estimated residual value of each asset over its expected useful economic life on a straight-line basis at the following annual rates:

Land (including option costs) – Nil

Plant and Equipment – between 5% and 25%

All assets are subject to annual impairment reviews.

r) Impairment of assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Group makes an estimate of the asset's recoverable amount. An asset's recoverable amount is the higher of its fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or Groups of assets and the asset's value in use cannot be estimated to be close to its fair value. In such cases the asset is tested for impairment as part of the cash-generating unit to which it belongs. When the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset or cash-generating unit is considered impaired and is written down to its recoverable amount.

Notes to the Accounts

1 Principal accounting policies (continued)

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Impairment losses relating to continuing operations are recognised in those expense categories consistent with the function of the impaired asset unless the asset is carried at its revalued amount (in which case the impairment loss is treated as a revaluation decrease).

An assessment is also made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case the carrying amount of the asset is increased to its recoverable amount.

That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the Income Statement unless the asset is carried at its revalued amount, in which case the reversal is treated as a revaluation increase. After such a reversal the depreciation charge is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life.

s) Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

When the Group expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the Income Statement net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects the risks specific to the liability.

t) Loss per share

Basic loss per share is calculated as loss for the financial year attributable to members of the parent, adjusted to exclude any costs of servicing equity (other than dividends) and preference share dividends, divided by the weighted average number of ordinary shares, adjusted for any bonus element.

Diluted loss per share is calculated as loss for the financial year attributable to members of the parent, adjusted for:

- costs of servicing equity (other than dividends) and preference share dividends;
- the after tax effect of dividends and interest associated with dilutive potential ordinary shares that have been recognised as expenses; and
- other non-discretionary changes in revenues or expenses during the period that would result from the dilution of potential ordinary shares;

divided by the weighted average number of ordinary shares and dilutive potential ordinary shares, adjusted for any bonus element.

Notes to the Accounts

1 Principal accounting policies (continued)

u) Share based payments reserve

This reserve is used to record the value of equity benefits provided to employees, consultants and directors as part of their remuneration and provided to consultants and advisors hired by the Group from time to time as part of the consideration paid. The reserve is reduced by the value of equity benefits which have lapsed during the year.

v) Foreign currency translation reserve

The foreign currency translation reserve is used to record exchange differences arising from the translation of the financial statements of foreign subsidiaries.

w) Adoption of new and revised Accounting Standards

In the current year, the Group has adopted all of the new and revised Standards and Interpretations issued by Accounting Standards and Interpretations Board that are relevant to its operations and effective for the current annual reporting period. The Group has applied the following standards and amendments for the first time for their annual reporting period commencing 1 July 2018:

- IFRS 9 Financial Instruments
- IFRS 15 Revenue from Contracts with Customers

No retrospective adjustments were required following the adoption of IFRS 9 and IFRS 15.

On 1 July 2018 (the date of initial application of IFRS 9), the Group's management assessed which business models apply to the financial assets held by the Group and classified its financial instruments into the appropriate IFRS 9 categories. No reclassifications were required.

x) New standards, amendments and interpretations not yet adopted

At the date of authorisation of these financial statements, the following Standards and Interpretations which have not been applied in these financial statements, were in issue but not yet effective for the year presented:

- -IFRS 16 in respect of Leases which will be effective for accounting periods beginning on or after 1 January 2019.
- -IFRS 17 Insurance Contracts (effective date 1 January 2021).

There are no other IFRSs or IFRIC interpretations that are not yet effective that would be expected to have a material impact on the Group.

Notes to the Accounts**2. Revenue and segmental analysis – Group**

The Group has an interest in a number of exploration licences and mining licences, in Australia and the US State of Nevada. All exploration licences in Australia are managed as one portfolio. The decision to allocate resources to individual Australian projects in that portfolio is predominantly based on available cash reserves, technical data and the expectations of future metal prices. All of the US licenses are located in the one geological region. Accordingly, the Group has identified its operating segments to be Australia and the United States based on the two countries. This is the basis on which internal reports are provided to the Directors for assessing performance and determining the allocation of resources within the Group.

Year ended 30 June 2019	£'000 Head office/ Unallocated	£'000 Australia	£'000 United States	£'000 Consolidated
Revenue				
Sundry Income	29	-	-	29
Total Segment Expenditure	(294)	(452)	(18)	(764)
(Loss) from Ordinary Activities before Income Tax	(265)	(452)	(18)	(735)
Income Tax (Expense)	-	-	-	-
Retained (loss)	(265)	(452)	(18)	(735)
Assets and Liabilities				
Segment assets	-	9,625	2,501	12,126
Corporate assets	640	-	-	640
Total Assets	640	9,625	2,501	12,766
Segment liabilities	-	(278)	-	(278)
Corporate liabilities	(12)	-	-	(12)
Total Liabilities	(12)	(278)	-	(290)
Net Assets	628	9,347	2,501	12,476

Notes to the Accounts**2. Revenue and segmental analysis – Group (continued)**

	£'000	£'000	£'000	£'000
Year ended 30 June 2018	Head office/ Unallocated	Australia	United States	Consolidated
Revenue				
Sundry Income	23	-	-	23
Total Segment Expenditure	(522)	(653)	(97)	(1,272)
(Loss) from Ordinary Activities before Income Tax	(499)	(653)	(97)	(1,249)
Income Tax (Expense)	-	-	-	-
Retained (loss)	(499)	(653)	(97)	(1,249)
Assets and Liabilities				
Segment assets	-	8,589	1,722	10,311
Corporate assets	1,504	-	-	1,504
Total Assets	1,504	8,589	1,722	11,815
Segment liabilities	-	(320)	-	(320)
Corporate liabilities	(25)	-	-	(25)
Total Liabilities	(25)	(320)	-	(345)
Net Assets	1,479	8,269	1,722	11,470

3. Operating loss – group

	2019 £'000	2018 £'000
This is stated after charging:		
Depreciation	8	9
Auditors' remuneration – audit services	25	25
Auditors' remuneration – non audit services	-	-
Options issued – directors, staff, and consultants	-	201
Directors emoluments – fees and salaries	369	388

Auditors' remuneration for audit services above includes £17,800 (2018: £18,000) to Chapman Davis LLP for the audit of the Company and Group. Remuneration to BDO for the audit of the Australian subsidiaries was £7,251 (2018: £7,323).

Notes to the Accounts**4. Directors and executive disclosures – Group**

All Directors are appointed under the terms of a Directors letter of appointment. Each appointment, with the exception of Mr Bradey, provides for annual fees of Australian dollars \$40,000 (or £24,000 for UK based Directors) for services as Directors inclusive of 9.5% as a company contribution to Australian statutory superannuation schemes. The agreement allows for any services supplied by any Directors, other than Mr Bradey, to the Company and any of its subsidiaries in excess of two days in any calendar month, can be invoiced to the Company at market rate, currently at A\$1,000 per day, other than Mr Michael Billing at a rate of A\$1,200 per day and Mr David Thomas at a rate of A\$1,500 per day.

Mr Bradey receives an annual salary of \$217,000 plus \$21,000 in statutory superannuation benefits in his role as Exploration Manager. Mr Bradey does not receive additional remuneration as a Director.

(a) Details of Key Management Personnel (KMP) during the year ended 30 June 2019

(i) Chairman and Chief Executive Officer	
Michael Billing	Executive Chairman and Chief Executive Officer
(ii) Directors	
David Thomas	Non-executive Director
Alastair Middleton	Non-executive Director
Richard Bradey	Executive Director
Paul Johnson	Non-executive Director (resigned 13 July 2018)
(iii) Executives	
Ray Ridge	CFO/Company Secretary (Australia)
Stephen Ronaldson	Company Secretary (UK)

(b) Compensation of Key Management Personnel*Compensation Policy*

The compensation policy is to provide a fixed remuneration component and a specific equity related component. There is no separation of remuneration between short term incentives and long term incentives. The Board believes that this compensation policy is appropriate given the stage of development of the Company and the activities which it undertakes and is appropriate in aligning director and executive objectives with shareholder and businesses objectives.

The compensation policy, setting the terms and conditions for the executive Directors and other executives, has been developed by the Board after seeking professional advice and taking into account market conditions and comparable salary levels for companies of a similar size and operating in similar sectors. Executive Directors and executives receive either a salary or provide their services via a consultancy arrangement. Directors and executives do not receive any retirement benefits other than compulsory Superannuation contributions where the individuals are directly employed by the Company or its subsidiaries in Australia. All compensation paid to Directors and executives is valued at cost to the Company and expensed.

The Board policy is to compensate non-executive Directors at market rates for comparable companies for time, commitment and responsibilities. The Board determines payments to the non-executive Directors and reviews their compensation annually, based on market practice, duties and accountability. Independent external advice is sought when required. The maximum aggregate amount of fees that can be paid to Directors is subject to approval by shareholders at a General Meeting. Fees for non-executive Directors are not linked to the performance of the economic entity. However, to align Directors' interests with shareholder interests, the Directors are encouraged to hold shares in the Company and may receive options.

Notes to the Accounts

4. Directors and executive disclosures – Group (continued)

	Paid/Payable in cash £'000	Shares £'000	Total Salary & Fees £'000	Options £'000	Total £'000
30 June 2019					
Directors: ¹					
Michael Billing ²	148	-	148	-	148
David Thomas	45	-	45	-	45
Alastair Middleton	45	-	45	-	45
Richard Bradey	131	-	131	-	131
Paul Johnson ³	-	-	-	-	-
Other Personnel:					
Ray Ridge ¹	46	-	46	-	46

¹ As at 30 June 2019 amounts of £73,365, £8,502, £9,372, and £4,211, remained unpaid to Messrs Billing, Thomas, Middleton and Ridge respectively.

² In lieu of a cash payment for consulting fees, Mr Billing elected to utilise £36,000 owing for consulting fees as payment for the exercise of 3,000,000 options at an exercise price of £0.012 on 2 November 2018.

³ Resigned 13 July 2018.

	Paid/Payable in cash £'000	Shares ² £'000	Total Salary & Fees £'000	Options £'000	Total £'000
30 June 2018					
Directors: ^{1,3}					
Michael Billing ²	141	-	141	24	165
David Thomas	55	-	55	13	68
Alastair Middleton	24	-	24	13	37
Richard Bradey ⁴	137	-	137	33	170
Paul Johnson ⁵	20	-	20	111	131
Gervaise Heddle ⁶	11	-	11	-	11
Other Personnel:					
Ray Ridge ¹	52	-	52	-	52

¹ As at 30 June 2018 amounts of £71,621, £23,761, £6,000, and £6,793, remained unpaid to Messrs Billing, Thomas, Johnson and Ridge respectively.

² M Billing elected to receive £51,000 as shares, through participation in two placements (28 July 2017 and 1 December 2017) on the same terms as other placees, in lieu of cash payments outstanding for consulting fees as Executive Chairman from prior years.

³ Messrs Billing, Thomas and Middleton acquired a portion of the shares available for sale from the unmarketable parcel process in lieu of amounts owing for Directors fees and/or Consulting fees (refer ASX announcement 8 June 2018) in the amounts of £26,325, £6,000, and £6,000.

⁴ Appointed 29 December 2017. The above remuneration for R Bradey covers payments for the full year, being payments through to 28 December 2017 as 'Key Personnel' and payments post 29 December 2017 whilst also Director.

⁵ Resigned 13 July 2018.

⁶ Resigned 14 December 2017.

Notes to the Accounts**4. Directors and executive disclosures – Group (continued)****(c) Compensation by category**

	2019	Group	2018
	£'000		£'000
Key Management Personnel			
Short-term	400		424
Share Option charges	-		194
Post-employment	15		16
	415		634

(d) Options and rights over equity instruments granted as remuneration

No options were granted over ordinary shares to Directors, as remuneration, during the year ended 30 June 2019.

(e) Options holdings of Key Management Personnel

The movement during the reporting period in the number of options over ordinary shares in Thor Mining PLC held, directly, indirectly or beneficially, by key management personnel, including their personally related entities, is as follows:

Key Management Personnel	Held at 30/6/18 or appointment date	Options Lapsed (Note A)	Options Exercised (Note B)	Ceasing to be a KMP¹	Held at 30/6/19	Vested and exercisable at 30/6/19
Michael Billing	26,265,040 (8,765,040)	(3,000,000)	-	-	14,500,000	14,500,000
David Thomas	11,806,800 (2,306,800)	-	-	-	9,500,000	9,500,000
Alastair Middleton	5,500,000	-	-	-	5,500,000	5,500,000
Richard Bradey	9,500,000	-	-	-	9,500,000	4,500,000
Paul Johnson ¹	26,825,000	-	-	(26,825,000)	-	-

¹ Resigned 13 July 2018.

Notes:

- A. Options lapsed on 14 April 2019. Exercise price was £0.0125 per share.
- B. In lieu of a cash payment for consulting fees, Mr Billing elected to utilise £36,000 owing for consulting fees as payment for the exercise of 3,000,000 options at an exercise price of £0.012 on 2 November 2018.

Notes to the Accounts

4. Directors and executive disclosures – Group (continued)

Key Management Personnel	Held at 30/6/17 or appointment date	Placements Participation (Note A)	Options Granted (Note B)	Options Exercised	Ceasing to be a KMP	Held at 30/6/18	Vested and exercisable at 30/6/18
Michael Billing	15,765,040	6,000,000	4,500,000	-	-	26,265,040	26,265,040
David Thomas	9,306,800	-	2,500,000	-	-	11,806,800	11,806,800
Alastair Middleton	3,000,000	-	2,500,000	-	-	5,500,000	5,500,000
Richard Bradey ¹	1,500,000	-	8,000,000	-	-	9,500,000	4,500,000
Paul Johnson ²	16,200,000	8,125,000	12,500,000	(10,000,000)	-	26,825,000	26,825,000
Gervaise Heddle ³	11,000,000	-	-	-	(11,000,000)	-	-

¹ Appointed 29 December 2017.

² Resigned 13 July 2018.

³ Resigned 14 December 2017.

Notes:

- A. Messrs Billing and Johnson participated in placements on 28 July 2017 and 1 December 2017, as approved by shareholders. The options were granted to Messrs Billing and Johnson on the basis of one free option for each share subscribed for under the placements, on the same terms as other placees.
- B. Options were granted to the Directors on 13 June 2018, following approval by shareholders on 7 June 2018 as follows:
- 10,000,000 replacement options to Paul Johnson. On 2 November 2017, a Director of the Company, Mr Paul Johnson, exercised 10,000,000 options at an exercise price of 1.25p per option, raising an additional £125,000 for the Company. The options had originally been issued to Mr Johnson in lieu of Directors' fees payable for one year through to 1 September 2017. The options had an expiry date of 2 September 2019. Given the early exercise, being just under two years before option expiry, the Company agreed to award Mr Johnson 10,000,000 'replacement' options with an exercise price of 1.5 pence and an expiry date of 2 November 2020.
 - 5,000,000 commencement options. Upon the appointment of Richard Bradey, the Company agreed to grant 5,000,000 Options with an exercise price of 4.5 pence and an expiry date of 29 December 2020. The options will vest with Mr Bradey once the AIM traded closing price for the Company's Ordinary Shares exceeds £0.06 (6.0 pence) for 20 consecutive business days.
 - A total of 15,000,000 options were granted to the existing Directors of the Company or their nominees, with an exercise price of 3.5625 pence and an expiry date of 7 June 2021.

No options held by Directors or specified executives are vested but not exercisable, except as set out above.

(f) Other transactions and balances with related parties

Specified Directors	Transaction	Note	2019 £'000	2018 £'000
Michael Billing	Consulting Fees	(i)	126	118
David Thomas	Consulting Fees	(ii)	23	32

(i) The Company used the consulting services of MBB Trading Pty Ltd a company of which Mr Michael Billing is a Director. Services are provided as Executive Chairman.

(ii) The Company used the services of Thomas Family Trust with whom Mr David Thomas has a contractual relationship.

Amounts were billed based on normal market rates for such services and were due and payable under normal payment terms. These amounts paid to related parties of Directors are included as Salary & Fees in Note 4(b).

Notes to the Accounts**5. Taxation - Group**

	2019	2018
	£'000	£'000
Analysis of charge in year	-	-
Tax on profit on ordinary activities	-	-

Factors affecting tax charge for year

The differences between the tax assessed for the year and the standard rate of corporation tax are explained as follows:

	2019	2018
	£'000	£'000
Loss on ordinary activities before tax	(735)	(1,249)
Effective rate of corporation tax in the UK	19.00%	19.00%
Loss on ordinary activities multiplied by the standard rate of corporation tax	(140)	(237)
Effects of:		
Future tax benefit not brought to account	140	237
Current tax charge for year	-	-

No deferred tax asset has been recognised because there is insufficient evidence of the timing of suitable future profits against which they can be recovered.

6. Loss per share

	2019	2018
Loss for the year (£ 000's)	(735)	(1,249)
Weighted average number of Ordinary shares in issue	714,111,518	545,367,864
Loss per share (pence) – basic	(0.10)p	(0.23)p

The basic loss per share is derived by dividing the loss for the period attributable to ordinary shareholders by the weighted average number of shares in issue.

As the inclusions of the potential Ordinary Shares would result in a decrease in the loss per share they are considered to be anti-dilutive and as such not included.

7. Intangible fixed assets – Group
Deferred exploration costs

	£'000	£'000
	2019	2018
Cost		
At 1 July	10,133	9,867
Exploration expenditure	879	680
Acquisitions ¹	776	-
Disposals	-	-
Exchange gain/(loss)	(73)	(414)
Exploration written off	(28)	-
At 30 June	11,687	10,133

Notes to the Accounts

7. Intangible fixed assets – Group

Deferred exploration costs (continued)

	£'000	£'000
	2019	2017
Amortisation		
At 1 July and 30 June	-	-
Write off exploration tenements previously impaired	-	-
Balance	-	-
Impairment for period	-	-
Exchange gain	-	-
At 30 June	-	-
Net book value at 30 June	11,687	10,133

In the year ended 30 June 2019 the Directors undertook an impairment review of the deferred exploration costs, resulting in an impairment expense of £Nil (2018: Nil).

¹ During the year ended 30 June 2019, interests in exploration leases were acquired for a total cost of £776,000 comprising:

- £301,000 for the acquisition of the Bonya tenements, being a 40% interest in EL29701 and 100% of EL29599. Consideration was A\$550,000 (£301,000) paid by the issue of 14,527,205 shares at A\$0.03786. Refer ASX Announcements 25 September 2018, 19 April 2018 and 28 March 2018. EL29599 was peripheral to the acquisition and was subsequently relinquished, with a write off of £28,000 representing part of the total acquisition cost allocated to this exploration lease.
- £475,000 for the acquisition, on 27 March 2019, of interests in nine licence applications, at various stages of advancement, prospective for gold and uranium, and cover a total of 607 square kilometres in the Pilbara region of Western Australia, and the Northern Territory of Australia. The transaction occurred through the acquisition of a 100% interest in two companies Hamersley Metals Pty Ltd and Pilbara Goldfields Pty Ltd. Total consideration of £475,000 consisted of:
 - o £450,500 as 53 million Thor shares issued on 10 April 2019, at an issue price of 0.85p per share,
 - o £68,000 as 26,500,000 options issued following shareholder approval on 23 May 2019, with an exercise price of 1.3p and expiry of 23 May 2022. The £68,000 valuation for the options was calculated using the Black-Scholes option pricing methodology – refer Note 15.
 - o Less £41,000 of cash and £2,500 other receivables in the two companies acquired.

Notes to the Accounts**8. Investments**

The Company holds 20% or more of the share capital of the following companies:

Company	Country of registration or incorporation	Shares held Class	%
Molyhil Mining Pty Ltd ¹	Australia	Ordinary	100
Hale Energy Limited	Australia	Ordinary	100
Black Fire Industrial Minerals Pty Ltd ²	Australia	Ordinary	100
Industrial Minerals (USA) Pty Ltd ³	Australia	Ordinary	100
Pilot Metals Inc ⁴	USA	Ordinary	100
BFM Resources Inc ⁵	USA	Ordinary	100
Hamersley Metals Pty Ltd ⁶	Australia	Ordinary	100
Pilbara Goldfields Pty Ltd ⁷	Australia	Ordinary	100

¹ Molyhil Mining Pty Ltd is engaged in exploration and evaluation activities focused at the Molyhil project in the Northern Territory of Australia.

² Black Fire Industrial Minerals Pty Ltd is a holding company only. It owns 100% of the shares in Industrial Minerals (USA) Pty Ltd.

³ Industrial Minerals (USA) Pty Ltd is a holding company only. It owns 100% of the shares in Pilot Metals Inc and BFM Resources Inc.

⁴ Pilot Metals Inc is engaged in exploration and evaluation activities focused at the Pilot Mountain project in the US state of Nevada.

⁵ BFM Resources Inc is engaged in exploration and evaluation activities focused at the Pilot Mountain project in the US state of Nevada.

⁶ Hamersley Metals Pty Ltd was acquired on 27 March 2019. The company holds a number of exploration licence applications, in the Northern Territory of Australia, at various stages of advancement.

⁷ Pilbara Goldfields Pty Ltd was acquired on 27 March 2019. The company holds a number of exploration licence applications, in Western Australia, at various stages of advancement.

Messrs Billing and Thomas are Directors of all of the above 100% subsidiaries.

	Consolidated		Company	
	£'000	£'000	£'000	£'000
	2019	2018	2019	2018
(a) Investments Subsidiary companies:				
Molyhil Mining Pty Ltd	-	-	700	700
Less: Impairment provision against investment	-	-	(700)	(700)
Hale Energy Limited	-	-	1,277	1,277
Less: Impairment provision against investment	-	-	(1,277)	(1,277)
Black Fire Industrial Minerals Pty Ltd	-	-	688	688
Hamersley Metals	-	-	338	-
Less: Impairment provision against investment	-	-	-	-
Pilbara Goldfields	-	-	180	-
Less: Impairment provision against investment	-	-	-	-
	-	-	1,206	688

Notes to the Accounts

	Consolidated		Company	
	£'000	£'000	£'000	£'000
	2019	2018	2019	2018
8. Investments (continued)				
(b) Investments at cost:				
Hawkstone Mining Limited	103	103	103	103
	103	103	103	103

On the 15 June 2017, the Company acquired an interest in US Lithium Pty Ltd (USL), a private Australian company which in turn owned 100% of Big Sandy Inc, a company incorporated in the United States of America. Big Sandy Inc has interests in lithium focussed projects in Arizona and New Mexico, in the United States of America.

On 3 August 2018, Hawkstone Mining Limited (Hawkstone) (ASX: HWK) shareholders approved an agreement for Hawkstone to acquire 100% of the shares on issue in US Lithium Pty Ltd, a company in which Thor had an interest at that time of 6.25%. On 7 September Hawkstone announced to the ASX that the remaining conditions have been satisfied and the transaction has been completed. Consideration received/receivable by Thor is as follows:

- 7,421,875 Hawkstone shares, being 7,812,500 Hawkstone shares received less 5% or 390,625 shares transferred to Pembridge Resources PLC. [Under the agreement by which Thor acquired its interest in USL from Pembridge Resources PLC in June 2017, Thor was required to pay Pembridge Resources PLC 5% of any consideration for the sale of its interest in USA Lithium].
- 7,812,500 Hawkstone shares are receivable following the declaration of an inferred resource at the Big Sandy Lithium Project of not less than 30 million tonnes at a grade greater than 2,000ppm of Lithium, or equivalent subject to a minimum average grade of 1,000ppm by 7 September 2021.

During the year ended 30 June 2019 and subsequent, Hawkstone have successfully completed a 37 hole diamond drill programme and have announced a maiden Mineral Resource Estimate at the Big Sandy project. Hawkstone are now in the process of appointing consultants to conduct a pre-feasibility study. Refer to Thor's ASX announcements of 30 September 2019 (refer subsequent events Note 20), 21 August 2019, 24 July 2019, 28 June 2019 and 16 May 2019.

Thor's investment is carried at its original cost of £103,000 and is comprised of 7,421,875 Hawkstone shares held by Thor with a market value of \$156,000 (£86,000) at 30 June 2019, together with a contingent right to receive a further 7,812,500 Hawkstone shares.

(c) Loans to subsidiaries:

Molyhil Mining Pty Ltd	-	-	10,560	9,806
Less: Impairment provision against loan	-	-	(1,602)	(1,202)
Hale Energy Limited	-	-	1,591	1,369
Less: Impairment provision against loan	-	-	(1,258)	(1,256)
Black Fire Industrial Minerals Pty Ltd	-	-	1,035	1,035
Pilot Metals Inc	-	-	922	622
Hamersley Metals	-	-	2	-
Pilbara Goldfields	-	-	2	-
	-	-	11,252	10,374

The loans to subsidiaries are non-interest bearing, unsecured and are repayable upon reasonable notice having regard to the financial stability of the company.

Notes to the Accounts

	Consolidated		Company	
	£'000	£'000	£'000	£'000
	2019	2018	2019	2018
8. Investments (continued)				
(d) Loan receivable (convertible note):				
Environmental Copper Recovery SA Pty Ltd	332	113	-	-
	332	113	-	-

On 2 August 2017, the Group signed a binding term sheet to acquire an interest in the historically mined Kapunda copper deposit in South Australia (Kapunda). The Group was investing in an incorporated private Australian company, Environmental Copper Recovery SA Pty Ltd (ECR), initially via convertible notes of up to A\$1.8 million, convertible into a 60% interest in ECR. Conversion of the convertible notes are at the sole discretion of Thor, and will result in Thor holding up to 60% equity interest in ECR.

In turn, ECR had an agreement to earn a 50% interest in the rights over metals which may be recovered via in-situ recovery at the Kapunda deposit, from Australian ASX listed, Terramin Australia Limited (ASX: TZN), for expenditure of A\$2.0 million on field test work. ECR can then opt to earn a further 25% interest through additional expenditure of A\$4.0 million.

Thor made the first advance to ECR of A\$200,000 (£113,000) during the year ended 30 June 2018. A further advance of A\$400,000 (£221,000) was made during the year ended 30 June 2019. The balance of the loan at 30 June 2019 is £332,000 after allowing for a foreign currency translation loss of £2,000.

On 6 March 2019, Thor announced an expansion and restructuring of its interests in ECR. Thor is a party to an agreement which combines the ownership of ECR (holding a right to earn up to a 75% interest in the Kapunda Copper Project), into a new company, Enviro Copper Limited (Enviro Copper). Similarly, Environmental Metals Recovery Pty Ltd have agreed to transfer ownership of its right to earn up to a 75% interest in the Moonta Copper Project, which comprises the northern section of exploration licence EL5984, to Enviro Copper. In return for Thor relinquishing its interest in ECR, Thor will hold a 25% interest in Enviro Copper, with a right to earn a further 5% interest for payment of a further \$A400,000. The intention is to progress Enviro Copper to a separate listing on a recognised securities exchange, with eligible Thor shareholders holding first option to invest in any securities issued as part of such a listing.

The Kapunda Copper Project has an ISR amenable Inferred Resource Estimate of 119,000 tonnes of contained copper, together with having secured A\$2.85 million Australian Government CRC-P grant funding. On 15 August 2019, Thor announced an ISR amenable Inferred Resource Estimate of 119,000 tonnes of contained copper at the Moonta Copper Project.

At 30 June 2019, the Enviro Copper transaction remains subject to execution of a binding Farm-in and Joint venture Agreement for the Kapunda Copper Project and upon satisfactory completion of due diligence in respect of the Moonta Copper Project being acquired by Environmental Metals Recovery Pty Ltd from Andromeda Metals Ltd (ASX: ADN). As such, the £332,000 carrying value remains classified as a loan receivable from ECR, in the Group's Balance Sheet at the lower of cost and net realisable value. Upon completion of the transaction, the cost of the loan receivable from ECR will be reclassified in the Group's Balance Sheet to an equity accounted investment in Enviro Copper.

Notes to the Accounts

9. Deposits supporting performance bonds

	Consolidated		Company	
	£'000	£'000	£'000	£'000
	2019	2018	2019	2018
Deposits with banks and Governments	42	21	-	-
	42	21	-	-

10. Property, plant and equipment

Plant and Equipment:

At cost	60	60	-	-
Accumulated depreciation	(46)	(38)	-	-
Total Property, Plant and Equipment	14	22	-	-

Movements in Carrying Amounts

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year.

At 1 July	22	29	-	-
Additions	-	3	-	-
Foreign exchange impact, net	-	(1)	-	-
Disposals	-	-	-	-
Depreciation expense	(8)	(9)	-	-
At 30 June	14	22	-	-

The carrying value of the plant and equipment includes finance leased assets of £10,757 (2018: £16,424).

11. Trade receivables and other assets

Current

Trade and other receivables	45	43	14	10
Prepayments	19	6	-	-
	64	49	14	10

12. Current trade and other payables

Trade payables	(163)	(185)	(13)	(20)
Other payables	(82)	(101)	-	(5)
	(245)	(286)	(13)	(25)

Notes to the Accounts

	Consolidated		Company	
	£'000	£'000	£'000	£'000
	2019	2018	2019	2018
13. Interest bearing liabilities				
Leases				
Finance Lease Commitments				
Payable:				
Within One Year	-	(10)	-	-
Within One to Five Years	-	-	-	-
Minimum Lease Payments	-	(10)	-	-
Less Future Interest Charges	-	1	-	-
Net Lease Liability	-	(9)	-	-
Lease Liability is Represented by:				
Current	-	(9)	-	-
Non Current	-	-	-	-
Net Lease Liability	-	(9)	-	-

Finance lease was in relation to exploration equipment. The final lease payment was June 2019.

Notes to the Accounts

14. Issued share capital

	2019 £'000	2018 £'000
Issued up and fully paid:		
982,870,766 'Deferred Shares' of £0.0029 each ⁽¹⁾	2,850	2,850
7,928,958,500 'A Deferred Shares' of £0.000096 each ⁽²⁾	761	761
816,959,363 Ordinary shares of £0.0001 each	81	64
(2018: 982,870,766 'Deferred Shares' of £0.0029 each, 7,928,958,500 'A Deferred Shares' of £0.000096 each and 648,576,546 ordinary shares of £0.0001 each)		
	3,692	3,675

Movement in share capital

	2019		2018	
Ordinary shares of £0.0001	Number	£'000	Number	£'000
At 1 July	648,573,546	3,675	373,013,208	3,648
Shares issued for cash	47,058,823	5	131,736,111	13
Shares issued for acquisition	67,527,205	7	1,127,580	-
Shares issued to service providers	1,100,000	-	-	-
Warrants Exercised	52,699,789	5	142,696,647	14
At 30 June	816,959,363	3,692	648,573,546	3,675

Nominal Value

- (1) The nominal value of shares in the company was originally 0.3 pence. At a shareholders meeting in September 2013, the Company's shareholders approved a re-organisation of the company's shares which resulted in the creation of two classes of shares, being:
- Ordinary shares with a nominal value of 0.01 pence, which continued as the company's listed securities, and
 - 'Deferred Shares' with a nominal value of 0.29 pence which, subject to the provisions of the Companies Act 2006, may be cancelled by the company, or bought back for £1 and then cancelled. These deferred shares are not quoted and carry no rights whatsoever.
- (2) At a shareholders meeting in November 2016, the Company's shareholders approved a re-organisation of the company's shares which, on the 1 December 2016, resulted in the existing Ordinary Shares of 0.01 pence being further split as follows:
- Ordinary shares with a nominal value of 0.0004 pence, and
 - 'A Deferred Shares' with a nominal value of 0.0096 pence which, subject to the provisions of the Companies Act 2006, may be cancelled by the company, or bought back for £1 and then cancelled. These deferred shares are not quoted and carry no rights whatsoever.

Notes to the Accounts**14. Issued share capital (continued)****Warrants and Options on issue**

The following warrants (in UK) and options (in Australia) have been issued by the Company and have not been exercised as at 30 June 2019:

Number	Grant Date	Expiry Date	Exercise Price
20,000,000 ¹	11 Oct 2016	26 Jul 2019	GBP£0.0125
1,500,000 ²	27 Jun 2017	27 Jun 2020	GBP£0.0180
39,444,444 ³	28 Jul 2017	28 Jul 2019	GBP£0.0180
15,000,000 ⁴	28 Jul 2017	31 Mar 2020	GBP£0.0180
10,000,000 ⁵	29 Jan 2018	29 Jan 2020	GBP£0.0500
10,000,000 ⁶	13 Jun 2018	2 Nov 2020	GBP£0.0150
5,000,000 ⁷	13 Jun 2018	29 Dec 2020	GBP£0.0450
15,000,000 ⁸	13 Jun 2018	7 Jun 2021	GBP£0.035625
500,000 ⁹	23 Nov 2018	22 Aug 2019	GBP£0.05
47,058,823 ¹⁰	10 Apr 2019	10 Apr 2022	GBP£0.013
26,500,000 ¹¹	23 May 2019	23 May 2022	GBP£0.013
190,003,267	Total outstanding		

Share options (termed warrants in the UK) carry no rights to dividends and no voting rights.

¹ Issued to Directors following shareholder approval.

² Issued to a nominee of the Company's Exploration Manager, in recognition of service over an extended period.

³ 51,111,111 Issued to investors as part of a capital raise. 11,666,667 warrants have since been exercised prior to 30 June 2019.

⁴ Issued to Directors, following shareholder approval.

⁵ Issued to Metal Tiger as part of a placement. One Option for each share subscribed at £0.03. Subject to an acceleration clause whereby Thor may, at its sole volition, seek conversion of the Options should the share price of Thor, as traded on AIM, exceed a £0.03 volume weighted average price for five consecutive business days.

⁶ 'Replacement' Options issued to Paul Johnson. On 2 November 2017, Mr Paul Johnson, exercised 10,000,000 Options at an exercise price of 1.25p per Option, raising an additional £125,000 for the Company. The Options had originally been issued to Mr Johnson in lieu of Directors' fees payable for one year through to 1 September 2017. The Options had an expiry date of 2 September 2019. Given the early exercise, being just under two years before Option expiry, the Company agreed to award Mr Johnson 10,000,000 'replacement' options, as approved by shareholders.

⁷ 'Commencement' Options. Upon the appointment of Richard Bradey as a Director, the Company agreed to grant the Commencement Options, as approved by shareholders. The Options will vest with Mr Bradey once the AIM traded closing price for the Company's Ordinary Shares exceeds £0.06 for 20 consecutive business days.

⁸ A total of 15,000,000 Options were granted to Directors of the Company, as approved by shareholders.

⁹ A total of 500,000 Options were granted to a service provider.

¹⁰ 47,058,823 Issued to investors as part of a capital raise.

¹¹ 26,500,000 Issued as part of consideration for the acquisition of Hamersley Metals Pty Ltd and Pilbara Goldfields Pty Ltd, following shareholder approval.

Notes to the Accounts**15. Share based payments reserve**

	2019	2018
	£'000	£'000
At 1 July	297	115
Exercised options @ £0.001325	-	(13)
Exercised options @ £0.001411	-	(2)
Issued to SI Capital Ltd @ £0.001770	-	7
Issued to Paul Johnson @ £0.009781	-	98
Issued to an employee @ £0.003428	-	17
Issued to Directors @ £0.005289	-	79
Exercised options @ £0.001770	(1)	(4)
Lapsed options @ £0.0011770	(1)	-
Lapsed options @ £0.001857	(4)	-
Issued for an acquisition @ £0.002582	68	98
At 30 June	359	297

Options are valued at an estimate of the cost of the services provided. Where the fair value of the services provided cannot be estimated, the value of the options granted is calculated using the Black-Scholes model taking into account the terms and conditions upon which the options are granted. The following table lists the inputs to the model used for the share options in the balance of the Share Based Payments Reserve as at 30 June 2019 or 30 June 2018.

20,000,000 issued to Directors on 11 October 2016

Dividend yield	0.00%
Underlying Security spot price	£0.00625
Exercise price	£0.0125
Standard deviation of returns	60%
Risk free rate	1.67%
Expiration period	2.79yrs
Black Scholes valuation per option	£0.001275

2,000,000 issued to SI Capital Ltd on 27 June 2017

Dividend yield	0.00%
Underlying Security spot price	£0.0105
Exercise price	£0.018
Standard deviation of returns	60%
Risk free rate	1.67%
Expiration period	2yrs
Black Scholes valuation per option	£0.001857

Notes to the Accounts**16. Share based payments reserve (continued)****1,500,000 issued to a nominee of an employee on 27 June 2017**

Dividend yield	0.00%
Underlying Security spot price	£0.0105
Exercise price	£0.018
Standard deviation of returns	60%
Risk free rate	1.79%
Expiration period	3yrs
Black Scholes valuation per option	£0.002710

15,000,000 issued to Directors on 28 July 2017

Dividend yield	0.00%
Underlying Security spot price	£0.013555
Exercise price	£0.018
Standard deviation of returns	60%
Risk free rate	1.89%
Expiration period	3yrs
Black Scholes valuation per option	£0.004469

3,531,250 issued to the Company's broker on 30 November 2017

Dividend yield	0.00%
Underlying Security spot price	£0.01
Exercise price	£0.012
Standard deviation of returns	60%
Risk free rate	1.95%
Expiration period	1yr
Black Scholes valuation per option	£0.001770

10,000,000 issued to a Director on 13 June 2018

Dividend yield	0.00%
Underlying Security spot price	£0.0205
Exercise price	£0.015
Standard deviation of returns	60%
Risk free rate	2.12%
Expiration period	2.4yrs
Black Scholes valuation per option	£0.009781

5,000,000 issued to a Director on 13 June 2018

Dividend yield	0.00%
Underlying Security spot price	£0.0205
Exercise price	£0.045
Standard deviation of returns	60%
Risk free rate	2.23%
Expiration period	2.5yrs
Black Scholes valuation per option	£0.003428

Notes to the Accounts**15. Share based payments reserve (continued)****15,000,000 issued to Directors on 13 June 2018**

Dividend yield	0.00%
Underlying Security spot price	£0.0205
Exercise price	£0.035625
Standard deviation of returns	60%
Risk free rate	2.23%
Expiration period	3yrs
Black Scholes valuation per option	£0.005289

26,500,000 issued for an acquisition on 23 May 2019

Dividend yield	0.00%
Underlying Security spot price	£0.0085
Exercise price	£0.013
Standard deviation of returns	60%
Risk free rate	2.23%
Expiration period	3.16yrs
Black Scholes valuation per option	£0.002582

16. Analysis of changes in net cash and cash equivalents

	1 July 2018	Cash flows	Non-cash changes	30 June 2019
	£'000	£'000	£'000	£'000
Cash at bank and in hand - Group	1,374	(835)	(16)	523

17. Contingent liabilities and commitments**a) Exploration commitments**

Ongoing exploration expenditure is required to maintain title to the Group mineral exploration permits. No provision has been made in the financial statements for these amounts as the expenditure is expected to be fulfilled in the normal course of the operations of the Group.

b) Claims of native title

The Directors are aware of native title claims which cover certain tenements in the Northern Territory. The Group's policy is to operate in a mode that takes into account the interests of all stakeholders including traditional owners' requirements and environmental requirements. At the present date no claims for native title have seriously affected exploration by the Company.

c) Contingent Liability

As at 30 June 2019, the Group had no contingent liabilities.

Notes to the Accounts**18. Financial instruments**

The Group uses financial instruments comprising cash, liquid resources and debtors/creditors that arise from its operations.

The Group's exposure to currency and liquidity risk is not considered significant. The Group's cash balances are held in Pounds Sterling and in Australian Dollars, the latter being the currency in which the significant operating expenses are incurred.

To date the Group has relied upon equity funding to finance operations. The Directors are confident that they will be able to raise additional equity capital to finance operations to commercial exploitation but controls over expenditure are carefully managed.

The net fair value of financial assets and liabilities approximates the carrying values disclosed in the financial statements. The currency and interest rate profile of the Group's financial assets is as follows:

	2019 £'000	2018 £'000
Sterling	56	437
Australian Dollars	467	937
	523	1,374

The financial assets comprise interest earning bank deposits and a bank operating account.

Set out below is a comparison by category of carrying amounts and fair values of all of the Group's financial instruments recognised in the financial statements, including those classified under discontinued operations. The fair value of cash and cash equivalents, trade receivables and payables approximate to book value due to their short-term maturity.

The fair values of derivatives and borrowings have been calculated by discounting the expected future cash flows at prevailing interest rates. The fair values of loan notes and other financial assets have been calculated using market interest rates.

	2019		2018	
	Carrying Amount £'000	Fair Value £'000	Carrying Amount £'000	Fair Value £'000
Financial assets:				
Cash and cash equivalents	523	523	1,374	1,374
Trade & other receivables	45	45	43	43
Loan receivable (convertible note)	332	332	113	113
Deposits supporting performance guarantees	42	42	21	21
Financial liabilities:				
Trade and other payables	245	245	286	286
Non interest bearing liabilities	-	-	-	-
Interest bearing liabilities	-	-	9	9

Notes to the Accounts**18. Financial instruments (continued)**

The following table sets out the carrying amount, by maturity, of the financial instruments exposed to interest rate risk:

	Effective	Maturing			Total
30-June 2019 - Group	Interest Rate	< 1 year	>1 to <2	>2 to <5	
	%	£'000	Years	Years	£'000
			£'000	£'000	
Financial Assets					
<i>Fixed rate</i>					
At call Account – AUD	0%	467	-	-	467
At call Account – STG	0.05%	56	-	-	56
		523	-	-	523
Financial Liabilities					
<i>Fixed Rate</i>					
Interest bearing liabilities	-	-	-	-	-
30-June 2018 - Group					
Financial Assets					
<i>Fixed rate</i>					
At call Account – AUD	0%	92	-	-	92
At call Account – STG	0.05%	437	-	-	437
Term deposits - AUD	2.5%	845	-	-	845
		1,374	-	-	1,374
Financial Liabilities					
<i>Fixed Rate</i>					
Interest bearing liabilities	4.7%	9	-	-	9

19. Related parties transactions

There is no ultimate controlling party.

Thor has lent funds to its wholly owned subsidiaries to enable those companies to carry out their operations. At 30 June 2019 the estimated recoupable amount converted to £11,252,000 (refer Note 8(c)).

Thor Mining PLC engages the services of Druces LLP Solicitors, a company in which Mr Stephen Ronaldson is a Partner. Mr Ronaldson is the UK based Company Secretary of Thor. During the year £27,547 was paid to Druces LLP Solicitors (2018: £26,925 paid to Ronaldsons LLP Solicitors) on normal commercial terms.

Transactions with Directors and Director related entities are disclosed in Note 4.

20. Subsequent events

On 1 July 2019, Thor Mining Plc announced an agreement to issue 4,687,500 of shares at an agreed value of 0.80 pence to a service provider in lieu of marketing and communications services valued at £37,500. The shares were issued on 5 July 2019.

On the 15 August 2019, the Group received A\$222,000 from the Australian Government for its research and development tax incentive claim related to eligible expenditure incurred in the year ended 30 June 2019.

Notes to the Accounts

20. Subsequent events (continued)

On 30 September 2019, the Company announced the publication of a maiden Mineral Resource Estimate for the Big Sandy Deposit in Arizona USA, by Hawkstone Mining Limited ("Hawkstone") (ASX: HWK). Hawkstone, the 100% owner of the Big Sandy project, announced an Indicated and Inferred Mineral Resource Estimate of 32.5 Million Tonnes grading 1,850 parts per million (ppm) Li, or 320,800 tonnes Lithium Carbonate Equivalent, reported above an 800ppm Li cut-off.

Thor holds 7,421,875 ordinary shares in Hawkstone (representing 1.075% of its issued share capital). Thor shall be allotted a further 7,812,500 ordinary shares in Hawkstone if Hawkstone reports, by September 2021, a mineral resource estimate, on the Big Sandy deposit, of at least 30 million tonnes at a grade of over 2,000ppm Lithium (Li), using a lower cut-off grade of 1,000ppm Li. Refer Note 8(b) for further detail related to the Company's investment in Hawkstone.

Other than the above matters, there were no material events arising subsequent to 30 June 2019 to the date of this report which may significantly affect the operations of the Group or Company, the results of those operations and the state of affairs of the Group or Company in the future.

ASX Additional Information

Additional information required by the Australian Stock Exchange Limited Listing Rules and not disclosed elsewhere in this report is set out below.

Date and Place of Incorporation, and Application of Takeover Provisions

- a) The company was incorporated in England on 3 November 2004 as Thor Mining Ltd and was re-registered as a public company, with the name Thor Mining Plc, on 6 June 2005.
- b) The company is not subject to Chapters 6, 6A, 6B and 6C of the Australian Corporations Act dealing with the acquisition of shares (including substantial shareholdings and takeovers).
- c) As a public company incorporated in England and Wales, Thor Mining Plc is subject to the City Code on Takeovers and Mergers (the Code). Subject to certain exceptions and limitations, a mandatory offer is required to be made under Rule 9 of the Code broadly where:
 - (i) a bidder and any persons acting in concert with it acquire shares carrying 30% or more of the voting rights of a target company; or
 - (ii) if a bidder, together with any concert parties, increases its holding where its holding is not less than 30% but not more than 50% of the voting rights.

Rule 9 requires a mandatory offer to be made in cash and at the highest price paid by the bidder (or any persons acting in concert with it) for any interest in shares of the relevant class during the 12 months prior to the announcement of the offer.

In addition, save in certain specified circumstances, rule 5 of the code imposes restrictions on acquisitions which increase a person's total number of voting rights in Thor Mining Plc (when aggregated with those of his concert parties) to 30% or more of the total voting rights of the company or if he, together with his concert parties, having an interest in 30% or more of such voting rights, acquires more voting rights up to (and including) a total of 50%.

Where a bidder obtains acceptances of at least 90% of the shares subject to a takeover offer (which excludes any shares held by it or its concert parties) and acceptances of at least 90% of the voting rights carried by the shares subject to the offer, it can require the remaining shareholders who have not accepted the offer to sell their shares on the terms of the offer.

Shareholdings (as at 13 September 2019)

Class of shares and voting rights

- (a) at meetings of members or classes of members each member entitled to vote may vote in person or by proxy or attorney; and
- (b) on a show of hands every person present who is a member has one vote, and on a poll every person present in person or by proxy or attorney has one vote for each Ordinary Share held.

On-market buy-back

There is no current on-market buy-back.

Distribution of listed equity securities

Category (number of shares/warrants)	Number of Shareholders
1 – 1,000	187
1,001 – 5,000	137
5,001 – 10,000	46
10,001 – 100,000	416
100,001 and over	274
	<hr/>
	1,060

The number of Australian shareholders holding less than a marketable parcel is 427.

The minimum parcel size is 41,666 shares.

THOR MINING PLC

Twenty largest shareholders as at 13 September 2019

Name	Number of shares held	Percentage of shares held
CGWL NOMINEES LIMITED <GC1>	75,969,378	9.25%
JIM NOMINEES LIMITED <JARVIS>	71,781,615	8.74%
SHARE NOMINEES LTD	59,669,786	7.26%
BARCLAYS DIRECT INVESTING NOMINEES LIMITED <CLIENT1>	56,918,007	6.93%
INTERACTIVE INVESTOR SERVICES NOMINEES LIMITED <SMKTISAS>	46,287,588	5.63%
INTERACTIVE INVESTOR SERVICES NOMINEES LIMITED <SMKTNOMS>	38,124,495	4.64%
HARGREAVES LANSDOWN (NOMINEES) LIMITED <HLNOM>	37,443,488	4.55%
MICHAEL BILLING	35,407,423	4.31%
HARGREAVES LANSDOWN (NOMINEES) LIMITED <15942>	34,874,222	4.24%
HARGREAVES LANSDOWN (NOMINEES) LIMITED <VRA>	23,362,980	2.84%
ROX RESOURCES LIMITED	14,527,205	1.77%
HSDL NOMINEES LIMITED	14,204,615	1.73%
HSDL NOMINEES LIMITED <MAXI>	13,744,103	1.67%
VALUE GENERATION LIMITED	13,257,274	1.61%
REDSTONE METALS PTY LTD	12,506,863	1.52%
VIDACOS NOMINEES LIMITED <IGUKCLT>	10,149,186	1.24%
MR DAVID EDWARD THOMAS & MRS BARBARA JEAN THOMAS	9,410,970	1.15%
HSBC CLIENT HOLDINGS NOMINEE (UK) LIMITED <731504>	8,382,963	1.02%
LAWSHARE NOMINEES LIMITED <SIPP>	7,868,252	0.96%
VIDACOS NOMINEES LIMITED <RBCRBSMR>	7,210,240	0.88%
TOTAL	591,100,653	71.94%

Unlisted Option and Warrant holders as at 13 September 2019

Option Holders	Expiry Date	Number of Holders	Number of Warrants	Percentage of Total Warrants
R Bradey June 2017	27-Jun-20	1	1,500,000	1.2%
Directors July 2017	31-Mar-20	5	15,000,000	11.5%
Metal Tiger January 2018	29-Jan-20	1	10,000,000	7.7%
P Johnson June 2018	2-Nov-20	1	10,000,000	7.7%
R Bradey June 2018	29-Dec-20	1	5,000,000	3.8%
Directors June 2018	7-Jun-21	5	15,000,000	11.5%
Placement April 2019	10-Apr-22	27	47,058,823	36.2%
Acquisition May 2019	23-May-22	15	26,500,000	20.4%
Total		56	130,058,823	100%

Securities held on Escrow

Total shares and CDIs on issue are 821,646,863. No shares or CDIs are held in escrow.

Stock Exchanges

Thor Mining PLC shares are dual listed on the AIM market and the Australian Stock Exchange. On the ASX they are traded as CDIs.

ASX CORPORATE GOVERNANCE DISCLOSURE

The Board have chosen to apply the ASX Corporate Governance Principles and Recommendations (ASX Corporate Governance Council, 3rd Edition) as the Company's chosen corporate governance code for the purposes of AIM Rule 26. Consistent with ASX listing rule 4.10.3 and AIM rule 26, this document details the extent to which the Company has followed the recommendations set by the ASX Corporate Governance Council during the reporting period. A separate disclosure is made where the Company has not followed a specific recommendation, together with the reasons and any alternative governance practice, as applicable. This information is reviewed annually.

A copy of the Company's corporate governance policy is available on the Company's website <http://www.thormining.com/aboutus#governance>.

Skills, experience, expertise and term of office of each Director

A profile of each Director containing the applicable information is set out on the Company's website and elsewhere within this document.

Identification of Independent Directors

Mr A Middleton and Mr D Thomas are independent in accordance with the criteria set out in the ASX Principles and Recommendations.

Statement concerning availability of independent professional advice

Subject to the approval of the chairman, an individual Director may engage an outside adviser at the expense of Thor Mining Plc for the purposes of seeking independent advice in appropriate circumstances.

Names of nomination committee members and their attendance at committee meetings

Whilst the Company does not have a formal nomination committee, it does formally consider Board succession issues and whether the Board has the appropriate balance of skills, knowledge, experience, independence and diversity.

Names and qualifications of audit committee members

The full Board performs the functions of the Audit Committee. All directors are considered financially literate.

The Board last undertook a formal evaluation of its performance on 20 September 2018.

TENEMENT SCHEDULE

At 30 June 2019, the consolidated entity holds an interest in the following Australian tenements:

Project	Tenement	Area kms²	Area ha.	Holders	Company Interest
Molyhil	EL22349	228.10		Molyhil Mining Pty Ltd	100%
Molyhil	EL28948	9.50		Molyhil Mining Pty Ltd	100%
Molyhil	EL31130	31.70		Molyhil Mining Pty Ltd	100%
Molyhil	EL31443	66.48		Molyhil Mining Pty Ltd	100%
Molyhil	ML23825		95.92	Molyhil Mining Pty Ltd	100%
Molyhil	ML24429		91.12	Molyhil Mining Pty Ltd	100%
Molyhil	ML25721		56.2	Molyhil Mining Pty Ltd	100%
Molyhil	AA29732		38.6	Molyhil Mining Pty Ltd	100%
Molyhil	MLS77		16.18	Molyhil Mining Pty Ltd	100%
Molyhil	MLS78		16.18	Molyhil Mining Pty Ltd	100%
Molyhil	MLS79		8.09	Molyhil Mining Pty Ltd	100%
Molyhil	MLS80		16.18	Molyhil Mining Pty Ltd	100%
Molyhil	MLS81		16.18	Molyhil Mining Pty Ltd	100%
Molyhil	MLS82		8.09	Molyhil Mining Pty Ltd	100%
Molyhil	MLS83		16.18	Molyhil Mining Pty Ltd	100%
Molyhil	MLS84		16.18	Molyhil Mining Pty Ltd	100%
Molyhil	MLS85		16.18	Molyhil Mining Pty Ltd	100%
Molyhil	MLS86		8.05	Molyhil Mining Pty Ltd	100%
Bonya	EL29701	204.5		Molyhil Mining Pty Ltd	40%
Bonya	EL32167	74.54		Molyhil Mining Pty Ltd	40%
Panorama	E46/1190	35.03		Pilbara Goldfields Pty Ltd	100%

THOR MINING PLC

At 30 June 2019, the consolidated entity holds an interest in the following tenements in the US State of Nevada:

Claim Group	Prospect	Claim Number	Area	Holders	Company Interest
Platoro	Desert Scheelite	NT #55 - 64	45 blocks (611ha or 1,510 acres)	Pilot Metals Inc	100%
	Garnet	NT #9 - 18			
	Gunmetal	NT #19 - 22, 6, 7			
	Good Hope	NT #1 - 5, 41 - 54			
BFM 1	Black Fire Claims	BFM1 - BFM109	109 blocks (1,481ha or 3,660 acres)	BFM Resources Inc	100%
BFM 2	Des Scheel East	BFM109 - BFM131	22blocks (299ha or 739Acre)	BFM Resources Inc	100%
Dunham Mill	Dunham Mill	MS1 – MS4	4 blocks	BFM Resources Inc	100%