ASX Code: "THR"

THOR MINING PLC

15 September 2020

THOR MINING PLC

Registered Numbers:
United Kingdom 05276 414
Australia 121 117 673

Registered Office:
58 Galway Avenue
MARLESTON, SA, 5035
Australia

Ph: +61 8 7324 1935
Fx: +61 8 8351 5169

Email:
corporate@thormining.com

Website:
www.thormining.com

Twitter
@ThorMining
Enquiries:
Mick Billing
Executive Chairman
Thor Mining PLC
+61 8 7324 1935

Nominated Advisor
Colin Aaronson
Grant Thornton
+44 (0) 20 7383 5100

AIM & ASX Listings:
Shares: THR

Directors:
Michael Billing
Mark Potter
Mark McGeough
Richard Bradey

Key Projects:

- **Tungsten**
  Molyhil NT
  Pilot Mountain USA
- **Copper**
  Kapunda SA
  Moonta SA

PRELIMINARY (UNAUDITED) ANNUAL FINANCIAL STATEMENTS

The Directors of Thor Mining PLC (AIM, ASX THR) ("Thor" or "Company") provide the attached Preliminary (unaudited) Annual Financial Statements ("Financial Statements") for the year ended 30 June 2020.

The Company expects to lodge its audited Annual Financial Statements by 30 September 2020.

Mick Billing, Executive Chairman of Thor Mining, commented:
"The Preliminary Statements summarise a very active year for the Company in terms of advancement of existing projects and investigation of new projects as we observe a rise in demand for, and price recovery of, a range of minerals and metals. Thor Mining has a solid portfolio of assets from the development ready 100% owned Molyhil Tungsten/Molybdenum project, the exciting Kapunda and Moonta Copper projects via our interest in Envirocopper Ltd (ECL), the large Tungsten resource at Pilot Mountain, and our new Ragged Range Gold / Nickel venture in the Pilbara region of Western Australia, and Uranium / Vanadium project tenements in Utah and Colorado. If the broad basket minerals sector is setting up for a buoyant price cycle, then your company is well prepared to participate."

Authorised for release by the Board.

For further information please contact

THOR MINING PLC

Ray Ridge, Company Secretary
+61 8 7324 1935

Updates on the Company's activities are regularly posted on Thor's website www.thormining.com, which includes a facility to register to receive these updates by email, and on the Company's twitter page @ThorMining.

About Thor Mining PLC

Thor Mining PLC (AIM, ASX: THR) is a resources company quoted on the AIM Market of the London Stock Exchange and on ASX in Australia.

Thor holds 100% of the advanced Molyhil tungsten project in the Northern Territory of Australia, for which an updated feasibility study in August 2018[1] suggested attractive returns.

Adjacent Molyhil, at Bonya, Thor holds a 40% interest in deposits of tungsten, copper, and vanadium, including Inferred Resource estimates for the White Violet and Samarkand tungsten deposits and the Bonya copper deposit[2].

Thor also holds 100% of the Pilot Mountain tungsten project in Nevada USA which has a JORC 2012 Indicated and Inferred Resources Estimate[3] on 2 of the 4 known deposits. The US Department of the Interior has confirmed that tungsten, the primary resource mineral at Pilot Mountain, has been included in the final list of Critical Minerals 2018.

Thor holds a 25% interest Australian copper development company EnviroCopper Limited (with rights to increase its interest to 30%). EnviroCopper Limited holds:

- *rights to earn up to a 75% interest in the mineral rights and claims over the resource[4] on the portion of the historic Kapunda copper mine in South Australia considered recoverable by way of in situ recovery; and*
- *rights to earn up to 75% of the Moonta copper project, also in South Australia comprising the northern portion of exploration licence EL5984 and includes a resource estimate[5] for several deposits considered recoverable by way of in situ recovery.*

<u>Notes</u>

[1] Refer ASX and AIM announcement of 23 August 2018

[2] Refer ASX and AIM announcements of 26 November 2018 and 29 January 2020

[3] Refer AIM announcement of 13 December 2018 and ASX announcement of 14 December 2018

[4] Refer AIM announcement of 10 February 2018 and ASX announcement of 12 February 2018

[5] Refer ASX and AIM announcement of 15 August 2019

THOR MINING PLC

Statements of Comprehensive Income for the year ended 30 June 2020

		Consolidated		Company	
	Note	**£'000 2020**	£'000 2019	**£'000 2020**	£'000 2019
Administrative expenses		(123)	(91)	(173)	(139)
Corporate expenses		(663)	(601)	(339)	(271)
Share based payments expense		(48)	(22)	(12)	(22)
Realised gain on financial assets		6	(1)	5	-
Exploration expenses		(25)	(21)	-	-
Net impairment of subsidiary loans		-	-	(176)	(403)
Net impairment of investments		-	-	(49)	-
Write off/Impairment of exploration assets	7	(59)	(28)	-	-
Operating Loss	3	(912)	(764)	(744)	(835)
Interest Received		2	12	-	-
Interest paid		(4)	-	-	-
Loss on Revaluation of Asset		(17)	-	-	-
Loss on Sale of Investments		(29)	-	(8)	-
Sundry Income		38	17	-	-
Loss before Taxation		(922)	(735)	(752)	(835)
Taxation	5	-	-	-	-
Loss for the period		(922)	(735)	(752)	(835)
Other comprehensive income:					
Exchange differences on translating foreign operations		160	(100)	-	-
Other comprehensive income for the period, net of income tax		160	(100)	-	-
Total comprehensive income for the period		(762)	(835)	(752)	(835)
Basic loss per share	6	(0.09)p	(0.10)p		

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

Statements of Financial Position at 30 June 2020 Co No: 05276414

	Note	Consolidated £'000 2020	Consolidated £'000 2019	Company £'000 2020	Company £'000 2019
ASSETS					
Non-current assets					
Intangible assets - deferred exploration costs	7	12, 252	11,688	-	-
Investment in subsidiaries	8a	-	-	1,157	1,206
Investments at cost	8b	-	103	-	103
Loans to subsidiaries	8c	-	-	11,383	11,252
Loan receivable (convertible note)	8d	391	332	-	-
Deposits to support performance bonds	9	42	42	-	-
Right of use asset	10	41	-	-	-
Plant and equipment	11	7	14	-	-
Total non-current assets		12,733	12,179	12,540	12,561
Current assets					
Cash and cash equivalents		233	523	229	56
Trade receivables & other assets	12	43	64	29	14
Total current assets		276	587	258	70
Total assets		13,009	12,766	12,798	12,631
LIABILITIES					
Current liabilities					
Trade and other payables	13	(307)	(245)	(39)	(12)
Employee annual leave provision		(54)	(45)	-	-
Lease Liability	14	(31)	-	-	-
Total current liabilities		(392)	(290)	(39)	(12)
Non Current Liabilities					
Lease Liability	14	(11)	-	-	-
Total non-current liabilities		(11)	-	-	-
Total liabilities		(403)	(290)	(39)	(12)
Net assets		12,606	12,476	12,759	12,619
Equity					
Issued share capital	15	3,733	3,692	3,733	3,692
Share premium		22,288	21,449	22,288	21,449
Foreign exchange reserve		2,244	2,084	-	-
Merger reserve		405	405	405	405
Share based payments reserve	16	275	359	275	359
Retained losses		(16,339)	(15,513)	(13,942)	(13,286)
Total shareholders equity		12,606	12,476	12,759	12,619

Statements of Cash Flows for the year ended 30 June 2020

	Note	Consolidated		Company	
		£'000	£'000	**£'000**	£'000
		2020	2019	**2020**	2019
Cash flows from operating activities					
Operating Loss		(912)	(764)	(744)	(835)
Sundry income		38	17	-	-
Decrease/(increase) in trade and other receivables		19	(8)	(15)	10
(Decrease)/increase in trade and other payables		44	(12)	27	(13)
Increase in provisions		9	(4)	-	-
Depreciation		37	8	-	-
Exploration expenditure written off		59	28	-	-
Impairment subsidiary loans		-	-	176	403
Impairment investments in subsidiaries		-	-	49	-
Share based payment expense		48	22	12	22
Exclusivity fee paid in shares		27	-	27	-
Net cash outflow from operating activities		(631)	(713)	(468)	(413)
Cash flows from investing activities					
Interest received		2	17	-	-
Interest paid		(4)	-	-	-
Expenditure on refundable performance bonds		-	(22)	-	-
Cash acquired in purchase of subsidiaries		-	41	-	-
R&D Grants for exploration expenditure		124	-	-	-
Payments for exploration expenditure		(570)	(876)	-	-
Loan advanced (convertible note)		(56)	(221)	-	-
Loans to controlled entities		-	-	(174)	(943)
Proceeds from sale of investments		56	-	-	-
Net cash in/(out)flow from investing activities		(448)	(1,061)	(174)	(943)
Cash flows from financing activities					
Finance lease repaid		(30)	(10)	-	-
Net issue of ordinary share capital		815	949	815	949
Net cash inflow from financing activities		785	939	815	949
Net increase in cash and cash equivalents		(294)	(835)	173	(407)
Non cash exchange changes		4	(16)	-	-
Cash and cash equivalents at beginning of period		523	1,374	56	463
Cash and cash equivalents at end of period		233	523	229	56

Statements of Changes in Equity For the year ended 30 June 2020

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 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**	**12,476**
Balance at 1 July 2019	**3,692**	**21,449**	**(15,513)**	**2,084**	**405**	**359**	**12,476**
Loss for the period	-	-	(922)	-	-	-	(922)
Foreign currency translation reserve	-	-	-	160	-	-	160
Total comprehensive (loss) for the period	-	-	(922)	160	-	-	(762)
Transactions with owners in their capacity as owners							
Shares issued	41	915	-	-	-	-	956
Cost of shares issued	-	(76)	-	-	-	-	(76)
Options exercised/lapsed	-	-	96	-	-	(96)	-
Options issued		-	-	-	-	12	12
At 30 June 2020	**3,733**	**22,288**	**(16,339)**	**2,244**	**405**	**275**	**12,606**
Company							
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**
Balance at 1 July 2019	**3,692**	**21,449**	**(13,286)**	**-**	**405**	**359**	**12,619**
Loss for the period	-	-	(752)	-	-	-	(752)
Total comprehensive (loss) for the period	-	-	(752)	-	-	-	(752)
Transactions with owners in their capacity as owners							
Shares issued	41	915	-	-	-	-	956
Cost of shares issued	-	(76)	-	-	-	-	(76)
Options exercised/lapsed	-	-	96	-	-	(96)	-
Options issued	-	-	-	-	-	12	12
At 30 June 2020	**3,733**	**22,288**	**(13,942)**	-	**405**	**275**	**12,759**

Notes to the Accounts for the year ended 30 June 2020

1 Principal accounting policies

a) Authorisation of financial statements

The Group preliminary (unaudited) financial statements of Thor Mining PLC for the year ended 30 June 2020 were authorised for issue the Board on 14 September 2020. 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 preliminary (unaudited) financial statements have been prepared for release to the market in advance of its audited accounts expected to be lodged by the usual deadline of 30 September 2020. The preliminary (unaudited) financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"), other than the disclosure requirements associated with Financial Instruments and disclosure of subsequent events. The principal accounting policies adopted by the Group and Company are set out below.

c) Basis of preparation and Going Concern

The financial information set out in the announcement does not constitute the Group's statutory accounts for the years ended 30 June 2019 or 30 June 2020. The financial information for the year ended 30 June 2019 is derived from the statutory accounts for that year, which have been delivered to the Registrar of Companies. The audit of the statutory accounts for the year ended 30 June 2020 is not yet complete. These accounts will be finalised on the basis of the financial information presented by the Directors in this preliminary announcement and will be delivered to the Registrar of Companies following the Group's annual general meeting.

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 Group incurred a net loss before tax of £922,000 during the period ended 30 June 2020, and had a net cash outflow of £1,079,000 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.

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.

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 service providers, in the form of share options. For further information refer to Note 16.

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.

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) 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.

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.

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.

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.

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) Leased assets (comparative period ended 30 June 2019 only)

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.

From the 1 July 2019, the Group applied the new accounting standard IFRS 16: Leases.

x) 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 2019:

- IFRS 16: Leases

The impact of the adoption of this Standard and the respective accounting policies is disclosed further below.

This note describes the nature and effect of the adoption of IFRS 16: Leases on the Group's financial statements and discloses the new accounting policies that have been applied from 1 July 2019, where they are different to those applied in prior periods.

The Company as Lessee

At the inception of a contract, the Group assesses if the contract is a lease or contains a lease. If there is a lease present, a right-of-use asset and a corresponding lease liability are recognised by the Group where the Group is a lessee. However, all contracts that are classified as short-term leases (ie a lease with a term of 12 months or less) and leases of low-value assets are recognised as an operating expense on a straight-line basis over the term of the lease.

Initially the lease liability is measured at the present value of the lease payments still to be paid at the commencement date. The lease payments are discounted at the interest rate implicit in the lease. If this rate cannot be readily determined, the Group uses the incremental borrowing rate.

Lease payments included in the measurement of the lease liability are as follows:

- fixed lease payments less any lease incentives;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- the amount expected to be payable by the lessee under residual value guarantees;
- the exercise price of purchase options, if the lessee is reasonably certain to exercise the options;
- lease payments under extension options, if the lessee is reasonably certain to exercise the options; and
- payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, any lease payments made at or before the commencement date and any initial direct costs. The subsequent measurement of the right-of-use assets is at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated over the lease term or useful life of the underlying asset, whichever is the shortest.

Where a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group anticipates to exercise a purchase option, the specific asset is depreciated over the useful life of the underlying asset.

The Company as Lessor

As the Group has no contracts as a lessor, the provisions of IFRS 16 relating accounting for lease contracts as a lessor are not applicable.

Initial Application of IFRS 16 Leases

The Group has adopted IFRS 16: Leases retrospectively with the cumulative effect of initially applying IFRS 16 recognised at 1 July 2019. In accordance with IFRS 16, the comparatives for the 2019 reporting period have not been restated.

The Group has recognised a lease liability and right-of-use asset for all leases (with the exception of short-term and low-value leases), where the Group is the lessee.

Lease liabilities are measured at the present value of the remaining lease payments. The Group's incremental borrowing rate as at 1 July 2019 was used to discount the lease payments.

The right-of-use assets for the leases have been measured and recognised in the statement of financial position as at 1 July 2019 at the same amount as the lease liability.

The following practical expedients have been used by the Company in applying IFRS 16 for the first time:

- leases that have remaining lease term of less than 12 months as at 1 July 2019 have been accounted for as short-term leases.
- the use of hindsight to determine lease terms on contracts that have options to extend or terminate.

The Company's weighted average incremental borrowing rate on 1 July 2019 applied to the lease liabilities was 4.58%.

y) New standards, amendments and interpretations not yet adopted

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.

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.

	£'000	**£'000**	**£'000**	**£'000**
Year ended 30 June 2020	**Head office/ Unallocated**	**Australia**	**United States**	**Consolidated**
Revenue				
Sundry Income	40	-	-	40
Total Segment Expenditure	(347)	(592)	(23)	(962)
(Loss) from Ordinary Activities before Income Tax	(307)	(592)	(23)	(922
Income Tax (Expense)	-	-	-	-
Retained (loss)	**(307)**	**(592)**	**(23)**	**(922)**
Assets and Liabilities				
Segment assets	-	10,081	2,670	12,751
Corporate assets	258	-	-	258
Total Assets	258	10,081	2,670	**13,009**
Segment liabilities	-	(364)	-	(364)
Corporate liabilities	(39)	-	-	(39)
Total Liabilities	(39)	(364)	-	**(403)**
Net Assets	**219**	**9,717**	**2,670**	**12,606**

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**

3. Operating loss – group

	2020 **£’000**	2019 £’000
This is stated after charging:		
Depreciation	37	8
Auditors’ remuneration – audit services	27	25
Auditors’ remuneration – non audit services	-	-
Options issued – directors, staff, and consultants	-	-
Directors emoluments – fees and salaries	290	369

Auditors’ remuneration for audit services above includes £18,000 (2019: £17,000) to Chapman Davis LLP for the audit of the Company and Group. Remuneration to BDO for the audit of the Australian subsidiaries was £8,822 (2019: £7,251).

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 for services as Directors. In the case of Australian based Directors this annual fee is 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 (retired 29 November 2019) at a rate of A$1,500 per day. From December 2019 the Board agreed to alter the threshold for additional invoicing for services provided by Directors to services provided in excess of four days in any calendar month.

Mr Bradey receives an annual full time equivalent 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 2020

(i)	**Chairman and Chief Executive Officer**	
	Michael Billing	Executive Chairman and Chief Executive Officer
(ii)	**Directors**	
	Richard Bradey	Executive Director
	Mark Potter	Non-executive Director (appointed 27 August 2019)
	David Thomas	Non-executive Director (Retired 29 November 2019)
	Alastair Middleton	Non-executive Director (Retired 29 November 2019)
(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.

30 June 2020	Paid/Payable in cash £'000	Shares £'000	Total Salary & Fees £'000	Options £'000	Total £'000
Directors: [1]					
Michael Billing[5]	**131**	**-**	**131**	**-**	**131**
Mark Potter[4,5]	**21**	**-**	**21**	**-**	**21**
Richard Bradey[3]	**112**	**-**	**112**	**-**	**112**
David Thomas[2]	**15**	**-**	**15**	**-**	**15**
Alastair Middleton[2]	**11**	**-**	**11**	**-**	**8**
Key Personnel: [1]					
Ray Ridge[1]	**40**	-	**40**	-	**40**

[1] As at 30 June 2020 amounts of £101,692, £5,329, and £13,406, remained unpaid to Messrs Billing, Potter, and Ridge respectively.

[2] Retired 29 November 2019.

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

[4] Appointed 27 August 2019.

[5] Messrs Billing and Potter elected to receive 50% of their directors fees for the 6 months to 30 June 2020 by Thor shares in lieu of cash payment. Following shareholder approval on 7 July 2020, 1,587,302 ordinary shares were issued on 9 July 2020, to each of Messrs Billing and Potter in lieu of $10,000 in directors fees owing to each.

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

(c) Compensation by category	**Group**	
	2020	2019
	£'000	£'000
Key Management Personnel		
Short-term	**317**	400
Share Option charges	**-**	-
Post-employment	**13**	15
	330	415

(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 2020.

(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 30/6/19 or appointment date	Options Lapsed (Note A)	Options Lapsed (Note B)	Options Lapsed (Note C)	Held at 30/6/20	Vested and exercisable at 30/6/20
Michael Billing	14,500,000	(7,000,000)	(3,000,000)	-	4,500,000	4,500,000
Mark Potter	-	-	-	-	-	-
Richard Bradey	9,500,000	-	-	(1,500,000)	8,000,000	3,000,000
David Thomas[1]	9,500,000	(4,000,000)	-	-	5,500,000	5,500,000
Alastair Middleton[1]	5,500,000	-	-	-	5,500,000	5,500,000

[1] Balances held at the date of retirement (29 November 2019).

Notes:

A. *Options lapsed on 26 July 2019. Exercise price was £0.0125 per share.*
B. *Options lapsed 31 March 2020. Exercise price was £0.018 per share.*
C. *Options lapsed 27 June 2020. Exercise price was £0.018 per share.*

Key Management Personnel	Held at 30/6/18 or appointment date	Options Lapsed (Note A)	Options Exercised (Note B)	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
Richard Bradey	9,500,000	-	-	9,500,000	4,500,000
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
Paul Johnson[1]	26,825,000	-	-	26,825,000	26,825,000

[1] Balance held at the date of resignation (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.

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	2020 £'000	2019 £'000
Michael Billing	Consulting Fees	(i)	**111**	126
Mark Potter	Directors Fees	(ii)	**17**	-
Mark Potter	Consulting Fees	(ii)	**4**	-
David Thomas	Consulting Fees	(iii)	**6**	23

(i) The Group used the consulting services of MBB Trading Pty Ltd a company of which Mr Michael Billing is a shareholder and Director. Services are provided as Executive Chairman.
(ii) Mark Potter is engaged as a Director, and provides consulting fees, through Kiran Capital a company of which Mr Mark Potter is a shareholder and Director.
(iii) The Group used the services of Thomas Family Trust with whom Mr David Thomas has a contractual relationship (prior to date of retirement on 29 November 2019).

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)*.

5. Taxation - Group

	2020 £'000	2019 £'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:

	2020 £'000	2019 £'000
Loss on ordinary activities before tax	**(922)**	(735)
Effective rate of corporation tax in the UK	**19.0%**	19.0%
Loss on ordinary activities multiplied by the standard rate of corporation tax	**(175)**	(140)
Effects of:		
Future tax benefit not brought to account	**175**	140
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

	2020	2019
Loss for the year (£ 000's)	**(922)**	(735)
Weighted average number of Ordinary shares in issue	**990,413,655**	714,111,518
Loss per share (pence) – basic	**(0.09)p**	(0.10)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
	2020	2019
Cost		
At 1 July	**11,688**	10,133
Exploration expenditure	**469**	879
Acquisitions[1]	**-**	776
Disposals	**-**	-
Exchange gain/(loss)	**154**	(72)
Exploration written off[2]	**(59)**	(28)
At 30 June	**12,252**	11,688
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	**12,252**	11,688

In the year ended 30 June 2020 the Directors undertook an impairment review of the deferred exploration costs, resulting in an impairment expense of Nil (2019: 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 £28,000 write-off 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:
    - £450,500 as 53 million Thor shares issued on 10 April 2019, at an issue price of 0.85p per share,
    - £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 16.
    - Less £41,000 of cash and £2,500 other receivables in the two companies acquired.

[2] Deferred costs of £59,000 (2019: £28,000) were written-off, relating to tenements relinquished during the year.

In the year ended 30 June 2020, the write-down predominantly related to two Molyhil tenements not required for the Molyhil project (£56,000). The remaining £3,000 related to one of the tenements held by the subsidiary company, Hamersley Metals Pty Ltd, acquired in the prior year. The tenement was granted post-acquisition, and was subsequently relinquished as it was not considered a core part of the acquisition.

In the prior year ended 30 June 2019, the write down related to one of the Bonya tenements that was peripheral to the acquisition of those tenements earlier in that year (refer footnote 1 above).

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 tenements in the Northern Territory of Australia.*
[7] *Pilbara Goldfields Pty Ltd was acquired on 27 March 2019. The company holds a number of exploration tenements, in Western Australia.*

Messrs Billing and Bradey are Directors of each of the above companies.

	Consolidated		**Company**	
	£'000	£'000	**£'000**	£'000
	2020	2019	**2020**	2019
(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	**-**	-	**170**	170
Less: Impairment provision against investment	**-**	-	**(15)**	-
Pilbara Goldfields	**-**	-	**348**	348
Less: Impairment provision against investment	**-**	-	**(34)**	-
	-	-	**1,157**	1,206

8. Investments (continued)

(b) Investments at cost:

	Consolidated **£'000 2020**	Consolidated £'000 2019	Company **£'000 2020**	Company £'000 2019
Hawkstone Mining Limited	**-**	103	**-**	103
	-	103	**-**	103

On 7 September 2018, Hawkstone Mining Limited (Hawkstone) (ASX: HWK) acquired 100% of the shares on issue in US Lithium Pty Ltd, a company in which Thor had an interest of 6.25% at that time. Consideration received by Thor as follows:

- 7,421,875 Hawkstone shares received following the acquisition; and
- 7,812,500 Hawkstone shares received on 14 October 2019, following the declaration of an inferred resource at the Big Sandy Lithium Project .

In the prior year ending 30 June 2019, Thor's investment was carried at its original cost of the investment in US Lithium Pty Ltd of £103,000, comprised of 7,421,875 Hawkstone shares held by Thor with a market value at that time of $156,000 (£86,000), together with the contingent right to receive a further 7,812,500 Hawkstone shares.

During the year ended 30 June 2020, Thor sold 15,234,375 Hawkstone shares for proceeds of £56,000.

(c) Loans to subsidiaries:

	Consolidated **£'000 2020**	Consolidated £'000 2019	Company **£'000 2020**	Company £'000 2019
Molyhil Mining Pty Ltd	**-**	-	**10,571**	10,560
Less: Impairment provision against loan	**-**	-	**(1,783)**	(1,602)
Hale Energy Limited	**-**	-	**1,644**	1,591
Less: Impairment provision against loan	**-**	-	**(1,253)**	(1,258)
Black Fire Industrial Minerals Pty Ltd	**-**	-	**1,035**	1,035
Pilot Metals Inc	**-**	-	**1,101**	922
Hamersley Metals	**-**	-	**7**	2
Pilbara Goldfields	**-**	-	**61**	2
	-	-	**11,383**	11,252

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

8. Investments (continued)

(d) Loan receivable (convertible note):

	Consolidated		Company	
	£'000	£'000	**£'000**	£'000
	2020	2019	**2020**	2019
Environmental Copper Recovery SA Pty Ltd	**391**	332	**-**	-
	391	332	**-**	-

EnviroCopper Limited (EnviroCopper), via its subsidiary Environmental Copper Recovery SA Pty Ltd (ECR), holds an agreement to earn, in two stages, up to 75% of the rights over metals which may be recovered via in-situ recovery (ISR) contained in the Kapunda deposit, from Australian listed company, Terramin Australia Limited (ASX: TZN). Another subsidiary of EnviroCopper, Environmental Metals Recovery Pty Ltd (EMR) has a right to earn up to a 75% interest in the Moonta Copper Project, which comprises the northern section of exploration licence EL5984 held by Andromeda Metals Limited (ASX: ADN).

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 (refer AIM Announcement of 10 February 2018 and ASX announcement 12 February 2018).

The Moonta Copper Project has an ISR amenable Inferred Resource Estimate of 114,000 tonnes of contained copper (refer ASX and AIM announcement of 15 August 2019).

To date Thor has been investing in EnviroCopper's subsidiary ECR through convertible notes. Convertible notes advanced to ECR to 30 June 2020 total A$700,000 (£391,000). This comprises A$600,000 that may be converted into a 25% interest in EnviroCopper and the first A$100,000 advanced of a total of $400,000 in additional payments required for an additional 5% interest in EnviroCopper. At 30 June 2020, the carrying value remains classified as a loan receivable from ECR, in the Group's Statement of Financial Position, at the lower of cost and net realisable value.

Subsequent to 30 June 2020, Thor formally converted its $600,000 loan to a 25% interest in EnviroCopper and have nominated a representative to join the Board of EnviroCopper. Accordingly, the loan receivable from ECR will be reclassified in the Group's Statement of Financial Position to an equity accounted investment in Enviro Copper for future reporting periods.

Also subsequent to year end, Thor has advanced a further $115,000, and is expecting to make the final $185,000 advance in the coming year ended 30 June 2021, enabling Thor to take its equity interest in EnviroCopper to 30%.

9. Deposits supporting performance bonds

	Consolidated		Company	
	£'000	£'000	**£'000**	£'000
	2020	2019	**2020**	2019
Deposits with banks and Governments	**42**	42	**-**	-
	42	42	**-**	-

10. RIGHT OF USE ASSET

The Company's Right of use assets relates to leased office space.
This lease has a remaining term of 28 months for the date of initial application of IFRS 16 on 1 July 2019.

Options to extend or terminate
The Company's lease contains no option to extend.

Variable lease payments
The company does not have any variable lease payments.

	Consolidated		Company	
	£'000	£'000	**£'000**	£'000
	2020	2019	**2020**	2019
(i) IFRS 16 related amounts recognised in the Statement of Financial Position				
Leased building	**72**	-	-	-
Less: accumulated depreciation	**(31)**	-	-	-
Right of use asset	**41**	-	-	-
Movements in Carrying Amount				
Opening balance	**-**	-	-	-
Recognised on initial application of IFRS16 (previously classified as an operating lease)	**72**	-	-	-
Depreciation expense	**(30)**	-	-	-
Foreign exchange translation gain / (loss)	**(1)**			
	41	-	-	-
(ii) IFRS 16 related amounts recognised in the Statement of Comprehensive Income/(Loss)				
Depreciation charge related to right of use asset	**(30)**	-	-	-
Interest expense on lease liabilities	**(2)**	-	-	-
				-
(iii) Total Full Year cash out flows for leases	**(30)**	-	-	-

11. Property, plant and equipment

Plant and Equipment:				
At cost	**60**	60	**-**	**-**
Accumulated depreciation	**(53)**	(46)	**-**	**-**
Total Property, Plant and Equipment	**7**	14	**-**	-

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	**14**	22	**-**	-
Additions	**-**	-	**-**	-
Foreign exchange impact, net	**-**	-	**-**	-
Disposals	**-**	-	**-**	-
Depreciation expense	**(7)**	(8)	**-**	-
At 30 June	**7**	14	**-**	-

	Consolidated		Company	
	£'000	£'000	**£'000**	£'000
	2020	2019	**2020**	2019

12. Trade receivables and other assets

Current				
Trade and other receivables	**21**	45	**29**	14
Prepayments	**22**	19	**-**	-
	43	64	**29**	14

13. Current trade and other payables

Trade payables	**(203)**	(163)	**(39)**	(13)
Other payables	**(104)**	(82)	**-**	-
	(307)	(245)	**(39)**	(13)

14. Lease liability

Lease Liability is Represented by:				
Current	**31**	-	**-**	-
Non Current	**11**	-	**-**	-
Total Lease Liability	**42**	-	**-**	-

15. Issued share capital

	2020	2019
	£'000	£'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
1,224,996,863 Ordinary shares of £0.0001 each	**122**	81
(2019: 982,870,766 'Deferred Shares' of £0.0029 each, 7,928,958,500 'A Deferred Shares' of £0.000096 each and 816,959,363 ordinary shares of £0.0001 each)		
	3,733	3,692

Movement in share capital

	2020		2019	
Ordinary shares of £0.0001	**Number**	**£'000**	Number	£'000
At 1 July	**816,959,363**	**3,692**	648,573,546	3,675
Shares issued for cash	**395,000,000**	**40**	47,058,823	5
Shares issued for acquisition	**8,350,000**	**1**	67,527,205	7
Shares issued to service providers	**4,687,500**	**-**	1,100,000	-
Warrants Exercised	**-**	**-**	52,699,789	5
At 30 June	**1,224,996,863**	**3,733**	816,959,363	3,692

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.*

Warrants and Options on issue

The following warrants (in UK) and options (in Australia) have been granted by the Company and have not been exercised as at 30 June 2020:

Number		Grant Date	Expiry Date	Exercise Price
10,000,000[1]		13 Jun 2018	2 Nov 2020	GBP£0.0150
5,000,000[2]		13 Jun 2018	29 Dec 2020	GBP£0.0450
15,000,000[3]		13 Jun 2018	7 Jun 2021	GBP£0.035625
47,058,823[4]		10 Apr 2019	10 Apr 2022	GBP£0.013
26,500,000[5]		23 May 2019	23 May 2022	GBP£0.013
9,450,000[6]		29 Nov 2019	29 Nov 2024	GBP£0.002
113,008,823	Total outstanding			

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

[1] *Options granted to a Director, as approved by shareholders.*

[2] *'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.*

[3] *Options were granted to Directors of the Company, as approved by shareholders.*

[4] *Granted to investors as part of a capital raise.*

[5] *Granted as part of consideration for the acquisition of Hamersley Metals Pty Ltd and Pilbara Goldfields Pty Ltd, following shareholder approval.*

[6] *9,450,000 Granted to lead broker of a capital raise, Hybridan LLP*

16. Share based payments reserve

	2020	2019
	£'000	£'000
At 1 July	**359**	297
Exercised options @ £0.001770	**-**	(1)
Lapsed options @ £0.0011770	**-**	(1)
Lapsed options @ £0.001857	**-**	(4)
Issued for an acquisition @ £0.002582	**-**	68
Issued options @ £0.001320	**12**	-
Lapsed options @ £0.002710	**(4)**	-
Lapsed options @ £0.004469	**(67)**	-
Lapsed options @ £0.001275	**(25)**	
At 30 June	**275**	359

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 2020 or lapsed during the year ended 30 June 2020.

(i) Options comprising the share based payments reserve at 30 June 2020

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	£0.009782

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

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

9,450,000 issued to a broker on 29 November 2019

Dividend yield	0.00%
Underlying Security spot price	£0.0024
Exercise price	£0.002
Standard deviation of returns	60%
Risk free rate	0.71%
Expiration period	5yrs
Black Scholes valuation per option	£0.001320

(ii) Options lapsed in the year ended 30 June 2020

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

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

17. Analysis of changes in net cash and cash equivalents

	1 July 2019	Cash flows	Non-cash changes	30 June 2019
	£'000	£'000	£'000	£'000
Cash at bank and in hand - Group	523	(294)	4	233

18. 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 2020, the Group had no contingent liabilities.