



Thor Mining PLC - THR Half-yearly Report
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THOR MINING PLC

HALF-YEARLY REPORT FOR THE SIX MONTHS ENDED 31 DECEMBER 2017

HIGHLIGHTS

- Significant progress on core tungsten and copper projects during the half year has influenced the directors to affirm absolute focus on Pilot Mountain, Molyhil, and Kapunda projects for the foreseeable term.
- Molyhil (Australia): An increase in the Open Cut Ore Reserve extends the life of Molyhil to 7 years as an open cut mining operation, with demonstrated additional extensions beyond that period as an underground mine.
- Pilot Mountain (USA): Successful drilling program intersects a new zone of mineralisation at Desert Scheelite and confirms high grade mineralisation at Good Hope. The Company has now commissioned a scoping study and stage two metallurgical test work to Pre-Feasibility standard.
- Kapunda Copper (Australia): Low cost entry into the Kapunda copper development project, followed by a resource estimate well above expectations 6 months later.
- Capital raisings, plus exercise of warrants and options provides sufficient funding for budgeted programs through until 2019.

REVIEW OF OPERATIONS

TUNGSTEN

Substantial progress with both Molyhil and Pilot Mountain reinforced by a strong recovery in key commodity prices with both tungsten and molybdenum, at time of writing, at their highest point respectively since 2014.

Pilot Mountain Tungsten project (Nevada, USA) (100% Thor)

The Pilot Mountain Project, acquired in 2014, is located approximately 200 kilometres ("km") south of the city of Reno and 20km 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, approximately three km, of each other and have been subjected to small-scale mining activities at various times during the 20th century.

A full background on the project is available on the Thor Mining website www.thormining.com/projects.

Table 1: Pilot Mountain Resource Summary 2017 (JORC 2012). Announced 22 May 2017

Resource	MT	WO ₃		Ag		Cu	
		Grade %	Contained metal (t)	Grade g/t	Contained metal (t)	Grade %	Contained metal (t)
Garnet	Indicated	-	-				
	Inferred	1.83	6,590				
	Sub Total	1.83	6,590				
Desert Scheelite	Indicated	8.41	22,700	21.3	179	0.14	11,800
	Inferred	1.49	3,430	9.07	13	0.17	2,500
	Sub Total	9.90	26,130	19.39	192	0.14	14,300
Summary	Indicated	8.41	22,700				
	Inferred	3.32	10,020				
Pilot Mountain Total		11.73	32,720				

Notes:

- Thor Mining PLC holds a 100% equity interest in this resource
- All figures are rounded to reflect appropriate levels of confidence.
- Thor 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.

During the half year a drill program successfully intersected a new zone of mineralisation at Desert Scheelite as well as extending the existing know zone of mineralisation a further 60 metres down dip. In the second part of the campaign, a maiden drilling program at the Good Hope deposit intersected high grade mineralisation of tungsten, copper, and zinc.

Subsequent to the half year, the Company has commissioned scoping study to provide a high level operating and development parameters to further progress on technical, regulatory, and environmental aspects of the proposed project development. In addition, it has also commissioned stage two metallurgical test work to Pre-Feasibility standard.

Molyhil Tungsten project (NT, Australia) (100% Thor)

The Molyhil project is located 220 kilometres north-east of Alice Springs (320km by road).

In January 2015, Thor announced an updated feasibility study for its wholly-owned Molyhil tungsten project, with robust outcomes.

A full background on the project is available on the Thor Mining website www.thormining.com/projects.

During the half year, Thor announced substantially improved results from ore sorting compared with prior test work with an upgrade via rejection of approximately 41% of sample mass. On the basis of this process improvement, and using some identified cost savings, the Company commissioned an upgrade of the Molyhil Open Cut Ore reserve. This upgrade was subsequently announced in January 2018 increasing the Open Cut Mine Life to 7 years, and demonstrated additional extensions beyond that period as an underground mine.

Table 2: Molyhil Open Cut Ore Reserve Statement (announced 8 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
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Notes:

- *Thor Mining PLC holds 100% equity interest in this reserve.*
- *All figures are rounded to reflect appropriate levels of confidence.*
- *The Company is not aware of any information or data which would materially affect this previously announced Open Cut Ore Reserve Statement, and all assumptions and technical parameters relevant to the estimate remain unchanged.*

The Company is currently conducting a review of operating and capital cost estimates to definitive feasibility (DFS) standard with the objective of preparation of an upgraded DFS for the benefit of prospective partners and project financiers.

Kapunda Copper Project (SA Australia - Thor earning into 45% effective interest)

Global copper prices improved strongly during calendar year 2017 with both demand & supply factors suggesting continued strength for the medium term.

During August 2017, the Company announced a new corporate transaction to earn into a 45% effective interest in the Kapunda Copper Project in South Australia, via an agreement to earn up to a 60% interest 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, which will be used to fund field test work and feasibility activities at Kapunda over the next 3 years. In turn ECR has 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 ("ISR") contained in the Kapunda deposit from Australian listed company, Terramin Australia Limited ("Terramin" ASX: "TZN")

Kapunda is located approximately 90 kilometres north of Adelaide, and has ready access to substantial nearby infrastructure.

A full background on the project is available on the Thor Mining website www.thormining.com/projects.

Subsequent to the end of the half year, Thor announced an Inferred Resource estimate of 47.4 million tonnes (MT) grading 0.25% copper (Cu), containing 119,000 tonnes of contained copper.

Table 3: Kapunda copper Resource estimate (JORC 2012)

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

Notes:

- *Figures are rounded to reflect appropriate levels of confidence. Apparent differences may occur due to rounding.*
- *ECR are earning a 75% interest in this resource, and Thor have investment rights for up to 60% of ECR.*
- *Cut off grade used of 0.05% Cu.*
- *Thor 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.*

The resource estimate is only for that part of the Kapunda mineralisation dominated by copper species (copper oxides and secondary copper sulphides) that is considered amenable to ISR techniques;

Estimate reports mineralisation that is within 100 metres of the surface.

The Resource grade is well within the recommended ranges for In Situ recovery of copper and preliminary investigations of hydro geological parameters appear favourable.

ISR processes are not burdened by the normally high capital and operating cost activities of mining, crushing, grinding, and often flotation associated with conventional mining and processing operations. Subject to feasibility study outcomes at Kapunda, there is therefore an expectation that copper production from shallow deposits, amenable to ISR techniques may be at relatively low cost.

Further work is required to advance a range of areas prior to commercial development including ongoing local government and community engagement, continuing technical assessment, and various environmental and regulatory matters.

Other Opportunities

Lithium (USA) - during the half year, the Company carried out due diligence activities on US Lithium Pty Ltd (USL) assets in Arizona and New Mexico in the USA. Following this, the directors elected to maintain the Company interest in USL, allowing other potential partners to contribute towards adding value to its assets. Subsequently USL has given notice that it is preparing to list on ASX in Australia.

Western Shaw (Western Australia) - the Company has carried out due diligence activities including site mapping and surface sampling of this prospect. Following completion of the due diligence and reflecting the board's strategic decision to focus entirely on the key Pilot Mountain, Molyhil and Kapunda interests, the Company has decided to let the option to acquire this project lapse.

Capital Raisings

In July 2017, the Company completed the second tranche of a placing of £460,000 before costs following the issue of 51,111,111 shares at an average issue price of 0.9 pence per share, together with 51,111,111 warrants exercisable at 1.8 pence within 2 years of issue.

In October the Company advised of a two-tranche placing of £565,000 before costs with the issue of 70,625,000 shares at an average issue price of 0.8 pence per share, together with 70,625,000 warrants exercisable at 1.2 pence within 1 year of issue. This placing was completed during November 2017.

During the period, the Company's cash balances were augmented via the exercise of 108,782,217 warrants and options, at various exercise prices, raising £1,308,198 at an average conversion price of 1.2 pence.

Board Changes

During the period Richard Bradey, previously Exploration Manager, was appointed to the board of Thor as Executive Director, and Gervaise Heddle (non-executive director) resigned.

Comprehensive Income

The comprehensive income statement records a comprehensive loss of £779,000 (2016: £205,000 gain) after taking into account unrealised exchange loss of £239,000 (2016: £588,000 gain).

Mick Billing

Executive Chairman

18 March 2018

Competent Person's statements

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.

Condensed Consolidated Statement of Comprehensive Income

For the 6 months ended 31 December 2017

	Note	£'000 6 months ended 31 December 2017 Unaudited	£'000 6 months ended 31 December 2016 Unaudited	£'000 Year ended 30 June 2017 Audited
Administrative expenses		(39)	(78)	(86)
Corporate expenses		(342)	(370)	(641)
Share based payments expense		(6)	-	(115)
Unrealised gain on financial assets		-	52	-
Realised gain on financial assets		-	2	70
Exploration expenses	3	(159)	-	-
Write off/Impairment of exploration assets	3	-	-	(489)
Operating Loss		(546)	(394)	(1,261)
Sundry Income		6	11	8
Loss before Taxation		(540)	(383)	(1,253)
Taxation		-	-	-
Loss for the period		(540)	(383)	(1,253)
Other comprehensive income:				
Exchange differences on translating foreign operations		(239)	588	512
Other comprehensive income for the period, net of income tax		(239)	588	512
Total comprehensive income for the period		(779)	205	(741)
Basic loss per share	2	(0.12)p	(0.14)p	(0.40)p

Condensed Consolidated Statement of Financial Position

For the 6 months ended 31 December 2017

	Note	£'000 31 December 2017 Unaudited	£'000 31 December 2016 Unaudited	£'000 30 June 2017 Audited
ASSETS				
Non-current assets				
Intangible assets - deferred exploration costs	3	10,051	10,043	9,867
Investments at cost		103	-	87
Loan receivable (Convertible note)	4	116	-	-
Deposits to support performance bonds		21	11	21
Plant and equipment		25	4	29
Total non-current assets		10,316	10,058	10,004

Current assets				
Cash and cash equivalents	1,321	14	405	
Trade receivables and other assets	62	944	29	
Total current assets	1,383	958	434	
Total assets	10,699	11,016	10,438	
LIABILITIES				
Current liabilities				
Trade and other payables	(213)	(450)	(459)	
Provisions	(22)	(19)	(20)	
Non-interest bearing liabilities	-	(72)	(30)	
Interest bearing liabilities	(10)	-	(9)	
Total current liabilities	(245)	(541)	(518)	
Interest bearing liabilities	(5)	-	(10)	
Total non-current liabilities	(5)	-	(10)	
Total liabilities	(250)	(541)	(528)	
Net assets	11,449	10,475	9,910	
Equity				
Issued share capital	5	3,671	3,643	3,648
Share premium	5	18,930	16,341	16,641
Foreign exchange reserve		2,416	2,731	2,655
Merger reserve		405	405	405
Share based payments reserve		107	39	115
Retained losses		(14,080)	(12,684)	(13,554)
Total equity		11,449	10,475	9,910

Condensed Consolidated Statement of Change in Equity

For the 6 months ended 31 December 2017

	£'000	£'000	£'000	£'000	£'000	£'000	£'000
	Issued share capital	Share premium	Retained losses	Foreign Currency Translation Reserve	Merger Reserve	Share Based Payment Reserve	Total
Balance at 1 July 2016	3,423	16,022	(12,310)	2,143	405	9	9,692
Loss for the period	-	-	(383)	-	-	-	(383)
Foreign currency translation reserve	-	-	-	588	-	-	588
Total comprehensive loss for the period	-	-	(383)	588	-	-	205
Transactions with owners in their capacity as owners							
Shares issued	220	331	-	-	-	-	551
Cost of shares issued	-	(12)	-	-	-	-	(12)
Share options issued	-	-	-	-	-	39	39
Share options lapsed	-	-	9	-	-	(9)	-
At 31 December 2016	3,643	16,341	(12,684)	2,731	405	39	10,475
Balance at 1 July 2016	3,423	16,022	(12,310)	2,143	405	9	9,692

Loss for the period	-	-	(1,253)	-	-	-	(1,253)
Foreign currency translation reserve	-	-	-	512	-	-	512
Total comprehensive (loss) for the period	-	-	(1,253)	512	-	-	(741)
Transactions with owners in their capacity as owners							
Shares issued	225	641	-	-	-	-	866
Cost of shares issued	-	(22)	-	-	-	-	(22)
Share options lapsed	-	-	9	-	-	(9)	-
Share options issued	-	-	-	-	-	115	115
At 30 June 2017	3,648	16,641	(13,554)	2,655	405	115	9,910
Balance at 1 July 2017	3,648	16,641	(13,554)	2,655	405	115	9,910
Loss for the period	-	-	(540)	-	-	-	(540)
Foreign currency translation reserve	-	-	-	(239)	-	-	(239)
Total comprehensive loss for the period	-	-	(540)	(239)	-	-	(779)
Transactions with owners in their capacity as owners							
Shares issued	23	2,339	-	-	-	-	2,362
Cost of shares issued	-	(50)	-	-	-	-	(50)
Share options issued	-	-	-	-	-	6	6
Share options exercised	-	-	14	-	-	(14)	-
At 31 December 2017	3,671	18,930	(14,080)	2,416	405	107	11,449

Condensed Consolidated Statement of Cash Flow

For the 6 months ended 31 December 2017

	£'000	£'000	£'000
	6 months ended	6 months ended	Year ended
	31 December 2017	31 December 2016	30 June 2017
	Unaudited	Unaudited	Audited
Cash flows from operating activities			
Operating Loss	(546)	(394)	(1,261)
Sundry income	5	-	-
(Increase)/decrease in trade and other receivables	(29)	(94)	5
Increase/(decrease) in trade and other payables	(35)	97	(23)
Increase/(decrease) in provisions	2	3	4
Depreciation	4	2	4
Exploration expenditure Impairment/ write off	-	-	489
Share based payment expense	6	39	115
Spring Hill sale commission	-	-	46
Tenement bond written off	-	-	8
Unrealised loss on financial assets	-	52	-
Realised loss on disposal proceeds	-	-	(68)
Net cash outflow operating activities	(593)	(295)	(681)
Cash flows from investing activities			
Interest received	1	-	-
Purchase of property, plant and equipment	(7)	(2)	(22)
Purchase of Investment	(103)	-	-
Loan advanced (convertible note)	(116)	-	-
Refund / (expenditure) on performance bonds	-	4	(18)

Proceeds from disposal of exploration assets	-	-	900
Commission on the sale of exploration assets	-	-	(46)
R&D Grants for exploration expenditure	-	-	31
Payments for exploration expenditure	(502)	(235)	(591)
Net cash (outflow)/inflow investing activities	(727)	(233)	254
Cash flows from financing activities			
Loans received	-	18	18
Loans repaid	(29)	(6)	(49)
Finance lease funding received	-	-	19
Finance lease funding repaid	(4)	-	-
Net issue of ordinary share capital	2,266	360	674
Net cash inflow/(outflow) financing activities	2,233	372	662
Net decrease in cash and cash equivalents	913	(156)	235
Non cash exchange changes	3	-	-
Cash and cash equivalents at beginning of period	405	170	170
Cash and cash equivalents at end of period	1,321	14	405

Notes to the Half-yearly Report

For the 6 months ending 31 December 2017

1. PRINCIPAL ACCOUNTING POLICIES

(a) Presentation of Half-yearly results

The half-yearly results have not been audited, but were the subject of an independent review carried out by the Company's auditors, Chapman Davis LLP. Their review confirmed that the figures were prepared using applicable accounting policies and practices consistent with those adopted in the 2017 annual report and to be adopted in the 2018 annual report. The financial information contained in this half-yearly report does not constitute statutory accounts as defined by Section 435 of the Companies Act 2006.

The half-yearly report has been prepared under the historical cost convention.

The Directors acknowledge their responsibility for the half-yearly report and confirm that, to the best of their knowledge, the interim consolidated financial statements for the six months ended 31 December 2017 have been prepared in accordance with International Financial Reporting Standards, including IAS 34 "Interim Financial Statements", and complies with the requirements for companies with securities admitted to trading on the AIM Market of the London Stock Exchange. This half-year report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report should be read in conjunction with the annual report for the year ended 30 June 2017.

The Directors are of the opinion that on-going evaluations of the Company's interests indicate that preparation of the accounts on a going concern basis is appropriate.

(b) 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. All inter-company balances and transactions have been eliminated in full.

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

2. LOSS PER SHARE

No diluted loss per share is presented as the effect of exercise of outstanding options is to decrease the loss per share. The loss per share for the comparative periods ending 31 December 2016 and 30 June 2017 have been adjusted for the share consolidation that occurred on 1 December 2016, on the basis of 25 shares pre consolidation into one share post consolidation. The weighted average number

of Ordinary shares for those comparative periods has been calculated allowing for the impact of the share consolidation.

	£'000 6 months ended 31 December 2017 Unaudited	£'000 6 months ended 31 December 2016 Unaudited	£'000 Year ended 30 June 2017 Audited
Loss for the period	(540)	(383)	(1,253)
Weighted average number of Ordinary shares in issue	453,883,040	273,617,106	315,181,478
Loss per share - basic	(0.12)p	(0.14)p	(0.40)p

3. DEFERRED EXPLORATION COSTS

	£'000 31 December 2017 Unaudited	£'000 31 December 2016 Unaudited	£'000 30 June 2017 Audited
Cost			
At commencement	9,867	9,228	9,228
Additions	404	185	565
Disposals	-	-	-
Exchange gain/(loss)	(220)	630	563
Write off exploration tenements for year	-	-	(489)
At period end	<u>10,051</u>	<u>10,043</u>	<u>9,867</u>
Impairment			
At commencement	-	-	-
Exchange loss	-	-	-
Impairment for period	-	-	-
At period end	<u>-</u>	<u>-</u>	<u>-</u>
Net book value at period end	<u>10,051</u>	<u>10,043</u>	<u>9,867</u>

Having reviewed the deferred exploration and evaluation expenditure at 31 December 2017, the directors are satisfied that no write off or provision for impairment is required.

In the year ending 30 June 2017 the Directors wrote off £489,000 relating to the Dundas tenement in Western Australia (tenement number EL63/872).

In the half year ended 31 December 2017, the Group incurred £159,000 in exploration related expenses that were expensed rather than capitalised to deferred exploration costs. £94,000 was a cash settlement of US\$125,000 in satisfaction of a pre-existing commitment to pay US\$1,500,000 upon first production at Pilot Mountain in Nevada, USA. The remaining £65,000 related to work undertaken on exploration activities on projects that the Group does not have a direct ownership interest, including the Kapunda Project (refer Note 4), the Western Shaw project and exploration due diligence on the US Lithium Project.

4. LOAN RECEIVABLE (CONVERTIBLE NOTE)

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 will invest in a newly incorporated private Australian company, Environmental Copper Recovery SA Pty Ltd (ECR), initially via convertible notes of up to A\$1.8 million, which will be used to fund field test work and feasibility activities at Kapunda over the next three years. The

Group made the first advance to ECR of AUD\$200,000 (£116,000). 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. The term sheet also provides that Thor has immediate Board control of ECR.

In turn, ECR has entered into 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.

5. SHARE CAPITAL

	£'000	£'000	£'000
	31 December 2017 Unaudited	31 December 2016 Unaudited	30 June 2017 Audited
Issued fully paid (Nominal Value)			
(1) 982,870,766 'Deferred Shares' of £0.0029 each	2,850	2,850	2,850
(2) 7,928,958,483 'A Deferred Shares' of £0.000096 each	761	761	761
Ordinary shares of £0.0001 each	60	32	37
	<u>3,671</u>	<u>3,643</u>	<u>3,648</u>
	Number	Number	Number
	31 December 2017 Unaudited	31 December 2016 Unaudited	30 June 2017 Audited
Movement in share capital			
Ordinary Shares of 0.01 pence			
Shares issued for Acquisition	-	5,736,387,510	5,736,387,510
Shares issued for cash	-	1,400,000,000	1,400,000,000
Exercise of warrants	-	-	-
Shares issued to extinguish debt	-	346,000,000	346,000,000
Shares issued in lieu of expenses	-	446,570,973	446,570,973
	-	<u>7,928,958,483</u>	<u>7,928,958,483</u>
(3) Post share consolidation	373,013,208	317,158,340	317,158,340
Shares issued for cash	121,736,111	-	50,000,000
Warrants exercised	108,782,217	-	5,854,868
Shares issued for tenement option	1,127,580	-	-
At period end	<u>604,659,116</u>	<u>317,158,340</u>	<u>373,013,208</u>
	£'000	£'000	£'000
	31 December 2017 Unaudited	31 December 2016 Unaudited	30 June 2017 Audited
Nominal Value			
At commencement	3,648	3,423	3,423
Issued for cash (including warrants exercised)	23	140	145
Issued to extinguish debt	-	35	35
Issued in lieu of expenses	-	45	45
At period end	<u>3,671</u>	<u>3,643</u>	<u>3,648</u>

(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.

(3) On 1 December 2016, immediately following the capital reorganisation at (2) above, the Ordinary Shares were consolidated on the basis of 1 new Ordinary Share with a nominal value of 0.01 pence for every 25 Ordinary Shares held with a nominal value of 0.0004 pence.

6. TURNOVER AND SEGMENTAL ANALYSIS - GROUP

The Group has a number of exploration licenses, and mining leases, 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. The Group acquired the exploration assets in the US State of Nevada on 27 October 2014. All of these US licenses are located in the one geological region. Accordingly, the Group has identified its operating segments to be Australia and the United States. 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
Half Year ended 31/12/2017	Head office/ Unallocated	Australia	United States	Consolidated
Revenue				
Interest & Sundry Income	6	-	-	6
Total Segment Revenue	6	-	-	6
Total Segment Expenditure	(153)	(299)	(94)	(546)
Loss from Ordinary Activities before Income Tax	(147)	(299)	(94)	(540)
Income Tax Benefit/(Expense)	-	-	-	-
Loss after Income Tax	(147)	(299)	(94)	(540)
Assets and Liabilities				
Segment assets	-	8,522	1,696	10,218
Corporate assets	1,481	-	-	1,481
Total Assets	1,481	8,522	1,696	11,699
Segment liabilities	-	(190)	-	(190)
Corporate liabilities	(60)	-	-	(60)
Total Liabilities	(60)	(190)	-	(250)
Net Assets	1,421	8,332	1,696	11,449

6. TURNOVER AND SEGMENTAL ANALYSIS - GROUP (continued)

	£'000	£'000	£'000	£'000
Half Year ended 31/12/2016	Head office/ Unallocated	Australia	United States	Consolidated
Revenue				
Interest Income	-	-	-	-
Total Segment Revenue	-	-	-	-
Total Segment Expenditure	(228)	(120)	(35)	(383)
Loss from Ordinary Activities before Income Tax	(228)	(120)	(35)	(383)
Income Tax Benefit/(Expense)	-	-	-	-
Loss after Income Tax	(228)	(120)	(35)	(383)
Year ended 30/06/2016	Head office/ Unallocated	Australia	United States	Consolidated
Assets and Liabilities				
Segment assets	-	8,166	1,786	9,952
Corporate assets	486	-	-	486
Total Assets	486	8,166	1,786	10,438
Segment liabilities	-	(380)	(31)	(411)
Corporate liabilities	(117)	-	-	(117)
Total Liabilities	(117)	(380)	(31)	(528)
Net Assets	369	7,786	1,755	9,910

7. POST BALANCE SHEET EVENTS

US Lithium Pty Ltd (USL)

In relation to the Group's investment in US Lithium Pty Ltd (recognised at cost £103,000), Thor received advice of a capital raise undertaken by USL, issuing 2,000,000 shares at AUD\$0.12 per share, diluting the Group's ownership interest in USL from 25% to 20.83%. However, the pricing of the capital raise compares favourably to the cost of the Thor Group investment of approximately AUD\$0.04 per share. The funds are to be used by USL to further activities associated with preparation to list on the ASX in Australia. Additional mining claims have been lodged by USL to the south of their Big Sandy project in Arizona, that will double the size of the land size within that project. Refer AIM and ASX announcements 16 January 2018

Molyhil Tungsten Project Increased Ore Reserve

The Group had commissioned a revised Ore Reserve study to draw together the technical data from various positive work completed since the last report prepared in 2014. The outcome of this study was an increase in the overall Ore Reserve and an extension of the Molyhil mine life. Significantly also, a new and potentially profitable additional underground mining option has been identified, in addition to the original plan for Open Pit mining. Refer AIM and ASX Announcements 8 January 2018.

7. POST BALANCE SHEET EVENTS (continued)

Kapunda Project

On the 12 February 2018, Environmental Copper Recovery SA Pty Ltd (ECR) and Terramin Australia Limited (ASX: "TZN") released a substantial resource estimate containing 119,000 tonnes of copper, considered amenable to Insitu Recovery techniques. Refer Note 4 for the Group's interest in the ECR.

Western Shaw (Western Australia)

The Company has carried out due diligence activities including site mapping and surface sampling of this prospect without finding any material mineralization. Following a review of these results, Thor will let the option, to acquire this project, lapse.

Further Warrants Exercised

Subsequent to 31 December 2017 through to the date of this report, Thor has issued a further 33,914,430 ordinary shares, as a result of warrant exercised. Cash received for the exercise of these warrants totalled £469,045 before costs.

Placement to Metal Tiger Plc (Metal Tiger)

Thor issued 10,000,000 ordinary shares to Metal Tiger on 30 January 2018 at 3 pence per ordinary share, for total consideration of £300,000. The placement was undertaken at a 20% premium to the closing share price of Thor shares on AIM of 2.5 pence on 22 January 2018 (being the day prior to the date the placement pricing was agreed). Metal Tiger also received 10,000,000 warrants to subscribe for Thor shares at 5 pence per share. The warrants expire on 29 January 2020. Reflective of the premium, Metal Tiger have been granted a 90 day first right of refusal to participate in any new joint venture, acquisition or similar transaction undertaken by Thor Mining during the period.

Other than the above matters, there were no material events arising subsequent to 31 December 2017 to the date of this report which may significantly affect the operations of the Company, the results of those operations and the state of affairs of the Company in the future.

DIRECTORS, SECRETARY AND ADVISERS

Directors Michael Robert Billing (Executive Chairman)
 David Edward Thomas (Non-executive Director)
 Alastair Middleton (Non-executive Director)
 Paul Johnson (Non-executive Director)
 Richard Bradey (Executive Director) - appointed 27 December 2017

Gervaise Robert John Heddle (Non-executive Director) - resigned 14 December 2017

	In UK	In Australia
Registered Office and Directors' business address	Third Floor 55 Gower Street London WC1E 6HQ United Kingdom	58 Galway Avenue Marleston, South Australia Australia 5033
Company Secretaries	Stephen Frank Ronaldson	Ray Ridge
Website	www.thormining.com	www.thormining.com
Nominated Adviser to the Company	Grant Thornton UK LLP 30 Finsbury Square London EC2P 2YU United Kingdom	
Auditors to the Company	Chapman Davis LLP 2 Chapel Court London SE1 1HH United Kingdom	
Solicitors to the Company	Ronaldsons LLP 55 Gower Street London WC1E 6HQ United Kingdom	
Registrars	Computershare Investor Services Plc The Pavilions Bridgewater Road Bristol BS99 6ZY	Computershare Investor Services Pty Ltd Level 5, 115 St Grenfell St Adelaide, South Australia Australia 5000

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Colin Aaronson/ Richard Tonthat	+44 (0) 207 383 5100	Grant Thornton UK LLP	Nominated Adviser
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Tim Blythe/ Camilla Horsfall	+44 (0) 207 138 3222	Blytheweigh	Financial PR

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.

The information contained within this announcement is deemed to constitute inside information as stipulated under the Market Abuse Regulations (EU) No. 596/2014. Upon the publication of this announcement, this inside information is now considered to be in the public domain.

About Thor Mining PLC

Thor Mining PLC 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 2015¹ suggested attractive returns.

Thor also holds 100% of the Pilot Mountain tungsten project in Nevada USA which has a JORC 2012 Indicated and Inferred Resources Estimate² on 2 of the 4 known deposits.

Thor is also acquiring up to a 60% interest Australian copper development company Environmental Copper Recovery SA Pty Ltd, which in turn holds rights to earn up to a 75% interest in the mineral rights and claims over the portion of the historic Kapunda copper mine in South Australia recoverable by way of in situ recovery.

Thor has a material interest in US Lithium Pty Limited, an Australian private company with a 100% interest in a Lithium project in Nevada, USA.

Finally, Thor also holds a production royalty entitlement from the Spring Hill Gold project³ of:

- *A\$6 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.*

Notes

¹ Refer ASX and AIM announcement of 12 January 2015

² Refer AIM announcement of 22 May 2017 and ASX announcement of 23 May 2017

³ Refer AIM announcement of 26 February 2016 and ASX announcement of 29 February 2016

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END

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