THOR MINING PLC

Molyhil - New 25% Higher Resource Estimate

Dated: 30 January 2012

The Directors of Thor Mining PLC ("Thor" or the "Company") (AIM, ASX: THR, THRO), the exploration company focussed on gold and base metal projects and advancing tungsten-molybdenum projects in Australia are pleased to announce an overall 25% tonnage increase to 4.7 million tonnes in a new resource estimate for the Molyhil tungsten and molybdenum project in the Australia's Northern Territory ("Molyhil").

Highlights

- Overall tonnage increased by 25% to 4.7 million tonnes to 220m depth;
- Contained tungsten increased by 10% to >13,100 tonnes WO_3 ;
- Contained molybdenum increased by 46% to >10,400 tonnes MoS_2; and
- Very high, near surface tungsten grades provide confidence in early payback of project capital.

Next steps at Molyhil

- Updated ore reserve estimate & mining plan, due February 2012;
- Capital and operating cost changes, to reflect recently announced process improvement, to be confirmed; and
- Updated feasibility study due February 2012.

Molyhil Resource Estimate

Following the 2011 Reverse Circulation ("RC") and diamond drilling programs, mining consultancy Runge Limited, has prepared an updated resource estimate for the Molyhil deposit of 4.7 million tonnes averaging 0.28% WO_3 & 0.22% MoS_2 in Indicated and Inferred categories. The higher revised resource estimate compares very favourably with the previous estimate reported in 2009.

Table 1: Summary of Molyhil Mineral Resource Estimate

Classification	**Resource**	**MoS_2**		**WO_3**		**Fe**
	tonnes	Grade **%**	**Tonnes**	Grade **%**	**tonnes**	Grade **%**
Measured	-	-	-	-	-	-
Indicated	3,820,000	0.22	8,200	0.29	10,900	18.8
Inferred	890,000	0.25	2,200	0.25	2,200	15.2
Total	**4,710,000**	**0.22**	**10,400**	**0.28**	**13,100**	**18.1**

Mineral Resource reported at 0.1% combined Mo + WO_3 Cut-off and above 200mRL only.
Note: minor rounding errors may occur in compiled totals.

The estimate is reported in compliance with the terms of the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves', in Attachment 1.

The Molyhil deposit consists of two adjacent outcropping iron rich skarn bodies, marginal to a granite intrusion, that contain scheelite (tungsten) and molybdenite mineralisation. Both the outlines of, and the banding within the skarn bodies, strike approximately north south and dip steeply to the east. The bodies are arranged in an en-echelon manner, the northeast body being named the Yacht Club and the southwest body the Southern.

The considerable increase in both Molyhil's gross tonnage and contained metal in the 2012 resource estimate relative to 2009 is detailed below (Table 2.).

Table 2: Comparison of 2012 and 2009 Molyhil Resource Estimates

	2012 Estimate	2009 Estimate	
Total resource (tonnes)	**4,710,000**	3,750,000	25% increase
Contained WO_3 (tonnes)[1]	**13,100**	12,000	10% increase
Contained MoS2 (tonnes)[2]	**10,400**	7,125	46% increase
Cut-off grade (%Mo + %WO_3)	**0.1%**	NIL	
Vertical Limit of resource	**220 metres**	265 metres	Resource open at depth

Note 1: 1 tonne of WO_3 = 100 mtu's. The revised resource estimate contains 1,310,000 mtu's WO_3

Note 2: 1 tonne of MoS_2 = 1,320 lbs Mo. The revised resource estimate contains 13,728,000 lbs Mo

The upper levels of the resource estimate contain relatively high tungsten grades (see Table 3), providing confidence in strong early cash flow and early pay-back of project capital.

Table 3: Bench by bench summary of indicated & inferred resources

Molyhil Deposit					
January 2012 Resource (0.1% (Mo + WO_3) Cut-off, Above 200m RL only)					
Bench Top mRL	**Tonnes T**	**MoS_2 % (cut grade)**	**WO_3 % (cut grade)**	**MoS_2 tonnes contained (cut)**	**WO_3 tonnes contained (cut)**
420	47,948	0.13	**0.73**	39	350

400	359,207	0.23	**0.57**	487	2,044
380	439,589	0.22	**0.48**	569	2,096
360	576,270	0.20	0.29	702	1,690
340	604,856	0.19	0.22	678	1,341
320	523,864	0.19	0.21	593	1,109
300	506,183	0.20	0.19	612	967
280	482,174	0.25	0.19	731	940
260	439,790	0.25	0.23	657	1,031
240	389,504	0.27	0.25	620	980
220	336,052	0.28	0.18	556	607
Total	**4,705,437**	**0.22**	**0.28**	**10,427**	**13,154**

The Molyhil tungsten-molybdenum deposit remains open at depth below 220m depth.

Commenting today, Mr Mick Billing, Executive Chairman of Thor Mining said: "*the Molyhil story continues to get better and better. The recently announced improvement in recovery has positively impacted on the profitability and life of Molyhil, while this increase in the resource estimate provides further potential to extend the life of the mining operation. In particular the very high tungsten grades close to surface give us confidence in an early pay-back on the investment*".

ATTACHMENT 1: **Resource Statement and Parameters**

Classification	Tonnes T	Fe %	MOS_2 %	WO_3 %	MOS_2 Metal (t)	WO_3 Metal (t)
Measured	-	-	-	-	-	-
Indicated	3,820,000	18.8	0.22	0.29	8,200	10,900
Inferred	890,000	15.2	0.25	0.25	2,200	2,200
Total	**4,710,000**	**18.1**	**0.22**	**0.28**	**10,400**	**13,100**

Estimate at 0.1% combined Mo + WO_3 Cut-off and above 200mRL only.
Note: Minor rounding errors may occur in compiled totals.

The resource estimate was completed using the following parameters:

- The Molyhil resource area extends over a strike length of 250m and includes 410m of vertical extent from 410mRL to 0mRL. Cross-sectional geological interpretations have been undertaken on a 15 to 25m section spacing to match drilling lines.

- The Molyhil deposit consists of two adjacent outcropping iron rich skarn bodies, marginal to a granite intrusion, that contain scheelite (tungsten) and molybdenite mineralisation. Both the outlines of, and the banding within the skarn bodies, strike approximately north south and dip steeply to the east. The bodies are arranged in an en-echelon manner, the northeast body being named the Yacht Club and the southwest body the Southern.

- Drillholes used in the resource estimate included 89 surface RC holes (12,893m), 15 surface diamond holes (1,816m) and three underground exploration shafts and cross-cuts (198m). Prospect

drilling prior to 2004, water bores and RAB holes were not used in the resource estimate.

- The most recent site visit was conducted by Mr Craig Allison and Mr Joe McDiarmid of Runge in October 2010. The site visit was undertaken with Mr Richard Bradey, Exploration Manager for Thor. Historical mining areas and recent drillholes were inspected and appear to be spatially similar to localities plotted on company maps. The site visit review concluded current geological models are well supported by drilling and that drill data collection has been undertaken in a thorough manner.

- Hole collars and down-hole surveys were accurately surveyed by qualified surveyors during the 2011 drill campaign. Downhole re-surveying of previous drilling has also been undertaken and identified that a minor azimuth correction of +8 degrees should be applied to non-surveyed holes.

- Samples were collected mainly at 1m intervals with some variation to account for barren hanging-wall zones and geological boundaries. Samples were assayed for iron, molybdenum and tungsten using the XRF assay method. Quality control methods included internal laboratory quality measures and external company quality checks.

- Quality control data is available for the recent drilling programs by Thor and includes a comprehensive program of standards, blanks and duplicates. The quality assurance results are within acceptable limits for iron, molybdenum and tungsten.

- Assay grade, lithology and structure were used to define the margins of the mineralised zones. Wireframes of the mineralisation were constructed using cross sectional interpretations based on a nominal 10-15% iron cut-off grade with a minimum downhole length of 2m. This iron cut-off grade broadly corresponds to the skarn boundary within which the bulk of the scheelite and molybdenite mineralisation is located. Minor mineralisation adjacent to the skarn bodies was also incorporated into the mineralisation wireframe.

- Samples within the wireframes were composited to 1m intervals based on analysis of the sample lengths in the database and the width of mineralisation zones. High grade element cuts of 2% Mo and 8% WO3 were applied to the corresponding composites within the mineralization domain after geostatistical analysis. No high grade cut was applied to the iron assay grades.

- A Surpac block model was used for the estimate with a block size of 10mN by 5mE and 5mRL with sub-cells of 2.5m by 1.25m by 1.25m. No rotation was applied to the block model as the overall strike of mineralisation is north-south.

- Ordinary Kriging interpolation with an oriented 'ellipsoid' search was used for the estimate of each element. The ellipse was oriented to match mineralisation trends and is based on the variogram model.

- For the iron (Fe) estimate, a first pass search radius of 40m and a second pass search radius of 100m were used with a minimum number of samples of 20 and a maximum of 26 for all objects in the first pass. Approximately 44% of the blocks were filled in the first estimation pass and 52% of the blocks were filled in the second estimation pass. A third estimation pass was used to fill remaining unestimated model blocks.

- For the molybdenum (MOS_2) estimate, a first pass search radius of 40m and a second pass search radius of 90m were used with a minimum number of samples of 20 and a maximum of 32 for all objects in the first pass. Approximately 28% of the blocks were filled in the first estimation pass and 63% of the blocks were filled in the second estimation pass. A third estimation pass was used to fill remaining unestimated model blocks.

- For the tungsten (WO_3) estimate, a first pass search radius of 30m and a second pass search radius of 60m were used with a minimum number of samples of 20 and a maximum of 32 for all objects in the first pass. Approximately 31% of the blocks were filled in the first estimation pass and 61% of the blocks were filled in the second estimation pass. A third estimation pass was used to fill remaining unestimated model blocks.

- A bulk density value for the block model was derived from an iron (Fe) - bulk density regression equation. A total of 69 bulk density measurements have been taken from the 2004 drilling campaign and a strong association between increasing iron grade and bulk density is recognized. The equation of the regression line was applied to the mineralisation domain only. An average bulk density value of 2.75t/m^3 was used for the barren background domain. A bulk density of 2.0 t/m^3 was used for the historical stockpile material adjacent to the mined area.

- A review of the upgrade factor (the relationship between RC drillhole samples and the average grade of adjacent bulk sampled mineralisation and diamond core samples) was undertaken for molybdenum and tungsten. The review compared twinned RC drill samples to the 2005 near-surface underground workings and 2011 twin diamond drillholes at depth. The analysis concluded the previous upgrade factor of 114% molybdenum and 144% tungsten was still applicable from surface down to 350mRL. Below the 350mRL an upgrade factor of 144% for molybdenum and no change to tungsten was applied. The upgrade factor was only applied to RC drilling.

- The resource was classified on the basis of sample spacing, continuity of the interpreted zones and geostatistical measurement

of estimation errors. In general, zones where drill hole spacing was in the order of 30m by 40m or less and reasonable continuity was apparent were classified as Indicated. Those zones where drill hole spacing was greater than 30m by 40m, or where the continuity and/or geometry ware uncertain were classified as Inferred Mineral Resource. No areas were classified as Measured after considering the precision of the molybdenum and tungsten upgrade factor analysis. Mineralised areas below the 200mRL were not classified as further work is required to determine economic grade cut-offs below this level.

Competent Persons statements

The information in this report that relates to the Molyhil Mineral Resource is based on information compiled by Mr Craig Allison, who is a Member of The Australasian Institute of Mining and Metallurgy. Mr Allison is a full-time employee of Runge Limited. He has sufficient experience (at least five years) 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 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' and under AIM Rules. Mr Allison consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The information in this report that relates to exploration results 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(at least five years) 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 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' and under AIM Rules. 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.

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