

THOR MINING PLC

QUARTERLY ACTIVITIES REPORT PERIOD ENDING DECEMBER 2014

Dated: 29 January 2015

The Directors of Thor Mining PLC (“Thor” or the “Company”) (AIM, ASX: THR) the Australian tungsten and gold explorer and developer, today lodge the following December 2014 quarterly report. It is has also been released today with the Australian Securities Exchange (ASX) as required by the listing rules of ASX.

Highlights

Outlook for March Quarter 2015

TUNGSTEN & MOLYBDENUM

Molyhil NT

- Revised feasibility study completed demonstrating robust economics
- Continue off-take discussions for balance of concentrate production
- Negotiations to secure project finance

Pilot Mountain, Nevada USA

- Project acquisition completed
- Exploration upside evaluation
- Develop plans for initial exploration phase

GOLD

Spring Hill NT

- No work during the quarter
- Gold price now over A\$1,600/oz
- Continue to evaluate potential for profitable production

Dundas WA

- No work during the quarter
- Aircore drilling program contingent upon available funds

Commenting, Mr Mick Billing, Executive Chairman of Thor Mining, said:

“Thor is poised to add significant shareholder value, following recent progress. The updated Molyhil feasibility study has delivered very robust results, and it is hoped that discussions with potential financiers will result in project finance in the near term. In addition, the evaluation of the Pilot Mountain Tungsten Project acquisition suggests potential for a tungsten mining & processing operation with considerable life. Finally, the improvement in the gold price to over A\$1,600/ounce at the time of writing has added considerable value to the 400,000 ounce gold resource at Spring Hill.”

MOLYHIL TUNGSTEN-MOLYBDENUM PROJECT (NT) (100% THOR)

Upgraded Feasibility Study

Subsequent to the end of the December quarter, Thor announced an updated feasibility study for Molyhil with robust outcomes

Table1. Molyhil Key Features

Project NPV post tax & Royalties	A\$67 million	
Project IRR after tax & royalties	44%	All Equity Case
Project Capex	A\$70 million	All Equity Case
Life of Mine C1 Cash Cost	US\$112/mtu	
Life of Mine EBITDA	A\$201 million	
Payback from 1 st production	18 months	
Project Life	6 years	
Average feed grade	0.31% WO ₃	0.41% WO ₃ after ore sorting
	0.12% Mo	0.12% Mo after ore sorting
Operating throughput		
• Crushing & Sorting	500,000 tpa	
• Milling/Flotation etc	400,000 tpa	After ore sorting
Annual Production Average	130,000 mtu *	* 1mtu = 10Kg of contained WO ₃

Table 2: Molyhil Open Cut Ore Reserve Statement - Compliant with JORC 2012 (Announced 29 July 2014)

Classification	Reserve		WO ₃		Mo
	'000 Tonnes	Grade %	Contained metal (t)	Grade %	Contained metal (t)
Probable	3,000	0.31	9,200	0.12	3,600
Total	3,000	0.31	9,200	0.12	3,600

Notes:

- Thor Mining PLC holds 100% equity interest in this reserve
- Estimates have been rounded to reflect accuracy
- All estimates are on a dry tonne basis
- The reserve estimate extends to a maximum depth below surface of 150 metres

Mining

Mining is planned using conventional open cut mining methods; contract drill & blast, followed by owner operated excavation and haulage.

An average pit slope of 48° currently provides for a waste to ore ratio of 5.2:1. There may be an opportunity to improve this ratio during operations and via targeted geo-technical drilling.

The resource estimate extends below the level of the open cut ore reserve used in this study, providing potential to extend the project life either by deepening the open pit, or via underground mining methods depending upon subsequent costs and metal prices.

Processing

Mineral processing involves:

- Two stage crushing to -55mm
- X-Ray (XRT) ore sorting at two sizes:
 - 55mm to +25mm,
 - 25mm to +10mm
- Tertiary crushing
- Two stage grinding using a rod mill followed by a ball mill
- Three stage flotation circuit:
 - Molybdenum flotation
 - Sulphide flotation
 - Scheelite flotation
- Concentrate dressing

The revised process flowsheet involves replacing the previous scheelite gravity recovery method with flotation which has achieved substantial improvements in economic recovery and also in reducing levels of some deleterious elements in final concentrate compared with the original circuit. The scheelite concentrate dressing process which follows the flotation step has been tested but is not yet optimised. It is expected that this optimisation process will be completed during the detailed design phase.

PILOT MOUNTAIN TUNGSTEN PROJECT - NEVADA USA (100% Thor)

During the quarter Thor completed the acquisition of the Pilot Mountain tungsten project in the United States from Black Fire Minerals Limited, now Animoca Brands Limited (ASX: "AB1") for consideration of 418,750,000 ordinary shares in Thor. These shares are subject to a 12 month escrow period.

Following the acquisition, Thor holds 100% equity interest in:

- An Indicated and Inferred Resource of 6.8 million tonnes @ 0.31% WO₃, plus attractive copper and silver credits.
- Exploration targets¹ of 11.0 to 23.0 million tonnes @ 0.30 - 0.50% WO₃ within very close proximity

¹ Exploration Targets are conceptual in nature and there has been insufficient exploration to define a Mineral Resource under the 2012 JORC Code and it is uncertain if further exploration will result in the determination of a Mineral Resource

The Desert Scheelite Indicated + Inferred Resource comprises a 2012 JORC Compliant 6.8 million tonnes @ 0.31% WO₃, 0.17% Copper, and 22.8g/t (grams/tonne) Silver, announced on 10 June 2014.

Table 3: Desert Scheelite Resource Estimate - Compliant with JORC 2012(Announced 10 June 2014)

Desert Scheelite	Resource Tonnes	WO ₃		Ag		Cu	
		Grade %	Contained metal (t)	Grade g/t	Contained metal (t)	Grade %	Contained metal (t)
Indicated	6,090,000	0.31	18,900	24.2	150	0.16	10,000
Inferred	700,000	0.30	2,100	9.1	10	0.24	2,000
Total	6,790,000	0.31	21,000	22.8	160	0.17	12,000

Note: Thor Mining PLC holds 100% equity interest in this resource

Table 4: Pilot Mountain Exploration Target summary (Announced on 1 December 2014)

	Tonnage (Mt)	% WO ₃	Comment
Tier 1 Targets	7.5 - 13.5	0.3 - 0.5	Based on historic drill intersections
Tier 2 Targets	3.5 - 9.1	0.3 - 0.5	Based on favourable geology and proximity to known mineralisation.
Total Exploration Target*	11.0 - 23.0	0.3 - 0.5	Combined Tier 1 & 2

SPRING HILL GOLD PROJECT - NT (THOR has earned rights to 80% equity)

The Spring Hill gold project is located on pastoral leasehold land approximately 150 km south east of Darwin in Australia's Northern Territory. The location is served by all-weather access and is in close proximity to the sealed arterial Stuart Highway, north-south rail, gas pipeline and trunk powerlines.

A full background on the project is available on the Thor Mining website.

Directors continue to evaluate all opportunities for this project. However, prioritising expenditure on other projects has prevented progress on additional exploration activities at Spring Hill.

Recent movements in the gold price, however, have added significant value to this project.

Project Equity

Thor holds a 51% equity interest in the Spring Hill Gold project and has the right to complete the 80% acquisition at any time, subject to NT Government consent, through the issue to Western Desert Resources Limited (WDR) of 5 million shares plus shares to the value of A\$500,000.

DUNDAS PROJECT - WA (60% THOR)

The Dundas gold project is located approximately 100 kilometres east-south-east of Norseman in Western Australia. The tenements are in close proximity to the sealed arterial Eyre Highway, providing all-weather access to the project area. Within the tenements, access is provided by bulldozed tracks. It is also approximately 250 kilometres south of the major regional mining centre of Kalgoorlie.

A full background on the project is available on the Thor Mining website.

Targets for drilling at Dundas have been identified. However prioritising expenditure on other projects has prevented progress of exploration activities.

CORPORATE AND FINANCE

During the quarter, Thor completed a share placement to raise, in aggregate, A\$112,500 (approximately UK£61,000) before expenses from sophisticated Australian investors.

Competent Persons Report

The information in this report that relates to exploration results is based on information compiled by Richard Bradey, who holds a BSc in applied geology and an MSc in natural resource management and 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 2004 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.

Enquiries:

Mick Billing	+61 (8) 7324 1935	Thor Mining PLC	Executive Chairman
Ray Ridge	+61 (8) 7324 1935	Thor Mining PLC	CFO/Company Secretary
Colin Aaronson/ Richard Tonthat	+44 (0) 207 383 5100	Grant Thornton UK LLP	Nominated Adviser
Andrew Monk/ Bhavesh Patel	+44 (0)20 3005 5000	VSA Capital Limited	Broker
Alex Walters	+44 (0) 7771 713608 +44 (0) 207 839 9260	Cadogan PR	Financial PR