

23 March 2015

## THOR MINING PLC

Thor Mining PLC ("Thor" or the "Company")

### MOLYHIL TUNGSTEN PROJECT UPDATE

The Board of Thor Mining Plc ("Thor") (AIM, ASX: THR) is pleased to advise the appointment of corporate advisors to Thor for the purpose of securing project finance for the advanced Molyhil Tungsten Project, in Australia's Northern Territory.

London-based Grant Thornton UK LLP Corporate Finance has been mandated to introduce parties and lead discussions with a view to securing finance necessary for project development. A number of suitable parties have been introduced and several of these are conducting reviews of the Molyhil Tungsten Project and of Thor.

Similarly, Brookville Capital Limited and its Australian associate Grand Private Equities Pty Ltd have also been appointed to make capital introductions.

In addition, further to recent disclosure in respect of the Molyhil Feasibility Study and the project's current JORC 2012 reserve of 3.0Mt @ 0.31% WO<sub>3</sub>, Thor is pleased to advise on a number of potential mine life extensions from nearby Exploration Targets\* and project optimisation upside.

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

**Table 1: Molyhil Project Extension Potential Summary**

Source	Tonnage (Mt)	% WO <sub>3</sub>	Comment
Project Optimisation	0.3 - 0.5	0.3 - 0.4	Improved resource to reserve conversion of existing Molyhil.
Exploration Targets*	6.0 - 12.0	0.3 - 0.5	Exploration targets based on proximity to known mineralisation, favourable geology and/or geophysical signature.
<b>Total</b>	<b>6.3 - 12.5</b>	<b>0.3 - 0.5</b>	

#### Mr Mick Billing, Executive Chairman of Thor Mining:

"We believe the Molyhil project is robust and we are pleased to have secured the services of these eminently qualified advisors, and that a number of entities are conducting a review. Project payback of 18 months is very positive, and even at the low point of tungsten pricing for the past 4 years, that payback period is still no more than 2 years. In addition the potential for a substantially longer life operation via the exploration targets identified is significant and we look forward to developing these."

**Table 2: Molyhil Tungsten Project Extension Opportunities**

	Prospect	Target Range	Comment
Project Optimisation	Molyhil Resource	0.3-0.5Mt @ 0.3-0.4%WO <sub>3</sub>	Converting existing resources into additional reserves via project optimisation accessible by open cut mining.
Exploration Targets*	Molyhil Resource Extension Discovery	0.1-0.2Mt @ 0.2-0.4%WO <sub>3</sub>	Future drilling discovery of resource extensions accessible by open cut mining.
	Molyhil underground	2 - 4 Mt @ 0.4-0.6%WO <sub>3</sub>	Target identified by unconstrained 3D magnetic modelling. Access by underground mining
	Stockyard EL22349	1 - 2Mt @ 0.2-0.4%WO <sub>3</sub>	Geology/Magnetic targets
	Solar Farm EL22349	1 - 2Mt @ 0.2-0.4%WO <sub>3</sub>	Geology/Magnetic targets
	Gap Track EL22349	1 - 2Mt @ 0.2-0.4%WO <sub>3</sub>	Geology/Magnetic targets
	Think Big EL22349	1 - 2Mt @ 0.2-0.4%WO <sub>3</sub>	Geology/Magnetic targets
<b>Total project extension potential</b>		<b>6.0 - 12.5Mt @ 0.3-0.5%WO<sub>3</sub></b>	

## Project Optimisation - Improved Reserve Conversion

Conversion of additional Molyhil resource to reserve is proposed as a result of future project optimisation including; operating cost reductions, improved process recoveries and pit design. The range of this potential is estimated to be in the order of 10% of the existing Mining Reserve.

### Molyhil Resource Extension Discovery

There is good discovery potential for additional mineralisation extensional to the existing Molyhil resource from future drilling. The unit cost of drilling will drop once a permanent facility is established at the site which will allow the more exhaustive drill testing of the margins of the current resource.

### Nearby Magnetic Targets

Molyhil resource was discovered in 1976 by drilling a magnetic target under shallow sediment cover. The four exploration targets listed above; Stockyard, Solar Farm, Gap Track & Think Big (Table 2) comprise untested magnetic targets in the vicinity of the Molyhil resource. The Molyhil area is largely blanketed under shallow (1-10metres) transported sediment preventing earlier discovery by surface prospecting. In addition the four magnetic anomalies share the Molyhil structural setting thus enhancing the potential for the discovery of Molyhil style mineralisation.

The as yet untested anomalies; Stockyard, Solar Farm, Gap Track & Think Big have been conservatively assigned Exploration Target values in the range of one quarter of the Molyhil resource.

### Molyhil Underground

A fifth magnetic target has been identified via unconstrained 3D magnetic modelling of the high resolution magnetic data collected over the area of the Molyhil Mine. This target is located at depth beneath the existing Molyhil resource and proposed mine. Drill testing of this target for a potential underground resource will be undertaken once project development is underway.

The exploration target value has been set at between 2 and 4 Million tonnes comparable with the existing Molyhil resource.

### Competent Person's 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 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.*

Table 3: Summary of Molyhil Mineral Resource Estimate: (Reported on 30 January 2014)

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

#### Notes

- Compliant with JORC 2012
- Thor Mining PLC holds 100% equity interest in this resource
- Mineral Resource reported at 0.1% combined Mo + WO<sub>3</sub> Cut-off and above 200mRL only
- Minor rounding errors may occur in compiled totals

Table 4: Molyhil Open Cut Ore Reserve Statement (Reported on 29 July 2014)

Classification	Reserve '000 Tonnes	WO <sub>3</sub>		Mo	
		Grade %	Tonnes	Grade %	Tonnes
Probable	3,000	0.31	9,200	0.12	3,600
<b>Total</b>	<b>3,000</b>	<b>0.31</b>	<b>9,200</b>	<b>0.12</b>	<b>3,600</b>

Notes:

- Compliant with JORC 2012
- Thor Mining PLC holds 100% equity interest in this reserve
- Estimate has been rounded to reflect accuracy
- All estimates are on a dry tonne basis
- The reserve estimate extends to a maximum depth below surface of 150 metres

**Table 5: 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 <sup>st</sup> production	18 months	
Project Life	6 years	
Average feed grade	0.31% WO <sub>3</sub>	0.41% WO <sub>3</sub> 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 *	Approximately 1.3% of global market * 1mtu = 10Kg of contained WO <sub>3</sub>

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Updates on the Company's activities are regularly posted on Thor's website [www.thormining.com](http://www.thormining.com), which includes a facility to register to receive these updates by email.