

Appendix 5B

Mining exploration entity quarterly report

Name of entity

THOR MINING PLC

ACN or ARBN

121 117 673

Quarter ended ("current quarter")

31 December 2015

Consolidated statement of cash flows

| | Current quarter \$A'000 | Year to date (6 months) \$A'000 |
|---|----------------------------|---------------------------------------|
| Cash flows related to operating activities | | |
| 1.1 Receipts from product sales and related debtors | 0 | 0 |
| 1.2 Payments for (a) exploration & evaluation | (82) | (455) |
| (b) development | 0 | 0 |
| (c) production | 0 | 0 |
| (d) administration | (65) | (397) |
| 1.3 Dividends received | 0 | 0 |
| 1.4 Interest and other items of a similar nature received | 0 | 0 |
| 1.5 Interest and other costs of finance paid | (17) | (35) |
| 1.6 Income taxes paid | 0 | 0 |
| 1.7 Other (R&D refund) | 131 | 131 |
| Net Operating Cash Flows | (33) | (756) |
| Cash flows related to investing activities | | |
| 1.8 Payment for purchases of: (a) prospects | (210) | (210) |
| (b) equity investments | 0 | 0 |
| (c) other fixed assets | 0 | 0 |
| 1.9 Proceeds from sale of: (a) prospects | 0 | 0 |
| (b) equity investments | 0 | 0 |
| (c) other fixed assets | 0 | 0 |
| 1.10 Loans to other entities | 0 | 0 |
| 1.11 Loans repaid by other entities | 0 | 0 |
| 1.12 Other | 0 | 0 |
| Net investing cash flows | (210) | (210) |
| 1.13 Total operating and investing cash flows (carried forward) | (243) | (966) |

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| | | | |
|---|--|-------|-------|
| 1.13 | Total operating and investing cash flows (brought forward) | (243) | (966) |
| Cash flows related to financing activities | | | |
| 1.14 | Proceeds from issues of shares, options, etc. (Refer 2.1 and Note 6) | 0 | 880 |
| 1.15 | Proceeds from sale of forfeited shares | 0 | 0 |
| 1.16 | Proceeds from borrowings | 235 | 360 |
| 1.17 | Repayment of borrowings | (61) | (359) |
| 1.18 | Dividends paid | 0 | 0 |
| 1.19 | Other | 0 | 0 |
| Net financing cash flows | | 174 | 881 |
| Net increase (decrease) in cash held | | (69) | (85) |
| 1.20 | Cash at beginning of quarter/year to date | 73 | 89 |
| 1.21 | Exchange rate adjustments to item 1.20 | 0 | 0 |
| 1.22 | Cash at end of quarter | 4 | 4 |

Payments to directors of the entity and associates of the directors

Payments to related entities of the entity and associates of the related entities

| | | Current quarter \$A'000 |
|------|--|----------------------------|
| 1.23 | Aggregate amount of payments to the parties included in item 1.2 | 0 |
| 1.24 | Aggregate amount of loans to the parties included in item 1.10 | 0 |
| 1.25 | Explanation necessary for an understanding of the transactions | |

Non-cash financing and investing activities

- 2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

Issue of 76,398,285 CDIs in part consideration of 49% of Spring Hill mining tenements. Refer ASX announcement 22 October 2015.
Issue of 356,898,014 CDIs to Directors in payment of outstanding fees, issued at a price of A\$0.000835 (0.0835 cents) per CDI, as approved by shareholders on 26 November 2015. The value of the Directors' fees paid by the issue of CDIs was \$200,000. In addition, a portion (\$98,010) of Michael Billing's consultancy fees for the period 1 September 2014 to 30 September 2015 was also paid by CDIs. Refer ASX announcement 17 December 2015.

- 2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

Nil

Financing facilities available

Add notes as necessary for an understanding of the position.

| | Amount available \$A'000 | Amount used \$A'000 |
|---------------------------------|-----------------------------|------------------------|
| 3.1 Loan facilities | 1,478 | 1,478 |
| 3.2 Credit standby arrangements | 0 | 0 |

Estimated cash outflows for next quarter (Note 10)

| | \$A'000 |
|--------------------------------|------------|
| 4.1 Exploration and evaluation | 187 |
| 4.2 Development | 0 |
| 4.3 Production | 0 |
| 4.4 Administration | 250 |
| Total | 437 |

Reconciliation of cash (refer note 10)

| Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows. | | Current quarter \$A'000 | Previous quarter \$A'000 |
|---|-----------------------------|----------------------------|-----------------------------|
| 5.1 | Cash on hand and at bank | 4 | 73 |
| 5.2 | Deposits at call | 0 | 0 |
| 5.3 | Bank overdraft | 0 | 0 |
| 5.4 | Other (90 day Term Deposit) | 0 | 0 |
| Total: cash at end of quarter (item 1.22) | | 4 | 73 |

Changes in interests in mining tenements

| | Tenement reference | Nature of interest (note (2)) | Interest at beginning of quarter | Interest at end of quarter |
|-----|---|-------------------------------|----------------------------------|----------------------------|
| 6.1 | Interests in mining tenements relinquished, reduced or lapsed | | | |
| 6.2 | Interests in mining tenements acquired or increased | ML23812 EL22957 | 51% | 100% |

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

| | Total number | Number quoted | Issue price per security (see note 3) | Amount paid up per security (see note 3) |
|------|---|---------------|---------------------------------------|--|
| 7.1 | Preference securities | | | |
| 7.2 | Changes during quarter | | | |
| 7.3 | +Ordinary securities | 4,536,387,510 | 4,536,387,510 (Refer Note 7) | N/A Fully Paid |
| 7.4 | Changes during quarter | | | |
| | (a) Increases by issues: | | | |
| | Part consideration for 49% of Spring Hill tenements | 76,398,285 | 76,398,285 | 0.13 cents Fully Paid |
| | Shares in lieu of Directors fees | 356,898,014 | 356,898,014 | 0.0835 cents Fully Paid |
| | (b) Decreases through returns of capital, buy-backs | | | |
| 7.5 | +Convertible debt securities | | | |
| 7.6 | Changes during quarter | | | |
| 7.7 | Options (description and conversion factor) | Total number | Number quoted | Exercise price Expiry date |
| | Options G (Debt facility issuer) | 84,141,088 | o | 0.7428 cents 19/03/2016 |
| | Options H (Debt facility issuer) | 62,887,808 | o | 0.5963 cents 3/06/2016 |
| | Options K (Associate) | 26,763,987 | o | 0.1 pence 22/09/2016 |
| | Options L (Sophisticated investors) | 525,000,000 | o | 0.075 pence 28/07/2016 |
| 7.8 | Issued during quarter | | | |
| 7.9 | Exercised during quarter | | | |
| 7.10 | Expired during quarter | | | |
| 7.11 | Debentures (totals only) | | | |
| 7.12 | Unsecured notes (totals only) | | | |

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 4).
- 2 This statement does give a true and fair view of the matters disclosed.

Sign here:



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(Company Secretary)

Date: 29/1/2016

Print name: Ray Ridge

Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities.** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.
- 6 Proceeds are net of issue costs. Proceeds include the Lanstead instalments received, net of the swap settlements. Refer Section 2.1.
- 7 Ordinary securities comprise of:

| | |
|---|----------------------|
| Listed on London Stock Exchange (AIM) | 2,611,715,735 |
| Listed on Australian Stock Exchange (ASX) – as CDIs | 1,848,273,490 |
| Listed on Australian Stock Exchange (ASX) – as CDIs | |
| Voluntary escrow until 27 April 2016 | 76,398,285 |
| Total Ordinary Securities at 31 December 2015 | <u>4,536,387,510</u> |

- 8 Issues during the quarter comprise of:
- | | |
|--|--------------------|
| Listed on London Stock Exchange (AIM) | 0 |
| Listed on Australian Stock Exchange (ASX) – as CDI’s | 433,296,299 |
| Total Ordinary Securities issued in the quarter | <u>433,296,299</u> |
- 9 During the quarter, the number of shares transferred
To ASX as CDIs from London Stock Exchange (AIM) was: 20,771,544
- 10 In December 2015, Thor announced the signing of an option agreement to sell 100% of the Spring Hill project subject to due diligence and financing, for:
- A\$2.0 million payable in cash, for a 60% interest, and 100% management control; and
 - A\$1.5 million payable in cash, within 12 months for the remaining 40% interest.
 - Royalties payable upon future gold production.
- For further information refer to ASX Announcement dated 16 December 2015.

An initial \$25,000 non refundable option fee was received by Thor in the first week of January. A further \$125,000 non refundable deposit is payable upon financing approval, being considered within the next week. The remaining A\$1.85 million for the initial 60% ownership is due within seven business days of exercising the option.