

Friday, 30 January 2015

THOR MINING PLC

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

The Directors of Thor Mining PLC (AIM, ASX: THR) today released the following announcement on the Australian Securities Exchange ("ASX") as required under the listing rules of the ASX.

Rule 5.3

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 2014

Consolidated statement of cash flows

	Current quarter \$A'ooo	Year to date (6 months) \$A'ooo
Cash flows related to operating activities		
1.1 Receipts from product sales and related debtors	0	0
1.2 Payments for (a) exploration & evaluation	(110)	(435)
(b) development	0	0
(c) production	0	0
(d) administration	(182)	(507)
1.3 Dividends received	0	0
1.4 Interest and other items of a similar nature received	0	3
1.5 Interest and other costs of finance paid	(18)	(35)
1.6 Income taxes paid	0	0
1.7 Other (export marketing grant)	0	0
Net Operating Cash Flows	(310)	(974)
Cash flows related to investing activities		
1.8 Payment for purchases of: (a) prospects	0	0
(b) equity investments	0	0
(c) other fixed assets	0	(5)
1.9 Proceeds from sale of: (a) prospects	0	0
(b) equity investments	0	102
(c) other fixed assets	12	12
1.10 Loans to other entities	0	0
1.11 Loans repaid by other entities	0	0
1.12 Other:- Acquisition costs Pilot Mountain	(33)	(106)
Net investing cash flows	(21)	3

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1.13	Total operating and investing cash flows (carried forward)	(331)	(971)
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1.13	Total operating and investing cash flows (brought forward)	(331)	(971)
Cash flows related to financing activities			
1.14	Proceeds from issues of shares, options, etc. (Refer Note 6)	212	971
1.15	Proceeds from sale of forfeited shares	0	0
1.16	Proceeds from borrowings	0	0
1.17	Repayment of borrowings	0	0
1.18	Dividends paid	0	0
1.19	Other (provide details if material)	0	0
Net financing cash flows		212	971
Net increase (decrease) in cash held		(119)	0
1.20	Cash at beginning of quarter/year to date	137	18
1.21	Exchange rate adjustments to item 1.20	0	0
1.22	Cash at end of quarter	18	18

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	12
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	
\$12k includes: - Consulting fees paid to M Billing \$12k.		

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

Swap agreements

The Company has existing agreements with an institutional investor in the Company, Lanstead Capital L.P. ("Lanstead"), consisting of 2 separate agreements: 1) a share subscription agreement and 2) an equity swap agreement. Under the share subscription agreement, ordinary shares were issued to Lanstead for a cash consideration, of which 85% was invested by the Company in credit support for the equity swap and will be returned to the Company in monthly instalments. Under the equity swap agreement, monthly swap settlements are made based on the prevailing market price of the Company's share price relative to benchmark prices.

At 31 December 2014, the total credit support instalments yet to be received by the Company, net of the swap settlements (valued at the Company's share price of 0.11 pence at that date) is £162,157 (A\$307,640). The instalments will be received over the next 20 months. The future instalments received will vary depending on the Company's share price at each instalment date.

Acquisition of Pilot Mountain

Consideration for the acquisition of Pilot Mountain from Black Fire Minerals Ltd ("Black Fire", now Animoca Brands Ltd ASX: AB1) was \$1,675,000 settled by the issue of 418,750,000 ordinary shares of 0.01p each in Thor, at an agreed value of A\$0.004 per share. Refer to ASX Announcement dated 28 October 2014.

A number of parties provided unsecured loans totalling \$625,000 to Black Fire in March 2014, to enable Black Fire to complete its acquisition of the Pilot Mountain Tungsten Project, subsequently creating the opportunity for Thor to acquire the Pilot Mountain Tungsten Project from Black Fire. The loans were novated to Thor as part of the acquisition of Pilot Mountain on 27 October 2014. Subsequently, \$300,000 of these loans were repaid through the issuance of Ordinary Shares of 0.01p each in Thor as follows:

- 96,685,082 Ordinary Shares issued to Thor Directors in repayment of \$175,000. Approved by Thor shareholders on 31 July 2014. Refer to ASX Announcement dated 30 October 2014.
- 69,444,444 Ordinary Shares issued to sophisticated investors in repayment of \$125,000. Refer to ASX Announcement dated 24 November 2014.

The remaining outstanding loans of \$325,000 are repayable by 30 September 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	1,000	1,000
3.2 Credit standby arrangements	0	0

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Estimated cash outflows for next quarter (Note 10)

		\$A'000
4.1	Exploration and evaluation	150
4.2	Development	0
4.3	Production	0
4.4	Administration	310
Total		460

Reconciliation of cash

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	18	137
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)		18	137

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	EL 25981	100%	0%
6.2	Interests in mining tenements acquired or increased	NMC1035394 NMC1087093 NMC804279 NMC913492	0%	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	3,053,091,211	3,053,091,211 (Refer Note 7)	N/A Fully Paid
7.4	Changes during quarter			
	(a) Increases by issues:			
-	Placement	96,685,082	96,685,082	0.1 pence Fully Paid
-	Placement	418,750,000	418,750,000	0.3 cents Fully Paid
-	Placement	66,308,276	66,308,276	0.29 cents Fully Paid
-	Placement	69,444,444	69,444,444	0.18 cents Fully Paid
-	Placement	44,444,444	44,444,444	0.225 cents Fully Paid
-	Placement	6,944,444	6,944,444	0.18 cents Fully Paid
-	Warrants	155,555	155,555	0.7 pence Fully Paid
	(See below 7.9)			
	(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 E (Associates)	4,000,000	o	2.0 pence 21/06/2015
	Options F (Associates)	600,000	o	2.0cents 27/09/2015
	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 22/06/2016
7.8	Issued during quarter			

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7.9	Exercised during quarter <i>Options J</i> <i>(Attaching to AIM listed shares)</i>	155,555	0	0.7 cents	30/9/2014
7.10	Expired during quarter				
7.11	Debentures <i>(totals only)</i>				
7.12	Unsecured notes <i>(totals only)</i>				

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:  ...
 (Company Secretary)

Date: 30/1/2015

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) | 1,577,881,139 |
| Listed on Australian Stock Exchange (ASX) – as CDIs | 1,056,460,072 |
| Listed on Australian Stock Exchange (ASX) – as CDIs | |
| Voluntary escrow until 29 October 2015 | 418,750,000 |
| Total Ordinary Securities at 30 June 2014 | <u>3,053,091,211</u> |
- 8 Issues during the quarter comprise of:
- | | |
|--|---------------------------|
| Listed on London Stock Exchange (AIM) | 34,877,777 |
| Listed on Australian Stock Exchange (ASX) – as CDI's | 249,104,468 |
| Listed on Australian Stock Exchange (ASX) – as CDIs | |
| Voluntary escrow until 29 October 2015 | 418,750,000 |
| Total Ordinary Securities issued in the quarter | <u>702,732,245</u> |
- 9 During the quarter, the number of shares transferred From London Stock Exchange (AIM) to ASX as CDIs was: 17,349,223
- 10 Projected cash outflows for the next Quarter are \$460,000. This is in excess of the cash balance at 31 December 2014 of \$18,000 and the expected inflows from the Lanstead instalments and swap settlements (refer Section 2.1). The Company is in discussions with a number of interested parties to finalise arrangements for the required funding.

Enquiries:

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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.