

19 January 2017

Company Announcements Office,  
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## STRATEGIC OUTLOOK FOR 2017

The Board of Thor Mining Plc ("Thor" or the "Company") (AIM, ASX: THR), is pleased to provide guidance on priorities and strategies for 2017.

With the anticipated receipt of A\$1.5million consideration payment from the sale of the Company's residual 40% interest in the Spring Hill gold project, due at the end of February 2017, the Company anticipates accelerating project field exploration activity, along with continued detailed assessment of a number of attractive new projects. Both streams of activity shall focus upon delivering value to investors in the short and medium term time frames.

### Highlights:

- Pilot Mountain; Tungsten - first drill program scheduled for February 2017 is to focus upon both extending high grade copper-zinc-silver-tungsten mineralisation (17.5m @ 5.7% Cu equivalent), to complement the existing resource and to confirm historical mineralisation drilled during the 1970s. Following the completion of this program, additional follow up drilling is expected to be scheduled later in 2017.
- Dundas; Gold – drilling program scheduled for the first half of 2017 to test previously identified gold anomalies.
- Spring Hill royalty; Gold - upon the expected completion of the sale of the Spring Hill project, the value of the royalty stream becomes more tangible. As the project moves towards production, the Board will explore all alternatives for early monetisation of this potentially quite valuable asset.
- New projects – the Company continues to assess a range of opportunities for mainstream commodities as well as in tungsten, including those with potential for near term development. Some of these have potential to enhance the existing business, while others are new ventures.

**Mr Mick Billing, Executive Chairman of Thor:** *"We look towards an exciting and rewarding year in 2017. The initial drilling program at Pilot Mountain, to commence in February, follows up on known tungsten mineralisation and potential extensions to the 5.7% Copper equivalent intersection.*

*"A new drilling campaign targeting gold mineralisation at Dundas is eagerly anticipated and planning for this campaign is progressing well.*

*"The anticipated completion of sale of the Spring Hill gold project opens up the possibility of monetising the potentially significant royalty stream from Spring Hill and we are committed to exploring all options in this regard.*

*"Molyhil remains one of Thor's key assets, and we expect to continue to explore alternatives for increasing the size of resource and mine life over the year ahead in anticipation of suitable future market conditions for development.*

*"Our business development efforts have identified a number of projects which could well enhance investor value in the short term, and we will continue to review and appraise these opportunities, and look to providing advice on these assessments at the first appropriate opportunity"*

THOR MINING PLC

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Paul Johnson

Key Projects:

- Tungsten  
Molyhil NT  
Pilot Mountain USA

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**Pilot Mountain Tungsten 2017 Program – targeting a significant resource upgrade**

- Two reverse circulation (RC) drill holes, at Desert Scheelite, aimed at extending the 5.7% Cu equivalent to the east and also closer to the surface.
- Six RC drill holes at Garnet, aimed to twin historical Union Carbide drill holes, which, if results match reported historical assays, may allow a resource estimate for portion of that deposit.
- Depending upon outcomes of the initial program, further drilling at Desert Scheelite, Garnet, and other deposits at Gun Metal and Good Hope, will be scheduled later in 2017.

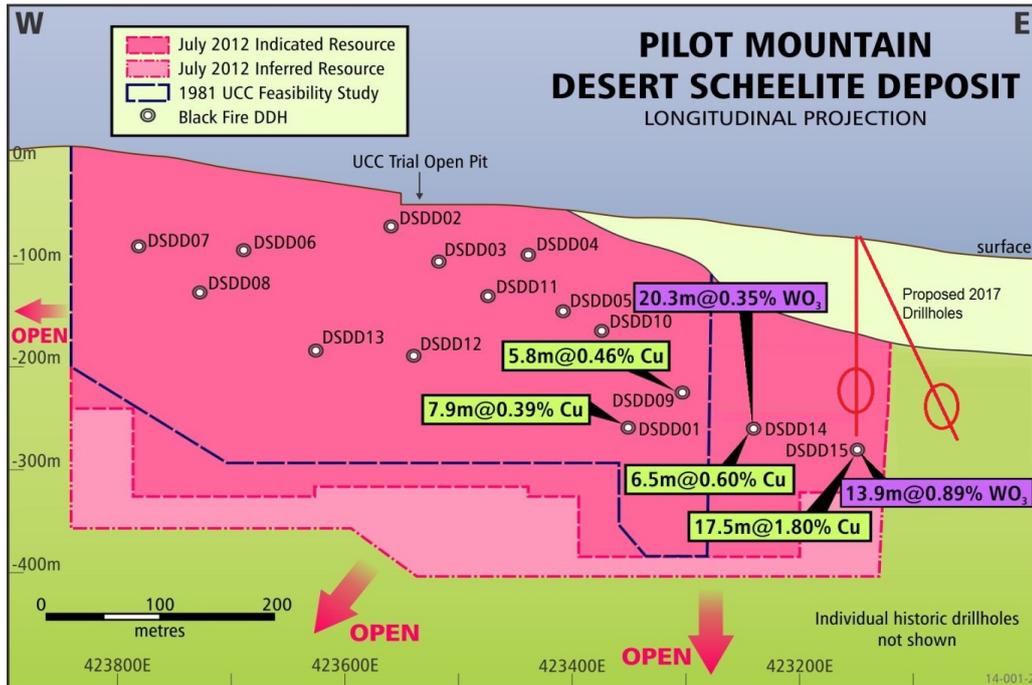


Figure 1: Desert Scheelite drill intersections viewed in long section looking northwards. Proposed drill targets and hole paths shown at the eastern (right hand) end.

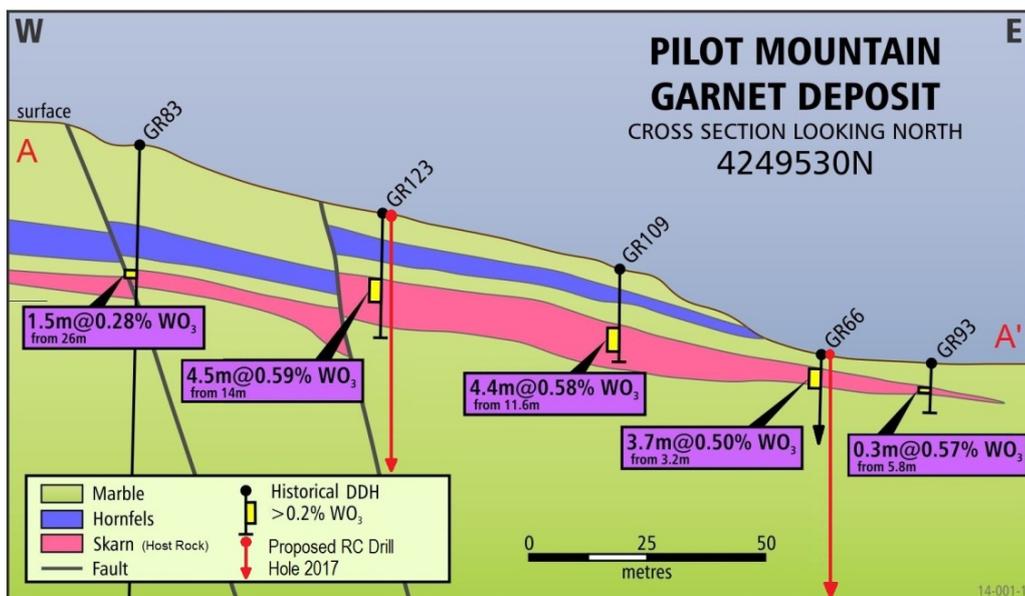


Figure 2: East – west cross section through one of the seven mineralised zone from the 1970's Union Carbide Corp drilling. Historic drilling indicates a further two mineralised horizons exist below that shown in the figure above.

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Thor’s Pilot Mountain Project, acquired in 2014, is located approximately 200 kilometres south of the city of Reno and 20 kilometres east of the town of Mina located on US Highway 95.

The Pilot Mountain Project comprises four tungsten deposits: Desert Scheelite, Gunmetal, Garnet and Good Hope. All are in close proximity (~three kilometres) to each other and have been subjected to small-scale mining activities at various times during the 20th century. Union Carbide acquired the project in 1978, for US\$7.0 million (estimated at US\$26million - US\$40million in 2017 dollars), and conducted detailed exploration and feasibility activities until, following a global downturn in the tungsten industry in the 1980s, they suspended further work.

The proposed significant infrastructure works signalled by the incoming US administration is likely to have a positive impact on demand for tungsten products, and with no current tungsten mining operations in the country, Pilot Mountain may be well placed to fill part of that demand.

A drill program in 2012 at Desert Scheelite facilitated the estimate & publication of a resource estimate for that deposit, shown in Table 1. Importantly the final hole of the program intersected 17.5 metres @ 1.80% Copper (Cu) plus 2.2% Zinc (Zn) and 32 g/t Silver (Ag), along with 13.5metres of 0.89% tungsten trioxide (WO<sub>3</sub>). At current commodity prices (US\$2.66/lb Cu, US\$1.26/lb Zn, US\$16.80/oz Ag, and US\$200/mtu WO<sub>3</sub>) this delivers an equivalent copper grade of 5.7%.

Table 1: Desert Scheelite Resource Summary 2014, (JORC 2012), announced 10 June 2014.

| Desert Scheelite | Resource Tonnes  | WO <sub>3</sub> |                     | 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               |
| <b>Total</b>     | <b>6,790,000</b> | <b>0.31</b>     | <b>21,000</b>       | <b>22.8</b> | <b>160</b>          | <b>0.17</b> | <b>12,000</b>       |

Notes

- Thor Mining PLC holds 100% equity interest in this resource..
- Minor rounding errors may occur in compiled totals.

In addition to the Resource Estimate, Exploration Targets (summarised in Table 2) have been determined including 7.5 to 13.5 million tonnes based on extensive drilling undertaken by Union Carbide Corporation in the 1970s. Even partial success in the conversion of these targets will add significantly to the project value.

Table 2: Summary of Pilot Mountain exploration targets

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

Tier 1 Exploration Targets\* at Pilot Mountain are based on 1970s drilling undertaken by Union Carbide Corporation and total 7.5 to 13.5 Mt at 0.2 to 0.4% WO<sub>3</sub> (Table 2). The proposed drilling at Garnet will target conversion to resource of between 1.0 to 2.0Mt of the total Tier 1 Exploration Target.

*\*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.*

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**Dundas Gold 2017 Program**

- Air core (AC) drilling has been scheduled on the identified gold targets for the first half of 2017.
- Depending upon outcomes, follow up drilling will be scheduled later in 2017.

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

A significant calcrete gold geochemical anomaly identified from infill sampling over two areas, based on previous BHP calcrete data, has been permitted for drilling.

**Molyhil Tungsten 2017 Program**

- The Company will continue ongoing cost and resource optimisation activities in order that at the first available opportunity we can access development funding to bring Molyhil into production.

The 100% owned Molyhil tungsten project is located 220 kilometres north-east of Alice Springs (320km by road) within the prospective polymetallic province of the Proterozoic Eastern Arunta Block in the Northern Territory.

In January 2015, Thor announced an updated feasibility study for its wholly-owned Molyhil tungsten project, with robust outcomes.

The project development cost for Molyhil is estimated at A\$64 million, or US\$48 million at current exchange rates. Of this, approximately US\$10 million is for equipment, for which equipment or leasing finance could be secured, thus reducing the project finance requirement to below US\$40 million.

Molyhil has a forecast 12 month construction schedule from development commencement to first production.

**Summary of Molyhil Mineral Resource Estimate (Reported 30 January 2014)**

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

Notes

- 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.

**Spring Hill Royalty – Background**

In February 2016, Thor announced the sale of its Spring Hill Gold project<sup>3</sup> for A\$3.5million, of which A\$1.5m for the Company's residual 40% interest remains due for settlement in February 2017, plus a royalty of:

- A\$6 per ounce of gold produced from the Spring Hill tenements where the gold produced is sold for up to A\$1,500 per ounce; and
- A\$14 per ounce of gold<sup>4</sup> produced from the Spring Hill tenements where the gold produced is sold for amounts over A\$1,500 per ounce. Gold is currently trading for approximately A\$1,610/oz

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### **New Project Assessment**

The existing portfolio of projects is very robust and has substantial development potential; however the directors are continuing to assess opportunities to acquire interests in several projects which also have potential for substantial near term upside, with copper and gold the preferred commodities, as well as tungsten.

For further information, please contact:

### **THOR MINING PLC**

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### **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.*

### About Thor Mining PLC

*Thor Mining PLC is a resources company quoted on the AIM Market of the London Stock Exchange and on ASX in Australia.*

*Thor holds 100% of the advanced Molyhil tungsten project in the Northern Territory of Australia, for which an updated feasibility study in 2015<sup>1</sup> suggested attractive returns. Thor also holds 100% of the Pilot Mountain tungsten project in Nevada USA which has a JORC 2012 Indicated Resources Estimate<sup>2</sup> on 1 of the 4 known deposits.*

*In February 2016, Thor announced the sale of its Spring Hill Gold project<sup>3</sup> for A\$3.5million, of which A\$1.5 remains due for settlement in February 2017, plus a royalty of:*

- *A\$6 per ounce of gold produced from the Spring Hill tenements where the gold produced is sold for up to A\$1,500 per ounce; and*
- *A\$14 per ounce of gold<sup>4</sup> produced from the Spring Hill tenements where the gold produced is sold for amounts over A\$1,500 per ounce.*

### Notes

- <sup>1</sup> Refer ASX and AIM announcement of 12 January 2015
- <sup>2</sup> Refer ASX and AIM announcement of 10 June 2014
- <sup>3</sup> Refer ASX and AIM announcement of 29 February 2016
- <sup>4</sup> At the date of this announcement gold is trading at approximately A\$1,610/oz