

15 June 2017

Company Announcements Office,
ASX Securities Limited,
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AGREEMENT TO ACQUIRE 25% OF US LITHIUM PTY LIMITED OPTION AGREEMENT TO ACQUIRE REMAINING 75%

The Board of Thor Mining Plc ("Thor" or the "Company") (AIM, ASX:THR) is pleased to announce it has agreed to acquire 25% of US Lithium Pty Limited ("USL"), a private Australian company with interests in lithium focused projects in Arizona and New Mexico, in the United States of America. It has also entered into an agreement which gives it the option to acquire a further 75% of USL for a period of 45 business days.

Highlights:

- Thor Mining to expand its commodity project portfolio in North America into the lithium sector, complementing its tungsten interests in Nevada;
- Binding Sale and Purchase Agreement ("SPA") signed today to acquire 25% of the issued share capital of USL from Pembridge Resources plc (LON: PERE) ("Pembridge") for US\$75,000 (approximately £58,845) in cash;
- Thor to also provide A\$50,000 (£29,564) to USL to cover operational costs during the next three months; and
- Separately, a 45 business day First Right of Refusal Agreement ("Option Agreement") signed to acquire the remaining 75% of USL through the issue of 52,777,777 ordinary shares of 0.01p each in the capital of Thor ("Ordinary Shares") at a deemed price of 0.90p per Ordinary Share (for a total share consideration value of £475,000).

Mick Billing, Chairman of Thor Mining plc: "We are delighted to have secured a stake in these exciting US-based lithium properties. Lithium is a key ingredient in the lithium-ion batteries that power billions of smartphones, laptops and, increasingly, electric cars. Analysts at Morningstar expect lithium demand to rise 16 per cent a year from 175,000 tonnes in 2015 to 775,000 tonnes by 2025, the fastest increase of any significant commodity over the past century (source: Financial Times, 6/1/17).

"The acquisition of lithium interests in the United States is particularly exciting for Thor. The lithium projects are well positioned geographically and offer, we believe, significant upside value potential should the work on the ground continue to demonstrate the type of success achieved to date.

"Moreover, as a strategic metal, the lithium interests sit well alongside the Company's other interests in the United States, namely the Pilot Mountain project in Nevada, the Company's 100% owned flagship tungsten-silver-copper project.

THOR MINING PLC

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Shares: THR

AIM Listings:
Shares: THR

Directors:
Michael Billing
David Thomas
Gervaise Heddle
Paul Johnson
Alastair Middleton

Key Projects:

- **Tungsten**
Molyhil NT
Pilot Mountain USA

15 June 2017

"The Company expects to provide a further technical update shortly in respect of the lithium interests held by USL, in which Thor will hold an initial 25% stake on completion. We will also update the market with regard to the progress of our project review work during the option period with a view to Thor exercising the right to acquire the remaining 75% of USL's share capital, taking its overall interest to 100%.

"As investors may expect, there can be no certainty that Thor will exercise this option.

"We look forward to updating the market shortly."

Further details of the transaction

Acquisition of 25% of USL

A binding SPA has been signed by the Company to acquire 25% of the issued share capital of US Lithium Pty Limited ("USL") from Pembridge Resources plc for US\$75,000 (approximately £58,845) in cash payable on completion. This payment will be made from Thor's existing cash resources.

The SPA specifies that should Thor achieve a sale of its 25% interest within 12 months of the SPA, then Thor will be obliged to pay to Pembridge 10% of any disposal proceeds. Should Thor achieve a sale of its 25% interest after 12 months but before 24 months from the date of the SPA, Thor will be obliged to pay to Pembridge 5% of any disposal proceeds.

If the disposal proceeds achieved by Thor in respect of the 25% acquired exceeds US\$13,000,000 during the period of 24 months from the date of the SPA, the above percentages of the proceeds to be paid to Pembridge will be increased to 20% and 10% respectively.

As part of the acquisition, Thor has agreed to pay A\$50,000 (approximately £29,564) to USL to cover operational costs incurred over the next three months.

Option to acquire a further 75% of USL

Thor has also signed an Option Agreement wherein the Company can, should it so choose, acquire the remaining 75% of USL through the issue of 52,777,777 Ordinary Shares in the Company to the shareholders of USL at a deemed price of 0.90p (representing share consideration of £475,000). There is no cash consideration payable.

The option period lasts for 45 business days from today and during that period Thor will be actively engaged with USL in standard due diligence enquiries, on-site project review and strategic and operational planning.

Should Thor exercise its option, a current director of USL will join the Thor Board as a Non-Executive Director and Thor will utilise the existing in-country team including an experienced exploration geologist and project manager already based in the USA.

US Lithium Pty Limited ("USL")

USL is an Australian private limited company which has a 100% owned subsidiary company, registered in the United States of America ("USA"), that holds 100% of four exploration properties; three in the State of Arizona and one in the State of New Mexico. USL's primary asset is the Big Sandy project, which comprises 112 Federal claims each of approximately 20 acres in size. A 2017 exploration program was concluded with 231

15 June 2017

hand dug channel samples, with some promising lithium grades discovered, averaging 786 ppm lithium with a range of 19 ppm to 2,930 ppm lithium.

In USL's unaudited management accounts for the period ended 31 December 2016, USL generated a loss of US\$2,984 and had net assets at that date of US\$230,022.

Further information in respect of the USL lithium projects will be provided in a separate release shortly.

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 and exploration targets 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.