

23 October 2017

## THOR MINING PLC

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AIM & ASX Listings:  
Shares: THR

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

### Key Projects:

- **Tungsten**  
*Molyhil NT*  
*Pilot Mountain USA*
- **Copper**  
*Kapunda SA*

## Company Announcements Office

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## FINANCING AND STRATEGIC UPDATE

The Directors of Thor Mining PLC ("Thor" or the "Company") (AIM, ASX: THR) are pleased to announce a strategic financing to advance the Company's key projects towards commercialisation.

The next phase of activity demonstrates a departure from a focus on exploration expenditure, to build project resources, and the commencement of activities designed to progress the commercial potential of each of the Company's core projects. The key focus for the Company now is to demonstrate the value that the board consider existing projects to hold, and move them towards commercialisation, in order to generate quantifiable shareholder value.

Exploration where undertaken, will be focused on new discoveries and high impact targets, and may involve new opportunities not yet in the Company portfolio. Expenditure on exploration will be controlled in order to move the Company away from the high exploration spend recently encountered, which resulted in a need to undertake frequent capital raises.

### Highlights:

- The Company has substantially completed exploration drilling requirements for all key projects;
- Increasing tungsten and copper prices have accelerated interest in high quality tungsten and copper projects with substantial confirmed resources, like those that Thor has currently within its portfolio;
- Drilling outcomes on key projects in 2017 have been very favourable, with a significant resource upgrade at Pilot Mountain, and a resource estimate for Kapunda is anticipated shortly;
- At the Pilot Mountain and Molyhil projects, the Company has been encouraged by potential off-takers and financiers to move toward feasibility and development. The Company is considering its options, including the potential for joint venture, offtake, or acquisition agreements, should there be sufficient third-party interest;
- The Company is to accelerate scoping and feasibility upgrade work to demonstrate the inherent project valuations which the board consider are not recognised in the Company's market valuation, but may be more recognisable with positive study outcomes, with the potential engagement of partners to help develop and fund these exciting projects;
- The Company has raised gross proceeds of £565,000 through the placing of 29,473,686 new ordinary shares of 0.01p each ("Ordinary Shares") and the conditional placing of 41,151,314 new Ordinary Shares at a price of 0.8p each (the "Placing and Subscription");
- Chairman Mick Billing to invest £24,000, and Non-executive Director Paul Johnson to invest £25,000 in the placing, subject to shareholder approval;
- Places to receive one warrant with each Ordinary Share to subscribe for a further new Ordinary Share at a price of 1.2p per Ordinary Share ("Warrant"), valid for one year from the date of issue;
- Funds raised increase existing cash balances and enables the Company to focus attention on accelerating the Company's core tungsten and copper projects;

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Thor is now fully focused on the commercialisation pathway and ensuring through our technical work, and enhanced marketing and communications, we drive increasing investor awareness with a view to securing a market capitalisation more reflective of the value the board consider the Company’s projects to hold.

**Mr Mick Billing, Executive Chairman, commented:**

“This financing builds on the Company’s cash position enabling work towards scoping studies on the Pilot Mountain tungsten project in Nevada USA, proof of concept work at the Kapunda copper project in South Australia, and updating the Definitive Feasibility Study for the Molyhil tungsten in the Northern Territory of Australia.”

“Drilling program results at Pilot Mountain have enabled the Company to increase the Pilot Mountain resource estimate on 22 May 2017, and subsequent work has improved confidence that this resource should continue to grow with new material zones of mineralisation identified. Positively however, the directors have concluded that the existing resource inventory is more than sufficient to commence the project development stage, with potential off-takers and financiers suggesting the Company move towards commercial feasibility studies.”

“The strategic value of the substantial Pilot Mountain tungsten, copper & silver project in the US should not be understated. Apart from the rising commodity prices for copper and tungsten, the absence of tungsten mining in the US is notable, and through Pilot Mountain, Thor has a potential solution to that dilemma. The general drive toward homeland strategic commodity security also underpins the strategic significance and inherent value of Pilot Mountain.

“At the Kapunda copper project the project operator, Environmental Copper Recovery Pty Ltd, is advancing proof of concept work, and anticipates preparation of a maiden resource estimate for that part of the deposit amenable to insitu recovery techniques shortly. This will be another major step forward for the Company and provide another source of potential value for shareholders.”

“At Molyhil, the Company expects that reductions in both capital and operating costs, currently under review, along with recent global tungsten price improvements will result in robust and positive project economic outcomes that we will communicate to the market as appropriate.”

“In summary Thor has built a strong portfolio and needs now to focus its efforts on fully communicating this to investors in the company and third parties who are seeking exposure to tungsten and copper opportunities. As a company we have to be bold and demonstrate that in the board’s view, the market value of the Company considerably understates the value of our business interests.”

**Placing and Subscription summary**

The Placing and Subscription will raise in aggregate gross proceeds of £565,000, through the issue of a total of 70,625,000 Ordinary Shares at a price of 0.8p per Ordinary Share. Placees will also be granted one free attaching Warrant for each Ordinary Share subscribed, each enabling the holder to subscribe for a further Ordinary Share at a price of 1.2p per Ordinary Share. The Placing was undertaken by SI Capital Ltd.

The Company will shortly issue 29,473,686 Ordinary Shares and 29,473,686 Warrants pursuant to its existing shareholder authorities and will convene a general meeting of the Company at which shareholders will be asked to grant the Directors the necessary authorities to issue the remaining 41,151,314 Ordinary Shares and 41,151,314 Warrants (the “Conditional Placing”).

The net proceeds of the Placing and Subscription will enable the Company to focus attention on scoping and feasibility studies on the Company’s tungsten and copper projects. The Placing and Subscription will also provide the Company with additional working capital.

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**Director Participation in the Placing and Subscription**

Mick Billing and Paul Johnson, both directors of the Company, propose to participate in the conditional Placing and Subscription by subscribing for 3,000,000 and 3,125,000 new Ordinary Shares respectively (with matching free attaching Warrants) on the terms above, for an aggregate subscription of £49,000, subject to shareholder approval at a forthcoming general meeting of shareholders.

A notice of Annual General Meeting (“AGM”), scheduled to be held on or around 29 November 2017, will shortly be sent to shareholders, in order to seek, along with normal AGM agenda items, approvals for increased director authorities to issue Ordinary Shares and Warrants, to be used in the first instance to issue the Ordinary Shares and Warrants pursuant to the Placing and Subscription. Further announcements will be made in this respect as soon as practicable.

Subject to receiving shareholder approval at the forthcoming AGM to be convened shortly, and assuming there are no further changes to the shareholdings and warrant holdings of Mick Billing and Paul Johnson before the completion of the Conditional Placing, the beneficial holdings of these directors and their connected parties will be as follows:

<b>Director</b>	<b>Amount subscribed £</b>	<b>Ordinary Shares to be issued</b>	<b>Resultant holding of Ordinary Shares</b>	<b>Resultant percentage holding (of enlarged issued share capital)</b>	<b>Warrants held</b>
Mick Billing	24,000	3,000,000	31,265,242	6.32%	21,765,040
Paul Johnson	25,000	3,125,000	19,627,649	3.97%	24,325,000

The participations by Mick Billing and Paul Johnson in the conditional Placing and Subscription constitute related party transactions for the purposes of AIM Rule 13. The independent directors, having consulted with the Company's nominated adviser, Grant Thornton UK LLP, consider that the terms of the related party transactions are fair and reasonable in so far as the Company's shareholders are concerned.

**Settlement and dealings**

Application will be made to the AIM Market of the London Stock Exchange ("AIM") for a total of 29,473,686 Ordinary Shares, pursuant to the Placing and Subscription, which rank pari passu with the Company's existing issued Ordinary Shares, to be admitted to trading. Dealings on AIM are expected to commence at 8:00am on or around 3 November 2017 ("Admission").

**Total Voting Rights**

For the purposes of the Financial Conduct Authority's Disclosure Guidance and Transparency Rules ("DTRs"), following Admission, Thor will have 453,598,005 Ordinary Shares in issue with voting rights attached. Thor holds no shares in treasury. This figure of 453,598,005 may be used by shareholders in the Company as the denominator for the calculations by which they will determine if they are required to notify their interest in, or a change to their interest in the Company, under the ASX Listing Rules or the DTRs.

Subject to receiving shareholder approval at the forthcoming AGM, in order to complete the Conditional Placing, and assuming Thor issues no further Ordinary Shares in the meantime, following the completion of the Conditional Placing, Thor will have 494,749,319 Ordinary Shares in issue.

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For further information, please contact:

**THOR MINING PLC**

Mick Billing Executive Chairman

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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 Molybil 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.*

*Thor is also acquiring up to a 60% interest Australian copper development company Environmental Copper Recovery SA Pty Ltd, which in turn holds rights to earn up to a 75% interest in the mineral rights and claims over the portion of the historic Kapunda copper mine in South Australia recoverable by way of in situ recovery.*

*Thor also holds a production royalty entitlement from the Spring Hill Gold project<sup>3</sup> 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 AIM announcement of 22 May 2017 and ASX announcement of 23 May 2017
- <sup>3</sup> Refer AIM announcement of 26 February 2016 and ASX announcement of 29 February 2016
- <sup>4</sup> At the date of this announcement gold is trading at approximately A\$1,630/oz