

11 December 2017

THOR MINING PLC

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AIM & ASX Listings:
Shares: THR

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Key Projects:

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

Company Announcements Office
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OPTION AGREEMENT TO ACQUIRE PILBARA PROJECT

The board of Thor Mining PLC ("Thor" or the "Company") (AIM, ASX: THR), is pleased to advise that it has entered into an option agreement to acquire an interest in a tenement, which is currently subject to license application, known as the Western Shaw Project (ELA 45/4960) (the "Western Shaw Project" or the "Project"), situated in the Pilbara region of Western Australia.

The Western Shaw Project is considered to have potential for conglomerate hosted gold deposits, lithium in pegmatites, along with various base metals.

Highlights:

- Thor has secured a 120 day option to acquire a 75% interest in the Western Shaw Project tenement and is to pay an option fee of A\$50,000 (the "Option");
- Due diligence and field reconnaissance work will be undertaken by the Thor team during the option period;
- Should Thor elect to exercise the option, and subject to the grant of the licence application, the acquisition cost payable to the vendor, Redstone Metals Pty Ltd ("Redstone"), for a 75% interest in the tenement is A\$250,000;
- Both the option fee and any subsequent acquisition consideration upon exercise of the option are payable entirely in Thor shares;
- Further information with regard to the project, its location and geological potential will be provided in due course.

Mick Billing, Executive Chairman, commented:

"The Western Shaw Project appears to be an excellent exploration opportunity and provides Thor with exposure to potential conglomerate hosted gold and lithium in the Pilbara province in Western Australia."

"This is the first interest secured in what the Company considers to be high impact exploration opportunities in Australia and we look forward to moving this opportunity forward, initially via due diligence and field reconnaissance."

"We will provide further updates to shareholders with regard to the Project, the work we undertake and our findings."

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Option agreement details:

Thor has entered into an option agreement which gives the Company the right to acquire a 75% interest in exploration licence application ELA 45/4960 in the Pilbara region of Western Australia from a private Australian company, Redstone. An option period of 120 days has been established to enable the company to conduct due diligence and field reconnaissance

The Company is to pay an option fee to Redstone of A\$50,000 in Thor ordinary shares of 0.01 pence each ("Ordinary Shares"), at a valuation of 2.5 pence per Ordinary Share, equating to the issue of 1,127,580 new Ordinary Shares. The Option fee is not refundable in the event that the tenement application is not granted to Redstone.

Should Thor choose to exercise the Option within the 120 day Option period then on the later of the 120 day due diligence period and the date of the grant of the tenement, the consideration payable will be:

- A\$125,000 in Thor Ordinary Shares, each at a valuation of 2.5 pence per Ordinary Share; plus
- A\$125,000 in Thor Ordinary Shares each at a valuation based upon the mid-point between 2.5 pence per Ordinary Share and the volume weighted average price of Thor Ordinary Shares for the 5 trading days prior to the completion of due diligence.

Should Thor exercise its Option, Redstone will hold a 25% interest in the tenement which will be carried free of cost until the completion of a Bankable Feasibility Study ("BFS") and Thor will be responsible for the administration and maintenance of the tenement. Should a BFS be completed, it is envisaged that Thor and Redstone would enter into a joint venture arrangement in respect of the project.

Evidence exists, from satellite imagery, of historical prospecting and artisanal mining within the project area, however there has been no systematic appraisal employing modern exploration techniques. Geological maps of the area have been reviewed by the Company, and all available relevant data will be assessed during the Option period.

Settlement and dealings

Application will be made to the AIM market of the London Stock Exchange ("AIM") for 1,127,580 Thor Ordinary Shares, as payment of the Option fee, 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 15 December 2017 ("Admission"). Following Admission, Thor will have 584,715,831 Ordinary Shares in issue with voting rights attached.

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 Molyhil tungsten project in the Northern Territory of Australia, for which an updated feasibility study in 2015¹ suggested attractive returns. Thor also holds 100% of the Pilot Mountain tungsten project in Nevada USA which has a JORC 2012 Indicated Resources Estimate² 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 project³ 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 gold⁴ produced from the Spring Hill tenements where the gold produced is sold for amounts over A\$1,500 per ounce.*

Notes

- ¹ Refer ASX and AIM announcement of 12 January 2015
- ² Refer AIM announcement of 22 May 2017 and ASX announcement of 23 May 2017
- ³ Refer AIM announcement of 26 February 2016 and ASX announcement of 29 February 2016
- ⁴ At the date of this announcement gold is trading at approximately A\$1,660/oz