

24 June 2013

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THOR TO DEVELOP GOLD OPERATION - SPRING HILL PROJECT NT

The Directors of Thor Mining PLC ("Thor") (AIM, ASX: THR) are pleased to announce that it is preparing for mine development, commencing within 12 months, following positive results of a study to extract near surface oxide ore from the Spring Hill gold project south of Darwin in Australia's Northern Territory (Figure 1).

Since signing a Memorandum of Understanding (MOU) for the toll treatment of gold ore with Crocodile Gold Australian Operations Pty Ltd, a subsidiary of Toronto-listed Crocodile Gold Corporation (TSX "CRK") and announced on 10th April 2013, Thor, with co-venturer Western Desert Resources (WDR), has been developing a proposal to accelerate development at Spring Hill. An opportunity has been identified which may expedite early environmental and regulatory approval to mine shallow oxidised ore by constraining the initial mine plan to extract only near surface oxide material for processing off-site. Mining of deeper transition and primary ore will be subject of subsequent studies and approval applications.

Highlights:

- Notice of Intent (NOI) lodged with the Northern Territory Department of Mines and Energy.
- Initial ore extraction from near surface oxide portion of the resource.
- Plan for up to 900,000 tonnes of ore yielding between 40,000 and 45,000 ounces of gold over a 2 - 3 year period.
- Ore to be delivered to Crocodile Gold Union Reefs processing plant for treatment.
- Capital cost estimate below A\$5million.
- Economic studies and permitting for mining deeper primary ore will continue.



Figure 1: Spring Hill project location

THOR MINING PLC

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Key Projects:

- Molyhil (NT)
Tungsten, Molybdenum
- Spring Hill (NT)
Gold
- Dundas (WA)
Gold

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A pit optimisation study by independent consultants AVCS Pty Ltd has determined that 900,000 tonnes of ore from the upper portions of the resource are economic based upon criteria outlined in Table 1 below.

This represents a portion of the resource predominantly in the zone of oxidation, which is selected on economic criteria, and also because the environmental approvals process may reduce if waste material mined (along with the ore) and stored in nearby waste dumps, does not contain primary (potentially acid forming) material.

It is intended that economic studies and permitting will continue for the subsequent mining of the deeper transition and primary ore.

Further drilling is also planned to delineate additional, low cost near surface mineralisation.

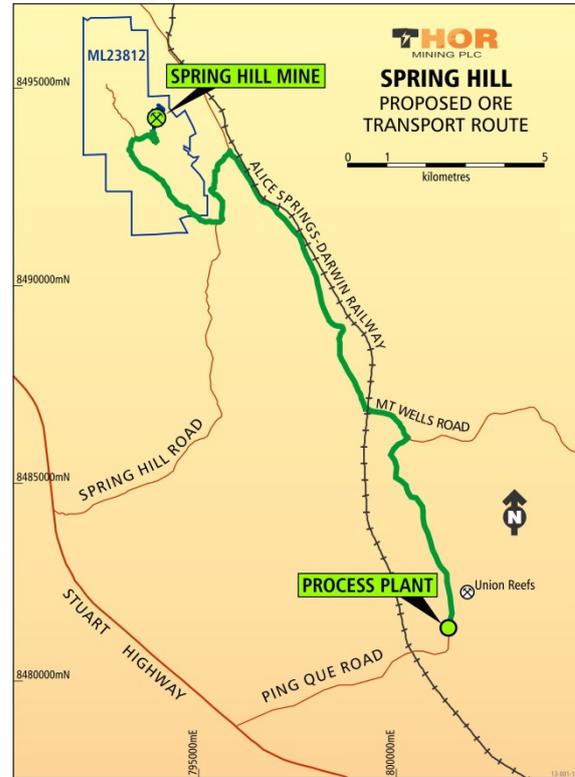


Figure 2: Proposed ore transport route

Table 1: Key Operating and Financial Assumptions (base case)

Mining		
Ore mined	880,000	tonnes
Ore cut-off grade	0.8	grams / tonne
Diluted ore grade mined	1.56	grams / tonne
Waste mined	1,970,000	tonnes
Stripping ratio	2.2 : 1	
Processing		
Ore transported to Union Reefs & processed	880,000	tonnes
Feed grade	1.56	grams / tonne
Metallurgical recovery	90%	
Ounces recovered	41,300	
Financial Assumptions / Outcomes		
US\$ Gold price	US\$1,400	per ounce
A\$ / US\$ exchange rate	0.95	
A\$ Gold price	A\$1,473	per ounce
Mining costs (ore and waste)	A\$4:00	per tonne
Processing costs	A\$33:00	per tonne
Total Operating costs	A\$1,170	per ounce
Capital Cost	Less than A\$5 million	

The capital estimate of less than A\$5 million has not been subject to detailed engineering, however the project does not require the construction and provision of processing plant and camp facilities, as these are included in operating estimates for toll treatment and contract supply estimates. The principal capital expenditure requirements are the establishment of a waste dump, some minor pads, the establishment of a road from the pit to existing tracks (approximately 1 kilometre) and the

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upgrading of those tracks (approximately 3.5 kilometres) to the point where they meet existing public roads.

A Notice of Intent (NOI) has been prepared and lodged with the Northern Territory Department of Mines and Energy in respect of the proposed development at Spring Hill. Assessment of the NOI will determine the level of environmental and other regulatory compliance required, and therefore, an estimate of approval timing. While this process should not be underestimated, it is anticipated that a proposed mining operation which does not require a processing plant, has no requirement for a tailings storage facility, and is not expected to generate acidic liquor from waste dumps will face comparatively fewer environmental hurdles.

About the Spring Hill Gold Project

The Spring Hill project is located approximately 150 km south of Darwin in Australia’s Northern Territory. The location is served by all-weather access and is in close proximity to the sealed arterial Stuart Highway, and other local infrastructure.

Thor holds a 51% equity interest in the Spring Hill project, and is exercising rights to increase that interest to 80%.

Table 2: Undiluted Resource Estimate (6.9 million tonnes @ 1.74g/t gold Cutoff grade 0.7 g/t)

Category	Measured		Indicated		Inferred		----- Total -----		
	Tonnes (Mt)	Grade g/t Au	Tonnes (Mt)	Grade g/t Au	Tonnes (Mt)	Grade g/t Au	Tonnes (Mt)	Grade g/t Au	Contained Gold (K oz)
Zone of Oxidation	-	-	3.14	1.59	-	-	3.14	1.59	161
Transition Zone	-	-	0.87	1.78	-	-	0.87	1.78	50
Unweathered Zone	-	-	2.94	1.89	-	-	2.94	1.89	178
Total	-	-	6.95	1.74	-	-	6.95	1.74	389

Thor Mining PLC holds equity rights to 80% of this resource, including current 51% project ownership. Estimate: McDonald Speijers, November 2012

Commenting, Mr Mick Billing, Executive Chairman of Thor Mining, said:

“This is an opportunity to achieve an attractive early return from a very modest investment in Spring Hill, with plenty of scope to further exploit this resource in the future. This does not detract from our work at Molyhil which remains a key project for Thor, and where optimisation work is continuing. We are also pleased to note a 25% increase in tungsten prices so far this year and the recent weakening of the Australian dollar against the US currency, both of which are positive for the economic outcomes for Molyhil”

For further information, please contact:

THOR MINING PLC

Mick Billing
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Competent Persons Statements

The information in this report that relates to the Spring Hill Mineral Resource is based on information compiled by Diederik Speijers who is a Fellow of The Australasian Institute of Mining and Metallurgy and published on 20 November 2012. Mr Speijers is the principal of consulting firm McDonald Speijers. 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 2004 Edition of the ‘Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves’. Diederik Speijers consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

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 2004 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.