

QUARTERLY REPORT JANUARY TO MARCH 2012

Highlights

Outlook for June 2012 Quarter

**TUNGSTEN & MOLYBDENUM**

**Molyhil NT**

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|--|---|
| <ul style="list-style-type: none"> <li>Continued positive progress with Definitive Feasibility Study (DFS).</li> <li>25% increase to resource estimate</li> <li>Tungsten recovery increased from 67% to 85% confirmed by independent metallurgical testing.</li> </ul> | <ul style="list-style-type: none"> <li>Reserve estimate based on increased resources and revised project economics.</li> <li>Completion of Molyhil DFS</li> <li>Marketing &amp; financing activities</li> </ul> |
|--|---|

**GOLD**

**Spring Hill NT**

- |  |   |
|--|---|
| <ul style="list-style-type: none"> <li>Commencement of metallurgical testwork</li> <li>Review of geophysical data</li> </ul> | <ul style="list-style-type: none"> <li>Continued evaluation of potential for profitable production.</li> <li>Preparation for drilling deep ("Callie model") and additional near surface targets.</li> </ul> |
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**Dundas WA**

- |   |  |
|---|--|
| <ul style="list-style-type: none"> <li>Site preparations ahead of drill-testing geochemical anomalies.</li> </ul> | <ul style="list-style-type: none"> <li>Preparation for follow up air core and RC drilling</li> </ul> |
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Figure 1: Thor Mining PLC Project Location Map

THOR MINING PLC

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Shares: THR

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Directors:  
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Michael Ashton  
Gregory Durack  
Trevor Ireland  
David Thomas

**MOLYHIL TUNGSTEN-MOLYBDENUM PROJECT (NT) (100% THOR)**

**Molyhil Definitive Feasibility Study (DFS)**

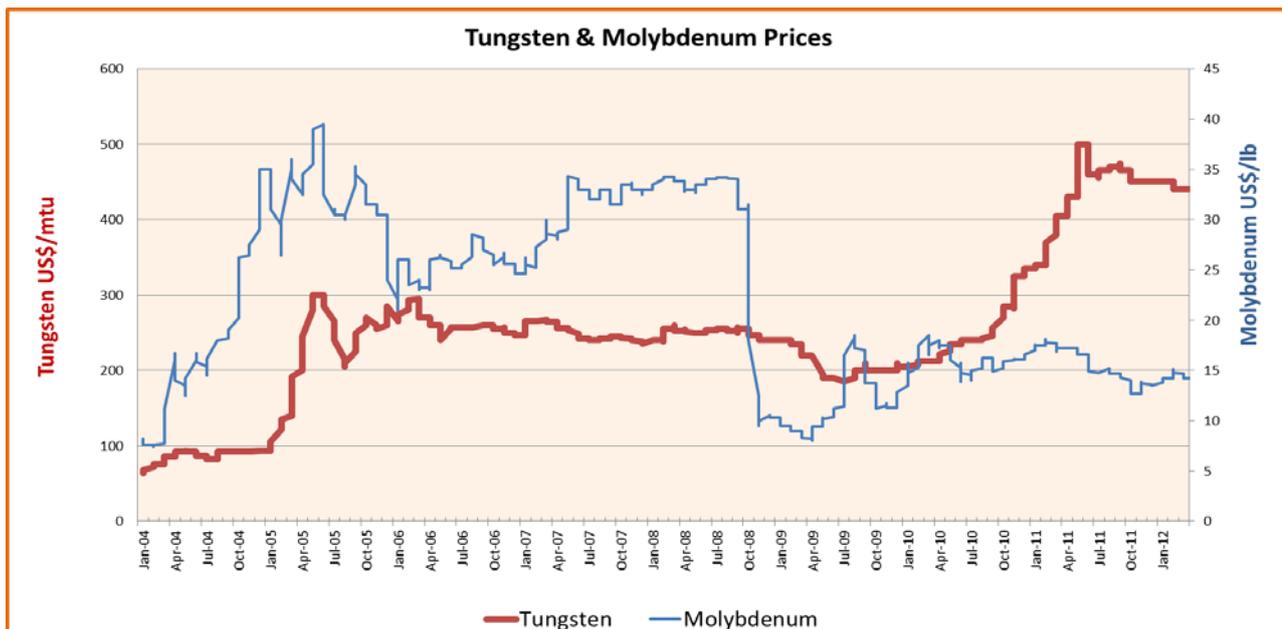
The consultants, who are currently preparing an enhanced ore reserve calculation and detailed mining schedule for Molyhil, advise that completion of those tasks is now expected late in May or early June 2012. On that basis, the issue the Molyhil feasibility study is not expected before June 2012.

Substantial progress has been made to date, including:

- A 25% upgrade in the resource estimate to 4.7 million tonnes
- A 26% improvement in the metallurgical; recovery of tungsten to 85%
- Bankable estimate of Capital costs @ A\$69 million
- Bankable estimate of operating costs @ \$84/tonne

Based on these estimates, and subject to the outcomes of the detailed mining schedule the operating costs of the proposed Molyhil operation (including royalty payments) are approximately **US\$110/mtu** (metric tonne unit = 10Kg of WO<sub>3</sub>) after deduction of bi-product credits from the sale of molybdenum compared with revenue of **US\$360/mtu** after deduction of APT processing cost discount.

The selling price in Europe of Tungsten APT now sits at US\$440/mtu, while the price of Molybdenum Roasted Concentrates has improved slightly to between US\$14.00 and US\$15.00/lb.



Based on the diamond and reverse circulation (RC) drill programs completed in 2011 a renewed estimate of resources at Molyhil was completed, with results summarised in tables 1 & 2. The resource estimate was reported in detail on January 30<sup>th</sup>.

Table 1. Summary of Molyhil Mineral Resource Estimate (reported on 30 January 2012)

Classification	Resource Tonnes	MoS <sub>2</sub>		WO <sub>3</sub>		Fe Grade %
		Grade %	Tonnes	Grade %	tonnes	
Measured	-	-	-	-	-	-
Indicated	3,820,000	0.22	8,200	0.29	10,900	18.8
Inferred	890,000	0.25	2,200	0.25	2,200	15.2
<b>Total</b>	<b>4,710,000</b>	<b>0.22</b>	<b>10,400</b>	<b>0.28</b>	<b>13,100</b>	<b>18.1</b>

Mineral Resource reported at 0.1% combined Mo + WO<sub>3</sub> Cut-off and above 200mRL only.  
Note: minor rounding errors may occur in compiled totals.

Table 2: Comparison of 2012 and 2009 Molyhil Resource Estimates

	2012 Estimate	2009 Estimate	
Total resource (tonnes)	4,710,000	3,750,000	25% increase
Contained WO <sub>3</sub> (tonnes) <sup>1</sup>	13,100	12,000	10% increase
Contained MoS <sub>2</sub> (tonnes) <sup>2</sup>	10,400	7,125	46% increase
Cut-off grade (%Mo + %WO <sub>3</sub> )	0.1%	NIL	
Vertical Limit of resource	220 metres	265 metres	Resource open at depth

Note 1: 1 tonne of WO<sub>3</sub> = 100 mtu's. The revised resource estimate contains 1,310,000 mtu WO<sub>3</sub>.  
Note 2: 1 tonne of MoS<sub>2</sub> = 1,320 lbs Mo. The revised resource estimate contains 13,728,000 lbs Mo.

### Exploration program

While some opportunities remain for extensions at the margins of the deposit as now outlined, this update of the Molyhil resource is now finalised and further drilling of identified areas of potential resource growth will be deferred until the development of the mine and associated infrastructure. Resource growth is now being pursued through exploration of the granted licences; EL22349, EL28948 and EL28949.

Initial stages of this work undertaken during the quarter have comprised the compilation and consolidation of existing reports and geophysical data resulting in the identification of thirteen exploration targets. Determination of the requirement for additional geophysical data is in progress while the evaluation of the identified targets has commenced.

### 2012 June Quarter activity schedule

#### Definitive Feasibility Study (DFS)

Results from the DFS are scheduled to be available during the quarter, along with an updated reserve estimate and mining plan.

#### Finance and sales agreements

Initial discussions have been held with a number of parties who have expressed interest in securing off-take agreements for the supply of tungsten and molybdenum concentrates, and also in various alternatives for financing the project. These discussions are ongoing.

GOLD EXPLORATION

SPRING HILL PROJECT - NT (THOR acquiring earn-in rights to up to 80% equity)

During the annual wet season interruption to field activities at Spring Hill, results of the 2011 diamond drilling were reviewed in detail in preparation for the continuation of activities.

A program of metallurgical testwork was commissioned to assess the potential for profitable production via heap leach extraction. The results from this have yet to be received.

Compilation and review of existing geophysical data is nearing completion and will assist with targeting the upcoming drill program. Specifically, this program will be designed to evaluate potential additional resources based on:

- Extensions to Hong Kong lode
- Partially evaluated lodes identified peripheral to the main lodes (figure 2)
- Callie style mineralisation (figure 3)

High grade intercepts from Ross Mining/Billiton JV drilling undertaken in 1989-92 (Figure 2).

Historic drill intercepts

**SHRC181** 26m @ 2.56g/t from 59m - (0.1g/t cutoff)

including: 16m @ 4.0g/t from 63m - (0.5g/t cutoff)

**SHRC182** 6m @ 0.26g/t from 0m - (0.1g/t cutoff)

and: 13m @ 0.77g/t from 26m - (0.1g/t cutoff)

including: 7m @ 1.13g/t from 29m - (0.5g/t cutoff)

Drill testing these targets is scheduled for the beginning of the 2012 dry season.

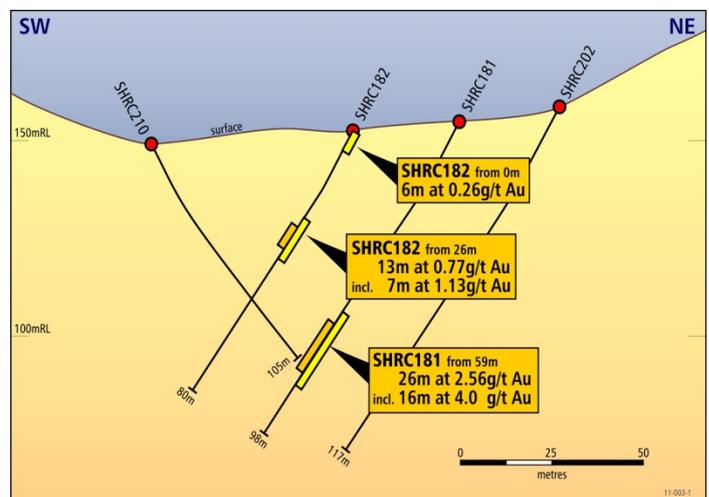


Figure 2: Historical Intersections approx 1km north of the limit of estimated resources boundary

Drill testing the much larger scale "Callie style" model is now also scheduled to commence during the June quarter

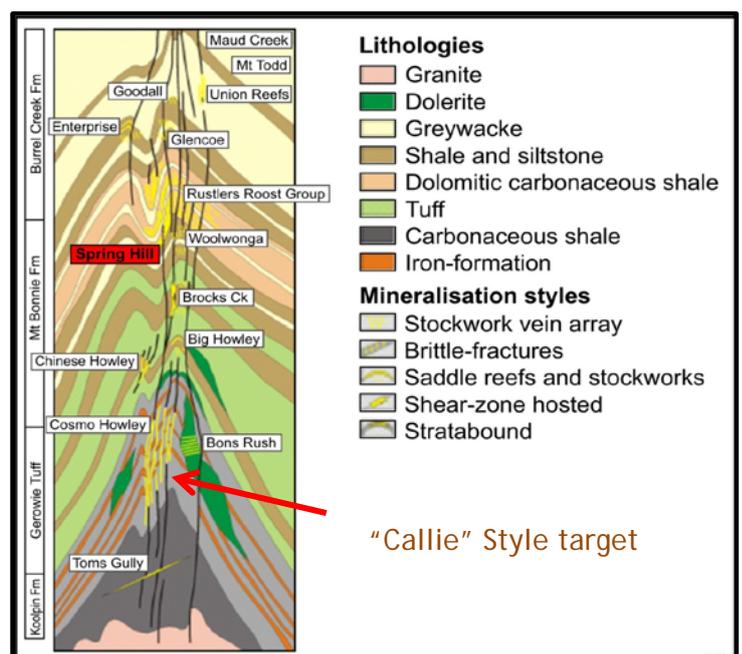


Figure 3: Stratigraphic & structural settings of gold deposits in the Pine Creek (& Tanami) Proterozoic Basins (After: N.T. Geological

Survey)

**DUNDAS PROJECT - WA (60% THOR)**

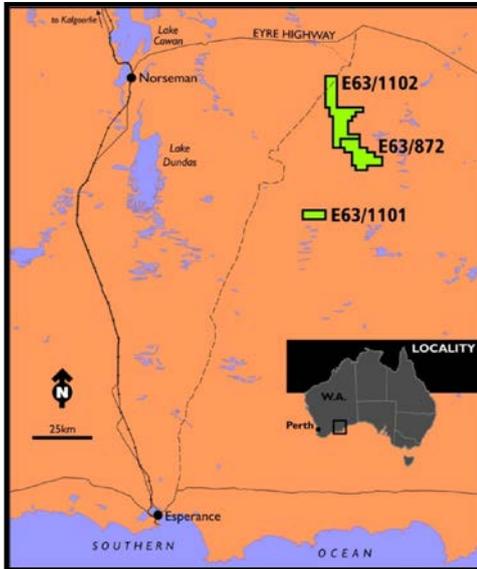


Figure 4: Dundas Project Location map

Further field work undertaken during the quarter has effectively completed the reconnaissance calcrete geochemistry across the three tenements. Assays received to date have highlighted an extension to the previously drilled Asgard anomaly and identified the new Gimli anomaly, both in the southern extent of E63/872 (figure 5).

**2012 June Quarter Exploration schedule**

Heritage clearance and commencement of the proposed drill program is anticipated during the June quarter.

Upon receipt of final calcrete assays, permitting for additional drill testing will commence.

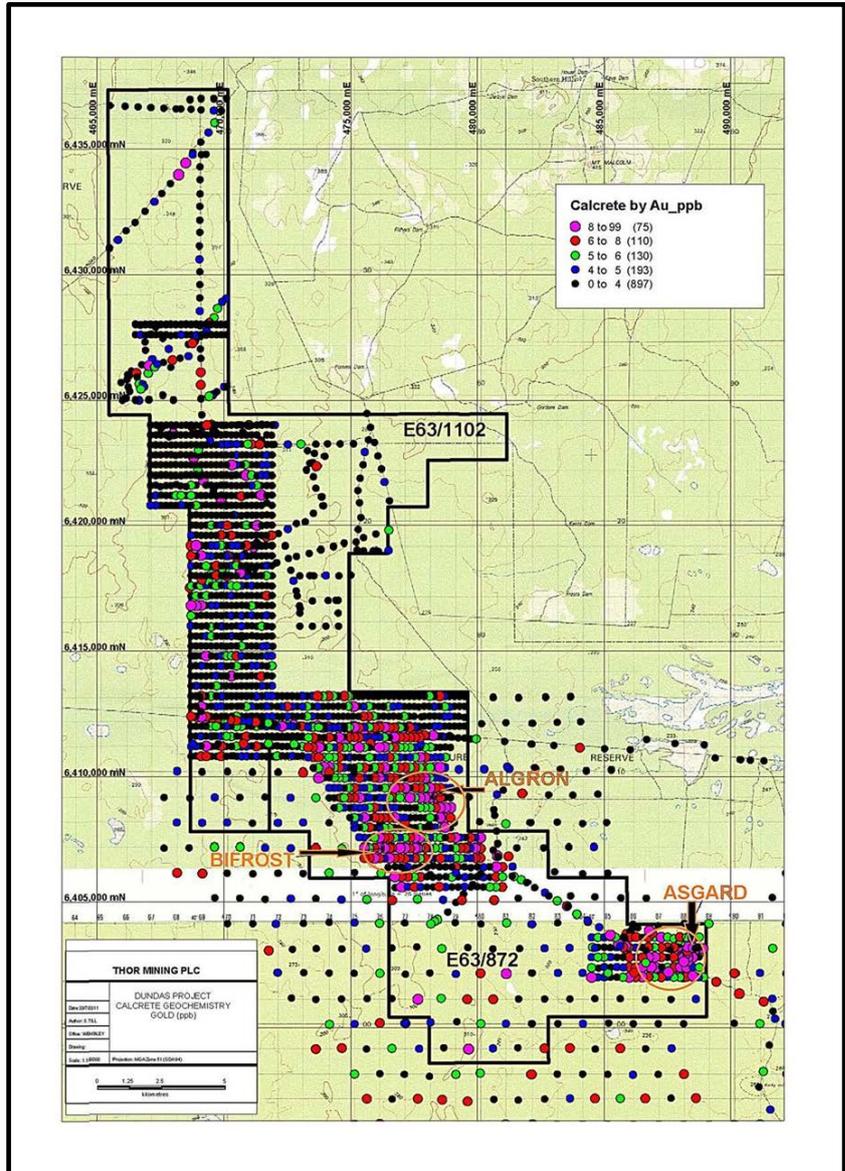


Figure 5: Dundas Gold in Calcrete Anomalies

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## CORPORATE AND FINANCE

During the quarter the Company raised further additional funds through the issue of 57 million ordinary shares, in placements to sophisticated investors in the UK. This issue raised AUD\$840,000 before costs associated with the issue.

In addition a further 13,620,117 UK warrants and CDI options were converted during the quarter raising approximately A\$343,000. Of those warrants and options, 9,529,301 were converted at or close to 31 March 2012 resulting in A\$236,000 of those proceeds being received after quarter end.

A general meeting of shareholders has been scheduled for 17<sup>th</sup> May 2012 to ratify recent share issues and to authorise further issues necessary to fund ongoing exploration and evaluation activities.

Subsequent to the end of the quarter, Mr David Thomas was appointed to the board of Thor Mining PLC.

Yours faithfully,

THOR MINING PLC

Mick Billing

Executive Chairman

*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.*

*The information in this report that relates to the Molyhil Mineral Resource is based on information compiled by Mr Craig Allison, who is a Member of The Australasian Institute of Mining and Metallurgy. Mr Allison is a full-time employee of Runge Limited. 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'. Mr Allison consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.*