



**Annual Financial Statements  
Including  
Directors' Report**

**30 June 2011**

## **Thor Mining PLC**

### **Directors' Report**

The Directors are pleased to present this year's annual report together with the consolidated financial statements for the year ended 30 June 2011.

#### **REVIEW OF OPERATIONS**

The net result of operations for the year was a loss of £2,852,000 (2009: £1,762,000).

#### **Molyhil Molybdenum/Tungsten project**

During the year ended 30 June 2011, the price of tungsten rallied strongly providing encouragement for medium term development of the Molyhil project, while the price of molybdenum remained relatively static.

A drilling program conducted during 2009, included, amongst other tests, 2 holes testing for potentially economic mineralisation below 150 metres. Encouraged by this the Company committed to a further drilling program to test Molyhil further at depth, in an effort to demonstrate the potential for significant increase in the size of the resource.

At the time of writing, that drilling program was complete with assays awaited.

In addition Thor has committed to a new feasibility study to re-assess the economic outcomes of production at Molyhil. That study is in progress at the time of writing.

#### **Exploration projects**

Gold Exploration – Spring Hill NT

In January 2011, Thor announced that it had agreed terms for the staged acquisition of up to an 80% interest in the 274,000oz Spring Hill Gold Project approximately 150 kilometres south of Darwin in the Northern Territory. Subsequently, the Company has completed the first stage of that acquisition and now holds a 25% interest in the project. The first Thor drilling program for this resource commenced on Tuesday 27 September 2011.

Gold exploration – Dundas WA

During the year, the consolidated entity increased its equity in the Dundas Gold project to 60% following shareholder approval for the acquisition

Subsequent to this, assays from a calcrete sampling program on EL 63/872 and EL 63/1102 revealed clusters of elevated gold values identifying five previously unknown areas of gold anomaly in addition to the target area identified by previous exploration. Each of these warrants systematic follow-up sampling. This was followed by a shallow air core drilling program on the highest priority anomaly which confirmed anomalous gold and copper. Deeper reverse circulation drilling is scheduled, along with further shallow drilling on the other targets.

### **Directors and Officers**

The names and details of the Directors and officers of the company during or since the end of the financial year are:

***Michael Robert Billing*** – CPA – B Bus MAICD - Executive Chairman and CEO.

Mick Billing has over 36 years of mining and agri-business experience and a background in finance, specialising in recent years in assisting in the establishment and management of junior companies to the position where they can be sustainable businesses. His career includes experience in company secretarial, senior commercial, and CFO roles including lengthy periods with Bougainville Copper Ltd and WMC Resources Ltd. He has worked extensively with junior resource companies over the past 15 years. He was appointed to the Board on 30 April 2008.

He is also a director of ASX listed company Southern Gold Limited and is a past director of Western Desert Resources Limited.

***Michael Kevin Ashton*** – Non-Executive Director

Mick Ashton owns a timber manufacturing business located in South Australia and is a major shareholder in a successful exploration drilling company located in Victoria, which has both

Australian and international activities. Mick has extensive knowledge and experience in the exploration and mining industries, which dates back 40 years. He was appointed to the Board 30 April 2008.

He is also a Director of ASX listed company Western Desert Resources Limited.

***Gregory Durack – Non-Executive Director***

Greg Durack is a Member of the Australian Institute of Mining and Metallurgy. He is a metallurgist, with over 20 years experience in Australia, Papua New Guinea and Greece having worked primarily on gold projects, in operational and development management roles. Greg was appointed to the Board 18 July 2005.

He is also the Chief Executive Officer of Jupiter Mines Limited an ASX listed company.

***Trevor John Ireland – F.Aus IMM - Non-Executive Director***

Trevor Ireland is a geologist with more than 40 years experience in mineral exploration and corporate management. He has been involved both as a Manager and as a Company Director with mineral discoveries, economic evaluations and new mine developments covering gold, nickel, uranium and bauxite deposits in Australia and in several African countries. He is particularly associated with the discovery and development of The Granites and Callie gold mines in the Tanami region of the Northern Territory by North Flinders Mines Ltd. He served as a Director and Exploration Manager – Europe & Africa for Normandy La Source SAS, overseeing the evaluation of Ahafo and Akeyem gold orebodies in Ghana, and Tasiast gold in Mauritania, all of which have subsequently reached development or operating status. More recently, he was Managing Director of Australasia Gold Ltd which he led from inception through an IPO and listing on the ASX, with exploration projects in South Australia, the Northern Territory and New Zealand. He is currently a consultant to a number of resources companies operating in these and other areas. Trevor was appointed to the Board on 10 March 2010.

***Norman Wayne Gardner – Non Executive Director***

Norm Gardner is the Managing Director of ASX listed company Western Desert Resources Limited which, as at the date of this report, continues to hold 7.85% of the issued capital of this company

Norm was appointed to the Board 30 April 2008. He resigned on 16 August 2011.

***Allan Burchard - Chief Financial Officer/Company Secretary (appointed 18 November 2010)***

*Mr. Allan Burchard was appointed as Chief Financial Officer and Company Secretary in November 2010. He is a chartered accountant with 40 years' experience, including 20 years as an audit partner with KPMG, an international accounting and advisory firm, in Australia and Kazakhstan. He continues to hold Board and advisory positions with a number of Adelaide based private companies and not-for-profit organisations.*

***Laurie Ackroyd – Chief Financial Officer/Company Secretary (resigned with effect from 18 November 2010)***

***Stephen F Ronaldson – Joint Company Secretary (U.K.)***

Mr Stephen Ronaldson is the joint company secretary as well as a partner of the Company's UK solicitors, Ronaldsons Solicitors LLP

Mr Ronaldson has an MA from Oriel College, Oxford and qualified as a Solicitor in 1981. During his career Mr Ronaldson has concentrated on company and commercial fields of practice undertaking all issues relevant to those types of businesses including capital raisings, financial services and Market Act work, placings and admissions to AIM and Ofex. Mr Ronaldson is currently company secretary for a number of companies including eight AIM list companies.

***Richard Bradey – Exploration Manager (appointed 9 May 2011)***

Mr Richard Bradey is a Geologist with over 20 years exploration and development experience. He holds a Bachelor of Science in Applied Geology and a Masters Degree in Natural Resources. His career includes exploration, resources development and mine geology experience with a number of Australian based mining companies.

### **Executive Director Service contracts**

All Directors are appointed under the terms of a Directors letter of appointment. Each appointment provides for annual fees of Australian dollars \$40,000 for services as Directors plus 9% as a company contribution to Australian statutory superannuation schemes. The agreement allows for any services supplied by the Directors to the Company and any of its subsidiaries in excess of 2 days in any calendar month, may be invoiced to the Company at market rate, currently at A\$1,000 per day.

### **Principal activities and review of the business**

The principal activities of the Group are the exploration for and potential development of molybdenum and tungsten deposits in the Northern Territory of Australia and exploration for, and potential development of, gold projects. The primary molybdenum and tungsten asset comprises the Molyhil Molybdenum-Tungsten Project ("Molyhil"). The gold projects are located in the Albany-Fraser Orogen at the margin of Western Australia's gold rich Archaean Yilgarn Craton and also in the Pine Creek area of Northern Territory.

A detailed review of the Group's activities is set out in the Review of Operations.

### **Business Review and future developments**

A review of the current and future development of the Group's business is given in the Chairman's Statement and the Chief Executive Officer's Review of Operations on pages 3-13.

### **Results and dividends**

The Group incurred a loss after taxation of £2,852,000 (2010: £1,762,000). No dividends have been paid or are proposed.

### **Key Performance Indicators**

Given the nature of the business and that the Group is on an exploration and development phase of operations, the Directors are of the opinion that analysis using KPI's is not appropriate for an understanding of the development, performance or position of our businesses at this time.

### **Post Balance Sheet events**

At the date these financial statements were approved, 29 September, 2011, the Directors were not aware of any significant post balance sheet events other than those set out in the notes to the financial statements.

### **Substantial Shareholdings**

At 31 August 2011 the following had notified the Company of disclosable interests in 3% or more of the nominal value of the Company's shares:

	<b>Ordinary shares</b>	<b>%</b>
Western Desert Resources Limited <sup>1</sup>	47,220,296	7.85
TD Waterhouse Nominees (Europe) Limited	38,506,483	6.40
Barclayshare Nominees Limited	35,020,661	5.82
Xcap Nominees Limited	23,899,000	3.97
HSDL Nominees Limited (IWEB)	20,911,739	3.48
L R Nominees Limited	20,006,394	3.33
HSDL Nominees (-)	19,490,687	3.24

<sup>1</sup> Michael Ashton and Norman Gardner are Directors of Western Desert Resources Limited.

## Directors & Officers Shareholdings

The Directors and Officers who served during the period and their interests in the share capital of the Company at 30 June 2011 was as follows:

	Ordinary Shares/CDIs		Warrants/CDI options		Unlisted Options	
	30 June 2011 / Date of resignation	30 June 2010	30 June 2011 / Date of resignation	30 June 2010	30 June 2011	30 June 2010
Michael Billing	4,631,354	150,000	2,040,816	-	3,000,000	1,000,000
Gregory Durack	1,448,297	91,153	428,572	-	3,000,000	1,000,000
Michael Ashton	9,107,915	701,884	2,255,000	-	3,000,000	1,000,000
Norman Gardner <sup>1</sup>	4,152,196	733,941	816,326	-	3,000,000	1,000,000
Trevor Ireland	1,982,653	-	816,327	-	2,000,000-	-
Allan Burchard <sup>2</sup>	200,000	-	-	-	-	-
Laurie Ackroyd <sup>3</sup>	-	-	-	-	-	-

<sup>1</sup> Mr. Norman Gardner resigned as a director on 16 August 2011

<sup>2</sup> Mr. Allan Burchard was appointed as Chief Financial Officer/Company secretary on 18 November, 2010.

<sup>3</sup> Mr. Laurie Ackroyd resigned with effect from 18 November 2010,

## Directors' Remuneration

The Company remunerates the Directors at a level commensurate with the size of the Company and the experience of its Directors. The Remuneration Committee has reviewed the Directors' remuneration and believes it upholds the objectives of the Company with regard to this issue. Details of the Director emoluments and payments made for professional services rendered are set out in Note 5 to the financial statements.

The Australian based directors are paid on a nominal fee basis amount to A\$40,000 per annum (£24,800). For the year ended 30 June 2011, the Directors elected to accept half fee arrangements until further notice.

## Directors and Officers

### Summary of amounts paid to Key Management Personnel.

The following table discloses the compensation of the Directors and the key management personnel of the Group during the year.

2011	Salary and Fees.	Post Employment Super - annuation	Total Fees for Services rendered	Short-term employee benefits Salary & Fees	Share Options Granted during the year*	Options (based upon Black-Scholes formula)*	Total Benefit.
	£'000	£'000	£'000	£'000	No.	£'000	£'000
<b>Directors:</b>							
M R Billing	86	1	87	87	2,000,000	23	110
N W Gardner	13	1	14	14	2,000,000	23	37
G M Durack <sup>1</sup>	12	-	12	12	2,000,000	23	35
M K Ashton	13	1	14	14	2,000,000	23	37
T J Ireland	57	1	58	58	2,000,000	23	81

<b>Key Personnel:</b>							
R S Bradey <sup>3</sup>	18	2	20	20	500,000	8	28
A C Burchard <sup>4</sup>	28	-	28	28	500,000	8	36
L Ackroyd <sup>2</sup>	-	-	-	-	-	-	-
2011 Total	227	6	233	233	11,000,000	131	364

<sup>3</sup> Mr. Bradey commenced with the company on 9 May 2011.

<sup>4</sup> Mr. Burchard commenced with the company on 18 November 2010

2010	Salary and Fees.	Post Employment Super - annuation	Total Fees for Services rendered	Short-term employee benefits Salary & Fees	Share Options Granted during the year*	Options (based upon Black-Scholes formula)*	Total Benefit.
	£'000	£'000	£'000	£'000	No.	£'000	£'000
<b>Directors:</b>							
M R Billing	17	1	30	48	-	-	48
N W Gardner	17	1	-	18	-	-	18
G M Durack <sup>1</sup>	17	-	-	17	-	-	17
M K Ashton	17	1	-	18	-	-	18
T J Ireland	3	0	15	18	-	-	18
<b>Key Personnel:</b>							
L Ackroyd <sup>2</sup>	-	-	-	-	-	-	-
I Sheffield Parker <sup>3</sup>	97	5	-	102	-	-	102
2010 Total	168	9	45	222	-	-	222

\*Options are granted at an exercise price above the existing share price as at the date of grant. The value of options granted during the period has been calculated by the Black-Scholes formula method, where applicable.

<sup>1</sup> Fees payable to Mr. G. Durack are paid to Martineau Resources Pty Ltd.

<sup>2</sup> Mr. L Ackroyd is an employee of Western Desert Resources Limited which invoiced the Company for accounting, administrative and secretarial services until November 2010. Fees are not paid direct to Mr. Ackroyd. Mr Ackroyd resigned from his role with Thor Mining PLC effective 18 November 2010.

<sup>3</sup> Mr I Sheffield-Parker left the employ of the Company on 20 November 2009.

## Remuneration Report

This report outlines the remuneration arrangements in place for directors and other key management personnel of Thor Mining PLC.

## Directors Meetings

The Directors hold meetings on a regular basis and on an as required basis to deal with items of business from time to time. Meetings held and attended by each Director during the year of review were: -

2011	Meetings held whilst in Office	Meetings attended
Michael Billing	10	10
Gregory Durack	10	10
Michael Ashton	10	9
Norman Gardner	10	9
Trevor Ireland <sup>1</sup>	10	10

## Corporate Governance

A statement on Corporate Governance is set out on pages 8 to 10.

### **Environmental Responsibility**

The Company is aware of the potential impact that its subsidiary companies may have on the environment. The Company ensures that it, and its subsidiaries at a minimum comply with the local regulatory requirements and the revised Equator Principles with regard to the environment.

### **Employment Policies**

The Group will be committed to promoting policies which ensure that high calibre employees are attracted, retained and motivated, to ensure the ongoing success for the business. Employees and those who seek to work within the Group are treated equally regardless of sex, age, marital status, creed, colour, race or ethnic origin.

### **Health and Safety**

The Group's aim will be to achieve and maintain a high standard of workplace safety. In order to achieve this objective the Group will provide training and support to employees and set demanding standards for workplace safety.

### **Payment to Suppliers**

The Group's policy is to agree terms and conditions with suppliers in advance; payment is then made in accordance with the agreement provided the supplier has met the terms and conditions. It is usual for suppliers to be paid within 30 days of receipt of invoice.

### **Political Contributions and Charitable Donations**

During the period the Group did not make any political contributions or charitable donations.

### **Annual General Meeting ("AGM")**

This report and financial statements will be presented to shareholders for their approval at the AGM. The Notice of the AGM will be distributed to shareholders together with the Annual Report.

### **Statement of disclosure of information to auditors**

As at the date of this report the serving Directors confirm that:

- So far as each Director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- they have taken all the steps that they ought to have taken as Directors in order to make themselves aware of any relevant audit information and to establish that the Company's auditor are aware of that information.

### **Auditors**

A resolution to reappoint Chapman Davis LLP and to authorise the Directors to fix their remuneration will be proposed at the next Annual General Meeting.

### **Going Concern**

Notwithstanding the loss incurred during the period under review, the Directors are of the opinion that ongoing evaluations of the Company's interests indicate that preparation of the Group's accounts on a going concern basis is appropriate. As a Junior Exploration Company the Directors are aware that that the Company must go to the marketplace to raise cash to meet its exploration and development plans.

### **Statement of Directors' Responsibilities**

Company law in the United Kingdom requires the Directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and the group and of the profit or loss of the group for that period. In preparing those financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group will continue in business.

The Directors are responsible for keeping proper accounting records, for safeguarding the assets of the group and for taking reasonable steps for the prevention and detection of fraud and other irregularities. They are also responsible for ensuring that the annual report includes information required by the Alternative Investment Market (“AIM”) of the London Stock Exchange plc.

### **Electronic communication**

The maintenance and integrity of the Company’s website is the responsibility of the Directors: the work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website.

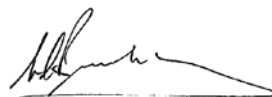
The Company’s website is maintained in accordance with AIM Rule 26.

Legislation in the United Kingdom governing the preparation and dissemination of the financial statements may differ from legislation in other jurisdictions.

This report was approved by the board on 29 September 2011.



Michael Billing  
*Executive Chairman*



Allan Burchard  
*Company Secretary*

## **Thor Mining PLC**

### **Corporate Governance Statement**

The Board is committed to maintaining high standards of corporate governance. The Listing Rules of the Financial Services Authority incorporate the Combined Code, which sets out the principles of Good Governance, and the Code of Best Practice for listed companies. Whilst the Company is not required to comply with the Combined Code, the Company's corporate governance procedures take due regard of the principles of Good Governance set out in the Combined Code in relation to the size and the stage of development of the Company.

#### **Board of Directors**

The Board of Directors currently comprises of one Executive Chairman and three Non-Executive Directors. The Directors are of the opinion that the Board comprises a suitable balance and that the recommendations of the Combined Code have been implemented to an appropriate level. The Board, through the Chairman and the Chief Financial Officer in particular, maintains regular contact with its advisers in order to ensure that the Board develops an understanding of the views of major shareholders about the Company.

#### **Board Meetings**

The Board meets regularly throughout the year. For the period ending 30 June 2011 the Board met 10 times in relation to normal operational matters. The Board is responsible for formulating, reviewing and approving the Company's strategy, financial activities and operating performance. Day to day management is devolved to the Executive Chairman/Chief Executive Officer who is charged with consulting the Board on all significant financial and operational matters.

All Directors have access to the advice of the Company's solicitors and the Company Secretary. Necessary information is supplied to the Directors on a timely basis to enable them to discharge their duties effectively, and all Directors have access to independent professional advice, at the Company's expense, as and when required.

#### **Board Committees**

The Board considers that its structure has been and continues to be appropriate in the context of the Company's history, and the size and scale of its present operations.

As such, the full board, in conjunction with the company secretary, fulfils the role of the Audit Committee and is responsible for ensuring that the financial performance of the Group is properly monitored and reported on.

In addition, the full board acts as the Remuneration Committee and considers and agrees the Executive Directors' remuneration and conditions. The financial package for the Executive Chairman is established by reference to packages prevailing in the employment market for executives of equivalent status both in terms of level of responsibility of the position and their achievement of recognised job qualifications and skills. The Committee will also have regard to the terms which may be required to attract an equivalent experienced executive to join the Board from another company.

## **Thor Mining PLC**

### **Corporate Governance Statement**

#### **Internal controls**

The Directors acknowledge their responsibility for the Group's systems of internal controls and for reviewing their effectiveness. These internal controls are designed to safeguard the assets of the Company and to ensure the reliability of financial information for both internal use and external publication. The Board is aware that no system can provide absolute assurance against material misstatement or loss, however, in light of increased activity and further development of the Company, continuing reviews of internal controls will be undertaken to ensure that they are adequate and effective.

#### **Risk Management**

The Board considers risk assessment to be important in achieving its strategic objectives. There is a process of evaluation of performance targets through regular reviews by senior management to forecasts. Project milestones and timelines are regularly reviewed.

#### **Risks and uncertainties**

The principal risks facing the Company are set out below. Risk assessment and evaluation is an essential part of the Group's planning and an important aspect of the Group's internal control system.

#### **General and economic risks**

- Contractions in the world's major economies or increases in the rate of inflation resulting from international conditions;
- Weakness in equity markets throughout the world, particularly United Kingdom and Australia.
- Adverse changes in market sentiment towards the resource industry;
- Currency exchange rate fluctuations and, in particular, the relative prices of the Australian Dollar, the United States Dollar and the UK Pound;
- Exposure to interest rate fluctuations; and
- Adverse changes in factors affecting the success of exploration and development operations, such as increases in expenses, changes in government policy and further regulation of the industry; unforeseen major failure, breakdowns or repairs required to key items of plant and equipment resulting in significant delays, notwithstanding regular programmes of repair, maintenance and upkeep; variations in grades and unforeseen adverse geological factors or prolonged weather conditions.

#### **Funding risk**

- The Group or the companies in which it has invested may not be able to raise, either by debt or further equity, sufficient funds to enable completion of planned exploration, investment and/or development projects.

#### **Commodity risk**

- Commodities are subject to high levels of volatility in price and demand. The price of commodities depends on a wide range of factors, most of which are outside the control of the Company. Mining, processing and transportation costs also depend on many factors, including commodity prices, capital and operating costs in relation to any operational site.

## **Thor Mining PLC**

### **Corporate Governance Statement**

#### **Exploration and development risks**

- Exploration and development activity is subject to numerous risks, including failure to achieve estimated mineral resource, recovery and production rates and capital and operating costs.
- Success in identifying economically recoverable reserves can never be guaranteed. The Company also cannot guarantee that the companies in which it has invested will be able to obtain the necessary permits and approvals required for development of their projects.
- The regions in which the Company operates have native title laws which could affect exploration and development activities. The companies in which the Company has an interest may be required to undertake clean-up programmes on any contamination from their operations or to participate in site rehabilitation programmes which may vary from country to country. The Group's policy is to follow all applicable laws and regulations and the Company is not currently aware of any material issues in this regard.
- Timely approval of mining permits and operating plans through the respective regulatory agencies cannot be guaranteed; and
- Geology is always a potential risk in mining and exploration activities.

#### **Market risk**

- The ability of the Group (and the companies it invests in) to continue to secure sufficient and profitable sales contracts to support its operations is a key business risk.

#### **Insurance**

The Group maintains insurance in respect of its Directors and Officers against liabilities in relation to the Company. The group insures other assets held having given regard to risks and events that may occur.

#### **Treasury Policy**

The Group finances its operations through equity and holds its cash as a liquid resource to fund the obligations of the Group. Decisions regarding the management of these assets are approved by the Board.

#### **Securities Trading**

The Board has adopted a Share Dealing Code that applies to Director, senior management and any employee who is in possession of 'inside information'. All such persons are prohibited from trading in the Company's securities if they are in possession of 'inside information'. Subject to this condition and trading prohibitions applying to certain periods, trading can occur provided the relevant individual has received the appropriate prescribed clearance.

#### **Relations with Shareholders**

The Board is committed to providing effective communication with the shareholders of the Company. Significant developments are disseminated through stock exchange announcements and regular updates of the Company website. The Board views the AGM as a forum for communication between the Company and its shareholders and encourages their participation in its agenda.

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THOR MINING PLC**

We have audited the financial statements of Thor Mining Plc for the year ended 30 June 2011 which comprise the Group and Company Statements of Comprehensive Income, the Group and Parent Company Balance Sheets, the Group and Parent Company Statements of Cash Flows, the Group and Parent Company Statements of Changes in Equity and the related notes 1 to 19. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

### **Respective responsibilities of directors and auditors**

As explained more fully in the Statement of Directors' Responsibilities included in the Directors' Report, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the Company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

### **Scope of the audit**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the group's and the parent company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements.

### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent company's affairs as at 30 June 2011 and of the group's and the parent company's loss for the year then ended;
- have been properly prepared in accordance with IFRSs as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and, as regards the group financial statements, Article 4 of the IAS Regulation.

**Opinion on other matters prescribed by the Companies Act 2006**

In our opinion:

- the information given in the Director's Report for the financial year for which the consolidated financial statements are prepared is consistent with the consolidated financial statements.

**Matters on which we are required to report by exception**

We have nothing to report in respect of the following:

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



*Rowan J. Palmer (Senior statutory auditor)  
For and on behalf of Chapman Davis LLP, Statutory Auditor*

*Chartered Accountants  
Chapman Davis LLP  
2 Chapel Court  
London SE1 1HH*

29 September 2011

## Thor Mining PLC

### Consolidated Statement of Comprehensive Income

For the year ended 30 June 2011

	Note	Consolidated		Company	
		£'000 2011	£'000 2010	£'000 2011	£'000 2010
Administrative expenses		(175)	(164)	-	-
Corporate expenses		(686)	(446)	(633)	(352)
Other expenses		0	-	-	-
Share based payment expense		(155)	-	(155)	-
Gain (Loss) on disposal of assets		9	(86)	-	-
Impairment subsidiary loans		-	-	(462)	-
Impairment subsidiary investments		-	-	(1,277)	-
Impairment of exploration assets		(1,834)	(1,016)	-	-
<b>Operating Loss</b>		<b>(2,841)</b>	<b>(1,712)</b>	<b>(2,527)</b>	<b>(352)</b>
Interest received		32	5	-	-
Other income		9	29	-	-
Currency losses		(52)	(84)	-	-
<b>Loss before Taxation</b>		<b>(2,852)</b>	<b>(1,762)</b>	<b>(2,527)</b>	<b>(352)</b>
Taxation	5	-	-	-	-
<b>Loss for the period</b>		<b>(2,852)</b>	<b>(1,762)</b>	<b>(2,527)</b>	<b>(352)</b>
<b>Other comprehensive income:</b>					
Exchange differences on translating foreign operations		1,354	1,174	-	-
Other comprehensive income for the period, net of income tax		1,354	1,174	-	-
Total comprehensive income for the period		<b>(1,498)</b>	<b>(588)</b>	<b>(2,527)</b>	<b>(352)</b>
Basic loss per share	6	(0.65)p	(0.79)p		

The accompanying notes form part of these financial statements.

Thor Mining PLC

Consolidated Balance Sheet at 30 June 2011

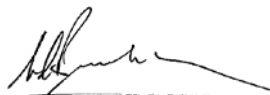
	Note	Consolidated		Company	
		£'000 2011	£'000 2010	£'000 2011	£'000 2010
<b>ASSETS</b>					
<b>Non-current assets</b>					
Intangible assets - deferred exploration costs	7	7,310	6,986	-	-
Investment in subsidiaries	5	-	-	700	1,977
Loans to subsidiaries	5	-	-	7,162	5,064
Plant and equipment	9	35	28	-	-
<b>Total non-current assets</b>		<b>7,345</b>	<b>7,014</b>	<b>7,862</b>	<b>7,041</b>
<b>Current assets</b>					
Cash and cash equivalents		1,585	35	95	4
Trade & other receivables	10	24	28	-	-
Prepayments		5	34	-	-
<b>Total current assets</b>		<b>1,614</b>	<b>97</b>	<b>95</b>	<b>4</b>
<b>Total assets</b>		<b>8,959</b>	<b>7,111</b>	<b>7,957</b>	<b>7,045</b>
<b>LIABILITIES</b>					
<b>Current liabilities</b>					
Trade and other payables	11	(84)	(162)	(10)	-
Provisions		-	-	-	-
Interest bearing liabilities	12	(9)	(7)	-	-
<b>Total current liabilities</b>		<b>(93)</b>	<b>(169)</b>	<b>(10)</b>	<b>-</b>
<b>Non-current liabilities</b>					
Interest bearing liabilities	12	(6)	(13)	-	-
<b>Total non-current liabilities</b>		<b>(6)</b>	<b>(13)</b>	<b>-</b>	<b>-</b>
<b>Total liabilities</b>		<b>(99)</b>	<b>(182)</b>	<b>(10)</b>	<b>-</b>
<b>Net assets</b>		<b>8,860</b>	<b>6,929</b>	<b>(7,947)</b>	<b>7,045</b>
<b>Equity</b>					
Issued share capital	13	1,591	729	1,591	729
Share premium		9,687	7,275	9,687	7,275
Foreign exchange reserve		4,012	2,658	-	-
Merger reserve		405	1,634	405	1,634
Option revaluation reserve	14	165	10	165	10
Retained losses		(7,000)	(5,377)	(3,901)	(2,603)
<b>Total equity</b>		<b>8,860</b>	<b>6,929</b>	<b>7,947</b>	<b>7,045</b>

The accompanying notes form part of these financial statements.

These Financial Statements were approved by the Board of Directors on 29 September 2011 and were signed on its behalf by:



Michael Billing  
Executive Chairman



Allan Burchard  
Chief Financial Officer

## Thor Mining PLC

### Consolidated Cash Flow Statement for the year ended 30 June 2011

	Consolidated		Company	
	£'000	£'000	£'000	£'000
	2011	2010	2011	2010
<b>Cash flows from operating activities</b>				
Operating Loss	(2,841)	(1,712)	(2,527)	(352)
Decrease/(increase) in trade and other receivables	33	27	-	-
Increase/(decrease) in trade and other payables	(78)	(25)	10	(14)
Depreciation	23	26	-	-
Exploration expenditure written off	1,834	1,016	-	-
Impairment subsidiary loans	-	-	462	-
Impairment subsidiary investments	-	-	1,277	-
Loss on disposal of development assets	-	86	-	-
Share based payment expense	155	-	155	-
Sundry income	9	29	-	-
Profit on sale of fixed assets	(9)	(6)	-	-
<b>Net cash outflow from operating activities</b>	<b>(874)</b>	<b>(559)</b>	<b>(623)</b>	<b>(366)</b>
<b>Cash flows from investing activities</b>				
Interest received	32	5	-	-
Refund of R & D grant relating to development	-	42	-	-
Proceeds on disposal of development assets	-	176	-	-
Proceeds from sale of fixed assets	12	41	-	-
Purchase of property, plant and equipment	(28)	-	-	-
Payments for exploration expenditure <sup>1</sup>	(609)	(440)	-	-
Loans to controlled entities	-	-	(2,174)	(404)
<b>Net cash outflow from investing activities</b>	<b>(593)</b>	<b>(176)</b>	<b>(2,174)</b>	<b>(404)</b>
<b>Cash flows from financing activities</b>				
Repayment of borrowings	(5)	(58)	-	-
Net issue of ordinary share capital	2,888	630	2,888	630
<b>Net cash inflow from financing activities</b>	<b>2,883</b>	<b>572</b>	<b>2,888</b>	<b>630</b>
<b>Net decrease in cash and cash equivalents</b>	<b>1,416</b>	<b>(163)</b>	<b>91</b>	<b>(140)</b>
Non cash exchange changes	134	-	-	-
Cash and cash equivalents at beginning of period	35	198	4	144
<b>Cash and cash equivalents at end of period</b>	<b>1,585</b>	<b>35</b>	<b>95</b>	<b>4</b>

<sup>1</sup>Items not involving the movement of funds: - 45 million shares were issued in consideration for the acquisition of an increased interest in the Dundas tenements.

Thor Mining PLC

Consolidated Statement of Changes in Equity  
For the year ended 30 June 2011

Consolidated	Issued share capital £'000	Share premium £'000	Retained losses £'000	Foreign Currency Translation Reserve £'000	Merger Reserve £'000	Share Based Payment Reserve £'000	Total £'000
<b>At 1 July 2009</b>	514	6,860	(3,615)	1,484	1,634	10	6,887
Loss for the period	-	-	(1,762)	-	-	-	(1,762)
Foreign currency translation reserve	-	-	-	1,174	-	-	1,174
Total comprehensive income / (loss) for the period	-	-	(1,762)	1,174	-	-	(588)
<b>Transactions with owners in their capacity as owners</b>							
Shares issued	215	465	-	-	-	-	680
Cost of shares issued	-	(50)	-	-	-	-	(50)
<b>At 30 JUNE 2010</b>	<b>729</b>	<b>7,275</b>	<b>(5,377)</b>	<b>2,658</b>	<b>1,634</b>	<b>10</b>	<b>6,929</b>
<b>Balance at 1 July 2010</b>	<b>729</b>	<b>7,275</b>	<b>(5,377)</b>	<b>2,658</b>	<b>1,634</b>	<b>10</b>	<b>6,929</b>
Loss for the period	-	-	(2,852)	-	-	-	(2,852)
Foreign currency translation reserve	-	-	-	1,354	-	-	1,354
Total comprehensive income / (loss) for the period	-	-	(2,852)	1,354	-	-	(1,498)
<b>Transactions with owners in their capacity as owners</b>							
Shares issued	862	2,654	-	-	-	-	3,516
Cost of shares issued	-	(242)	-	-	-	-	(242)
Reserve written back	-	-	1,229	-	(1,229)	-	0
Share options issued	-	-	-	-	-	155	155
<b>At 30 June 2011</b>	<b>1,591</b>	<b>9,687</b>	<b>(7,000)</b>	<b>4,012</b>	<b>405</b>	<b>165</b>	<b>8,860</b>

Thor Mining PLC

Consolidated Statement of Changes in Equity  
For the year ended 30 June 2010

Company	Issued share capital £'000	Share premium £'000	Retained losses £'000	Foreign Currency Translation Reserve £'000	Merger Reserve £'000	Share Based Payment Reserve £'000	Total £'000
<b>At 1 July 2009</b>	514	6,860	(2,251)	-	1,634	10	6,767
Loss for the period	-	-	(352)	-	-	-	(352)
Total comprehensive income / (loss) for the period	-	-	(352)	-	-	-	(352)
<b>Transactions with owners in their capacity as owners</b>							
Shares issued	215	465	-	-	-	-	680
Cost of shares issued	-	(50)	-	-	-	-	(50)
<b>At 30 JUNE 2010</b>	<b>729</b>	<b>7,275</b>	<b>(2,603)</b>	<b>-</b>	<b>1,634</b>	<b>10</b>	<b>7,045</b>
<b>Balance at 1 July 2010</b>	<b>729</b>	<b>7,275</b>	<b>(2,603)</b>	<b>-</b>	<b>1,634</b>	<b>10</b>	<b>7,045</b>
Loss for the period	-	-	(2,527)	-	-	-	(2,527)
Total comprehensive income / (loss) for the period	-	-	(2,527)	-	-	-	(2,527)
<b>Transactions with owners in their capacity as owners</b>							
Shares issued	862	2,654	-	-	-	-	3,516
Cost of shares issued	-	(242)	-	-	-	-	(242)
Reserve written back	-	-	1,229	-	(1,229)	-	0
Share options issued	-	-	-	-	-	155	155
<b>At 30 June 2011</b>	<b>1,591</b>	<b>9,687</b>	<b>(3,901)</b>	<b>-</b>	<b>405</b>	<b>165</b>	<b>7,947</b>

## Thor Mining PLC

### Notes to the Accounts for the year ended 30 June 2011

#### 1 Principal accounting policies

##### a) Authorisation of financial statements

The Group financial statements of Thor Mining PLC for the year ended 30 June 2011 were authorised for issue by the Board on 29 September 2011 and the balance sheets signed on the Board's behalf by Michael Billing and Allan Burchard. The Company's ordinary shares are traded on the AIM Market operated by the London Stock Exchange and on the Australian Securities Exchange.

##### b) Statement of compliance with IFRS

The Group's financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS). The Company's financial statements have been prepared in accordance with IFRS as adopted by the European Union. The principal accounting policies adopted by the Group and Company are set out below.

##### c) Basis of preparation

The consolidated financial statements have been prepared on the historical cost basis, except for the measurement to fair value of assets and financial instruments as described in the accounting policies below, and on a going concern basis.

The financial report is presented in Sterling and all values are rounded to the nearest thousand pounds (£'000) unless otherwise stated.

##### d) Basis of consolidation

The consolidated financial statements comprise the financial statements of Thor Mining PLC and its controlled entities. The financial statements of controlled entities are included in the consolidated financial statements from the date control commences until the date control ceases.

The financial statements of subsidiaries are prepared for the same reporting period as the parent company, using consistent accounting policies.

All intercompany balances and transactions have been eliminated in full.

##### e) Exploration and development expenditure

Exploration, evaluation and development expenditure incurred is accumulated in respect of each identifiable area of interest. These costs are only carried forward to the extent that they are expected to be recouped through the successful development of the area or where activities in the area have not yet reached a stage which permits reasonable assessment of the existence of economically recoverable reserves.

Accumulated costs in relation to an abandoned area are written off in full against the income statement in the year in which the decision to abandon the area is made.

A review is undertaken of each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest.

Restoration, rehabilitation and environmental costs necessitated by exploration and evaluation activities are expensed as incurred and treated as exploration and evaluation expenditure.

Notes to the Accounts

**1 Principal accounting policies (continued)**

**f) Revenue**

Revenue is recognised to the extent that it is probable that economic benefits will flow to the group and the revenue can be reliably measured.

*Interest revenue*

Interest revenue is recognised as it accrues using the effective interest rate method.

**g) Deferred taxation**

Deferred income tax is provided on all temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred income tax liabilities are recognised for all taxable temporary differences:

- (i) Except where the deferred income tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and at the time of transaction, affects neither the accounting profit nor taxable profit or loss; and
- (ii) In respect of taxable temporary differences associated with investments in subsidiaries, except where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred income tax assets are recognised for all deductible temporary differences, carry-forward of unused tax assets and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry-forward of unused tax credits and unused tax losses can be utilised, except:

- (i) When the deferred income tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; or
- (ii) When the deductible temporary difference is associated with investments in subsidiaries, in which case a deferred tax asset is only recognised to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary difference can be utilised.

The carrying amount of deferred income tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Unrecognised deferred income tax assets are reassessed at each balance sheet date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Notes to the Accounts

**1 Principal accounting policies (continued)**

**g) Deferred taxation (continued)**

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date.

Deferred tax assets and deferred tax liabilities are offset only if a legally enforceable right exists to set off current tax liabilities and the deferred tax assets and liabilities relate to the same taxable entity and the same taxation authority.

**h) Trade and other payables**

Trade and other payables are carried at amortised costs and represent liabilities for goods and services provided to the Group prior to the end of the financial year that are unpaid and arise when the Group becomes obliged to make future payments in respect of the purchase of these goods and services.

**i) Foreign currencies**

The Company's functional currency is Sterling (£). Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency. As at the reporting date the assets and liabilities of these subsidiaries are translated into the presentation currency of Thor Mining PLC at the rate of exchange ruling at the balance sheet date and their income statements are translated at the average exchange rate for the year. The exchange differences arising on the translation are taken directly to a separate component of equity.

All other differences are taken to the income statement with the exception of differences on foreign currency borrowings, which, to the extent that they are used to finance or provide a hedge against foreign equity investments, are taken directly to reserves to the extent of the exchange difference arising on the net investment in these enterprises. Tax charges or credits that are directly and solely attributable to such exchange differences are also taken to reserves.

**j) Share based payments**

During the year the Group has provided benefits to Directors of the Group in the form of share options to the value of £155,000 (2010 £0).

The cost of these equity-settled transactions with Directors was measured by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using a Black-Scholes model.

In valuing equity-settled transactions, no account is taken of any performance conditions, other than conditions linked to the price of the shares of Thor Mining PLC (market conditions) if applicable.

The cost of equity-settled transactions is recognised, together with a corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled, ending on the date on which the relevant holders become fully entitled to the award (the vesting period).

## Thor Mining PLC

### Notes to the Accounts

#### 1 Principal accounting policies (continued)

##### j) Share based payments (continued)

The cumulative expense recognised for equity-settled transactions at each reporting date until vesting date reflects (i) the extent to which the vesting period has expired and (ii) the Group's best estimate of the number of equity instruments that will ultimately vest. No adjustment is made for the likelihood of market performance conditions being met as the effect of these conditions is included in the determination of fair value at grant date. The Income Statement charge or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period.

No expense is recognised for awards that do not ultimately vest, except for awards where vesting is only conditional upon a market condition.

If the terms of an equity-settled award are modified, as a minimum an expense is recognised as if the terms had not been modified. In addition, an expense is recognised for any modification that increases the total fair value of the share-based payment arrangement, or is otherwise beneficial to the holder, as measured at the date of modification.

If an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately. However, if a new award is substituted for the cancelled award and designated as a replacement award on the date that it is granted, the cancelled and new award are treated as if they were a modification of the original award, as described in the previous paragraph.

##### k) Leased assets

The determination of whether an arrangement is or contains a lease is based on the substance of the arrangement and requires an assessment of whether the fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset.

###### (i) Finance Leases

Assets funded through finance leases are capitalised as fixed assets and depreciated in accordance with the policy for the class of asset concerned.

Finance lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised as an expense in the income statement.

###### (ii) Operating Leases

All operating lease payments are charged to the Income Statement on a straight line basis over the life of the lease.

## Thor Mining PLC

### Notes to the Accounts

#### 1 Principal accounting policies (continued)

##### l) Cash and cash equivalents

Cash and short-term deposits in the balance sheet comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less.

For the purposes of the Cash Flow Statement, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts

##### m) Trade and other receivables

Trade receivables, which generally have 30 day terms, are recognised and carried at original invoice amount less an allowance for any uncollectible amounts.

An allowance for doubtful debts is made when there is objective evidence that the Group will not be able to collect the debts. Bad debts are written off when identified.

##### n) Investments

Investments in subsidiary undertakings are stated at cost less any provision for impairment in value, prior to their elimination on consolidation.

##### o) Financial instruments

The Group's financial instruments, other than its investments, comprise cash and items arising directly from its operation such as trade debtors and trade creditors. The Group has overseas subsidiaries in Australia whose expenses are denominated in Australian Dollars. Market price risk is inherent in the Group's activities and is accepted as such. There is no material difference between the book value and fair value of the Group's cash.

##### p) Merger reserve

The difference between the fair value of an acquisition and the nominal value of the shares allotted in a share exchange have been credited to a merger reserve account, in accordance with the merger relief provisions of the then Companies Act 1985 and accordingly no share premium for such transactions is set-up. Where the assets acquired are impaired, the merger reserve value is reversed to retained earnings to the extent of the impairment.

##### q) Property, plant and equipment

Plant and equipment is stated at cost less accumulated depreciation and any accumulated impairment losses. Land is measured at fair value less any impairment losses recognised after the date of revaluation.

Depreciation is provided on all tangible assets to write off the cost less estimated residual value of each asset over its expected useful economic life on a straight-line basis at the following annual rates:

Land (including option costs) – Nil

Plant and Equipment – between 5% and 25%

All assets are subject to annual impairment reviews.

Notes to the Accounts

**1 Principal accounting policies (continued)**

**r) Impairment of assets**

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Group makes an estimate of the asset's recoverable amount. An asset's recoverable amount is the higher of its fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or Groups of assets and the asset's value in use cannot be estimated to be close to its fair value. In such cases the asset is tested for impairment as part of the cash-generating unit to which it belongs. When the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset or cash-generating unit is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Impairment losses relating to continuing operations are recognised in those expense categories consistent with the function of the impaired asset unless the asset is carried at its revalued amount (in which case the impairment loss is treated as a revaluation decrease).

An assessment is also made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the Income Statement unless the asset is carried at its revalued amount, in which case the reversal is treated as a revaluation increase. After such a reversal the depreciation charge is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life.

**s) Provisions**

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

When the Group expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the income statement net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects the risks specific to the liability.

## **Thor Mining PLC**

### **Notes to the Accounts**

#### **1 Principal accounting policies (continued)**

##### **t) Loss per share**

Basic loss per share is calculated as loss for the financial year attributable to members of the parent, adjusted to exclude any costs of servicing equity (other than dividends) and preference share dividends, divided by the weighted average number of ordinary shares, adjusted for any bonus element.

Diluted loss per share is calculated as loss for the financial year attributable to members of the parent, adjusted for:

- costs of servicing equity (other than dividends) and preference share dividends;
- the after tax effect of dividends and interest associated with dilutive potential ordinary shares that have been recognised as expenses; and
- other non-discretionary changes in revenues or expenses during the period that would result from the dilution of potential ordinary shares; divided by the weighted average number of ordinary shares and dilutive potential ordinary shares, adjusted for any bonus element.

##### **(u) Share based payments reserve**

This reserve is used to record the value of equity benefits provided to employees and directors as part of their remuneration and provided to consultants and advisors hired by the Group from time to time as part of the consideration paid.

##### **(v) Foreign currency translation reserve**

The foreign currency translation reserve is used to record exchange differences arising from the translation of the financial statements of foreign subsidiaries.

##### **(w) Adoption of new and revised Accounting Standards**

In the current year, the company has adopted all of the new and revised Standards and Interpretations issued by Accounting Standards and Interpretations Board that are relevant to its operations and effective for the current annual reporting period and there is no material financial impact on the financial statements of the company or the company.

#### **2. Revenue and segmental analysis - Group**

The group has not commenced production and therefore recorded no revenue.

The Group has a number of exploration licenses in Australia which are managed on a portfolio basis. The decision to allocate resources to individual projects in the portfolio is predominantly based on available cash reserves, technical data and the expectations of future metal prices. Accordingly, the Group effectively operates as one segment, being exploration in Australia. This is the basis on which internal reports are provided to the Directors for assessing performance and determining the allocation of resources within the Group.

## Thor Mining PLC

### Notes to the Accounts

#### 3. Operating loss – group

	2011	2010
	£'000	£'000
This is stated after charging:		
Depreciation	23	26
Auditors' remuneration – audit services	25	45
Auditors' remuneration – non audit services	-	-
Options issued – directors, staff and consultants	155	-
Directors emoluments – fees and salaries	185	116

Auditors' remuneration for audit services above includes £10,000 (2010 £16,500) to Chapman Davis LLP for the audit of the company. Remuneration to Deloitte Touche Tohmatsu for the audit of the Australian subsidiaries was £14,500 (2010 £12,500)

#### 4. Directors and executive disclosures - Group

All Directors are each appointed under the terms of a Directors letter of appointment. Each appointment provides for annual fees of Australian dollars \$40,000 for services as Directors plus 9% as a company contribution to Australian statutory superannuation schemes. The agreement allows for any services supplied by the Directors to the Company and any of its subsidiaries in excess of 2 days in any calendar month, can be invoiced to the Company at market rate, currently at \$1,000 per day. From 1<sup>st</sup> January 2010 the Directors elected to accept half fee arrangements until further notice.

##### (a) Details of Key Management Personnel

###### (i) Chairman and Chief Executive Officer

Michael Billing Executive Chairman and Chief Executive Officer

###### (ii) Non-executive Directors

Gregory Durack Non-executive Director  
Michael Ashton Non-executive Director  
Norman Gardner Non-executive Director (resigned 16 August 2011)  
Trevor Ireland Non-executive Director

###### (iii) Executives

Stephen Ronaldson Company Secretary (UK)  
Richard Bradey<sup>1</sup> Chief Exploration Geologist  
Allan Burchard<sup>2</sup> CFO/Company Secretary (Australia)  
Laurie Ackroyd<sup>3</sup> CFO/Company Secretary (Australia)

<sup>1</sup> Appointed 10 May 2011

<sup>2</sup> Appointed 18 November 2010

<sup>3</sup> Ceased employment 18 November 2010

## Thor Mining PLC

### (b) Compensation of Key Management Personnel

#### *Compensation Policy*

The compensation policy is to provide a fixed remuneration component and a specific equity related component. There is no separation of remuneration between short term incentives and long term incentives. The Board believes that this compensation policy is appropriate given the stage of development of the Company and the activities which it undertakes and is appropriate in aligning director and executive objectives with shareholder and businesses objectives.

The compensation policy, setting the terms and conditions for the executive Directors and other executives, has been developed by the Board after seeking professional advice and taking into account market conditions and comparable salary levels for companies of a similar size and operating in similar sectors. Executive Directors and executives receive either a salary or provide their services via a consultancy arrangement. Directors and executives do not receive any retirement benefits other than compulsory Superannuation contributions where the individuals are directly employed by the Company or its subsidiaries in Australia. All compensation paid to Directors and executives is valued at cost to the Company and expensed.

The Board policy is to compensate non-executive Directors at market rates for comparable companies for time, commitment and responsibilities. The Board determines payments to the non-executive Directors and reviews their compensation annually, based on market practice, duties and accountability. Independent external advice is sought when required. The maximum aggregate amount of fees that can be paid to Directors is subject to approval by shareholders at a General Meeting. Fees for non-executive Directors are not linked to the performance of the economic entity. However, to align Directors' interests with shareholder interests, the Directors are encouraged to hold shares in the Company and may receive options.

## Thor Mining PLC

### Notes to the Accounts

	Salary & Fees £'000	Options £'000	Total £'000
<b>30-Jun-11</b>			
<i>Directors:</i>			
Michael Billing	87	23	110
Gregory Durack	12	23	35
Michael Ashton	14	23	37
Norman Gardner	14	23	37
Trevor Ireland	58	23	81
<i>Other Personnel:</i>			
Richard Bradey <sup>1</sup>	20	8	28
Allan Burchard <sup>2</sup>	28	8	36
<sup>1</sup> Appointed 10 May 2011			
<sup>2</sup> Appointed 26 November 2010			

### 30-Jun-10

<i>Directors:</i>			
Michael Billing	48	-	48
Gregory Durack	17	-	17
Michael Ashton	18	-	18
Norman Gardner	18	-	18
Trevor Ireland <sup>1</sup>	18	-	18
<i>Other Personnel:</i>			
Ian Sheffield-Parker <sup>2</sup>	102	-	102
<sup>1</sup> Appointed 10 March 2010			
<sup>2</sup> Ceased employment 20 November 2009			

### (c) Compensation by category

	2011 £'000	2010 £'000
<b>Key Management Personnel</b>		
Short-term	358	196
Post-employment	6	26
	<u>364</u>	<u>222</u>

### (d) Options and rights over equity instruments granted as remuneration

Details of options which were granted over ordinary shares to Directors during the years ended 30 June 2011 and 30 June 2010 are detailed in Note 5(e).

## Thor Mining PLC

### Notes to the Accounts

#### (e) Options holdings of Key Management Personnel

The movement during the reporting period in the number of options over ordinary shares in Thor Mining PLC held, directly, indirectly or beneficially, by key management personnel, including their personally related entities, is as follows:

Key Management Personnel	Held at 1-Jul-10	Granted as remuneration	Disposal/ Expired	Exercised	Held at 30 June 2011/or date of resignation	Vested and exercisable at 30 June 2011
<b>Directors</b>						
<i>Executive</i>						
Michael Billing	1,000,000	2,000,000	-	-	3,000,000	3,000,000
<i>Non-Executive</i>						
Gregory Durack	1,000,000	2,000,000	-	-	3,000,000	3,000,000
Michael Ashton	1,000,000	2,000,000	-	-	3,000,000	3,000,000
Trevor Ireland	-	2,000,000	-	-	2,000,000	2,000,000
Norman Gardner	1,000,000	2,000,000	-	-	3,000,000	3,000,000
<b>Other Personnel</b>						
Richard Bradey	-	500,000	-	-	500,000	500,000
Allan Burchard	-	500,000	-	-	500,000	500,000

Key Management Personnel	Held at 1-Jul-09	Granted as remuneration	Disposal/ Expired	Exercised	Held at 30 June 2010/or date of resignation	Vested and exercisable at 30 June 2010
<b>Directors</b>						
<i>Executive</i>						
Michael Billing	1,000,000	-	-	-	1,000,000	1,000,000
<i>Non-Executive</i>						
Gregory Durack	1,000,000	-	-	-	1,000,000	1,000,000
Michael Ashton	1,000,000	-	-	-	1,000,000	1,000,000
Norman Gardner	1,000,000	-	-	-	1,000,000	1,000,000
<b>Other Personnel</b>						
Stephen Ronaldson	455,000	-	455,000	-	-	-
John Young	1,000,000	-	-	-	1,000,000	1,000,000

No options held by Directors or specified executives are vested but not exercisable, except as set out above

## Thor Mining PLC

### Notes to the Accounts

#### 4 Directors and executive disclosures - continued

##### (f) Other transactions and balances with related parties

Specified Directors	Transaction	Note	2011 £'000	2010 £'000
Michael Billing	Consulting Fees	(i)	73	30
Trevor Ireland	Consulting Fees	(ii)	44	15

(i) The Company used the consulting services of MBB Trading Pty Ltd a company of which Mr. Michael Billing is a Director.

(ii) The Company used the services of Ireland Resource Management Pty Ltd, a company of which Mr. Trevor Ireland is a Director and employee.

Amounts were billed based on normal market rates for such services and were due and payable under normal payment terms. These amounts paid to related parties of Directors are included as Salary & Fees in Note 4(b).

#### 5 Taxation - Group

	2011 £'000	2010 £'000
Analysis of charge in year	-	-
Tax on profit on ordinary activities	-	-

#### Factors affecting tax charge for year

The differences between the tax assessed for the year and the standard rate of corporation tax are explained as follows:

	2011 £'000	2010 £'000
Loss on ordinary activities before tax	(2,852)	(1,762)
Standard rate of corporation tax in the UK	26%	28%
Loss on ordinary activities multiplied by the standard rate of corporation tax	(741)	(493)
Effects of:		
Share based payments not allowable	40	-
Future tax benefit not brought to account	701	493
Current tax charge for year	-	-

No deferred tax asset has been recognised because there is insufficient evidence of the timing of suitable future profits against which they can be recovered.

## Thor Mining PLC

### Notes to the Accounts

#### 6. Loss per share

	<b>2011</b>	<b>2010</b>
	<b>£'000</b>	<b>£'000</b>
Loss for the year	(2,852)	(1,762)
Weighted average number of Ordinary shares in issue	438,071,586	222,694,602
Loss per share – basic	(0.65)p	(0.79)p

The basic loss per share is derived by dividing the loss for the period attributable to ordinary shareholders by the weighted average number of shares in issue.

As the inclusions of the potential Ordinary Shares would result in a decrease in the loss per share they are considered to be anti-dilutive and as such not included.

#### 7. Intangible fixed assets – Group

##### Deferred exploration costs

	<b>2011</b>	<b>2010</b>
	<b>£'000</b>	<b>£'000</b>
<b>Cost</b>		
At 1 July	8,328	7,020
Additions	995	463
Exchange gain	1,420	1,150
Research and development grant refund	0	(42)
Disposals of crushing and ancillary equipment		(263)
Write off exploration tenements	(1,390)	
At 30 June	<u>9,353</u>	<u>8,328</u>
<b>Amortisation</b>		
At 1 July and 30 June	1,342	268
Impairment for period	1,834	1,016
Exchange loss	257	58
Write off exploration tenements	(1,390)	
At 30 June	<u>2,043</u>	<u>1,342</u>
<b>Net book value</b>		
<b>At 30 June</b>	<u>7,310</u>	<u>6,986</u>

As at 30 June 2011 the Directors undertook an impairment review of the deferred exploration costs, as a result of which, a provision for impairment for £1,834,000 (2010 £1,016,000) has been made.

## Thor Mining PLC

### Notes to the Accounts

#### 8. Investments – Company

The Company holds 20% or more of the share capital of the following companies:

Company	Country of registration or incorporation	Shares held Class	%
Molyhil Mining Pty Ltd <sup>2</sup>	Australia	Ordinary	100
Hatches Creek Pty Ltd <sup>2</sup>	Australia	Ordinary	100
Hale Energy Limited <sup>2</sup>	Australia	Ordinary	100
TM Gold Pty Ltd <sup>1</sup>	Australia	Ordinary	100

<sup>1</sup> TM Gold Pty Ltd is engaged in exploration activities in the state of Western Australia and also the Northern Territory of Australia. Its Directors are consistent with those of Thor Mining PLC.

<sup>2</sup> These subsidiary companies are engaged in exploration activities in the Northern Territory of Australia. The Directors are consistent with those of Thor Mining PLC.

<b>8 (a) Investment in Subsidiary companies:</b>	<b>2011</b>	2010
	<b>£'000</b>	£'000
Molyhil Mining Pty Ltd	700	700
Hatches Creek Pty Ltd	-	-
Hale Energy Limited	1,277	1,277
Less: Investment written off	(1,277)	-
TM Gold Pty Ltd	-	-
	<u>700</u>	<u>1,977</u>

The investments in subsidiaries are carried in the Company's balance sheet at the lower of cost and net realisable value.

#### 8 (b) Loans to subsidiaries

	<b>2011</b>	2010
	<b>£'000</b>	£'000
Molyhil Mining Pty Ltd	5,847	4,302
TM Gold Pty Ltd	1,172	193
Hatches Creek Pty Ltd	255	243
Less: Loan written off	(255)	-
Hale Energy Limited	351	326
Less: Impairment provision against loan	(208)	-
	<u>7,162</u>	<u>5,064</u>

The loans to subsidiaries are non-interest bearing, unsecured and are repayable upon reasonable notice having regard to the financial stability of the company. The Company has issued letters of financial support for a term of 12 months to each of the Australian based subsidiary entities.

## Thor Mining PLC

### Notes to the Accounts

#### 9. Property, plant and equipment

	Group		Company	
	2011	2010	2011	2010
	£'000	£'000	£'000	£'000
<b>Plant and Equipment:</b>				
At cost	116	94	-	-
Accumulated depreciation	(81)	(66)	-	-
Total Property, Plant and Equipment	<u>35</u>	<u>28</u>	-	-

#### Movements in Carrying Amounts

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year.

<b>Group:</b>	2011	2010
	£'000	£'000
At 1 July	28	77
Additions	28	-
FX increase	6	12
Disposals	(4)	(35)
Depreciation expense	<u>(23)</u>	<u>(26)</u>
At 30 June	<u>35</u>	<u>28</u>

The carrying value of the plant and equipment includes finance leased assets of £6,903 (2010: £15,259)

#### 10. Current trade and other receivables

	Group		Company	
	2011	2010	2011	2010
	£'000	£'000	£'000	£'000
Trade and other receivables	22	26	-	-
Security deposits	2	2	-	-
	<u>24</u>	<u>28</u>	-	-

#### 11. Current trade and other payables

	Group		Company	
	2011	2010	2011	2010
	£'000	£'000	£'000	£'000
Trade payables	(80)	(81)	10	-
Other payables	(4)	(81)	-	-
	<u>(84)</u>	<u>(162)</u>	<u>10</u>	<u>-</u>

## Thor Mining PLC

### Notes to the Accounts

#### 12. Interest bearing liabilities

	2010	Group 2010	2011	Company 2010
	£'000	£'000		
<b>Finance leases</b>				
Current	(9)	(7)	-	-
Non-current	(6)	(13)	-	-
	<b>(15)</b>	<b>(20)</b>	-	-

#### 13. Issued share capital

	2011	2010
	£'000	£'000
<b>Authorised:</b>		
3,333,333,333 ordinary shares of £0.003 each	<b>10,000</b>	10,000
<b>Issued up and fully paid:</b>		
530,453,432 (2009: 243,223,763) ordinary shares of £0.003 each	<b>£1,591</b>	£729

	2011	£'000	2010	£'000
	Number		Number	
At 1 July	<b>243,223,763</b>	<b>729</b>	171,476,566	514
Share issued for cash	<b>237,971,070</b>	<b>714</b>	71,666,667	215
Warrant/Options exercised	<b>4,258,599</b>	<b>13</b>	80,530	-
Shares issued for exploration tenements	<b>45,000,000</b>	<b>135</b>	-	-
At 30 June	<b>530,453,432</b>	<b>1,591</b>	243,223,763	729

	\$,000	\$,000
Cash proceeds of shares issued for cash	3,160	630
Value of shares issued for exploration tenements	386	-

## Thor Mining PLC

### Notes to the Accounts

#### Warrants and Options on issue

The following warrants and options have been issued by the Company and have not been exercised at 30 June 2011:

Number	Grant Date	Expiry Date	Exercise Price
5,000,000 <sup>1</sup>	24-Nov-08	15-Sep-11	AUS\$0.18
5,000,000 <sup>2</sup>	25-May-10	31-Mar-12	AUS\$0.05
10,000,000 <sup>3</sup>	24-Nov-11	24-Nov-13	AUS\$0.04
1,000,000 <sup>4</sup>	19-Dec-10	20-Dec-13	AUS\$0.05
1,000,000 <sup>5</sup>	06-Jun-11	13-Jun-14	AUS\$0.035
27,922,800 <sup>6</sup>	Various	25-Mar-12	AUS\$0.02625
14,486,673 <sup>7</sup>	Various	31-Mar-12	STG£0.015

Share options carry no rights to dividends and no voting rights.

<sup>1</sup> 1,000,000 share options were issued to then Directors, Billing, Young, Durack, Gardner and Ashton on 02 December, 2008.

<sup>2</sup> Issued to Western Desert Resources Limited as part of a share placement.

<sup>3</sup> 2,000,000 share options were issued to Directors, Billing, Durack, Gardner, Ireland and Ashton on 24 November, 2010.

<sup>4</sup> 500,000 share options were issued to consultant geologist Till and former company secretary Ackroyd on 19 December, 2010.

<sup>5</sup> 500,000 share options were issued to exploration manager Bradey and CFO Burchard on 6 June, 2011.

<sup>6</sup> 27,922,800 listed CDI warrants issued as part of the placing and open offer to shareholders approved at the General Meeting held on 22 July 2010.

<sup>7</sup> 14,486,673 UK unlisted warrants issued as part of the placing and open offer to shareholders approved at the General Meeting held on 22 July 2010.

## Thor Mining PLC

### Notes to the Accounts

#### 14. Share option revaluation reserve

	£'000	£'000
	2011	2010
At 1 July	10	10
Valuation of 10,000,000 options @ £0.0117	117	
Valuation of 1,000,000 options @ £0.0219	22	-
Valuation of 1,000,000 options @ £0.0158	16	-
At 30 June	165	10

The fair value of equity share options granted is estimated at the Balance Sheet dates using the Black-Scholes model, taking into account the terms and conditions upon which the options are granted. The following table lists the inputs to the model used for the year ended 30 June 2011.

	Jun-11	Dec-10	Nov-10
Dividend yield	0.00%	0.00%	0.00%
Underlying Security spot price	A\$0.0300	A\$0.043	A\$0.0280
Exercise price	A\$0.0350	A\$0.0500	A\$0.0400
Standard deviation of returns	156.00%	146.00%	121.00%
Risk free rate	4.95%	5.36%	5.27%
Expiration period	3 yrs	3 yrs	3 yrs
Black Scholes valuation per option	\$A 0.0247	\$A 0.0342	\$A 0.0189
Black Scholes valuation per option	£ 0.01580	£ 0.0219	£ 0.0117

#### 15. Analysis of changes in net cash and cash equivalents

	At 1 July 2010	Cash flows	Non- cash changes	At 30 June 2010
	£'000	£'000	£'000	£'000
Cash at bank and in hand	35	1,416	134	1,585

#### 16. Contingent liabilities and commitments

##### a) Exploration commitments

Ongoing exploration expenditure is required to maintain title to the Group mineral exploration permits. No provision has been made in the financial statements for these amounts as the expenditure is expected to be fulfilled in the normal course of the operations of the Group.

##### b) Claims of native title

The Directors are aware of native title claims which cover certain tenement and tenement applications in the Northern Territory. The Group's policy is to operate in a mode that takes into account the interests of all stakeholders including traditional owners requirements and environmental requirements. At the present date no claims for native title have seriously affected exploration by the Company.

## Thor Mining PLC

### Notes to the Accounts

#### 17. Financial instruments

The Group uses financial instruments comprising cash, liquid resources and debtors/creditors that arise from its operations.

The Group's exposure to currency and liquidity risk is not considered significant. The Group's cash balances are held in Pounds Sterling and in Australian Dollars, the latter being the currency in which the significant operating expenses are incurred.

To date the Group has relied upon equity funding to finance operations. The Directors are confident that adequate cash resources exist to finance operations to commercial exploitation but controls over expenditure are carefully managed.

The net fair value of financial assets and liabilities approximates the carrying values disclosed in the financial statements. The currency and interest rate profile of the financial assets is as follows:

#### Financial instruments – (continued)

<b>Cash and short term deposits</b>	<b>Jun-11</b>	<b>Jun-10</b>
	<b>£'000</b>	<b>£'000</b>
Sterling	95	4
Australian Dollars	1,490	31
At 30 June	<u>1,585</u>	<u>35</u>

The financial assets comprise interest earning bank deposits.

Set out below is a comparison by category of carrying amounts and fair values of all of the Group's financial instruments recognised in the financial statements, including those classified under discontinued operations.

The fair value of cash and cash equivalent, trade receivables and payables approximate to book value due to their short-term maturity.

The fair values of derivatives and borrowings have been calculated by discounting the expected future cash flows at prevailing interest rates. The fair values of loan notes and other financial assets have been calculated using market interest rates.

	<b>2011</b>		<b>2010</b>	
	<b>Carrying Amount</b>	<b>Fair Value</b>	<b>Carrying Amount</b>	<b>Fair Value</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<i>Financial assets:</i>				
Cash and cash equivalents	1,585	1,585	35	35
Trade and other receivables	24	24	28	28
Other	5	5	34	30
<i>Financial liabilities:</i>				
Trade and other payables	84	84	162	162
Lease liability	15	150	20	20

## Thor Mining PLC

### Notes to the Accounts

#### Interest rate risk

The following table sets out the carrying amount, by maturity, of the financial instruments exposed to interest rate risk:

30-Jun-11 <i>Group</i>	Effective Interest Rate %	Maturing		Total £'000
		< 1 year £'000	>1 to <2 Years £'000	
<b>Financial Assets</b>				
<i>Fixed rate</i>				
At call Account - AUD	4.50	809		809
Term Deposit – AUD	5.70	667	-	667
		1,476		1,476
<b>Financial Liabilities</b>				
<i>Fixed Rate</i>				
Interest bearing liabilities	7.09	9	6	15

30-Jun-10 <i>Group</i>	Effective Interest Rate %	Maturing		Total £'000
		< 1 year £'000	>1 to <2 Years £'000	
<b>Financial Assets</b>				
<i>Fixed rate</i>				
Term Deposit – AUD	4.00	-	-	-
		-	-	--
<i>Fixed Rate</i>				
Interest bearing liabilities	7.09	7	13	20

## **Thor Mining PLC**

### **Notes to the Accounts**

#### **18. Related parties**

There is no ultimate controlling party.

Thor has lent funds to its wholly owned subsidiaries, Molyhil Mining Pty Ltd., Hale Energy Ltd., Hatches Creek Pty Ltd., and TM Gold Pty Ltd to enable those companies to carry out its operations in Australia. At 30 June 2011 the amount outstanding converted to £7,161,055.

Thor Mining PLC engages the services of Ronaldson Solicitors, a company in which Mr Stephen Ronaldson is a Senior Partner. Mr Ronaldson is the UK based Company Secretary. During the period £76,441 was paid to Ronaldson Solicitors on the basis of normal commercial terms.

Western Desert Resources Limited was, in previous years, considered to be a related party because of:

- The level of its shareholding in Thor Mining PLC (12.37% as at 31 August 2010),
- The appointment of two directors (Mr NW Gardner and Mr M K Ashton) of Western Desert Resources Limited, to the board of Thor Mining PLC, and
- The dual role of Mr M R Billing as executive chairman of Thor Mining PLC, and, until 13 January 2010, non-executive chairman of Western Desert Resources Limited.

During the period to 30 November 2010, Thor Mining PLC paid GBP60,838 to Western Desert Resources Limited in accordance with a service agreement for the supply of office space and services including accounting, payroll and secretarial services.

At the date of this report, Western Desert Resources Limited is no longer considered to be a related party because of:

- The reduction of its shareholding to below 10% of the issued capital of Thor Mining PLC,
- The time which has elapsed since the dual role of Mr M R Billing, and
- The resignation of Mr N W Gardner as a director of Thor Mining PLC on 16 August 2011.

#### **19. Post balance sheet events**

On 2 August 2011, the company issued 40,000,000 shares to Western Desert Resources Limited, as approved at a General Meeting held on 18 May 2011, in consideration for the acquisition of an interest of 25% in the Spring Hill gold project in Australia's Northern Territory.

On 4 August 2011, the company raised GBP410,000 (before costs) through the issue of 30,597,018 shares at 1.4 pence per share.

On 16 August 2011, Mr Norm Gardner resigned as a director of the company.

Subject to the above matters, there were no material events arising subsequent to 30 June 2011 to the date of this report which may significantly affect the operations of the Company, the results of those operations and the state of affairs of the Company in the future.

## Thor Mining PLC

### ASX Additional Information

Additional information required by the Australian Stock Exchange Limited Listing Rules and not disclosed elsewhere in this report is set out below.

### Shareholdings (as at 31st August 2011)

#### Class of shares and voting rights

- (a) at meetings of members or classes of members each member entitled to vote may vote in person or by proxy or attorney; and
- (b) on a show of hands every person present who is a member has one vote, and on a poll every person present in person or by proxy or attorney has one vote for each ordinary share held.

#### On-market buy-back

There is no current on-market buy-back.

#### Distribution of equity securities

Category (number of shares/warrants)	Number of Shareholders	Number of Warrant and Option holders
1 – 1,000	801	2
1,001 – 5,000	528	2
5,001 – 10,000	378	3
10,001 – 100,000	1,144	138
100,001 and over	540	65
	<u>3,391</u>	<u>211</u>

The number of shareholders holding less than a marketable parcel is 1,792. The minimum parcel size is 23,810 shares.

#### Twenty largest shareholders as at 31 August 2011

Name	Number of shares held	Percentage of shares held
Western Desert Resources Limited*	47,220,296	7.85%
TD Waterhouse Nominees (Europe) Limited	38,657,343	6.43%
Barclayshare Nominees Limited	34,903,033	5.80%
XCAP Nominees	22,999,000	3.82%
L R Nominees Limited	21,353,946	3.55%
HSDL Nominees Limited (-)	17,515,312	2.91%
HSDL Nominees Limited (IWEB)	14,668,157	2.44%
James Capel (Nominees) Limited (HSBCSS)	13,242,564	2.20%
Vidacos Nominees Limited	13,082,670	2.17%
SVS (Nominees) Limited	12,333,519	2.05%
Geotech International Pty Ltd	8,375,000	1.39%
Share Nominees Limited	8,177,634	1.36%
Hargreaves Lansdown (Nominees) Limited	7,944,130	1.32%
HSDL Nominees Limited (IWMAXI)	7,313,654	1.22%
National Nominees Ltd	7,057,737	1.17%
Mr & Mrs M R Billing	6,971,113	1.16%
Mr P W Askins & Ms H M Ansell	6,425,000	1.07%
Hargreaves Lansdown (Nominees) Limited (VRA)	6,111,133	1.02%
J P Morgan Nominees	6,038,640	1.00%
HSDL Nominees Limited (MAXI)	<u>5,487,673</u>	<u>0.91%</u>
TOTAL	<u>305,877,554</u>	<u>50.85%</u>

\*Of the shares held by Western Desert Resources Limited, 40,000,000 are escrowed until 2 August 2012.

## Thor Mining PLC

### ASX Additional Information

#### Listed Option Holders as at 31 August 2010

	Expiry Date	Number of Options held	Percentage of options held
ASX QUOTED GROUP (131)	25/03/2012	27,922,800	100%

These options were granted 28<sup>th</sup> July, 2010 to the "ASX Quoted Group" pursuant to an open offer and share placement following approval from the shareholders given at a general meeting held in London on 22 July, 2010. The options granted to shareholders were on the basis of one warrant /option for every two new shares subscribed.

#### Unlisted Option and Warrant holders as at 31 August 2011

Name	Expiry Date	Number of Warrants held	Percentage of warrants held
MR M R Billing	15/09/2011	1,000,000	2.77%
	24/11/2013	2,000,000	5.55%
MR J Young	15/09/2011	1,000,000	2.77%
MR N W Gardner	15/09/2011	1,000,000	2.77%
	24/11/2013	2,000,000	5.55%
MR M K Ashton	15/09/2011	1,000,000	2.77%
	24/11/2013	2,000,000	5.55%
MR G M Durack	15/09/2011	1,000,000	2.77%
	24/11/2013	2,000,000	5.55%
MR T J Ireland	24/11/2013	2,000,000	5.55%
Associates	20/12/2013	1,000,000	2.77%
Associates	13/06/2014	1,000,000	2.77%
Western Desert Resources Limited	31/03/2012	5,000,000	13.88%
United kingdom based Shareholder group (x)	31/03/2012	14,024,173	38.93%
Total unlisted options/warrants		<u>36,024,173</u>	<u>100.00%</u>

The unlisted warrants held by the "United Kingdom Based Shareholder Group", mentioned above, were granted on 28<sup>th</sup> July, 2010 pursuant to an open offer and share placement following approval from the shareholders given at a general meeting held in London on 22 July, 2010. The warrants granted to shareholders were on the basis of one warrant /option for every two new shares subscribed.

### Stock Exchanges

Thor Mining PLC shares are dual listed on the AIM market and the Australian Stock Exchange. On the ASX they are traded as CDI's.

## **Thor Mining PLC**

### **ASX Additional Information**

#### **ASX CORPORATE GOVERNANCE DISCLOSURE**

The ASX Code on Corporate Governance requires that every public company disclose its compliance with each principle of the Code. During the financial year 2010/11 ("Reporting Period") the Company has complied with each of the Ten Essential Corporate Governance Principles and Best Practice Recommendations as published by the ASX Corporate Governance Council, other than in relation to the matters specified below.

#### **Recommendation 2.1, 2.2, and 2.3**

2.1 Majority of the Board should be Independent Directors.

The Board considers that Mr M K Ashton, Mr G Durack and Mr T J Ireland are independent directors in accordance with Recommendation 2.1. Whilst the remaining director, Chairman, Mr M R Billing is not independent, the Board believes that all the individuals on the Board can make, and do make, quality and independent judgements in the best interests of the Company on all relevant issues. Any director having a conflict of interest in relation to a particular item of business must absent himself from the Board meeting before commencement of discussion on the topic.

The Board considers that its structure has been, and continues to be, appropriate in the context of the Company's history and the size and scale of operations. The Company considers that the non-independent director possesses skills and experience suitable for building the Company. The Board intends to reconsider its composition as the Company's operations evolve, and appoint further independent directors as appropriate.

2.2 The Chairman should be an independent Director.

Mr Michael Billing is the Executive Chairman and is not considered to be independent in respect of the ASX Corporate governance Council's definition of independence. Mr Billing is a former Director and Chairman of Western Desert Resources Limited, a continuing shareholder of Thor Mining PLC, albeit no longer deemed to be a related party. The board considers that the expertise and dedication of Mr Michael Billing gives cohesiveness and organisation to the board and its functions.

2.3 The roles of chairperson and chief executive officer should not be exercised by the same individual.

Mr Michael Billing as the Executive Chairman has also fulfilled the role of Chief Executive Officer of the Company following the departure of the former Chief Executive in June 2009. It is planned that Mr Billing continues in this role until such time as a new chief executive is recruited.

#### **Recommendation 2.4**

A separate Nomination Committee has not been formed.

The Board considers that the Company is not currently of a size to justify the formation of a nomination committee. The Board as a whole undertakes the process of reviewing the skill base and experience of existing Directors to enable identification or attributes required in new Directors. Where appropriate, independent advisers are engaged to identify possible new candidates for the Board.

#### **Recommendation 4.2**

A separate Audit Committee has not been formed.

## **Thor Mining PLC**

### **ASX Additional Information**

#### **Recommendation 4.3**

The role of the Audit Committee is carried out by the full Board with specific assistance from the Executive Chairman and the Company Secretary. The Board considers this appropriate given its size and stage of development. As the Company grows, the Board intends to move towards an Audit Committee comprising primarily independent Directors.

#### **Recommendation 8.1**

Non-disclosure of the process of evaluating the board

The process for evaluation of the Board, individual Directors and key executives has not been disclosed. However, an evaluation of the Board, Directors and key executives does occur on an informal basis at least annually by the Chairman in conjunction with key Directors.

#### **Recommendation 9.2**

The full Board carried out the functions of the Remuneration Committee. All matters of remuneration were determined by the Board in accordance with Corporations Act requirements, especially in respect of related party transactions. That is, no Directors participated in any deliberation regarding their own remuneration or related issues.

#### **Skills, experience, expertise and term of office of each Director**

A profile of each Director containing the applicable information is set out on the Company's website and elsewhere within this document. (Check)

#### **Identification of Independent Directors**

Mr M K Ashton, Mr G Durack and Mr T J Ireland are independent in accordance with the criteria set out in Box 2.1 of the ASX Principles and Recommendations.

#### **Statement concerning availability of independent professional advice**

Subject to the approval of the chairman, an individual Director may engage an outside adviser at the expense of Thor Mining PLC for the purposes of seeking independent advice in appropriate circumstances.

#### **Names of nomination committee members and their attendance at committee meetings**

The full Board carries out the functions of the Nomination Committee. The Board did not convene formally as the Nomination Committee during the Reporting Period, but rather, discussed relevant issues on an as-required basis at scheduled Board meetings.

#### **Names and qualifications of audit committee members**

The full Board performs the functions of the Audit Committee. Mr Michael Billing is financially literate.

#### **Number of audit committee meetings and names of attendees**

During the Reporting Period representatives of the audit committee met with the external auditors in respect of the half year and full year financial reports.

During the Reporting Period, an evaluation of the Board was conducted as an informal review during regular meetings of the Board.