



**Half-yearly Report**

**For the six months ended  
31 December 2009**

## REVIEW OF OPERATIONS

The net result of operations for the half-year was a loss of £534,000 (2008: £500,000).

### Molyhil Molybdenum/Tungsten project

During the early part of half year ended 31 December 2009, the consolidated entity continued to refine the economic parameters necessary for commencement of development and construction activities for the Molyhil project. While good progress had been made in reducing capital and operating costs for the project, international molybdenum prices reduced in line with pricing for other metals over the period. This pushed the development timetable back until product pricing is more conducive for the necessary capital raising and the Directors announced in November 2009 a scale back of activities in response to the continued weakness in international markets for molybdenum and tungsten.

To preserve cash the Directors took steps which included the cessation of work with third party engineering companies, reduced Directors remuneration by 50%, agreed the redundancy of the Chief Executive Officer with those responsibilities being covered by the Executive Chairman.

Subsequent to the end of the half year the Company announced the issue of 16,666,667 voting CDI's by way of placement to raise £140,000 before costs associated with the issue.

### Exploration projects

The consolidated entity continued to explore its portfolio of tenements for economic deposits of base metals, uranium and rare earths, and initiated a search for new exploration projects with a focus on mainstream commodities.

### Finance

Subsequent to the end of the period, the company announced plans to issue 16,666,667 shares by way of a placement to sophisticated Australian Investors raising £140,000 before costs. Funds raised are directed towards researching and assessing opportunities to acquire additional projects focussing upon mainstream commodities.

### Comprehensive Income

The comprehensive income statement records a comprehensive income for the period of £506,000 (2008: Loss of £500,000) after taking into account a Directors review and write down due to an impairment of exploration costs for the half year amounting to £209,000 (2008: Nil) and favourable (unrealised) exchange differences of £1,040,000 (2008: Loss of £68,000).

The loss for the period, excluding the unrealised exchange differences, amounted to £534,000 (2008: loss of £500,000). Administrative and Corporate expenses for the half year were significantly reduced as the Company sought to conserve cash reserves.



**Mick Billing**  
Executive Chairman  
26<sup>th</sup> February, 2010

## INDEPENDENT REVIEW REPORT TO THOR MINING PLC

### *Introduction*

We have been engaged by the Company to review the interim consolidated financial statements for the six months ended 31<sup>st</sup> December 2009 comprising the Consolidated Statement of Comprehensive Income, Consolidated Balance Sheet and Statement of Changes in Equity and Cash Flows and related notes. We have read the other information contained in the interim report and considered whether it contains any apparent misstatements or material inconsistencies with the information in the interim financial statements.

This report is made solely to the Company in accordance with guidance contained in ISRE 2410 (UK and Ireland) "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Auditing Practices Board. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company, for our work, for this report, or for the conclusions we have formed.

### *Directors' Responsibilities*

The interim financial report is the responsibility of, and has been approved by the Directors. The Directors are responsible for preparing the interim financial report in accordance with the rules of the London Stock Exchange Plc for Companies trading securities on the AIM Market. As disclosed in Note 1 the accounting policies are consistent with those that the Directors intend to use in the next financial statements. The interim financial statements included in this interim report have been prepared in accordance with International Accounting Standard 34 "Interim Financial Reporting" as adopted by the European Union.

### *Our Responsibility*

Our responsibility is to express to the Company a conclusion on the interim financial statements in the interim report based on our review.

### *Scope of Review*

We conducted our review in accordance with International Standard on Review Engagements (UK and Ireland) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Auditing Practices Board for use in the United Kingdom. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK and Ireland) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### *Conclusion*

Based on our review we are not aware of any material modifications that should be made to the financial information as presented in the interim financial statements for the six months ended 31<sup>st</sup> December 2009.

CHAPMAN DAVIS LLP  
Chartered Accountants  
2 Chapel Court  
London SE1 1HH  
26<sup>th</sup> February, 2010.



**Consolidated Statement of Comprehensive Income**  
For the 6 months ended 31 December 2009

	Note	£'000 Six months ended 31 December 2009 (Unaudited)	£'000 Six months ended 31 December 2008 (Unaudited)	£'000 Year ended 30 June 2009 (Audited)
Administrative expenses		(105)	(231)	(449)
Corporate expenses		(219)	(267)	(532)
Other expenses		(67)	(39)	(51)
Impairment of Exploration assets		(209)	-	(254)
<b>Operating Loss</b>		<b>(600)</b>	<b>(537)</b>	<b>(1,286)</b>
Interest receivable		4	24	27
Other income		62	13	29
<b>Loss before Taxation</b>		<b>(534)</b>	<b>(500)</b>	<b>(1,230)</b>
Taxation		-	-	-
<b>Loss for the period</b>		<b>(534)</b>	<b>(500)</b>	<b>(1,230)</b>
<b>Other comprehensive income:</b>				
Share based payment expense		-	10	10
Exchange differences on translating foreign operations		1,040	(68)	41
Other comprehensive income for the period, net of income tax		1,040	(58)	51
Total comprehensive income for the period		506	(558)	1,179
Basic loss per share	2	(0.25)p	(0.33)p	(0.77)p

**Consolidated Balance Sheet**

At 31 December 2009

	Note	£'000 31 December 2009 (Unaudited)	£'000 31 December 2008 (Unaudited)	£'000 30 June 2009 (Audited)
<b>NON-CURRENT ASSETS</b>				
Intangible assets - deferred exploration costs		6,340	5,499	5,453
Mine development costs		1,197	1,247	1,299
Plant and equipment	3	46	86	77
<b>Total non-current assets</b>		<u>7,583</u>	<u>6,832</u>	<u>6,829</u>
<b>CURRENT ASSETS</b>				
Cash and cash equivalents		277	588	198
Trade and other receivables		6	24	26
Other		19	11	5
<b>Total current assets</b>		<u>302</u>	<u>623</u>	<u>229</u>
<b>TOTAL ASSETS</b>		<u>7,885</u>	<u>7,455</u>	<u>7,058</u>
<b>CURRENT LIABILITIES</b>				
Trade and other payables		(50)	(72)	(96)
Provisions		0	(22)	(8)
Interest-bearing liabilities		(7)	(16)	(16)
<b>Total current liabilities</b>		<u>(57)</u>	<u>(110)</u>	<u>(120)</u>
<b>NON-CURRENT LIABILITIES</b>				
Interest-bearing liabilities		(16)	(57)	(51)
<b>Total non-current liabilities</b>		<u>(16)</u>	<u>(57)</u>	<u>(51)</u>
<b>Total liabilities</b>		<u>(73)</u>	<u>(167)</u>	<u>(171)</u>
<b>NET ASSETS</b>		<u>7,812</u>	<u>7,288</u>	<u>6,887</u>
<b>EQUITY</b>				
Issued share capital		649	448	514
Share premium		7,144	6,706	6,860
Foreign exchange reserve		2,524	1,375	1,484
Merger reserve		1,634	1,634	1,634
Option revaluation reserve		10	872	10
Retained losses		(4,149)	(3,747)	(3,615)
<b>TOTAL EQUITY</b>		<u>7,812</u>	<u>7,288</u>	<u>6,887</u>

**Consolidated Cash Flow Statement**

For the 6 months ended 31 December 2009

Note	£'000 Six months ended 31 December 2009 (Unaudited)	£'000 Six months ended 31 December 2008 (Unaudited)	£'000 Year ended 30 June 2009 (Audited)
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Operating Loss	(600)	(537)	(1,286)
Decrease in trade and other receivables	6	8	12
Increase/(decrease) in trade and other payables	(63)	(32)	(22)
Depreciation	14	21	28
Exploration expenditure written off	209	-	254
Share options expensed	-	10	10
Unrealised exchange loss/(gain)	67	(24)	(3)
Sundry Income	62	13	29
Profit/(Loss) on sale of fixed assets	(1)	-	(2)
<b>Net cash outflow from operating activities</b>	<b>(306)</b>	<b>(541)</b>	<b>(980)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Interest Received	4	24	27
Proceeds from sale of equipment	24	13	16
Proceeds from sale surplus development expenditure	160	-	-
Purchase of property, plant and equipment	-	(8)	(6)
Payments for mine development expenditure	(16)	(116)	(114)
Payments for exploration expenditure	(162)	(84)	(254)
<b>Net cash inflow/(outflow) from investing activities</b>	<b>10</b>	<b>(171)</b>	<b>(331)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Issue of ordinary share capital	419	-	220
Share issue costs	-	-	-
Repayment of borrowings	(44)	(21)	(32)
<b>Net cash inflow/(outflow) from financing activities</b>	<b>375</b>	<b>(21)</b>	<b>188</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>79</b>	<b>(733)</b>	<b>(1,123)</b>
Cash and cash equivalents at the beginning of period	198	1,321	1,321
<b>Cash and cash equivalents at the end of period</b>	<b>277</b>	<b>588</b>	<b>198</b>

**Consolidated Statement of Changes in Equity**

For the 6 months ended 31 December 2009

	<b>Issued share capital £'000</b>	<b>Share premium £'000</b>	<b>Retained earnings £'000</b>	<b>Foreign Currency Translation Reserve £'000</b>	<b>Merger Reserve £'000</b>	<b>Option Reserve £'000</b>	<b>Total £'000</b>
<b>At 1 July 2008</b>	448	6,706	(3,247)	1,443	1,634	862	7,846
Total Comprehensive Income for the period	-	-	(500)	(68)	-	10	(558)
Shares issued	-	-	-	-	-	-	-
<b>At 31 December 2008</b>	<b>448</b>	<b>6,706</b>	<b>(3,747)</b>	<b>1,375</b>	<b>1,634</b>	<b>872</b>	<b>7,288</b>
<b>At 1 July 2008</b>	448	6,706	(3,247)	1,443	1,634	862	7,846
Total Comprehensive Income for the period	-	-	(368)	41	-	(852)	(1,179)
Shares issued	66	154	-	-	-	-	220
<b>At 30 June 2009</b>	<b>514</b>	<b>6,860</b>	<b>(3,615)</b>	<b>1,484</b>	<b>1,634</b>	<b>10</b>	<b>6,887</b>
<b>At 1 July 2009</b>	514	6,860	(3,615)	1,484	1,634	10	6,887
Total Comprehensive Income for the period	-	-	(534)	1,040	-	-	506
Shares issued	135	284	-	-	-	-	419
<b>At 31 December 2009</b>	<b>649</b>	<b>7,144</b>	<b>(4,149)</b>	<b>2,524</b>	<b>1,634</b>	<b>10</b>	<b>7,812</b>

**Notes to the Half-yearly Report**  
For the 6 months ending 31 December 2009

**1. PRINCIPAL ACCOUNTING POLICIES**

**(a) Presentation of Half-yearly results**

This half-yearly report was approved by the Directors on 26 February 2010. The half-yearly results have not been audited, but were the subject of an independent review carried out by the Company's auditors, Chapman Davis LLP. Their review confirmed that the figures were prepared using applicable accounting policies and practices consistent with those adopted in the 2009 annual report and to be adopted in the 2010 annual report. The financial information contained in this half-yearly report does not constitute statutory accounts as defined by Section 435 of the Companies Act 2006.

The half-yearly report has been prepared under the historical cost convention.

The Directors acknowledge their responsibility for the half-yearly report and confirm that, to the best of their knowledge, the interim consolidated financial statements for the six months ended 31 December 2009 have been prepared in accordance with International Financial Reporting Standards, including IAS 34 "Interim Financial Statements", and complies with the listing requirements for companies trading securities on the AIM market. This half-year report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report should be read in conjunction with the annual report for the year ended 30 June 2009.

The Directors are of the opinion that ongoing evaluations of the Company's interests indicate that preparation of the accounts on a going concern basis is appropriate.

**(b) 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 inter-company balances and transactions have been eliminated in full.

**2. LOSS PER SHARE**

	<b>£,000</b> <b>Six months</b> <b>ended</b> <b>31</b> <b>December</b> <b>2009</b> <b>(Unaudited)</b>	<b>£,000</b> <b>Six months</b> <b>ended</b> <b>31</b> <b>December</b> <b>2008</b> <b>(Unaudited)</b>	<b>£,000</b> <b>Year</b> <b>ended</b> <b>30</b> <b>June</b> <b>2009</b> <b>(Audited)</b>
<b>Basic loss per share for the period:</b>			
Loss	(534)	(500)	(1,230)
Weighted average number of shares	213,377,748	149,470,949	159,236,518
Loss per share - pence	(0.25)	(0.33)	(0.77)

No diluted loss per share is presented as the effect of exercise of outstanding options is to decrease the loss per share.

**Notes to the Half-yearly Report**  
*For the 6 months ending 31 December 2009*

**3. PROPERTY, PLANT AND EQUIPMENT**

As at 31 December 2009 the group assets had a cost of £124,000 (six months ending 31 December 2008: £168,000). This comprised of motor vehicles and other equipment amounting to £56,000 and £68,000 respectively. The net book values at 31 December 2009 are £28,000 for motor vehicles and £18,000 for other equipment.

**4. SHARE-BASED PAYMENTS**

There were no grants of options made during the 6 months ended 31<sup>st</sup> December, 2009.

Existing options granted to the Directors are:-

<u>Number</u>	<u>Grant Date</u>	<u>Expiry Date</u>	<u>Exercise Price</u>
5,000,000	24 November 2008	15 September 2011	AUS\$0.18

**5. POST BALANCE SHEET EVENTS**

During February 2010 the Company raised £140,000 by the placing of 16.67 million shares to sophisticated investors at 1.5 cents AUD per share. This raising is to used to search for and evaluate new projects to supplement the Molyhil tungsten and molybdenum project which is on hold due to depressed metal prices.

On 25<sup>th</sup> February, 2010 the Directors announced that an expansion of the Company exploration emphasis had commenced with the acquisition of the Dundas gold exploration project in the broader Norseman area south-east of Kalgoorlie in Western Australia. The Company has entered into a terms sheet for the staged acquisition of 3 tenements covering 340 square kilometres. The terms of the acquisition provide for the purchase of an initial 51% interest in the tenements for AUD\$100,000 (payable following the execution of formal agreements); an option to acquire separate interests of 9% (in return for the issue to Vendors of 45 million fully paid ordinary shares in Thor), followed by an option to acquire 20% (for an issue to Vendors of AUD\$2,000,000 worth of Thor fully paid shares) and then an option to acquire the final 20% (for the issue of a further AUD\$2,000,000 equivalent in Thor fully paid shares), subject to Thor meeting exploration expenditure targets and shareholder approval.

**Notes to the Half-yearly Report**  
For the 6 months ending 31 December 2009

**6. TURNOVER AND SEGMENTAL ANALYSIS - GROUP**

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

The analysis of operating loss before taxation and the net assets employed by geographical segment of operations is shown below:

<b>By geographical area</b>			
<b>6 months ended 31 December 2009</b>	<b>UK</b>	<b>Australia</b>	<b>Total</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<b>Result</b>			
Operating loss	(85)	(515)	(600)
Investment revenue	-	4	4
Other income	-	62	62
Loss before and after tax	(85)	(449)	(534)
<b>Other information</b>	<b>UK</b>	<b>Australia</b>	<b>Total</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Depreciation	-	14	14
Capital additions	-	-	-
<b>Assets</b>	<b>UK</b>	<b>Australia</b>	<b>Total</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Segment assets	-	7,583	7,583
Financial assets	-	25	25
Cash	162	115	277
Consolidated total assets	162	7,723	7,885
<b>Liabilities</b>	<b>UK</b>	<b>Australia</b>	<b>Total</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Segment liabilities	-	-	-
Financial liabilities	12	61	73
Consolidated total liabilities	12	61	73

**Notes to the Half-yearly Report**  
For the 6 months ending 31 December 2009

**6 Turnover and segmental analysis – Group (continued)**

**By geographical area**  
**6 Months ended 31 December 2008**

	<b>UK £'000</b>	<b>Australia £'000</b>	<b>Total £'000</b>
<b>Result</b>			
Operating loss	(337)	(200)	(537)
Investment revenue	5	19	24
Other income	-	13	13
Loss before and after tax	<u>(332)</u>	<u>(168)</u>	<u>(500)</u>

**Other information**

	<b>UK £'000</b>	<b>Australia £'000</b>	<b>Total £'000</b>
Depreciation	-	21	21
Capital additions	1	154	155

**Assets**

	<b>UK £'000</b>	<b>Australia £'000</b>	<b>Total £'000</b>
Segment assets	3	6,829	6,832
Financial assets	10	25	35
Cash	280	308	588
Consolidated total assets	<u>293</u>	<u>7162</u>	<u>7,455</u>

**Liabilities**

	<b>UK £'000</b>	<b>Australia £'000</b>	<b>Total £'000</b>
Segment liabilities	-	-	-
Financial liabilities	12	155	167
Consolidated total liabilities	<u>12</u>	<u>155</u>	<u>167</u>

**Thor Mining PLC  
Company Information**

**Directors** Mick Billing (*Executive Chairman*)  
Michael Ashton (Non-executive Director)  
Greg Durack (Non-executive Director)  
Norman Gardner (Non-executive Director)

**Secretary** Stephen F Ronaldson (United Kingdom)  
Laurie Ackroyd (Australia)

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**Shareholder Enquires** Laurie Ackroyd  
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Shareholders are encouraged to register on the Company's website to receive updates by email.

**Web site:** [www.thormining.com](http://www.thormining.com)

**Nominated Adviser and Broker** Daniel Stewart & Co.plc  
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Telephone: + 44 (0) 20 7776 6550  
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**Auditors** Chapman Davis LLP  
London

**Solicitors** Ronaldsons  
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