

Date: 23 August 2016

Ms Belinda Mai
Senior Adviser, Listings Compliance
ASX Compliance Pty Limited
20 Bridge Street
Sydney NSW 2000

By email: belinda.mai@asx.com.au

Dear Ms Mai

Thor Mining PLC (the "Entity"): ASX Appendix 5B Query

We refer to your letter dated 18 August 2016 and respond as follows:

1. Does the Entity expect that it will continue to have negative operating cash flows for the time being and, if not, why not?

Consistent with other mineral exploration companies, the Entity expects that it will continue to have negative operating cash flows.

2. Has the Entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

As noted in the Appendix 5B released on 29 July 2016:

- at 30 June 2016, £41,600 is the outstanding receivable from the recent share issue. £21,600 of this was received in July, with the remaining £20,000 expected to be received in August.
- The final instalment of \$1.5m from the sale of Spring Hill is due to be received by Thor in February 2017.

Further to the second point above, the Entity is in discussions with the purchaser of Spring Hill, with a view to negotiating an early settlement of the \$1.5m. Alternatively the Entity is considering other forms of finance secured on the outstanding instalment.

The Entity is also considering other options that address the cash balance. The Entity is confident a process will be successful and the Entity will make an announcement in accordance with its continuous disclosure obligations under Listing Rule 3.1 when appropriate.

THOR MINING PLC

Registered Numbers:
United Kingdom 05 276 414
Australia 121 117 673

Registered Office:
58 Galway Avenue,
MARLESTON SA, 5033
Australia

Postal Address:
PO BOX 458
MARLESTON SA, 5033
Australia

Ph: +61 8 7324 1935
Fax: +61 8 8351 5169

Email:
corporate@thormining.com

Website:
www.thormining.com

Enquiries:

Mick Billing
Executive Chairman
Thor Mining PLC
+61 8 7324 1935

Nominated Advisor
Colin Aaronson
Grant Thornton
+44 (0) 20 7383 5100

ASX Listings:
Shares: THR

AIM Listings:
Shares: THR

Directors:
Michael Billing
Michael Ashton
Trevor Ireland
David Thomas
Gervaise Heddle

Projects:

- **Tungsten**
Molyhil NT
Pilot Mountain USA
- **Gold**
Dundas WA

Date: 23 August 2016

3. Does the Entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

The Entity's core business objective is the exploration for and potential development of tungsten deposits in Australia and internationally.

The Entity expects to continue operations and meet the above business objective on the basis of:

- available cash of \$0.3m as at 30 June 2016;
- the subsequent receipt of £41,600 (A\$71,000) outstanding as at 30 June 2016 from the Entity's recent placement;
- the \$1.5m instalment due in February 2017, that provides the Entity ability to leverage other financing alternatives in the shorter term;
- continued monitoring and control of discretionary expenditure (not all of the planned expenditure for the next quarter is committed expenditure); and
- other options being considered by the Entity to address cash balance.

4. Can the Entity confirm that it is in compliance with Listing Rule 3.1 and that there is no information that should be given to ASX about its financial condition in accordance with that Rule that has not already been released to the market?

The Entity confirms that it is in compliance with the Listing Rules and in particular Listing Rule 3.1.

Please also provide any other information that the Entity considers may be relevant to ASX forming an opinion on whether the Entity is in compliance with Listing Rule 12.2.

Listing Rule 12.2: "An entity's financial condition (including operating results) must, in ASX's opinion, be adequate to warrant the continued quotation of its securities and its continued listing."

The Entity has provided all information relevant to the ASX forming an opinion under Listing Rule 12.2.

Sincerely,



Mr Michael Billing
Executive Chairman



18 August 2016

Mr Ray Ridge
Company Secretary
THOR Mining plc

By email: rridge@thormining.com

Dear Mr Ridge,

Thor Mining plc (the “Entity”): ASX Appendix 5B Query

I refer to the Entity’s quarterly report in the form of Appendix 5B for the period ended 30 June 2016 lodged with ASX Market Announcements Platform on 29 July 2016 (the “Appendix 5B”).

ASX notes that the Entity has reported:

- negative net operating cash flows for the quarter of \$168,000
- cash at the end of the quarter of \$307,000 and
- estimated cash outflows for the next quarter of \$390,000.

It is possible to conclude on the basis of the information provided in the Appendix 5B that if the Entity were to continue to expend cash at the rate for the quarter (and at the rate estimated for the next quarter) indicated by the Appendix 5B, the Entity may not have sufficient cash to continue funding its operations. In view of that, please respond to each of the following questions:

1. Does the Entity expect that it will continue to have negative operating cash flows for the time being and, if not, why not?
2. Has the Entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?
3. Does the Entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?
4. Can the Entity confirm that it is in compliance with Listing Rule 3.1 and that there is no information that should be given to ASX about its financial condition in accordance with that Rule that has not already been released to the market?

Please also provide any other information that the Entity considers may be relevant to ASX forming an opinion on whether the Entity is in compliance with Listing Rule 12.2.

When and where to send your response

This request is made under, and in accordance with Listing Rule 18.7. Your response is required as soon as reasonably possible and, in any event, by not later than 9:03am AEST, Thursday 25 August 2016. If we do not have your response by then, ASX will have no choice but to consider suspending trading in the Entity’s securities under Listing Rule 17.3.

For personal use only

You should note that if the information requested by this letter is information required to be given to ASX under Listing Rule 3.1 and it does not fall within the exceptions mentioned in Listing Rule 3.1A, the Entity's obligation is to disclose the information "immediately". This may require the information to be disclosed before the deadline set out in the previous paragraph.

ASX reserves the right to release a copy of this letter and your response on the ASX Market Announcements Platform under Listing Rule 18.7A. Accordingly, your response should be in a form suitable for release to the market.

Your response should be sent to me by e-mail at belinda.mai@asx.com.au. It should not be sent directly to the ASX Market Announcements Office. This is to allow me to review your response to confirm that it is in a form appropriate for release to the market, before it is published on the ASX Market Announcements Platform.

Listing Rule 3.1

Listing Rule 3.1 requires a listed entity to give ASX immediately any information concerning it that a reasonable person would expect to have a material effect on the price or value of the entity's securities. Exceptions to this requirement are set out in Listing Rule 3.1A.

The obligation of the Entity to disclose information under Listing Rules 3.1 and 3.1A is not confined to, nor is it necessarily satisfied by, answering the questions set out in this letter.

In responding to this letter, you should have regard to the Entity's obligations under Listing Rules 3.1 and 3.1A and also to Guidance Note 8 *Continuous Disclosure: Listing Rules 3.1 – 3.1B*.

Trading halt

If you are unable to respond to this letter by the time specified above, you should discuss with us whether it is appropriate to request a trading halt in the Entity's securities under Listing Rule 17.1.

If you wish to request a trading halt, you must tell us:

- the reasons for the trading halt;
- how long you want the trading halt to last;
- the event you expect to happen that will end the trading halt;
- that you are not aware of any reason why the trading halt should not be granted; and
- any other information necessary to inform the market about the trading halt, or that we ask for.

We may require the request for a trading halt to be in writing. The trading halt cannot extend past the commencement of normal trading on the second day after the day on which it is granted.

You can find further information about trading halts in Guidance Note 16 *Trading Halts & Voluntary Suspensions*.

If you have any queries or concerns about any of the above, please contact me immediately.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Belinda Mai', written in a cursive style.

Belinda Mai
Senior Listings Adviser
P: 02 9227 0469
E: belinda.mai@asx.com.au

For personal use only