

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about the contents of this document or what action you should take you are recommended to seek your own financial advice immediately from your stockbroker, solicitor, accountant or other independent adviser authorised under the Financial Services and Markets Act 2000 who specialises in advising on the acquisition of shares and other securities before taking any action. The whole of this document should be read. You should be aware that an investment in the Company involves a high degree of risk and prospective investors should carefully consider the section entitled "Risk Factors" set out in Part 3 of this document.

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**MINING PLC**

*(Incorporated in England and Wales with Registered Number 05276414)*

*(ARBN 121 117 673)*

**Placing of up to 200,000,000 New Shares at 0.7 pence per share and at AUD0.01225  
per CDI with up to 100,000,000 free attaching Warrants**  
**Open Offer of up to 200,000,000 New Shares at 0.7 pence per share and at AUD0.01225  
per CDI with up to 100,000,000 free attaching Warrants**  
**Acquisition of the Dundas Project**  
**and**  
**Notice of General Meeting**

*Nominated Adviser and Broker*

**DANIEL STEWART & COMPANY PLC**

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**UK Notes**

**This document does not comprise a prospectus in the UK within the meaning of the Prospectus Rules and, pursuant to section 85 of the Financial Services and Markets Act 2000 (as amended), has not been drawn up in accordance with the Prospectus Rules. This document has not been approved by the Financial Services Authority or by any other authority in any jurisdiction.**

If you have sold or transferred all of your Existing Shares on or before the Record Date, please send this document, together with the Form of Proxy to the purchaser or transferee or to the stockbroker, bank or other agent through whom the sale or transfer was effected, for transmission to the purchaser or transferee. If you have sold part of your holding of Existing Shares on or before the Record Date, you should immediately contact your stockbroker, bank or other agent through whom the sale was effected.

The Directors, whose names appear on page 7 of this document, and the Company accept responsibility, both individually and collectively, for the information contained in this document. To the best of the knowledge of the Directors, who have taken all reasonable care to ensure that such is the case, the information contained in this document is in accordance with the facts and contains no omission likely to affect the import of such information. In connection with this document and/or the Placing and Offer, no person is authorised to give any information or make any representations other than as contained in this document and if given or made, such information or representation must not be relied upon as having been so authorised.

The Company's Ordinary Shares are currently admitted to trading on AIM. Application will be made to the London Stock Exchange for the New Shares to be admitted to trading on AIM and for the New CDIs and CDI Warrants to be traded on the ASX. It is expected that Admission will become effective, and dealings for normal settlement in the New Shares will commence, at 8.00 a.m. on 28 July 2010. The New Shares will not be dealt in, or on, any other recognised investment exchange and no other such application will be made, save as set out below in relation to ASX.

**AIM is a market designed primarily for emerging or smaller companies to which a higher investment risk tends to be attached than to larger or more established companies. AIM securities are not admitted to the Official List of the UK Listing Authority. A prospective investor should be aware of the risks of investing in such companies and should make the decision to invest only after careful consideration and, if appropriate, consultation with an independent financial adviser. Each AIM company is required, pursuant to the AIM Rules for Companies, to have a nominated adviser. The nominated adviser is required to make a declaration to the London Stock Exchange on admission in the form set out in Schedule Two to the AIM Rules for Nominated Advisers. Neither the London Stock Exchange nor the UKLA has examined or approved the contents of this document.**

**The AIM Rules are less demanding than those of the Official List. It is emphasised that no application is being made for admission of the Existing Shares or the New Shares to the Official List. Neither the Existing Shares nor the New Shares will be dealt on any other recognised investment exchange and no other such application will be made, save as set out below in relation to ASX.**

**Australian Notes**

**This document is dated 28 June 2010 and was lodged with ASIC on this date. ASIC and ASX take no responsibility for the contents of this document.**

**No Securities will be issued pursuant to this document later than 13 months after the date of this document.**

**This document has been prepared in accordance with section 713 of the Australian Corporations Act. This document does not contain the same level of disclosure as an initial public offering prospectus in Australia.**

The Company has been listed on ASX since 27 September 2006. During this time, the Company has been subject to disclosure requirements under the ASX Listing Rules and has provided ASX with information regarding its activities, which is publicly available. This document is intended to be read in conjunction with that publicly available information.

The Company's CDIs are currently admitted to trading on the ASX and application will be made for the official quotation of New CDIs and CDI Warrants on the ASX within 7 days of the date of this document. If ASX does not grant official quotation of the New CDIs within three months after the date of this document, or within such longer period as the Corporations Act permits, the Company will not allot or issue any Offer Shares in respect of Security Holders seeking Offer Shares represented in the form of New CDIs and will return all Application Monies received from those Security Holders as soon as practicable without interest. The quotation of CDI Warrants is conditional on satisfaction of ASX's requirements for quotation of a new class of securities. If quotation is not granted to the CDI Warrants, these CDI Warrants will be unquoted.

The Offer made to Security Holders with registered addresses in Australia or New Zealand may only be accepted on the basis that the Offer Shares issued in respect of the relevant application will be represented by New CDIs with one free attaching CDI Warrant for every two CDIs subscribed for.

**For Australian and New Zealand purposes "Warrants" are the same as "options".**

**Warning Statement for New Zealand investors**

The Offer to New Zealand investors is a regulated offer made under Australian and New Zealand law. In Australia, this is Chapter 8 of the Corporations Act 2001 and Regulations. In New Zealand, this is Part 5 of the Securities Act 1978 and the Securities (Mutual Recognition of Securities Offerings — Australia) Regulations 2008. The Offer and the content of this document are principally governed by Australian rather than New Zealand law. In the main, the Corporations Act 2001 and Regulations (Australia) set out how the offer must be made. There are differences in how securities are regulated under Australian law. For example, the disclosure of fees for collective investment schemes is different under the Australian regime. The rights, remedies, and compensation arrangements available to New Zealand investors in Australian securities may differ from the rights, remedies, and compensation arrangements for New Zealand securities.

Both the Australian and New Zealand securities regulators have enforcement responsibilities in relation to this offer.

If you need to make a complaint about the Offer, please contact the Securities Commission, Wellington, New Zealand. The Australian and New Zealand regulators will work together to settle your complaint. The taxation treatment of Australian securities is not the same as for New Zealand securities. If you are uncertain about whether this investment is appropriate for you, you should seek the advice of an appropriately qualified financial adviser. The Offer may involve a currency exchange risk. The currency for the securities is not New Zealand dollars. The value of the securities will go up or down according to changes in the exchange rate between that currency and New Zealand dollars. These changes may be significant.

If you expect the securities to pay any amounts in a currency that is not New Zealand dollars, you may incur significant fees in having the funds credited to a bank account in New Zealand in New Zealand dollars. If the securities are able to be traded on a securities market and you wish to trade the securities through that market, you will have to make arrangements for a participant in that market to sell the securities on your behalf. If the securities market does not operate in New Zealand, the way in which the market operates, the regulation of participants in that market, and the information available to you about the securities and trading may differ from securities markets that operate in New Zealand.

The New Shares will, following allotment, rank *pari passu* in all respects with the Existing Shares including the right to receive all dividends and other distributions declared made or paid on the Ordinary Share capital of the Company.

Daniel Stewart & Company plc, which is authorised and regulated in the United Kingdom by the Financial Services Authority and is a member of the London Stock Exchange, is acting exclusively as the Company's nominated adviser for the purposes of the AIM Rules and no-one else in connection with the Placing, the Offer and the Admission and will not be responsible to anyone other than the Company for providing the protections afforded to customers of Daniel Stewart or for providing advice to any other person in relation to the contents of this document, the Placing, the Offer, Admission or any other matter referred to herein. Daniel Stewart is not making any representation or warranty, express or implied, and takes no responsibility for the contents of this document or for the General Meeting.

A letter from the Chairman of the Company is set out on pages 13 to 28 of this document which contains a unanimous recommendation from the Directors (other than Mr Trevor Ireland in relation to Resolution 4, each of the Directors in relation to Resolution 5 and each of the Directors other than Mr Trevor Ireland in relation to Resolution 6 respectively) that they vote in favour of the Resolutions to be proposed at the General Meeting. Notice of a General Meeting of Thor Mining PLC to be held at the offices of Daniel Stewart, Becket House, 36 Old Jewry, London EC2R 8DD at 11.00 a.m. on 22 July 2010 to propose the resolutions *inter alia* required to effect the exercise the Stage One Option in relation to the Dundas Project, the Placing and the Offer and to ratify previous placings of securities is set out at the end of this document. All Shareholders are urged to complete and return the enclosed Form of Proxy, whether or not they intend to be present at the meeting, in accordance with the instructions printed thereon to the Company's Registrars, Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS13 8AE as soon as possible, but in any event, so as to arrive no later than 11.00 a.m. on 20 July 2010, whether or not they propose to be present at the General Meeting. CDI Holders may vote by directing CDN to cast proxy votes in the manner directed in the enclosed CDI Voting Instruction Form. CDI Holders can attend the General Meeting, but will not be able to vote personally at the General Meeting. CDI Holders are requested to complete, sign and return the enclosed CDI Voting Instruction Form in accordance with the instructions on that form.

The release, publication or distribution of this document in or outside the UK, Australia and New Zealand may be restricted by law. Persons who come into possession of this document should inform themselves about and observe any applicable restrictions or requirements in their particular jurisdiction. Failure to comply with these restrictions may constitute a violation of the securities laws of such jurisdiction. No action has been taken by the Company or Daniel Stewart that would permit possession or distribution of this document in any jurisdiction (including the United Kingdom) where action for that purpose is required.

**This document is being sent to all Security Holders, but for those Security Holders who are not Eligible Security Holders it is being sent to them for information purposes only to enable them to exercise their rights as Security Holders vis-à-vis the General Meeting to be held.**

This document does not constitute an offer to sell, or the solicitation of an offer to subscribe for or buy shares to any person in any jurisdiction to whom or in which such offer or solicitation is unlawful. The Existing Shares and the New Shares have not been, and will not be, registered under the United States Securities Act of 1933, as amended, or under the securities legislation of any state of the United States. The relevant clearances have not been, and will not be, obtained from the Securities Commission of any province or territory of Canada; no document in relation to the Placing or the Offer has been, or will be, lodged with, or registered by, the South African Securities and Investments Commission; and no registration statement has been, or will be, filed with the Japanese Ministry of Finance in relation to the Placing or the Offer. Subject to certain exceptions, the New Shares may not, directly or indirectly, be offered or sold within the United States or the Excluded

Territories or offered or sold to a person within the United States or the Excluded Territories. Any failure to comply with these restrictions may constitute a violation of the securities law of any jurisdiction.

It is the responsibility of any person receiving a copy of this document outside the United Kingdom, Australia and New Zealand to satisfy themselves as to the full observance of the laws and regulatory requirements of the relevant territory in connection therewith, including obtaining any governmental or other consents which may be required or observing any other formalities required to be observed in such territory and paying any other issue, transfer or other taxes due in such other territory. Persons (including, without limitation, nominees and trustees) receiving this document and/or an Application Form should not, in connection with the Offer, distribute or send this document or Application Form into any jurisdiction when to do so would, or might contravene local securities laws or regulations.

**Forward looking statements**

All statements, other than statements of historical fact, contained in this document constitute “forward-looking statements”. In some cases forward-looking statements can be identified by terms such as “may”, “intend”, “might”, “will”, “should”, “could”, “would”, “believe”, “anticipate”, “expect”, “estimate”, “predict”, “project”, “potential”, or the negative of these terms, and similar expressions. Such forward-looking statements are based on assumptions and estimates and involve risks, uncertainties and other factors that may cause the actual results, financial condition, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. New factors may emerge from time to time that could cause the Company’s business not to develop as it expects, and it is not possible for the Company to predict all such factors. Given these uncertainties, prospective investors are cautioned not to place any undue reliance on such forward-looking statements except as required by law. The Company disclaims any obligation to update any such forward-looking statements in this document to reflect future events or developments.

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## EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Lodgement of this document with ASIC and ASX in Australia	28 June 2010
Circular posted to Shareholders and Security Holders	2 July 2010
Record Date for the Offer	close of business on Monday 28 June 2010
Latest time and date for receipt of Forms of Proxy	11.00 a.m. on Tuesday 20 July 2010
Latest time and date for receipt of the CDI Voting Instruction Form	8.00 p.m. on Monday 19 July 2010 (AEST)
Latest time and date for receipt of Application Form	5.00 p.m. on Monday 19 July 2010
General Meeting	11.00 a.m. on Thursday 22 July 2010
Announcement of results of the Offer through an announcement on a RNS and on the ASX	22 July 2010
Admission and dealings in the New Shares on AIM expected to commence on	Wednesday 28 July 2010
Expected date on which CREST accounts are to be credited with New Shares	Wednesday 28 July 2010
Definitive share certificates for the New Shares expected to be despatched (if appropriate) by	30 July 2010
Expected date for the despatch of holding statements for New CDIs	by 27 July 2010 (AEST)
Expected date that trading in New CDIs will commence	Wednesday 28 July 2010 (AEST)

***References to time in this document and the Notice of the General Meeting are to British Summer Time unless otherwise specified***

## KEY STATISTICS

Number of Existing Ordinary Shares	243,223,763
Number of outstanding Options	4,000,000
Number of outstanding Warrants	5,000,000
Placing Price	0.7 pence

***Assuming the maximum number of new Ordinary Shares are subscribed pursuant to the Placing and Offer and no options or Warrants exercised:***

Number of Placing Shares	200,000,000
Number of Offer Shares	200,000,000
Number of New Shares	400,000,000
Number of Warrants	205,000,000
Number of Ordinary Shares in issue at Admission of the New Shares	643,223,763
Market capitalisation of the Company on Admission of the New Shares at the Placing Price/Offer Price	£4.5 million
Percentage of the Enlarged Share Capital represented by the Placing Shares	31.1%
Percentage of the Enlarged Share Capital represented by the Offer Shares	31.1%
Percentage of the Enlarged Share Capital represented by the New Shares	62.1%
Estimated gross proceeds of the Placing and Offer	£2,800,000
Estimated net proceeds of the Placing and Offer	£2,575,000

***Assuming no new Ordinary Shares are subscribed pursuant to the Offer:***

Number of Placing Shares	200,000,000
Number of Offer Shares	NIL
Number of New Shares	200,000,000
Number of Warrants	105,000,000
Number of Ordinary Shares in issue at Admission of the New Shares	443,223,763
Market capitalisation of the Company on Admission of the New Shares at the Placing Price	£3.1 million
Percentage of the Enlarged Share Capital represented by the Placing Shares	45.1%
Estimated gross proceeds of the Placing	£1,400,000
Estimated net proceeds of the Placing	£1,175,000

## IMPORTANT NOTICE

**FOR AUSTRALIAN AND NEW ZEALAND PURPOSES “WARRANTS” ARE THE SAME AS “OPTIONS”**

## DIRECTORS, SECRETARIES AND ADVISERS

<b>Directors</b>	Michael Robert Billing <i>(Executive Chairman)</i> Michael Kevin Ashton <i>(Non-executive Director)</i> Gregory Michael Durack <i>(Non-executive Director)</i> Norman Wayne Gardner <i>(Non-executive Director)</i> Trevor John Ireland <i>(Non-executive Director)</i>	
	<b>In UK</b>	<b>In Australia</b>
<b>Registered Office and Directors' business address</b>	55 Gower Street London WC1E 6HQ	Level 1 26 Greenhill Road Wayville, South Australia Australia 5034
<b>Company Secretaries</b>	Stephen Frank Ronaldson	Laurence (Laurie) Ackroyd
<b>Website</b>	<a href="http://www.thormining.com">www.thormining.com</a>	<a href="http://www.thormining.com">www.thormining.com</a>
<b>Nominated Adviser and Broker to the Company</b>	Daniel Stewart & Company Plc Becket House 36 Old Jewry London EC2R 8DD	
<b>Auditors to the Company</b>	Chapman Davis LLP 2 Chapel Court London SE1 1HH	
<b>Solicitors to the Company</b>	Ronaldsons LLP 55 Gower Street London WC1E 6HQ	Watson Lawyers Ground Floor 60 Hindmarsh Square Adelaide SA 5000
<b>Geological Consultants</b>	Not applicable	CSA Global Pty Ltd Level 1, 47 Burswood Road Burswood WA 6100 Australia
<b>Registrars</b>	Computershare Investor Services PLC The Pavilions Bridgwater Road Bristol BS99 6ZY	Computershare Investor Services Pty Ltd Level 2, 45 St Georges Terrace Perth Western Australia 6000
<b>Receiving Agents</b>	Computershare Investor Services PLC Corporate Actions Projects Bristol BS99 6AH	Computer Share Investor Services Pty Ltd Level 2, 45 St Georges Terrace Perth Western Australia 6000

## DEFINITIONS

In this document and in the accompanying Form of Proxy, CDI Voting Instruction Form and Application Form the following words and expressions shall, except where the context requires otherwise, have the following meanings:

<b>“Act”</b>	the Companies Act 2006 of the UK (as amended or replaced from time to time)
<b>“Acquisition”</b>	the acquisition of a 51% interest in each of the Tenements comprising the Dundas Project
<b>“Admission”</b>	the admission of the New Shares to trading on AIM and such admission becoming effective in accordance with the AIM Rules
<b>“AEST”</b>	Australian Eastern Standard Time
<b>“Agents”</b>	Ontario Pty Ltd (ACN 007 294 162) and Millwest Investments Pty Ltd (ACN 098 422 809)
<b>“AIM”</b>	the AIM market of the London Stock Exchange
<b>“AIM Rules”</b>	together, and as amended from time to time, the AIM Rules for Companies and the AIM Rules for Nominated Advisers, governing admission to and the operation of AIM, as published by the London Stock Exchange
<b>“Applicant”</b>	an Eligible Security Holder making an application under the Offer
<b>“Application Form”</b>	the application form relating to the Offer and enclosed with this document for use by Applicants
<b>“Application Monies”</b>	is the money received for the Offer Shares or Offer CDIs from the Eligible Security Holders
<b>“Articles”</b>	the articles of association of the Company
<b>“ASX”</b>	ASX Limited ACN 008 624 691 or the Australian Securities Exchange operating by ASX Limited (as the context requires)
<b>“ASX Listing Rules”</b>	the listing rules of the ASX as amended from time to time
<b>“ASIC”</b>	Australian Securities and Investments Commission
<b>“AUD”</b>	Australian dollars
<b>“AWST”</b>	Australian Western Standard Time
<b>“Australian Corporations Act”</b>	the Corporations Act 2001 (Cth) of Australia as amended from time to time
<b>“Board” or “Directors”</b>	the board of directors of the Company whose names appear on page 7 of this document
<b>“BST”</b>	British Summer Time
<b>“certificated” or “in certificated form”</b>	the description of a share or other security which is not in uncertificated form (that is, not in CREST, CHESS or the issuer sponsored sub registry in Australia)
<b>“CDI”</b>	Chess Depository Interest, being a unit of beneficial ownership of a Share legally held by a CDN
<b>“CDI Holder”</b>	a holder of CDIs



<b>“CDI Warrant”</b>	a free warrant (known as an “option” in Australia and New Zealand) to subscribe for one CDI for every 2 New CDIs subscribed for exercisable at AUD0.02625 pursuant to the Placing or the Offer and expiring on 31 March 2012 and otherwise granted on the terms set out in Part 5
<b>“CDI Voting Instruction Form”</b>	the voting instruction form for use by the Existing CDI Holders in connection with the GM
<b>“CDN”</b>	CHES Depositary Nominees Pty Ltd (ACN 071 346 506)
<b>“CHES”</b>	the Clearing House Electronic Sub register System operated by ASX Settlement and Transfer Corporation Pty Ltd (ACN 008 504 532)
<b>“Closing Date”</b>	the date on which the Offer will close being, 5.00 p.m. on Monday 19 July 2010 in London or 5.00 p.m. (AWST) on Monday 19 July 2010 in Australia, or such later time and date as the Directors and Daniel Stewart may agree
<b>“City Code”</b>	the City Code on Takeovers and Mergers
<b>“CREST”</b>	the relevant system (as defined in the CREST Regulations) for the paperless settlement of trades and the holding of uncertificated securities, operated by Euroclear, in accordance with the Uncertificated Securities Regulations 2001 (SI 2001 No. 3785)
<b>“CREST Regulations”</b>	the Uncertificated Securities Regulations 2001 (SI 2001 No.1/3755) (as amended)
<b>“Daniel Stewart”</b>	Daniel Stewart & Company Plc, the Company’s nominated adviser and broker, which is authorised and regulated by the Financial Services Authority
<b>“Disclosure and Transparency Rules”</b>	the Disclosure and Transparency Rules issued by the FSA
<b>“Dundas Options”</b>	the options relating to the Dundas Project described in the Letter from the Chairman in Part 1 of this document
<b>“Dundas Project”</b>	the gold exploration project comprising the Tenements, located in Western Australia
<b>“Eligible CDI Holders”</b>	CDI Holders on the register of CDI Holders on the Record Date with addresses for service within Australia and New Zealand
<b>“Eligible Security Holders”</b>	Eligible Shareholders and Eligible CDI Holders
<b>“Eligible Shareholder”</b>	Shareholders on the register of members of the Company on the Record Date with addresses for service within the United Kingdom, Australia and New Zealand
<b>“Enlarged Share Capital”</b>	the issued share capital of the Company following the Acquisition, the Placing and the Offer but prior to the implementation of the Stage One Option
<b>“Euroclear”</b>	Euroclear UK & Ireland Limited
<b>“Excluded Territories”</b>	the United States, Canada, Japan, the Republic of South Africa, and/or their respective territories or possessions
<b>“Existing CDIs”</b>	the 144,889,008 CDIs in issue at the date of this document
<b>“Existing Shares”</b>	the 243,223,763 Shares in issue at the date of this document being the entire issued share capital of the Company prior to the Placing and the Offer and exercise of the Stage One Option

<b>“Existing Warrants”</b>	the 5,000,000 Warrants in issue at the date of this document
<b>“Form of Proxy”</b>	the form of proxy for use by the Existing Shareholders in connection with the GM
<b>“FSA”</b>	the Financial Services Authority of the UK
<b>“FSMA”</b>	the Financial Services and Markets Act 2000 (as amended) of the UK
<b>“General Meeting” or “GM”</b>	the general meeting of the Company to be held on 22 July 2010, notice of which is set out at the end of this document
<b>“Group”</b>	the Company and its subsidiaries
<b>“Indicated Resource”</b>	that part of a mineral resource for which tonnage, densities, shape, physical characteristics, grade and mineral content can be estimated with a reasonable level of confidence. It is based on exploration, sampling and testing information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes. The locations are too widely or inappropriately spaced to confirm geological and/or grade continuity but are spaced closely enough for continuity to be assumed (Item 21 of JORC Code)
<b>“Inferred Resource”</b>	that part of a mineral resource for which tonnage, grade and mineral content can be estimated with a low level of confidence. It is inferred from geological evidence and assumed but not verified geological and/or grade continuity. It is based on information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes which may be limited or of uncertain quality and reliability (Item 20 of JORC Code)
<b>“London Stock Exchange”</b>	London Stock Exchange plc
<b>“Marketable Parcel”</b>	In the case of CDIs, a parcel of CDIs of not less than AUD500 based on the closing price on “SEATS” (the trading system known as “Stock Exchange Automated Trading System”, being a computer based system and associated network operated by ASX for the trading of financial products) and in relation to CDI Warrants means a parcel of CDI Warrants that if exercised in full would result in a parcel of CDIs which would not be less than AUD500 based on the closing price on SEATS at the time of purchase of the Warrants
<b>“Molyhil”</b>	the Molyhil molybdenum-tungsten project in the Northern Territory of Australia
<b>“New CDIs”</b>	up to 400,000,000 new CDIs issued by CDN pursuant to the Placing and the Offer
<b>“New Shares”</b>	up to 400,000,000 new Placing Shares and Offer Shares pursuant to the Placing and the Offer
<b>“Official List”</b>	the Official List of the UKLA
<b>“Offer”</b>	the offer for subscription of up to 200,000,000 Offer Shares (or CDIs as applicable) with one free attaching Offer Warrant for every two Offer Shares (or CDIs as applicable) subscribed for being made by the Company on the terms and conditions as set out in this document
<b>“Offer CDIs”</b>	up to 200,000,000 new CDIs to be issued pursuant to the Offer
<b>“Offer Period”</b>	the period starting on 2 July 2010 and ending on the Closing Date
<b>“Offer Price”</b>	0.7p per Offer Share or AUD0.01225 per new CDI
<b>“Offer Shares”</b>	up to 200,000,000 new Ordinary Shares to be issued pursuant to the Offer

<b>“Offer Warrants”</b>	free warrants (known as “options” in Australia and New Zealand) to subscribe for one Share or one CDI for every 2 New Shares or 2 New CDIs subscribed for pursuant to the Offer exercisable at 1.5p or AUD0.02625 and expiring on 31 March 2012 and otherwise granted on the terms set out in Part 5
<b>“Ordinary Shares” or “Shares”</b>	ordinary shares of 0.3p each in the capital of the Company
<b>“Placees”</b>	the subscribers for Placing Shares pursuant to the Placing
<b>“Placing”</b>	the conditional placing by the Company and Daniel Stewart as agent for the Company of the Placing Shares (or CDIs as applicable) at the Placing Price with one free attaching Placing Warrant for every two Placing Shares (or CDIs) subscribed for, pursuant to the provisions of the Placing Agreement or otherwise
<b>“Placing Agreement”</b>	the conditional agreement dated 22 June 2010 between (1) the Company; (2) the Directors and (3) Daniel Stewart relating to the Placing, details of which are set out in paragraph 8 of Part 9 of this document
<b>“Placing Price”</b>	0.7p per Placing Share or AUD0.01225 per new CDI
<b>“Placing Shares”</b>	up to 200,000,000 new Ordinary Shares which have been conditionally placed by Daniel Stewart and the Company
<b>“Placing Warrants”</b>	free warrants (known as “options” in Australia and New Zealand) to subscribe for one Share or one CDI for every 2 New Shares or 2 New CDIs subscribed for pursuant to the Placing exercisable at 1.5p or AUD0.02625 and expiring on 31 March 2012 and otherwise granted on the terms set out in Part 5
<b>“Prospectus Rules”</b>	the rules made by the Financial Services Authority pursuant to sections 73A(1) and (4) of FSMA
<b>“Record Date”</b>	close of business on Monday 28 June 2010
<b>“Resolutions”</b>	the resolutions to be proposed at the GM as set out in the notice of GM at the end of this document
<b>“RNS”</b>	a Regulatory Information Services approved under the Regulated Information Service criteria, and incoming Information Society Service providers that have their establishment in an EEA state and that disseminates regulated information in accordance with the minimum standards set out in Article 12 of the TD Implementing Directive (2007/14/EC) or approved by the London Stock Exchange for the distribution to the public of AIM announcements and included within the list maintained on the London Stock Exchange’s website, <a href="http://www.londonstockexchange.com">www.londonstockexchange.com</a>
<b>“Sale, Purchase &amp; Option Agreement”</b>	the agreement dated 18 April 2010 between (1) the Vendors and (2) the Company and (3) TM Gold relating to the Acquisition and the Dundas Options, on the terms and conditions as described in the Letter from the Chairman in Part 1 of this document
<b>“Security” or “Securities”</b>	Shares and/or CDIs
<b>“Security Holder”</b>	a holder of Shares and/or CDIs, as the context requires
<b>“Shareholder”</b>	a holder of Shares
<b>“Share Warrant”</b>	a free warrant (known as an “option” in Australia and New Zealand) to subscribe for one Share for every 2 New Shares subscribed for exercisable at 1.5p pursuant to the Placing or the Offer and expiring on 31 March 2012 and otherwise granted on the terms set out in Part 5

<b>“Stage One Option”</b>	the option granted by the Vendors to the Company to acquire an additional 9% legal and beneficial interest in each of the Tenements, on the terms described in the Letter from the Chairman in Part 1 of this document
<b>“Stage Two Option”</b>	the option granted by the Vendors to the Company to acquire an additional 20% legal and beneficial interest in each of the Tenements, exercisable by the Company by notice in writing to the Vendors on the terms described in the Letter from the Chairman in Part 1 of this document
<b>“Stage Three Option”</b>	the option granted by the Vendors to the Company to acquire the remaining 20% legal and beneficial interest in each of the Tenements, on the terms described in the Letter from the Chairman in Part 1 of this document
<b>“Stage One Option CDIs”</b>	45,000,000 fully paid CDIs in aggregate, to be issued and allotted upon exercise of the Stage One Option of which 38,700,000 will be held by the Vendors and 6,300,000 will be held by the Agents
<b>“Stage One Option Shares”</b>	the 45,000,000 Shares corresponding to the Stage One Option CDIs
<b>“Tenements”</b>	E63/872; E63/1101; and E63/1102, all in Western Australia and granted pursuant to the Mining Act 1978 (WA) and any other lease, licence, claim, permit or other authority under the Mining Act granted in substitution for or on renewal or extension of the Tenements or any such other lease, licence, claim, permit or authority
<b>“Thor” or the “Company”</b>	Thor Mining PLC
<b>“TM Gold”</b>	TM Gold Pty Ltd ACN 143 126 710, a wholly owned subsidiary of Thor
<b>“UK” or “United Kingdom”</b>	the United Kingdom of Great Britain and Northern Ireland (for the avoidance of doubt excluding the Channel Islands)
<b>“UKLA”</b>	the Financial Services Authority acting in its capacity as the competent authority for the purposes of Part VI of FSMA
<b>“uncertificated” or “in uncertificated form”</b>	as being held in uncertificated form in CREST and title to which by virtue of the Regulations may be transferred by means of CREST, or as being held in uncertificated form in CHESS or in the issuer sponsored sub registry in Australia
<b>“Vendors”</b>	Golden Archer Resources Pty Ltd (ACN 100 445 994), James Ian Stewart, Paul Winston Askins, both in his personal capacity and as joint trustee, with Helen Mary Ansell of The Askins and Ansell Trust
<b>“Warrant”</b>	a Share Warrant or a CDI Warrant, as the context requires
<b>“Warrantholder”</b>	the holder of a Warrant

A reference to £ is to pounds sterling, being the lawful currency of the UK

A reference to € is to the Euro, being the official currency of 16 of the 27 member states of the European Union.

The £:€ exchange rate used in this document is 0.837 (18 June 2010).

The £:AUD exchange rate used in this document is 1.7018 (18 June 2010).

A reference to AUD is to Australian dollars, being the lawful currency of Australia

## PART 1

### LETTER FROM THE CHAIRMAN



## THOR MINING PLC

(Registered in England and Wales with company number 05276414)

(ARBN 121 117 673)

*Directors:*

Michael Robert Billing      *Executive Chairman*  
Michael Kevin Ashton      *Non Executive Director*  
Gregory Michael Durack      *Non Executive Director*  
Norman Wayne Gardner      *Non Executive Director*  
Trevor John Ireland      *Non Executive Director*

*Registered Office:*

55 Gower Street  
London WC1E 6HQ

28 June 2010

*To Shareholders, CDI Holders and, for information only, to Option holders and Warrantholders*

Dear Security Holder,

**Placing of up to 200,000,000 New Shares at 0.7 pence per share and at AUD0.01225  
per CDI with up to 100,000,000 free attaching Warrants**  
**Open Offer of up to 200,000,000 New Shares at 0.7 pence per share and at AUD0.01225  
per CDI with up to 100,000,000 free attaching Warrants**  
**Acquisition of the Dundas Project**  
**and**  
**Notice of General Meeting**

#### **Introduction**

I am pleased to announce that on 18 April 2010 the Company and its wholly owned subsidiary, TM Gold, entered into an agreement to acquire a 51% interest in the Dundas Project for a cash payment of AUD100,000. Upon completion of the Sale, Purchase and Option Agreement the Vendors granted TM Gold the following options:

1. **Stage One Option** – an option to acquire an additional 9% interest in each of the Tenements (free of encumbrances) in consideration for Thor procuring the issue and allotment to the Vendors of 38,700,000 CDIs in aggregate. The Stage One Option is exercisable by TM Gold at any time on or before 31 July 2010 and by notification in writing to the Vendors. Thor has also agreed to procure the issue and allotment of 6,300,000 CDIs to the Agents upon exercise of the Stage One Option, in consideration for introducing the Vendors to Thor and providing assistance to Thor with respect to the transactions contemplated by the Sale, Purchase and Option Agreement;
2. **Stage Two Option** – an option to acquire an additional 20% interest in each of the Tenements (free of encumbrances) in consideration for Thor procuring the issue and allotment to the Vendors of CDIs equal in value to AUD1,720,000. The Stage Two Option is exercisable by TM Gold on or before 30 September 2012 and by notification in writing to the Vendors, provided that the Stage Two Option will only become exercisable if TM Gold has exercised the Stage One Option and expended a total of at least AUD1 million on exploration and evaluation activities on the Tenements. Thor has also agreed to procure the issue and allotment to the Agents of CDIs equal in value to AUD280,000 upon exercise of the Stage Two Option, as further consideration for introducing the Vendors to Thor and providing assistance to Thor with respect to the transactions contemplated by the Sale, Purchase and Option Agreement. The CDIs to be issued and allotted to the Vendors and the Agents will be valued according to the 30 day volume weighted average closing price of the CDIs on ASX for the 30 trading days immediately prior to the date of allotment; and

3. **Stage Three Option** – an option to acquire the remaining 20% legal and beneficial interest in each of the Tenements (free of encumbrances) in consideration for Thor procuring the issue and allotment to the Vendors of CDIs equal in value to AUD1,720,000. The Stage Three Option is exercisable by TM Gold by the earlier of:
- a. the date that is 60 days after the date Thor has expended a total of at least AUD2 million on the exploration and evaluation activities on the Tenements under the Stage Two Option; or
  - b. 30 September 2014,

by notification in writing to the Vendors provided that the Stage Three Option will only become exercisable if TM Gold has exercised the Stage One Option and Stage Two Option and expended an additional AUD1million (i.e. AUD2million in total) on exploration and evaluation activities on the Tenements. Thor has also agreed to procure the issue and allotment to the Agents of CDIs equal in value to AUD280,000 upon exercise of the Stage Three Option, as further consideration for introducing the Vendors to Thor and providing assistance to Thor with respect to the transactions contemplated by the Sale, Purchase and Option Agreement. The CDIs to be issued and allotted to the Vendors and the Agents will be valued according to the 30-day volume weighted average closing price of the CDIs on ASX for the 30 trading days immediately prior to the date of allotment.

TM Gold cannot exercise any of the Dundas Options unless TM Gold and Thor have obtained all necessary approvals, including Security Holder approval and other approval required under any law, regulation or rule that is applicable to TM Gold, Thor or the Tenements.

The Company is seeking to raise:

- (i) up to £1.40 million (or AUD2.45 million) (before expenses) by way of a conditional Placing of 200 million Placing Shares at the Placing Price; and
- (ii) up to £1.40 million (or AUD2.45 million) (before expenses) by way of an Offer to Eligible Security Holders of up to 200 million Offer Shares at the Offer Price.

Neither the Placing nor the Offer is underwritten.

In order to give as many of its Security Holders as possible the opportunity to participate in the financing and to limit the dilutive effect of the Placing, the Board also resolved to make an Open Offer to Eligible Security Holders. The FSMA limits the amount which can be raised by way of an open offer to shareholders to the equivalent sterling amount of €2.5 million in any twelve month period, without requiring an approved prospectus to be produced in accordance with the Prospectus Rules. The issue of a prospectus under UK law would considerably increase the costs of the fundraising and it would take much longer to complete, as any such prospectus would require the prior approval of the UKLA. During the preceding twelve month period the Company has raised approximately £0.68 million. Based on a £:€ exchange rate of 1: 0.837, this means that the maximum amount which can be raised under an open offer is approximately £1,400,000, subject to such other adjustments as may be necessary to ensure compliance with the Prospectus Rules.

The Placing and Open Offer include a free attaching Warrant for every two New Shares or two New CDIs subscribed for under the Placing or the Open Offer. For Australian and New Zealand purposes “Warrants” are the same as “options”; each Warrant being exercisable for a Share at 1.5p or a CDI at AUD0.02625 (as applicable) in accordance with the terms set out in Part 5.

If the Offer proceeds, every Eligible Security Holder that makes a valid application for a Marketable Parcel under the Offer will receive an allocation. If the Offer is over-subscribed, applications will be scaled back on a *pro-rata* basis according to security holdings in the Company.

In order to make the Offer available to Australian and New Zealand Security Holders, this document complies with the content requirements for a prospectus for continuously quoted securities under section 713 of the Australian Corporations Act. Eligible Security Holders that are Australian or New Zealand CDI holders may only apply for New CDIs under the Offer and a free attaching CDI Warrant for every two New CDIs applied for under the Placing and the Offer.

This document does not contain the same level of disclosure as required for a prospectus for an initial public offering in Australia. In preparing this document, regard has been given to the fact that ASX maintains an open file containing publicly disclosed information about the Company and certain matters may reasonably be expected to be known to professional advisers with whom potential investors may consult.

The purpose of this document is, among other things, to provide you with details of the Acquisition, the Placing and the Offer, to explain the background to and the reasons for the Acquisition, the Placing and the Offer and to explain why the Board considers that the Acquisition, the Placing and the Offer will promote the success of the Company for the benefit of its members as a whole.

Further details of the Placing are set out in the paragraph headed 'Details of the Placing' of this letter and further details of the Offer are set out in the paragraph headed "Details of the Offer" of this letter. The Placing and the Offer are conditional, *inter alia*, upon the Shareholders passing Resolutions 1 and 2 at the General Meeting. The Directors intend to vote in favour of the Resolutions (other than Trevor Ireland and in relation to Resolution 4, all of the Directors in relation to Resolution 5 and all of the Directors other than Mr Trevor Ireland in relation to Resolution 6) respectively in respect of their beneficial holdings in the Company which amount, in aggregate, to 46,650,054 Shares and represent approximately 19 per cent of the Company's issued share capital.

Application will be made to the London Stock Exchange for the New Shares to be admitted to trading on AIM. The Company will also make application to ASX within seven days following the date of this document for official quotation of New CDIs and CDI Warrants on the ASX.

**Quotation of the CDI Warrants on the ASX is conditional on the CDI Warrants meeting ASX's requirements for quotation of a new class of securities. This includes, amongst other things, there being a minimum of 100,000 CDI Warrants in issue, with at least 50 holders with a Marketable Parcel. If quotation is not granted, the CDI Warrants will not be traded on the ASX.**

Subject to, among other things, the Placing Agreement becoming unconditional and not being terminated in accordance with its terms, it is expected that dealings in the Placing Shares and the Offer Shares will commence on AIM at 8.00 a.m. on 28 July 2010.

It is expected that trading of the New CDIs and CDI Warrants (if admitted for quotation) will commence on ASX at 10:00 a.m. on 28 July 2010 (AEST).

Application will also be made to ASX for official quotation of the Stage One Option CDIs following their allotment to the Vendors and the Agents.

### **Background to and reasons for the Acquisition, the Placing and the Offer**

At the end of March 2010, Thor held net cash of approximately £246,000. Following the placings in Australia in January 2010 and in May 2010 the Company raised approximately £230,000. Based on the Company's detailed budgets to 30 June 2011 the cost of the Acquisition, the scheduled exploration, the evaluation of the Dundas Project, and the other exploration projects the Company has budgeted between £1.0 million to £1.5 million, including working capital, general operational and administrative expenditures for the period through to 30 June 2011.

### **Information on the Dundas Project**

Thor announced the acquisition of a 51% interest in a greenfields exploration project near Norseman in Western Australia on 22 April 2010. During the next year it has scheduled an active exploration program on the Tenements including surface sampling and drilling.

The three exploration licences E63/872, E63/1101 & E63/1102 making up the Dundas Project cover approximately 302 square kilometres (sq km) situated about 100km south east of Norseman, Western Australia.

The tenements comprising the Dundas Project are considered by the Directors to be highly prospective at a grass-roots level, for the discovery of gold, for the following reasons:

- Geologically they lie within the Albany-Fraser Province, an area of more than 1,000 x 100km situated at the south eastern margin of the gold-rich Yilgarn Province;
- The gold potential of the Albany-Fraser Province has been revolutionised in the past 5 years by the discovery of the +5 million ounce Tropicana gold deposit and numerous other gold occurrences of economic potential.

Tropicana has been shown to be just one of a cluster of deposits and to extend for at least one kilometre down the dip of the enclosing strata or structure. Such is the prospectivity revealed by the Tropicana and subsequent discoveries that tenure over the entire belt has been secured by significant gold mining companies such as AngloGold, Dominion, and Teck-Cominco, and gold-focussed exploration entities;

- Until the Tropicana discovery the Albany-Fraser Province was little explored for gold, its potential being hidden by perceived unfavourable geology, very poor outcrop, and, in part, burial under a veneer of younger sediment;
- The Dundas Project is located within the general southerly strike extension of the most gold-rich part of the Yilgarn province, the Wiluna-Kalgoorlie-Norseman greenstone belt. This may impart an enhanced prospectivity to the section of the Albany-Fraser Province containing the package;
- The Dundas Project is located in a part of the Albany-Fraser Province where the south westerly grain of the Province is displaced south-eastwards by about 50km. The overprint of a south-easterly structure appears to mimic elements of the Tropicana geology and may create opportunities for dilation of the rock sequence – a structural element generally favourable for mineralisation;
- A limited program of surface geochemical exploration for base metals and gold has been carried out within E63/872, revealing gold anomalies comparable with those associated with gold mineralisation elsewhere in the belt. These are therefore drill-ready but as yet untested by drilling. The remaining Dundas Project tenements are unexplored for gold;
- A more extensive program of surface geochemical sampling conducted by Pan Australian Resources NL (Panaust) to the north and west of E63/1101, revealed similar anomalies. One of just three RAB drill holes drilled by Panaust into these anomalies reported a bottom-hole sample of 1.06 g/t gold, confirming the existence of gold mineralisation in the vicinity of the Tenements, thereby greatly increasing the prospectivity of the whole area; and
- Results received from an initial reconnaissance survey completed by Thor in April 2010 are encouraging. They confirmed the gold geochemical anomalies identified in E63/872 and identify four new areas of gold anomalisation to the west and north in E63/1102.

The exploration target and potential of the Dundas Project is one or more deposits of up to 1 million ounces of gold, of average grade 2-4 g/t gold, extractable by open cut mining with higher grade zones extending into the realm of potential underground mining. At the top end of possibilities would be a deposit of ‘Tropicana’ dimensions – +5 million ounces. It should be noted, however, these targets are conceptual in nature. There has been insufficient exploration to define a mineral resource and it is uncertain if exploration of the Tenements will result in the determination of a mineral resource.

### **Current trading**

The highest and lowest closing market price of the Existing Shares and Existing CDIs on AIM and ASX respectively during the three months immediately preceding the last practicable date prior to the publication of this document, and the closing market price on the last practicable day before the Offer was announced to the market are set out below:

<i>3 month high</i>		<i>3 month low</i>		<i>Closing market price on 21 June 2010</i>	
<i>Share Price on</i>	<i>CDI price on</i>	<i>Share Price on</i>	<i>CDI price on</i>	<i>Share Price on</i>	<i>CDI price on</i>
<i>AIM</i>	<i>ASX</i>	<i>AIM</i>	<i>ASX</i>	<i>AIM</i>	<i>ASX</i>
1.25 pence	AUD1.9 cents	1.0 pence	AUD0.014	1.05 pence	AUD0.015

### **Details of the Placing**

The Company proposes up to raise £1.40 million (or AUD2.45 million) before expenses through the proposed issue of the Placing Shares at the Placing Price with one free attaching Warrant for every 2 Placing Shares subscribed for. The expenses of the Placing are estimated to be between £145,000 and £224,000 dependant of the quantum of the placing proceeds. The Placing Shares will represent up to approximately 45 per cent of the Enlarged Share Capital (assuming no take up under the Offer) and up to approximately 31 per cent of the Enlarged Share Capital (assuming maximum take up under the Offer), and in each case assuming that no options or warrants are exercised prior to Admission. On a fully diluted basis, the Placing Shares and Placing Warrants will represent approximately 54.7 per cent of the Enlarged Share Capital (assuming no take up under the Offer) and approximately 35.4 per cent of the Enlarged Share Capital (assuming maximum take up under the Offer), The Placing Price represents a discount of



approximately 33 per cent to the closing mid-market price of 1.05 pence per Existing Share on 21 June 2010, being the last dealing day prior to the publication of this document.

Pursuant to the terms of the Placing Agreement, Daniel Stewart, acting as agent for the Company, has conditionally agreed to use reasonable endeavours to procure subscribers for the Placing Shares at the Placing Price. The Placing Agreement is conditional upon, *inter alia*, Resolutions 1 and 2 being duly passed at the General Meeting and admission of the Placing Shares becoming effective on or before 8.00 a.m. on 28 July 2010 (or such later date as the Company and Daniel Stewart may agree, but in any event no later than 25 August 2010). The Placing Agreement contains provisions entitling Daniel Stewart to terminate the Placing Agreement at any time prior to Admission in certain circumstances. If this right is exercised, the Placing will not proceed. The Placing has not been underwritten and is not subject to clawback pursuant to the Offer. The Placing and the Offer are not inter-conditional.

The Placing Shares will be issued credited as fully paid and will rank *pari passu* in all respects with the Existing Shares and the Offer Shares, including the right to receive all dividends and other distributions declared on or after the date on which they are issued. The Placing Warrants will be issued on the terms set out in Part 5 of this document. It is expected that CREST accounts will be credited on the day of Admission and that share certificates and warrant certificates (where applicable) will be despatched within 14 days of Admission.

Further details of the Placing Agreement are set out in paragraph 8 of Part 9 of this document.

#### **Details of the Offer**

The Company considers it important that where reasonably practicable Security Holders have an opportunity to participate in the fundraising on equivalent terms and conditions to the Placing. Accordingly the Company is proposing to raise up to approximately £1.40 million (or AUD2.45 million) (before expenses) by way of the Offer. The Offer includes one free attaching Warrant for every 2 Offer Shares subscribed.

Further details of the Offer Warrants are set out in Part 5 of this document. For Australian and New Zealand purposes, “Warrants” are the same as “options”, with each Warrant exercisable for a Share at 1.5p or a CDI at AUD0.02625 (as applicable) in accordance with the terms set out in Part 5.

The Offer has been structured such that the maximum amount that can be raised by the Company under the Offer will ensure that the Company’s fund raisings have not exceeded the sterling equivalent of €2.5 million during the preceding twelve month period. This maximum limit has been set to ensure that the Company is not required to produce an approved prospectus pursuant to section 85 of FSMA. The issue of a prospectus would considerably increase the costs of the fundraising and it would take much longer to complete, as any such prospectus would require the prior approval of the UKLA. Based on a £:€ exchange rate of 0.837, this means that the maximum amount which can be raised under the Offer is approximately £1,400,000 (or AUD2,383,000).

On and subject to the terms and conditions of the Offer, the Company invites Eligible Security Holders to apply for the Offer Shares at the Offer Price. Eligible Security Holders that are Australian or New Zealand CDI holders may only apply for New CDIs under the Offer, with one free attaching CDI Warrant for every two new CDI’s subscribed for.

If the Offer proceeds, every Eligible Security Holder that makes a valid application for a Marketable Parcel of New Shares or New CDIs under the Offer will receive an allocation. If the Offer is over-subscribed, applications will be scaled back on a *pro-rata* basis according to security holdings in the Company.

The Offer Price represents a discount of approximately 33 per cent to the closing mid-market price of 1.05 pence per Existing Share on 21 June 2010 and a discount of approximately 18 per cent to the closing market price of AUD0.015 per CDI on 21 June 2010, being the last dealing day prior to the publication of this document.

Part 4 of this document, together with the accompanying Application Form, contains the terms and conditions of the Offer.

#### **Admission to AIM**

Application will be made to the London Stock Exchange for the New Shares to be admitted to trading on AIM. It is expected that Admission will become effective and that dealings in the New Shares will commence on AIM at 8.00 a.m. on 28 July 2010.

## **Admission to ASX**

Application will be made to ASX within seven days following the date of this document for official quotation of New CDIs and CDI Warrants on the ASX.

Quotation of the CDI Warrants on the ASX is conditional on the CDI Warrants meeting ASX's requirements for quotation of a new class of securities. This includes, amongst other things, there being a minimum of 100,000 CDI Warrants on issue, with at least 50 holders with a Marketable Parcel. If quotation is not granted, the CDI Warrants will not be traded on the ASX.

It is expected that trading of the New CDIs and CDI Warrants (if admitted for quotation) will commence on ASX at 10:00 a.m. (AEST) on 28 July 2010.

## **Effect of the Placing and the Offer on the Company**

### ***Principal Effect***

The principal effect of the Placing and Offer on the Company, assuming that the Placing and the Offer is fully subscribed will be that:

- (a) cash reserves will increase from approximately £246,000 to approximately £2.7 million (or AUD4.6 million), taking into account deductions for the expenses of the Placing and the Offer; and
- (b) the number of Shares in issue in the capital of the Company will increase from 243,223,763 to 643,223,763 (inclusive of those Shares that correspond to CDIs) and the number of Warrants will increase from 5,000,000 to 205,000,000 (inclusive of CDI Warrants).

Please also refer to the Key Statistics for details of the effect of the Placing and Offer on the capital structure of the Company.

### ***Effect on financial position***

A pro-forma statement of net assets of the group as at 20 July 2010 has been prepared and is set out in Part 7 for illustrative purposes only. This statement of net assets of the group has not been audited or reviewed. The pro-forma statement of net assets of the group has been prepared on the same basis and using the same accounting policies as the Company accounts for the year ended 30 June 2009 and the half-year ended 31 December 2009. The pro-forma statement of net assets of the group has been prepared on the basis that the Placing and Offer are fully subscribed and there have been no material movements in assets and liabilities of the Company between 31 March 2010 and 20 July other than:

- the issue of 200,000,000 Placing Shares at 0.7 pence each or AUD0.01225 each per New CDI to raise £1.40 million (or AUD2.45 million) under the Placing;
- the issue of 200,000,000 Offer Shares at 0.7 pence or AUD0.01225 each per New CDI to raise £1.40 million (or AUD2.45 million) under the Offer;
- the placing of 10,000,000 Shares and 5,000,000 Warrants on 26 May 2010;
- the Acquisition (involving a payment of AUD100,000 to the Vendors and the acquisition of a 51% interest in the Dundas Project); and
- expenses of the Placing and the Offer of approximately £224,000.

### ***Principal terms and conditions of the Offer***

Eligible Security Holders may participate in the Offer on and subject to the terms and conditions set out in Part 4 of this document and the accompanying Application Form.

Eligible Security Holders in the UK that hold Shares may apply for any whole number of Shares at the Offer Price, with one free attaching Warrant (known as "options" in Australia and New Zealand).

Eligible Security Holders that are Australian or New Zealand CDI holders may apply for any whole number of New CDIs at the Offer Price, with one free attaching CDI Warrant for every two new CDIs subscribed for.

Applications must be for a minimum of £500/AUD850 and thereafter in multiples of £100/AUD170. Applicants may apply for any number of Offer Shares or New CDIs provided that an applicant's shareholding or CDI holding (as applicable), when taken alone, or together with the shareholding or CDI holding (as applicable) of those of persons acting in concert (as defined in the City Code) with that applicant, must not exceed 29.9 per cent of the Enlarged Share Capital.

If the Offer proceeds, every Eligible Security Holder that makes a valid application for a Marketable Parcel under the Offer will receive an allocation. If the Offer is over-subscribed, applications will be scaled back on a *pro-rata* basis according to security holdings in the Company.

The Offer Shares will, when issued and fully paid, rank *pari passu* in all respects with the Existing Shares and the Placing Shares, including in respect of the right to receive all dividends and other distributions declared, made or paid after the date of their issue. The allotment and issue of the Offer Shares will be made upon and be subject to the terms and conditions set out in this document and in the Application Form. The free attaching Share Warrants will be issued on the terms and conditions set out in Part 5.

The New CDIs issued under the Offer will, when issued and fully paid rank *pari passu* in all respects with the Existing CDIs, including in respect of the right to receive all dividends and other distributions declared, made or paid after the date of their issue. The free attaching CDI Warrants will be issued on the terms and conditions set out in Part 5.

Eligible Security Holders will only be entitled to participate in the Offer in accordance with the procedure set out below in this letter, in Part 4 of this document and in the Application Form.

#### ***Conditions of the Offer***

The Offer is subject to Resolutions 1 and 2 being passed at the General Meeting.

#### ***Procedure for application and payment***

**Persons for whom a nominee (other than CDN) holds Ordinary Shares or CDIs and who wish to apply for Offer Shares or CDIs must contact their nominee and will not be able to apply for Offer Shares or CDIs directly using the Application Form.**

**Eligible Security Holders wishing to apply for Offer Shares or CDIs in accordance with the terms of the Offer should complete the enclosed Application Form in accordance with the instructions on it and post it together with payment in full for the number of Offer Shares applied for to Computershare Investor Services PLC, Corporate Actions Projects, Bristol BS99 6AH or (during normal business hours only) deliver it by hand, to Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS13 8AE, so as to arrive not later than 5.00 p.m. on 19 July 2010 in the UK and for the number of CDIs applied for by post to Thor Mining PLC, Computershare Investor Services Pty Ltd, GPO Box 2182, Perth, Western Australia, 6840 so as to arrive not later than 5.00 p.m. (AWST) on 19 July 2010 in Australia.**

After this time, applications will not be accepted. Applications will be irrevocable and will not be acknowledged, and receipts will not be issued for amounts paid on applications. The Company reserves the right (but shall not be obliged) to treat any application not strictly complying with the terms and conditions of application or not accompanied by a power of attorney, if required, as nevertheless valid. **If you post your Application Form you are recommended to use first class post and to allow at least four working days for delivery.**

**Eligible Security Holders who do not wish to apply for any Offer Shares or CDIs under the Offer should not complete or return the Application Form.**

**Application monies should be rounded to the nearest whole penny or cent (with 0.5 rounded up).**

**Cheques or bankers' drafts should be made payable to "Computershare Investor Services PLC re: Thor Mining PLC Offer for Subscription a/c" and crossed "A/C payee only".** Cheques and bankers' drafts must be drawn in sterling on a bank or building society in the UK which is either a settlement member of the Cheques & Credit Clearing Company Limited or the CHAPS & Town Clearing Company Limited or a member of the Committee of Scottish or Belfast Clearing Houses or which has arranged for its cheques and bankers' drafts to be cleared through facilities provided for the members of either of those companies or committees and must bear the appropriate sorting code in the top right hand corner. **No application will be considered unless these requirements are fulfilled. Euro cheques will not be accepted.**

For applications by Eligible Security Holders that are Australian or New Zealand CDI Holders, payment may be way of cheque or bank draft drawn and payable on an Australian bank and should be made payable to: **Thor Mining PLC** and crossed “**Not Negotiable**”. Payment may also be made via BPAY via an Australian financial institution. Eligible Security Holders that are Australian or New Zealand CDI holders that wish to pay via BPay will not need to return an Application Form, they simply need to follow the BPay instructions on the Application form. Payment via BPay will constitute an offer by the Applicant to subscribe for the number of CDIs equal to the Application Monies divided by AUD0.01225 with fractions to be rounded to the nearest whole number (with 0.5 rounded up). Different financial institutions may implement earlier cut off times with regards to electronic payment, which must be taken into consideration when making payment. It is the Applicant’s responsibility to ensure that funds submitted through BPay are received by the Closing Date.

Cheques should be drawn on the personal account to which the Eligible Security Holder has sole or joint title to the funds. Third party cheques will not be accepted with the exception of bankers’ drafts/building society cheques where the bank/building society has confirmed the name of the account holder on the back of the draft/cheque and has added their stamp. The account name must be the same as that of the applicant.

Cheques and bankers’ drafts are liable to be presented for payment upon receipt and it is a term of the Offer that cheques will be honoured on first presentation. If cheques or bankers’ drafts are presented for payment before the conditions of the Offer are fulfilled, the Application Monies will be kept in a separate bank account pending fulfilment of such conditions. If all the conditions of the Offer have not been fulfilled or (where appropriate) waived by 28 July 2010 (or such later date as the Company and its advisers may agree but in any event not later than 25 August 2010), Application Monies will be returned, without interest, by crossed cheque in favour of the applicant(s) (at the applicant’s risk) through the post as soon as is practicable after that date.

The instructions, notes and other terms set out in the Application Form constitute part of the terms of the Offer.

Application Monies received from Australian and New Zealand Security Holders will be held in trust for those Applicants until allotment of the Offer Shares. The Company will be entitled to all interest paid or accrued on the Application Monies. The allotment of Offer Shares, Offer CDIs and Offer Warrants is conditional on the admission of the Offer Shares to trading on AIM and the Offer CDI’s to quotation on the ASX.

#### ***Overseas Security Holders***

Overseas Security Holders should refer to Part 4 of this document which contains important information relevant to such persons.

#### ***Taxation***

The Directors do not consider it appropriate to give Security Holders advice regarding the taxation consequences of subscribing for Offer Shares. The Company, its advisers and its officers do not accept any responsibility or liability for any such taxation consequences to Security Holders. **Security Holders should consult their professional tax adviser in connection with subscribing for Offer Shares under the Offer.**

#### ***Further information***

Your attention is drawn to the Risk Factors relating to the Group set out in Part 3 of this document, the further information set out in Parts 2 and 9 of this document and the terms and conditions of the Offer set out in Part 4 of this document and the Application Form.

#### ***Use of proceeds***

Subject to the Placing Agreement becoming unconditional and not being terminated in accordance with its terms. Assuming full subscription the Placing will raise approximately £1.40 million before expenses payable by the Company. Assuming full subscription under the Offer, the Offer will raise a further £1.40 million before expenses payable by the Company. The Company intends to use the net proceeds of the Placing and Offer (amounting to approximately £2.5 million, assuming full subscription) to fund exploration and evaluation of the Dundas Project, continued evaluation of the Molyhil tungsten and molybdenum project, ongoing exploration of the Harts Range base metals project, evaluation of new exploration opportunities and for the general working capital requirements of Thor.

Based on current forecasts, and as set out further in the paragraph headed “Background to and reasons for the Placing and Offer” in Part I of this document, the Directors believe that, assuming full subscription, the Placing proceeds alone will be sufficient to undertake the proposed exploration projects and for the Company’s general working capital requirements for at least the next 12 months.

Based on a minimum spend required to keep the core projects comprising Dundas, Harts Range, and Molyhil, in good standing along with basic working capital requirements whilst allowing sufficient exploration to advance the exploration and evaluation of those projects for the period to 30 June 2011 the Company requires the Placing and Offer to raise a combined total of at least circa £0.59 million before expenses. The Directors believe that based on this the minimum spend budget to 30 June 2011 this will be sufficient to meet minimum exploration and working capital requirements for at least the next 12 months.

The Directors believe that further fund raisings will be required as the Dundas Project develops through its various stages.

### **Security Holders approval**

For the Placing and the Offer to proceed, Security Holders approval is required to:

- (a) give the Directors the authority to allot the Offer Shares and the Offer Warrants and specifically dis-apply the pre-emption rights in respect thereof; and
- (b) give the Directors the authority to allot the Placing Shares and the Placing Warrants and specifically dis-apply the pre-emption rights in respect thereof.

Security Holder approval will also be sought for the purposes of ASX Listing Rule 7.1, so that the Placing Shares, Placing Warrants and Offer Shares and Offer Warrants are not counted towards the Company's 15% placement capacity and under ASX Listing Rule 10.11 so that Directors can participate in the Placing and the Offer.

If the Placing and the Offer become unconditional (and the maximum amount is raised under the Offer), the proceeds thereof will provide the Company with funding of approximately £2.7 million (approximately £2.5 million after expenses).

If both Resolutions 1 and 2 set out in the Notice of General Meeting are not passed by Security Holders and/or the Placing and the Offer do not become unconditional, then the Directors believe it is unlikely that the Company would be able to secure sufficient funding from other sources in the current economic climate to move forward with work leading to a loss of assets and/or substantial additional dilution for existing Security Holders.

Security Holder approval will be sought for the issue and allotment of the 45,000,000 Stage One Option Shares upon exercise of the Stage One Option. If approval is not obtained, the Company will not be able to exercise the Stage One Option (or any of the other Dundas Options granted to the Company) and the Company will not be able to acquire any additional interest in the Dundas Project. Should this occur, the Company's interest will remain at 51% and it will form a joint venture with the Vendors in respect of the future exploration of the Dundas Project.

Security Holder approval will also be sought to ratify the placement of 16,666,667 Shares in February 2010 ("February Placement") and the placement of 10,000,000 Shares and 5,000,000 Warrants in May 2010. If approval is not obtained, the Company's 15% placement capacity under ASX Listing Rule 7.1 will not be refreshed, which may restrict the Company's ability to issue securities or seek funding by way of capital raisings over the next 12 months.

### **General Meeting**

Notice of a GM to be held at 11.00 a.m. on 22 July 2010 at the offices of Daniel Stewart & Company Plc, Becket House, 36 Old Jewry, London EC2R 8DD, to approve the Resolutions for the above purposes, as well as a further resolution to dis-apply section 561(1) of the Act generally, is set out at the end of this document. The Placing and the Offer are conditional upon Resolutions 1 and 2 being passed at the GM.

The Resolutions to be proposed are as follows:

#### ***Resolution 1***

Resolution 1 is an ordinary resolution which grants the Directors authority to allot equity securities up to an aggregate nominal value of £2,458,934 representing full subscription under the Placing, the Offer, the exercise of the Warrants and 20 per cent of the Enlarged Share Capital (assuming full subscription under the Offer) together with the Stage One Option Shares.

If Resolution 1 is passed the Directors will be able to issue the Placing Shares and the Offer Shares.

## ***Resolution 2***

Resolution 2 is a special resolution which dis-applies Security Holders' statutory pre-emption rights in relation to the allotment of equity securities for cash up to an aggregate nominal value of £2,458,934 representing full subscription under the Placing, the Offer the exercise of the Warrants and 20 per cent of the Enlarged Share Capital (assuming full subscription under the Offer) together with the Stage One Option Shares. Unless revoked, varied or extended, such authority shall expire on the date of the Company's next Annual General Meeting. The dis-application of pre-emption rights proposed to be granted over £135,000 in relation to the exercise of the Dundas Options can only be used in exercising the Dundas Options and cannot be utilised for any other issue of Shares or other securities.

If Resolution 2 is passed the Directors will have authority to issue and allot Shares for cash as if section 561 of the Act did not apply to such allotment, provided that it is within the limitations described in Resolution 2.

In accordance with section 570 of the Act, the proposed dis-application of pre-emption rights as detailed in Resolution 2 will be necessary in order to carry out the Placing and the Offer and the Directors believe the additional dis-application of pre-emption rights over 20 per cent of the Enlarged Share Capital (assuming full subscription under the Offer) will give the Company the ability to issue a limited number of shares for cash to third parties should that be in the best interests of the Company although, following completion of the Placing and the Offer, they have no current plans to do so.

### **ASX Listing Rule requirements**

ASX Listing Rule 7.1 provides that a company must not, subject to certain exceptions, issue any equity securities during a 12 month period if the number of those securities exceeds 15% of the number of issued fully paid ordinary securities 12 months before the date of issue, without shareholder approval of holders of Ordinary Shares.

ASX Listing Rule 7.4 provides that an issue by a company of equity securities made without prior approval under ASX Listing Rule 7.1 is treated as having been made with approval for the purpose of ASX Listing Rule 7.1 if the issue did not breach ASX Listing Rule 7.1 and the company's members subsequently approve it.

ASX Listing Rule 10.11 also provides that an entity must not, subject to certain exception, issue or agree to issue any equity securities, without the prior approval of the holders of Ordinary Shares, to a "related party", or a person whose relationship with the entity or a "related party" is, in ASX's opinion, such that approval should be obtained. A "related party" includes a Director of the Company or an entity that the Director controls.

## ***Resolution 3***

The Company seeks approval under ASX Listing Rule 7.1 in respect of the issue of the Placing Shares and Placing Warrants such that those securities will not be counted towards the 15% limit on the issue of securities without Security Holder approval. Resolution 3 seeks this approval. If Resolution 3 is passed, then the Placing Shares and Placing Warrants will be issued with Security Holder approval and will not be counted towards that 15% limit.

ASX Listing Rule 7.3 requires that the following information be provided to Security Holders in respect of Resolution 3 for the purposes of obtaining Security Holders approval pursuant to ASX Listing Rule 7.1:

- (a) the maximum number of Shares to be issued under the Placing is 200,000,000 Shares and the maximum number of Warrants to be issued under the Placing is 100,000,000 Warrants;
- (b) the Company intends to issue the Placing Shares and Placing Warrants to the Placees on 28 July 2010 and in any case no later than 3 months after the date of the General Meeting;
- (c) the issue price of the Placing Shares is 0.7p or AUD0.01225 per Share and the Placing Warrants will be issued for nil consideration but will be exercisable at 1.5p each for Share Warrants or AUD0.02625 each for CDI Warrants;
- (d) the allottees of the Placing Shares and Placing Warrants will be investors identified by Daniel Stewart and the Company;
- (e) the Placing Shares will be fully paid and will rank equally in all respects with Existing Shares and the Placing Warrants will be issued on the terms set out in Part 5;

- (f) the funds raised by the Placing will be used in the manner described in the section of this letter headed “Use of proceeds”;
- (g) the proposed allotment date of the Placing Shares and Placing Warrants is 22 July 2010; and
- (h) the Company will disregard any votes cast on Resolution 3 by any person who may participate in the issue of the Shares the subject matter of Resolution 3 and any person who might obtain a benefit (except a benefit solely in their capacity as holders of ordinary securities) if Resolution 3 is passed, or any associate of such person. However, the Company will not disregard a vote if:
  - (i) it is cast by the person as proxy for a person who is entitled to vote, in accordance with directions on the Proxy Form; or
  - (ii) it is cast by the person chairing the General Meeting as proxy for a person who is entitled to vote in accordance with a direction on the Proxy Form to vote as the proxy declares.

#### ***Resolution 4***

The Company also seeks approval under ASX Listing Rule 10.11 in respect of the issue of up to 1,632,654 Placing Shares and 816,327 Placing Warrants to CDN, to be beneficially held by Trevor Ireland or his nominee (in the form of CDIs and CDI Warrants). If the CDI Warrants are not admitted to quotation on the ASX, the Placing Warrants will be issued directly to Trevor Ireland or his nominee.

The Company must obtain the Security Holder approval in relation to this because Trevor Ireland is a Related Party of the Company by reason of the fact that he is a Director of the Company.

Listing Rule 10.13 sets out a number of matters which must be included in a notice of meeting requesting Security Holders approval under Listing Rule 10.11. In accordance with Listing Rule 10.13, the following information is provided to Shareholders in relation to the resolution:

- (a) up to 1,632,654 of the Placing Shares and up to 816,327 Placing Warrants will be issued to CDN, to be beneficially held by Trevor Ireland or his nominee (in the form of CDIs and CDI Warrants), unless the CDI Warrants are not admitted to quotation on the ASX, in which case they will be issued directly to the Trevor Ireland or his nominee;
- (b) the Placing Shares and Placing Warrants will be issued no later than three months after the date of the General Meeting (in accordance with the conditions of a waiver from Listing Rule 10.13.3 granted by ASX);
- (c) the Placing Shares will be issued at 0.7p or AUD0.01225 per Placing Share and the Placing Warrants will be issued for nil consideration but will be exercisable at AUD0.02625 per CDI Warrants;
- (d) the Placing Shares will be fully paid and will rank equally in all respects with Existing Shares and the Placing Warrants will be issued on the terms set out in Part 5;
- (e) the Company will disregard any votes cast on Resolution 4 by Trevor Ireland, and any person who might obtain a benefit (except a benefit solely in their capacity as holders of ordinary securities) if Resolution 4 is passed, or any associate of such persons. However, the Company will not disregard a vote if:
  - (i) it is cast by the person as proxy for a person who is entitled to vote, in accordance with directions on the Proxy Form; or
  - (ii) it is cast by the person chairing the General Meeting as proxy for a person who is entitled to vote in accordance with a direction on the Proxy Form to vote as the proxy declares.
- (f) the funds raised by the Offer will be used in the manner described in the section of this letter headed “Use of proceeds”.

Approval pursuant to Listing Rule 7.1 is not required in order to issue the Placing Shares and the Placing Warrants to CDN, to be beneficially held by Trevor Ireland or his nominee (in the form of CDIs or CDI Warrants) or to issue the Placing Warrants directly to Trevor Ireland or his nominee under the Placing if approval is obtained under Listing Rule 10.11. In any event Resolution 4 seeks approval of the issue and allotment of all the Placing Shares and Placing Warrants for the purposes of Listing Rule 7.1.

### ***Resolution 5***

The Company also seeks approval under ASX Listing Rule 7.1 in respect of the Offer Shares and Offer Warrants, such that the Offer Shares and Offer Warrants issued under the Offer will not be counted towards the 15% placement limit on the issue of securities without Security Holder approval. Resolution 5 seeks this approval. If Resolution 5 is passed, then those Offer Shares will be issued with Security Holder approval and will not be counted towards that 15% limit.

ASX Listing Rule 7.3 requires that the following information be provided to Security Holder in respect of Resolution 5 for the purposes of obtaining Security Holder approval pursuant to ASX Listing Rule 7.1:

- (a) the maximum number of Offer Shares to be issued under the Offer (inclusive of those corresponding to CDIs) is 200,000,000 Offer Shares and the maximum number of Warrants (inclusive of the CDI Warrants) is 100,000,000 Offer Warrants;
- (b) the Company intends to issue the Offer Shares and Offer Warrants on 22 July 2010 and in any case no later than 3 months after the date of the General Meeting;
- (c) the issue price of the Offer Shares is 0.7p or AUD0.01225 per Offer Share and the Offer Warrants will be issued for nil consideration but will be exercisable at 1.5p each for Share Warrants or AUD0.02625 each for CDI Warrants;
- (d) the allottees of the Offer Shares, and Offer Warrants will be Eligible Security Holders that make a valid application under the Offer that is accepted by the Directors, or in the case of allocations to Eligible Security Holders that have a registered address in Australia or New Zealand, the allottee will be CDN, with the Offer Shares and Offer Warrants beneficially held by those Eligible Security Holders in the form of CDIs and CDI Warrants. If the CDI Warrants are not admitted to quotation on ASX, the CDI Warrants will be issued directly to the relevant Eligible Security Holders;
- (e) the Offer Shares will be fully paid and will rank equally in all respects with Existing Shares and the Offer Warrants will be issued on the terms set out in Part 5;
- (f) the funds raised by the Offer will be used in the manner described in the section of this letter headed "Use of proceeds";
- (g) the proposed allotment date of the Offer Shares and Offer Warrants is 22 July 2010; and
- (h) By virtue of the waiver of Listing Rule 7.38 granted by ASX, the Company will only disregard votes cast on Resolution 5 by an Eligible Security Holder if that Eligible Security Holder:
  - i. holds a legal or beneficial interest in 5% or more of the Shares of the Company as at the Record Date and applies for and is allocated under the Offer more than its pro-rata proportion of the total Offer Shares (or New CDIs) offered under the Offer relative to its security holding as at the Record Date;
  - ii. does not hold a legal or beneficial interest in 5% or more of the Shares of the Company as at the Record Date but will have a legal or beneficial interest in 5% or more of the Shares of the Company as a result of Offer Shares applied for and allocated to it under the Offer;
  - iii. is excluded from voting on other interconditional resolutions in relation to the Placing and Offer; or
  - iv. is a proposed underwriter or sub-underwriter under the offer.

The waiver is conditional on the Offer being scaled back on a pro-rata basis if it is over-subscribed.

However, the Company will not disregard a vote if:

- i. it is cast by the person as proxy for a person who is entitled to vote, in accordance with directions on the Proxy Form; or
- ii. it is cast by the person chairing the General Meeting as proxy for a person who is entitled to vote in accordance with a direction on the Proxy Form (or CDI Voting Instruction Form) to vote as the proxy declares.



## ***Resolution 6***

The Company also seeks approval under ASX Listing Rule 10.11 in respect of the issue of Offer Shares and Offer Warrants to CDN, to be beneficially held by each of Michael Ashton, Michael Billing, Gregory Durack and Norman Gardner or their respective nominees (in the form of CDIs and CDI Warrants). If the CDI Warrants are not admitted to quotation on the ASX, the CDI Warrants will be issued directly to Michael Ashton, Michael Billing, Gregory Durack, and Norman Gardner or their respective nominees.

The Company must obtain Security Holder approval to this because each of Michael Ashton, Michael Billing, Gregory Durack and Norman Gardner is a Related Party of the Company by reason of the fact that each of them is a Director of the Company.

Listing Rule 10.13 sets out a number of matters which must be included in a notice of meeting requesting Security Holder approval under Listing Rule 10.11. In accordance with Listing Rule 10.13, the following information is provided to Shareholders in relation to the resolution:

- (a) up to 10,653,066 Offer Shares and up to 5,326,533 Offer Warrants will be issued to CDN, to be beneficially held by the persons specified below (in the form of CDIs and CDI Warrants) unless the CDI Warrants are not admitted to quotation on the ASX, in which case they will be issued directly to the persons specified below:
  - i. Michael Ashton or his nominee – up to 4,081,634 CDIs and up to of 2,040,817 CDI Warrants;
  - ii. Michael Billing or his nominee – up to 4,081,634 CDIs and up to 2,040,817 CDI Warrants;
  - iii. Gregory Durack or his nominee – up to 857,144 CDIs and up to 428,572 CDI Warrants;
  - iv. Norman Gardner or his nominee – up to 1,632,654 CDIs and up to 816,327 CDI Warrants.

These are the maximum numbers that may be issued to these parties under the Offer and if the Offer is over-subscribed they will be scaled back on a pro-rata basis.

- (b) the Offer Shares and Offer Warrants will be issued no later than three months after the date of the General Meeting (in accordance with the conditions of a waiver from Listing Rule 10.13.3 granted by ASX);
- (c) the Offer Shares will be issued at 0.7p or AUD0.01225 per Offer Share and the Offer Warrants will be issued at nil consideration but will be exercisable at 1.5p each for Share Warrants or AUD0.02625 each for CDI Warrants;
- (d) the Offer Shares will be fully paid and will rank equally in all respects with Existing Shares and the Offer Warrants will be issued on the terms set out in Part 5;
- (e) the Company will disregard any votes cast on Resolution 6 by Michael Ashton, Michael Billing, Gregory Durack, and Norman Gardner, and any person who might obtain a benefit (except a benefit solely in their capacity as holders of ordinary securities) if Resolution 6 is passed, or any associate of such persons. However, the Company will not disregard a vote if:
  - i. it is cast by the person as proxy for a person who is entitled to vote, in accordance with directions on the Proxy Form; or
  - ii. it is cast by the person chairing the General Meeting as proxy for a person who is entitled to vote in accordance with a direction on the Proxy Form to vote as the proxy declares.
- (f) the funds raised by the Offer will be used in the manner described in the section of this letter headed “Use of proceeds”.

Approval pursuant to Listing Rule 7.1 is not required in order to issue the Offer Shares and Offer Warrants to CDN, to be beneficially held by each of Michael Ashton, Michael Billing, Gregory Durack, and Norman Gardner or their respective nominees (in the form of CDIs and CDI Warrants) or to issue the CDI Warrants directly to Michael Ashton, Michael Billing, Gregory Durack, and Norman Gardner or their respective nominees if approval is obtained under Listing Rule 10.11. In any event Resolution 5 seeks approval of the issue and allotment of all the Offer Shares for the purposes of Listing Rule 7.1.

### ***Resolution 7***

The Company seeks approval under ASX Listing Rule 7.1 in respect of the issue and allotment of the Stage One Option Shares upon exercise of the Stage One Option, such that upon issue and allotment the Stage One Option Shares will not be counted towards the 15% limit on the issue of securities without Security Holder approval. Resolution 7 seeks this approval. If Resolution 7 is passed, then the Stage One Option Shares will be issued with Security Holder approval and will not be counted towards that 15% limit.

ASX Listing Rule 7.3 requires that the following information be provided to Security Holders in respect of Resolution 7 for the purposes of obtaining Security Holder approval pursuant to ASX Listing Rule 7.1:

- (a) the maximum number of Shares to be issued is 45,000,000 Shares;
- (b) the Company intends to issue the Stage One Option Shares upon exercise of the Stage One Option, which if the Stage One Option is exercised will be no later than 3 months after the date of the General Meeting;
- (c) the Stage One Option Shares will be issued to CDN to procure the issue of Stage One Option CDIs to the Vendors as consideration for the Company's acquisition of an additional 9% interest in the Tenements comprised in the Dundas Project and to the Agents in consideration for introducing the Vendors to Thor and providing assistance to Thor with respect to the transactions contemplated under the Sale, Purchase and Option Agreement;
- (d) the allottee of the Stage One Option Shares will be CDN, with 38,700,000 of those Shares to be beneficially held (in the form of CDIs) by the Vendors (allocated between them in accordance with the terms of the Sale, Purchase and Option Agreement) and 6,300,000 to be beneficially held (in the form of CDIs) by the Agents (allocated between them equally);
- (e) the Stage One Option Shares will be fully paid and will rank equally in all respects with Existing Shares;
- (f) no funds will be raised by the issue of the Stage One Option Shares;
- (g) the proposed allotment date of the Stage One Option Shares is the date of exercise of the Stage One Option, which will be no later than 3 months after the date of the General Meeting (if the Stage One Option is exercised);
- (h) the Company will disregard any votes cast on Resolution 7 by any person who may participate in the issue of the Shares the subject matter of Resolution 7, and who might obtain a benefit (except a benefit solely in their capacity as holders of ordinary securities) if Resolution 7 is passed, or any associate of such person. However, the Company will not disregard a vote if:
  - (i) it is cast by the person as proxy for a person who is entitled to vote, in accordance with directions on the Proxy Form; or
  - (ii) it is cast by the person chairing the General Meeting as proxy for a person who is entitled to vote in accordance with a direction on the Proxy Form to vote as the proxy declares.

### ***Resolution 8***

Resolution 8 seeks approval of Shareholders to the placing on 9 February 2010 of 16,666,667 Shares for the purposes of ASX Listing Rule 7.4, such that those Shares will not be counted toward the 15% limit on the issue of securities without Security Holder approval. If the Resolution is passed then those Shares will be deemed to have been issued with Security Holder approval and will, therefore, not be counted towards that 15% limit.

ASX Listing Rule 7.5 requires that the following information be provided to Shareholders in respect of Resolution 8 for the purposes of obtaining Security Holder approval pursuant to ASX Listing Rule 7.4:

- (a) the total number of Shares issued under the placing on 9 February 2010 was 16,666,667;
- (b) the issue price for the Shares was AUD0.015 per Share;
- (c) the Shares were allotted as fully paid and rank equally with the existing Shares on issue at the time of allotment;

- (d) the Shares were issued and allotted to CDN, to be held beneficially by clients of Taylor Collison Limited (Stockbrokers and Investment Advisors);
- (e) the funds raised from the issue will be or have been applied towards the acquisition of a 51% interest in the Dundas Project, the exploration of the Company's projects and the Company's general working capital requirements; and
- (f) the Company will disregard any votes cast on Resolution 8 by any of the allottees of the Shares the subject matter of Resolution 8 and any associate of such person. However, the Company will not disregard a vote if:
  - (i) it is cast by the person as proxy for a person who is entitled to vote, in accordance with directions on the Proxy Form; or
  - (ii) it is cast by the person chairing the General Meeting as proxy for a person who is entitled to vote in accordance with a direction on the Proxy Form to vote as the proxy decides.

### **Resolution 9**

Resolution 9 seeks approval of Shareholders to the placing on 26 May 2010 of 10,000,000 Shares and 5,000,000 Warrants for the purposes of ASX Listing Rule 7.4, such that those Shares will not be counted toward the 15% limit on the issue of securities without Security Holder approval. If the Resolution is passed then those Shares will be deemed to have been issued with Security Holder approval and will, therefore, not be counted towards that 15% limit.

ASX Listing Rule 7.5 requires that the following information be provided to Shareholders in respect of Resolution 9 for the purposes of obtaining Security Holder approval pursuant to ASX Listing Rule 7.4:

- (a) the total number of Shares issued under the placing on 26 May 2010 was 10,000,000 and the total number of Warrants was 5,000,000;
- (b) the issue price for the Shares was AUD0.015 per Share and the Warrants were issued at nil consideration but will be exercisable at AUD0.05 each;
- (c) the Shares were allotted as fully paid and rank equally with the existing Shares on issue at the time of allotment and (other than the exercise price) the Warrants were issued on the terms set out in Part 5;
- (d) the Shares were issued and allotted to CDN, and are beneficially owned by Western Desert Resources Limited. The Warrants were issued and allotted to Western Desert Resources Limited;
- (e) the funds raised from the issue will be or have been applied towards the exploration of the Company's projects and the Company's general working capital requirements; and
- (f) the Company will disregard any votes cast on Resolution 9 by any of the allottees of the Shares the subject matter of Resolution 9 and any associate of such person. However, the Company will not disregard a vote if:
  - (i) it is cast by the person as proxy for a person who is entitled to vote, in accordance with directions on the Proxy Form; or
  - (ii) it is cast by the person chairing the General Meeting as proxy for a person who is entitled to vote in accordance with a direction on the Proxy Form to vote as the proxy decides.

### **Relationship between and effect of Resolutions**

Resolutions 3, 4, 5 and 6 will be of no effect unless Resolutions 1 and 2 are passed.

If Resolution 3 is not passed, the Placing may proceed to the extent the Placing Shares and Placing Warrants come within the Company's 15% placement capacity under ASX Listing Rule 7.1.

If Resolution 4 is not passed, Trevor Ireland may not participate in the Placing.

If Resolution 5 is not passed, the Offer may proceed to the extent that the Offer Shares and Offer Warrants come within the Company's 15% placement capacity under ASX Listing Rule 7.1.

If Resolution 6 is not passed, none of Michael Ashton, Michael Billing, Gregory Durack or Norman Gardner may participate in the Offer.

### **Action to be taken by Shareholders**

#### *In respect of the General Meeting*

A Form of Proxy is enclosed with this document for use by Security Holders in connection with the General Meeting. Whether or not Security Holders intend to be present at the General Meeting, they are requested to complete, sign and return the enclosed Form of Proxy in accordance with the instructions printed thereon and post it so as to arrive as soon as possible and in any event so as to be received by Computershare Investor Services PLC, Corporate Actions Projects, Bristol BS99 6AH or (during normal business hours only) deliver it by hand to Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS13 8AE, no later than 11.00 a.m. on 20 July 2010. The completion and return of the Form of Proxy will not preclude a Shareholder from attending the General Meeting and voting in person should they wish to do so. Security Holders who hold their shares through a nominee should instruct the nominee to submit the Form of Proxy on their behalf. CDI Holders may vote by directing CDN to cast proxy votes in the manner directed in the enclosed CDI Voting Instruction Form.

#### *In respect of the Offer*

Eligible Security Holders in the UK who wish to participate in the Offer should carefully read the Application Form and the accompanying instructions and send the Application Form along with the appropriate remittance by post to Computershare Investor Services PLC, Corporate Actions Projects, Bristol BS99 6AH or (during normal business hours only) deliver it by hand to Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS13 8AE by no later than the Closing Date.

Eligible Security Holders in Australia who wish to participate in the Offer should carefully read the Application Form and the accompanying instructions and send the Application Form along with the appropriate remittance to Computer Share Investor Services Pty Ltd, by post to GPO Box D182, Perth, Western Australia 6840 or (during normal business hours only) deliver it by hand to Level 2, 45 St Georges Terrace Perth Western Australia 6000 by no later than the Closing Date or make payment via BPay in accordance with the instructions on the Application Form.

### **Recommendation**

**The Directors consider that the Placing and the Offer will promote the success of the Company for the benefit of its Security Holders as a whole. Accordingly, the Directors (other than Trevor Ireland in relation to Resolution 4, each of the Directors in relation to Resolution 5 and each of the Directors other than Trevor Ireland in relation to Resolution 6) respectively unanimously recommend that you vote in favour of the Resolutions as set out in the Notice of General Meeting, as they intend so to do in respect of their own beneficial holdings (which amount in aggregate to 46,650,054 Ordinary Shares, representing approximately 19 per cent of the Existing Shares).**

**The Directors intend to participate in the Placing by subscribing for in aggregate 1,632,654 Placing Shares. The Directors intend to participate in the Offer by subscribing for in aggregate 10,653,066 Offer Shares.**

As all of the Directors are participating in the Placing and the Offer and thus there are no independent Directors, Daniel Stewart, the Company's nominated adviser, has reviewed the terms on which the Directors are participating in the Placing and the Offer and on the grounds that they are participating on the same terms as all the other Placees and Eligible Security Holders, consider such terms to be fair and reasonable insofar as shareholders are concerned.

### **Further information**

Your attention is drawn to the risk factors relating to the Group set out in Part 3 of this document, the additional information set out in Parts 2 to 9 of this document and the terms and conditions of the Offer set out in Part 4 of this document and the Application Form.

Yours faithfully

**Michael R Billing**  
*Executive Chairman*

## PART 2

### THE GROUP'S PROJECTS

#### GOLD ASSETS

##### The Dundas Project

The Company has acquired a 51% interest in the Dundas Project, and upon completion of the Acquisition has been granted options to acquire the remaining 49% interest in the Dundas Project.

##### The region

Western Australia's great gold-producing Yilgarn Province extends from Wiluna in the north to Norseman in the south, and from east of Kalgoorlie almost to the western coast of Australia. The Yilgarn is terminated in the south and south east by the Albany-Fraser Province which is a NE-SW oriented belt more than 1,000 x 100 km in area (Figure 1).

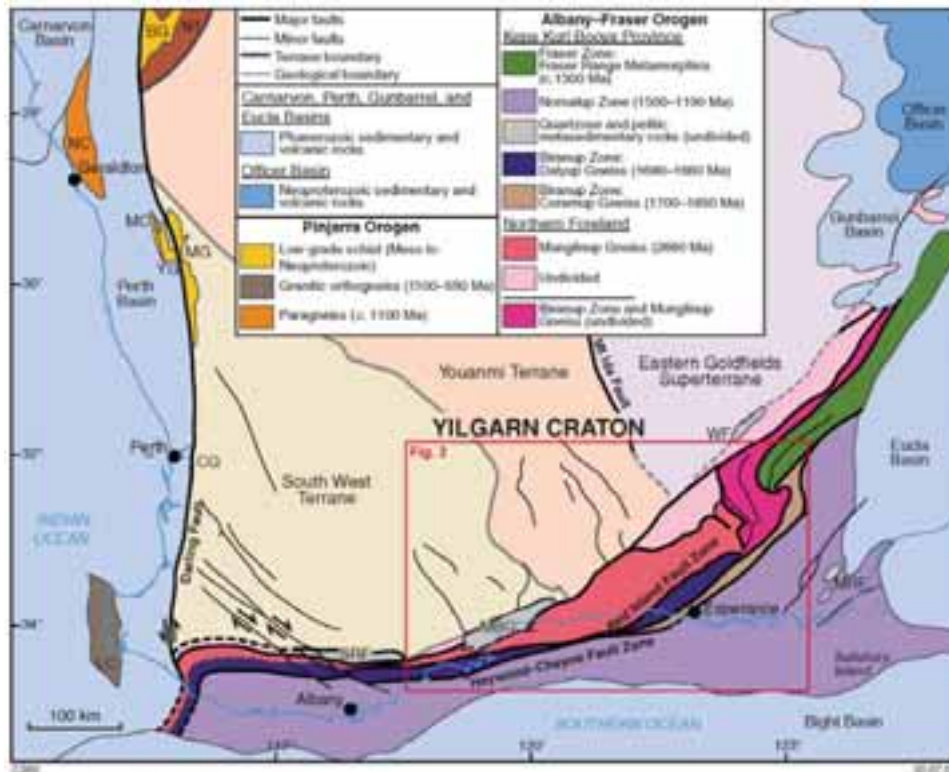


Figure 1. Geological map of southwestern Australia adapted from Geological Survey of Western Australia (2007), Tyler and Hocking (2001), and Fitzsimons and Buchan (2005). BG, Badgeradda Group; CG, Carnup Group; LC, Leewards Complex; MBG, Mount Barren Group; MC, Mullingarra Complex; MG, Moora Group; MRF, Mount Ragged Formation; NC, Northampton Complex; NT, Narryer Terrane; SRF, Stirling Range Formation; WF, Woodlark Formation; YG, Yandaroo Group. The red box denotes the location of Figure 2.

Figure 1: Regional setting – Albany-Fraser Province

Note: The reference to Figure 2 in the diagram is to Figure 2 in GSWA Record 2009/10.

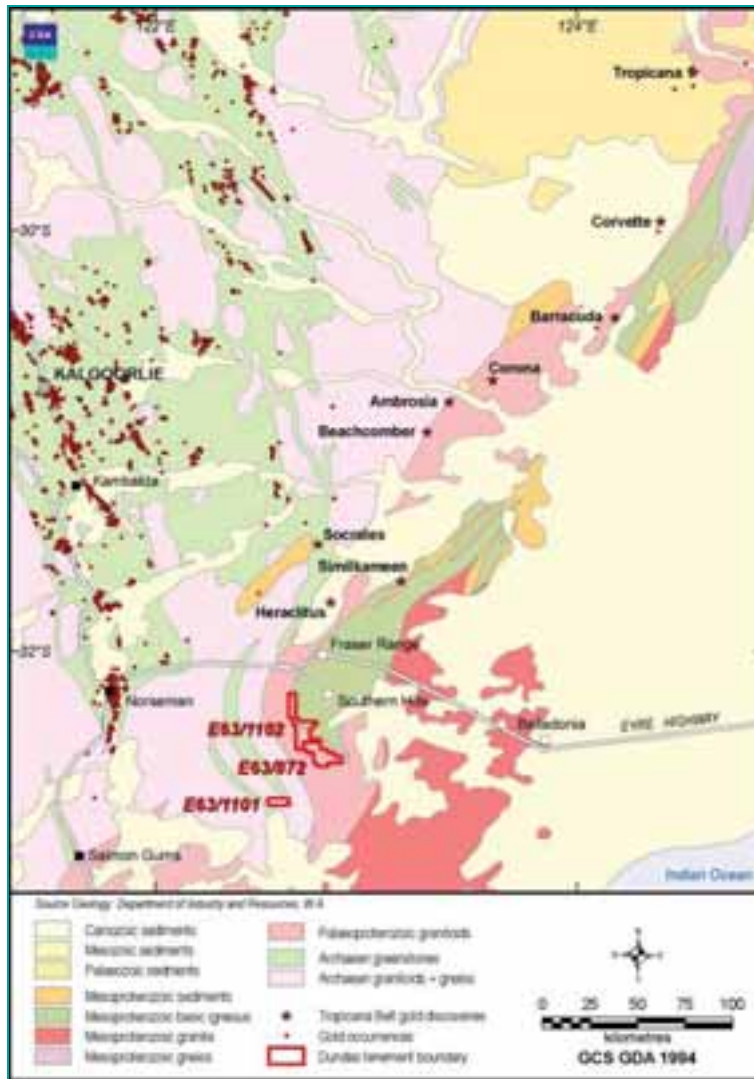


Figure 2: geological relationships & gold deposits – Yilgarn/Albany-Fraser Province.

The age (younger than the Yilgarn gold deposits), and the geology (dominated by granite and high-grade metamorphic rocks) of this belt have historically mitigated against any expectation of prolific gold occurrence (Figures 1 & 2). Very poor outcrop throughout most of the region, and in part coverage by a veneer of younger sediments have diminished the likelihood of prospector-discoveries. In consequence, only limited exploration for gold (mostly as an adjunct to other exploration) had been conducted across the region until recent events.

The negative assessment of the gold potential of the province was overturned by the discovery by Independence-Anglogold Joint Venture (JV) in 2005 of the Tropicana gold deposit, subsequently shown to contain measured, indicated and inferred resources in excess of 5 million ounces at an average grade of >2 grams/tonne (g/t) gold, and within this overall resource, zones of significantly higher grade. The Tropicana deposit is now known to extend more than 1,000m down the dip of the enclosing host rocks (~35°). Geologically and geochemically the occurrence of gold at Tropicana contrasts strongly in style with the deposits typical of the Yilgarn, confirming the two groups of deposits are geologically distinct. In particular the absence of a strong quartz association and the low sulphide content of the Albany-Fraser belt deposits make it less likely that these deposits would crop out preferentially compared with surrounding country rocks.

Tropicana is located towards the north-eastern end of the belt, some 420km NE of the Tenements (Figure 2).

The region has subsequently been solidly pegged and progressively explored, in general extending progressively outwards from Tropicana. This work has demonstrated that gold is widespread throughout the belt with numerous discoveries (made by sampling of regolith over the basement rocks) of clusters of strong and extensive gold geochemical anomalies. Follow up drilling beneath some of these anomalies, has shown a strong correlation with gold mineralisation which is similar in style to Tropicana (many anomalies remain to be tested). Several

companies in addition to Independence-Anglogold have reported strong gold intersections from numerous mineralised prospects. Based on the geochemical results and having regard to the amount of exploration completed, the occurrence of gold concentrations appears relatively consistent along the length of the belt.

It is notable as a measure of the significance attributed to the Tropicana discovery that the major land-holding companies along the length of the belt are also the major global gold companies along with a number of gold-focussed exploration companies.

### ***The Dundas Project area***

The three Tenements comprising the Dundas Project are well-situated within the Albany-Fraser Province. They lie on the general strike-extension of the most prolific gold-bearing belt of the Yilgarn Province – the 700km Wiluna-Kalgoorlie-Norseman greenstone belt (Figure 2), in an area where the trend of the Albany-Fraser belt is displaced south-eastwards by about 50km (Figure 2). The strike extension elevates the likelihood that the continental collision which led to the formation of this part of the Albany-Fraser Province involved the tectonic reworking of gold-mineralised greenstones of the Yilgarn Province. The structural jog superficially replicates some elements of the Tropicana structural relationships and implies the potential for structural dilation of potential host rocks. All of these factors should be favourable for mineralisation.

The terrain of the Tenements is typical of the region, flat to gently undulating, moderately forested country with very sparse outcrop. Mostly the land surface comprises soil over calcrete, laterite, or silcrete. Unlike parts of the belt further to the north east, it appears from Government-produced regional geological maps that there is no cover of younger sediment over the targeted basement rocks.

### ***Prior gold exploration***

Prior exploration is limited to surface reconnaissance geochemical sampling (calcrete sampling) mainly within E63/872, followed up by more detailed calcrete sampling in a small area (~40 sq km) in the northern part of that area. The results of these surveys display significant gold anomalies of similar size and intensity to those reportedly associated with gold mineralisation further north east along the belt (Figure 3). Prior to the discovery of Tropicana, the significance of these results was not appreciated, and no follow up drilling was undertaken. The anomalies therefore represent a number of drill-ready targets and reconnaissance anomalies warranting follow-up detailed sampling. The exploration licences E63/1101 & E63/1102 were previously unexplored for gold.

In the mid 1990's, geochemical sampling to the north and west of E63/1101, some of it along a NNW-SSE magnetic/structural strike direction from E63/1101, showed extensive, strong gold anomalies, comparable with those reportedly associated with gold mineralisation elsewhere in the Province (Figure 4). These have been tested by just three effective RAB (rotary air blast) percussion drill holes. One of these reported a bottom-hole sample of 1.06 g/t gold, within a few kilometres of the boundary of E63/1101 (Location NM37 in Figure 4). This result confirms the existence of real gold mineralisation in the vicinity of the Tenements. While the significance of these results was not appreciated at the time, this result adds substantially to the prospectivity implied by the reported geochemical anomalies.

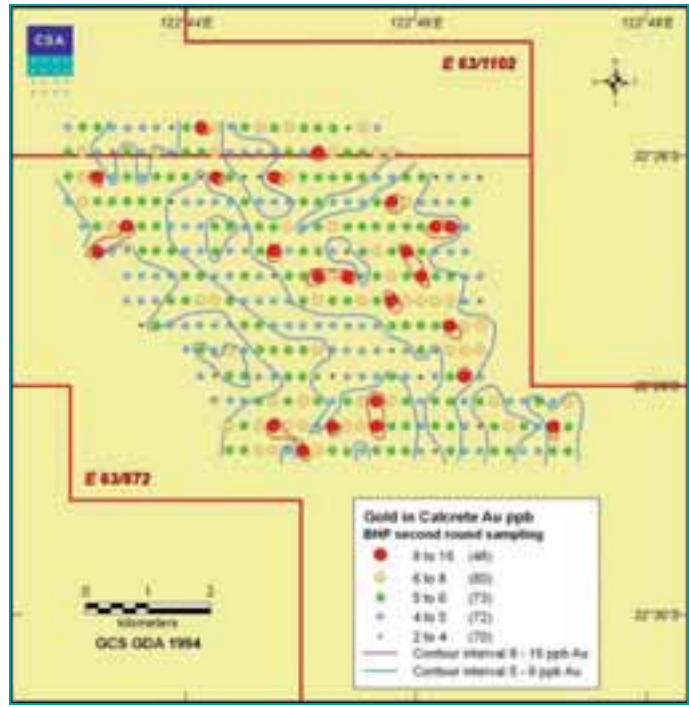


Figure 3: Results of calcrete sampling by BHP Minerals Ltd within EL E63/872

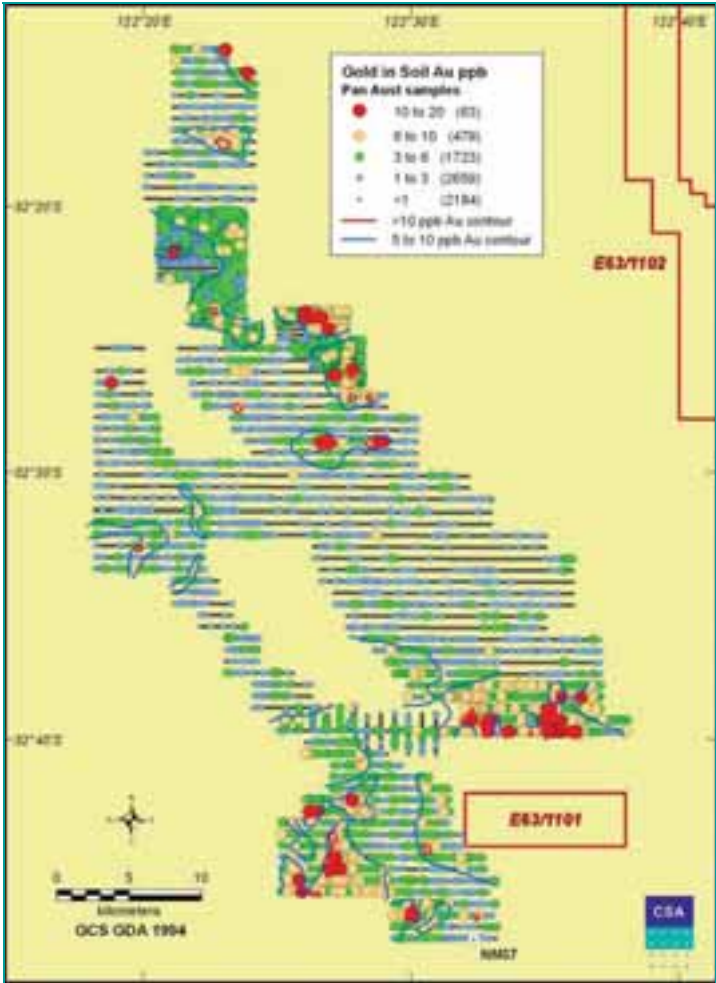


Figure 4: Results of reconnaissance calcrete sampling by Pan Australian Resources NL



### **Gold exploration by Thor**

During March and April 2010 the Company conducted a calcrete sampling exercise in areas of exploration licences E63/872 and E63/1102. The assay results (Figure 5) are from 280 of 486 calcrete samples collected have revealed anomalies potentially indicating gold mineralisation at depth, and a substantial increase in that part of the project area offering potential drill targets.

Clusters of elevated gold values have identified four previously unknown areas of gold anomaly west of the previously identified target area, centrally within EL E63/1102 and in the north of the licence area. Each of these warrants systematic follow-up sampling. A total of 17 samples have returned gold values of between 8 parts per billion (ppb) and 20ppb. These are of similar tenor to soil sample assays which led to the Tropicana discovery further to the north, also on the Albany-Fraser belt. In addition, several samples returned elevated copper values including one sample assayed at 142ppm Cu.

The assay values are comparable with those achieved in the part of the area previously calcrete-sampled by BHP (and shown as colour squares in Figure 5).

A further 206 samples have been submitted for assay, and results from these are expected during June.

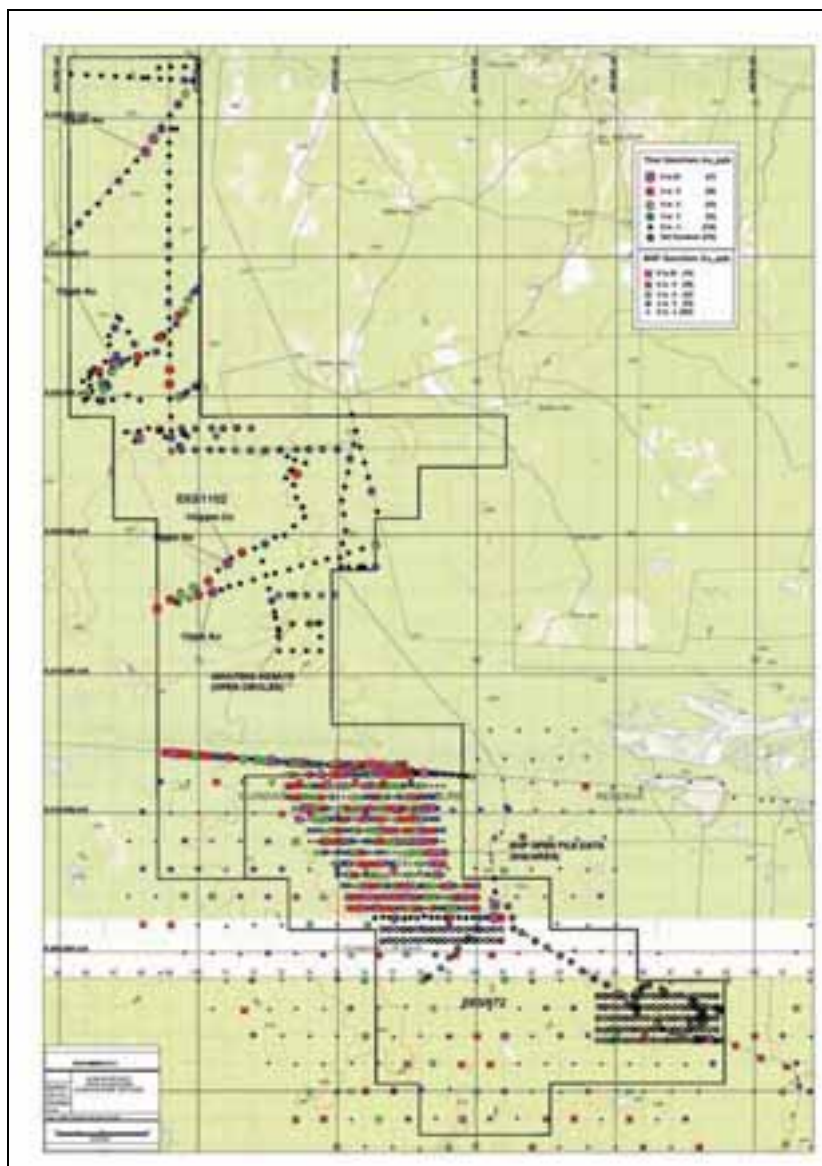


Figure 5: Dundas gold in calcrete anomalies

### **The target**

Having regard to the lack of prior exploration, the land comprising the Tenements represents an effectively virgin area of about 300 sq km, within a newly discovered prospective belt now known to contain widespread gold

mineralisation with economic potential and at least one deposit of multi-million ounce dimensions. The limited but encouraging results which are available from within and around the land package confirm that the Tenements comprising the Dundas Project fully reflect this regional prospectivity.

Gold mineralisation which has been identified in the past five years in the Albany-Fraser Province is characterised by occurrences in clusters, at shallow depth, with substantial depth-extension potential. Potential to generate zones of high grade (consistent with the requirements of underground mining) has also been demonstrated at Tropicana, and indicated by individual intersections at other prospects.

Based on the characteristics of the gold mineralisation which has been discovered elsewhere in the belt, the target is considered to comprise one or more +1 million ounce gold deposits of intermediate average grade (2-4 g/t gold). Such deposit(s) may be expressed in the regolith as a core footprint potentially as small as 2 sq km, within a regional geochemical anomaly as small as 5-10 sq km. The absence of cover sediments indicates the likelihood that a deposit which is discovered could be mined initially by open-cut mining methods with potential for the extension of mining of high grade zones into an underground mining stage.

It should be noted, however, these targets are conceptual in nature. There has been insufficient exploration to identify gold mineralisation within the Tenements. No mineral resource has yet been defined within the Tenements and it is uncertain if exploration of the Tenements will result in the determination of a mineral resource.

#### ***Preliminary exploration considerations***

The land surface over the basement in this region has been stable for many millions of years, and the rocks are variously modified in the regolith by the development of calcrete, silcrete, and laterite, all of which have differing impacts on metal geochemistry in various horizons of the regolith.

The majority of the area is flat to slightly undulating, covered by either post-bushfire debris and eucalypt re-growth, or open to moderately dense eucalypt forest. Both circumstances present manageable challenges for low-impact access. The subdued terrain, generally moderate forest vegetation and absence of cover sedimentary layer should facilitate effective reconnaissance by cheaper, more efficient methods than those required further north east along the belt. Geochemical calcrete sampling has been commenced to extend reconnaissance coverage of the Tenements.

Preliminary results of a part of the initial calcrete sampling geochemical survey received at the time of writing of this report are encouraging and have identified new geochemical anomalies within E63/1102.

Anomalies will be followed up by RAB/aircore drilling, and where mineralisation is identified, by RC drilling.

#### ***Logistic/Administrative considerations***

Almost all the area of the tenements lies within the Dundas Nature Reserve (Class B). In recognition of this status, the grant of the exploration licences is accompanied by special conditions governing access and the conduct of land disturbing activities. These will require management attention but should not significantly inhibit the exploration process.

### **TUNGSTEN – MOLYBDENUM ASSETS**

#### **The Molyhil tungsten – molybdenum project**

The Molyhil deposit occurs in two adjacent skarn bodies that contain outcropping molybdenite and scheelite mineralisation. Since mid 2004 it has been the subject of systematic test work: comprised of geophysical exploration, a diamond and RC drilling programme, surface and underground bulk sampling, metallurgical test work and a geotechnical study.

Magnetic modelling of the Southern and Yacht Club ore-bodies indicates the mineralised zone extends to at least 300 metres vertical depth and has the potential for additional high grade ore.

The Molyhil scheelite-molybdenite deposit was estimated in 2007 to contain a measured resource of 530,000t at 0.42% WO<sub>3</sub> and 0.27% MoS<sub>2</sub>, an Indicated Resource of 2,400,000t at 0.39% WO<sub>3</sub> and 0.17% MoS<sub>2</sub>, and an Inferred Resource of 800,000t at 0.15% WO<sub>3</sub> and 0.1% MoS<sub>2</sub>. The resource has been estimated to a depth of 265m (RL135m). The measured resource is to a depth of 55m (RL 345m).

The resources were estimated by geostatistical interpolation using the inverse distance squared method. Block sizes were 5m x 5m x 5m. The resources were estimated within wireframes, constructed to contain the significant bodies of iron-rich skarn. A lower cut of 15.25% Fe<sub>2</sub>O<sub>3</sub> was employed in the estimation reported in summary below, as it is anticipated that mining and treatment would be of the visually distinguished entire iron-rich portions of the bodies.

## Summary of rounded resource estimates

<i>Classification</i>	<i>Resource (t)</i>	<i>MoS<sub>2</sub> (%)</i>	<i>WO<sub>3</sub> (%)</i>
Measured	530,000	0.27	0.42
Indicated	2,400,000	0.17	0.39
Inferred	800,000	0.1	0.15
<b>Total</b>	<b>3,700,000</b>	<b>0.17</b>	<b>0.34</b>

Note: Totals may differ from sum of individual items due to rounding.

### Competent person's statement

*The information above relates to Exploration Results and Mineral Resources is based upon information compiled by Mr. J.J.G. Doepel, B.Sc (Hons), Grad Dip For Sc, Dip Teach, Principal Geologist of Continental Resource Management Pty Ltd. Mr. Doepel is a member of the Australasian Institute of Mining and Metallurgy and has sufficient expertise and experience which is relevant to the style of mineralisation and to the type of deposit under consideration to qualify as a Competent Person as defined in the 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr. Doepel consents to the inclusion in the report of the matters based on his information in the form and context in which they appear.*

### Mining reserve

A mining reserve estimation was conducted in October 2007 using the above resource estimate and current estimates of capital & operating costs.

<i>Reserve Category</i>	<i>Rock t</i>	<i>ORE</i>		<i>WO<sub>3</sub></i>	
		<i>MoS<sub>2</sub> %</i>	<i>lb</i>	<i>%</i>	<i>mtu</i>
Proven	461,000	0.30	3,000,000	0.47	216,000
Probable	1,750,000	0.19	7,410,000	0.47	831,000
<b>Total</b>	<b>2,210,000</b>	<b>0.21</b>	<b>10,400,000</b>	<b>0.47</b>	<b>1,050,000</b>

Input parameters are summarised below.

<i>Product</i>	<i>Molybdenum</i>	<i>Tungsten</i>
	<i>(Mo)</i>	<i>Trioxide (WO<sub>3</sub>)</i>
Price	US\$32.00/lb	US\$240/mtu
Exchange rate	US\$0.80/A\$	US\$0.80/A\$
Payable Metal	90%	80%
Royalty	2%	2%

### Competent person's statement

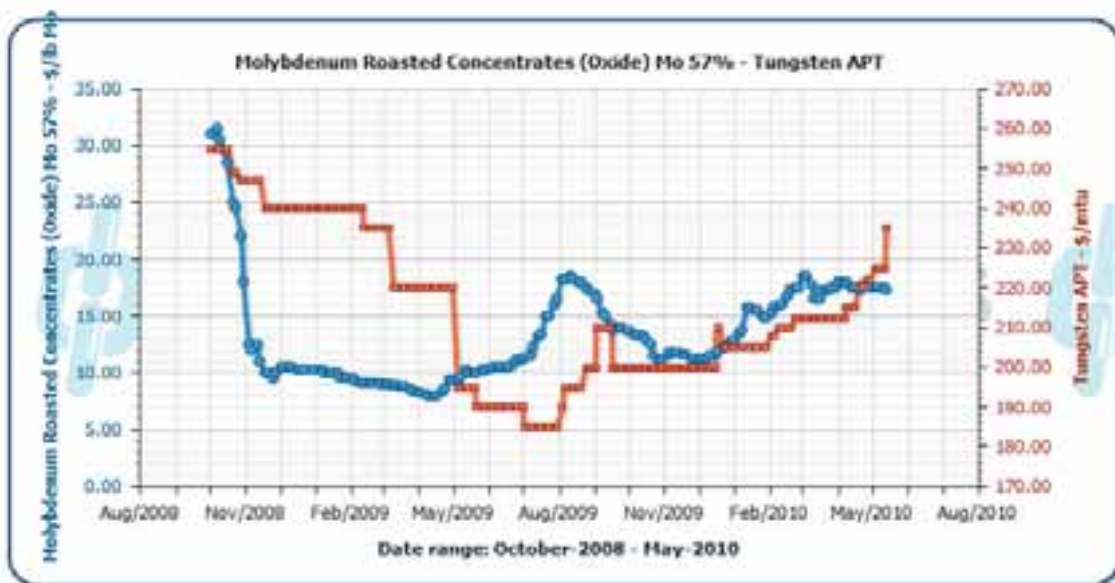
*The information above is based upon information compiled by Mr. Michael Neubauer, who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Neubauer was a full-time employee of Peter O'Bryan and Associates at the time of compiling this information and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration to qualify as a Competent Person as defined in the 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Neubauer has consented to the inclusion of the above information in this document in the form and context in which it appears.*

### Markets & commodity pricing

During late 2008 and 2009, in response to the global financial crisis the pricing of mineral commodities slumped. Tungsten and molybdenum prices participated in this slump with tungsten falling from a high of US\$250/mtu to US\$185/mtu and molybdenum falling from a high of US\$34/lb to US\$8.00/lb.

2010 has seen a marked recovery in the price of both commodities with the prices quoted in "metallpages.com" in May 2010 of US\$235/mtu to US\$185/mtu for tungsten and US\$17.10/lb for molybdenum respectively.

If this price improvement continues, the Directors believe that Molyhil could proceed in the near term.



Source: Metal-Pages.com

### Marketing and off-take agreements

Thor negotiated off take agreements with CITIC Australia Trading Limited ("CITIC"), which has lapsed. The CITIC Group is one of China's largest state owned companies. The off-take agreement commits CITIC to take 100% of the Molybdenum and Tungsten concentrates to be produced from Molyhil.

Efforts to establish a replacement agreement will be made as metal prices improve.

### Environmental approvals

Thor has completed the Public Environmental Report for Molyhil. This report has been accepted by the Department of Regional Development, Primary Industry, Fisheries and Resources in the Northern Territory. It is also a very stringent requirement that all aspects are identified and a suitable management plan is put in place to ensure there is no impact on the Environment by the Molyhil operations.

This report was approved on the 15 July 2007 by the DRDPFR (NT).

### Traditional owner approvals

Thor has also obtained all the required agreements between the Traditional Owners of the land, and Thor, to enable the Molyhil operations to proceed with the recognition and support of the Traditional Owners.

The Tripartite Deed records the terms of the Agreement between the parties in accordance with the Native Title Act and is between the Arrapere People, The Central Land Council and Thor.

Thor has also obtained the Aboriginal Areas Protection Authority, Authority Certificate. This was signed on the 13 October 2008.

In 2009 the Board of the Company took the decision to scale back activities on Molyhil in response to the continued weakness in international markets for molybdenum and tungsten. The Directors believe that the fundamental drivers for Molyhil are sound and that prices will, in time, recover to economic levels. In the event that the commodity prices continue to recover, the development of Molyhil will most likely proceed.

### Hatches Creek

Hatches Creek project is comprised of a group of tenements located in the central portion of the Northern Territory.

The Hatches Creek project has not been subjected to modern exploration for vein hosted mineralisation. Shear systems have not been systematically tested for gold mineralisation nor have the eluvial and alluvial sediments been systematically tested for wolframite.

No exploration activities have been conducted at Hatches Creek.

## URANIUM AND BASE METALS ASSETS

Thor has a number of project areas in the Northern Territory of Australia with prospectivity for uranium and base metals mineralisation with a history of exploration and proximity to existing discoveries. Several of the projects have had limited prior exploration which was in most cases inadequate. The projects are at various stages of evaluation.

### **Harts Range Project**

The Harts Range project consists of four tenements and covers 207km<sup>2</sup> of the Proterozoic Harts Range Metamorphic Complex. The tenements were explored for uranium between 1992 and 1995 following the flying of airborne radiometric and magnetic surveys. Numerous occurrences of uranium mineralisation were found, many of which were associated with alteration along structural breaks or contacts. Exploration licence EL24735 west to the west of a tenement held by Mithril Resources Limited (ASX: "MTH) from which base metals mineralisation in both surface and rock chip sampling and drill hole sampling has been identified associated with similar EM anomalies to these identified on EL24735 by Thor.

The tenements on which this project is located are granted tenements.

An Airborne Electromagnetic Survey was conducted in early 2010 over the Harts Range exploration tenement EL24735 in the Northern Territory. The survey consisted of 49 flight line traverses flown in a north south direction for a total of 314 line kilometres.

Interpretation of results is ongoing. One Priority 1 and six Priority 2 anomalies have been identified. In a geological context, these anomalies enhance the prospectivity of EL24735 for the occurrence of nickel, copper and gold. These anomalies provide targets for the follow up exploration.

### **Hale River Project**

The Hale River project covers 180km<sup>2</sup> of Tertiary basin sediments. These sediments are prospective for palaeochannel roll-front type uranium deposits. Previous exploration of the project area, undertaken between 1979 and 1981, delineated a redox front within sands containing anomalous uranium.

The tenement constituting this project is granted. Previously identified lignite seams represent targets for high grade uraninite or coffinite where lignite has been replaced by black uranium oxides.

No exploration activities have been conducted at Hale River since the last Annual Report.

### ***Plenty Highway and Bunday River projects***

Thor's contiguous Plenty Highway and Bunday River projects contain about 1,200km<sup>2</sup> of Tertiary sediments, which cover an internally drained area within the Proterozoic Arunta Block. The sediments have the potential to host economic palaeochannel uranium mineralisation.

The tenements on which these projects are located are granted.

No exploration activities have been conducted at the Plenty Highway or Bunday River since the last Annual Report.

It is the Company's intention as of 1 August 2010 to surrender tenements EL24809 Hale River, EL24810 Plenty Highway and EL25378 Bunday River.

### **Curtis Pound Prospect**

The project consists of EL24823 with an area of 361.9km<sup>2</sup> and an expiry date of 1st August 2012. The Curtis Pound project is situated over Proterozoic rocks of the Tennant Inlier and contains a number of identified radiometric anomalies.

The tenements on which this project is located are granted.

No exploration activities have been conducted at Curtis Pound since the last Annual Report.

## PART 3

### RISK FACTORS

**ALL THE INFORMATION SET OUT IN THIS DOCUMENT SHOULD BE CAREFULLY CONSIDERED; IN PARTICULAR THE ATTENTION OF PROSPECTIVE INVESTORS AND SHAREHOLDERS IS DRAWN TO THE RISKS DESCRIBED BELOW. THE ORDINARY SHARES (AND CDIs) SHOULD BE REGARDED AS A SPECULATIVE INVESTMENT AND AN INVESTMENT IN ORDINARY SHARES (OR CDIs) SHOULD ONLY BE MADE BY THOSE WITH THE NECESSARY EXPERTISE TO FULLY EVALUATE THE INVESTMENT. INVESTMENTS MAY FALL AS WELL AS RISE IN VALUE. THE DIRECTORS BELIEVE THAT THE FOLLOWING RISKS SHOULD BE CONSIDERED CAREFULLY BY INVESTORS BEFORE ACQUIRING ORDINARY SHARES (OR CDIs) PROSPECTIVE INVESTORS ARE ADVISED TO CONSULT AN INDEPENDENT ADVISER (AUTHORISED UNDER FSMA WHERE REQUIRED).**

If any of the following risks actually materialise, the Group's business, financial condition, and prospects could be materially and adversely affected to the detriment of the Company and its Security Holders. In that case, the market price and liquidity of Securities could decline and all or part of an investment in the Securities could be lost.

The Directors consider the following risks to be material, but the risks listed do not necessarily comprise all those associated with an investment in the Company and the Securities. There may be additional risks that the Directors do not currently consider to be material or of which the Directors are not currently aware. No inference ought to be drawn as to the relative importance, or the likelihood of the occurrence, of any of the following risks by reference to the order in which they appear.

#### **RISKS SPECIFIC TO THE COMPANY**

##### *Exploration and development risk*

Mineral exploration and mining are high-risk enterprises, only occasionally providing high rewards. In addition to the normal competition for prospective ground, and the high average costs of discovery of an economic deposit, factors such as demand for commodities, stock market fluctuations affecting access to new capital, sovereign risk, environmental issues, labour disruption, project financing difficulties, foreign currency fluctuations and technical problems all affect the ability of a company to profit from any discovery.

There is no assurance that exploration and development mineral interests owned by the Company, or any other projects that may be acquired in the future, can be profitably exploited.

##### *Operational risks*

The operations of the Company may be disrupted by a variety of risks and hazards which are beyond the control of Thor, including environmental hazards, industrial accidents, technical failures, labour disputes, unusual or unexpected rock formations, flooding and extended interruptions due to inclement or hazardous weather conditions, fire, explosions and other incidents beyond the control of the Company.

These risks and hazards could also result in damage to, or destruction of, production facilities, personal injury, environmental damage, business interruption, monetary losses and possible legal liability. While the Company currently intends to maintain insurance within ranges of coverage consistent with industry practice, no assurance can be given that the Company will be able to obtain such insurance coverage at reasonable rates (or at all), or that any coverage it obtains will be adequate and available to cover any such claims.

##### *Risks associated with exploration within the Dundas Nature Reserve*

The special conditions relating to exploration within the Dundas Nature Reserve means that the Company will have to obtain special approvals for its Dundas Project exploration programs.

For any activity not specified as an "environmental disturbance", the exploration program will need to be approved by the Environment Director of the Department of Mines and Petroleum, in agreement with the Regional/District Manager of the Department of Environment and Conservation.

Prior to any "environmental disturbance" (as defined by the Environment Director of the Department of Industry and Resources in agreement with the Executive Director of the Department of Environment and Conservation, the Conservation Commission of WA and the Environmental Protection Authority), a detailed program for each phase

of proposed exploration must be submitted for approval by the Environment Director of the Department of Mines and Petroleum in agreement with the Regional/District Manager of the Department of Environment and Conservation and the Conservation Commission of WA. This process may result in additional conditions being imposed together with a requirement to lodge an unconditional performance bond if required.

This means exploration of the Tenements carries the added risk of additional administrative delay and cost-burdensome conditions attaching to regular exploration programs.

#### *Metallurgy*

Metal and/or mineral recoveries are dependent upon the metallurgical process, and by its nature contain elements of significant risk such as:

- i. identifying a metallurgical process through test work to produce a saleable metal and/or concentrate;
- ii. developing an economic process route to produce a metal and/or concentrate; and
- iii. changes in mineralogy in the ore deposit can result in inconsistent metal recovery, affecting the economic viability of the project.

#### *Reserve and resource estimates*

Resource estimates are expressions of judgment based on knowledge, experience and industry practice. Estimates that were valid when made may change significantly when new information becomes available.

In addition, resource estimates are necessarily imprecise and depend to some extent on interpretations, which may prove to be inaccurate. Should the Company encounter mineralisation or formations different from those predicted by past drilling, sampling and similar examinations, resource estimates may have to be adjusted and mining plans may have to be altered in a way which could adversely affect the Company's operations.

#### *Payment obligations*

Under the mining and exploration tenements and licences and certain other contractual agreements to which the Company is or may in the future become a party, the Company is or may become subject to payment and other obligations. In particular, the Company has an obligation to meet the agreed expenditure budgets for each of its interests. In addition where the Company is not the manager it is reliant on the manager to maintain the exploration tenements and licences in 'good standing' and meet the relevant Mines Departments expenditure commitments. Failure to meet these work commitments will render the tenement or licence liable to be cancelled.

#### *Commodity risk*

It is anticipated that any revenues derived are likely to be closely related to the price of the commodities which are prospective on the Company's tenements and the terms of any off-take agreements that the Company enters into.

Commodity risk is the risk that the price earned for minerals will fall to a point where it becomes uneconomic to extract them from the ground. Future commodity prices may go down as well as up.

#### *Project Finance*

The development of a mining operation will require that further capital be raised, but there is no assurance that additional funding will be available on acceptable terms, or at all. Any inability to raise adequate project finance when required will have an adverse effect on the business activities proposed from the project development.

#### *Competition*

The Company competes with other companies, including major mineral exploration and production companies. Some of these companies have greater financial and other resources than Thor and, as a result, may be in a better position to compete for future business opportunities. Many of the Company's competitors not only explore for and produce minerals, but also carry out refining operations and other products on a worldwide basis. There can be no assurance that the Company can compete effectively with these companies.

#### *Title*

While the Company has undertaken all the customary due diligence in the verification of title to its mineral properties, this should not be construed as a guarantee of title. The properties may be subject to prior unregistered agreements or transfers and title may be affected by undetected defects.

All of the Tenements in which the Company has or may earn an interest in will be subject to applications for renewal or grant (as the case may be). The renewal or grant of the term of each Tenement is usually at the discretion of the relevant government authority. Failure by the Company to have Tenements granted or renewed may have a serious impact on the value of the Company's assets.

#### *Native title*

The *Native Title Act 1993* (Cth) ("Native Title Act") recognises and protects the rights and interests in Australia of Aboriginal and Torres Strait Islander people in land and waters, according to their traditional laws and customs. There is significant uncertainty associated with native title in Australia and this may impact on the Company's operations and future plans.

Native title can be extinguished by valid grants of land (such as freehold title) or waters to people other than the native title holders or by valid use of land or waters. It can also be extinguished if the indigenous group has lost its connection with the relevant land or waters. Native title is not necessarily extinguished by the grant of mining leases, although a valid mining lease prevails over native title to the extent of any inconsistency for the duration of the title.

Tenements granted before 1 January 1994 are deemed to be valid or validated by the Native Title Act.

For tenements to be validly granted (or renewed) after 1 January 1994, the future act regime established by the Native Title Act must be complied with, unless an Australian State or Territory has an alternate regime.

The existence of a native title claim is not an indication that native title in fact exists on the land covered by the claim, as this is a matter ultimately determined by the Federal Court.

In Western Australia the Native Title Act is administered by the state government which uses the expedited procedure (in respect of exploration and prospecting licences) and the right to negotiate (in respect of mining leases) under the Native Title Act where a mining tenement cannot be granted to an applicant unless they have satisfied the future act requirements of the Native Title Act.

The government of Western Australian enforces a policy where native title issues are settled by agreement. The government will progress exploration and prospecting licence applications through the expedited procedure only after it is satisfied that the applicant has formally entered into an Aboriginal heritage agreement with or prove they have an existing Aboriginal heritage agreement. If an applicant refuses to enter into an agreement, it must seek a future act determination from the National Native Title Tribunal. Under the right to negotiate provisions of the Native Title Act, for the grant of a mining lease, either an agreement must be negotiated between the Minister, the native title group and the mining company or the intention to grant the lease must be referred to the National Native Title Tribunal for negotiation.

In the Northern Territory, the grant of a tenement on land subject to a native title claim or determination will also be subject to the expedited procedure or the right to negotiate procedure.

The Company must also comply with Aboriginal heritage legislation requirements which require heritage survey work to be undertaken ahead of the commencement of mining operations.

The *Aboriginal Land Rights (Northern Territory) Act 1976* ("ALRA") also provides that an exploration licence may not be granted to a person in respect of Aboriginal land in the Northern Territory unless:

- a) both the relevant Minister and the Aboriginal Land Council for the area have given written consent to the grant of the licence or the Governor General has, by proclamation, declared that the national interest requires that the licence be granted; and
- b) the Aboriginal Land Council and the person have entered into an agreement as to the terms and conditions to which the grant of the licence will be subject.

The ALRA also provides that a mining interest may not be granted to an intending miner in respect of Aboriginal land in the Northern Territory unless:

- a) the relevant Aboriginal Land Council and the intending miner have entered into an agreement as to the terms and conditions to which a grant of the mining interest will be subject; and
- b) the relevant Minister has consented in writing to the grant of that mining interest.



These factors may impact on the Company's future applications for exploration licences or mining leases in Western Australia and the Northern Territory.

The Company must also comply with State, Territory and Commonwealth Aboriginal heritage legislation requirements which seek to protect Aboriginal sites and object from being destroyed, excavated or disturbed. Heritage survey works are usually undertaken ahead of the commencement of activities which would cause a disturbance to the land surface. It is possible that one or more sites of significance will exist in an area which the Company considers to be prospective.

#### *Environmental*

The Company's projects are subject to Australian regulations regarding environmental matters and the discharge of hazardous wastes and materials. As with all mining projects, the projects of the Company have a variety of environmental impacts. The Company intends to conduct its activities in an environmentally responsible manner and in accordance with applicable laws.

The cost and complexity of complying with the applicable environmental laws and regulations may prevent the Company from being able to develop potentially economically viable mineral deposits.

Although Thor believes that it is in compliance in all material respects with all applicable environmental laws and regulations, there are certain risks inherent to its activities, such as accidental spills, leakages or other unforeseen circumstances, which could subject the Company to extensive liability.

Further, the Company may require approval from the relevant authorities before it can undertake activities that are likely to impact the environment. Failure to obtain such approvals will prevent the Company from undertaking its desired activities. The Company is unable to predict the effect of additional environmental laws and regulations, which may be adopted in the future, including whether any such laws or regulations would materially increase the Company's cost of doing business or affect its operations in any area.

There can be no assurances that new environmental laws, regulations or stricter enforcement policies, once implemented, will not oblige the Company to incur significant expenses and undertake significant investments in such respect which could have a material adverse effect on the Company's business, financial condition and results of operations.

#### *Liquidity risk*

Liquidity risk is the risk of running out of working and investment capital. Thor's goal is to finance its exploration activities with cash flow from operations, but in the absence of such cash flow, the Company relies on the issue of equity share capital, joint venture and option agreements to finance its activities. There can be no assurance that adequate funding will be available when required to finance the Group's activities.

#### *Currency risk*

Fluctuations in currency exchange risks can significantly impact cash flows. The Company finances its operations by transferring sterling from the UK to meet local operating costs in its Australian subsidiaries.

Because the primary market for the Ordinary Shares and the underlying business of the Company are in a currency other than Euro, investors from countries whose currency is the Euro are reminded that changes in exchange rates may also have an adverse effect on the value, price or income of the Ordinary Shares.

CDIs trade in AUD. CDI holders from countries other than Australia are reminded that changes in exchange rates may also have an adverse effect on the value, price or income of the CDIs.

#### *Changes in legislation*

Exploration activities are subject to local laws and regulations governing prospecting, development, production, exports, taxes, labour standards, occupational health and safety, mine safety and other matters. Such laws and regulations are subject to change and can become more stringent, and compliance can therefore become more costly. The Company applies the expertise of its management, its advisors, its employees and contractors to ensure compliance with current laws.

## **RISKS RELATING TO THE COMPANY'S SECURITIES**

### *Value of Securities and liquidity*

It is likely that the Company's Securities price will fluctuate and may not always accurately reflect the underlying value of the Company's business and assets. The price of the Ordinary Shares and CDIs may go down as well as up and investors may realise less than the original sum invested. The price that investors may realise for their holdings of Securities, if and when they are able to do so, may be influenced by a large number of factors, some of which are specific to the Company and others of which are extraneous. Such factors may include the possibility that the market for the Securities is less liquid than for other equity securities and that the price of the Securities is relatively volatile.

The Directors are unable to predict when and if substantial numbers of Securities will be sold in the open market. Any such sales, or the perception that such sales might occur, could result in a material adverse effect on the market price of the Securities.

### *Dividends*

There can be no assurance as to the level of future dividends. The declaration, payment and amount of any future dividends of the Company are subject to the discretion of the Shareholders or, in the case of interim dividends, to the discretion of the Directors, and will depend upon, among other things, the Group's earnings, financial position, cash requirements, availability of profits, as well as provisions for relevant laws or generally accepted accounting principles from time to time. For the time being the Company does not pay dividends and this is unlikely to change in the near future.

### *Suitability*

An investment in the Company involves a high degree of risk and may not be suitable for all investors. Investors are reminded that the price at which they may realise their Securities and the timing of any disposal of them may be influenced by a large number of factors, some specific to the Company and its proposed operations, some which may affect the sector in which the Company operates and some which relate to the operation of financial markets generally. These factors could include the performance of the Company's operations, large purchases or sales of shares in the Company, liquidity or absence of liquidity in the Securities, legislative or regulatory changes relating to the business of the Company and general economic conditions.

## **GENERAL RISKS**

### *Policies and legislation*

Any material adverse changes in Federal or State government policies or legislation of Australia or any other country in which the Company has economic interests may affect the viability and profitability of the Company.

### *Financial markets and global economic outlook*

The performance of the Company will be influenced by global economic conditions and, in particular the conditions prevailing in the United Kingdom and Australia. The global economy has been experiencing difficulties from 2008, with the natural resource industry, in particular, being affected from the northern autumn of 2008 onwards. The financial markets deteriorated dramatically in 2008 and 2009. This has led to unprecedented levels of illiquidity, resulting in the development of significant problems at a number of the world's largest commercial banks, investment banks and insurance companies and considerable downward pressure and volatility in share prices. If these levels of market disruption and volatility continue, worsen or abate and then recur, the Company is likely to experience difficulty in securing debt finance, if required, to fund its long term development strategy. The Company may be exposed to increased counterparty risk as a result of business failures in the countries in which it operates and will continue to be exposed if counterparties fail or are unable to meet their obligations to the Company. The precise nature of all the risks and uncertainties the Company faces as a result of the current global financial crisis and global economic outlook cannot be predicted and many of these risks are outside of the Company's control.

### *Changes in tax and other legislation*

The information in this document is based upon current tax and other legislation and any changes in legislation or in the levels and basis of, and reliefs from, taxation may affect the value of an investment in the Company. There can be no certainty that the current taxation regime in the UK and in Australia where the Company operates will remain in force or that the current levels of corporation taxation will remain unchanged. There can be no assurance that there will be no amendment to the existing taxation laws applicable to the Company's operations,

which may have a material adverse effect on the financial position of the Company. Individual tax circumstances may differ from investor to investor and persons wanting to invest are advised to seek tax advice based upon their own circumstances.

#### *Additional capital requirements*

The Company will require additional capital in the future, which may not be available to it. Future financings to provide this capital may dilute Shareholders' proportionate ownership in the Company. The Company may raise capital in the future through public or private equity financings or by raising debt securities convertible into Ordinary Shares, or rights to acquire these securities. Any such issues may exclude the pre-emption rights pertaining to the then outstanding shares. If the Company raises significant amounts of capital by these or other means, it could cause dilution for the Company's existing Shareholders. Moreover, the further issue of Ordinary Shares could have a negative impact on the trading price and increase the volatility of the market price of the Ordinary Shares. The Company may also issue further Ordinary Shares, or create further options over Ordinary Shares, as part of its employee remuneration policy, which could in aggregate create a substantial dilution in the value of the Ordinary Shares and the proportion of the Company's share capital in which investors are interested.

#### *Forward-looking statements*

Events in the past, or experience derived from these, or indeed present facts, beliefs or circumstances, or assumptions derived from any of these, do not predetermine the future. Hopes, aims, targets, plans or intentions contained in this document are no more than that and should not be construed as forecasts. This document contains certain forward-looking statements that are subject to certain risks and uncertainties, in particular statements regarding the Company's plans, goals and prospects. These statements and the assumptions that underpin them are based on the current expectations of the Directors and are subject to a number of factors, many of which are beyond their control. As a result, there can be no assurance that the actual performance of the Company will not differ materially from the matters described in this document.

#### *Admission to trading on AIM and the ASX*

The New Shares will be admitted to trading on AIM, a market designed primarily for emerging or smaller companies to which a higher investment risk tends to be attached than to larger or more established companies. The Securities will not be admitted to the Official List. An investment in AIM quoted shares may carry a higher risk than an investment in shares quoted on the Official List.

The CDIs are quoted on the ASX, and an application for quotation will be made in respect of the New CDIs and CDI Warrants.

Quotation of the CDI Warrants on ASX is conditional on them meeting ASX's requirements for quotation of a new class of securities. This includes, amongst other things, there being a minimum of 100,000 CDI Warrants on issue, with at least 50 holders with a Marketable Parcel. There is no guarantee that the conditions will be met. If quotation is not granted, the CDI Warrants will not be traded on the ASX.

The fact that ASX may grant official quotation to New CDIs and/or the CDI Warrants is not to be taken in any way as an indication of the merits of the Company or its securities.

The investment described in this document is speculative and may not be suitable for all recipients of this document. Potential investors are accordingly advised to read this document in its entirety and to consult a person authorised under FSMA who specialises in advising in investments of this kind, or a professional advisor, before making any investment decisions. A prospective investor should consider carefully whether an investment in the Company is suitable in the light of their personal circumstances and the financial resources available to him/her.

#### *Enforcement of judgements in the United Kingdom*

As a Company incorporated in the United Kingdom, the rights of Shareholders will be governed by English Law. Some of the named advisers in this Circular are not residents of Australia. As a result it may be difficult for Shareholders to obtain service of process on those persons in Australia or the United Kingdom or to enforce in Australia or the United Kingdom judgements obtained in the respective countries courts against the Company or those persons who may be liable under Australian or English Law.

## PART 4

### TERMS AND CONDITIONS OF THE OFFER

#### Procedure for Application and Payment

Eligible Security Holders wishing to apply for any Offer Shares or Offer CDIs in accordance with the terms of the Offer should complete the enclosed Application Form in accordance with the instructions on it and post it together with payment in full for the number of Offer Shares or Offer CDIs applied for to Computershare Investor Services PLC, Corporate Actions Projects, Bristol BS99 6AH or (during normal business hours only) deliver it by hand to Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS13 8AE, so as to arrive not later than 5.00 p.m. on 19 July 2010 in the UK or Computershare Investor Services Pty Ltd by post to GPO Box D182 Perth Western Australia 6840, so as to arrive not later than 5.00 p.m. (AWST) on 19 July 2010. After this time, applications will not be accepted.

Eligible Security Holders with a registered address in the UK may apply for any whole number of Shares at the Offer Price, with one free attaching Share Warrant for every two New Shares subscribed for.

Eligible Security Holders that are Australian or New Zealand CDI holders may apply for any whole number of Offer CDIs at the Offer Price, with one free attaching CDI Warrant for every two New CDIs subscribed for.

Application monies should be rounded to the nearest whole penny or cent (with 0.5 rounded up).

Applications will be irrevocable and will not be acknowledged and receipts will not be issued for amounts paid on applications. Computershare Investor Services PLC, Computershare Investor Services Pty Limited and the Company reserve the right (but shall not be obliged) to treat any application not strictly complying with the terms and conditions of application or not accompanied by a power of attorney, if required, as nevertheless valid. **If you post your Application Form you are recommended to use first class post and to allow at least four working days for delivery.**

**Cheques or bankers' drafts should be made payable to "Computershare Investor Services PLC re: Thor Mining PLC Offer for Subscription a/c" and crossed "A/C payee only".** Cheques and bankers' drafts must be drawn in Sterling on a bank or building society in the British Isles which is either a settlement member of the Cheques & Credit Clearing Company Limited or the CHAPS & Town Clearing Company Limited or a member of the Committee of Scottish or Belfast Clearing Houses or which has arranged for its cheques and bankers' drafts to be cleared through facilities provided for the members of either of those companies or committees and must bear the appropriate sorting code in the top right hand corner. **No application will be considered unless these requirements are fulfilled. Euro cheques will not be accepted.**

For applications by Eligible Security Holders that are Australian or New Zealand CDI Holders, payment may be way of cheque or bank draft drawn and payable on an Australian bank and should be made payable to: **"Thor Mining PLC,"** and crossed **"Not Negotiable"**. Payment may also be made via BPay via an Australian financial institution. Eligible Security Holders that are Australian or New Zealand CDI holders that wish to pay via BPay will not need to return an Application Form, they simply need to follow the BPay instructions on the Application form. Payment via BPay will constitute an offer by the Applicant to subscribe for the number of Offer CDIs equal to the Application Monies divided by AUD0.01225 with fractions to be rounded up to the nearest whole number (with 0.5 rounded up). Different financial institutions may implement earlier cut off times with regards to electronic payment, which must be taken into consideration when making payment. It is the Applicant's responsibility to ensure that funds submitted through BPay are received by the Closing Date.

Cheques should be drawn on the personal account to which the Eligible Security Holders has sole or joint title to the funds. Third party cheques will not be accepted with the exception of bankers' drafts/building society cheques where the bank/building society has confirmed the name of the account holder on the back of the draft/cheque and has added their stamp. The account name must be the same as that of the applicant.

The instructions, notes and other terms set out in the Application Form constitute part of the terms of the Offer.

If the Offer proceeds, every Eligible Security Holder that makes a valid application for a Marketable Parcel under the Offer will receive an allocation. If the Offer is over-subscribed, applications will be scaled back on a *pro-rata* basis according to security holdings in the Company.

### **Money laundering regulations**

To ensure compliance with the Money Laundering Regulations 2007 (the “Regulations”), it is a term of the Offer that the Registrars may, at their absolute discretion, require verification of identity from any person completing an Application Form (the “Applicant”) for more than a sterling equivalent of €15,000 and, without prejudice to the generality of the foregoing, in particular any person who either (i) tenders payment by way of a cheque or banker’s draft drawn on an account in the name of any person or persons other than the Applicant or (ii) appears to the Registrars to be acting on behalf of some other person.

This may involve verification of the identity of any person on whose behalf the Applicant appears to be acting.

Lodging of an Application Form with the appropriate remittance constitutes a warranty by the Applicant that the Regulations will not be breached by the acceptance of the remittance and an undertaking to provide such evidence of identity at the time of lodging an Application Form or, in the absolute discretion of the Company, within a reasonable time thereafter (in each case to be determined at the absolute discretion of the Company and the Registrars) as may be required to ensure compliance with the Regulations.

If satisfactory evidence of identity has not been received by the Registrars within a reasonable period of time, then the Application Form in question may be rejected, in which event the application will not proceed any further and the Application Monies (without interest) will be returned to the bank account on which the cheque was drawn at the Applicant’s own risk.

Where possible Applicants should make payment by their own cheque. If a bankers’ draft or building society cheque is used, the Applicant should:

- (a) write his/her name and address on the back of the draft or cheque and, in the case of an individual, record his/her date of birth against his/her name; and
- (b) ask the bank or building society to endorse on the reverse of the draft or cheque the full name and account number of the person whose account number is being debited and stamp such endorsement.

The above information is provided by way of guidance to reduce the likelihood of difficulties, delays and potential rejection of an Application Form (but without limiting the Registrars right to require verification of identity as indicated above).

### **Data collection and privacy**

If you complete the Application Form, you will be providing personal information to the Company (directly or via the Company’s share registry). The Company collects, holds and uses that information to assess your application, service your needs as a security holder, facilitate distribution payments and corporate communications to you as a security holder and carry out administration.

The information may also be used from time to time and disclosed to persons inspecting the register, bidders for your Shares or CDIs or Offer Warrants in the context of takeovers, regulatory bodies, including the Australian Taxation Office, authorised securities brokers, print service providers, mail houses and the Company’s share registry.

You can access, correct and update the personal information that we hold about you. Please contact the Company or its share registry if you wish to do so at the relevant contact numbers set out in this document.

Collection, maintenance and disclosure of certain personal information is governed by legislation including the Australian *Privacy Act 1988* (Cth) (as amended), the Australian Corporations Act and certain rules such as the ASTC Settlement Rules. You should note that if you do not provide the information required on the Application Form, the Company may not be able to accept or process your application. This does not apply to persons using the BPay facility to accept the Offer.

### **Overseas Shareholders**

The making of the Offer to persons who are resident in, or citizens of, countries other than the UK and Australia and New Zealand (“Overseas Shareholders”) may be affected by the laws or regulatory requirements of the relevant jurisdictions. Such persons should satisfy themselves as to the full observance of such laws including obtaining any requisite governmental and other consents such that all requisite formalities are adhered to and they are advised to consult their professional advisers as to whether they require any governmental or other consents or need to observe any applicable legal requirements to enable them to apply for Offer Shares.

Only Eligible Security Holders may apply for Offer Shares and in particular no other person, and in particular no person receiving a copy of this document or the Application Form in any Excluded Territory may treat the same as constituting an offer or invitation to him/her nor should he/she in any event complete the Application Form unless, in the relevant territory, such an invitation or offer can lawfully be made to him/her or the Application Form can lawfully be completed without compliance with any unfulfilled registration or other legal requirements. Accordingly, persons receiving this document and Application Form should not send the same into any jurisdiction outside the UK, Australia and New Zealand and in particular not into any Excluded Territory or any other jurisdiction where to do so would contravene local securities laws or regulations, and any copy of this document or the Application Form which is received in any such jurisdiction is sent for information only, is confidential and should not be copied or distributed.

The Company reserves the right to treat as invalid any application or purported application to subscribe for the Offer Shares pursuant to the Offer which appears to the Company or its agent to have been executed, effected or despatched in a manner which may involve a breach of the securities laws or regulations of any jurisdiction or which does not include the warranties set out in the Application Form.

Payment under an Application Form will constitute a representation and warranty that a person completing the same is not a North American Person (as defined below) or a resident of any other Excluded Territory and an agreement that such person will not offer to sell, directly or indirectly, any of the Offer Shares (or any rights in respect of such Offer Shares) in North America or any other Excluded Territory or for the benefit of any North American Person or a resident of any other Excluded Territory. In addition, completion of an Application Form will constitute a representation and warranty that the person in whose name registration is applied for is not a North American Person or a resident of any other Excluded Territory and that they do not hold and have not acquired the Offer Shares comprised in the Application Form for the account or benefit of a North American Person or a resident of any other Excluded Territory or with a view to the offer, sale or delivery, directly or indirectly, of any Offer Shares or any rights in respect of such Offer Shares in North America any other Excluded Territory or to a North American Person or a resident of any other Excluded Territory. If the latter representation and warranty cannot be made, the Offer Shares identified in the Application Form will be registered in the name of the original Shareholder named therein.

#### *United States and Canada*

The Offer Shares have not been and are not intended to be registered or qualified for sale under the Securities Act of 1933 (as amended) of the United States of America or for sale under the securities law of any province or territory of Canada and may not be offered, sold, renounced, transferred, delivered, assigned, exchanged or otherwise disposed of, directly or indirectly, in the United States of America or Canada (collectively “North America”) or to or for the account or benefit of any person who is a citizen or resident of North America or is a corporation, partnership or other entity created or organised in or under any law of the US or Canada (“a North American Person”).

Accordingly, unless otherwise determined by the Company and effected by the Company in a lawful manner, the Application Form will not be sent to Existing Security Holders with registered addresses in North America since to do so would require compliance with the relevant securities laws of North America. Applications from any such person will be deemed to be invalid. If an Application Form is received by any Security Holders whose registered address is elsewhere but who is in fact a North American Person or the agent of a North American Person, he/she should not seek to take up his/her allocation.

#### *Japan*

Security Holders who are resident in Japan should note that the Offer Shares have not been and will not be registered under the Securities and Exchange Law of Japan. Accordingly, the Offer Shares may not be offered, sold, transferred, taken-up or delivered in Japan and no application to subscribe for Offer Shares may be made under this document or the Application Form in Japan.

#### *Republic of Ireland*

The Offer made by or contained in this document to persons in the Republic of Ireland will be restricted to an offer of Offer Shares addressed to existing Shareholders of the Company as at the Record Date, of whom there are fewer than 100 in the Republic of Ireland. Accordingly, the Offer is an excluded offer within the meaning of Article 3.2 of Directive 2003/71/EC (the “Prospectus Directive”) and Regulation 9 of the Prospectus (Directive 2003/71/EC) Regulations 2005 (the “Regulations”). This document has, therefore, not been prepared in accordance with the requirements of the Prospectus Directive or the Regulations nor has it been reviewed or approved, prior to its being issued, by any regulatory authority in the Republic of Ireland.

If any advice is given to residents of the Republic of Ireland in relation to the Offer by any intermediary, such intermediary should be authorised or exempted under the European Communities (Markets in Financial Instruments) Regulations, 2007, as amended.

#### *Germany*

The Offer made by or contained in this document to persons in Germany will be restricted to an offer of Offer Shares addressed to existing Shareholders of the Company as at the Record Date, of whom there are fewer than 100 in Germany. Accordingly, the Offer is an excluded offer within the meaning of Article 3.2 of Directive 2003/71 /EC (the “Prospectus Directive”) and Regulation 9 of the Prospectus (Directive 2003/71/EC) Regulations 2005 (the “Regulations”) and within the meaning of §32 of the German Prospectus Act (Wertpapierprospektgesetz). This document has, therefore, not been prepared in accordance with the requirements of the Prospectus Directive or the Regulations of the German Prospectus Act (Wertpapierprospektgesetz) nor has it been reviewed or approved, prior to its being issued, by any regulatory authority in Germany.

If any advice is given to residents of Germany in relation to the Offer by any intermediary, such intermediary should be authorised or exempted under the European Communities (Markets in Financial Instruments) Regulations, 2007, as amended.

#### *South Africa*

The Offer is not being made in the Republic of South Africa, its states, territories or possessions (“South Africa”) nor will an Application Form or advertisement or other offering material in relation to the Offer or the Offer Shares be distributed directly or indirectly in South Africa. The Offer Shares have not been and will not be available for purchase by any resident of South Africa (including corporations and other entities organised under the laws of South Africa but not including a permanent establishment of any such corporation or entity located outside South Africa). Applications sent from or postmarked in South Africa will be deemed to be invalid.

#### **The City Code**

Applicants will be required to warrant that acceptance by them of their application for subscription under the Offer will not result in them and/or persons acting in concert with them obtaining an interest in greater than 29.9 per cent of the total number of Ordinary Shares in issue following the Offer.

#### **Admission, settlement and dealings**

Application will be made for the admission of the Offer Shares to trading on AIM and for the official quotation of the Offer CDIs on ASX. The result of the Offer is expected to be announced on or about 22 July 2010 and, subject to the Offer becoming unconditional in all respects, trading in the Offer Shares is anticipated to commence on AIM for normal settlement on 28 July 2010. Offer CDIs and Offer Warrants (if admitted to quotation) are anticipated to commence trading on ASX for normal settlement on 28 July 2010.

#### **CREST**

Application will be made for the Offer Shares to be admitted to CREST with effect from AIM Admission and applicants for Offer Shares will be able to hold their Offer Shares in certificated or uncertificated form.

Notwithstanding any other provision of this document or of the Application Form, the Company reserves the right to allot and/or issue any Offer Shares and Offer Warrants in certificated form. In normal circumstances, this right is only likely to be exercised in the event of any interruption, failure or breakdown of CREST (or any part of CREST), or on the part of the facilities and/or systems operated by the Company’s registrars in connection with CREST. This right may also be exercised if the correct details in respect of bona fide market claims (such as the Member Account ID and Participation ID details) are not provided as requested on the Application Form.

Eligible Shareholders who are CREST sponsored members should refer to their CREST sponsor regarding the action to be taken in connection with this document and the Offer.

For more information as to the procedure for application in each case, Eligible Shareholders are referred to the Application Form.

#### **CHESS**

The Company participates in the CHESS. ASTC, a wholly owned subsidiary of ASX, operates CHESS in accordance with the Listing Rules and the ASTC Settlement Rules.

CDI Holders that are issued Offer CDIs and Offer Warrants (subject to quotation) and who are sponsored by participants in CHESS will receive a holding statement in respect of their holding of Offer CDIs and Offer Warrants. CHESS will issue this on behalf of CDN. The CHESS holding statement will set out the number of Offer CDIs and Offer Warrants (subject to quotation) issued, provide details of the CDI Holder's Holder Identification Number (HIN) and give the participation identifications number of the sponsor.

CDI Holders that are issued Offer CDIs and Offer Warrants (subject to quotation) and who are issuer sponsored will receive an uncertificated holding statement from Computershare Investor Services Pty Limited on behalf of CDN. This holding statement will contain the number of Offer CDIs and Offer Warrants (subject to quotation) issued to the CDI Holder and the CDI Holder's security holder registration number.

A CHESS holding statement or issuer sponsored holding statement will routinely be sent to CDI Holders at the end of any calendar month during which the balance of their CDI holding changes. CDI Holders may request a statement at any other time; however, a fee may be charge to you for additional statements.

If CDI Warrants are not admitted to quotation on ASX, certificates will be sent to CDI Warranholders instead of holding statements.



## PART 5

### WARRANT INSTRUMENT

#### TERMS AND CONDITIONS OF THE WARRANTS

The Warrants have been constituted by an instrument of the Company dated 22 June 2010 (the “Warrant Instrument”). The Warrant Instrument contains the terms and conditions upon which the Warrants will be issued and the principal terms and conditions are as follows:

##### **Warrant rights**

The registered holder of a Warrant will have the right to subscribe in cash for one Share or CDI for each Warrant held, at a subscription price of 1.5p per Share or AUD0.02625 per CDI.

The Warrants will be exercisable at any time after the issue of the Warrants until 3pm on 31 March 2012.

The exercise of any subscription rights by a Warrantholder must be in respect of not less than 1000 Warrants or, if less, the outstanding amount of the Warrants held by the Warrantholder.

The maximum number of Warrants which may be issued under the Warrant Instrument is 205,000,000.

##### **Form of Warrants**

Warrantholders will be recorded as the holders of Warrants in a register of Warrants maintained on behalf of the Company.

The Warrants will be held in certificated form.

Each Warrantholder shall be entitled to a certificate. Joint holders will be entitled to only one certificate in respect of their joint holding. A form of notice of exercise and the full terms and conditions of the Warrants will be attached to each certificate.

##### **Conditions attaching to exercise**

The Directors may require, as a condition of exercise of any Warrant, that the registered holder of the Warrant certifies that such exercise is not by or on behalf of a person resident in certain overseas territories, or made with a view to the transfer of the Shares or CDIs to which the Warrant relates to persons resident in such territories.

The registered holder is liable to reimburse the Company in respect of any taxes or duties referable to the holder, as a result of the exercise of the Warrant and for which the Company is liable to account.

##### **Allotment of Shares**

On the due exercise of any Warrant, the Company will allot the number of Shares or CDIs for which subscription is made to the registered holder of the Warrant. No later than 5 days after the issue of Shares following exercise of the Warrants, the Company will apply for those Shares to be admitted to dealing on any recognised investment exchange on which the Company’s Shares are then quoted.

Ordinary Shares allotted pursuant to the exercise of Warrants will rank will rank for all dividends or other distributions declared after the date of allotment of such Shares but not before such date and otherwise *pari passu* in all respects with the Ordinary Shares in issue on the date of such exercise.

##### **Adjustment of warrant rights**

There are no participation rights or entitlements inherent in the Warrants and the holder will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Warrants. However, the Company will ensure that for the purposes of determining entitlements to any such issue, the record date will be at least ten business days after the issue is announced. This will give Warrant Holders the opportunity to exercise their Warrants prior to the date for determining entitlements to participate in any such issue.

If the Company makes a bonus issue of Shares or other securities to existing Shareholders (other than an issue in lieu or in satisfaction, of dividends or by way of dividend reinvestment):

- (i) the number of Shares which must be issued on the exercise of an Warrant will be increased by the number of Shares which the Warrant Holders would have received if the Warrant holders had exercised the Warrant before the record date for the bonus issue; and
- (ii) no change will be made to the Exercise Price.

If the Company makes an issue of Shares *pro rata* to existing Shareholders (other than an issue in lieu of in satisfaction of dividends or by way of dividend reinvestment) the Exercise Price of a Warrant will be reduced according to the following formula:

$$\text{New exercise price} = \frac{O - E[P - (S+D)]}{N+1}$$

O = the old Exercise Price of the Warrant.

E = the number of underlying Shares into which one (1) Warrant is exercisable.

P = average market price per Share weighted by reference to volume of the underlying Shares during the 5 trading days ending on the day before the ex rights date or ex entitlements date.

S = the subscription price of a Share under the *pro rata* issue.

D = the dividend due but not yet paid on the existing underlying Shares (except those to be issued under the *pro rata* issue).

N equals the number of Shares with rights or entitlements that must be held to receive a right to one (1) new Share.

If there is any reconstruction of the issued share capital of the Company, the rights of the Warrant Holder may be varied to comply with the Listing Rules which apply to the reconstruction at the time of the reconstruction.

### **Liquidation**

If a resolution is passed for the voluntary winding up of the Company, while Warrants remain exercisable:

- (a) the winding up is for the purpose of a reconstruction or solvent amalgamation under a scheme of arrangement, the terms of the scheme of arrangement will be binding on the registered holders of all the Warrants; and
- (b) any other case, the Company will notify the registered holders of the passing of the resolution, and a registered holder of the Warrants will be entitled to elect, by written notice to the Company, to be treated in relation to the liquidation as if he had, immediately before the date of passing of the winding up resolution, exercised his Warrants, and to receive the distribution which he would have received had he done so, less the subscription price payable.

### **Transfer of Warrants**

Warrants may be transferred by a written transfer or, in the case of Warrants held in uncertificated form, in accordance with the Uncertificated Securities Regulations 2001.

### **Modification of Warrant rights**

Subject to the AIM Rules and the ASX Listing Rules, the rights attaching to the Warrants may from time to time be altered or abrogated, with either the consent in writing of any or all Warrant holders entitled to subscribe for not less than 75 per cent of the Ordinary Shares which are subject to outstanding Warrants or with the sanction of a Special Resolution of the Warrant holders.

For the purposes of the Warrant conditions, "Special Resolution" means a resolution proposed at a meeting of the Warrant holders duly convened and held and passed by a majority consisting of not less than 75 per cent of the votes cast, whether on a show of hands or on a poll.

### **Meetings of Warrantholders**

All the provisions of the Articles of Association of the Company as to general meetings of the Company shall *mutatis mutandis* apply to any separate meeting of the Warrantholders as though the Warrants were a class of shares forming part of the capital of Company and as if such provisions were expressly set out in *extenso* herein but so that:-

- (i) the necessary quorum shall be the Warrantholders (present in person or by proxy) entitled to subscribe for one-third in nominal amount of the Ordinary Shares subject to outstanding Warrants;
- (ii) every Warrantholder present in person at any such meeting shall be entitled on a show of hands to one vote and on a poll every Warrantholder present in person or by proxy at any such meeting shall be entitled to one vote for every Ordinary Share for which he is entitled to subscribe pursuant to the Warrants;
- (iii) any Warrantholder or Warrantholders holding 10 per cent or more of the aggregate outstanding Warrants present in person or by proxy may demand or join in demanding a poll;
- (iv) if at any adjourned meeting a quorum as above defined is not present those holders of outstanding Warrants who are then present in person or by proxy shall be a quorum.

### **Terms and conditions of the CDI Warrants**

The CDI Warrants will be issued on the same terms and conditions, *mutatis mutandis*, as the Warrants, other than as specified below.

The registered holder of a CDI Warrant will have the right to subscribe in cash for one CDI for each Warrant held, at a subscription price of AUD0.02625 per CDI.

The CDI Warrants will be exercisable at any time after the issue of the CDI Warrants until 3pm on 25 March 2012 (AEST). A certificate or holding statement will be sent to CDI Warrant Holders. For Australian and New Zealand purposes, "Warrants" are the same as "options".

### **Governing law**

The Warrant Instrument and the Warrants will be governed by and construed in accordance with English Law.

## PART 6

### UNAUDITED INTERIM REPORT FOR THE NINE MONTHS ENDED 31 MARCH 2010

#### Thor Mining PLC

#### Un-audited interim statement for the nine months ended 31 March 2010

The interim consolidated financial statements for the nine months ended 31 March 2010 comprises the Consolidated Statement of Comprehensive Income, Consolidated Balance Sheet and Statement of Changes in Equity and Cash Flows and related notes.

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

#### Consolidated statement of comprehensive income

For the 9 months ended 31 March 2010

	£'000	£'000	£'000
	<i>Nine months ended 31 March 2010</i>	<i>Six months ended 31 December 2009</i>	<i>Year ended 30 June 2009</i>
Note	<i>(Unaudited)</i>	<i>(Unaudited)</i>	<i>(Audited)</i>
Administrative expenses	(136)	(105)	(449)
Corporate expenses	(294)	(219)	(532)
Other expenses	(90)	(67)	(51)
Impairment of exploration assets	(215)	(209)	(254)
<b>Operating Loss</b>	<b>(735)</b>	<b>(600)</b>	<b>(1,286)</b>
Interest receivable	5	4	27
Other income	69	62	29
<b>Loss before taxation</b>	<b>(661)</b>	<b>(534)</b>	<b>(1,230)</b>
Taxation	0	0	0
<b>Loss for the period</b>	<b>(661)</b>	<b>(534)</b>	<b>(1,230)</b>
<b>Other comprehensive income:</b>			
Share based payment expense	0	0	10
Exchange differences on translating foreign operations	1,754	1,040	41
Other comprehensive income for the period, net of income tax	1,754	1,040	51
Total comprehensive income for the period	1,093	506	(1,179)
Basic loss per share	2	(0.30)p	(0.77)p

## Consolidated balance sheet

At 31 March 2010

	£'000 31 March 2010 <i>(Unaudited)</i>	£'000 31 December 2009 <i>(Unaudited)</i>	£'000 30 June 2009 <i>(Audited)</i>
<b>NON-CURRENT ASSETS</b>			
Intangible assets – deferred exploration costs	6,990	6,340	5,453
Mine development costs	1,302	1,197	1,299
Plant and equipment	3 36	46	77
<b>Total non-current assets</b>	<u>8,328</u>	<u>7,583</u>	<u>6,829</u>
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	246	277	198
Trade and other receivables	2	6	26
Other	11	19	5
<b>Total current assets</b>	<u>259</u>	<u>302</u>	<u>229</u>
<b>TOTAL ASSETS</b>	<u>8,587</u>	<u>7,885</u>	<u>7,058</u>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	(36)	(50)	(96)
Provisions	0	0	(8)
Interest-bearing liabilities	(7)	(7)	(16)
<b>Total current liabilities</b>	<u>(43)</u>	<u>(57)</u>	<u>(120)</u>
<b>NON-CURRENT LIABILITIES</b>			
Interest-bearing liabilities	(15)	(16)	(51)
<b>Total non-current liabilities</b>	<u>(15)</u>	<u>(16)</u>	<u>(51)</u>
<b>Total liabilities</b>	<u>(58)</u>	<u>(73)</u>	<u>(171)</u>
<b>NET ASSETS</b>	<u>8,529</u>	<u>7,812</u>	<u>6,887</u>
<b>EQUITY</b>			
Issued share capital	699	649	514
Share premium	7,224	7,144	6,860
Foreign exchange reserve	3,238	2,524	1,484
Merger reserve	1,634	1,634	1,634
Option revaluation reserve	10	10	10
Retained losses	(4,276)	(4,149)	(3,615)
<b>TOTAL EQUITY</b>	<u>8,529</u>	<u>7,812</u>	<u>6,887</u>

## Consolidated cash flow statement

For the 9 months ended 31 March 2010

	£'000	£'000	£'000
	<i>Nine months ended 31 March 2010</i>	<i>Six months ended 31 December 2009</i>	<i>Year ended 30 June 2009</i>
<i>Note</i>	<i>(Unaudited)</i>	<i>(Unaudited)</i>	<i>(Audited)</i>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Operating Loss	(735)	(600)	(1,286)
Decrease in trade and other receivables	18	6	12
Increase/(decrease) in trade and other payables	(68)	(63)	(22)
Depreciation	20	14	28
Exploration expenditure written off	215	209	254
Share options expensed	0	0	10
Unrealised exchange gain/(loss)	94	62	(3)
Sundry income	69	67	29
Profit/(loss) on sale of fixed assets	(6)	(1)	(2)
<b>Net cash outflow from operating activities</b>	<u>(393)</u>	<u>(306)</u>	<u>(980)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Interest received	5	4	27
Proceeds from sale of equipment	40	24	16
Proceeds from sale of surplus development equipment	172	160	0
Purchase of property, plant and equipment	0	0	(6)
Payments for mine development expenditure	(18)	(16)	(114)
Payments for exploration expenditure	(265)	(162)	(254)
<b>Net cash (inflow)/outflow from investing activities</b>	<u>(66)</u>	<u>10</u>	<u>(331)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Issue of ordinary share capital	597	456	220
Share issue cost	(45)	(37)	-
Repayment of borrowings	(45)	(44)	(32)
<b>Net cash inflow from financing activities</b>	<u>507</u>	<u>375</u>	<u>188</u>
<b>Net increase/(decrease) in cash and cash equivalents</b>	48	79	(1,123)
<b>Cash and cash equivalents at the beginning of period</b>	<u>198</u>	<u>198</u>	<u>1,321</u>
<b>Cash and cash equivalents at the end of period</b>	<u>246</u>	<u>277</u>	<u>198</u>

## Consolidated statement of changes in equity

For the 9 months ended 31 March 2010

	<i>Issued share capital £'000</i>	<i>Share premium £'000</i>	<i>Retained earnings £'000</i>	<i>Foreign currency translation reserve £'000</i>	<i>Merger reserve £'000</i>	<i>Option reserve £'000</i>	<i>Total £'000</i>
<b>Balance at</b>							
<b>1 July 2008</b>	448	6,706	(3,247)	1,443	1,634	862	7,846
Loss for the period	0	0	(1,230)	0	0	0	(1,230)
Foreign currency translation reserve	0	0	0	41	0	0	41
Total comprehensive income/(loss) for the period	0	0	(1,230)	41	0	0	(1,189)
<b>Transactions with owners in their capacity as owners</b>							
Share options expense/Options expired	0	0	862	0	0	(852)	10
Shares issued	66	154	0	0	0	0	220
<b>At 7 July 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
Loss for the period	0	0	(661)	0	0	0	(661)
Foreign currency translation reserve	0	0	0	1,754	0	0	1,754
Total comprehensive income/(loss) for the period	0	0	(661)	1,754	0	0	1,093
<b>Transactions with owners in their capacity as owners</b>							
Shares issued	185	364	0	0	0	0	549
<b>At 31 March 2010</b>	<b>699</b>	<b>7,224</b>	<b>(4,276)</b>	<b>3,238</b>	<b>1,634</b>	<b>10</b>	<b>8,529</b>

## Notes to the Unaudited Report

For the 9 months ending 31 March 2010

### 1. PRINCIPAL ACCOUNTING POLICIES

#### (a) Presentation of results

This report was approved by the Directors on 19 May 2010. The results have not been audited. 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 report does not constitute statutory accounts as defined by Section 435 of the Companies Act 2006.

The report has been prepared under the historical cost convention.

The Directors acknowledge their responsibility for the report and confirm that, to the best of their knowledge, the financial statements for the nine months ended 31st March 2010 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 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.

#### (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

	<i>31 March 2010 (Unaudited)</i>	<i>31 December 2009 (Unaudited)</i>	<i>30 June 2009 (Unaudited)</i>
<b>Basic loss per share for the period</b>			
Loss	(661)	(534)	(1,230)
Weighted average number of shares	218,053,812	213,377,748	159,236,518
Loss per share – pence	(0.30)	(0.25)	(0.77)

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

### 3. PROPERTY, PLANT AND EQUIPMENT

As at 31 March 2010 the group assets had a cost of £101,000. This comprised of motor vehicles and other equipment amounting to £40,000 and £61,000 respectively. The net book values at 31 March 2010 are £19,000 for motor vehicles and £17,000 for other equipment.

### 4. SHARE-BASED PAYMENTS

There were no grants of options made during the 9 months ended 31 March, 2010.

Existing options granted to Directors are:-

<i>Number</i>	<i>Grant Date</i>	<i>Expiry Date</i>	<i>Exercise Price</i>
5,000,000	24 November 2008	15 September 2011	AUD0.18

Existing warrants granted for services provided:-

<i>Number</i>	<i>Grant Date</i>	<i>Expiry Date</i>	<i>Exercise Price</i>
455,000	29 June 2005	29 June 2010	6 pence



## PART 7

### UNAUDITED PRO FORMA STATEMENT OF NET ASSETS OF THE GROUP

#### Thor Mining PLC

##### Unaudited proforma statement of net asset of the Group

The following unaudited pro-forma statement of net assets of the Group at 20 July 2010 are based on the audited financial statements of the Group at 30 June, 2009 and the half year unaudited accounts at 31 December, 2009. Those accounting reports have been adjusted for the un-audited trading activity up to 31 March 2010 which has then formed the basis of the pro-forma statement of net assets.

The pro-forma statement has been prepared on the basis that the Placing and Offer are fully subscribed and there has been no material movements in assets and liabilities of the Company between 31 March 2010 and 20 July 2010 other than:

- the issue of 200,000,000 Placing Shares at 0.7 pence each or AUD0.01225 each per New CDI to raise £1.40 million (or AUD2.45 million)
- the issue of 200,000,000 Offer Shares at 0.7 pence each or AUD0.01225 per New CDI to raise £1.40 million (or AUD2.45 million)
- the placing of 10,000,000 Shares and 5,000,000 Warrants on 26 May 2010;
- the Acquisition (involving payment of AUD100,000 to the Vendors and the acquisition of a 51 per cent interest in the Dundas Project); and
- expenses of the Placing and the Offer of approximately £224,000.

The pro-forma financial information has been prepared for illustrative purposes only and because of its nature, addresses a hypothetical situation and does not therefore represent the Group's actual financial position or results.

The pro-forma financial information has been prepared under International Financial Reporting Standards as adopted by the European Union and on the basis of the notes below. The pro-forma financial information is stated on the basis of the accounting policies adopted in the last audited consolidated financial statements and are consistent with those that the Directors intend to use in the next financial statements for the year ending 30 June, 2010.

The pro-forma statement of net assets has been prepared using a £:AUD exchange rate of 1:7018 (18 June 2010). Fluctuations in the £:AUD exchange rate will impact upon the amount raised under the Placing and Offer.

<i>Unaudited pro-forma Statement of net assets of the Group</i>	<i>Note 1 Group as at 31 March 2010 £'000</i>	<i>Note 2 Dundas acquisition £'000</i>	<i>Note 3 Share Placing £'000</i>	<i>Note 4 Maximum Placing and Offer proceeds £'000</i>	<i>Note 5 Costs of Placing &amp; Offer £'000</i>	<i>Note 6 pro forma net assets of Group at 20 July 2010 £'000</i>
<b>NON-CURRENT ASSETS</b>						
Intangible assets –						
deferred exploration costs	6,990	58				7,048
Mine development costs	1,302					1,302
Plant and equipment	36					36
<b>Total non-current assets</b>	<u>8,328</u>	<u>58</u>				<u>8,386</u>
<b>CURRENT ASSETS</b>						
Cash and cash equivalents	246	(62)	87	2,700	(224)	2,747
Trade and other receivables	2					2
Other	11	4				15
<b>Total current assets</b>	<u>259</u>	<u>(58)</u>	<u>87</u>	<u>2,700</u>	<u>(224)</u>	<u>2,764</u>
<b>TOTAL ASSETS</b>	<u>8,587</u>		<u>87</u>	<u>2,700</u>		<u>11,150</u>
<b>CURRENT LIABILITIES</b>						
Trade and other payables	(36)					(36)
Provisions	0					0
Interest-bearing liabilities	(7)					(7)
<b>Total current liabilities</b>	<u>(43)</u>					<u>(43)</u>
<b>NON-CURRENT LIABILITIES</b>						
Interest-bearing liabilities	(15)					(15)
<b>Total non-current liabilities</b>	<u>(15)</u>					<u>(15)</u>
<b>Total liabilities</b>	<u>(58)</u>					<u>(58)</u>
<b>NET ASSETS</b>	<u>8,529</u>		<u>87</u>	<u>2,700</u>	<u>(224)</u>	<u>11,092</u>
<b>TOTAL EQUITY</b>	<u>8,529</u>	<u>–</u>	<u>87</u>	<u>2,700</u>	<u>(224)</u>	<u>11,092</u>

**Notes:**

The pro-forma statement of net assets has been prepared to illustrate the combined effect of the acquisition of the Dundas Gold Project, the Share placing, the notional effect assuming full subscription of the Placing and the Offer and the effect of Group activities undertaken in the period between 31 March 2010 and 20 July 2010. The notes below correspond to the note numbers shown in the above column headings and provide a commentary of events:

1. This column details the unaudited interim report for the period to 31 March 2010 as set out in Part 6 of this Circular.
2. This column illustrates the effect of the acquisition of the Dundas Project on the net assets of the Group.
3. The placing of 10,000,000 Shares with 5,000,000 free attaching Warrants (termed “Options” in Australia) to Western Desert Resources Limited on 26 May 2010.
4. This column illustrates the effect on the net assets of the Group assuming a full subscription of the Placing and the Offer.
5. All costs of the Placing and Offer and have been identified. In the event that final costs are not known those have been estimated.
6. This column illustrates the pro-forma effect on the net assets of the Company of the activities described in Note 1-5.

The pro-forma statement of net assets excludes all other trading activities from the last unaudited balance sheet as at 31 March 2010 to the date of the pro-forma, 20 July 2010.

**PART 8**  
**CONSULTING GEOLOGIST'S REPORT**



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16 June 2010

The Directors  
Thor Mining PLC  
Level 1, 28 Greenhill Road  
Wayville  
South Australia 5034

and

The Directors  
Daniel Stewart & Company Plc  
Becket House  
36 Old Jewry  
London EC2R 8DD

Dear Sirs,

## **COMPETENT PERSON'S REPORT**

This Competent Person's Report ("Report") has been prepared by CSA Global Pty Ltd ("CSA") for inclusion in this Circular at the request of Thor Mining PLC ("the Company"). CSA, formerly CSA Australia Pty Ltd, has been operating from Perth, Western Australia as an independent minerals industry consultancy since 1986, with origins dating back to 1984 as part of the CSA Group Ltd founded in Ireland. The Report has been prepared to provide an independent geological assessment of the Company's Dundas gold exploration project in the broader Norseman area southeast of Kalgoorlie in Western Australia, in preparation for a proposed fund raising by the Company and the Company's proposed exploration programs on these licences. This Report complies with the AIM Rules of the London Stock Exchange from time to time (the "AIM Rules").

Thor has entered into an agreement to acquire up to 100% interests in three exploration licences ("Tenements") located about 100 kilometres ("km") east-southeast of Norseman in Western Australia. The Tenements may be prospective for gold mineralisation akin to that discovered at the five million ("M") ounce ("oz") Tropicana deposits, about 420km the north-east, in 2005. There have since been numerous other gold discoveries extending along a south-easterly trend from Tropicana toward the Dundas Project.

Tropicana was discovered as a result of drill testing a very weak gold-in-soil anomaly. Prior to 2005, the area saw only cursory exploration due to perceptions of low prospectivity. From 1996 to 2006, there was only restricted access to the Dundas Nature Reserve, within which the Tenements are

located, which further limited exploration activity. In 2000 however, BHP Minerals Pty Ltd (“BHPM”) sampling of pedogenic calcrete within the area of the Tenements identified weak gold-in-soil anomalism, the significance of which almost certainly went unrecognised at the time, as Tropicana had not by then been discovered.

Thor has developed a AUD1.68M exploration program to the end of 2011. The BHPM anomalies are an immediate drilling target, which Thor intends to pursue. It also plans to extend the calcrete sampling to cover the entire area of the tenements with a 1km square grid. The existing anomalies and any newly identified targets will be tested firstly by aircore drilling, with any bedrock mineralisation tested by RC drilling to depth.

It is CSA’s opinion that the Tenements are worthy of continued exploration, and that the proposed exploration programs are appropriate. It is not possible to accurately determine the outcome of exploration and considerable variation to the proposed programs may be required as new data becomes available. As recommended by the VALMIN Code, a field inspection of the project was completed by the primary author on 28 April 2010. CSA was accompanied on the field visit by Thor’s Exploration Manager.

CSA’s assessment of the Tenements is based upon technical information provided by the Company. Reference has been made to other sources of information, published and unpublished, including government reports and reports prepared by previous title holders to the areas. CSA has made reasonable enquiries to confirm the authenticity and completeness of the technical data used in the preparation of this Report and to ensure that it has had access to all relevant technical and other information. The agreements, status, and interests held by Thor in the Tenements are summarised in the Report, and set out in more detail elsewhere in the Admission Document.

The statements contained in this Report are given in good faith and have been derived from information believed to be reliable and accurate, that has been supplemented by CSA’s own investigations. CSA has relied upon this information and has no reason to believe that any material facts have been withheld. CSA believes that the Report has taken into account all the relevant information. CSA does not imply that it has carried out any type of audit on the technical, accounting or other records of the Company or its subsidiaries, or that its assessment has revealed all of the matters which an audit or more extensive examination might disclose at the date of this Report.

This CPR has been prepared by CSA Global Pty Ltd. CSA is an international minerals industry consultancy with its head office in Perth, Western Australia, branch offices in Darwin and Brisbane, and overseas offices in the United Kingdom and Indonesia. The company has provided geological consulting services to the exploration and mining industries in Australia, Asia, Europe, Africa, and the Americas. These services include estimation, assessment and evaluation of a wide range of both metallic and non-metallic deposits, and it has advised upon, designed and performed exploration programmes, carried out valuations, due diligence studies, and mine development studies and produced independent reports on mining and exploration properties.

The primary author of this report is Mr Ray Cary, an Associate Consultant with CSA. The secondary author of this report is Mr Jeff Elliott, Managing Director of CSA. Both Mr Cary and Mr Elliott have relevant and appropriate experience, competence, and independence to appraise the project Tenements and to be considered “Competent Persons” under the AIM Rules.

Mr Cary is the Director and Principal of Northwind Resources Pty Ltd (“NRPL”) of Perth, Western Australia. Mr Cary graduated from the University of Western Australia in 1970 with a Bachelor of Science, majoring in Geology and Physical Chemistry. Mr Cary is a Fellow of the AusIMM wherein he is accredited with Chartered Professional status in Management. He is also a Fellow of the AIG. His 40 years of industry experience includes exploration, resource evaluation, feasibility studies,

project development, mining operations, corporate and asset acquisitions, project financing and company directorships. He has prepared numerous public and private evaluations of companies, mining operations and exploration projects, and has extensive experience in financial modelling for operations involving a variety of commodities including gold, nickel, base metals and iron ore. The geographic spread of activities includes Australia, New Zealand, Central and South East Asia, West and Central Africa, Europe and Northern and Central America.

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Mr Cary and Mr Elliott have more than 5 years relevant experience in the assessment and evaluation of the types of mineral exploration properties discussed in the CPR.

No member, employee or Associate of CSA or NRPL is, or is intended to be a director, officer or other direct employee of Thor. No member, employee or Associate of CSA or NRPL has, or has had, any shareholding, or the right (whether enforceable or not) to subscribe for securities, or the right (whether legally enforceable or not) to nominate persons to subscribe for securities in Thor. CSA is to receive a fee for the preparation of the CPR based upon normal commercial terms for this type of work. This fee is payable regardless of the findings of the CPR.

CSA has given consent to the Company to use this Report as part of the Circular to be published in connection with the proposed fund raising, and to reference this Report in any applicable disclosure document, provided that no portion be used out of context or in such a manner as to convey a meaning which differs from that set out in the whole. CSA consents to the inclusion of all statements by CSA in the Circular and of its name and the references to it in the form and context in which they appear. We confirm that we have reviewed the information presented elsewhere in the Circular relating to information contained in the Competent Persons Report and confirm that the information presented is accurate, balanced, complete and not inconsistent with the Competent Persons Report.

Yours faithfully



Jeff Elliott  
Managing Director



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Date: 16 June 2010  
Report No: R147.2010

*Competent Person's Report*

**THOR MINING PLC**  
**Dundas Gold Project**  
**Norseman**  
**Western Australia**

**By**

**Ray Cary**

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**Jeff Elliott**

*BSc., FAusIMM, MAIG*

For:

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Approved:

Jeff Elliott  
Managing Director

## EXECUTIVE SUMMARY

Thor Mining plc (“Thor”) has commissioned CSA Global Pty Ltd to prepare a Competent Person’s Report (“CPR”) describing Thor’s Dundas gold exploration project (“Dundas Project”) in south-eastern Western Australia (Figure 1).

Thor has entered into an agreement to acquire up to 100% interests in three exploration licences (“Tenements”) located about 100 kilometres (“km”) east-southeast of Norseman in Western Australia. The Tenements may be prospective for gold mineralisation akin to that discovered at the five million (“M”) ounce (“oz”) Tropicana deposits, about 420km to the north-east, in 2005. There have since been numerous other gold discoveries extending along a south-easterly trend from Tropicana toward the Dundas Project.

This trend marks the boundary between the Archaean Yilgarn Craton and the Proterozoic Albany-Fraser Orogen. The precise geological setting of most of the gold occurrences is not at all clear. CSA’s conclusions regarding the prospectivity of the Tenements are therefore based on geological interpretation, however, the information on which the interpretation is based is limited.

Tropicana was discovered as a result of drill testing a very weak gold-in-soil anomaly. Prior to 2005, the area saw only cursory exploration due to perceptions of low prospectivity. From 1996 to 2006, there was only restricted access to the Dundas Nature Reserve, within which the Tenements are located, which further limited exploration activity. In 2000 however, sampling of pedogenic calcrete within the area of the Tenements by BHP Minerals Pty Ltd (“BHPM”) identified weak gold-in-soil anomalism, the significance of which almost certainly went unrecognised at the time, as Tropicana had not by then been discovered.

In March and April 2010, Thor completed an initial reconnaissance calcrete sampling program to the north of and adjacent to the area of anomalism identified by BHPM. Although results for only about half the samples collected are available, all to the north of the BHPM sampling, with considerable gaps in the data, the new results confirm and add substance to the earlier BHPM results. To the north of the BHPM sampling, Thor’s sampling appears to have extended the prospective strike from about 10km to about 38km. A traverse immediately to the north of the BHPM sampling extending for roughly 6km westward shows significant anomalism, very probably extending the BHPM anomaly a similar distance to the west.

Thor has developed a \$1.68M exploration program to the end of 2011. The BHPM anomalies are an immediate drilling target, which Thor intends to pursue. It also plans to extend the calcrete sampling to cover the entire area of the tenements with a 1km square grid. The existing anomalies and any newly identified targets will be tested firstly by aircore drilling, with any bedrock mineralisation tested by RC drilling to depth.

CSA has reviewed the proposed exploration program and budget and considers the exploration approach to be appropriate, and the proposed expenditure justified on the basis of the anomalies identified by BHPM’s earlier work alone. The results received to date from Thor’s sampling provide further justification for the proposed work program.



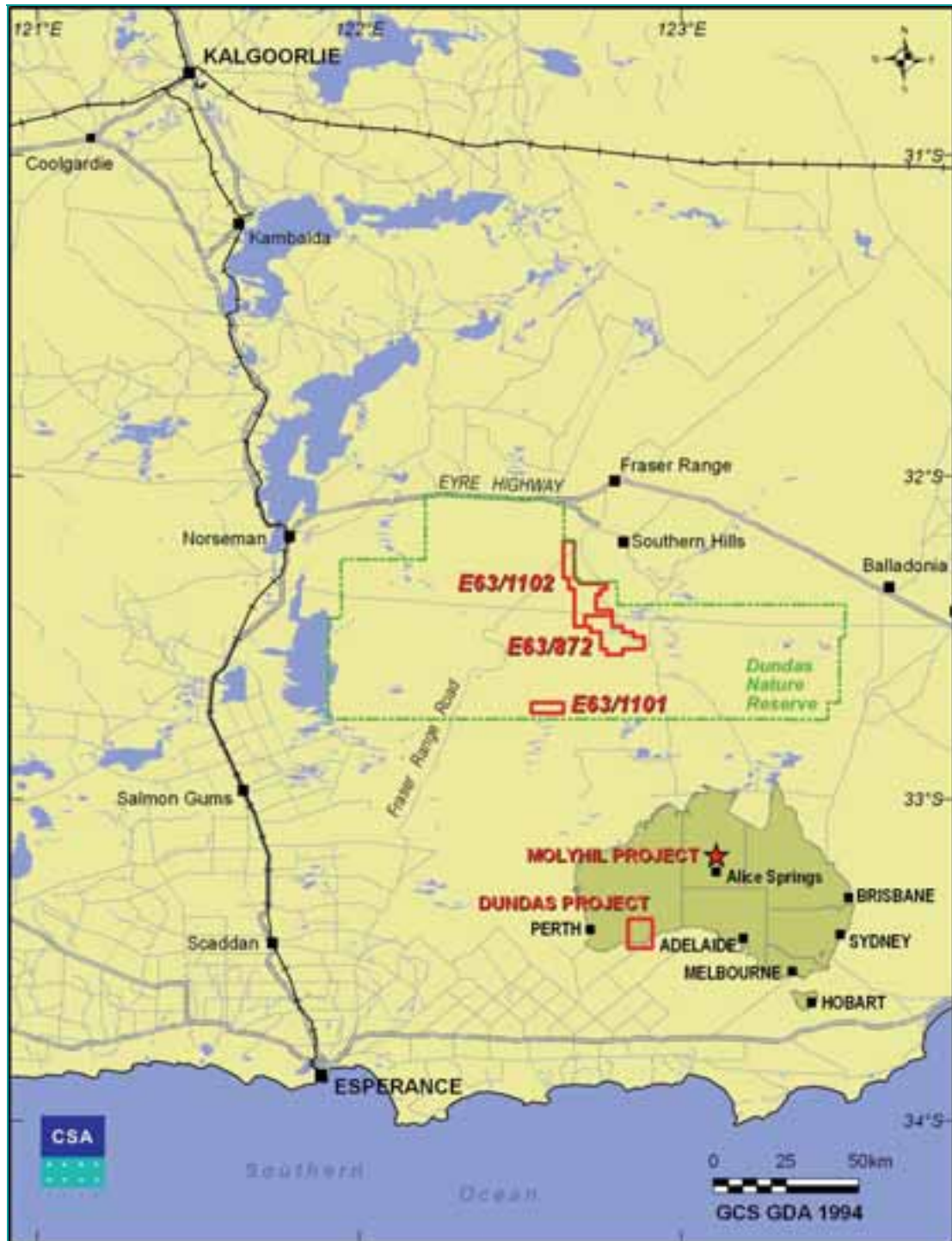


Figure 1. Location map for Dundas and Molyhil Projects

**Table 1. Thor Mining plc Summary of Assets**

Tenement	Registered Holder/s	Thor Interest	Area	Date of Grant	Expiry Date	Annual Expenditure	Status
E63/872	Paul Winston Askins & Golden Archer Resources Pty Ltd	51% with options to earn 100%	41 Blocks (119km <sup>2</sup> )	7/4/2009	6/4/2014	\$41,000	Granted. Early stage exploration.
E63/1101	Paul Winston Askins	51% with options to earn 100%	12 Blocks (35km <sup>2</sup> )	17/4/2009	16/4/2014	\$20,000	Granted. Early stage exploration.
E63/1102	Paul Winston Askins & James Ian Stewart	51% with options to earn 100%	51 Blocks (148km <sup>2</sup> )	17/4/2009	16/4/2014	\$50,000	Granted. Early stage exploration.
TOTALS			104 Blocks (302km <sup>2</sup> )			\$110,000	

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# 1 Introduction

Thor Mining plc has commissioned CSA Global Pty Ltd to prepare a Competent Person's Report ("CPR") describing Thor's Dundas gold exploration project in south-eastern Western Australia (See Figure 1). Thor is listed on both the AIM Market of the London Stock Exchange ("AIM") and the Australian Stock Exchange ("ASX") with its shares trading in both instances under the Code THR. Thor is based in Adelaide, South Australia.

Thor has entered into an acquisition agreement over three tenements located about 100km east-southeast of Norseman in Western Australia which have seen little previous exploration due to historical perceptions of low prospectivity, and their being situated within a Class B Nature Reserve, within which, access for exploration was severely restricted between 1996 and late 2006. In 2005, the +5Moz Tropicana gold deposit was discovered 420km northeast of the Tenements, at the north-eastern end of what is now recognised as a major, new gold province. Public domain information for Tropicana is limited, particularly with regard to the age of the mineralisation, however both Tropicana and the Dundas Project appear to lie within the Albany-Fraser Orogen. Within the Tenements, limited historical exploration has established the presence of anomalous concentrations of gold within calcareous surface soils.

This CPR has been prepared for inclusion a Circular to Thor's shareholders in preparation for a proposed capital raising by Thor ("Circular"). Its purpose is to provide an independent geological assessment of the Dundas Project and Thor's proposed exploration programs over the project area. Thor intends to raise funds to:

- Evaluate the significance of the known and any new soil geochemical anomalies by bedrock drilling.
- Conduct geochemical and geophysical surveys to evaluate the potential of the wider extent of the Tenements.
- Conduct resource definition drilling should the initial exploration prove successful.
- Advance the project to development in the event of establishing mineralised resources sufficient to support such.

The Tenements are relatively well located in terms of proximity to existing infrastructure, support services and population/workforce.

## 1.1 Reporting Standards

Australia has rigorous standards for the preparation of independent assessments and valuations of mineral assets for inclusion in any reports that are prepared under the country's corporations laws. These standards have been adopted either directly, or in de facto form, by numerous other jurisdictions internationally.

The Joint Ore Reserves Committee ("JORC") was established in 1971 and published several reports containing recommendations on the classification and public reporting of ore reserves prior to the first release of the JORC Code in 1989. Several revised and updated editions of the JORC Code were subsequently issued, the most recent in 2004 under the title "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" ("JORC Code 2004"), which supersedes all previous editions. As with previous editions, this sets out minimum standards, recommendations and guidelines for public reporting in Australasia of exploration results, mineral resources and ore reserves. The JORC Code has been adopted by the two pre-eminent professional bodies for the minerals industry, The Australasian Institute of Mining and Metallurgy ("AusIMM") and the Australian Institute of Geoscientists ("AIG"), and is therefore binding on members of those organisations when preparing such reports. The JORC Code is also included in the listing rules for the Australian and New Zealand Stock Exchanges.

Similarly, the AusIMM developed the Code and Guidelines for Assessment and Valuation of Mineral Assets and Mineral Securities for Independent Expert Reports ("VALMIN Code") over several years, and adopted it on 17 February 1995. There have since been a number of revised editions, the latest of which was issued in mid-2005 under the title "Code for the Technical Assessment and Valuation of Mineral and Petroleum Assets and Securities for Independent Expert Reports". The VALMIN Code is binding upon members of the AusIMM and AIG when involved in the preparation of public Independent Expert Reports that are required under the Australian Corporations Act 2001, or by the listing rules of ASX or of other recognised Stock Exchanges. It is endorsed and/or supported by ASX, the Australian Securities and Investments Commission, the Mineral Industry Consultants Association, the Minerals Council of Australia and the Securities Institute of Australia as indicative of industry best practice. The four main themes of the Valmin Code are Transparency, Independence, Competence and Materiality. As well as adhering to the VALMIN Code as nearly as practically possible, this CPR has also been prepared having due regard to the former Australian Securities Commission Practice Note 42 (Independence).

This CPR has also been prepared to comply with the AIM Rules of the London Stock Exchange from time to time.

## 1.2 Basis for Report

This report has been prepared to include information available up to and including 30 April 2010. As recommended by the VALMIN Code, a field inspection of the project was completed by the primary author on 28 April 2010. CSA was accompanied on the field visit by Thor's Exploration Manager.

In preparing the CPR, CSA has relied upon information provided to it by Thor or sourced from the public domain. Whilst there is no reason to doubt the reliability of any of the information, or to believe that information has been withheld or is incomplete, the information has not been independently verified, nor has any audit been conducted of Thor and/or any of its subsidiaries or associated entities. All material sources of information are shown in the References section at the rear of this report.

The statements and opinions included in this CPR are given in good faith and in the belief that they are not false, misleading or incomplete. A copy of the CPR was provided to Thor in draft form with a written request for comment as to errors of fact or interpretation, material omissions, or substantive disagreement as to the conclusions reached herein. The opinions and conclusions presented in the CPR are believed to be appropriate on the basis of the information available at the time. These could however be subject to change over time should new information become available, or with changes in metal prices, exchange rates, capital and operating costs and other factors that may affect the prospectivity of the Tenements.

### **1.3 Author of Report**

This CPR has been prepared by CSA Global Pty Ltd. CSA is an international minerals industry consultancy with its head office in Perth, Western Australia, branch offices in Darwin and Brisbane, and overseas offices in the United Kingdom and Indonesia. The company has provided geological consulting services to the exploration and mining industries in Australia, Asia, Europe, Africa, and the Americas. These services include estimation, assessment and evaluation of a wide range of both metallic and non-metallic deposits, and it has advised upon, designed and performed exploration programmes, carried out valuations, due diligence studies, and mine development studies and produced independent reports on mining and exploration properties. The primary author of this report is Mr Ray Cary, an Associate Consultant with CSA. The secondary author of this report is Mr Jeff Elliott, Managing Director of CSA.

Mr Cary is the Director and Principal of Northwind Resources Pty Ltd (“NRPL”) of Perth, Western Australia. Mr Cary graduated from the University of Western Australia in 1970 with a Bachelor of Science, majoring in Geology and Physical Chemistry. Mr Cary is a Fellow of the AusIMM wherein he is accredited with Chartered Professional status in Management. He is also a Fellow of the AIG. His 40 years of industry experience includes exploration, resource evaluation, feasibility studies, project development, mining operations, corporate and asset acquisitions, project financing and company directorships. He has prepared numerous public and private evaluations of companies, mining operations and exploration projects, and has extensive experience in financial modelling for operations involving a variety of commodities including gold, nickel, base metals and iron ore. The geographic spread of activities includes Australia, New Zealand, Central and South East Asia, West and Central Africa, Europe and Northern and Central America.

Mr Elliott graduated from Curtin University of Technology in 1993 with a Bachelor of Science in Geology. Mr Elliott is a Fellow of the AusIMM and is a member of the AIG. His career began in the goldfields of Western Australia, working in open cut and underground gold mines before moving to gold exploration in Australia and later in Malaysia. A change to base metal exploration led to an introduction to the CSA Group which he joined in 1998. Since then he has been involved in exploration and evaluation programs for a wide variety of

commodities including precious-, base-, and ferrous-metals, industrial minerals, coal and uranium. His experience includes exploration, resource evaluation, feasibility studies, project development, mining operations, corporate and asset acquisitions, project financing and company directorships. The geographic spread of activities includes Australia, Asia, Africa and Europe.

Mr Cary and Mr Elliott have more than 5 years relevant experience in the assessment and evaluation of the types of mineral exploration properties discussed in the CPR.

#### **1.4 Independence**

None of CSA or NRPL, or any of their affiliates, associates or subsidiaries, or Mr Cary has any association with Thor, or any of its directors, affiliates, associates or subsidiaries that could reasonably be construed as affecting their independence in the preparation of this CPR. None of CSA, NRPL or any of their affiliates, associates or subsidiaries, or Mr Cary has any interest or entitlement, direct or indirect, in the securities and assets of Thor, or its subsidiaries, principal shareholders, or any other company believed to be associated with Thor.

No member, employee or Associate of CSA or NRPL is, or is intended to be a director, officer or other direct employee of Thor. No member, employee or Associate of CSA or NRPL has, or has had, any shareholding, or the right (whether enforceable or not) to subscribe for securities, or the right (whether legally enforceable or not) to nominate persons to subscribe for securities in Thor. CSA has not previously provided geological services to Thor, and there is no agreement or understanding between CSA and/or NRPL and Thor as to CSA and/or NRPL performing further work for Thor.

CSA is to receive a fee for the preparation of the CPR based upon normal commercial terms for this type of work. This fee is payable regardless of the findings of the CPR.

#### **1.5 Declarations and Limitations**

This CPR has been prepared by CSA Global Pty Ltd at the request of, and for the sole benefit of Thor Mining plc. Its purpose is to provide an independent assessment of mineral tenements located in the Dundas district in Western Australia in which Thor may acquire interests of up to 100%. The CPR is to be included in its entirety within a Circular to Thor's shareholders to be issued in connection with a proposed capital raising by Thor. It is not intended to serve any purpose beyond that stated and should not be relied upon for any other purpose.

The terms of CSA's appointment include the provision of an indemnity whereby Thor will indemnify and compensate CSA in respect of preparing the CPR against any and all losses, claims, damages and liabilities to which CSA or its Associates may become subject under any applicable law or otherwise arising from the preparation of the CPR to the extent that such loss, claim, damage or liability is a direct result of Thor or any of its directors or officers knowingly providing CSA with any false or misleading information, or Thor, or its directors or officers knowingly withholding material information.

CSA has consented to the inclusion of the CPR within the Circular in the form and context in which it is to appear. Neither the whole nor any part of the CPR, nor any reference to it, may be included in or with, or attached to any other documents, circular, resolution, letter or statement without the prior written consent of CSA as to the form and context in which it is to appear.

There are no interests, current or past, held in any of the Assets of Thor, or those which it intends to acquire, by any Director of Thor, Competent Person or promoter.



## 2 Background

Thor Mining plc was incorporated in the United Kingdom in November 2004, with a focus on the exploration and development of molybdenum and tungsten deposits in Australia, and in particular its Molyhil deposit about 220 km north of Alice Springs in the Northern Territory (See Figure 1). Thor listed on the AIM in June 2005 under the code THR, and on ASX in September 2006, again under the code THR.

In January 2010, Thor completed a successful capital raising via a placement of shares. On 12 March 2010, it announced an expanded exploration emphasis to include gold, whereby terms had been agreed for the acquisition of an initial 51% interest in three exploration licences located about 100km east-southeast of Norseman in Western Australia (Figures 1 and 2). The initial interest may be increased to full ownership by the end of September 2014 by progressive exploration expenditure, and the progressive issue of shares in Thor to the vendors.

Dundas is an essentially greenfields project that lies within the Class B Dundas Nature Reserve wherein access for exploration was severely restricted from 1996 to late 2006. As a consequence of this policy, the area has seen only minimal exploration, and that well before the prospectivity of the region was revealed with the discovery of the +5Moz Tropicana gold deposits in 2005. Tropicana is located about 330km east-northeast of Kalgoorlie and about 420km north-east of the Tenements (See Figure 2). The Tenements are centred about 175km north-northeast of the south coastal city and port of Esperance, 210km south-southeast of Kalgoorlie, and about 90km east-southeast of Norseman. Australia's principal east-west road link, the Eyre Highway, passes about 15km north of the northern boundary of the Tenements. The project area is therefore extremely well situated in terms of access, and proximity to support infrastructure and labour sources.

The area is arid, gently undulating, and has never been developed for pastoral or agricultural purposes. It is hence devoid of infrastructure, with only limited access afforded by the old telegraph track linking Norseman and Balladonia on a direct east-west line to the south of the Eyre Highway, the Fraser Range Road that links the Eyre Highway about 100km east of Norseman with Esperance (See Figure 1), another which passes southward through E63/1102 and E63/872 and the overgrown remnants of old exploration access tracks.

The area is susceptible to wildfires, which burn substantial areas leaving extensive fire scars. These are characterised by widespread, low, dense regrowth comprised predominantly of eucalypt saplings. Where intact, native vegetation is mostly eucalypt forest with a moderately dense understorey. Recent fires have burned through much of the area covered by E63/872 and E63/1102, rendering access even more difficult with fallen trees and branches and fire hardened saplings.

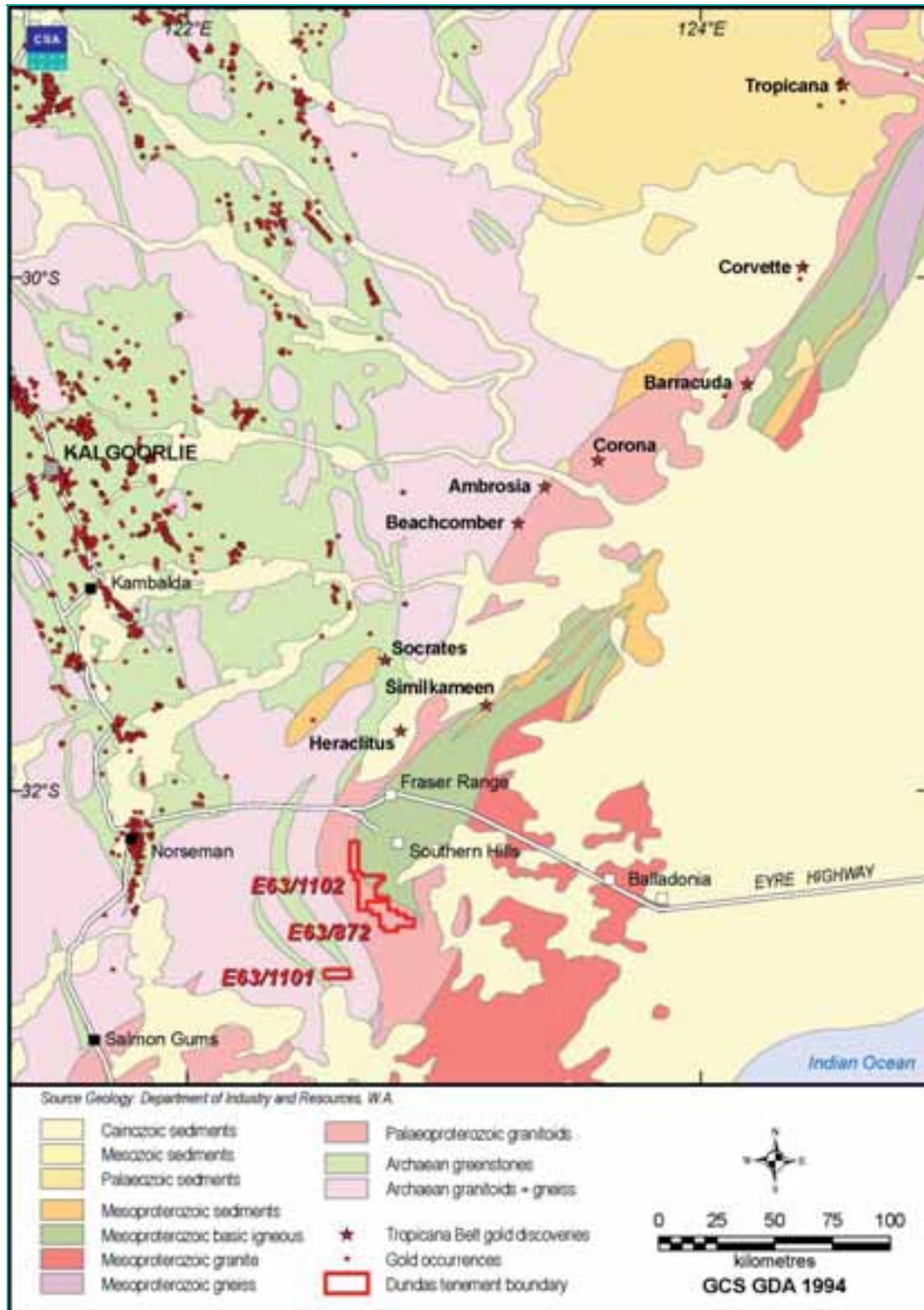


Figure 2. Geology and Gold Deposits of South Eastern Yilgarn Craton and adjoining Albany-Fraser Province.

### 3 Tenements & Agreements

The Tenements comprise three granted exploration licences, E63/872, E63/1101 and E63/1102 (Figure 3) with an aggregate area of 302km<sup>2</sup>. On 12 March 2010, Thor announced that it had entered into an agreement (“Acquisition Agreement”) which gave it rights to acquire up to a 100% interest in the Tenements as follows:

- The acquisition of an initial 51% interest (“Initial Interest”) for a consideration of \$100,000 upon signing of the Acquisition Agreement.
- A Stage 1 Option to acquire an additional 9% interest by issuing 45M fully paid shares in Thor to the vendors of the Tenements (“Vendors”) within 5 months of execution of the Acquisition Agreement.
- A Stage 2 Option to acquire an additional 20% interest, exercisable on, or before 30 September 2012, by issuing the equivalent of A\$2M in fully paid shares in Thor, provided that Thor has spent at least \$1M on exploration within the Tenements.
- A Stage 3 Option to acquire the remaining 20% interest by issuing a further A\$2M in fully paid shares in Thor, exercisable on the earlier of 30 September 2014 or within 60 days of Thor spending an aggregate of A\$2M on exploration and evaluation activities within the Tenements.



**Figure 3. Thor Tenements and Dundas Nature Reserve.**

There is no minimum expenditure obligation on Thor, and no obligation to exercise any of the options, however, Thor must sole fund exploration and maintenance of the Tenements following the acquisition of the Initial Interest. If Thor fails to exercise any of the Stage 1, 2 or 3 Options, it will cease sole funding, and Thor and the Vendors will commence a joint venture for future exploration and evaluation of the Tenements (“Joint Venture”). Future contributions to such activities are to be according to the parties’ respective interests in the Joint Venture. Should any of the Vendors wish to sell its interest in the Tenements, Thor will hold a pre-emptive right over the sale, and if the Vendor’s collective interest in the Joint Venture dilutes to 5% or less, the Vendors may withdraw from the Joint Venture in exchange for a 1.5% net smelter return royalty.

From the acquisition of the Initial Interest until either Thor acquires 100% of the Tenements, or the Joint Venture commences, Thor is to sole fund all exploration and tenement maintenance, be responsible for formulating and implementing all exploration programs and be responsible for keeping the Tenements in good standing.

In its 12 March 2010 announcement, Thor noted that the transaction was subject to approval at a general meeting of shareholders to be held within 3 months. The Acquisition Agreement to acquire the Initial Interest was executed on 17 April 2010. A shareholder meeting to approve the exercise of the Stage 1, 2 and 3 Options and the attendant issue of shares to the Vendors is to be held late in May 2010.

The particulars of the Tenements are summarised in Table 2

**Table 2. Dundas Project Tenement Schedule**

Tenement	Registered Holder/s	Thor Interest	Area	Date of Grant	Expiry Date	Annual Expenditure	Status
E63/872	Paul Winston Askins & Golden Archer Resources Pty Ltd	51% with options to earn 100%	41 Blocks (119km <sup>2</sup> )	7/4/2009	6/4/2014	\$41,000	Granted. Early stage exploration.
E63/1101	Paul Winston Askins	51% with options to earn 100%	12 Blocks (35km <sup>2</sup> )	17/4/2009	16/4/2014	\$20,000	Granted. Early stage exploration.
E63/1102	Paul Winston Askins & James Ian Stewart	51% with options to earn 100%	51 Blocks (148km <sup>2</sup> )	17/4/2009	16/4/2014	\$50,000	Granted. Early stage exploration.
TOTALS			104 Blocks (302 km <sup>2</sup> )			\$110,000	

A “Block” in Table 2 refers to a graticular block, which is one minute of latitude by one minute of longitude. The area of a block varies with latitude, progressively decreasing with increasing latitude due to the convergence of the lines of longitude toward the earth’s poles.

The Tenements lie within the Class B Dundas Nature Reserve No 36957 (See Figure 3) wherein access for exploration has only recently been eased following restrictions imposed from 1996 to late 2006. On 15 March 2010 the Environment Division of the Western Australian Department of Mines and Petroleum (“WA DMP”) provided written advice that Thor had been granted access to the Tenements, with the consent of the Vendors, for the purposes of completing non-ground disturbing exploration activity to meet WA DMP expenditure commitments. The conditions attaching to the Tenements include strict conditions on, and prior approval for the use of mechanised exploration equipment within the Nature Reserve and for the rehabilitation of any disturbances caused by any exploration activity.

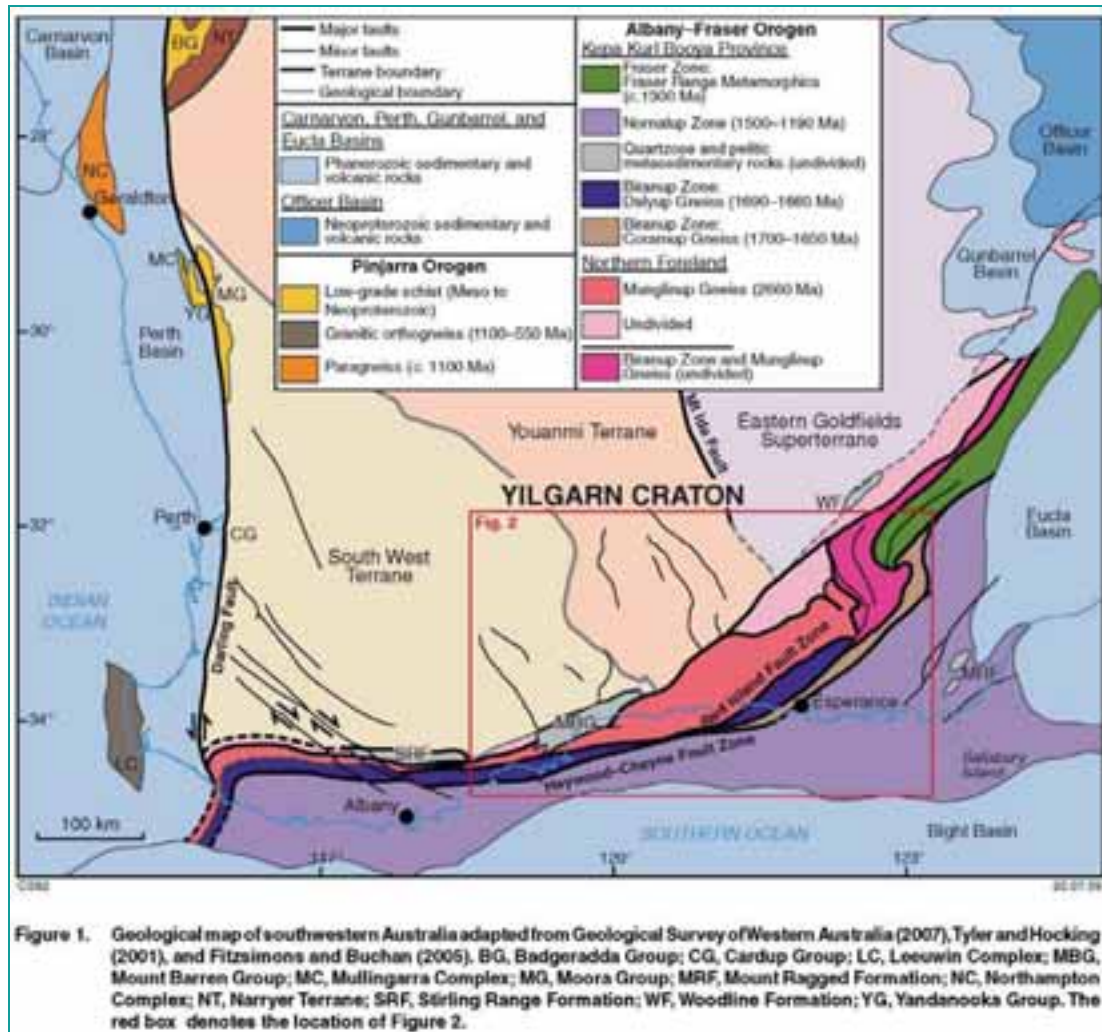
Notwithstanding the delay between granting of the Tenements (April 2009), and the granting of access for exploration, Thor is still obliged to comply with all statutory reporting and expenditure requirements, including the lodgement of Applications for Exemption from Expenditure Conditions if these are not met. The necessary reports must be lodged within 60 days of the anniversary of the Tenements as shown in Table 2.

It is requirement that the consent of Native Title claimants be obtained before a tenement can be granted. This has been obtained by way of Agreements for Heritage Protection with the two Native Title claimant groups affected by the grant of the Tenements that were executed by the Vendors and the Native Title claimants during 2008.

## 4 Exploration History in Region

### 4.1 Introduction

The southern and south-eastern margin of the Archaean Yilgarn Craton in Western Australia is defined by the Proterozoic Albany-Fraser Orogen or Province, an intercontinental collision zone extending in an arcuate shape from the Darling Fault, about 200km west of Albany, into Central Australia (See Figure 4). The Yilgarn Craton has been a prolific source of gold and nickel, however, until the discovery of the Tropicana-Havana gold deposits in 2005/2006, the Province saw only cursory exploration due to perceptions of unfavourable geology, very poor outcrop and in part, burial under younger sediments. With the discovery of Tropicana, the perceived gold potential of the Province has radically changed. Tropicana has now been shown to be just one of a cluster of deposits and to extend for at least 1km down-dip. Several other gold mineralised zones have since been discovered along the margin between the Yilgarn Craton and the Albany-Fraser Orogen (See Figure 2).



**Figure 4. Geology of Southern Western Australia (Figure 1 from GSWA Record 2009/10)**

*Note: The reference to Figure 2 in the diagram and notes above is to Figure 2 in GSWA Record 2009/10 which appears as Figures 8 and 10 in this report.*

The prospective stratigraphy is largely controlled by majors however; there are also some significant landholdings by smaller companies.

## 4.2 Previous Exploration

In the period 1965 to 1972, the general area east and south-east of Norseman was part of a very large area held by Newmont Holdings Pty Ltd in a search for Proterozoic-aged base metal deposits. Reconnaissance activity failed to identify any significant targets. During 1980-81, an area near the Eyre Highway was explored by Stockdale Prospecting Pty Ltd (“Stockdale”) for diamond-bearing kimberlites. Although rocks of kimberlitic affinity were identified, they were thought to be non-prospective for diamonds. Cursory gold exploration was conducted by Central Norseman Gold Corporation Ltd, Ascot Holdings Pty Ltd and BHP Minerals Pty Ltd (“BHPM”) at various times between 1979 and 1989.

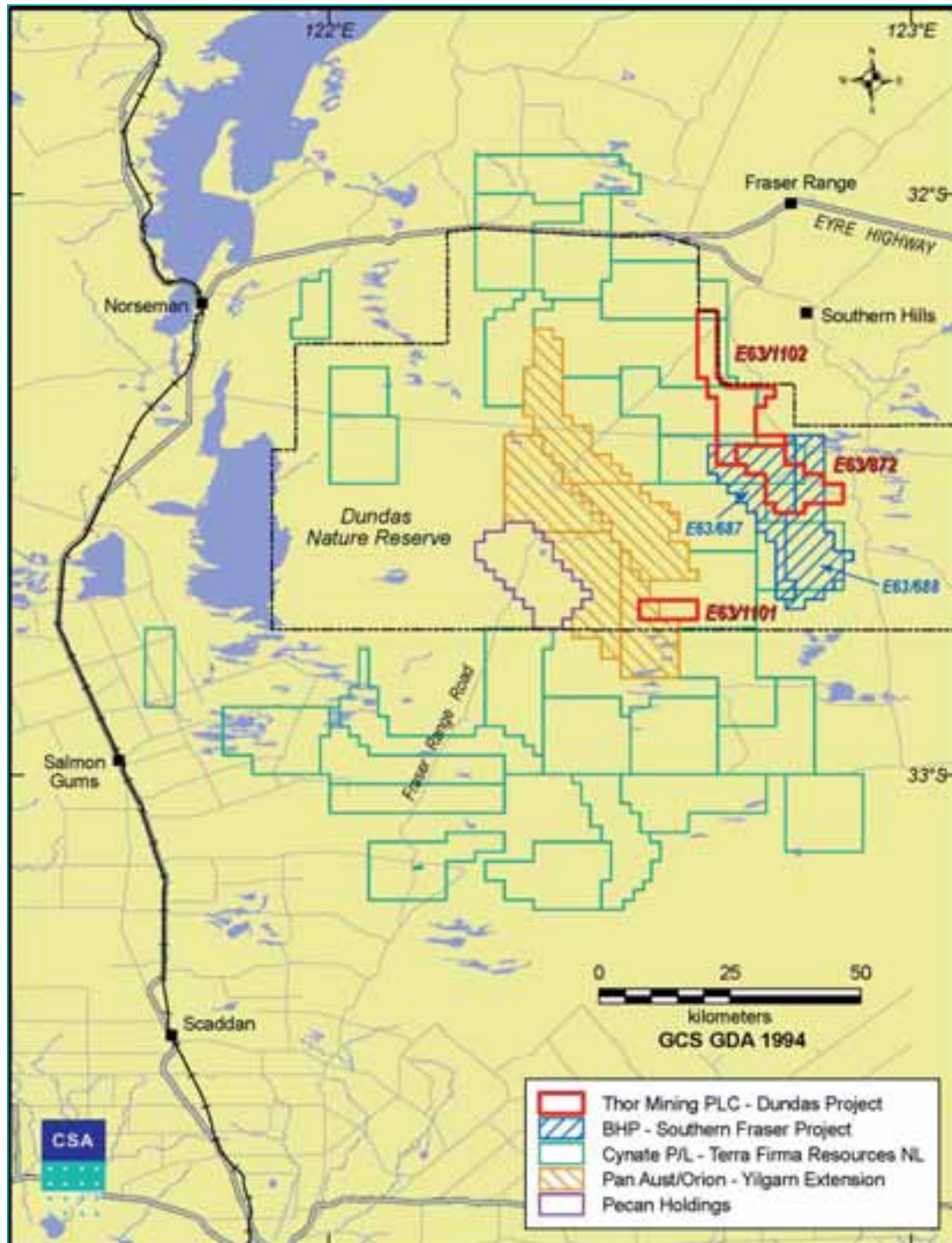
BHPM’s initial work was focussed along the Fraser Range Road (See Figure 5) and comprised soil sampling and follow-up rotary air blast (“RAB”) drilling. The soil sampling

identified anomalous gold values in the range 0.5 parts per billion (“ppb”) to 2.6ppb against a background of 0.1ppb, and the RAB drilling, gold values in the range 3ppb to 20ppb over thicknesses of 6m to 12m within amphibole feldspar gneiss.

In the period 1994-95, BHPM cursorily evaluated an extensive area of tenements for grass roots gold exploration, including much of the areas described below. Further work was conducted by Pan Australian Resources NL (“Pan Aust”)/Orion Resources NL (“Orion”) within a group of core tenements between 1994 and the end of 1997. In 1999/2000, BHPM evaluated a group of tenements that includes the area now covered by Thor’s E63/872 (Figure 5) for Broken Hill type (“BHT”) lead-zinc deposits. In the process, BHPM identified an area of anomalous gold-in-soil geochemistry, the significance of which was almost certainly not appreciated at the time. Other than this latter phase of work by BHPM, which is described in Section 4.2.4, there is no record of any previous work having been conducted within the Tenements now held by Thor.

The relationships between the various generations of tenements are shown in Figure 5.





**Figure 5. Successive Generations of Tenements near Dundas Gold Project**

#### 4.2.1 Pecan Holdings Pty Ltd

The first detailed reports of exploration within the Albany-Fraser Province date from 1994/1995 when Pecan Holdings Pty Ltd (“Pecan”) conducted reconnaissance geochemical sampling within an exploration licence located to the west of E63/1101, straddling the Fraser Range Road (See Figure 5). The licence was acquired for gold exploration after an area with an aeromagnetic signature similar to that over greenstone belts in the Yilgarn Craton to the

north was recognised from Bureau of Mineral Resources (“BMR”) regional aeromagnetic data. In April 1995, BHPM entered into a joint venture with Pecan over the tenement.

Pecan completed a single soil sampling traverse along the Fraser Range Road with samples analysed using the bulk leach extractable gold (“BLEG”) assay technique. The sample interval was closed from 100m to 50m wherever mafic lithologies were interpreted from the aeromagnetic data. The 114 samples collected were also assayed for Cu, Pb, Zn, As and Ag. Nine loam samples were collected for examination for heavy minerals. BHPM completed reconnaissance mapping and sampling, a ground magnetic traverse along the Fraser Range Road, and drilled eight aircore holes to an average depth of about 23m to test magnetic features and soil geochemical anomalies. A single rock chip sample was subjected to U-Pb zircon age dating.

BLEG gold values ranged from 0.25ppb to 6.38ppb. Weak Cu and Zn soil anomalism was indicated over the strongly magnetic features. No heavy mineral indicators were recovered from the loam samples. The drilling indicated granitic and gneissic bedrock lithologies, with only a few intersections reporting slightly elevated Cu, Zn, Ni and Mn. Proterozoic ages of about 1,700 million years ago (“Ma”) were indicated by the geochronology. It was concluded that the work completed had failed to identify any exploration targets, with the Proterozoic age considered to have further downgraded the potential of the area. The tenement was subsequently surrendered.

#### 4.2.2 BHPM East Norseman Project

In July/August 1995, BHPM conducted limited exploration within a large package of exploration licences held by Cynate Pty Ltd (“Cynate”), Terra Firma Resources NL (“Terra Firma”) and Orion (See Figure 5) under a provisional farm-in agreement. The concept for the project was that the greenstone belts of the Eastern Goldfields Province might continue across what had been considered to be the boundary between the Yilgarn Craton and the Albany-Fraser Province. The area was therefore thought prospective for substantial Archaean lode gold and ultramafic-hosted nickel deposits. The project concept is described in more detail in the following section.

BHPM’s work comprised:

- Examination of aeromagnetic data acquired by Cynate/Terra Firma.
- Examination of regional gravity and aeromagnetic data acquired by the BMR.
- Collection of drill spoils from earlier Cynate drill holes
- Collection of rock chip samples.
- U-Pb zircon dating of rock samples.

The exposed rocks were dominantly quartzo-feldspathic in composition, with minor biotite, garnet and magnetite. They were typically high grade metamorphics with polyphase deformation fabrics.

Drill spoils were assayed for gold and a suite of minor elements; bottom-of-hole samples were subjected to low detection fire assay for gold. Six samples, including both drill spoils and outcrop, were U-Pb zircon dated using the SHRIMP ion microprobe. Both Archaean ( $\pm 2610$ Ma) and Proterozoic ages were indicated, with the Archaean ages confined to a fault-bounded sliver which interdigitates with the Proterozoic sequence. The Archaean sliver was able to be traced into the Yilgarn Craton using aeromagnetic data, and appeared to correlate with an undifferentiated greenstone belt dominated by sediments and granitoids with minor basalts and iron formations that contained several small iron formation-hosted gold deposits. The mafic lithologies intersected by Cynate's drilling were determined not to be ultramafic.

The composition of the Archaean sliver and its limited extent were considered to have downgraded the prospectivity of the area, and BHPM did proceed with the joint venture.

#### 4.2.3 *Pan Australian Resources NL/Orion Resources NL*

In 1994, prior to BHPM's involvement, Pan Australian Resources NL and Orion formed the Norseman One Joint Venture ("N1JV") over five exploration licences held by Cynate and Orion (See Figure 5) covering the interpreted extension of Archaean stratigraphy into the Albany-Fraser Province. The tenements were included in BHPM's East Norseman land package, and formed part of a regional exploration model referred to by Pan Aust as the Yilgarn Extension Project. Cynate was in effect, a subsidiary of Pan Aust.

The south-easterly limit to the Yilgarn Craton was, until the late 1980s, considered to be the Jerdacuttup Fault which marked the boundary between the Craton and the Proterozoic Albany-Fraser Province. This interpretation was reinforced by a decrease in magnetic susceptibilities to the south of the fault. As a consequence, exploration for Archaean hosted mineralisation had traditionally stopped at the Jerdacuttup Fault.

In 1998, the Geological Survey of Western Australia ("GSWA") published a 1:2,500,000 scale geological compilation of Western Australia which clearly identified Archaean greenstone lithologies to the south of the Jerdacuttup Fault. In 1993, recently acquired BMR aeromagnetic, gravity and isotopic data provided the basis for a re-interpretation of the geological terrane between Norseman, Ravensthorpe and Esperance. This work identified subdued magnetic features consistent with trends within the Yilgarn Craton, and proposed that the terrane to the south of the Jerdacuttup Fault was in fact the deformed and demagnetised southern margin of the Yilgarn Craton, and not part of the Albany-Fraser Province. This interpretation was supported by age dating on samples taken from the central axis of the so-called Archaean Demagnetised Zone ("ADZ"), including those completed by BHPM. The Proterozoic ages were interpreted as representing thrust slices of the Albany-Fraser Province. The subdued magnetic responses were attributed to a relatively localised metamorphic event, which was thought unlikely to have impacted on any gold or nickel mineralisation within the greenstone belt.

In 1994, Pan Aust completed a detailed 200m line spaced airborne magnetic and radiometric survey over a test area, which was followed-up with ground magnetic traverses to more precisely locate magnetic features for drill testing. Interpretation of the data identified northwest trending magnetic zones indicative of Archaean greenstone lithologies. Shallow stratigraphic RAB/aircore drilling was completed over the interpreted greenstone lithologies in 1994-95, which indicated the presence of amphibolites, ultramafics, iron-rich schistose

sediments and gneissic granitoids. The lithologies were considered consistent with greenstone lithologies that had been metamorphosed to amphibolite facies. Rocks with kimberlitic affinities were also intersected in ten drill holes over an area of 200m by 180m. Depth to basement varied from 2m to 56m, with an average of 15m to 20m. Drill holes deeper than 25m were generally located within Tertiary palaeochannels. The text of the report describing the work states that all gold assays were below the detection limit of 0.01 parts per million (“ppm”) for the technique employed. The accompanying drill logs however, record a 4m interval (36m to 40m) at the bottom of hole NM 37 that assayed 1.06 g/t. Hole NM 37 is discussed in more detail below.

Well prior to Pan Aust’s work, in 1980-81, kimberlitic intrusions had been identified in the region by Stockdale. In January 1996, the N1JV entered into a provisional farm-in agreement with Stockdale to assess the diamond potential of the kimberlitic target within the N1JV tenements. Stockdale concluded that the “kimberlitic” rock was in fact a “minette” with no diamond mineralisation potential.

In January 1996, a 43,000 line km aeromagnetic survey was flown over an area of 14,000km<sup>2</sup> on 400m line spacings. The interpretation of the ADZ identified a series of discrete magnetic anomalies, resulting in the selection of 14 targets for gold and nickel mineralisation. Two of these, TN1 and TN2, were selected for detailed assessment during 1996-97 with the objective of gaining an understanding of the geology, regolith, hydrology and geochemistry to ascertain the suitability of soil sampling and its limitations within the local environment.

Two RAB/aircore drill sections were completed over each target. Both intersected biotite-rich rocks for which it was difficult to determine the original rock type, even using whole rock geochemistry. Gold assays showed weak anomalism (5 to 7ppb against a background of 0 to 1ppb), with the more anomalous values reported from transported near-surface material, rather than saprolite. The regolith was found to vary from 14m to more than 83m deep, whilst transported overburden varied from 0.5m to 62m deep.

Of importance to Thor’s future exploration are the results of orientation soil sampling programs carried out over both anomalies that were designed to test the suitability of the technique to detect bedrock mineralisation. The soil sampling orientation program was completed after the RAB/aircore drilling to enable the effects of weathering and hydrology on near surface geochemistry to be studied. The soil sampling technique was based on the premise that gold and trace elements are deposited in near-surface soils, along with pedogenic carbonate (see Section 5.2) by upward movement of groundwater through the regolith. Samples were collected from carbonate-rich soils at a depth of 30cm to 150cm, below any recent aeolian cover, using auger drills.

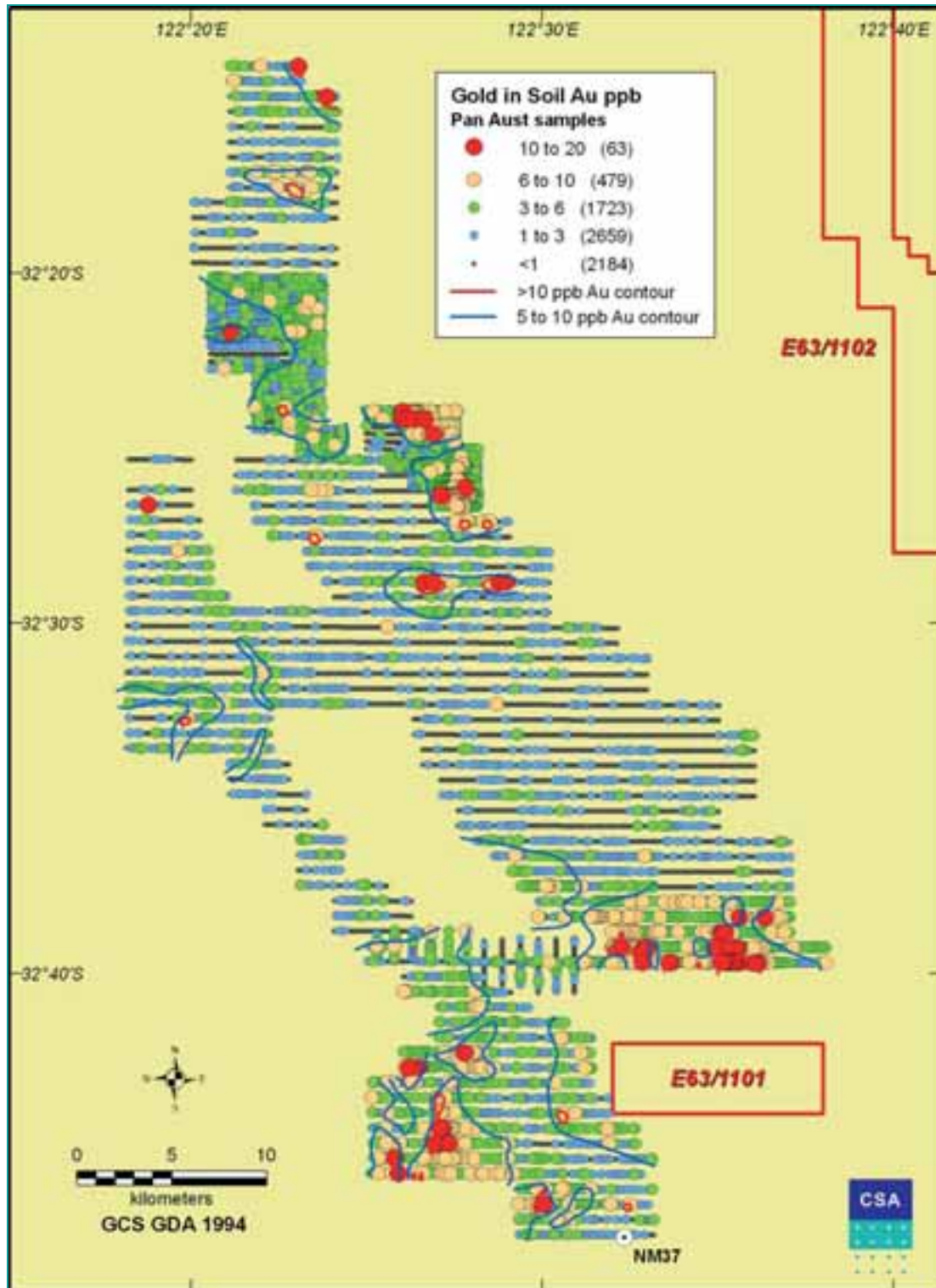
The effectiveness of the technique depends on the ability of ground water to move upwards through the profile from a bedrock gold source and/or the lower saprolite to the surface soils. Movement will be impeded by a greater depth of cover, and the impermeability of the cover below the soils. The depth of cover would be expected to increase in palaeo-valleys and drainage channels, and where the upper saprolite thickens. Permeability will be expected to decrease where there are layers of silcrete or clay horizons, particularly where there is evidence of perched water tables.

Evidence from the drill sections and soil sampling was that the soils will be a suitable medium for sampling, but there will be areas where targets will not respond well, or not at all. The concentration of gold in near-surface soils corresponded to the accumulation of pedogenic carbonate. It was concluded that regional exploration by sampling of carbonate-rich soils is an effective exploration technique, and will be sufficiently sensitive to indicate buried residual and locally transported gold sources provided there is no sub-surface barrier to upward movement of groundwater. Gold accumulation in the near surface colluvium appeared to be extremely sensitive to buried anomalous zones, that is, anomaly significance was considered high. Subdued responses were to be expected over buried, reduced channel fill.

Between July and December 1997, soil sampling was conducted over most of the N1JV tenements on an 800m by 80m grid. The only areas excluded were those interpreted to be underlain by less prospective granitoids and gneisses. Samples were taken from the carbonate-rich soils beneath thin surficial transported cover using a bobcat mounted auger drill. The sample was normally sourced from the first metre drilled. An area of highly anomalous gold, including one value >500 ppb Au, was resampled on an 80m square grid, however, no anomalous results were reported and the original high values were attributed to contamination. Numerous other anomalies with peak values ranging from 6ppb Au up to 20ppb Au were outlined and ranked.

An assessment of the results noted that the variations in background levels did not appear to be related to interpreted lithologies, and that the location and attitude of anomalous areas had little relationship to the interpreted target zones. The locations of anomalous areas and background gold values did not appear to be related to the interpreted regolith. No further work was conducted after December 1997, presumably as the results were considered meaningless. This may not have been the case given the setting of the Tropicana mineralisation as described in Section 6.

The results of the N1JV soil sampling are shown in Figure 6. Of note is the area of relatively strong, continuous anomalism to the north of E63/1101. A 4m interval (36m to 40m) at the bottom of RAB hole NM 37 (See Figure 6) drilled on the southern-most soil sampling traverse in March-April 1995 assayed 1.06 g/t. The bottom-of-hole mineralisation does not appear to be reflected in the surface geochemistry, despite the conclusions from the orientation soil sampling program discussed above.



**Figure 6. Pan Aust Gold-in-soil Geochemical Sampling Results**

*4.2.4 BHPM Southern Fraser Project – 2000/2001*

In 1999/2000 BHPM applied for a series of exploration licences centred roughly on the area now covered by E63/872 and E63/1102, the northern thirds of (then) E63/687 and E63/688 more or less corresponding with E63/872 (See Figure 5). BHPM’s work in the area therefore

appears to be the only work that can be reliably determined as having occurred within Thor's Tenements.

BHPM was exploring for Broken Hill Type Pb-Zn-Ag mineralisation. An assessment of available geochronology revealed that the Albany-Fraser terrane contained metasedimentary rocks aged around 1,700Ma, which is the age of the host sequences to the Broken Hill (NSW) and Cannington (Queensland) deposits. An open file review of previous exploration data identified that loam samples collected by Pecan in 1996, 20km to the south, contained gahnites (Zn spinels) in three out of nine samples collected. Gahnites, according to the BHPM report, are a common but important accessory mineral in BHT mineralised systems.

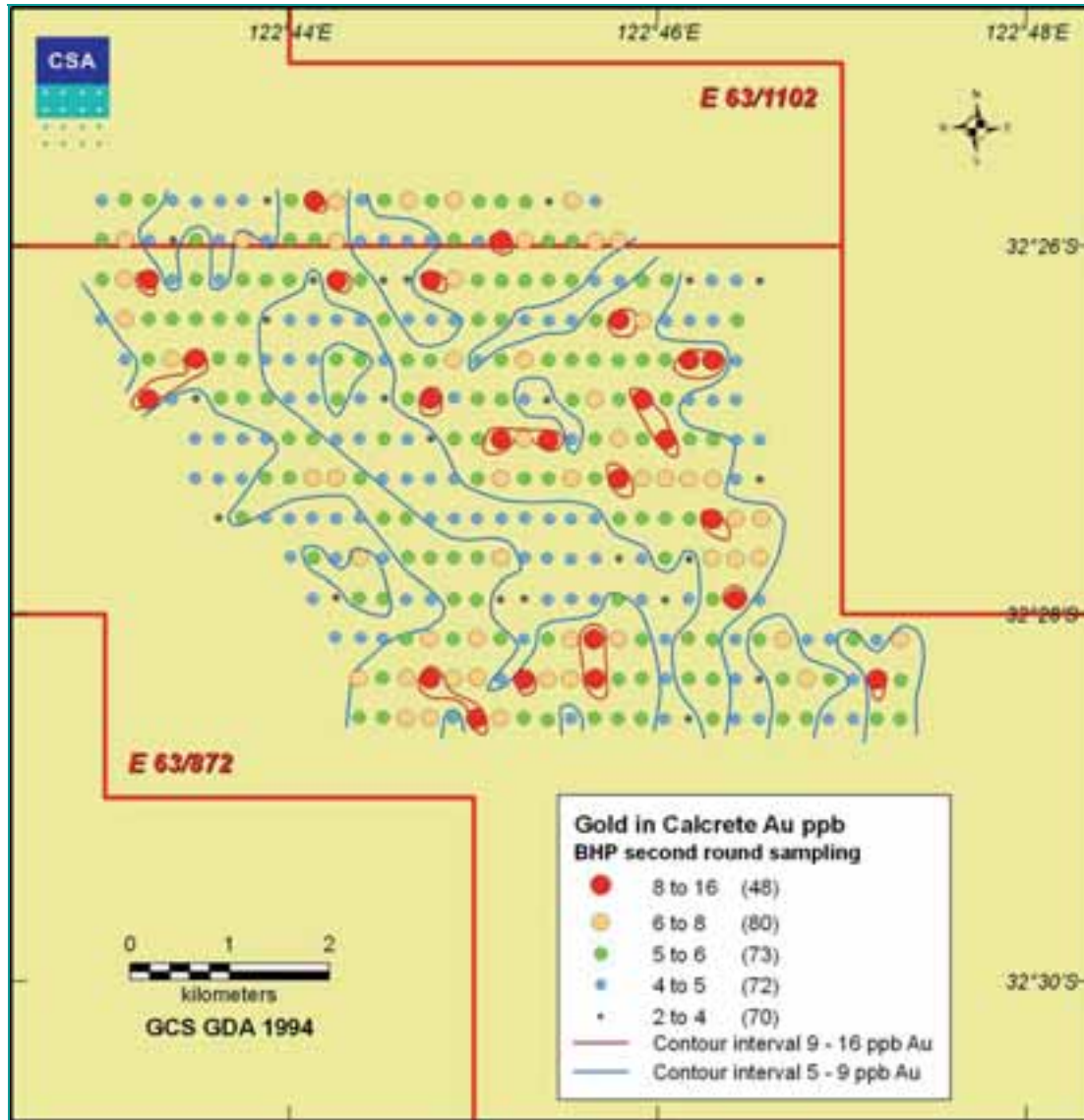
BHPM's work began with the acquisition of aeromagnetic data and an interpretation thereof. The aeromagnetic interpretation identified what were considered to be prospective stratigraphic packages, over which, trial lines of 1km spaced calcrete sampling were completed along existing access tracks in October 1999. The objective was to identify the regional distribution of calcrete as a potential sampling medium and to generate anomalies over the prospective stratigraphy. The calcrete was found to be well developed in the soils, and suitably distributed for regional sampling. Of 44 samples collected, including three duplicates, several returned interesting gold values up to 12ppb, providing encouragement for more systematic sampling.

The prospective stratigraphy was then covered with a 1km square sampling grid, with most samples collected by a bobcat mounted auger drill which penetrated to a depth of about one metre. A composite sample of the first material which effervesced with dilute hydrochloric acid was collected for assay. In all, 469 sites were sampled, in addition to which, nine standards and twelve duplicate samples were collected. It was noted that all standards and duplicates returned acceptable results. Samples were not collected from areas covered by salt lakes, or where dense vegetation hindered access.

Analysis of the data identified one prominent Au±Cu-Ag anomaly (Zone A), with five other lower priority anomalies identified. The anomalies were considered significant given the very widespread nature of the sampling. Zone A lies within the northern third of E63/872 and extends slightly into E63/1102, extending over an area 10.5km long, and 7.5km wide. A cluster of lower order anomalies designated Zone E lies within the central third of E63/872, extending to its southern boundary. It was noted that the anomalies tend to occur at the contact between interpreted lower quartzo-feldspathic and upper metasedimentary litho-packages.

Follow-up sampling over Zone A comprised 200m by 400m calcrete sampling using a bobcat mounted auger as before. Samples were collected as previously at 343 sites, with 5 standards and 11 duplicates also collected. The close-spaced sampling covered an area about 7km east-west by about the same distance north-south, extending over an effective northwest-southeast strike distance of about 7km. It was concluded that the sampling did not return any anomalies of interest, with a maximum value of 16ppb Au. Base metal values were deemed to be insignificant. It was noted that standards and duplicates from all sample batches returned acceptable results, indicating that BHPM considered the data reliable. In July 2001, E63/687 and E63/688 were surrendered.

The results of the BHPM detailed sampling over Zone A are depicted in Figure 7. In the light of the subsequent discovery of Tropicana as a result of drill testing a relatively weak gold-in-soil anomaly, the BHPM results may have a far greater significance than thought to be the case at the time.



**Figure 7. Results of Detailed BHPM Calcrete Sampling**

#### 4.2.5 Australasia Gold Limited

In mid-2008, Australasia Gold Limited (AAO) entered into an agreement with the Vendors to acquire interests in what were then applications for the Tenements the subject of this CPR, plus a fourth to west of E63/1101. The agreement did not proceed, however, some initial work was completed comprising background research and acquisition of public domain data, a field inspection utilising public roads for access and interpretation of public domain aeromagnetic data.

No new data was generated by AAO.



## 5 Geology

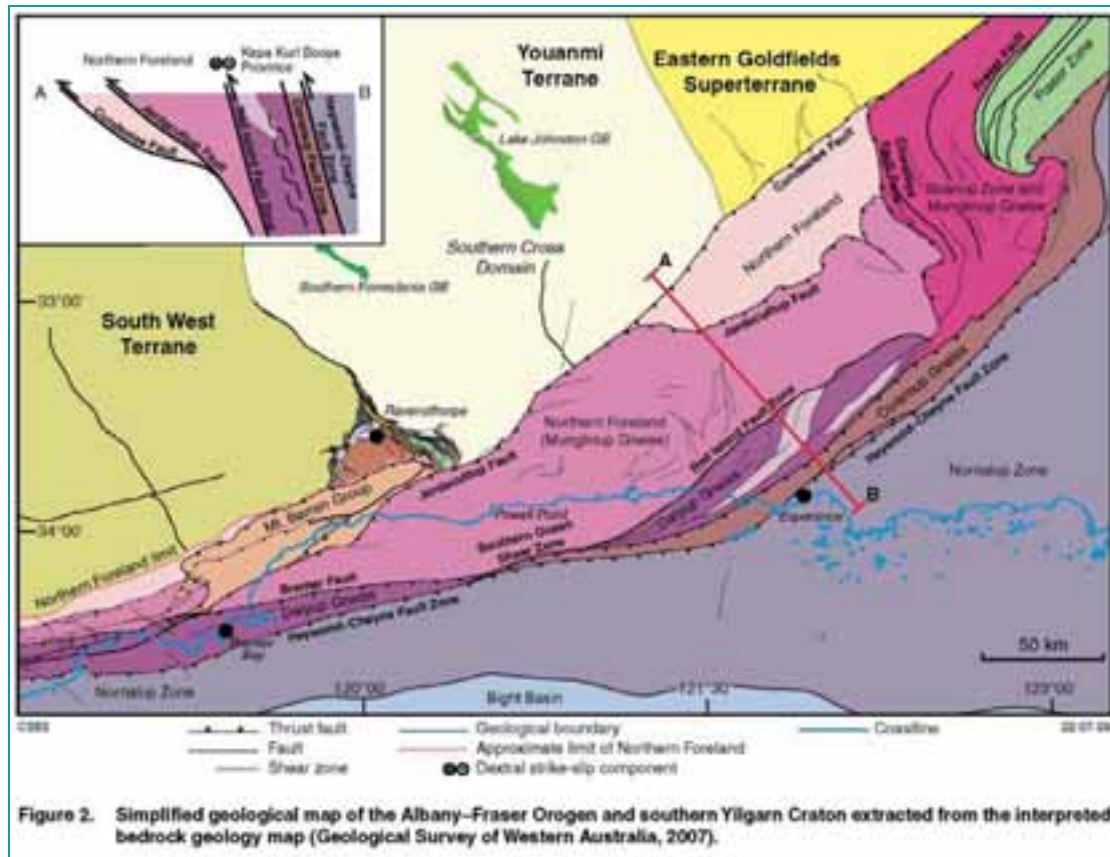
The regional terrain comprises a subdued, weakly dissected, gently undulating peneplain. Development of surface calcrete is widespread, with some development of silcrete and laterite. Outcrop of basement rocks is negligible. In places, Tertiary palaeochannels, now filled with sediment, are represented by ill defined lines of modern playa lakes. None of these occur within the Tenements. Both regionally and within the Tenements, interpretation of the underlying bedrock geology relies almost entirely on interpretation of aeromagnetic data and geochronological data.

### 5.1 Regional Geology

The Dundas Project lies within the Albany-Fraser Orogen, which covers an area of more than 1,000km by 100km to the south and south-east of Western Australia's gold-rich, Archaean Yilgarn Craton (See Figure 4). The Yilgarn Craton is characterised by a series of north-northwesterly elongate, intensely deformed volcano-sedimentary sequences, the so-called greenstone belts, which are enclosed by granitic and gneissic terrain. The boundary between the Yilgarn Craton and the Albany-Fraser Province is marked by the Albany-Fraser Orogen, wherein there are partially preserved extensions of Archaean greenstone belts within Proterozoic gneissic terrane.

Late in 2009, the GSWA published Record 2009/10, titled Interpreted Bedrock Geology of the South Yilgarn and Central Albany-Fraser Orogen, Western Australia. The Record is to accompany an interpreted bedrock geology map of the subject area published in Record 2007/13. It reviews the geology of the region and includes new geochronological data and structural observations. As pointed out in Record 2009/10, "Understanding the nature of the tectonic units and their boundaries is important for exploration models, as has become apparent with the recently discovered gold province that extends for at least 250km along the south-eastern margin of the Yilgarn Craton and includes the 4.05M oz Tropicana-Havana deposit."

The Albany-Fraser Orogen is comprised of a foreland component (the Northern Foreland) and a basement component, consisting of disparate crustal fragments affected by, and probably amalgamated by Stage I tectonism defined by the Kupa Kurl Booya Province ("KKBP") (See Figure 4). The KKBP is further divided into the Biranup Zone, the Fraser Zone and the Nornalup Zone. Figure 8 shows the GSWA interpretation of the central Albany-Fraser Orogen.



**Figure 8. GSWA Interpretation of Geology of Central Albany-Fraser Orogen (Geology from GSWA Record 2009/10).**

*Note: The reference to Figure 2 in the diagram above is to Figure 2 in GSWA Record 2009/10.*

The Albany-Fraser Orogeny took place in two stages. Stage I occurred at c.1345-1260Ma and Stage II at c.1215-1140Ma. Stage I is widely assumed to have been caused by the collision of the combined West Australian and North Australian Cratons and the Mawson Craton, whereas Stage II is interpreted to represent intra-cratonic reworking. Only part of the Albany-Fraser Orogen is exposed within Western Australia, and is interpreted to be part of the larger Australo-Antarctic Albany-Fraser-Wilkes Orogen that was linked prior to the breakup of Gondwana. To the west, the Orogen is truncated by the late Meso- to Neoproterozoic Darling Fault Zone (See Figure 4), whilst to the northeast, it is potentially contiguous with the Musgrave Complex.

The Northern Foreland is defined as that portion of the Yilgarn Craton that has been reworked by the Albany-Fraser Orogeny, reflecting its position northwards of the collisional zone. The Orogen intersects several of the Yilgarn Craton terranes, including the South West Terrane, the Southern Cross Domain of the Youanmi Terrane and the Kalgoorlie, Kurnalpi and Burtville Terranes of the Eastern Goldfields Superterrane. Deformation and metamorphism has largely obscured terrane boundary structures, making them difficult to recognise. In addition, displacements along bounding thrust and strike-slip faults in the Orogen are unknown, making correlations across the boundary between the Yilgarn Craton and the Northern Foreland difficult, at least. The terrane boundaries have also been obscured by Late Archaean granitic magmatism.

Reworking of the Yilgarn Craton in the Northern Foreland varied from moderate to high strain, ductile deformation under amphibolite to granulite facies metamorphic conditions, to low to moderate strain, brittle to semi-brittle, greenschist to amphibolite conditions. The Munglinup Gneiss is interpreted as a higher grade, more strongly reworked component of the Northern Foreland bounded by major faults. It comprises amphibolite to granulite facies orthogneisses, interlayered with lenses of metamorphosed mafic rocks, with minor banded metachert (jaspilite), amphibolitic schist, serpentinite and metamorphosed ultramafic rocks which are collectively interpreted as remnants of Archaean greenstone sequences. The orthogneisses were derived from Late Archaean monzogranitic, monzodioritic, granodioritic and tonalitic precursors. The Munglinup Gneiss represents the southern-most exposures of the Craton within elongate, fault-bounded packages parallel to the Craton margin.

The Munglinup Gneiss has been affected by at least three phases of large-scale folding, and is locally sheared and boudinaged. The metamorphic fabrics are commonly defined by assemblages that include magnetite, and therefore the mega-scale structures are well defined in magnetic imagery, particularly fold interference patterns.

Within the KKBP, the Biranup Zone abuts the Fraser Zone on its northern and western sides, and is interpreted as an exotic terrain dominated by components with protoliths that formed between c.1690-1660Ma, their reworked counterparts (generally gneissic rocks), and Mesoproterozoic intrusions into these rocks, including the Dalyup and Coramup Gneisses, which are both dominated by orthogneisses with c.1690-1660Ma ages for their protoliths. The Biranup Zone is interpreted as a significant zone of middle crust at least 800km long that accreted onto the southern margin of the Yilgarn Craton during Stage I of the Orogeny. There is no evidence of a c.1690-1660Ma magmatic or tectonothermal event along the cratonic margin, and the origin of the Biranup zone is unknown. It is interpreted as an exotic terrane that was wedged between the Yilgarn Craton and the Nornalup Zone to the south during Stage I continental collision. Possible correlatives occur within the western Gawler Craton in South Australia (e.g. the Tunkilla Suite) and the south-western Arunta Orogen in central Australia (Warumpi Province).

The 1300Ma Fraser Zone is dominated by high grade metamorphic mafic and gabbroic rocks that have a strong, distinct geophysical signature in both aeromagnetic and gravity data. It also includes metagranitic and metasedimentary rocks, with the entire assemblage collectively known as the Fraser Range Metamorphics.

## 5.2 Regolith Geology

An understanding of the regolith, the weathering profile above bedrock and any overlying sediments, is important in designing surface geochemical sampling programs and understanding the results. The regolith in the region of the Dundas Project consists of a truncated saprolite developed over bedrock that has a Proterozoic age indicated from geochronology. The saprolitic profile developed during the Mesozoic, and is variably overlain by sediments of post-Eocene age. The immediately overlying Cainozoic sediments were modified by lateritic weathering processes during the Oligocene, and locally partially stripped due to uplift. The present soil profile lies unconformably over the Cainozoic sediments and reflects the relatively recent onset of arid climatic conditions in the late Miocene, which was accompanied by the formation of an alkaline upper regolith.

This upper regolith comprises a thin (0.5m) upper, nodular calcrete layer that is possibly being degraded, below which is a 1.5m thick layer of loose, powdery calcareous soils, and beneath this, a 3m thickness of compact clays with an irregular distribution of angular calcrete nodules. The calcrete that has developed within the upper regolith is termed pedogenic calcrete, and has been recognised as an excellent geochemical sampling medium, despite its not having been directly derived from the underlying bedrock.

Pedogenic calcrete sampling is widely used as an exploration tool by the TJV, and the discovery of the Challenger gold deposit and other mineralisation in South Australia is attributed to the application of the technique. It was also the primary exploration tool for Pan Aust/Orion for the Yilgarn Extension Project and for BHPM in its Southern Fraser Project.

## 6 Tropicana Gold Deposit

The Tropicana Gold Project is located about 330km east-northeast of Kalgoorlie, and is owned 70% by AngloGold Ashanti and 30% by Independence Group NL through the Tropicana Joint Venture. The project comprises two principal deposits, Tropicana to the north and Havana to the south, which between them, have published Mineral Resources totalling 75.3Mt at a grade of 2.07 g/t containing 5.01Moz gold. The newly discovered Boston Shaker zone lies to the north of the Tropicana deposit, however, no resource estimates have been published as yet. In August 2009, the Joint Venture commenced a feasibility study for the mining of the deposits by open pit, and ore processing at rates of up to 7Mtpa. The study is scheduled for completion in second half 2010.

The first gold mineralised drill intersection at Tropicana was in December 2002, however, the first significant intercept, 38 metres at 3.0 g/t, and deemed to be the discovery of the deposit, was not made until September 2005. The discovery resulted from follow-up auger drilling of weakly anomalous soil samples (peak 31ppb Au) collected by Western Mining Corporation on a very broad spaced grid in the mid- to late 1990s as a part of a regional geochemical exploration program for nickel. Havana, immediately to the south of Tropicana, was discovered in 2006, and high grade mineralised intersections were reported from Beachcomber 1, 220km south-west of Tropicana, late in the same year. By late 2008, the Tropicana/Havana gold mineralised corridor had been extended to over 45km, within a 13,000km<sup>2</sup> tenement holding extending over 300km of strike, largely south of Tropicana. The Boston Shaker deposit, to the north of Tropicana, was discovered early in 2010. The discoveries are widely regarded as defining an extensive, new greenfields gold province.

The deposits are hosted by Archaean metamorphic rocks along the eastern margin of the Yilgarn Craton, and lie to the west of a major tectonic suture between the Yilgarn Craton and the Albany-Fraser Province. The regional geology is dominated by granitoids, felsic to mafic paragneiss and orthogneiss, and felsic to ultramafic intrusive and volcano-sedimentary rocks. The deposits are hosted by granulite and amphibolite facies metamorphic rocks that are bounded by large scale shear and fault zones interpreted from geophysical and geological data. Basement lithologies lie beneath a widespread Recent to Permian cover ranging from 0.5m to 15m thick. Both basement and cover sequences have been overprinted by a Tertiary lateritic weathering profile to depths of 40m to 50m. Gold is strongly depleted in the saprolite zone of the weathering profile, resulting in only low surface geochemical gold anomalism.

The deposits occur within a northeast trending mineralised corridor about 1.2km wide that has been tested to about 400m depth. The mineralisation remains open down-dip at both deposits, and to the south at Havana. Three structural domains have been recognised, viz. Tropicana, Havana and Havana South. The Tropicana and Havana domains are separated by northeast to east striking, variably dipping structural discontinuities, whilst at Havana, the boundary between the northern and southern structural domains is coincident with an east-west striking, steeply dipping fault. The Boston Shaker zone is thought likely to represent the northerly faulted offset of the Tropicana deposit. Mineralisation has been intersected over at least 500m of strike, and remains open along strike and down dip.

Tropicana comprises one main lode, and subordinate, thin, discontinuous mineralised lenses, typically grading less than 0.5 g/t, that are hosted by garnet gneiss hanging wall lithologies. Havana comprises a lower, laterally continuous higher grade zone that is overlain in its southern and central parts by stacked, typically lower grade zones dominantly hosted by quartzo-feldspathic gneiss. In detail, single lodes comprise stacked higher-grade (>3 g/t) lenses within a lower grade (>0.3 g/t) envelope. Single high grade lenses and their medium grade halos locally converge to form thicker, composite mineralised zones. The resultant geometry is interpreted as a linked shear system comprising discontinuous biotite-pyrite shears that developed on a millimetre to centimetre scale.

The development of mineralisation appears to have been strongly influenced by the character of the precursor metamorphic facies at scales ranging from single grains and crystal clusters (millimetre to centimetre scale) to preferential concentration of gold in rheologically and/or chemically favourable facies at deposit scale. Sectional interpretation combined with statistical evaluations suggests that for any given grade threshold, K-feldspar-rich gneiss and pegmatite facies contain a higher proportion of gold than other facies within the quartzo-feldspathic gneiss association. Sulphides within the ore zones are dominated by pyrite that is present in concentrations of 2% to 8% as grains less than 0.2mm in size, with accessory chalcopyrite, electrum and telluride minerals, and traces of sphalerite, galena and bornite. Free gold occurs as fine grained (typically 10 to 30 micron) inclusions within pyrite, and less commonly along biotite-sericite fractures cutting silicate minerals. Visible gold has not been observed in drill core or chips. The pyritic mineralisation is enveloped by a disseminated pyrrhotite±pyrite halo that is more strongly developed in the hanging wall.

The mineralised zones are contained within a sub-concordant alteration envelope that exhibits a mineralogical zonation with central biotite-sericite-calcite±siderite zones grading outwards through sericite-biotite-chlorite±calcite to sericite-chlorite±biotite±calcite at the margins. Outside the hydrothermal alteration envelope, prograde metamorphic minerals have been altered to various assemblages of chlorite, sericite, calcite, epidote and hematite.

The gold mineralisation appears to be temporally related to shear planes that post-date the main gneissic fabric that developed during peak, granulite facies metamorphism (i.e. during the Albany-Fraser Orogeny). Variation in the orientation of bounding and internal shears has been attributed to the influence of primary lithological layering and pre-existing polyphase folding on the shears. Sulphide and gold mineralisation is thought to have formed from relatively oxidised, higher temperature (>350°C), silica under-saturated fluids that were buffered by wall rocks.

The discovery of Tropicana is attributed to a number of key factors, the more important of which appear to be:

- Not being constrained by dogma (traditional thinking),
- Recognising the significance of a weak, but coherent soil anomaly, and
- Understanding the regolith.

## 6.1 Possible Mineralisation Model

There is no published information on the geochronological age of the host rocks or mineralisation at Tropicana as the information is regarded as commercially very sensitive. It has however been stated that the deposits are hosted by relatively high potassium, Archaean high grade metamorphic rocks along the eastern margin of the Yilgarn Craton that lie to the west of the tectonic suture between the Yilgarn Craton and the Albany-Fraser Province. The implication appears to be that the deposits occur in the Northern Foreland to the Albany-Fraser Orogen.

Of greater importance perhaps is the age/timing of the mineralising event. Published information states that the gold mineralisation appears to be temporally related to shear planes that post-date the main gneissic fabric that developed during peak, granulite facies metamorphism. The development of mineralisation appears to have been strongly influenced by the character of the precursor metamorphic facies at scales ranging from single grains and crystal clusters to preferential concentration of gold in rheologically and/or chemically favourable facies at deposit scale. Variation in the orientation of bounding and internal shears has been attributed to the influence of primary lithological layering and pre-existing polyphase folding on the shears. It is therefore considered most likely that the mineralising event was related to the Albany-Fraser Orogeny, and most likely to Stage II which involved cratonic reworking, rather than the intercontinental collisional event of Stage I.

If this conclusion is correct, any of the high potassium orthogneisses in either of the Northern Foreland or within the Orogen itself that are older than c.1215-1140Ma should be regarded as prospective for Tropicana-style mineralisation.

## 7 Geology & Prospectivity of Tenements

Virtually the entire area of the Tenements is soil covered, with the only drilling completed that for pedogenic calcrete sampling by BHPM. Hence, the interpretation of the underlying geology relies entirely on interpretation of aeromagnetic data. A regional aeromagnetic image is shown in Figure 9. The GSWA's interpretation of the central Albany-Fraser Orogen is shown in Figure 8, which is repeated below as Figure 10.

Thor has noted that the Tenements are located on the general southerly strike extension of the Yilgarn Craton's most gold-rich greenstone belt, the Norseman-Wiluna Belt, and that they are located where the general south-westerly grain of the Albany-Fraser Province is displaced south-eastwards by about 50km. Whilst these observations are empirically true, the displacement is caused by the c.1690-1660Ma Biranup Zone wrapping around the nose of the Fraser Metamorphics (See Figure 10), not any displacement by an Archaean or re-activated Archaean structure. BHPM's work appears to fairly unequivocally place the age of bedrock lithologies at c.1700Ma, however, it is not clear whether the source of the samples used for age dating was within the Tenements. It should be noted that according to Figures 4 and 10, the Biranup Zone underlying the Tenements (i.e. where it wraps around the Fraser metamorphics) may include some reworked Archaean as Munglinup Gneiss.

If the BHPM age-dating data is applicable to the Tenements, they appear likely to be underlain by Proterozoic lithologies, rather than reworked Archaean lithologies within the Northern Foreland. As discussed above, this may well not preclude them being prospective for Tropicana-style mineralisation. Thor's observation that the overprint of a south-easterly structure appears to mimic elements of the Tropicana geology (See Figure 2) is reasonable, and may be an important structural element to consider.

BHPM's detailed geochemical sampling covered an area about 7km by 7km principally within E63/867. Within this area, a series of coherent gold anomalies with values 1.5 to 3 times background have been identified (See Figure 7). Several of the anomalies remain open beyond the extent of sampling. Although not considered of interest at the time, the results warrant follow-up in the light of developments since then, namely the discovery of Tropicana and numerous other deposits and prospects along the Albany-Fraser Orogen, and the current understanding of the significance of weakly anomalous gold concentrations in pedogenic calcretes. The source of the gold anomalism remains unexplained and requires testing.

The significance of the results from the Pan Aust calcrete sampling to the north of E63/1101 (Section 4.2.3) is not understood and requires follow-up within E63/1101. The elevated gold concentrations in the bottom-hole samples from hole NM 37 have not been confirmed or explained. Although well outside E63/1101, NM 37 may indicate the presence of at least weak gold mineralisation in the vicinity of Thor's Tenements.



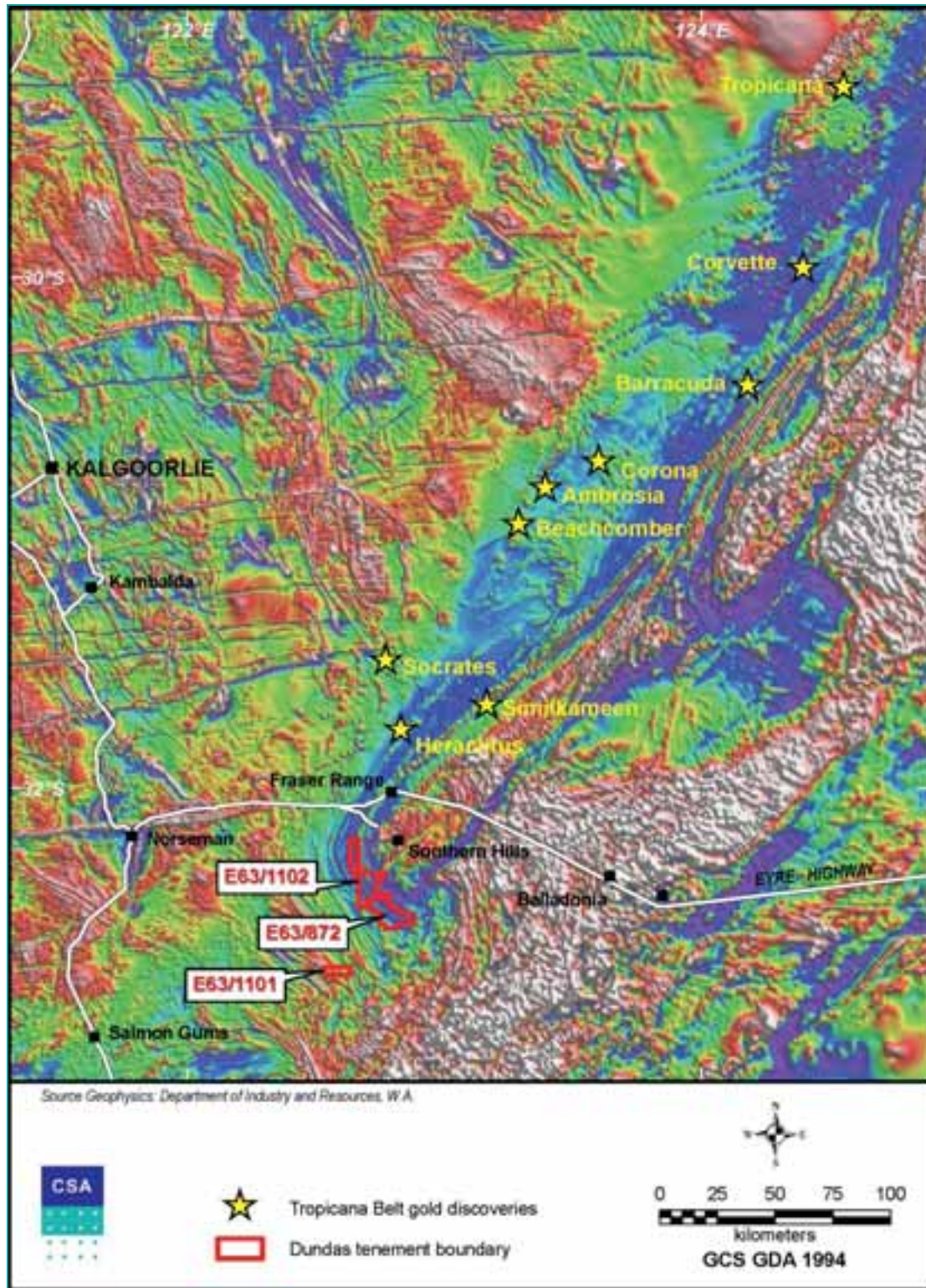
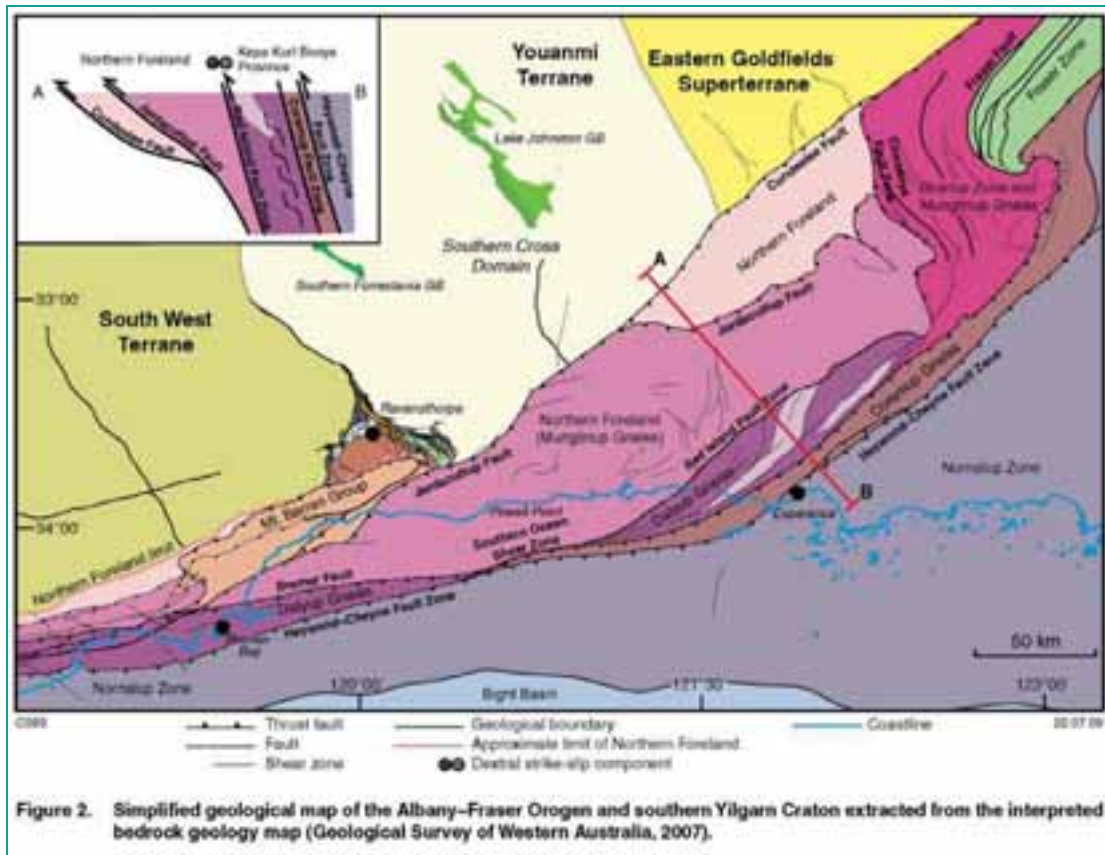


Figure 9. Imaged Regional Aeromagnetic Data with Tropicana Belt Gold Discoveries



**Figure 10. GSWA Interpretation of Geology of Central Albany-Fraser Orogen (From GSWA Record 2009/10).**

*Note: The reference to Figure 2 in the diagram above is to Figure 2 in GSWA Record 2009/10.*

## 8 Exploration Methods & Proposed Exploration Program

The geochemical orientation studies conducted by Pan Aust (Section 4.2.3) concluded that sampling of carbonate-rich soils is an effective regional exploration technique, being sufficiently sensitive to indicate buried residual and locally transported gold sources provided there is no sub-surface barrier to upward movement of groundwater. Gold accumulation in the near surface colluvium appeared to be extremely sensitive to buried anomalous zones, that is, anomaly significance was considered high. Subdued responses were to be expected over buried, reduced channel fill. BHPM similarly employed sampling of pedogenic calcrete as its principal geochemical exploration tool as calcrete was found to be well developed in the alkaline soils, and suitably distributed for regional sampling.

Since the announcement of the Tropicana discoveries, results of exploration conducted within the Albany-Fraser Orogen, or its near vicinity, have been reported by a number of companies, providing a broad overview of gold exploration techniques that have been successfully employed in the region. Reconnaissance exploration has relied heavily on near-surface geochemical prospecting, most often soil or calcrete sampling, or basement-cover interface sampling by RAB or aircore drilling. Any anomalies detected by the first pass sampling have generally been followed-up with successively closer drilling to progressively increasing depths as targets are refined and encouraging results generated. Early exploration results have generally been reported as gold geochemical values (ppb levels), suggesting that gold dispersion within the regolith is sufficient to generate, albeit weak, but widespread, gold anomalies that can be detected with relatively widespaced geochemical sampling patterns. Reporting of gold values alone is also suggestive that gold is the most effective geochemical indicator in itself, even in the earliest stages of exploration, with no particular advantage indicated from the use of geochemical analysis for pathfinder elements such as arsenic etc.

Very detailed aeromagnetic surveying may be an effective tool for mapping sub-surface stratigraphy and structure, and indeed the only cost effective tool, as the Tenements are all but devoid of outcrop. The relationship of the mineralisation at Tropicana with structure and stratigraphy indicates that detailed aeromagnetism will also be of considerable assistance with target generation. Similarly, the association of the Tropicana mineralisation with disseminated pyrite suggests that induced polarisation may be an effective geophysical prospecting tool once geochemically defined targets have been identified.

Thor has developed an exploration program and budget to the end of 2011 that utilises calcrete sampling as a first pass reconnaissance tool. Any resulting anomalies are to be tested by aircore drilling to bedrock, followed by RC drilling of mineralised bedrock intercepts. The timing and extent of the exploration program will be driven by results as each stage of the work is completed. Approvals to conduct any exploration will be required from both the WA DMP and the relevant environmental agencies, in addition to which, any drilling activity will require prior heritage clearance within affected areas, in some cases from two separate

landowner groups. The timing of the drilling programs particularly, may therefore be determined to a greater than usual extent by administrative processes.

Thor's proposed exploration program comprises:

- Reconnaissance calcrete sampling to complete coverage of all Tenements at a density of 1 sample/km<sup>2</sup>, together with some verification sampling within E63/872 for comparison with the values obtained by BHPM. Outcrop will be sampled wherever this is encountered. This program is currently underway and is scheduled for completion by the end of June 2010.
- Follow-up calcrete sampling on 400m by 50m centres will be completed over any new anomalous zones identified by the reconnaissance program. This work is scheduled for first quarter 2011.
- Reconnaissance angled aircore drill traverses across the zones of gold-anomalous calcrete identified by the BHPM sampling, scheduled for the third quarter of 2010.
- Angled aircore drilling traverses across any new gold-in-calcrete anomalies identified from Thor's sampling programs. This has been scheduled for the third quarter of 2011.
- RC drill testing of any bedrock mineralised zones identified by the aircore drilling, to be completed in the final quarter of 2011.

The proposed budget is summarised in Table 3. Amounts shown are thousands of dollars (\$000s).

**Table 3. Budget for Proposed Exploration Program.**

Activity	Apr-Jun 2010	Jul-Sep 2010	Oct-Dec 2010	Jan-Mar 2011	Apr-Jun 2011	Jul-Sep 2011	Oct-Dec 2011	Totals
Project management	\$15	\$15	\$15	\$15	\$15	\$15	\$15	\$105
Calcrete sampling	\$50			\$75				\$125
Aircore drilling & assaying			\$450			\$700		\$1,150
RC drilling & assaying							\$300	\$300
<b>TOTALS</b>	<b>\$65</b>	<b>\$15</b>	<b>\$465</b>	<b>\$90</b>	<b>\$15</b>	<b>\$715</b>	<b>\$315</b>	<b>\$1,680</b>

The estimates of drilling metres assume that there will not be extensive younger cover over weathered basement rocks (i.e. palaeochannels), and that the depth of aircore drilling through the regolith and underlying saprolite will average 25m. The program will advance the project to the completion of first pass reconnaissance geochemical sampling, aircore testing for the bedrock source of any anomalies and the commencement of systematic testing of any mineralisation discovered by the initial work programs.

CSA has reviewed the proposed exploration program and budget and considers the exploration approach to be appropriate, and the proposed expenditure justified on the basis of the anomalies identified by BHPM's earlier work alone.

## 9 Initial Work by Thor

During March and April 2010, Thor completed an initial reconnaissance calcrete soil sampling program within E63/872 and E63/1102 using the limited access available from fire breaks and old exploration gridlines (Figure 11). Samples were also collected on a 1km square grid over two traverses immediately to the south of the BHPM detailed sampling grid and over five traverses in the eastern-most portion of E63/872 to confirm anomalous results reported by BHPM. In all, 486 samples were collected, of which, assay results for 280 were available at the date of this CPR. The available data relates principally to samples collected in the northern third of E63/1102 (Figure 11). In Figure 11, open circles show the positions of samples collected by Thor for which assay data is not yet available.

Clusters of samples with elevated gold-in-soil values occur throughout E63/1102, as a possible continuation of the anomalous area outlined in the northern part of E63/872 by BHPM. A traverse immediately to the north of the BHPM sampling and extending for roughly 6km westward, to the western boundary of E63/1102, shows significant anomalousness, very probably extending the BHPM anomaly some distance to the west.

In all, 17 samples reported gold-in-soil values between 8ppb and 20ppb. In addition, several samples reported elevated copper levels, including one sample that assayed 142ppm Cu. The new results are in keeping with those reported by BHPM (shown as coloured squares in Figure 11).

Further calcrete sampling will commence as soon as practicable, both to broaden the coverage and to obtain detailed coverage over the newly identified anomalies. It is Thor's intention to drill test both the new anomalies and those identified by BHPM at the earliest opportunity.

It is CSA's view that the new results confirm and add substance to the earlier BHPM results, with the results to the north of the BHPM detailed sampling apparently extending the prospective strike from about 10km to about 38km.

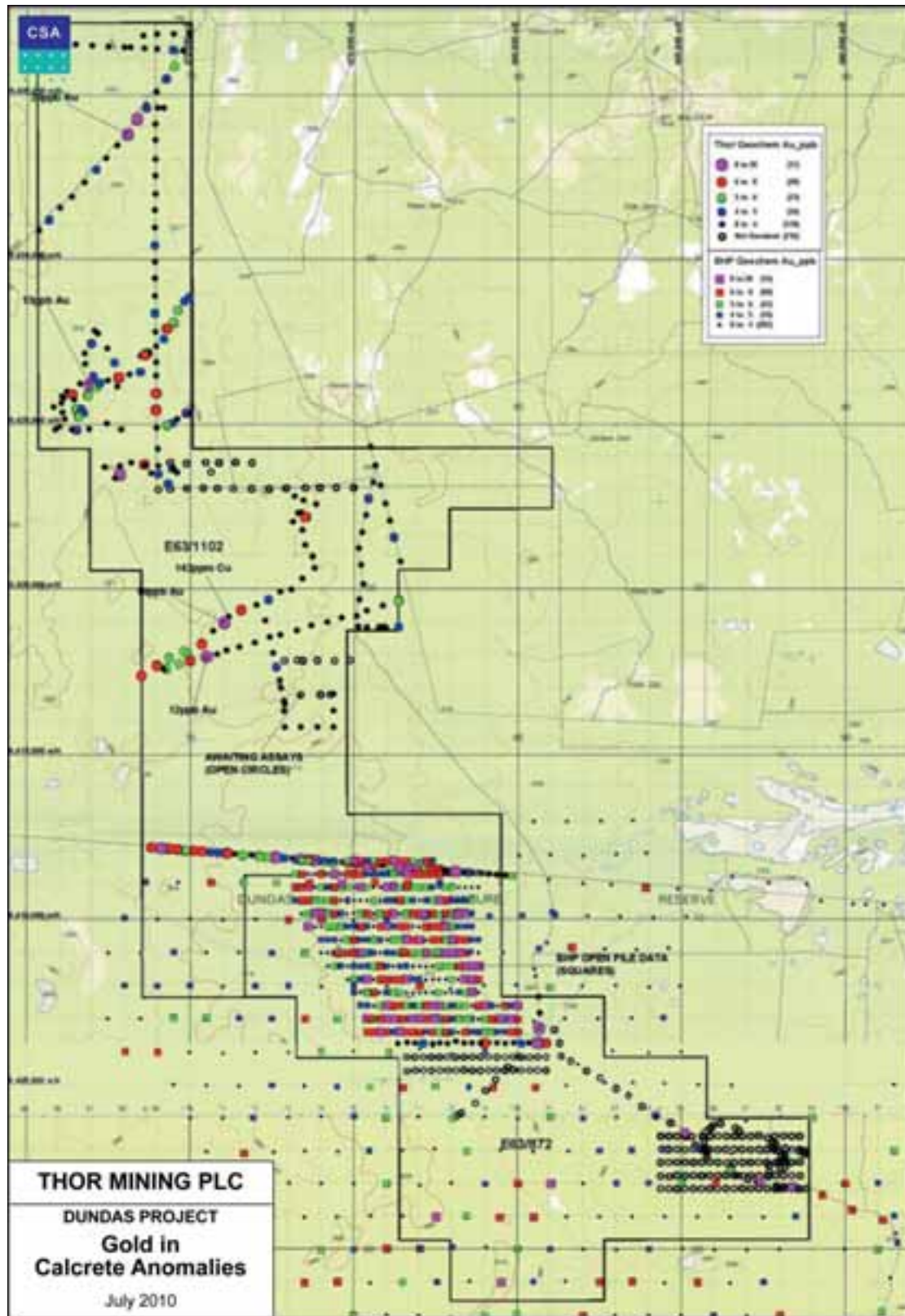


Figure 11. Thor Soil Sampling Traverses, Results Received to Date and BHPM Data

## 10 Conclusions

The principal conclusions drawn by this CPR are:

- Thor has entered into an agreement to acquire up to 100% interests in three exploration licences located about 100km east-southeast of Norseman in Western Australia. The Tenements may be prospective for gold mineralisation akin to that discovered at the 5M oz Tropicana deposits, about 420km the north-east, in 2005. There have since been numerous other gold discoveries extending along a south-easterly trend from Tropicana toward the Dundas Project.
- This trend marks the boundary between the Archaean Yilgarn Craton and the Proterozoic Albany-Fraser Orogen. The precise geological setting of most of the gold occurrences is not at all clear. The conclusion regards the prospectivity of the Tenements is therefore based on geological interpretation, however, the information on which the interpretation is based is limited.
- Tropicana was discovered as a result of drill testing a very weak gold-in-soil anomaly. Prior to 2005, the area saw only cursory exploration due to perceptions of low prospectivity. From 1996 to 2006, there was only restricted access to the Dundas Nature Reserve, within which the Tenements are located, which further limited exploration activity. In 2000 however, BHPM sampling of pedogenic calcrete within the area of the Tenements identified weak gold-in-soil anomalism, the significance of which almost certainly went unrecognised at the time, as Tropicana had not by then been discovered.
- The BHPM anomalies are an immediate drilling target, which Thor intends to pursue.
- Results from initial reconnaissance calcrete sampling by Thor confirm and add substance the earlier BHPM results. Results to the north of the BHPM detailed sampling grid appear to have extend the prospective strike identified by the BHPM detailed sampling from about 10km to about 38km. Thor plans to extend the calcrete sampling to cover the entire area of the tenements with a 1km square grid.
- The existing anomalies and the newly identified targets will be tested firstly by aircore drilling, with any bedrock mineralisation tested by RC drilling to depth.
- CSA has reviewed the proposed exploration program and budget and considers the exploration approach to be appropriate. The proposed expenditure of \$1.7M was justified on the basis of the anomalies identified by BHPM's work alone. The new results reported by Thor provide even greater justification for the proposed work program.

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## GLOSSARY OF TECHNICAL TERMS

<u><i>aeolian</i></u>	Wind blown.
<u><i>aeromagnetic survey</i></u>	Measurement of variations in the earth's magnetic field over an area using airborne magnetic survey instruments.
<u><i>aircore drilling</i></u>	Slim hole drilling technique for use in relatively soft rocks or unconsolidated materials wherein an annular drilling bit set with tungsten carbide is used to cut a small core which is flushed to surface inside the drilling rods using compressed air.
<u><i>alkaline</i></u>	Having a pH greater than 7.
<u><i>alteration</i></u>	A change in mineralogical composition of a rock commonly brought about by reactions with hydrothermal fluids or weathering.
<u><i>alteration assemblage</i></u>	Mineral assemblage characteristic of a particular style of alteration in rocks.
<u><i>amphibolite</i></u>	A metamorphic rock composed predominantly of the minerals amphibole and plagioclase.
<u><i>amphibolite facies</i></u>	Mineral assemblage produced by medium to high grade regional metamorphism, and consisting mainly of amphibole minerals and plagioclase feldspar.
<u><i>anomaly</i></u>	Departure from norm or background, usually evident as elevated levels or concentrations of the parameter of interest e.g. total magnetic intensity or concentrations of metals in soils or rocks.
<u><i>Archaean</i></u>	Meaning ancient, is applied to the oldest rocks in the Precambrian, generally considered within Australia to be older than 2,500 million years.
<u><i>arsenic</i></u>	An element, usually occurring as arsenopyrite.
<u><i>assay</i></u>	Accurate determination of metal content of ore, concentrates and metal products.
<u><i>banded iron formation (BIF)</i></u>	Finely banded sedimentary rock comprised of alternating layers of silica and iron oxides and of Precambrian age.
<u><i>basalt</i></u>	A fine grained, dark coloured, extrusive mafic igneous rock comprised primarily of calcic plagioclase and pyroxene minerals.
<u><i>biotite</i></u>	Iron mica; a common, rock forming, black platy mineral.
<u><i>BLEG</i></u>	Bulk Leach Extractable Gold, a semi quantitative measure of cyanide extractable gold contained in a sample.
<u><i>boudinage</i></u>	A structure developed in strongly deformed rocks in which an original competent or stronger layer lying between more easily deformed layers has been stretched and broken at regular intervals to form bodies resembling boudins or sausages.
<u><i>Cainozoic</i></u>	Youngest of the four geological eras, extending from 65 million years ago to the present, and including the Tertiary and Quaternary Stages. Also known as the Cenozoic Era.
<u><i>calcite</i></u>	A mineral, calcium carbonate.
<u><i>calcrete</i></u>	Arid climate, near surface secondary deposits of calcium carbonate precipitated within soils and rocks from groundwater.
<u><i>carbonate</i></u>	Mineral containing CO <sub>3</sub> , most commonly calcite or dolomite; rocks composed principally of carbonates.
<u><i>chalcopyrite</i></u>	The principal ore mineral of copper, copper iron sulphide or copper pyrites.
<u><i>chert</i></u>	Fine grained sedimentary rock composed of cryptocrystalline silica.
<u><i>chlorite</i></u>	Dark green coloured greasy, platy mineral common in metamorphic rocks.
<u><i>colluvium</i></u>	Loose soil or rock fragments accumulated by slow down-slope creep or rain-wash, as found at the base of slopes or hills.
<u><i>craton</i></u>	Relatively immobile or stable part of the earth's crust, generally large in size.

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<u><i>deformation</i></u>	A general term for the process of folding, faulting, shearing, compression or extension of rocks as a result of stress.
<u><i>electrum</i></u>	Naturally occurring alloy of gold and silver.
<u><i>Eocene</i></u>	An epoch of the Tertiary era extending from 56.5 to 35.4 million years ago.
<u><i>epidote</i></u>	A group of apple green minerals.
<u><i>erosion</i></u>	Physical processes occurring at the earth's surface whereby earth or rock are abraded or dissolved and removed.
<u><i>fabric</i></u>	Pervasive features of a rock.
<u><i>fault</i></u>	Fracture in the earth's crust along which movement has generally occurred.
<u><i>feldspar</i></u>	A group of abundantly occurring potassium, sodium and calcium aluminosilicate minerals which are constituents of virtually all igneous rocks.
<u><i>felsic</i></u>	Descriptive of light coloured rocks containing an abundance of feldspars and quartz.
<u><i>fire assay</i></u>	Assay technique for precious metals in which a relatively large sample is fused with fluxes to separate the contained metals from gangue minerals.
<u><i>g/t</i></u>	Grams gold per tonne
<u><i>gabbro</i></u>	Coarse grained, dark coloured igneous rock of similar composition to basalt and dolerite, i.e. low in silica with relatively high levels of iron and magnesium minerals.
<u><i>galena</i></u>	A mineral, lead sulphide, which is the principal ore of lead.
<u><i>gangue</i></u>	Non-valuable component of ores.
<u><i>garnet</i></u>	A group of distinctive metamorphic minerals of variable composition.
<u><i>geochemical survey</i></u>	Systematic sampling of rocks, soil, soil gas and/or plants to identify areas with anomalous concentrations of metals or other elements.
<u><i>geochemistry</i></u>	The chemistry of rocks and soils; generally focussed on the relative abundances and distribution of key elements and their various isotopes.
<u><i>geochronology</i></u>	Study of geological time, often meaning age dating of rocks.
<u><i>geological mapping</i></u>	Process of identifying and recording the surface distribution of rock types, their age relationships and the structures affecting their distribution.
<u><i>geophysical survey</i></u>	Survey in which the physical characteristics of the earth, including magnetic field, gravitational field, conductivity and density are systematically measured over an area of interest.
<u><i>GIS</i></u>	Acronym for Geographic Information Systems
<u><i>gneiss</i></u>	A coarse grained rock with alternating bands of granular minerals and schistose minerals.
<u><i>Gondwana</i></u>	Ancient continent that included what is now Australia, Antarctica, Africa, South America and India south of the Ganges River that fragmented and drifted apart during Triassic Time.
<u><i>gossan</i></u>	Hydrated iron oxides produced near surface by the oxidation and leaching of sulphide minerals.
<u><i>GPS</i></u>	Acronym for Global Positioning System, a satellite-based navigation system.
<u><i>granite</i></u>	Deep seated intrusive igneous rock consisting principally of alkali feldspar and quartz, with lesser micaceous minerals.
<u><i>granitoid</i></u>	A granite-like rock in which the mineral crystals lack either external faces or have uncharacteristic shapes; a field term for a coarse grained felsic rock resembling granite.
<u><i>granodiorite</i></u>	Deep seated igneous intrusive rock consisting of quartz, calcic plagioclase and orthoclase, with biotite, hornblende or pyroxene as mafic constituents.
<u><i>granulite</i></u>	High grade metamorphic rock composed of even-sized, interlocking granular minerals. Hence granulite facies metamorphism.
<u><i>gravity survey</i></u>	Systematic measurement of the earth's gravitational field in order to map relative changes in the density of the earth's crust.
<u><i>greenschist facies</i></u>	Facies of weakly metamorphosed rocks produced under low temperature conditions.

<u>greenstone</u>	A term commonly applied to low metamorphic grade rocks of basic composition and comprised of the minerals chlorite and amphibole. Commonly applied to Archaean rock sequences dominated by these rock types.
<u>greenstone belt</u>	Generally elongate, tightly folded sequence of Archaean volcanic and sedimentary rocks enclosed by granite.
<u>hanging wall</u>	Rock mass above a fault or ore deposit.
<u>hematite</u>	A mineral that is the principal ore of iron – Fe <sub>2</sub> O <sub>3</sub> .
<u>Holocene</u>	Recent geological time period (epoch) since the last ice age.
<u>hydrology</u>	Study of surface and groundwater.
<u>hydromorphic dispersion</u>	Dissolution and reprecipitation of metals by moving groundwater.
<u>igneous rock</u>	Formed from the solidification of molten magma.
<u>image enhancement</u>	Computer manipulation of two dimensional digital data such as aeromagnetic or geochemical data to give the impression of three dimensionality or topographic relief.
<u>induced polarisation (IP)</u>	Geophysical survey technique in which a current is passed through the ground for the purpose of identifying conductive (chargeable) bodies and measuring the resistivity of sub-surface strata.
<u>iron formation</u>	Banded iron formation - finely banded sedimentary rock comprised of alternating layers of silica and iron oxides and of Precambrian age.
<u>isotope</u>	Atomic weight (mass number) variant of the same element.
<u>JORC Code</u>	Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves 2004 Edition. Prior editions (original 1989, 1992, 1996 and 1999) were also known as the JORC Code. The JORC Code sets out minimum standards, recommendations and guidelines for the public reporting within Australasia of Exploration Results, Mineral Resources and Ore Reserves wherein these terms are rigidly defined. The JORC Code is binding upon members of the Australasian Institute of Mining and Metallurgy and the Australian Institute of Geoscientists, and is included in the listing rules of the Australian and New Zealand Stock Exchanges.
<u>K-feldspar</u>	Potassium feldspar.
<u>kimberlite</u>	A distinctive micaceous ultramafic rock type that is the most usual host for diamonds.
<u>komatiite</u>	An ultramafic flow rock of volcanic origin with high magnesium content.
<u>laterite</u>	Surface induration of re-precipitated iron oxides derived from tropical climate weathering of underlying bedrock.
<u>lamprophyre</u>	Small volume, intrusive ultra-potassic igneous rocks primarily occurring as dykes, lopoliths, laccoliths, stocks and small intrusions. They are alkaline, silica under-saturated, ultramafic rocks with high magnesium oxide, >3% potassium oxide, high sodium oxide and high nickel and chromium.
<u>lithology</u>	Physical character of a rock; often used as a synonym for rock type.
<u>loam</u>	Soil containing approximately equal proportions of sand, silt and clay.
<u>lode</u>	A mineral deposit consisting of a vein or zone of veins occurring in consolidated rocks, as opposed to alluvial or placer deposits.
<u>mafic</u>	Descriptive of rocks composed dominantly of magnesium, iron and calcium-rich rock-forming silicates.
<u>magmatism</u>	Geologic processes involving molten rock or magma.
<u>magnetite</u>	Magnetic iron oxide mineral Fe <sub>3</sub> O <sub>4</sub> .
<u>magnetometer</u>	Geophysical instrument for measuring the earth's magnetic field.
<u>magnetic anomaly</u>	Zone where the magnitude and orientation of the earth's magnetic field differs from adjacent areas.

<u><i>magnetic survey</i></u>	Measurement of variations in the earth's magnetic field over an area using magnetic survey instruments.
<u><i>magnetic susceptibility</i></u>	Measure of the degree to which a substance is attracted to a magnet.
<u><i>magnetite</i></u>	Magnetic iron ore, an oxide of iron, Fe <sub>3</sub> O <sub>4</sub> .
<u><i>Meso-Proterozoic</i></u>	Middle Proterozoic extending from 1,600 to 1,000 million years ago.
<u><i>Mesozoic</i></u>	Geological era following the Palaeozoic extending from 251 million years ago to 65 million years ago.
<u><i>metamorphic grade</i></u>	The extent to which a rock has been changed from the original as a result of metamorphism; generally determined by the development of assemblages of minerals which are characteristic of the temperature and pressure attained at the peak of metamorphism.
<u><i>metamorphism</i></u>	Process of change in rock composition, structure, texture and mineralogy induced by increases in temperature and pressure, other than changes resulting from progressive burial.
<u><i>metamorphosed</i></u>	A rock that has been modified by the effects of pressure, heat and fluids within the earth's crust.
<u><i>metasediment</i></u>	Metamorphosed sedimentary rock.
<u><i>Mineral Resource</i></u>	Concentration or occurrence of mineralised material for which there are reasonable prospects for eventual economic extraction. Within Australasia, the definition, classification and reporting of Mineral Resources is strictly governed by the JORC Code. Mineral Resources are classified as Measured, Indicated or Inferred depending upon the confidence in the estimate. Only Measured and Indicated Resources may be used as the basis for estimation of Ore Reserves.
<u><i>mineralisation</i></u>	Naturally occurring concentration or accumulation of metals or their ore minerals.
<u><i>minette</i></u>	Lamprophyre composed chiefly of orthoclase and biotite.
<u><i>Miocene</i></u>	The fourth of five epochs into which the Tertiary Period is divided.
<u><i>mobile zone or belt</i></u>	Portion of the earth's crust, many tens of kilometres wide, that is more mobile than the adjoining stable crustal blocks. Characterised by extensive faulting and folding.
<u><i>monzodiorite</i></u>	Igneous rock intermediate in composition between monzonite and diorite.
<u><i>monzogranite</i></u>	Granite with equal proportions of alkali (Na, K) and plagioclase feldspars.
<u><i>Neo-Proterozoic</i></u>	Late Proterozoic, 1,000 million to 542 million years ago.
<u><i>Oligocene</i></u>	Middle Tertiary from 35.4 to 23.3 million years ago.
<u><i>orogen</i></u>	Total volume of rock deformed by an orogeny.
<u><i>orogeny</i></u>	Mountain building process/event, particularly by folding and thrusting.
<u><i>orthogneiss</i></u>	Gneiss formed from an igneous rock parent.
<u><i>outcrop</i></u>	Surface exposure of bedrock.
<u><i>palaeochannel</i></u>	Ancient river channel now infilled with younger sediments.
<u><i>Palaeo-Proterozoic</i></u>	Early Proterozoic from 2,500 million to 1,600 million years ago.
<u><i>paragneiss</i></u>	Gneissic rock derived from sediments.
<u><i>pedogenic calcrete</i></u>	A calcrete formed in soils.
<u><i>pegmatite</i></u>	Coarse grained rock formed from crystallisation of end stage volatiles from a large cooling rock mass. Generally granitic in composition, and often containing valuable, or rare and unusual minerals.
<u><i>peneplain</i></u>	Essentially flat land surface that has developed at the last stage of the erosional cycle.
<u><i>perched water table</i></u>	Top of a local layer of groundwater located above the regional water table due to the presence of an underlying impermeable layer.
<u><i>Permian</i></u>	The last of six periods of the Palaeozoic Era, covering the period 235 to 290 million years ago.
<u><i>pH</i></u>	Numerical measure of the degree of acidity or alkalinity (basicity) of solutions.

<u>plagioclase</u>	A series of feldspar minerals ranging in composition from sodium- to calcium aluminium silicate.
<u>playa or playa lake</u>	Shallow central basin in a desert plain in water gathers after rain and is quickly evaporated.
<u>polyphase deformation</u>	Multiple phases of deformation.
<u>primary</u>	Completely unweathered when referring to rocks.
<u>Proterozoic</u>	The younger of the two Precambrian eras, generally considered older than about 570 million years ago to about 2,500 million years ago within Australia.
<u>protolith</u>	Pre-metamorphic or original rock type.
<u>pyrite</u>	A mineral, non-magnetic iron sulphide or fool's gold.
<u>pyrrhotite</u>	A mineral, magnetic iron sulphide with a variable iron to sulphur ratio.
<u>quartz</u>	A common rock forming mineral, silicon dioxide; often occurs as discrete veins or veinlets occupying fractures or openings within rocks and shears. Quartz veins are common hosts for gold mineralisation.
<u>Quaternary</u>	Post-Tertiary era from about 1.8 million years ago to the present.
<u>RAB drilling</u>	Rotary air-blast drilling.
<u>radiometric survey</u>	Geophysical survey that measures levels of radioactivity.
<u>RC drilling</u>	Reverse circulation drilling.
<u>Recent</u>	Holocene – the youngest Epoch of the Quaternary – from 10,000 years ago to the present.
<u>reconnaissance</u>	A general examination or survey of a region with reference to its main features, usually preliminary to a more detailed survey.
<u>reduced</u>	Oxygen deficient.
<u>regolith</u>	Mantle of weathering and erosional products covering bedrock.
<u>retrograde metamorphism</u>	Mineralogical changes to relatively high grade metamorphic rocks in response to lower temperatures than those prevailing during the original metamorphic event.
<u>reverse circulation drilling</u>	A method of drilling whereby rock chips are recovered by airflow returning inside the drill rods rather than outside, thereby [usually] providing more reliable samples.
<u>rheology</u>	Flow and deformation characteristics of minerals.
<u>saprolite</u>	Clay-rich, totally decomposed rock formed in situ by chemical weathering of igneous or metamorphic rock in tropical or sub-tropical climates.
<u>schist</u>	Medium or coarse grained metamorphic rock with sub-parallel orientation of its dominantly micaceous minerals.
<u>schistosity</u>	Foliation in metamorphic rocks resulting from the parallel orientation of platy and ellipsoidal mineral grains.
<u>sediment</u>	Rocks formed by the deposition of solids from water.
<u>sedimentary rock</u>	A rock generally formed from the accumulation of rock fragments either under water or deposited from air. Sedimentary rocks are generally layered or bedded, with the beds almost always horizontal at the time of deposition.
<u>sericite</u>	Fine grained variety of mica, usually muscovite, which occurs in small scales, especially in schists; often indicative of chemical alteration patterns known to characterise gold mineralising events.
<u>serpentinite</u>	Hydrothermally altered magnesium rich rock dominated by serpentine minerals.
<u>shear or shear zone</u>	Broad zone of dislocation within a rock mass where relative movement has been accommodated by compound slippage and plastic deformation, akin to sliding a deck of cards, resulting in the development of schistosity.
<u>shear splay</u>	Bifurcation or subsidiary shear from a main shear zone.
<u>siderite</u>	A mineral, iron carbonate.
<u>silcrete</u>	Hard, siliceous layer in the regolith profile, resulting from the precipitation of secondary silica.

<u>silicate</u>	Mineral containing silica, SiO <sub>2</sub> .
<u>siliceous</u>	Very high in silica.
<u>soil sampling</u>	Collecting of samples of residual soil for chemical analysis for the purposes of conducting a geochemical survey.
<u>sphalerite</u>	A mineral, zinc sulphide.
<u>stratigraphy</u>	The composition, sequence and correlation of stratified rocks within the earth's crust.
<u>strike</u>	The bearing or direction of a horizontal line in the plane of an inclined structure such as a joint, fault, cleavage or bedding plane.
<u>strike-slip</u>	Horizontal component of movement on a fault.
<u>structural</u>	Pertaining to geological structure.
<u>sub-crop</u>	Rock lying just below surface.
<u>sulphide</u>	Mineral species comprising sulphur and a metal or metals.
<u>surface depletion</u>	Process of leaching of metals above the water table by downward migrating groundwater; the metals so leached are generally re-deposited in the supergene zone.
<u>surface float</u>	Pieces of ore or rock which have been separated from the parent by weathering.
<u>syncline</u>	Fold in rocks in which the convexity is toward the older rocks in the sequence.
<u>tectonic</u>	Refers to the rock structure and distribution resulting from deformation of the earth's crust.
<u>tectonic zone</u>	Zone of structural dislocation, usually on a large scale.
<u>tectono thermal event</u>	Metamorphic event involving both deformation and heat.
<u>tellurides</u>	Tellurium oxide minerals often containing gold.
<u>tenement</u>	Area of land to which access has been granted for mineral exploration or development under the relevant mining act or statute.
<u>terrane or terrain</u>	A region of the earth's crust with well defined margins which differs significantly in its tectonic evolution from the surrounding regions.
<u>Tertiary</u>	The older of the two geological periods comprising the Cainozoic or Cenozoic Era, generally between 1.8 and 65 million years ago.
<u>thrust or thrust fault</u>	A low angle (shallowly inclined) fault or shear on which the rocks on the top have moved up and over the rocks on the bottom.
<u>tonalite</u>	Crystalline rock usually associated with deep seated intrusions of diorite, granodiorite and/or granite.
<u>topography</u>	Physical features of the land surface, particularly the relief and contours.
<u>ultramafic rock</u>	Igneous rock containing less than 45 per cent silica, composed essentially of ferromagnesian silicates and metallic oxides and sulphides, with virtually no quartz or feldspars.
<u>unconformity</u>	An erosional surface or depositional break that separates younger strata from older rock.
<u>volcano-sedimentary sequence</u>	A sequence of volcanic and sedimentary rocks.
<u>weathering</u>	The group of processes that change the character and composition of rocks by decay.
<u>wireframe</u>	Computerised representation of a 3-dimensional solid by a series of conjoined straight lines.
<u>Yilgarn Craton or Block</u>	The Archaean craton occupying the majority of the southern half of Western Australia.
<u>zircon</u>	The principal ore of zirconium, ZrSiO <sub>4</sub> . A very hard mineral used as a refractory and as a gemstone.

## PART 9

### ADDITIONAL INFORMATION

#### 1. Responsibility

The Company and the Directors whose names appear on page 7 accept responsibility both collectively and individually for the information contained in this document. To the best of the knowledge and belief of the Company and the Directors (who have taken all reasonable care to ensure that such is the case), the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information.

#### 2. The Company

- 2.1 The Company was incorporated and registered in England and Wales on 3 November 2004 under the Companies Act 1985, as a company limited by shares with the name Thor Mining Limited and with registered number 5276414. The Company was re-registered as a public limited company on 6 June 2005. On 7 June 2005 the Company was issued with a certificate to commence trading under section 117 of the Companies Act 1985. The liability of the members of the Company is limited.
- 2.2 The Company's registered office is 55 Gower Street, London WC1E 6HQ and its principal place of business is Level 1, 26 Greenhill Road, Wayville, South Australia 5034, Australia. The telephone number of the principal place of business is +61 (0) 8 8177 8850.
- 2.3 On 29 June 2005 the Ordinary Shares were admitted to trading on AIM and on 27 September 2006 the CDIs in respect of Ordinary Shares issued to CDN were admitted to trading on the ASX.
- 2.4 The accounting reference date of the Company is 30 June in each year. The Company's next accounting reference period will end on 30 June 2010.
- 2.5 The ISIN number of the Ordinary Shares is GB00B1DXJY95.
- 2.6 The principal legislation under which the Company operates is the Act and the regulations made there under.
- 2.7 The Company's principal activity is that of mineral exploration and development. The Board seeks to increase shareholder value by the systematic exploration of its existing resource assets as well as the acquisition of suitable exploration and development projects and producing assets.
- 2.8 The Company has the following direct and indirect subsidiaries:

<i>Name and Company Number</i>	<i>Date of incorporation</i>	<i>Place of incorporation</i>	<i>Percentage interest held</i>
Molyhil Mining Pty Ltd (ACN 112 922 497)	14 February 2005	Australia	100% by the Company
Hatches Creek Pty Ltd (ACN 124 296 091)	7 March 2007	Australia	100% by the Company
Hale Energy Ltd (ACN 114 933 998)	24 June 2005	Australia	100% by the Company
TM Gold Pty Ltd (ACN 143 126 710)	14 April 2010	Australia	100% by the Company

#### 3. Share capital

- 3.1 The Company's shares are in registered form and are capable of transfer in both certificated and uncertificated form. The register of members of the Company is maintained by the registrars, Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS13 8AE and Computershare Investor Services Pty Ltd, GPO Box D182, Perth Western 6840, Australia 6000, Australia. CDIs are in uncertificated form.
- 3.2 Following the adoption of the Articles on 25 November 2009 the Company does not have an authorised share capital.



- 3.3 The current issued share capital of the Company is 243,223,763 Ordinary Shares all of which are fully paid.
- 3.4 With the exception of outstanding options over a total of 4,000,000 Ordinary Shares representing 0.74 per cent of the fully diluted Enlarged Share Capital (assuming full take up under the Placing and Offer) and 1.64 per cent (assuming no take up under the Placing, the Offer, the Placing Warrants and the Offer Warrants), and 5,000,000 Warrants representing 0.78 per cent of the fully diluted enlarged share capital (assuming full take up under the Placing and Offer) and 2.06 per cent (assuming no take up under the Placing, the Offer, the Placing Warrants and the Offer Warrants), there are no Ordinary Shares under option.
- 3.5 The Placing and the Offer (assuming full subscription under the Placing and the Offer) will result in the issue of up to 200,000,000 Placing Shares and 100,000,000 Placing Warrants and up to 200,000,000 Offer Shares and 100,000,000 Offer Warrants. The Company's issued share capital as at the date of this document is, and (assuming full subscription under the Placing and the Offer) immediately following Admission will be:

	<i>As at the date of this document</i>			<i>Immediately following Admission</i>		
	<i>Amount (£)</i>	<i>Number of Ordinary Shares</i>	<i>Number of Warrants over Shares and CDIs</i>	<i>Amount (£)</i>	<i>Number of Ordinary Shares</i>	<i>Number of Warrants over Shares and CDIs</i>
Issued	729,671	243,223,763	5,000,000	1,929,671	643,223,763	205,000,000

The Company does not have an authorised share capital.

- 3.6 Save as referred to in this document:
- 3.6.1 no unissued share or loan capital of the Company or its subsidiaries is under option or is agreed conditionally or unconditionally to be put under option;
- 3.6.2 there are no shares in the capital of the Company currently in issue with a fixed date on which entitlement to a dividend arises and there are no arrangements in force whereby future dividends are waived or agreed to be waived;
- 3.6.3 there are no outstanding convertible securities issued by the Company; and
- 3.6.4 no share capital or loan capital of the Company is in issue and no such issue is proposed.
- 3.7 There has been no material change in the capitalisation of the Company since 31 December 2009 (other than the issue of 16,666,667 Shares on 9 February 2010 at AUD0.015 each and the issue of 10,000,000 Shares on 26 May 2010 at AUD0.015 each and 5,000,000 Warrants exercisable at AUD0.05 each on or before 31 March 2012).
- 3.8 On Admission, assuming full subscription under the Placing and the Offer, Shareholders who do not participate in the Offer will suffer an immediate dilution of 62 per cent of their interests in the Company (or 67 per cent on a fully diluted basis).
- 3.9 The Company's share capital consists solely of Ordinary Shares with equal voting rights (subject to the Articles). No major Shareholder of the Company has any different voting rights from the other Shareholders.

#### **4. Rights attaching to New Shares and New CDIs, Share Warrants and CDI Warrants**

- 4.1 The Offer Shares and the Placing Shares will, following allotment, rank *pari passu* in all respects with the Existing Shares including the right to receive all dividends and other distributions declared made or paid on the Ordinary Share capital of the Company.
- 4.2 The rights and liabilities attaching to Shares are set out in the Company's Articles, a copy of which can be inspected, free of charge, at the registered offices of the Company in the UK and in Australia, during normal business hours.
- 4.3 A summary of the more significant rights and liabilities attaching to the Shares is included in the summary of the Articles at paragraph 6 of this Part 9 of this document. This summary is not exhaustive and does not constitute a definitive statement of the rights and liabilities of Security Holders. To obtain such a statement, persons should seek independent legal advice.

- 4.4 The Share Warrants and CDI Warrants will be issued on the terms specified in Part 5 of this document. Each Share Warrant being exercisable for a Share at 1.5p and each CDI Warrant being exercisable for a CDI at AUD0.02625.
- 4.5 Eligible Security Holders that have a registered address in Australia or New Zealand may only apply for CDIs and CDI Warrants under the Offer.
- 4.6 CDIs are units of beneficial ownership of Shares. Legal title to the Shares is held by CDN.
- 4.7 If the CDI Warrants are admitted to quotation on ASX, CDI Warrants will be units of beneficial ownership of Share Warrants, with legal title to the Share Warrants held by CDN. If the CDI Warrants are not admitted to quotation on ASX, the CDI Warrants will be issued directly to the relevant subscriber.
- 4.8 With the exception of voting arrangements, CDI Holders have the same rights as Shareholders.
- 4.9 Notice of Shareholders' meetings must be given to CDI Holders. The notice of meeting must contain a form permitting the CDI Holder to direct the CDN to cast proxy votes in accordance with written directions of the CDI Holder. CDI Holders can attend Shareholders' meetings but will not be able to vote personally at a meeting of Shareholders.
- 4.10 Holders of CDIs in CHESS can convert their CDIs to Shares at any time by instructing their sponsoring participant. The sponsoring participant will then transmit a CHESS message to the Company's share registry instructing the registry to transfer the Shares from CDN to the name of the holder. The registry will then issue a share certificate for those Shares to the holder.
- 4.11 Holders of CDIs that are issuer sponsored can convert their CDIs to Shares by instructing the Share registry. The registry will transfer the Shares from the name of CDN to the holder and issue a certificate to the holder for those Shares.
- 4.12 If CDI Warrants are quoted on ASX, holders of CDI Warrants in CHESS can convert their CDI Warrants to Share Warrants at any time by instructing their sponsoring participant. The sponsoring participant will then transmit a CHESS message to the Company's share registry instructing the registry to transfer the Share Warrants from CDN to the name of the holder. The registry will then issue a certificate for those Share Warrants to the holder.
- 4.13 If CDI Warrants are quoted on ASX, holders of CDI Warrants that are issuer sponsored can convert their CDI Warrants to Share Warrants by instructing the Share registry. The registry will transfer the Share Warrants from the name of CDN to the holder and issue a certificate to the holder for those Share Warrants.
- 4.14 If the CDI Warrants are not quoted on ASX, then CDI Warrants will not be able to be converted to Share Warrants.

## 5. Directors' and other interests

5.1 The interests of each of the Directors in the share capital of the Company (all of which are beneficial unless otherwise stated) as at 22 June 2010 (being the last date practicable prior to the publication of this document) are as set out below:

### 5.1.1. Ordinary Shares

<i>Director</i>	<i>As at 22 June 2010</i>		<i>As at Admission*</i>		
	<i>Number of Ordinary Shares held</i>	<i>Percentage of Issued Share Capital</i>	<i>Number of Ordinary Shares held</i>	<i>Percentage of Enlarged Share Capital (assuming full subscription under the Placing and Offer)</i>	<i>Percentage of Enlarged Share Capital (assuming no subscription under the Placing and Offer)</i>
Michael Billing	150,000	0.06%	4,231,634	0.66%	0.95%
Michael Ashton <sup>1</sup>	45,674,960	18.78%	49,756,594	7.74%	11.23%
Gregory Durack	91,153	0.04%	948,297	0.15%	0.21%
Norman Gardner <sup>1</sup>	45,707,107	18.79%	47,339,671	7.36%	10.68%
Trevor Ireland	Nil	Nil	1,632,654	0.25%	0.37%

#### Notes:

- The interests of Michael Ashton and Norman Gardner and persons connected with them noted above include indirect interests held through Western Desert Resources Limited.  
(\*Assuming Directors take up their Placing Shares and Offer Shares and no outstanding options are exercised)

### 5.2 Share Options

<i>Director</i>	<i>As at 17 June 2010</i>	<i>As at Admission*</i>	
	<i>Number of Ordinary Shares over which options have been granted</i>	<i>Number of Ordinary Shares over which options have been granted</i>	<i>As at Admission Number of Warrants held</i>
Michael Billing	1,000,000	1,000,000	2,040,817
Michael Ashton	1,000,000	1,000,000	2,040,817
Gregory Durack	1,000,000	1,000,000	428,572
Norman Gardner	1,000,000	1,000,000	816,327
Trevor Ireland	–	–	816,327

(\*Assuming no other outstanding options are exercised)

Each option is exercisable at AUD0.18 per Ordinary Share during the period starting on 24 November 2008 and ending on 15 September 2011.

- Save as disclosed above, at the date of this document, no Director, or any connected person, has any interest, beneficial or otherwise, in the share or loan capital of the Group.
- No loan or guarantee has been granted or provided to or for the benefit of any Director by the Group.
- The Company and the Directors are not aware of any arrangements, the operation of which may at a subsequent date result in a change of control of the Company.
- Other than the holdings of the Directors and connected persons which are set out at paragraph 5.1 of this Part 9 and as set out below, the Directors are not aware of any person, other than the Directors and their immediate families, who as at 22 June 2010 (being the latest practicable date prior to publication of this document) directly or indirectly, be interested in 3 per cent or more of the voting rights of the Company or who, directly or indirectly, jointly or severally exercise or could exercise control over the Company, or whose interest is notifiable under the Disclosure and Transparency Rules or otherwise in the UK.

As at 22 June 2010\*

As at Admission\*\*

Name	As at 22 June 2010*			As at Admission**			
	Number of Existing Ordinary Shares held	Number of Existing Warrants held	Percentage of all Existing Ordinary Shares	Number of Ordinary Shares held	Number of Existing Warrants held	Percentage of Enlarged Share Capital (assuming full subscription under the Placing and the Offer)	Percentage of Enlarged Share Capital (assuming no subscription under the Placing and Offer)
Western Desert Resources Limited	44,973,076	5,000,000	14.38%	57,217,914	11,122,449	8.90%	10.15%
Graham John Bubner	28,230	–	0.01%	1,028,230	–	0.16%	0.01%
David John Cloke	192,000	–	0.08%	192,000	–	0.03%	0.04%

**Note:**

Graham John Bubner and David John Cloke are directors of Western Desert Resources Limited.

(\* Last practicable date for which information is available)

(\*\* Assuming no outstanding options are exercised)

- 5.7 Save for the options that have been granted to the Directors detailed in paragraph 5.2 of this Part 9, the Directors receive no Ordinary Shares or options over Ordinary Shares in lieu of remuneration or as any form of compensation.

The Directors are each currently entitled to the following remuneration:

Director	Remuneration
Mr Michael Robert Billing (Executive Chairman)	AUD40,000 pa
Mr Norman Wayne Gardner (Non-executive Director)	AUD40,000 pa
Mr Michael Kevin Ashton (Non executive Director)	AUD40,000 pa
Mr Gregory Michael Durack (Non executive Director)	AUD40,000 pa
Mr Trevor John Ireland (Non executive Director)	AUD40,000 pa

Each of the directors has voluntarily agreed to a 50% reduction in remuneration from December 2009 until adequate funding levels are restored.

Each director is entitled to a consulting fee for services rendered over and above the contracted time agreed in their letters of engagement.

- 5.8 None of the Directors has any contractual or other right to receive any bonus from the Company and there is no arrangement under which any Director has waived or agreed to waive future emoluments.
- 5.9 No Director has any accrued pension benefits.
- 5.10 Each of Directors Mr. Norman Gardner and Mr. Michael Ashton are also directors of Western Desert Resources Limited, an Australian company that has a beneficial interest in 14.38% of the Shares capital of the Company and is a Related Party under the AIM Rules. Western Desert Resources Ltd is not a related party of the Company under the ASX Listing Rules or the Australian Corporations Act.
- 5.11 Other than as set out in this document, no Director or any entity in which a Director is a partner or director has or has had in the two years before the date of this document, any interest in:
- the formation or promotion of the Company;
  - property acquired or proposed to be acquired by the Company in connection with its formation or promotion of the Company;
  - the Offer,

and no amounts have been paid or agreed to be paid (in cash or Shares or otherwise) and no other benefit has been given or agreed to be given to any Director or to any entity in which a Director is a partner or a director, to induce him to become or qualify as a Director or otherwise for services rendered by him or by the entity in connection with the formation or promotion of the Company or the Offer.

## 6. Articles of Association

The articles of association of the Company (the “Articles”), which are available for inspection at the addresses specified in paragraph 2.2 above, contain, *inter alia*, provisions to the following effect:

Votes of members:

- (a) Subject to the provisions of the Act and to any special rights or restrictions as to voting attached to any shares or class of shares or otherwise provided by the Articles, upon a show of hands every member who (being an individual) is present in person or (being a corporation) is present by a duly authorised representative and in each case is entitled to vote shall have one vote and every proxy present who has been duly appointed by a member shall have one vote and upon a poll every member present in person or by proxy and entitled to vote shall have one vote for every share of held by him. A member who is a patient within the meaning of the Mental Health Act 1983 may vote, whether on a show of hands or on a poll, by his receiver, curator bonis or other person authorised in that behalf appointed by the Court and such receiver, curator bonis or other person may, on a poll, vote by proxy.
- (b) If two or more persons are jointly entitled to shares for the time being conferring a right to vote, any one of such persons may vote at any meeting, either personally or by proxy, in respect thereof as if he were solely entitled thereto, and if more than one of such joint holders be present at any meeting, either personally or by proxy, the member whose name stands first on the Register as one of the holders of such shares, and no other, shall be entitled to vote in respect of the same.

### *Transfer of Shares*

Title to any securities of the Company may be evidenced and title to and interests in securities may be transferred without a written instrument in accordance with statutory regulations from time to time made under the Statutes, and the Directors shall have power to implement any arrangements it may think fit for such evidencing and transfer which accord with those regulations.

Subject to the above, all transfers of certificated shares may be effected by transfer in writing in any usual or common form or in such other form as shall be approved by the Directors. The instrument of transfer shall be signed by or on behalf of the transferor (and in the case of a transfer of a partly paid share, by the transferee) and the transferor shall be deemed to remain the holder of the share until the name of the transferee is entered in the Register in respect of it. When registered the instrument of transfer shall be retained by the Company.

The Directors may in their absolute discretion and without giving any reason refuse to register any instrument of transfer:

- (a) unless it is in respect of a fully paid share;
- (b) unless it is in respect of a share on which the Company does not have a lien;
- (c) unless it is in respect of only one class of shares;
- (d) if it is in favour of more than four joint holders as transferees;
- (e) to an entity which is not a natural or legal person;
- (f) to a minor, to a person in respect of whom a receiving order or adjudication order in bankruptcy has been made which remains undischarged or to a person who is then suffering from mental disorder; and
- (g) unless the instrument of transfer has been left at the Office (duly stamped if necessary), or at such other place as the Directors may from time to time determine, accompanied by the certificate for the shares to which it relates and such evidence as the Directors may reasonably require to prove the title of the transferor and the due execution by him of the transfer;

provided always that the Directors shall at all times when considering an instrument of transfer in respect of partly paid shares have regard to the requirements of the Stock Exchange so as to ensure that the Company does not prevent dealings in its shares on an open and proper basis.

Notwithstanding anything in the Articles to the contrary, if:

- (a) a disclosure notice (“Disclosure Notice”) has been sent or supplied to a member or any other person appearing to be interested in the shares specified in the disclosure notice; and
- (b) the Company has not received (in accordance with the terms of such Disclosure Notice) the information required in the notice in respect of any of the specified shares within fourteen days after such Disclosure Notice was sent or supplied,

then the Directors may determine that the member holding the specified shares shall, upon the issue of a restriction notice referring to those specified shares in respect of which information has not been received, be subject to the Restrictions referred to in such restriction notice, and upon the issue of such restriction notice such member shall be so subject. As soon as practicable after the issue of a restriction notice the Company shall serve a copy of the notice on the member holding the specified shares but the accidental omission to do so, or the non-receipt by the member of the copy, shall not invalidate or otherwise affect the application of this article.

The Restrictions on shares shall cease to apply:

- (a) either in whole or in part at any time the Directors may determine;
- (b) upon the Company receiving in accordance with the terms of the relevant Disclosure Notice the information required in that Disclosure Notice in respect of those shares; or
- (c) if the Company receives an executed instrument of transfer (or a transfer of uncertificated shares is effected under the relevant system) in respect of those shares, which would otherwise be given effect to, pursuant to a party not connected (within the meaning given in section 839 of the Income and Corporation Taxes Act 1988) with the member holding such shares or with any other person appearing to be interested in such shares where such sale is:
  - (i) on a recognised investment exchange (within the meaning given in section 285 of the Financial Services and Markets Act 2000);
  - (ii) on any stock exchange outside the United Kingdom on which the Company’s shares are normally dealt; or
  - (iii) on acceptance of an offer made to all holders (or all the holders other than the person making the offer or his nominees) of the shares of the class of which the shares subject to the Restrictions form part to acquire those shares or a specified portion of them.

Subject to the requirements of the London Stock Exchange, notwithstanding sub-paragraph (c) above the Restrictions on shares shall continue to apply if within ten days of receipt of the instrument of transfer the Directors decide that they have reasonable cause to believe that the change in the registered holder of those shares would not be as a result of an arm’s length sale resulting in a material change in the beneficial interests in those shares. Where the Directors make such a decision, the Company shall notify the purported transferee of the decision as soon as practicable and any person may make representations in writing to the Directors concerning the decision. The Company shall not be liable to any person as a result of having imposed Restrictions or deciding that such Restrictions shall continue to apply if the Directors acted in good faith.

Where dividends or other moneys are not paid as a result of Restrictions having been imposed on shares, such dividends or other moneys shall accrue and, upon the relevant restriction ceasing to apply, shall be payable (without interest) to the person who would have been entitled had the restriction not been imposed.

Shares which the Company offers or procures to be offered *pro rata* (or *pro rata* ignoring fractional entitlements and ignoring shares not offered to certain members by reason of legal or practical problems associated with offering shares outside the United Kingdom) to holders of shares which are subject to Restrictions shall on issue become subject to the same Restrictions.

The Directors shall at all times have the right, at their discretion, to suspend, in whole or in part, any Restriction Notice either permanently or for any given period and to pay to a trustee any dividend payable in respect of any shares subject to Restrictions or in respect of any shares issued in right of shares subject to Restrictions. Notice of any suspension, specifying the sanctions suspended and the period of suspension, shall be given to the relevant holder in writing within seven days after any decision to implement such a suspension.

The limitations on the powers of the Directors to impose and retain Restrictions are without prejudice to the Company's power to apply to the court pursuant to the Statutes to apply the Restrictions or any other restrictions on any conditions.

For the purpose of this paragraph 8 "Restrictions" means one or more, as determined by the Directors, of the following:

- (a) that the member holding the shares specified in a Disclosure Notice shall be entitled, in respect of those shares, to attend or be counted in the quorum or vote either personally or by proxy at any general meeting or at any separate meeting of the holders of any class of shares or upon any poll or to exercise any other right or privilege in relation to any general meeting or any meeting of the holders of any class of shares;
- (b) that, unless effected pursuant to article (c) above, no transfer of the specified shares in certificated form shall be effective or shall be registered by the Company;
- (c) that no dividend or other money payable shall be paid in respect of the specified shares and that, in circumstances where an offer of the right to elect to receive shares instead of cash in respect of any dividend is or has been made, any election made under that offer in respect of such specified shares shall not be effective,

provided that only the restriction referred to in sub-paragraph (a) may be determined by the Directors to apply if the Specified Shares represent less than 0.25% of the relevant class at the time of issue of the Disclosure Notice.

Subject to the above, the Articles contain no restrictions on the free transferability of fully paid Ordinary Shares provided that the transfer is accompanied by the certificate for the shares to which it relates and such evidence as the Directors may reasonably require to prove the title of the transfer and the due execution of the transfer and that the provisions of the Articles relating to the deposit of instruments of transfer are complied with.

#### ***Dividends***

The Company in general meeting may declare a dividend to be paid to the members according to their respective rights and interests, but no such dividend shall exceed the amount recommended by the Directors. The Directors may from time to time declare and pay an interim dividend to the members and may also pay the fixed dividends payable on any shares of the Company half yearly or otherwise on fixed dates.

All dividends unclaimed for a period of 12 years after the date the dividend became due for payment shall be forfeited and shall revert to the Company.

#### ***Redemption of Shares and variation of rights***

Subject to any rights attached to any existing shares or class of shares, shares may be issued which are to be redeemed or are liable to be redeemed at the option of the Company or the shareholder on such terms and conditions and in such manner as shall be provided by the Board prior to the date on which such shares were allotted.

If at any time the capital is divided into different classes of shares all or any of the rights or privileges attached to any class may, subject to the provisions of the Act, be varied or abrogated either (a) in such manner (if any) as may be provided by such rights, or (b) in the absence of any such provision either with the consent in writing of the holders of at least three-fourths of the nominal amount of the issued shares of that class or with the sanction of a special resolution passed at a separate meeting of the holders of the issued shares of that class, but not otherwise. The creation or issue of shares ranking *pari passu* with or subsequent to the shares of any class shall not (unless otherwise expressly provided by these Articles or the rights attached to such last mentioned shares as a class) be deemed to be a variation of the rights of such shares.

#### ***Warrants or options***

The Company may, subject to the provisions of the Act and of the Articles, issue warrants or grant options to subscribe for shares in the Company. Such warrants or options shall be issued on such terms and subject to such conditions as may be resolved upon by the Directors including, without prejudice to the generality of the foregoing, terms and conditions which provide that, on a winding up of the Company, a holder of warrants or grantee of options may be entitled to receive, out of the assets of the Company available in the liquidation *pari passu* with the holders of shares of the same class as the shares in respect of which the subscription rights

conferred by the warrants or the options can be exercised, such sum as he would have received had he exercised the subscription rights conferred by his warrants or options prior to the winding up but after deduction of the price (if any) payable on exercise of such subscription rights.

### ***General Meetings***

The Directors shall convene and the Company shall hold general meetings as annual general meetings in accordance with the requirements of the Statutes at such time and place as may be determined by the Directors.

The Directors may convene a general meeting of the Company whenever they think fit and general meetings shall also be convened on such requisition, or in default may be convened by such requisitionists, as provided by the Act.

An annual general meeting shall be called by not less than 21 days' notice in writing; all other general meetings shall be called by not less than 14 days' notice in writing. The notice shall be exclusive of the day on which it is served or deemed to be served and of the day for which it is given and shall specify the place, the day and hour of meeting and, in case of special business, the general nature of such business. The notice shall be given to all the members, other than those members who, under the provisions of these Articles or the terms of issue of the shares they hold, are not entitled to receive notice of the meeting, and to the Directors and to the Auditors.

A general meeting shall, notwithstanding that it is called by shorter notice than that specified above, be deemed to have been duly called if consent to short notice is given in accordance with the Act.

Save as otherwise provided in these Articles the quorum for a general meeting shall be two members present in person or by proxy and entitled to vote.

### ***Directors***

Unless and until otherwise determined by the Company in general meeting the number of Directors shall be not less than two and until so fixed there shall be no maximum number of Directors.

Without prejudice to the requirements of the Statutes, a Director, including an alternate Director, who is in any way whether directly or indirectly, interested in a contract or proposed contract with the Company shall declare the nature of his interest at a meeting of the Board. In the case of a proposed contract the declaration shall be made at the meeting of the Board at which the question of entering into the contract is first taken into consideration or, if the Director was not at the date of that meeting interested in the proposed contract, at the next meeting of the Board held after he became so interested. In a case where the Director becomes interested in a contract after it is made the declaration shall be made at the first meeting of the Board held after the Director becomes so interested. In a case where the Director is interested in a contract which has been made before he was appointed a Director the declaration shall be made at the first meeting of the Board held after he is so appointed.

The Board of Directors may, subject to the quorum and voting requirements set out in the Articles, authorise any matter which would or might, if not authorised, otherwise involve a Director breaching his duty under the Act to avoid conflicts of interest ("Conflict").

A Director shall (in the absence of some other material interest than is indicated below) be entitled to be counted in the quorum and to vote in respect of any resolution concerning any of the following matters namely: (i) the giving of any guarantee, security or indemnity to him in respect of money lent by or obligations incurred by him or by any other person at the request of or for the benefit of the Company or any of its subsidiary undertakings insofar as the Act permits; or (ii) the giving of any guarantee, security or indemnity to a third party in respect of a debt or obligation of the Company or any of its subsidiary undertakings for which he himself has assumed responsibility in whole or in part under a guarantee or indemnity or by the giving of security; or (iii) any proposal concerning an offer of shares or debentures or other securities (including options and warrants) of or by the Company or any of its subsidiary undertakings for subscription or purchase in which offer he is or may be entitled to participate as a holder of securities or in the underwriting or sub-underwriting thereof, or (iv) any contract, arrangement, transaction or other proposal concerning any other body corporate in which he is interested, directly or indirectly and whether as an officer or shareholder or otherwise howsoever provided that he is not the holder of or beneficially interested in one per cent or more of any class of the equity share capital of such body corporate (or of any third body corporate through which his interest is derived) or of the voting rights available to members of the relevant body corporate (any such interest being deemed for the purpose of this Article to be a material interest in all circumstances); or (v) any contract, arrangement, transaction or other proposal concerning the adoption, modification or operation of a superannuation fund or retirement, death or disability benefits scheme



under which he may benefit and which has been approved by or is subject to and conditional upon approval by the Board of the Inland Revenue for taxation purposes or which does not accord to any Director as such any privilege or advantage not accorded to the employees to which such scheme or fund relates; or (vi) any contract, arrangement, transaction or proposal concerning the adoption, modification or operation of any scheme for enabling employees including full time executive directors of the Company and/or any subsidiary to acquire shares of the Company or any arrangement for the benefit of employees of the Company or any of its subsidiaries under which the Director benefits in a similar manner to employees and which does not accord to any Director as such, any privilege or advantage not generally accorded to the employees to whom such scheme relates; or (vii) any proposal concerning any insurance which the Company proposes to purchase and/or maintain for or for the benefit of any Director or for the benefit of persons who include Directors.

Where proposals are under consideration concerning the appointment (including fixing or varying the terms of appointment) of two or more Directors to offices or employments with the Company or any company in which the Company is interested, such proposals may be divided and considered in relation to each Director separately and in such cases each of the Directors concerned (if not debarred from voting) shall be entitled to vote (and be counted in the quorum) in respect of each resolution except that concerning his own appointment.

If any question shall arise at any meeting as to the materiality of a Director's interest or as to the entitlement of any Director to vote and such question is not resolved by his voluntarily agreeing to abstain from voting, such question shall be referred to the chairman of the meeting whose ruling in relation to any other Director shall be final and conclusive except in a case where the nature or extent of the interests of the Director concerned have not been fairly disclosed.

#### ***Borrowing powers***

The Directors may exercise all the powers of the Company to borrow money and subject (in the case of any security convertible into shares) to Section 551 of the Act to mortgage or charge its undertaking, property and uncalled capital, or any part thereof, and to issue debentures and other securities whether outright or as collateral security for any debt liability or obligation of the Company or of any third party.

#### ***Distribution of assets on liquidation***

The liquidator on any winding-up of the Company (whether voluntary or compulsory) may with the authority of a special resolution, divide among the members in kind the whole or any part of the assets of the Company and whether or not the assets shall consist of property of one kind, or shall consist of properties of different kinds, and for such purpose may set such value as he deems fair upon any one or more class or classes of property, and may determine how such division shall be carried out as between members or classes of members but so that if any such division shall be otherwise than in accordance with the existing rights of the members, every member shall have the same right of dissent and other ancillary rights as if such resolution were a special resolution passed in accordance with Section 110 of the Insolvency Act 1986.

### **7. Litigation**

Neither the Company nor any of its subsidiaries is, nor has any of them been engaged in the previous 12 months, in any governmental, legal or arbitration proceedings which may have, or have had, any significant effect on the Group's financial position or profitability nor, so far as the Company is aware, are there any such proceedings pending or threatened by or against the Company or any of its subsidiaries.

### **8. Placing Agreement**

Pursuant to the Placing Agreement, Daniel Stewart has agreed, as agent for the Company, to use its reasonable endeavours to procure subscribers for the Placing Shares at the Placing Price. Under the Placing Agreement:

8.1 the Company has agreed to pay to Daniel Stewart:

- a) a corporate finance fee of £35,000;
- b) a commission of five per cent of the Placing proceeds procured by Daniel Stewart in respect of the Placing Shares; and
- c) a handling fee of one per cent of the aggregate value at the Placing Price of the Placing Shares subscribed pursuant to the Placing by Placees not procured by Daniel Stewart.

together in each case with VAT where applicable.

- 8.2 the Company has agreed to pay all costs and expenses of the Placing and the Offer and related arrangements (plus any applicable VAT); and
- 8.3 the Company has given certain customary warranties and indemnities as to the accuracy of the information in this document and as to other matters in relation to the Company.

## **9. Related party transactions**

Save as disclosed in this document or in the Accounts there are no, and nor are there contemplated, any related party transactions to which the Company was or will be a party.

## **10. Material contracts**

Save for the following contracts (not being contracts entered into in the ordinary course of business) the Group has not, since the date of the Accounts, entered into any contract which is or may be material or any other contract (not being a contract entered into in the ordinary course of business) which contains any provision under which the Company or its subsidiary has any obligation or entitlements which are material to it at the date of this document:

1. the Placing Agreement, further details of which are contained in paragraph 8 of this Part 9.
2. a letter of Engagement dated 16 February 2010 between the Company and Daniel Stewart under which Daniel Stewart agreed to act as agent for the Company in connection with the Placing.
3. the Sale, Purchase and Option Agreement.

## **11. General**

- 11.1 Daniel Stewart has given and not withdrawn its written consent to the inclusion in this document of its name and the references thereto in the form and context in which they appear.
- 11.2 CSA has given and not withdrawn its written consent to the issue of this document with the inclusion of its name and references to its name in the form and context in which they appear and its report in Part 8 of this document and accept responsibility for this report. CSA will receive approximately £23,500 (or AUD40,000) (excluding any applicable tax and disbursements) in respect of this report.
- 11.3 CSA has reviewed information contained elsewhere in the Circular which relates to the Consulting Geologist's Report and have confirmed in writing that the information presented is accurate, balanced and complete and not inconsistent with the Consulting Geologist's Report.
- 11.4 Continental Resource Management Pty Ltd has reviewed information contained elsewhere in the Circular which relates to the Molyhil resource estimate and have confirmed in writing that the information presented is accurate, balanced and complete and not inconsistent with the resource estimate. Continental Resource Management Pty Ltd will receive a fee of approximately AUD200 (excluding GST) in respect of this. Continental Resource Management Pty Ltd has given and not withdrawn its written consent to the issue of this document with the inclusion of its name and references to its name in the form and context in which they appear.
- 11.5 Save as set out in this document, the Directors are not aware of any significant factors that have influenced the Group's activities.
- 11.6 The Company is not aware of the existence of any takeover bid pursuant to the rules of the City Code, or any circumstances which may give rise to any takeover bid, and the Company is not aware of any public takeover bid by third parties for the Ordinary Shares.
- 11.7 Save as disclosed in this document, there are no employee incentive arrangements involving a share in the capital of the Company in place at the date of this document.
- 11.8 The Placing Price represents a premium of 0.67 pence over the nominal value of 0.03p per Ordinary Share. The premium arising on the Placing and the Offer, assuming full subscription under the Offer, amounts to approximately £2.68 million in aggregate and, assuming no subscription under the Offer, amounts to approximately £1.34 million in aggregate.
- 11.9 The total amount of the expenses (excluding commissions but including AIM and ASX listing fees) of the Placing and Open Offer is estimated at £156,000 which is payable out of the proceeds of the Placing and Offer.

- 11.10 Daniel Stewart has acted as Financial Advisor and Broker to the Company in relation to the Placing and the Offer. Daniel Stewart will receive a corporate finance fee of approximately £35,000 (excluding VAT and disbursements), a commission of five per cent of the Placing proceeds actually procured by Daniel Stewart in respect of the Placing Shares and a handling fee of one per cent of the aggregate value of the Placing Shares subscribed at the Placing Price pursuant to the Placing by Placees not procured by Daniel Stewart for their services.
- 11.11 Other brokers that participate in the Placing will receive a five per cent broking fee in relation to Placing proceeds procured by them.
- 11.12 Ronaldsons LLP has acted as UK solicitors to the Company in connection with the Placing and the Offer and has assisted the Company with the preparation of this Circular. Ronaldsons LLP will receive a fee of approximately £30,000 (excluding VAT and disbursements) for their services. Ronaldsons LLP has given and not withdrawn its consent to being named as UK legal advisor to the Company in this document.
- 11.13 Watsons Lawyers have acted as Australian legal adviser to the Company in connection with the Placing and the Offer and has assisted the Company with the preparation of this document. Watsons Lawyers will receive a fee of approximately AUD55,000 (excluding GST and disbursements) for their services. Watsons Lawyers has given and not withdrawn its consent to being named as Australian legal advisor to the Company in this document.
- 11.14 The Ordinary Shares are in registered form. No temporary documents of title will be issued.
- 11.15 Information sourced from a third party has been accurately reproduced and, as far as the Company is aware and is able to ascertain from information published by that third party, no facts have been omitted which would render the reproduced information inaccurate or misleading.

## **12. Section 713 of the Australian Corporations Act**

- 12.1 Thor's CDIs trading on ASX are continuously quoted securities for the purposes of the Australian Corporations Act. The Offer made to Australian and New Zealand Eligible Security Holders is confined to an offer of New CDIs, with a free attaching CDI Warrant for every two New CDIs subscribed for. This document complies with the special prospectus content rules for continuously quoted securities under section 713 of the Australian Corporations Act.
- 12.2 As this document complies with the content requirements of section 713 of the Australian Corporations Act, this document does not contain the same level of disclosure as an initial public offering prospectus in Australia.
- 12.3 The Company is a "disclosing entity" for the purposes of the Corporations Act and as such is subject to regular reporting and disclosure obligations. The Company is subject to the ASX Listing Rules which require it to immediately notify ASX of any information concerning the Company of which it is or becomes aware and which a reasonable person would expect to have a material effect on the price or value of its securities, subject to certain exceptions.
- 12.4 The Company has, since listing on ASX, provided ASX with information regarding its activities and that information is publicly available on the ASX website at [www.asx.com.au](http://www.asx.com.au) using ASX Code: THR. This document is intended to be read in conjunction with that publicly available information.

## **13 Inspection and copies of documents**

- 13.1 Copies of documents lodged by the Company with ASIC in relation to the Company may be obtained from, or inspected at, an office of ASIC.
- 13.2 The Company will provide free of charge, to any person who requests it during the Application Period under this prospectus, a copy of:
- a) the annual financial report lodged with ASIC and ASX on 30 September 2009 and the annual report lodged with ASIC and ASX on 2 November 2009 ("Annual Report") containing the financial statement of the Company for the year ended 7 July 2009, being the last financial year for which financial statement have been lodged with the ASIC in relation to the Company before the issue of this document;
  - b) the Half-yearly Report for 6 months ended 31 December 2009 lodged with ASX on 5 March 2010; and

- c) the following documents lodged by the Company to notify ASX of information relating to the Company during the period from the date of lodgement of the 2009 Annual Report referred to above and before the last practicable date before the issue of this Circular in accordance with the ASX Listing Rules and Corporations Act.

<i>Subject of Announcement</i>	<i>Date lodged with ASX</i>
Proposed Placing and Open Offer to Shareholders	23/06/2010
Company's Request For Trading Halt	21/06/2010
Trading Halt	21/06/2010
Investor Presentation June 2010	02/06/2010
New Gold in calcrete Anomalies, Dundas Gold Project	31/05/2010
Appendix 3B	26/05/2010
Share Placement	25/05/2010
Electro-Magnetic Survey – Harts Range Project	25/05/2010
Dundas Gold Project – Update	30/04/2010
Quarterly Activities Report Jan – Mar 2010	29/04/2010
Quarterly Cashflow Report Jan – Mar 2010	29/04/2010
Response to ASX Appendix 3X query	19/04/2010
Audio Broadcast – Gold sset/Current Company News	25/03/2010
Initial Director's Interest Notice	11/03/2010
Appointment of Director to Thor Mining PLC	05/03/2010
Audio Broadcast – Gold acquisition marks new focus for Thor.	01/03/2010
Gold Acquisition Marks New Exploration Focus For Thor	25/02/2010
Appendix 3B	09/02/2010
October – December 2009 Report	28/01/2010
Share Placement to investors	27/01/2010
Quarterly Cashflow Report as at 31 Dec 2009	25/01/2010
Major Shareholder Directorship Update	15/01/2010
Results of Annual General Meeting	26/11/2009
Molyhil Project	20/11/2009
Notice of Annual General Meeting	02/11/2009
Annual Report to Shareholders	02/11/2009
Quarterly Activities Report	29/10/2009
Quarterly Cash flow Report	29/10/2009

Copies of ASX announcements made by the Company are available on ASX's website: [www.asx.com.au](http://www.asx.com.au), using the Company's code THR.

The documents referred to in 12.(a) and (b) above are not included in and do not accompany this document. This information may be of interest to investors and their financial advisers.

#### **14. Information excluded from continuous disclosure notices**

Other than as noted above, as at the date of this document, there is no information that has not been disclosed under the continuous disclosure requirements of the ASX Listing Rules because the ASX Listing Rules expressly or impliedly exclude information from disclosure, and which, in the Board's opinion, Security Holders and their professional advisers would reasonably require in order to assess the Company's assets and liabilities, financial position and performance, profits and losses and prospects, and the rights and liabilities attaching to the New Shares, New CDIs and Warrants.

#### **DIRECTORS STATEMENT**

Each Director has consented to the lodgement of this document with ASIC, as a prospectus for continuously quoted securities under section 713 of the Australian Corporations Act, and has not withdrawn that consent.

Signed for and on behalf of  
Thor Mining PLC

**Michael Robert Billing**  
*Executive Chairman*

Dated: 28 June 2010

# THOR MINING PLC (the “Company”)

*(Registered in England and Wales No. 5276414)*

## NOTICE OF GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that a General Meeting of the Company will be held at 11 a.m. on 22 July 2010 at the offices of Daniel Stewart & Co. Plc, Becket House, 36 Old Jewry, London EC2R 8DD for the purposes of considering and, if thought fit, passing the resolutions set out below.

### ORDINARY RESOLUTION

#### Resolution 1

That to the exclusion of and in substitution for any such authority previously conferred upon them and subsisting at the date of this resolution (save to the extent that the same may already have been exercised and save for any such authority granted by statute), the Directors be and are hereby authorised, generally and unconditionally for the purpose of section 551 of the Companies Act 2006 to allot equity securities (as defined in Section 560 of that Act) up to a maximum aggregate nominal amount of £2,458,934 PROVIDED THAT:

- a. This authority shall expire on the date of the Company’s next Annual General Meeting; and
- b. The Company may before such expiry date make an offer, agreement or other arrangement which would or might require relevant securities to be allotted after such expiry and the Directors may allot relevant securities pursuant to any such offer, agreement or arrangement as if the authority hereby conferred had not so expired.

#### Resolution 2

That in substitution for all existing authorities to the extent unutilised, the Directors, pursuant to Section 570 of the Act, be empowered to allot equity securities (within the meaning of Section 560 of the Act) for cash pursuant to the authority conferred by Resolution 1 as if Section 561 of the Act did not apply to any such allotment provided that this power shall be limited to:

- a. the allotment of equity securities where such securities have been offered (whether by way of a rights issue, open offer or otherwise) to the holders of ordinary shares in the capital of the Company in proportion (as nearly as may be) to their holdings of such ordinary shares but subject to such exclusions or other arrangements as the Directors may deem necessary or expedient to deal with equity securities representing fractional entitlements and with legal or practical problems under the laws of, or the requirements of, any regulatory body or any stock exchange in, any territory; and
- b. the allotment, other than pursuant to (a) above, of equity securities:
  - i. arising from the exercise of options and warrants outstanding at the date of this resolution;
  - ii. other than pursuant to (i) above, up to an aggregate nominal value of £2,458,934;
  - iii. other than pursuant to (i) and (ii) above and pursuant to the Sale, Purchase and Option Agreement, up to an aggregate nominal value of £135,000,

and this power shall, unless previously revoked or varied by special resolution of the Company in general meeting, expire on the date of the Company’s next Annual General Meeting. The Company may, before such expiry, make offers or agreements which would or might require equity securities to be allotted after such expiry and the Directors are hereby empowered to allot equity securities in pursuance of such offers or agreements as if the power conferred hereby had not expired.

### Resolution 3

That, for the purposes of ASX Listing Rule 7.1 and for all other purposes, the issue and allotment by the Company of 200,000,000 Placing Shares at 0.7 pence or AUD0.01225 per Share and 100,000,000 Placing Warrants, no later than three months after the date of this meeting on the terms and conditions set out in the explanatory statement in the letter from the Chairman accompanying this notice of meeting is approved.

**Voting Exclusion:** *The Company will disregard any votes cast on Resolution 3 by any person that may participate in the proposed issue of Shares the subject matter of Resolution 3 and any person who might obtain a benefit (except a benefit solely in their capacity as holders of ordinary securities) if this Resolution 3 is passed, or any associate of such person. However, the Company will not disregard a vote if:*

- (a) *it is cast by the person as proxy for a person who is entitled to vote, in accordance with directions on the Proxy Form; or*
- (b) *it is cast by the person chairing the General Meeting as proxy for a person who is entitled to vote in accordance with a direction on the Proxy Form to vote as the proxy declares.*

### Resolution 4

That, for the purposes of ASX Listing Rule 10.11 and for all other purposes, the issue and allotment by the Company of 1,632,654 of the Placing Shares at 0.7 pence or AUD0.01225 per Share, to CHESSE Depository Nominees Pty Ltd, to be beneficially held by Trevor Ireland or his nominee (in the form of CDIs) and the issue and allotment of 816,327 Placing Warrants to Trevor Ireland or his nominee or to CHESSE Depository Nominees Pty Ltd, to be beneficially held by Trevor Ireland or his nominee, no later than three months after the date of this meeting on the terms and conditions set out in the explanatory statement in the letter from the Chairman accompanying this notice of meeting is approved.

**Voting Exclusion:** *The Company will disregard any votes cast on Resolution 4 by Trevor Ireland and any person who might obtain a benefit (except a benefit solely in their capacity as holders of ordinary securities) if Resolution 4 is passed, or any associate of such person. However, the Company will not disregard a vote if:*

- (a) *it is cast by the person as proxy for a person who is entitled to vote, in accordance with directions on the Proxy Form; or*
- (b) *it is cast by the person chairing the General Meeting as proxy for a person who is entitled to vote in accordance with a direction on the Proxy Form to vote as the proxy declares.*

### Resolution 5

That, for the purposes of ASX Listing Rule 7.1 and for all other purposes, the issue and allotment by the Company of up to 200,000,000 Offer Shares at 0.7 pence or AUD0.01225 and 100,000,000 Offer Warrants, to Eligible Security Holders that apply for and are allocated Offer Shares and Offer Warrants, no later than three months after the date of this meeting under the Offer on the terms and conditions set out in the explanatory statement in the letter from the Chairman accompanying this notice of meeting is approved.

**Voting Exclusion:**

- i. *By virtue of the waiver of Listing Rule 7.38 granted by ASX, the Company will only disregard votes cast on Resolution 5 by an Eligible Security Holder if that Eligible Security Holder:*
  - (a) *holds a legal or beneficial interest in 5% or more of the Shares of the Company as at the Record Date and applies for and is allocated under the Offer more than its pro-rata proportion of the total Offer Shares (or New CDIs) offered under the Offer relative to its security holding as at the Record Date;*
  - (b) *does not hold a legal or beneficial interest in 5% or more of the Shares of the Company as at the Record Date but will have a legal or beneficial interest in 5% or more of the Shares of the Company as a result of Offer Shares applied for and allocated to it under the Offer;*
  - (c) *is excluded from voting on other interconditional resolutions in relation to the Placing and Offer; or*
  - (d) *is a proposed underwriter or sub-underwriter of the Offer.*

- ii. *However, the Company will not disregard a vote if:*
  - (a) *it is cast by the person as proxy for a person who is entitled to vote, in accordance with directions on the Proxy Form; or*
  - (b) *it is cast by the person chairing the General Meeting as proxy for a person who is entitled to vote in accordance with a direction on the Proxy Form (or CDI Voting Instruction Form) to vote as the proxy declares.*

#### **Resolution 6**

That, for the purposes of ASX Listing Rule 10.11 and for all other purposes, the issue and allotment by the Company of up to 10,653,066 of the Offer Shares at 0.07 pence or AUD0.01225 per Share, to CHESS Depository Nominees Pty Ltd, to be beneficially held by Michael Ashton, Michael Billing, Gregory Durack and Norman Gardner or their respective nominees (in the form of CDIs) allocated between them as set out in the Circular and up to 5,326,533 Offer Warrants to Michael Ashton, Michael Billing, Gregory Durack and Norman Gardner or their respective nominees or to CHESS Depository Nominees Pty Ltd to be beneficially held by Michael Ashton, Michael Billing, Gregory Durack and Norman Gardner or their respective nominees, allocated between them as set out in the Circular, no later than three months after the date of this meeting on the terms and conditions set out in the explanatory statement in the letter from the Chairman accompanying this notice of meeting is approved.

***Voting Exclusion:*** *The Company will disregard any votes cast on Resolution 6 by Michael Ashton, Michael Billing, Gregory Durack and Norman Gardner, and any person who might obtain a benefit (except a benefit solely in their capacity as holders of ordinary securities) if Resolution 6 is passed, or any associate of such persons. However, the Company will not disregard a vote if:*

- (a) *it is cast by the person as proxy for a person who is entitled to vote, in accordance with directions on the Proxy Form; or*
- (b) *it is cast by the person chairing the General Meeting as proxy for a person who is entitled to vote in accordance with a direction on the Proxy Form to vote as the proxy declares.*

#### **Resolution 7**

That, for the purposes of ASX Listing Rule 7.1 and for all other purposes, the issue and allotment by the Company of 45,000,000 Shares upon the exercise of the Stage One Option, no later than three months after the date of this meeting to CHESS Depository Nominees Pty Ltd, with 38,700,000 to be beneficially held (in the form of CDIs) by the Vendors and 6,300,000 to be beneficially held (in the form of CDIs) by the Agents identified in and on the terms and conditions set out in the letter from the Chairman accompanying this notice of meeting is approved.

***Voting Exclusion:*** *The Company will disregard any votes cast on this Resolution 7 by any allottee of the Shares the subject matter of Resolution 7 and any person who might obtain a benefit (except a benefit solely in their capacity as holders of ordinary securities) if Resolution 7 is passed, or any associate of such person. However, the Company will not disregard a vote if:*

- (a) *it is cast by the person as proxy for a person who is entitled to vote, in accordance with directions on the Proxy Form; or*
- (b) *it is cast by the person chairing the General Meeting as proxy for a person who is entitled to vote in accordance with a direction on the Proxy Form to vote as the proxy declares.*

#### **Resolution 8**

That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, the issue and allotment by the Company on 9 February 2010 of 16,666,667 Shares at AUD0.015 per Share to CHESS Depository Nominees Pty Ltd, beneficially held by a number of placees (in the form of CDIs on the terms and conditions set out in the explanatory statement in the letter from the Chairman accompanying this notice of meeting), is approved.

**Voting Exclusion:** *The Company will disregard any votes cast on this Resolution 8 by any of the allottees of the Shares the subject matter of Resolution 8 and any associate of such person. However, the Company will not disregard a vote if:*

- (a) *it is cast by the person as proxy for a person who is entitled to vote, in accordance with directions on the Proxy Form; or*
- (b) *it is cast by the person chairing the General Meeting as proxy for a person who is entitled to vote in accordance with a direction on the Proxy Form to vote as the proxy decides.*

#### **Resolution 9**

That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, the issue and allotment by the Company on 26 May 2010 of 10,000,000 Shares at AUD0.015 per Share to CHESSE Depository Nominees Pty Ltd, beneficially held by Western Desert Resources Ltd (in the form of CDIs) and 5,000,000 Warrants exercisable at AUD0.05 each held by Western Desert Resources Limited on the terms and conditions set out in the explanatory statement in the letter from the Chairman accompanying this notice of meeting, is approved.

**Voting Exclusion:** *The Company will disregard any votes cast on this Resolution 9 Western Desert Resources Limited and any associate. However, the Company will not disregard a vote if:*

- (a) *it is cast by the person as proxy for a person who is entitled to vote, in accordance with directions on the Proxy Form; or*
- (b) *it is cast by the person chairing the General Meeting as proxy for a person who is entitled to vote in accordance with a direction on the Proxy Form to vote as the proxy decides.*

#### **Explanatory notes**

The Letter from the Chairman accompanying this Notice of General Meeting is incorporated in and comprises part of this Notice of General Meeting, and should be read in conjunction with this Notice.

Shareholders are specifically referred to the Definitions section in the Letter from the Chairman which contains definitions of capitalised terms used both in this Notice of General Meeting and that Letter.

#### **Proxy Form**

If you are a registered holder of Ordinary Shares you may use the enclosed form of proxy to appoint one or more persons to attend and vote on a poll on your behalf.

A form of proxy is provided.

This may be sent by mail using the reply paid response tear-out sheet to

The Company Secretary  
Thor Mining PLC  
C/o Computershare Investor Services PLC  
The Pavilions  
Bridgwater Road  
Bristol BS13 8AE

The signed proxy must be received by not later than 48 hours prior to the time of the Meeting.

#### **CDI Voting Instruction Form**

If you are a registered CDI Holder see note 10 below regarding voting.

*By Order of the Board*  
Stephen Ronaldson  
*Company Secretary*

*Registered office:*  
55 Gower Street  
London WC1E 6HQ

Dated: 28 June 2010



## Notes to the Notice of the General Meeting

### Entitlement to attend and vote

1. Pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001, the Company specifies that only those members registered on the Company's register of members 48 hours before the time of the Meeting shall be entitled to attend and vote at the Meeting.

### Appointment of proxies

2. If you are a member of the Company at the time set out in note 1 above, you are entitled to appoint a proxy to exercise all or any of your rights to attend, speak and vote at the Meeting and you should have received a proxy form with this notice of meeting. You can only appoint a proxy using the procedures set out in these notes and the notes to the proxy form.
3. A proxy does not need to be a member of the Company but must attend the Meeting to represent you. Details of how to appoint the Chairman of the Meeting or another person as your proxy using the proxy form are set out in the notes to the proxy form. If you wish your proxy to speak on your behalf at the Meeting you will need to appoint your own choice of proxy (not the Chairman) and give your instructions directly to them.
4. You may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different shares. You may not appoint more than one proxy to exercise rights attached to any one share. To appoint more than one proxy, please contact Stephen Ronaldson, the Company Secretary, on +44 (0)20 7580 6075.
5. A vote withheld is not a vote in law, which means that the vote will not be counted in the calculation of votes for or against the resolution. If no voting indication is given, your proxy will vote or abstain from voting at his or her discretion. Your proxy will vote (or abstain from voting) as he or she thinks fit in relation to any other matter which is put before the Meeting.

### Appointment of proxy using hard copy proxy form

6. The notes to the proxy form explain how to direct your proxy how to vote on each resolution or withhold their vote.

To appoint a proxy using the proxy form, the form must be:

- completed and signed;
- sent or delivered to the Company Secretary, C/o Computershare Investor Services PLC at The Pavilions, Bridgwater Road, Bristol BS13 8AE; and
- received by Computershare Investor Services PLC no later than 48 hours prior to the Meeting (excluding non-business days).

In the case of a member which is a company, the proxy form must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company.

Any power of attorney or any other authority under which the proxy form is signed (or a duly certified copy of such power or authority) must be included with the proxy form.

### Appointment of proxy by joint members

7. In the case of joint holders, where more than one of the joint holders purports to appoint a proxy, only the appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the Company's register of members in respect of the joint holding (the first-named being the most senior).

### Changing proxy instructions

8. To change your proxy instructions simply submit a new proxy appointment using the methods set out above. Note that the cut-off time for receipt of proxy appointments (see above) also apply in relation to amended instructions; any amended proxy appointment received after the relevant cut-off time will be disregarded.

Where you have appointed a proxy using the hard-copy proxy form and would like to change the instructions using another hard-copy proxy form, please contact Stephen Ronaldson, the company secretary, on +44 (0)20 7580 6075.

If you submit more than one valid proxy appointment, the appointment received last before the latest time for the receipt of proxies will take precedence.

### **Termination of proxy appointments**

9. In order to revoke a proxy instruction you will need to inform the Company by sending a signed hard copy notice clearly stating your intention to revoke your proxy appointment to Computershare Investor Services PLC at The Pavilions, Bridgwater Road, Bristol BS99 6ZY.

In the case of a member which is a company, the revocation notice must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company.

Any power of attorney or any other authority under which the revocation notice is signed (or a duly certified copy of such power or authority) must be included with the revocation notice. In either case, the revocation notice must be received by Computershare Investor Services plc no later than 48 hours prior to the Meeting.

If you attempt to revoke your proxy appointment but the revocation is received after the time specified then, subject to the paragraph directly below, your proxy appointment will remain valid.

Appointment of a proxy does not preclude you from attending the Meeting and voting in person. If you have appointed a proxy and attend the Meeting in person, your proxy appointment will automatically be terminated.

### **CDI Holders in the Australian register**

10. CDI Holders may vote by directing CDN to cast proxy votes in the manner directed in the enclosed CDI Voting Instruction Form. CDI Holders are requested to complete, sign and return the enclosed CDI Voting Instruction Form in accordance with the instructions on that form. Completion and return of the CDI Voting Instruction Form will not prevent CDI Holders from attending the GM, but CDI Holders will not be able to vote at the GM.

The CDI Voting Instruction Form, together with any power of attorney or other authority (if any) under which it is signed, or a notarially certified copy thereof, should be sent to:

Postal address: Computershare Investor Services Pty Ltd  
GPO Box D182  
Perth  
Western Australia 6840

Fax number (within Australia): 1800 783 447

Fax number (from overseas): +61 3 9473 2555

For intermediary online subscribers only (Custodians) [www.intermediaryonline.com](http://www.intermediaryonline.com)

so as to arrive by not later than 72 hours before the time of the General Meeting i.e. to allow CDN sufficient time to lodge the combined proxies in the UK 48 hours before the time of the General Meeting.

Instructions for completing and lodging the CDI Voting Instruction Form are appended to it.

You must be registered as a CDI Holder as at 72 hours before time of meeting for your CDI voting instruction to be valid.

Should the meeting be adjourned then the deadline for revised voting instructions will be 72 hours before the time that the adjourned meeting recommences.

To obtain a copy of the CHESS Depository Nominee's Financial Services Guide, go to [www.asx.com.au/CDIs](http://www.asx.com.au/CDIs) or phone 1300 300 279 if you would like one sent to you by mail.

**Issued Shares and total voting rights**

11. As at 22 June 2010, the Company's issued share capital comprised 243,223,763 ordinary shares of £0.003 each. Each ordinary share carries the right to one vote at a General Meeting of the Company and, therefore, the total number of voting rights in the Company as at 18 June 2010 is 243,223,763.

**Communications with the Company**

12. Except as provided above, UK members who have general queries about the Meeting should telephone Stephen Ronaldson on +44 (0)20 7580 6075 and in Australia members who have general queries about the Meeting should telephone Laurie Ackroyd on +61 (0)8 8177 8800 (no other methods of communication will be accepted). You may not use any electronic address provided either in this notice of general meeting; or any related documents (including the chairman's letter and proxy form), to communicate with the Company for any purposes other than those expressly stated.