Company Information

Registered Number

United Kingdom	05 276 414
Australia	121 117 673

Incorporation
Incorporated in England on 3 November 2004, as Thor Mining Ltd, and reregistered as a public company, Thor Mining Plc on 6 June 2005.

Directors

Michael Robert Billing	(Executive Chairman)
Michael Kevin Ashton	(Non-Executive Director)
Gregory Michael Durack	(Non-Executive Director)
Trevor John Ireland	(Non-Executive Director)
David Edward Thomas	(Non-Executive Director)

Company Secretary

Stephen Ronaldson	(United Kingdom)
Allan Burchard	(Australia)

Registered Office
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London WC1E 6HQ

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Fax: +61 (0) 8 8351 5169
Email: corporate@thormining.com

Website
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Nominated Advisor to the Company
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Telephone: +44 (0) 20 7383 5100
Fax: +44 (0) 20 7184 4308

Auditors and Reporting Accountants
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2 Chapel Court
London SE1 1HH

Solicitors to the Company

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55 Gower Street
London WC1E 6HQ

Australia
Watson Lawyers
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Address of Share Registrars

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Fax: +44 (0) 870 703 6114

Australia
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Chairman's Statement

The year ended June 2013 was a challenging period for many small resource companies, and Thor shared a number of those challenges. Depressed financial markets and delays in achieving critical milestones at our Molyhil Tungsten Project tried the patience of the management team and investors. However, we made very good progress at our gold project at Spring Hill, and have increasing confidence of a positive outcome for Molyhil in due course.

Tungsten

At **Molyhil**, following completion of the Definitive Feasibility Study, we commenced marketing activities to secure concentrate off-take agreements, as well as a number of optimisation initiatives to extend the life of the project and improve commercial returns. While these efforts have not yet resulted in the ultimate desired outcomes, substantial progress has been made, and it is hoped that we will be able to announce positive results before the end of this calendar year.

Gold

Within the two years since the acquisition of the initial 25% interest in **Spring Hill,** substantial progress has been made. This year, in addition to extending the resource, a Memorandum of Understanding was signed for processing of ore at a nearby facility, and on 24 June 2013 we announced the results of a study which may lead to the commencement of gold production, at very low capital cost, within the next twelve months.
Thor now holds a 51% interest in Spring Hill and we expect to achieve our goal to increase this interest to 80% by the due date of 31 January 2014.
At **Dundas** in Western Australia, progress was limited as we concentrated all available funds on the other projects; however, looking forward, we hope to be in a position to test a number of promising targets in the near term.

Corporate activities

During the year under review, we continued to raise funds from a number of share placings (or "placements") to new and existing institutional and sophisticated investors in the United Kingdom. An Open Offer to all shareholders in the first half of 2013 also contributed funds and I thank those shareholders who supported the company at the time.
In addition, the company has borrowed A$1 million to assist in funding our exploration and development activities, as well as general working capital requirements. The lender has been provided with mortgages over certain of the Group's tenements, and options to acquire shares in the company to a value of $1 million, exercisable in March 2016 and June 2016.

Personnel

The Directors and I gratefully acknowledge the efforts of our very small team including contractors and consultants who have assisted us during the past year and continue to assist as we explore our projects and move towards development of mining operations.

Outlook

The Directors are confident of continued progress across the Group in the coming year. We look forward with confidence to commencing development at Molyhil, and also to building the size and scope of our gold portfolio.

Michael Billing
Chairman and Chief Executive Officer
20 September 2013

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REVIEW OF OPERATIONS

Molyhil Tungsten Project

Molyhil Definitive Feasibility Study (DFS)

The 100% owned Molyhil tungsten project is located 220 kilometres north-east of Alice Springs (320km by road) within the prospective polymetallic province of the Proterozoic Eastern Arunta Block in the Northern Territory.

In June 2012 Thor completed the necessary mining and production schedules and incorporated the results into a feasibility model, along with previously published parameters, to produce the feasibility study, the outcome of which was positive.

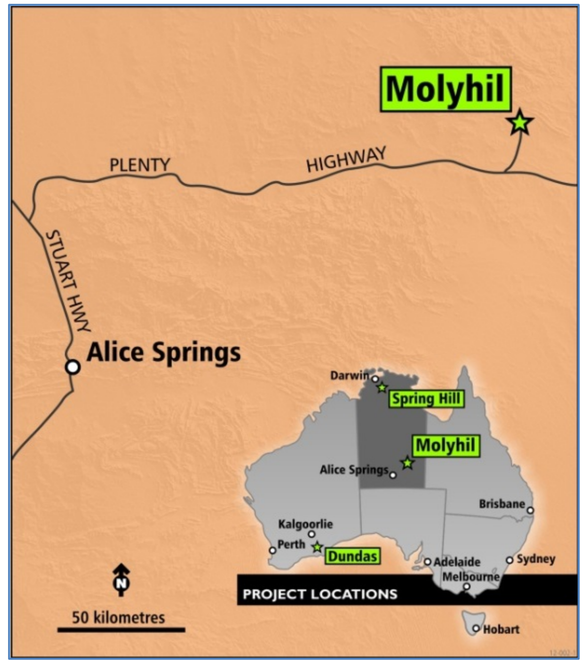

Figure 1: Molyhil Location Map

The results of the study show:

- EBIT returns provide for 21 month payback period
- All equity Net Present Value (NPV) of A$28 million at a discount rate of 8% (A$23 million @ 10% or A$36 million @ 5%) after tax.
- All equity Internal Rate of Return (IRR) of 24% after tax.
- Production cost of A$125/metric tonne unit (mtu) concentrate (after deduction of molybdenum bi-product credits) compared with revenue of A$354/mtu.
- Mine life of 4 years, derived from the updated open cut ore reserve statement published on 30 May 2012.
- Capital expense of A$70 million.
- Before tax surplus cash of A$62 million after recovering the original investment.

The DFS was prepared by Thor Mining PLC using data and information supplied by third party consultants for key components, including:

- Resource estimates and open cut ore reserve statement;
- Mine planning;
- Capital and operating costs;
- Metallurgical processes and outcomes;
- Commodity prices and exchange rates;
- Environmental studies

Molyhil Development Schedule

The development schedule for Molyhil is based on the timing of execution of sales agreements for off-take of tungsten concentrates, and molybdenum concentrates, and also securing finance. Settlement of these, in depressed market conditions, has experienced unfortunate delays, however directors are committed to this process and there is confidence that these will be secured in the near term. From the time of approval of finance, the period to production of first concentrates is estimated at 12 months.

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Molyhil Enhancement Potential

The Molyhil mining plan is derived from the open cut ore reserve statement, and therefore the life of the proposed operation in the DFS is of the order of 4 years. Pit optimisation studies by Runge, however, reveal that a relatively modest 7% improvement in economic factors has the potential to increase the reserve and mining life by over 50%. By contrast, a 20% deterioration in economic factors shows a modest 13% reduction in mining life and reserve.

The potential beyond the current estimated life may include:

- Extending the open cut operation and/or underground mining to extract more of the 65% of the resource, laterally and at depth, which is not included in the ore reserve. This may be achieved via a number of initiatives which are expected to reduce the cost of production, thus rendering more of the resource economically viable to extract.
- Exploitation of potential resources to be developed from other known tungsten occurrences and exploration targets within viable trucking distance of Molyhil. (Figure 2)

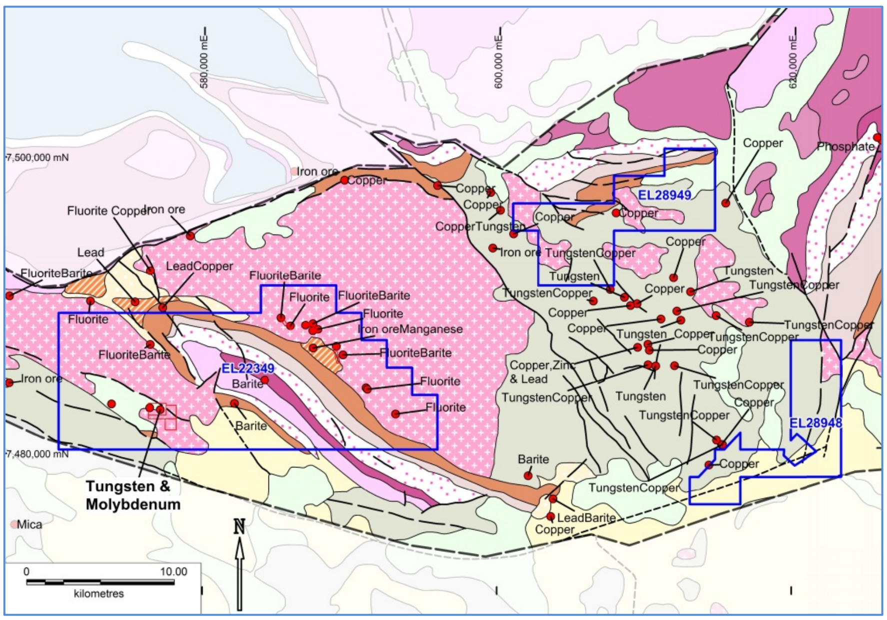

Figure 2: Known mineralisation adjacent to Molyhil. (Blue outlines indicate Molyhil tenements)

Metal Prices

A the time of writing this report the selling price in Europe of Tungsten APT sits at US$415/mtu, while the price of Molybdenum Roasted Concentrates is US$9.65/lb (Figure 3).

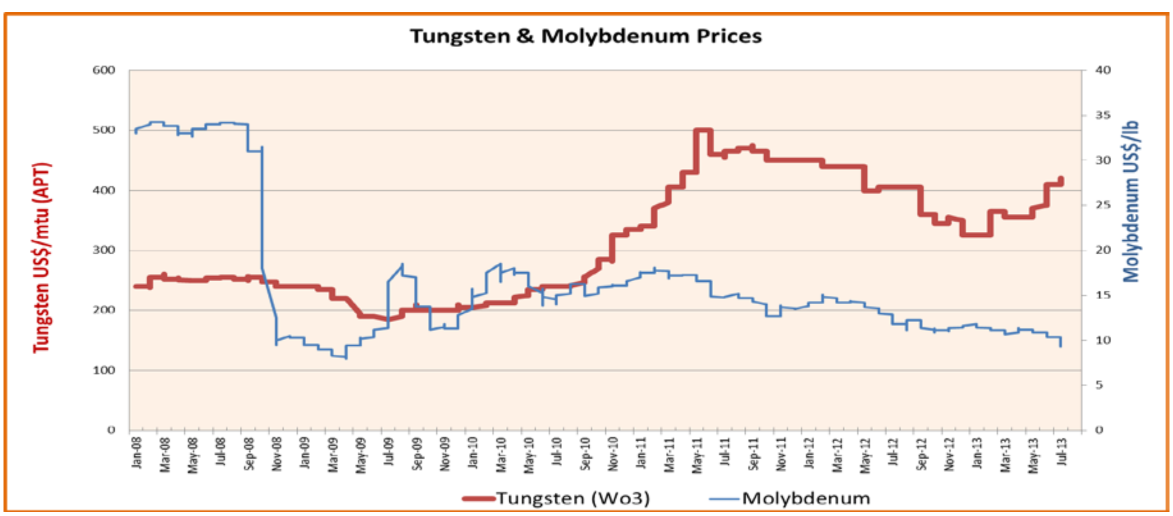

Figure 3: Tungsten & Molybdenum price movements (Metal Pages.com)

Spring Hill Gold Project

The Spring Hill project is located approximately 150 km south of Darwin in the Northern Territory. The location is served by all-weather access and is in close proximity to the sealed arterial Stuart Highway, north-south rail, gas pipeline and trunk power lines.

Thor holds a 51% interest in this project, and is in the process of exercising rights to acquire up to an 80% interest.

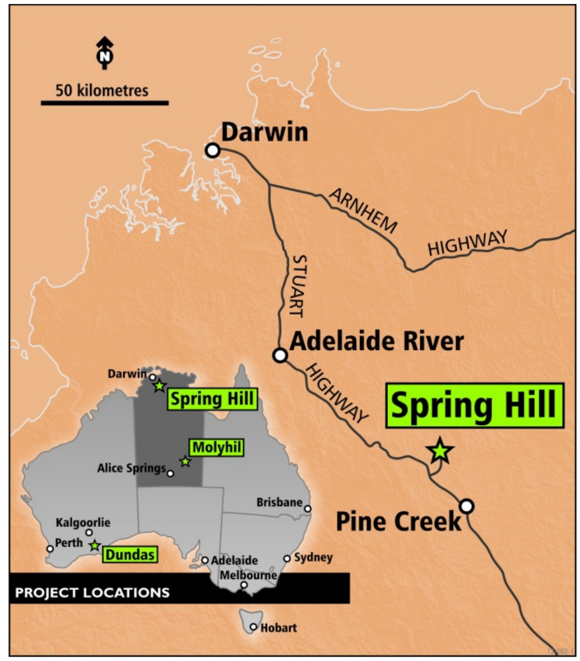

Figure 4: Spring Hill Location Map

During the year Thor signed a non-binding Memorandum of Understanding (MOU) in respect of toll treatment of ore from Spring Hill.

The agreement is between Spring Hill's two co-venturers, Thor Mining PLC and Western Desert Resources Limited (ASX: WDR), and Crocodile Gold Australian Operations Pty Ltd, a subsidiary of Toronto-listed Crocodile Gold Corporation (TSX "CRK").

Crocodile Gold operates the Union Reefs gold processing facility, approximately 20 kilometres from Spring Hill, and currently has excess processing capacity.

Subsequently, In June 2013 the directors announced that Thor is preparing for mine development at Spring Hill following positive results of a study to extract near surface oxide ore from the project. An opportunity has been identified which may expedite early environmental and regulatory approval to mine shallow oxidised ore by constraining the initial mine plan to extract only near surface oxide material for processing off-site. Mining of deeper transition and primary ore will be subject to subsequent studies and approval applications.

This resulted from a pit optimisation study which determined that approximately 900,000 tonnes of ore from the upper portions of the resource can be mined, delivering over 40,000 ounces of gold at a cost of below A$1,100/oz.

Exploration

During the 2012 dry season, a drilling program successfully demonstrated that mineralisation continued at depth below the existing Hong Kong lode, and also identified a potential new zone of mineralisation located between the Hong Kong and Western lodes (figures 5 & 6).
The objectives of the 2013 dry season drilling program include testing for confirmation that this new zone of mineralisation extends towards the surface.

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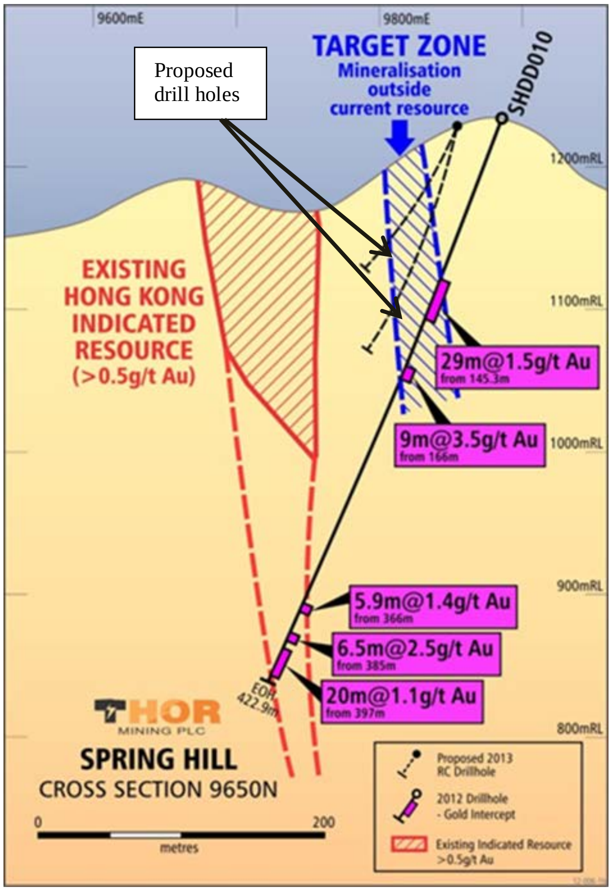

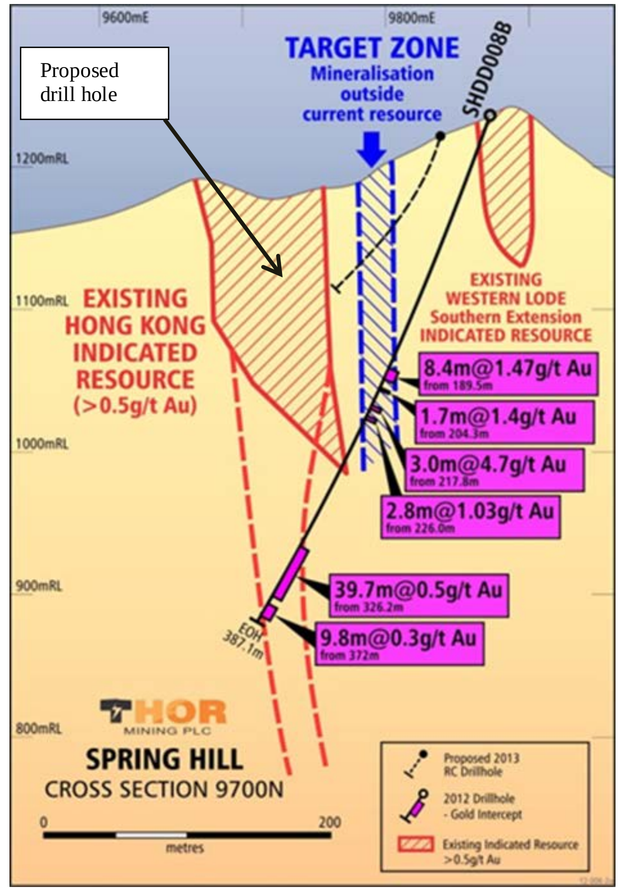

Figures 5 & 6: target zone between known resource outlines above mineralisation intersected durng the 2012 diamond drilling program.

Resource Upgrade

Following completion of the 2012 drilling program an independent resource update estimate was commissioned. The result of the Spring Hill resource estimate update is an Indicated Resource of 450,000 oz. gold within 10.0Mt @ 1.40 grams per tonne (g/t) gold using a 0.5 g/t cut-off grade, to a maximum depth of 150 metres, which is considered the nominal limit for open pit mining. The entire resource is classified as Indicated.

The updated resource represents up to an 11.8% increase in contained metal over the previous estimate completed in 2003. The mineralisation continues at depth.

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Exploration projects

Dundas Gold Project

Thor holds a 60% interest in the Dundas Gold Project south-east of Norseman in Western Australia, and has rights to increase that equity to 100%.

Two prospects with geochemical anomalies (Algron & Bifrost) are scheduled and permitted for drill testing as soon as finance for the program is available. Reverse circulation (RC) drilling will follow up positive aircore drilling results.

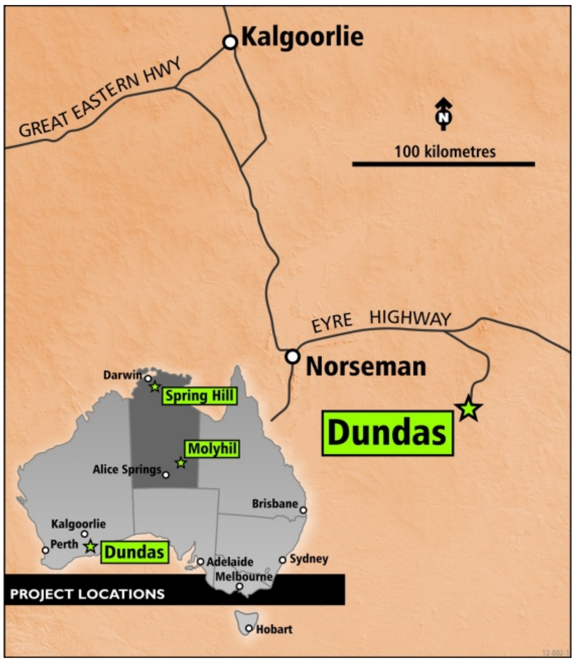

Figure 7: Dundas Location Map

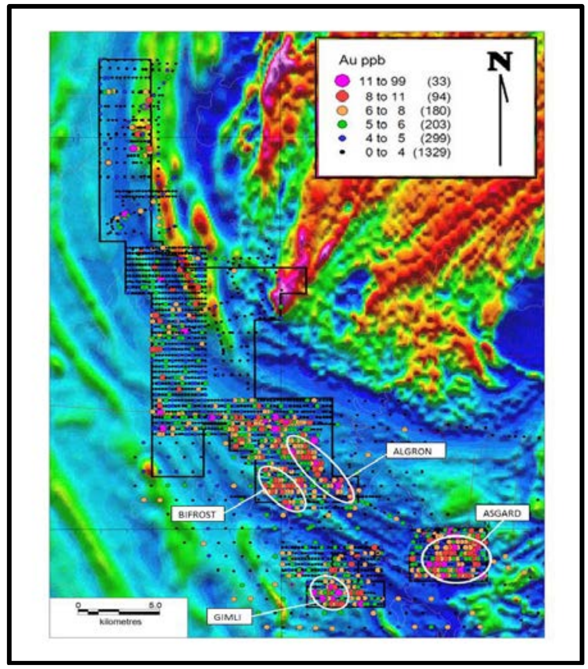

Figure 8: Dundas Gold in Calcrete Anomalies over magnetic intensity background

The information in this report that relates to exploration results is based on information compiled by Richard Bradey, who holds a BSc in applied geology and an MSc in natural resource management and who is a Member of The Australasian Institute of Mining and Metallurgy. Mr Bradey is an employee of Thor Mining PLC. He has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Richard Bradey consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Reserves and Resources

Tungsten and Molybdenum

Summary of Molyhil Mineral Resource Estimate

Classification	Resource Tonnes	WO_3 Grade %	WO_3 Tonnes	Mo Grade %	Mo Tonnes	Fe Grade %
Indicated	3,820,000	0.29	10,900	0.13	4,970	18.8
Inferred	890,000	0.25	2,200	0.14	1,250	15.2
Total	4,710,000	0.28	13,100	0.13	6,220	18.1

Mineral Resource reported at 0.1% combined Mo + WO_3 Cut-off and above 200mRL only.
Note: minor rounding errors may occur in compiled totals.

Molyhil Open Cut Ore Reserve Statement

Classification	Reserve Tonnes	WO_3 Grade %	WO_3 Tonnes	Mo Grade %	Mo Tonnes
Probable	1,640,000	0.42	6,900	0.13	2,200
Total	1,640,000	0.42	6,900	0.13	2,200

Notes:

- Estimate has been rounded to reflect accuracy
- All estimates are on a dry tonne basis
- The reserve estimate extends to a maximum depth below surface of 122 metres
- The statement is derived from the Indicated portion of the resource estimate only, and the Inferred portion is excluded from the calculations. The long term prices used were A$388/mtu for WO_3 and A$15.6/lb for Mo at an exchange rate of US$0.83 to A$1.00. The WO_3 and Mo Processing Recovery used was 85% and 80% respectively.

The information in this report that relates to the Molyhil Mineral Resource is based on information compiled by Mr Trevor Stevenson who is a Fellow and Chartered Professional of the Australasian Institute of Mining and Metallurgy, a member of the Mineral Industries Consultants Association and is a full-time employee of RungePincockMinarco Limited. Mr Stevenson has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Stevenson consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The Molyhil Ore Reserves estimate in the Statement was based on information compiled and reviewed jointly by Mr Alan Dickson and Dr Andrew Newell. Alan Dickson is a Fellow and Chartered Professional of the Australasian Institute of Mining and Metallurgy, and is an associate of RungePincockMinarco. Alan Dickson, has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity he is undertaking to qualify him as a Competent Person as defined in the 2004 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Andrew Newell is a Chartered Professional Member of both the Australasian Institute of Mining and Metallurgy and the Institute of Engineers, Australasia and a full time employee of RungePincockMinarco. Andrew Newell, has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity he is undertaking to qualify him as a Competent Person as defined in the 2004 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves.

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Gold

Spring Hill Resource Estimate

	Tonnes (Mt)	Grade g/t Au	Contained Gold (K oz.)
Zone of Oxidation	**4.6**	**1.28**	**190**
Transition Zone	**1.3**	**1.41**	**59**
Unweathered Zone	**4.06**	**1.54**	**201**
Total	**10.0**	**1.4**	**450**

Notes:
Thor Mining PLC holds equity rights to 80%of this resource
Cut-off grade: 0.5 g/t.
Total resource classified as indicated.
Estimate: McDonald Speijers, November 2012

The information in this report that relates to the Spring Hill Mineral Resource is based on information compiled by Diederik Speijers who is a Fellow of The Australasian Institute of Mining and Metallurgy. Mr Speijers is the principal of consulting firm McDonald Speijers. He has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Diederik Speijers consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

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Directors' Report

The Directors are pleased to present this year's annual report together with the consolidated financial statements for the year ended 30 June 2013.

Review of Operations

The net result of operations for the year was a loss of £1,124,000 (2012 loss: £959,000).
A detailed review of the Group's activities is set out in the Review of Operations.

Directors and Officers

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

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

Mick Billing has over 38 years of mining and agri-business experience and a background in finance, specialising in recent years in assisting in the establishment and management of junior companies to the position where they can be sustainable businesses. His career includes experience in company secretarial, senior commercial, and CFO roles including lengthy periods with Bougainville Copper Ltd and WMC Resources Ltd. He has worked extensively with junior resource companies over the past 15 years. He was appointed to the Board in April 2008.
He is also a director of ASX listed company Southern Gold Limited and is a past director of Western Desert Resources Limited.

Michael Kevin Ashton *– Non-Executive Director*

Mick Ashton owns a timber manufacturing business located in South Australia and is a major shareholder in a successful exploration drilling company located in Victoria, which has both Australian and international activities. He has extensive knowledge and experience in the exploration and mining industries, which dates back over 40 years. He was appointed to the Board in April 2008.
He is also a Director of ASX listed company Western Desert Resources Limited.

Gregory Durack *– Non-Executive Director*

Greg Durack is a Member of the Australian Institute of Mining and Metallurgy. He is a metallurgist, with over 30 years' experience in Australia, Papua New Guinea and Greece having worked primarily on gold projects, in operational and development management roles. Greg was appointed to the Board in July 2005.
He is a past Chief Executive Officer of ASX listed company, Jupiter Mines Limited.

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

Trevor Ireland is a geologist with more than 40 years experience in mineral exploration and corporate management. He has been involved both as a Manager and as a Company Director with mineral discoveries, economic evaluations and new mine developments covering gold, nickel, uranium and bauxite deposits in Australia and in several African countries. He is particularly associated with the discovery and development of The Granites and Callie gold mines in the Tanami region of the Northern Territory by North Flinders Mines Ltd. He served as a Director and Exploration Manager – Europe & Africa for Normandy La Source SAS, overseeing the evaluation of Ahafo and Akeyem gold ore bodies in Ghana, and Tasiast gold in Mauritania, all of which have subsequently reached development or operating status. He is currently ~~a~~ consultant to a number of junior resources companies. Trevor was appointed to the Board in March 2010.

David Edward Thomas *– BSc(Eng), ARSM, FIMM, FAusIMM (CPMin) - Non-Executive Director*

David Thomas is a Mining Engineer from Royal School of Mines, London, with experience in all facets of the mining industry.

He has worked for Anglo American in Zambia, Selection Trust in London, BP Minerals, WMC and BHP Billiton in Australia in senior positions in mine and plant operational management, and is experienced in project management and completion of feasibility studies. He has also worked as a consultant in various parts of the world in the field of mine planning, process plant optimisation, business improvement and completion of studies.

His most recent role was as Deputy Project Director for BHP Billiton's proposed expansion at Olympic Dam, South Australia. David was appointed to the Board 11 April 2012.

Allan Burchard *- Chief Financial Officer/Company Secretary*

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

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

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

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

Richard Bradey *– Exploration Manager*

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

Executive Director Service contracts

All Directors are appointed under the terms of a Directors letter of appointment. Each appointment provides for annual fees of Australian dollars $40,000 for services as Directors plus 9%, (9.25% as of 1 July 2013) as a company contribution to Australian statutory superannuation schemes. The agreement allows that any services supplied by the Directors to the Company and any of its subsidiaries in excess of 2 days in any calendar month, may be invoiced to the Company at market rate, currently at A$1,000 per day for each Director other than Mr David Thomas who is paid A$1,500 per day.

Principal activities and review of the business

The principal activities of the Group are the exploration for and potential development of tungsten and molybdenum deposits in the Northern Territory of Australia and exploration for, and potential development of, gold projects. The primary tungsten and molybdenum asset comprises the Molyhil -Tungsten-Molybdenum Project ("Molyhil"). The gold projects are located in the Albany-Fraser Orogen at the margin of Western Australia's gold rich Archaean Yilgarn Craton and also in the Pine Creek area of Northern Territory. The Company has acquired a 51% interest in the Spring Hill Gold Project with agreed terms to increase that interest to 80%.

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

Debt Facility Agreement

During the year ended 30 June 2013, the Company entered into a debt facility agreement (the "agreement") whereby the lender agreed to loan an amount of up to A$1,000,000 to the company to fund:

- In part, exploration and development expenditure on projects held by subsidiary companies, TM Gold Pty Ltd and Molyhil Mining Pty Ltd.
- General working capital requirements of the company and its subsidiaries.

The amount was fully drawn down during the year. As consideration for this agreement:

- The company has issued to the lender 147,068,896 options in two tranches, exercisable for A$1,000,000, not later than 19 March 2016 and 3 June 2016.
- The subsidiary companies, Molyhil Mining Pty Ltd and T M Gold Pty Ltd have each granted a mortgage over certain tenements, generally comprising that company's project at Molyhil and Spring Hill respectively on which it holds mineral licences or exploration licenses.

Further details are included in Note 13 to the accounts

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Business Review and future developments

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

Results and dividends

The Group incurred a loss after taxation of £1,124,000 (2012 loss: £959,000). No dividends have been paid or are proposed.

Key Performance Indicators

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

Post Balance Sheet events

In August 2013, the company raised £697,250 (before costs) through separate issues of 148,888,887 shares at 0.225 pence per share and 144,900,000 shares at 0.250 pence per share.

In conjunction with that process, and recognising that prior to that date, the nominal value of shares in the company was 0.3 pence, the company's shareholders approved on 3 September 2013, a re-organisation of the company's shares which resulted in the creation of two classes of shares, being:

- Ordinary shares with a nominal value of .01 pence, which will continue as the company's listed securities.
- Deferred shares with a value of 0.29 pence which, subject to the provisions of the Companies Act 2006, may be cancelled by the company, or bought back for £1 and then cancelled. These deferred shares will not be quoted and are effectively worthless.

Subject to the above matters, there were no material events arising subsequent to 30 June 2013 to the date of this report which may significantly affect the operations of the Company, the results of those operations and the state of affairs of the Company in the future.

At the date these financial statements were approved, 20 September, 2013, the Directors were not aware of any other significant post balance sheet events other than those set out in the notes to the financial statements.

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Substantial Shareholdings

At 10 September 2013, the following had notified the Company of disclosable interests in 3% or more of the nominal value of the Company's shares:

	Ordinary shares	%
Xcap Nominees Limited	182,581,666	14.3
Western Desert Resources Limited [1]	68,886,963	5.40
HSDL Nominees Limited	62,131,672	4.87
Barclayshare Nominees Limited	56,585,080	4.43
TD Direct Investing Nominees (Europe) Limited	55,522,960	4.35
Peel Hunt Holdings Limited	46,337,045	3.63

[1] Michael Ashton is a Director of Western Desert Resources Limited.

Directors & Officers Shareholdings

The Directors and Officers who served during the period and their interests in the share capital of the Company at 30 June 2013 were follows:

	Ordinary Shares/CDIs		Unlisted Options	
	30 June 2013	30 June 2012	30 June 2013	30 June 2012
Michael Billing	16,783,345	9,320,657	5,731,344	2,000,000
Michael Ashton	21,275,602	13,862,915	5,731,344	2,000,000
Gregory Durack	6,111,944	3,126,869	3,492,538	2,000,000
Trevor Ireland	5,537,786	3,798,980	3,119,403	2,000,000
David Thomas	3,328,359	-	1,164,180	-
Allan Burchard	678,060	300,000	689,030	500,000
Richard Bradey	794,800	500,000	1,000,000	500,000

Directors' Remuneration

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

The Australian based directors are paid on a nominal fee basis amount to A$40,000 per annum (£24,800). For the year ended 30 June 2013, the Directors elected to accept half fee arrangements until further notice.

Directors and Officers

Summary of amounts paid to Key Management Personnel.

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

2013	Salary and Fees	Post Employment Superannuation	Total Fees for Services rendered	Short-term employee benefits Salary & Fees	Share Options Granted during the year	Options (based upon Black-Scholes formula)	Total Benefit
	£'000	**£'000**	**£'000**	**£'000**	**No.**	**£'000**	**£'000**
Directors:							
Michael Billing[2]	115	1	116	116	0	0	116
Gregory Durack [1]	13	0	13	13	0	0	13
Michael Ashton	13	1	14	14	0	0	14
Trevor Ireland	26	1	27	27	0	0	27
David Thomas[2]	64	1	65	65	0	0	65
Key Personnel:							
Richard Bradey	136	12	148	148	500,000	3	151
Allan Burchard	52	0	52	52	0	0	52
2013 Total	**419**	**16**	**435**	**435**	**500,000**	**3**	**438**

[1] Fees payable to Mr. Durack are paid to Martineau Resources Pty Ltd.

[2] As at 30 June 2013, accrued amounts of £61,445 and £19,035 respectively remained unpaid to Messrs. Billing and Thomas.

2012	Salary and Fees	Post Employment Superannuation	Total Fees for Services rendered	Short-term employee benefits Salary & Fees	Share Options Granted during the year*	Options (based upon Black-Scholes formula)*	Total Benefit
	£'000	**£'000**	**£'000**	**£'000**	**No.**	**£'000**	**£'000**
Directors:							
Michael Billing	133	1	134	134	0	0	134
Gregory Durack [1]	13	0	13	13	0	0	13
Michael Ashton	13	1	14	14	0	0	14
Trevor Ireland	49	1	50	50	0	0	50
David Thomas	34	0	34	34	0		34
Norman Gardner[2]	2	0	2	2	0	0	2
Key Personnel:							
Richard Bradey	131	19	150	150	0	0	150
Allan Burchard	53	0	53	53	0	0	53
2012 Total	**428**	**22**	**450**	**450**	**0**	**0**	**450**

1 Fees payable to Mr. Durack are paid to Martineau Resources Pty Ltd.

2 Mr. Gardner ceased employment with the company on 16 August 2011.

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

Remuneration Report

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

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Directors Meetings

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

2013	Meetings held whilst in Office	Meetings attended
Michael Billing	9	9
Gregory Durack	9	7
Michael Ashton	9	6
Trevor Ireland	9	9
David Thomas	9	8

Corporate Governance

A statement on Corporate Governance is set out on pages 16 to 18.

Environmental Responsibility

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

Employment Policies

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

Health and Safety

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

Payment to Suppliers

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

Political Contributions and Charitable Donations

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

Annual General Meeting ("AGM")

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

Statement of disclosure of information to auditors

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

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

Auditors

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

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Going Concern

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

Statement of Directors' Responsibilities

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

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

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

Electronic communication

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

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

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

This report was approved by the board on 20 September 2013.

Mick Billing	**Allan Burchard**
Executive Chairman	*Company Secretary*

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Corporate Governance Statement

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

Board of Directors

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

Board Meetings

The Board meets regularly throughout the year. For the period ending 30 June 2013 the Board met 9 times in relation to normal operational matters. The Board is responsible for formulating, reviewing and approving the Company's strategy, financial activities and operating performance. Day to day management is devolved to the Executive Chairman/ Chief Executive Officer who is charged with consulting the Board on all significant financial and operational matters.

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

Board Committees

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

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

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

Internal controls

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

Risk Management

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

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Corporate Governance Statement

Risks and uncertainties

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

General and economic risks

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

Funding risk

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

Commodity risk

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

Exploration and development risks

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

Market risk

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

Insurance

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

Treasury Policy

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

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Corporate Governance Statement

Securities Trading

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

Relations with Shareholders

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

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

We have audited the financial statements of Thor Mining Plc for the year ended 30 June 2013 which comprise the Consolidated and Company Statements of Comprehensive Income, the Consolidated and Parent Company Balance Sheets, the Consolidated and Parent Company Statements of Cash Flows, the Consolidated and Parent Company Statements of Changes in Equity and the related notes 1 to 20. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

Respective responsibilities of directors and auditors

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

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

Scope of the audit

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

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent company's affairs as at 30 June 2013 and of the group's and the parent company's loss for the year then ended;
- have been properly prepared in accordance with IFRSs as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and, as regards the group financial statements, Article 4 of the lAS Regulation.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion:

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

Matters on which we are required to report by exception
We have nothing to report in respect of the following:

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or

- the parent company financial statements are not in agreement with the accounting records and returns; or

- certain disclosures of directors' remuneration specified by law are not made; or

- we have not received all the information and*planations we require for our audit.

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

Chartered Accountants
Chapman Davis LLP
2 Chapel Court
London SEIIHH

20 September 2013

Consolidated Statement of Comprehensive Income for the year ended 30 June 2013

		Consolidated		Company	
		2013	2012	**2013**	2012
	Note	**£'000**	£'000	**£'000**	£'000
Administrative expenses		**(131)**	(157)	**-**	-
Corporate expenses		**(686)**	(588)	**(499)**	(491)
Share based payment expense		**(48)**	-	**(48)**	-
Gain on disposal of assets		**12**	-	**-**	-
Impairment of subsidiary investments		**-**	-	**(140)**	-
Impairment of subsidiary loans		**-**	-	**(776)**	(152)
Write off/Impairment of exploration assets		**(278)**	(244)	**-**	-
Operating Loss		**(1,131)**	(989)	**(1,463)**	(643)
Interest received		**7**	30	**-**	-
Loss before Taxation		**(1,124)**	(959)	**(1,463)**	(643)
Taxation	5	**-**	-	**-**	-
Loss for the period		**(1,124)**	(959)	**(1,463)**	(643)
Other comprehensive income:					
Exchange differences on translating foreign operations		**(776)**	(160)	**-**	-
Other comprehensive income for the period, net of income tax		**(776)**	(160)	**-**	-
Total comprehensive income for the period		**(1,900)**	(1,119)	**(1,463)**	(643)
Basic loss per share	6	**(0.13)p**	(0.15)p		

The accompanying notes form part of these financial statements.

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THOR MINING PLC

Consolidated Balance Sheet at 30 June 2013

	Note	Consolidated 2013 £'000	Consolidated 2012 £'000	Company 2013 £'000	Company 2012 £'000
ASSETS					
Non-current assets					
Intangible assets - deferred exploration costs	7	**10,557**	10,035	**-**	-
Investments in subsidiaries	8	**-**	-	**560**	700
Loans to subsidiaries	8	**-**	-	**10,137**	9,252
Deposits to support performance bonds	9	**55**	75	**-**	-
Plant and equipment	10	**66**	55	**-**	-
Total non-current assets		**10,678**	10,165	**10,697**	9,952
Current assets					
Cash and cash equivalents		**188**	526	**2**	79
Trade receivables & other assets	11	**17**	27	**13**	-
Total current assets		**205**	553	**15**	79
Total assets		**10,883**	10,718	**10,712**	10,031
LIABILITIES					
Current liabilities					
Trade and other payables	12	**(183)**	(237)	**(27)**	(4)
Provisions		**(15)**	(12)	**-**	-
Interest bearing liabilities	13	**-**	(5)	**-**	-
Total current liabilities		**(198)**	(254)	**(27)**	(4)
Non-current liabilities					
Interest bearing liabilities	13	**(607)**	-	**(607)**	-
Total non-current liabilities		**(607)**	-	**(607)**	-
Total liabilities		**(805)**	(254)	**(634)**	(4)
Net assets		**10,078**	10,464	**10,078**	10,027
Equity					
Issued share capital	14	**2,948**	2,284	**2,948**	2,284
Share premium		**12,520**	11,718	**12,520**	11,718
Foreign exchange reserve		**3,075**	3,851	**-**	-
Merger reserve		**405**	405	**405**	405
Option revaluation reserve	15	**180**	132	**180**	132
Retained losses		**(9,050)**	(7,926)	**(5,975)**	(4,512)
Total equity		**10,078**	10,464	**10,078**	10,027

The accompanying notes form part of these financial statements.

These Financial Statements were approved by the Board of Directors on 20 September 2013 and were signed on its behalf by:

Michael Billing
Executive Chairman

Allan Burchard
Chief Financial Officer

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Consolidated Cash Flow Statement for the year ended 30 June 2013

	Consolidated		Company	
	2013	2012	**2013**	2012
	£'000	£'000	**£'000**	£'000
Cash flows from operating activities				
Operating Loss	**(1,131)**	(989)	**(1,463)**	(643)
Decrease/(increase) in trade and other receivables	**(10)**	-	**(13)**	-
Increase/(decrease) in trade and other payables	**54**	9	**23**	(6)
Increase/(decrease) in provisions	**3**	12	**-**	-
Depreciation	**27**	23	**-**	-
Exploration expenditure written off	**278**	237	**-**	-
Impairment of subsidiary loans	**-**	-	**776**	152
Revaluation foreign currency loans	**(53)**	-	**(53)**	-
Share based payment expense	**48**	-	**48**	-
Impairment subsidiary investments	**-**	-	**140**	-
Profit on sale of fixed assets	**(12)**	-	**-**	-
Net cash outflow from operating activities	**(796)**	(708)	**(542)**	(497)
Cash flows from investing activities				
Interest received	**7**	30	**-**	-
Expenditure on performance bonds	**20**	(73)	**-**	-
Proceeds from sale of fixed assets	**12**	-	**-**	-
Purchase of property, plant and equipment	**(38)**	(45)	**-**	-
Payments for exploration expenditure[1]	**(1,564)**	(2,378)	**-**	-
Loans to controlled entities	**-**	-	**(1,571)**	(1,652)
Net cash outflow from investing activities	**(1,563)**	(2,466)	**(1,571)**	(1,652)
Cash flows from financing activities				
Borrowings	**660**	-	**660**	-
Repayment of borrowings	**(5)**	(9)	**-**	-
Net issue of ordinary share capital	**1,376**	2,133	**1,376**	2,133
Net cash inflow from financing activities	**2,031**	2,124	**2,036**	2,133
Net decrease in cash and cash equivalents	**(328)**	(1,050)	**(77)**	(16)
Non cash exchange changes	**(10)**	(9)	**-**	-
Cash and cash equivalents at beginning of period	**526**	1,585	**79**	95
Cash and cash equivalents at end of period	**188**	526	**2**	79

[1]*Items not involving the movement of funds: - 21,666,667 shares were issued in consideration for an increase in the interest in the Springhill tenements.*

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Consolidated Statement of Changes in Equity For the year ended 30 June 2013

	Issued share capital	Share premium	Retained losses	Foreign Currency Translation Reserve	Merger Reserve	Share Based Payment Reserve	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Balance at 1 July 2011	1,591	9,688	(7,000)	4,011	405	165	8,860
Loss for the year	-	-	(959)	-	-	-	(959)
Foreign currency translation reserve	-	-	-	(160)	-	-	(160)
Total comprehensive (loss) for the period	-	-	(959)	(160)	-	-	(1,119)
Transactions with owners in their capacity as owners							
Shares issued	693	2,130	-	-	-	-	2,823
Cost of shares issued	-	(100)	-	-	-	-	(100)
Share options lapsed	-	-	33	-	-	(33)	-
At 30 June 2012	**2,284**	**11,718**	**(7,926)**	**3,851**	**405**	**132**	**10,464**
Year to 30 June 2013							
Loss for the year	-	-	(1,124)	-	-	-	(1,124)
Foreign currency translation reserve	-	-	-	(776)	-	-	(776)
Total comprehensive (loss) for the period	-	-	(1,124)	(776)	-	-	(1,900)
Transactions with owners in their capacity as owners							
Shares issued	664	953	-	-	-	-	1,617
Cost of shares issued	-	(151)	-	-	-	-	(151)
Share options issued	-	-	-	-	-	48	48
At 30 June 2013	**2,948**	**12,520**	**(9,050)**	**3,075**	**405**	**180**	**10,078**

Company Statement of Changes in Equity

	Issued share capital	Share premium	Retained losses	Foreign Currency Translation Reserve	Merger Reserve	Share Based Payment Reserve	Total
Balance at 1 July 2011	1,591	9,688	(3,902)	-	405	165	7,947
Loss for the period	-	-	(643)	-	-	-	(643)
Total comprehensive (loss) for the period	-	-	(643)	-	-	-	(643)
Transactions with owners in their capacity as owners							
Shares issued	693	2,130	-	-	-	-	2,823
Cost of shares issued	-	(100)	-	-	-	-	(100)
Share options lapsed	-	-	33	-	-	(33)	-
At 30 June 2012	**2,284**	**11,718**	**(4,512)**	-	**405**	**132**	**10,027**
Year to 30 June 2013							
Loss for the period	-	-	(1,463)	-	-	-	(1,463)
Total comprehensive (loss) for the period	-	-	(1,463)	-	-	-	(1,463)
Transactions with owners in their capacity as owners							
Shares issued	664	953	-	-	-	-	1617
Cost of shares issued	-	(151)	-	-	-	-	(151)
Share options issued	-	-	-	-	-	48	48
At 30 June 2013	**2,948**	**12,520**	**(5,975)**	-	**405**	**180**	**10,078**

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Notes to the Accounts for the year ended 30 June 2013

1 Principal accounting policies

a) Authorisation of financial statements

The Group financial statements of Thor Mining PLC for the year ended 30 June 2013 were authorised for issue by the Board on xxx–2013 and the balance sheets signed on the Board's behalf by Michael Billing and Allan Burchard. The Company's ordinary shares are traded on the AIM Market operated by the London Stock Exchange and on the Australian Securities Exchange.

b) Statement of compliance with IFRS

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

c) Basis of preparation

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

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

d) Basis of consolidation

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

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

All intercompany balances and transactions have been eliminated in full.

e) Exploration and development expenditure

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

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

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

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

f) Revenue

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

Interest revenue

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

Notes to the Accounts

1 Principal accounting policies (continued)

g) Deferred taxation

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

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

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

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

h) Trade and other payables

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

i) Foreign currencies

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

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

j) Share based payments

During the year the Group has provided no benefits to Directors of the Group in the form of share options. (2012: £NIL).

The cost of equity-settled transactions is measured by reference to the fair value of the services provided. If a reliable estimate cannot be made then the fair value of the Options granted is used based on the Black-Scholes model.

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

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Notes to the Accounts

1 Principal accounting policies (continued)

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

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

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

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

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

k) Leased assets

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

(i) Finance Leases

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

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

(ii) Operating Leases

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

l) Cash and cash equivalents

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

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

m) Trade and other receivables

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

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

Notes to the Accounts

1 Principal accounting policies (continued)

n) Investments

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

o) Financial instruments

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

p) Merger reserve

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

q) Property, plant and equipment

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

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

Land (including option costs) – Nil
Plant and Equipment – between 5% and 25%

All assets are subject to annual impairment reviews.

r) Impairment of assets

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

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

An assessment is also made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case the carrying amount of the asset is increased to its recoverable amount.

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Notes to the Accounts

1 Principal accounting policies (continued)

That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the Income Statement unless the asset is carried at its revalued amount, in which case the reversal is treated as a revaluation increase. After such a reversal the depreciation charge is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life.

s) Provisions

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

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

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

t) Loss per share

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

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

- costs of servicing equity (other than dividends) and preference share dividends;
- the after tax effect of dividends and interest associated with dilutive potential ordinary shares that have been recognised as expenses; and
- other non-discretionary changes in revenues or expenses during the period that would result from the dilution of potential ordinary shares;

divided by the weighted average number of ordinary shares and dilutive potential ordinary shares, adjusted for any bonus element.

u) Share based payments reserve

This reserve is used to record the value of equity benefits provided to employees, consultants and directors as part of their remuneration and provided to consultants and advisors hired by the Group from time to time as part of the consideration paid. The reserve is reduced by the value of equity benefits which have lapsed during the year.

v) Foreign currency translation reserve

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

w) Adoption of new and revised Accounting Standards

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

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Notes to the Accounts

2. Revenue and segmental analysis - Group

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

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

3. Operating loss – group

	2013	2012
	£'000	£'000
This is stated after charging:		
Depreciation	**27**	23
Auditors' remuneration – audit services	**29**	23
Auditors' remuneration – non audit services	**-**	-
Options issued – directors, staff, consultants and lender	**48**	0
Directors emoluments – fees and salaries	**235**	247

Auditors' remuneration for audit services above includes £18,675 (2012 £19,700) to Chapman Davis LLP for the audit of the company. Remuneration to PKF Australia for the audit of the Australian subsidiaries was £9,974 (2012 £3,200)

4. Directors and executive disclosures – Group

All Directors are each appointed under the terms of a Directors letter of appointment. Each appointment provides for annual fees of Australian dollars $40,000 for services as Directors plus 9% as a company contribution to Australian statutory superannuation schemes. The agreement allows for any services supplied by the Directors to the Company and any of its subsidiaries in excess of 2 days in any calendar month, can be invoiced to the Company at market rate, currently at $1,000 per day, other than Mr David Thomas who invoices at a rate of $1,500 per day. From 1st January 2010 the Directors elected to accept half fee arrangements until further notice.

(a) Details of Key Management Personnel

(i)	**Chairman and Chief Executive Officer**	
	Michael Billing	Executive Chairman and Chief Executive Officer
(ii)	**Non-executive Directors**	
	Gregory Durack	Non-executive Director
	Michael Ashton	Non-executive Director
	Trevor Ireland	Non-executive Director
	David Thomas	Non-executive Director
(iii)	**Executives**	
	Stephen Ronaldson	Company Secretary (UK)
	Richard Bradey	Chief Exploration Geologist
	Allan Burchard	CFO/Company Secretary (Australia)

Notes to the Accounts

(b) Compensation of Key Management Personnel

Compensation Policy

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

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

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

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Notes to the Accounts

	Salary & Fees	Options	Total
	£'000	£'000	£'000
30 June 2013			
Directors:			
Michael Billing	**116**	**-**	**116**
Gregory Durack	**13**	**-**	**13**
Michael Ashton	**14**	**-**	**14**
Trevor Ireland	**27**	**-**	**27**
David Thomas	**65**	**-**	**65**
Other Personnel:			
Richard Bradey	**148**	**3**	**151**
Allan Burchard	**52**	**-**	**52**
30 June 2012			
Directors:			
Michael Billing	134	-	134
Gregory Durack	13	-	13
Michael Ashton	14	-	14
Trevor Ireland	50	-	50
David Thomas[1]	34	-	34
Norman Gardner[2]	2	-	2
Other Personnel:			
Richard Bradey	150	-	150
Allan Burchard	53	-	53

[1] *Appointed 11 April 2012*

[2] *Resigned 19 August 2011*

(c) Compensation by category

	Group	
	2013	2012
	£'000	£'000
Key Management Personnel		
Short-term	**420**	428
Post-employment	**18**	22
	438	450

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

No options were granted over ordinary shares to Directors during the years ended 30 June 2013 and 30 June 2012.

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Notes to the Accounts

(e) Options holdings of Key Management Personnel

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

Key Management Personnel	Held at 1 July 2012	Acquired through Open Offer	Granted as remuneration	Disposal / Expired	Exercised	Held at 30 June 2013 / or at date of resignation	Vested and exercisable at 30 June 2013
Directors							
Executive							
Michael Billing	**2,000,000**	**3,731,344**	-	-	-	**5,731,344**	**5,731,344**
Non-Executive							
Gregory Durack	**2,000,000**	**1,492,538**	-	-	-	**3,492,538**	**3,492,538**
Michael Ashton	**2,000,000**	**3.731.344**	-	-	-	**5,731,344**	**5,731,344**
Trevor Ireland	**2,000,000**	**1,119,403**	-	-	-	**3,119,403**	**3,119,403**
David Thomas	-	**1,164,180**				**1,164,180**	**1,164,180**
Other Personnel							
Richard Bradey	**500,000**	-	**500,000**	-	-	**1,000,000**	**1,000,000**
Allan Burchard	**500,000**	**189,030**	-	-	-	**689,030**	**689,030**

Key Management Personnel	Held at 1 July 2011	Acquired through Open Offer	Granted as remuneration	Disposal / Expired	Exercised	Held at 30 June 2012 / or at date of resignation	Vested and exercisable at 30 June 2012
Directors							
Executive							
Michael Billing	3,000,000	-	-	(1,000,000)	-	2,000,000	2,000,000
Non-Executive							
Gregory Durack	3,000,000	-	-	(1,000,000)	-	2,000,000	2,000,000
Michael Ashton	3,000,000	-	-	(1,000,000)	-	2,000,000	2,000,000
Trevor Ireland	2,000,000	-	-	-	-	2,000,000	2,000,000
Norman Gardner	3,000,000	-	-	(3,000,000)	-	-	-
Other Personnel							
Richard Bradey	500,000	-	-	-	-	500,000	500,000
Allan Burchard	500,000	-	-	-	-	500,000	500,000

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

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Notes to the Accounts

(f) Other transactions and balances with related parties

Specified Directors	Transaction	Note	2013 £'000	2012 £'000
Michael Billing	Consulting Fees	(i)	**102**	120
Trevor Ireland	Consulting Fees	(ii)	**13**	36
David Thomas	Consulting Fees	(iii)	**51**	31

(i) *The Company used the consulting services of MBB Trading Pty Ltd a company of which Mr. Michael Billing is a Director.*
(ii) *The Company used the services of Ireland Resource Management Pty Ltd, a company of which Mr. Trevor Ireland is a Director and employee.*
(iii) *The Company used the services of Hayes Specialist Recruitment (Australasia) Pty Ltd and Thomas Family Trust with whom Mr David Thomas has a contractual relationship.*

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

5. Taxation - Group

	2013 £'000	2012 £'000
Analysis of charge in year	**-**	-
Tax on profit on ordinary activities	**-**	-

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

	2013	2012
Loss on ordinary activities before tax	**(1,124)**	(959)
Standard rate of corporation tax in the UK	**23.75%**	25.5%
Loss on ordinary activities multiplied by the standard rate of corporation tax	**(267)**	(245)
Effects of:		
Share based payments not allowable	**11**	-
Future tax benefit not brought to account	**256**	245
Current tax charge for year	**-**	-

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

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Notes to the Accounts

6. Loss per share

	2013	2012
	£'000	£'000
Loss for the year	**(1,124)**	(959)
Weighted average number of Ordinary shares in issue	**886,267,738**	643,667,958
Loss per share – basic	**(0.13)p**	(0.15)p

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

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

7. Intangible fixed assets – Group

Deferred exploration costs

	2013	**2012**
	£'000	**£'000**
Cost		
At 1 July	**11,925**	9,353
Write off exploration tenements previously impaired	**(1,890)**	(357)
Balance	**10,035**	8,996
Additions	**1,488**	3,120
Exchange loss	**(688)**	(191)
Write off for year	**(278)**	-
At 30 June	**10,557**	11,925
Impairment		
At 1 July	**1,890**	2,043
Write off exploration tenements previously impaired	**(1,890)**	(357)
Balance	**-**	1,686
Impairment for period	**-**	244
Exchange gain	**-**	(40)
At 30 June	**-**	1,890
Net book value at 30 June	**10,557**	10,035

As at 30 June 2013 the Directors undertook an impairment review of the deferred exploration costs, as a result of which, a provision for impairment for £278,000 (2012 £244,000) has been made.

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Notes to the Accounts

8. Investments – Company

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

Company	Country of registration or incorporation	Shares held Class	%
Molyhil Mining Pty Ltd [1]	Australia	Ordinary	100
TM Gold Pty Ltd [2]	Australia	Ordinary	100
Hatches Creek Pty Ltd [3]	Australia	Ordinary	100
Hale Energy Limited [3]	Australia	Ordinary	100

[1] *Molyhil Mining Pty Ltd is engaged in exploration and evaluation activities focused at the Molyhil project in the Northern Territory of Australia.*

[2] *TM Gold Pty Ltd is engaged in exploration activities in the state of Western Australia and the Northern Territory of Australia.*

[3] *These subsidiary companies have ceased exploration activities and are now dormant*

Directors of Thor Mining PLC., M R Billing, M K Ashton, G Durack and T J Ireland are Directors of the above subsidiaries.

(a) Investment in Subsidiary companies:

	2013	2012
	£'000	£'000
Molyhil Mining Pty Ltd	**700**	700
Less: Impairment provision against investment	**(140)**	-
Hatches Creek Pty Ltd	**-**	-
Hale Energy Limited	**1,277**	1,277
Less: Investment written off	**(1,277)**	(1,277)
TM Gold Pty Ltd	**-**	-
	560	700

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

(b) Loans to subsidiaries

Molyhil Mining Pty Ltd	**6,933**	6,431
TM Gold Pty Ltd	**3,979**	2,821
Less: Impairment provision against loan	**(775)**	-
Hatches Creek Pty Ltd	**257**	257
Less: Loan written off	**(257)**	(257)
Hale Energy Limited	**358**	358
Less: Impairment provision against loan	**(358)**	(358)
	£10,137	£9,252

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

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Notes to the Accounts

9. Deposits supporting performance bonds

	Consolidated		Company	
	2013	2012	**2013**	2012
	£'000	£'000	**£'000**	£'000
Deposits with banks and Governments	**55**	75	**-**	**-**
	55	75	**-**	-

10. Property, plant and equipment

Plant and Equipment:				
At cost	**146**	158	**-**	**-**
Accumulated depreciation	**(80)**	(103)	**-**	**-**
Total Property, Plant and Equipment	**66**	55	**-**	-

Movements in Carrying Amounts

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

The carrying value of the plant and equipment includes finance leased assets of £0 (2012: £6,903)

At 1 July	**55**	35	**-**	**-**
Additions	**40**	45	**-**	**-**
FX decrease	**(2)**	(2)	**-**	**-**
Disposals	**0**	0	**-**	**-**
Depreciation expense	**(27)**	(23)	**-**	**-**
At 30 June	**66**	55	**-**	-

11. Current trade and other receivables

Trade and other receivables	**0**	23	**-**	**-**
Prepayments	**17**	4	**13**	**-**
	17	27	**13**	-

12. Current trade and other payables

Trade payables	**(145)**	(231)	**(20)**	(4)
Other payables	**(38)**	(6)	**(7)**	-
	(183)	(237)	**(27)**	(4)

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Notes to the Accounts

13. Interest bearing liabilities

	Consolidated		Company	
	2013	2012	**2013**	2012
	£'000	£'000	**£'000**	£'000
Finance leases				
Current	**-**	(5)	**-**	**-**
Non-current	**-**	-	**-**	**-**
	-	(5)	**-**	-
Loan				
Current	**-**	**-**	**-**	**-**
Non-current	**607**	**-**	**607**	**-**
	607	-	**607**	-

During the year ended 30 June 2013, the Company entered into a debt facility agreement (the "agreement") whereby the lender, The Lindsay Carthew Family Trust, agreed to loan an amount of up to A$1,000,000 to the company to fund:

- In part, exploration and development expenditure on projects held by subsidiary companies, TM Gold Pty Ltd and Molyhil Mining Pty Ltd.
- General working capital requirements of the company and its subsidiaries.

The amount was fully drawn down during the year.

As consideration for this agreement:

- The company has issued to the lender options in two tranches, exercisable for A$1,000,000, as follows:
    - o 84,181,088 options which may be exercised, at the discretion of the option holder, at a price of A$0.007428 (0.7428 cents) at any date not later than 19 March 2016.
    - o 62,887,808 options which may be exercised, at the discretion of the option holder, at a price of A$0.005963 (0.5963 cents) at any date not later than 3 June 2016.
- The subsidiary companies, Molyhil Mining Pty Ltd and T M Gold Pty Ltd have each granted a mortgage over certain tenements, generally comprising that company's project at Molyhil and Spring Hill respectively on which it holds mineral licences or exploration licenses.

In finalising this agreement, the company has:

- Incurred legal and procurement fees totalling £50,420 (A$77,000) which have been expensed during the year, and
- Attributed a fair value charge of £16,370 (A$25,000) for the granting of the options, which has been credited to the option revaluation reserve.

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Notes to the Accounts

14. Issued share capital

	2013 £'000	2012 £'000
Authorised:		
3,333,333,333 ordinary shares of £0.003 each	**10,000**	10,000
Issued up and fully paid:		
928,814,766 (2012: 761,483,067) ordinary shares of £0.003 each	**£2,948**	£2,284

Movement in share capital

	2013		2012	
	Number	**£'000**	Number	£'000
At 1 July	**761,483,067**	**2,284**	530,453,432	1,591
Share issue for exploration tenements	**21,666,667**	**65**	40,000,000	120
Share issues for cash	**199,665,032**	**599**	176,947,018	531
Exercise of warrants	**0**	**0**	14,082,617	42
At 30 June	**982,814,766**	**2,948**	761,483,067	2,284

Subsequent Issue of Shares and Change in Nominal Value

In August 2013, the company raised £697,250 (before costs) through separate issues of 148,888,887 shares at 0.225 pence per share and 144,900,000 shares at 0.250 pence per share.

In conjunction with that process, and recognising that prior to that date, the nominal value of shares in the company was 0.3 pence, the company's shareholders approved on 3 September 2013, a re-organisation of the company's shares which resulted in the creation of two classes of shares, being:

- Ordinary shares with a nominal value of .01 pence, which will continue as the company's listed securities.
- Deferred shares with a value of 0.29 pence which, subject to the provisions of the Companies Act 2006, may be cancelled by the company, or bought back for £1 and then cancelled. These deferred shares will not be quoted and are effectively worthless.

Warrants and Options on issue

The following warrants (in UK) and options (in Australia) have been issued by the Company and have not been exercised as at 30 June 2013:

Number	Grant Date	Expiry Date	Exercise Price
8,000,000[1]	24 Nov 2011	24 Nov 2013	AUS$0.04
1,000,000[2]	19 Dec 2010	20 Dec 2013	AUS$0.05
1,000,000[3]	06 Jun 2011	13 Jun 2014	AUS$0.035
4,000,000[4]	10 Aug 2012	21 Jan 2015	GBP£0.02
1,100,000[5]	25 Sep 2012	27 Sep 2015	AUS$0.02
58,000,000[6]	19 Mar 2013	19 Mar 2016	AUS$0.007428
26,141,088[6]	18 Apr 2013	19 Mar 2016	AUS$0.007428
20,067,431[7]	29 Apr 2013	30 Sep 2014	AUS$0.0105
8,456,833[8]	29 Apr 2013	30 Sep 2014	GBP£0.007
62,887,808[9]	03 Jun 2013	03 Jan 2016	AUS$0.005963

Notes to the Accounts

14. Issued share capital (cont)

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

[1] 2,000,000 share options were issued to Directors, Billing, Durack, Ireland and Ashton on 24 November, 2010.
[2] 500,000 share options each were issued to two former company consultants on 19 December, 2010.
[3] 500,000 share options were issued to exploration manager Bradey and CFO Burchard on 6 June, 2011.
[4] 4,000,000 warrants were issued to a UK associate, Simple CFD's Ltd. on 10 August 2012.
[5] 1,100,000 share options were issued to employees on 25 September 2012.
[6] 84,141,088 share options were issued to the Lindsay Carthew Family Trust relating to the issue of the debt facility and the first draw down under that facility.
[7] 20,067,431 share options were issued as part of the open offer to CDI holders on the Australian register.
[8] 8,456,833 warrants were issued as part of the open offer to shareholders on the UK register.
[9] 62,887,808 share options were issued to The Lindsay Carthew Family Trust relating to the drawdown of funds under the debt facility.

15. Share option revaluation reserve

	2013	2012
	£'000	£'000
At 1 July	**132**	165
Lapse of 5,000,000 Directors options @ £0.0019	**-**	(10)
Lapse of 2,000,000 Directors options @ £0.0117	**-**	(23)
Attributed Valuation of Debt Facility options	**16**	-
Valuation of 1,100,000 options @ £0.008030	**9**	-
Valuation of 4,000,000 options @ £0.005771	**23**	-
At 30 June	**180**	132

Options are valued at an estimate of the cost of the services provided. Where the fair value of the services provided cannot be estimated, the value of the options granted is calculated using the Black-Scholes model taking into account the terms and conditions upon which the options are granted. The following table lists the inputs to the model used for the year ended 30 June 2013.

	September 2012	**August 2012**
Dividend yield	0.00%	0.00%
Underlying Security spot price	A$0.016	A$0.013
Exercise price	A$0.02	£0.02
Standard deviation of returns	146%	137%
Risk free rate	2.685%	2.870%
Expiration period	3yrs	2.87yrs
Black Scholes valuation per option	A$0.0125	A$0.0085
Black Scholes valuation per option	£0.00803	£0.005771

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Notes to the Accounts

16. Analysis of changes in net cash and cash equivalents

	At 1 July 2012	Cash flows	Non-cash changes	30 June 2013
	£'000	£'000	£'000	£'000
Cash at bank and in hand	526	(328)	(10)	188

17. Contingent liabilities and commitments

a) Exploration commitments

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

b) Claims of native title

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

c) Contingent Liability

Under the terms of a debt facility agreement entered into, the company has jointly guaranteed the performance of its subsidiary companies, Molyhil Mining Pty Ltd, and T M Gold Pty Ltd in terms of those companies' obligations to the lender.

18. Financial instruments

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

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

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

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

	2013	2012
	£'000	£'000
Sterling	**1**	79
Australian Dollars	**187**	447
	188	526

The financial assets comprise interest earning bank deposits and a bank operating account.

Set out below is a comparison by category of carrying amounts and fair values of all of the Group's financial instruments recognised in the financial statements, including those classified under discontinued operations. The fair value of cash and cash equivalents, trade receivables and payables approximate to book value due to their short-term maturity.

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Notes to the Accounts

18 Financial instruments (cont.)

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

	2013 Carrying Amount £'000	**2013** Fair Value £'000	2012 Carrying Amount £'000	2012 Fair Value £'000
Financial assets:				
Cash and cash equivalents	**188**	**188**	526	526
Trade receivables & other current assets	**17**	**17**	27	27
Deposits supporting performance guarantees	**55**	**55**	75	75
Financial liabilities:				
Trade and other payables	**183**	**183**	237	237
Lease liability	**-**	**-**	5	5
Long Term Finance	**607**	**607**	-	-

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

30-June 2013	**Effective Interest Rate %**	**Maturing < 1 year**	**Maturing >1 to <2 Years**	**Maturing >2 to <5 Years**	**Total**
Group		**£'000**	**£'000**	**£'000**	**£'000**
Financial Assets					
Fixed rate					
At call Account – AUD	**2.0%**	**128**	**-**	**-**	**128**
Term Deposit		**60**	**-**	**-**	**60**
		188	-	**-**	**188**
Financial Liabilities					
Fixed Rate					
Interest bearing liabilities	**7.0%**	**0**	**0**	**607**	**607**
30-June 2012					
Group					
Financial Assets					
Fixed rate					
At call Account – AUD	3.50%	440	-	-	440
Term Deposit – AUD	5.72%	65	-	-	65
		505	-	-	505
Financial Liabilities					
Fixed Rate					
Interest bearing liabilities	7.09%	6	-	-	6

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Notes to the Accounts

19. Related parties

There is no ultimate controlling party.

Thor has lent funds to its wholly owned subsidiaries, Molyhil Mining Pty Ltd., Hale Energy Ltd., Hatches Creek Pty Ltd., and TM Gold Pty Ltd to enable those companies to carry out its operations in Australia. At 30 June 2013 the estimated recoupable amount converted to £10,137,000.

Thor Mining PLC engages the services of Ronaldson Solicitors, a company in which Mr Stephen Ronaldson is a Senior Partner. Mr Ronaldson is the UK based Company Secretary. During the year £66,000 (2012 £28,000) was paid to Ronaldson Solicitors on normal commercial terms.

20. Post balance sheet events

In August 2013, the company raised £697,250 (before costs) through separate issues of 148,888,887 shares at 0.225 pence per share and 144,900,000 shares at 0.250 pence per share.

In conjunction with that process, and recognising that prior to that date, the nominal value of shares in the company was 0.3 pence, the company's shareholders approved on 3 September 2013, a re-organisation of the company's shares which resulted in the creation of two classes of shares, being:

- Ordinary shares with a nominal value of .01 pence, which will continue as the company's listed securities.
- Deferred shares with a value of 0.29 pence which, subject to the provisions of the Companies Act 2006, may be cancelled by the company, or bought back for £1 and then cancelled. These deferred shares will not be quoted and are effectively worthless.

Subject to the above matters, there were no material events arising subsequent to 30 June 2013 to the date of this report which may significantly affect the operations of the Company, the results of those operations and the state of affairs of the Company in the future.

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ASX Additional Information

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

Date and Place of Incorporation, and Application of Takeover Provisions

a) The company was incorporated in England on 3 November 2004 as Thor Mining Ltd and was re-registered as a public company, with the name Thor Mining plc, on 6 June 2005.

b) The company is not subject to Chapters 6, 6A, 6B and 6C of the Australian Corporations Act dealing with the acquisition of shares (including substantial shareholdings and takeovers).

c) As a public company incorporated in England and Wales, Thor Mining Plc may be subject to the City Code on Takeovers and Mergers (the Code). Subject to certain exceptions and limitations, a mandatory offer is required to be made under Rule 9 of the Code broadly where:

(i) a bidder and any persons acting in concert with it acquire shares carrying 30% or more of the voting rights of a target company; or

(ii) if a bidder, together with any concert parties, increases its holding where its holding is not less than 30% but not more than 50% of the voting rights.

Rule 9 requires a mandatory offer to be made in cash and at the highest price paid by the bidder (or any persons acting in concert with it) for any interest in shares of the relevant class during the 12 months prior to the announcement of the offer.

In addition, save in certain specified circumstances, rule 5 of the code imposes restrictions on acquisitions which increase a person's total number of voting rights in Thor Mining Plc (when aggregated with those of his concert parties) to 30% or more of the total voting rights of the company or if he, together with his concert parties, having an interest in 30% or more of such voting rights, acquires more voting rights up to (and including) a total of 50%.

Where a bidder obtains acceptances of at least 90% of the shares subject to a takeover offer (which excludes any shares held by it or its concert parties) and acceptances of at least 90% of the voting rights carried by the shares subject to the offer, it can require the remaining shareholders who have not accepted the offer to sell their shares on the terms of the offer.

Shareholdings (as at 10th September 2013)

Class of shares and voting rights

(a) at meetings of members or classes of members each member entitled to vote may vote in person or by proxy or attorney; and

(b) on a show of hands every person present who is a member has one vote, and on a poll every person present in person or by proxy or attorney has one vote for each ordinary share held.

On-market buy-back

There is no current on-market buy-back.

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Distribution of listed equity securities

Category (number of shares/warrants)	**Number of Shareholders**
1 – 1,000	727
1,001 – 5,000	426
5,001 – 10,000	309
10,001 – 100,000	1158
100,001 and over	788
	3,408

The number of Australian shareholders holding less than a marketable parcel is 2,099.
The minimum parcel size is 71,429 shares.

Twenty largest shareholders as at 10 September 2013

Name	Number of shares held	Percentage of shares held
XCAP Nominees	182,581,666	14.30%
Western Desert Resources Limited*	68,886,963	5.40%
HSDL Nominees Limited	62,131,672	4.87%
Barclayshare Nominees Limited	56,585,080	4.43%
TD Direct Investing Nominees	55,522,960	4.35%
Peel Hunt Holdings Limited	46,337,045	3.63%
Jim Nominees Limited	30,376,453	2.38%
Winterflood Securities Limited	29,536,006	2.31%
HSBC Client Holdings	27,704,439	2.17%
Investor Nominees Limited	20,874,321	1.64%
L R Nominees Limited	15,246,932	1.19%
Hargreaves Lansdown (Nominees) Limited (VRA)	14,869,839	1.16%
Vidacos Nominees Limited	13,905,140	1.09%
SVS (Nominees) Limited	13,867,294	1.09%
Hargreaves Lansdown (Nominees) Limited (HLNom)	12,802,587	1.00%
Mr & Mrs M Billing (Lapun Kamap Super Fund A/C)	12,743,273	1.00%
Share Nominees Limited	11,166,894	0.87%
JP Morgan Nominees Australia Limited	10,727,287	0.84%
Mick Ashton Nominees Pty. Ltd.	10,042,557	0.79%
Marnet Pty Ltd (The M L Weinberg Family A/C)	8,252,631	0.65%
TOTAL	704,161,039	55.16%

Of the shares held by Western Desert Resources Limited, 21,666,667 are escrowed until 8 April 2014.

Unlisted Option and Warrant holders as at 10 September 2013

Name	Expiry Date	Number of Warrants held	Percentage of warrants held
Mr M R Billing	24/11/2013	2,000,000	1.05%
Mr M K Ashton	24/11/2013	2,000,000	1.05%
Mr G M Durack	24/11/2013	2,000,000	1.05%
Mr T J Ireland	24/11/2013	2,000,000	1.05%
Associates (2)	20/12/2013	1,000,000	0.52%
Associates (2)	13/06/2014	1,000,000	0.52%
Simple CFDS Limited (issued 10/08/2012)	21/06/2015	4,000,000	2.10%
Associates (3)	27/09/2015	1,100,000	0.58%
Lindsay Carthew Family Trust	19/03/2016	84,141,088	44.15%
Lindsay Carthew Family Trust	03/06/2016	62,887,808	33.00%
United Kingdom Based Shareholder Group (22)	30/09/2014	8,400,833	4.41%
Australian Based Shareholder Group (59)	30/09/2014	20,067,431	10.53%
Total unlisted options/warrants		190,597,160	100.00%

Stock Exchanges

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

ASX CORPORATE GOVERNANCE DISCLOSURE

The ASX Code on Corporate Governance requires that every public company disclose its compliance with each principle of the Code. During the financial year 2012/13 ("Reporting Period") the Company has complied with each of the Ten Essential Corporate Governance Principles and Best Practice Recommendations as published by the ASX Corporate Governance Council, other than in relation to the matters specified below.

Recommendation 2.1, 2.2, and 2.3

2.1 Majority of the Board should be Independent Directors.

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

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

2.2 The Chairman should be an independent Director.

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

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

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

Recommendation 2.4

A separate Nomination Committee has not been formed.

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

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Recommendation 3

Gender Diversity.

Recommendation 3.2

The Board acknowledges the desirability of achieving gender diversity across the company, including within its permanent employees and also those individuals contracted to the company on long term, part time bases.

The Board's policy is to give women equal opportunity whenever a position is created.

In view of the limited size of the company's workforce, the company has not, at this time, developed a more formal policy on diversity.

Recommendation 3.3

In view of the limited size of the Company's workforce, the company is yet to develop measurable objectives for achieving gender diversity. The company recognises the importance of these objectives, and will revisit this matter as we expand our workforce.

Recommendation 3.4

The following table discloses the proportion of women employees and contractors:

	Number of Women Employees	Total Employees	Proportion of Women Employees
Directors	**0**	**5**	**0%**
Other Senior Executives	**0**	**1**	**0%**
Other Permanent Employees	**1**	**1**	**100%**
Contractors	**0**	**3**	**0%**
Total	**1**	**10**	**10%**

Recommendation 4.2

A separate Audit Committee has not been formed.

Number of audit committee meetings and names of attendees

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

Recommendation 4.3

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

Recommendation 8.1

Non-disclosure of the process of evaluating the board

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

Recommendation 9.2

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

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

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

Identification of Independent Directors

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

Statement concerning availability of independent professional advice

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

Names of nomination committee members and their attendance at committee meetings

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

Names and qualifications of audit committee members

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

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

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TENEMENT SCHEDULE

At 30 June 2013, the consolidated entity holds an interest in the following tenements:

Project	Tenement	Area kms^2	Area ha.	Holders	Company Interest
Molyhil	EL22349	228.00		Molyhil Mining Pty Ltd	100%
Molyhil	EL28948	46.40		Molyhil Mining Pty Ltd	100%
Molyhil	EL28949	63.40		Molyhil Mining Pty Ltd	100%
Molyhil	ML23825		95.92	Molyhil Mining Pty Ltd	100%
Molyhil	ML24429		91.12	Molyhil Mining Pty Ltd	100%
Molyhil	ML25721		56.2	Molyhil Mining Pty Ltd	100%
Molyhil	MLS77		16.18	Molyhil Mining Pty Ltd	100%
Molyhil	MLS78		16.18	Molyhil Mining Pty Ltd	100%
Molyhil	MLS79		8.09	Molyhil Mining Pty Ltd	100%
Molyhil	MLS80		16.18	Molyhil Mining Pty Ltd	100%
Molyhil	MLS81		16.18	Molyhil Mining Pty Ltd	100%
Molyhil	MLS82		8.09	Molyhil Mining Pty Ltd	100%
Molyhil	MLS83		16.18	Molyhil Mining Pty Ltd	100%
Molyhil	MLS84		16.18	Molyhil Mining Pty Ltd	100%
Molyhil	MLS85		16.18	Molyhil Mining Pty Ltd	100%
Molyhil	MLS86		8.05	Molyhil Mining Pty Ltd	100%
Spring Hill	ML23812	10.35		TM Gold Pty Ltd	51%
Spring Hill	EL22957	16.68		TM Gold Pty Ltd	51%
Spring Hill	EL28855	19.89		TM Gold Pty Ltd	100%
Spring Hill	EL28981	13.36		TM Gold Pty Ltd	100%
Spring Hill	EL29465	10.10		TM Gold Pty Ltd	100%
Dundas	EL63/872	132.02		TM Gold Pty Ltd	60%
Dundas	EL63/1102	164.22		TM Gold Pty Ltd	60%

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