THOR
MINING PLC

2018 ANNUAL REPORT

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)
David Edward Thomas	(Non-Executive Director)
Alastair Middleton	(Non-Executive Director)
Richard Bradey	(Executive Director)

Joint Company Secretaries

Stephen Ronaldson	(United Kingdom)
Ray Ridge	(Australia)

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Email: corporate@thormining.com

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Fax: +44 (0) 20 7184 4308

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London SE1 1HH

Solicitors to the Company
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2018 ANNUAL REPORT

THOR MINING PLC – CHAIRMAN'S STATEMENT – 2018 ANNUAL REPORT

The year ended June 2018 was one of significant progress for Thor. During the year the strong rebound in the tungsten market was sutained, and molybdenum also picked up very strongly. This resurgence in metal prices reinforced the view of the Board of Directors that our strategy of commercialisation of these assets is realistic. During the year, we made significant progress in our portfolio of tungsten assets, and also in our newly acquired position in a key copper project.

Tungsten

Substantial progress with the **Molyhil** tungsten and molybdenum project resulted in an upgraded Open Pit Ore Reserve statement in January 2018, increasing the open pit mine life by one year to seven years, with an 11% increase in the tonnes of contained tungsten, and a 19% increase in the quantity of contained molybdenum.

Subsequent to the end of the year, in August 2018, we announced an upgraded Definitive Feasibility Study (DFS) with outcomes well exceeding those of previous studies.

Our objective in the coming months is to secure finance for the Molyhil project, in order to commence development in the early part of 2019, and first production around 12 months from then.

Following the upgraded resource estimate at the **Pilot Mountain** tungsten project in Nevada in the United States we commissioned a Scoping Study to investigate broad operating parameters, potential scale, and high level commercial viability of mining and processing for these deposits. I am very pleased to report that in September 2018 we announced the results of this study which demonstrated the potential for profitable operations for up to 12 years.

Our task over the next 12 months, is to upgrade these studies towards Prefeasibility status, and work has already commenced with metallurgical laboratories, environmental studies, and utility providers in this regard.

Copper

In August 2017, the Company announced an investment in a newly incorporated private Australian company, Environmental Copper Recovery SA Pty Ltd. ("ECR"), which has the right to earn a 75% interest in the portion of the Kapunda Copper deposit in South Australia that is recoverable utilising in-situ recovery.

Subsequently, an Inferred Resource estimate for that part of the deposit which is amenable to insitu recovery techniques was published in February 2018, containing 119,000 tonnes of contained copper, well in excess of expectations.

Following the end of the year, in July 2018, we were also able to announce that ECR were successful in securing an Australian Government grant of A$2.85 million towards the costs of demonstrating an Insitu Recovery (ISR) process at Kapunda. We expect this grant will cover the majority of feasibility study funding requirements for the Kapunda project.

Lithium

In June 2017, the Company announced the acquisition of a 25% interest in US Lithium Pty Ltd ("USL") which held lithium projects in Arizona and New Mexico, along with an option to acquire the remaining 75% interest. That option was not exercised, and USL was subsequently acquired by ASX listed Hawkstone Mining Limited (ASX: "HWK"), with Thor to receive consideration of 7,421,875 ordinary shares in Hawkstone. A further 7,421,875 ordinary shares are due to Thor provided, *inter alia*, that Hawkstone is able to publish an inferred resource estimate on the Arizona Big Sandy deposit of not less than 30 million tonnes at a grade greater than 2,000ppm Lithium (Li) (or equivalent, subject to a minimum average grade of 1,000ppm Li).

Corporate activities

During the year under review, Thor continued to raise funds successfully from a number of share placings to new and existing investors in the United Kingdom and through the exercise of warrants.

Personnel

During the year, directors Gervaise Heddle and Paul Johnson stood down from the board of directors. I would like to thank both Gervaise and Paul for their contribution during a period where Thor made outstanding progress with each of our core projects.

The board structure was enhanced with the promotion of Richard Bradey, previously Exploration Manager, to the role of executive director. The contribution by Richard both before, and subsequent to, his appoiuntment as director has been very valuable.

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 the Company adds value to our projects and moves towards the development of its maiden mining operations.

Outlook

The Directors look to the coming year with confidence, with the Company in a significantly enhanced position compared with the same time a year ago.

The improvement in tungsten prices, and the upgraded DFS for Molyhil support our confidence that we can secure finance for the Molyhil tungsten project, while our other two core projects Pilot Mountain and Kapunda have advanced considerably.

The Company, has an active program of reviewing new opportunities, while requiring quite exacting criteria for proceeding. During the year we examined several such opportunities, with none quite making the cut. We do however continue to evaluate projects which have the potential to add very meaningful value to our portfolio and our shareholders.

Mick Billing
Chairman and Chief Executive Officer
21 September 2018

Molyhil Tungsten Project – Northern Territory

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.

Thor Mining PLC acquired this project in 2004 as an advanced exploration opportunity. Since then the project has been taken to the level where it is substantially permitted for development and, by global standards, it is recognised as one of the higher grade open pittable tungsten projects, with low capital and operating costs per unit of tungsten production. We have demonstrated the production of tungsten concentrates to a quality acceptable to the market, and hold a Memorandum of Understanding in respect of concentrate sales with a major international downstream processor.

Highlights 2017/18

- The rebound in global tungsten prices of 2016/17 continued with prices at June 2018 approximately double those of early 2016.
- The release of an upgraded Open Pit Ore Reserve in January 2018 increasing the life of the Molyhil project by one year to seven years.
- An agreement to acquire a 40% interest in the nearby Bonya licence which hosts outcropping deposits of scheelite (tungsten trioxide) as well as a small high grade copper deposit
- The publication, after year end of an upgraded DFS with significantly enhanced economic outcomes.

Feasibility Highlights - 23 August 2018	
Net Present Value (at a discount rate of 5%)	A$101m
Project Finance required	US$43m
Operating Expense (after deduction of molybdenum by-product credits)	US$90/mtu
Project Payback	18 months

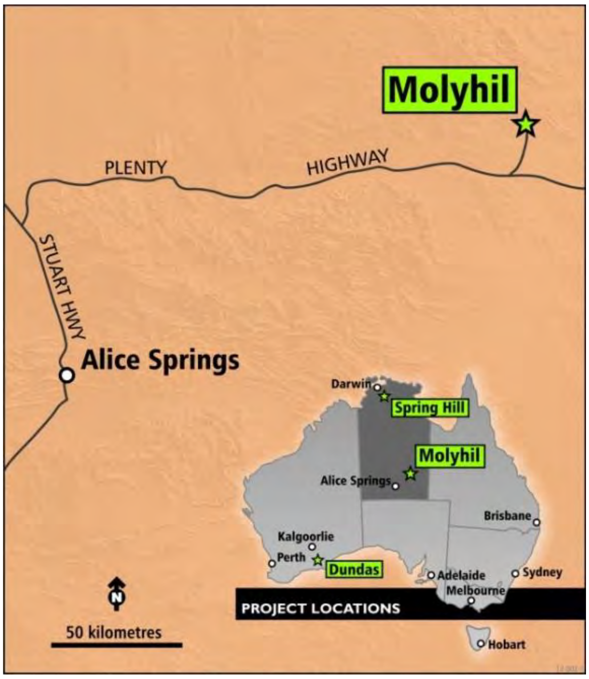

Figure 1: Molyhil Location Map

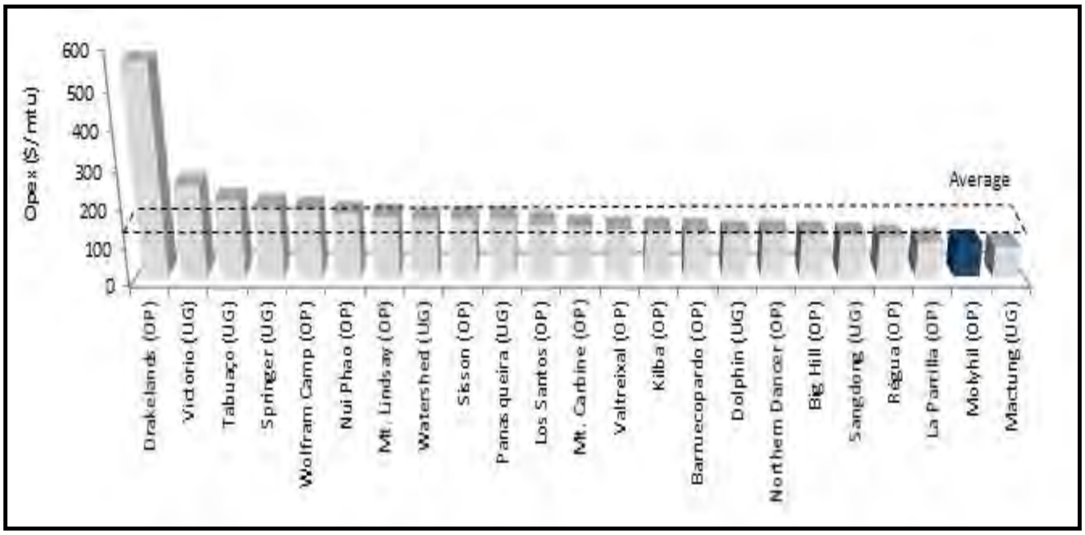

Figure 2: A comparison of unit operating costs for Molyhil with other proposed tungsten developments. Source Northland Capital Partners

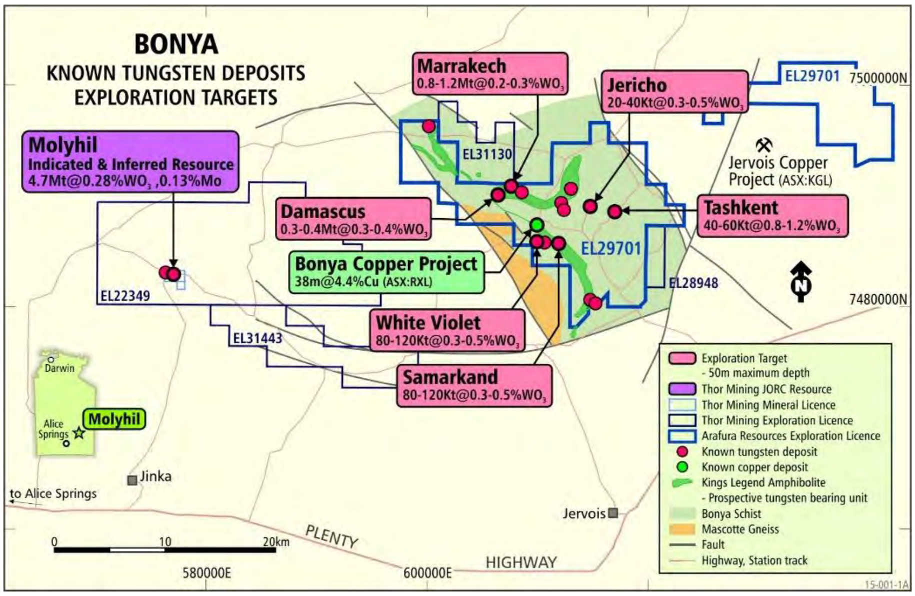

Figure 3: Map showing Bonya prospects in proximity to Molyhil

The construction period for the Molyil development is estimated at 12 months from the time finance is secured, and discussions with a number of parties are proceeding in order to secure finance for this purpose.

Pilot Mountain Tungsten Project – United States

The 100% owned Pilot Mountain Project, acquired late in 2014, is located approximately 200 kilometres south of the city of Reno and 20 kilometres east of the town of Mina located on US Highway 95.

The Pilot Mountain Project is comprised of four tungsten deposits: Desert Scheelite, Gunmetal, Garnet and Good Hope. All are in close proximity (~3 kilometres) of each other and have been subjected to small-scale mining activities at various times during the 20th century.

Thor Mining PLC acquired this project as an advanced exploration opportunity. It has resource estimates for both Desert Scheelite and Garnet and significant mineralisation has been intersected in 2017 at the Good Hope deposit. Sufficient metallurgical testwork has been conducted to demonstrate that a saleable concentrate can be produced.

Highlights 2017/18

- During the year a drilling program intersected significant mineralisation at Good Hope and extended the Desert Scheelte known mineralisation at depth, along with identifying a potential additional parallel zone of mineralisation.
- Subsequent to the end of the year, in September 2018, the Company announced the results of a scoping study which strongly indictes the potential for a mining and processing operation at Pilot Mountain for a period of up to 12 years.
- Studies towards the preparation of a Pre-feasibility study have commenced with follow up testwork under way, along with environmental investigations, and studies for the provision of significant infrastructure.

Figure 4: Pilot Mountain Location Map

Metal Prices

At 30 June 2018, the selling price in Europe of Tungsten APT was US$347/mtu, while the price of Molybdenum Roasted Concentrates is US$10.60/lb (Figure 5). Since then a seasonal slowdown in the northern hemisphere summer has reduced the tungsten price slightly, however industry forecasts suggest this should recover during September and October, while molybdenum has continued to strengthen to just over US$12/lb.

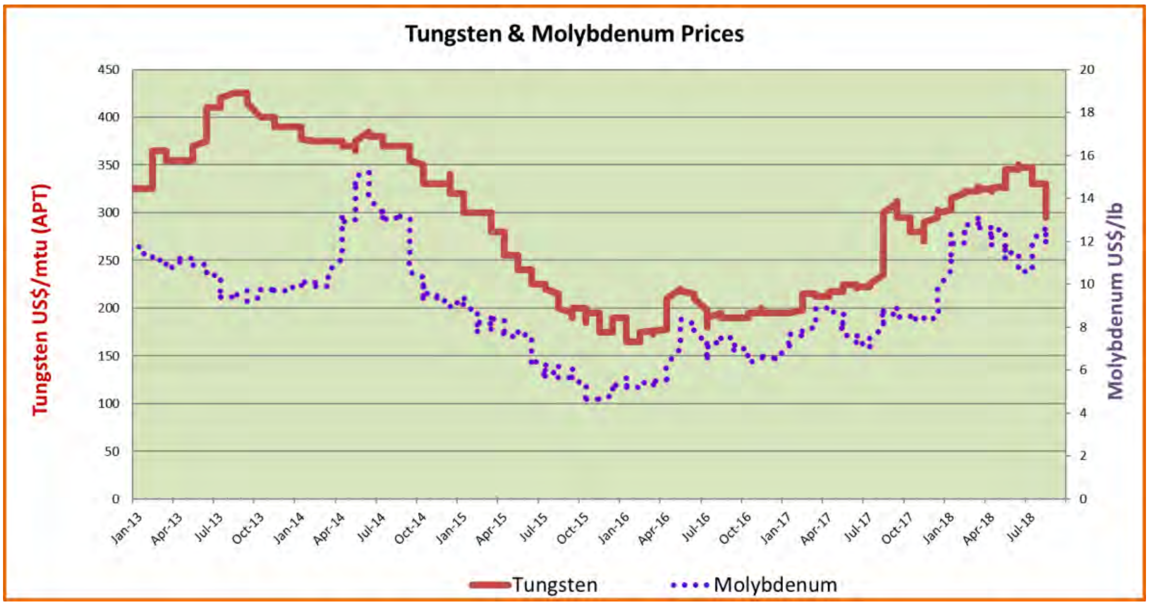

Figure 5: Tungsten & Molybdenum price movements (Argus Metals)

Copper Projects

In August 2017 Thor announced an investment in a newly incorporated private Australian company, Environmental Copper Recovery SA Pty Ltd. ("ECR"), initially via convertible loan notes of up to A$1.8 million, which will be used to fund field test work and feasibility activities at Kapunda over the next 3 years. In turn ECR has entered into an agreement to earn, in two stages, up to 75% of the rights over metals which may be recovered via in-situ recovery ("ISR") contained in the Kapunda deposit from Australian listed company, Terramin Australia Limited ("Terramin" ASX: "TZN").

The copper mineralisation at Kapunda is well known, as is the presence of leached copper from the deposit into the mine groundwater, thus providing the opportunity to develop plans for a staged approach to assess the potential to produce copper commercially via in-situ recovery technology.

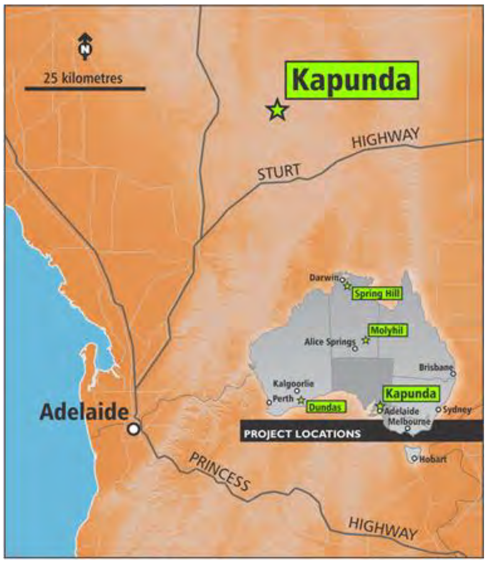

Figure 6. Kapunda Location Map

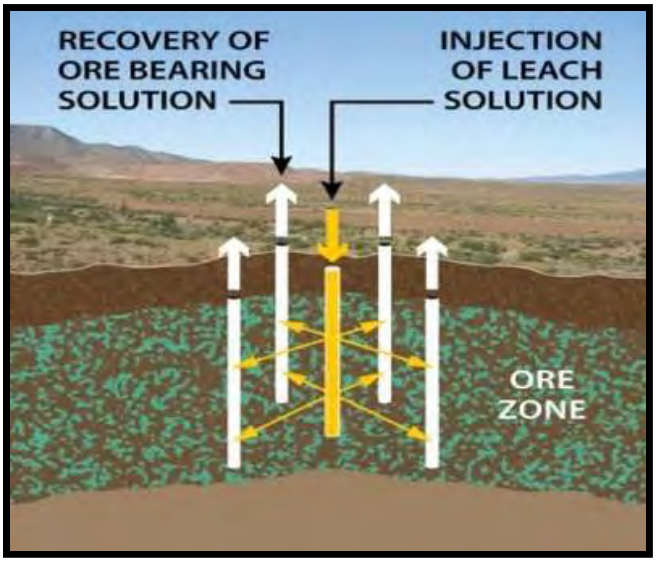

Figure 7. Schematic of Insitu Recovery process

In February 2018 the Company announced a maiden Inferred resource estimate for that part of the Kapunda deposit considered amenable to ISR techniques and subsequently, published details of successful leaching of copper from core samples with up to 78% recovery, using a benign amino acid, glycine

During the next stage of work on this project, Thor and ECR will conduct field pump testwork and commercial field recovery trials prior to DFS and regulatory approval activities.

This work has received a substantial boost following the grant by the Australian Government of A$2.85million which is earmarked for costs in respect of demonstration of an Insitu Recovery (ISR) process at Kapunda. We expect this grant will cover a very substantial portion of feasibility study funding requirements for the project.

Lithium Project

In June 2017, the Company announced the acquisition of a 25% interest in US Lithium Pty Ltd ("USL"). In addition, Thor held an option to acquire the remaining 75% of USL, subject to satisfactory completion of project due diligence.

Following a detailed review, Thor elected not to proceed with this option, and USL subsequent to the end of the period has completed a sale of the Company and its assets to ASX lised Hawkstone Mining Limited (ASX: "HWK").

Thor expects to receive net consideration of 7,421,875 ordinary shares in Hawkstone from this sale. A further 7,421,875 ordinary shares are due to Thor provided, *inter alia*, that Hawkstone is able to publish an inferred resource estimate on the Arizona Big Sandy deposit of not less than 30 million tonnes at a grade greater than 2,000ppm Lithium (Li) (or equivalent, subject to a minimum average grade of 1,000ppm Li)

Gold projects

Spring Hill Gold Project – Northern Territory

In February 2017, Thor completed the sale of the Spring Hill gold project. A royalty agreement is in place for all future gold production from this project and a small payment against this was received during the year.

The Thor royalty entitlement at Spring Hill comprises:

- **A$6.00 per ounce of gold produced from the Spring Hill tenements where the gold produced is sold for up to A$1,500 per ounce; and**
- A$14 per ounce of gold produced from the Spring Hill tenements where the gold produced is sold for amounts over A$1,500 per ounce.

Competent Person's Report

The information in this report that relates to exploration results, and exploration targets, is based on information compiled by Richard Bradey, 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 2012 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.

Mineral Resources and Reserves

Table A: Molyhil Mineral Summary Resource Estimate (Reported on 30 January 2014)

Classification	Resource '000 Tonnes	WO3 Grade %	WO3 Tonnes	Mo Grade %	Mo Tonnes	Fe Grade %
Indicated	3,820	0.29	10,900	0.13	4,970	18.8
Inferred	890	0.25	2,200	0.14	1,250	15.2
Total	4,710	0.28	13,100	0.13	6,220	18.1

Notes

- *Thor Mining PLC holds 100% equity interest in this resource.*
- *Mineral Resource reported at 0.1% combined Mo + WO_3 Cut-off and above 200mRL only.*
- *Minor rounding errors may occur in compiled totals.*
- *The Company is not aware of any information or data which would materially affect this previously announced resource estimate, and all assumptions and technical parameters relevant to the estimate remain unchanged.*

Table B: Pilot Mountain Resource Summary 2017 (Reported on 21 May 2017)

		Resource	WO_3		Ag		Cu	
		MT	Grade %	Contained metal (t)	Grade g/t	Contained metal (t)	Grade %	Contained metal (t)
Garnet	Indicated		-	-				
	Inferred	1.83	0.36	6,590				
	Sub Total	1.83	0.36	6,590				
Desert Scheelite	Indicated	8.41	0.27	22,700	21.3	179	0.14	11,800
	Inferred	1.49	0.23	3,430	9.07	13	0.17	2,500
	Sub Total	9.90	0.26	26,130	19.39	192	0.14	14,300
Summary	Indicated	8.41	0.27	22,700				
	Inferred	3.32	0.30	10,020				
Pilot Mountain Total		11.73	0.28	32,720				

Notes

- *Thor Mining PLC holds 100% equity interest in this resource.*
- *Mineral Resource reported at 0.1% WO_3 Cut-off*
- *Minor rounding errors may occur in compiled totals.*
- *The Company is not aware of any information or data which would materially affect this previously announced resource estimate, and all assumptions and technical parameters relevant to the estimate remain unchanged*

Table C: Kapunda Resource Summary 2018 (Reported on 12 February 2018)

Resource			Copper	
Mineralisation	Classification	MT	Grade %	Contained copper (t)
Copper Oxide	Inferred	30.3	0.24	73,000
Secondary copper sulphide	Inferred	17.1	0.27	46,000
	Total	47.4	0.25	119,000

Notes:

- *Thor Mining PLC is earning up to a 45% equity in this resource*
- *All figures are rounded to reflect appropriate levels of confidence. Apparent differences may occur due to rounding.*
- *The Company is not aware of any information or data which would materially affect this previously announced resource estimate, and all assumptions and technical parameters relevant to the estimate remain unchanged*

Table D: Molyhil Open Cut Ore Reserve Statement (announced 15 January 2018)

Classification	Reserve '000 Tonnes	WO_3		Mo	
		Grade %	Tonnes	Grade %	Tonnes
Probable	3,500	0.29	10,200	0.12	4,300
Total	3,500	0.29	10,200	0.12	4,300

Notes:

- *Thor Mining PLC holds 100% equity interest in this reserve.*
- *Estimate has been rounded to reflect accuracy.*
- *All estimates are on a dry tonne basis.*
- *The reserve is based upon the Resource Estimate reported on 30 January 2104. The Company is not aware of any changes which could affect this resource estimate.*
- *The statement is derived from the Indicated portion of the resource estimate only, and the Inferred portion is excluded from the calculations.*

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 2018.

Review of Operations

The net result of operations for the year was a loss of £1,249,000 (2017 loss: £1,253,000).
A detailed review of the Group's activities is set out in the Review of Operations & Strategic Report.

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 40 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. 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 20 years. He was appointed to the Board in April 2008.

He is also a director of ASX listed company Southern Gold Limited.

Alastair Middleton *– BSc Geol, MSc (MinEx) - Non-Executive Director*

Alastair Middleton is a mining industry executive with more than 27 years of international experience, in both underground and open pit operations. He is a qualified geologist and has a Master of Science Degree in Mineral Exploration from the Royal School of Mines, Imperial College. Alastair worked for four years as a Mining Geologist with Goldfields of South Africa in the early 1990s before joining Datamine International (UK) where he worked for 14 years as Mining Consultant. In 2008 he joined Standard Bank as a Technical Advisor where he had overall responsibility of technical approvals and "signing off" mining finance deals. Alastair worked on number of deal transactions involving debt finance, corporate finance, off-takes, equipment finance, M&A, advisory and business recoveries. Alastair was a Director of Metal Tiger Plc, a company quoted on the AIM market. He resigned from that role on 27 June 2018.

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.

Richard Bradey *– BSc (App Geol), MSc (Nat Res Man), MAusIMM – Executive Director (appointed 29 December 2017)*

Mr Richard Bradey a Geologist with over 25 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. Mr Bradey is the Company's Exploration Manager.

Gervaise Robert John Heddle *– CFA BEc(Hons) BA(Juris) - Non-Executive Director (resigned 14 December 2017)*

Gervaise Heddle is Chief Executive Officer of Greatland Gold PLC and a Non-Executive Director of MetalNRG PLC. Previously, Mr Heddle was a Division Director of Macquarie Bank and a Fund Manager and Director at Merrill Lynch Investment Managers. Gervaise is a CFA charterholder and has extensive financial markets experience.

Paul Johnson *– Non-Executive Director (resigned 13 July 2018)*

Paul Johnson is the former Chief Executive Officer of Metal Tiger Plc, a company quoted on the AIM market of the London Stock Exchange and Non-executive Director of Metal NRG Plc, a company quoted on the ISDX Growth Market. Mr Johnson is a Chartered Accountant, and an Associate of the Chartered Institute of Loss Adjusters and of the Chartered Insurance Institute. He holds a BSc (Hons) in Management Science from UMIST School of Management in Manchester.

Ray Ridge *- BA(Acc), CA, GIA(cert) - Chief Financial Officer/Company Secretary*

Mr Ridge is a chartered accountant with over 25 years accounting and commercial management experience. Previous roles include Senior Audit Manager with Arthur Andersen, Financial Controller and then Divisional CFO with Elders Ltd, and more recently, General Manager Commercial & Operations at engineering and construction company Parsons Brinckerhoff. Mr Ridge was appointed 7th April 2014.

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, Druces 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 NEX. Mr Ronaldson is currently company secretary for a number of companies including eight AIM listed 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 inclusive of the 9.50% as a company contribution to Australian statutory superannuation scheme. 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 Michael Billing who is paid A$1,200 per day and 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 other mineral deposits. The primary tungsten assets comprise the Molyhil Tungsten-Molybdenum Project ("Molyhil") and the Pilot Mountain tungsten project in the US state of Nevada.

Thor is also acquiring up to a 60% interest Australian copper development company Environmental Copper Recovery SA Pty Ltd, which in turn holds rights to earn up to a 75% interest in the mineral rights and claims over the portion of the historic Kapunda copper mine in South Australia recoverable by way of in situ recovery.

Thor has a material interest in US Lithium Pty Limited, an Australian private company with a 100% interest in a Lithium project in Nevada, USA.

Finally, Thor also holds a production royalty entitlement from the Spring Hill Gold project in the Northern Territory of Australia.

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

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 & Strategic Report.

Results and dividends

The Group incurred a loss after taxation of £1,249,000 (2017 loss: £1,253,000). 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

At the date these financial statements were approved, the Directors were not aware of any other significant post balance sheet events other than those set out in note 21 to the financial statements.

Substantial Shareholdings

At 14 September 2018, the following had notified the Company of disclosable interests in 3% or more of the nominal value of the Company's shares:

	Ordinary shares	%
Metal Tiger Plc	77,600,000	11.9
Mr Paul Johnson	33,250,000	5.1
Mr Michael Billing	32,407,423	5.0

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 2018 or their date of resignation if prior to 30 June 2018, were follows:

	Ordinary Shares/CDIs		Unlisted Options	
	30 June 2018	30 June 2017	30 June 2018	30 June 2017
Michael Billing	32,407,423	25,265,242	26,265,040	12,765,040
David Thomas	9,410,970	9,160,970	11,806,800	6,306,800
Alastair Middleton	250,000	-	5,500,000	-
Richard Bradey (appointed 29/12/17)	31,792	31,792	9,500,000	1,500,000
Paul Johnson (resigned 13/7/18)	33,250,000	11,002,649	26,825,000	13,200,000
Gervaise Heddle (resigned 14/12/17)	4,637,958	4,637,958	11,000,000	8,000,000

Directors' Remuneration

The remuneration arrangements in place for directors and other key management personnel of Thor Mining PLC, are outlined below.

The Company remunerates the Directors at a level commensurate with the size of the Company and the experience of its Directors. The Board 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 4 to the financial statements.

The Australian based directors are paid on a nominal fee basis of A$40,000 per annum, and UK based directors £24,000, with the exception of Mr Bradey. Mr Bradey receives a salary as Exploration Manager, no further fees are payable to Mr Bradey as an Executive Director.

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.

2018	Salary and Fees £'000	Post Employment Superannuation £'000	Total Fees for Services rendered £'000	Short-term employee benefits Salary & Fees £'000	Options Granted during the year No. millions	Options (based upon Black-Scholes formula) £'000	Total Benefit £'000
Directors [1,3]							
Michael Billing[2]	139	2	141	141	4.5	24	165
David Thomas	53	2	55	55	2.5	13	68
Alastair Middleton	24	-	24	24	2.5	13	37
Richard Bradey[4]	125	12	137	137	8.0	33	170
Paul Johnson[5]	20	-	20	20	12.5	111	131
Gervaise Heddle[6]	11	-	11	11	-	-	11
Key Personnel:							
Ray Ridge[1]	52	-	52	52	-	-	52
2018 Total	**424**	**16**	**440**	**440**	**30.0**	**194**	**634**

[1] As at 30 June 2018 amounts of £71,621, £23,761, £6,000, and £6,793, remained unpaid to Messrs Billing, Thomas, Johnson and Ridge respectively.

[2] M Billing elected to receive £51,000 as shares, through participation in two placements (28 July 2017 and 1 December 2017) on the same terms as other placees, in lieu of cash payments outstanding for consulting fees as Executive Chairman from prior years.

[3] Messrs Billing, Thomas and Middleton acquired a portion of the shares available for sale from the unmarketable parcel process in lieu of amounts owing for Directors fees and/or Consulting fees (refer ASX announcement 8 June 2018) in the amounts of £26,325, £6,000, and £6,000.

[4] Appointed 29 December 2017. The above remuneration for R Bradey covers payments for the full year, being payments through to 28 December 2017 as 'Key Personnel' and payments post 29 December 2017 whilst also Director.

[5] Resigned 13 July 2018.

[6] Resigned 14 December 2017.

2017	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: [2,3]							
Michael Billing	132	-	132	132	7.0	19	151
David Thomas	47	-	47	47	7.0	19	66
Paul Johnson[5]	-	-	-	-	13.0	27	27
Gervaise Heddle[6]	22	-	22	22	7.0	19	41
Alastair Middleton[4]	6		6	6	3.0	13	19
Michael Ashton[3]	6	-	6	6	4.0	5	11
Trevor Ireland[3]	9	-	9	9	4.0	5	14
Key Personnel:							
Ray Ridge[1]	43	-	43	43	-	-	43
Richard Bradey	114	11	125	125	1.5	4	129
2017 Total	**379**	**11**	**390**	**390**	**46.5**	**101**	**501**

[1] As at 30 June 2017 amounts of £126,770, £47,034, £5,913, £5,913, £6,466, remained unpaid to Messrs Billing, Thomas, Heddle, Middleton and Ridge respectively.

[2] Each of the Directors received their Directors fees as shares in lieu of cash payment for the quarter ending 30 September 2016 (being £5,913 for each of Messrs Billing, Thomas, Ashton, and £3,942 for Mr Heddle). [In addition, M Billing elected to receive £32,522 as shares in lieu of cash payments for consulting fees as Executive Chairman that were outstanding from the prior years, and Mr Thomas received £14,783 as shares in lieu of cash payments for consulting fees outstanding from the prior years.]

[3] Resigned on 2 September 2016.

[4] Appointed 31 March 2017.

[5] Appointed 2 September 2016.

[6] Appointed 25 July 2016.

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:

2018	Meetings held whilst in Office	Meetings attended
Michael Billing	6	6
David Thomas	6	6
Alastair Middleton	6	6
Richard Bradey	3	3
Paul Johnson (resigned 13/7/18)	6	5
Gervaise Heddle (resigned 14/12/17)	3	3

Corporate Governance

The Board have chosen to apply the ASX Corporate Governance Principles and Recommendations (ASX Corporate Governance Council, 3rd Edition) as the Company's chosen corporate governance code for the purposes of AIM Rule 26. Consistent with ASX listing rule 4.10.3 and AIM rule 26, this document details the extent to which the Company has followed the recommendations set by the ASX Corporate Governance Council during the reporting period. A separate disclosure is made where the Company has not followed a specific recommendation, together with the reasons and any alternative governance practice, as applicable. This information is reviewed annually.

The Company does not have a formal nomination committee, however it does formally consider board succession issues and whether the board has the appropriate balance of skills, knowledge, experience, independence and diversity. This evaluation is undertaken collectively by the Board, as part of the annual review of its own performance.

Whilst a separate Remuneration Committee has not been formed, the Company undertakes alternative procedures to ensure a transparent process for setting remuneration for Directors and Senior staff, that is appropriate in the context of the current size and nature of the Company's operations. The full Board fulfils the functions of a Remuneration Committee, and considers and agrees remuneration and conditions as follows:

- All Director Remuneration is set against the market rate for Independent Directors for ASX listed companies of a similar size and nature.
- The financial package for the Executive Chairman and other Executive Directors 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 Company does not have a separate Audit Committee, however the Company undertakes alternative procedures to verify and safeguard the integrity of the Company's corporate reporting, that are appropriate in the context of the current size and nature of the Company's operations, including:

- the full Board, in conjunction with the joint company secretaries, fulfils the functions of an Audit Committee and is responsible for ensuring that the financial performance of the Group is properly monitored and reported.
- in this regard, the Board is guided by a formal Audit Committee Charter which is available on the Company's website at http://www.thormining.com/aboutus#governance. The Charter includes consideration of the appointment and removal of external auditors, and partner rotation.

Further information on the Company's corporate governance policies is available on the Company's website www.thormining.com.

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 gender, 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. Under normal operating conditions, suppliers are paid within 60 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.

Auditors

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

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 is aware of that information.

Going Concern

The Directors note the substantial losses that the Group has made for the Year Ended 30 June 2018. The Directors have prepared cash flow forecasts for the period ending 30 September 2019 which take account of the current cost and operational structure of the Group.

The cost structure of the Group comprises a high proportion of discretionary spend and therefore in the event that cash flows become constrained, costs can be reduced to enable the Group to operate within its available funding. 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, and/or consider liquidation of its investments and/or assets as is deemed appropriate.

These forecasts demonstrate that the Group has sufficient cash funds available to allow it to continue in business for a period of at least twelve months from the date of approval of these financial statements with continued ability to raise capital in the marketplace, when the Group's discretionary exploration spend is taken into consideration. Accordingly, the financial statements have been prepared on a going concern basis. Further consideration of the Group's Going Concern status is detailed in Note 1 to the financial statements.

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 AIM 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 21 September 2018.

Michael Billing	**Ray Ridge**
Executive Chairman	*Chief Financial Officer*

Auditors report

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

OPINION

We have audited the financial statements of Thor Mining Plc (the 'Parent Company') and its subsidiaries (the 'Group') for the year ended 30 June 2018 which comprise the consolidated and company statements of comprehensive income, the consolidated and company statements of financial position, the consolidated and company statements of changes in equity, the consolidated and company statements of cash flows and notes to the financial statements, including a summary of significant accounting policies.

The financial reporting framework that has been applied in the preparation of the group and parent company financial statements is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

In our opinion:

- the financial statements give a true and fair view of the state of the Group's and of the Parent Company's affairs as at 30 June 2018 and of the Group's and Parent Company's losses for the year then ended;
- the Group and Parent Company financial statements have been properly prepared in accordance with IFRSs as adopted by the European Union;
- the Parent Company financial statements have been properly prepared in accordance with IFRS as adopted by the European Union and as applied in accordance with the provisions of the Companies Act 2006; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard as applied to listed entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

CONCLUSIONS RELATING TO GOING CONCERN

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Group's or the parent company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified. These matters included those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. This is not a complete list of all risks identified by our audit. Our audit procedures in relation to these matters were designed in the context of our audit opinion as a whole. They were not designed to enable us to express an opinion on these matters individually and we express no such opinion.

We have determined the matters described below to be the key audit matters to be communicated in our report.

CARRYING VALUE OF INTANGIBLE EXPLORATION AND EVALUATION ASSETS

The Group's intangible exploration and evaluation assets ('E&E assets') represent the most significant asset on its statement of financial position totalling £10.1m as at 30 June 2018.

Management and the Board are required to ensure that only costs which meet the IFRS criteria of an asset and accord with the Group's accounting policy are capitalised within the E&E asset. In addition in accordance with the requirements of IFRS 6 'Exploration for and Evaluation of Mineral Resources' ('IFRS 6') Management and the Board are required to assess whether there is any indication whether there are any indicators of impairment of the E&E assets.

Given the significance of the E&E assets on the Group's statement of financial position and the significant management judgement involved in the determination of the capitalisation of costs and the assessment of the carrying values of the E&E asset there is an increased risk of material misstatement.

How the Matter was addressed in the Audit

The procedures included, but were not limited to, assessing and evaluating management's assessment of whether any impairment indicators in accordance with IFRS 6 have been identified across the Group's exploration projects, the indicators being:

- Expiring, or imminently expiring, rights to tenure
- A lack of budgeted or planned exploration and evaluation spend on the areas of interest
- Discontinuation of, or a plan to discontinue, exploration activities in the areas of interest
- Sufficient data exists to suggest carrying value of exploration and evaluation assets is unlikely be recovered in full through successful development or sale.

In addition, we obtained the expenditure budget for the 2018 year and assessed that there is reasonable forecasted expenditure to confirm continued exploration spend into the projects indicating that Management are committed to the projects. We also reviewed AIM & ASX announcements and Board meeting minutes for the year and subsequent to year end for exploration activity to identify any indicators of impairment.

We also assessed the disclosures included in the financial statements.

MATERIALITY

In planning and performing our audit we applied the concept of materiality. An item is considered material if it could reasonably be expected to change the economic decisions of a user of the financial statements. We used the concept of materiality to both focus our testing and to evaluate the impact of misstatements identified. Based on professional judgement, we determined overall materiality for the Group financial statements as a whole to be £118,000, based on a 1% percentage consideration of the Group's total assets.

OTHER INFORMATION

The Directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

OPINIONS ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' report have been prepared in accordance with applicable legal requirements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In the light of the knowledge and understanding of the Group and the Parent Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic report or the Directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

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

RESPONSIBILITIES OF DIRECTORS

As explained more fully in the Directors' responsibilities statement, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Group's and the Parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or the Parent Company or to cease operations, or have no realistic alternative but to do so.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) or ISA IAASB will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

USE OF OUR REPORT

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Keith Fulton
(Senior Statutory Auditor)
For and on behalf of Chapman Davis LLP, Statutory Auditor
London
Chapman Davis LLP is a limited liability partnership registered in England and Wales
(with registered number OC306037).

21 September 2018

Statements of Comprehensive Income for the year ended 30 June 2018

	Note	Consolidated		Company	
		£'000	£'000	**£'000**	£'000
		2018	2017	**2018**	2017
Administrative expenses		(92)	(86)	(191)	(138)
Corporate expenses		(705)	(641)	(292)	(265)
Share based payments expense		(229)	(115)	(229)	(115)
Realised gain on financial assets		-	70	-	70
Exploration expenses		(245)	-	-	-
Net impairment of subsidiary loans		-	-	(742)	(278)
Write off/Impairment of exploration assets	7	-	(489)	-	-
Operating Loss	3	(1,271)	(1,261)	(1,454)	(726)
Interest Received		13	-	-	-
Interest paid		(1)	-	-	-
Sundry Income		10	8	5	8
Loss before Taxation		(1,249)	(1,253)	(1,449)	(718)
Taxation	5	-	-	-	-
Loss for the period		(1,249)	(1,253)	(1,449)	(718)
Other comprehensive income:					
Exchange differences on translating foreign operations		(471)	512	-	-
Other comprehensive income for the period, net of income tax		(471)	512	-	-
Total comprehensive income for the period		(1,720)	(741)	(1,449)	(718)
Basic loss per share	6	(0.23)p	(0.40)p		

The accompanying notes form an integral part of these financial statements.

Statements of Financial Position at 30 June 2018 Co No: 05276414

	Note	Consolidated £'000 2018	Consolidated £'000 2017	Company £'000 2018	Company £'000 2017
ASSETS					
Non-current assets					
Intangible assets - deferred exploration costs	7	10,133	9,867	-	-
Investment in subsidiaries	8a	-	-	688	688
Investments at cost	8b	103	87	103	87
Loans to subsidiaries	8c	-	-	10,374	8,726
Loan receivable	8d	113	-	-	-
Deposits to support performance bonds	9	21	21	-	-
Plant and equipment	10	22	29	-	-
Total non-current assets		10,392	10,004	11,165	9,501
Current assets					
Cash and cash equivalents		1,374	405	463	379
Trade receivables & other assets	11	49	29	10	20
Total current assets		1,423	434	473	399
Total assets		11,815	10,438	11,638	9,900
LIABILITIES					
Current liabilities					
Trade and other payables	12	(286)	(459)	(25)	(118)
Employee annual leave provision		(50)	(20)	-	-
Non interest bearing liabilities	14	-	(30)	-	-
Interest bearing liabilities	13	(9)	(9)	-	-
Total current liabilities		(345)	(518)	(25)	(118)
Non Current Liabilities					
Non interest bearing liabilities	13	-	(10)	-	-
Total non-current liabilities		-	(10)	-	-
Total liabilities		(345)	(528)	(25)	(118)
Net assets		11,470	9,910	11,613	9,782
Equity					
Issued share capital	15	3,675	3,648	3,675	3,648
Share premium		19,693	16,641	19,693	16,641
Foreign exchange reserve		2,184	2,655	-	-
Merger reserve		405	405	405	405
Share based payments reserve	16	297	115	297	115
Retained losses		(14,784)	(13,554)	(12,457)	(11,027)
Total shareholders equity		11,470	9,910	11,613	9,782

The accompanying notes form part of these financial statements. These Financial Statements were approved by the Board of Directors on 21 September 2018 and were signed on its behalf by:

Michael Billing
Executive Chairman

Ray Ridge
Chief Financial Officer

Statements of Cash Flows for the year ended 30 June 2018

		Consolidated		Company	
	Note	**£'000**	£'000	**£'000**	£'000
		2018	2017	**2018**	2017
Cash flows from operating activities					
Operating Loss		(1,271)	(1,261)	(1,454)	(726)
Sundry income		10	-	5	-
Decrease/(increase) in trade and other receivables		(66)	5	(1)	11
(Decrease) in trade and other payables		(43)	(23)	(3)	(57)
Increase in provisions		30	4	-	-
Depreciation		9	4	-	-
Exploration expenditure written off		-	489	-	-
Impairment subsidiary loans		-	-	742	278
Share based payment expense		229	115	229	115
Realised gain/(loss) on disposal proceeds receivable		-	(68)	-	(68)
Springhill Sale Commission		-	46	-	46
Tenement bond written off		-	8	-	-
Net cash outflow from operating activities		(1,102)	(681)	(482)	(401)
Cash flows from investing activities					
Interest received		9	-	-	-
Interest paid		(1)	-	-	-
Expenditure on refundable performance bonds		-	(18)	-	-
Proceeds from disposal of exploration assets		-	900	-	900
Commission on sale of exploration assets		-	(46)	-	(46)
Purchase of property, plant and equipment		(9)	(22)	-	-
Purchase of investment		(103)	-	(103)	-
R&D Grants for exploration expenditure		-	31	-	-
Payments for exploration expenditure		(688)	(591)	-	-
Loans to controlled entities		(113)	-	(2,340)	(1,571)
Loans repaid by controlled entities		-	-	-	653
Net cash in/(out)flow from investing activities		(905)	254	(2,443)	(64)
Cash flows from financing activities					
Loans advanced		-	18	-	-
Directors advances repaid		(28)	-	-	-
Loans repaid		-	(49)	-	-
Finance lease funding received		-	19	-	-
Finance lease repaid		(8)	-	-	-
Net issue of ordinary share capital		3,009	674	3,009	674
Net cash inflow from financing activities		2,973	662	3,009	674
Net increase in cash and cash equivalents		966	235	84	209
Non cash exchange changes		3	-	-	-
Cash and cash equivalents at beginning of period		405	379	379	170
Cash and cash equivalents at end of period		1,374	405	463	379

Statements of Changes in Equity For the year ended 30 June 2018

Consolidated	**Issued share capital £'000**	**Share premium £'000**	**Retained losses £'000**	**Foreign Currency Translation Reserve £'000**	**Merger Reserve £'000**	**Share Based Payment Reserve £'000**	**Total £'000**
Balance at 1 July 2016	**3,423**	**16,022**	**(12,310)**	**2,143**	**405**	**9**	**9,692**
Loss for the period	-	-	(1,253)	-	-	-	(1,253)
Foreign currency translation reserve	-	-	-	512	-	-	512
Total comprehensive (loss) for the period	-	-	(1,253)	512	-	-	(741)
Transactions with owners in their capacity as owners							
Shares issued	225	641	-	-	-	-	866
Cost of shares issued	-	(22)	-	-	-	-	(22)
Share options lapsed	-	-	9	-	-	(9)	-
Share options issued		-	-	-	-	115	115
At 30 June 2017	**3,648**	**16,641**	**(13,554)**	**2,655**	**405**	**115**	**9,910**
Balance at 1 July 2017	**3,648**	**16,641**	**(13,554)**	**2,655**	**405**	**115**	**9,910**
Loss for the period	-	-	(1,249)	-	-	-	(1,249)
Foreign currency translation reserve	-	-	-	(471)	-	-	(471)
Total comprehensive (loss) for the period	-	-	(1,249)	(471)	-	-	(1,720)
Transactions with owners in their capacity as owners							
Shares issued	27	3,105	-	-	-	-	3,132
Cost of shares issued	-	(53)	-	-	-	-	(53)
Share options exercised	-	-	19	-	-	(19)	-
Share options issued		-	-	-	-	201	201
At 30 June 2018	**3,675**	**19,693**	**(14,784)**	**2,184**	**405**	**297**	**11,470**

Company	**Issued share capital £'000**	**Share premium £'000**	**Retained losses £'000**	**Foreign Currency Translation Reserve £'000**	**Merger Reserve £'000**	**Share Based Payment Reserve £'000**	**Total £'000**
Balance at 1 July 2016	**3,423**	**16,022**	**(10,318)**	**-**	**405**	**9**	**9,541**
Loss for the period	-	-	(718)	-	-	-	(718)
Total comprehensive (loss) for the period	-	-	(718)	-	-	-	(718)
Transactions with owners in their capacity as owners							
Shares issued	225	641	-	-	-	-	866
Cost of shares issued	-	(22)	-	-	-	-	(22)
Share options lapsed	-	-	9	-	-	(9)	-
Share options issued	-	-	-	-	-	115	115
At 30 June 2017	**3,648**	**16,641**	**(11,027)**	-	**405**	**115**	**9,782**
Balance at 1 July 2017	**3,648**	**16,641**	**(11,027)**	**-**	**405**	**115**	**9,782**
Loss for the period	-	-	(1,449)	-	-	-	(1,449)
Total comprehensive (loss) for the period	-	-	(1,449)	-	-	-	(1,449)
Transactions with owners in their capacity as owners							
Shares issued	27	3,105	-	-	-	-	3,132
Cost of shares issued	-	(53)	-	-	-	-	(53)
Share options exercised	-	-	19	-	-	(19)	-
Share options issued	-	-	-	-	-	201	201
At 30 June 2018	**3,675**	**19,693**	**(12,457)**	-	**405**	**297**	**11,613**

Notes to the Accounts for the year ended 30 June 2018

1 Principal accounting policies

a) Authorisation of financial statements

The Group financial statements of Thor Mining PLC for the year ended 30 June 2018 were authorised for issue by the Board on 21 September 2018 and the Balance Sheets signed on the Board's behalf by Michael Billing and Ray Ridge. 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 and Going Concern

The consolidated financial statements have been prepared on the historical cost basis, except for the measurement of assets and financial instruments to fair value 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.

The financial report has been prepared on the basis of a going concern.

The consolidated entity incurred a net loss before tax of £1,249,000 during the period ended 30 June 2018, and had a net cash outflow of £2,007,000 from operating and investing activities. The consolidated entity continues to be reliant upon the completion of capital raisings for continued operations and the provision of working capital.

The Group's cash flow forecast for the 12 months ending 30 September 2019, highlight the fact that the Company is expected to generate negative cash flow by that date, inclusive of the discretionary exploration spend. The Board of Directors, are evaluating all the options available, including the injection of funds into the Group during the next 12 months, and are confident that the necessary funds will be raised in order for the Group to remain cash positive for the whole period. If additional capital is not obtained, the going concern basis may not be appropriate, with the result that the Group may have to realise its assets and extinguish its liabilities, other than in the ordinary course of business and at amounts different from those stated in the financial report. As above, the financial statements have been prepared on a going concern basis, with no adjustments in respect of the concerns of the Group's ability to continue to operate under that assumption.

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.

Notes to the Accounts

1 Principal accounting policies (continued)

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.

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 share based remuneration to Directors of the Group, an employee and the Group's joint sponsoring brokers, in the form of share options. For further information refer to Note 16.

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, the fair value of the Options granted is based on the Black-Scholes model.

Notes to the Accounts

1 Principal accounting policies (continued)

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

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

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.

Investments in associates are initially recognised at cost and subsequently accounted for using the equity method "Equity accounted investments". Any goodwill or fair value adjustment attributable to the Group's share in the associate is not recognised separately and is included in the amount recognised as investment in associate. The carrying amount of the investment in associates is increased or decreased to recognise the Group's share of the profit or loss and other comprehensive income of the associate, adjusted where necessary to ensure consistency with the accounting policies of the Group. Unrealised gains and losses on transactions between the Group and its associates are eliminated to the extent of the Group's interest in those entities. Where unrealised losses are eliminated, the underlying asset is also tested for impairment.

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 and USA, whose expenses are denominated in Australian Dollars and US 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 Companies Act 2006 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.

Notes to the Accounts

1 Principal accounting policies (continued)

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

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

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

s) Provisions

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

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

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

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.

Notes to the Accounts

1 Principal accounting policies (continued)

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 Group or the Company.

x) New standards, amendments and interpretations not yet adopted

At the date of authorisation of these financial statements, the following Standards and Interpretations which have not been applied in these financial statements, were in issue but not yet effective for the year presented:

- IFRS 9 in respect of Financial Instruments which will be effective for the accounting periods beginning on or after 1 January 2018.
- IFRS 15 in respect of Revenue from Contracts with Customers which will be effective for accounting periods beginning on or after 1 January 2018.
- IFRS 16 in respect of Leases which will be effective for accounting periods beginning on or after 1 January 20190.
- IFRS 17 in respect of Insurance Contracts will be effective for accounting periods beginning on or after 1 January 2021.

There are no other IFRSs or IFRIC interpretations that are not yet effective that would be expected to have a material impact on the Company.

Notes to the Accounts

2. Revenue and segmental analysis – Group

The Group has a number of exploration licenses, and mining leases, in Australia and the US State of Nevada. All exploration licences in Australia are managed as one portfolio. The decision to allocate resources to individual Australian projects in that portfolio is predominantly based on available cash reserves, technical data and the expectations of future metal prices. All of the US licenses are located in the one geological region. Accordingly, the Group has identified its operating segments to be Australia and the United States based on the two countries. 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.

	£'000	**£'000**	**£'000**	**£'000**
Year ended 30 June 2018	**Head office/ Unallocated**	**Australia**	**United States**	**Consolidated**
Revenue				
Sundry Income	23	-	-	23
Total Segment Expenditure	(522)	(653)	(97)	(1,272)
(Loss) from Ordinary Activities before Income Tax	(499)	(653)	(97)	(1,249)
Income Tax (Expense)	-	-	-	-
Retained (loss)	**(499)**	**(653)**	**(97)**	**(1,249)**
Assets and Liabilities				
Segment assets	-	8,589	1,722	10,311
Corporate assets	1,504	-	-	1,504
Total Assets	1,504	8,589	1,722	**11,815**
Segment liabilities	-	(320)	-	(320)
Corporate liabilities	(25)	-	-	(25)
Total Liabilities	(25)	(320)	-	**(345)**
Net Assets	**1,479**	**8,269**	**1,722**	**11,470**

Notes to the Accounts

2. Revenue and segmental analysis – Group (continued)

Year ended 30 June 2017	£'000 Head office/ Unallocated	£'000 Australia	£'000 United States	£'000 Consolidated
Revenue				
Sundry Income	8	-	-	8
Total Segment Expenditure	(448)	(739)	(74)	(1,261)
Loss from Ordinary Activities before Income Tax	(440)	(739)	(74)	(1,253)
Income Tax (Expense)	-	-	-	-
Retained (loss)	**(440)**	**(739)**	**(74)**	**(1,253)**
Assets and Liabilities				
Segment assets	-	8,166	1,786	9,952
Corporate assets	486	-	-	486
Total Assets	486	8,166	1,786	**10,438**
Segment liabilities	-	(380)	(31)	(411)
Corporate liabilities	(117)	-	-	(117)
Total Liabilities	(117)	(380)	-	**(528)**
Net Assets	**369**	**7,786**	**1,755**	**9,910**

3. Operating loss – group

	2018 **£'000**	2017 £'000
This is stated after charging:		
Depreciation	9	4
Auditors' remuneration – audit services	25	26
Auditors' remuneration – non audit services	-	-
Options issued – directors, staff, and consultants	201	115
Directors emoluments – fees and salaries	440	329

Auditors' remuneration for audit services above includes £18,000 (2017: £18,200) to Chapman Davis LLP for the audit of the Company and Group. Remuneration to BDO for the audit of the Australian subsidiaries was £7,323 (2017: £7,380).

Notes to the Accounts

4. Directors and executive disclosures – Group

All Directors are appointed under the terms of a Directors letter of appointment. Each appointment, with the exception of Mr Bradey, provides for annual fees of Australian dollars $40,000 (or £24,000 for UK based Directors) for services as Directors inclusive of 9.5% as a company contribution to Australian statutory superannuation schemes. Mr Johnson was issued 10,000,000 unlisted options in lieu of Directors fees for the 12 months ended 31 August 2017. Mr Johnson commenced receiving cash settled Directors fees from September 2017. The agreement allows for any services supplied by any Directors, other than Mr Bradey, to the Company and any of its subsidiaries in excess of two days in any calendar month (with the exception of Mr Johnson), can be invoiced to the Company at market rate, currently at A$1,000 per day, other than Mr Michael Billing at a rate of A$1,200 per day and Mr David Thomas at a rate of A$1,500 per day.

Mr Bradey receives an annual salary of $217,287 plus $20,642 in statutory superannuation benefits in his role as Exploration Manager. Mr Bradey does not receive additional remuneration as a Director.

(a) Details of Key Management Personnel

(i)	**Chairman and Chief Executive Officer**	
	Michael Billing	Executive Chairman and Chief Executive Officer
(ii)	**Directors**	
	David Thomas	Non-executive Director
	Alastair Middleton	Non-executive Director
	Richard Bradey	Executive Director (appointed 29 December 2017)
	Gervaise Heddle	Non-executive Director (resigned 14 December 2017)
	Paul Johnson	Non-executive Director (resigned 13 July 2018)
(iii)	**Executives**	
	Ray Ridge	CFO/Company Secretary (Australia)
	Stephen Ronaldson	Company Secretary (UK)

(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.

Notes to the Accounts

4. Directors and executive disclosures – Group (continued)

	Paid/Payable in cash £'000	Shares £'000	Total Salary & Fees £'000	Options £'000	Total £'000
30 June 2018					
Directors: [1,3]					
Michael Billing[2]	**141**	**-**	**141**	**24**	**165**
David Thomas	**55**	**-**	**55**	**13**	**68**
Alastair Middleton	**24**	**-**	**24**	**13**	**37**
Richard Bradey[4]	**137**	**-**	**137**	**33**	**170**
Paul Johnson[5]	**20**	**-**	**20**	**111**	**131**
Gervaise Heddle[6]	**11**	**-**	**11**	**-**	**11**
Other Personnel:					
Ray Ridge[1]	**52**	**-**	**52**	**-**	**52**

[1] As at 30 June 2018 amounts of £71,621, £23,761, £6,000, and £6,793, remained unpaid to Messrs Billing, Thomas, Johnson and Ridge respectively.

[2] M Billing elected to receive £51,000 as shares, through participation in two placements (28 July 2017 and 1 December 2017) on the same terms as other placees, in lieu of cash payments outstanding for consulting fees as Executive Chairman from prior years.

[3] Messrs Billing, Thomas and Middleton acquired a portion of the shares available for sale from the unmarketable parcel process in lieu of amounts owing for Directors fees and/or Consulting fees (refer ASX announcement 8 June 2018) in the amounts of £26,325, £6,000, and £6,000.

[4] Appointed 29 December 2017. The above remuneration for R Bradey covers payments for the full year, being payments through to 28 December 2017 as 'Key Personnel' and payments post 29 December 2017 whilst also Director.

[5] Resigned 13 July 2018.

[6] Resigned 14 December 2017

	Paid/Payable in cash £'000	Shares[2] £'000	Total Salary & Fees £'000	Options £'000	Total £'000
30 June 2017					
Directors: [1,2]					
Michael Billing	**126**	**6**	**132**	**19**	**151**
David Thomas	**41**	**6**	**47**	**19**	**66**
Paul Johnson[5]	**-**	**-**	**-**	**27**	**27**
Gervaise Heddle[6]	**18**	**4**	**22**	**19**	**41**
Alastair Middleton[4]	**6**	**-**	**6**	**13**	**19**
Trevor Ireland[3]	**3**	**6**	**9**	**5**	**14**
Michael Ashton[3]	**-**	**6**	**6**	**5**	**11**
Other Personnel:					
Richard Bradey	**125**	**-**	**125**	**4**	**129**
Ray Ridge[1]	**43**	**-**	**43**	**-**	**43**

[1] As at 30 June 2017 amounts of £126,770, £47,034, £5,913, £5,913, £6,466, remained unpaid to Messrs Billing, Thomas, Heddle, Middleton and Ridge respectively.

[2] Each of the Directors received their Directors fees as shares in lieu of cash payment for the quarter ending 30 September 2016 (being £5,913 for each of Messrs Billing, Thomas, Ashton, and £3,942 for Mr Heddle). [In addition, M Billing elected to receive £32,522 as shares in lieu of cash payments for consulting fees as Executive Chairman that were outstanding from the prior years, and Mr Thomas received £14,783 as shares in lieu of cash payments for consulting fees outstanding from the prior years.]

Notes to the Accounts

4. Directors and executive disclosures – Group (continued)

[3] *Resigned 2 September 2016.*

[4] *Appointed 31 March 2017.*

[5] *Appointed 2 September 2016.*

[6] *Appointed 25 July 2016.*

(c) Compensation by category	**Group**	
	2018	2017
	£'000	£'000
Key Management Personnel		
Short-term	**424**	379
Share Option charges	**194**	111
Post-employment	**16**	11
	634	501

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

No options were granted over ordinary shares to Directors, as remuneration, during the year ended 30 June 2018.

(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 30/6/17 or appointment date**	**Placements Participation (Note A)**	**Options Granted (Note B)**	**Options Exercised**	**Held at 30/6/18 or resignation date**	**Vested and exercisable at 30/6/18 or resignation date**
Michael Billing	15,765,040	6,000,000	4,500,000	-	26,265,040	26,265,040
David Thomas	9,306,800	-	2,500,000	-	11,806,800	11,806,800
Alastair Middleton	3,000,000	-	2,500,000	-	5,500,000	5,500,000
Richard Bradey[1]	1,500,000	-	8,000,000	-	9,500,000	4,500,000
Paul Johnson[2]	16,200,000	8,125,000	12,500,000	(10,000,000)	26,825,000	26,825,000
Gervaise Heddle[3]	11,000,000	-	-	-	11,000,000	11,000,000

[1] *Appointed 29 December 2017.*

[2] *Resigned 13 July 2018.*

[3] *Resigned 14 December 2017.*

Notes

A. *MB and PJ Messrs Billing and Johnson participated in placements on 28 July 2017 and 1 December 2017, as approved by shareholders. The options were granted to Messrs Billing and Johnson on the basis of one free option for each share subscribed for under the placements, on the same terms as other placees.*

B. *Options were granted to the Directors on 13 June 2018, following approval by shareholders on 7 June 2018 as follows:*
   - *10,000,000 replacement options to Paul Johnson. On 2 November 2017, a Director of the Company, Mr Paul Johnson, exercised 10,000,000 options at an exercise price of 1.25p per option, raising an additional £125,000 for the Company. The options had originally been issued to Mr Johnson in lieu of Directors' fees payable for one year through to 1 September 2017. The options had an expiry date of 2 September 2019. Given the early exercise, being just under two years before option expiry, the Company agreed to award Mr Johnson 10,000,000 'replacement' options with an exercise price of 1.5 pence and an expiry date of 2 November 2020.*
   - *5,000,000 commencement options. Upon the appointment of Richard Bradey, the Company agreed to grant 5,000,000 Options with an exercise price of 4.5 pence and an expiry date of 29 December 2020. The options will vest with Mr Bradey once the AIM traded closing price for the Company's Ordinary Shares exceeds £0.06 (6.0 pence) for 20 consecutive business days.*
   - *A total of 15,000,000 options were granted to the existing Directors of the Company or their nominees, with an exercise price of 3.5625 pence and an expiry date of 7 June 2021.*

Notes to the Accounts

4. Directors and executive disclosures – Group (continued)

Key Management Personnel	Held at 30/6/16 or appointment date	Placement Participation (Note A)	Granted as Remuneration (Note B)	Options Granted (Note C)	Debt Conversion (Note D)	Held at 30/6/17 or resignation date	Vested and exercisable at 30/6/17 or resignation date
Michael Billing	-	-	-	7,000,000	8,765,040	15,765,040	12,765,040
David Thomas	-	-	-	7,000,000	2,306,800	9,306,800	6,306,800
Gervaise Heddle[4]	-	4,000,000	-	7,000,000	-	11,000,000	8,000,000
Paul Johnson[3]	3,200,000	-	10,000,000	3,000,000	-	16,200,000	13,200,000
Alastair Middleton[1]	-	-	-	3,000,000	-	3,000,000	-
Richard Bradey	-	-	-	1,500,000	-	1,500,000	1,500,000
Michael Ashton[2]	-	-	-	4,000,000	2,768,160	6,768,160	6,768,160
Trevor Ireland[2]	-	-	-	4,000,000	-	4,000,000	4,000,000

[1] *Appointed 31 March 2017.*

[2] *Resigned 2 September 2016. All related options were issued to these Directors subsequent to their resignation date.*

[3] *Appointed 2 September 2016.*

[4] *Appointed 25 July 2016*

Notes

A. *Mr Heddle participated in a placement on 7 October 2016, as approved by shareholders on 6 October 2016. The options were granted to Mr Heddle on the basis of one free option for each share subscribed for under the placement, on the same terms as other placees.*
B. *Paul Johnson elected to receive 10,000,000 options, on 11 October 2016, in lieu of his Directors fees for one year ending 31 August 2017 (the number of options have been adjusted for the subsequent share consolidation on 1 December 2016). Approved by Shareholders on 6 October 2016.*
C. *4,000,000 options were granted to Directors on 11 October 2016, following shareholder approval on 6 October 2016 (the number of options have been adjusted for the subsequent share consolidation on 1 December 2016). A further 3,000,000 options to each of the Directors was announced 31 March 2017, subject to shareholder approval. The value of these options have been expensed in the year ended 30 June 2017 for accounting purposes, however are treated as only having vested when approved by shareholders on 27 July 2017.*
D. *Two Directors and a former Director elected to receive securities in lieu of amounts owing for Director advances and consulting fees. The options were issued on 11 October 2016, on the same terms as a placement to other placees undertaken at that time, being one free option for each share subscribed for under the placement. Approved by shareholders on 6 October 2016. The number of shares and options have been adjusted for the subsequent share consolidation on 1 December 2016.*

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

(f) Other transactions and balances with related parties

Specified Directors	Transaction	Note	2018 £'000	2017 £'000
Michael Billing	Consulting Fees	(i)	**118**	108
Trevor Ireland	Consulting Fees	(ii)	**-**	3
David Thomas	Consulting Fees	(iii)	**32**	23

(i) *The Company used the consulting services of MBB Trading Pty Ltd a company of which Mr. Michael Billing is a Director. Services are provided as Executive Chairman.*

(ii) *The Company used the services of Ireland Resource Management Pty Ltd, a company of which Mr. Trevor Ireland is a Director and employee. Mr Ireland resigned as Director on 2 September 2016.*

(iii) *The Company used the services of 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)*.

Notes to the Accounts

5. Taxation - Group

	2018	2017
	£'000	£'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:

	2018	2017
	£'000	£'000
Loss on ordinary activities before tax	**(1,249)**	(1,253)
Effective rate of corporation tax in the UK	**19.00%**	20.00%
Loss on ordinary activities multiplied by the standard rate of corporation tax	**(237)**	(251)
Effects of:		
Future tax benefit not brought to account	**237**	251
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.

6. Loss per share

	2018	2017
Loss for the year (£ 000's)	**(1,249)**	(1,253)
Weighted average number of Ordinary shares in issue	**545,367,864**	315,181,478
Loss per share (pence) – basic	**(0.23)p**	(0.40)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

	£'000	£'000
	2018	2017
Cost		
At 1 July	**9,867**	9,228
Additions	**680**	565
Disposals	**-**	-
Exchange gain	**(414)**	563
Write off exploration tenements for year	**-**	(489)
At 30 June	**10,133**	9,867

Notes to the Accounts

7. Intangible fixed assets – Group

Deferred exploration costs (continued)

	£'000	£'000
	2018	2017
Amortisation		
At 1 July and 30 June	**-**	-
Write off exploration tenements previously impaired	**-**	-
Balance	**-**	-
Impairment for period	**-**	-
Exchange gain	**-**	-
At 30 June	**-**	-
Net book value at 30 June	**10,133**	9,867

In the year ended 30 June 2018 the Directors undertook an impairment review of the deferred exploration costs, resulting in an impairment expense of £Nil (2017: £489,000). The impairment expenses in the prior year ended 30 June 2017 related to the Dundas tenement in Western Australia (tenement number EL63/872).

8. Investments

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
Hale Energy Limited	Australia	Ordinary	100
Black Fire Industrial Minerals Pty Ltd [2]	Australia	Ordinary	100
Industrial Minerals (USA) Pty Ltd [3]	Australia	Ordinary	100
Pilot Metals Inc [4]	USA	Ordinary	100
BFM Resources Inc [5]	USA	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] *Black Fire Industrial Minerals Pty Ltd is a holding company only. It owns 100% of the shares in Industrial Minerals (USA) Pty Ltd.*

[3] *Industrial Minerals (USA) Pty Ltd is a holding company only. It owns 100% of the shares in Pilot Metals Inc and BFM Resources Inc.*

[4] *Pilot Metals Inc is engaged in exploration and evaluation activities focused at the Pilot Mountain project in the US state of Nevada.*

[5] *BFM Resources Inc is engaged in exploration and evaluation activities focused at the Pilot Mountain project in the US state of Nevada.*

Messrs Billing and Thomas are Directors of all of the above 100% subsidiaries.

	Consolidated		Company	
	£'000	£'000	**£'000**	£'000
	2018	2017	**2018**	2017
8. Investments (continued)				
(a) Investments Subsidiary companies:				
Molyhil Mining Pty Ltd	**-**	-	**700**	700
Less: Impairment provision against investment	**-**	-	**(700)**	(700)
Hale Energy Limited	**-**	-	**1,277**	1,277
Less: Impairment provision against investment	**-**	-	**(1,277)**	(1,277)
Black Fire Industrial Minerals Pty Ltd	**-**	-	**688**	688
	-	-	**688**	688
(b) Investments at cost:				
USA Lithium Pty Ltd	**103**	87	**103**	87
	103	87	**103**	87

On the 15 June 2017, the Company acquired 25% of US Lithium Pty Ltd (USL), a private Australian company which in turn owns 100% of Big Sandy Inc, a company incorporated in the United States of America. Big Sandy Inc has interests in lithium focussed projects in Arizona and New Mexico, in the United States of America. During the year ended 30 June 2018, Thor's equity interest in USL was diluted to 6.25% following shares issued to acquire a brine deposit in New Mexico USA, and provide further seed capital. Thor has discontinued equity accounting for its interest in USL.

On the 26 June 2018, Hawkstone Mining Limited (Hawkstone) (ASX: HWK) announced an agreement to acquire 100% of the shares on issue in USL for the consideration of 250,000,000 fully paid shares in Hawkstone, subject to a number of completion conditions including approval by Hawkstone shareholders and a capital raising by Hawkstone of A$2,750,000. The 250,000,000 consideration shares are payable as follows:

- 125,000,000 shares payable upon completion (Initial Consideration Shares); and
- 125,000,000 shares payable following the declaration of an inferred resource at the Big Sandy Lithium Project of not less than 30 million tonnes at an grade greater than 2,000ppm of Lithium, or equivalent subject to a minimum average grade of 1,000ppm.

Upon completion of the transaction with Hawkstone, Thor will be issued 7,812,500 Initial Consideration Shares in Hawkstone. Hawkstone shares closed at A$0.034 at 30 June 2018 on ASX, valuing Thor's interest at 30 June 2018 at A$265,625 (£149,653), less any consideration payable as described below.

Under the agreement by which Thor acquired its interest in USL from Pembridge Resources PLC in June 2017, Thor is required to pay Pembridge Resources PLC 5% of any consideration for the sale of its interest in USA Lithium.

The agreement was subsequently approved by Hawkstone shareholders on 3 August 2018, and on 7 September 2018, Hawkstone made an ASX announcement that the transaction has been completed. (refer Note 21)

The above investment is carried in the Company's Balance Sheet at the lower of cost and net realisable value.

Notes to the Accounts

8. Investments (continued)

(c) Loans to subsidiaries:

	Consolidated £'000 2018	Consolidated £'000 2017	Company £'000 2018	Company £'000 2017
Molyhil Mining Pty Ltd	**-**	-	**9,806**	8,308
Less: Impairment provision against loan	**-**	-	**(1,202)**	(523)
Hale Energy Limited	**-**	-	**1,369**	1,193
Less: Impairment provision against loan	**-**	-	**(1,256)**	(1,193)
Black Fire Industrial Minerals Pty Ltd	**-**	-	**1,035**	941
Pilot Metals Inc			**622**	-
	-	-	**10,374**	8,726

The loans to subsidiaries are non-interest bearing, unsecured and are repayable upon reasonable notice having regard to the financial stability of the company.

(d) Loan receivable:

	Consolidated £'000 2018	Consolidated £'000 2017	Company £'000 2018	Company £'000 2017
Environmental Copper Recovery SA Pty Ltd	**113**	-	**-**	-
	113	-	**-**	-

On 2 August 2017, the Group signed a binding term sheet to acquire an interest in the historically mined Kapunda copper deposit in South Australia (Kapunda). The Group will invest in a newly incorporated private Australian company, Environmental Copper Recovery SA Pty Ltd (ECR), initially via convertible notes of up to A$1.8 million, which will be used to fund field test work and feasibility activities at Kapunda over the next three years. The Group made the first advance to ECR of AUD$200,000 (£116,000). Conversion of the convertible notes are at the sole discretion of Thor, and will result in Thor holding up to 60% equity interest in ECR. The term sheet also provides that Thor has immediate Board control of ECR.

In turn, ECR has entered into an agreement to earn a 50% interest in the rights over metals which may be recovered via in-situ recovery at the Kapunda deposit, from Australian ASX listed, Terramin Australia Limited (ASX: TZN), for expenditure of A$2.0 million on field test work. ECR can then opt to earn a further 25% interest through additional expenditure of A$4.0 million.

Subsequent to 30 June 2018, ECR has been offered A$2,851,303 in grant funding over a 30 month period, for research relating to the Kapunda In-Situ (ISR) copper and gold recovery trial. (refer Note 21)

The loan receivable is carried in the Company's Balance Sheet at the lower of cost and net realisable value.

9. Deposits supporting performance bonds

	Consolidated £'000 2018	Consolidated £'000 2017	Company £'000 2018	Company £'000 2017
Deposits with banks and Governments	**21**	21	**-**	-
	21	21	**-**	-

Notes to the Accounts

10. Property, plant and equipment

	Consolidated		Company	
	£'000	£'000	**£'000**	£'000
	2018	2017	**2018**	2017
Plant and Equipment:				
At cost	**60**	60	**-**	**-**
Accumulated depreciation	**(38)**	(31)	**-**	**-**
Total Property, Plant and Equipment	**22**	29	**-**	-

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.

At 1 July	**29**	4	**-**	-
Additions	**3**	29	**-**	-
Foreign exchange impact, net	**(1)**	-	**-**	-
Disposals	**-**	-	**-**	-
Depreciation expense	**(9)**	(4)	**-**	-
At 30 June	**22**	29	**-**	-

The carrying value of the plant and equipment includes finance leased assets of £16,424 (2017: £23,000)

11. Trade receivables and other assets

Current				
Trade and other receivables	**43**	19	**10**	11
Prepayments	**6**	10	**-**	9
	49	29	**10**	20

12. Current trade and other payables

Trade payables	**(185)**	(235)	**(20)**	(30)
Other payables	**(101)**	(224)	**(5)**	(88)
	(286)	(459)	**(25)**	(118)

Notes to the Accounts

	Consolidated		Company	
	£'000	£'000	**£'000**	£'000
	2018	2017	**2018**	2017
13. Interest bearing liabilities				
Leases				
Finance Lease Commitments				
Payable:				
Within One Year	**(10)**	(10)	**-**	**-**
Within One to Five Years	**-**	(10)	**-**	**-**
Minimum Lease Payments	**(10)**	(20)	**-**	**-**
Less Future Interest Charges	**1**	1	**-**	**-**
Net Lease Liability	**(9)**	(19)	**-**	**-**
Lease Liability is Represented by:				
Current	**(9)**	(9)	**-**	**-**
Non Current	**-**	(10)	**-**	**-**
Net Lease Liability	**(9)**	(19)	**-**	**-**

Finance lease exists in relation to exploration analysing equipment. The term of the lease is for 2 years from June 2017.

14. Non interest bearing liabilities

Current				
Director advances	**-**	(30)	**-**	**-**
	-	(30)	**-**	-

During the year ended 30 June 2017,the Directors' advanced funds on a no security, no interest basis to meet short term funding requirements of the Group. During the year ended 30 June 2017, a further £17,000 was advanced, and £83,000 of the loans were repaid. In the year ended 30 June 2018, the remaining amount of £30,000 was repaid.

Notes to the Accounts

15. Issued share capital

	2018	2017
	£'000	£'000
Issued up and fully paid:		
982,870,766 'Deferred Shares' of £0.0029 each (1)	**2,850**	2,850
7,928,958,500 'A Deferred Shares' of £0.000096 each (2)	**761**	761
648,573,546 Ordinary shares of £0.0001 each	**64**	37
(2017: 982,870,766 'Deferred Shares' of £0.0029 each, 7,928,958,500 'A Deferred Shares' of £0.000096 each and 373,013,208 ordinary shares of £0.0001 each)		
	3,675	3,648

Movement in share capital

	2018		2017	
Ordinary shares of £0.0001	**Number**	**£'000**	Number	£'000
Pre Share Consolidation 25:1				
At 1 July 2016			5,736,387,510	3,423
Shares issue in lieu of expenses			446,570,973	45
Shares issued for cash			1,400,000,000	140
Shares issued to extinguish debt			346,000,000	35
			7,928,958,483	3,643
Post Share Consolidation 25:1 (3)			317,158,340	3,643
At 1 July 2017	**373,013,208**	**3,648**	n/a	n/a
Shares issued for cash	**131,736,111**	**13**	50,000,000	5
Shares issued for acquisition	**1,127,580**	**-**	-	-
Warrants Exercised	**142,696,647**	**14**	5,854,868	-
At 30 June	**648,573,546**	**3,675**	373,013,208	3,648

Nominal Value

(1) The nominal value of shares in the company was originally 0.3 pence. At a shareholders meeting in September 2013, the Company's shareholders approved 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 0.01 pence, which continued as the company's listed securities, and
- 'Deferred Shares' with a nominal 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 are not quoted and carry no rights whatsoever.

(2) At a shareholders meeting in November 2016, the Company's shareholders approved a re-organisation of the company's shares which, on the 1 December 2016, resulted in the existing Ordinary Shares of 0.01 pence being further split as follows:

- Ordinary shares with a nominal value of 0.0004 pence, and
- 'A Deferred Shares' with a nominal value of 0.0096 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 are not quoted and carry no rights whatsoever.

(3) On 1 December 2016, immediately following the capital reorganisation at (2) above, the Ordinary Shares were consolidated on the basis of 1 new Ordinary Share with a nominal value of 0.01 pence for every 25 Ordinary Shares held with a nominal value of 0.0004 pence.

Notes to the Accounts

15. Issued share capital (continued)

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 2018:

Number		Grant Date	Expiry Date	Exercise Price
13,600,000[1]		24 Jun 2016	1 Dec 2018	GBP£0.0125
21,174,032[2]		7 Oct 2016	7 Apr 2019	GBP£0.0125
13,840,000[3]		11 Oct 2016	11 Apr 2019	GBP£0.0125
20,000,000[4]		11 Oct 2016	26 Jul 2019	GBP£0.0125
5,573,347[5]		27 Jan 2017	27 Jul 2018	GBP£0.0090
2,000,000[6]		27 Jun 2017	27 Jun 2019	GBP£0.0180
1,500,000[7]		27 Jun 2017	27 Jun 2020	GBP£0.0180
39,444,444[8]		28 Jul 2017	28 Jul 2019	GBP£0.0180
15,000,000[9]		28 Jul 2017	31 Mar 2020	GBP£0.0180
5,775,829[10]		3 Nov 2017	2 Nov 2018	GBP£0.0120
29,948,194[11]		30 Nov 2017	29 Nov 2018	GBP£0.0120
1,500,000[12]		30 Nov 2017	29 Nov 2018	GBP£0.0120
10,000,000[13]		30 Jan 2018	29 Jan 2020	GBP£0.0500
10,000,000[14]		13 Jun 2018	2 Nov 2020	GBP£0.0150
5,000,000[15]		13 Jun 2018	29 Dec 2020	GBP£0.0450
15,000,000[16]		13 Jun 2018	7 Jun 2021	GBP£0.035625
209,355,846	total outstanding			

Share options (termed warrants in the UK) carry no rights to dividends and no voting rights.

All Options existing at 1 December 2016 were adjusted for the Share Consolidation of 25:1.

[1] Issued to investors as part of a capital raising in June 2016, following shareholder approval.

[2] Issued to investors as part of a capital raising in October 2016, following shareholder approval.

[3] Issued to Directors and former Directors, following shareholder approval, in lieu of cash payments owing, on the same terms as the capital raising on 7 October 2016, at 2 above.

[4] Issued to Directors following shareholder approval.

[5] 25,000,000 warrants issued to investors as part of a capital raising. 19,426,653 Warrants have since been exercised, prior to 30 June 2018. [Subsequent to 30 June 2018 a further 4,333,333 Warrants have been exercised, leaving 1,240,014 to expire on 27 July 2018.]

[6] Issued to the Company's joint sponsoring broker, SI Capital Ltd, for services rendered.

[7] issued to a nominee of the Company's Exploration Manager, in recognition of service over an extended period.

[8] 51,111,111 Issued to investors as part of a capital raise. 11,666,667 warrants have since been exercised prior to 30 June 2018.

[9] issued to Directors, following shareholder approval

[10] 29,473,686 Issued to investors as tranche 1 of a capital raise. 23,697,857 warrants have since been exercised prior to 30 June 2018.

[11] 41,151,314 Issued to investors as tranche 2 of a capital raise, following shareholder approval. 11,203,120 warrants have since been exercised prior to 30 June 2018.

[12] 3,531,250 issued to the Company's joint sponsoring broker, SI Capital Ltd, for services rendered. 2,031,250 warrants have since been exercised prior to 30 June 2018.

[13] Issued to Metal Tiger as part of a placement. One Option for each share subscribed at £0.03. Subject to an acceleration clause whereby Thor may, at its sole volition, seek conversion of the Options should the share price of Thor, as traded on AIM, exceed a £0.03 volume weighted average price for five consecutive business days.

Notes to the Accounts

15. Issued share capital

Warrants and Options on issue (continued)

[14] 'Replacement' Options issued to Paul Johnson. On 2 November 2017, Mr Paul Johnson, exercised 10,000,000 Options at an exercise price of 1.25p per Option, raising an additional £125,000 for the Company. The Options had originally been issued to Mr Johnson in lieu of Directors' fees payable for one year through to 1 September 2017. The Options had an expiry date of 2 September 2019. Given the early exercise, being just under two years before Option expiry, the Company agreed to award Mr Johnson 10,000,000 'replacement' options, as approved by shareholders.

[15] 'Commencement' Options. Upon the appointment of Richard Bradey as a Director, the Company agreed to grant the Commencement Options, as approved by shareholders. The Options will vest with Mr Bradey once the AIM traded closing price for the Company's Ordinary Shares exceeds £0.06 for 20 consecutive business days.

[16] A total of 15,000,000 Options were granted to the existing Directors of the Company, as approved by shareholders.

16. Share based payments reserve

	2018	2017
	£'000	£'000
At 1 July	**115**	9
Lapse of 26,763,987 investor options @ £0.00035	**-**	(9)
Issued to/(exercised by) Directors @ £0.001275	**-**	25
Issued to/(exercised by) Paul Johnson @ £0.001325	**(13)**	13
Issued to/(exercised by) Beaufort Securities Ltd @ £0.001411	**(2)**	2
Issued to SI Capital Ltd @ £0.001857	**-**	4
Issued to a nominee of an employee @ £0.002710	**-**	4
Issued to Directors @ £0.004469	**-**	67
Issued to SI Capital Ltd @ £0.00177	**7**	-
Exercised by SI Capital Ltd @ £0.001770	**(4)**	-
Issued to Paul Johnson @ £0.009781	**98**	-
Issued to Richard Bradey @ £0.003428	**17**	-
Issued to Directors @ £0.005289	**79**	-
At 30 June	**297**	115

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 share options issued in the Share Based Payments Reserve during the years ended 30 June 2018 and 30 June 2017.

20,000,000 issued to Directors on 11 October 2016

Dividend yield	0.00%
Underlying Security spot price	£0.00625
Exercise price	£0.0125
Standard deviation of returns	60%
Risk free rate	1.67%
Expiration period	2.79yrs
Black Scholes valuation per option	£0.001275

Notes to the Accounts

16. Share based payments reserve (continued)

2,000,000 issued to SI Capital Ltd on 27 June 2017

Dividend yield	0.00%
Underlying Security spot price	£0.0105
Exercise price	£0.018
Standard deviation of returns	60%
Risk free rate	1.67%
Expiration period	2yrs
Black Scholes valuation per option	£0.001857

1,500,000 issued to a nominee of an employee on 27 June 2017

Dividend yield	0.00%
Underlying Security spot price	£0.0105
Exercise price	£0.018
Standard deviation of returns	60%
Risk free rate	1.79%
Expiration period	3yrs
Black Scholes valuation per option	£0.002710

15,000,000 issued to Directors on 28 July 2017

Dividend yield	0.00%
Underlying Security spot price	£0.013555
Exercise price	£0.018
Standard deviation of returns	60%
Risk free rate	1.89%
Expiration period	3yrs
Black Scholes valuation per option	£0.004469

3,531,250 issued to the Company's broker on 30 November 2017

Dividend yield	0.00%
Underlying Security spot price	£0.01
Exercise price	£0.012
Standard deviation of returns	60%
Risk free rate	1.95%
Expiration period	1yr
Black Scholes valuation per option	£0.001770

10,000,000 issued to a Director on 13 June 2018

Dividend yield	0.00%
Underlying Security spot price	£0.0205
Exercise price	£0.015
Standard deviation of returns	60%
Risk free rate	2.12%
Expiration period	2.4yrs
Black Scholes valuation per option	£0.009781

Notes to the Accounts

16. Share based payments reserve (continued)

5,000,000 issued to a Director on 13 June 2018

Dividend yield	0.00%
Underlying Security spot price	£0.0205
Exercise price	£0.045
Standard deviation of returns	60%
Risk free rate	2.23%
Expiration period	2.5yrs
Black Scholes valuation per option	£0.003428

15,000,000 issued to Directors on 13 June 2018

Dividend yield	0.00%
Underlying Security spot price	£0.0205
Exercise price	£0.035625
Standard deviation of returns	60%
Risk free rate	2.23%
Expiration period	3yrs
Black Scholes valuation per option	£0.005289

17. Analysis of changes in net cash and cash equivalents

	1 July 2017	Cash flows	Non-cash changes	30 June 2018
	£'000	£'000	£'000	£'000
Cash at bank and in hand - Group	405	966	3	1,374

18. 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

As at 30 June 2018, the Group had no contingent liabilities.

Notes to the Accounts

19. 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 they will be able to raise additional equity capital 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 Group's financial assets is as follows:

	2018 **£'000**	2017 £'000
Sterling	**437**	84
Australian Dollars	**937**	321
	1,374	405

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.

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.

	2018		2017	
	Carrying Amount £'000	**Fair Value £'000**	Carrying Amount £'000	Fair Value £'000
Financial assets:				
Cash and cash equivalents	**1,374**	**1,374**	405	405
Trade & other receivables	**43**	**43**	19	19
Deposits supporting performance guarantees	**21**	**21**	21	21
Financial liabilities:				
Trade and other payables	**286**	**286**	459	459
Non interest bearing liabilities	**-**	**-**	30	30
Interest bearing liabilities	**9**	**9**	19	19

Notes to the Accounts

19. Financial instruments (continued)

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

30-June 2018 - Group	Effective Interest Rate %	Maturing < 1 year £'000	>1 to <2 Years £'000	>2 to <5 Years £'000	Total £'000
Financial Assets					
Fixed rate					
At call Account – AUD	**0%**	**92**	**-**	**-**	**92**
At call Account – STG	**0.05%**	**437**	**-**	**-**	**437**
Term Deposits - AUD	**2.5%**	**845**	**-**	**-**	**845**
		1,374	-	**-**	**1,374**
Financial Liabilities					
Fixed Rate					
Interest bearing liabilities	**4.7%**	**9**	**-**	**-**	**9**
30-June 2017 - Group					
Financial Assets					
Fixed rate					
At call Account – AUD	0%	321	-	-	321
At call Account – STG	0.05%	84	-	-	84
		405	-	-	405
Financial Liabilities					
Fixed Rate					
Interest bearing liabilities	4.7%	9	10	-	19

20. Related parties transactions

There is no ultimate controlling party.

Thor has lent funds to its wholly owned subsidiaries to enable those companies to carry out their operations. At 30 June 2018 the estimated recoupable amount converted to £10,374,000 (refer Note 8(c)).

Thor Mining PLC engages the services of Druces LLP Solicitors, a company in which Mr Stephen Ronaldson is a Partner. Mr Ronaldson is the UK based Company Secretary of Thor. During the year £26,925 was paid to Druces LLP Solicitors (2017: £18,200 paid to Ronaldsons LLP Solicitors) on normal commercial terms.

21. Subsequent events

The Australian Government Ministry for Science, Jobs and Innovation has offered Environmental Recovery SA Pty Ltd (ECR) (refer Note 8(d)) a CRC-P (Cooperative Research Centre) grant funding of A$2,851,303 over a 30 month period, for research relating to the Kapunda In-Situ (ISR) copper and gold recovery trial. The ISR process is proposed for the extraction of copper and potentially any gold from the Kapunda deposit. Refer ASX announcement 31 July 2018.

On 3 August 2018, Hawkstone Mining Limited (Hawkstone) (ASX: HWK) shareholders approved an agreement for Hawkstone to acquire 100% of the shares on issue in US Lithium Pty Ltd, a company in which Thor has an interest of 6.25%. On 7 September Hawkstone announced to the ASX that the remaining conditions have been satisfied and the transaction has been completed. (refer Note 8(b))

Notes to the Accounts

21. Subsequent events (continued)

On 23 August 2018, Thor announced the results of an updated Definitive Feasibility Study (DFS) for the Molyhil tungsten and molybdenum project in the Northern Territory of Australia. The study outcomes show materially enhanced financial returns and early payback of capital as a result of process improvements and longer operating life at the Molyhil open pit, with significant further upside potential from subsequent underground mining at Molyhil and from the nearby Bonya tungsten deposits.

On 7 September 2018, Thor announced the outcomes of a Scoping Study to investigate broad operating parameters, potential scale, and high level commercial viability of mining and processing for the Pilot Mountain deposits in Nevada, USA. Study outcomes support a decision to commence a more detailed Pre-Feasibility Study to progress the project along the development pathway.

The following shares have been issued subsequent to 30 June 2018, following the exercise of warrants:

- 2,904,762 shares on 13 July 2018 for consideration of £26,143, following the exercise of warrants with an exercise price of £0.009 and expiry 27 July 2018
- 1,428,571 shares on 27 July 2018 for consideration of £12,857, following the exercise of warrants with an exercise price of £0.009 and expiry 27 July 2018
- 451,643 shares on 6 August 2018 for consideration of £5,646, following the exercise of warrants with an exercise price of £0.0125 and expiry 1 December 2018

Other than the above matters, there were no material events arising subsequent to 30 June 2018 to the date of this report which may significantly affect the operations of the Group or Company, the results of those operations and the state of affairs of the Group or Company in the future.

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 is 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 14 September 2018)

Class of shares and voting rights

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

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

On-market buy-back

There is no current on-market buy-back.

Distribution of listed equity securities

Category (number of shares/warrants)	Number of Shareholders
1 – 1,000	185
1,001 – 5,000	139
5,001 – 10,000	50
10,001 – 100,000	417
100,001 and over	233
	1,024

The number of Australian shareholders holding less than a marketable parcel is 288.

The minimum parcel size is 19,231 shares.

Twenty largest shareholders as at 14 September 2018

Name	Number of shares held	Percentage of shares held
HARGREAVE HALE NOMINEES LIMITED <LON>	73,492,643	11.25%
BARCLAYS DIRECT INVESTING NOMINEES LIMITED <CLIENT1>	52,018,215	7.96%
INTERACTIVE INVESTOR SERVICES NOMINEES LIMITED <SMKTNOMS>	46,368,133	7.10%
INTERACTIVE INVESTOR SERVICES NOMINEES LIMITED <SMKTISAS>	40,603,487	6.21%
SHARE NOMINEES LTD	34,840,641	5.33%
MR MICHAEL ROBERT BILLING & RELATED PARTIES	32,407,423	4.96%
HARGREAVES LANSDOWN (NOMINEES) LIMITED <HLNOM>	28,690,143	4.39%
HARGREAVES LANSDOWN (NOMINEES) LIMITED <15942>	24,276,042	3.72%
HARGREAVES LANSDOWN (NOMINEES) LIMITED <VRA>	20,153,875	3.08%
BEAUFORT NOMINEES LIMITED	18,922,526	2.90%
HSDL NOMINEES LIMITED	16,072,904	2.46%
HSDL NOMINEES LIMITED <MAXI>	13,146,916	2.01%
LAWSHARE NOMINEES LIMITED <SIPP>	12,936,272	1.98%
MR PAUL JOHNSON	12,020,000	1.84%
JIM NOMINEES LIMITED <JARVIS>	11,878,334	1.82%
INTERACTIVE INVESTOR SERVICES NOMINEES LIMITED <TDWHSIPP>	9,718,241	1.49%
MR DAVID EDWARD THOMAS & MRS BARBARA JEAN THOMAS	9,410,969	1.44%
DUNHAM INVESTMENTS PTY LTD	7,000,000	1.07%
MR MICHAEL KEVIN ASHTON	6,604,666	1.01%
VIDACOS NOMINEES LIMITED <15772>	6,450,097	0.99%
TOTAL	**477,011,527**	**73.01%**

Unlisted Option and Warrant holders as at 14 September 2018

Option Holders	Expiry Date	Number of Holders	Number of Warrants	Percentage of Total Warrants
Placees June 2016	1-Dec-18	6	13,600,000	5.2%
Placees October 2016	7-Apr-19	4	20,722,389	10.4%
Directors October 2016 (in lieu of amounts owed)	11-Apr-19	5	13,840,000	6.9%
Directors October 2016	26-Jul-19	5	20,000,000	10.0%
Broker June 2017	27-Jun-19	1	2,000,000	1.0%
Exploration Manager June 2017	27-Jun-20	1	1,500,000	0.7%
Placees July 2017	28-Jul-19	14	39,444,444	19.7%
Directors July 2017	31-Mar-20	5	15,000,000	7.5%
Placees November 2017 - tranche 1	2-Nov-18	8	5,775,829	2.9%
Placees November 2017 - tranche 2	29-Nov-18	23	29,948,194	15.0%
Broker November 2017	29-Nov-18	1	1,500,000	0.7%
Metal Tiger January 2018	29-Jan-20	1	10,000,000	5.0%
P Johnson June 2018	2-Nov-20	1	10,000,000	5.0%
R Bradey June 2018	29-Dec-20	1	5,000,000	2.5%
Directors June 2018	7-Jun-21	5	15,000,000	7.5%
Total		**81**	**203,330,856**	**100%**

Securities held on Escrow

Total shares and CDIs on issue are 653,358,522. No shares or CDIs are held in escrow.

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 CDIs.

ASX CORPORATE GOVERNANCE DISCLOSURE

The Board have chosen to apply the ASX Corporate Governance Principles and Recommendations (ASX Corporate Governance Council, 3rd Edition) as the Company's chosen corporate governance code for the purposes of AIM Rule 26. Consistent with ASX listing rule 4.10.3 and AIM rule 26, this document details the extent to which the Company has followed the recommendations set by the ASX Corporate Governance Council during the reporting period. A separate disclosure is made where the Company has not followed a specific recommendation, together with the reasons and any alternative governance practice, as applicable. This information is reviewed annually.

A copy of the Company's corporate governance policy is available on the Company's website http://www.thormining.com/aboutus#governance.

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 A Middleton and Mr D Thomas are independent in accordance with the criteria set out in 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

Whilst the Company does not have a formal nomination committee, it does formally consider Board succession issues and whether the Board has the appropriate balance of skills, knowledge, experience, independence and diversity.

Names and qualifications of audit committee members

The full Board performs the functions of the Audit Committee. Messrs Billing , Thomas and Middleton are financially literate.

The Board last undertook a formal evaluation of its performance on 20 September 2018.

TENEMENT SCHEDULE

At 30 June 2018, the consolidated entity holds an interest in the following Australian tenements:

Project	Tenement	Area kms²	Area ha.	Holders	Company Interest
Molyhil	EL22349	228.10		Molyhil Mining Pty Ltd	100%
Molyhil	EL28948	9.50		Molyhil Mining Pty Ltd	100%
Molyhil	EL31130	31.70		Molyhil Mining Pty Ltd	100%
Molyhil	EL31443	66.48		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	AA29732		38.6	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%

Thor has agreed to acquire 40% of EL29701 and 100% of EL29559, in the Bonya Creek area, approximately 30 kms from Molyhil, subject to normal approval and stamping provisions of the Northern Territory Government.

At 30 June 2018, the consolidated entity holds an interest in the following tenements in the US State of Nevada:

Claim Group	Prospect	Claim Number	Area	Holders	Company Interest
Platoro	Desert Scheelite	NT #55 - 64	45blocks (611ha or 1,510 acres)	Pilot Metals Inc	100%
	Garnet	NT #9 - 18			
	Gunmetal	NT #19 - 22, 6, 7			
	Good Hope	NT #1 - 5, 41 - 54			
BFM 1	Black Fire Claims	BFM1 - BFM109	109blocks (1,481ha or 3,660 acres)	BFM Resources Inc	100%
BFM 2	Des Scheel East	BFM109 - BFM131	22blocks (299ha or 739Acre)	BFM Resources Inc	100%
Dunham Mill	Dunham Mill	MS1 – MS4	4 blocks	BFM Resources Inc	100%