

2021

Annual Report

Year Ended 30th June 2021





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Corporate Directory

ACN 138 358 728

Board of Directors

David Williams
Executive Chairman

Richard Willson
Non-Executive Director

Eoin Rothery
Technical Director

Company Secretary

Richard Willson

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Australian Securities Exchange
ASX Code: TMZ

Auditor

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Chairman's Letter



David Williams
Executive Chairman

Dear Shareholders,

When I wrote the Chairman's Report in October last year, I noted that 2019/20 had been a year of change. Well, that was put into perspective with 2020/21 which not only was a year of further change but was one that was transformational for Thomson Resources.

It has been a roller coaster ride with the share price steadily building until Silver Squeeze Monday arrived and it raced to the dizzying heights of an intraday high of \$0.255 on Monday 1 February 2021. Mind you that was quickly followed by Silver Squash Tuesday where it dropped back down to a close of \$0.165.


At the end of the last Financial Year, we had set ourselves the task of reviving and growing Thomson and shaking it out of its malaise. We did that and we did that quickly. Thomson now is a vibrant company with a liquid stock and well down the pathway of becoming a key silver producer in Australia.

We have set about bringing together a number of underperforming silver projects in the New England Fold Belt, each one in its own right having been mined before, but of an insufficient scale to make it on their own in the current world. By adopting a Hub and Spoke Strategy, Thomson believes that by aggregating these projects to feed a central processing facility, they can work, whereas on their own each would not be commercially viable. We set ourselves the

target of aggregating projects with published resources in ground totalling at least 100 million silver equivalent ounces available to such a facility. We have achieved that starting point and did so in a very short period of time – approximately 5 months. This provides us with the minimum scale we were after and a great base to build on.

The Board readily recognises that while these collective projects provide Thomson with scale, flexibility, optionality and risk management, making it all work is not a simple exercise, particularly where some of these projects have seen businesses fail. However, this is the first time they have all been under the one entity and hence have the scale to succeed. The Board has resisted the temptation to move quickly to become a silver producer. We could very easily have succumbed to the temptation of restarting the heap leach silver processing operation at Texas Silver Mine, which was essentially in turn-key condition. We believe that would have been the wrong decision as we do not believe the rock on the heap leach pads was well understood and it was not clear to Thomson what if any further silver may have been able to be extracted.

Thomson is in this, not for the quick news, but for turning the New England Fold Belt Hub and Spoke projects into a commercially viable and sustainable silver production story. This means we have to spend the time to understand exactly



what we have as far as resources are concerned and how the minerals can be best recovered. This takes time and corners cannot be cut. Further, we know there are a number of other valuable minerals, such as gold, copper, zinc, lead, tin, etc, contained in these deposits and if we can extract value for these, the profitability of the projects increases significantly.

At the same time we must not lose sight of the potentiality of our Lachlan Fold Belt portfolio. Still in its infancy, but consistently producing outstanding gold and tin results from drilling. There is no reason why this could not be the second Hub and Spoke Strategy with all projects lying within a 100km strike and boasting great gold and tin results, with the potentiality of silver at Buddigower still to come.

We have moved and grown quickly. This could not have been possible without a questioning, but visionary and fast-moving Board and I am very much appreciative of the input and responsiveness of my fellow Directors Richard Willson and Eoin Rothery. That aside we could not have achieved this result without the massive support, input and insight we received from Stephen Nano and the Global Ore Discovery team. Without their involvement this would simply not have been possible.

We have started to build our own team, but we are still small, so we rely heavily on and appreciate very much the assistance of our other advisers and service providers including Australian Mineral & Waterwell Drilling (AMWD), CORE Resources, AMC Consultants, Spinifex and EMM.

2020/21 was a hugely transformational year for Thomson, but as Stephen Nano said to me, "David, we are actually only now at the starting line of the 5,000 metre race." Our spikes are sharpened and we are ready to run – this time, chasing the Silver medal.

2021/22 will be a year of locking it all down and expanding the resources as it all comes together. I thank you all for your continued support in the last financial year and look forward to bringing you new rewards in this coming year.

David Williams
Executive Chairman

Review of Operations



New England Fold Belt Hub & Spoke

During the Financial Year, the Company embarked on its aggressive “New England Fold Belt Hub and Spoke” consolidation and development strategy in the Queensland and New South Wales border region. The strategy has been designed and executed in order to create a large precious (silver – gold), base and technology metal (zinc, lead, copper, tin) resource hub that will be developed and potentially centrally processed.

The key projects underpinning this strategy have been strategically and aggressively acquired by Thomson. These projects include the Webbs and Conrad Silver Projects and Texas Silver Project, including the Silver Spur Mine,

and an earn-in and JV for the Mt Carrington Silver-Gold Project. As part of its New England Fold Belt Hub and Spoke Strategy, Thomson is targeting, in aggregate, in ground material available to a central processing facility of 100 million ounces of silver equivalent.

The Company now controls 100% of the Texas silver district deposits of Twin Hills, Mt Gunyan and Silver Spur along with Webbs and Conrad¹ deposits and the right to earn-in and JV on Mt Carrington Silver-Gold Project², delivering to Thomson a large, combined silver dominant polymetallic resource in the NSW and Queensland border region.

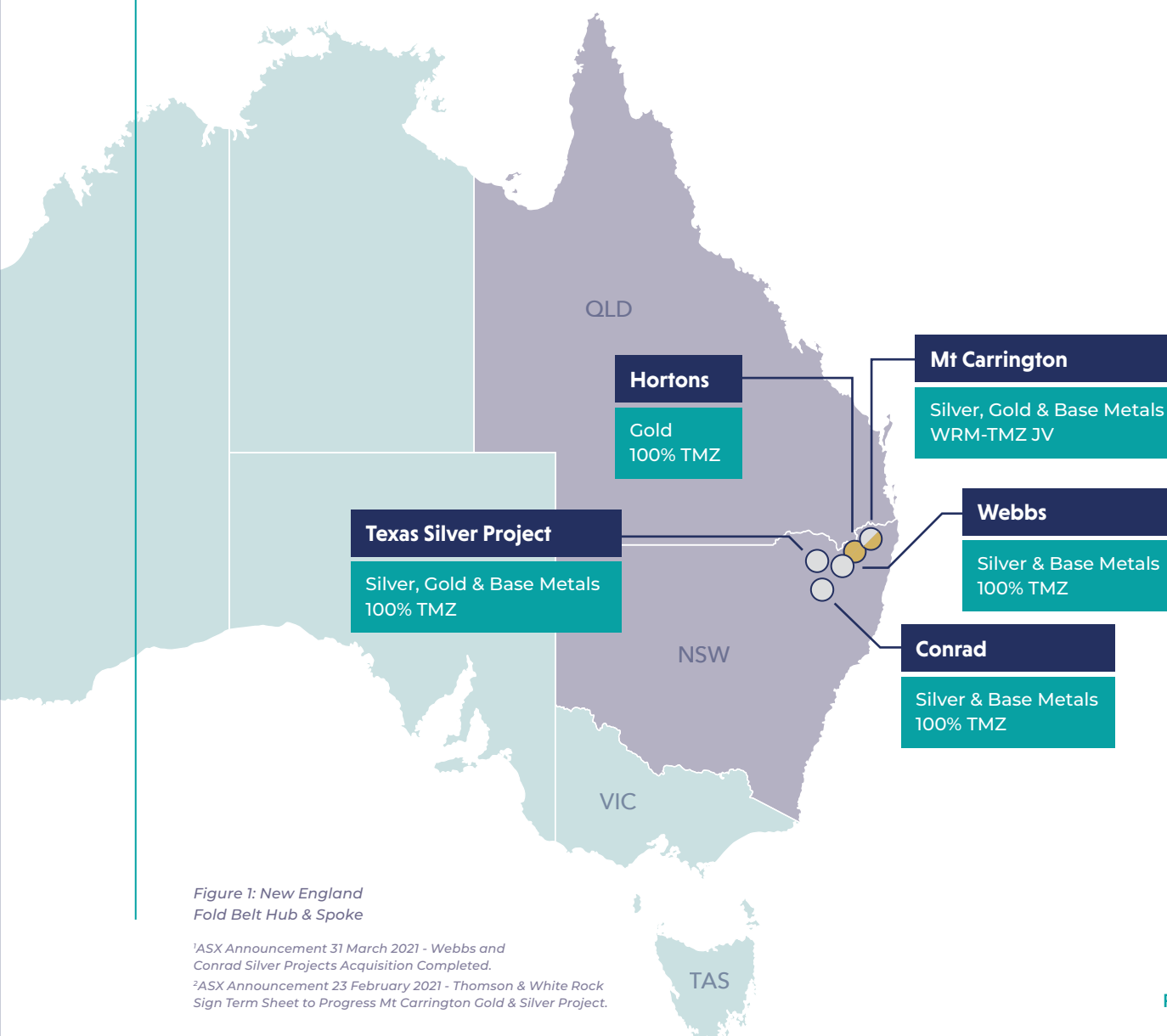
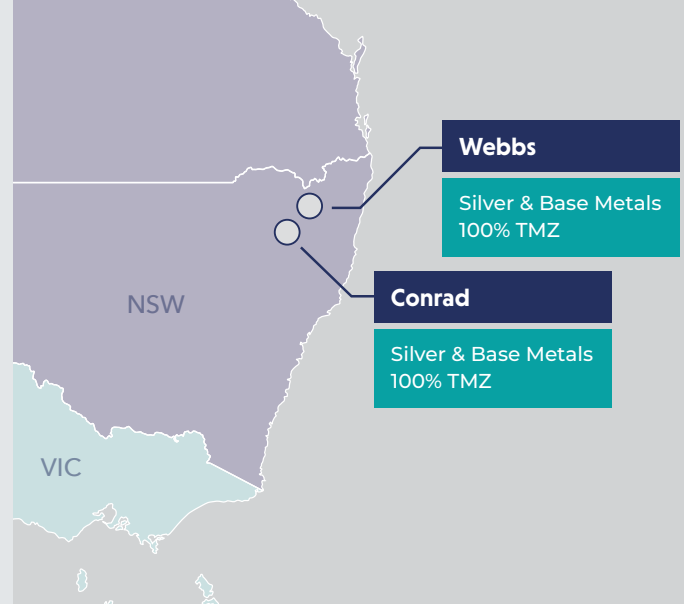


Figure 1: New England Fold Belt Hub & Spoke

¹ASX Announcement 31 March 2021 - Webbs and Conrad Silver Projects Acquisition Completed.

²ASX Announcement 23 February 2021 - Thomson & White Rock Sign Term Sheet to Progress Mt Carrington Gold & Silver Project.

Webbs and Conrad Silver Projects



In November 2020 the Company embarked on the initial step in what would become the “New England Fold Belt Hub and Spoke” Project Portfolio. At this time Thomson signed a binding terms sheet with Silver Mines Limited (ASX: SVL) (“Silver Mines”) to acquire 100% interest in the Webbs Silver Project (“Webbs”) and Conrad Silver Project (“Conrad”), covering approximately 86km² of highly prospective land located in the New England Fold belt in NSW (see Figure 2)³.

Due diligence was completed in January 2021 with Mr Stephen Nano and the team from Global Ore Discovery (“Global Ore Discovery”) assisting with the technical due diligence program. Definitive agreements were executed and exchanged in January 2021⁴.

Thomson proceeded to call an Extraordinary General Meeting (EGM) of Thomson shareholders on 29 March 2021 to approve the issue of the Share Consideration and the Option Consideration to be issued to Silver Mines at Completion of the acquisition⁵, with the meeting approving all resolutions and Completion occurring shortly after.

About Webbs Silver Project

The Webbs Silver Project is a very high-grade silver bearing lode system located in northern New South Wales (Figure 3).

The Webbs Deposit is located on EL5674 and is approximately 65 kilometres northeast of Inverell and 230 kilometres southwest of the Gold Coast in northern New South Wales, Australia. The area consists of moderate to steep wooded hills, open farm country and open country and is dissected by several seasonal streams.

EL5674 comprises 4 graticular units for Group One Minerals and is centered about 10km north of Emmaville, in northern New South Wales. The licence is located within the New England Fold Belt (Figure 2), which comprises a Palaeozoic fore-arc

and volcanic chain to the west, a fore-arc basin in the centre and a subduction complex to the east. The Palaeozoic units in the area are undifferentiated Early Permian meta-sediments including sediments, conglomerate and metabasalt, which have been metamorphosed to lower chlorite/ greenschist facies and is attributed to a regional granitic heat source.

There are several down-plunge extensions that require testing for drilling and the remainder of the tenement is largely underexplored.



Figure 2: Webbs and Conrad Silver Projects Locations

³ASX Announcement 12 November 2020 – Thomson to Acquire Two Transformational NSW Silver Deposits & Completion of \$6M Capital Raise

⁴ASX Announcement 9 December 2020 – Webbs and Conrad Silver Project Due Diligence Well Advanced, ASX Announcement 27 January 2021 – Webbs & Conrad Silver Projects Moving to Completion & Announcement dated 19 January 2021 – Webbs and Conrad Silver Projects Acquisition Proceeding To Completion

⁵ASX Announcement 29 March 2021 – Results of Meeting & ASX Announcement 31 March 2021 – Webbs & Conrad Silver Projects Acquisition Completed

⁶ASX Announcement 9 June 2021 – Thomson Outlines Significant Exploration Potential and Advances New Resource Estimation at Conrad Silver – Critical Metals Project

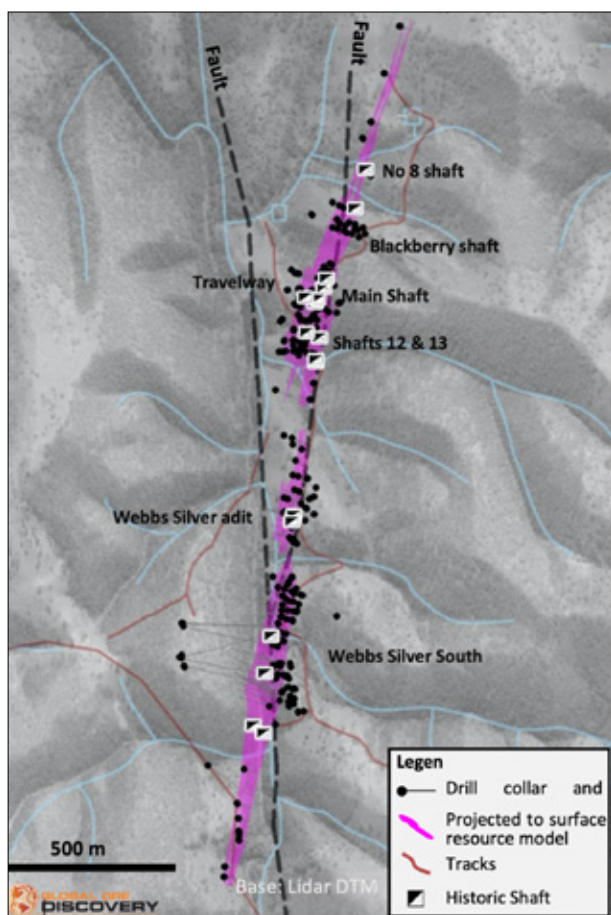


Figure 3: Webbs silver project

About Conrad Silver Project

The Conrad Mine and deposit represents a polymetallic exploration and mining opportunity located in northern New South Wales (Figure 4). The Conrad mine is the largest historic silver producer in the New England region of New South Wales, producing approximately 3.5 Moz of silver at an average grade of 600 g/t with significant co-production of lead, zinc, copper and tin. Recorded production from the Conrad Mine is 175k tonnes of ore at average grades of approximately 20 oz/t silver, 1.5% copper, 8% lead, 4% zinc, and 1.5% tin¹⁶.

In June 2021 Thomson engaged leading mining consultants, AMC Consulting, to collaborate with the Company's technical and metallurgical consultants to deliver new JORC 2012 Mineral Resource Estimates ("MRE") for its 100% owned Conrad, Silver Spur, Texas and Webbs deposits.⁶

Subsequent to the end of the period Thomson released an Indicated and Inferred Mineral Resource Estimate (MRE) in accordance with JORC 2012 for the 100% owned Conrad silver polymetallic project of 3.33 Mt at 193 g/t AgEq# for a contained 20.72 Moz AgEq⁷.

THIS INCLUDES:

- 2.4 Mt at 152 g/t AgEq at a 40 g/t AgEq cut-off, for 11.68 Moz AgEq, Indicated and Inferred resource in an optimised (revenue factor 2.0) open pit.
- 0.94 Mt at 300 g/t AgEq, for 9.04 Moz AgEq of Indicated and Inferred underground resource with no applied cut off grade, but with the reported resource estimate constrained to 6 zones with dimensions and average metal grade considered viable for underground mining.

The modelling approach, using geologically defined wireframes of the lodes and limiting the reported resource to spatially constrained, geologically continuous shoots, has delivered a more robust, higher confidence MRE than the MRE previously reported by Malachite Resources NL3 with 51% of the resource now in the Indicated category.

RESOURCE EXPANSION DRILL TARGETS:

The Conrad resource model demonstrates that higher grade mineralisation remains open at depth beneath 5 of the 6 known shoots and open along strike to the NW adjacent to the Moore and Mystery shoots, suggesting that step out and down plunge drilling in these areas has good potential to expand the Conrad underground resource.

ALONG STRIKE EXPLORATION TARGETS:

The Conrad resource occupies a 2.2km strike length of a 7.5km long mineralised trend where previously reported VLF-EM geophysical targets associated with historic workings, anomalous rock chip assays and shallow RC drilling, outlined a number of high priority targets for drill testing⁸.

⁷ASX Announcement 11 AUG 2021 - 20.7 Moz Silver Equiv Mineral Resource Estimate for Conrad & ⁸The Ag equivalent (AgEq) formula used the following metal prices, recovery and processing assumptions: Using an exchange rate of US\$0.73, Ag price A\$38/oz, Zn price A\$4,110/t, Pb price A\$3,014/t, Cu price A\$13,699/t, Sn price A\$41,096, recoveries of 90% for Ag, Pb, Zn, Cu and 70% for Sn. Ag Equivalent (AgEq) was calculated using the formula $AgEq = Ag\ g/t + 24.4 * Pb(\%) + 111.1 * Cu(\%) + 33.3 * Zn(\%) + 259.2 * Sn(\%)$ based on metal prices and metal recoveries into concentrate.

⁹Malachite Resources, 2010. Conrad Silver Project – New work extends silver Mineralisation at Conrad by 2km.
ASX Announcement 1 March 2010. & Malachite Resources, 2010. Annual Report 2010. ASX Announcement 22 October 2010

2021 Conrad mineral resource estimate reported within an optimised pit (2.0 Revenue factor) and an ag eq value ≥ 40 g/t for op material and within mineable zones with no ag eq cut-off for ug material

Area	Resource Classification	Tonnage (Mt)	Grade						Metal					
			Silver Equivalent (g/t Ag Eq)	Silver (g/t Ag)	Copper (% Cu)	Lead (% Pb)	Tin (% Sn)	Zinc (% Zn)	Silver Equivalent (Moz Ag Eq)	Silver (Moz Ag)	Copper (kt Cu)	Lead (kt Pb)	Tin (kt Sn)	Zinc (kt Zn)
Open Pit	Indicated	1.66	163	66	0.08	1.01	0.16	0.67	8.72	3.53	1.38	16.77	2.62	11.19
	Inferred	0.74	125	54	0.08	0.74	0.12	0.39	2.96	1.27	0.58	5.42	0.9	2.87
	Total OP	2.4	152	62	0.08	0.93	0.15	0.59	11.68	4.80	1.92	22.3	3.6	14.15
Underground	Indicated	0.2	300	136	0.24	1.87	0.27	0.65	1.93	0.87	0.48	3.75	0.55	1.3
	Inferred	0.74	300	150	0.17	2.03	0.22	0.72	7.11	3.56	1.26	14.97	1.63	5.31
	Total UG	0.94	300	147	0.19	2.00	0.23	0.71	9.04	4.43	1.78	18.73	2.15	6.65
Total	Indicated	1.86	178	74	0.10	1.10	0.17	0.67	10.65	4.40	1.86	20.47	3.16	12.47
	Inferred	1.47	213	102	0.12	1.38	0.17	0.55	10.07	4.83	1.77	20.34	2.51	8.11
	Total	3.33	193	86	0.11	1.22	0.17	0.62	20.72	9.23	3.67	40.68	5.67	20.67

Note: The Conrad MRE utilises a 40 g/t Ag equivalent cut-off within an optimised pit (2.0 revenue factor) for the portion of the deposit likely mined by open pit and no Ag equivalent cut-off within mineable zones for the underground portion of the deposit. Totals may not add up due to rounding.

The Ag equivalent formula used the following metal prices, recovery and processing assumptions: Using an exchange rate of US\$0.73, Ag price A\$38/oz, Zn price A\$4,110/t, Pb price A\$3,014/t, Cu price A\$13,699/t, Sn price A\$41,096, recoveries of 90% for Ag, Pb, Zn, Cu and 70% for Sn.

Ag Equivalent (AgEq) was calculated using the formula $AgEq = Ag\ g/t + 24.4 * Pb(\%) + 111.1 * Cu(\%) + 33.3 * Zn(\%) + 259.2 * Sn(\%)$ based on metal prices and metal recoveries into concentrate.



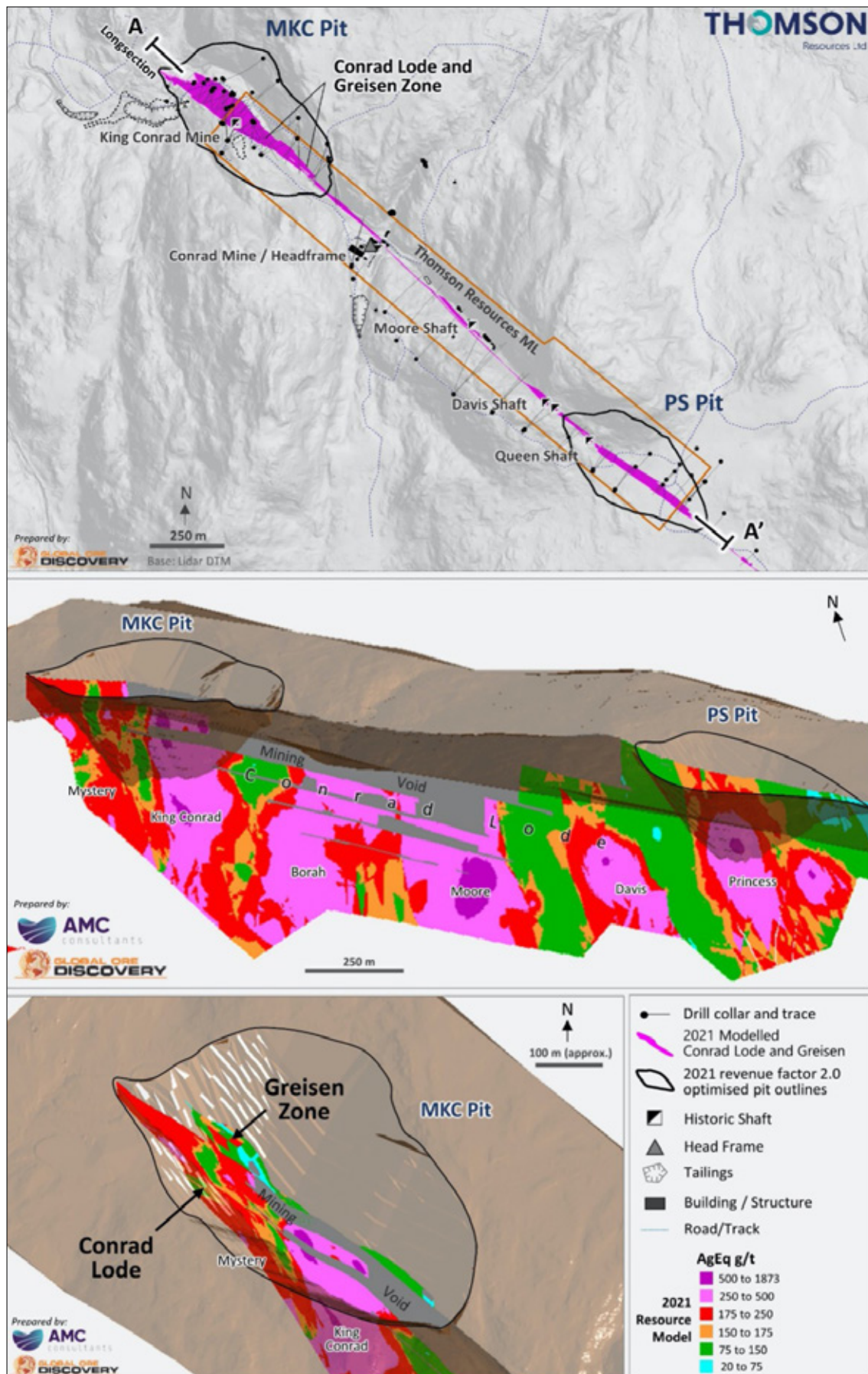
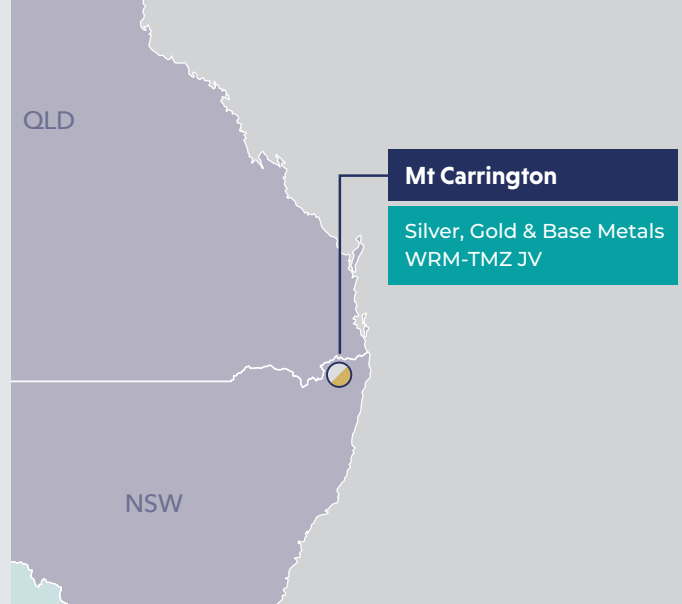


Figure 4: Conrad Mineral Resource Estimate, silver equivalent grade and optimised pits

Mt Carrington Gold-Silver Project



In February 2021 Thomson entered into a binding and exclusive Term Sheet with White Rock Minerals Ltd (ASX: WRM) (“White Rock”) for a 3 stage earn-in and option to joint venture agreement (“JVA”) whereby Thomson could earn in for up to 70% of White Rock’s Mt Carrington gold - silver project and at Thomson’s election to form a 70:30 (Thomson:White Rock) Joint Venture⁹.

A definitive agreement was signed in May 2021 following completion of due diligence.¹⁰ With the definitive agreement executed, the earn-in commenced and Thomson can, at its discretion, proceed to earn up to 70% of White Rock’s Mt Carrington gold - silver project and, at Thomson’s election, to form a Joint Venture to then fund on a pro-rata basis, mine development and further exploration of the Mt Carrington leases for epithermal gold - silver (base metal) mineralisation and conceptual large copper - gold targets.

THE 3 STAGES OF EARN-IN INVOLVE THOMSON:

- Completing a Definitive Feasibility Study (DFS) and completing and submitting an Environmental Impact Statement (EIS),
- Concurrent with community consultation, achieving government Development Consent and sourcing funding (Final Investment Decision – FID),
- Making a payment of A\$12.5M.

White Rock is free-carried through the earn-in period. Thomson has assumed management of the Project and has sole responsibility for keeping the Mt Carrington in good standing and funding all of the site care and maintenance costs until completion of the earning-in and the formation of any Joint Venture, be that on a 30:70, 51:49 or 70:30 basis.

Thomson has commenced the Stage 1 of the earn-in including committing to a minimum spend of \$500,000 in the first six months of the JVA and making progressive cash payments to White Rock along the way if the earn-in continues.

About Mt Carrington Gold-Silver Project

The Mt Carrington gold/silver project is located 5km from the township of Drake in northern NSW on the Bruxner Highway, approximately 4 hours by car southwest of Brisbane and 1 hour from the regional centres of Casino and Tenterfield in NSW. There has been a long history of gold-silver and copper mining at Mt Carrington starting in 1853 and with modern small scale open pit mining by Mt Carrington Mines from 1974 to 1990.

The Project includes a series of assets that could be beneficial for Thomson’s New England Hub and Spoke Strategy, including JORC 2012 gold reserves and JORC 2012 and 2004 gold and silver resources; mining leases covering 1,000Ha; an exploration licence covering 183km²; onsite office and accommodation and amenities; a 1.5Mt tailings dam; a 750ML freshwater dam; a reverse osmosis water treatment plant; access to State power grid; previous processing plant foundations; and a current environmental assurance bond of ~ A\$0.968M (Figure 5).

White Rock announced in 2020¹¹ a positive updated Mt Carrington Prefeasibility Study (“U-PFS”) based on a “Gold First Strategy” with a gold Probable Reserve (JORC 2012) using a conventional crush / grind and CIL processing circuit. For full details of the U-PFS, including the Probable Reserve, see White Rock’s ASX Release dated 19 August 2020.

The U-PFS did not include the JORC 2004 defined resources in the Red Rock and Guy Bell gold dominant deposits nor those in the Lady Hampton, White Rock, White Rock North and Silver King silver dominant deposits. These additional resources offer the potential to extend the mine life with a possible “silver second” stage development at the Project.

Thomson considers the Mt Carrington project to be very prospective for the discovery of additional gold – silver (zinc – copper – lead) mineralisation.

⁹ASX Announcement dated 23 February 2021 - Thomson & White Rock Sign Term Sheet to Progress Mt Carrington Gold & Silver Project

¹⁰ASX Announcement 3 May 2021 - Definitive Agreement on Mt Carrington Au & Ag Project

¹¹ See White Rock ASX Release dated 19 August 2020 -Exceptional Updated Gold Pre-Feasibility Study Results.

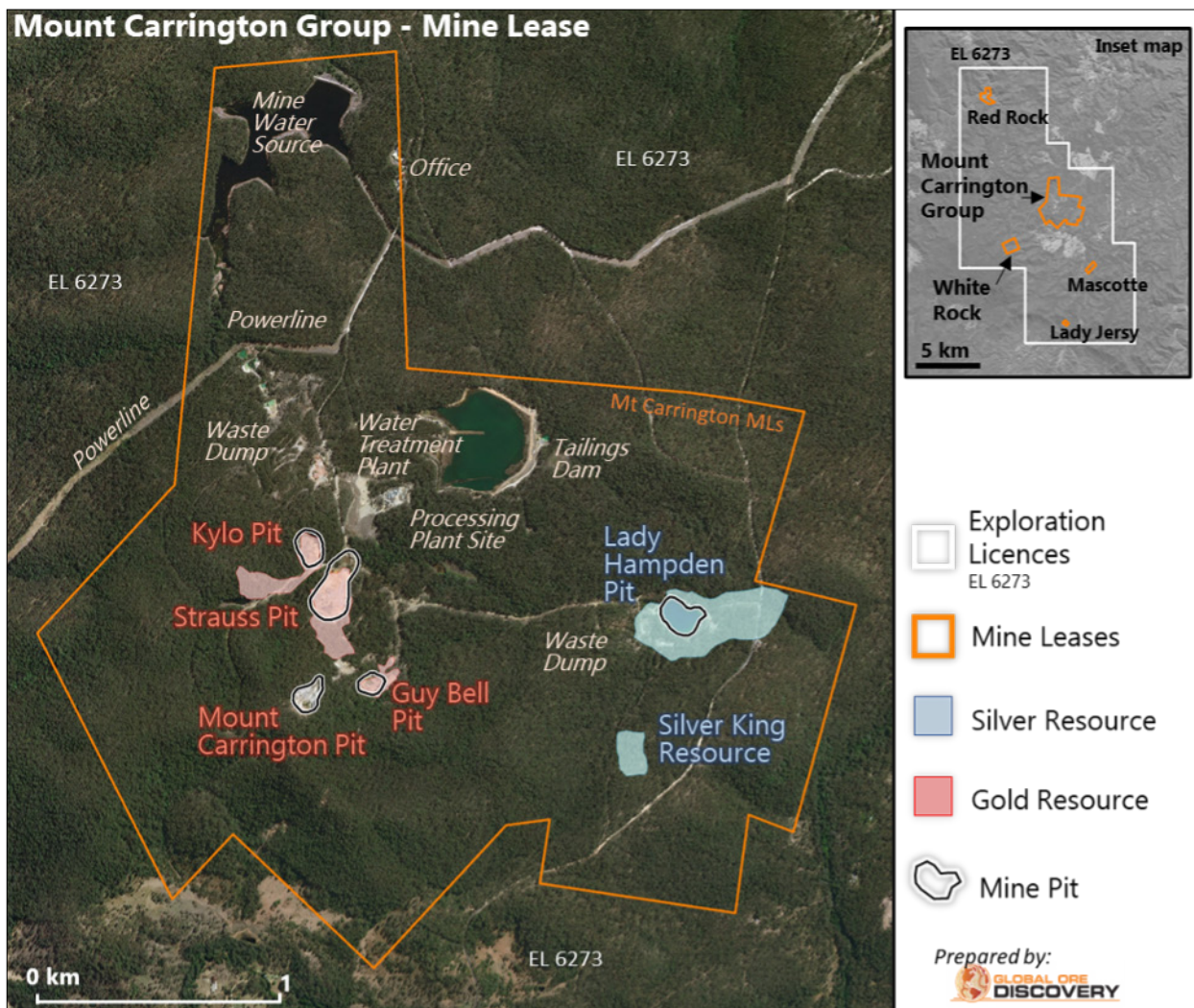


Figure 5: Mt Carrington mine leases, infrastructure and gold and silver resources

Texas Silver Project



In early March 2021 Thomson announced that it was the successful bidder for and had signed an agreement to acquire 100% of the Texas Silver Project ("Texas") including permitted mine infrastructure, mine and exploration leases, JORC 2012 silver - gold resources and various other assets.¹²

Subsequent to the end of the period Thomson completed its acquisition of the Texas Silver Project for a total of approx. \$A2.5M.¹³ Under the terms of the transaction Thomson has acquired 100% of the Texas Silver Project comprising – the open cut Twin Hills mine; heap leach facility and plant; JORC 2012 sulphide resources for Twin Hills and Mt Gunyan; 1 mining lease; 5 exploration tenements; environmental authorities; site office and onsite accommodation and amenities for up to 12 people; 4 parcels of freehold land and vehicle fleet and other assets.

About the Texas Silver Project

The Texas Silver Project includes a Twin Hills and a Mt Gunyan large low grade JORC 2012 silver – gold Measured, Indicated and Inferred resource published by Moreton Resources Limited (ASX:MRV) ("Moreton") in 2016¹⁴. Moreton is the parent company of MRV Metals, the vendor of the Project. In an ASX release dated 21 April 2017, Moreton additionally stated¹⁵ an Inferred JORC 2012 resource of crushed ore on the leach pads and additional silver bearing material on the low-grade stockpile.

The Texas district is hosted by the early Permian age Silver Spur sedimentary basin. Thomson and its geological consultants Global Ore Discovery consider the Texas district and the Silver Spur basin to be underexplored and very prospective for the discovery of additional silver, gold, zinc, lead and copper mineralisation.

The Texas District has had a long mining and exploration history. Between 1892 to 1925 (and 1952, 1970 and 1976) approximately 100,000 t of ore was extracted from the Silver Spur underground mine producing 2.19 Moz silver, 990 t of copper, 1050 t of lead, 690 t of zinc and 4516 oz of gold¹⁶. Between 2006 to 2013 Macmin and Alcyone Resources Ltd (Alcyone) produced approx. 1.4 Moz silver from an open pit heap leach operation from the Twin Hills deposit¹⁷. The district total silver production totals over 3.6 million oz with multi-million ounce JORC silver resources estimates published by previous operators.

Thomson and its consultants Global Ore Discovery are building a comprehensive validated database of the Texas Silver Project deposits and prospects. Activities are well advanced and include;

- Relogging of diamond core (DDH) and reverse circulation (RC) drilling
- Locating and surveying historic drill collars and compiling drill hole surveys
- Compiling and validating previous assay and QA/QC data for historic drilling and undertaking check assaying
- Surface structural and lithological mapping
- Systematic petrography from drill core for geometallurgical analysis, and initial metallurgical test work
- 3D wireframing of the mineralisation.

¹²ASX Announcement 23 February 2021 - Hub & Spoke Strategy Enhanced With Addition Of The Texas Silver Project

¹³ASX Announcement 18 AUG 2021 - Texas Silver Project Acquisition Completed

¹⁴MRV Metals, 2016. MRV Metals Pty Ltd Confirms Significant Resources in Twin Hills Mine. ASX Announcement 19 September 2016. & MRV Metals, 2016. MRV Metals Pty Ltd Confirms JORC Resource - Mt Gunyan. ASX Announcement 5 October 2016

¹⁵MRV Metals, 2017. MRV Metals Pty Ltd Re-release of Heap Leach Stock Piles Data. ASX Announcement 21 April 2017

¹⁶Donchak et al., 2007. Geology and mineralisation of the Texas Region, south-eastern Queensland. Queensland Geology, 11.

¹⁷Halloran, 2015. Overview of the Twin Hills Silver Deposit Texas. Presentation at New England Orogen Seminar, Australia Institute of Geoscientists. www.aig.org.au

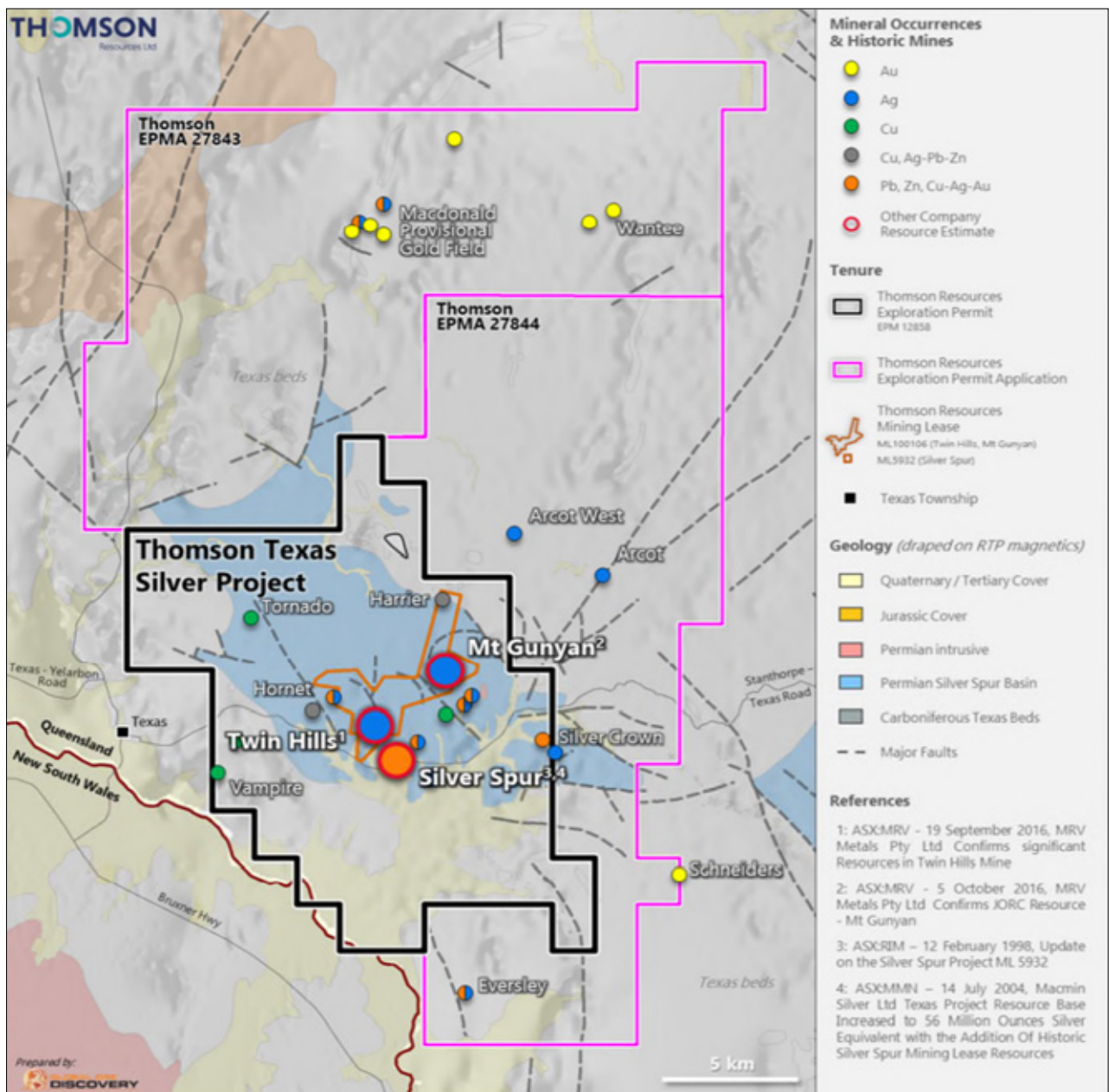


Figure 6: Thomson Texas Silver Project leases and new exploration licence applications

Texas Silver Project – Silver Spur



By May 2021 Thomson had made further headway in acquiring 100% of the Texas Silver District by entering into a binding Terms Sheet with private company Cubane Partners Pty Ltd (“Cubane”) to acquire the Silver Spur Mining Lease, ML 5932 (“Silver Spur”) located within Thomson’s Texas Silver Project and 3.5km south of the Twin Hills Silver mine (Figure 7).¹⁸

The acquisition of Silver Spur completes Thomson’s acquisition of an important part of the New England Fold Belt Hub and Spoke Strategy and as a result Thomson now controls the entire prospective silver, gold, zinc and other base metals area of the Silver Spur Basin which sits on granted Mineral Leases within the Texas Silver Project. Completion of the acquisition is anticipated to occur during 2021.

About Silver Spur

Silver Spur, Twin Hills and Mt Gunyan deposits are the core of the Texas Silver project. The origin and age of the Silver Spur mineralisation is contested, however more recent information suggests it is not a SEDEX deposit as originally thought¹⁹ but formed during a later deformation event as a hydrothermal and structural controlled epigenetic mineralisation²⁰ that locally contains zones of bonanza grade silver and gold. Thomson believes that developing a clearer understanding of the origin and controls on the formation of the mineralisation in the district will give Thomson an exploration advantage improving the potential to discover further significant mineralisation at the Texas Silver project.

The Silver Spur underground mine was operated from 1892-1925, with additional sporadic mining in 1952, 1970 and 1976 producing a total of approximately 100,000t of ore²¹. Smelting of the ore onsite produced argentiferous Cu matte with lesser Pb-Cu matte, Pb bullion, and Ag and Zn ore. Total produced metal is reported as 2.19 Moz silver, 690t zinc, 1,050t lead, 990t copper and 4,500oz gold²¹.

The inefficient smelting technologies of the 19th century led to a significant proportion of the metal being lost to the smelter slag that totals approximately 90,000t on the ML. Rimfire Pacific Mining assessed the remaining slag dumps in 1998 and found them to contain significant silver, zinc, lead and copper²². These grades were used by Macmin Silver in 2004 to calculate a significant silver equivalent resource for the slag dumps²³.

Multiple phases of exploration have been carried out at the Silver Spur Mine. The more recent exploration was undertaken between 2002 and 2012 by Macmin Silver and Alcyone Resources who drilled 5,650m of diamond core, RC and percussion drilling in 84 holes at the Silver Spur mine and the nearby Silver Spur North prospect, reporting significant silver and base metal mineralisation starting in the near surface.

Rimfire published a non-JORC sulphide in-situ resource for Silver Spur sulphide mineralisation²⁴ which Macmin also restated in 2004 as an inferred multi-million ounce silver equivalent resource for Silver Spur¹⁷.

Thomson is compiling and validating historic exploration results that includes compelling untested EM geophysical anomalies adjacent to the Silver Spur Mine that may represent concealed sulphide mineralisation. Thomson will use these validated results as a basis for a JORC 2012 Mineral Resource Estimate for the Silver Spur Mine and to prioritise exploration targets for drill testing.

¹⁸ASX Announcement 12 May 2021 - Thomson Acquires Silver Spur Mine to Complete Consolidation Of The Texas Silver Base Metal District

¹⁹Shaw, J.A. 1967. Geological report- Silver Spur district AtoP317M, Carpentaria Exploration, Geol. Survey QLD

²⁰Ashley, P.M. May 2012. Petrographic Report on Seven Drill Chip Samples from The Texas Area, Southern Queensland. Report #760. For Texas Silver Mines Pty Ltd

²¹Donchak, P.J.T., Bultitude, R.J., Purdy, D.J. & Denaro, T.J., 2007: Geology and mineralisation of the Texas Region, south-eastern Queensland. Queensland Geology, 11.

²²Rimfire Pacific ASX:RIM ASX Releases 30 January & 12 February 1998, Second Quarter Activities Report & Update on the Silver Spur Project ML 5932

²³Macmin Silver ASX:MMN ASX Release 14 July 2004, Texas Project Resource Base Increased To 56 Million Ounces of Silver Equivalent with The Addition of Historic Silver Spur Mining Lease Resources

²⁴Rimfire Pacific ASX:RIM ASX Releases 30 January & 12 February 1998, Second Quarter Activities Report & Update on the Silver Spur Project ML 5932

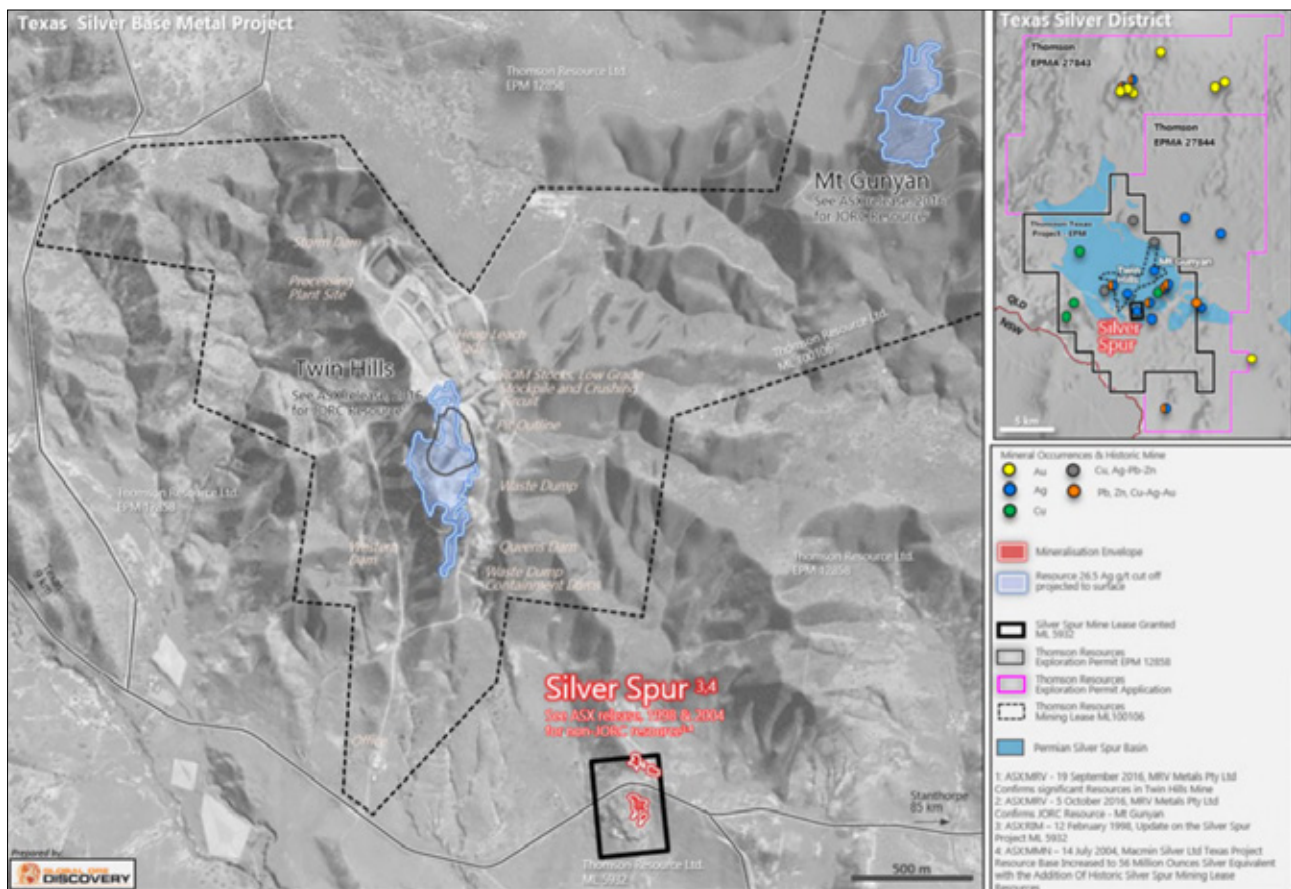
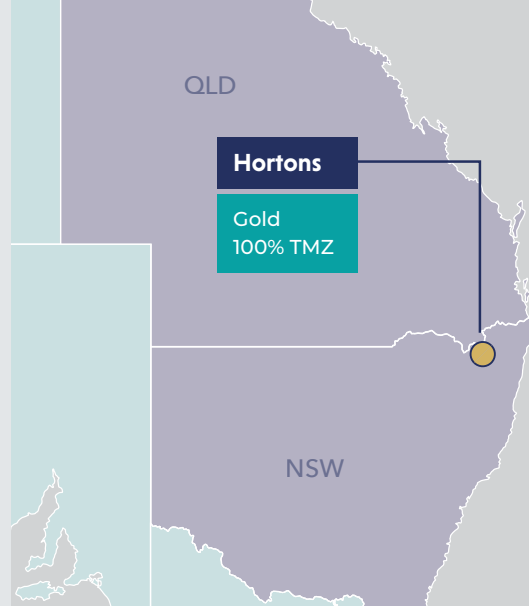


Figure 7: Texas Silver and Base Metal Project, Silver Spur Mine Lease Location

Hortons Gold Project



In August 2020 the Company entered into an agreement to acquire a 100% interest in the Hortons gold project in the New England Fold Belt from Syndicate Minerals Pty Ltd (“Syndicate”) with due diligence completed in October 2020.²⁵ The Hortons Gold Project is situated 30km south east of Tenterfield in Northern NSW and comprises one exploration licence which covers 58km² and has several gold anomalies (Figure 8).

The Project has high potential for Intrusion-Related Gold System (“IRGS”) type gold mineralisation and has a number of gold targets, of which some have historic drilling. Best intercepts were at the Hortons Prospect with 30m at 8.6 g/t Au from 24m depth in HOD100 and 67m at 3.8 g/t Au from 15m depth in RSMPQ4. To date the acquisition of Hortons Gold Project has not completed due to various conditions precedent not being satisfied.

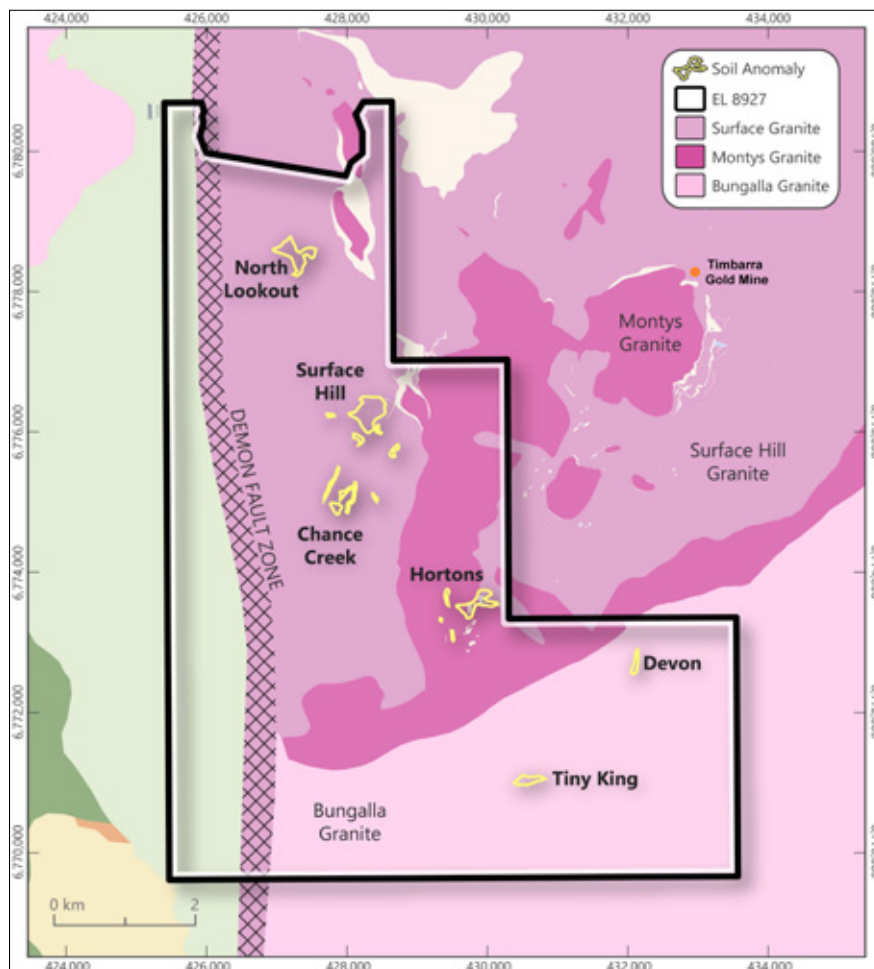


Figure 8: EL8927 showing surface soil and rock chip anomalies

²⁵ASX Announcement 31 August 2020 & ASX Announcement 1 October 2020 - Thomson moving ahead with Hortons Gold Project

Lachlan Fold Belt

Over the period, the Company continued to advance exploration operations at the projects within the Lachlan Fold Belt. The key focus was on the Yalgogrin Gold Project, Harry Smith Gold Project, and the Bygoo Tin Project. The tenement portfolio spans 100km north to south with Thomson looking to implement an earlier stage Hub and Spoke centralised processing strategy in relation to these projects as well.

The expansion of these projects during the period saw Thomson acquiring seven new Explorations Licences in the Lachlan Fold Belt. These new exploration licences in the Lachlan Fold Belt have increased Thomson's landholding to an aggregate of just over 2,360km² (Figure 9).

TENEMENTS ACQUIRED DURING THE PERIOD:^{26,27,28}

- EL9083 Grellman – southeast and adjacent Yalgogrin
- EL9067 Four Mile – southeast and adjacent to Harry Smith
- EL9112 Buggajool – south end of the Yalgogrin granite
- EL9187 Kildary – north of and adjacent to Bygoo
- EL9208 Buddigower – adjacent to Grellman
- EL7896 Barellan – Northwest of Harry Smith (pending completion of acquisition)
- EL9169 Bolaro – Northwest of Harry Smith

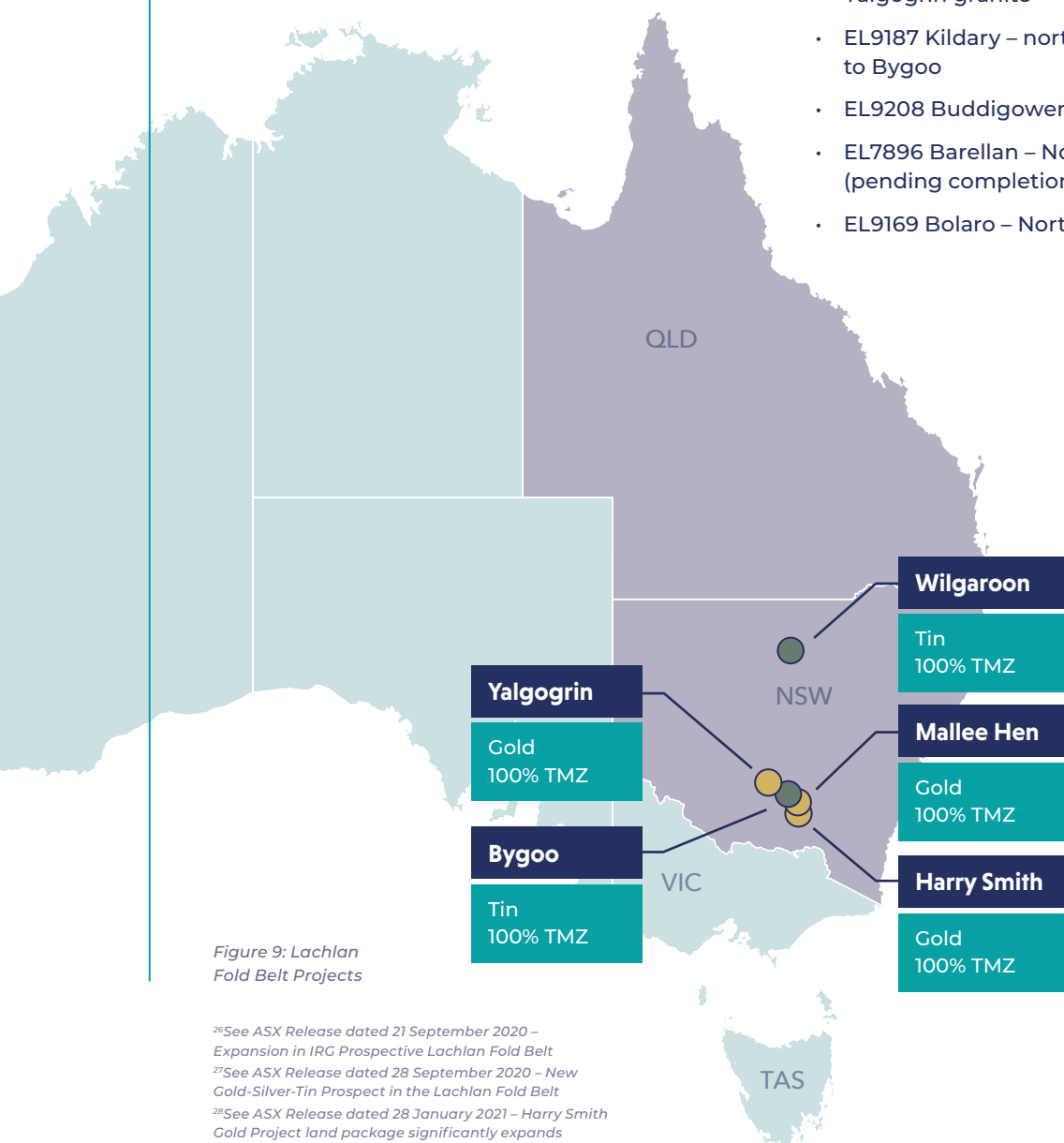


Figure 9: Lachlan Fold Belt Projects

²⁶See ASX Release dated 21 September 2020 – Expansion in IRG Prospective Lachlan Fold Belt

²⁷See ASX Release dated 28 September 2020 – New Gold-Silver-Tin Prospect in the Lachlan Fold Belt

²⁸See ASX Release dated 28 January 2021 – Harry Smith Gold Project land package significantly expands

Yalgogrin Gold Project



The Yalgogrin Gold Field is centred on a major NNW orientated basin margin structure bounding the Yalgogrin intrusive on its western flank. This structure appears to be a sister structure to the crustal-scale Gilmore Fault and is interpreted to connect with it at depth.

During the period, Thomson completed a maiden drill program at the Yalgogrin Gold Project, which consisted of 12 Reverse Circulation (RC) holes drilled at various targets on the tenement, for a total of 1,166m (Figure 10)²⁹.

Holes TGRC1, TGRC5 and TGRC8 targeted areas where limited historic drilling pointed to the possibility of thicker intersections with alteration haloes around quartz veining. Every hole drilled intersected significant gold including:

- TGRC08: 2m at 7.5 g/t Au from 34m depth in an overall intercept of 50m at 0.5g/t Au from surface
- TGRC06: 5m at 10.3 g/t Au from 92m depth;
- TGRC05: 11m at 0.5 g/t Au from 8m depth in an overall intercept of 44m at 0.3g/t Au from surface
- TGRC07: 5m at 0.8 g/t Au from surface
- TGRC10: 4m at 0.8g/t Au from 10m depth in an overall intercept of 28m at 0.3g/t Au from surface
- TGRC11: 9m at 0.8 g/t Au from 5m depth

Thomson undertook the Phase-2 follow up drilling program at Yalgogrin in November/December 2020 with results received in January 2021. The initial July 2020 drilling results demonstrated the potential for both high grade at depth and shallow lower grade oxide potential³⁰. The Phase-2 drilling program was designed to extend the known mineralisation by drilling sections either side of the first drill section and following the mineralisation east and west³¹.

6 RC holes were drilled for an aggregate of 720 metres and successfully extended the Bursted Boulder mineralisation east, west, and down dip; and it is still open in all directions providing targets for further follow up drilling (Figure 11).

The drilling encountered high-grade gold, often within extensive low-grade haloes, but all the highest-grade results lined up on a single plane interpreted to be the projection of the Bursted Boulder shallow historic surface workings. This lode is showing strong continuity and will be targeted for extension in the follow up programs³². Significant results include:

- TGRC 14: 2m at 5.2g/t Au from 80m depth
- TGRC15: 4m at 1.0 g/t Au from 65m depth
- TGRC16: 26m at 0.7g/t Au from 122m depth including 4m at 3.5 g/t Au from 125m
- TGRC17: 9m at 2.5g/t Au from 72m depth including 3m at 6.9g/t Au from 73m
- TGRC18: 4m at 1.5g/t Au from 25m depth

²⁹See ASX Release dated 18 August 2020 – Yalgogrin Gold Results

³⁰See ASX Release dated 18 August 2020 – Yalgogrin Gold results

³¹See ASX Releases dated 19 November 2020 – Yalgogrin Gold Project Phase-2 Drill Program Commences & 3 December 2020 – Harry Smith High Grade Gold Hits Follow Up Drilling Commences

³²See ASX Release dated 19 January 2021 – Yalgogrin Phase-2 Drilling Delivers Strong Gold Results

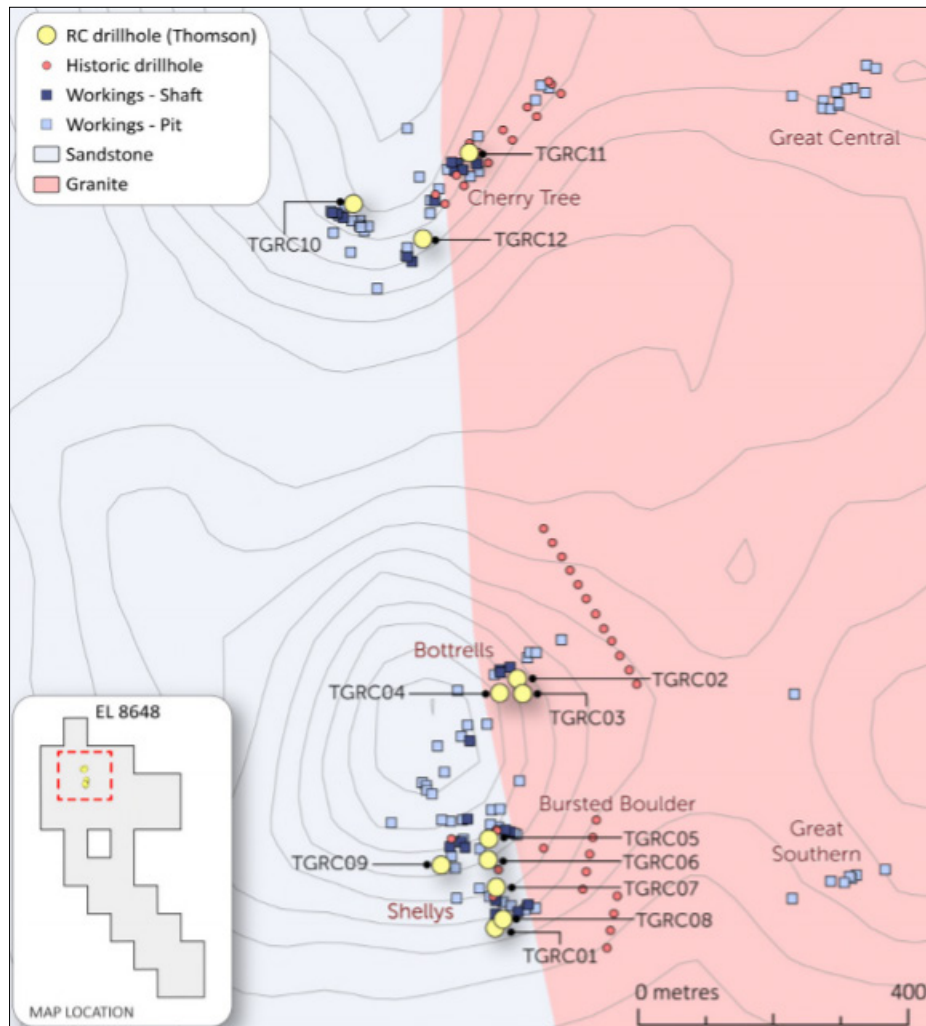


Figure 10: Drilling in the Yalgogrin Gold Field

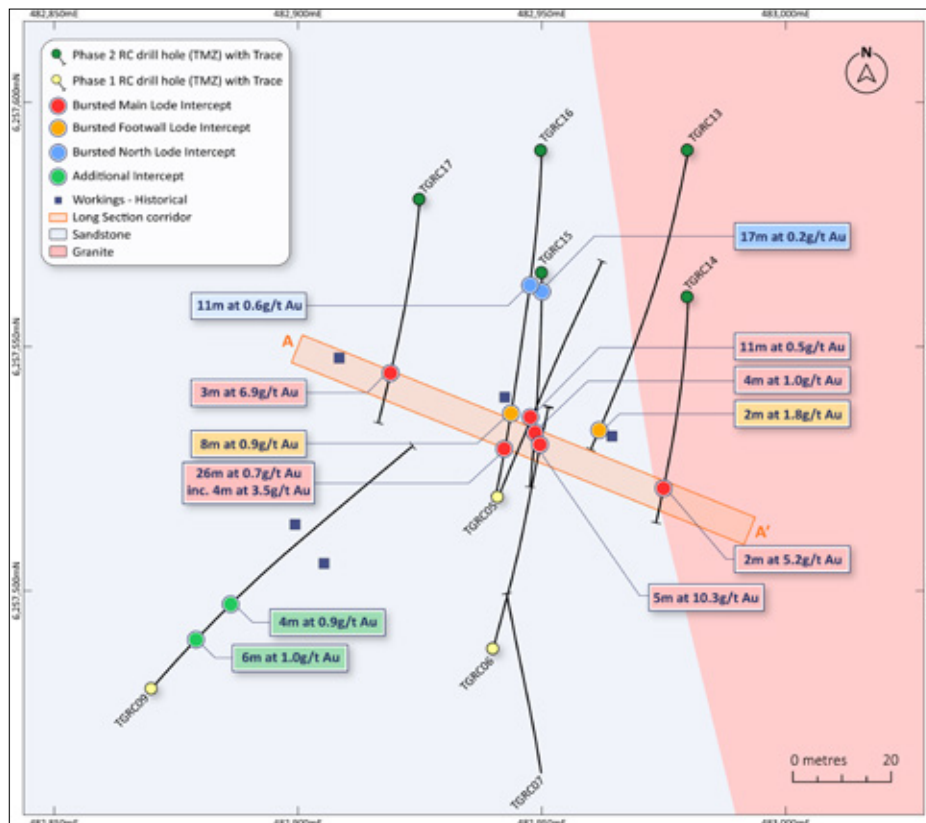


Figure 11: Thomson Resources December 2020 drilling in the Bursted Boulder area. Historic workings shown in blue. Area of Long Section shown in orange.

Harry Smith Gold Project



The tenement holding the Harry Smith Gold Project was granted to Thomson in 2016 and lies 30km south of Ardlathan. Three distinct gold-bearing quartz reefs occur at the Harry Smith prospect – these occur in Ordovician meta-siltstones and sandstones. The mineralisation is thought to be of Intrusion-Related Gold (IRG) type and associated with the nearby Grong Grong granite.

The three lodes defined so far – Golden, Silver and Bronze – are generally parallel and separated by 200m. They define a mineralised corridor running NNW-SSE and drilling outside this corridor has not yielded gold. It also explains the lack of gold joining the Harry Smith old workings to those at Golden Spray and the apparent termination of both of these workings to the SE.

Multiple drill programs were completed during the period at the Harry Smith Gold Project, which were designed to test and extend the known gold zones, probe a possible connection between them and assess the potential 800m strike extent. Drilling was extremely successful with numerous wide high-grade gold intercepts indicating open-pit gold potential. The initial program extended the Silver Spray and Golden Spray lodes to the west and northwest; and connected the Harry Smith lode to the Silver Spray lode (Figure 12). The mineralisation is open to the west and further drilling is planned to extend the lodes in that direction. The phase 3 drilling program was able to successfully extend the mineralised footprint to the west and north-west with a third lode discovered to the north.

SIGNIFICANT INTERCEPTS FOR THE PERIOD INCLUDE (SEE FIGURE 13):^{33,34}

- HSRC18 - 7m at 4.4 g/t Au from 23m depth (within 87m at 0.9 g/t Au from 22m)
- HSRC21 - 5m at 4.1 g/t Au from 21m depth (within 14m at 1.8 g/t Au from 12m)
- HSRC15- 9m at 2.2g/t Au from 69m depth (within 90m at 0.6 g/t Au from 31m)
- HSRC24 - 8m at 2.1 g/t Au from 44m depth (within 18m at 1.3 g/t Au from 35m)
- HSRC27 - 7m at 4.2 g/t Au from 56m depth (within 55m at 0.8 g/t Au from 56m)
- HSRC31 - 8m at 2.0 g/t Au from 94m depth (within 76m at 0.5 g/t Au from 54m)
- HSRC33 - 10m at 1.0 g/t Au from 2m depth (within 18m at 0.8 g/t Au from surface)

³³See ASX Release dated 21 January 2021 - Large Gold System Confirmed at Harry Smith

³⁴ASX Release dated 28 April 2021 - Further Wide Gold Intercepts at Harry Smith

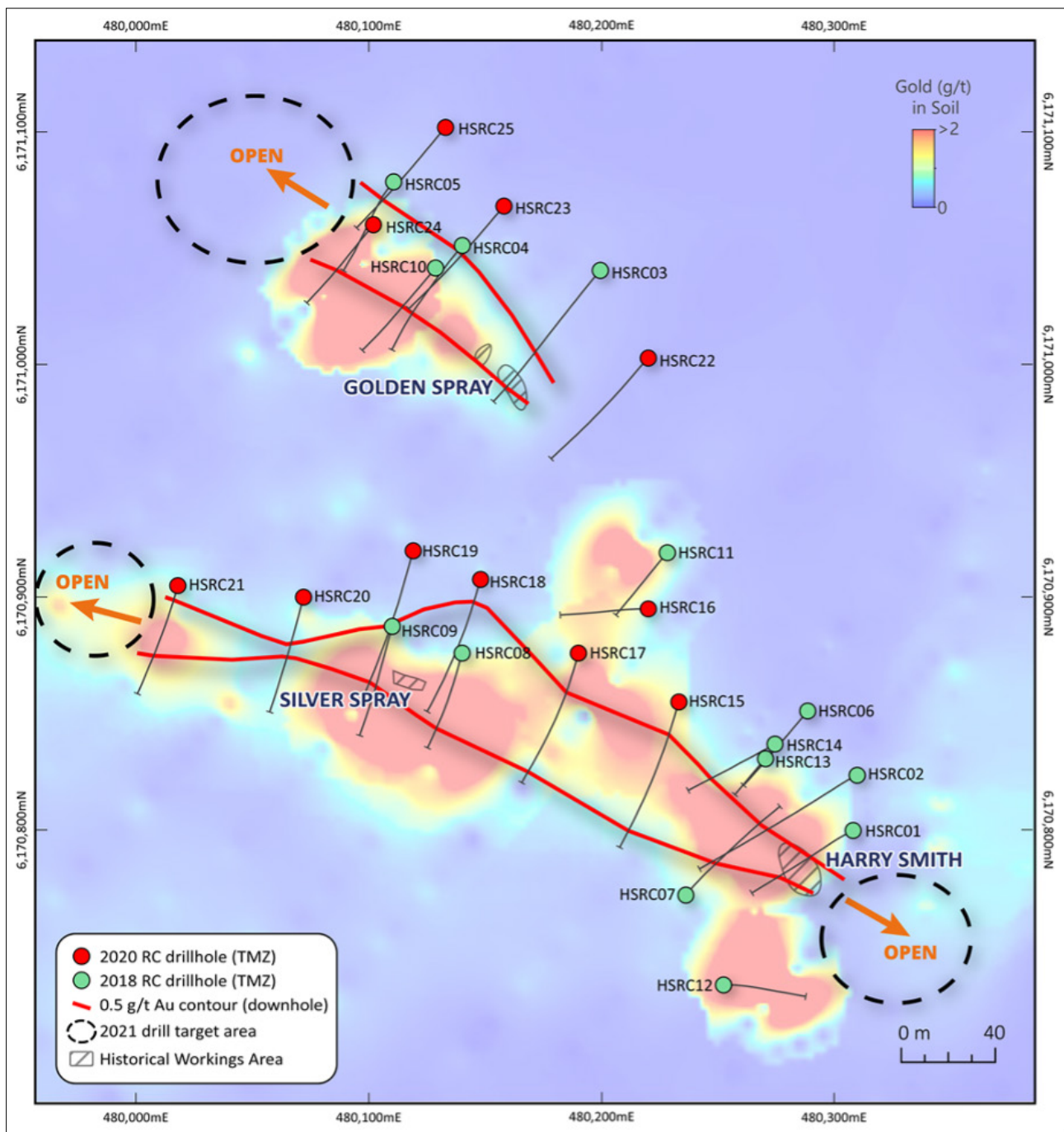


Figure 12: Thomson Resources December 2020 drilling at Harry Smith. Historic workings indicated.

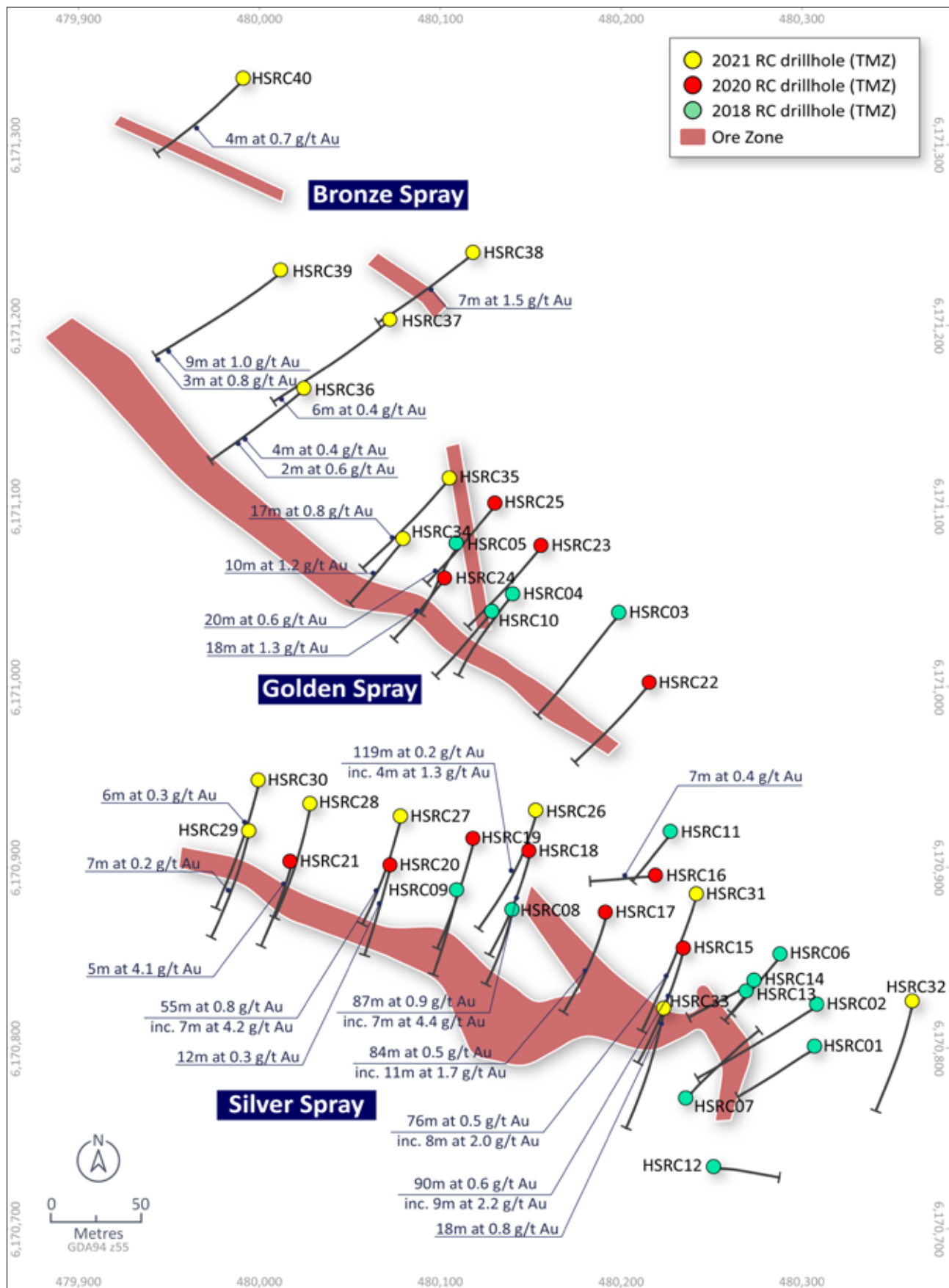
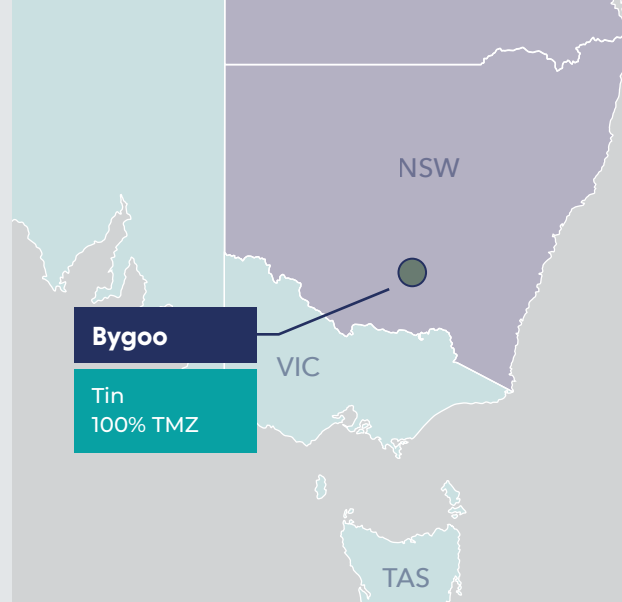


Figure 13: Thomson Resources drilling at Harry Smith gold Project

Bygoo Tin Project



The Bygoo Tin Project was acquired by Thomson in 2015 and lies on the 100% owned EL 8260. There are several early-twentieth century shallow tin workings scattered up to 10km north and south of Ardlethan, and few have been tested with modern exploration.

Drilling at the Bygoo Tin Project recommenced in March 2021 and completed in May 2021 after delays due to weather³⁵ with 11 holes completed for 1,353 metres.³⁶

A major new tin discovery was identified 300m to the northwest of the main area of drilling. Within a broad zone - 118m at 0.43% Sn from 57m depth – several higher-grade zones occur in BNRC69 (Figure 14 and 15) including 19m at 1.0% Sn from 87m. The higher-grade zone contains intervals of quartz rich, tourmaline absent greisen as well as the more common tourmaline bearing greisen. The geometry of this zone is unknown, but it occurs in the cropped paddock, 60m northeast of a line of shallow old workings now reclaimed by bushland. An initial hole, BNRC67, was drilled to test the strike extension of these workings and yielded a weak tourmaline bearing greisen at the target contact of the Ardlethan Granite intrusive contact into older rhyolite with just 3m at 0.1% Sn. Given the presence of strong greisen a decision was made to drill a second hole, BNRC69, to the north-west to make sure the strike extension was fully tested, and this resulted in the discovery.

A further new tin discovery was made just 50m north of the Main Zone with intersections in two holes, BNRC65D - 2.4m at 0.6% Sn and BNRC73 - 23m at 1.4% Sn (Figure 14 and 16). These holes were originally designed to test the Main Zone itself. However, partially due to hole deviation, it actually tested areas further north. An old hole, P380, dating from 1975 drilling by Cominco, had an intersection in this general area - 18m at 0.5% Sn³⁷ – but its location could not be verified. The new “P380” greisen appears to be parallel and offset to the Main Zone.³⁸

The bulk of the drilling program sought to extend and delineate the known Main and Dumbrells Zones and had mixed results. It was partially successful with good extensions for Dumbrells and Main zone. However, holes BNRC66, 70 and 71 either missed or were unable to show continuity of higher-grade mineralisation. On Main Zone holes BNRC65D and 73 it looks like they were pegged slightly too far north and only skimmed the edge of the Main Zone mineralisation. This can be tested in the next drilling program at the end of 2021.

The full program as planned was not completed as there were several major delays – rain, stubble burning and crop sowing. As all four mineralised zones (Main, Dumbrells and the two new discoveries) are still open and more drilling is needed. A comprehensive program is proposed to be carried out at the first opportunity when the current crop is harvested in November 2021.

Given the new discoveries, the Company has decided to delay any resource definition until that drilling program has been undertaken and the full potential of the new greisens can be better understood and incorporated into the planned mineral resource drilling program.

³⁵ASX Release dated 3 May 2021 - Update on Progress of Drilling at Bygoo Tin Project In Lachlan Fold Belt

³⁶ASX Release dated 11 May 2021 - BYGOO TIN PROJECT DRILLING COMPLETED RIG ONSITE AT WILGARROON TIN TARGET

³⁷TMZ – ASX Release dated 13 April 2015 – Thomson Acquires Advanced Tin Project

³⁸ASX Release dated 21 June 2021 - Drilling at Bygoo Tin Project Identifies Multiple New Tin Discoveries

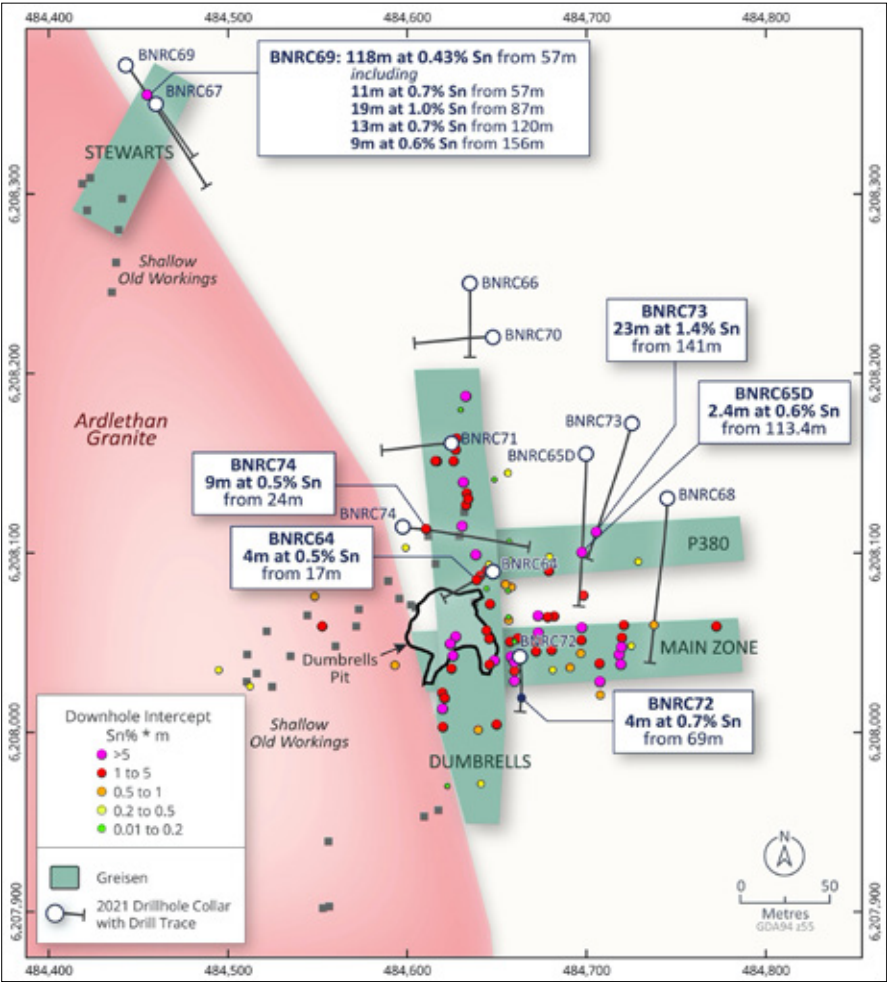


Figure 14: Thomson Resources recent drill results at the Bygoo Tin Project

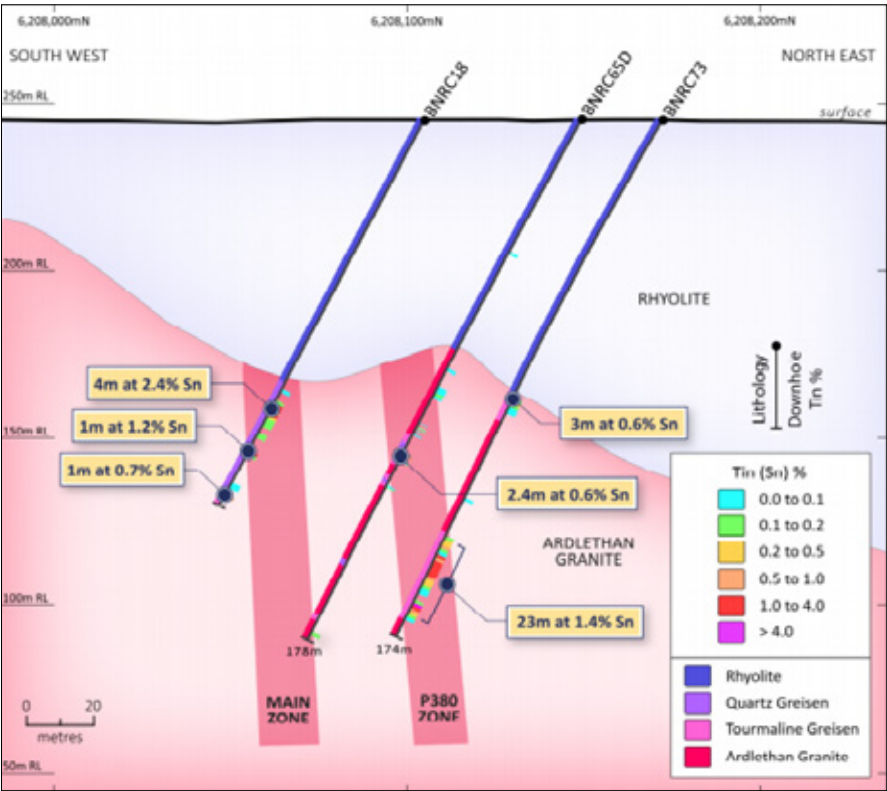


Figure 16: BNRC73 cross section (Note Holes BNRC18 and BNRC65D are projected on to this section).

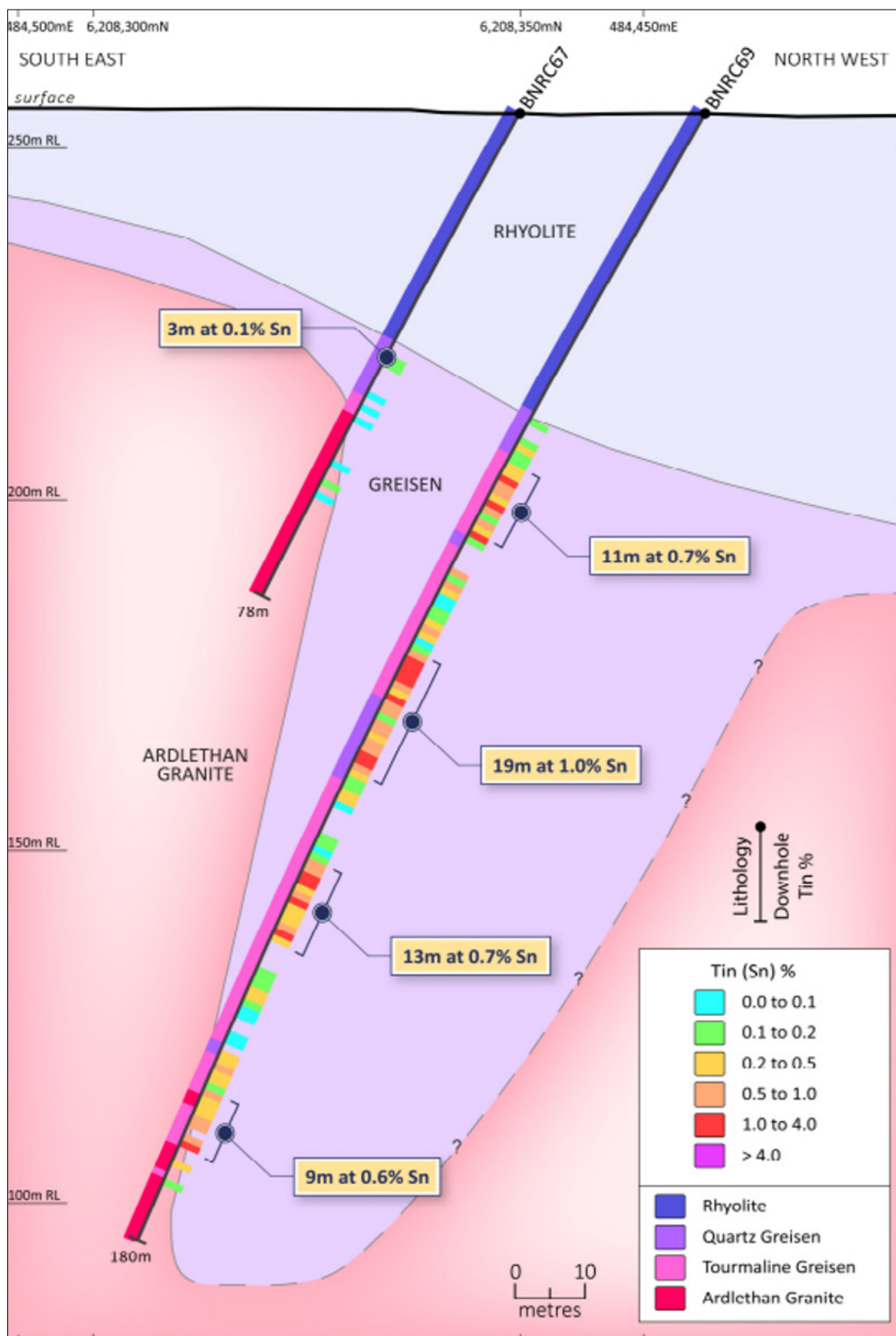
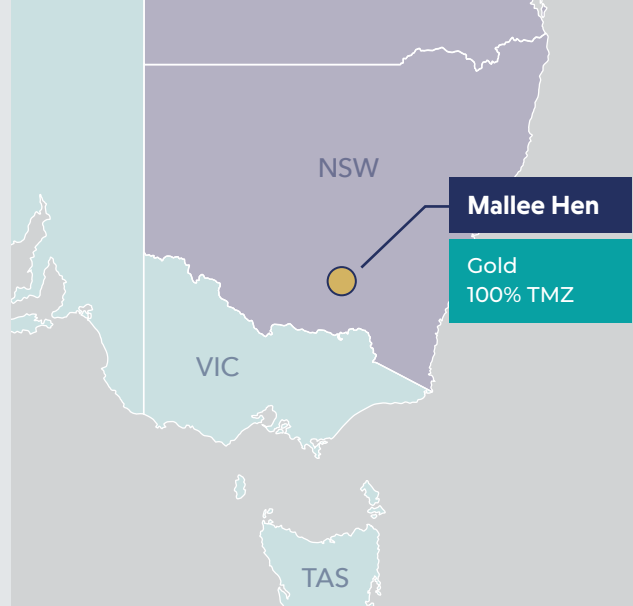


Figure 15: BNRC69 cross section



Mallee Hen

The historic Mallee Hen mine lies 18km south of Ardlethan and was worked up until 1917. Described as “exceptionally rich” in contemporary reports, the quartz vein was worked with 2 shafts and on four levels to a depth of 52m and recorded production was over 5,000 ounces of gold (Mines Report No. 1460). The geology is similar to Harry Smith with gold hosted by quartz veining and silica alteration of Ordovician metasediments.

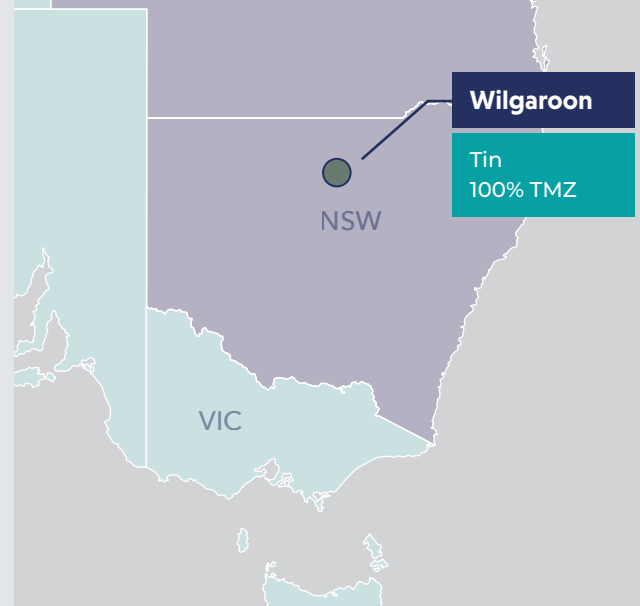
The maiden drilling program at the Mallee Hen gold prospect, which is 15km NE of the Company’s Harry Smith gold project, was conducted by Australian Mineral & Waterwell Drilling (“AMWD”) rig 1 during the period with 7 holes for an aggregate of 759 metres of shallow RC drilling.³⁹

Drilling at Mallee Hen was designed to test for further gold mineralisation around the historic workings. Gold mineralisation was intersected in six of seven holes but was only weak or narrow. The best intersection was 1m at 1.1 g/t Au in drill hole MHRC05. No further drilling is planned at Mallee Hen, but the general area is prospective for gold with many indications of potential mineralisation in the area. Regional exploration is planned together with follow up drilling at the Company’s flagship gold project at Harry Smith when the crops are off the ground in late 2021 and early 2022.⁴⁰

³⁹ASX Announcement 03 Mar 2021 - Drill Rig Mobilised to NSW Tin Projects in Lachlan Fold Belt

⁴⁰ASX Release dated 22 June 2021 - Update on Mallee Hen Gold, Cobar Tin/Tungsten Drilling and Texas Silver Acquisition

Wilgaroon Tin-tungsten Project



One hole was completed at the Wilgaroon tin-tungsten Project during the period, to a depth of 402.6m, with diamond drilling from 174m after an RC pre-collar was installed.⁴¹ The target was broadly Ardlethan style granite roof top hosted mineralisation, as the Wilgaroon granite is of very similar age and has very similar chemistry to the Ardlethan granite.

A wide zone of tin-tungsten low grade mineralisation was intersected, associated with a swarm of granitic dykes. These are intruded into Ordovician shales and fine sandstones. This is very similar to the intercepts in the previous hole 96DD01, although of lower grade and intensity.

The drilling confirmed a large (450m strike length, open at both ends) mineralised tin-tungsten zone. The Wilgaroon granite is dated at 408 million years old $\pm 16\text{my}$ (Fraser et al 2013), which is similar to, or within laboratory error of, the Ardlethan Granite which is 410 my old $\pm 2.5\text{ my}$ (Ren et al. 1995). This timing is at the transition from the Silurian era to the Devonian, a period of strong rock deformation and igneous intrusion. Both granites are part of the Wagga Tin Belt which is over 400km long, has numerous tin and tungsten (and gold) showings and extends into Victoria. Wilgaroon is the northernmost granite known in the belt. The Wagga Tin Belt is itself part of the Lachlan Orogen.

⁴¹ASX Release dated 22 June 2021 - Update on Mallee Hen Gold, Cobarr Tin/Tungsten Drilling and Texas Silver Acquisition

Other Projects

Chillagoe Gold Project

During the period, Thomson entered into a binding agreement with Bacchus Resources Pty Ltd ("Bacchus") to acquire a 90% interest in the Chillagoe gold project area.⁴²

The Queensland Gold Project is located near Chillagoe in Far North Queensland, 150km west of Cairns. It lies 30km west of Chillagoe near the Mungana, Red Dome and King Vol mining operations. The Project comprises 5 granted Exploration Permits and 1 Exploration Permit Application covering 593 square kilometres.

The Company completed auger drilling, with 465 samples obtained from 10 prospect areas (Figure 17).⁴³ The purpose of this program is to assist in the understanding of the potentiality for other minerals in the Project area and assist in planning the RC drill program to be undertaken in the 2021 dry season.

Thomson identified a 1km long magnetic anomaly at Laverock in the southern part of the area and four lines of auger sampling took place across it. At the end of one of the lines was a shallow old pit which had visible copper mineralisation. This rock chip assayed 16.0 g/t Au, 64 g/t Ag, 20% Cu, W 0.4%.⁴⁴ Anomalies occurred on all four soil sampling lines with up to 75 ppb Au, Cu 1.5%, Bi 0.5%. Gold anomalies occurred on all lines and follow up is being planned.

Thomson's soil sampling at Borderline highlighted two separate, parallel, gold anomalies. The four main costeans were trenched over the western lode, however the best result in Thomson's work came from the eastern lode with 0.3 g/t Au, 125 g/t Ag, 2.5% Pb, 1% Sb in one sample.

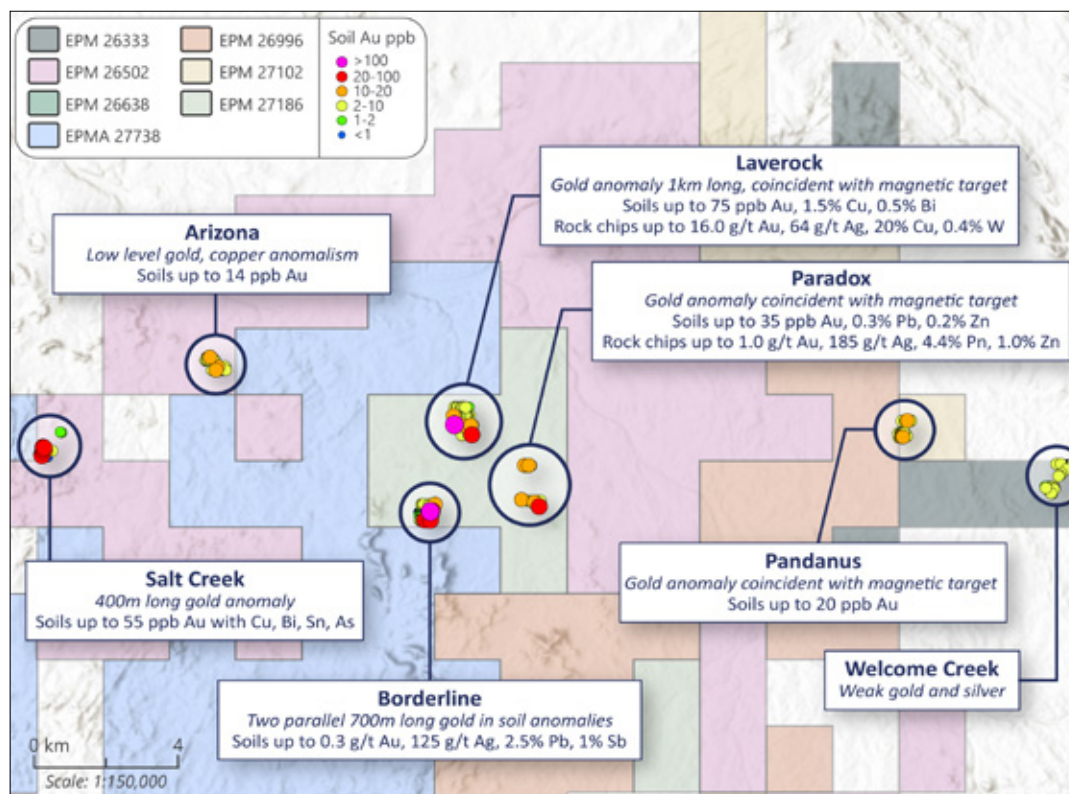


Figure 17: Chillagoe Soil Auger Target summary

⁴²ASX Release dated 22 June 2021 - Update on Mallee Hen Gold, Cobarr Tin/Tungsten Drilling and Texas Silver Acquisition

⁴³ASX Release dated 10 August 2020 - Company Update

⁴⁴ASX Release dated 3 December 2020 - Harry Smith High Grade Gold Hits Follow Up Drilling Commencing

⁴⁵ASX Release dated 17 February 2021 - Chillagoe Auger Drilling Produces Strong Gold, Silver and Copper Targets

Cannington Silver Project

In November 2020 Thomson announced that it had submitted an EPM application for 6-blocks located 10km west of the Cannington Silver mine owner by South32 (ASX: S32) and was designated EPM27742.⁴⁵

In the same month Thomson entered into a binding term sheet to acquire 100% of Caesar Resources Pty Ltd which holds EPM27530, covering approximately 90km² of land within the same area near the Cannington Silver mine in Queensland and by December 2020 the acquisition was complete providing Thomson with a collective land package of 111.5km² in this prolific silver region (Figure 18).⁴⁶

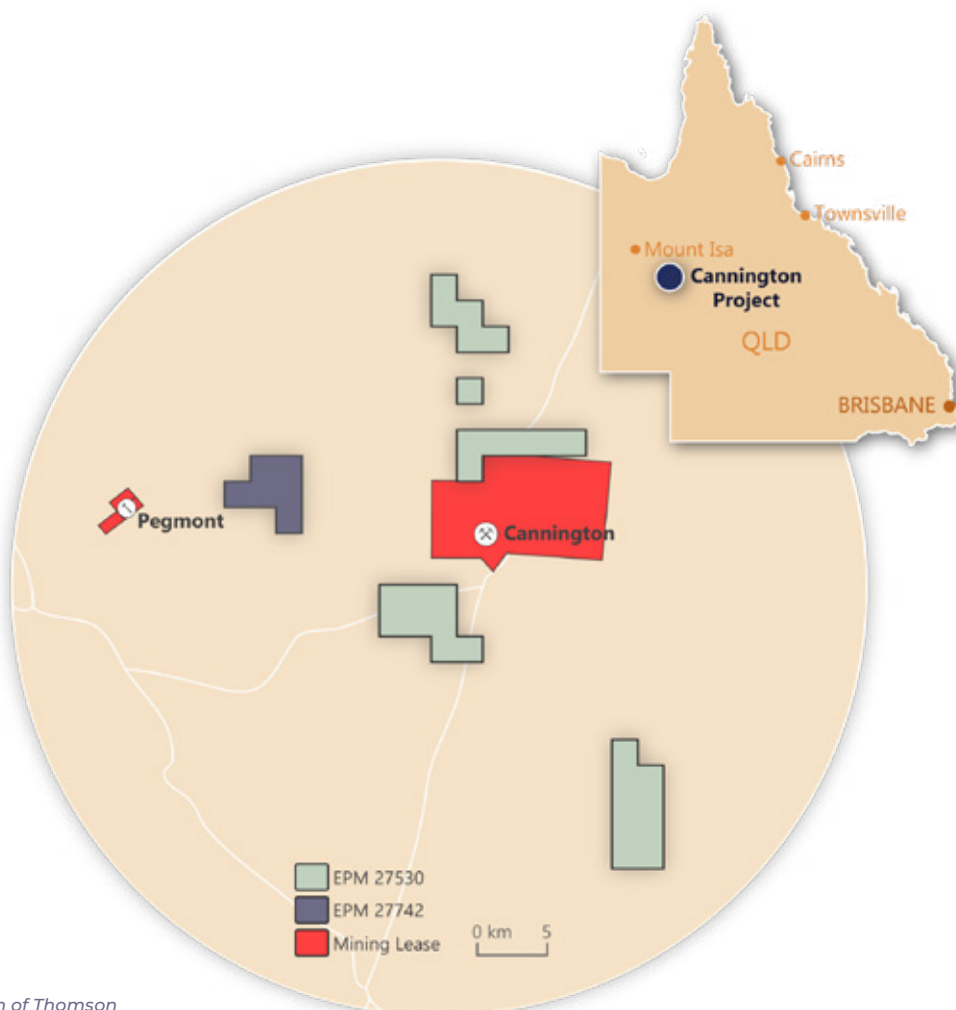


Figure 18: Location of Thomson Tenement Package (EPM 27742 & 27530)

⁴⁵See ASX Releases dated 5 November 2020 - New Land Pegged 10km from Cannington Silver Mine

⁴⁶See ASX Release dated 16 November 2020 Thomson Portfolio Grows with Acquisition of Silver Permit Surrounding Cannington & ASX Release dated 4 December 2020 - Completion of Cannington Silver Tenement Acquisition

Mineral Resource Statement

Conrad Silver Project⁴⁷

The Conrad Mineral Resource estimate is reported as an Indicated and Inferred Mineral Resource in accordance with the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves 2012 (JORC Code).

The JORC 2012 Mineral Resource, developed by AMC Consultants Pty Ltd (AMC) assumes mining by conventional open pit and underground

narrow width stopping methods for the Conrad deposit, defining a total combined indicated and inferred resource of 3.33 Mt at 193 g/t AgEq for a total of 20.72 Moz AgEq. Reasonable prospects for eventual economic extraction for the Conrad Mineral Resource estimate have been assessed by AMC through consideration of possible mining and processing scenarios.

2021 Conrad mineral resource estimate reported within an optimised pit (2.0 Revenue factor) and an ag eq value >= 40 g/t for op material and within mineable zones with no ag eq cut-off for ug material

Area	Resource Classification	Tonnage (Mt)	Grade						Metal					
			Silver Equivalent (g/t Ag Eq)	Silver (g/t Ag)	Copper (% Cu)	Lead (% Pb)	Tin (% Sn)	Zinc (% Zn)	Silver Equivalent (Moz Ag Eq)	Silver (Moz Ag)	Copper (kt Cu)	Lead (kt Pb)	Tin (kt Sn)	Zinc (kt Zn)
Open Pit	Indicated	1.66	163	66	0.08	1.01	0.16	0.67	8.72	3.53	1.38	16.77	2.62	11.19
	Inferred	0.74	125	54	0.08	0.74	0.12	0.39	2.96	1.27	0.58	5.42	0.9	2.87
	Total OP	2.4	152	62	0.08	0.93	0.15	0.59	11.68	4.80	1.92	22.3	3.6	14.15
Underground	Indicated	0.2	300	136	0.24	1.87	0.27	0.65	1.93	0.87	0.48	3.75	0.55	1.3
	Inferred	0.74	300	150	0.17	2.03	0.22	0.72	7.11	3.56	1.26	14.97	1.63	5.31
	Total UG	0.94	300	147	0.19	2.00	0.23	0.71	9.04	4.43	1.78	18.73	2.15	6.65
Total	Indicated	1.86	178	74	0.10	1.10	0.17	0.67	10.65	4.40	1.86	20.47	3.16	12.47
	Inferred	1.47	213	102	0.12	1.38	0.17	0.55	10.07	4.83	1.77	20.34	2.51	8.11
	Total	3.33	193	86	0.11	1.22	0.17	0.62	20.72	9.23	3.67	40.68	5.67	20.67

Note: The Conrad MRE utilises a 40 g/t Ag equivalent cut-off within an optimised pit (2.0 revenue factor) for the portion of the deposit likely mined by open pit and no Ag equivalent cut-off within mineable zones for the underground portion of the deposit. Totals may not add up due to rounding.

The Ag equivalent formula used the following metal prices, recovery and processing assumptions: Using an exchange rate of US\$0.73, Ag price A\$38/oz, Zn price A\$4,110/t, Pb price A\$3,014/t, Cu price A\$13,699/t, Sn price A\$41,096, recoveries of 90% for Ag, Pb, Zn, Cu and 70% for Sn.

Ag Equivalent (AgEq) was calculated using the formula $AgEq = Ag\ g/t + 24.4 * Pb(\%) + 111.1 * Cu(\%) + 33.3 * Zn(\%) + 259.2 * Sn(\%)$ based on metal prices and metal recoveries into concentrate.

Mt Paynter Tin and Tungsten Project⁴⁸

The Mt Paynter exploration licence (EL 8392) was granted in late 2015. The EL covers a significant tin-tungsten (Sn-W) occurrence at Mt Paynter in southern NSW. A small Inferred JORC 2004 Resource was defined on the Main Lode in 2007. This comprises 245,000 tons grading 0.45% tungsten and 0.27% tin (1100 tons of tungsten and 660 tons of tin). This information was prepared and first disclosed under the JORC

Code 2004. It has not been updated since to comply with the JORC Code 2012 on the basis that the information has not materially changed since it was last reported. There are prospects for additional mineralisation on the main lode with potential to extend to the east and west as well as down dip. The area was significantly affected in the bushfires of 2019-20 and access has been affected.

⁴⁷ASX Announcement 11 August 2021 - 20.7 Moz Silver Equiv Mineral Resource Estimate for Conrad

⁴⁸ASX Announcement 28 October 2015 - Quarterly Activities Report

Sustainability

In 2020, Thomson made a commitment to commence Environmental, Social, and Governance (ESG) reporting against the World Economic Forum (WEF) universal ESG framework.

The World Economic Forum has defined common metrics in a core set of disclosures for organisations to align their mainstream reporting on performance against ESG indicators.

To track disclosure progress and demonstrate sustainability performance against the WEF ESG framework, Thomson Resources is utilising the ESG Go disclosure platform from Socialsuite. ESG progress and disclosures will be captured under the four pillars of the WEF ESG framework: Governance, Planet, People, and Prosperity (Figure 19). Thomson has undertaken a baseline assessment and will be commencing disclosure reporting during FY22.

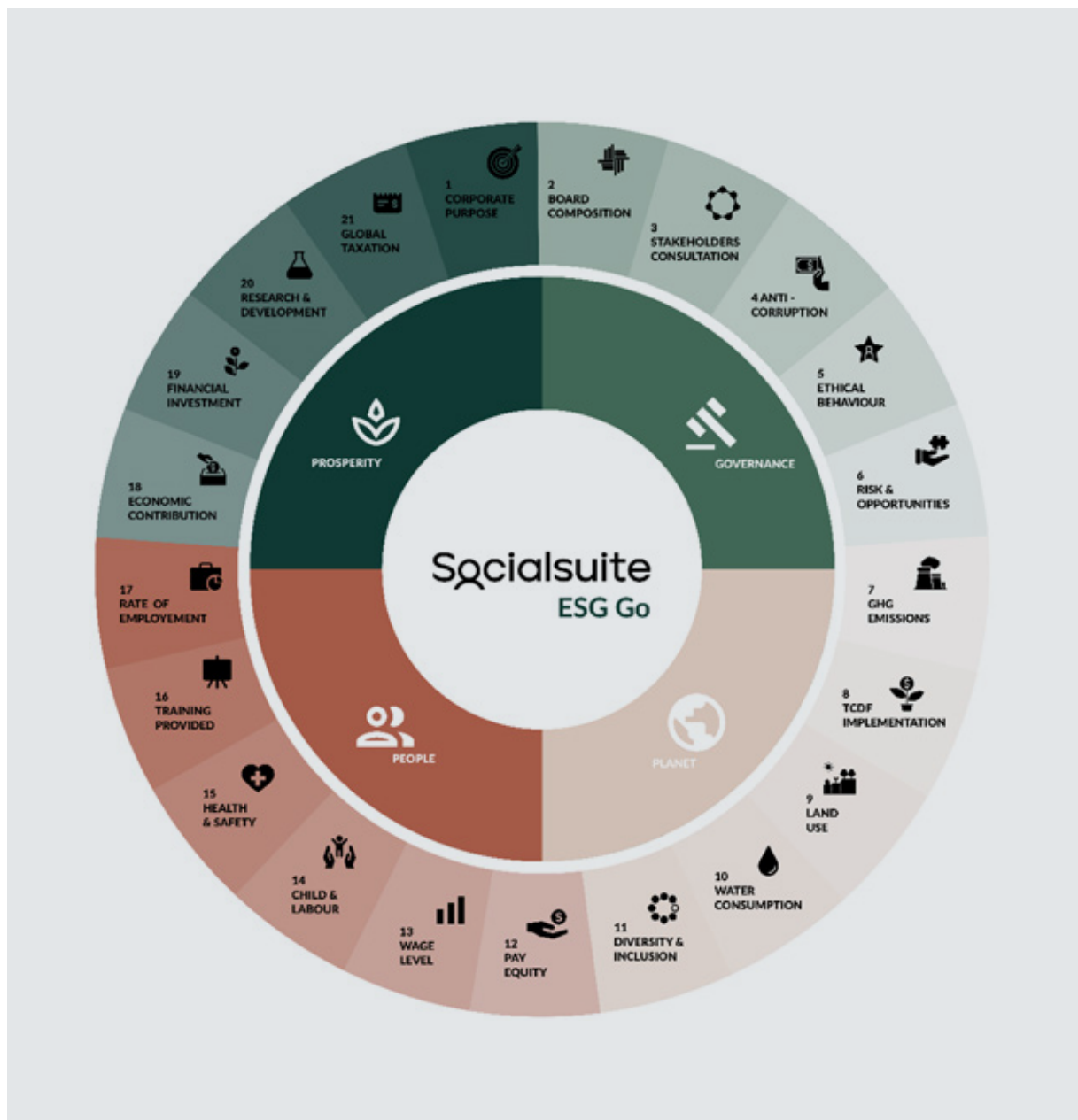


Figure 19: Socialsuite ESG Go Four Pillars

Schedule of Tenements

Name	Title	Owns	Note	Holder at 8 th September 2021
Lachlan Fold Belt NSW				
Havilah	EL7391	100%	Silver Mines Limited (SVL) can earn 80%	Thomson Resources Ltd
Barellan	EL7896	100%	Transfer of Interest to Thomson - pending	Carpentaria Resources Ltd
Toburra	EL8011	100%		Thomson Resources Ltd
Wilga Downs	EL8136	20%	DevEX Resources Limited (DEV) has earned 80%	Thomson Resources Ltd
Bygoo	EL8260	100%		Riverston Tin PL
Mt Paynter	EL8392	100%		Thomson Resources Ltd
Frying Pan	EL8531	100%	Is subject to a "Right of First Refusal and Offtake Agreement" for tin with a private investor	Thomson Resources Ltd
Yalgogrin	EL8684	100%		Thomson Resources Ltd
Gibsonvale	EL8946	100%		Thomson Resources Ltd
Four Mile	EL9067	100%		Thomson Resources Ltd
Grellman	EL9083	100%		Thomson Resources Ltd
Buggajool	EL9112	100%		Thomson Resources Ltd
Kildary	EL9187	100%		Thomson Resources Ltd
Buddigower	EL9208	100%		Thomson Resources Ltd
Bolaro	EL9169	100%		Thomson Resources Ltd
New England Fold Belt Hub and Spoke				
Webbs	EL5674	100%	Transfer of Interest to Webbs Resources PL - pending	Silver Mines Ltd
Conrad	EL5977	100%		Conrad Resources PL
	EPL1050	100%		Conrad Resources PL
	ML5992	100%		Conrad Resources PL
	ML6040	100%		Conrad Resources PL
	ML6041	100%		Conrad Resources PL
Hortons	EL8927	0%	Transfer of Interest to Thomson - pending	Syndicate Minerals PL
Sandy Hill	ELA6215	100%		Thomson Resources Ltd
MacDonald	EPM 27843	0%	Pending application	Thomson Resources Ltd
Arcot	EPM 27844	0%	Pending application	Thomson Resources Ltd
Texas – Mt Gunyan	EPM 8854	100%		Thomson Resources Ltd
Texas - Dumaresq	EPM 11455	100%		Thomson Resources Ltd
Texas - Oakey Creek	EPM 12858	100%		Thomson Resources Ltd
Texas – Clover Corner	EPM 18950	100%		Thomson Resources Ltd

Schedule of Tenements

Texas - Glengunyah	EPM 26275	100%		Thomson Resources Ltd
Texas – Twin Hills	ML 100106	100%		Thomson Resources Ltd
Cannington				
Brumby	EPM 27742	100%		Thomson Resources Ltd
Cannington	EPM 27530	100%		Caesar Resources PL
Chillagoe				
South Vol	EPM 26333	90%		Thomson Resources Ltd 90% Bacchus Resources PL 10%
Loretta	EPM 26502	90%		Thomson Resources Ltd 90% Bacchus Resources PL 10%
Williamstown	EPM 26638	90%		Thomson Resources Ltd 90% Bacchus Resources PL 10%
Mammoth	EPM 26996	100%	Pending application - To be transferred to Thomson Resources on grant	Bacchus Resources PL
West Vol	EPM 27102	90%		Thomson Resources Ltd 90% Bacchus Resources PL 10%
Simpsons South	EPM 27186	90%		Thomson Resources Ltd 90% Bacchus Resources PL 10%
Cardross	EPM 27738	0%	Pending application	Thomson Resources Ltd

EL = Exploration Licence

ELA = Exploration Licence Application

EPM = Exploration Permit Minerals

EPL = Exploration Prospecting Licence

ML = Mining Licence

Directors' Report

Your Directors submit their report for the year ended 30 June 2021.

DIRECTORS

The names and details of the Company's Directors in office during the financial year and until the date of this report are as follows. Directors were in office for this entire period unless stated.

Director	Qualifications and Experience
David Williams Executive Chairman	<p><i>Appointed 31 July 2019</i></p> <p>David Williams is an experienced executive, having been the Managing Director of Marmota Limited, a gold, copper and uranium explorer in SA, the former Chairman of Lithex Resources Limited, a graphite and nickel explorer, and former President of Heathgate Resources Pty Ltd, the owner and operator of the Beverley uranium mine in South Australia. He also held the position of Managing Director of a number of ASX listed and unlisted companies in various sectors and brings over 20 years of experience in the energy and resource industry. This has included a number of minerals companies in exploration, production, developing new mines and reviewing commerciality of existing operations. Energy sector experience has ranged from operation and expansion of gas transport infrastructure, buying and selling gas, exploration and production of oil and gas. David has demonstrated ability to develop and implement major strategic directional changes including capital raising, acquisitions and mergers, cost and labour reductions.</p> <p>During the past three years David has also served as a director of the following listed companies:</p> <ul style="list-style-type: none"> Indiana Resources Limited – appointed 2 November 2020 (resigned 1 June 2021)
Richard Willson B.Acc, FCPA, FAICD Non-Executive Director & Company Secretary	<p><i>Appointed 31 July 2019</i></p> <p>Richard Willson is an experienced, Non-Executive Director, Company Secretary and CFO with more than 20 years' experience with both publicly listed and private companies. Richard has a Bachelor of Accounting from the University of South Australia, is a Fellow of CPA Australia, and a Fellow of the Australian Institute of Company Directors.</p> <p>He is a Non-Executive Director of Titomic Limited (ASX:TTT), AusTin Mining Limited (ASX:ANW), Thomson Resources Ltd (ASX:TMZ), PNX Metals Limited (ASX:PNX), 8IP Emerging Companies Limited (ASX:8EC), Unity Housing Company Ltd and Variety SA; and Company Secretary of a number of ASX Listed Companies. Richard is the Chairman of the Audit Committee of Titomic Limited, AusTin Mining Limited, and Unity Housing Company, and is the Chairman of the Remuneration & Nomination Committee of Titomic Limited.</p> <p>During the past three years Richard has also served as a director of the following listed companies:</p> <ul style="list-style-type: none"> Titomic Limited – appointed 27 May 2017 AusTin Mining Limited – appointed 18 January 2013 1414 Degrees Limited – appointed July 2020 (resigned May 2021)

Directors' Report

Eoin Rothery MSc MAIG, RPGeo	<i>Appointed 8 July 2010</i>
Technical Director	<p>Eoin was educated at Trinity College, Dublin, Ireland and spent 10 years in the resources industry there exploring for copper, zinc, uranium, gold and silver, before emigrating to Australia in 1989. Near-mine exploration followed at the major base metal deposits of Broken Hill and Macarthur River. Moving to WA in 1997, Eoin supervised the drill out and resource estimation of the first million ounce underground gold resource at Jundee Gold Mine. At Consolidated Minerals from 2001 Eoin was in charge of the successful manganese exploration at Woodie, that discovered 15 million tons of ore, increasing both the mine life and resource base 4-fold, as well as managing successful iron ore, chromite and nickel exploration. Eoin was Managing Director of ASX listed India Resources Limited (IRL) for three years from start up in October 2006. IRL's Surda copper mine broke a 50 year production record in its first full year of production. Eoin has led Thomson Resources since 2009, through the initial IPO and the Bygoon tin discovery to the current gold exploration.</p> <p>During the past three years Eoin has not served as a director of any other listed companies.</p>

COMPANY SECRETARY

Richard Willson	<i>Experience and qualifications included in table above.</i>
------------------------	---------------------------------------------------------------

DIRECTORS' INTERESTS IN SHARES AND OPTIONS

As at the date of this report, the interests of the Directors in the shares and options of the Company were:

	Shares directly and indirectly held	Options	Performance Rights
E Rothery	4,156,500	3,351,667	3,750,000
D Williams	2,000,000	333,333	3,750,000
R Willson	2,000,000	333,333	3,750,000

PRINCIPAL ACTIVITIES

The principal activity of the consolidated entity is exploration for the discovery and delineation of high-grade base and precious metal deposits particularly within NSW and the development of those resources into cash flow generating businesses.

RESULTS

The net result of operations of the consolidated entity after applicable income tax expense was a loss of \$3,469,090 (2020: loss \$462,983).

DIVIDENDS

No dividends were paid or proposed during the period.

REVIEW OF OPERATIONS

A review of the operations of the Company during the financial period and the results of those operations commence on page 6 in this report.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

The Directors are not aware of any significant changes in the state of affairs of the Group occurring during the financial period, other than as disclosed in this report.

Directors' Report

SIGNIFICANT EVENTS AFTER THE BALANCE DATE

Since 30 June 2021, the Company:

- Has executed the definitive agreement with private company Cubane Partners Pty Ltd for Thomson's acquisition of 100% of ML 5932, that covers the Silver Spur Mine. The Agreement replaces the Terms Sheet entered into by the parties on 10 May 2021 (see ASX announcement 10 August 2021),
- Announced an updated Indicated and Inferred Mineral Resource estimate in accordance with JORC 2012 for the 100% owned Conrad silver polymetallic project (see ASX announcement 11 August 2021),
- Completed the acquisition of 100% of the Texas Silver Project (see ASX announcement 18 August 2021),
- Held a general meeting of shareholders at which a number of resolutions approving of the issue of shares and options were carried (see ASX announcement 20 September 2021),

There are no other matters or circumstances that have arisen that may significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group, in future financial years.

LIKELY DEVELOPMENTS AND EXPECTED RESULTS

As the Company's areas of interest are at an early stage of exploration, it is not possible to postulate likely developments and any expected results. The Company is hoping to establish resources from some of its current prospects and to identify further base and precious metal targets.

SHARES UNDER OPTION OR ISSUED ON EXERCISE OF OPTIONS

Details of unissued shares or interests under option for Thomson Resources Ltd as at the date of this report are:

No. shares under option	Class of share	Exercise price of options	Expiry date of options
8,000,000	Ordinary	\$0.06	30 Nov 21
4,666,667	Ordinary	\$0.03	30 Nov 22
2,250,000	Ordinary	-	26 Apr 22
3,000,000	Ordinary	-	26 Nov 23
32,567,916	Ordinary	\$0.20	29 Mar 24
6,862,204	Ordinary	\$0.10	25 Nov 23
3,000,000	Ordinary	-	12 Apr 23
3,000,000	Ordinary	-	12 Apr 24
57,500,000	Ordinary	\$0.124	30 Mar 24
120,846,787			

The holders of these options do not have the right, by virtue of the option, to participate in any share issue of the Company or of any other body corporate or registered scheme.

Refer to Note 13 to the financial statements for details of options and performance rights issued during the year.

INDEMNIFICATION AND INSURANCE OF DIRECTORS AND OFFICERS

Indemnification

The Company has, except as may be prohibited by the Corporations Act 2001, every officer or agent of the Company shall be indemnified out of the property of the entity against any liability incurred by him or her in their capacity as officer or agent of the Company or any related corporation in respect of any act or omission whatsoever occurring or in defending any proceedings, whether civil or criminal.

Insurance Premiums

During the financial period the Company has paid premiums to insure each of the directors and officers against liabilities for costs and expenses incurred by them in defending any legal proceedings arising out of their conduct while acting in the

Directors' Report

capacity of director or officer of the Company, other than conduct involving a wilful breach of duty in relation to the Company.

The premiums paid are not disclosed as such disclosure is prohibited under the terms of the contract.

ENVIRONMENTAL PERFORMANCE

Thomson Resources holds exploration licences issued by New South Wales Department of Industry – Resources and Energy, which specify guidelines for environmental impacts in relation to exploration activities. The licence conditions provide for the full rehabilitation of the areas of exploration in accordance with the Department's guidelines and standards. There have been no significant known breaches of the licence conditions.

REMUNERATION REPORT (AUDITED)

This remuneration report for the year ended 30 June 2021 outlines the remuneration arrangements of the Company and the Group in accordance with the requirements of the Corporations Act 2001 (the Act) and its regulations. This information has been audited as required by section 308(3C) of the Act.

The remuneration report details the remuneration arrangements for key management personnel (KMP) who are defined as those persons having authority and responsibility for planning, directing and controlling the major activities of the Company and the Group, directly or indirectly, including any director (whether executive or otherwise) of the parent company.

Details of Key Management Personnel (KMP)

Details of KMP including the top five remunerated executives of the Group are set out below.

Directors	
D Williams	Executive Chairman
E Rothery	Technical Director
R Willson	Non-Executive Director and Company Secretary

Remuneration Philosophy

The objective of the Company's remuneration framework is to ensure reward for performance is competitive and appropriate for the results delivered. The framework aligns executive reward with achievement of strategic objectives and the creation of value for shareholders. The Board believes that executive remuneration satisfies the following key criteria:

- Competitiveness and reasonableness.
- Acceptability to shareholders.
- Performance linkage/alignment of executive compensation.
- Transparency.
- Capital management.

These criteria result in a framework which can be used to provide a mix of fixed and variable remuneration, and a blend of short and long-term incentives in line with the Company's limited financial resources.

Fees and payments to the Company's Non-Executive Directors and Senior Executives reflect the demands which are made on, and the responsibilities of, the Directors and the senior management. Such fees and payments are reviewed annually by the Board. The Company's Executive and Non-Executive Directors, Senior Executives and Officers are entitled to receive options under the Company's Employee Share Option Scheme.

Non-Executive Director (NED) Remuneration Arrangements

Directors are entitled to remuneration out of the funds of the Company but the remuneration of the Non-Executive Directors may not exceed in any year the amount fixed by the Company in general meeting for that purpose. The aggregate remuneration of the Non-Executive Directors has been fixed at a maximum of \$250,000 per annum to be apportioned among the Non-Executive Directors in such a manner as the Board determines. Directors are also entitled to be paid

Directors' Report

reasonable travelling, accommodation and other expenses incurred in consequence of their attendance at Board meetings and otherwise in the execution of their duties as Directors.

The Chairman's fee is set at \$60,000 p.a. and NED fees at \$40,000 p.a. In addition, the NED who serves as Company Secretary receives an additional \$30,000 pa for performing the functions of the Company Secretary. At present, no Committee fees are paid to Directors.

Service Agreements

Remuneration and other terms of employment for key management personnel are formalised in employment contracts and contractors agreements. Details of these agreements are set out below.

Executive Chairman – David Williams

Effective from 1 September 2020, Mr Williams moved from Non Executive to Executive with the fee applying from that time being \$100,000 pa plus statutory superannuation. Termination notice from that date is 3 months by Mr Williams and 6 months by the Company.

Technical Director – Eoin Rothery

Contract term: Commenced 8 July 2010. No fixed term. Prior to 1 September 2020, either party may terminate the employment with 2 months' notice. From 1 September 2020 termination notice is 3 months by Mr Williams and 6 months by the Company

Remuneration: From 1 April 2016 Mr Rothery has been on part time employment working 50% of a week with remuneration at \$124,569 p.a. plus statutory superannuation. From 1 September 2020, the remuneration was increased to \$200,000 pa plus statutory superannuation.

Termination payments: Prior 1 September 2020, in the case of redundancy, Mr Rothery was entitled to receive an additional 6 month severance payment. From 1 September 2020 this was reduced to 3 months.

Directors and Key Management Personnel Remuneration for the Year Ended 30 June 2021

	Short-term benefits	Post employment	Share-based payments	Total \$	Consisting of rights %
	Cash salary and fees \$	Superannuation \$	Performance rights \$		
Directors					
D Williams	231,667	22,008	188,250	441,925	43
R Willson	147,500	12,480	188,250	348,230	54
E Rothery	280,427	23,939	188,250	492,616	38
	659,594	58,427	564,750	1,282,771	44

A total of \$211,138 in salary, fees and superannuation that had been accrued in the year ended 30 June 2020 was paid to the directors in the year ended 30 June 2021.

Directors' Report

Directors and Key Management Personnel Remuneration for the Year Ended 30 June 2020

	Short-term benefits	Post employment	Share-based payments		
	Cash salary and fees	Superannuation	Options	Total	Consisting of options
	\$	\$	\$	\$	%
Directors					
D Williams	-	-	-	-	-
R Willson	6,454	613	-	7,067	-
E Rothery	28,440	2,702	-	31,142	-
L Gilligan	1,142	108	-	1,250	-
G Jones	761	72	-	833	-
T Belperio	761	72	-	833	-
	37,558	3,567	-	41,125	-
Other key management personnel					
I Polovineo	2,700	-	-	2,700	-
	40,258	3,567	-	43,825	-

A total of \$211,138 in salary, fees and superannuation was accrued in the year ended 30 June 2020.

No performance based remuneration was paid in the 2020 financial period.

Compensation Options: Granted and Vested during the Year

Share based payments totalling \$564,750 were granted to Directors and Key Management personal during the financial year.

There were no alterations to the terms and conditions of options granted as remuneration since their grant date. There were no forfeitures during the period.

MEETINGS OF DIRECTORS

The following table sets out the number of Directors' meetings (including meetings of Committees of Directors) held during the financial year and the number of meetings attended by each director:

	Board of Directors		Audit Committee	
	Held	Attended	Held	Attended
D Williams	3	3	1	1
E Rothery	3	3	1	1
R Willson	3	3	1	1

COVID-19 IMPACT

COVID-19 and regulatory controls arising from it have had minimal impact on the Company during the Financial Year. However, restrictions on movements in the NSW/Queensland border area, and lockdowns in regional NSW, since the end of the Financial Year has had minor impact, but with employee/contractor teams in both areas, operations have been able to continue. The Company has introduced a COVID Management Safety Plan which is applied to all sites.

As has been demonstrated, when the Company was ready to both raise capital and undertake exploration activities on its tenements, it was able to do both.

The operation of the Company has not been impacted given Directors and administrative support are well used to operating in a virtual environment. COVID-19 restrictions have stopped the Board having a large number of face to face meetings, but this has not stopped its effective operation.

Other than availability of drilling crews, which may be slightly impacted, the Board does not consider the present level of COVID-19 restrictions will impact on it effectively carrying out its activities going forward in the foreseeable future.

The Company did not receive any JobKeeper payments during the financial year.

Auditor's Independence Declaration

Auditor's Independence Declaration

To the directors of Thomson Resources Ltd

As engagement partner for the audit of Thomson Resources Ltd for the year ended 30 June 2021, I declare that, to the best of my knowledge and belief, there have been:

- i) no contraventions of the independence requirements of the *Corporations Act 2001* in relation to the audit; and
- ii) no contraventions of any applicable code of professional conduct in relation to the audit.

BDJ Partners



Anthony Dowell
Partner

30 September 2021



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Liability limited by a
scheme approved
under Professional
Standards Legislation.
Please refer to the
website for our
standard terms of
engagement.

Directors' Report

NON-AUDIT SERVICES

The Company's auditor, BDJ Partners did not provide non-audit services during the year ended 30 June 2021 (2020: nil). The Directors are satisfied that the provision of any non-audit services is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001. The nature and scope of each type of non-audit service provided means that auditor independence was not compromised.

Signed at Sydney this 30 day of September 2021 in accordance with a resolution of the Directors.

A handwritten signature in black ink, appearing to read 'David Williams', with a long horizontal flourish extending to the right.

David Williams
Executive Chairman

Consolidated Statement of Comprehensive Income

For the Year Ended 30 June 2021

	Note	2021 \$	2020 \$
Revenue	3	17,249	887
ASX and ASIC fees		(56,813)	(29,321)
Audit fees	17	(41,000)	(26,500)
Contract administration services		(150,916)	(25,759)
Depreciation expense		(7,425)	(848)
Employee costs (net of costs recharged to exploration projects)		(413,527)	(155,580)
Exploration expenditure expensed	8	(924,252)	(156,420)
Insurance		(20,477)	(13,555)
Marketing and Public Relations		(416,510)	-
Rent		(17,127)	(12,200)
Share based payments	13	(954,750)	-
Other expenses from ordinary activities		(483,542)	(43,687)
Profit/(loss) before income tax expense		(3,469,090)	(462,983)
Income tax expense	4	-	-
Profit/(loss) after income tax expense	12	(3,469,090)	(462,983)
Other comprehensive income			
Other comprehensive income for the period, net of tax		-	-
Other comprehensive income		-	-
Total comprehensive income/(loss) attributable to members of Thomson Resources Ltd		(3,469,090)	(462,983)
Basic earnings/(loss) per share (cents per share)	14	(1.13)	(0.40)
Diluted earnings/(loss) per share (cents per share)	14	(1.13)	(0.40)

The Consolidated Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

Consolidated Statement of Financial Position

As at 30 June 2021

	Note	2021 \$	2020 \$
Current assets			
Cash and cash equivalents	5	6,707,451	38,424
Receivables	6	46,147	18,218
Tenement security deposits	7	-	-
Total current assets		6,753,598	56,642
Non-current assets			
Tenement security deposits	7	457,140	70,000
Property, plant and equipment		237,966	1,323
Motor Vehicle		27,236	-
Other Assets		650,000	-
Deferred exploration and evaluation expenditure	8	13,991,671	2,460,418
Total non-current assets		15,364,012	2,531,741
Total assets		22,117,610	2,588,383
Liabilities			
Payables	9	790,427	258,044
Provisions	10	97,848	82,583
Total current liabilities		888,275	340,627
Non-current liabilities			
Provisions	10	136	-
Total non-current liabilities		136	-
Total liabilities		888,411	340,627
Net assets		21,229,199	2,247,756
Equity			
Contributed equity	11	24,191,773	8,880,678
Accumulated losses	12	(9,729,762)	(6,788,872)
Reserves	13	6,767,188	155,950
Total equity		21,229,199	2,247,756

The Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes.

Consolidated Statement of Cash Flows

For the Year Ended 30 June 2021

	Note	2021 \$	2020 \$
Cash flows from operating activities			
Payment to suppliers and employees		(1,288,599)	(171,949)
JV Income		10,500	-
Interest received		6,749	887
Net cash flows (used in) operating activities	24	(1,271,350)	(171,062)
Cash flows from investing activities			
Expenditure on mining interests (exploration)		(3,965,076)	(68,632)
Deposits paid		(650,000)	
Purchase of plant and equipment		(271,304)	-
Tenement security deposits		(387,140)	60,000
Net cash flows (used in) investing activities		(5,273,520)	(8,632)
Cash flows from financing activities			
Proceeds from issue of shares/share applications		13,808,004	-
Equity raising expenses		(594,107)	(2,658)
Net cash flows from financing activities		13,213,897	(2,658)
Net increase/(decrease) in cash held		6,669,027	(182,352)
Add opening cash brought forward		38,424	220,776
Closing cash carried forward	24	6,707,451	38,424

The Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes.

Consolidated Statement of Changes in Equity

For the Year Ended 30 June 2021

	Note	Issued capital \$	Accumulated losses \$	Reserves \$	Total equity \$
At 1 July 2019		8,643,335	(6,459,539)	289,600	2,473,396
Profit/(loss) for the period		-	(462,983)	-	(462,983)
Other comprehensive income		-	-	-	-
Total comprehensive income/(loss) for the period		-	(462,983)	-	(462,983)
Transactions with owners in their capacity as owners:					
Issue of share capital, net of transaction costs		237,343	-	-	237,343
Share based payments		-	-	-	-
Expired/exercised option value transferred to Accumulated Losses		-	133,650	(133,650)	-
At 30 June 2020		8,880,678	(6,788,872)	155,950	2,247,756
At 1 July 2020		8,880,678	(6,788,872)	155,950	2,247,756
Profit/(loss) for the period		-	(3,469,090)	-	(3,469,090)
Other comprehensive income		-	-	-	-
Total comprehensive income/(loss) for the period		-	(3,469,090)	-	(3,469,090)
Transactions with owners in their capacity as owners:					
Issue of share capital, net of transaction costs		15,311,095	-	-	15,311,095
Share based payments		-	-	6,611,238	6,611,238
Expired/exercised option value transferred to Accumulated Losses		-	528,200	-	528,200
At 30 June 2021		24,191,773	(9,729,762)	6,767,188	21,229,199

The Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes

Consolidated Notes to the Financial Statements

For the Year Ended 30 June 2021

1. CORPORATE INFORMATION

The financial report of Thomson Resources Ltd (the Company) for the year ended 30 June 2021 was authorised for issue in accordance with a resolution of the Directors on 30 September 2021.

Thomson Resources Ltd (the parent) is a company limited by shares, incorporated on 17 July 2009 and domiciled in Australia whose shares are publicly traded on the Australian Securities Exchange Ltd using the ASX code TMZ.

The consolidated financial statements comprise the financial statements of Thomson Resources Ltd and its subsidiaries (the Group or Consolidated Entity).

The nature of the operations and principal activities of the Company are described in the Directors' Report.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation

The financial report is a general-purpose financial report, which has been prepared in accordance with the requirements of the Corporations Act 2001 and Australian Accounting Standards. The financial report has been prepared on a historical cost basis. All amounts are presented in Australian dollars.

Statement of Compliance

The financial report is a general purpose financial report which has been prepared in accordance with the Corporations Act 2001, Accounting Standards and Interpretations, and complies with other requirements of the law. Accounting Standards include Australian equivalents to International Financial Reporting Standards (AIFRS). Compliance with AIFRS ensures that the financial statements and notes of the Group comply with International Financial Reporting Standards (IFRS).

Basis of Consolidation

The consolidated financial statements comprise the financial statements of Thomson Resources Ltd (Thomson or the Company) and its subsidiaries (collectively, the Group) as at 30 June each year.

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, income and expenses and profit and losses resulting from intra-group transactions have been eliminated in full.

Non-controlling interests are allocated their share of profit after tax in the statement of comprehensive income and are presented within equity in the consolidated statement of financial position, separately from the equity of the owners of the parent. Losses are attributable to the non-controlling interest even if that results in a deficit balance.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group and cease to be consolidated from the date on which control is transferred out of the Group. At this date, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate.

Property, Plant and Equipment

Plant and equipment is stated at cost less accumulated depreciation and any impairment in value. Depreciation is calculated on a straight-line basis over the estimated useful life of the asset as follows:

- Plant and equipment – 5 years.

Impairment

The carrying values of plant and equipment are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

An item of plant and equipment is derecognised upon disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the item) is included in the income statement in the period the item is derecognised.

Consolidated Notes to the Financial Statements

For the Year Ended 30 June 2021

Borrowing Costs

Borrowing costs are recognised as an expense when incurred.

Interest in Jointly Controlled Operations – Joint Ventures

A joint venture is a contractual arrangement whereby two or more parties undertake an economic activity that is subject to joint control. A jointly controlled operation involves use of assets and other resources of the venturers rather than establishment of a separate entity. The Group recognises its interest in the jointly controlled operations by recognising the assets that it controls and the liabilities that it incurs. The Group also recognises the expenses that it incurs and its share of any income that it earns from the sale of goods or services by the jointly controlled operations.

Recoverable Amount of Assets

At each reporting date, the Group assesses whether there is any indication that an asset may be impaired. Where an indicator of impairment exists, the Group makes a formal estimate of recoverable amount. Where the carrying amount of an asset exceeds its recoverable amount the asset is considered impaired and is written down to its recoverable amount. Recoverable amount is the greater of fair value less costs to sell and value in use.

Financial Instruments

Financial instruments are recognised initially on the date that the Company becomes party to the contractual provisions of the instrument.

On initial recognition, all financial instruments are measured at fair value plus transaction costs (except for instruments measured at fair value through profit or loss where transaction costs are expensed as incurred).

Financial Assets

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification

On initial recognition, the Company classifies its financial assets into the following categories, those measured at:

- Amortised cost
- Fair value through profit or loss - FVTPL
- Fair value through other comprehensive income - equity instrument (FVOCI - equity)
- Fair value through other comprehensive income - debt investments (FVOCI - debt)

Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets.

Amortised Cost

Assets measured at amortised cost are financial assets where:

- The business model is to hold assets to collect contractual cash flows; and
- The contractual terms give rise on specified dates to cash flows are solely payments of principal and interest on the principal amount outstanding.

The Company's financial assets measured at amortised cost comprise trade and other receivables and cash and cash equivalents in the statement of financial position.

Subsequent to initial recognition, these assets are carried at amortised cost using the effective interest rate method less provision for impairment.

Interest income, foreign exchange gains or losses and impairment are recognised in profit or loss. Gain or loss on derecognition is recognised in profit or loss.

Fair Value through other Comprehensive Income

The Company does not hold any assets measured at fair value through other comprehensive income.

Consolidated Notes to the Financial Statements

For the Year Ended 30 June 2021

Financial Assets through Profit or Loss

The Company does not hold any assets measured at fair value through profit or loss.

Impairment of Financial Assets

Trade Receivables and Contract Assets

Impairment of trade receivables and contract assets have been determined using the simplified approach in AASB 9 which uses an estimation of lifetime expected credit losses. The Company has determined the probability of non-payment of the receivable and contract asset and multiplied this by the amount of the expected loss arising from default.

Other Financial Assets Measured at Amortised Cost

Impairment of other financial assets measured at amortised cost are determined using the expected credit loss model in AASB 9. On initial recognition of the asset, an estimate of the expected credit losses for the next 12 months is recognised. Where the asset has experienced significant increase in credit risk then the lifetime losses are estimated and recognised.

Financial Liabilities

The Company measures all financial liabilities initially at fair value less transaction costs, subsequently financial liabilities are measured at amortised cost using the effective interest rate method.

The financial liabilities of the Company comprise trade payables, bank and other loans and lease liabilities.

Exploration, Evaluation, Development and Restoration Costs

Exploration and Evaluation

Exploration and evaluation expenditure incurred by or on behalf of the Group is accumulated separately for each area of interest. Such expenditure comprises net direct costs and an appropriate portion of related overhead expenditure, but does not include general overheads or administrative expenditure not having a specific connection with a particular area of interest.

Exploration and evaluation costs in relation to separate areas of interest for which rights of tenure are current are brought to account in the year in which they are incurred and carried forward provided that:

- Such costs are expected to be recouped through successful development and exploitation of the area, or alternatively through its sale.
- Exploration and/or evaluation activities in the area have not yet reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves.

Once a development decision has been taken, all past and future exploration and evaluation expenditure in respect of the area of interest is aggregated within costs of development.

Exploration and Evaluation – Impairment

The Directors assess at each reporting date whether there is an indication that an asset has been impaired and for exploration and evaluation cost whether the above carry-forward criteria are met.

Accumulated costs in respect of areas of interest are written off or a provision made in the Income Statement when the above criteria do not apply or when the Directors assess that the carrying value may exceed the recoverable amount. The costs of productive areas are amortised over the life of the area of interest to which such costs relate on the production output basis, provisions would be reviewed and if appropriate, written back.

Development

Development expenditure incurred by or on behalf of the Group is accumulated separately for each area of interest in which economically recoverable reserves have been identified to the satisfaction of the directors. Such expenditure comprises net direct costs and, in the same manner as for exploration and evaluation expenditure, an appropriate portion of related overhead expenditure having a specific connection with the development property.

All expenditure incurred prior to the commencement of commercial levels of production from each development property is carried forward to the extent to which recoupment out of revenue to be derived from the sale of production from the relevant development property, or from the sale of that property, is reasonably assured.

Consolidated Notes to the Financial Statements

For the Year Ended 30 June 2021

No amortisation is provided in respect of development properties until a decision has been made to commence mining. After this decision, the costs are amortised over the life of the area of interest to which such costs relate on a production output basis.

Restoration

Provisions for restoration costs are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, and 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.

If the effect of the time value of money is material, provisions are determined by discounting the expected cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

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 one year or less. For the purposes of the Statement of Cash Flows, cash and cash equivalents consist of cash and cash equivalents as defined above, net of any outstanding bank overdrafts, if any.

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.

Where 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 determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Employee Entitlements

Liabilities for wages and salaries are recognised and are measured as an amount unpaid at the reporting date at current pay rates in respect of an employee's services up to that date. A liability in respect of superannuation at the current superannuation guarantee rate has been accrued at the reporting date.

Share-Based Payments

In addition to salaries, the Group provides benefits to certain employees (including Directors and Key Management personnel) of the Group in the form of share-based payment transactions, whereby employees render services in exchange for shares or rights over shares ("equity-settled transactions").

The cost of these equity-settled transactions with employees is measured by reference to the fair value at the date at which they are granted. The fair value of the options is determined by using the generally accepted valuation methodologies. In valuing transactions settled by way of issue of options, no account is taken of any vesting limits or hurdles, or the fact that the options are not transferable. The cost of equity-settled transactions is recognised, together with a corresponding increase in equity, over the period in which the vesting conditions are fulfilled, ending on the date on which the relevant employees 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.

Consolidated Notes to the Financial Statements

For the Year Ended 30 June 2021

If the terms of an equity-settled award are modified, at 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 employee, 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 the cancellation, and any expense not yet recognised is recognised immediately.

However, if a new award is substituted for the cancelled award and designated a replacement award on the date it is granted, the cancelled and the new award are treated as if there was a modification of the original award, as described in the previous paragraph. The dilutive effect, if any, of outstanding options is reflected as additional share dilution in the computation of earnings per share except where such dilution would serve to reduce a loss per share.

Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised:

Interest

Revenue is recognised as the interest accrues (using the effective interest method, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument) to the net carrying amount of the financial asset.

Income Tax

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the balance sheet date.

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 liabilities are recognised for all taxable temporary differences:

- Except where the deferred income tax liability arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, except where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

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 assets and unused tax losses can be utilised:

- Except where the deferred income tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are only recognised to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred income tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

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. Income taxes relating to items recognised directly in equity are recognised in equity and not in the income statement.

Consolidated Notes to the Financial Statements

For the Year Ended 30 June 2021

Other Taxes

Revenues, expenses and assets are recognised net of the amount of GST except:

- Where the GST incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable.
- Receivables and payables are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

Cash flows are included in the Cash Flow Statement on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the taxation authority, are classified as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority.

Currency

Both the functional and presentation currency is Australian dollars (A\$).

Investment in Controlled Entities

The Company's investment in its controlled entities is accounted for under the equity method of accounting in the Company's financial statements.

Impairment of Assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Group makes an estimate of the asset's recoverable amount.

An asset's recoverable amount is the higher of its fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets and the asset's value in use cannot be estimated to be close to its fair value. In such cases the asset is tested for impairment as part of the cash-generating unit to which it belongs. When the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset or cash-generating unit is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Impairment losses relating to continuing operations are recognised in those expense categories consistent with the function of the impaired asset unless the asset is carried at 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. The 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 profit or loss unless the asset is carried at 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.

Significant Accounting Judgements, Estimates and Assumptions

The carrying amounts of certain assets and liabilities are often determined based on estimates and assumptions of future events. The key estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of certain assets and liabilities within the next annual reporting period are:

Consolidated Notes to the Financial Statements

For the Year Ended 30 June 2021

Share-Based Payment Transactions

The Group measures the cost of cash-settled share-based payments at fair value at the grant date using the Binomial formula taking into account the terms and conditions upon which the instruments were granted, as detailed in Note 13.

Capitalisation and Write-Off of Capitalised Exploration Costs

The determination of when to capitalise and write-off exploration expenditure requires the exercise of judgement based on various assumptions and other factors such as historical experience, current and expected economic conditions.

Issued Capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Earnings Per Share

Basic earnings per share is calculated as net profit attributable to members of the Group, adjusted to exclude any costs of servicing equity divided by the weighted average number of ordinary shares.

Diluted earnings per share is calculated as net profit attributable to members of the Group, adjusted for:

- Costs of servicing equity.
- The after tax effect of dividends and interest associated with dilutive potential ordinary shares that have been recognised as expenses.
- 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.

Going Concern

The financial report has been prepared on the going concern basis, which assumes continuity of normal business activities and the realisation of assets and the settlement of liabilities in the ordinary course of business.

The Group recorded a loss after tax of \$3,469,090 (2020: \$462,983) for the year ended 30 June 2021. At 30 June 2021 the Group had cash and cash equivalents of \$6,707,451 (2020: \$38,424) and net assets of \$21,229,199 (2020: \$2,247,756). Since 30 June 2021, the Group completed the acquisition of the Texas Silver Project which required cash payments of \$5,213,435.

The Directors have prepared cash flow forecasts that support the ability of the Group to continue as a going concern for the foreseeable future. The cash flow projections assume the Group continues its exploration activities and receipt of funding from the placement and other capital raisings. If the placement funding or other capital raisings are not secured, this may indicate there is a material uncertainty that may cast doubt on the entity's ability to continue as a going concern.

Accounting Standards Issued but Not Yet Effective

Australian Accounting Standards and interpretations that have been issued or amended but are not yet effective have not been adopted by the Consolidated Entity for the year ended 30 June 2021. The Consolidated Entity plans to adopt these standards at their application dates.

It is anticipated that the application of these standards will not have a material effect on the Group's results or financial reports in future periods.

The Director's assessment of the impact of all other new standards and interpretations is that they will not have a material impact on the financial report of the Company.

Consolidated Notes to the Financial Statements

For the Year Ended 30 June 2021

3. REVENUE FROM ORDINARY ACTIVITIES

	2021 \$	2020 \$
Joint Venture Income	10,500	-
Interest received – other persons/corporation	6,749	887
	17,249	887

4. INCOME TAX

	2021 \$	2020 \$
Prima facie income tax (credit) on operating profit/(loss) at 27.5%	(954,000)	(127,320)
Future income tax benefit in respect of timing differences – not recognised	-	-
Deferred income tax liability in respect of carried forward tax losses – not recognised	(954,000)	(127,320)
Income tax expense	-	-

No provision for income tax is considered necessary in respect of the Company for the period 30 June 2021.

The Group has a deferred income tax liability of Nil (2020: Nil) associated with exploration costs deferred for accounting purposes but expensed for tax purposes. This liability has been brought to account and offset by deferred tax assets attributed to available tax losses. No recognition has been given to any deferred income tax asset which may arise from available tax losses, except to the extent offset against deferred tax liabilities. The Group has estimated its losses at \$10,382,319 (2020: \$6,906,433) as at 30 June 2020.

A benefit of 27.5% of approximately \$2,855,138 (2020: \$1,899,269) associated with the tax losses carried forward will only be obtained if:

- The Company derives future assessable income of a nature and of an amount sufficient to enable the benefit from the deductions for the losses to be realised.
- The Company continues to comply with the conditions for deductibility imposed by the law.
- No changes in tax legislation adversely affect the Company in realising the benefit from the deductions for the losses.

5. CASH AND CASH EQUIVALENTS

	2021 \$	2020 \$
Cash at bank	6,707,451	38,424
Money market securities – bank deposits	-	-
	6,707,451	38,424

Bank negotiable certificates of deposit, which are normally invested between 7 and 365 days were used during the period and are used as part of the cash management function.

6. RECEIVABLES – CURRENT

	2021 \$	2020 \$
GST receivables	-	-
Prepayments	23,953	12,490
Deposits	18,892	-
Other debtors	3,302	5,728
	46,147	18,218

Consolidated Notes to the Financial Statements

For the Year Ended 30 June 2021

7. TENEMENT SECURITY DEPOSITS

	2021 \$	2020 \$
Current	-	-
Non-Current	457,140	70,000
	475,140	70,000

These deposits are restricted so that they are available for any rehabilitation that may be required on exploration tenements (refer to Note 20). The bank deposits are interest bearing.

8. DEFERRED EXPLORATION AND EVALUATION EXPENDITURE

	2021 \$	2020 \$
Costs brought forward	2,460,418	2,209,347
Costs incurred during the period	5,022,982	167,491
Share issue for acquisition of exploration projects	7,432,523	240,000
Expenditure written off during period	(924,252)	(156,420)
Costs carried forward	13,991,671	2,460,418
<i>Exploration expenditure costs carried forward are made up of:</i>		
Expenditure on joint venture areas	1,060,369	98,223
Expenditure on non-joint venture areas	12,931,302	2,362,195
Costs carried forward	13,991,671	2,460,418

The above amounts represent costs of areas of interest carried forward as an asset in accordance with the accounting policy set out in Note 2. The ultimate recoupment of deferred exploration and evaluation expenditure in respect of an area of interest carried forward is dependent upon the discovery of commercially viable reserves and the successful development and exploitation of the respective areas or alternatively sale of the underlying areas of interest for at least their carrying value. Amortisation, in respect of the relevant area of interest, is not charged until a mining operation has commenced.

9. CURRENT LIABILITIES – PAYABLES

	2021 \$	2020 \$
Trade creditors	667,901	32,819
Accrued expenses	122,526	225,225
PAYG payable	-	-
	790,427	258,044

10. LIABILITIES - PROVISIONS

	2021 \$	2020 \$
Current		
Annual leave	55,241	37,376
Long Service Leave	42,607	45,207
	97,848	82,583

Consolidated Notes to the Financial Statements

For the Year Ended 30 June 2021

Non-Current

Long Service Leave

2021 \$	2020 \$
136	-
136	-

11. CONTRIBUTED EQUITY

Share capital

463,177,510 fully paid ordinary shares (2020: 118,814,189)

Fully paid ordinary shares carry one vote per share and carry the right to dividends.

Share issue costs

2021 \$	2020 \$
28,653,390	9,623,978
(4,461,617)	(743,300)
24,191,773	8,880,678

Movements in ordinary shares on issue

At 30 June 2019

Shares issued

At 31 December 2019

At 30 June 2020

Shares issued

At 30 June 2021

Number	\$
112,814,189	9,383,978
6,000,000	240,000
118,814,189	9,623,978
118,814,189	9,623,978
344,363,321	19,029,411
463,177,510	28,653,389

Shares issued during the year ended 30 June 2021:

- In November 2019 the Company issued 6,000,000 shares at \$0.04 to purchase EL8684 Yalgogrin
- In July 2020 the Company issued 59,407,110 shares at \$0.015 in a 1 for 2 non-renounceable rights issue
- In August 2020 the Company issued 111,111 shares at \$0.03 for the conversion of options to shares
- In August 2020 the Company issued 200,000 shares at \$0.032 for landowner compensation
- In September 2020 the Company issued 60,000 shares at \$0.03 for the conversion of options to shares
- In October 2020 the Company issued 144,445 shares at \$0.03 for the conversion of options to shares
- In November 2020 the Company issued 2,000,000 shares at \$0.015 to directors in lieu of accrued salaries
- In November 2020 the Company issued 95,054,839 shares at \$0.062 in share placements
- In November 2020 the Company issued 38,001 shares at \$0.03 for conversion of options to shares
- In November 2020 the Company issued 33,000,000 shares at \$0.015 in share placements
- In November 2020 the Company issued 700,000 shares at \$0.062 to a service provider for consulting services
- In November 2020 the Company issued 1,719,355 shares at \$0.062 in share placements
- In November 2020 the Company issued 700,000 shares at \$0.062 to purchase a capital acquisition.
- In December 2020 the Company issued 2,840,910 shares at \$0.088 to a service provider for a marketing campaign
- In December 2020 the Company issued 198,334 shares at \$0.03 for conversion of options to shares
- In February 2021 the Company issued 3,000,000 shares at \$0.13 for conversion of director performance rights
- In February 2021 the Company issued 500,000 shares at \$0.06 for conversion of 6 cents per option
- In February 2021 the Company issued 3,377,668 shares at \$0.03 for conversion of 3 cents per option

Consolidated Notes to the Financial Statements

For the Year Ended 30 June 2021

- In February 2021 the Company issued 2,500,000 shares at \$0.06 for conversion of 6 cents per option
- In February 2021 the Company issued 3,137,796 shares at \$0.10 for conversion of 10 cents per option
- In February 2021 the Company issued 2,174,769 shares at \$0.03 for conversion of 3 cents per option
- In February 2021 the Company issued 1,800,000 shares at \$0.06 for conversion of 6 cents per option
- In March 2021 the Company issued 1,000,000 shares at \$0.155 as part of a purchase agreement
- In March 2021 the Company issued 749,630 shares at \$0.03 for conversion of 3 cents per option
- In March 2021 the Company issued 300,000 shares at \$0.06 for conversion of 6 cents per option
- In March 2021 the Company issued 5,700,000 shares at \$0.035 as part of a purchase agreement
- In March 2021 the Company issued 41,016,667 shares at \$0.12 in share placements
- In March 2021 the Company issued 70,000,000 shares at \$0.05 to Silver Mines Limited
- In March 2021 the Company issued 400,000 shares at \$0.06 for conversion of options to shares
- In April 2021 the Company issued 8,919,167 shares at \$0.12 for proceeds in share placement plan
- In May 2021 the Company issued 800,000 shares at \$0.12 for proceeds in share placement plan
- In May 2021 the Company issued 113,519 shares at \$0.03 for the conversion of options to shares
- In May 2021 the Company issued 2,700,000 shares at \$0.03 for the conversion of options to shares

Terms and Conditions of Contributed Equity

Ordinary Shares

Ordinary shares have the right to receive dividends as declared and, in the event of winding up the Company, to participate in the proceeds from the sale of all surplus assets in proportion to the number of and amounts paid up on shares held.

Ordinary shares entitle their holder to one vote, either in person or by proxy, at a meeting of the Company.

Options

Options do not carry voting rights or rights to dividends until options are exercised.

12. ACCUMULATED LOSSES

	2021 \$	2020 \$
Balance at the beginning of period	(6,788,872)	(6,459,539)
Expired option value transferred to Accumulated Losses	528,200	133,650
Operating gain/(loss) after income tax expense	(3,469,090)	(462,983)
Balance at 30 June	(9,729,762)	(6,788,872)

13. RESERVES/SHARE-BASED PAYMENTS

Reserves

	2021 \$	2020 \$
Balance at 1 July	155,950	289,600
Expired/exercised option value transferred to Accumulated Losses	(528,200)	(133,650)
Performance Rights Issued	564,750	-
Issue of options	6,574,688	-
Balance at 30 June	6,767,188	155,950

Consolidated Notes to the Financial Statements

For the Year Ended 30 June 2021

Share-Based Payments

The Company has established the Thomson Resources Ltd Employee Share Option Plan ("ESOP") to assist in the attraction, retention and motivation of employees of the Company. There have been no cancellations or modifications to any of the plans during 2020. At the date of this report there were 2,300,000 options issued under this ESOP.

Summary of Options Granted Under ESOP

	2021 no.	2020 no.
Outstanding at the beginning of the year	8,500,000	14,000,000
Granted during the year	-	-
Exercised during the year	(5,200,000)	-
Forfeited/cancelled during the year	-	-
Expired during the year	-	(5,500,000)
Outstanding at the end of the year	2,300,000	8,500,000

The outstanding balance as at 30 June 2021 is represented by:

- 2,300,000 options exercisable at \$0.06, expiry 30 November 2021

Option Pricing Model and Terms of Options

The following table lists the inputs to the options model and the terms of granted options:

Grant date	Number of options granted	Exercise price	Expiry date	Expected volatility	Risk-free rate	Expected life years	Estimated fair value	Model used	
Nov 18	8,500,000	\$0.06	30 Nov 21	70.00%	2.00%	3	\$0.0115	Binomial	(a)
Jul 20	25,000,000	\$0.03	30 Nov 22	100.00%	1.00%	2.3	\$0.0230	Blk&Sch	(b)
Nov 20	20,000,000	\$0.10	25 Nov 23	100.00%	1.00%	3	\$0.0470	Blk&Sch	(c)
Mar 21	5,000,000	\$0.06	31 Nov 21	100.00%	1.00%	0.9	\$0.0865	Blk&Sch	(d)
Mar 21	50,000,000	\$0.20	29 Mar 24	100.00%	1.00%	3	\$0.0590	Blk&Sch	(e)
Mar 21	10,276,250	\$0.20	29 Mar 24	100.00%	1.00%	3	\$0.0586	Blk&Sch	(f)
Mar 21	7,500,000	\$0.20	29 Mar 24	100.00%	1.00%	3	\$0.0586	Blk&Sch	(g)
Apr 21	22,291,666	\$0.20	29 Mar 24	100.00%	1.00%	3	\$0.0586	Blk&Sch	(h)
TOTAL	148,567,916								

- (a) 8,500,000 options were issued to Directors of the Company and approved by shareholders at the Company's AGM held on 30 November 2018.
- (b) 25,000,000 options were issued to the Lead Manager as part of a capital raising success fee.
- (c) 20,000,000 options were issued to the Lead Manager as part of a capital raising success fee.
- (d) 5,000,000 options were issued to Bacchus Resources Ltd for the acquisition of the Chillagoe Project.
- (e) 50,000,000 options were issued to Silver Mines Ltd for the Webbs and Conrad acquisition.
- (f) 10,276,250 options were issued to Roth Partners as part payment a capital raising fee.
- (g) 7,500,000 options were issued to Nathan Fetherby as part of a capital raising success fee.
- (h) 22,291,666 options were issued in a private placement to various shareholders.

Consolidated Notes to the Financial Statements

For the Year Ended 30 June 2021

Weighted Average Disclosures on Options

	2021	2020
Weighted average exercise price of options at 1 July	\$0.06	\$0.06
Weighted average exercise price of options granted during period	\$0.15	-
Weighted average exercise price of options exercised during period	\$0.05	-
Weighted average exercise price of options outstanding at 30 June	\$0.15	\$0.06
Weighted average exercise price of options exercisable at 30 June	\$0.15	\$0.06
Weighted average contractual life	2.8 years	3 years
Range of exercise price	\$0.03-\$0.20	\$0.06-\$0.06

Performance Rights

Pricing Model and Terms of Rights

The following table lists the inputs to the rights model and the terms for granted performance rights:

Grant date	Number of rights granted	Exercise price	Expiry date	Estimated fair value	Model used
Nov 20	3,000,000	\$0.10	3 Nov 21	\$0.0313	Monte (a)
Nov 20	2,250,000	\$0.20	26 Apr 22	\$0.0311	Monte (b)
Nov 20	3,000,000	\$0.30	26 Oct 23	\$0.0031	Monte (c)
Apr 21	3,000,000	\$0.35	12 Apr 23	\$0.0554	Monte (d)
Apr 21	3,000,000	\$0.45	12 Apr 24	\$0.0752	Monte (e)

- (a) In November 2020 a total of 3,000,000 performance rights were issued to the Directors, vesting upon the share price achieving a 20 day VWAP of \$0.10 at any time before 26 October 2021. In February 2021 these rights were converted to shares.
- (b) In November 2020 a total of 2,250,000 performance rights were issued to the Directors, vesting upon the share price achieving a 20 day VWAP of \$0.20 at any time before 26 October 2022
- (c) In November 2020 a total of 3,000,000 performance rights were issued to the Directors, vesting upon the share price achieving a 20 day VWAP of \$0.30 at any time before 26 October 2023
- (d) In April 2021 a total of 3,000,000 performance rights were issued to the Directors, vesting upon the share price achieving a 20 day VWAP of \$0.35 at any time before 12 April 2023
- (e) In April 2021 a total of 3,000,000 performance rights were issued to the Directors, vesting upon the share price achieving a 20 day VWAP of \$0.45 at any time before 12 April 2024

14. EARNINGS PER SHARE

	2021	2020
Net profit/(loss) used in calculating basic and diluted gain/(loss) per share	(3,469,090)	(462,983)
Weighted average number of ordinary shares outstanding during the year used in calculation of basic EPS	Number 307,703,373	Number 117,863,468
Basic earnings (loss) per share	Cents per share (1.13)	Cents per share (0.40)
Diluted earnings (loss) per share	(1.13)	(0.40)

Consolidated Notes to the Financial Statements

For the Year Ended 30 June 2021

15. KEY MANAGEMENT PERSONNEL

Key Management Personnel Compensation

The aggregate compensation made to key management personnel of the Group is set out below:

	2021 \$	2020 \$
Short-term employee benefits	718,021	37,558
Post-employment benefits	12,350	3,567
Performance Rights	564,750	-
	1,282,771	41,125

A total of \$211,138 in salary, fees and superannuation was accrued in the year ended 30 June 2020.

Shareholdings of Key Management Personnel

Fully paid ordinary shares held in Thomson Resources Ltd

	Balance at 1 July no.	Issued in lieu of directors fees no.	Issued in share purchase plan/rights issue no.	Performance rights issue no.	Net other change (purchased/ sold on market) no.	Balance at 30 June no.
2021						
E Rothery	2,110,000	-	1,180,000	1,000,000	-	4,290,000
D Williams	-	1,000,000	-	1,000,000	-	2,000,000
R Willson	-	1,000,000	-	1,000,000	-	2,000,000
	2,110,000	2,000,000	1,180,000	3,000,000	-	8,290,000
2020						
E Rothery	2,110,000	-	-	-	-	2,110,000
D Williams	-	-	-	-	-	-
R Willson	-	-	-	-	-	-
L Gilligan	110,000	-	-	-	-	110,000
G Jones	310,000	-	-	-	-	310,000
T Belperio	1,500,000	-	-	-	(715,000)	785,000
I Polovineo	125,000	-	-	-	-	125,000
	4,155,000					3,440,000

Consolidated Notes to the Financial Statements

For the Year Ended 30 June 2021

Option Holdings of Key Management Personnel

Share Options held in Thomson Resources Ltd

	Balance at 1 July no.	Granted as compensation no.	Exercised no.	Net other change no.	Balance at 30 June no.	Balance vested at 30 June no.	Vested but not exercisable no.	Vested and exercisable no.	Options vested during year no.
2021									
E Rothery	5,000,000	-	-	333,333	5,333,333	5,333,333	-	5,333,333	333,333
D Williams	-	-	-	333,333	333,333	333,333	-	333,333	333,333
R Willson	-	-	-	333,333	333,333	333,333	-	333,333	333,333
	5,000,000	-	-	999,999	5,999,999	5,999,999	-	5,999,999	999,999
2020									
E Rothery	5,000,000	-	-	-	-	5,000,000	-	5,000,000	-
D Williams	-	-	-	-	-	-	-	-	-
R Willson	-	-	-	-	-	-	-	-	-
	5,000,000	-	-	-	-	5,000,000	-	5,000,000	-

Performance Rights Holdings of Key Management Personnel

Performance Rights held in Thomson Resources Ltd

	Balance at 1 July no.	Granted as compensation no.	Vested no.	Net other change no.	Balance at 30 June no.	Balance vested at 30 June no.	Vested but not exercisable no.	Vested and exercisable no.	Options vested during year no.
2021									
E Rothery	-	4,750,000	1,000,000	-	3,750,000	-	-	-	-
D Williams	-	4,750,000	1,000,000	-	3,750,000	-	-	-	-
R Willson	-	4,750,000	1,000,000	-	3,750,000	-	-	-	-
	-	14,250,000	3,000,000	-	11,250,000	-	-	-	-

16. RELATED PARTY DISCLOSURES

Subsidiaries

The consolidated financial statements include the financial statements of Thomson Resources Ltd (the Parent Entity) and the following subsidiaries:

Name and Country of Incorporation	% Equity interest	
	2021	2020
Lassiter Resources Pty Ltd, Australia	100	100
Riverston Tin Pty Ltd, Australia	100	100
Webb's Resources Pty Ltd, Australia	100	-
Conrad Resources Pty Ltd, Australia	100	-
Caesar Resources Pty Ltd, Australia	100	-

Consolidated Notes to the Financial Statements

For the Year Ended 30 June 2021

17. AUDITORS' REMUNERATION

Total amounts receivable by the current auditors of the Company for:
Audit of the Company's accounts
Other services

2021 \$	2020 \$
41,000	26,500
-	-
41,000	26,500

18. JOINT VENTURES

Joint Venture Agreements

The Company is, or has been, a party to a number of exploration joint venture agreements to explore for copper, gold, silver, zinc, tin and lead. Under the terms of the agreements, the companies are required to contribute towards exploration and other costs if they wish to maintain or increase their percentage holdings. The joint ventures are not separate legal entities. There are contractual arrangements between the participants for sharing costs and future revenues in the event of exploration success. There are no assets and liabilities attributable to the Company at the balance date resulting from these joint ventures other than exploration expenditure costs carried forward as detailed in Note 8.

Costs are accounted for in accordance with the terms of joint venture agreements and in accordance with Note 2.

19. SEGMENT INFORMATION

The operating segments identified by management are as follows:

Exploration projects funded directly by Thomson Resources Ltd ("Exploration")

Regarding the Exploration segment, the Chief Operating Decision Maker (the Board of directors) receives information on the exploration expenditure incurred. This information is disclosed in Note 8 of this financial report. No segment revenues are disclosed as each exploration tenement is not at a stage where revenues have been earned. Furthermore, no segment costs are disclosed as all segment expenditure is capitalised, with the exception of expenditure written off which is disclosed in Note 8.

Financial information about each of these tenements is reported to the Chief Executive Officer on an ongoing basis.

Corporate office activities are not allocated to operating segments as they are not considered part of the core operations of any segment and comprise of the following:

- Interest revenue.
- Corporate costs.
- Depreciation and amortisation of non-project specific property, plant and equipment.

20. CONTINGENT LIABILITIES

The Group has provided guarantees totalling \$457,140 (2020: \$70,000) in respect of exploration tenements and mining properties in NSW and Queensland as at 30 June 2021. These guarantees in respect of exploration tenements are secured against term deposits with a banking institution and cash held by the NSW Department of Planning and Environment – Resources and Energy and the Queensland Treasury. The Company does not expect to incur any material liability in respect of the guarantees.

21. FINANCIAL INSTRUMENTS

The Board as a whole is responsible for reviewing the Company's policies on risk oversight and management and satisfying itself that Senior Management have developed and implemented a sound system of risk management and internal control. The Company's risk management policy has been designed to identify, assess, monitor and manage material business risks to ensure effective management of risk. These policies are reviewed regularly to reflect material changes in market conditions and the Company's risk profile.

Consolidated Notes to the Financial Statements

For the Year Ended 30 June 2021

The main risks identified in the Company's financial instruments are capital risk, credit risk, liquidity risk, interest rate risk and commodity price risk. Summarised below is information about the Company's exposure to each of these risks, their objectives, policies and processes for measuring and managing risk, the management of capital and financial instruments.

Capital Risk Management

The Company manages its capital to ensure that it will be able to continue as a going concern. The Board's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the Company. In order to achieve this objective, the Company seeks to maintain a sufficient funding base to enable the Company to meet its working capital and strategic investment needs.

The Board ensures costs are not incurred in excess of available funds and will seek to raise additional funding through the issue of shares for the continuation of the Company's operations when required.

The Company considers its capital to comprise of its ordinary share capital, option reserve and accumulated losses. There were no changes in the Company's approach to capital management during the period. The Company is not subject to externally imposed capital requirements.

Financial Risk Management Objectives

In common with all other businesses, the Company is exposed to risks that arise from its use of financial instruments. This note describes the Company's objectives, policies and processes for managing those risks and the methods used to measure them. Further quantitative information in respect of these risks is presented throughout these financial statements.

During the period there have been no substantive changes in the Company's exposure to financial instrument risks, its objectives, policies and processes for managing those risks or the methods used to measure them from previous periods unless otherwise stated in this note.

The Board has overall responsibility for the determination of the Company's risk management objectives and policies and, whilst retaining ultimate responsibility for them it has delegated the authority for designing and operating processes that ensure the effective implementation of the objectives and policies to the Company's finance function. The Company's risk management policies and objectives are designed to minimise the potential impacts of these risks on the results of the Company where such impacts may be material. The Board receives regular reports from the Financial Controller through which it reviews the effectiveness of the processes put in place and the appropriateness of the objectives and policies it sets. These risks include credit risk, liquidity risk, interest rate risk and commodity price risk. The Company does not use derivative financial instruments to hedge these risk exposures.

The overall objective of the Board is to set policies that seek to reduce risk as far as possible without unduly affecting the Company's competitiveness and flexibility. Further details regarding these risks are set out below.

Credit Risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company.

The Company mitigates credit risk on cash and cash equivalents by dealing with banks that have high credit-ratings assigned by Standard and Poors. There is one counterparty for Cash and Cash equivalents the Commonwealth Bank of Australia. Credit risk of receivables is low as it consists predominantly of GST recoverable from the Australian Taxation Office and interest receivable from deposits held with regulated banks.

The maximum exposure to credit risk at balance date is as follows:

	2021 \$	2020 \$
Cash and cash equivalents	6,707,451	38,424
Receivables	46,147	5,729
Deposit with bank	457,140	70,000
	7,210,738	114,153

Consolidated Notes to the Financial Statements

For the Year Ended 30 June 2021

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligation as they fall due. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due.

Ultimate responsibility for liquidity risk rests with the Board of Directors, who have built an appropriate risk management framework for the management of the Company's short, medium and long-term funding and liquidity requirements. The Company manages liquidity by maintaining adequate cash reserves by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

The following table details the Company's contractual maturities of financial liabilities:

Financial liabilities	Carrying amount \$	<12 months \$	1-3 years \$	>3 years \$
2021				
Payables	790,427	790,427	-	-
	790,472	790,427	-	-
2020				
Payables	258,044	258,044	-	-
	258,044	258,044	-	-

The following table details the Company's expected maturity for financial assets:

Financial assets	Carrying amount \$	<12 months \$	1-3 years \$	>3 years \$
2021				
Cash at bank and term deposits	6,707,451	6,707,451	-	-
Receivables	46,147	46,147	-	-
Deposit with bank	-	-	-	457,140
	6,753,598	6,753,598	-	457,140
2020				
Cash at bank and term deposits	38,424	38,424	-	-
Receivables	18,218	18,218	-	-
Deposit with bank	70,000	-	-	70,000
	126,642	56,642	-	70,000

Interest Rate Risk

The Company's exposure to the risks of changes in market interest rates relates primarily to the Company's cash holdings and short term deposits. These financial assets with variable rates expose the Company to cash flow interest rate risk. All other financial assets and liabilities in the form of receivables and payables are non-interest bearing. The Company does not engage in any hedging or derivative transactions to manage interest rate risk.

At balance date, the Company was exposed to floating weighted average interest rates as follows:

	2021 \$	2020 \$
Weighted average rate of cash balances	0.00%	0.08%
Cash balances	6,707,451	38,424
Weighted average rate of term deposits	0.00%	0.00%
Term deposits	-	-

Consolidated Notes to the Financial Statements

For the Year Ended 30 June 2021

The Company invests surplus cash in interest-bearing term deposits with financial institutions and in doing so it exposes itself to the fluctuations in interest rates that are inherent in such a market. Term deposits are normally invested between 7 to 90 days and other cash at bank balances are at call.

The Company's exposure to interest rate risk is set out in the table below:

Sensitivity analysis	Carrying amount \$	+1.0% of AUD IR		-1.0% of AUD IR	
		Profit \$	Other equity \$	Profit \$	Other equity \$
2021					
Cash and cash equivalents	6,707,451	67,075	-	67,075	-
Tax charge of 30%	-	(20,122)	-	(20,122)	-
After tax profit increase/(decrease)	6,707,451	46,953	-	46,953	-
2020					
Cash and cash equivalents	38,424	115	-	(115)	-
Tax charge of 30%	-	(35)	-	35	-
After tax profit increase/(decrease)	38,424	81	-	(81)	-

The above analysis assumes all other variables remain constant.

Commodity Price Risk

The Company is exposed to commodity price risk. This risk arises from its activities directed at exploration and development of mineral commodities. If commodity prices fall, the market for companies exploring for these commodities is affected. The Company does not hedge its exposures.

Net Fair Value of Financial Assets and Liabilities

The carrying amount of financial assets and liabilities of the Company approximate their net fair values, given the short time frames to maturity and or variable interest rates.

22. COMMITMENTS

Exploration licence expenditure requirements

In order to maintain the Company's tenements in good standing with the various mines departments, the Company will be required to incur exploration expenditure under the terms of each licence. Exploration licences renewed or granted in NSW after 1 July 2017 have no exploration expenditure commitment. These commitments are not binding as exploration tenements can be reduced or relinquished at any time. Exploration licences granted in QLD have no mandated expenditure requirements.

	2021 \$	2020 \$
Payable not later than one year	-	-
Payable later than one year but not later than two years	-	-
	-	-

It is likely that the granting of new licences and changes in licence areas at renewal or expiry will change the expenditure commitment to the Company from time to time.

23. EVENTS AFTER THE BALANCE SHEET DATE

Since 30 June 2021, the Company:

- Has executed the definitive agreement with private company Cubane Partners Pty Ltd for Thomson's acquisition of 100% of ML 5932, that covers the Silver Spur Mine. The Agreement replaces the Terms Sheet entered into by the parties on 10 May 2021 (see ASX announcement 10 August 2021),
- Announced an updated Indicated and Inferred Mineral Resource estimate in accordance with JORC 2012 for the 100% owned Conrad silver polymetallic project (see ASX announcement 11 August 2021),

Consolidated Notes to the Financial Statements

For the Year Ended 30 June 2021

- Completed the acquisition of 100% of the Texas Silver Project (see ASX announcement 18 August 2021),
- Held a general meeting of shareholders at which a number of resolutions approving of the issue of shares and options were carried (see ASX announcement 20 September 2021),

There are no other matters or circumstances that have arisen that may significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group, in future financial years.

24. STATEMENT OF CASH FLOWS

Reconciliation of net cash outflow from operating activities to operating loss after income tax

	2021 \$	2020 \$
(a) Operating profit/(loss) after income tax	(3,469,090)	(462,983)
Depreciation	7,425	848
Share based payments	954,750	-
Suppliers paid in shares/options	353,500	-
Exploration costs expensed	924,252	156,420
Exploration expensed in creditors and accrual balances	-	-
Annual and long service leave expensed	15,401	7,173
Change in assets and liabilities:		
(Increase)/decrease in receivables (excluding bad debts & GST)	(27,929)	(3,398)
(Decrease)/increase in trade and other creditors (excluding exploration costs in creditors)	(29,659)	130,878
Net cash outflow from operating activities	(1,271,350)	(171,062)
(b) For the purpose of the Statement of Cash Flows, cash includes cash on hand, at bank, deposits and bank bills used as part of the cash management function. The Company does not have any unused credit facilities.		

The balance at 30 June comprised:

	2021 \$	2020 \$
Cash assets	6,707,451	38,424
Bank deposits (Note: 5)	-	-
Cash on hand	6,707,451	38,424

25. PARENT ENTITY INFORMATION

	2021 \$	2020 \$
Current assets	8,815,852	196,785
Total assets	20,853,401	1,321,000
Current liabilities	888,275	340,627
Total liabilities	888,411	340,627
Issued capital	24,191,773	8,880,678
Accumulated losses	(10,993,971)	(8,069,455)
Reserves	6,767,188	169,150
Total shareholders' equity	19,964,990	980,373
Profit/(loss) of the parent entity	(3,465,916)	(462,452)
Total comprehensive income/(loss) of the parent entity	(3,465,916)	(462,452)

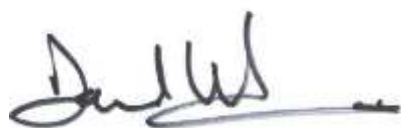
Directors' Declaration

In accordance with a resolution of the directors of Thomson Resources Ltd, I state that:

In the opinion of the directors:

- (a) The financial statements and notes of the Group are in accordance with the Corporations Act 2001, including:
 - (i) Giving a true and fair view of the Group's financial position as at 30 June 2021 and of its performance for the year ended on that date; and
 - (ii) Complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001;
- (b) The financial statements and notes also comply with International Financial Reporting Standards as disclosed in note 2; and
- (c) There are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable.
- (d) This declaration has been made after receiving the declarations required to be made to the Directors in accordance with section 295A of the Corporations Act 2001 for the financial year ending 30 June 2021.

On behalf of the Board

A handwritten signature in dark ink, appearing to read 'David Williams', with a horizontal line extending to the right.

David Williams
Executive Chairman
30 September 2021

Independent Auditor's Report

Independent Auditor's Report

To the members of Thomson Resources Ltd,

Report on the Financial Report

Opinion

We have audited the accompanying financial report of Thomson Resources Ltd (the company and its subsidiaries) ("the Group"), which comprises the consolidated statements of financial position as at 30 June 2021, the consolidated statements of profit or loss and other comprehensive income, the consolidated statements of changes in equity and the consolidated statements of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

In our opinion the accompanying financial report of the Group is in accordance with the Corporations Act 2001, including:

- (i) giving a true and fair view of the group's financial position as at 30 June 2021 and of its performance for the year ended on that date; and
- (ii) complying with Australian Accounting Standards and the Corporations Regulations 2001.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the Group in accordance with the auditor independence requirements of the Corporations Act 2001 and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the Corporations Act 2001, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 2 to the financial statements which states that the directors are investigating options to raise additional funds. Should these measures be unsuccessful, it would indicate a material uncertainty which may cast doubt about the Group's ability to continue as a going concern and the Group's ability to pay its debts as and when they fall due. Our opinion is not qualified in respect of this matter.

Our opinion is not modified in respect of the above matters for the financial year ended 30 June 2021.

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Independent Auditor's Report

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

In addition to the matter described in the Material Uncertainty Related to Going Concern section we have determined the matter described below to be the key audit matter to be communicated in our report.

Key audit matter	How our audit addressed the key audit matter
Capitalised Deferred Exploration and Evaluation Expenditure \$13.99 million Refer to Note 8	
<p>The consolidated entity owns the rights to several exploration licenses in New South Wales and Queensland.</p> <p>Expenditure relating to these areas is capitalised and carried forward to the extent they are expected to be recovered through the successful development of the respective area or where activities in the area have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves.</p> <p>This area is a key audit matter due to:</p> <ul style="list-style-type: none"> • The significance of the balance; • The significant acquisitions during the year; • The inherent uncertainty of the recoverability of the amount involved; and • The substantial amount of audit work performed. 	<p>Our audit procedures included amongst others:</p> <ul style="list-style-type: none"> • Assessing whether any facts or circumstances exist that may indicate impairment of the capitalised assets; • Performing detailed testing of source documents to ensure capitalised expenditure was allocated to the correct area of interest; • Performing detailed testing of source documents to ensure expenditure was capitalised in accordance with Australian Accounting Standards; • Obtaining external confirmations to ensure the exploration licences are current and accurate; • Reviewing acquisition agreements and ensuring the acquisitions were recorded in accordance with the relevant agreement and Australian Accounting Standards; and • Assessing the reasonableness of the capitalisation of employee's salaries.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2021 but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

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Independent Auditor's Report

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

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.

Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Group 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 to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibility for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is 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 the Australian Auditing Standards 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 this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in

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Independent Auditor's Report

the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on the Remuneration Report

Opinion

We have audited the Remuneration Report included in the directors' report for the year ended 30 June 2021.

In our opinion, the Remuneration Report of Thomson Resources Ltd for the year ended 30 June 2021 complies with section 300A of the Corporations Act 2001.

Responsibilities

The directors of the company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the Corporations Act 2001. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

BDJ Partners



Anthony Dowell
Partner

30 September 2021

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Additional Information

INFORMATION RELATING TO SHAREHOLDERS

Information relating to shareholders as at 9 September 2021.

Ordinary fully paid shares

There was a total of 464,023,725 fully paid ordinary shares on issue.

Options

There are a total of 45,955,412 listed options on issue

There are a total of 104,930,120 unlisted options on issue

Substantial shareholders (as disclosed in substantial notices)	Shareholding
SILVER MINES LIMITED	62,000,000

At the prevailing market price of \$0.105 per share, there were 711 shareholders with less than a marketable parcel of \$500.

Top 20 shareholders of ordinary shares	Number	%
SILVER MINES LIMITED	62,000,000	13.36
BACCHUS RESOURCES PTY LTD	16,700,000	3.60
BNP PARIBAS NOMS PTY LTD <DRP>	15,726,437	3.39
CITICORP NOMINEES PTY LIMITED	11,208,110	2.42
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	9,430,732	2.03
BNP PARIBAS NOMINEES PTY LTD SIX SIS LTD <DRP A/C>	7,528,153	1.62
BNP PARIBAS NOMINEES PTY LTD <IB AU NOMS RETAILCLIENT DRP>	4,818,816	1.04
AUSTRALIAN MINERAL & WATERWELL DRILLING PTY LTD	4,615,366	0.99
MR DAVID ANTHONY WARD & MS JENNIFER ANN NASH <PEEL TOUT A/C>	4,600,000	0.99
KEN FLO PTY LTD <KENFLO SF A/C>	4,000,000	0.86
MR RICHARD KENNETH MAISH	3,550,000	0.77
CURRACLOE PTY LTD <ROTHERY SUPER FUND A/C>	3,391,667	0.73
WHALE WATCH HOLDINGS LIMITED	3,378,742	0.73
SYNDICATE MINERALS PTY LTD	3,262,078	0.70
OPEKA DALE PTY LTD <OPEKA DALE P/L S/F NO 2 A/C>	2,900,000	0.62
SUCCESS INVESTMENTS PTY LTD	2,725,000	0.59
EIGHTEEN SPEED OVERDRIVE PTY LTD <THE GALAXY SUPERNOVA SF	2,691,513	0.58
GALBROS FAMILY PTY LTD <GALBROS FAMILY SUPER A/C>	2,580,500	0.56
NORFOLK BLUE PTY LTD <NORFOLK BLUE A/C>	2,500,000	0.54
MINOTAUR RESOURCES INVESTMENTS PTY LTD	2,450,000	0.53
Total securities of top 20 holdings	170,057,114	36.65
Other holdings	293,966,611	63.35
Total of securities	464,023,725	100.00

Additional Information

Listed Options \$0.03 Exp 30 November 2022	Number	%
AUSTRALIAN MINERAL & WATERWELL DRILLING PTY LTD	3,333,334	7.25
MR MICHAEL STUKE & MRS ELEONORA STUKE	2,500,000	5.44
QBC HOLDINGS PTY LTD	2,000,000	4.35
BACCHUS RESOURCES PTY LTD	1,666,667	3.63
NUEVO ENERGIA LTD	1,666,666	3.63
MISS RIA JOANNE NEFF	1,600,000	3.48
BNP PARIBAS NOMINEES PTY LTD SIX SIS LTD <DRP A/C>	1,566,667	3.41
MR KAH CHAN	1,470,000	3.20
KEN FLO PTY LTD <KENFLO SF A/C>	1,400,000	3.05
RAXIGI PTY LIMITED	1,166,667	2.54
MR RICHARD KENNETH MAISH	1,166,667	2.54
OPEKA DALE PTY LTD <OPEKA DALE P/L S/F NO 2 A/C>	1,100,000	2.39
BNP PARIBAS NOMS PTY LTD <DRP>	1,011,682	2.20
MR GEORGE EVAN LOUZIDIS	1,000,000	2.18
ALTOR CAPITAL MANAGEMENT PTY LTD	1,000,000	2.18
MR OWEN HUNTER WALDRON & MRS JANET CHRISTINE WALDRON	1,000,000	2.18
MR JACK THOMAS JOHNS <JTJ INVESTMENT A/C>	960,000	2.09
SUCCESS INVESTMENTS PTY LTD	800,000	1.74
MR THOMAS OLDEN	695,000	1.51
MR DAVID ANTHONY WARD & MS JENNIFER ANN NASH <PEEL TOUT A/C>	666,667	1.45
Total securities of top 20 holdings	27,770,017	60.43
Other holdings	18,185,395	39.57
Total of securities	45,955,412	100.00

Voting rights

There are no restrictions on voting rights. On a show of hands every member present or by proxy shall have one vote and upon a poll each share shall have one vote. Where a member holds shares which are not fully paid, the number of votes to which that member is entitled on a poll in respect of those part paid shares shall be that fraction of one vote which the amount paid up bears to the total issued price thereof.

Optionholders have no voting rights until the options are exercised.

There is no current on-market buy-back.

Distribution of shareholders		
Range	No of shareholders	Ordinary shares
1 – 1,000	56	12,049
1,001 – 5,000	836	3,196,680
5,001 – 10,000	1,022	8,405,251
10,001 – 100,000	2,476	93,331,841
100,001 – and over	546	359,077,904
	4,936	464,023,725

Additional Information

Distribution of holders of listed options		
Range	No of optionholders	Options
1 – 1,000	8	741
1,001 – 5,000	23	61,838
5,001 – 10,000	29	239,157
10,001 – 100,000	107	4,959,621
100,001 – and over	73	40,694,055
	240	45,955,412

CORPORATE GOVERNANCE STATEMENT

Thomson Resources is committed to ensuring that its policies and practices reflect a high standard of corporate governance. The Board had adopted a comprehensive framework of Corporate Governance Guidelines.

The Group's Corporate Governance Statement can be viewed at: www.thomsonresources.com.au/corporate/corporate-governance

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