

25 August 2016

Company Announcements Office,
ASX Securities Limited,
20, Bridge Street,
Sydney, N.S.W. 2000

MOLYHIL TUNGSTEN PROJECT - COMMENCEMENT OF DRILLING

The Board of Thor Mining Plc ("Thor" or the "Company") (AIM, ASX: THR) is pleased to announce the commencement of the aircore drilling campaign designed to test for additional tungsten mineralisation within a six kilometre radius of the Company's existing Molyhil tungsten deposit in the Northern Territory.

Highlights

- 50 hole drill programme designed to test bedrock through shallow alluvial cover
- Targeting magnetic anomalies with similar characteristics to Molyhil
- The key objective of the new drilling programme is to find additional ore sources for the Molyhil project, thereby extending the estimated mine life and reducing costs
- The programme with a cost estimate of less than A\$100,000 commenced on 25 August 2016.

Mr Mick Billing, Executive Chairman, commented:

"Exploration adjacent to known deposits (brownfields exploration) historically has a much higher success rate than greenfields exploration, and we are hopeful that this initial test of these localised Molyhil lookalike targets will lead to the discovery of additional deposits and, subsequently, to a significant increase in the project's current known mining inventory."

"The key objective is to extend the current proposed mine life of Molyhil, and hopefully increase the scale of operations to reduce unit production costs."

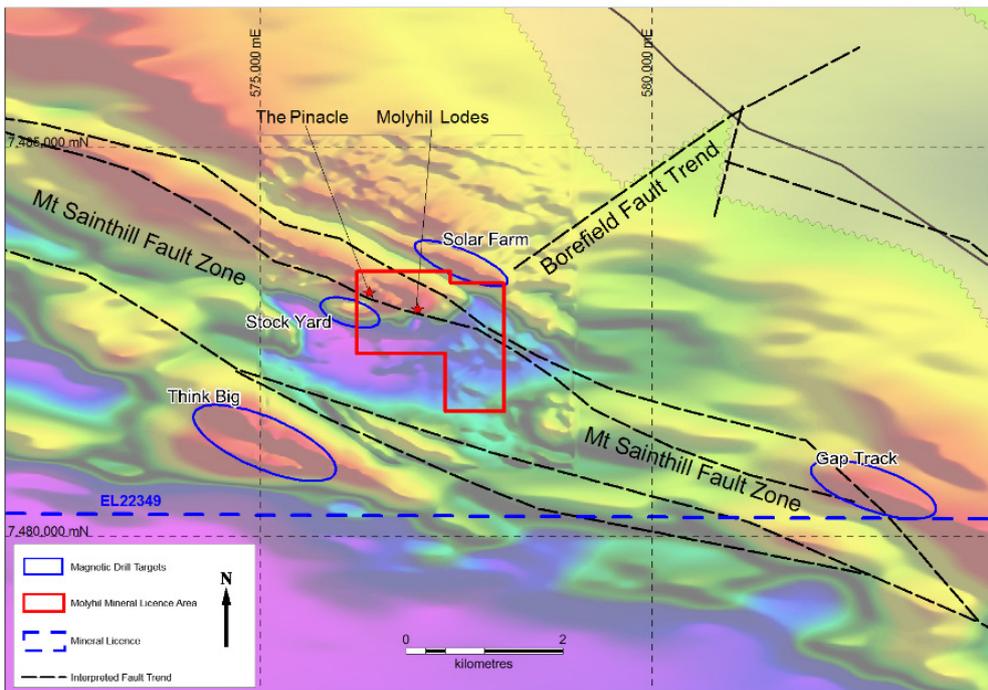


Figure 1. Magnetic targets adjacent Molyhil

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AIM Listings:
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Key Projects:
• Tungsten
Molyhil NT
Pilot Mountain USA

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Competent Person's Report

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

About Thor Mining PLC

Thor Mining PLC is a resources company quoted on the AIM Market of the London Stock Exchange and on ASX in Australia.

Thor holds 100% of the advanced Molyhil tungsten project in the Northern Territory of Australia, for which an updated feasibility study in 2015¹ suggested attractive returns. Thor also holds 100% of the Pilot Mountain tungsten project in Nevada USA which has a JORC 2012 Indicated Resources Estimate² on 1 of the 4 known deposits.

In February 2016, Thor announced the sale of its Spring Hill Gold project³ for A\$3.5million, of which A\$1.5 remains due for settlement in February 2017, plus a royalty of:

- *A\$6 per ounce of gold produced from the Spring Hill tenements where the gold produced is sold for up to A\$1,500 per ounce; and*
- *A\$14 per ounce of gold⁴ produced from the Spring Hill tenements where the gold produced is sold for amounts over A\$1,500 per ounce.*

Notes

- ¹ Refer ASX and AIM announcement of 12 January 2015
- ² Refer ASX and AIM announcement of 10 June 2014
- ³ Refer ASX and AIM announcement of 29 February 2016
- ⁴ At the date of this announcement gold is trading at approximately A\$1,750/oz

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Figure 2: Molyhil Open Pit

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