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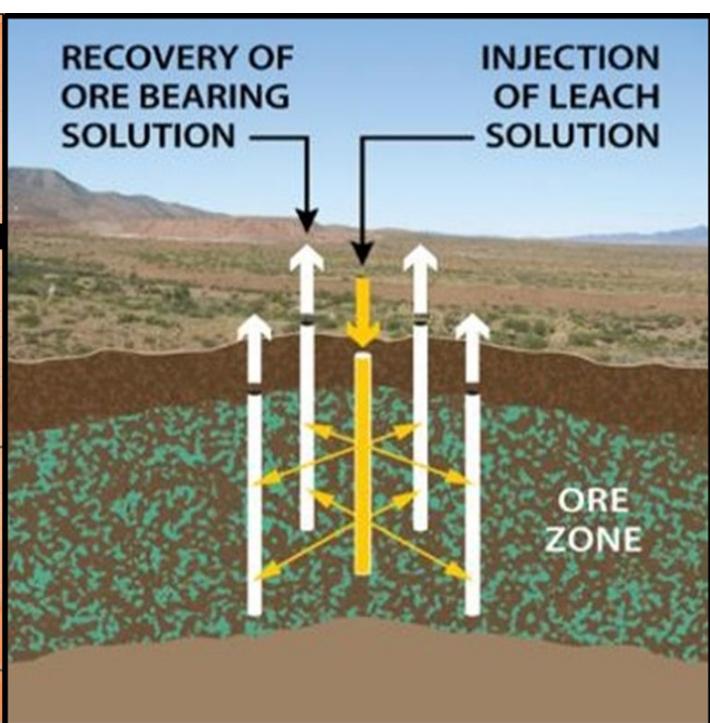
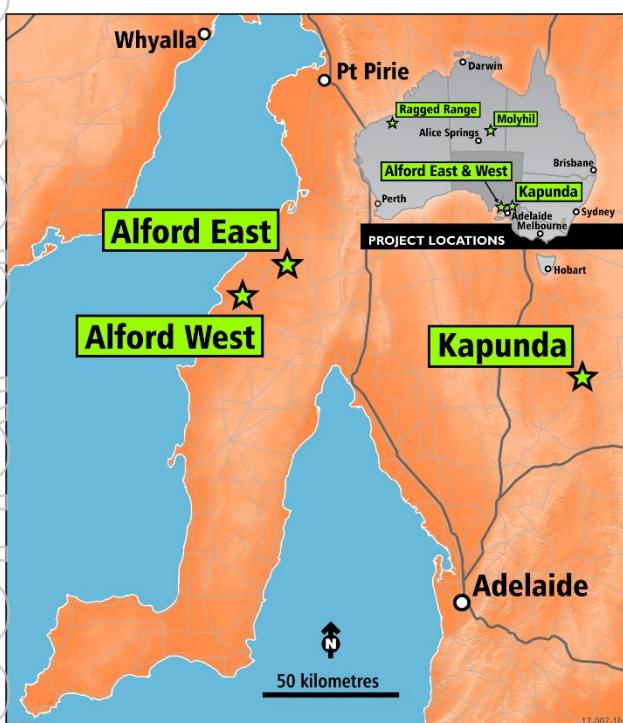
2021 ANNUAL FINANCIAL REPORT



Alford East Copper-Gold Project

COPPER PROJECTS – SOUTH AUSTRALIA

Thor holds direct and indirect interests in over 400,000 tonnes of Inferred copper resources (Tables A, B, & C) in South Australia, via its 80% farm-in interest in the Alford East copper project and its 30% interest in EnviroCopper Ltd (Alford West and Kapunda Projects). Each of these projects are considered by Thor directors to have significant growth potential, and each are being advanced towards development via low-cost, environmentally friendly In Situ Recovery (ISR) techniques.



ALFORD EAST COPPER-GOLD PROJECT – SOUTH AUSTRALIA

The Alford East Copper-Gold Project is located on EL6529, where Thor is earning up to an 80% interest from unlisted Australian explorer Spencer Metals Pty Ltd, covering portions of EL6255 and EL6529 (THR:ASX 23 November 2020).

The Project covers the northern extension of the Alford Copper Belt, located on the Yorke Peninsula, SA (Figure 1). The Alford Copper Belt is a semi coherent zone of copper-gold oxide mineralisation, within a structurally controlled, north-south corridor consisting of deeply kaolinised and oxidised troughs within metamorphic units on the edge of the Tickera Granite, Gawler Craton, SA.

Utilising historic drill hole information, Thor completed an inferred Mineral Resource Estimate (MRE), with summaries in Table A (THR:ASX 27 January 2021), consisting of:

- 125.6Mt @ 0.14% Cu containing 177,000t of contained copper
- 71,500oz of contained gold

www.thormining.com/sites/thormining/media/pdf/asx-announcements/20210127-maiden-copper.gold-estimate-alford-east-sa.pdf

Diamond Drilling Program

An initial 1000m diamond drilling program, focusing on the northern portion of the Alford East copper gold deposit around the AE-5 and AE-8 mineralised domains commenced in June 2021 (Figure 5), with two drillholes AED001 and AED002 completed during FY20/21 (ASX: THR Announcement 11 June 2021 and 30 June 2021).

Historic aircore drilling often stopped on blade refusal (silcrete horizon), with only a number of deeper diamond holes extending to fresh rock, hence this initial drilling program is designed to test the depth extent of the oxide mineralisation, adjacent to and along strike of these mineralised diamond holes.

A new 3D geological model, comprising trough and ridge style of faulting has developed from 3D modelling of geology. This modelling has identified new weathering boundaries and highlighted key structures controlling and offsetting mineralisation (Figure 3). Planned holes were therefore designed to expand potential weathered zones where the top of fresh rock has yet to be intersected in drilling and validate the controlling mineralised structures. In the future, drilling will also target potential high-grade Cu-Au zones adjacent to these controlling structures.

The two initial drill holes (completed prior to 30 June 2021) validated the new geological model, with copper and gold intercepts including:

- 21AED001:
 - 108.2m @ 0.17% Cu and 0.1g/t Au from 6.2m, including
 - 25.3m @ 0.11% Cu from 6.2m
 - 32.9m @ 0.4% Cu and 0.31g/t Au from 81.5 m, and
 - 5m @ 0.5% Cu and 1.02g/t Au from 102m
- 21AED002:
 - 59.9m @ 0.31% Cu from 21.9m

The validation of the geological model is vitally important for future drill targeting and geological resource modelling. The geological model predicts that the control on copper-gold mineralisation is a NE-SW fault that may join AE-5 to AE-8 mineralisation (Figure 3).

Core samples [are currently] at the laboratory with assays pending.

During the drilling program, groundwater analysis and core samples will be collected for hydrometallurgical and groundwater studies. The hydrometallurgical work will be undertaken by Mining and Process Solutions (MPS) Pty Ltd with water analysis by Groundwater Science Pty Ltd. The key objective of the initial metallurgical work is to develop the best lixiviant formulation for the oxide copper-gold mineralisation of Alford East deposit in the context of an ISR based approach. Understanding the ground water characteristics, especially pH and chemical composition is essential for the lixiviant trials and any potential ISR development.

In conjunction with the technical assessment, Thor will continue ongoing stakeholder and community engagement, and regulatory activities.

Based on the nature of the oxide mineralisation, the deposit is considered amenable to ISR techniques. For further information on ISR please refer to Thor's website via this link for an informative video: www.youtube.com/watch?v=eG_1ZGDOWIw

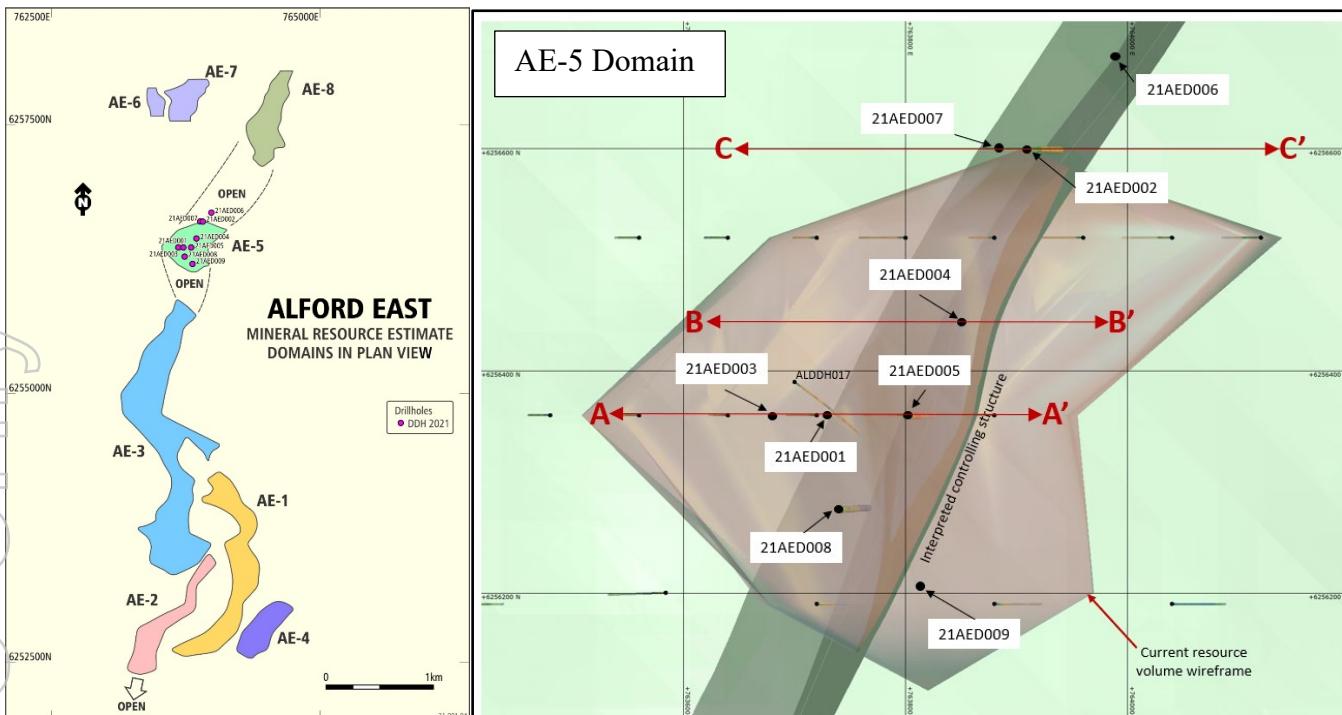


Figure 3: MRE Mineralisation Domains (left); Domain AE-5 showing drillhole collars (right)

ENVIROCOPPER COPPER PROJECTS – SOUTH AUSTRALIA

Thor holds a 30% equity interest in private Australian company, EnviroCopper Limited (“ECL”). In turn, ECL has entered into an agreement to earn, in two stages, up to 75% of the rights over metals which may be recovered via ISR contained in the Kapunda deposit from Australian listed company, Terramin Australia Limited (“Terramin” ASX: “TZN”), and rights to 75% of the Alford West copper project comprising the northern portion of exploration licence EL5984, held by Andromeda Metals Limited (ASX:ADN).

Information about EnviroCopper Limited and its projects can be found on the EnviroCopper website:

www.envirocopper.com.au

ALFORD WEST

Based on substantial historic drilling, a Mineral Resource Estimate (MRE) was completed in 2019 (ASX: THR 15 August 2019) on several of the deposits at Alford West, totalling 66.1 million tonnes (MT) grading 0.17% copper (Cu), containing 114,000 tonnes of contained copper, using a cut-off grade of 0.05% Cu (Table B).

KAPUNDA

During 2018, the Australian Government Ministry for Science, Jobs and Innovation announced an offer to ECR for research funding of A\$2,851,303, over a 30-month period (since extended to 30 June 2021), for the Kapunda In-Situ Copper and Gold Recovery Trial. Funds from this grant are expected to cover the major portion of costs of the program scheduled for the balance of work in 2021.

The MRE for Kapunda, excluding any potential gold credits, is summarised in Table C.

Testwork to date has demonstrated that both copper and gold are recoverable, using a range of lixiviants, from historical drill samples, and that the ground conditions will allow the flow of fluids necessary for ISR production.

The 2021 field program is dual purpose:

- Additional drill testing, along with assay of historical samples, aimed at the confirmation and extension of the known gold mineralisation to allow inclusion of gold in the mineral resource estimate.
- Site Environment Lixiviant Recovery (SELT) trials. This work (funded by the Australian Government grant) is aimed to be the final technical feasibility demonstration of ISR technology at Kapunda for copper and gold recovery, prior to commencement of commercial feasibility study processes.

MOLYHIL TUNGSTEN PROJECT – NORTHERN TERRITORY

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

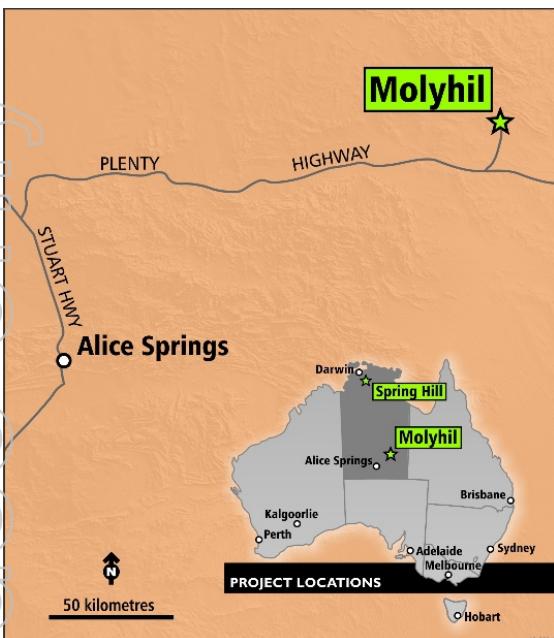


Figure 4: Location Map

Thor Mining PLC acquired this project in 2004 as an advanced exploration opportunity. Since then, the project has been taken to the level where it is substantially permitted for development and, by global standards, is recognised as one of the higher grade open-pittable tungsten projects, with low capital and operating costs per unit of tungsten production. The construction period for the Molyhil development is estimated at 12 months from the time finance is secured, and discussions with various parties in order to secure finance for this purpose are proceeding. We have demonstrated the production of tungsten concentrates to a quality acceptable to the market and hold a Memorandum of Understanding in respect of concentrate sales with a major international downstream processor.

The deposit consists of two adjacent outcropping iron-rich skarn bodies, the northern 'Yacht Club' lode and the 'Southern' lode. Both lodes are marginal to a granite intrusion; both lodes contain scheelite (CaWO_4) and molybdenite (MoS_2) mineralisation. Both the outlines of the lodes and the banding within the lodes strike approximately north and dip steeply to the east.

In April 2021, (THOR:ASX 8 April 2021) a revised Mineral Resource Estimate (MRE) was completed comprising Measured, Indicated, and Inferred Mineral Resources, totalling 4.4 million tonnes at 0.27% WO_3 (Tungsten trioxide), 0.10% Mo (Molybdenum), and 0.05% Cu (Copper) using a 0.07% WO_3 cut-off (Table D). The estimation of WO_3 and Mo using Mixed Support Kriging was undertaken by Golder Associates ("Golder"), with the estimation of Fe and Cu by Ordinary Kriging was undertaken by Resource Evaluation Services ("RES")

In conjunction with the Mineral Resource Estimate, 3D geological modelling identified two prominent structures – Yacht Club fault and South Offset fault (Figure 5 left). Based on the geological timing of these faults they may have a significant impact on mineralisation, hence creating targets for potential extensions.

Modelling of the 3D magnetics and the position of the modelled South Offset Fault strongly implies an offset of the magnetic material (magnetite skarn) host to the tungsten-molybdenum mineralisation, identifying a strong magnetic anomaly, south of the fault. Although there are a few drillholes to the south of the South Offset Fault, these have not intersected the magnetic body (Figure 5 right). Thor Mining was awarded A\$110,000 from the Northern Territory Government as part of the Resourcing the Territory, Geophysics and Drilling Collaborations (GDC) program. These funds will go towards drill testing these recently identified magnetic targets adjacent to the mineralisation at the Molyhil tungsten-molybdenum deposit.

A full background on the project is available on the Thor Mining website: www.thormining.com/projects.

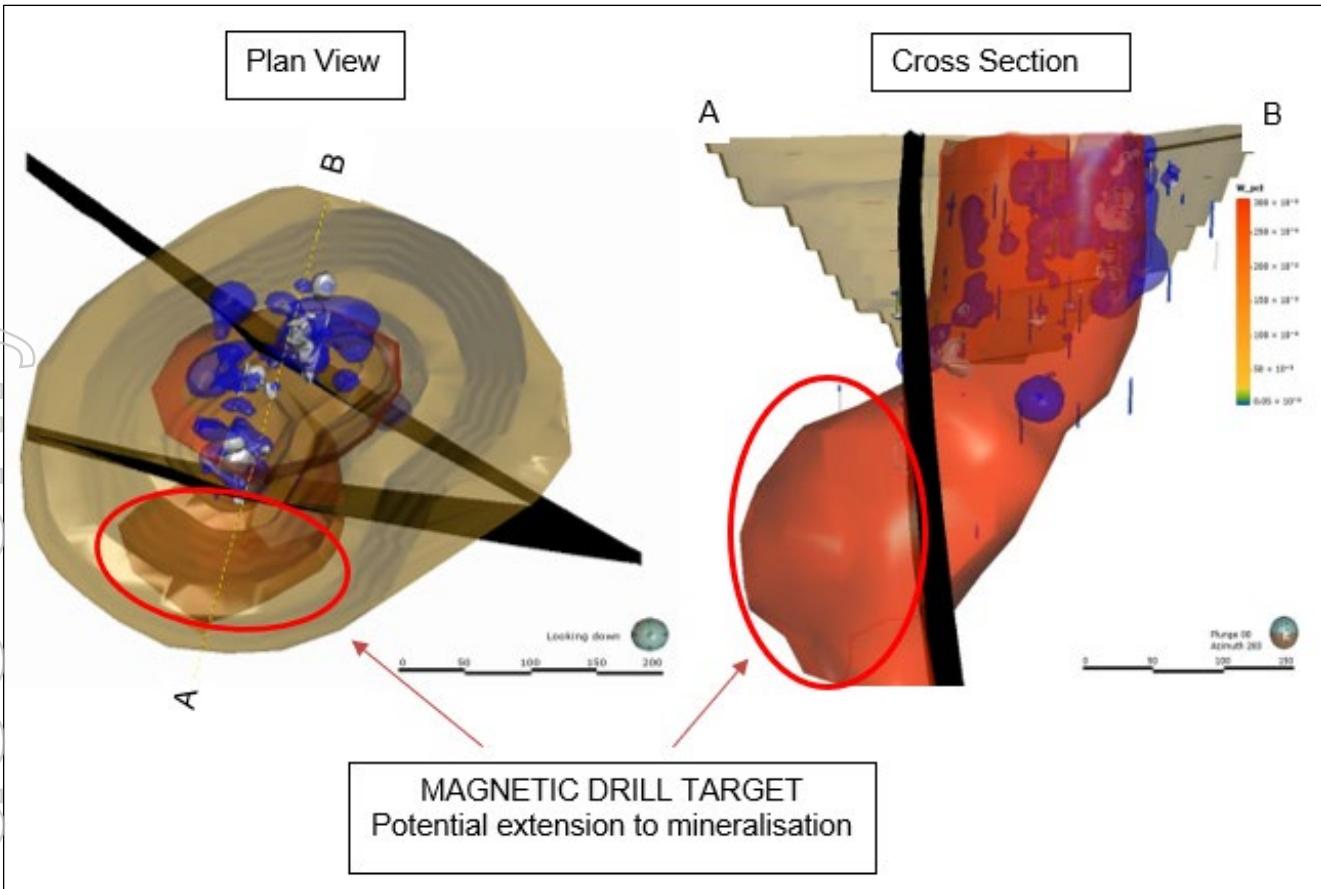


Figure 5 (Right): Molyhil Deposit long section looking approximately west. The 0.3% WO_3 isosurface is shown in blue, the 0.15% Mo isosurface in silver, and modelled 3D magnetics in transparent red. Drilling is shown, sliced to the long section, and although there have been holes to the south of the South Offset Fault, these have not intersected the magnetic body.

BONYA (TUNGSTEN, COPPER, VANADIUM) - NORTHERN TERRITORY

Adjacent to Molyhil, the Bonya tenements, in which Thor holds a 40% interest, host outcropping tungsten/copper resources, a copper resource and a vanadium deposit (Figure 6).

In March 2020 quarter, the Joint Venture reported a maiden resource estimate for the White Violet and Samarkand deposits (Table E and F).

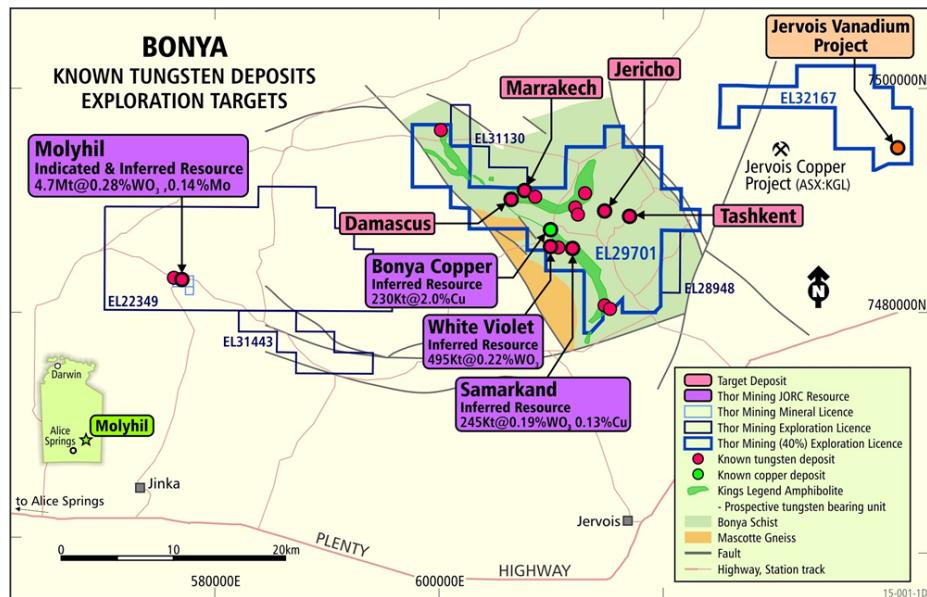


Figure 6: Map showing Bonya prospects in proximity to Molyhil

RAGGED RANGE (GOLD & NICKEL) – WESTERN AUSTRALIA

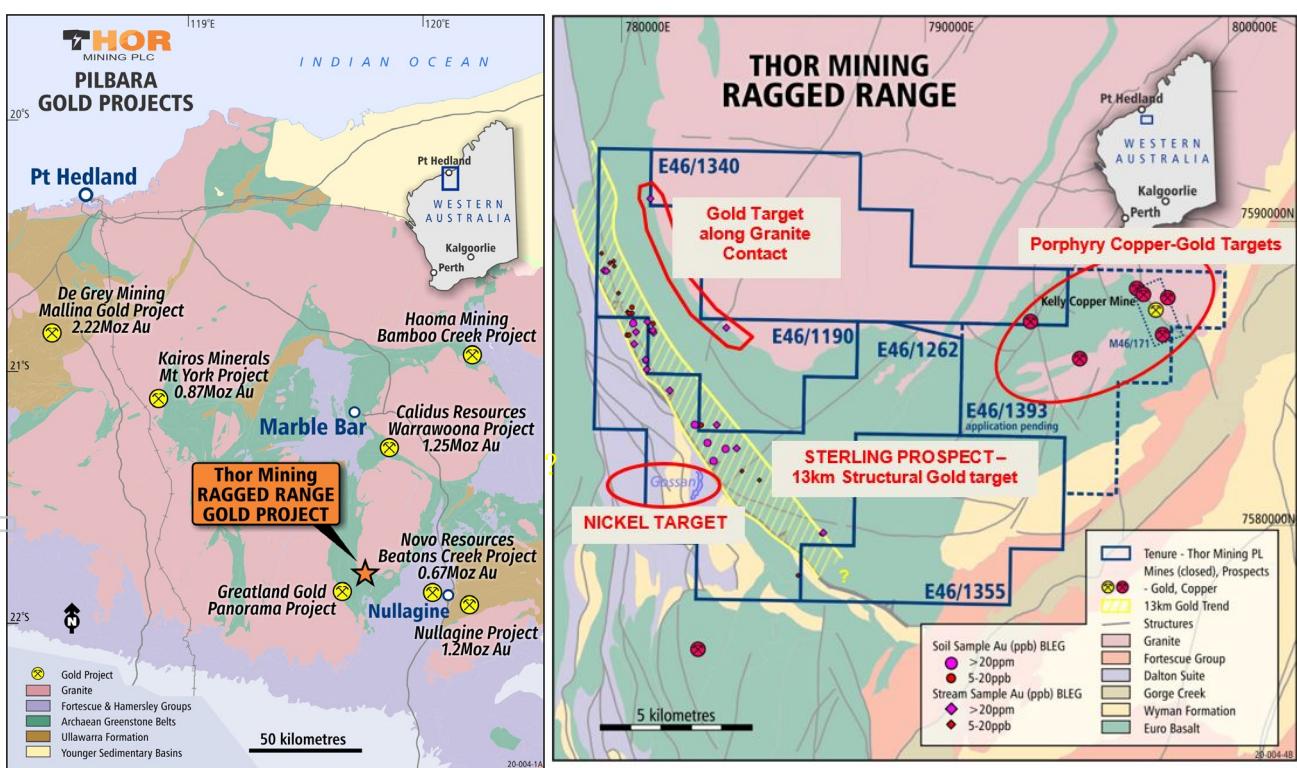
The 100% owned Ragged Range Project, located in the highly prospective Eastern Pilbara Craton, Western Australia (Figure 7) was acquired in 2019 (E46/1190, E46/1262, E46/1355, E46/1340), with the recent additional tenure surrounding the gold anomalous and copper-gold zones, E46/1393 (application) (Figure 7).

Since acquisition, Thor has conducted several programs of stream and soil geochemical sampling and flown an airborne magnetics survey over the eastern tenement area. Results including over 2.2g/t Au (ASX: THR 1 December 2020) defined a 13km gold corridor (Figure 8).

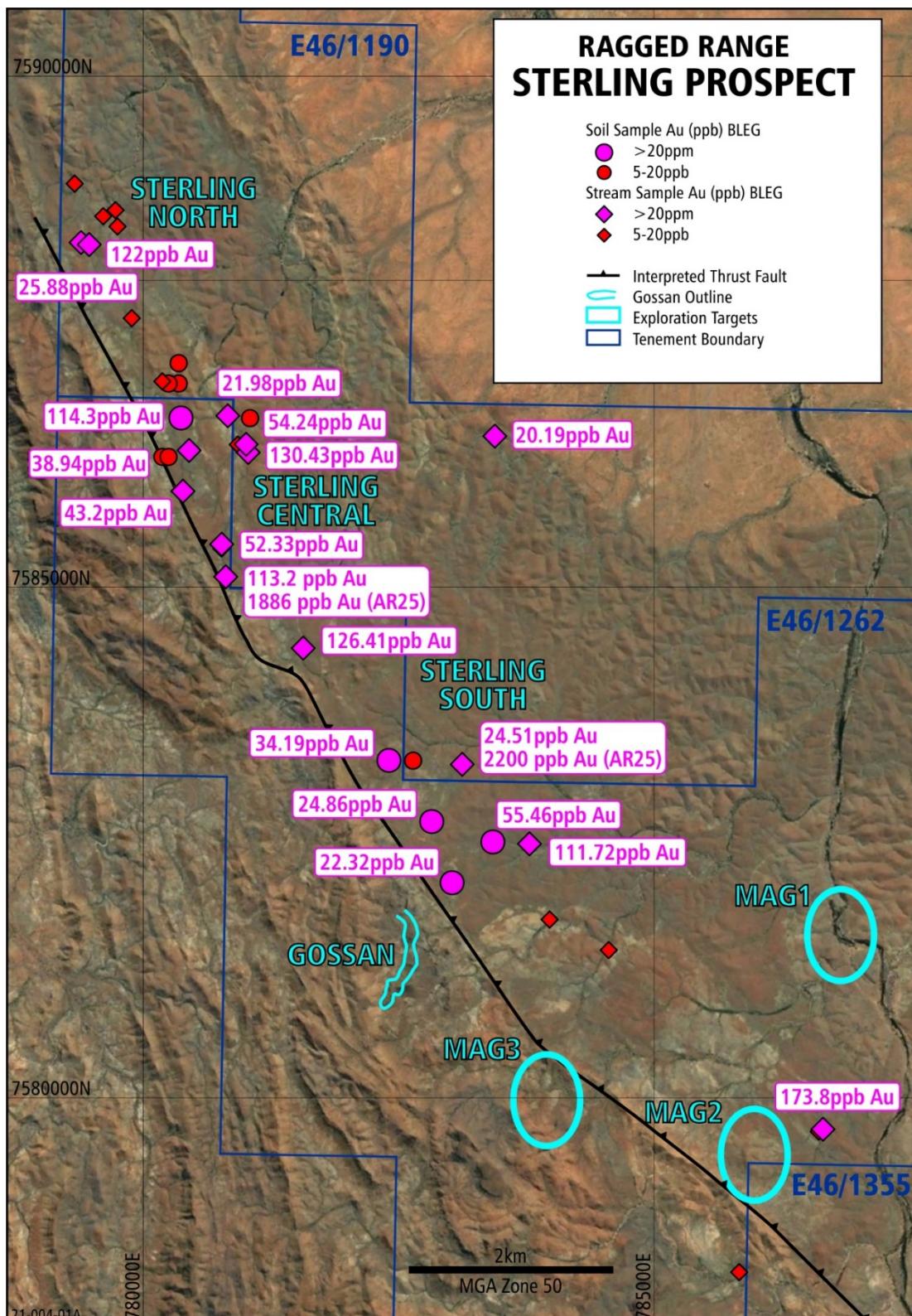
Further reconnaissance and infill soil sampling will continue along the Sterling Prospect structural corridor, to define drill targets for maiden RC program scheduled for Q1 FY21. Thor Mining was awarded A\$160,000 from the Western Australia Government under the EIS Co-funded grants program to drill test gold anomalies at the Sterling Prospect.

Concurrent with the drilling program, regional gold targets including to the northwest and southeast of Sterling prospect, the granitoid contact in the north, plus the copper-gold area in the northeast (Kelly/Ryan Prospects) will be followed up with reconnaissance stream and soil geochemistry programs (Figure 7 and Figure 8). Government and company geophysics are being used in conjunction with the geochemical data, to assist with structural and lithological targeting.

Details of the projects may be found on the Thor website via this link: www.thormining.com/projects/ragged-range-pilbara-project



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Nickel Gossan

Geological mapping of the nickel gossan which was previously sampled in mid-2020 (THR: ASX 31 July 2020) confirmed that the gossan extends over 1km and sits at the base of the Dalton Suite (ultramafic units), adjacent to the older Felsic Volcanics of the Wyman Formation (Figure 7). This position of the gossan at the base of the ultramafic contact is significant from a geological nickel-sulphide model perspective.

Prior to drill testing beneath the gossan, a ground electromagnetic (EM) survey will be undertaken. Thor is currently finalising this program.

E46/1393- Kelly/Ryan Copper- Gold Prospects

A new tenement application E46/1393 in the northeast covers a recently surrendered mining lease M46/171 (Figure 6). This area covers several historic copper-gold and copper-base metals mines and prospects. The copper mineralisation is associated with the dacite Boolina porphyry, close to the margin of the Corunna batholith, and intrudes the Kelly greenstone belt.

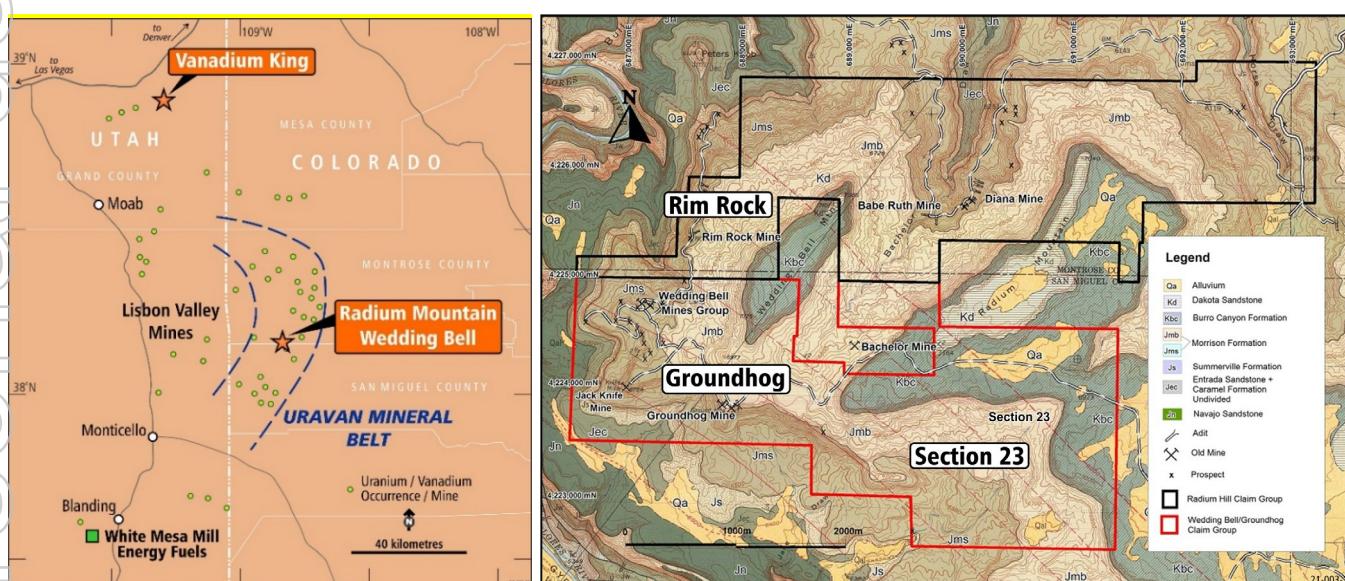
At Kelly's Mine, historic production between 1955-1970, although small, was of very high-grade – 610t of ore averaging 19.47% Cu (Figure 7).¹

Exploration to date has been sporadic, with no systematic approach over the area. Thor will be targeting areas of mineralisation, zones of alteration, shears/faults and zones of brecciation.

¹ <https://www.mindat.org/loc-122951.html>

URANIUM AND VANADIUM PROJECT – COLORADO AND UTAH, USA

Thor holds a 100% interest in two US companies with mineral claims in Colorado and Utah, USA. The claims host uranium and vanadium mineralisation in an area known as the Uravan Mineral Belt, which has a history of high-grade uranium and vanadium production (Figure 9). A processing plant which has historically taken third party ore for toll treatment is located near Blanding within economic transport distance (Energy Fuels White Mesa Mill).



The uranium-vanadium deposits within the Uravan Mineral Belt (Figure 9), hosted mainly in the Salt Wash member of the Morrison Formation on the Colorado Plateau are classified by the International Atomic Energy Agency (IAEA) as “Saltwash type” sandstone hosted uranium deposits. They are considered unique amongst the sandstone-hosted type of deposits in that they are predominantly vanadium (V_2O_5) with accessory uranium (U_3O_8). They occur as tabular bodies in reduced sequences of highly oxidised, feldspar-rich sandstones that have substantial fossilised plant material. High-grade uranium and vanadium occur together although vanadium has a much larger halo. Based on production figures the vanadium exceeds uranium in ratios ranging from 3:1 to 10:1 with the ratio increasing southward; averaging 5:1 in the Wedding Bell/Groundhog Project area.

Larger deposits are found in paleochannels (braided streams in the Jurassic period) where accumulations of plant material led to more reduced conditions being retained over time. The Salt Wash member consists of interbedded fluvial sandstone and floodplain-type mudstone. The Salt Wash member is gently folded into a shallow dome meaning it is often close to surface or exposed. The sandstone beds form cliffs or rims with the mudstone units forming slopes. The upper most sandstone contains the majority of the ore deposits.

High grade assay results from due diligence work completed by Thor (ASX: THR 10 September 2020), returning up to 1.25% U_3O_8 and 3.47% V_2O_5 , confirm uranium and vanadium mineralisation within the Salt Wash member of

the Morrison Formation, which is consistent and typical of the historical production in the Wedding Bell, Radium Mountain area of the Uravan mineral belt.

A drilling program, testing the Colorado claims, including Groundhog, Rim Rock and Area 23 prospects, is currently going through the Colorado state permitting process, with environmental surveys, including Raptor surveys completed. In conjunction, a geological evaluation of the Utah claims is underway (Figure 9).

Details of the projects may be found on the Thor website via this link: www.thormining.com/projects/us-uranium-and-vanadium

PILOT MOUNTAIN TUNGSTEN PROJECT – NEVADA, USA

The 100% owned Pilot Mountain Project, acquired late in 2014, is located approximately 200km south of the city of Reno and 20km east of the town of Mina located on US Highway 95 (Figure 10).

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

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



Figure 10: Pilot Mountain Location Map

After the end of F20/21, in September 2021, Thor entered into an Option Agreement with Power Metal Resources Plc to divest the Pilot Mountain Project for an agreed value of US1.8 million.

A full background on the project and recent sale agreement is available on the Thor Mining website: www.thormining.com/projects

SPRING HILL GOLD PROJECT – NORTHERN TERRITORY

In September 2020, the Company announced the A\$1.0million sale of its royalty entitlement from the Spring Hill gold project in the Northern Territory. The sale agreement provides for receipt of A\$400,000 on completion (received), followed by two production milestone payments of A\$300,000 each.

Competent Person's Report

The information in this report that relates to Exploration Results and the Estimation and Reporting of Mineral Resource Estimation is based on information compiled by Nicole Galloway Warland, who holds a BSc Applied geology (HONS) and who is a Member of The Australian Institute of Geoscientists. Ms Galloway Warland is an employee of Thor Mining PLC. She has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which she is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Nicole Galloway Warland consents to the inclusion in the report of the matters based on her information in the form and context in which it appears.

JORC (2012) Compliant Mineral Resources and Reserves

Table A: Alford East Mineral Resource Estimate (Reported 22 January 2021)

Domain	Tonnes (Mt)	Cu %	Au g/t	Contained Cu (t)	Contained Au (oz)
AE_1	24.6	0.12	0.021	30,000	16,000
AE_2	6.8	0.13	0.004	9,000	1,000
AE_3	34.9	0.09	0.022	33,000	25,000
AE_4	8.0	0.11	0.016	8,000	4,000
AE_5	11.0	0.22	0.030	24,000	11,000
AE-8	31.3	0.19	0.008	61,000	8,000
AE-7	7.7	0.14	0.025	10,000	6,000
AE-6	1.3	0.13	0.011	2,000	500
Total	125.6	0.14	0.018	177,000	71,500

Notes:

- Thor is earning up to 80% interest in oxide material from Spencer Metals
- MRE reported on oxide material only, at a cut-off grade of 0.05% copper which is consistent with the assumed In Situ Recovery technique.
- Minor rounding errors may occur in compiled totals.
- The Company is not aware of any information or data which would materially affect this previously announced resource estimate, and all assumptions and technical parameters relevant to the estimate remain unchanged.

Table B: Alford West Copper Mineral Resource Estimate (Reported 15 August 2019)

Resource Classification	COG (Cu %)	Deposit	Volume (Mm ³)	Tonnes (Mt)	Cu (%)	Cu metal (tonnes)	Au (g/t)	Au (Oz)
Inferred	0.05	Wombat	20.91	46.5	0.17	80,000		
		Bruce	5.51	11.8	0.19	22,000		
		Larwood	3.48	7.8	0.15	12,000	0.04	10,000
Total			29.9	66.1	0.17	114,000		

Notes:

- EnviroCopper are earning a 75% interest in this resource, and Thor hold 30% equity in EnviroCopper.
- Figures are rounded to reflect appropriate levels of confidence. Apparent differences may occur due to rounding.
- Cut-off grade used of 0.05% Cu.
- The Company is not aware of any information or data which would materially affect this previously announced resource estimate, and all assumptions and technical parameters relevant to the estimate remain unchanged.

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

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

Notes:

- EnviroCopper are earning a 75% interest in this resource, and Thor hold 30% equity in EnviroCopper.
- All figures are rounded to reflect appropriate levels of confidence. Apparent differences may occur due to rounding.
- Cut-off of 0.05% Cu.
- The Company is not aware of any information or data which would materially affect this previously announced resource estimate, and all assumptions and technical parameters relevant to the estimate remain unchanged.

Table D: Molyhil Mineral Resource Estimate (Reported March 31, 2021)

Classification	'000	WO ₃		Mo		Cu		Fe
	Tonnes	Grade %	Tonnes	Grade %	Tonnes	Grade %	Tonnes	Grade %
Measured	464	0.28	1,300	0.13	600	0.06	280	19.12
Indicated	2,932	0.27	7,920	0.09	2,630	0.05	1,470	18.48
Inferred	990	0.26	2,580	0.12	1,170	0.03	300	14.93
Total	4,386	0.27	11,800	0.10	4,400	0.05	2,190	17.75

Notes:

- Figures are rounded to reflect appropriate level of confidence. Apparent differences may occur due to rounding.
- Cut-off of 0.07% WO₃.
- 100% owned by Thor Mining Plc.
- To satisfy the criteria of reasonable prospects for eventual economic extraction, the Mineral Resources have been reported down to 200 m RL which defines material that could be potentially extracted using open pit mining methods.

Table E: Bonya Tungsten Mineral Resources (announced 29 January 2020)

		Oxidation	Tonnes	WO ₃	Cu		
				%	Tonnes	%	
White Violet	Inferred	Oxide	25,000	0.41	90	0.16	
		Fresh	470,000	0.21	980	0.06	
Sub Total			495,000	0.22	1,070	0.06	300
Samarkand	Inferred	Oxide	25,000	0.11	30	0.07	20
		Fresh	220,000	0.20	430	0.13	290
Sub Total			245,000	0.19	460	0.13	310
Combined	Inferred	Oxide	50,000	0.26	120	0.14	60
		Fresh	690,000	0.21	1,410	0.08	550
Total			740,000	0.21	1,530	0.09	610

Notes:

- 0.05% WO₃ cut-off grade.
- Totals may differ from the addition of columns due to rounding.
- Thor Mining PLC holds 40% equity interest in this project.
- The Company is not aware of any information or data which would materially affect this previously announced resource estimate, and all assumptions and technical parameters relevant to the estimate remain unchanged.

Table F: Bonya Copper Mineral Resources (announced 26 November 2018)

		Oxidation	Tonnes	Cu	
				%	
Inferred		Oxide	25,000	1.0	200
		Fresh	210,000	2.0	4,400
Total			230,000	2.0	4,600

Notes:

- 0.2% Cu cut-off grade.
- Totals may differ from the addition of columns due to rounding.
- Thor Mining PLC holds 40% equity interest in this project.
- The Company is not aware of any information or data which would materially affect this previously announced resource estimate, and all assumptions and technical parameters relevant to the estimate remain unchanged.

Table G: Pilot Mountain Resource Summary 2018 (Reported 13 December 2018)

Resource		WO ₃		Ag		Cu		Zn	
	MT	Grade %	Contained metal (t)	Grade g/t	Contained metal (t)	Grade %	Contained metal (t)	Grade %	Contained metal (t)
Garnet	Indicated	-	-						
	Inferred	1.83	0.36	6,590					
	Sub Total	1.83	0.36	6,590					
Desert Scheelite	Indicated	9.01	0.26	23,400	20.73	187	0.15	13,200	0.41 37,100
	Inferred	1.69	0.25	4,300	12.24	21	0.16	2,800	0.19 3,200
	Sub Total	10.70	0.26	27,700	19.38	207	0.15	16,000	0.38 40,300
Summary	Indicated	9.01	0.26	23,400					
	Inferred	3.53	0.31	10,890					
	Pilot Mountain Total	12.53	0.27	34,290					

Notes:

- Thor Mining PLC holds 100% equity interest in this resource.
- All figures are rounded to reflect appropriate levels of confidence. Apparent differences may occur due to rounding.
- Cut-off grade 1,500ppm WO₃.
- Garnet deposit resource reported 22 May 2017. The Company is not aware of any information or data which would materially affect this previously announced resource estimate, and all assumptions and technical parameters relevant to the estimate remain unchanged.

Principal risks and uncertainties

The management of the business and the execution of the Group's strategy are subject to a number of risks. The key business risks affecting the Group are set out below.

Risks are formally reviewed by the Board, and appropriate processes are put in place to monitor and mitigate them. If more than one event occurs, it is possible that the overall effect of such events would compound the possible adverse effects on the Group.

Exploration risks

The exploration and mining business is controlled by a number of global factors, principally supply and demand which in turn is a key driver of global mineral prices; these factors are beyond the control of the Group. Exploration is a high-risk business and there can be no guarantee that any mineralisation discovered will result in proven and probable reserves or go on to be an operating mine. At every stage of the exploration process the projects are rigorously reviewed to determine if the results justify the next stage of exploration expenditure ensuring that funds are only applied to high priority targets.

The principal assets of the Group comprising the mineral exploration licences are subject to certain financial and legal commitments. If these commitments are not fulfilled the licences could be revoked. They are also subject to legislation defined by the Government; if this legislation is changed it could adversely affect the value of the Group's assets.

Dependence on key personnel

The Group and Company is dependent upon its executive management team and various technical consultants. Whilst it has entered into contractual agreements with the aim of securing the services of these personnel, the retention of their services cannot be guaranteed. The development and success of the Group depends on its ability to recruit and retain high quality and experienced staff. The loss of the service of key personnel or the inability to attract additional qualified personnel as the Group grows could have an adverse effect on future business and financial conditions.

Uninsured risk

The Group, as a participant in exploration and development programmes, may become subject to liability for hazards that cannot be insured against or third party claims that exceed the insurance cover. The Group may also be disrupted by a variety of risks and hazards that are beyond control, including geological, geotechnical and seismic factors, environmental hazards, industrial accidents, occupational and health hazards and weather conditions or other acts of God.

Funding risk

The only sources of funding currently available to the Group are through the issue of additional equity capital in the parent company or through bringing in partners to fund exploration and development costs. The Company's ability to raise further funds will depend on the success of the Group's exploration activities and its investment strategy. The Company may not be successful in procuring funds on terms which are attractive and, if such funding is unavailable, the Group may be required to reduce the scope of its exploration activities or relinquish some of the exploration licences held for which it may incur fines or penalties.

Financial risks

The Group's operations expose it to a variety of financial risks that can include market risk (including foreign currency, price and interest rate risk), credit risk, and liquidity risk. The Group has a risk management programme in place that seeks to limit the adverse effects on the financial performance of the Group by monitoring levels of debt finance and the related finance costs. The Group does not use derivative financial instruments to manage interest rate costs and, as such, no hedge accounting is applied.

COVID-19

The outbreak of the recent global COVID-19 virus has resulted in business disruption and stock market volatility. The extent of the effect of the virus, including its long-term impact, remains uncertain. The Group has implemented extensive business continuity procedures and contingency arrangements to ensure that they are able to continue to operate.

Section 172(1) Statement - Promotion of the Company for the benefit of the members as a whole

The Directors believe they have acted in the way most likely to promote the success of the Company for the benefit of its members as a whole, as required by s172 of the Companies Act 2006.

The requirements of s172 are for the Directors to:

- Consider the likely consequences of any decision in the long term
- Act fairly between the members of the Company
- Maintain a reputation for high standards of business conduct
- Consider the interests of the Company's employees
- Foster the Company's relationships with suppliers, customers and others
- Consider the impact of the Company's operations on the community and the environment

The Company continues to progress with its portfolio of exploration projects and investments, which are inherently speculative in nature and, without regular income, is dependent upon fund-raising for its continued operation. The pre-revenue nature of the business is important to the understanding of the Company by its members, employees and suppliers, and the Directors are as transparent about the cash position and funding requirements as is allowed under AIM Rules for Companies.

An example of how the Company implemented S172 can be demonstrated from the impact of COVID19 on Thor's operations which have continued to cause some disruption mainly in respect of the following:

- Ensuring the health and safety of our staff and contractors;
- Logistical issues surrounding supporting field operations; and
- Volatility of capital markets and Thor's ability to secure equity capital.

These issues have all been directly addressed. In terms of health of our staff we have standard practices in place to minimise the risk of COVID19 contraction or spread: working from home where appropriate, the use of face masks in public in compliance with local requirements and ensuring the availability of sanitiser and social distance in the office environment. Travel to major population centres is minimised where possible and the company retains a strict policy of staff staying at home if they feel unwell.

As a mining exploration Company with projects in Australia and United States of America, the Board takes seriously its ethical responsibilities to the communities and environment in which it works. Wherever possible, local communities are engaged in the geological operations & support functions required for field operations. The regions in which the Company operates have native title laws. The Company is respectful of native title rights and engages proactively with local communities. In addition, we are careful to manage the environmental obligations of our work, and in particular undertake site rehabilitation programmes, and prepare mine management plans, in accordance with local laws and regulations. Our goal is to meet or exceed standards, in order to ensure we maintain our social licence to operate from the communities with which we interact.

We abide by the local, including relevant UK and Australian laws on anti-corruption & bribery.

The interests of our employees are a primary consideration for the Board. Personal development opportunities are supported and health and safety are central to planning for field expeditions.

Other information

Other information that is usually found in the Strategic report has been included in the Directors report.

Directors' Report

The Directors are pleased to present this year's annual report together with the consolidated financial statements for the year ended 30 June 2021.

Review of Operations

The net result of operations for the year was a loss of £2,104,000 (2020 loss: £922,000). A detailed review of the Group's activities is set out in the Review of Operations & Strategic Report.

Directors and Officers

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

Mark Potter- Non-Executive Director and Chairman (appointed Chairman 13 September 2021)

Mr Potter is currently a Director and Chief Investment Officer of Metal Tiger Plc, an AIM and ASX listed investor in natural resources companies. Mark is also the Non-Executive Chairman of Artemis Resources Limited, an ASX listed gold and copper explorer.

Mark was formerly a Director and Chief Investment Officer of Anglo Pacific Group, a London listed natural resources royalty company. Mark was also formally a Non-Executive Director of Trident Royalties Plc and resigned on 18 June 2021.

Prior to Anglo Pacific, Mark was a founding member and Investment Principal for Audley Capital Advisors LLP, a London based activist hedge fund, where he was responsible for managing all natural resources investments. Prior to Audley Capital, Mark worked in corporate finance for Salomon Smith Barney (Citigroup) and Dawnay Day, a private equity and corporate finance advisory firm. Mark graduated with a MA degree from Trinity College, University of Cambridge.

Nicole Galloway Warland - Managing Director (appointed 21st April 2021)

Ms Galloway Warland, who graduated from the University of Technology, Sydney with a BSc (Hons) Applied Geology, has had a career spanning more than 25 years in the mining and exploration industry, working across a broad range of jurisdictions and geological provinces in Australia, Eastern Europe and South America.

Nicole's experience spans from grass roots exploration to project evaluation to open cut & underground mining with a commodity focus of gold, copper, nickel, uranium & lithium.

Mark McGeough BSc dual honours Geol/Geog, FAusIMM - Non-Executive Director (appointed 4th August 2020)

Mr McGeough is an experienced geologist who has spent nearly 40 years in Australia exploring for gold, IOCG copper-gold, silver-lead-zinc and uranium. He was involved in the discovery of the White Dam gold deposit in South Australia and the Theseus uranium deposit in WA.

Mark's career includes a variety of small, mid-size and large mining companies including Chinova Resources, Toro Energy, Xstrata Copper, Mount Isa Mines and AGIP Australia. For Chinova Resources, Mark combined the role of General Manager Exploration with technical director roles for subsidiary companies. From 2005 to 2008 Mark was also the Manager of the SA Geological Survey, promoting the PACE program.

Michael Robert Billing CPA, B Bus MAICD - Former Executive Chairman and CEO (Retired as CEO 21 April 2021 and retired as Chairman 3 September 2021)

Mr Billing has over 40 years of mining and agri-business experience and a background in finance, specialising in recent years in assisting in the establishment and management of junior companies. His career includes experience in company secretarial, senior commercial, and CFO roles including lengthy periods with Bougainville Copper Ltd and WMC Resources Ltd. He has worked extensively with junior resource companies over the past 20 years and was a director of ASX listed company Southern Gold Limited (retired 30 November 2018).

Richard Brady BSc (App Geol), MSc (Nat Res Man), MAusIMM - Former Executive Director (Retired 29th October 2020)

Mr Brady a Geologist with over 25 years exploration and development experience. He holds a Bachelor of Science in Applied Geology and a Masters Degree in Natural Resources. His career

includes exploration, resources development and mine geology experience with a number of Australian based mining companies.

Ray Ridge - BA(Acc), CA, GIA(cert)

Chief Financial Officer / Joint Company Secretary

Mr Ridge is a chartered accountant with over 25 years accounting and commercial management experience. Previous roles include Senior Audit Manager with Arthur Andersen, Financial Controller and then Divisional CFO with Elders Ltd, and General Manager Commercial & Operations at engineering and construction company Parsons Brinckerhoff. Mr Ridge is company secretary for two other ASX listed companies.

Stephen F Ronaldson – Joint Company Secretary (UK)

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

Mr Ronaldson has an MA from Oriel College Oxford and qualified as a solicitor in 1981. During his career Mr Ronaldson has concentrated on company and commercial fields of practice undertaking all issues relevant to those types of businesses including capital raises, mergers and acquisitions, Financial Services and Markets Act work, placings and admissions to AIM, AQUIS and other regulated markets. Mr Ronaldson is currently company secretary for a number of quoted companies including AIM listed companies.

Executive Director Service contracts

All Directors are appointed under the terms of a Directors letter of appointment. Applicable from October 2020, each appointment provides for annual fees of Australian dollars \$50,000 for services as Directors inclusive of the 9.50% as a company contribution to Australian statutory superannuation scheme (10% from 1 July 2021). Prior to October 2020, annual Directors' fees were \$40,000 inclusive of the 9.5% to Australian statutory superannuation scheme. The agreement allows that any services supplied by the Directors to the Company and any of its subsidiaries in excess of two days in any calendar month, may be invoiced to the Company at market rate, currently at A\$1,000 per day for each Director other than Mr Michael Billing who was paid A\$1,200 per day.

Principal activities and review of the business

The principal activities of the Group are the exploration for and potential development of gold, copper, tungsten and other mineral deposits.

At the Company's 100% owned Ragged Range Project in the Pilbara region of Western Australia, Thor successfully completed early stage exploration activities, including soil and rock chip sampling, stream sediment sampling, as well as airborne magnetic surveys, which identified very promising gold and nickel exploration targets that will be drill tested in Q4 2021.

At Alford East Copper-Gold Project in South Australia, Thor is earning an 80% interest in copper gold oxide mineralisation considered amenable to extraction via In Situ Recovery techniques (ISR). In January 2021, Thor announced an Inferred Mineral Resource Estimate of 177,000 tonnes contained copper & 71,000 oz gold. In conjunction with resource diamond drilling Thor is carrying out hydrogeological and hydrometallurgical assessment of the project for ISR copper and gold development.

Thor holds 30% of EnviroCopper Limited (EnviroCopper). EnviroCopper, through its 100% owned subsidiary, Environmental Copper Recovery SA Pty Ltd (ECR), holds an agreement to earn, in two stages, up to 75% of the rights over metals which may be recovered via in-situ recovery (ISR) contained in the Kapunda deposit, from Australian listed company, Terramin Australia Limited (ASX: TZN). Another 100% owned subsidiary of EnviroCopper, Environmental Metals Recovery Pty Ltd (EMR) has a right to earn up to a 75% interest in the Moonta Copper Project, which comprises the northern section of exploration licence EL5984 held by Andromeda Metals Limited (ASX: ADN).

Thor holds 100% of the advanced Molyhil Tungsten-Molybdenum Project in the Northern Territory of Australia, together with a 40% interest in deposits of tungsten, copper, and vanadium, in two tenements adjacent to Molyhil.

Thor holds mineral claims in the US states of Colorado and Utah within the Uranian Mineral Belt, with historical high-grade uranium and vanadium production results. Subject to permitting Thor proposed drilling testing the Colorado prospects – Rim Rock, Groundhog and Area 23.

Thor also holds 100% of the Pilot Mountain tungsten project in Nevada USA which has a JORC 2012 Indicated and Inferred Resources Estimate on two of the four known deposits. Subsequent to 30 June 2021, Thor entered into a binding term sheet to divest the Pilot Mountain tungsten project, subject to a due diligence period (refer Note 21 of the Annual Financial Report).

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

Covid-19

The impact of COVID19 on Thor's operations has continued to cause some modest business disruption mainly in respect of the following:

- Ensuring the health and safety of our staff and contractors;
- Logistical issues surrounding supporting field operations; and
- Volatility of capital markets and Thor's ability to secure equity capital.

These issues have all been directly addressed. In terms of health of our staff we have standard practices in place to minimise the risk of COVID19 contraction or spread: working from home where appropriate, the use of face masks in public in compliance with local requirements and ensuring the availability of sanitiser and social distance in the office environment. Travel to major population centres is minimised where possible and the company retains a strict policy of staff staying at home if they feel unwell.

In respect of logistical issues, there has been some unavoidable disruption but the Company has been able to source local resources for exploration activities to avoid the need for international travel and working remotely using digital technology to support in field operations.

Business Review and future developments

A review of the current and future development of the Group's business is provided in the Review of Operations & Strategic Report.

Results and dividends

The Group incurred a loss after taxation of £2,104,000 (2020 loss: £922,000). No dividends have been paid or are proposed.

Key Performance Indicators

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

At this stage, management believe that the management of cash is the main performance indicator which is monitored closely.

Events occurring after the reporting period

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

Substantial Shareholdings

At 10 September 2021, the following had notified the Company of disclosable interests in 3% or more of the nominal value of the Company's shares:

	Date notified	Ordinary shares	%
Mr Michael Billing	3/09/2021	53,156,490	3.0

For the above table, the number of shares held and the percentage of total issued capital (and voting rights) are as at the date of the last notification received by the Company. Substantial shareholders are required to notify the Company based on the percentage of voting rights held, where there is a movement through a 1% band. Therefore, the number of shares last notified may have changed from that shown, without the need for a substantial shareholder to notify the Company, where their percentage of voting rights remains within the 1% band last notified. However, as a former Director, Mr Billing's number of shares held was maintained up to date for any change up to the date of

retirement on 3 September 2021, and therefore the number of shares held and the corresponding percentage of issued capital and voting rights, is accurate for Mr Billing as at 3 September 2021.

Directors & Officers Shareholdings

The Directors and Officers who served during the period and their interests in the share capital of the Company at 30 June 2021 or their date of resignation if prior to 30 June 2021, were follows:

	Ordinary Shares/CDIs		Unlisted Options	
	30 June 2021	30 June 2020	30 June 2021	30 June 2020
Mark Potter	2,910,831	-	8,000,000	-
Nicole Galloway Warland	250,000	-	4,000,000	-
Mark McGeough	1,861,765	-	-	-
Michael Billing (retired 3/9/2021)	53,156,490	45,407,423	9,250,000	4,500,000
Richard Bradey (retired 29/10/2020)	2,031,792	31,792	17,000,000	8,000,000

Directors' Remuneration

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

The Company remunerates the Directors at a level commensurate with the size of the Company and the experience of its Directors. The Board has reviewed the Directors' remuneration and believes it upholds the objectives of the Company with regard to this issue. Details of the Director emoluments and payments made for professional services rendered are set out in Note 4 to the financial statements.

The Australian based directors are paid on a nominal fee basis of A\$50,000 per annum applicable from October 2020 (A\$40,000 prior to that date), and UK based directors are paid the GBP equivalent of A\$50,000 at an agreed average foreign exchange rate (applicable from October 2020), with the exception of Mr Bradey (retired 29th October) and Ms Nicole Galloway Warland who receive a salary in their respective executive roles, no further fees were payable to Mr Bradey or Ms Galloway Warland as Executive Directors.

Directors and Officers

Summary of amounts paid to Key Management Personnel

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

2021	Salary and Fees £'000	Shares issued ⁴ £'000	Post Employment Super £'000	Total Fees for Services rendered £'000	Short-term employee benefits £'000	Options ⁵ £'000	Total Benefit £'000
Directors ¹							
Mark Potter	24	12	-	36	36	14	50
Nicole Galloway Warland ³	82	-	8	90	90	20	110
Mark McGeough	17	6	2	25	25	-	25
Michael Billing	119	6	2	127	127	14	141
Richard Bradey ²	79	-	3	82	82	14	96
Key Personnel ¹							
Ray Ridge	50	-	-	50	50	13	63
2021 Total	371	24	15	410	410	75	485

¹ As at 30 June 2021 amounts of £94,328, £6786, £6786 and £7,203, remained unpaid to Messrs Billing, Potter, McGeough and Ridge respectively.

² Retired 29 October 2020.

³ Appointed as Exploration Manager on 1 October 2020 and appointed Managing Director 21 April 2021. Remuneration in the above table for Ms Galloway Warland includes the period as Exploration Manager and Managing Director, as both are considered KMP roles.

⁴ Messrs Billing and McGeough elected to receive 50% of their gross directors' fees for the 6 months to 31 December 2020 by Thor shares in lieu of cash payment. Mr Potter elected to receive 100% of his directors' fees for the 6 months to 31 December 2020 by Thor shares in lieu of cash payment. Following shareholder approval on 25 November 2020, 661,765 ordinary shares were issued on 27 November 2020, to each of Messrs Billing and McGeough in lieu of \$11,250 in directors fees owing to each and 1,323,529 ordinary shares were issued to Potter in lieu of \$22,500 in directors fees owing.

⁵ Following shareholder approval, 8,000,000 unlisted Options were granted to each of Messrs Potter, Billing and Bradey on 8 July 2020 (exercise price \$0.0095, expiring 8 July 2023). These options were valued at £0.00172 per option using the Black-Scholes method. Unlisted options were granted under the Company's Employee Share Option Plan on 29 September 2020 to Ms Galloway Warland (4,000,000 options) and Mr Ridge (2,500,000 options). These options were valued at £0.00509 per option using the Black-Scholes method.

	2020	Salary and Fees £'000	Shares issued £'000	Post Employment Super £'000	Total Fees for Services rendered £'000	Short-term employee benefits £'000	Options £'000	Total Benefit £'000
Directors ¹								
Michael Billing	129	-		2	131	131	-	131
Mark Potter ⁴	21	-		-	21	21	-	21
Richard Bradey ³	102	-		10	112	112	-	112
David Thomas ²	14	-		1	15	15	-	15
Alastair Middleton ²	11	-		-	11	11	-	11
Key Personnel ¹								
Ray Ridge	40	-		-	40	40	-	40
2020 Total	317	-		13	330	330	-	330

¹ As at 30 June 2020 amounts of £101,692, £5,329 and £13,406, remained unpaid to Messrs Billing, Potter and Ridge respectively.

² Retired 29 November 2019.

³ Mr Bradey receives a salary as an executive of the Company and does not receive any additional fees as a Director.

⁴ Appointed 27 August 2019

⁵ Messrs Billing and Potter elected to receive 50% of their directors' fees for the 6 months to 30 June 2020 by Thor shares in lieu of cash payment. Following shareholder approval on 7 July 2020, 1,587,302 ordinary shares were issued on 8 July 2020, to each of Messrs Billing and Potter in lieu of \$10,000 in directors fees owing to each.

Directors Meetings

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

2021

Mark Potter
 Nicole Galloway Warland (appointed 21 April 2021)
 Mark McGeough
 Michael Billing (retired 3 September 2021)
 Richard Bradey (Retired 29th October 2020)

Meetings held whilst in Office	Meetings attended
11	11
2	2
11	11
11	11
3	2

Corporate Governance

The Board have chosen to apply the ASX Corporate Governance Principles and Recommendations (ASX Corporate Governance Council, 4th Edition) as the Company's chosen corporate governance code for the purposes of AIM Rule 26. Consistent with ASX listing rule 4.10.3 and AIM rule 26, this document details the extent to which the Company has followed the recommendations set by the ASX Corporate Governance Council during the reporting period. A separate disclosure is made where the Company has not followed a specific recommendation, together with the reasons and any alternative governance practice, as applicable. This information is reviewed annually.

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

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

- All Director Remuneration is set against the market rate for Independent Directors for ASX listed companies of a similar size and nature.
- The financial package for the Managing Director is established by reference to packages prevailing in the employment market for executives of equivalent status both in terms of level of responsibility of the position and their achievement of recognised job qualifications and skills.

The Company does not have a separate Audit Committee, however the Company undertakes alternative procedures to verify and safeguard the integrity of the Company's corporate reporting, that are appropriate in the context of the current size and nature of the Company's operations, including:

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

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

Environmental Responsibility

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

Employment Policies

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

Health and Safety

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

Payment to Suppliers

The Group's policy is to agree terms and conditions with suppliers in advance; payment is then made in accordance with the agreement provided the supplier has met the terms and conditions. Under normal operating conditions, suppliers are paid within 60 days of receipt of invoice.

Political Contributions and Charitable Donations

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

Annual General Meeting ("AGM")

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

Auditors

A resolution to reappoint PKF Littlejohn LLP will be considered at the Company's next Annual General Meeting expected to be held late November 2021.

Statement of disclosure of information to auditors

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

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

Going Concern

The Directors note the losses that the Group has made for the Year Ended 30 June 2021. The Directors have prepared cash flow forecasts for the period ending 30 September 2022 which take account of the current cost and operational structure of the Group.

The cost structure of the Group comprises a high proportion of discretionary spend and therefore in the event that cash flows become constrained, some costs can be reduced to enable the Group to operate with a lower level of available funding. As a junior exploration company, the Directors are aware that the Company must go to the marketplace to raise cash to meet its exploration and development plans, and/or consider liquidation of its investments and/or assets as is deemed appropriate.

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

Statement of Directors' Responsibilities

The Directors are responsible for preparing the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the group and parent company financial statements in accordance with applicable law and international accounting standards in conformity with the requirements of the Companies Act 2006 and as regards the parent company financial statements, as applied in accordance with the provisions of the Companies Act 2006. Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the group and of the profit or loss of the company and the group for that year. In preparing those financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable international accounting standards in conformity with the requirements of the Companies Act 2006 have been followed subject to any material departures disclosed and explained in the financial statements; and prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group will continue in business.

The Directors confirm that they have complied with the above requirements in preparing the financial statements.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the

Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Electronic communication

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

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

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

This report was approved by the Board on 30 September 2021.



Mark Potter
Non-Executive Chairman



Ray Ridge
Chief Financial Officer

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

Opinion

We have audited the financial statements of Thor Mining Plc (the 'parent company') and its subsidiaries (the 'group') for the year ended 30 June 2021 which comprise the Consolidated and Parent Company Statements of Comprehensive Income, the Consolidated and Parent Company Statements of Financial Position, the Consolidated and Parent Company Statements of Cash Flows, the Consolidated and Parent Company Statements of Changes in Equity and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and international accounting standards in conformity with the requirements of the Companies Act 2006.

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and of the parent company's affairs as at 30 June 2021 and of the group's and parent company's loss for the year then ended;
- have been properly prepared in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Material uncertainty related to going concern

We draw attention to note 1(c) in the financial statements, which identifies conditions that may cast doubt on the group's ability to continue as a going concern. The group incurred a net loss of £2,104,000 and had operating cash outflows of £757,000 in the year. It is not expected to generate any revenue or positive inflows from operations in the 12 months from the date on which these financial statements are approved.

The group has cash resources of £783,000 as at the year-end. Management indicate that based on the current expenditure levels, all current cash resources will be used prior to the 12 months period from the date on which these financial statements are approved and thus will be required to raise additional funds.

The financial statements have been prepared on the going concern basis. The ability of the group to meet its operational objectives is dependent on its ability to raise additional funds in the next 12 months.

As stated in note 1(c), these events or conditions, along with the other matters elsewhere, indicate that a material uncertainty exists that may cast significant doubt on the company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

In auditing the financial statements, we have concluded that the director's use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of

the directors' assessment of the company's ability to continue to adopt the going concern basis of accounting included:

- Obtaining management's base case forecast for the period to the 30 September 2022 and tested the accuracy of the cash flow model;
- Considered the reasonableness of any further mitigating actions identified by management, which included an assessment of the feasibility and quantification of such measures available to management; and
- Critically assessing the disclosures made within the financial statements for consistency with management's assessment of going concern.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Our application of materiality

The quantitative and qualitative thresholds for materiality determine the scope of our audit and the nature, timing and extent of our audit procedures. The materiality applied to the group financial statements was £139,000 (2020: £130,000) based on 1.1% (2020: 1.0%) of gross assets. We based the materiality on gross assets because we consider this to be the most relevant performance indicator for a mining group in the exploration phase.

The performance materiality was £97,300 (2020: £84,500). We set performance materiality at 70% (2020: 65%) of overall financial statement materiality to reflect the risk associated with the judgemental and key areas of management estimation within the financial statements

The materiality applied to the parent company financial statements was £138,900 (2020: £129,900) based on 1.1% (2020: 1%) of the gross assets as it is a holding company. The performance materiality was £96,600 (2020: £84,435). For each component in the scope of our group audit, we allocated a materiality that was less than our overall group materiality. The group currently does not trade and its investment portfolio is the main source of interest to the user of the financial statements. This benchmark was also applied to the materiality of the Parent Company for the same reasons.

We agreed with those charged with governance that we would report all differences identified during the course of our audit in excess of £6,950 (2020: £6,500).

No significant changes have come to light through the audit fieldwork which has caused us to revise our materiality figure.

Our approach to the audit

In designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements. In particular we looked at areas involving significant accounting estimates and judgements by the Directors and considered future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

Of the 12 components of the group, a full scope audit was performed on the complete financial information of 3 components, and for the components not considered significant, we performed a limited scope review which analytical review together with substantive testing as appropriate on group audit risk areas applicable to those components based on their relative size, risks in the

business and our knowledge of the entity appropriate to respond to the risk of material misstatement.

Of the 12 reporting components of the group, 4 are located in The United States of America and 7 components are located in Australia. All work with respect to the components has been performed by a component auditor under our instruction. The parent company audit was principally performed in London, conducted by PKF Littlejohn LLP using a team with specific experience of auditing mining exploration entities and publicly listed entities. The Senior Statutory Auditor interacted regularly with the component audit teams during all stages of the audit and was responsible for the scope and direction of the audit process. This, in conjunction with additional procedures performed, gave us sufficient and appropriate audit evidence to support the audit opinion of the group and parent company financial statements

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) we identified, including those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the Material uncertainty related to going concern section we have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matter	How the scope of our audit responded to the key audit matter
Carrying value of intangible fixed assets (refer Note 7)	
The group holds exploration and evaluation assets with a carrying value of £10,120,000 which relate to the Molyhill Mine and Bonya tenements in Australia, Pilot Mt. project in The United States of America and the Ragged Range Pilbara Project in Western Australia. The carrying value and recoverability of these assets are tested annually for impairment. The estimated recoverable amount of this balance is subjective due to the inherent uncertainty involved in the assessment of exploration projects.	We obtained and reviewed the Directors impairment review of intangible assets which considered the areas listed as indicators of impairment under IFRS 6. Our work included the following: <ul style="list-style-type: none">■ Obtaining the impairment assessment prepared by management and reviewing for reasonableness;■ Obtaining the current exploration licences and ensuring that they remain valid;■ Making enquiries of management over the future plans for each license including obtaining cashflow projections where necessary and corroborating to minimum spend requirements attached to licences;■ Reviewing the indicators of impairment listed in IFRS 6;■ Reviewing the working papers and reporting deliverables of component auditors;■ Reviewing the exploration and evaluation expenditures to assess their eligibility for capitalisation under IFRS 6 by

	<p>corroborating to the original source documentation; and</p> <ul style="list-style-type: none"> Reviewing the disclosures presented in the financial statements for accuracy.
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Key Audit Matter	How the scope of our audit responded to the key audit matter
<p>The parent company's net investment in subsidiaries is £448,000 (refer Note 8)</p> <p>The carrying value of the net investment in subsidiaries is ultimately dependent on the value of the underlying assets. Many of the underlying assets are exploration projects which are at an early stage of exploration, making it difficult to determine their value. Valuations for these sites are therefore based on judgments and estimates made by the Directors – which leads to a risk of misstatement.</p>	<p>We have obtained and reviewed the Directors impairment review of the carrying value of the parent company's net investment in the subsidiaries. Our work included:</p> <ul style="list-style-type: none"> Reviewing the impairment indicators listed in IFRS 6 including specific consideration regarding the renewal of the exploration licenses; Obtaining and reviewing available key external reports; Reviewing the audit working papers of certain components to assess impairment considerations of exploration assets made by their auditors; and Discussing with management the basis for impairment or non-impairment of investment in subsidiaries and loans receivable from subsidiaries.

Key Audit Matter	How the scope of our audit responded to the key audit matter
<p>Acquisition accounting of American vanadium Pty limited (refer Note 7)</p> <p>100% of the share capital of American Vanadium Pty Limited was purchased by the group in the year. The acquisition accounting treatment is dependent on whether the acquisition falls within the scope of IFRS 3 or not. The contingent elements are dependent on achieving future project milestones. Management will therefore need to estimate the probability and timing for meeting these milestones when calculating the purchase consideration acquisition value. This will be judgmental and involve estimation.</p>	<p>Our work in this area included:</p> <ul style="list-style-type: none"> Reviewing the key contractual agreements and terms entered into in connection with the acquisition of American Vanadium Pty limited. Challenging management on their determination that the acquisition fell outside the scope of IFRS 3. Discussing with Management the basis for calculating the deferred and contingent elements of the purchase consideration. Critically assessing the assumptions made and verifying the assumptions therein by reference to

resource reports on expected grades of mineral resource in the prospects.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the group and parent company financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

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

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

Responsibilities of directors

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

In preparing the group and parent company financial statements, the directors are responsible for assessing the group and the parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting

unless the directors either intend to liquidate the group or the parent company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- We obtained an understanding of the group and parent company and the sector in which they operate to identify laws and regulations that could reasonably be expected to have a direct effect on the financial statements. We obtained our understanding in this regard through discussions with management and our experience of the resource exploration sector.
- We determined the principal laws and regulations relevant to the company in this regard to be those arising from:
 - Companies Act 2006
 - AiM, ASX & OTCQB listing rules
 - General Data Protection Regulation
 - Quoted Companies Alliance compliance
 - Local laws and regulations in UK, Australia and USA where the Group operates; and
 - Local tax and employment law where each member of the Group operates
- We designed our audit procedures to ensure the audit team considered whether there were any indications of non-compliance by the group and parent company with those laws and regulations. These procedures included, but were not limited to:
 - Enquires of management
 - Review of Board minutes
 - Review of legal expenses
 - Review of RNS announcements

There was regular interaction with the component auditors during all stages of the audit, including procedures designed to identify non-compliance with laws and regulations, including fraud.

- We also identified the risks of material misstatement of the financial statements due to fraud. We considered, in addition to the non-rebuttable presumption of a risk of fraud arising from management override of controls, the potential for management bias was identified in relation to the going concern of the group and the company and as noted above, we addressed this by challenging the assumptions and judgements made by management when auditing that significant accounting estimate.
- As in all of our audits, we addressed the risk of fraud arising from management override of controls by performing audit procedures which included, but were not limited to: the testing of journals; reviewing accounting estimates for evidence of bias; and evaluating the

business rationale of any significant transactions that are unusual or outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

Use of our report

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

PKF Littlejohn LLP

Zahir Khaki (Senior Statutory Auditor)
For and on behalf of PKF Littlejohn LLP
Statutory Auditor

15 Westferry Circus
Canary Wharf
London E14 4HD

30 September 2021

THOR MINING PLC

Statements of Comprehensive Income for the year ended 30 June 2021

	Note	Consolidated £'000 2021	Consolidated £'000 2020	Company £'000 2021	Company £'000 2020
Administrative expenses		(94)	(123)	(165)	(173)
Corporate expenses		(635)	(663)	(295)	(339)
Share based payments expense		(126)	(48)	(126)	(12)
Realised gain on financial assets		(2)	6	(5)	5
Exploration expenses		(81)	(25)	-	-
Net impairment of subsidiary loans		-	-	(1,565)	(176)
Net impairment of investments		-	-	(850)	(49)
Write off/Impairment of exploration assets	7	(1,450)	(59)	-	-
Operating Loss	3	(2,388)	(912)	(3,006)	(744)
Interest received		-	2	-	-
Interest paid		(1)	(4)	-	-
Share of profit of associate, accounted for using the equity method	8d	22	-	-	-
Loss on revaluation of investments	8e	-	(17)	-	-
Profit/(Loss) on sale of investments	8e	222	(29)	222	(8)
Sundry income		41	38	-	-
Loss before Taxation		(2,104)	(922)	(2,784)	(752)
Taxation	5	-	-	-	-
Loss for the year attributable to the equity holders		(2,104)	(922)	(2,784)	(752)
 Other comprehensive income:					
Items that may be subsequently reclassified to profit or loss:					
Exchange differences on translating foreign operations		(570)	160	-	-
Other comprehensive income for the period, net of income tax		(570)	160	-	-
Loss for the year and total comprehensive loss attributable to the equity holders		(2,674)	(762)	(2,784)	(752)
 Basic & diluted loss per share attributable to the equity holders	6	(0.14)p	(0.09)p		

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

	Note	Consolidated £'000 2021	£'000 2020	Company £'000 2021	£'000 2020
ASSETS					
Non-current assets					
Intangible assets - deferred exploration costs	7	10,120	12,252	-	-
Assets held for sale	7a	1,050	-	-	-
Investment in subsidiaries	8a	-	-	448	1,157
Loans to subsidiaries	8b	-	-	11,252	11,383
Financial assets at fair value through profit or loss	8c	-	391	-	-
Investments accounted for using the equity method	8d	564	-	-	-
Deposits to support performance bonds	9	41	42	-	-
Right of use asset	10	10	41	-	-
Plant and equipment	11	7	7	-	-
Total non-current assets		11,792	12,733	11,700	12,540
Current assets					
Cash and cash equivalents	17	783	233	663	229
Trade receivables & other assets	12	60	43	22	29
Total current assets		843	276	685	258
Total assets		12,635	13,009	12,385	12,798
LIABILITIES					
Current liabilities					
Trade and other payables	13	(306)	(307)	(33)	(39)
Employee annual leave provision		(10)	(54)	-	-
Lease Liability	14	(10)	(31)	-	-
Total current liabilities		(326)	(392)	(33)	(39)
Non Current Liabilities					
Lease Liability	14	-	(11)	-	-
Total non-current liabilities		-	(11)	-	-
Total liabilities		(326)	(403)	(33)	(39)
Net assets		12,309	12,606	12,352	12,759
Equity					
Issued share capital	15	3,773	3,733	3,773	3,733
Share premium		24,379	22,288	24,379	22,288
Foreign exchange reserve		1,674	2,244	-	-
Merger reserve		405	405	405	405
Share based payments reserve	16	314	275	314	275
Retained losses		(18,236)	(16,339)	(16,519)	(13,942)
Total shareholders equity		12,309	12,606	12,352	12,759

The accompanying notes form part of these financial statements. These Financial Statements were approved by the Board of Directors on 30 September 2021 and were signed on its behalf by:

Mark Potter
Non-Executive Chairman

Ray Ridge
Chief Financial Officer

THOR MINING PLC

Statements of Cash Flows for the year ended 30 June 2021

	Note	Consolidated		Company	
		£'000 2021	£'000 2020	£'000 2021	£'000 2020
Cash flows from operating activities					
Operating Loss		(2,388)	(912)	(3,045)	(744)
Sundry income		41	38	-	-
Decrease/(increase) in trade and other receivables		4	19	27	(15)
(Decrease)/increase in trade and other payables		(9)	44	-	27
(Decrease)/increase in provisions		(42)	9	-	-
Depreciation		38	37	-	-
Write off/Impairment of exploration assets		1,450	59	-	-
Impairment subsidiary loans		-	-	1,604	176
Impairment investments in subsidiaries		-	-	850	49
Share based payment expense		126	48	126	12
Exclusivity fee paid in shares		-	27	-	27
Directors Fees settled by share issue		23	-	-	-
Net cash outflow from operating activities		(757)	(631)	(438)	(468)
Cash flows from investing activities					
Interest received		-	2	-	-
Interest paid		(1)	(4)	-	-
R&D Grants for exploration expenditure		98	124	-	-
Payments for exploration expenditure		(706)	(570)	-	-
Loan advanced (convertible note)		-	(56)	-	-
Investment in associated entity		(170)	-	-	-
Purchase of property, plant & equipment		(8)	-	-	-
Loans to controlled entities		-	-	(1,252)	(174)
Proceeds from sale of investments		222	56	222	-
Net cash in/(out)flow from investing activities		(565)	(448)	(1,030)	(174)
Cash flows from financing activities					
Finance lease repaid		(30)	(30)	-	-
Net issue of ordinary share capital		1,902	815	1,902	815
Net cash inflow from financing activities		1,872	785	1,902	815
Net increase in cash and cash equivalents					
Non-cash exchange changes		-	4	-	-
Cash and cash equivalents at beginning of period		233	523	229	56
Cash and cash equivalents at end of period		783	233	663	229

THOR MINING PLC

Statements of Changes in Equity For the year ended 30 June 2021

Consolidated	Issued	Foreign			Share		Total
	share	Share	Retained	Currency	Merger	Payment	
	capital	premium	losses	Translation	Reserve	Reserve	£'000
	£'000	£'000	£'000	£'000	£'000	£'000	
Balance at 1 July 2019	3,692	21,449	(15,513)	2,084	405	359	12,476
Loss for the period	-	-	(922)	-	-	-	(922)
Foreign currency translation reserve	-	-	-	160	-	-	160
Total comprehensive (loss) for the period	-	-	(922)	160	-	-	(762)
Transactions with owners in their capacity as owners							
Shares issued	41	915	-	-	-	-	956
Cost of shares issued	-	(76)	-	-	-	-	(76)
Options exercised/lapsed	-	-	96	-	-	(96)	-
Options issued	-	-	-	-	-	12	12
At 30 June 2020	3,733	22,288	(16,339)	2,244	405	275	12,606
Balance at 1 July 2020	3,733	22,288	(16,339)	2,244	405	275	12,606
Loss for the period	-	-	(2,104)	-	-	-	(2,104)
Foreign currency translation reserve	-	-	-	(570)	-	-	(570)
Total comprehensive (loss) for the period	-	-	(2,104)	(570)	-	-	(2,674)
Transactions with owners in their capacity as owners							
Shares issued	40	2,337	-	-	-	-	2,377
Cost of shares issued	-	(246)	-	-	-	-	(246)
Options exercised/lapsed	-	-	207	-	-	(207)	-
Options issued	-	-	-	-	-	246	246
At 30 June 2021	3,773	24,379	(18,236)	1,674	405	314	12,309
Company							
Balance at 1 July 2019	3,692	21,449	(13,286)	-	405	359	12,619
Loss for the period	-	-	(752)	-	-	-	(752)
Total comprehensive (loss) for the period	-	-	(752)	-	-	-	(752)
Transactions with owners in their capacity as owners							
Shares issued	41	915	-	-	-	-	956
Cost of shares issued	-	(76)	-	-	-	-	(76)
Options exercised/lapsed	-	-	96	-	-	(96)	-
Options issued	-	-	-	-	-	12	12
At 30 June 2020	3,733	22,288	(13,942)	-	405	275	12,759
Balance at 1 July 2020	3,733	22,288	(13,942)	-	405	275	12,759
Loss for the period	-	-	(2,784)	-	-	-	(2,784)
Total comprehensive (loss) for the period	-	-	(2,784)	-	-	-	(2,784)
Transactions with owners in their capacity as owners							
Shares issued	40	2,337	-	-	-	-	2,377
Cost of shares issued	-	(246)	-	-	-	-	(246)
Options exercised/lapsed	-	-	207	-	-	(207)	-
Options issued	-	-	-	-	-	246	246
At 30 June 2021	3,773	24,379	(16,519)	-	405	314	12,352

Notes to the Accounts for the year ended 30 June 2021**1 Principal accounting policies****a) Authorisation of financial statements**

The Group financial statements of Thor Mining PLC for the year ended 30 June 2021 were authorised for issue by the Board on 30 September 2021 and the Balance Sheets signed on the Board's behalf by Mark Potter and Ray Ridge. The Company's ordinary shares are traded on the AIM Market operated by the London Stock Exchange, on the Australian Securities Exchange and on the OTCQB market in the United States.

b) Statement of compliance with IFRS

The Consolidated Financial Statements of Thor Mining Plc (the "Group") have been prepared in accordance with International Accounting Standards ("IAS") in conformity with the requirements of the Companies Act 2006. These accounting policies comply with each IAS that is mandatory for accounting periods ending on 30 June 2021.

c) Basis of preparation and Going Concern

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

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

The consolidated entity incurred a net loss before tax of £2,104,000 during the period ended 30 June 2021, and had a net cash outflow of £1,322,000 from operating and investing activities. The consolidated entity continues to be reliant upon capital raisings for continued operations and the provision of working capital.

The Group's cash flow forecast for the 12 months ending 30 September 2022, highlight the fact that the Company is expected to continue to generate negative cash flow over that period, inclusive of the discretionary exploration spend. The Board of Directors are of the view that the injection of funds into the Group during the next 12 months (refer Note 21), and are confident that any further necessary funds will be raised in order for the Group to remain cash positive for the whole period. If additional capital is not obtained, the going concern basis may not be appropriate, with the result that the Group may have to realise its assets and extinguish its liabilities, other than in the ordinary course of business and at amounts different from those stated in the financial report.

For the above detailed reasons, the Directors believe there is a material uncertainty over the Company's status as a going concern. However, the Directors have a reasonable expectation that the Company will be able to raise sufficient funding to allow it to cover its working capital for a period of twelve months from the date of approval of the financial statements. It is for this reason the financial statements have been prepared on a going concern basis, with no adjustments in respect of the concerns of the Group's ability to continue to operate under that assumption.

d) Basis of consolidation

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

The Group applies the acquisition method of accounting to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date.

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Acquisition-related costs are expensed as incurred unless they result from the issuance of shares, in which case they are offset against the premium on those shares within equity.

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

All intercompany balances and transactions have been eliminated in full.

e) **Intangible assets – deferred exploration costs**

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

Exploration, evaluation and development expenditure are not amortised, as all areas of interest remain in the pre-production phase.

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

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

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

Exploration and evaluation assets recorded at fair-value on acquisition

Exploration assets which are acquired are recognised at fair value. When an acquisition of an entity whose only significant assets are its exploration asset and/or rights to explore, the Directors consider that the fair value of the exploration assets is equal to the consideration. Any excess of the consideration over the capitalised exploration asset is attributed to the fair value of the exploration asset.

f) **Interest Revenue**

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

g) **Deferred taxation**

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

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

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

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

The amount of any claim received during the year from the Australian Government for eligible exploration expenditure claimed as a Research & Development Tax Incentive is treated as an offset or reduction of the deferred exploration costs. The amounts received in the year ended 30 June 2021 was A\$171,000 (£98,000) (2020: A\$221,000 (£124,000)).

h) Financial liabilities

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

Subsequent measurement

After initial recognition, trade and other payables are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in the statement of profit or loss and other comprehensive income when the liabilities are derecognised, as well as through the EIR amortisation process.

Derecognition

A financial liability is derecognised when the associated obligation is discharged or cancelled or expires.

i) Foreign currencies

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

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

j) Share based payments

During the year the Group has provided share-based remuneration to service providers, in the form of share options. For further information refer to Note 16.

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

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

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

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

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

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

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

Share based payments reserve

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

I) Cash and cash equivalents

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

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

m) Financial assets

Loans and Receivables

Classification and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an instrument level.

The Group's and Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- financial assets at amortised cost (debt instruments);
- financial assets at fair value through OCI with recycling of cumulative gains and losses (debt instruments);
- financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments); and
- financial assets at fair value through profit or loss.

Financial assets at amortised cost (debt instruments)

This category is the most relevant to the Group and Company. The Group and Company measure financial assets at amortised cost if both of the following conditions are met:

- the financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest rate ("EIR") method and are subject to impairment. Interest received is recognised as part of finance income in the statement of profit or loss and other comprehensive income. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired. The Group's and Company's financial assets at amortised cost include trade and other receivables (not subject to provisional pricing) and cash and cash equivalents.

Financial assets at fair value through profit or loss

The group classifies the following financial assets at fair value through profit or loss (FVPL):

- debt instruments that do not qualify for measurement at either amortised cost (see Note 8(c)) or FVOCI.

Derecognition

A financial asset is primarily derecognised when:

- the rights to receive cash flows from the asset have expired; or
- the Group and Company have transferred their rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group and Company have transferred substantially all the risks and rewards of the asset, or (b) the Group and Company have neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

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

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

Investments

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

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

o) Merger reserve

The difference between the fair value of an acquisition and the nominal value of the shares allotted in a share exchange have been credited to a merger reserve account, in accordance with the merger relief provisions of the Companies Act 2006 and accordingly no share premium for such transactions is set-up. Where the assets acquired are impaired, the merger reserve value is reversed to retained earnings to the extent of the impairment.

p) Property, plant and equipment

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

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

Land (including option costs) – Nil

Plant and Equipment – between 5% and 25%

All assets are subject to annual impairment reviews.

q) Impairment of assets

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

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

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

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

r) Provisions

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

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

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

s) Loss per share

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

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

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

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

t) Share based payments reserve

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

u) Foreign currency translation reserve

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

v) Lease accounting

The Company as Lessee

At the inception of a contract, the Group assesses if the contract is a lease or contains a lease. If there is a lease present, a right-of-use asset and a corresponding lease liability are recognised by the Group where the Group is a lessee. However, all contracts that are classified as short-term leases (ie a lease with a term of 12 months or less) and leases of low-value assets are recognised as an operating expense on a straight-line basis over the term of the lease.

Initially the lease liability is measured at the present value of the lease payments still to be paid at the commencement date. The lease payments are discounted at the interest rate implicit in the lease. If this rate cannot be readily determined, the Group uses the incremental borrowing rate.

Lease payments included in the measurement of the lease liability are as follows:

- fixed lease payments less any lease incentives;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- the amount expected to be payable by the lessee under residual value guarantees;
- the exercise price of purchase options, if the lessee is reasonably certain to exercise the options;
- lease payments under extension options, if the lessee is reasonably certain to exercise the options; and
- payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, any lease payments made at or before the commencement date and any initial direct costs. The subsequent measurement of the right-of-use assets is at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated over the lease term or useful life of the underlying asset, whichever is the shortest.

Where a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group anticipates to exercise a purchase option, the specific asset is depreciated over the useful life of the underlying asset.

The Company's weighted average incremental borrowing rate applied to the lease liabilities is 4.58%.

The Company as Lessor

As the Group has no contracts as a lessor, the provisions of IFRS 16 relating accounting for lease contracts as a lessor are not applicable.

w) Held for sale assets

Non-current assets classified as held for sale are presented separately and measured at the lower of their carrying amounts immediately prior to their classification as held for sale and their fair value less costs to sell.

However, some held for sale assets such as financial assets or deferred tax assets, continue to be measured in accordance with the Group's relevant accounting policy for those assets. Once classified as held for sale, the assets are not subject to depreciation or amortisation. Any profit or loss arising from the sale of a discontinued operation or its remeasurement to fair value less costs to sell is presented as part of a single line item, profit or loss from discontinued operations.

x) New standards, amendments and interpretations not yet adopted

The group has adopted the following amendments as at 30 June 2021:

- Covid-19-Related Rent Concessions beyond 30 June 2021 - Amendment to IFRS 16

Standards, amendments and interpretations that are in issue but not yet effective and have not been early adopted are as follows:

- Interest Rate Benchmark Reform – Phase 2 – Amendments to - IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16

At the date on which these Financial Statements were authorised, there were no Standards, Interpretations and Amendments which had been issued but were not effective for the year ended 30 June 2021 that are expected to materially impact the Group's Financial Statements.

y) Critical accounting estimates and judgements

The preparation of the Financial Statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of expenses during the period. Actual results may vary from the estimates used to produce these Financial Statements.

Estimates and judgements are regularly evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Items subject to such estimates and assumptions, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial years, include but are not limited to:

- Impairment of intangible assets – exploration and evaluation costs (Note 7)

The group assesses impairment at each reporting date by evaluating conditions specific to the group that may lead to impairment of exploration and evaluation assets. Where an impairment trigger exists, the recoverable amount of the asset is determined.

The group capitalises expenditure relating to exploration and evaluation where it is considered likely to be recoverable or where the activities have not reached a stage which permits a reasonable assessment of the existence of reserves. While there are certain areas of interest from which no reserves have been extracted, the Directors are of the continued belief that such expenditure should not be written off since feasibility studies in such areas have not yet concluded.

- Share based payment transactions (refer Note 16)

2. Segmental analysis – Group

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors that makes strategic decisions.

The Group's operations are located Australia and the United States of America, with the head office located in the United Kingdom. The main tangible assets of the Group, cash and cash equivalents, are held in the United States of America and Australia. The Board ensures that adequate amounts are transferred internally to allow all companies to carry out their operational on a timely basis.

The Directors are of the opinion that the Group is engaged in a single segment of business being the exploration for commodities. The Group currently has two geographical reportable segments – United States of America and Australia.

	£'000 Head office/ Unallocated	£'000 Australia	£'000 United States	£'000 Consolidated
Year ended 30 June 2021				
Revenue				
Sundry Income	63	-	-	63
Profit/(loss) on sale investments	222	-	-	222
Total Segment Expenditure	(650)	(303)	(1,436)	(2,389)
(Loss) from Ordinary Activities before Income Tax	(365)	(303)	(1,436)	(2,104)
Income Tax (Expense)	-	-	-	-
Retained (loss)	(365)	(303)	(1,436)	(2,104)
Assets and Liabilities				
Segment assets	-	10,900	1,050	11,950
Corporate assets	685	-	-	685
Total Assets	685	10,900	1,050	12,635
Segment liabilities	-	(293)	-	(293)
Corporate liabilities	(33)	-	-	(33)
Total Liabilities	(33)	(293)	-	(326)
Net Assets	652	10,607	1,050	12,309

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2. Revenue and segmental analysis – Group (continued)

	£'000 Head office/ Unallocated Australia	£'000 United States	£'000 Consolidated
Year ended 30 June 2020			
Revenue			
Sundry Income	40	-	-
Total Segment Expenditure	<u>(347)</u>	<u>(592)</u>	<u>(23)</u>
(Loss) from Ordinary Activities before Income Tax	<u>(307)</u>	<u>(592)</u>	<u>(23)</u>
Income Tax (Expense)	-	-	-
Retained (loss)	<u>(307)</u>	<u>(592)</u>	<u>(23)</u>
Assets and Liabilities			
Segment assets	-	10,081	2,670
Corporate assets	<u>258</u>	-	<u>258</u>
Total Assets	<u>258</u>	<u>10,081</u>	<u>2,670</u>
Segment liabilities	-	<u>(364)</u>	-
Corporate liabilities	<u>(39)</u>	-	<u>(39)</u>
Total Liabilities	<u>(39)</u>	<u>(364)</u>	<u>(403)</u>
Net Assets	<u>219</u>	<u>9,717</u>	<u>-</u>

3. Expenses by nature

	2021 £'000	2020 £'000
Items of expenditure not otherwise disclosed on the Statement of Comprehensive Income:		
Depreciation	38	37
Auditors' remuneration – audit services	35	27
Auditors' remuneration – non audit services	-	-
Directors emoluments – fees and salaries	360	290
Other employee and contractor costs	248	91
Director and employees costed to exploration	<u>(199)</u>	<u>(143)</u>
American Vanadium due diligence & exclusivity fee	-	77
Listing costs (ASX, AIM, registry, investor relations)	<u>320</u>	<u>248</u>
Legal costs	<u>20</u>	<u>49</u>

Auditors' remuneration for audit services above includes £28,200 (2020: £18,000) to PKF Littlejohn for the audit of the Company and Group. Remuneration to BDO for the audit of the Australian subsidiaries was £11,788 (2020: £8,822).

4. Directors and executive disclosures – Group

All Directors are appointed under the terms of a Directors letter of appointment. Each appointment, with the exception of executive Directors, Mr Bradey (retired 29 October 2020) and Ms Nicole Galloway Warland (appointed 21 April 2021), provides for annual fees of Australian dollars \$40,000 for services as Directors. This annual fee increased to \$50,000 from 1 October 2020. In the case of Australian base Directors this annual fee is inclusive of 9.5% (10% from 1 July 2021) as a company contribution to Australian statutory superannuation schemes. The agreement allows for any services supplied by any Directors, other than Mr Bradey and Ms Nicole Galloway Warland, to the Company and any of its subsidiaries in excess of two days in any calendar month, can be invoiced to the Company at market rate, currently at A\$1,000 per day, other than Mr Michael Billing having been at a rate of A\$1,200 per day.

Ms Galloway Warland receives an annual full time salary of \$220,000 plus \$22,000 in superannuation benefits in her role as Managing Director. Ms Galloway Warland does not receive additional remuneration as a Director. Prior to her appointment as Managing Director on 21 April 2021, Ms Galloway Warland received an annual salary of \$190,000 plus \$19,000 in superannuation benefits in her role as Exploration Manager.

Mr Richard Bradey (retired 29 October 2020) received an annual full time equivalent salary of \$217,000 plus \$21,000 in superannuation benefits in his role as Exploration Manager. Mr Bradey did not receive additional remuneration as a Director.

(a) Details of Key Management Personnel (KMP) during the year ended 30 June 2021

(i) Chairman and Chief Executive Officer

Michael Billing	Executive Chairman and Chief Executive Officer (Retired as CEO 21 April 2021, and retired as a Director 3 September 2021)
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(ii) Directors

Nicole Galloway Warland	Managing Director (appointed 21 April 2021)
Mark Potter	Non-Executive Director (appointed Chair 13 September 2021)
Mark McGeough	Non-Executive Director
Richard Bradey	Executive Director (retired 29 October 2020)

(iii) Executives

Ray Ridge	CFO/Company Secretary (Australia)
Stephen Ronaldson	Company Secretary (UK)

(b) Compensation of Key Management Personnel

Compensation Policy

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

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

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

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However, to align Directors' interests with shareholder interests, the Directors are encouraged to hold shares in the Company and may receive options.

30 June 2021	Paid/Payable in cash	Shares ⁴	Total Salary & Fees	Options ⁵	Total
	£'000	£'000	£'000	£'000	£'000
Directors: ¹					
Mark Potter	24	12	36	14	50
Nicole Galloway Warland ³	90		90	20	110
Mark McGeough	19	6	25	-	25
Michael Billing	121	6	127	14	141
Richard Bradey ²	82	-	82	14	96
Key Personnel: ¹					
Ray Ridge	50	-	50	13	63

¹ As at 30 June 2021 amounts of £94,328, £6786, £6786 and £7,203, remained unpaid to Messrs Billing, Potter, McGeough and Ridge respectively.

² Retired 29 October 2020.

³ Appointed as Exploration Manager on 1 October 2020 and appointed Managing Director 21 April 2021. Remuneration in the above table for Ms Galloway Warland includes the period as Exploration Manager and Managing Director, as both are considered KMP roles.

⁴ Messrs Billing and McGeough elected to receive 50% of their gross directors' fees for the 6 months to 31 December 2020 by Thor shares in lieu of cash payment. Mr Potter elected to receive 100% of his directors' fees for the 6 months to 31 December 2020 by Thor shares in lieu of cash payment. Following shareholder approval on 25 November 2020, 661,765 ordinary shares were issued on 27 November 2020, to each of Messrs Billing and McGeough in lieu of \$11,250 in directors fees owing to each and 1,323,529 ordinary shares were issued to Potter in lieu of \$22,500 in directors fees owing.

⁵ Following shareholder approval, 8,000,000 unlisted Options were granted to each of Messrs Potter, Billing and Bradey on 8 July 2020 (exercise price \$0.0095, expiring 8 July 2023). These options were valued at £0.00172 per option using the Black-Scholes method. Unlisted options were granted under the Company's Employee Share Option Plan on 29 September 2020 to Ms Galloway Warland (4,000,000 options) and Mr Ridge (2,500,000 options). These options were valued at £0.00509 per option using the Black-Scholes method.

30 June 2020	Paid/Payable in cash	Shares	Total Salary & Fees	Options	Total
	£'000	£'000	£'000	£'000	£'000
Directors: ¹					
Michael Billing ⁵	131	-	131	-	131
Mark Potter ^{4,5}	21	-	21	-	21
Richard Bradey ³	112	-	112	-	112
David Thomas ²	15	-	15	-	15
Alastair Middleton ²	11	-	11	-	8
Key Personnel: ¹					
Ray Ridge ¹	40	-	40	-	40

¹ As at 30 June 2020 amounts of £101,692, £5,329, and £13,406, remained unpaid to Messrs Billing, Potter, and Ridge respectively.

² Retired 29 November 2019.

³ Mr Bradey receives a salary as an executive of the Company, and does not receive any additional fees as a Director.

⁴ Appointed 27 August 2019.

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⁵ Messrs Billing and Potter elected to receive 50% of their directors fees for the 6 months to 30 June 2020 by Thor shares in lieu of cash payment. Following shareholder approval on 7 July 2020, 1,587,302 ordinary shares were issued on 9 July 2020, to each of Messrs Billing and Potter in lieu of \$10,000 in directors fees owing to each.

(c) Compensation by category

	Group	2021 £'000	2020 £'000
Key Management Personnel			
Short-term (cash)		371	317
Short-term (shares)		24	-
Share Option charges		75	-
Post-employment		15	13
		485	330

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

Messrs Billing and Potter elected to receive 50% of their directors fees for the 6 months to 30 June 2020 by Thor shares in lieu of cash payment. Following shareholder approval on 7 July 2020, 1,587,302 ordinary shares were issued on 9 July 2020, to each of Messrs Billing and Potter in lieu of \$10,000 in directors fees owing to each. The remuneration expense was recognised in the year ended 30 June 2020.

Messrs Billing and McGeough elected to receive 50% of their gross directors' fees for the 6 months to 31 December 2020 by Thor shares in lieu of cash payment. Mr Potter elected to receive 100% of his directors' fees for the 6 months to 31 December 2020 by Thor shares in lieu of cash payment. Following shareholder approval on 25 November 2020, 661,765 ordinary shares were issued on 27 November 2020, to each of Messrs Billing and McGeough in lieu of \$11,250 in directors fees owing to each and 1,323,529 ordinary shares were issued to Potter in lieu of \$22,500 in directors fees owing.

Following shareholder approval, 8,000,000 unlisted Options were granted to each of Messrs Potter, Billing and Bradey on 8 July 2020 (exercise price \$0.0095, expiring 8 July 2023). These options were valued at £0.00172 per option using the Black-Scholes method.

Unlisted options were granted under the Company's Employee Share Option Plan on 29 September 2020 to Ms Galloway Warland (4,000,000 options) and Mr Ridge (2,500,000 options). These options were valued at £0.00509 per option using the Black-Scholes method.

(e) Options holdings of Key Management Personnel

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

Key Management Personnel	Held at 30/6/20 or appointment date	Options Granted (Note A)	Options Granted (Note B)	Options Granted (Note C)	Options Lapsed	Options Exercised (Note D)	Held at 30/6/21 or retirement date	Vested and exercisable at 30/6/21
Michael Billing	4,500,000	8,000,000	2,250,000	-	(4,500,000)	(1,000,000)	9,250,000	9,250,000
Nicole Galloway Warland	-	-	-	4,000,000	-	-	4,000,000	4,000,000
Mark Potter	-	8,000,000	-	-	-	-	8,000,000	8,000,000
Mark McGeough	-	-	416,667	-	-	(416,667)	-	-
Richard Bradey	8,000,000	8,000,000	1,000,000	-	-	-	17,000,000	17,000,000
Ray Ridge	-	-	-	2,500,000	-	-	2,500,000	2,500,000

Notes:

- A. Options granted to Directors on 8 July 2020.
- B. Options granted as participation in capital raisings on the same terms as external placees. 1,000,000 listed options to Mr Billing and 1,000,000 listed options to Mr Bradey on 8 July 2020. 1,250,000 unlisted options to Mr Billing and 416,667 unlisted options to Mr McGeough on 23 October 2020.
- C. Options issued under the Company's Employee Share Option Plan on 29 September 2020.

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D. Mr Billing exercised 1,000,000 listed options on 28 May 2021. Mr McGeough exercised 416,667 listed options on 2 December 2020. The exercise price of both options was £0.01 per share.

Key Management Personnel	Held at 30/6/19 or appointment date	Options Lapsed (Note A)	Options Lapsed (Note B)	Options Lapsed (Note C)	Held at 30/6/20 or retirement date	Vested and exercisable at 30/6/20
Michael Billing	14,500,000	(7,000,000)	(3,000,000)	-	4,500,000	4,500,000
Mark Potter	-	-	-	-	-	-
Richard Bradey	9,500,000	-	-	(1,500,000)	8,000,000	3,000,000
David Thomas ¹	9,500,000	(4,000,000)	-	-	5,500,000	5,500,000
Alastair Middleton ¹	5,500,000	-	-	-	5,500,000	5,500,000

¹ Balances held at the date of retirement (29 November 2019).

Notes:

- A. Options lapsed on 26 July 2019.
- B. Options lapsed 31 March 2020.
- C. Options lapsed 27 June 2020.

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

(f) Other transactions and balances with related parties

Specified Directors	Transaction	Note	2021 £'000	2020 £'000
Michael Billing	Consulting Fees	(i)	101	111
Mark Potter	Directors Fees	(ii)	-	17
Mark Potter	Consulting Fees	(iii)	10	4
David Thomas	Consulting Fees	(iii)	-	6

- (i) The Group used the consulting services of MBB Trading Pty Ltd a company of which Mr Michael Billing is a shareholder and Director. Services were provided as Executive Chairman.
- (ii) Through to 31 December 2020 Mark Potter was engaged as a Director through Kiran Capital, a company of which Mr Mark Potter is a shareholder and Director. No fees were payable for the six months ending 31 December 2020, as Shares were issued directly to Mr Potter in lieu of Directors fees. From 1 January 2021, Mr Potter is directly engaged as a Director.
- (iii) Mark Potter provides any additional consulting fees through Kiran Capital.
- (iv) The Group used the services of Thomas Family Trust with whom Mr David Thomas has a contractual relationship (prior to date of retirement on 29 November 2019).

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

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5. Taxation - Group

	2021 £'000	2020 £'000
Analysis of charge in year	-	-
Tax on profit on ordinary activities	-	-

Factors affecting tax charge for year

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

	2021 £'000	2020 £'000
Loss on ordinary activities before tax	(2,104)	(922)
Effective rate of corporation tax in the UK	24.4%	24.4%
Loss on ordinary activities multiplied by the standard rate of corporation tax	(513)	(225)
Effects of:		
Future tax benefit not brought to account	513	225
Current tax charge for year	-	-
No deferred tax asset has been recognised because there is insufficient evidence of the timing of suitable future profits against which they can be recovered.		

6. Loss per share

	2021	2020
Loss for the year (£ 000's)	(2,104)	(922)
Weighted average number of Ordinary shares in issue	1,497,215,458	990,413,655
Loss per share (pence) – basic	(0.14)p	(0.09)p

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

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

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7. Intangible fixed assets – Group Deferred exploration costs

	£'000	£'000
	2021	2020
Cost		
At 1 July	12,252	11,688
Exploration expenditure	612	469
Acquisitions ¹	310	-
Disposals	-	-
Exchange gain/(loss)	(554)	154
Exploration written off ²	(1,450)	(59)
Transfers to held for sale assets (note 7a)	(1,050)	
At 30 June	10,120	12,252
Amortisation		
At 1 July and 30 June	-	-
Write-off exploration tenements previously impaired	-	-
Balance	-	-
Impairment for period	-	-
Exchange gain	-	-
At 30 June	-	-
Net book value at 30 June	10,120	12,252

The Directors undertook an assessment of the following areas and circumstances that could indicate the existence of impairment:

- The Group's right to explore in an area has expired, or will expire in the near future without renewal;
- No further exploration or evaluation is planned or budgeted for;
- A decision has been taken by the Board to discontinue exploration and evaluation in an area due to the absence of a commercial level of reserves; or
- Sufficient data exists to indicate that the book value will not be fully recovered from future development and production.

In the year ended 30 June 2021, this impairment assessment resulted in an impairment expense of Nil (2020: Nil), and deferred exploration costs written off \$1,450,000 (2020: \$59,000) as detailed further below.

¹ Acquisitions

During the year ended 30 June 2021, the Group completed three acquisitions:

- £140,000 for the acquisition of 100% of the shares in American Vanadium Pty Ltd (AV), a private Australian company (refer ASX Announcement 10 September 2020). AV holds a 100% interest in Uranium and Vanadium projects in the US States of Colorado and Utah, held through two US subsidiaries. The acquisition price comprised an initial issue of 24,000,000 Ordinary Shares in Thor on 15 September 2020, and a further issue of 18,000,000 Ordinary Shares in Thor on 10 November 2020 upon the achievement of the first milestone relating to 15 or more samples from three or more adits/shafts at Radium Mountain & Wedding Bell prospects returning grades greater than or equal to 0.1% U3O8, or 1.0% V2O5, or equivalent within six months of execution of the acquisition agreement. Both share issues were at an agreed price per Ordinary Share of A\$0.006.

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As part of AVU acquisition agreement, two further payments are required through the issue of up to 84 million Ordinary Shares in Thor at an agreed price of A\$0.006 per Ordinary Share, subject to the achievement of the following project milestones:

- A\$252,000 through the issue of 42,000,000 Ordinary Shares on drilling ore grade intercepts from at least three holes from any deposits within the licences, at a product of grade and thickness of $\geq 0.4\% \text{ U}_3\text{O}_8$, or equivalent. For example, 4 million tonnes @ 1,000ppm U_3O_8 or 1 million tonnes @ 4,000ppm U_3O_8 .
 - A\$252,000 through the issue of 42,000,000 Ordinary Shares on reporting a mineral resource in either the inferred, indicated or measured category (reported in accordance with the JORC Code, 2012 Edition) of, or equivalent* to 5 million tonnes @ $\geq 0.1\% \text{ U}_3\text{O}_8$, or 1.0% V_2O_5 , or equivalent.
- £17,000 being the initial cash payment under the binding term sheet for Thor to acquire an interest in the oxide mineral rights from Spencer Metals Pty Ltd (Spencer) over the Alford East copper-gold project, located on the Yorke Peninsula, South Australia. Under the term sheet, Thor is to acquire an interest up to 80% over two stages directly in the project:

Stage 1: Thor can earn a 51% interest by funding A\$500,000 expenditure over 2 years to 11 November 2022, and for additional consideration of A\$250,000 in fully paid Thor shares, issued at the 5 day ASX VWAP (volume weighted average price) on the date immediately prior to allotment, together with two free attaching options per share issued, exercisable at \$0.03 within 5 years from the date of issue (stage 1 expenditure); and

Stage 2: Earn a further 29% interest (80% in total) by funding an additional A\$750,000 of expenditure over a subsequent 2 years to 11 November 2024 and for additional consideration of A\$250,000 in fully paid Thor shares, issued at the 5 day ASX VWAP on the date immediately prior to allotment and two free attaching options per share issued, exercisable at a\$0.03 within years from the date of issue (stage 2 expenditure). If Thor does not proceed with the Stage 2 earn-in, then its interest in the project is relinquished.

Upon Thor completing the acquisition of an 80% interest in the project, Spencer will hold a free carried 20% interest in the project, until a decision to mine.

The parties have agreed to use reasonable commercial endeavours to negotiate and execute a formal Joint Venture agreement for the development and operation of a mine and associated facilities within 60 days from the end of Stage 2.

- £153,000 for the acquisition of two additional exploration licences adjacent the Company's existing Ragged Range licences in the Pilbara region of Western Australia (refer ASX announcement 15 January 2021). Consideration comprised:
 - 12,500,000 Ordinary Shares valued at £120,000 based on the ASX closing price of \$0.017 (1.7 cents), and an the AUD:GBP exchange rate of 0.5682, the day prior to execution of the purchase agreement.
 - 8,333,000 unlisted options with an exercise price of \$0.03 (3 cents) and expiring 10 November 2022. The value of the options was estimated as £33,000 using the Black-Scholes method (refer Note 16).

² Exploration written off

Deferred exploration costs of £1,450,000 were written-off, relating to tenements relinquished during the year £27,000 and £1,423,000 in relation to the write-down of the Pilot Mountain project in the United States of America. The Pilot Mountain project was written down to a carrying value of £1,050,000 based on the negotiated value for the sale of the project, subject to a due diligence period (refer subsequent events Note 21). The carrying value of £1,050,000 for the project was reclassified to Held for sale assets, refer note 7a below). [In the prior year ended 30 June 2020, the write-down of £59,000 predominantly related to two Molyhil tenements not required for the Molyhil project £56,000. The remaining £3,000 related to one of the tenements relinquished by the subsidiary company, Hamersley Metals Pty Ltd.]

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7a. Held for sale assets

	£'000	£'000
	2021	2020
Opening Balance	-	-
Transfers from exploration and evaluation assets	1,050	-
	1,050	-

The Directors of Thor Mining Plc have undertaken a strategic divestment and entered into an Option Agreement with Power Metal Resources Plc to divest the Pilot Mountain Tungsten Project in Nevada USA (refer subsequent events Note 21) in line with their focus on core copper and gold projects. Accordingly, the carrying value of the investment has been reclassified in the Statement of Financial Position from 'Intangible assets - deferred exploration costs; to 'Held for sale assets' as at 30 June 2021.

8. Investments

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

Company	Country of registration or incorporation	Shares held Class	%
Molyhil Mining Pty Ltd ¹	Australia	Ordinary	100
Hale Energy Limited	Australia	Ordinary	100
Black Fire Industrial Minerals Pty Ltd ²	Australia	Ordinary	100
Industrial Minerals (USA) Pty Ltd ³	Australia	Ordinary	100
Pilot Metals Inc ⁴	United States	Ordinary	100
BFM Resources Inc ⁵	United States	Ordinary	100
Hamersley Metals Pty Ltd ⁶	Australia	Ordinary	100
Pilbara Goldfields Pty Ltd ⁷	Australia	Ordinary	100
EnviroCopper Limited ⁸	Australia	Ordinary	30
American Vanadium Pty Ltd ⁹	Australia	Ordinary	100
Standard Minerals Inc ¹⁰	United States	Ordinary	100
Cisco Minerals Inc ¹¹	United States	Ordinary	100

The registered office for each of the above companies incorporated in Australia is 58 Galway Avenue, Marleston, South Australia 5033. The registered office for Pilot Metals Inc and BFM Resources Inc is 241 Ridge Street, Reno, Nevada 89501. The registered office of Standard Minerals Inc and Cisco Minerals Inc is 3500 Washington Avenue, Ste 200, Houston, TX 77007, United States.

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

² Black Fire Industrial Minerals Pty Ltd is a holding company only. It owns 100% of the shares in Industrial Minerals (USA) Pty Ltd.

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

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

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

⁶ Hamersley Metals Pty Ltd was acquired on 27 March 2019. The company holds tenements in the Northern Territory of Australia.

⁷ Pilbara Goldfields Pty Ltd was acquired on 27 March 2019. The company holds a number of exploration tenements, in Western Australia.

⁸ EnviroCopper Ltd on 30 July 2020, Thor announced the conversion of its \$700,000 (£391,000) convertible loan to a 25% interest in ECL and has exercised its right to nominate a Board representative. Accordingly, the loan receivable from ECL has been reclassified in the Group's Statement of Financial Position from a Financial asset at fair value through profit or loss and is now being accounted for using the equity method from the date of loan conversion to equity. On the 11 November 2020, the Company announced that it had increased its investment in ECR through the payment of A\$300,000 (£170,000) to increase its ownership interest to 30% and continues to be accounted for using the equity method.

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⁹ American Vanadium Pty Ltd (AV) was acquired on the 15th September 2020. AVU holds 100% interest in two US subsidiaries Standard Minerals Inc and Cisco Minerals Inc.

¹⁰ Standard Minerals Inc is a 100% owned subsidiary of AV and holds 199 claims in the US State of Colorado.

¹¹ Cisco Minerals Inc is a 100% owned subsidiary of AV and holds 100 claims in the US State of Utah.

Ms Galloway Warland (appointed 18 May 2021) and Mr McGeough are Directors of each of the above companies. Mr Billing retired as a Director of each of the above companies on 3 September 2021.

	Consolidated	Company
	£'000	£'000
	2021	2020
(a) Investments Subsidiary companies:		
Molyhil Mining Pty Ltd	-	700
Less: Impairment provision against investment	-	(700)
Hale Energy Limited	-	1,277
Less: Impairment provision against investment	-	(1,277)
Black Fire Industrial Minerals Pty Ltd	-	688
Less: Impairment provision against investment	-	(673)
Hamersley Metals	-	170
Less: Impairment provision against investment	-	(170)
Pilbara Goldfields	-	349
Less: Impairment provision against investment	-	(34)
American Vanadium	-	140
Less: Impairment provision against investment	-	(56)
	-	448
		1,157
(b) Loans to subsidiaries:		
Molyhil Mining Pty Ltd	-	10,813
Less: Impairment provision against loan	-	(2,060)
Hale Energy Limited	-	2,098
Less: Impairment provision against loan	-	(1,324)
Black Fire Industrial Minerals Pty Ltd	-	1,035
Pilot Metals Inc	-	1,204
Less: Impairment provision against loan	-	(1,204)
Hamersley Metals	-	15
Less: Impairment provision against loan	-	(14)
Pilbara Goldfields	-	616
American Vanadium	-	73
	-	11,252
		11,383

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

	Consolidated		Company	
	£'000	£'000	£'000	£'000
	2021	2020	2021	2020
(c) Financial assets at fair value through profit or loss:				
Loan receivable (convertible note)	-	391	-	-
	-	391	-	-

EnviroCopper Limited (EnviroCopper), via its subsidiary Environmental Copper Recovery SA Pty Ltd (ECR), holds an agreement to earn, in two stages, up to 75% of the rights over metals which may be recovered via in-situ recovery (ISR) contained in the Kapunda deposit, from Australian listed company, Terramin Australia Limited (ASX: TZN). Another subsidiary of EnviroCopper, Environmental Metals Recovery Pty Ltd (EMR) has a right to earn up to a 75% interest in the Moonta Copper Project, which comprises the northern section of exploration licence EL5984 held by Andromeda Metals Limited (ASX: ADN).

Prior to 30 July 2020, Thor had been investing in EnviroCopper's subsidiary ECR through convertible notes. On 30 July 2020, Thor announced the conversion of \$700,000 (£391,000) of its convertible loan to a 25% interest in EnviroCopper Limited (ECL). On the 11 November 2020, the Company further announced that it had increased its investment in ECR through the payment of A\$300,000 (£170,000) to increase its ownership interest to 30%. Accordingly, the loan receivable from ECL has been reclassified in the Group's Statement of Financial Position to an equity accounted investment (refer Note 8d).

	Consolidated		Company	
	£'000	£'000	£'000	£'000
	2021	2020	2021	2020

(d) Investments accounted for using the equity method:

A reconciliation of the carrying amount of the investments in the company is set out below:

EnviroCopper Ltd

Conversion of loan to equity	391	-	-	-
Additional investment	170	-	-	-
Initial cost of the equity accounted investment	561	-	-	-
Share of loss of associate, accounted for using the equity method	22	-	-	-
Share of foreign currency translation reserve	(19)	-	-	-
		564	-	-

Summarised financial information for EnviroCopper Ltd

Unaudited
£'000
2021

Summarised statement of financial position:

<i>Current assets</i>	
Cash and cash equivalents	648
Other current assets	14
Provision for income tax	129
Total current assets	791
<i>Non current assets</i>	
Plant and equipment	22
Total non current assets	22
Total assets	813
<i>Current liabilities</i>	
Other current liabilities	137
Total current liabilities	137
Total Liabilities	137
Net Assets	676

Summarised statement of comprehensive income:

Total income	666
Less expenses	595
Net profit	71

(e) Profit or loss on the sale of investments:

On 15 July 2020, Thor announced the sale of its Spring Hill gold project royalty entitlement to AIM quoted Trident Royalties Plc (Trident), for total consideration of A\$1.0 as follows:

- A\$400,000 (£222,000) cash which has been received and recognised as consideration during the year ended 30 June 2021;
- the remaining \$600,000 (approximately £333,000) is linked to production milestones and will be recognised in Thor's financial statements as and when received:
 - First production milestone payment of A\$300,000 upon cumulative sales reaching 25,000 ounces of gold;
 - Second production milestone payment of A\$300,000 upon cumulative sales reaching 50,000 ounces of gold.

The two milestone payments above may, at the election of Trident, be made via the issue to Thor of Trident ordinary shares at an issue price equivalent to the volume weighted average price of Trident shares on the AIM Market over the 5 business days prior to Trident's election to make such payment in shares. Any Trident shares issued will not be subject to a minimum hold period.

In the prior year ending 30 June 2020, Thor sold 15,234,375 Hawkstone shares for proceeds of £56,000, resulting in a loss on revaluation to market value of £17,000 at 31 December 2019 together with a realised loss on the shares sold of £29,000, and a £1,000 foreign exchange translation loss.

9. Deposits supporting performance bonds

	Consolidated	Company
	£'000	£'000
	2021	2020
Deposits with banks and Governments	41	42
	41	-

10. Right of use asset

The Company's Right of use assets relates to leased office space.

Options to extend or terminate

The Company's lease contains no option to extend.

Variable lease payments

The company does not have any variable lease payments.

(i) IFRS 16 related amounts recognised in the Statement of Financial Position

Leased building

Less: accumulated depreciation

Right of use asset

	Consolidated	Company
	£'000	£'000
	2021	2020
Leased building	70	72
Less: accumulated depreciation	(60)	(31)
Right of use asset	10	41

Movements in Carrying Amount

Opening balance

Recognised on initial application of IFRS16 (previously classified as an operating lease)

Depreciation expense

Foreign exchange translation gain / (loss)

41	-	-	-
-	72	-	-
(31)	(30)	-	-
-	(1)	-	-
10	41	-	-

(ii) IFRS 16 related amounts recognised in the Statement of Comprehensive Income/(Loss)

Depreciation charge related to right of use asset

Interest expense on lease liabilities

(31)	(30)	-	-
(1)	(2)	-	-

(iii) Total Full Year cash out flows for leases

(30)	(30)	-	-
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11. Property, plant and equipment**Plant and Equipment:**

At cost	66	60	-	-
Accumulated depreciation	(59)	(53)	-	-
Total Property, Plant and Equipment	7	7	-	-

Movements in Carrying Amounts

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

At 1 July	7	14	-	-
Additions	8	-	-	-
Foreign exchange impact, net	-	-	-	-
Disposals	-	-	-	-
Depreciation expense	(8)	(7)	-	-
At 30 June	7	7	-	-

12. Trade receivables and other assets**Current**

Trade and other receivables	36	21	22	29
Prepayments	24	22	-	-
	60	43	22	29

At 30 June 2021 all trade and other receivables were fully performing. No ageing analysis is considered necessary as the Group has no significant trade receivable receivables which would require such an analysis to be disclosed under the requirements of IFRS 9.

The above trade receivables and other assets are held predominantly in Australian Dollars.

The maximum exposure to credit risk at the reporting date is the carrying value of each class of receivable mentioned above. The Group does not hold any collateral as security.

13. Current trade and other payables

Trade payables	(201)	(203)	(33)	(39)
Other payables	(105)	(104)	-	-
	(306)	(307)	(33)	(39)

The carrying amounts of the Group and Company's trade and other payables are denominated in the following currencies:

UK Pounds	(33)	(39)	(33)	(39)
Australian Dollars	(273)	(268)	-	-
	(306)	(307)	(33)	(39)

	Consolidated	Company
	£'000	£'000
	2021	2020

14. Lease liability

Lease Liability is represented by:

Current	10	31	-	-
Non Current	-	11	-	-
Total Lease Liability	10	42	-	-

15. Issued share capital

	2021	2020
	£'000	£'000
Issued up and fully paid:		
982,870,766 'Deferred Shares' of £0.0029 each ⁽¹⁾	2,850	2,850
7,928,958,500 'A Deferred Shares' of £0.000096 each ⁽²⁾	761	761
1,625,719,488 Ordinary shares of £0.0001 each	162	122
(2019: 982,870,766 'Deferred Shares' of £0.0029 each, 7,928,958,500 'A Deferred Shares' of £0.000096 each and 816,959,363 ordinary shares of £0.0001 each)		
	3,773	3,733

Movement in share capital

	2021		2020	
	Number	£'000	Number	£'000
Ordinary shares of £0.0001				
At 1 July	1,224,996,863	3,733	816,959,363	3,692
Shares issued for cash	319,818,629	32	395,000,000	40
Shares issued in lieu of Directors fees	5,821,663	1	-	-
Shares issued for acquisitions	54,500,000	5	8,350,000	1
Shares issued to service providers	8,015,666	1	4,687,500	-
Warrants Exercised	12,566,667	1	-	-
At 30 June	1,625,719,488	3,773	1,224,996,863	3,733

Nominal Value

(1) The nominal value of shares in the company was originally 0.3 pence. At a shareholders meeting in September 2013, the Company's shareholders approved a re-organisation of the company's shares which resulted in the creation of two classes of shares, being:

- Ordinary shares with a nominal value of 0.01 pence, which continued as the company's listed securities, and
- 'Deferred Shares' with a nominal value of 0.29 pence which, subject to the provisions of the Companies Act 2006, may be cancelled by the company, or bought back for £1 and then cancelled. These deferred shares are not quoted and carry no rights whatsoever.

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

- Ordinary shares with a nominal value of 0.0004 pence, and
- 'A Deferred Shares' with a nominal value of 0.0096 pence which, subject to the provisions of the Companies Act 2006, may be cancelled by the company, or bought back for £1 and then cancelled. These deferred shares are not quoted and carry no rights whatsoever.

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Warrants and Options on issue

The following warrants (in UK) and options (in Australia) have been granted by the Company and have not been exercised as at 30 June 2021:

Number	Grant Date	Expiry Date	Exercise Price
47,058,823 ¹	10 Apr 2019	10 Apr 2022	GBP£0.013
26,500,000 ²	23 May 2019	23 May 2022	GBP£0.013
61,875,000 ⁶	28 Sep 2020	28 Sep 2022	GBP£0.01
26,500,000 ⁸	23 Oct 2020	23 Oct 2022	GBP£0.01
8,333,000 ¹⁰	20 Jan 2021	10 Nov 2022	AUD\$0.03
6,000,000 ¹⁴	25 Jun 2021	4 Dec 2022	USD\$0.0175
44,117,648 ¹¹	27 Jan 2021	27 Jan 2023	GBP£0.016
35,000,000 ³	8 Jul 2020	8 Jul 2023	AUD\$0.01
94,300,000 ⁴	8 Jul 2020	8 Jul 2023	AUD\$0.01
24,000,000 ⁵	8 Jul 2020	8 Jul 2023	AUD\$0.0095
7,500,000 ⁷	29 Sep 2020	28 Sep 2023	AUD\$0.026
4,000,000 ⁹	23 Oct 2020	23 Oct 2023	GBP£0.0054
5,647,058 ¹²	27 Jan 2021	27 Jan 2024	GBP£0.0085
2,433,526 ¹³	28 May 2021	4 Mar 2024	GBP£0.010273
393,265,055	Total outstanding		

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

¹ Granted to investors as part of a capital raise.

² Granted as part of consideration for the acquisition of Hamersley Metals Pty Ltd and Pilbara Goldfields Pty Ltd, following shareholder approval.

³ ASX listed options granted to lead broker of a capital raise.

⁴ ASX listed options granted to investors as part of a capital raise.

⁵ Options were granted to Directors of the Company, as approved by shareholders.

⁶ Granted to investors as part of a capital raise 28 September 2020.

⁷ Options granted to employees under the terms of the company's shareholder approved employees share option plan.

⁸ Granted to investors as part of a capital raise.

⁹ Granted to lead broker of a capital raise.

¹⁰ Options granted as part of the consideration for the acquisition of additional Ragged Range tenements.

¹¹ Granted to investors as part of a capital raise.

¹² Options granted to lead investor of placement.

¹³ Options granted to a service provider.

¹⁴ Options granted to a service provider. The Options vest at the rate of 1,000,000 per month commencing June 2021.

The following reconciles the outstanding warrants and options at the beginning and end of the financial year

Number	Number of Warrants	Weighted Average Exercise Price (GBP)
Balance at the beginning of the year	113,008,823	0.0167
Granted during the year	322,822,899	0.0088
Lapsed during the year	30,000,000	0.0303
Exercised during the year	12,566,667	0.0030
Balance at the end of the year	393,265,055	0.0120

The options outstanding at 30 June 2021 had a weighted average remaining number of days until expiry of 575 (2020: 632 days).

16. Share based payments reserve

	2021 £'000	2020 £'000
At 1 July	275	359
<i>Options exercised or lapsed</i>		
Exercised 9,450,000 options @ £0.0013	(12)	-
Lapsed 10,000,000 @ £0.0098	(98)	-
Lapsed 5,000,000 @ £0.0034	(17)	-
Lapsed 15,000,000 @ £0.0053	(80)	-
Lapsed 1,500,000 @ £0.0027	-	(4)
Lapsed 15,000,000 @ £0.0045	-	(67)
Lapsed 20,000,000 @ £0.0013	-	(25)
	(207)	(96)
<i>Options expensed through the Statement of comprehensive income</i>		
Issued 24,000,000 to Directors @ £0.0017	41	-
Issued 7,500,000 ESOP @ £0.0051	38	-
Issued 4,000,000 to service provider @ £0.0066	27	-
Issued 6,000,000 to a service provider @ £0.0036	9	-
Issued 2,433,526 to service a provider @ £0.0045	11	-
	126	-
<i>Options recognised as capital raising costs</i>		
Issued 5,647,058 to a service provider @ £0.0058	32	-
Issued 35,000,000 to a service provider @ £0.0016	55	-
Issued 9,450,000 to a service provider @ £0.0013	-	12
	87	12
<i>Options issued for an acquisition</i>		
Issued 8,333,000 for tenements acquired @ £0.0039	33	-
	314	275
At 30 June		

Options are valued at an estimate of the cost of the services provided. Where the fair value of the services provided cannot be estimated, the value of the options granted is calculated using the Black-Scholes model taking into account the terms and conditions upon which the options are granted. The following table lists the inputs to the model used for the share options in the balance of the Share Based Payments Reserve as at 30 June 2021 or lapsed during the year ended 30 June 2021.

(i) Options comprising the share based payments reserve at 30 June 2021**26,500,000 issued for an acquisition on 23 May 2019**

Dividend yield	0.00%
Underlying Security spot price	£0.0085
Exercise price	£0.013
Standard deviation of returns	60%
Risk free rate	2.23%
Expiration period	3.16yrs

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Black Scholes valuation per option	£0.0026
35,000,000 issued to a broker on 8 July 2020	
Dividend yield	0.00%
Underlying Security spot price	£0.0035
Exercise price	A\$0.010
Standard deviation of returns	93%
Risk free rate	2.7%
Expiration period	3 yrs
Black Scholes valuation per option	£0.0016
24,000,000 issued to directors 8 July 2020	
Dividend yield	0.00%
Underlying Security spot price	£0.0035
Exercise price	A\$0.0095
Standard deviation of returns	93%
Risk free rate	2.7%
Expiration period	3 yrs
Black Scholes valuation per option	£0.0017
4,000,000 issued to a service provider 23 October 2020	
Dividend yield	0.00%
Underlying Security spot price	£0.0093
Exercise price	£0.0054
Standard deviation of returns	100%
Risk free rate	0.13%
Expiration period	3 yrs
Black Scholes valuation per option	£0.0066
7,500,000 issued ESOP 29 September 2020	
Dividend yield	0.00%
Underlying Security spot price	£0.0095
Exercise price	A\$0.0260
Standard deviation of returns	100%
Risk free rate	0.17%
Expiration period	3 yrs
Black Scholes valuation per option	£0.0051
8,333,000 issued for an acquisition 20 January 2021	
Dividend yield	0.00%
Underlying Security spot price	£0.00998
Exercise price	A\$0.030
Standard deviation of returns	108%
Risk free rate	0.08%
Expiration period	1.72yrs
Black Scholes valuation per option	£0.0039

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6,000,000 issued to a service provider 25 June 2021

Dividend yield	0.00%
Underlying Security spot price	£0.00925
Exercise price	USD\$0.0175
Standard deviation of returns	102%
Risk free rate	0.030%
Expiration period	1.5 yrs
Black Scholes valuation per option	£0.0036

5,647,058 issued to service provider 27 January 2021

Dividend yield	0.00%
Underlying Security spot price	£0.00925
Exercise price	£0.0085
Standard deviation of returns	98%
Risk free rate	0.110%
Expiration period	3yrs
Black Scholes valuation per option	£0.0058

2,433,526 issued to service provider 28 May 2021

Dividend yield	0.00%
Underlying Security spot price	£0.0083
Exercise price	£0.010273
Standard deviation of returns	96%
Risk free rate	0.130%
Expiration period	3yrs
Black Scholes valuation per option	£0.0045

(ii) Options exercised or lapsed in the year ended 30 June 2021

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

Dividend yield	0.00%
Underlying Security spot price	£0.0205
Exercise price	£0.015
Standard deviation of returns	60%
Risk free rate	2.12%
Expiration period	2.4yrs
Black Scholes valuation per option	£0.0098

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

Dividend yield	0.00%
Underlying Security spot price	£0.0205
Exercise price	£0.045
Standard deviation of returns	60%
Risk free rate	2.23%
Expiration period	2.5yrs
Black Scholes valuation per option	£0.0034

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

Dividend yield	0.00%
Underlying Security spot price	£0.0205
Exercise price	£0.035625
Standard deviation of returns	60%
Risk free rate	2.23%
Expiration period	3yrs
Black Scholes valuation per option	£0.005289
Expiration period	5yrs
Black Scholes valuation per option	£0.0053

9,450,000 issued to a broker on 29 November 2019

Dividend yield	0.00%
Underlying Security spot price	£0.0024
Exercise price	£0.002
Standard deviation of returns	60%
Risk free rate	0.710%
Expiration period	5yrs
Black Scholes valuation per option	£0.0013

17. Analysis of changes in net cash and cash equivalents

	1 July 2020	Cash flows	Non-cash changes	30 June 2021
	£'000	£'000	£'000	£'000
Cash at bank and in hand - Group	233	550	-	783

18. Contingent liabilities and commitments**a) Exploration commitments**

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

b) Claims of native title

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

c) Contingent Liability

As at 30 June 2021, the Group had no contingent liabilities.

19. Financial instruments

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

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

To date the Group has relied upon equity funding to finance operations. The Directors are confident that they will be able to raise additional equity capital to finance operations to commercial exploitation but controls over expenditure are carefully managed.

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

	2021 £'000	2020 £'000
Sterling	663	229
Australian Dollars	120	4
	783	233

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

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

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

	2021		2020	
	Carrying Amount £'000	Fair Value £'000	Carrying Amount £'000	Fair Value £'000
Financial assets:				
Cash and cash equivalents	783	783	233	233
Trade & other receivables	60	60	43	43
Loan receivable (convertible note)	-	-	391	391
Deposits supporting performance guarantees	41	41	42	42
Financial liabilities:				
Trade and other payables	306	306	307	307

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

30-June 2021 - Group	Effective Interest Rate %	Maturing			Total £'000		
		< 1 year	>1 to <2 Years	>2 to <5 Years			
		£'000	£'000	£'000			
Financial Assets							
<i>Fixed rate</i>							
At call Account – AUD	0%	120	-	-	120		
At call Account – STG	0.05%	663	-	-	663		
		783	-	-	663		
Financial Liabilities							
<i>Fixed Rate</i>							
Interest bearing liabilities		-	-	-	-		
30-June 2020 - Group							
Financial Assets							
<i>Fixed rate</i>							
At call Account – AUD	0%	4	-	-	4		
At call Account – STG	0.05%	229	-	-	229		
		233	-	-	233		
Financial Liabilities							
<i>Fixed Rate</i>							
Interest bearing liabilities		-	-	-	-		

20. Related party transactions

There is no ultimate controlling party.

Thor has lent funds to its wholly owned subsidiaries to enable those companies to carry out their operations. At 30 June 2021, the estimated recoverable amount converted to £11,252 (refer Note 8(b)).

Thor Mining PLC engages the services of Druces LLP Solicitors, a company in which Mr Stephen Ronaldson is a Partner. Mr Ronaldson is the UK based Company Secretary of Thor. During the year £16,402 was paid to Druces LLP Solicitors (2020: £39,788) on normal commercial terms.

Transactions with Directors and Director related entities are disclosed in Note 4.

21. Subsequent events

On 12 August 2021, Thor Mining Plc announced a private placement raising £800,000, via the placing of 123,076,923 new ordinary shares of 0.01p each at a price of £0.0065 (0.65 pence) per Ordinary Share. All placees received one warrant for every two Shares subscribed, each warrant having an exercise price of 1.3 pence per Ordinary Share and expiring 17 August 2023. Proceeds of the placement will be applied to fund exploration activities at the Company's project interests, with particular emphasis on the Ragged Range gold and nickel prospects in the Pilbara, Western Australia.

On 31 August 2021, Thor Mining Plc announced the execution of an Option Agreement with AIM listed Power Metal Resources Plc (AIM: POW) ("Power Metal"), for the divestment of Thor's Pilot Mountain Tungsten Project in Nevada. Power Metal has paid US\$25,000 in cash and has issued 500,000 new Power Metal Ordinary shares of 0.1p ("Ordinary Shares") to Thor at an issue price of 2.5p (£12,500 of Ordinary Shares), for a 60-day option period to complete due diligence (the option period expiring 29 October 2021).

Upon Option exercise, Power Metal will pay consideration to Thor comprising US\$115,000 in cash and US\$1,650,000 payable through the issue of 48,118,920 Ordinary Shares at an agreed issue price of 2.5 pence per share. In addition, Power Metal will issue to Thor 12.5 million warrants to subscribe

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for Power Metal Ordinary Shares with an exercise price of 4 pence per Ordinary Share and a term of three years.

A milestone payment of US\$500,000 in Power Metal Ordinary Shares, if it publishes a JORC or 43-101 compliant resource at Pilot Mountain which increases against current declared levels by 25% across total indicated and inferred categories within two years.

On 16 September 2021, the Company issued 8,000,000 Ordinary Shares as a result of warrants exercised at an issue price of A\$0.0095, raising A\$76,000.

Other than the above matters, there were no material events arising subsequent to 30 June 2021 to the date of this report which may significantly affect the operations of the Group or Company, the results of those operations and the state of affairs of the Group or Company in the future.