MOLYHIL MINING PTY LTD

EL 28948 “Baikal”

Compulsory Reduction Report

(3/9 blocks)

29/02/2012 – 29/07/2016

HUCKITTA 1:250K MAP SHEET

Contents

SUMMARY

EL28948, known as “Baikal”, is prospective for tungsten with multiple outcropping occurrences documented in association with the Kings Legend Amphibolite and Samarkand Pegmatite hosted within the Palaeoproterozoic Bonya Metamorphic. The identified prospective geology lies predominantly outside the relinquished blocks and thus no on ground work was completed in these areas.

INTRODUCTION

EL28948 is considered to be prospective for; base metals, tungsten and molybdenum in the Bonya Metamorphics. Thor mining is principally interested in locating satellite tungsten resources for its Molyhil tungsten molybdenum project 30 km to the west on EL22349.

Tungsten mineralisation that has been identified at numerous locations within the Bonya Range area occurs predominantly in association with Kings Legend Amphibolite and Samarkand Pegmatite hosted by the Palaeoproterozoic Bonya Metamorphics.

Location and Access

EL28948 is located on the Huckitta 1:250,000 map sheet (SF53-11) 300km northeast of Alice Springs adjacent to the Bonya aboriginal community. Access is via the Plenty Highway to the Bonya settlement (Figure 1)

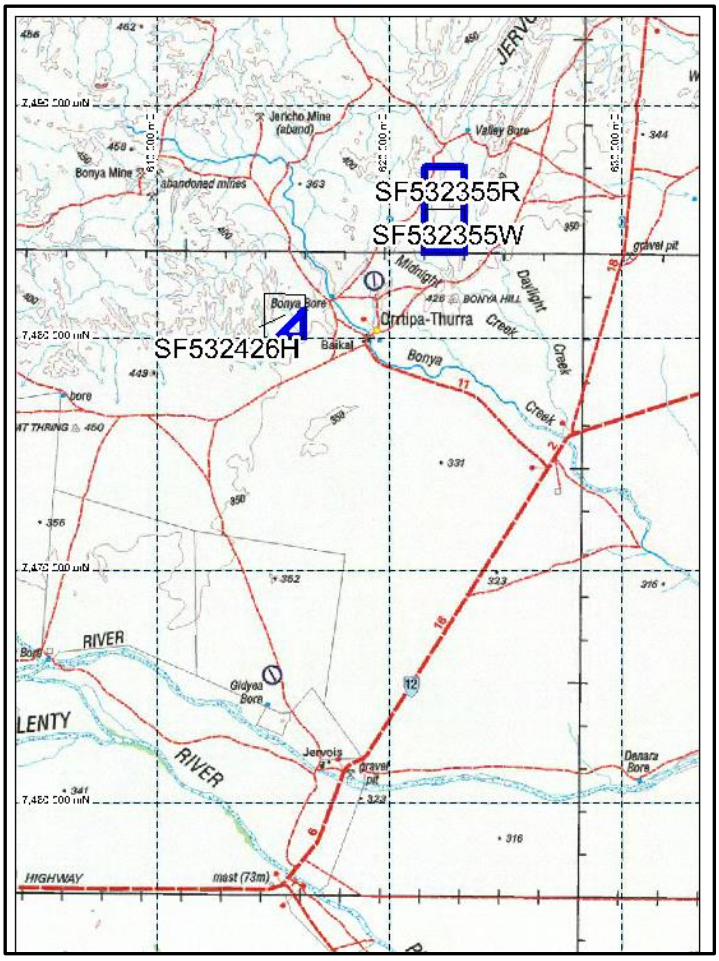

Figure 1: EL28948 “Baikal” site location with relinquished blocks outlined in blue

Topography and Drainage

EL28948 is located on the eastern margin of the Bonya Range. Bonya Creek passes between the relinquished blocks with water present and flowing to the south east only after significant rainfall events. There are no permanent rivers or significant water holes in the tenement.

TENURE

Exploration Licences

Exploration licence (EL) 28948 comprising 17 sub-blocks (46.4 sq km) was granted to Thor Mining on 1 February 2012 for a period of six years. A nine block reduction occurred on Feb 29, 2016 followed by this current reduction effective July 29, 2016.

The tenement was formerly part of EL10215 held by Arafura Resources.

Land Tenure

The area lies entirely within the Jervois perpetual pastoral leases (PPL): PPL 962 Jervois Pastoral Company, PMB 36, Alice Springs NT 0871.

GEOLOGY

Regional Setting

The tenement sits within the aileron province of the Arunta Region, an area of more than 200,000 km^2 of metamorphic rocks in the southern parts of the NT. The Arunta is subdivided into three distinct geological regions by the NTGS, the Ailerion, Warumpi and Irindina Provinces (Figure 2).

Local Setting

The published geology for the tenement is provided in Figure 3, taken from the 1:250,000 Huckitta map sheet and described in detail by Freeman (1986). The tenement sits at the southern margin of a fault bound block of the Palaeoproterozoic Bonya Metamorphics. The southern margin of the block which is hidden beneath transported sedimentary cover comprises a faulted contact with rocks of the palaeoproterozoic Strangways Metamorphic Complex.

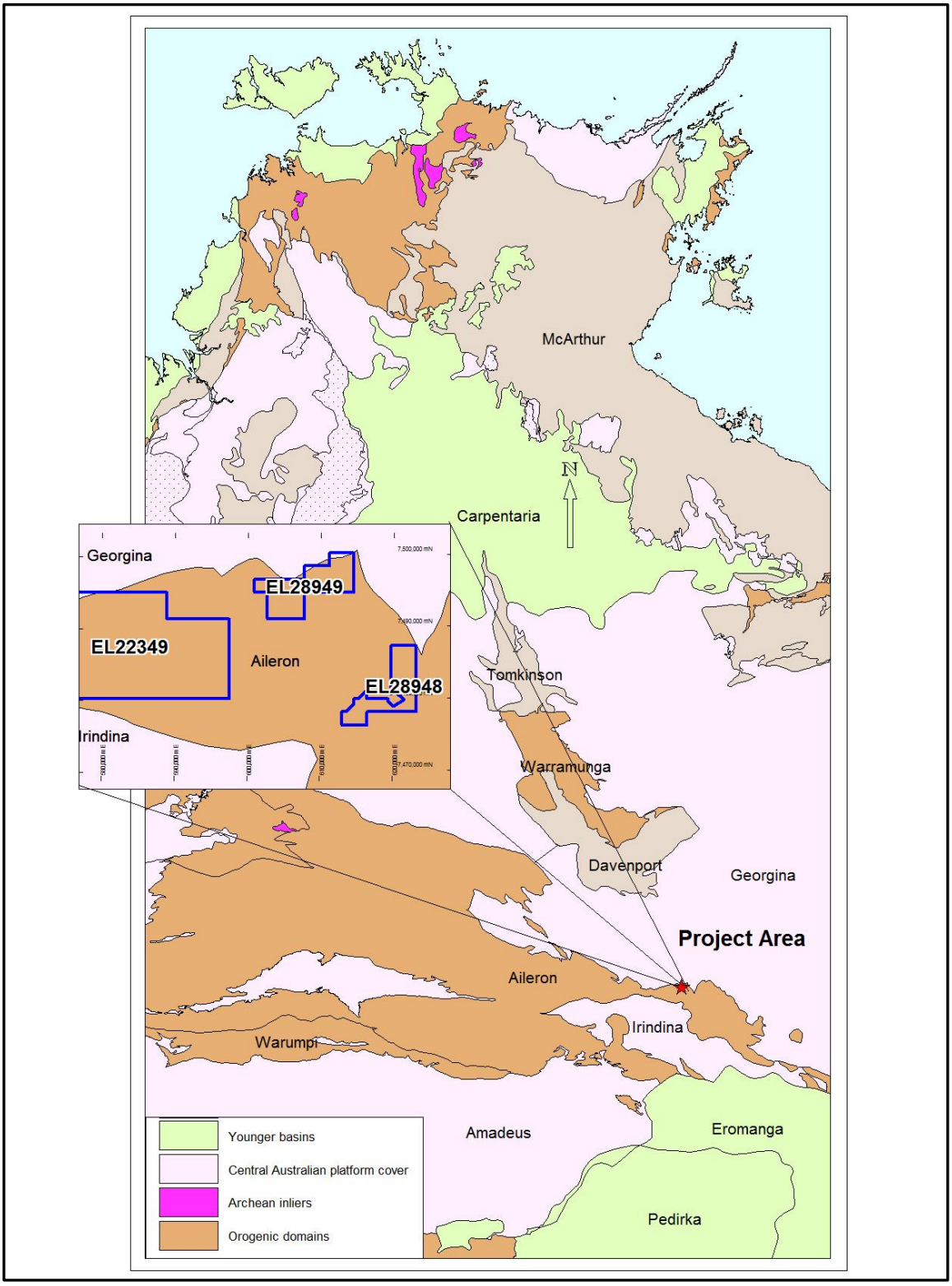

Figure 2: Geological regions of the Northern Territory and project area (NTGS).

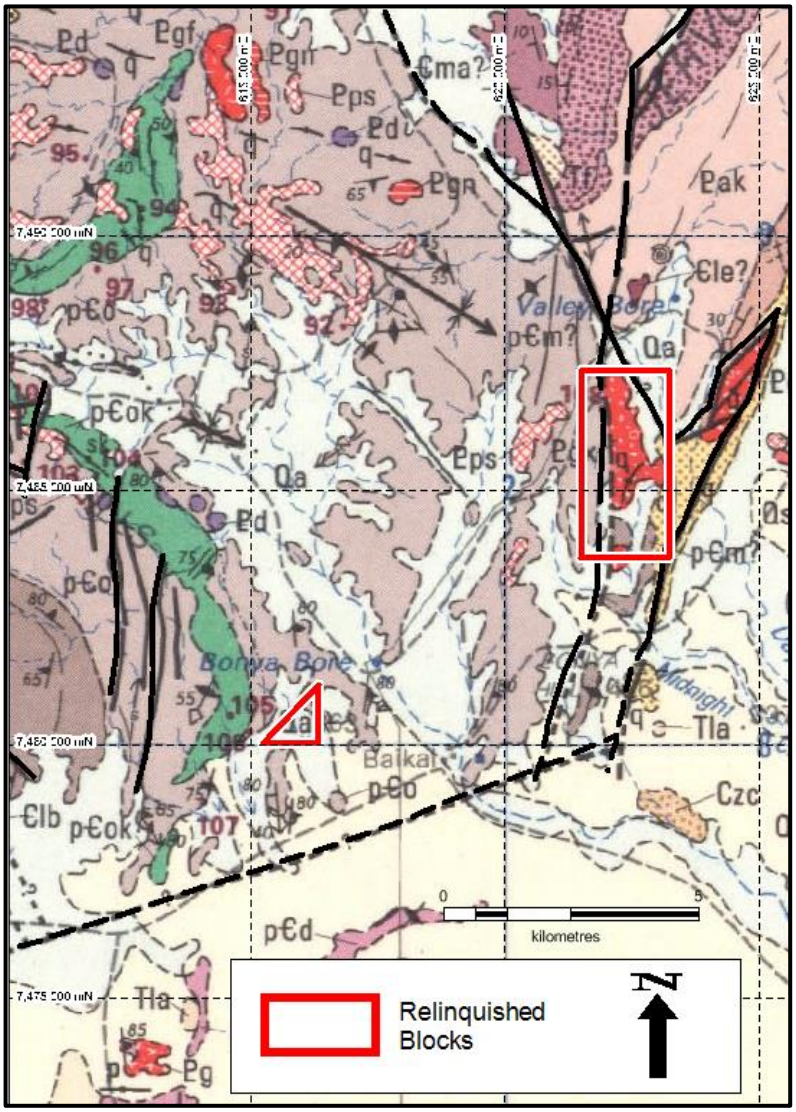

Figure 3: Published geology of the relinquished area.

EXPLORATION ACTIVITY

The initial work has comprised the consolidation and review of existing public domain data sets to develop targets for subsequent ground based follow up.

As part of a broader program including all of the Thor Mining Aileron tenements, a geophysical consultant was also commissioned to consolidate, review and where appropriate reprocess the existing geophysical data sets.

Reviewed work and subsequent site reconnaissance have shown the relinquished blocks to have a low prospectivity for further tungsten discovery as a result no on ground exploration work was undertaken on the relinquished blocks.

REFERENCES

Freeman MJ, 1986. HUCKITTA 1:250,000 Geological map series and explanatory notes, SF53-11. Northern Territory Geological Survey.

Freeman MJ, Shaw RD and Warren RG, 1989. Jervois Range, 1:100 000 geological map sheet, 6152, preliminary edition. Bureau of Mineral Resources, Canberra.