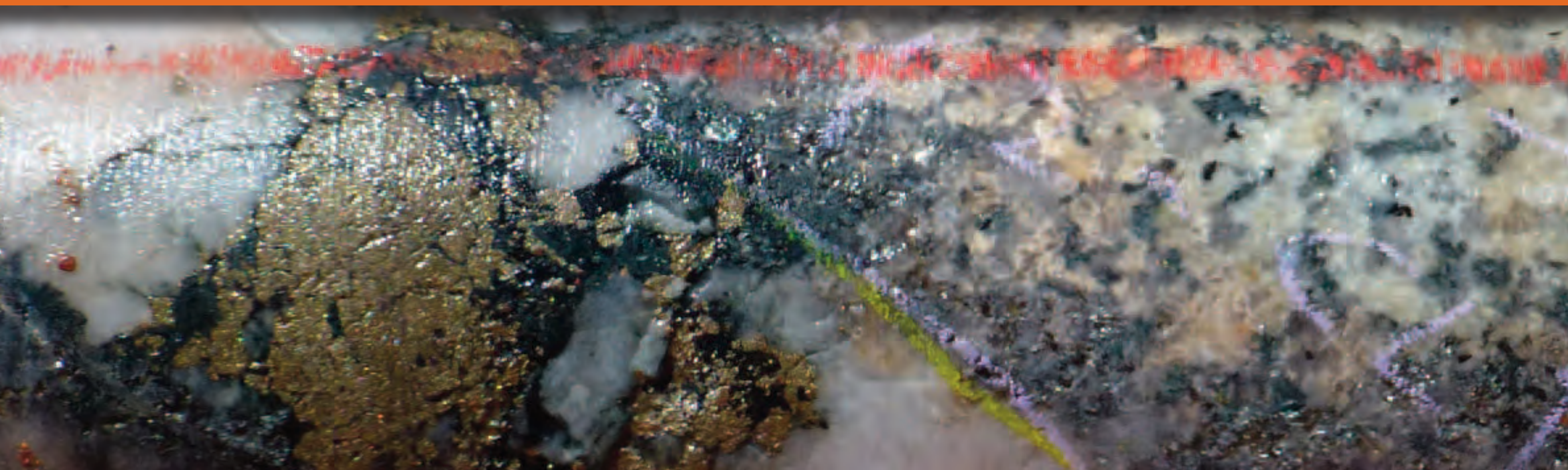
Annual Report 2014

thomson
RESOURCES



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Chairman's Report

Dear Shareholder

On behalf of the Board of Directors, I am pleased to present the fourth Annual Report of Thomson Resources Ltd (ASX Code: TMZ). Since listing in December 2010, Thomson has maintained a strong program of targeted exploration on opportunities in New South Wales.

A special focus has been the Thomson Fold Belt in northwestern NSW. Here, the Company's exploration work has identified several large Intrusive-Related Gold (IRG) systems. These systems will be the subject of further work in the coming year.

The Thomson Fold Belt is now the focus of joint Commonwealth-State geoscience programs to expand understanding of the mineral potential of this very much underexplored geological terrain. To date, an extensive airborne electromagnetic program has been conducted and a program of regional drilling is planned for 2015. The Company expects to benefit significantly from these investigations as they will further illuminate the discovery opportunities in this newly recognised mineral province.

Thomson has also expanded its programs to include high-value targets in the Lachlan Fold Belt and New England Fold Belt. This work has continued despite poor market conditions, particularly for junior explorers.

The Company is focusing on the suite of metals comprising gold, copper and tin. During the year Thomson broadened its coverage of opportunities in NSW, particularly for tin (the Basin One, Wilgaroon and Victory Tin projects). The outlook for tin is good with supply side issues arising from declining production from traditional sources. NSW was a major tin producer and still offers excellent potential because of the extensive areas of tin-bearing granites ranging in age from Mid Proterozoic to Triassic.

The Company is also moving to explore another IRG system, this being in the New England Fold Belt, at Mt Jacob, near Kempsey.

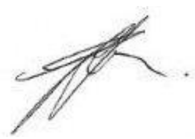
Thomson supports the New Frontiers program and welcomes NSW's introduction of the New Frontiers Cooperative Drilling Scheme. Such programs have proven to be very successful and have provided an important extra incentive to the junior sector in other Australian jurisdictions. The "PACE" program in South Australia, for example, has been a particular boon to exploration and it is hoped that NSW might emulate that state's success.

Thomson has been successful in being awarded three drilling grants under the NSW Government's scheme involving a total of $87,300. The grants are for testing IRG targets at Mt Jacob, Cuttaburra A and Cuttaburra B.

Thomson Resources continues to actively manage its tenements consistent with our business of exploration and discovery. To this end, three tenements were relinquished, several reduced in area, and two JV agreements terminated. The area of title managed by Thomson was reduced by 2,450 sq km to 1,257 sq km. Also 100% of the Cuttaburra, Louth and Warraweena projects was acquired through an agreement with Raptor Minerals Ltd. Thomson also acquired 100% of the Tooronga project through the purchase of Lassiter Resources Ltd. The Company (and its partner Variscan Mines Limited) also entered into a JV with Kidman Resources to allow that company to conduct exploration on the Achilles project. Newmont Exploration's Havilah VMS project near Mudgee was also acquired.

A total of 564 line km of VTEM survey was acquired over five targets: Havilah (EL 7391), Wilga Downs (EL 8136), Furneys (EL 8251), Kenilworth (ELs 7642 and 7643) and the Wilgaroon tin-tungsten target (EL 8011). Processed results were received from the contractor after year's end and only preliminary interpretation has been done. It is expected that this program will provide a range of drill ready targets for the coming year.

Thomson continues to be well served by its CEO Mr Eoin Rothery. He has managed an impressive exploration campaign as well as conducting assessments of new opportunities. His broad experience and impressive technical expertise are of tremendous value to your Company.



Lindsay Gilligan PSM
Chairman

Review of Operations

Highlights

- Portfolio expanded to acquire additional Intrusion-Related Gold (IRG) and tin projects
- VMS project acquired from Newmont Exploration
- Achilles Project joint ventured to Kidman Resources
- VTEM survey flown over highest priority prospects

Thomson Resources Ltd is exploring in NSW for mineral deposits containing gold, tin or copper. Thomson has had early success in discovering several Intrusion-Related Gold (IRG) systems in its namesake Thomson Fold Belt of northwestern NSW. During the year Thomson has moved to explore another IRG system in the northeast of the state, at Mt Jacob, near Kempsey.

Tin and copper are commonly associated with IRG systems and Thomson Resources has used its expertise in these commodities to acquire projects with tin (Basin One, Wilgaroon and Victory Tin) and copper (Havilah, Byrock) potential. Significant advances at all of these projects (Figure 1) have been made during 2013-2014.

Project	Prospect	Current
GOLD	Mt Jacob	Drill target defined
GOLD	Thomson Fold Belt	Drill targets defined
TIN	Basin One	Drill target defined
TIN	Wilgaroon	VTEM interpretation underway
TIN	Victory Tin	Drill target defined
COPPER	Havilah	VTEM interpretation underway
COPPER	Wilga Downs (and Byrock)	VTEM interpretation underway
COPPER	Mullagalah and Warraweena	Porphyry copper-gold drill targets
LEAD-ZINC	Achilles	Joint ventured to Kidman Resources

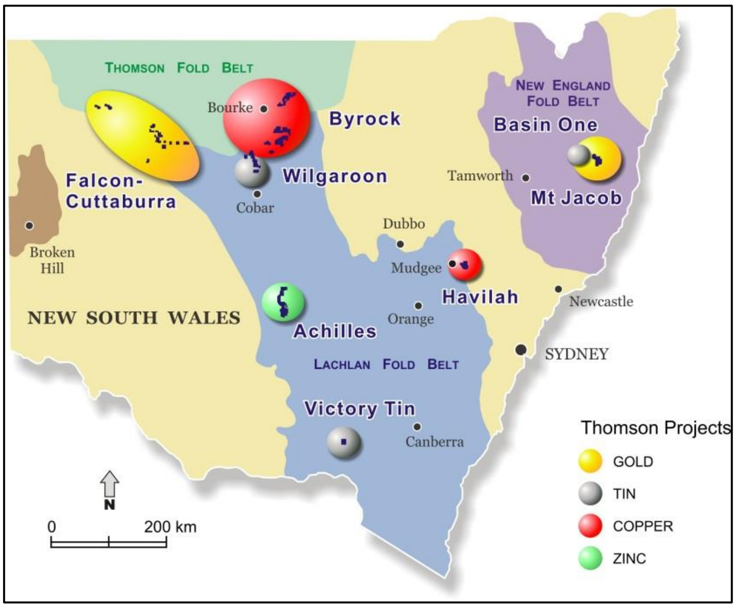


Figure 1: Thomson Projects in NSW

Gold

Thomson Resources has two major gold projects; both are of the Intrusion-Related Gold (IRG) type. This deposit type is relatively new with its characteristics recognised recently and exploration parameters defined, including “bulls eye” or ring shaped magnetic anomalies; associated elements Au, Ag, Cu, Pb, Zn, Bi, Sn, W, Mo, As and Sb; and associated igneous intrusions of reduced, peraluminous, I-type granodiorite.

At **Mt Jacob**, previous work has identified a stratabound occurrence of gold confined to a circular area ringed by a magnetic anomaly (Figure 2). This gold occurrence is hosted in gritty conglomerates and features intersections of up to 88 metres at 0.4 g/t Au from surface. All drilling details were released in Thomson’s quarterly of December 2013. The gold bearing conglomerate is interpreted to overly an Intrusion-Related Gold deposit hosted by the intrusion itself, or by lower stratigraphic horizons (Figure 3).

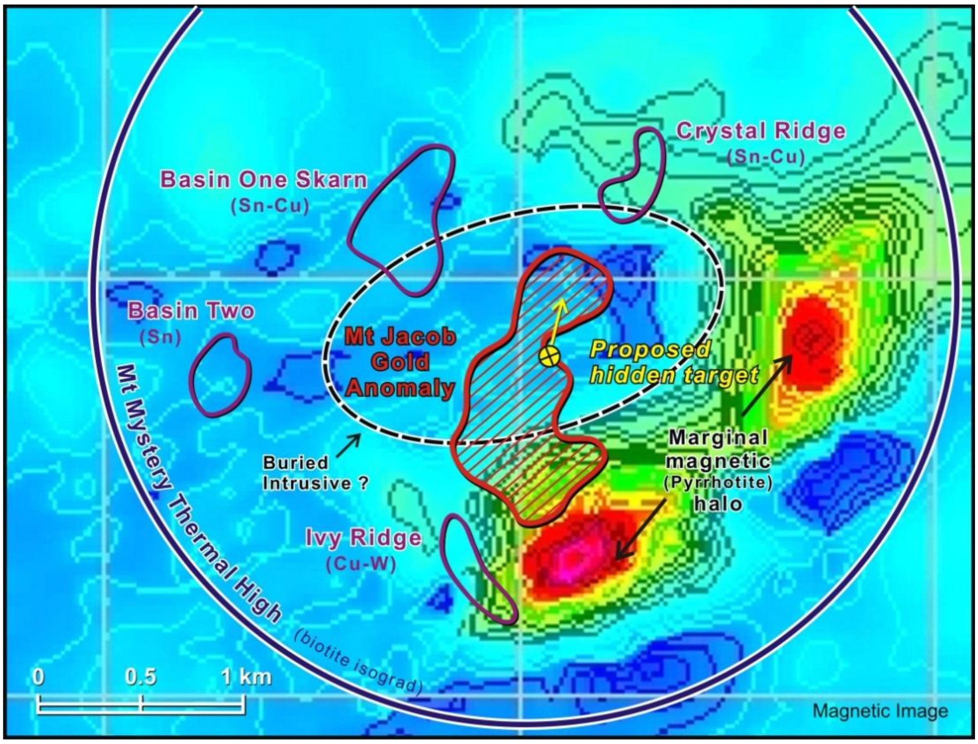


Figure 2: Mt Jacob plan view of intrusion – related anomalies. The gold anomaly is from soil samples (0.1 to 0.7 g/t Au). The image is heliborne magnetics, showing a low over the inferred intrusion with a magnetic high halo to east and south.

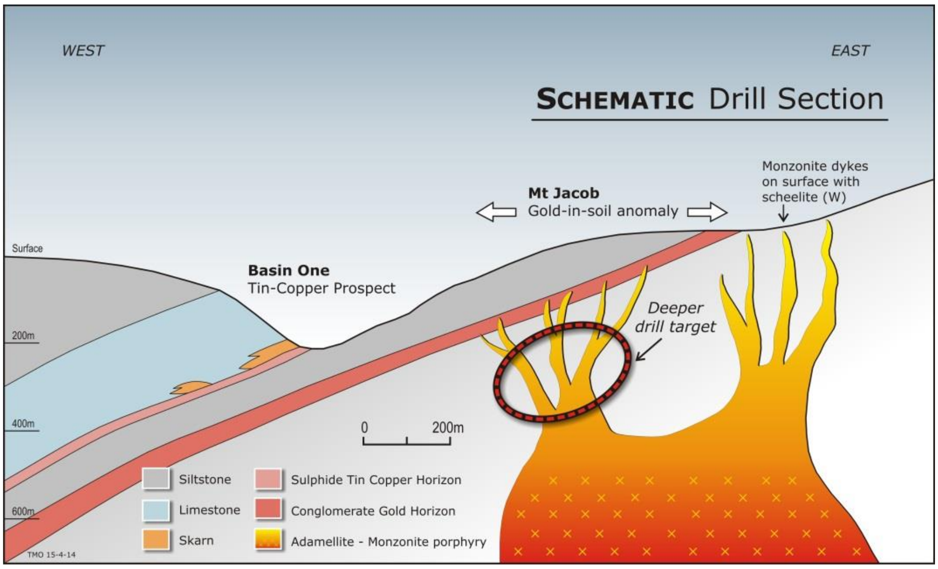


Figure 3: Schematic section showing the inferred shallow intrusion below the Mt Jacob gold-soil anomaly

In the **Thomson Fold Belt** three such IRG systems have been prioritised for follow up drilling. All have relatively shallow cover (80 to 130m). At **Cuttaburra A**, one hole has been drilled which returned 5.5m at 1.3 g/t Au including 1m at 3.7 g/t Au (Figure 4). The drilling is designed to test up-dip, at a shallower position, closer to the top of the intrusion.

At **Cuttaburra B**, three holes have previously been drilled with increasing polymetallic anomalism in Zn, Pb, Cu, Ag, Au, Bi, Sn and W from north to south. Thomson's interpretation is that this mineralisation may be peripheral to the main gold mineralised zone, which may lie to the west at a pronounced peak in the magnetic anomaly (Figure 5).

At **Anomaly F1,** three recent holes defined a zonation pattern which passes from a barren centre through an anomalous tungsten (0.3% W) region, then to an anomalous molybdenum-gold (0.2% Mo, 0.24 g/t Au) zone. This mirrors other IRG deposits where a molybdenum-rich phase is commonly more closely associated with gold mineralisation, overprinting an early tungsten-rich phase. There remains potential for high gold zones to the southeast, at the apex of the anomaly, outside the centre of the intrusion (Figure 6), which is aligned with a major underlying interpreted structure.

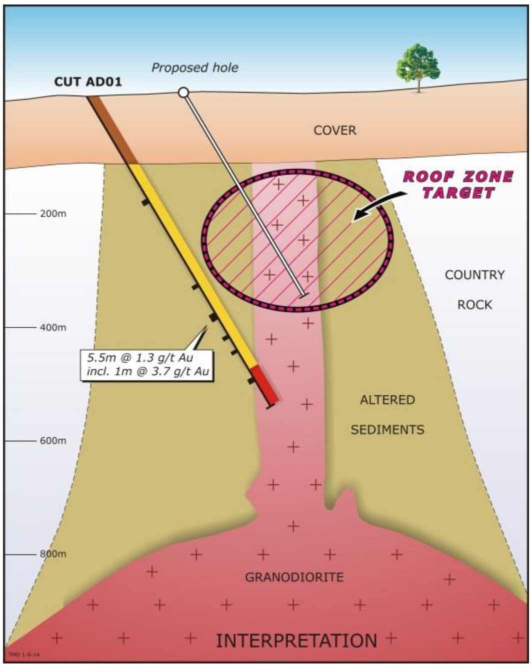


Figure 4: Cuttaburra A drill proposal

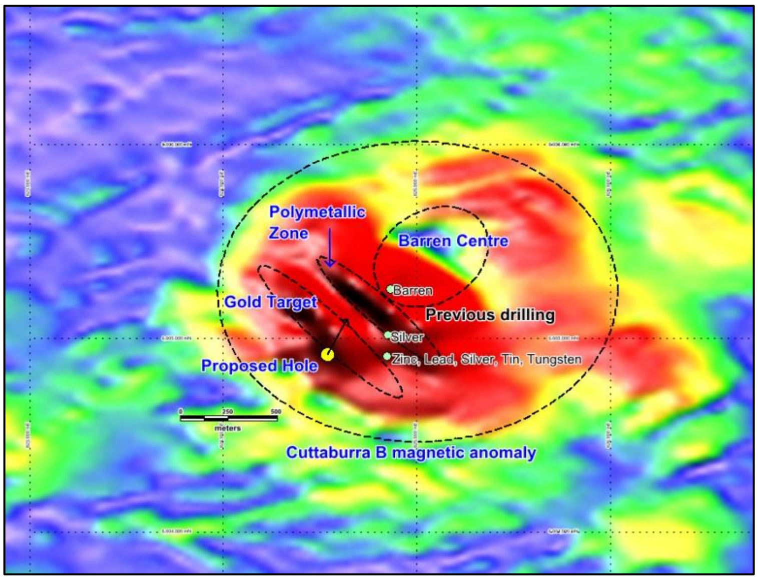


Figure 5: Cuttaburra B drill proposal

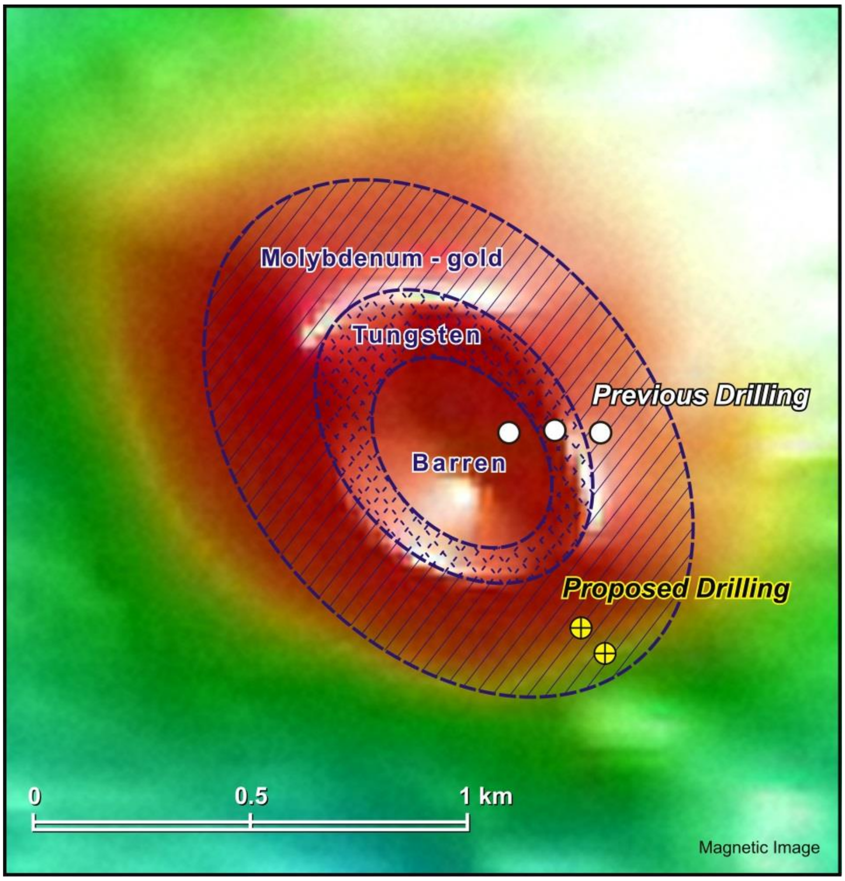


Figure 6: Anomaly F1 drill proposal

Tin

Increased Focus on Tin Opportunities

Thomson Resources has extended its focus to include tin opportunities in NSW. The tin price has been buoyant in recent times and its fundamentals are good with many traditional sources in decline. The increased focus on tin is a logical progression for the company given its experience with tin-tungsten bearing IRG systems in the Thomson Fold Belt. Thomson reviewed all its ground with tungsten in mind and has identified specific tin-tungsten opportunities.

Thomson Resources has acquired three prospects, all on 100% granted tenure.

Basin One

The Basin One prospect is a skarn hosted tin-copper-zinc deposit adjacent to the Mt Jacob Intrusion-Related Gold system (see above). The mineralisation consists of chalcopyrite, cassiterite, sphalerite, pyrite, and arsenopyrite, and is essentially stratiform, dipping to the northwest at about 30 degrees. Thomson has previously announced (December 2013 quarterly report) an exploration target for Basin One of 1.8 to 4.9 million tonnes with grades of between 0.1%-0.2% Sn and 0.25%-0.5% Cu (between 1,800 and 10,000 tonnes of tin and between 4,500 and 24,000 tonnes of copper). The potential quantity and grade is conceptual in nature, there has been insufficient exploration to estimate a Mineral Resource and it is uncertain if further exploration will result in the estimation of a Mineral Resource. CRAE estimated similar numbers in report GS1979/348, available from the NSW Geological Survey.

The exploration target is based on 18 drill holes (average depth 69m at approximate spacing 80m x 100m; mostly diamond drilling). Many of the holes were very shallow and were abandoned whilst still in mineralisation. The target was based on a mineralised zone extending 500m in strike, 300m in dip and between 5 to 15m in width. Grade is based on the weighted average grade of all intercepts in the area of 0.11% Sn and 0.3% Cu, but recognising that 7 of the 18 holes have tin grades of over 0.2% Sn and 0.5% Cu over at least 5m width. Follow up will consist of further drilling in 2014-15 after environmental clearances have been obtained.

Wilgaroon Tin Project

The Wilgaroon granite lies on EL 8011, 20km northeast of the Endeavor mine near Cobar. The Wilgaroon Granite is at the northern end of the “Wagga Tin Belt” which extends from the Victorian border through New South Wales (Figure 7). Numerous tin occurrences are known from the Wagga Tin Belt, with the largest deposit (35,000 tonnes of tin produced) being that at Ardlethan, 350km south of Cobar. The Wilgaroon and Ardlethan granites have similar geochemistry at the extreme (evolved – tin prospective) end of the Wagga Tin Belt granites and are of similar age. Within Thomson’s EL8011, there is a significant tin-tungsten prospect at Darling Downs where Straits Resources drilled one hole on a magnetic anomaly near the Wilgaroon granite. Straits intersected 250m of tin-tungsten alteration including best assays of 2.5% Sn, 1.42% W, 0.1% Cu, and 0.2 g/t Au. Thomson flew VTEM over the Wilgaroon granite targeting the associated magnetic pyrrhotite mineralisation.

Figure 7: The Wagga Tin Belt and Thomson’s Tin Projects

Victory Tin Project

The historic Victory Tin workings are located 40km south of Wagga Wagga and historically produced about 12 tons of tin and tungsten. These veins may represent a root zone to an eroded greisen. In 1981, Union Corporation defined a coherent anomaly over an area of 600m x 300m, 4km to the south of the old workings. Tin values up to 3.4% Sn were recorded in stream sediment sampling (many over 0.5% Sn) and up to 0.1% Sn in shallow rotary air blast (RAB) drilling. Union Corporation concluded that the source was concealed beneath the Ordovician rocks to the north and closer to the Victory Tin Mine. No exploration has been done in the area since.

Copper

Thomson has several VMS-type targets (volcanogenic massive sulphides), as well as significant Porphyry copper-gold targets. A VTEM survey was commissioned over several of the VMS targets.

Havilah

The Havilah project, near Mudgee, was acquired from Newmont Exploration in April, 2014. At Havilah, previous work has defined Zn, Pb, Au and Ag anomalism in soil and rock chip sampling coincident with a strong sericite-pyrite-silica alteration zone. The soil anomaly covers a large area of over 1000m by 400m, with just one drill hole completed within the anomaly to date. The alteration is hosted in rhyolitic to dacitic volcaniclastics, a typical setting for VMS deposits. Thomson has flown VTEM over the area targeting any massive sulphide conductors.

Byrock

The Byrock project contains several prospects with Tritton-type VMS targets. Thomson commissioned VTEM over the Wilga Downs, Kenilworth and Furneys copper-lead-zinc-silver anomalies. Results are being interpreted at time of writing.

Porphyry Copper-Gold

Thomson has two significant Porphyry copper-gold targets near Bourke. The Warraweena project consists buried volcanic rocks with island arc affinities and has been compared to the Macquarie Arc which hosts Cadia-Ridgeway and other major deposits further south. The Mullagalah project features two holes drilled on the periphery of a large magnetic anomaly with “porphyry style” alteration including chalcopyrite mineralisation. The magnetic low at the centre of the anomaly represents a compelling drill target.

Tenements

Thomson Resources has been very active in tenement review, relinquishment and selection. Five new areas were acquired as newly granted ELs and one new area acquired through an acquisition from Newmont Exploration for a 1% net smelter royalty.

Thomson acquired 100% of the Cuttaburra, Louth and Warraweena Projects by agreement with Raptor Minerals Ltd and 100% of the Tooronga EL 7891 by purchase of Lassiter Resources Ltd.

The Achilles project, consisting of Thomson ELs 7891, 8103 and the Thomson-Variscan JV ELs 7746 and 7931 were packaged and joint ventured to Kidman Resources (ASX: KDR), who are actively exploring the package.

As part of its ongoing strategy to focus only on priority projects and reduce tenement costs, three tenements were relinquished during the year and two joint venture agreements terminated. In addition several tenements were reduced in area, resulting in an overall reduction in the area managed by Thomson by 2,450 sq. km to 1,257 sq. km. The Achilles JV of 404 sq. km is managed by Kidman Resources under the Achilles JV agreements.

Competent Person

The information in this report that relates to Exploration Targets, Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Eoin Rothery, (MSc), who is a member of the Australian Institute of Geoscientists. Mr Rothery is a full time employee of Thomson Resources Ltd. Mr Rothery has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the “Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves”. Mr Rothery consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Schedule of Tenements

As at 24 September 2014

Tenement	Tenement No.	Interest	Joint Venture Details
New South Wales			
Yantabangee	EL 6631	100%	
Mt Pleasant	EL 6668	100%	
Cathedral	EL 7265	100%	
Cuttaburra	EL 6224	100%	
Lillyfield 2	EL 7253	100%	
Wallenburra	EL 7642	100%	
Knightvale	EL 7643	100%	
Toburra	EL8011	100%	
Achillles	EL 7746	0%	Kidman can earn 80%, Variscan 100%
Chiron	EL 7931	0%	Kidman can earn 80%, Variscan 100%
Tooronga	EL 7891	100%	Kidman can earn 80%, Note 1
Mullagalah	EL 8102	100%	
Whooey	EL 8103	100%	Kidman can earn 80%
Wilga Downs	EL 8136	100%	
Lower Myall	EL 8177	100%	
Wilgaroon	EL 8251	100%	
Victory Tin	EL 8229	100%	
Mt Jacob	EL 8256	100%	
Havilah	EL 7391	100%	
Eaglehawk Rock	EL 8284	100%	

EL = Exploration Licence ELA = Exploration Licence Application

Note 1

EL 7891 is held by Lassiter Resources Pty Ltd which as at 25 March 2014 became a wholly owned subsidiary of Thomson Resources.

Your Directors submit their report for the year ended 30 June 2014.

Directors

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

Lindsay Gilligan, PSM, BSc (Hons), MAppSc, MBA, FAIG, FSEG

Non-executive chairman

Director since 16 December 2009

Lindsay was formerly the Director of the Geological Survey of New South Wales. Lindsay's career has focused on the geology of mineral resources and fostering mineral exploration and discovery in the state and has over 40 years' experience as a geologist. Lindsay has extensive experience in government geoscience. He has published widely on aspects of mineral deposits. Whilst Director, he led the NSW State Government's highly successful New Frontiers exploration initiative. He has actively promoted mineral exploration investment in New South Wales both nationally and internationally.

Lindsay has a broad network across the exploration industry, government, and research organisations, as well as internationally in both government and industry and has a high public profile in the minerals industry. He is currently a director on the governing board of Deep Exploration Technologies Cooperative Research Centre Ltd. He also consults to Commonwealth and state agencies on government geoscience issues.

Lindsay was awarded the Public Service Medal in the 2008 Queen's Birthday Honours and, in the same year, was also awarded the Australian Mining magazine's "Most Outstanding Contribution to Australian Mining" Award.

During the past three years Lindsay has not served as a director of any other listed companies.

Eoin Rothery, MSc MAIG

Chief executive officer, Executive director

Director since 8 July 2010

Eoin was educated at Trinity College, Dublin, Ireland and spent 10 years in the resources industry there exploring for copper, zinc, uranium, gold and silver, before emigrating to Australia in 1989. Eoin then worked at the major base metal deposits of Broken Hill and Macarthur River as well as at the world class Jundee Gold Mine before joining Consolidated Minerals in 2001.

Eoin was in charge of the successful manganese exploration at Woodie Woodie, increasing both the mine life and resource base 4-fold, as well as managing successful iron ore, chromite and nickel exploration. Eoin was Managing Director of ASX listed India Resources Limited (IRL) from start up in October 2006 till early 2010. IRL was the first foreign company to start a mine in India since nationalisation in the 1970's. IRL's Surda copper mine broke a 50 year production record in its first full year of production.

During the past three years Eoin has not served as a director of any other listed companies.

Gregory Jones, BSc (Hons) (UTS), MAusIMM

Non-executive director

Director since 17 July 2009

Greg is a geologist with 33 years of exploration and operational experience gained in a broad range of metalliferous commodities both within Australia and overseas. Greg has held senior positions in a number of resource companies including Western Mining Corporation and Sino Gold and his experience spans the spectrum of exploration activity from grass-roots exploration through to resource definition and new project generation, as well as mine geology, ore resource/reserve generation and new mine development.

Greg was awarded the Institute Medal for academic excellence whilst at university and is credited with several economic discoveries including the Blair nickel and the Orion gold deposits in Western Australia. He is the Managing Director of Thomson Resource's largest shareholder, Variscan Mines Limited and a director of ASX-listed explorers Eastern Iron Limited and Silver City Minerals Limited.

During the past three years Greg has also served as a director of the following listed companies:

- Variscan Mines Limited – appointed 20 April 2009
- Eastern Iron Limited – appointed 24 April 2009
- Silver City Minerals Limited – appointed 30 April 2009
- Moly Mines Limited – appointed August 2014

Antonio Belperio, PhD, BSc (Hons)

Non-executive director

Director since 17 July 2009

Tony is a geologist with over 30 years' experience in a broad range of geological disciplines including environmental, marine and exploration geology.

He has held research positions at the Universities of Adelaide and Queensland, and was Chief Geologist with the South Australian Department of Mines and Energy prior to joining the Minotaur Group.

He held the positions of Chief Geologist with Minotaur Gold, Minotaur Resources and Minotaur Exploration from 1996 to 2007.

Tony is currently Director of Business Development at Minotaur Exploration Ltd. He has been awarded the University of Adelaide's Tate Memorial Medal, the Geological Society of Australia's Stillwell Award in 1993, and AMEC's Prospector of the Year (jointly) in 2003.

During the past three years Tony has also served as a director of the following listed company:

- Minotaur Exploration Limited – appointed 22 August 2007

Directors' interests in shares and options

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

Directors	Shares directly and indirectly held	Options
L Gilligan	10,000	450,000
E Rothery	285,000	2,250,000
G Jones	310,000	450,000
T Belperio	60,000	450,000

Company Secretary

Ivo Polovineo, FIPA

Ivo was appointed Company Secretary of Thomson Resources on 16 February 2010. Ivo has over 30 years' experience in corporate accounting, finance and company secretarial work for a diverse range of companies. He has spent the past 20 years in senior management roles in the resources sector including 7 years as company secretary (and 5 years as CFO) of Sino Gold Mining Limited (a former ASX 100 company) until December 2009. Ivo is currently Company Secretary of Variscan Mines Limited, Silver City Minerals Limited, KBL Mining Limited, and is a director of ASX listed Eastern Iron Limited.

Principal activities

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

Results

The net result of operations of the consolidated entity after applicable income tax expense was a loss of $1,754,455 (2013: loss of $639,158).

Dividends

No dividends were paid or proposed during the period.

Review of operations

A review of the operations of the Company during the financial period and the results of those operations commence on page 2 in this report.

Significant changes in the state of affairs

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

Significant events after the balance date

There were, at the date of this report, no matters or circumstances which have arisen since 30 June 2014 that have significantly affected or may significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group, in future financial years.

Likely developments and expected results

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

Shares under option or issued on exercise of options

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

No. shares under option	Class of share	Exercise price of option	Expiry date of options
6,500,000	Ordinary	$0.30	11 Dec 14
1,650,000	Ordinary	$0.30	19 Feb 15
1,350,000	Ordinary	$0.30	5 May 15
400,000	Ordinary	$0.30	19 May 16
750,000	Ordinary	$0.30	5 Sep 16
750,000	Ordinary	$0.10	31 Jul 15
11,400,000			

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

There were no shares issued during or since the end of the financial year as a result of exercise of the above options.

Indemnification and insurance of directors and officers

Indemnification

The Company has not, during or since the end of the financial period, in respect of any person who is or has been an officer of the Company or a related body corporate indemnified or made any relevant agreement for indemnifying against a liability incurred as an officer, including costs and expenses in successfully defending legal proceedings.

Insurance premiums

During the financial period the Company has paid premiums to insure each of the directors and officers against liabilities for costs and expenses incurred by them in defending any legal proceedings arising out of their conduct while acting in the capacity of director or officer of the Company, other than conduct involving a wilful breach of duty in relation to the Company.

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

Environmental performance

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

Remuneration report (audited)

This remuneration report for the year ended 30 June 2014 outlines the remuneration arrangements of the Company and the Group in accordance with the requirements of the Corporations Act 2001 (the Act) and its regulations. This information has been audited as required by section 308(3C) of the Act.

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

Details of key management personnel (KMP)

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

Directors	
L Gilligan	Chairman
E Rothery	Executive Director/CEO
G Jones	Non-Executive Director
A Belperio	Non-Executive Director
Key management personnel	
I Polovineo	Company Secretary

Remuneration philosophy

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

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

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

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

Non-executive director (NED) remuneration arrangements

Directors are entitled to remuneration out of the funds of the Company but the remuneration of the Non-Executive Directors may not exceed in any year the amount fixed by the Company in general meeting for that purpose. The aggregate remuneration of the Non-Executive Directors has been fixed at a maximum of $250,000 per annum to be apportioned among the Non-Executive Directors in such a manner as the Board determines. Directors are also entitled to be paid reasonable travelling, accommodation and other expenses incurred in consequence of their attendance at Board meetings and otherwise in the execution of their duties as Directors.

The Chairman's fee is set at $50,000 p.a. and NED fees at $36,000 p.a. At present, no Committee fees are paid to Directors.

Service agreements

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

Executive Director/CEO – Eoin Rothery

- Contract term: Commenced 8 July 2010. No fixed term. Either party may terminate the letter of employment with 2 months' notice.
- Remuneration: $248,569 p.a. as at 30 June 2014 to be reviewed annually. 1,500,000 options with 750,000 granted on appointment and the remaining 750,000 granted by shareholders at the 2012 AGM
- Termination payments: A 3 month severance pay with an additional 3 months after more than five years employment.

Company Secretary – Ivo Polovineo

- Contract term: Commenced 16 February 2010. 12 month rolling contract. Either party may terminate the contract with 30 days' notice.
- Remuneration: $1,350 per day plus GST as at 30 June 2014 (2013: $1,350 per day).
- Termination payments: Nil.

Directors and key management personnel remuneration for the year ended 30 June 2014

	Short-term benefits	Post employment	Share-based payments		
	Cash salary and fees $	Superannuation $	Options $	Total $	Consisting of options %
Directors					
L Gilligan	45,872	4,243	-	50,115	-
E Rothery	227,523	21,046	-	248,569	-
G Jones	33,027	3,055	-	36,082	-
T Belperio	33,027	3,055	-	36,082	-
	339,449	31,399	-	370,848	
Other key management personnel					
I Polovineo	32,400	-	-	32,400	-
	371,849	31,399	-	403,248	

No performance based remuneration was paid in the 2014 and 2013 financial period.

Directors and key management personnel remuneration for the year ended 30 June 2013

	Short-term benefits	Post employment	Share-based payments		
	Cash salary and fees $	Superannuation $	Options $	Total $	Consisting of options %
Directors					
L Gilligan	45,872	4,128	-	50,000	-
E Rothery	227,523	20,477	8,925	256,925	3%
G Jones	33,027	2,973	-	36,000	-
T Belperio	33,027	2,973	-	36,000	-
	339,449	30,551	8,925	378,925	
Other key management personnel					
I Polovineo	32,100	-	-	32,100	-
	371,549	30,551	8,925	411,025	

Share-based compensation

Employee share option plan

The Company has adopted an Employee Share Option Plan in order to assist in the attraction, retention and motivation of employees and key consultants to the Company. At the date of this report no options have been issued under the Employee Option Plan.

Compensation options: granted and vested during the year

There were no options granted during the financial year.

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

Meetings of directors

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

	Board of directors		Audit committee		Remuneration committee	
	Held	Attended	Held	Attended	Held	Attended
Directors						
L Gilligan	6	6	2	2	1	1
E Rothery	6	6	-	-	-	-
G Jones	6	5	2	1	1	1
T Belperio	6	6	2	2	1	1

Auditor's independence

bdjpartners incorporating Boulter Partners
CHARTERED ACCOUNTANTS

partners
C H Barnes FCA
A J Dowell CA
B Kolevski CPA (Affiliate ICAA)
M Galouzis CA
A N Fraser CA

associate
M A Nakkan CA

consultant
R H B Boulter FCA

north sydney office
Level 13, 122 Arthur St
North Sydney NSW 2060

manly office
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Auditor's Independence Declaration

To the directors of Thomson Resources Limited

As engagement partner for the audit of Thomson Resources Limited for the year ended 30 June 2014, I declare that, to the best of my knowledge and belief, there have been:

i) no contraventions of the independence requirements of the *Corporations Act 2001* in relation to the audit; and

ii) no contraventions of any applicable code of professional conduct in relation to the audit.

BDJ Partners

Chartered Accountants

ADowell.

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Anthony J Dowell
Partner
19 September 2014

Non-audit services

The Company's auditor, BDJ Partners provided non-audit services totalling $Nil (2013: $Nil) during the year ended 30 June 2014. The Directors are satisfied that the provision of any non-audit services is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001. The nature and scope of each type of non-audit service provided means that auditor independence was not compromised.

Signed at Sydney this 30th day of September 2014 in accordance with a resolution of the Directors.

Lindsay Gilligan PSM
Chairman

The Board has adopted a corporate framework for the Company which is underpinned by the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations (2nd Edition) ("the Recommendations") applicable to ASX-listed entities.

This Section addresses each of the Corporate Governance Principles and, where the Company has not followed a Recommendation, this is identified with the reasons for not following the Recommendation.

Principle 1: Lay solid foundations for management and oversight

Recommendation 1.1 – Functions reserved to the board and delegated to senior executives

The Company has established functions reserved to the Board and functions delegated to senior executives.

The functions reserved to the Board include:

(1) Oversight of the Company, including its control and accountability systems;

(2) Appointing and removing the Chief Executive Officer (CEO) (or equivalent), including approving remuneration of the CEO and the remuneration policy and succession plans for the CEO;

(3) Ratifying the appointment and, where appropriate, the removal of the Chief Financial Officer (or equivalent) and the Secretary;

(4) Input into the final approval of management's development of corporate strategy and performance objectives;

(5) Reviewing and ratifying systems of risk management and internal compliance and control, codes of conduct and legal compliance;

(6) Monitoring senior management's performance and implementation of strategy, and ensuring appropriate resources are available;

(7) Approving and monitoring the progress of major capital expenditure, capital management and acquisitions and divestitures;

(8) Approving and monitoring financial and other reporting;

(9) Appointment and composition of committees of the Board;

(10) On recommendation of the Audit Committee, appointment of external auditors; and

(11) On recommendation of the Nomination and Remuneration Committee, initiating Board and director evaluation.

The functions delegated to senior executives include:

(1) Implementing the Company's vision, values and business plan;

(2) Managing the business to agreed capital and operating expenditure budgets;

(3) Identifying and exploring opportunities to build and sustain the business;

(4) Allocating resources to achieve the desired business outcomes;

(5) Sharing knowledge and experience to enhance success;

(6) Facilitating and monitoring the potential and career development of the Company's people resources;

(7) Identifying and mitigating areas of risk within the business;

(8) Managing effectively the internal and external stakeholder relationships and engagement strategies;

(9) Sharing information and making decisions across functional areas;

(10) Determining the senior executives' position on strategic and operational issues; and

(11) Determining the senior executives' position on matters that will be referred to the Board.

Recommendation 1.2 – Performance evaluation of senior executives

The Board reviews the performance of the Chief Executive Officer and executives to ensure they execute the Company's strategy through the efficient and effective implementation of the business objectives. The Chief Executive Officer and executives are assessed against the performance of the Company and individual performance.

Recommendation 1.3 – Performance evaluation of senior executives during the financial year

During the financial year ended 30 June 2014 a performance evaluation of the Chief Executive Officer and senior executives was carried out in accordance with the guide to reporting on Principle I.

Principle 2: Structure the board to add value

Recommendation 2.1 – A majority of the board should be independent directors

Recommendation 2.1 requires a majority of the Board to be independent Directors.

The Corporate Governance Council defines independence as being free from any business or other relationship that could materially interfere with, or could reasonably be perceived to materially interfere with, the exercise of unfettered and independent judgement.

The Board has determined that only one of its three non-executive directors is independent as defined under Recommendation 2.1. The Company is therefore at variance with Recommendation 2.1 in that a majority of directors are not independent. Mr Jones is a director of Variscan and Mr Belperio is a director of Minotaur. Both Variscan and Minotaur are substantial shareholders of the Company and accordingly Mr Jones and Mr Belperio are not considered by the Board to be independent directors as defined in Recommendation 2.1.

The Board has nevertheless determined that the composition of the current Board represents the best mix of directors that have an appropriate range of qualifications and expertise and that can understand and competently deal with current and emerging business issues.

Each individual member of the Board is satisfied that whilst the Company may not comply with Recommendation 2.1, all directors bring an independent judgment to bear on Board decisions.

Recommendation 2.2 – The chair should be an independent director

The Company's chairman, Mr Gilligan, is an independent director as defined under Recommendation 2.1.

Recommendation 2.3 – The roles of chair and managing director should be separated

The roles of the Chairman and the Chief Executive Officer are not exercised by the same individual. The Board charter summarises the roles and responsibilities of the Chairman, Mr Gilligan and the Chief Executive Officer, Mr Rothery.

Recommendation 2.4 – Nomination committee

The Board has established a Nomination and Remuneration Committee. A copy of the charter of the Nomination and Remuneration Committee is available on the Company's website.

Recommendation 2.5 – Process for evaluating the performance of the board

In accordance with the charter of the Nomination and Remuneration Committee, the Committee is responsible for the:

(1) Annual evaluation and review of the performance of the Board against both measurable and qualitative indicators established by the Committee;

(2) Evaluation and review of the performance of individual directors against both measurable and qualitative indicators established by the Committee;

(3) Review of and making of recommendations on the size and structure of the Board; and

(4) Review of the effectiveness and programme of Board meetings.

Recommendation 2.6 – Additional information concerning the board and directors

(1) The skills and experience of each Director is set out in the Directors section of the Director's Report,

(2) The period of office of each Director is as follows:

Name Term in office

L Gilligan – 4.5 years

E Rothery - 4 years

G Jones - 5 years

A Belperio - 5 years

(3) The reasons why Messrs Jones and Belperio are considered not to be independent Directors are disclosed in relation to Recommendation 2.1,

(4) There are procedures in place, agreed by the Board, to enable Directors, in furtherance of their duties, to seek independent professional advice at the company's expense,

(5) Details of the names of members of the nomination and remuneration committee are disclosed in relation to Recommendation 2.4 and attendances at meetings are set out in the Directors Meetings section of the Director's Report,

(6) An evaluation of the performance of the Board, its committees and individual Directors took place during the financial year. That evaluation was in accordance with the process disclosed,

(7) The Nomination and Remuneration Committee is responsible for providing the Board with advice and recommendations regarding the ongoing development of:

(a) A plan for identifying, assessing and enhancing director competencies; and

(b) A succession plan that is designed to ensure that an appropriate balance of skills, experience and expertise is maintained on the Board.

The charter of the Nomination and Remuneration Committee requires that prior to identifying an individual for nomination for directorship, the Committee must evaluate the range of skills, experience and expertise currently existing on the Board to ensure that the Committee identifies the particular skills, experience and expertise that will most effectively complement the Board's current composition. If a new candidate is approved by the Nomination and Remuneration Committee, the appointment of that new candidate is ultimately subject to shareholder approval in accordance with the *Corporations Act 2001* and the Company's Constitution.

Further details are set out in the charter of the Nomination and Remuneration Committee. A copy of the charter of the Nomination and Remuneration Committee is available on the Company's website.

Principle 3: Promote ethical and responsible decision making

Recommendation 3.1 – Code of conduct

The Company has established a code of conduct as to the:

(1) Practices necessary to maintain confidence in the Company's integrity;

(2) Practices necessary to take into account the Company's legal obligations and the expectations of stakeholders; and

(3) Responsibility and accountability of individuals for reporting and investigating reports of unethical practices.

A copy of the code of conduct is available on the Company's website.

Recommendation 3.2 – Diversity policy

The Company has established a policy concerning diversity. The Company recognises the need to set diversity measures in each of its operating locations taking into account the differing diversity issues within each geographic location in which it operates.

A copy of the diversity policy is available from the Company's website. The policy includes requirements for the Board, at the appropriate stage of its development, to establish measurable objectives for achieving gender diversity and for the Board to assess annually thereafter both the objectives and progress in achieving them.

Recommendation 3.3 – Measurable objectives for achieving gender diversity

Due to the size of the Company and its workforce and its current stage of development, the Board does not consider it appropriate to set measurable objectives at this time.

The Company intends to establish measurable objectives at the appropriate stage of its development.

Recommendation 3.4 – Proportion of women employees

Refer Recommendation 3.3 above.

At the date of this report the Company has only 2 employees (including the Chief Executive Officer) both of which are male.

The Company has a services contract with Variscan Mines Limited ("Variscan"), a major shareholder, whereby Variscan provides the Company with technical, accounting and administrative services.

The Board comprises of four directors all of whom are male.

Recommendation 3.5 – Documents on company website

Copies of the Code of Conduct and the Diversity Policy are available on the Company's website.

Principle 4: Safeguard integrity in financial reporting

Recommendation 4.1 – Audit committee

The Company has established an Audit Committee.

Recommendation 4.2 – Structure of the audit committee

The Company's Audit Committee does not comply with all of the requirements of Recommendation 4.2. Details are as follows:

(1) The Audit Committee has three members all which are non-executive directors however two of the member are not independent.

(2) The members of the Audit Committee are Messrs Gilligan, Jones and Belperio.

(3) Messrs Jones and Belperio are not considered to be independent directors for the reasons given under Recommendation 2.1.

(4) The Audit Committee is chaired by Mr Gilligan, who is an independent director but is also Chairman of the Board.

Although not all of the members of the Audit Committee are independent and given that the Chairman of the committee is also Chairman of the Board (and who is the only independent director on the Board), the Board has nevertheless determined that the composition of the Audit Committee represents the only practical mix of directors that have an appropriate range of qualifications and expertise and that can understand and competently deal with current and emerging relevant business issues.

Recommendation 4.3 – Audit committee charter

The Company has adopted an Audit Committee charter which sets out its role, responsibilities and membership requirements and reflects the matters set out in the commentary and guidance for Recommendation 4.3.

Recommendation 4.4 – Additional information concerning the audit committee

The skills and experience of each member of the Audit Committee and the number of Audit Committee meetings attended by each member is set out in the Director's Report.

In accordance with the guide to reporting on Principle 4, the Company's Audit Committee charter is available on the Company's website.

Principle 5: Make timely and balanced disclosure

Recommendation 5.1 – ASX listing rule disclosure requirements

The Company has established a Continuous Disclosure Policy which sets out the key obligations of directors and employees in relation to continuous disclosure as well as the Company's obligations under the Listing Rules and the Corporations Act. The policy also provides procedures for internal notification and external disclosures, as well as procedures for promoting understanding of compliance with disclosure requirements.

The policy reflects the matters set out in the commentary and guidance for Recommendation 5.1.

Recommendation 5.2 – Continuous disclosure policy

There were no departures from Recommendation 5.1 during the financial year.

A copy of the Company's Continuous Disclosure Policy is available on the Company's website.

Principle 6: Respect the rights of shareholders

Recommendation 6.1 – Shareholder communications policy

The Company has adopted a shareholder communications policy for:

(1) Promoting effective communication with shareholders; and

(2) Encouraging shareholder participation at annual and other general meetings.

A copy of the Company's shareholder communications policy is available on the Company's website.

Recommendation 6.2 – Availability of shareholder communications policy

A copy of the Company's shareholder communications policy is available on the Company's website.

Principle 7: Recognise and manage risk

Recommendation 7.1 – Risk management policies

The Company has established policies for the oversight and management of its material business risks as follows:

(1) The Audit Committee oversees financial risks pursuant to the Audit Committee charter. This includes internal controls to deal with both the effectiveness and efficiency of significant business processes, the safeguarding of assets, the maintenance of proper accounting records, and the reliability of financial information as well as non-financial considerations such as the benchmarking of operational key performance indicators.

(2) The finance department of the Company manages financial risks.

(3) A Risk Committee will oversee the Company's other material business risks.

Recommendation 7.2 – Risk management and internal control system

The Company has developed a risk management framework which is supported by the Board of directors and management.

The Board has required management to implement a risk management and internal control system to manage the Company's business risks.

The Board requires management to report to it on whether those risks are being managed effectively.

Recommendation 7.3 – Statement from the chief executive officer and the chief financial officer

When considering the Audit Committee's review of financial reports the Board will receive a signed statement declaration in accordance with section 295A of the Corporations Act. This statement will also confirm whether the Company's financial reports are founded on a sound system of risk management and internal control, and that the system is operating effectively in all material respects in relation to financial risks.

Similarly, in a separate written statement the Chief Executive Officer and the Chairman of the Audit Committee will also confirm to the Board whether the Company's risk management and internal control, and that the system is operating effectively in all material respects in relation to financial risks and that nothing has occurred since period-end that would materially change the position.

Recommendation 7.4 – Additional information concerning risk management

The Board has received the report from management under Recommendation 7.2 and the Board has received assurance from the chief executive officer and the chief financial officer under Recommendation 7.3.

The Company is in the process of developing a Risk Committee charter together with a risk management framework.

Principle 8: Remunerate fairly and responsibly

Recommendation 8.1 – Remuneration committee

The Company has established a Nomination and Remuneration Committee which has delegated responsibilities in relation to the Company's remuneration policies as set out in the Company's Nomination and Remuneration Committee charter. The charter reflects the matters set out in the commentary and guidance for Recommendation 8.1.

Recommendation 8.2 – Remuneration of executive directors, executives and non-executive directors

The Company complies with Recommendation 8.2 by clearly distinguishing the structure of non-executive directors' remuneration from that of executive directors and senior executives. The commentary that follows each Recommendation does not form part of the Recommendation. Remuneration for non-executive directors is fixed. Total remuneration for all non-executive directors voted by shareholders at the Extraordinary General Meeting held in May 2010 is not to exceed $250,000 per annum.

Neither the non-executive directors nor the executives of the Company receive any retirement benefits, other than superannuation.

Recommendation 8.3 – Additional information concerning remuneration

The skills and experience of each member of the Nomination and Remuneration Committee and the number of Committee meetings attended by each member is set out in the Director's Report.

A copy of the Company's Nomination and Remuneration Committee charter is available on the Company's website

Consolidated Statement of Comprehensive Income

For the year ended 30 June 2014

	Note	2014 $	2013 $
Revenue	3	417,196	1,235,810
ASX and ASIC fees		(16,507)	(25,501)
Audit fees	18	(29,000)	(20,500)
Contract administration services		(77,438)	(87,101)
Depreciation expense	8	(16,036)	(23,001)
Employee costs (net of costs recharged to exploration projects)		(155,474)	(208,865)
Exploration expenditure expensed	9	(1,748,588)	(1,361,092)
Insurance		(15,915)	(15,216)
Rent		(28,908)	(28,923)
Share based payments	14	-	(8,925)
Other expenses from ordinary activities		(83,785)	(95,844)
Profit/(loss) before income tax expense		(1,754,455)	(639,158)
Income tax expense	4	-	-
Profit/(loss) after income tax expense	13	(1,754,455)	(639,158)
Other comprehensive income			
Other comprehensive income for the period, net of tax		-	-
Other comprehensive income		-	-
Total comprehensive income/(loss) attributable to members of Thomson Resources Ltd		(1,754,455)	(639,158)
Basic loss per share (cents per share)	15	2.43	0.91
Diluted loss per share (cents per share)	15	2.43	0.91

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

Consolidated Statement of Financial Position

As at 30 June 2014

	Note	2014 $	2013 $
Current assets			
Cash and cash equivalents	5	637,715	1,521,070
Receivables	6	192,459	81,472
Tenement security deposits	7	20,000	10,000
Total current assets		850,174	1,612,542
Non-current assets			
Tenement security deposits	7	200,000	125,000
Property, plant and equipment	8	16,532	32,568
Deferred exploration and evaluation expenditure	9	2,510,636	3,486,232
Total non-current assets		2,727,168	3,643,800
Total assets		3,577,342	5,256,342
Liabilities			
Payables	10	49,520	57,619
Provisions	11	37,973	50,673
Total current liabilities		87,493	108,292
Non-current liabilities			
Provisions	11	19,578	15,324
Total non-current liabilities		19,578	15,324
Total liabilities		107,071	123,616
Net assets		3,470,271	5,132,726
Equity			
Contributed equity	12	7,192,725	7,100,725
Accumulated losses	13	(4,147,509)	(2,393,054)
Reserves	14	425,055	425,055
Total equity		3,470,271	5,132,726

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

Consolidated Statement of Cash Flows

For the year ended 30 June 2014

	Note	2014 $	2013 $
Cash flows from operating activities			
Payment to suppliers and employees		(379,521)	(496,759)
Other income		38,156	-
R&D tax concession offset		204,318	1,132,686
Interest received		33,683	75,359
Net cash flows (used in) operating activities	25	(103,364)	711,286
Cash flows from investing activities			
Purchase of fixed assets		-	(20,463)
Expenditure on mining interests (exploration)		(694,991)	(1,257,208)
Purchase of tenements		(10,000)	-
Tenement security deposits		(75,000)	(30,000)
Net cash flows (used in) investing activities		(779,991)	(1,307,671)
Cash flows from financing activities			
Proceeds from issue of shares		-	-
Equity raising expenses		-	-
Net cash flows from financing activities		-	-
Net increase/(decrease) in cash held		(883,355)	(596,385)
Add opening cash brought forward		1,521,070	2,117,455
Closing cash carried forward	25	637,715	1,521,070

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

Consolidated Statement of Changes in Equity

For the year ended 30 June 2014

	Note	Issued capital $	Accumulated losses $	Reserves $	Total equity $
At 1 July 2012		7,049,625	(1,874,296)	536,530	5,711,859
Profit/(loss) for the period		-	(639,158)	-	(639,158)
Other comprehensive income		-	-	-	-
Total comprehensive income/(loss) for the period		-	(639,158)	-	(639,158)
Transactions with owners in their capacity as owners:					
Cost of share based payments taken directly to Equity		-	-	8,925	8,925
Issue of share capital, net of transaction costs	12	51,100	-	-	51,100
Expired option value transferred to Accumulated Losses	14	-	120,400	(120,400)	-
At 30 June 2013		7,100,725	(2,393,054)	425,055	5,132,726
At 1 July 2013		7,100,725	(2,393,054)	425,055	5,132,726
Profit/(loss) for the period		-	(1,754,455)	-	(1,754,455)
Other comprehensive income		-	-	-	-
Total comprehensive income/(loss) for the period		-	(1,754,455)	-	(1,754,455)
Transactions with owners in their capacity as owners:					
Issue of share capital, net of transaction costs	12	92,000	-	-	92,000
At 30 June 2014		7,192,725	(4,147,509)	425,055	3,470,271

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

1. Corporate information

The financial report of Thomson Resources Ltd (the Company) for the year ended 30 June 2014 was authorised for issue in accordance with a resolution of the Directors on 30 September 2014.

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

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

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

2. Summary of significant accounting policies

Basis of preparation

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

Statement of compliance

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

Basis of consolidation

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

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

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

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

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

Property, plant and equipment

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

- Plant and equipment – 2 - 5 years.

Impairment

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

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

Borrowing costs

Borrowing costs are recognised as an expense when incurred.

Interest in jointly controlled operations – joint ventures

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

Recoverable amount of assets

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

Investments

All investments are initially recognised at cost, being the fair value of the consideration given and including acquisition charges associated with the investment. After initial recognition, investments, which are classified as held-for-trading and available-for-sale, are measured at fair value. Gains or losses on investments held-for-trading are recognised in the income statement. Gains or losses on available-for-sale investments are recognised as a separate component of equity until the investment is sold, collected or otherwise disposed of, or until the investment is determined to be impaired, at which time the cumulative gain or loss previously reported in equity is included in the income statement.

Non-derivative financial assets with fixed or determinable payments and fixed maturity are classified as held-to-maturity when the Group has the positive intention and ability to hold to maturity. Investments intended to be held for an undefined period are not included in this classification. Other long-term investments that are intended to be held-to-maturity, such as bonds, are subsequently measured at amortised cost using the effective interest method.

Amortised cost is calculated by taking into account any discount or premium on acquisition, over the period to maturity.

For investments carried at amortised cost, gains and losses are recognised in income when the investments are derecognised or impaired, as well as through the amortisation process. For investments that are actively traded in organised financial markets, fair value is determined by reference to Securities Exchange quoted market bid prices at the close of business on the balance sheet date. For investments where there is no quoted market price, fair value is determined by reference to the current market value of another instrument which is substantially the same or is calculated based on the expected cash flows of the underlying net asset base of the investment.

Purchases and sales of financial assets that require delivery of assets within the time frame generally established by regulation or convention in the market place are recognised on the trade date, being the date that the Group commits to purchase he asset.

Exploration, evaluation, development and restoration costs

Exploration and evaluation

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

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

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

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

Exploration and evaluation – impairment

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

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

Development

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

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

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

Restoration

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

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

Trade and other receivables

Trade receivables, which generally have 7-30 day terms, are recognised and carried at original invoice amount less an allowance for any uncollectible amounts. An estimate for doubtful debts is made when collection of the full amount is no longer probable. Bad debts are written off when identified.

Cash and cash equivalents

Cash and short-term deposits in the balance sheet comprise cash at bank and in hand and short-term deposits with an original maturity of one year or less. For the purposes of the Statement of Cash Flows, cash and cash equivalents consist of cash and cash equivalents as defined above, net of any outstanding bank overdrafts, if any.

Trade and other payables and provisions

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

Where the Group expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the income statement net of any reimbursement. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Employee entitlements

Liabilities for wages and salaries are recognised and are measured as an amount unpaid at the reporting date at current pay rates in respect of an employee's services up to that date. Current employee contracts do not entitle them to annual leave and long service leave. A liability in respect of superannuation at the current superannuation guarantee rate has been accrued at the reporting date.

Share-based payments

In addition to salaries, the Group provides benefits to certain employees (including Directors and Key Management personnel) of the Group in the form of share-based payment transactions, whereby employees render services in exchange for shares or rights over shares ("equity-settled transactions"). The Group intends to adopt an Employee Share Option Plan prior to listing on the Stock Exchange in order to assist in the attraction, retention and motivation of employees of the Group.

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

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

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

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

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

Leases

Finance leases, which transfer to the Group substantially all the risks and benefits incidental to ownership of the leased item, are capitalised at the inception of the lease at the fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged directly against income. Capitalised leased assets are depreciated over the shorter of the estimated useful life of the asset or the lease term.

Leases where the lessor retains substantially all the risks and benefits of ownership of the asset are classified as operating leases. Initial direct costs incurred in negotiating an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same bases as the lease income. Operating lease payments are recognised as an expense in the income statement on a straight-line basis over the lease term.

Revenue

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

Sale of goods

Revenue is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer and can be measured reliably. Risks and rewards are considered passed to the buyer at the time of delivery of the goods to the customer.

Interest

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

Dividends

Revenue is recognised when the shareholders' right to receive the payment is established.

Income tax

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

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

Deferred income tax liabilities are recognised for all taxable temporary differences:

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

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

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

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

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date. Income taxes relating to items recognised directly in equity are recognised in equity and not in the income statement.

Other taxes

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

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

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

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

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

Currency

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

Investment in controlled entities

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

Impairment of assets

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

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

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

An assessment is also made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case the carrying amount of the asset is increased to its recoverable amount. The increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss unless the asset is carried at revalued amount, in which case the reversal is treated as a revaluation increase. After such a reversal the depreciation charge is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life.

Significant accounting judgements, estimates and assumptions

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

Share-based payment transactions

The Group measures the cost of cash-settled share-based payments at fair value at the grant date using the Binomial formula taking into account the terms and conditions upon which the instruments were granted, as detailed in Notes 15 and 17.

Capitalisation and write-off of capitalised exploration costs

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

Issued capital

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

Earnings per share

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

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

- Costs of servicing equity.
- The after tax effect of dividends and interest associated with dilutive potential ordinary shares that have been recognised as expenses.
- Other non-discretionary changes in revenues or expenses during the period that would result from the dilution of potential ordinary shares.
- Divided by the weighted average number of ordinary shares and dilutive potential ordinary shares, adjusted for any bonus element.

Going concern

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

The Directors believe that the Company will have sufficient working capital to meet its minimum project development and administrative expenses in the next twelve months following the date of signing of the financial report.

The Directors are investigating options to raise additional funds to allow the Company to pursue its project opportunities and reduce its working capital requirements with the intent that the consolidated group continues as a going concern.

Accounting standards issued but not yet effective

Australian Accounting Standards and interpretations that have been issued or amended but are not yet effective have not been adopted by the Consolidated Entity for the year ended 30 June 2014. The Consolidated Entity plans to adopt these standards at their application dates as detailed below.

AASB 9 Financial Instruments (Application date 1 January 2018)

AASB 9 includes requirements for the classification and measurement of financial assets resulting from the first part of Phase 1 of the IASB's project to replace IAS 39 Financial Instruments: Recognition and Measurement (AASB 139 Financial Instruments: Recognition and Measurement).

These requirements improve and simplify the approach for classification and measurement of financial assets compared with the requirements of AASB 139. The main changes from AASB 139 are described below.

(a) Financial assets are classified based on (1) the objective of the entity's business model for managing the financial assets; (2) the characteristics of the contractual cash flows. This replaces the numerous categories of financial assets in AASB 139, each of which had its own classification criteria.

(b) AASB 9 allows an irrevocable election on initial recognition to present gains and losses on investments in equity instruments that are not held for trading in other comprehensive income. Dividends in respect of these investments that are a return on investment can be recognised in profit or loss and there is no impairment or recycling on disposal of the instrument.

Financial assets can be designated and measured at fair value through profit or loss at initial recognition if doing so eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities, or recognising the gains and losses on them, on different bases.

AASB 2010-7 Amendments to Australian Accounting Standards arising from AASB 9 (December 2010)[AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 120, 121, 127, 128, 131, 132, 136, 137, 139, 1023, & 1038 and interpretations 2, 5, 10, 12, 19 & 127] (Application date 1 January 2018)

The requirements for classifying and measuring financial liabilities were added to AASB 9. The existing requirements for the classification of financial liabilities and the ability to use the fair value option have been retained. However, where the fair value option is used for financial liabilities the change in fair value is accounted for as follows:

- The change attributable to changes in credit risk are presented in other comprehensive income (OCI)
- The remaining change is presented in profit or loss.

If this approach creates or enlarges an accounting mismatch in the profit or loss, the effect of the changes in credit risk are also presented in profit or loss.

3. Revenue from ordinary activities

	2014 $	2013 $
Interest received – other persons/corporation	29,922	70,237
R&D tax concession offset	204,318	1,132,686
Consulting fees	182,956	32,887
	417,196	1,235,810

4. Income tax

	2014 $	2013 $
Prima facie income tax (credit) on operating (loss) at 30%	526,336	191,747
Future income tax benefit in respect of timing differences – not recognised	(526,366)	(191,747)
Income tax expense	-	-

No provision for income tax is considered necessary in respect of the Company for the period 30 June 2014.

The Group has a deferred income tax liability of Nil (2013: Nil) associated with exploration costs deferred for accounting purposes but expensed for tax purposes. This liability has been brought to account and offset by deferred tax assets attributed to available tax losses. No recognition has been given to any deferred income tax asset which may arise from available tax losses, except to the extent offset against deferred tax liabilities. The Group has estimated its losses at $5,294,258 (2013: $5,244,015) as at 30 June 2014.

A benefit of 30% of approximately $1,588,277 (2013: $1,573,204) associated with the tax losses carried forward will only be obtained if:

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

5. Cash and cash equivalents

	2014 $	2013 $
Cash at bank	287,334	507,631
Money market securities – bank deposits	350,381	1,013,439
	637,715	1,521,070

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

6. Receivables – current

	2014 $	2013 $
Trade debtors	154,807	36,275
GST receivables	5,801	18,267
Interest receivable	1,467	5,228
Prepayments	27,933	21,702
Other debtors	2,451	-
	192,459	81,472

7. Tenement security deposits

	2014 $	2013 $
Cash at bank – bank deposits	220,000	135,000

These deposits are restricted so that they are available for any rehabilitation that may be required on exploration tenements (refer to Note 21). The bank deposits are interest bearing.

8. Property, plant and equipment

	Plant and equipment	Total
Year ended 30 June 2013		
Opening net book amount	35,106	35,106
Additions	20,463	20,463
Disposals	-	-
Depreciation expense	(23,001)	(23,001)
Closing net book amount	32,568	32,568
At 30 June 2013		
Cost	96,819	96,819
Accumulated depreciation	(64,251)	(64,251)
Net book amount	32,568	32,568
Year ended 30 June 2014		
Opening net book amount	32,568	32,568
Additions	-	-
Disposals	-	-
Depreciation expense	(16,036)	(16,036)
Closing net book amount	16,532	16,532
At 30 June 2014		
Cost	96,819	96,819
Accumulated depreciation	(80,287)	(80,287)
Net book amount	16,532	16,532

9. Deferred exploration and evaluation expenditure

	2014 $	2013 $
Costs brought forward	3,486,232	3,576,851
Costs incurred during the period	772,992	1,270,473
Expenditure written off during period	(1,748,588)	(1,361,092)
Costs carried forward	2,510,636	3,486,232
Exploration expenditure costs carried forward are made up of:		
Expenditure on joint venture areas	256,740	1,081,060
Expenditure on non joint venture areas	2,253,896	2,405,172
Costs carried forward	2,510,636	3,486,232

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

10. Current liabilities – payables

	2014 $	2013 $
Trade creditors	18,518	38,289
Accrued expenses	15,128	6,230
PAYG payable	15,874	13,100
	49,520	57,619

11. Liabilities - provisions

	2014 $	2013 $
Current		
Annual leave	37,973	50,673
Non-current		
Long Service Leave	19,578	15,324

12. Contributed equity

		2014 $	2013 $
Share capital			
73,027,701 fully paid ordinary shares (2013: 71,351,511)		7,917,000	7,825,000
Fully paid ordinary shares carry one vote per share and carry the right to dividends.			
Share issue costs		(724,275)	(724,275)
		7,192,725	7,100,725

		Number	$
Movements in ordinary shares on issue			
At 30 June 2012		70,179,500	7,773,900
Shares issued	(i)	1,172,011	51,100
At 30 June 2013		71,351,511	7,825,000
Shares issued	(ii)	476,190	20,000
Shares issued	(iii)	1,200,000	72,000
At 30 June 2014		73,027,701	7,917,000

(i) The Company issued 1,172,011 shares at $0.0436 in June 2013 as part settlement for services provided.

(ii) The Company issued 476,190 shares at $0.042 in August 2013 as part settlement for services provided.

(iii) The Company issued 1,200,000 shares at $0.06 in March 2014 as part consideration for the purchase of a tenement.

	Number	$
Movements in options on issue		
At 30 June 2012	6,500,000	-
Options issued	-	-
At 30 June 2013	6,500,000	
Options issued	-	-
At 30 June 2014	6,500,000	-

Note: An additional 5,850,000 options are on issue under Share based payments (Note: 14).

Terms and conditions of contributed equity

Ordinary shares

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

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

Options

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

13. Accumulated losses

	2014 $	2013 $
Balance at the beginning of period	(2,393,054)	(1,874,296)
Expired option value transferred to Accumulated Losses	-	120,400
Operating gain/(loss) after income tax expense	(1,754,455)	(639,158)
Balance at 30 June	(4,147,509)	(2,393,054)

14. Reserves/share-based payments

Reserves

	2014 $	2013 $
Balance at 1 July	425,055	536,530
Expired option value transferred to Accumulated Losses	-	(120,400)
Share-based payment expense during the financial year	-	8,925
Balance at 30 June	425,055	425,055

Share-based payments

The Company has established the Thomson Resources Limited Employee Share Option Plan ("ESOP") to assist in the attraction, retention and motivation of employees of the Company. There have been no cancellations or modifications to any of the plans during 2014. At the date of this report there were 400,000 options issued under this ESOP.

Summary of options granted

	2014 $	2013 $
Outstanding at the beginning of the year	5,850,000	7,100,000
Granted during the year	-	750,000
Forfeited during the year	-	-
Exercised during the year	-	-
Expired during the year	-	(2,000,000)
Outstanding at the end of the year	5,850,000	5,850,000

The outstanding balance as at 30 June 2014 is represented by:

- 1,650,000 options exercisable at $0.30, expiry 19 February 2015
- 1,350,000 options exercisable at $0.30, expiry 5 May 2015
- 400,000 options exercisable at $0.30, expiry 19 May 2016.
- 750,000 options exercisable at $0.30, expiry 5 September 2016
- 950,000 options exercisable at $0.25, expiry 5 September 2014
- 750,000 options exercisable at $0.10, expiry 31 July 2015

There is an additional 6,500,000 options granted under Contributed equity (Note: 12) which is represented by:

- 6,500,000 options exercisable at $0.30, expiry 11 December 2014

Option pricing model and terms of options

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

Grant date	Number of options granted	Exercise price	Expiry date	Expected volatility	Risk-free rate	Expected life years	Estimated fair value	Model used	
Feb 10	1,650,000	$0.30	19 Feb 15	112.90%	5.23%	5	$0.0626	Binomial	(a)
May 10	1,350,000	$0.30	5 May 15	112.29%	5.50%	5	$0.0625	Binomial	(b)
May 11	400,000	$0.30	19 May 16	116.14%	5.24%	5	$0.1500	Binomial	(c)
Nov 11	750,000	$0.30	5 Sep 16	123.14%	3.82%	5	$0.1400	Binomial	(d)
Nov 11	950,000	$0.25	5 Sep 14	116.14%	3.67%	3	$0.1400	Binomial	(e)
Nov 12	750,000	$0.10	31 Jul 15	65.94%	4.75%	2.5	$0.0119	Binomial	(f)
TOTAL	5,850,000								

(a) 1,650,000 options were issued to employees and consultants of the Company as a performance incentive. The options vested on grant date.

(b) 1,350,000 options were issued to Directors of the Company in lieu of Director fees. The options vested on grant date.

(c) 400,000 options were issued to an employee under the Company's ESOP. The options vested on grant date.

(d) 750,000 options were issued to a Director of the Company as a performance incentive. The options vested on grant date.

(e) 950,000 options were issued to Directors of the Company as a performance incentive. The options vested on grant date.

(f) 750,000 options were issued the CEO of the Company as a performance incentive. The options vested on grant date.

Weighted average disclosures on options

	2014	2013
Weighted average exercise price of options at 1 July	$0.27	$0.28
Weighted average exercise price of options granted during period	-	$0.10
Weighted average exercise price of options outstanding at 30 June	$0.27	$0.27
Weighted average exercise price of options exercisable at 30 June	$0.27	$0.27
Weighted average contractual life	0.95 years	1.95 years
Range of exercise price	$0.10 - $0.30	$0.10 - $0.30

15. Earnings per share

	2014	2013
Net profit/(loss) used in calculating basic and diluted gain/(loss) per share	(1,754,455)	(639,158)
	Number	**Number**
Weighted average number of ordinary shares outstanding during the year used in calculation of basic EPS	72,128,044	70,234,087
	Cents per share	**Cents per share**
Basic earnings (loss) per share	(2.43)	(0.91)
Diluted earnings (loss) per share	(2.43)	(0.91)

16. Key management personnel

Key management personnel compensation

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

	2014 $	2013 $
Short-term employee benefits	371,849	371,549
Post-employment benefits	31,399	30,551
Other long-term benefits	-	-
Termination benefits	-	-
Share-based payments	-	8,925
	403,248	411,025

Shareholdings of key management personnel

Fully paid ordinary shares held in Thomson Resources Ltd

	Balance at 1 July no.	Granted as compensation no.	Received on exercise of options no.	Net other change * no.	Balance at 30 June no.
2014					
L Gilligan	10,000	-	-	-	10,000
E Rothery	275,000	-	-	10,000	285,000
G Jones	310,000	-	-	-	310,000
T Belperio	60,000	-	-	-	60,000
I Polovineo	5,000	-	-	20,000	25,000
	660,000	-	-	30,000	690,000
2013					
L Gilligan	10,000	-	-	-	10,000
E Rothery	50,000	-	-	225,000	275,000
G Jones	310,000	-	-	-	310,000
T Belperio	60,000	-	-	-	60,000
I Polovineo	-	-	-	5,000	5,000
	430,000	-	-	230,000	660,000

**Purchased on market*

Option holdings of key management personnel

Share options held in Thomson Resources Ltd

	Balance at 1 July no.	Granted as compen-sation no.	Exerc-ised no.	Net other change no.	Balance at 30 June no.	Balance vested at 30 June no.	Vested but not exerc-isable no.	Vested and exercise-able no.	Options vested during year no.
2014									
L Gilligan	600,000	-	-	-	600,000	600,000	-	600,000	-
E Rothery	2,750,000	-	-	-	2,750,000	2,750,000	-	2,750,000	-
G Jones	600,000	-	-	-	600,000	600,000	-	600,000	-
T Belperio	600,000	-	-	-	600,000	600,000	-	600,000	-
I Polovineo	300,000	-	-	-	300,000	300,000	-	300,000	-
	4,850,000	-	-	-	4,850,000	4,850,000	-	4,850,000	-
2013									
L Gilligan	600,000	-	-	-	600,000	600,000	-	600,000	-
E Rothery	2,000,000	750,000	-	-	2,750,000	2,750,000	-	2,750,000	750,000
G Jones	600,000	-	-	-	600,000	600,000	-	600,000	-
T Belperio	600,000	-	-	-	600,000	600,000	-	600,000	-
I Polovineo	300,000	-	-	-	300,000	300,000	-	300,000	-
	4,100,000	750,000	-	-	4,850,000	4,850,000	-	4,850,000	750,000

17. Related party disclosures

Subsidiaries

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

		% Equity interest	
Name	Country of incorporation	2014	2013
Lassiter Resources Pty Ltd	Australia	100	-

Transactions with other related parties

Related party transactions with Variscan Mines Limited (formerly PlatSearch NL)

Variscan Mines Limited (Variscan) is a 24.65% shareholder of Thomson Resources. The Company engaged Variscan to provide the consulting services of Greg Jones, with payments made to Variscan as at 30 June 2014 totalling Nil (2013: $9,641).

The Company has paid Variscan for rent and reimbursement of office costs totalling $28,800 (2013: $28,800) for the period ended 30 June 2014. The contract with Variscan is based on normal commercial terms and conditions.

18. Auditors' remuneration

	2014 $	2013 $
Total amounts receivable by the current auditors of the Company for:		
Audit of the Company's accounts	29,000	20,500
Other services	-	-
	29,000	20,500

19. Joint ventures

Joint venture agreements

The Company is a party to a number of exploration joint venture agreements to explore for copper, gold, zinc and lead. Under the terms of the agreements, other companies are required to contribute towards exploration and other costs if they wish to maintain or increase their percentage holdings. The joint ventures are not separate legal entities. There are contractual arrangements between the participants for sharing costs and future revenues in the event of exploration success. There are no assets and liabilities attributable to the Company at the balance date resulting from these joint ventures other than exploration expenditure costs carried forward as detailed in Note 9 and a contingent liability under the Bohuon Success Fee Agreement as detailed in Note 21.

Costs are accounted for in accordance with the terms of joint venture agreements and in accordance with Note 2(i). Percentage equity interests in joint ventures at 30 June 2014 were as follows:

	Percentage interest 2014	Percentage interest 2013
Joint Ventures		
Mulga Tank EL 6783 and Louth EL 6844	-	0
Cuttaburra EL 6224	100	0
Cuttaburra JV ELs 6870, 6969 and 6727	-	0
Lilleyfield EL 7252	-	0
Lilleyfield EL 7253	100	0
Bohuon Success Fee Agreement EL 6224	0	0
Bohuon Success Fee Agreement ELs 6969 and 6870	-	0
Ghostrider ELs 7493-7495	-	0
Achilles and Chiron ELs 7746 and 7931	0	0
Byrock JV ELs 7807, 7808 and 7809	-	0
Wallenburra and Knightvale ELs 7642 and 7643	100	100
Tooronga EL 7891	100	-
Whooey EL 8103	100	-

20. Segment information

The operating segments identified by management are as follows:

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

Regarding the Exploration segment, the Chief Operating Decision Maker (the Board of directors) receives information on the exploration expenditure incurred. This information is disclosed in Note 9 of this financial report. No segment revenues are disclosed as each exploration tenement is not at a stage where revenues have been earned. Furthermore, no segment costs are disclosed as all segment expenditure is capitalised, with the exception of expenditure written off which is disclosed in Note 9.

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

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

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

The Company's accounting policy for reporting segments is consistent with that disclosed in Note 2.

21. Contingent liabilities

The Company has provided guarantees totalling $220,000 in respect of exploration tenements in NSW. These guarantees in respect of exploration tenements are secured against term deposits with a banking institution. The Company does not expect to incur any material liability in respect of the guarantees.

Bohuon success fee agreement

The Company has assumed the obligations of Raptor Minerals Ltd from an agreement with Bohuon Resources Pty Ltd whereby commercial production from the tenements in the Cuttaburra Joint Venture are subject to a 3% net profits interest payments to Bohuon. This joint venture covered exploration on ELs 6870, 6969, 6224 and 6727, however EL 6224 is the only licence which is still current, all others have been relinquished.

The net profits interest payment may be replaced by exploration success fee payment of $3 million at the completion of a feasibility study on the first mine project in the tenements. Further payments of $1.5 million and $1 million are applicable if second or third mining operations are developed in the tenements.

22. Financial instruments

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

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

Capital risk management

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

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

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

Financial risk management objectives

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

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

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

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

Credit risk

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

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

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

	2014 $	2013 $
Cash and cash equivalents	637,715	1,521,070
Receivables	192,459	81,472
Deposit with bank	220,000	135,000
	1,050,174	1,737,542

Liquidity risk

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

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

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

Financial liabilities	Carrying amount $	<12 months $	1-3 years $	>3 years $
2014				
Payables	49,520	49,520	-	-
	49,520	49,520	-	-
2013				
Payables	57,619	57,619	-	-
	57,619	57,619	-	-

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

Financial assets	Carrying amount $	<12 months $	1-3 years $	>3 years $
2014				
Cash at bank and term deposits	637,715	637,715	-	-
Receivables	192,459	192,459	-	-
Deposit with bank	220,000	20,000	-	200,000
	1,050,174	850,174	-	200,000
2013				
Cash at bank and term deposits	1,521,070	1,521,070	-	-
Receivables	81,472	81,472	-	-
Deposit with bank	135,000	10,000	-	125,000
	1,737,542	1,612,542	-	125,000

Interest rate risk

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

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

	2014 $	2013 $
Weighted average rate of cash balances	0.16%	0.13%
Cash balances	287,334	507,631
Weighted average rate of term deposits	3.4%	3.85%
Term deposits	350,381	1,013,439

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

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

		+1.0% of AUD IR		-1.0% of AUD IR	
Sensitivity analysis	Carrying amount $	Profit $	Other equity $	Profit $	Other equity $
2014					
Cash and cash equivalents	637,715	6,377	-	(6,377)	-
Tax charge of 30%	-	(1,913)	-	1,913	-
After tax profit increase/(decrease)	637,715	4,464	-	(4,464)	-
2013					
Cash and cash equivalents	1,521,070	15,211	-	(15,211)	-
Tax charge of 30%	-	(4,563)	-	4,563	-
After tax profit increase/(decrease)	1,521,070	10,648	-	(10,648)	-

The above analysis assumes all other variables remain constant.

Commodity price risk

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

Net fair value of financial assets and liabilities

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

23. Commitments

Exploration licence expenditure requirements

In order to maintain the Company's tenements in good standing with the various mines departments, the Company will be required to incur exploration expenditure under the terms of each licence.

	2014 $	2013 $
Payable not later than one year	143,947	230,325
Payable later than one year but not later than two years	327,167	121,750
	471,114	352,075

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

24. Events after the balance sheet date

There were, at the date of this report, no matters or circumstances which have arisen since 30 June 2014 that have significantly affected or may significantly affect the operations of the Company, the results of those operations, or the state of affairs of the Company, in future financial years.

25. Statement of cash flows

		2014 $	2013 $
Reconciliation of net cash outflow from operating activities to operating loss after income tax			
(a)	Operating (loss) after income tax	(1,754,455)	(639,158)
	Depreciation	16,036	23,001
	Share based payments	-	8,925
	Bad debts	32,987	-
	Exploration costs expensed	1,748,588	1,361,092
	Other – Non operating costs in creditors	-	37,835
	Change in assets and liabilities:		
	(Increase)/decrease in receivables (excluding bad debts & GST)	(140,682)	(48,798)
	(Decrease)/increase in trade and other creditors (excluding exploration costs in creditors)	2,608	(53,010)
	(Decrease)/increase in provisions	(8,446)	21,399
	Net cash outflow from operating activities	(103,364)	711,286

(b) For the purpose of the Statement of Cash Flows, cash includes cash on hand, at bank, deposits and bank bills used as part of the cash management function. The Company does not have any unused credit facilities.

The balance at 30 June 2014 comprised:	2014 $	2013 $
Cash assets	287,334	507,631
Bank deposits (Note: 5)	350,381	1,013,439
Cash on hand	637,715	1,521,070

26. Parent entity information

	2014 $	2013 $
Current assets	850,174	1,612,542
Total assets	3,577,342	5,256,342
Current liabilities	87,493	108,292
Total liabilities	107,071	123,616
Issued capital	7,192,725	7,100,725
Accumulated losses	(4,147,509)	(2,393,054)
Reserves	425,055	425,055
Total shareholders' equity	3,470,271	5,132,726
Profit/(loss) of the parent entity	(1,754,455)	(639,158)
Total comprehensive income/(loss) of the parent entity	(1,754,455)	(639,158)

Directors' Declaration

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

In the opinion of the directors:

(a) The financial statements and notes of the Company are in accordance with the Corporations Act 2001, including:

- (i) Giving a true and fair view of the Company financial position as at 30 June 2014 and of its performance for the year ended on that date.
- (ii) Complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001.

(b) The financial statements and notes also comply with International Financial Reporting Standards as disclosed in note 2; and

(c) There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

(d) This declaration has been made after receiving the declarations required to be made to the Directors in accordance with section 295A of the Corporations Act 2001 for the financial year ending 30 June 2014.

On behalf of the Board

Lindsay Gilligan PSM
Chairman
Sydney, 30 September 2014

bdjpartners
incorporating Boulter Partners
CHARTERED ACCOUNTANTS

partners
C H Barnes FCA
A J Dowell CA
B Kolevski CPA (Affiliate ICAA)
M Galouzis CA
A N Fraser CA

associate
M A Nakkan CA

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R H B Boulter FCA

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Independent Auditor's Report

To the members of Thomson Resources Limited

Report on the Financial Report

We have audited the accompanying financial report of Thomson Resources Limited, which comprises the statements of financial position as at 30 June 2014, the statements of profit or loss and other comprehensive income, the statements of changes in equity and the statements of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration of the company and the consolidated entity.

Directors' Responsibility for the Financial Report

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

In Note 2, the directors also state, in accordance with Accounting Standard AASB 101 *Presentation of Financial Statements*, that the financial statements comply with *International Financial Reporting Standards*.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

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

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incorporating Boulter Partners
CHARTERED ACCOUNTANTS

Independence

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of Thomson Resources Limited, would be in the same terms if given to the directors as at the time of this auditor's report.

Opinion

In our opinion:

(a) the financial report of Thomson Resources Limited is in accordance with the *Corporations Act 2001*, including:

(i) giving a true and fair view of the company's and the consolidated entity's financial position as at 30 June 2014 and of their performance for the year ended on that date; and

(ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001*; and

(b) the financial report also complies with *International Financial Reporting Standards* as disclosed in Note 2.

Going Concern

Without modifying our opinion, we draw attention to Note 2 "Going Concern Basis" which states that the directors are investigating options to raise additional funds and reduce the working capital requirements of the business. Should these measures be unsuccessful, it would indicate a material uncertainty which may cast doubt about the consolidated entity's ability to continue as a going concern.

Report on the Remuneration Report

We have audited the Remuneration Report included in the directors' report for the year ended 30 June 2014. The directors of the company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Opinion

In our opinion, the Remuneration Report of Thomson Resources Limited for the year ended 30 June 2014 complies with section 300A of the *Corporations Act 2001*.

BDJ Partners
Chartered Accountants

....
Anthony J Dowell
Partner
30 September 2014

Shareholder Information

Information relating to shareholders at 16 September 2014.

Ordinary fully paid shares

There were a total of 73,027,701 fully paid ordinary shares on issue.

Options

There were a total of 11,400,000 unlisted options on issue.

Substantial shareholders	Shareholding
VARISCAN MINES LIMITED (formerly PLATSEARCH NL) - group	18,000,000
VAN DER HORST ENERGY LTD	10,000,000
MINOTAUR RESOURCES INVESTMENTS PTY LTD	10,000,000

At the prevailing market price of $0.022 per share, there were 191 shareholders with less than a marketable parcel of $500.

Top 20 shareholders of ordinary shares as at 16 September 2014	Number	%
VARISCAN MINES LIMITED (formerly PLATSEARCH NL)	10,500,000	14.38
VAN DER HORST ENERGY LTD	10,000,000	13.69
MINOTAUR RESOURCES INVESTMENTS PTY LTD	10,000,000	13.69
BLUESTONE 23 LIMITED	7,500,000	10.27
DBS VICKERS SECURITIES (SINGAPORE) PTE LTD <CLIENT ACCOUNT>	2,725,000	3.73
MR ARNOLD GETZ & MRS RUTH GETZ	2,148,484	2.94
WANG JIN	2,000,000	2.74
AUSTRALIAN MINERAL & WATERWELL DRILLING PTY LTD	1,648,201	2.26
WARMAN INVESTMENTS PTY LTD	1,500,000	2.05
OPEKA DALE PTY LTD <OPEKA DALE P/L S/F NO 2 A/C>	1,000,000	1.37
KIMBRIKI NOMINEES PTY LTD <KIMBRIKI HAMILTON SF A/C>	850,000	1.16
LOCANTRO SPECULATIVE INVESTMENTS LIMITED	800,000	1.10
ALCARDO INVESTMENTS LIMITED <STYLED 102501 A/C>	710,000	0.97
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	706,000	0.97
AQUATREAT SERVICES PTY LTD	700,000	0.96
CODE NOMINEES PTY LTD <CLIENT A/C 25373>	685,000	0.94
MR RAUL USED <THE RAUL USED FAMILY A/C>	681,113	0.93
TASMAN METALS LTD	600,000	0.82
MAWSON RESOURCES LTD	600,000	0.82
PETER CRISP PTY LTD <CRISP SUPER FUND A/C>	500,000	0.69
Total of top 20 holdings	56,853,798	77.85
Other holdings	16,173,903	22.15
Total fully paid shares issued	**73,027,701**	**100.00**

Shareholder Information

Distribution of shareholders		
Range	**No of shareholders**	**Ordinary shares**
1 – 1,000	1	1
1,001 – 5,000	9	33,848
5,001 – 10,000	126	1,249,050
10,001 – 100,000	209	8,329,197
100,001 – and over	51	63,415,605
	396	**73,027,701**

Voting rights

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

Distribution of optionholders		
Range	**No of optionholders**	**Unlisted options**
1 – 1,000	-	-
1,001 – 5,000	-	-
5,001 – 10,000	-	-
10,001 – 100,000	1	100,000
100,001 – and over	11	11,300,000
	12	**11,400,000**

Corporate Directory

Board of Directors	Lindsay Gilligan Non-Executive Chairman Eoin Rothery Chief Executive Officer Gregory Jones Non-Executive Director Antonio Belperio Non-Executive Director
Company Secretary	Ivo Polovineo
Registered Office and Place of Business	Level 1, 80 Chandos Street St Leonards, NSW 2065 PO Box 956, Crows Nest NSW 1585 Phone: (+61 2) 9906 6225 Email: info@thomsonresources.com.au Website: www.thomsonresources.com.au
Share Registry	Boardroom Pty Limited GPO Box 3993 Sydney, NSW 2001 Phone: (+61 2) 9290 9600 Website: www. boardroomlimited.com.au
Auditors	BDJ Partners Level 13, 122 Arthur Street North Sydney, NSW 2060
Bankers	Macquarie Bank Commonwealth Bank Bankwest
Securities Exchange Listing	Australian Securities Exchange ASX Code: TMZ
ACN	138 358 728

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