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Quarter ending 31 March 2019

# Quarterly Report

## Highlights

- **Chillagoe Gold – several new prospects highlighted for follow up**
  - **Williamstown: RC drilling 14m at 2.6 g/t Au from 26m depth**
  - **East West Nessie: Airtrack 12m at 1.3 g/t Au from 9m depth to end of hole**
  - **Borderline: Trench with1.5m channel sample 28.6 g/t Au, 713 g/t Ag**
  - **Salt Creek: Trench with 2m channel sample at 5.7 g/t Au**
  - **Laverock: rockchips to 7 g/t Au**
  - **Georgina: rockchips to 2 g/t Au**
  - **Sauce Bottle Creek: possible gold bearing breccia pipe identified**
- **3km potential zone for tin exploration at Bygoo North**
- **Gladstone – new gold project in the Harry Smith area**

## Chillagoe Gold

During the quarter Thomson acquired a gold exploration project in the Chillagoe district of north Queensland. The project comprises 6 EPMs (Exploration Permit for Minerals), 3 of which are granted. The area covered (594 square km) lies 30km west of Chillagoe. The principal target type in the area is Intrusion Related Gold. In this area IRGs are typically associated with felsic Carboniferous breccia pipe and intrusive complexes as at the nearby Mungana and Red Dome gold mining operations (Figure 1).

Database search and compilation is ongoing and so far has yielded 267 historic drillholes on the acquired EPMs. These comprise 21 Airtrack, 7 percussion, 187 RAB (all shallow) together with 49 deeper RC and 3 RC with diamond tails. The average depth of reported drilling is a shallow 41m. The majority of the drilling, 182 holes, was in the Williamstown prospect area (Figure 2).

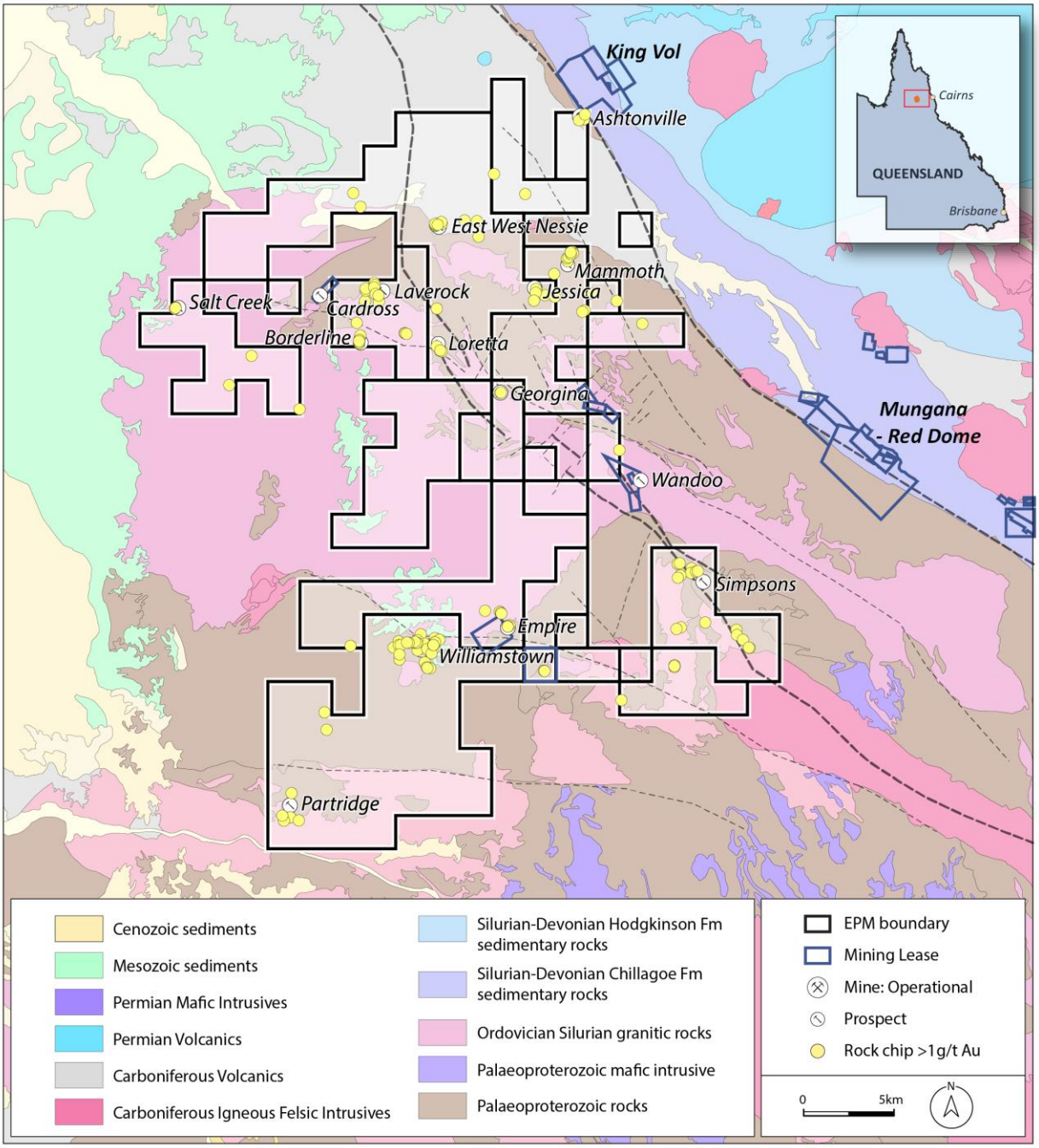


***Figure 1: The Chillagoe Project tenements over geology. Note - rock chips greater than 1 g/t Au shown and Mining Leases are excluded.***

## Prospects

Systematic data compilation from historical reporting has highlighted several prospects requiring attention in the coming field season. Over 100 previous tenements have been granted over parts of the project area; each with six-month, annual or partial relinquishment reports. These reports are held on public open file in the Queensland Government's "QDEX Reports" system. Most reports are held as several multi-page "tiff" files of different data types

e.g. text; maps and assay sheets. Thomson has started to compile a comprehensive database of significant data in these reports; over 600 documents have been assessed thus far. Where data is cited in this report a reference to the original report is given: these are “Company Reports” with numbers preceded by “cr”.

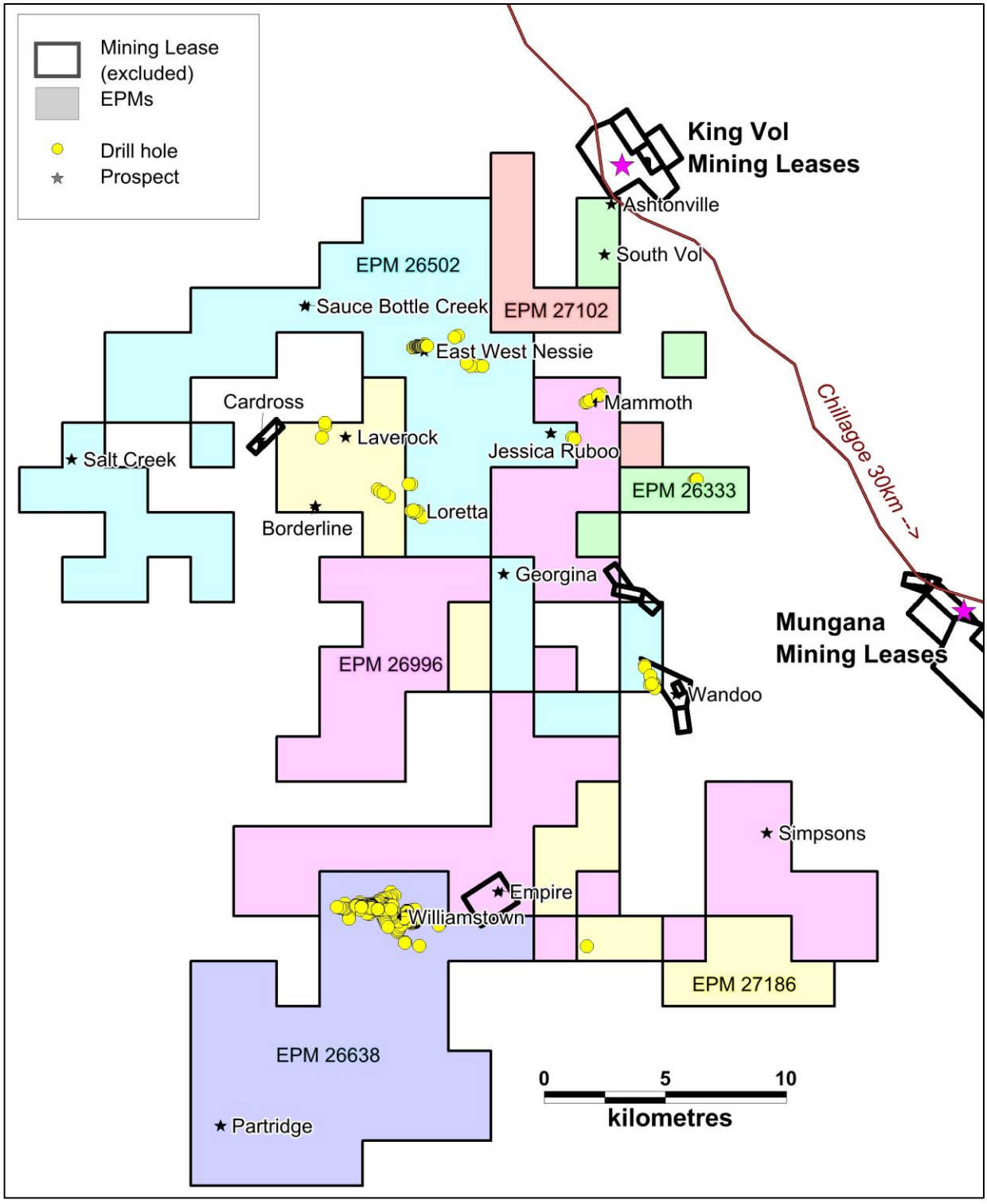


***Figure 2: The Chillagoe Project titles. All drilling found in open file reports shown.***

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Numerous prospects have been identified as requiring follow-up field work and are being prioritised for the upcoming field season.

Six prospects were detailed in Thomson's ASX release of March 1, 2019. These were:

**Ashtonville:** 15 recorded rock chips over 900m x 400m area, up to 8.9 g/t, average 3 g/t Au (cr73242).
**South Vol:** 3.6km long multi-element portable XRF anomaly (cr73242)
**Mammoth-Ruboo–Jessica:** Scattered gold anomalous lodes over 3.5km, limited shallow drilling (cr64005).
**Simpsons:** rock chip sampling over a 1km x 1km area up to 18.9 g/t Au, with 10.6% Pb (cr9411).
**Loretta:** 1km lode with some gold bearing chips. 9 shallow drill holes, best intercept is 2m at 0.7 g/t Au, 0.8% Cu from 14m depth (cr64005).
**Wandoo West:** Adjacent to the Wandoo mining lease (cr30900).

Additional prospects identified up to the current date of this Quarterly report include:

**Williamstown (EPM26638)**

The Williamstown prospect is famous for alluvial gold discovered in 1900 and up till 1903 2,400 ounces of gold were produced (de Havelland 1989 *Gold and Ghosts* vol. 4 Hesperian Press, Carlisle). In 1992 Sabina Resources collected stream sediments with good results (cr22344) over a 4km x 2km area (Figure 3) and followed up with rock chips, soils and trenching, discovering several hard-rock gold occurrences which apparently had not been known previously (cr23418).

**Table 1: Williamstown Drilling – significant intercepts**

| Hole | MGA E | MGA N | Az | Dip | Depth | Intercept |
|---|---|---|---|---|---|---|
| WRB007 | 199191 | 8094315 | 0 | -90 | 9 | **1m at 8.0 g/t Au from surface** |
| WRB046 | 198090 | 8094864 | 0 | -90 | 15 | 5m at 0.8 g/t Au from surface and 2m at 1.6 g/t Au from 13m to end of hole |
| WRB047 | 198178 | 8094920 | 0 | -90 | 21 | 1m at 2.0 g/t Au from surface and 2m at 1.0 g/t Au from 9m |
| WRB082 | 196866 | 8094985 | 0 | -90 | 29 | 2m at 0.6 g/t Au from 17m |
| WRB141 | 197740 | 8094705 | 6 | -60 | 30 | 2m at 0.8 g/t Au from 5m and 2m at 0.6 g/t Au from 19m |
| WRB145 | 197981 | 8094715 | 6 | -60 | 23 | 4m at 0.8 g/t Au from 1m |
| WRB156 | 198199 | 8094884 | 315 | -60 | 29 | 10m at 0.5 g/t Au from 9m |
| WRB176 | 200177 | 8094188 | 1 | -60 | 35 | **6m at 2.6 g/t Au from 5m** |
| W95RC04 | 198087 | 8094732 | 6 | -60 | 300 | **14m at 2.6 g/t Au from 26m** |
| W95RC07 | 197611 | 8094695 | 6 | -60 | 214 | 10m at 0.6 g/t Au from surface |
| W95RC08 | 197725 | 8094703 | 6 | -60 | 222 | 4m at 0.6 g/t Au from surface |
| W95RC09 | 197992 | 8094716 | 6 | -60 | 222 | 4m at 0.9 g/t Au from 68m |
| W95RC10 | 198229 | 8094852 | 300 | -60 | 210 | 2m at 1.2 g/t Au from 4m |

In 1994 Macmin NL as part of a joint venture carried out trenching and RAB drilling (cr26508). Around the central “Camp” area multiple occurrences of thin quartz veins were found with 1-3 g/t Au. Good RAB intercepts were reported in holes 7, 82 and 176 (6m at 2.6 g/t Au from 5m depth) and haven’t been effectively followed up. A 12 hole RC program, carried out in the last year of the EPM, yielded a wider intercept of interest - **14m at 2.6 g/t Au from 26m depth** in hole 4.

There are also several areas of good rock chips which require follow up (Figure 3).

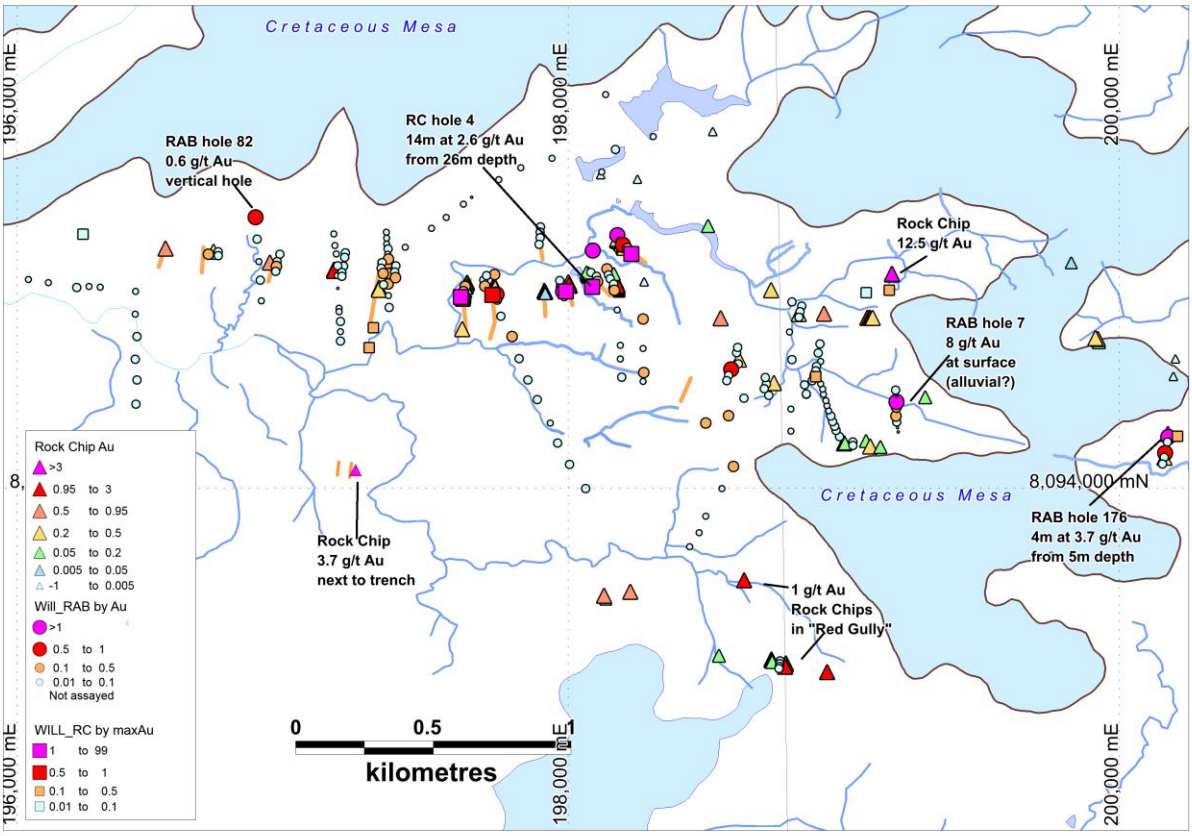



***Figure 3: Williamstown area, showing all RAB and RC drilling as well as rock chips greater than 0.2 g/t Au.***

**East West Nessie (EPM26502)**

This is a "rhyodacitic tuff" sequence striking for 2.5km (cr16877) with en echelon east-west siliceous and ferruginous 1-5m wide shears. The lode zone is marked by multiple stockwork quartz veins carrying sulphides, with adjacent sericite alteration. Rock chips ran up to 5.1 g/t Au. In 1987, Homestake drilled four RC holes (cr16877): two near the middle of the lode and two at the western end, where WMR1 yielded 1.7m at 1.01 Au from 48m depth. A year later Elders followed up at the western end with 21 shallow airtrack holes covering a 600m strike length, average depth 25m (cr18623). Significant intercepts were as follows:

**Table 2: East West Nessie Drilling – significant intercepts**

| Hole | MGA E | MGA N | Az | Dip | Depth | Intercept |
|---|---|---|---|---|---|---|
| NAT04 | 198886 | 8117865 | 159 | -48 | 30 | 3m at 0.4 g/t Au from surface |
| NAT07 | 198959 | 8117874 | 148 | -49 | 27 | **12m at 1.3 g/t Au from 9m depth to end of hole** |
| NAT08 | 198983 | 8117884 | 151 | -45 | 30 | **6m at 1.3 g/t Au from surface** |
| NAT09 | 199007 | 8117885 | 150 | -40 | 21 | 3m at 0.5 g/t Au from 3m |
| NAT10 | 199031 | 8117889 | 158 | -45 | 21 | 6m at 0.6 g/t Au from 6m |
| NAT11 | 199057 | 8117889 | 164 | -46 | 21 | 6m at 0.6 g/t Au from surface |
| WMR1 | 198919 | 8117900 | 166 | -55 | 102 | 4m at 0.7 g/t Au from 48m |
| WMR2 | 199220 | 8117973 | 166 | -55 | 80 | 4m at 0.7 g/t Au from 44m |
| WMR3 | 200590 | 8118342 | 166 | -55 | 90 | 2m at 0.4 g/t Au from 52m |
| WMR4 | 200453 | 8118280 | 166 | -55 | 72 | 4m at 0.5 g/t Au from 50m |

**Borderline (EPM 27186)**

The Borderline prospect (Figure 1) features a north-south, 650m long ferruginous and sheared "lode" with multiple anomalous rock chips (cr16036). Four costeans were trenched across the lode in 1986 and one continuous 1.5m channel sample (BLT 12) returned **28.6 g/t Au, 713 g/t Ag**. The trenches revealed a zone of intense quartz-sericite hydrothermal alteration and brecciation averaging 4m wide. No follow up work has been found for this anomaly.

**Georgina (EPM 26502)**

According to report cr46130 by Chillagoe Gold in 2007 "highly anomalous" stream sediment samples were followed up by rock chips on a quartz lode which gave up to **2.1 g/t Au over 3m**. An aeromagnetic high was noted and thought to potentially indicate a buried intrusive. Georgina lies adjacent to the western branch of the Palmerville Fault zone (Figure 1).

**Salt Creek (EPM 26502)**

This prospect features several historical pits along a 300m long NNE-SSW striking lode. The zone is ferruginous and brecciated with quartz and sericite alteration. Channel sampling across the outcrop in 1985 (cr14357) yielded one sample, W7, with 6.5m at 0.8 g/t Au. Follow up costeaning in 1986 (cr14744) yielded **2m at 5.74 g/t Au and 6m at 1.44 g/t Au** in trench no.1 and **10m at 1.2 g/t Au** in trench no.2. No drilling follow up is recorded.

**Laverock (EPMA27186)**

Four shallow pits were worked for copper here (Figure 1) historically on a 1.5km long north-south lode. Rock chipping in 1984 (Company Report (cr) no. 13177) showed surface gold up to 7.1 g/t Au. No drilling or costeaning has turned up in a search of the historical company reports.

Another north-south lode 500m to the west (called “Our Find” or “Cleopatra”) also yielded gold in rock chips (up to 4.1 g/t Au – cr 13746). Four trenches were dug over the lode but yielded no significant gold (cr 13746). Three shallow percussion holes also had no significant gold (cr 16325). The mismatch between outcrop gold and poor results below was not satisfactorily explained.

**Sauce Bottle Creek (EPM 26502)**

Power Resources discovered gold and tin bearing gravels in 1989 at Sauce Bottle Creek (cr23069, Figure 1). 18 trenches were dug to test the alluvial gold potential. While several gold bearing veins do occur in the area, Power identified a possible source for the alluvials at the Saw Cut Creek depression which is 300m across, has concentric and radial fractures and is filled to a depth of at least 7m with Tertiary sand and Jurassic Yappar member sandstone, conglomerate). These recent deposits were thought to cover a late stage gold bearing breccia pipe.

**Summary**

Many of the above 13 prospects, and several others not listed, feature gold bearing “lodes” or rhyodacitic dyke-like intrusions with attendant quartz – sericite – sulphide alteration, veining and brecciation. These vary in width from 1m up to 15m and are likely feeder zones emanating from or leading to bigger deposits hosted in breccia pipes: similar to nearby gold deposits like the nearby Mungana and Red Dome, or the Empire and Wandoo prospects that lie within the project package (but are excluded from it – Figure 1, 2)), or the Kidston and Mt Leyshon gold mines further afield in North Queensland.

## Bygoo Tin

At **Bygoo North**, 3d modelling has defined potential areas for follow up drilling to the east, north and south of the tin greisen discoveries (Figures 4 and 5). The down dip potential of the Main Zone to the east has been known previously but is better defined in the new model. A new position down dip to the north east may be connected to the Dumbrells zone at surface – this is yet to be tested (Figure 3).

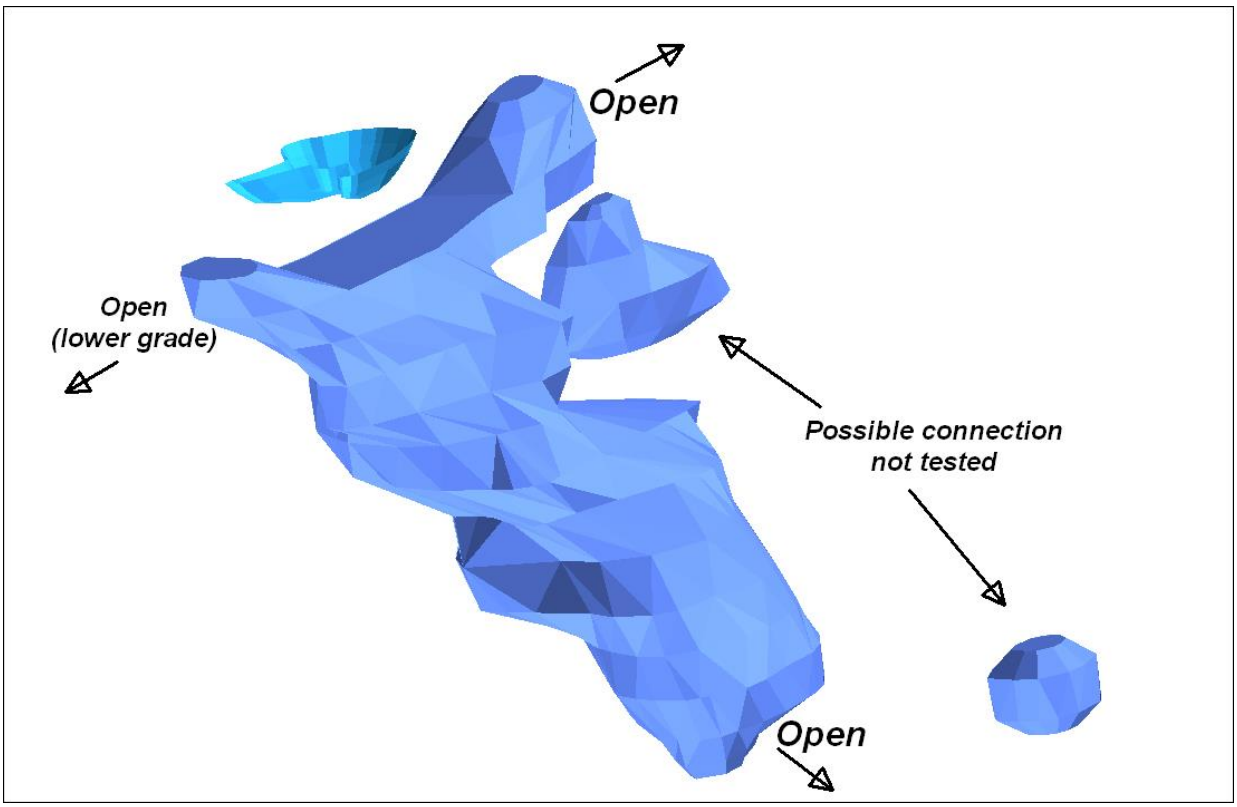



***Figure 4: Bygoo North 3D modelling oblique view looking from southeast. The old "Dumbrells" Pit appears as light blue. The area below the pit has not been drill tested.***

Further to the north the Dumbrells zone appears to follow a north-south line towards some shallow old workings: float from that area recently yielded a portable XRF result of 0.2% Sn (and 0.2% Pb). This implies a further 600m of strike potential to the Dumbrells zone which is open to the north and yet to be tested. This north-south line diverges from the northwest-southeast Ardlethan contact boundary: that contact zone also has potential, particularly in the area of the old workings that lie 300m northwest of Dumbrells (Figure 5).

The area to the south is not detailed here but there is some evidence of the potential for continuous mineralisation from Bygoo North, through Bygoo Smiths and a further 1.5km to the Big Bygoo lodes that were tested in Thomsons recent drilling.

This means that the tin greisens stretch for over 3km, of which only a small part has been tested to date.

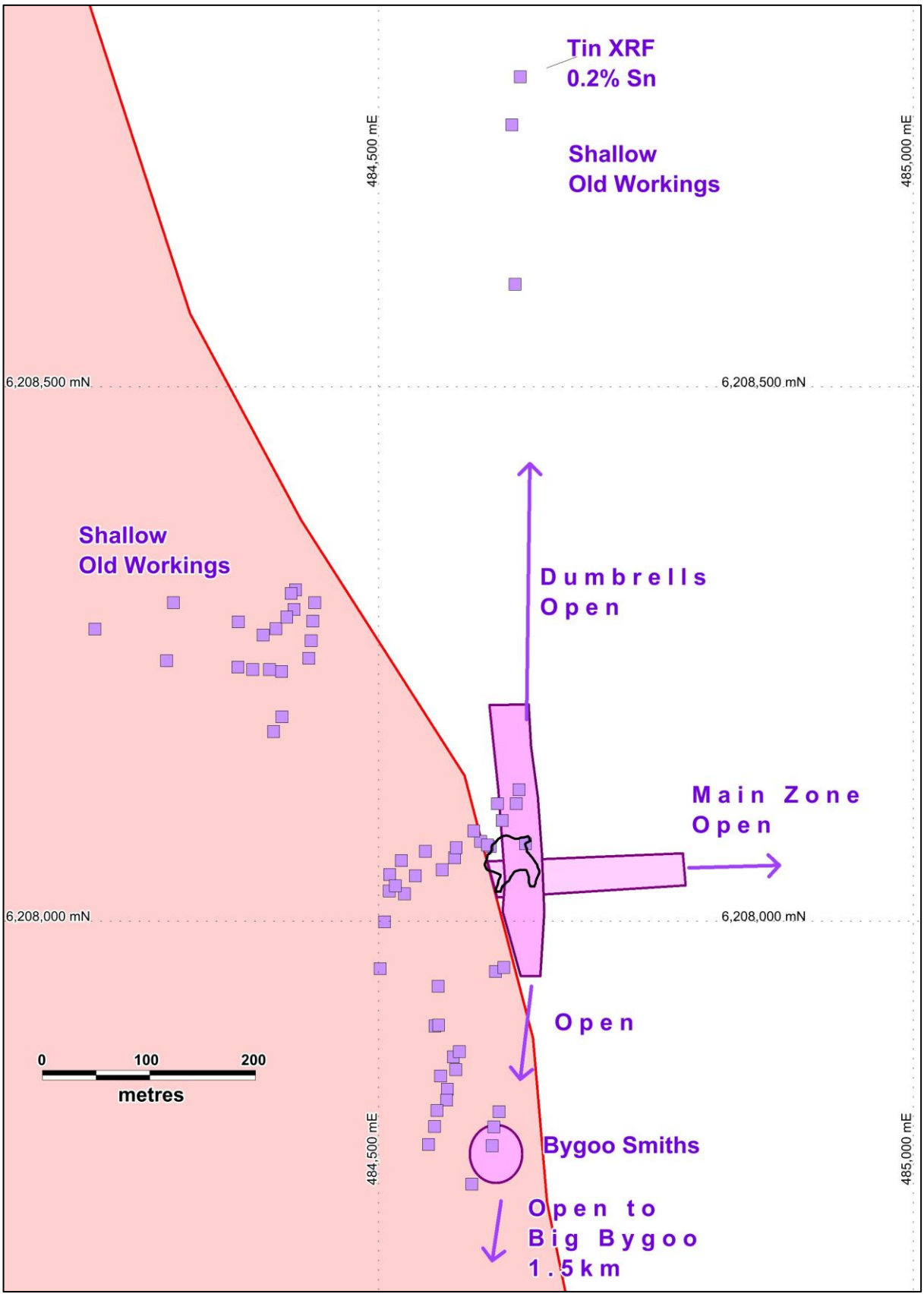



***Figure 5: Bygoo North Plan. The old "Dumbrells" Pit is at the intersection of the "Main Zone" and "Dumbrells". Old shallow pits are shown with small squares.***

## Gladstone Gold

Following the excellent results at the Harry Smith gold project in the recent drilling (e.g. 9m at 9 g/t Au from 28m depth: Thomson's ASX release of January 16th 2019) a review was conducted to assess the broader potential of the area. Access was sought and granted to the Old Gladstone workings, two lines of shallow pits and shafts 4km east of Harry Smith.

A small portable XRF survey was conducted over the area and delineated a multi-element anomaly (Cu-Pb-Zn-Bi-As) over a 600m strike length (Figure 6). As portable XRF does not detect gold itself, four rock chips were collected from surface quartz near the workings and yielded one 1.6 g/t Au result.

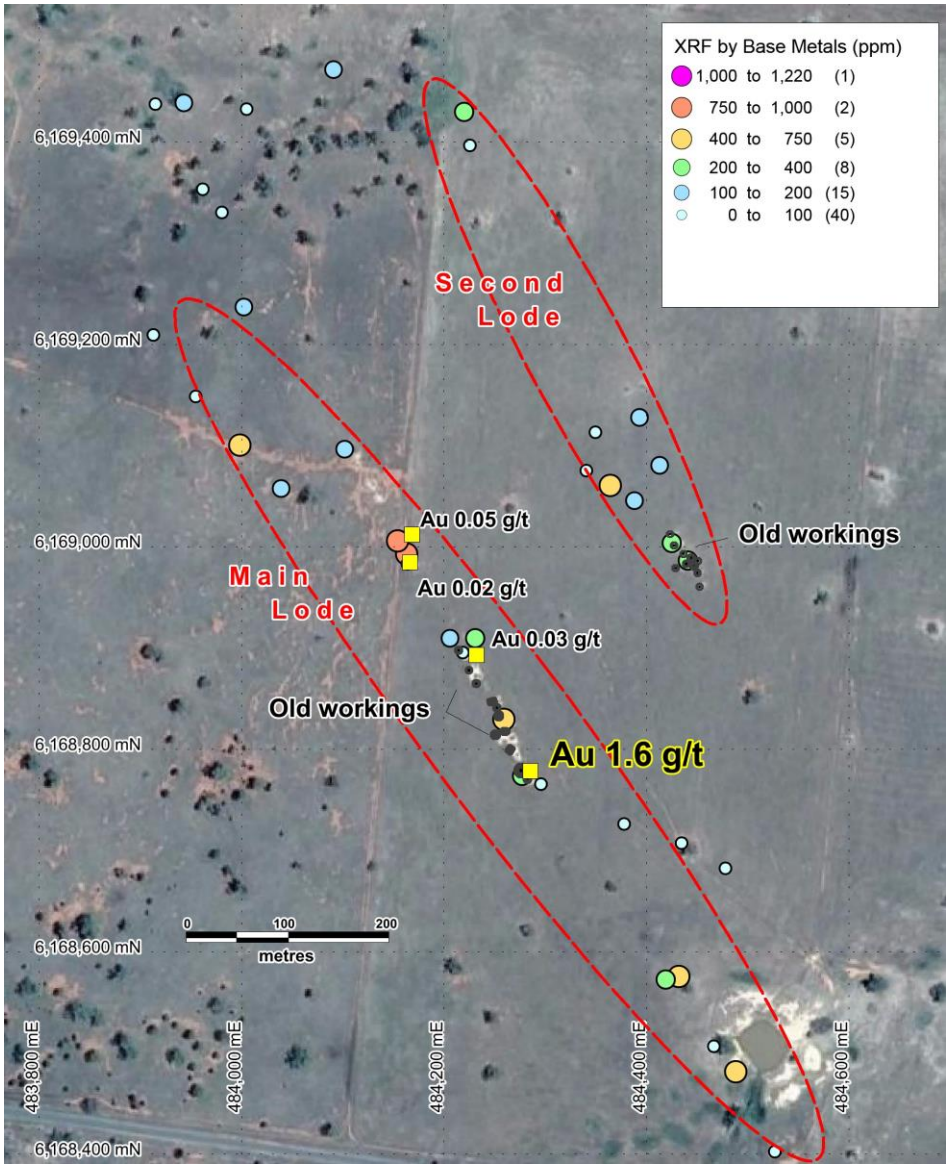



***Figure 6: Gladstone Plan. Each coloured circle represents a portable XRF reading, coloured by Cu+Pb+Zn+As+Bi+Se+Mo+Se in ppm. Yellow squares are rock chip samples analysed by SGS for gold by fire assay.***

## Future Plans

Initial work on the Chillagoe Gold Project will consist of surface mapping and sampling to identify shallow gold-bearing intrusive pipe breccias, followed by drilling. The ongoing success of Thomson's exploration at Bygoo and Harry Smith also requires extensive further exploration, including drilling. These projects are being analysed and drilling plans prepared.

## Tenement Holdings and Joint Ventures

Thomson holds 9 Exploration Licenses in NSW covering 873 square kilometres, after three ELs were relinquished during the quarter. Two joint venture arrangements are in place over Thomson ELs – Bygoo (ELs 8260 and 8163) with private Canadian investor, BeiSur OstBarat Agency Ltd; and Havilah (EL 7391) with Silver Mines Ltd (ASX:SVL). The JVs cover an area of 263 sq. km.

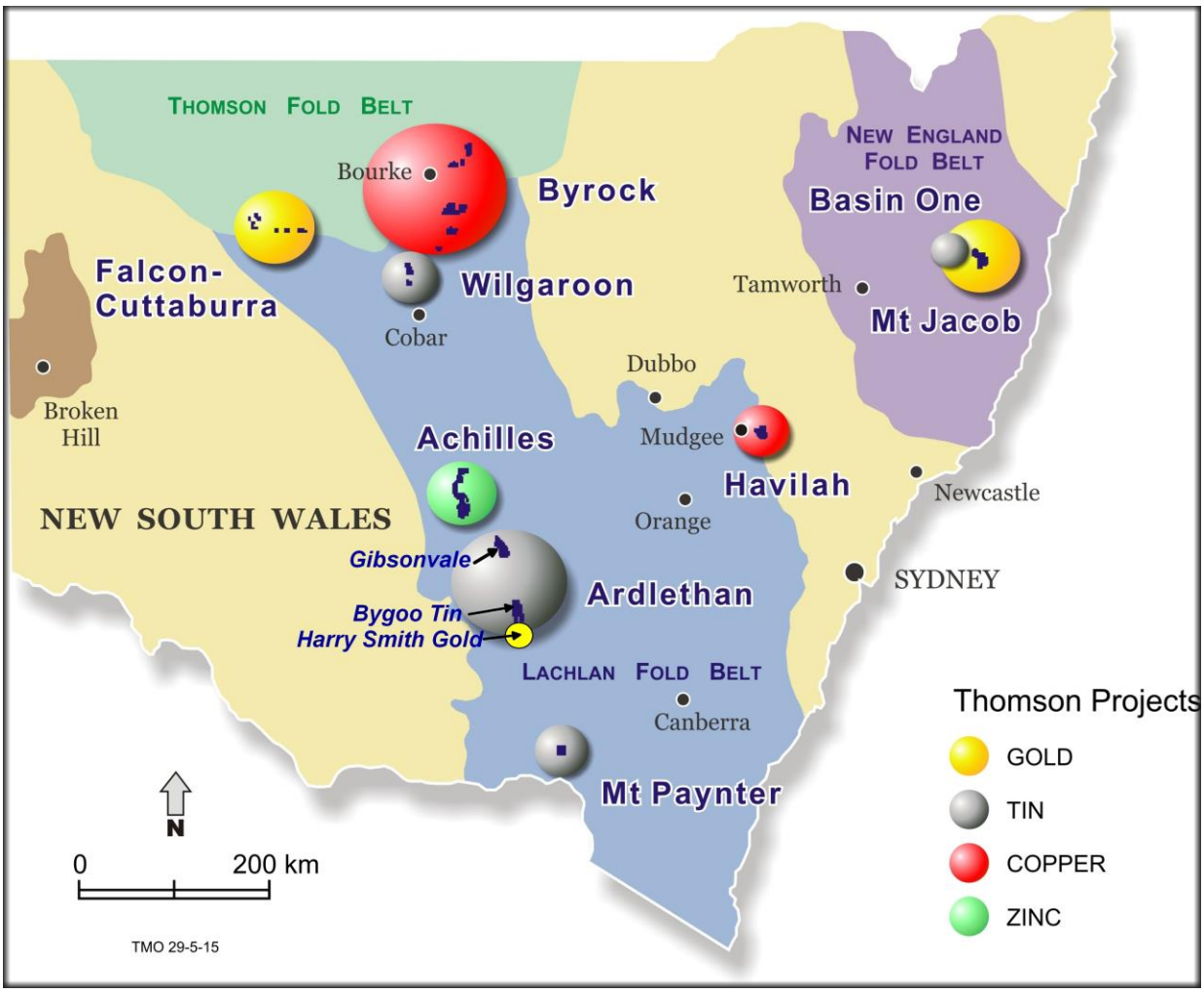
## Corporate

Exploration expenditure incurred during the quarter totalled $101,000. Cash at the end of the quarter was $304,000.

Thomson has 112,814,189 shares on issue currently.

**Thomson Resources Ltd**

**Eoin Rothery**
Chief Executive Officer




***Thomson Projects in New South Wales***

***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.*

*This report contains information extracted from previous ASX releases which are referenced in the report and which are available on the company's website. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.*

***Bygoo Tin Project***

The Bygoo Tin Project was acquired by Thomson Resources in 2015 and lies on the 100% owned EL 8260. The EL surrounds the major tin deposit at Ardlethan which was mined until 1986, with over 31,500 tonnes of tin being produced (reference Paterson, R.G., 1990, Ardlethan tin deposits in the Australasian Institute of Mining and Metallurgy Monograph no. 14, pages 1357-1364). There are several early-twentieth century shallow tin workings scattered up to 10km north and south of Ardlethan, and few have been tested with modern exploration. Thomson has had immediate success in drilling near two of the historic workings, Bygoo North and South, which lie towards the northern end of the tin-bearing Ardlethan Granite.

At Bygoo North Thomson has intersected multiple high-grade tin intersections in a quartz-topaz-cassiterite greisen including **11m at 1.0% Sn** (BNRC10), **35m at 2.1% Sn** (BNRC11), **11m at 1.4% Sn** (BNRC13), **11m at 2.1% Sn** (BNRC20), **29m at 1.0% Sn** (BNRC33) and **19m at 1.0% Sn** (BNRC40). The greisens appear to be steep to vertical; about 5-10m wide in true width; strike east-west; and the tin intersections appear to have continuity within the greisen.

At Bygoo South Thomson has intersected a sulphide-rich quartz topaz greisen with high-grade tin intersections including 8m at 1.3% Sn (BNRC21), 20m at 0.9% Sn (BNRC31) and 7m at 1.3% Sn (BNRC35). The orientation and geometry of this greisen is not yet clear.

20km south of Bygoo Thomson has intersected more tin at one of the old workings in the Bald Hill tin field with a best result of 15m at 0.4% Sn from 19m depth in hole BHRC01.

As announced to the ASX on 21 November 2016, Riverston Tin PL (a wholly owned subsidiary of Thomson) signed a Farm-in and Joint Venture Agreement for its Bygoo Tin Project with a Canadian investor (BeiSur OstBarat Agency Ltd). As recently amended Bei Sur (or nominee) can earn a 51% interest by contributing $A3 million in staged payments by 30 June 2019. Bei Sur then has an option to contribute additional $A22 million to earn a further 25% interest.

[For further information and the detail of the above see Thomson Resources ASX Releases of 21 November 2016, 28 June 2017, 16 October 2017, 5 April 2018, 5 July 2018 and 7 January 2019]

***Harry Smith Gold Project***

The Harry Smith Gold Project was granted to Thomson Resources in 2016 and lies 30km south of Ardlethan. Three distinct gold-bearing quartz reefs occur at the Harry Smith prospect and were worked historically from 1893 to 1942. Total recorded production was over 3,500 ounces of gold (Mines Record 2507). Thomson Resources has drilled 14 holes to date with significant gold intercepts on all three lodes including a strong high-grade hit on the Silver Spray lode (**9m at 9.2 g/t Au** from 38m in HSRC009, within a broader zone of **17m at 5.2 g/t Au).**

[For further information and the detail of the above see Thomson Resources ASX Releases of 16 September 2016, 26 March 2018, 19 June 2018, 16 January 2019 and 29 January 2019].

***Chillagoe Gold acquisition - Key Terms***

Thomson is acquiring a 90% interest in the project from private company Bacchus Resources Ltd. Bacchus will retain a 10% free carried interest until a decision to mine. The consideration for the acquisition is $50,000 cash and 5 million options at an exercise price of 6c, valid for 3 years.

Agreement Terms

1. Upon execution of the Agreement Thomson will pay Bacchus $50,000
2. Upon settlement of the agreement Thomson will issue Bacchus 5 million options at an exercise price of 6c, valid for 3 years.

Settlement will be subject to a number of conditions precedent:

a. Thomson will enter into a preferred drillers contract with Australian Mineral & Waterwell Drilling Pty Ltd ("AMWD");

b. Ministerial consent to be obtained in relation to transfer of the tenements;

c. the parties are to comply with all the Corporations Act and Listing Rule requirements and any other applicable laws or government policies;

The conditions must be satisfied (or waived) on or before 30 June 2019 (or such other date as the parties agree).

**Table 3: Tenement Schedule**

| Tenement Number | Status | Tenement Name |
|---|---|---|
| EPM26333 | Granted | South Vol |
| EPM26502 | Granted | Loretta |
| EPM26638 | Granted | Williamstown |
| EPM26996 | Application (Competing) | Mammoth |
| EPM27102 | Application | West Vol |
| EPM27186 | Application | Simpsons South |

## JORC Code, 2012 Edition – Table 1 report

### Section 1 Sampling Techniques and Data

| Criteria | Commentary |
|---|---|
| ***Sampling techniques*** | Drill samples were riffle split, either 1 or 2m, downhole intervals. Rock Chip samples are either channel samples across outcrops, or in trenches and sometimes grab samples of outcrop or loose surface float.<br>At Thomson's Gladstone prospect surface quartz subcrop and mullock spoil were sampled and samples were analysed at the SGS laboratory in West Wyalong by Fire Assay (75g charge). |
| ***Drilling techniques*** | Hole types are described and range from unreliable and shallow (e.g.) airtrack to diamond core drilling. |
| ***Drill sample recovery*** | Recoveries are unknown. |
| ***Logging*** | All holes were logged for geology and are described in the various open fle reports referred to. |
| ***Sub-sampling techniques and sample preparation*** | No sub-sampling was carried out. |
| ***Quality of assay data and laboratory tests*** | No analysis of quality control data has been carried out as this is early stage exploration drilling. Laboratory reports show regular repeats on gold assay pulps. |
| ***Verification of sampling and assaying*** | No independent verification has been carried out. |
| ***Location of data points*** | Drill hole location was as reported in original reports, and has not been verified on the ground. Many of the older reports give data in local grid only, with minimal topographic information, making it very difficult to locate. Data was geo-referenced using SRTM contours and modern aerial photography: only data that has an estimated location error of better than +/- 100m is quoted in the report above. |
| ***Data spacing and distribution*** | The data spacing is irregular. |
| ***Orientation of data in relation to structure*** | 157 holes were angle drilled mostly at a 50 to 60 degree dip testing a model of steeply dipping veins, pipes and intrusions. However, 110 of the holes (RAB, Airtrack) were drilled vertically and are not thought to be an effective test of steep mineralisation. |
| ***Sample security*** | No particular security measures were taken. |
| ***Audits or reviews*** | No independent audit or review undertaken as this was not thought to be required at this stage. |

## Section 2 Reporting of Exploration Results

| Criteria | Commentary |
|---|---|
| ***Mineral tenement and land tenure status*** | All drill holes reported occur on the EPMs, granted and applied for, listed in Table 3, registered to Bacchus Resources or Thomson Resources Ltd. |
| ***Exploration by other parties*** | Historic drilling is detailed in open file reports held by the Queensland Government. |
| ***Geology*** | Geology is described in the body of the release. |
| ***Drill hole Information*** | Drill hole information is taken from the various open file ("cr..") reports and compiled in a database. They were drilled between 1986 and 2009 by various companies including Normandy Mining and Premier Mining. |
| ***Data aggregation methods*** | No aggregation is reported above. |
| ***Relationship between mineralisation widths and intercept lengths*** | All widths quoted are downhole widths. As these are all early stage exploration holes the relationship is mostly unknown. Most holes were drilled between 50 and 60 degrees at steep targets; hence true width is likely to be around half of the downhole width. However no modelling of true width has taken place. |
| ***Diagrams*** | A geology / mineralisation map is presented as Figure 1. |
| ***Balanced reporting*** | The report above summarises significant data from over 700 documents which includes 267 drill holes and over 2,600 rock chips – far too many to individually list in this report. Only 410 of the rock chips failed to detect any gold, while over 1,000 rock chips had gold at 0.2 g/t Au or greater. |
| ***Other substantive exploration data*** | The data included is comprehensive as far as the prospects listed is concerned. Thomson has relied on a search of Open File reports: there may be other unreported exploration data which is not currently available. |
| ***Further work*** | Thomson intends to carry out surface exploration and a basement drilling program. |