Annual Report 2012

thomson
RESOURCES

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Chairman’s Report

Dear Shareholder

On behalf of the Board, I am pleased to review progress of your Company over the past year. This has been the company’s first full year of activity since listing in December 2010.

This past year has seen Thomson Resources Ltd (TMZ) actively explore a range of high value targets in the northwest of NSW, particularly in the Thomson Fold Belt. This has included drilling priority targets in the Cuttaburra area. Diamond drilling on four magnetic targets has proven that the anomalism indicates the presence of large mineralised alteration systems. Drilling on Cuttaburra A, Ac and B, as well target F3, has established a 40 km long zone of discrete multiple-vein systems containing significant gold, silver, copper, lead, zinc, tin, tungsten and bismuth mineralisation.

The scientific evidence now points to these mineralised systems as being of the Intrusion-Related Gold type and analogous to the economic gold systems in the Tintina gold belt in Alaska. Radiometric dating of a granodiorite at the Cuttaburra A prospect indicates that this mineralised system may be Middle Silurian in age and thus indicating that the host rocks are older than those hosting the Cobar-type deposits.

Thomson’s exploration at Cuttaburra has thus discovered a hitherto unknown mineral province for NSW that has the potential for large economic gold deposits. Geophysical data, groundwater geochemistry and previous exploration in NW NSW all suggest that this new province extends well beyond the initially identified 40 kilometres. Further exploration of this province is proposed in the coming year including a drill test of the extremely attractive F1 anomaly.

Thomson Resources has pioneered modern mineral exploration of the Thomson Fold Belt as it considers it to be the northern extension of the well endowed Lachlan Fold Belt which hosts some of Australia’s largest gold and base metal deposits. It will be in such areas where cover has limited previous exploration that the large discoveries of the future will be made.

Exploration has also continued on the orogenic gold target at Ares and initial work has commenced at the Warraweena potential porphyry copper-gold system.

The year has also seen the Company expand its portfolio of Cobar-type projects through strategic joint ventures with PlatSearch NL at the Achilles and Ghostrider projects and Lassiter Resources Pty Ltd at the Tooronga project. Drilling has already commenced on the Achilles project with a particular focus on a zone of identified Cobar-type base-metal mineralisation near Mt Boorithumble. An ambitious exploration programme is planned for these Cobar-type projects in the coming year including geophysics and drilling.

The discovery in recent years of large Cobar-type base-metal and gold deposits at Hera and Nymagee (YTC Resources) and Mallee Bull (Peel Exploration) has further highlighted the outstanding metal endowment of the Cobar mineral province. Thomson Resources has expanded its portfolio of projects in recognition of the real opportunities for further discoveries of this type of deposit.

The expansion of the Company’s interest to include targets in known Cobar-type host rocks is a natural fit given the Board’s extensive expertise in this class of mineral system.

Recently Thomson Resources announced it has entered into a joint venture on its Byrock project. A private company, Kenilworth Exploration Pty Ltd, will fund Thomson’s exploration to $300,000 to earn a 50% share in the project. Kenilworth has also appointed Thomson as exploration manager for work on Kenilworth’s own tenements adjacent to the Thomson ground. Kenilworth will wholly fund exploration on this package and has given Thomson an option to purchase 50% interest in these tenements.

The Company continues an impressive exploration programme as well as actively managing its tenements consistent with its ground acquisition and retention policy that focuses on exploration and discovery. Thomson Resources is an explorer and the company will maximise shareholder value through discovery.

On behalf of the Board I wish to acknowledge our CEO Mr Eoin Rothery’s outstanding contribution. He has maintained a very healthy exploration programme over the year as well as expanding the company’s portfolio through strategic joint ventures. The year ahead offers a range of opportunities for exploration success for Thomson Resources in both the Thomson Fold Belt and the Lachlan Fold Belt of western NSW.

Lindsay Gilligan PSM
Chairman

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Highlights

- New Intrusion-Related Gold mineral province discovered in NW NSW
- Four large mineralised systems identified within a 40 km zone at Cuttaburra
- Three new Joint Ventures on Cobar-type targets
- Private investment support for Byrock Project exploration

Projects

Cuttaburra – Falcon

Thomson Resources completed a first phase of drilling at its high priority, bullseye magnetic targets within the Thomson Fold Belt. During the year the Company completed seven core holes at four prospects for a total of 2,439m.

Drilling on the four prospects (Cuttaburra A, Ac, and B, and F3) has intersected evidence of large, discrete, mineralised hydrothermal systems, with all prospects exhibiting similar lithologies, alteration and mineralisation along a 40km long zone known as the Cuttaburra Trend. Crucially, two of these anomalies, Cuttaburra A and B, yielded high grade intercepts; demonstrating for the first time that these systems have the potential to host economic deposits. The high grades were in a range of commodities in different combinations: up to **4.2% zinc, 113 g/t silver, 3.7 g/t gold, 0.5% copper, 1.8% lead, 0.8% tin and 0.6% tungsten** (Figure 1). This is a marked improvement from previous drilling in the area – (compare Tables 1 and 2).

The mineralisation is in the form of sheeted and stockwork quartz-carbonate veins ranging up to 1 metre in width hosted within wide zones of moderately to intensely altered basement rocks (silicification plus sericite and carbonate), clearly indicating that drilling has intersected a number of discrete, mineralised, hydrothermal systems. The vein mineralisation sulphides include pyrrhotite, pyrite, plus base metal sulphides (sphalerite, galena and chalcopyrite: zinc, lead and copper). Disseminated scheelite (calcium tungstate) is also common. While similar sedimentary rocks have been intersected at all prospects – interbedded sandstone, siltstone and shale – the hole at Cuttaburra A terminated in granodiorite.

Research into these mineralised systems has seen the original mineralisation model evolve and change significantly. An age date of 428.3 +/- 2.8 Ma was returned from zircon samples analysed by Geoscience Australia. This Middle Silurian age for the granitic intrusion found at the Cuttaburra A prospect rules out a Cobar-type model (which is younger - Early Devonian) for the gold mineralisation, if it is associated with the granite as it appears to be.

The age data, significant gold results (1.5 g/t over 3.3 metres in Cut A), the presence of granite at three of the prospects, and the associated anomalous elements bismuth, tin and tungsten suggest a modified exploration model is appropriate to this area.

The Intrusion-Related Gold deposit type is a relatively new classification of gold deposits and is associated with granitic intrusions into sedimentary sequences. This type of mineral system is well documented at a number of important deposits in the Tintina Gold Belt in Alaska (e.g. Fort Knox 158 million tonnes at 0.8 g/t Au and Pogo 10 million tonnes at 15 g/t Au). The deposits are best developed above and surrounding small, granitic intrusions (Figure 2).

The size and geometry of the mineralised systems at Cuttaburra are consistent with the model - all of the magnetic anomalies so far tested are of approximately 1 square kilometre in size, although larger anomalies are also present.

The age data and associated metallogenic suite strengthens the idea that the Company has discovered a new Intrusion-Related Gold mineral province under cover.

Major flooding on the Darling and Paroo Rivers occurred over summer and autumn and restricted access to the company's priority prospects. In particular it caused lengthy delays to the planned downhole geophysical survey (3-component magnetometer) as the holes were inaccessible for long periods. The flooding has been augmented by water from upstream in Queensland and northeastern NSW, and as well, the Thomson Fold Belt area itself has received the highest rainfall on record over the past two years.

RC drilling is proposed for the next phase of exploration to test the shallower parts of Cuttaburra A and other similar anomalies. The RC method will be cheaper and allow more ground to be tested as well as allowing a better estimate of gold content.

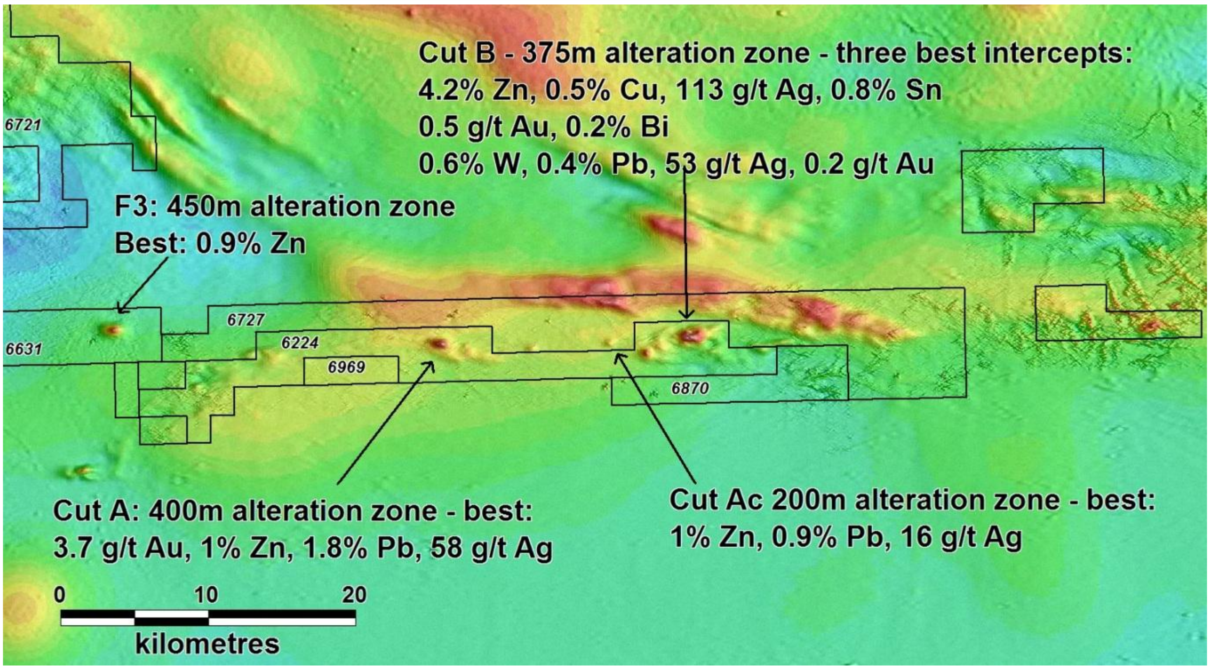

Figure 1: Location of anomalies in the Cuttaburra area, NW NSW.

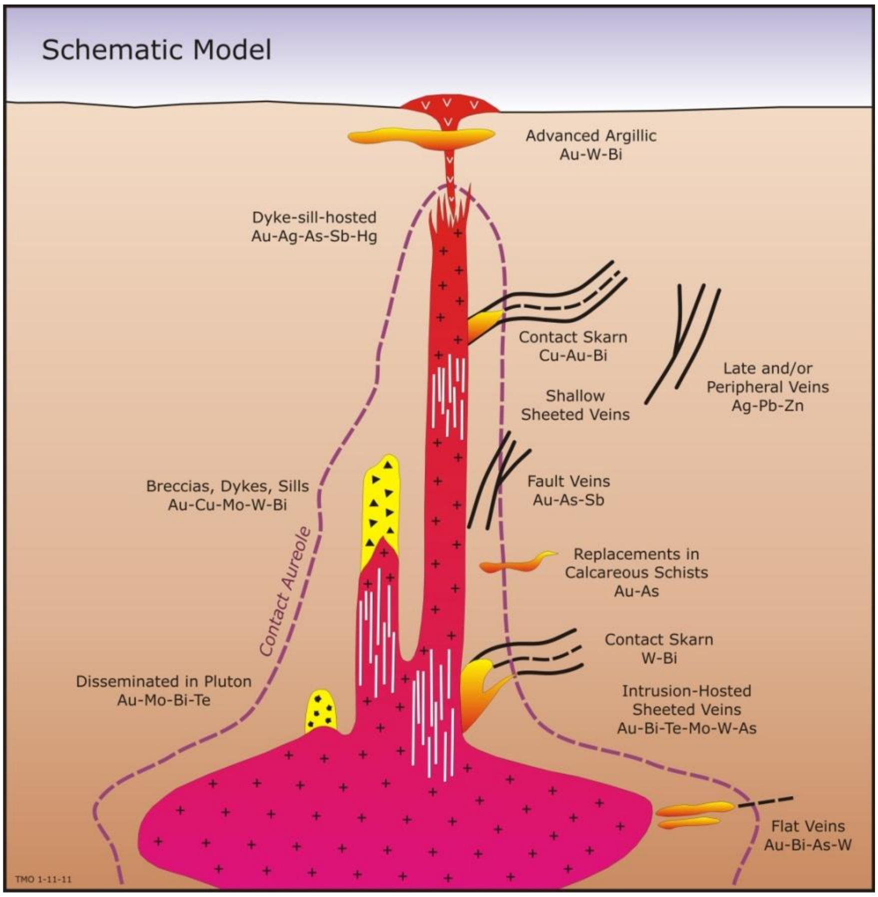

Figure 2. Schematic model of an Intrusion Related Gold System after work by Jim Lang and Tim Baker "Intrusion-related gold systems" in journal "Mineralium Deposita" volume 36.

Achilles

Mt Boorithumble

During the year, Thomson Resources acquired interests in two new areas prospective for Cobar-type deposits through three joint ventures, where Thomson can earn an 80% interest by spending on exploration. Both areas (Achilles/Tooroonga and Ghostrider) feature shallow prospects with drill ready targets.

At the Mt Boorithumble prospect on the Achilles EL 7746 (TMZ is earning an 80% interest), 23 holes for 674m were drilled across three inferred mineralisation zones (Figure 3) which are interpreted to be possible Cobar-type zones with potential for high grade base and precious metal deposits.

The Mt Boorithumble prospect is a 900m long lead anomaly (max 0.24% Pb) defined by 240 shallow RAB-auger holes. In 1981, a single diamond drill hole (LBO1) returned an intersection of 3m @ 1.95% Pb, 2.0% Zn, 1.20% Cu, 0.5 g/t Au and 150ppm Ag from 117m depth. Mt Boorithumble, is 26km NNW on strike from the Browns Reef project owned by Comet Resources. Browns Reef has significant zinc-lead-silver mineralisation and is thought to be of Cobar-type.

The two interpreted mineralised zones at Mt Boorithumble, the central and western, were confirmed by the new drilling.

The best results were recorded in the central zone with ACHAC032 returning 1m at 1,320 ppm (0.13%) lead and 499 ppm zinc from 18m depth. Also, a new zone was intersected between the central and western zones with ACHAC03 returning 4m at 671 ppm Pb from 16m depth.

A surface electro-magnetic (EM) survey will commence shortly to attempt to identify lenses of massive base metal sulphides that may be present within these mineralised zones.

Achilles 3

Also on EL 7746, the Achilles 3 prospect was tested by drilling for the first time. This 300m long soil anomaly with surface lead values up to 598 ppm Pb lies on rocky outcrops of rhyolitic sandstone (Figure 4) adjacent to the Achilles shear which extends for at least 10km to the south and is sporadically mineralised along its length.

The new drilling (10 holes, 139m) was highly encouraging, encountering strong lead – zinc – copper anomalism, with best results in ACHAC023 of 4m at 3,600 ppm (0.4%) Pb, 1090ppm Zn and 654 ppm Cu at a depth of only 4m. Generally drilling only reached very shallow depths (average 12m) and deeper testing is required to test the anomaly in fresh rock.

Further drill testing is warranted and will be included in a planned RC program.

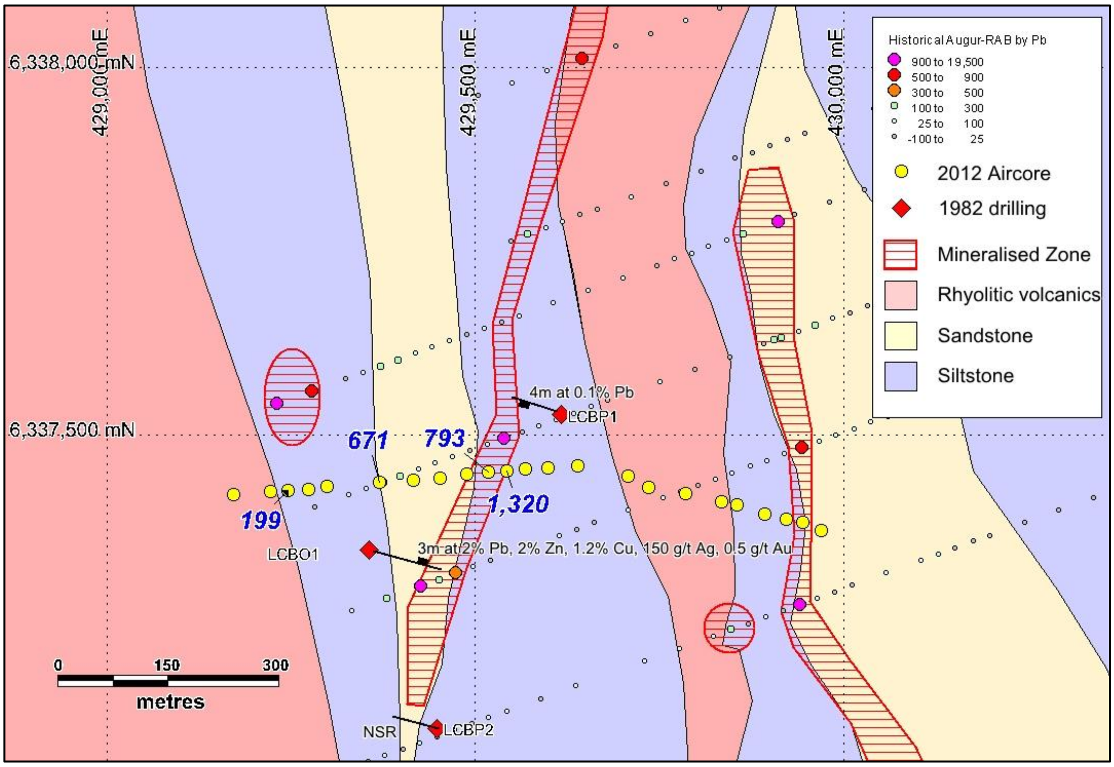

Figure 3. New aircore drilling at Mt Boorithumble (EL 7746). 2012 Aircore shown with yellow circles, with anomalous lead results (ppm) in blue.

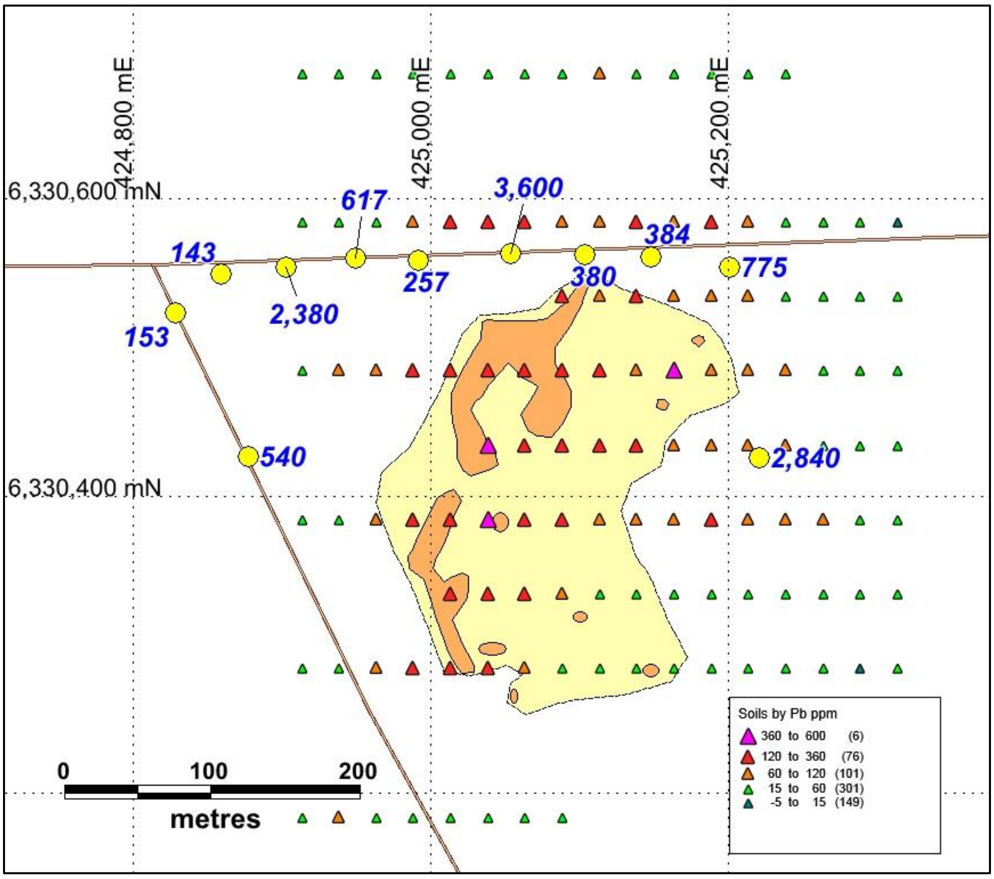

Figure 4: Achilles 3 Prospect showing new drilling (yellow circles) with lead results (blue) and historic soil sampling (triangles). Rhyolitic sandstone outcrop area is shown in the dark orange colour, with rocky rubble in the lighter shade

Ghostrider

The stand out prospect in this new joint venture area, signed during the year, is the Bulla Bulla anomaly hosted in Cobar SuperGroup Winduck Shelf sediments. Historic RAB drilling defined a 4km long anomaly, with maximum values in the weathered zone of 1.15% lead, 0.22% zinc, 0.12% copper and 25ppm silver. Limited deeper RC drilling to depths of 100 metres intersected lead sulphides in fresh rock (up to 0.48% lead). The lead anomaly is open to the northwest and east, and is obscured by younger (Late Devonian) sediments to the west. Modelling by PlatSearch has defined a clear target associated with the faulted Mount Jack High which may provide a source point for deeper primary Pb-Zn-Ag mineralisation. A recent IP survey by PlatSearch identified strong IP anomalies in the vicinity of the geochemical anomaly.

Byrock

Major progress was made at the Byrock project with the signing of a joint venture agreement with Kenilworth Exploration in August 2012. Kenilworth will contribute $300,000 to Thomson's exploration to earn a 50% share over 18 months. Kenilworth has also engaged Thomson to manage exploration on three neighbouring ELs at Byrock and this will allow the evaluation of the whole area for prospectivity and application of exploration methods.

Previously, surface exploration confirmed anomalous tungsten, lead and zinc in ironstones at the Kenilworth Station prospect. Elsewhere, at the Grid 4 prospect 6km to the west, aircore drilling is planned to test a copper-silver soil anomaly discovered in 1972, but not followed up by any drilling.

Warraweena

Thomson commenced its aircore program at the Warraweena Project near Bourke (Figure 5). No previous exploration drilling had taken place on this porphyry type target and cover was deeper than the 20m expected. All four holes drilled failed to penetrate the loose gravels, sands and muds of the Eromanga Basin, drilling to depths of between 60 and 102m in holes at 1km spacing (total drilled 327m). Assay results have been received from pyritic arenites encountered in the cover sequence; no significant anomalism was detected, as was to be expected.

RC drilling is required to recover better samples and get through to the magnetic target – this will be included in the RC program planned for later this year.

Forward program

Multiple anomalies were intersected at both Mt Boorithumble and Achilles 3 (Achilles Project), suggesting the presence of multiple mineralised lenses. Accordingly, a ground electromagnetic (EM) survey will be carried out to identify specific conductive targets for RC drilling.

At the Byrock project an extensive ground XRF prospecting survey is proposed to identify anomalous areas for drill testing. In the first instance it is proposed to carry out aircore or RAB drilling, followed by RC drilling where appropriate.

RC drilling targets have already been identified at the Cuttaburra, Falcon, Ghostrider and Warraweena Projects (Figure 5) and an RC program will be compiled from the best targets on each project for later in the year.

Tenements

Thomson has been very active in ground acquisition, review and relinquishment during the year, although all of the activity has been in one regional area – the Cobar Basin and its possible extents further north and west. Thomson entered into four new joint ventures during the year, one of which involved a private investor acquiring an interest in Thomson tenure. Thomson also applied for three new ELs in 2011-2012, matching Thomson's exploration strategy in the greater Cobar region. Conversely, Thomson relinquished 7 tenements during the year and withdrew from a single joint venture on 4 other tenements.

During the year, the NSW State Government announced new fees in the form of an annual rental, an administrative levy and increased security deposits. Accordingly, Thomson reviewed its land holding, relinquished several of the tenements mentioned above and will reduce others on renewal over the next 12 months.

At 30 June, these changes bring the total area being explored by Thomson at year end to 5,396 square km, including 2,932 square km under joint venture agreements.

Figure 5: Thomson Resources Projects.

Comparison of recent drilling to previous: Cuttaburra – Falcon

Table 1: 2011-12 Drilling - selected significant assays

Hole	From	To	Width	Au g/t	Ag g/t	Bi%	Cu%	Pb%	Sn%	W%	Zn%
CutACD02	397.3	398.3	1	0	16	0	0	**0.9**	0	0	**1.0**
CutAD01	448.5	449.2	0.7	**0.9**	6	0	0	0	0	0	0
CutAD01	449.8	450.8	1	**3.7**	29	0.1	0.2	0.1	0	0	0
CutAD01	450.8	451.8	1	**0.5**	3	0	0	0	0	0	0
CutAD01	521.6	521.9	0.3	0.3	12	0.1	0	0.1	0	0	0
CutAD01	537.5	538	0.5	0.2	28	0	0.1	0.3	0	0	0.1
CutAD01	537.5	538	0.5	0.2	28	0	0.1	0.3	0	0	0.1
CutAD01	547	547.5	0.5	**2.5**	**58**	0	0.1	**1.8**	0	0	**1.0**
CutBD02	133.6	134	0.4	0.2	**53**	0.1	0.1	**0.4**	0	**0.6**	0.1
CutBD02	277	278	1	**0.5**	3	0.2	0	0	0	0	0
CutBD02	346.7	347.0	0.3	0	19	0	0.1	0	**0.4**	0	**0.8**
CutBD02	357.5	358	0.5	**0.4**	38	**0.4**	0.1	0	0	0	0
CutBD02	411	411.7	0.7	0.1	**113**	0.1	**0.5**	0	**0.8**	0	**4.2**
CutBD03	*No significant result (pyritic black shale)*										
F3D02	330	331	1	0	0	0	0	0	0	0	**0.4**
F3D02	469.5	469.8	0.3	0	2	0	0	0	0	0	**0.9**
F3D02	497.6	498	0.4	0	1	0	0.1	0	0	0	0
F3D02	498	498.8	0.8	0	1	0	0.1	0	0	0	0
F3D02	568.9	569.2	0.3	0	0	0	0	0	0	0	**0.4**
F3D02	685	686	1	0	1	0	0	0	0	0	**0.4**

Samples were analysed by ALS laboratories in Orange, NSW. Gold was analysed by Au-AA26: Fire Assay Fusion and Atomic Absorption Spectroscopy. Other elements (except tin) were analysed by ME-ICP61: 4 acid digestion, HCl leach and inductively coupled plasma-atomic emission spectrometry. Tin was analysed by ME-XRF15b: XRF Fusion.

Table 2: All Drilling prior to 2011 on magnetic anomalies - selected best assays

Hole	From	To	Width	Au g/t	Ag g/t	Bi%	Cu%	Pb%	Sn%	W%	Zn%
CutBD01	397.3	398.3	1	0	16	0	0	0.9	0	0	1.0
F3D01	239	240	1	0	1	0	0	0	0	0.10	0
F8D01	159	160	1	0.9	0	0	0	0	0	0	0
F14D01	303	305	2	0	4	0	0	0.1	0	0	0.1
F16D01	299	300	1	0	70	0	0	0	0	0	0
F16D02	331	332	1	0	1	0	0	0	0	0	0.1
F16D02	334	335	1	0	1	0	0.1	0	0	0	0
F16D02	360	361	1	0	1	0	0	0	0	0	0.2
F17D01	212	213	1	0	0	0	0	0	0	0.02	0
P1D01	*Weak nickel-PGE (0.4% Ni, 0.014 g/t Pt)*										
TR1D1	209	213	4	0.02	0	0	0	0	0	0	0

Samples were analysed by ALS laboratories in Adelaide, SA by similar methods to Table 1.

Schedule of Tenements

As at 4 September 2012

Tenement	Tenement No.	Interest	Joint Venture Details
New South Wales			
Tongo	EL 6630	100%	
Yantabangee	EL 6631	100%	
Monolon	EL 6646	100%	
Klondyke	EL 6664	100%	
Mt Pleasant	EL 6668	100%	
Glendara	EL 6720	100%	
Laurel	EL 6721	100%	
Mulga	EL 6766	100%	
Cuttaburra	EL 6224	0%	Thomson can earn 75%. Subject to Bohuon Success Fee
Cuttaburra North	EL 6727	0%	Thomson can earn 75%.
Mulga Tank	EL 6783	0%	Thomson can earn 75%. Kenilworth can earn 50% of Thomsons interest, Thomson managing
Louth Road	EL 6844	0%	Thomson can earn 75%.
Germaine	EL 6870	0%	Thomson can earn 75%. Subject to Bohuon Success Fee
Bernadette	EL 6969	0%	Thomson can earn 75%. Subject to Bohuon Success Fee
Lillyfield 2	EL 7252	0%	Thomson can earn 75%.
Lillyfield 1	EL 7253	0%	Thomson can earn 75%.
Cathedral	EL 7265	100%	
Sleepy Hollow	EL 7493	0%	Thomson can earn 80%.
Ichabod	EL 7494	0%	Thomson can earn 80%.
Cannonball	EL 7495	0%	Thomson can earn 80%.
Wallenburra	EL 7642	100%	Kenilworth can earn 50%, Thomson managing
Knightvale	EL 7643	100%	Kenilworth can earn 50%, Thomson managing
Croke Park	EL 7649	100%	
Achilles	EL 7746	0%	Thomson can earn 80%.
Tooroonga	EL 7891	0%	Thomson can earn 80%.
Chiron	EL 7931	0%	Thomson can earn 80%.
Toburra	ELA 4589	100%	
Byrock	EL 7807	0%	Thomson has an option to purchase 50%
Lachlan Downs	EL 7808	0%	Thomson has an option to purchase 50%
Dijoe	EL 7809	0%	Thomson has an option to purchase 50%

Your Directors submit their report for the year ended 30 June 2012.

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 recently the Director of the Geological Survey of New South Wales. Lindsay's career has focussed 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 had extensive experience in government geoscience, particularly in relation to mineral deposits. He has published widely on aspects of mineral deposits. Whilst Director he led the state government's highly successful New Frontiers exploration initiative. He has been actively involved in promoting 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, Deep Exploration Technologies Cooperative Research Centre Ltd.

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 also served as a director of the following listed company:

- India Resources Ltd – appointed 4 October 2006, resigned 24 March 2010

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

Non-executive director

Director since 17 July 2009

Greg is a geologist with 30 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, PlatSearch NL and a director of ASX-listed explorers Eastern Iron Ltd and Silver City Minerals Limited.

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

- PlatSearch NL – appointed 20 April 2009
- Eastern Iron Limited – appointed 24 April 2009
- Silver City Minerals Limited – appointed 30 April 2009

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 Exploration Director of 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	600,000
E Rothery	50,000	2,000,000
G Jones	310,000	600,000
T Belperio	60,000	600,000

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 PlatSearch NL and Silver City Minerals Limited and is a director of ASX listed Eastern Iron Limited.

Principal activities

The principal activity of the Company 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 $1,427,208 (2011: loss of $33,959).

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 are contained in pages 2 to 8 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 Company 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 2012 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, other than:

- In August 2012 the Company received $349,243 for its R&D tax concession claim for the year ended 30 June 2011.

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	11/12/2014
2,000,000	Ordinary	$0.25	17/12/2014
1,650,000	Ordinary	$0.30	19/02/2015
1,350,000	Ordinary	$0.30	5/05/2015
400,000	Ordinary	$0.30	19/05/2016
750,000	Ordinary	$0.30	5/09/2016
950,000	Ordinary	$0.25	5/09/2014
13,600,000			

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 Primary Industries – Mineral Resources, 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 2012 outlines the remuneration arrangements of the Company 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, 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 Company 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	
Ivo 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: $220,000 p.a. as at 30 June 2012 to be reviewed annually – increased to $248,000 p.a. effective 1 July 2012. 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: $1,300 per day plus GST as at 30 June 2012.
- Termination payments: Nil.

Directors and key management personnel remuneration for the year ended 30 June 2012

	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	13,680	63,680	21%
E Rothery	220,183	19,817	127,425	367,425	35%
G Jones	33,027	2,973	13,680	49,680	28%
T Belperio	33,027	2,973	13,680	49,680	28%
	332,109	29,891	168,465	530,465	-
Other key management personnel					
I Polovineo	31,100	-	-	31,100	-
	363,209	29,891	168,465	561,565	

No performance based remuneration was paid in the 2012 and 2011 financial period.

Directors and key management personnel remuneration for the year ended 30 June 2011

	Short-term benefits	Post employment	Share-based payments		
	Cash salary and fees $	Superannuation $	Options $	Total $	Consisting of options %
Directors					
L Gilligan	20,642	1,858	-	22,500	-
E Rothery	201,835	18,165	-	220,000	-
G Jones (a)	13,413	-	-	13,413	-
T Belperio	13,761	1,239	-	15,000	-
	249,651	21,262	-	270,913	
Other key management personnel					
I Polovineo	47,500	-	-	47,500	-
	47,500	-	-	47,500	

(a) The Company engaged PlatSearch to provide the services of Greg Jones. Fees totalling $13,413 were paid to PlatSearch. PlatSearch is a 25.65% shareholder of Thomson Resources.

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 to KMP during the financial year. No KMP options vested 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	4	4	2	2	1	1
E Rothery	4	4	-	-	-	-
G Jones	4	4	2	2	1	1
T Belperio	4	4	2	2	1	1

Auditor's independence and non-audit services

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

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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 2012, 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

....

Anthony J Dowell
Partner
26 September 2012

Non-audit services

The Company's auditor, BDJ Partners provided non-audit services totalling $Nil (2011: $1,300) during the year ended 30 June 2012. 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 27th day of September 2012 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 2012 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 PlatSearch and Mr Belperio is a director of Minotaur. Both PlatSearch 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 Managing Director 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 – 2.5 years
E Rothery - 2 years
G Jones - 3 years
A Belperio - 3 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 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 PlatSearch NL ("PlatSearch"), a major shareholder, whereby PlatSearch provides the Company with technical, accounting and administrative services.

The Board comprises of four directors all of which 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. The members of the Audit Committee are Messrs Gilligan, Jones and Belperio.

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

(3) 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 is in process of developing a risk management framework which will be supported by the Board of directors and management.

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

The Board has required 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.

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Statement of Comprehensive Income

For the year ended 30 June 2012

	Note	2012 $	2011 $
Revenue	3	166,316	484,914
ASX and ASIC fees		(21,900)	(49,482)
Audit fees	18	(17,000)	(16,750)
Conference costs		(5,025)	(14,880)
Contract administration services		(89,604)	(70,073)
Depreciation expense	8	(24,014)	(14,891)
Employee costs (net of costs recharged to exploration projects)		(258,606)	(109,762)
Exploration expenditure expensed	9	(888,974)	(7,400)
Insurance		(14,939)	(16,677)
Marketing		(31,904)	(51,126)
R&D expenses		-	(20,418)
Rent		(26,070)	(25,185)
Share based payments	14	(168,465)	(60,000)
Travel costs		(5,498)	(19,056)
Other expenses from ordinary activities		(41,525)	(43,173)
Profit/(loss) before income tax expense		(1,427,208)	(33,959)
Income tax expense	4	-	-
Profit/(loss) after income tax expense	13	(1,427,208)	(33,959)
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		(1,427,208)	(33,959)
Basic loss per share (cents per share)	15	2.03	0.06
Diluted loss per share (cents per share)	15	2.03	0.06

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

Statement of Financial Position

As at 30 June 2012

	Note	2012 $	2011 $
Current assets			
Cash and cash equivalents	5	2,117,455	4,666,716
Receivables	6	32,674	96,044
Total current assets		2,150,129	4,762,760
Non-current assets			
Tenement security deposits	7	105,000	105,000
Property, plant and equipment	8	35,106	46,291
Deferred exploration and evaluation expenditure	9	3,576,851	2,529,020
Total non-current assets		3,716,957	2,680,311
Total assets		5,867,086	7,443,071
Liabilities			
Payables	10	110,629	454,317
Provisions	11	44,598	18,152
Total current liabilities		155,227	472,469
Total liabilities		155,227	472,469
Net assets		5,711,859	6,970,602
Equity			
Contributed equity	12	7,049,625	7,049,625
Accumulated losses	13	(1,874,296)	(447,088)
Reserves	14	536,530	368,065
Total equity		5,711,859	6,970,602

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

Statement of Cash Flows

For the year ended 30 June 2012

	Note	2012 $	2011 $
Cash flows from operating activities			
Payment to suppliers and employees		(495,373)	(653,279)
Other income		-	4,462
R&D tax concession offset		-	286,119
Interest received		203,637	149,934
Net cash flows (used in) operating activities	25	(291,736)	(212,764)
Cash flows from investing activities			
Purchase of fixed assets		(12,613)	(40,414)
Expenditure on mining interests (exploration)		(2,244,912)	(686,445)
Tenement security deposits		-	-
Net cash flows (used in) investing activities		(2,257,525)	(726,859)
Cash flows from financing activities			
Proceeds from issue of shares		-	4,571,900
Equity raising expenses		-	(426,661)
Net cash flows from financing activities		-	4,145,239
Net increase/(decrease) in cash held		(2,549,261)	3,205,616
Add opening cash brought forward		4,666,716	1,461,100
Closing cash carried forward	25	2,117,455	4,666,716

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

Statement of Changes in Equity

For the year ended 30 June 2012

	Note	Attributable to the shareholders of Thomson Resources Ltd			
		Issued capital $	Accumulated losses $	Reserves $	Total equity $
At 1 July 2010		3,093,545	(413,129)	187,665	2,868,081
Profit/(loss) for the period		-	(33,959)	-	(33,959)
Other comprehensive income		-	-	-	-
Total comprehensive income/(loss) for the period		-	(33,959)	-	(33,959)
Transactions with owners in their capacity as owners:					
Cost of share based payments taken directly to Equity	14	-	-	180,400	180,400
Issue of share capital, net of transaction costs	12	3,956,080	-	-	3,956,080
At 30 June 2011		7,049,625	(447,088)	368,065	6,970,602
At 1 July 2011		7,049,625	(447,088)	368,065	6,970,602
Profit/(loss) for the period		-	(1,427,208)	-	(1,427,208)
Other comprehensive income		-	-	-	-
Total comprehensive income/(loss) for the period		-	(1,427,208)	-	(1,427,208)
Transactions with owners in their capacity as owners:					
Cost of share based payments taken directly to Equity		-	-	168,465	168,465
Issue of share capital, net of transaction costs		-	-	-	-
At 30 June 2012		7,049,625	(1,874,296)	536,530	5,711,859

The 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 2012 was authorised for issue in accordance with a resolution of the Directors on 27 September 2012.

Thomson Resources Ltd 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 company has no controlled or associated entities

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 Company comply with International Financial Reporting Standards (IFRS).

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 Company 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 Company recognises its interest in the jointly controlled operations by recognising the assets that it controls and the liabilities that it incurs. The Company 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 Company assesses whether there is any indication that an asset may be impaired. Where an indicator of impairment exists, the Company 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 Company 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 Company 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 Company 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 Company 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 Company 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 Company 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 Company 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 Company provides benefits to certain employees (including Directors and Key Management personnel) of the Company in the form of share-based payment transactions, whereby employees render services in exchange for shares or rights over shares ("equity-settled transactions"). The Company 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 Company.

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 Company'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 Company 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 Company 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 Company 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 Company 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 Company 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 Company, 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 Company, 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.

Comparatives

Comparative figures are from 1 July 2010 to 30 June 2011.

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 2012.

AASB 9 Financial Instruments (Application date 1 January 2013)

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.

(c) 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 2013)

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.

Consolidated Financial Statements (Application date 1 January 2013)

AASB 10 establishes a new control model that applies to all entities. It replaces parts of IAS 27 Consolidated and Separate Financial Statements dealing with the accounting for consolidated financial statements and SIC-12 Consolidation – Special Purpose Entities.

The new control model broadens the situations when an entity is considered to be controlled by another entity and includes new guidance for applying the model to specific situations, including when acting as a manager may give control, the impact of potential voting rights and when holding less than a majority voting rights may give control. This is likely to lead to more entities being consolidated into the group.

Joint Arrangements (Application date 1 January 2013)

AASB 11 replaces IAS 31 Interests in Joint Ventures and SIC-13 Jointly- controlled Entities – Non-monetary Contributions by Ventures. IFRS 11 uses the principle of control in IFRS 10 to define joint control, and therefore the determination of whether joint control exists may change. In addition IFRS 11 removes the option to account for jointly controlled entities (JCEs) using proportionate consolidation. Instead, accounting for a joint arrangement is dependent on the nature of the rights and obligations arising from the arrangement. Joint operations that give the venturers a right to the underlying assets and obligations themselves is accounted for by recognising the share of those assets and obligations. Joint ventures that give the venturers a right to the net assets is accounted for using the equity method. This may result in a change in the accounting for the joint arrangements held by the group.

Disclosure of Interests in Other Entities (Application date 1 January 2013)

AASB 12 includes all disclosures relating to an entity's interests in subsidiaries, joint arrangements, associates and structures entities. New disclosures have been introduced about the judgements made by management to determine whether control exists, and to require summarised information about joint arrangements, associates and structured entities and subsidiaries with non-controlling interests.

Fair Value Measurement (Application date 1 January 2013)

AASB 13 establishes a single source of guidance under IFRS for determining the fair value of assets and liabilities. IFRS 13 does not change when an entity is required to use fair value, but rather, provides guidance on how to determine fair value under IFRS when fair value is required or permitted by IFRS. Application of this definition may result in different fair values being determined for the relevant assets.

IFRS 13 also expands the disclosure requirements for all assets or liabilities carried at fair value. This includes information about the assumptions made and the qualitative impact of those assumptions on the fair value determined.

3. Revenue from ordinary activities

	2012 $	2011 $
Interest received – other persons/corporation	166,316	194,333
R&D tax concession offset	-	286,119
Other income	-	4,462
	166,316	484,914

4. Income tax

	2012 $	2011 $
Prima facie income tax (credit) on operating (loss) at 30%	428,162	10,188
Future income tax benefit in respect of timing differences – not recognised	(428,162)	(10,188)
Income tax expense	-	-

No provision for income tax is considered necessary in respect of the Company for the period 30 June 2012.

The Company has a deferred income tax liability of $310,550 (2011: $840,621) 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 Company has estimated its losses at $4,564,365 (2011: $2,176,546) as at 30 June 2012.

A benefit of 30% of approximately $1,369,310 (2011: $652,964) 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

	2012 $	2011 $
Cash at bank	497,841	338,980
Money market securities – bank deposits	1,619,614	4,327,736
	2,117,455	4,666,716

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

	2012 $	2011 $
GST receivables	9,001	38,296
Interest receivable	10,350	47,670
Prepayments	13,323	10,078
	32,674	96,044

7. Tenement security deposits

	2012 $	2011 $
Cash at bank – bank deposits	105,000	105,000

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 2011		
Opening net book amount	20,769	20,769
Additions	40,413	40,413
Disposals	-	-
Depreciation expense	(14,891)	(14,891)
Closing net book amount	46,291	46,291
At 30 June 2011		
Cost	63,527	63,527
Accumulated depreciation	(17,236)	(17,236)
Net book amount	46,291	46,291
Year ended 30 June 2012		
Opening net book amount	46,291	46,291
Additions	12,829	12,829
Disposals	-	-
Depreciation expense	(24,014)	(24,014)
Closing net book amount	35,106	35,106
At 30 June 2012		
Cost	76,356	76,356
Accumulated depreciation	(41,250)	(41,250)
Net book amount	35,106	35,106

9. Deferred exploration and evaluation expenditure

	2012 $	2011 $
Costs brought forward	2,529,020	1,327,950
Costs incurred during the period	1,936,805	1,208,470
Expenditure written off during period	(888,974)	(7,400)
Costs carried forward	3,576,851	2,529,020
Exploration expenditure costs carried forward are made up of:		
Expenditure on joint venture areas	746,675	1,062,149
Expenditure on non joint venture areas	2,830,176	1,466,871
Costs carried forward	3,576,851	2,529,020

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

	2012 $	2011 $
Trade creditors	67,847	366,124
Accrued expenses	23,072	67,180
PAYG payable	19,710	21,013
	110,629	454,317

11. Provisions – current liabilities

	2012 $	2011 $
Annual leave provision	44,598	18,152

12. Contributed equity

	2012 $	2011 $
Share capital		
70,179,500 fully paid ordinary shares (2011:70,179,500)	7,773,900	7,773,900
Fully paid ordinary shares carry one vote per share and carry the right to dividends.		
Share issue costs	(724,275)	(724,275)
	7,049,625	7,049,625

		Number	$
Movements in ordinary shares on issue			
At 30 June 2010		47,320,000	3,202,000
Shares issued	(i)	22,859,500	4,571,900
At 30 June 2011		70,179,500	7,773,900
Shares issued		-	-
At 30 June 2012		70,179,500	7,773,900

(i) The Company issued 22,859,500 shares in an IPO offering at $0.20 in December 2010.

	Number	$
Movements in options on issue		
At 30 June 2010	6,500,000	-
Options issued	-	-
At 30 June 2011	6,500,000	
Options issued	-	-
At 30 June 2012	6,500,000	-

Note: An additional 7,100,000 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

	2012 $	2011 $
Balance at the beginning of period	(447,088)	(413,129)
Operating gain/(loss) after income tax expense	(1,427,208)	(33,959)
Balance at 30 June	(1,874,296)	(447,088)

14. Reserves/share-based payments

Reserves

	2012 $	2011 $
Balance at 1 July	368,065	187,665
Share-based payment costs issued under Share Issue Costs	-	120,400
Share-based payment expense during the financial year	168,465	60,000
Balance at 30 June	536,530	368,065

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 and its related bodies corporate ("Group"). There have been no cancellations or modifications to any of the plans during 2011 and 2012. At the date of this report there were 400,000 options issued under this ESOP.

Summary of options granted

	2012 $	2011 $
Outstanding at the beginning of the year	5,400,000	3,000,000
Granted during the year	1,700,000	2,400,000
Forfeited during the year	-	-
Exercised during the year	-	-
Expired during the year	-	-
Outstanding at the end of the year	7,100,000	5,400,000

The outstanding balance as at 30 June 2012 is represented by:

- 900,000 options exercisable at $0.30, expiry 19 February 2015 (600,000 options escrowed 12 mths).
- 750,000 options exercisable at $0.30, expiry 19 February 2015 (escrowed 24 mths).
- 1,350,000 options exercisable at $0.30, expiry 5 May 2015 (escrowed 24 mths).
- 2,000,000 options exercisable at $0.30, expiry 17 December 2014 (escrowed 24 mths).
- 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

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 (escrowed 24 mths).

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)
Dec 10	2,000,000	$0.25	17 Dec 14	115.71%	5.38%	4	$0.0602	Binomial	(c)
May 11	400,000	$0.30	19 May 16	116.14%	5.24%	5	$0.1500	Binomial	(d)
Nov 11	750,000	$0.30	5 Sep 16	123.14%	3.82%	5	$0.1400	Binomial	(e)
Nov 11	950,000	$0.25	5 Sep 14	116.14%	3.67%	3	$0.1400	Binomial	(f)
TOTAL	7,100,000								

(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) 2,000,000 options were issued to a broker in relation to capital raising for the IPO. The options vested on grant date.

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

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

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

Weighted average disclosures on options

	2012	2011
Weighted average exercise price of options at 1 July	$0.28	$0.30
Weighted average exercise price of options granted during period	$0.27	$0.26
Weighted average exercise price of options outstanding at 30 June	$0.28	$0.28
Weighted average exercise price of options exercisable at 30 June	$0.28	$0.28
Weighted average contractual life	2.80 years	3.72 years
Range of exercise price	$0.25 - $0.30	$0.25 - $0.30

15. Earnings per share

	2012	2011
Net profit/(loss) used in calculating basic and diluted gain/(loss) per share	(1,427,208)	(33,959)
	Number	**Number**
Weighted average number of ordinary shares outstanding during the year used in calculation of basic EPS	70,179,500	59,908,382
	Cents per share	**Cents per share**
Basic earnings (loss) per share	(2.03)	(0.06)
Diluted earnings (loss) per share	(2.03)	(0.06)

16. Key management personnel

Key management personnel compensation

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

	2012 $	2011 $
Short-term employee benefits	363,209	297,151
Post-employment benefits	29,891	21,262
Other long-term benefits	-	-
Termination benefits	-	-
Share-based payments	168,465	-
	561,565	318,413

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.
2012					
L Gilligan	10,000	-	-	-	10,000
E Rothery	50,000	-	-	-	50,000
G Jones	310,000	-	-	-	310,000
T Belperio	60,000	-	-	-	60,000
I Polovineo	-	-	-	-	-
	430,000	-	-	-	430,000
2011					
L Gilligan	-	-	-	10,000	10,000
E Rothery	-	-	-	50,000	50,000
G Jones	300,000	-	-	10,000	310,000
T Belperio	-	-	-	60,000	60,000
I Polovineo	-	-	-	-	-
	300,000	-	-	130,000	430,000

**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.
2012									
L Gilligan	450,000	150,000	-	-	600,000	600,000	-	600,000	150,000
E Rothery	750,000	1,250,000	-	-	2,000,000	2,000,000	-	2,000,000	1,250,000
G Jones	450,000	150,000	-	-	600,000	600,000	-	600,000	150,000
T Belperio	450,000	150,000	-	-	600,000	600,000	-	600,000	150,000
I Polovineo	300,000	-	-	-	300,000	300,000	-	300,000	-
	2,400,000	1,700,000	-	-	4,100,000	4,100,000	-	4,100,000	1,700,000
2011									
L Gilligan	450,000	-	-	-	450,000	450,000	-	450,000	-
E Rothery	750,000	-	-	-	750,000	750,000	-	750,000	-
G Jones	450,000	-	-	-	450,000	450,000	-	450,000	-
T Belperio	450,000	-	-	-	450,000	450,000	-	450,000	-
I Polovineo	300,000	-	-	-	300,000	300,000	-	300,000	-
	2,400,000	-	-	-	2,400,000	2,400,000	-	2,400,000	-

17. Related party disclosures

Related party transactions with PlatSearch NL

PlatSearch NL (PlatSearch) is a 25.65% shareholder of Thomson Resources. The Company engaged PlatSearch to provide the consulting services of Greg Jones, with payments made to PlatSearch as at 30 June 2012 totalling $1,160 (2011: $13,413).

The Company has paid PlatSearch for rent and reimbursement of office costs totalling $26,070 (2011: $25,185) for the period ended 30 June 2012. The contract with PlatSearch is based on normal commercial terms and conditions.

18. Auditors' remuneration

	2012 $	2011 $
Total amounts receivable by the current auditors of the Company for:		
Audit of the Company's accounts	17,000	16,750
Other services – Independent Accountant's Report for IPO Prospectus	-	1,300
	17,000	18,050

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 the Company will be required to contribute towards the exploration and other costs if it wishes to maintain or increase its 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 20. 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 2012 were as follows:

	Percentage interest 2012	Percentage interest 2011
Joint Ventures		
Louth ELs 6783 and 6844	0	0
Cuttaburra ELs 6870, 6969, 6224 and 6727	0	0
Lilleyfield ELs 7252 and 7253	0	0
Bohuon Success Fee Agreement ELs 6224, 6969 and 6870	0	0
Ghostrider ELs 7493-7495	0	0
Achilles and Chiron ELs 7746 and 7931	0	0
Byrock JV ELs 7807, 7808 and 7809	0	0
Mulga Tank, Wallenburra and Knightvale ELs 6783, 7642 and 7643	0	0

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 $105,000 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 it will pay the exploration success fee and net profits interest payments to Bohuon whilst it remains in the Cuttaburra Joint Venture.

This requires an annual payment of $30,000 until 17 March 2013 or until the Company withdraws from the agreement. At 17 March 2013 this payment may be replaced by a 3% net profits interest (only payable on successful development of a mine) which can be converted to a fixed cost exploration success fee payment of up to $3.5 million.

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:

	2012 $	2011 $
Cash and cash equivalents	2,117,455	4,666,716
Receivables	32,674	96,044
Deposit with bank	105,000	105,000
	2,255,129	4,867,760

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 $
2012				
Payables	110,629	110,629	-	-
	110,629	110,629	-	-
2011				
Payables	454,317	454,317	-	-
	454,317	454,317	-	-

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

Financial assets	Carrying amount $	<12 months $	1-3 years $	>3 years $
2012				
Cash at bank and term deposits	2,117,455	2,117,455	-	-
Receivables	32,674	32,674	-	-
Deposit with bank	105,000	-	-	105,000
	2,255,129	2,150,129	-	105,000
2011				
Cash at bank and term deposits	4,666,716	4,666,716	-	-
Receivables	96,044	96,044	-	-
Deposit with bank	105,000	-	-	105,000
	4,867,760	4,762,760	-	105,000

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:

	2012 $	2011 $
Weighted average rate of cash balances	1.02%	1.11%
Cash balances	512,841	338,980
Weighted average rate of term deposits	5.35%	6.00%
Term deposits	1,604,614	4,432,736

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 $**
2012					
Cash and cash equivalents	2,117,455	21,175	-	(21,175)	-
Tax charge of 30%	-	(6,353)	-	6,353	-
After tax profit increase/(decrease)	2,117,455	14,822	-	(14,822)	-
2011					
Cash and cash equivalents	4,666,716	46,667	-	(46,667)	-
Tax charge of 30%	-	(14,000)	-	14,000	-
After tax profit increase/(decrease)	4,666,716	32,667	-	(32,667)	-

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. The Company has commitments to expend funds towards earning or retaining an interest under its joint venture agreements with Raptor Minerals Ltd and PlatSearch NL.

	2012 $	2011 $
Payable not later than one year	815,309	2,174,329
Payable later than one year but not later than two years	-	308,667
	815,309	2,482,996

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 2012 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, other than:

- In August 2012 the Company received $349,243 for its R&D tax concession claim for the year ended 30 June 2011.

25. Statement of cash flows

	2012 $	2011 $
Reconciliation of net cash outflow from operating activities to operating loss after income tax		
(a) Operating (loss) after income tax	(1,427,208)	(33,959)
Depreciation	24,014	14,891
Share based payments	168,465	60,000
Exploration costs expensed	888,974	7,400
Payroll costs transferred to exploration	-	(204,936)
Other – Non operating costs in creditors	307,890	(358,455)
Other	-	(27,392)
Change in assets and liabilities:		
(Increase)/decrease in receivables	63,371	(76,079)
(Decrease)/increase in trade and other creditors	(343,688)	396,232
(Decrease)/increase in provisions	26,446	9,534
Net cash outflow from operating activities	(291,736)	(212,764)

(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.

	2012	2011
The balance at 30 June 2012 comprised:		
Cash assets	497,841	338,980
Bank deposits (Note: 5)	1,619,614	4,327,736
Cash on hand	2,117,455	4,666,716

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 2012 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 2012.

On behalf of the Board

Lindsay Gilligan PSM
Chairman
Sydney, 27 September 2012

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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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 statement of financial position as at 30 June 2012, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

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 1, 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.

bdjpartners
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 financial position as at 30 June 2012 and of its 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 1.

Report on the Remuneration Report

We have audited the Remuneration Report included in the directors' report for the year ended 30 June 2012. 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 2012 complies with section 300A of the *Corporations Act 2001*.

BDJ Partners
Chartered Accountants

....
Anthony J Dowell
Partner

27 September 2012

Shareholder Information

Information relating to shareholders at 21 September 2012.

Ordinary fully paid shares

There were a total of 70,179,500 fully paid ordinary shares on issue.

Options

There were a total of 13,600,000 options on issue.

Substantial shareholders	Shareholding
PlatSearch NL	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 $0.06 per share, there were sixteen shareholders with less than a marketable parcel of $500.

Top 20 shareholders of ordinary shares as at 21 September 2012	Number	%
PlatSearch NL	10,500,000	14.96
Van Der Horst Energy Ltd	10,000,000	14.25
Minotaur Resources Investments Pty Ltd	10,000,000	14.25
Bluestone 23 Limited	7,500,000	10.69
DBS Vickers Securities (Singapore) Pte Ltd <Client Account>	2,825,000	4.03
Wang Jin	2,000,000	2.85
Warman Investments Pty Ltd	1,500,000	2.14
Mr Foon Keong Lew	1,479,999	2.11
KABT Holdings Pty Ltd <KBT Super Fund A/C>	1,200,000	1.71
Mr Arnold Getz & Mrs Ruth Getz	1,000,538	1.43
Locantro Speculative Investments Limited	800,000	1.14
Alcardo Investments Limited <Styled 102501 A/C>	710,000	1.01
HSBC Custody Nominees (Australia) Limited	706,000	1.01
Ms Syan Hui Soh	625,000	0.89
Kimbriki Nominees Pty Ltd <Kimbriki Hamilton Sf A/C>	600,000	0.86
Peter Crisp Pty Ltd <Crisp Super Fund A/C>	500,000	0.71
Panstyn Investments Pty Ltd	500,000	0.71
Sunlake Shore Holdings Pty Ltd <The Gilkes Family Super A/C>	500,000	0.71
Mr Boon Tong Soh	425,000	0.61
Mr Kwan Chee Seng	419,000	0.60
Total of top 20 holdings	53,790,537	76.65
Other holdings	16,388,963	23.35
Total fully paid shares issued	**70,179,500**	**100.00**

Shareholder Information

Distribution of shareholders		
Range	**No of shareholders**	**Ordinary shares**
1 – 1,000	1	1
1,001 – 5,000	11	38,448
5,001 – 10,000	144	1,424,696
10,001 – 100,000	232	9,477,232
100,001 – and over	46	59,239,123
	434	**70,179,500**

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.

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: tmo@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
Solicitors	O'Loughlins Lawyers Level 2, 99 Frome Street Adelaide, SA 5000
Bankers	Macquarie Bank Commonwealth Bank Bankwest
Securities Exchange Listing	Australian Securities Exchange ASX Code: TMZ

THOMSON RESOURCES
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