

Quarter ending 31 December 2012

Quarterly Report



Highlights

- RC plans finalised – F1, Ghost rider to be drilled, with further targets currently being generated
- EM completed at Achilles project; follow up geochemistry planned
- Extensive surface geochemical program identifies anomalies at Byrock Project
- New exploration licence applications submitted to strengthen footprint

Exploration

Planned drilling

Drilling plans have been finalised for Thomson Resources Ltd's ("The Company", ASX: TMZ) core projects (Figure 1) with anomalies F1 and Ghost rider to be drilled in the coming quarter. Surface exploration work is ongoing at several of the Company's other projects in order to generate RC targets to add to the program. This exploration work is focused on determining the potential at shallow depths.

Anomaly **F1** is the largest discrete magnetic anomaly in the Thomson portfolio. Six other similar, but smaller, magnetic anomalies in the vicinity have now been drilled and all six have shown to be large intrusion-related alteration and mineralisation systems. The F1 anomaly is interpreted to represent extensive intrusion-related mineralisation within a large granite body.

Three holes are planned at F1 to test the ring structure and central anomaly (Figure 2). The holes will be cased through the younger cover rocks which are estimated to be from 80m to 140m thick. The basement rocks will be tested by RC drilling to moderate depths.

Four RC holes are planned to test three IP anomalies at the **Ghostrider** project (Figure 3) on EL 7494, 80km west of Cobar. Previous shallow RAB drilling defined a 4km long anomalous zone, with maximum values of 1.15% lead and anomalous copper, zinc and silver. The anomaly parallels the major Mt Jack fault, with the IP anomalies lying between the geochemical anomaly and the fault.

Achilles Project

Activity during the quarter focussed on EL 7746 in the new Achilles joint venture (Figure 1) where TMZ can earn up to an 80% interest in a joint venture with PlatSearch NL.

A surface electro-magnetic (EM) survey was undertaken at both Mt Boorithumble and Achilles 3 to identify lenses of massive base metal sulphides that may be present within mineralised zones identified by recent drilling. Although minor EM responses were obtained in the area of geochemical anomalism, none was regarded of sufficient intensity to immediately drill test.

However, in both areas significant EM responses were detected outside the area of previous geochemical exploration, so further XRF soil sampling is planned over the new EM anomalies in order to add RC drill targets to the planned drill program.

Byrock Project

An area of 64 square kilometres was covered on foot with a hand held XRF analyser. Anomalies were detected in several elements including copper (Figure 4), lead, zinc, tungsten and silver. Follow up work will attempt to verify and extend these anomalies. RC drilling will also take place at Mulga Tank (where surface gossans yielded 0.2% copper) as part of the overall drilling program.

Tenement Holdings

One tenement was granted during the quarter and three new applications were lodged.

EL 8011 (Toburra) was granted on 21 November, 2012. It covers an area of 295 square kilometres and lies immediately northeast of the Endeavor mine operated by CBH Resources Limited (ASX: CBH). Minimal exploration has been carried out in the area with surface geochemical surveys having identified at least seven anomalies in gold or base metals, only two of which have been drilled.

At the Darling Downs anomaly Straits Ltd drilled one diamond hole to 511m testing a magnetic bulls-eye target and intersected significant tin and tungsten along with minor copper, lead and zinc. The best intercept was 4m at 0.9% Sn and 0.4% W from 321m depth, however increasing alteration and mineralisation was observed from 150m depth with peak values over a metre of 2.5% Sn, 1.4% W, 0.1% Cu and 0.2 g/t Au.

A new tenement application (ELA 4699) was made over the Mullagalah anomaly. This area was subject to two drill holes by YTC Resources Ltd (ASX: YTC) in 2010, who

identified 50m of “porphyry” alteration in an I-type granite with low level copper, gold, bismuth and molybdenum anomalism.

ELA 4700 was applied over an area near Browns Reef, Lake Cargelligo. The area is contiguous with Thomson’s JV tenements EL 7891 and 7931 and contains 10km strike length of the Woorara Fault System, on which Comet Resources’ Browns Reef deposit is located. A program of RAB/Auger drilling in has been carried out and shows an extended anomaly along the Woorara Fault (Figure 5).

ELA 4701 was applied over a small area adjacent to Thomson JV EL 6783. It contains the Wilga Downs magnetic anomaly where just two holes have been drilled. In 1971 AMAX drilling intersected mineralisation widespread below about 122m, but of low grade, occurring as disseminations, veins, blebs and narrow massive bands of pyrite, pyrrhotite, sphalerite, chalcopyrite, galena, quartz and calcite in metasediments. Zn values were reasonably high, with the best intersection recorded being 15m at 0.3% Zn from 182.9m depth.

In 1978 CRAE drilled a single hole 500m to the NE and again encountered mineralisation, with a best assay value of 2m at 0.5% Pb, 0.4% Zn, 0.1% Cu from 225.3m depth.

As part of its ongoing strategy to focus only on priority projects and reduce tenement costs, a further three tenements were relinquished during the quarter comprising 332 units (979 sq. km). In addition a further 294 units (867 sq. km) were excised from existing tenements on renewal. The three new tenement applications mentioned above were for a total of 88 units (260 sq. km), resulting in an overall reduction in the area managed by Thomson to 4,531 square km, including 3,077 square km under joint venture agreements.

Corporate

Exploration expenditure incurred during the quarter totalled \$337,000. Cash at the end of the quarter was \$1.65 million.

Thomson Resources Ltd



Eoin Rothery

Chief Executive Officer

The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Eoin Rothery, (MSc), who is a member of the Australian Institute of Geoscientists. Mr Rothery is a full time employee of Thomson Resources Ltd. Mr Rothery has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the “Australasian Code for

Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Rothery consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.



Figure 1: Thomson Projects in the Cobar Region, coloured by Joint Venture.

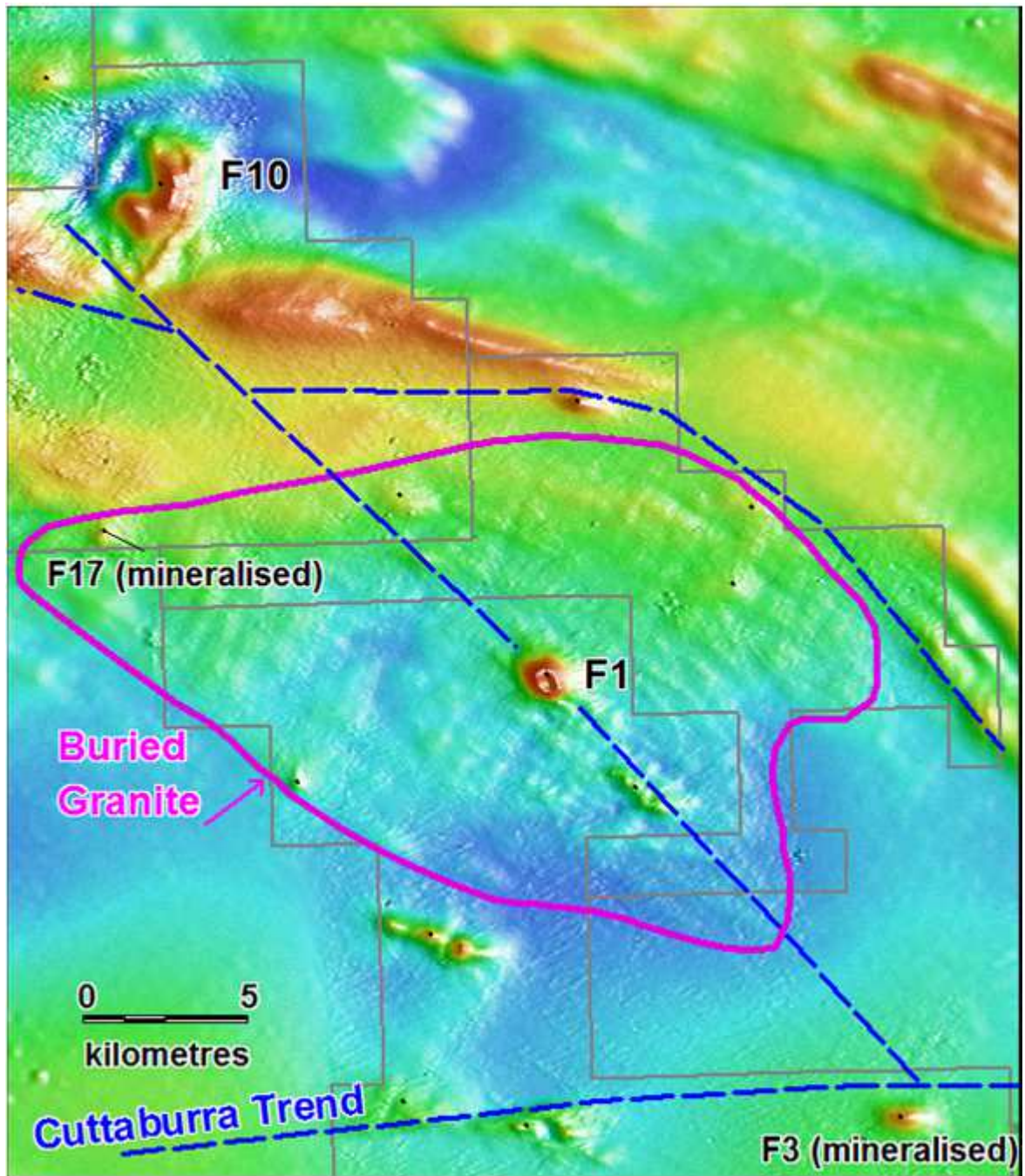


Figure 2: The F1 magnetic anomaly. The only previous drilling in this area took place at F3 and F17 where altered and mineralised sedimentary rocks were intersected. The “buried granite” is an interpretation based on the chequerboard magnetic pattern.

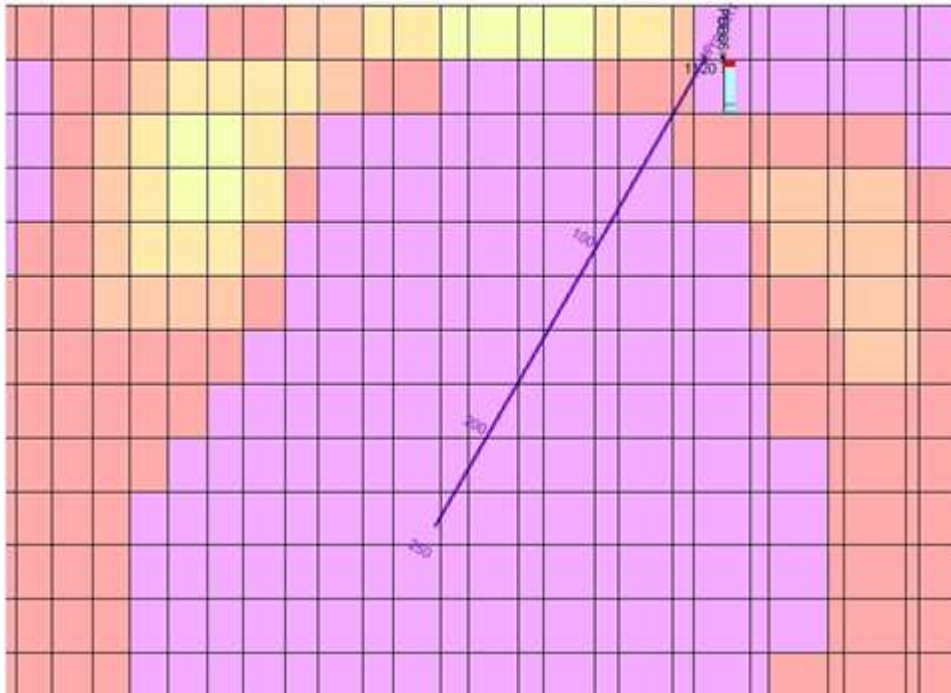


Figure 3: IP section of target GR1 (one of three) at Ghost rider, with proposed 250m hole and previous shallow RAB drilling (with 1120ppm Pb).

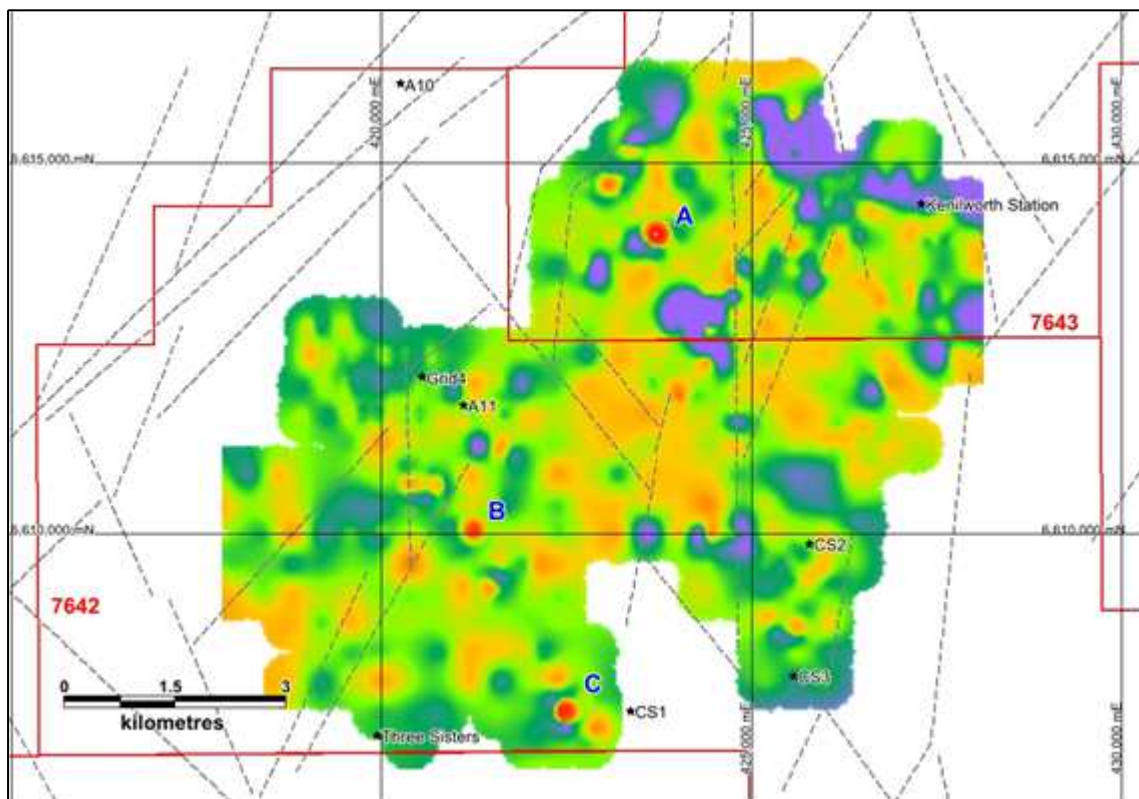


Figure 4: Byrock Project, Copper Anomalies. The copper values are shown as a grid made from 976 individual readings from the NITON handheld XRF. Better values were at localities A, B and C (667, 284 and 249 ppm Cu respectively).

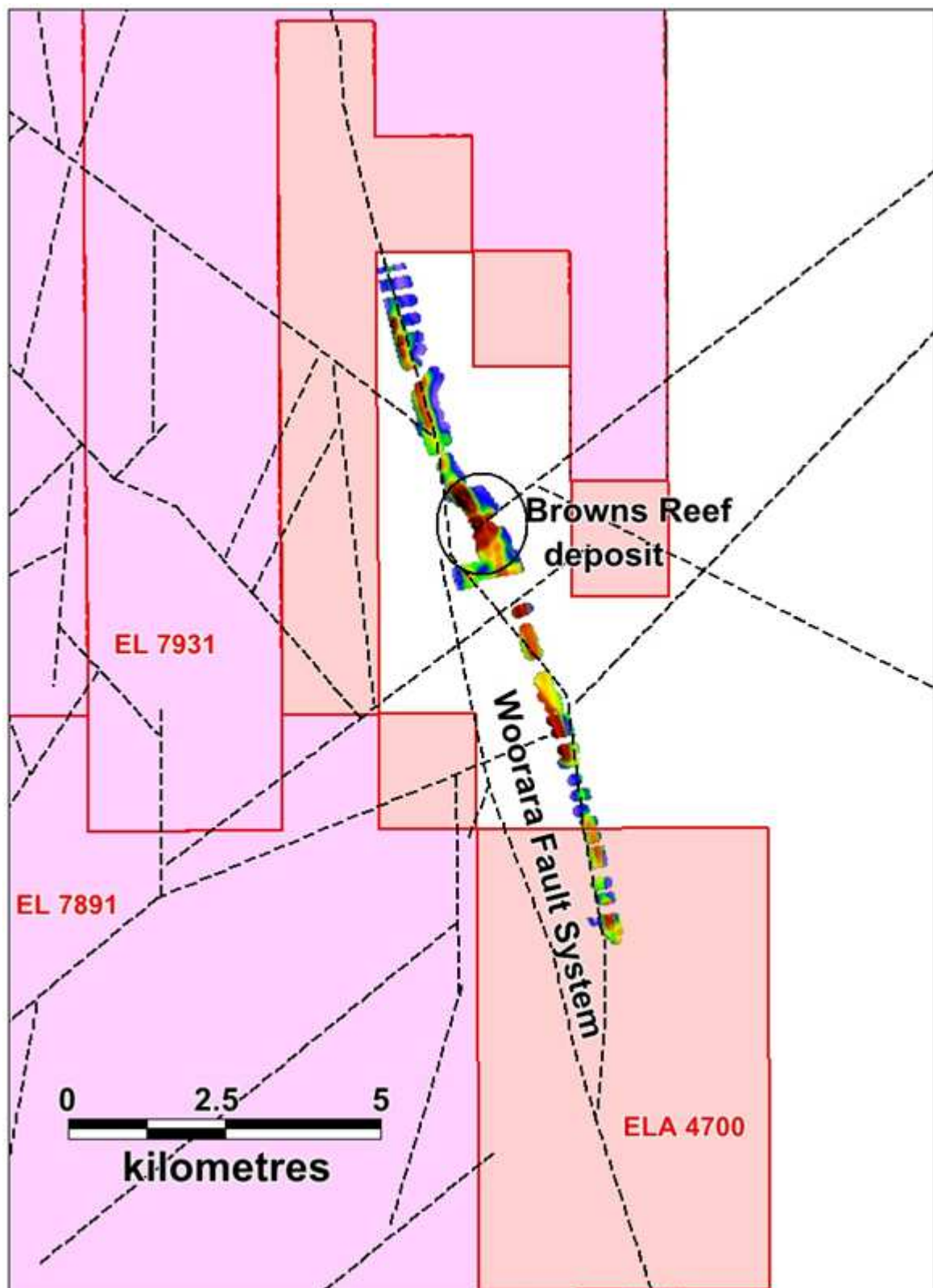


Figure 5: Achilles-Tooroonga Project, New ELA application (ELA 4700). Gridded data is from 621 RAB/Auger holes, average depth 11m. Maximum Pb value on ELA is 0.16% Pb at bottom of hole P487 at 30m depth.