

ASX Release

17 September 2014



NEW COPPER TARGETS REVEALED BY VTEM SURVEY

- *Aerial VTEM survey pinpoints multiple bedrock conductors in rocks believed to host VMS deposits*
- *Ground EM and other ground surveys planned to refine priority drill targets*

Thomson Resources completed an extensive, 564 line kilometre, airborne “VTEM” survey (Versatile Time-domain Electro Magnetics) in June 2014 over some of its key prospects within NSW. The survey targeted volcanogenic massive sulphide deposits (“VMS”) at the Havilah and Byrock projects as well as other sulphide-associated deposits in other project areas. The VTEM survey defined a number of bedrock conductors demanding immediate follow-up and drilling.

VTEM

VTEM is widely considered the best helicopter borne TEM geophysical system for detecting and imaging massive sulphide deposits with notable successes including the discovery of the Mallee Bull deposit in the Cobar Basin (see reports by Peel Mining, ASX: PEX), and the recent Artemis discovery in Queensland by Minotaur Exploration (ASX: MEP). The VTEM system is flown using a helicopter that tows a powerful electromagnetic (“EM”) transmitter and receiver which can detect conductive massive sulphide mineralisation.

Following completion of the survey in June, preliminary VTEM data was processed line by line comparing early, middle and late-time EM decay responses to identify potential bedrock targets. Throughout the survey areas two targets of high significance plus a further 27 second-order targets were identified from the VTEM data.

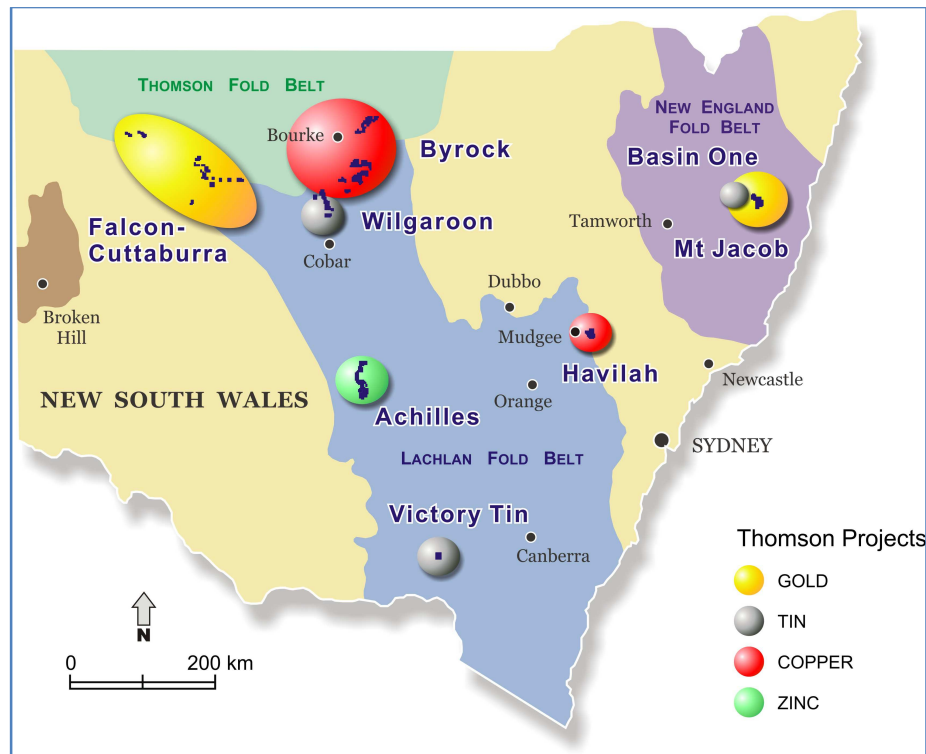


Figure 1: Thomson Projects in NSW. VTEM was flown over the Byrock, Havilah and Wilgaroon Projects.

HAVILAH

The Havilah base and precious metal project on EL 7391 is located approximately 20 kilometres southeast of Mudgee, central NSW. It lies within Silurian volcanics and volcanoclastic sediments of the eastern Lachlan Fold Belt, known to host high grade copper-lead-zinc-silver-gold VMS deposits such as Woodlawn, Captains Flat and Benambra.

The VTEM survey area covered zones of previously identified base metal sulphide mineralisation, including the Achaye prospect where historic drilling had tested a SIROTEM anomaly (at A1 on Figure 2). Gossanous rocks with old workings and copper-zinc anomalism occur at surface along the NNW-SSE trend. This trend was targeted by the 1979 drilling, recording strongly anomalous copper (up to 1% over 1m) and zinc (up to 2.2% over 1m) associated with sporadic massive pyrrhotite mineralisation. Appropriate EM responses were observed over the Achaye mineralisation (Figure 2), validating the survey technique and VTEM response over this type of mineralisation.

As well as confirming the A1 EM anomaly, the VTEM survey defined a stronger, deeper anomaly (A2 on Figure 3) around 400 metres west of Achaye. This new conductor has not been previously tested and represents a priority VMS target. The area will be followed up with detailed mapping (if practical), soil and rock chip geochemistry as well as a ground EM geophysics survey to confirm the geometry and dip of the conductor prior to drilling. Ground EM survey configurations can detect extensions of EM anomalies at depth, not seen in the airborne VTEM system.

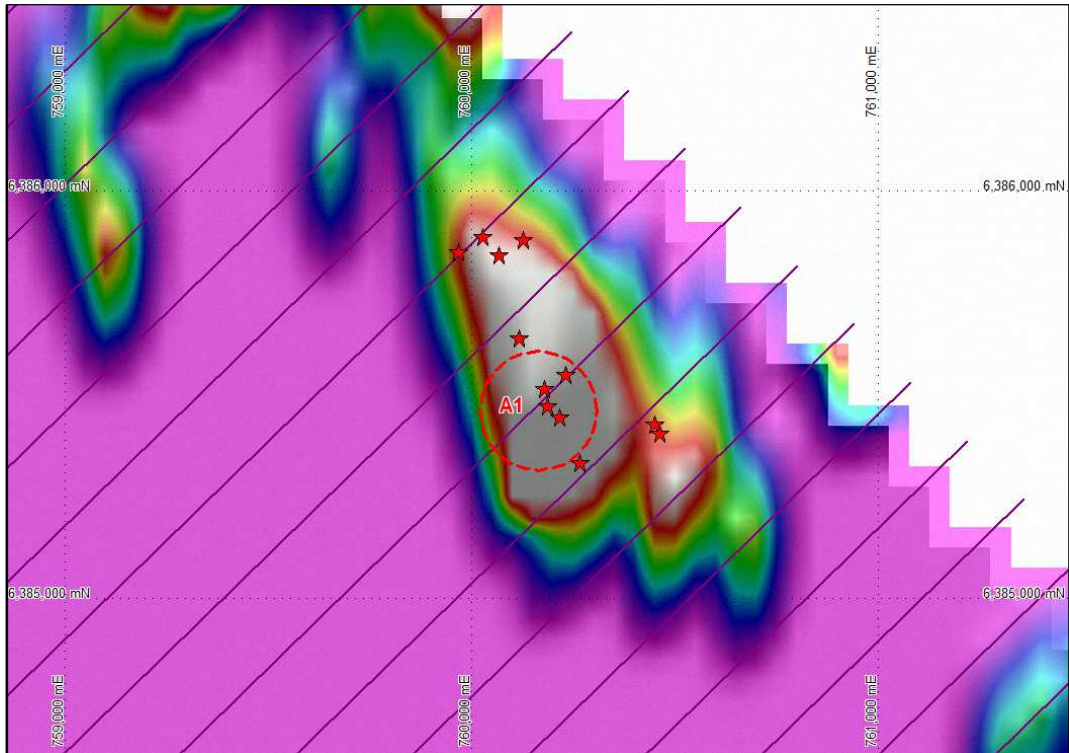


Figure 2: Late time, Z component VTEM image over the Achaye prospect near Havilah. The red stars indicate mineralised holes drilled by Australian Anglo American Ltd in 1979.

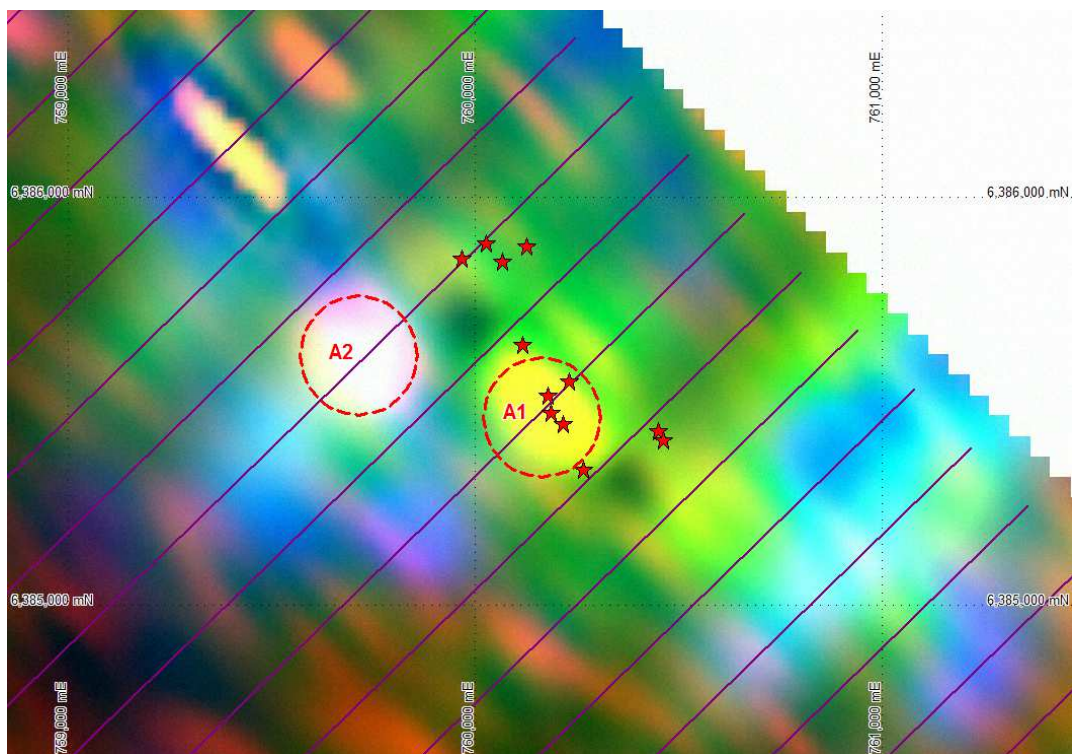


Figure 3: VTEM Ternary image of three late time channels over the Achaye prospect near Havilah – deeper looking than Figure 2. The red stars indicate mineralised holes drilled by Australian Anglo American Ltd in 1979. The two red circles represent priority VTEM anomalies – the eastern anomaly also appears on Figure 2.

WILGA DOWNS (BYROCK)

The Wilga Downs prospect on EL 8136, lies 35km west of Byrock in an area where both Silurian-Devonian Cobar Supergroup (mainly sediments) as well as older Ordovician rocks have been mapped. The area is believed to have potential for Tritton (VMS) type copper deposits. Tritton itself was discovered by ground EM (SIROTEM) and was also marked by a magnetic anomaly. The Wilga Downs area features several distinct magnetic anomalies, one of which has been drilled with two holes: one in 1971 by AMAX and one in 1978 by CRAE. Both holes returned anomalous copper (up to 0.2%) and zinc (up to 0.7%), but neither hole tested the full extent of the magnetic anomaly (they were too shallow and were drilled in opposite directions).

Of the several EM conductive anomalies identified in the area by the VTEM survey, the most prominent is coincident with this magnetic anomaly. The top of the conductor has been modelled as a shallowly south-dipping plate shaped body that falls between and below the previous drilling locations (Figures 4, 5). The anomaly is quite strong and persists from mid to late-response times suggesting a highly conductive zone possibly associated with sulphides.

In addition, several other second-order anomalies have been detected. All targets of significance will be assessed with further modelling and ground work ahead of design of a drill program.

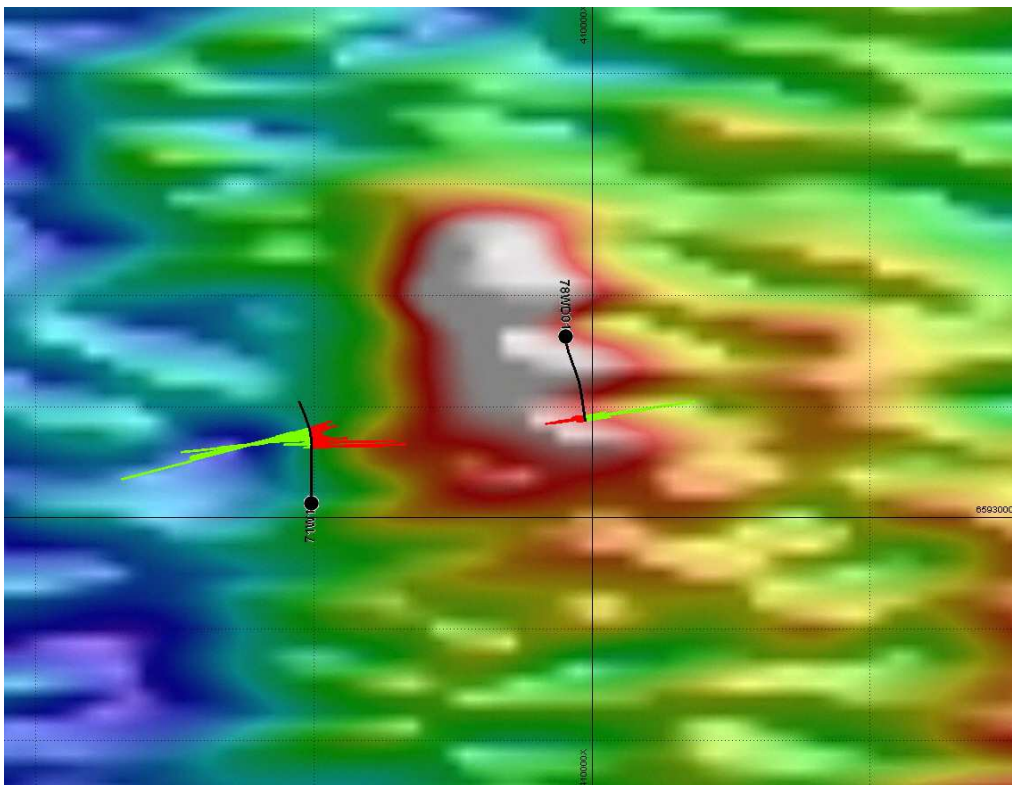


Figure 4. Plan View VTEM image of late time channel (48) over the Wilga Downs prospect near Byrock. The two previous holes are shown with copper (red) and zinc (green) downhole values. Maximum values are 0.2% Cu, 0.7% Zn.

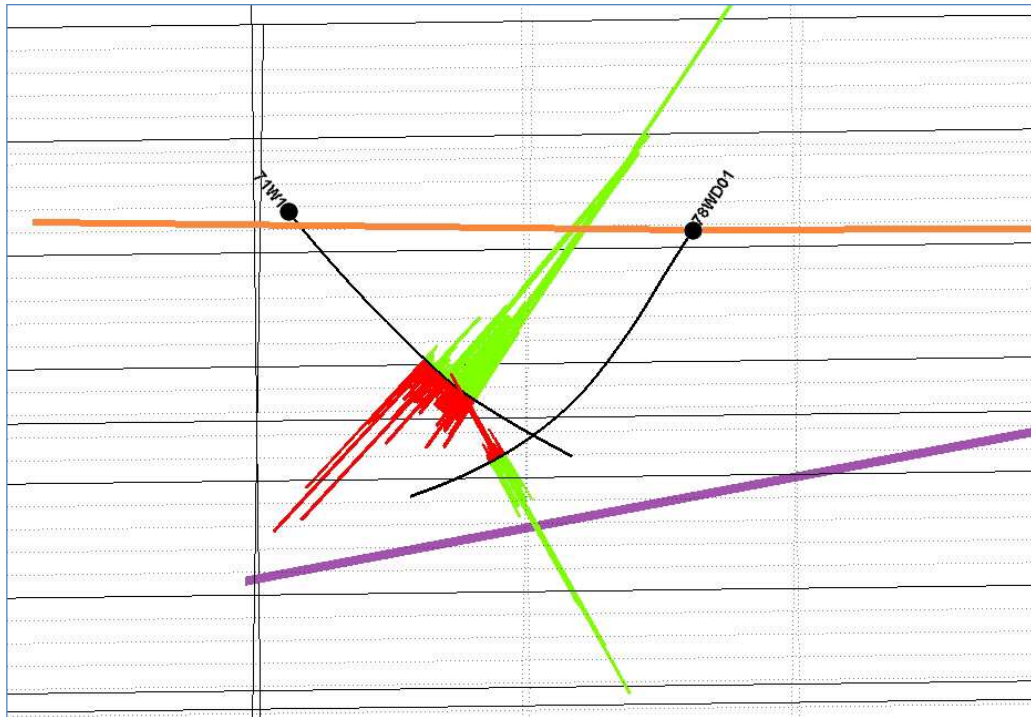


Figure 5. Oblique sectional view, looking west, featuring the top of the modelled conductor as a plate (purple). The two previous holes are shown with copper (red) and zinc (green) downhole values as graphs. Maximum values are 0.2% Cu, 0.7% Zn. The surface is represented as the orange line. The top of the conductor is between 120 and 250m below surface.

OTHER RESULTS

VTEM results continue to be processed for the **Furneys** prospect (EL 8251), the **Wilgaroon** tin-tungsten prospect (EL 8011), and over **Kenilworth** (ELs 7642 and 7643). Several other second-order anomalies have been detected. All targets of significance will be assessed with further modelling and ground work ahead of design of a drill program.

Thomson Resources Ltd

Eoin Rothery

Chief Executive Officer

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

JORC Code, 2012 Edition – Table 1 report

Section 1 Sampling Techniques and Data

Criteria	Commentary
<i>Sampling techniques</i>	Geotech helicopter-borne VTEM Max system with flying height of 75-85 m and sensor height of 35-45 m. Configuration included: 35m diameter transmitter loop, high peak (865,000 NIA) dipole moment, 25 or 30 Hz 3 Component BField & dB/dt
<i>Drilling techniques</i>	Not applicable as no drilling was carried out
<i>Drill sample recovery</i>	Not applicable as no samples were taken
<i>Logging</i>	Not applicable – nothing to log
<i>Sub-sampling techniques and sample preparation</i>	Not applicable – no samples were taken
<i>Quality of assay data and laboratory tests</i>	Not applicable – no assaying was undertaken
<i>Verification of sampling and assaying</i>	During the survey the digital data was inspected daily to identify bad data points and any missing data points or sections.
<i>Location of data points</i>	On board differential GPS with accuracy of 3m. Altitude measured with accuracy of +/- 1m.
<i>Data spacing and distribution</i>	Readings taken at 2-3m intervals along flight lines nominally 200m apart.
<i>Orientation of data in relation to geological structure</i>	Flight lines oriented across dominant strike direction of rock units and structures.
<i>Sample security</i>	Not applicable as no samples were taken
<i>Audits or reviews</i>	No independent audit or review undertaken as this was not thought to be required at this stage.

Section 2 Reporting of Exploration Results

Criteria	Commentary
<i>Mineral tenement and land tenure status</i>	All surveys undertaken on NSW Exploration Licences held by Thomson Resources Ltd.
<i>Exploration done by other parties</i>	Most of the areas flown have had minimal historical exploration, excepting airborne magnetic surveys. At a few prospects extensive historical exploration by other companies includes geochemical surveys, induced polarization (IP) surveys, EM surveys and drilling.
<i>Geology</i>	All surveys were flown over the Lachlan Fold Belt; an area of Ordovician to early Devonian sedimentation, volcanism, igneous intrusion and deformation. The mineralisation style being targeted was mainly VMS – volcanogenic massive sulphide; which are known to occur in both the Ordovician (Tritton, Girilambone) and Silurian (Woodlawn, Captains Flat).
<i>Drill hole Information</i>	Not applicable as no drilling was undertaken
<i>Data aggregation methods</i>	Not applicable to this type of survey
<i>Relationship between mineralisation widths and</i>	Not applicable to this type of survey

Criteria	Commentary
<i>intercept lengths</i>	
<i>Diagrams</i>	See Figures 2 - 5 of this Report.
<i>Balanced reporting</i>	All results of significance have been reported within this Report.
<i>Other substantive exploration data</i>	No significant exploration data has been omitted.
<i>Further work</i>	Detailed mapping, soil sampling, rock chip sampling and ground geophysics are planned across the features reported.

Note: Details of the historic drilling at Achaye and Wilga Downs are contained in reports available publicly from the NSW Government DIGS site (<http://digsopen.minerals.nsw.gov.au/>) as reports GS1978_091, GS1979_192 and GS1980_318 (all Achaye) and GS1971_753, GS1979_119 (Wilga Downs).