

Quarter ending 30 September 2014

Quarterly Report



Highlights

- High-priority drill targets defined
- Drill targets based on strong VTEM anomalies in recent survey as well as previous mineralised intersections
- NSW Government Co-operative drilling grants awarded

Thomson Resources has worked up a number of outstanding drill targets in the “New Frontier” Thomson Fold Belt, as well as the Lachlan and New England Fold Belts in NSW. Two targets have resulted from a recent airborne EM survey; one near Byrock and one near Mudgee. All targets are on wholly-owned tenements. The Company has also been successful in attracting Co-operative drilling grants for several of its targets. Thomson is evaluating and prioritising the targets and working its way through the approvals process ahead of drilling in the near future.

EL	Priority	Prospect	Drill Target	Previous Work
8136	1	Wilga Downs	Strong VTEM anomaly	Previous shallow drilling intersected anomalous Cu and Zn
8256	1	Mt Jacob*	Centre of 1km gold geochemical anomaly	Previous hole intersected 88m at 0.4 g/t Au from surface, ended in mineralisation.
7391	1	Achaye	Strong VTEM anomaly	A weak VTEM anomaly 400m east proved to be Zn-Cu mineralisation
6224	2	Cut A*	Centre of magnetic anomaly: possible roof zone of granite intersected at depth	5.5m at 1.5 g/t Au intersected in the single previous hole at the edge of the anomaly.
6224	2	Cut B*	Outer part of magnetic anomaly	Three previous holes showed vector to outer part of anomaly: best hole got highs of 113 g/t Ag, 4.2% Zn, 0.5% Cu, 1.8% Pb, 0.8% Sn and 0.6% W
8011	3	Wilgaroon	Magnetic high, VTEM low	One hole, 400m east - 250m Sn-W mineralisation, peak 2.5% Sn
8102	3	Mullagalah	Lows in centre of magnetic anomaly	2 previous holes intersected alteration & weak Cu-Au on the edge of the anomaly, 400m west
8256	3	Basin One	Tin to JORC status	Multiple tin-copper mineralised holes drilled by CRAE

*awarded government grant for NSW Government New Frontiers Co-operative drilling

VTEM Targets

A VTEM survey (Versatile Time-Domain Electromagnetic geophysical system) was flown by Geotech Ltd of Canada over several priority prospects. VTEM is widely considered the best helicopter TEM massive sulphide detection and imaging tool with notable successes including the discovery of the Mallee Bull deposit in the Cobar Basin and the recently announced discovery of the Artemis deposit in Queensland by our major shareholder Minotaur Exploration (ASX:MEP, see announcement dated 31 July, 2014 on Minotaur's website at <http://www.minotaurexploration.com.au>).

High Priority Target - VTEM - Wilga Downs

The Wilga Downs prospect on EL 8136, lies 35km west of Byrock in an area believed to have potential for Tritton-type copper deposits; Tritton is a volcanogenic massive sulphide (VMS) deposit and is in the same geological setting, some 90km to the southeast. Tritton 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 and zinc. 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 that lies between and below the zone tested by previous drilling (Figures 1, 2). The anomaly is strong and persists from mid to late-response times suggesting a highly conductive zone possibly associated with sulphides.

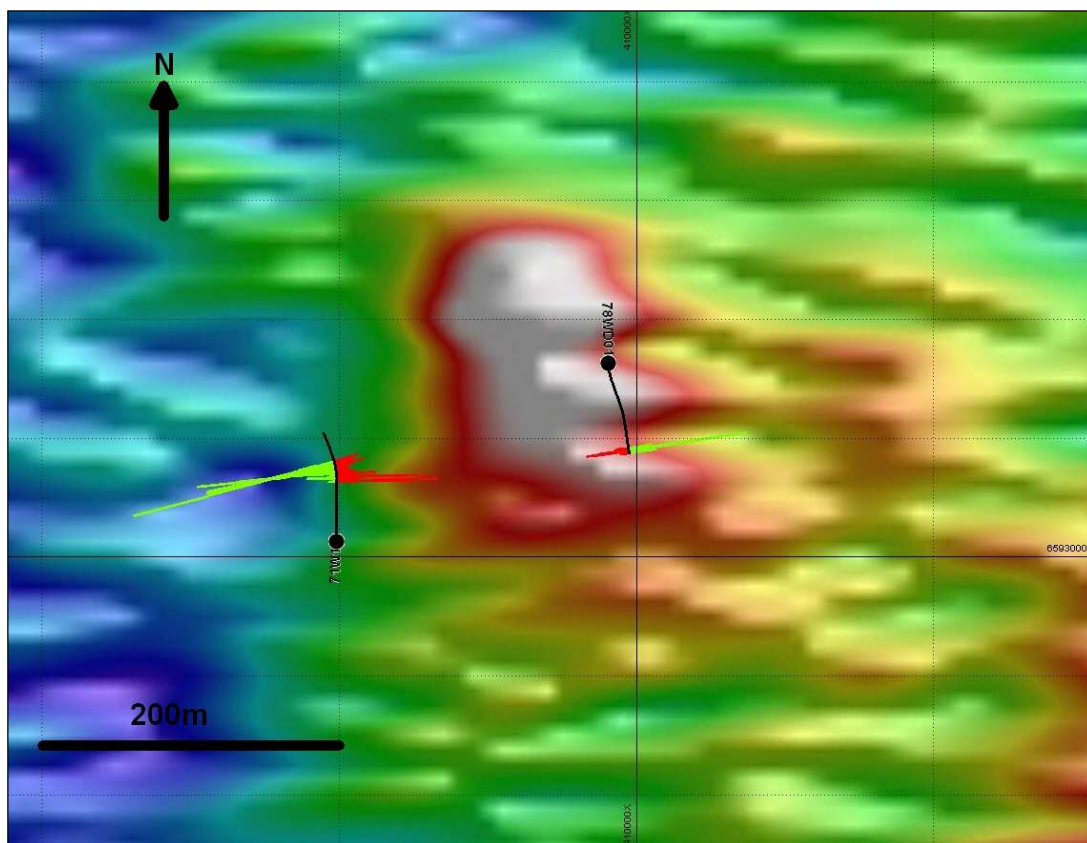


Figure 1. Plan View VTEM image of late time channel (48) over the Wilga Downs prospect near Byrock. The two previous holes are shown with copper (red) and zinc (green) downhole values. Maximum values are 0.2% Cu, 0.7% Zn.

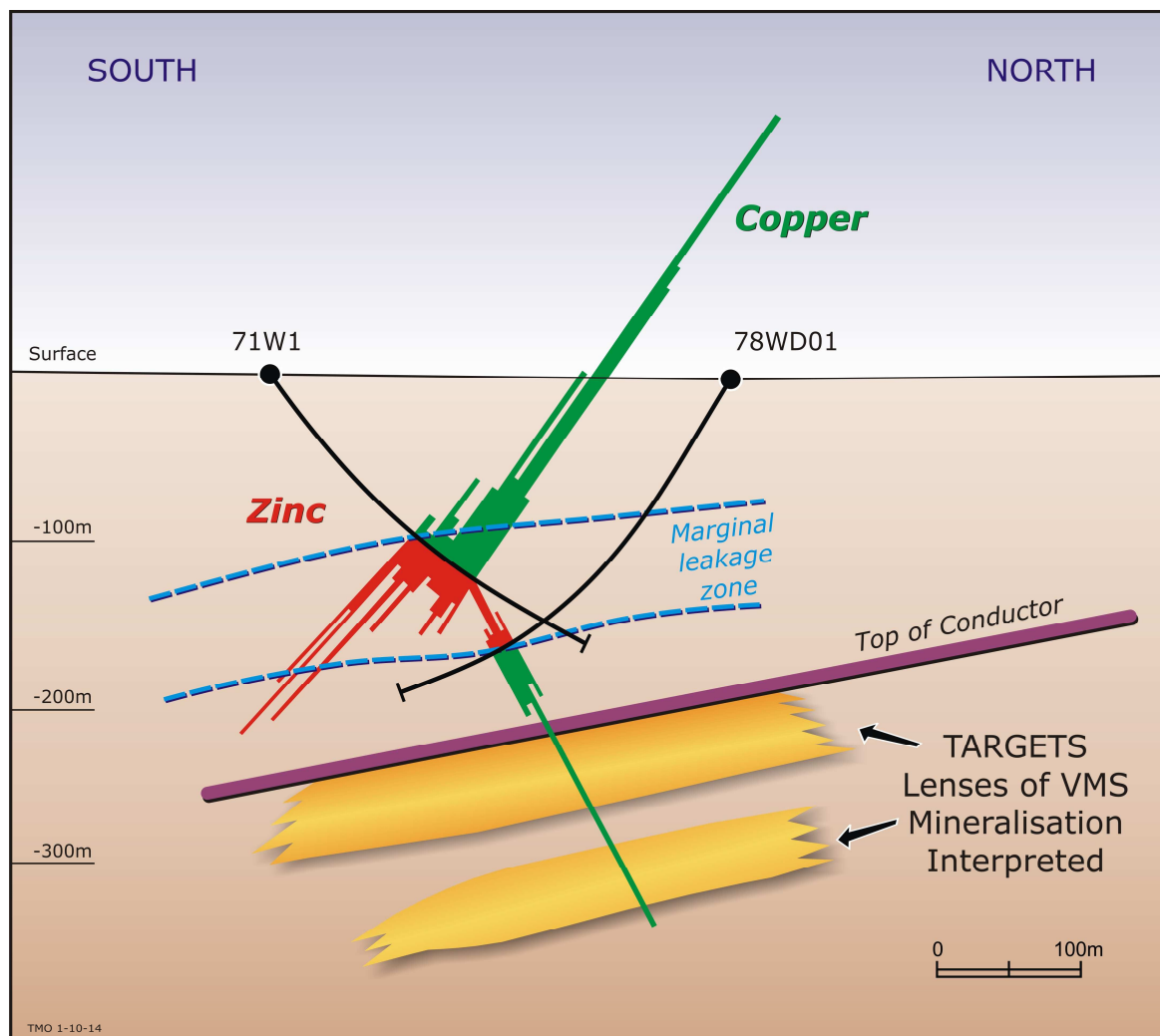


Figure 2. Oblique sectional view, looking west, featuring the top of the modelled conductor as a plate (purple). The two previous holes are shown with copper (red) and zinc (green) downhole values as graphs. Maximum values are 0.2% Cu, 0.7% Zn. The top of the conductor is between 120m and 250m below surface.

High Priority Target - VTEM - Achaye

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 and Captains Flat.

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 3). Gossanous outcrops, old workings and copper-zinc anomalism all have been recorded at surface along the NNW-SSE trending zone. This trend was targeted by the 1979 drilling which intersected strongly anomalous copper (up to 1% over 1m) and zinc (up to 2.2% over 1m) associated with sporadic massive sulphide (pyrrhotite) 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 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.

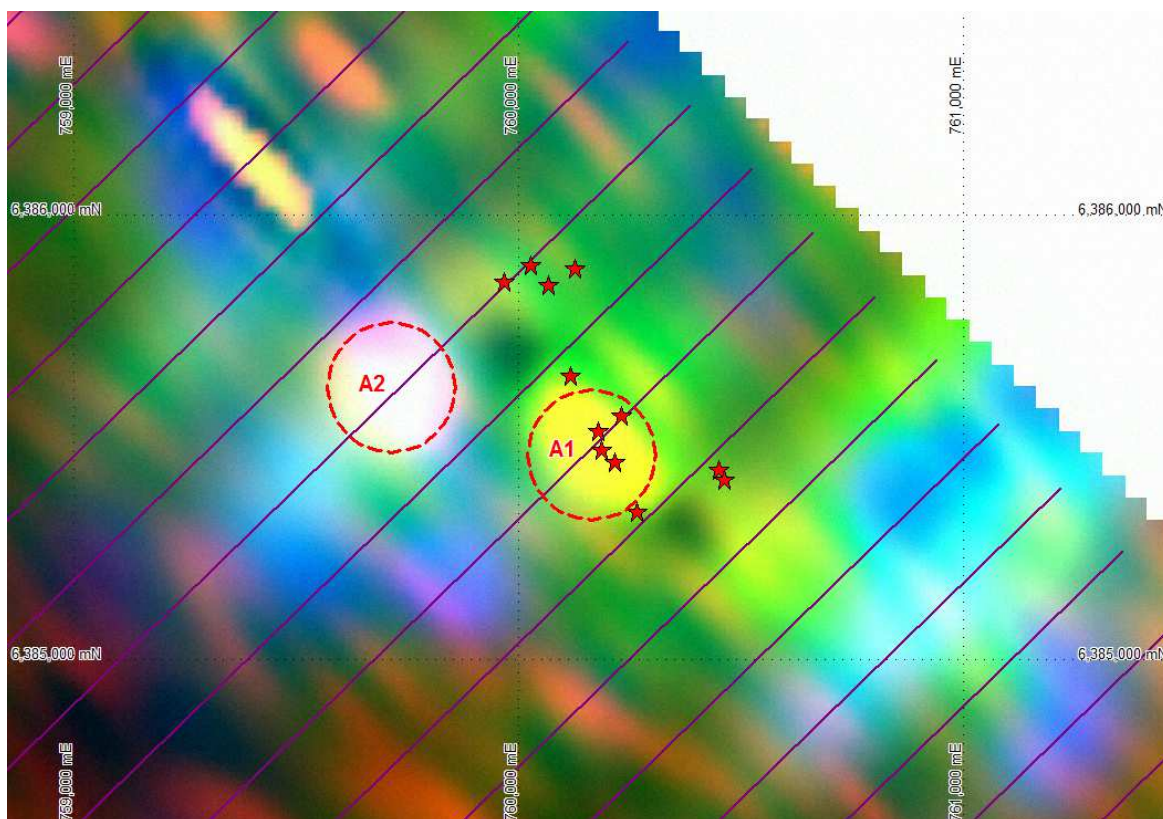


Figure 3: VTEM Ternary image of three late time channels over the Achaye prospect near Havilah. The red stars indicate mineralised holes drilled by Australian Anglo American Ltd in 1979. The two red circles represent priority VTEM anomalies – A2 is completely untested by any previous work and is the strongest anomaly.

High Priority Target - Mt Jacob Gold

At Mt Jacob, on EL 8256, 40km west of Kempsey NSW, previous work has identified a stratabound occurrence of gold confined to a circular area with high temperature mineral growth, ringed by a magnetic anomaly (Figure 4). This gold occurrence is hosted in gritty conglomerate and features intersections of up to 88 metres at 0.4 g/t Au from surface (all drilling details were released in Thomson's quarterly of December 2013). Of 16 holes drilled within the area of the geochemical anomaly, all were gold mineralised and 12 ended prematurely, still in mineralisation. The gold-bearing conglomerate horizon is interpreted to overly an Intrusion-Related Gold (IRG) system.

Drilling is planned to target immediately below the best intersection to date (88m at 0.4 g/t Au from surface to end of hole) in the central part of the high temperature, gold and magnetic anomalies (Figures 4 and 5). This program is being supported by the NSW Government New Frontiers Co-operative Drilling Scheme. Land access formalities are being finalised.

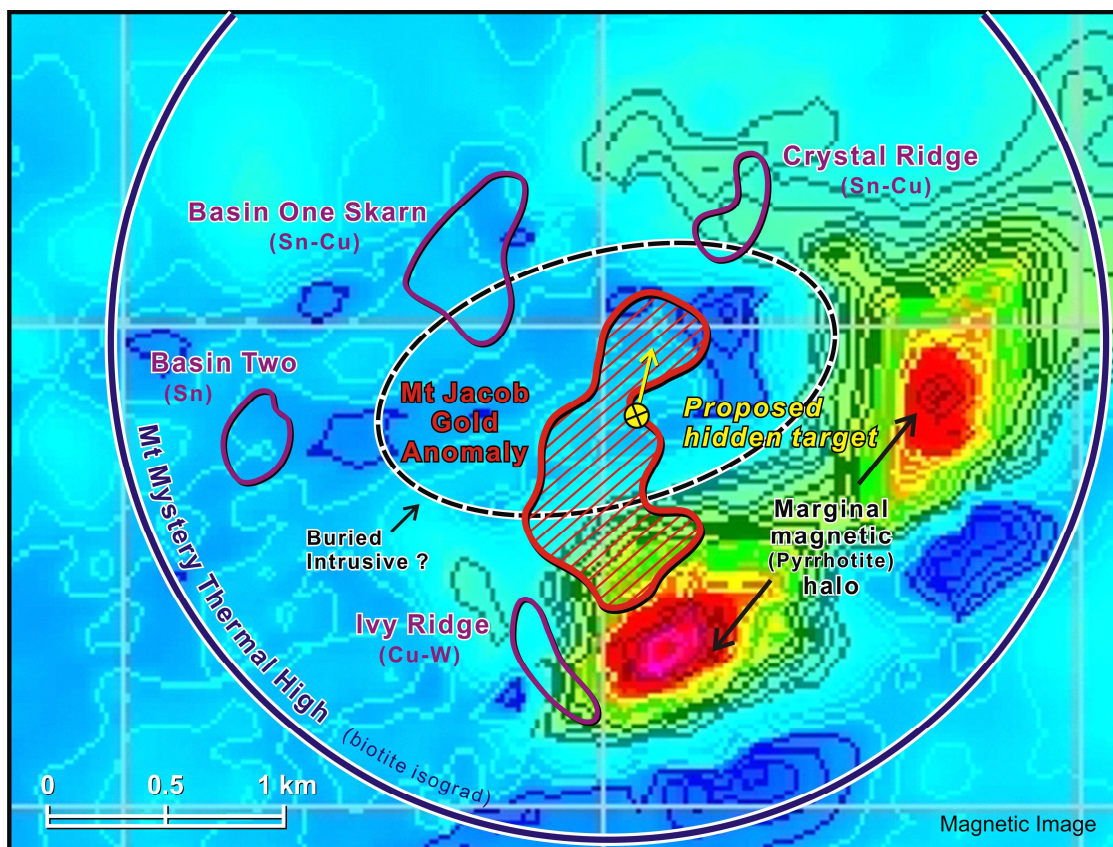


Figure 4: Mt Jacob plan view. The gold anomaly is up to 0.7 g/t Au in soil. The image is heliborne magnetics, showing a low (blue tones) over the inferred intrusion with a magnetic high halo (pink to yellow tones) to the east and south.

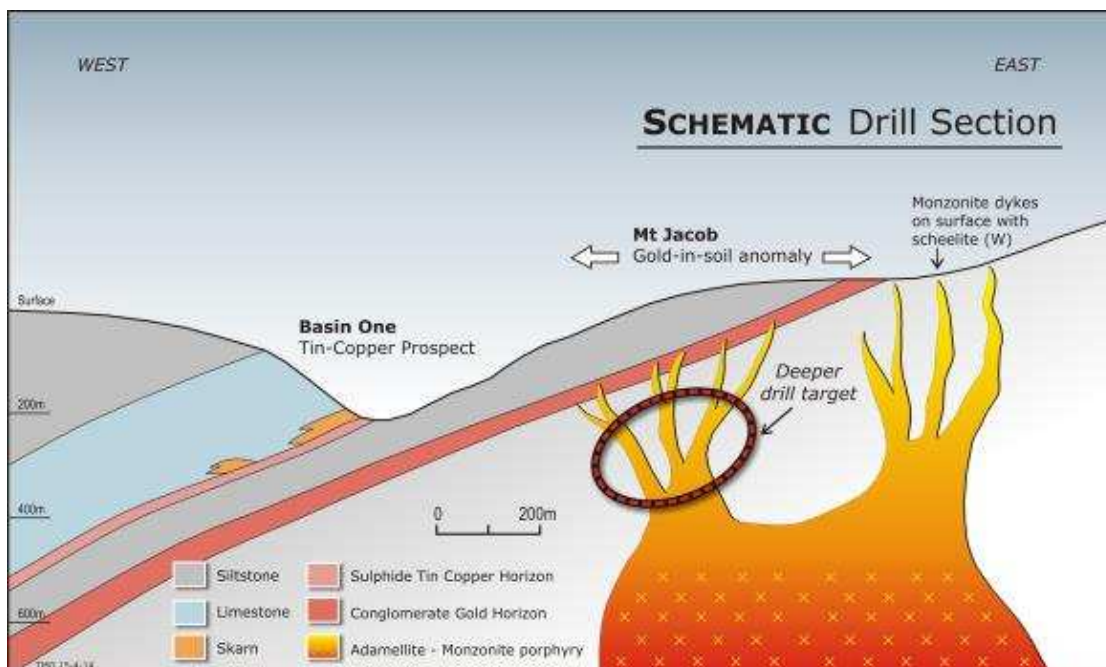


Figure 6: Schematic section showing a postulated shallow intrusion target below the Mt Jacob gold-soil anomaly and gold mineralised conglomerate horizon.

Co-operative Drilling Grants

The NSW Government announced Thomson Resources as one of the successful applicants of the “New Frontiers Co-operative Drilling program”. Three grants were awarded after rigorous examination of the proposals by government geologists. The grants are for up to half the direct drilling costs. Thomson was awarded grants for several of its prospects including Cuttaburra A, Cuttaburra B and Mt Jacob – all possible intrusion-related gold (IRG) systems.

Kidman Joint Venture

Kidman Resources (ASX:KDR) has had early success at the Browns Reef prospect, extending the known mineralisation by 650m (see ASX releases). This augurs well for the prospectivity of Thomson's adjacent tenements, being managed under joint venture by Kidman.

Tenement Holdings

Thomson continued its program of reducing land holdings to focus on priorities. One tenement was relinquished during the quarter – EL 6630, and one reduced. Thomson now manages exploration over 1,590 square km over 16 wholly owned tenements. Four additional tenements with Thomson interests are being managed by Kidman Resources (ASX:KDR).

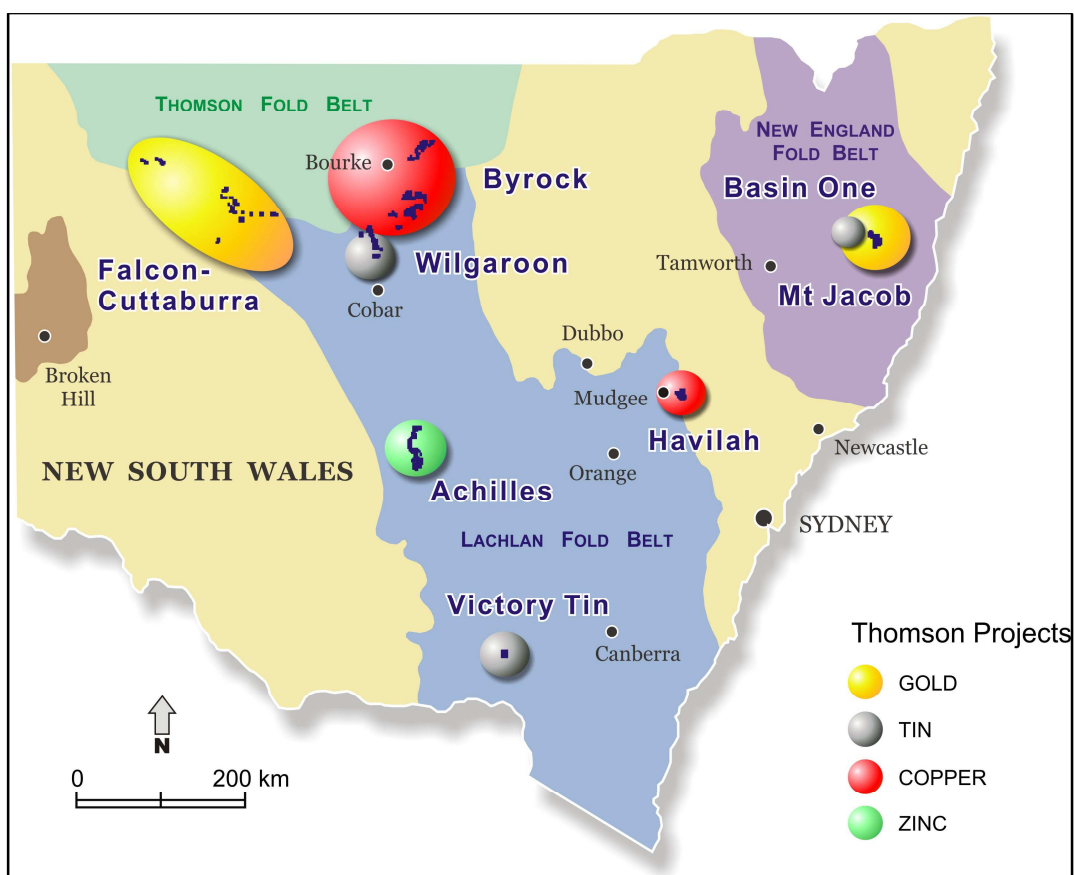


Figure 7: Thomson Projects in NSW. VTEM was flown at prospects in the Havilah, Byrock and Wilgaroon Projects.

Corporate

Exploration expenditure incurred during the quarter totalled \$164,000. Cash at the end of the quarter was \$467,000. Thomson Resources has no debt and has 73,027,701 shares on issue.

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.