

Quarter ending 30 June 2015

Quarterly Report



Highlights

- **New drilling confirms prospectivity of Bygoo North Tin prospect**
- **Exploration potential for a significant near surface tin deposit greatly enhanced**
- **High resolution ground EM identifies strong conductor near Byrock**
- **Target is consistent with Tritton-style copper VMS**
- **Tin-tungsten project applied for at Mt Paynter**

Bygoo Tin

During the quarter Thomson Resources acquired the Bygoo Project, an outstanding tin exploration project located near the Ardlethan Mine, NSW (see ASX release 13 April). Ardlethan is the biggest tin occurrence in NSW with recorded production of 25,000 tonnes of tin in concentrate from open cut and underground operations between 1964 and 1986.

Within the project area is the key prospect of Bygoo North on EL 8260 where historic mining is estimated to have produced around 26,000 tonnes of ore at an average grade of 1.0% tin from underground workings on three levels to a maximum depth of 30m.

Thomson completed an inaugural drill program at Bygoo North in June with excellent results announced (see TMZ ASX release of 23 June 2015). Examples include **13m at 1.0% Sn** from 66m (BNRC010), **5m at 1.3% Sn** from 130m (BNRC004) and **18m at 0.8% Sn** from 118m (BNRC003). The drilling confirmed the wide tin-bearing greisen zone intersected in 1977 drilling and discovered a new greisen position in the footwall of the main zone (Figure 1).

A new model of the greisen zones has been developed and a follow-up drill program is being designed to test this model. Follow-up drilling is designed to concentrate on the zones intersected in drill hole BNRC010 (Figures 1, 2). The southern limb of the new model is virtually untested and the Phase 2 holes are designed to confirm the model and the continuity of mineralisation. Drilling is expected to commence in mid-August.

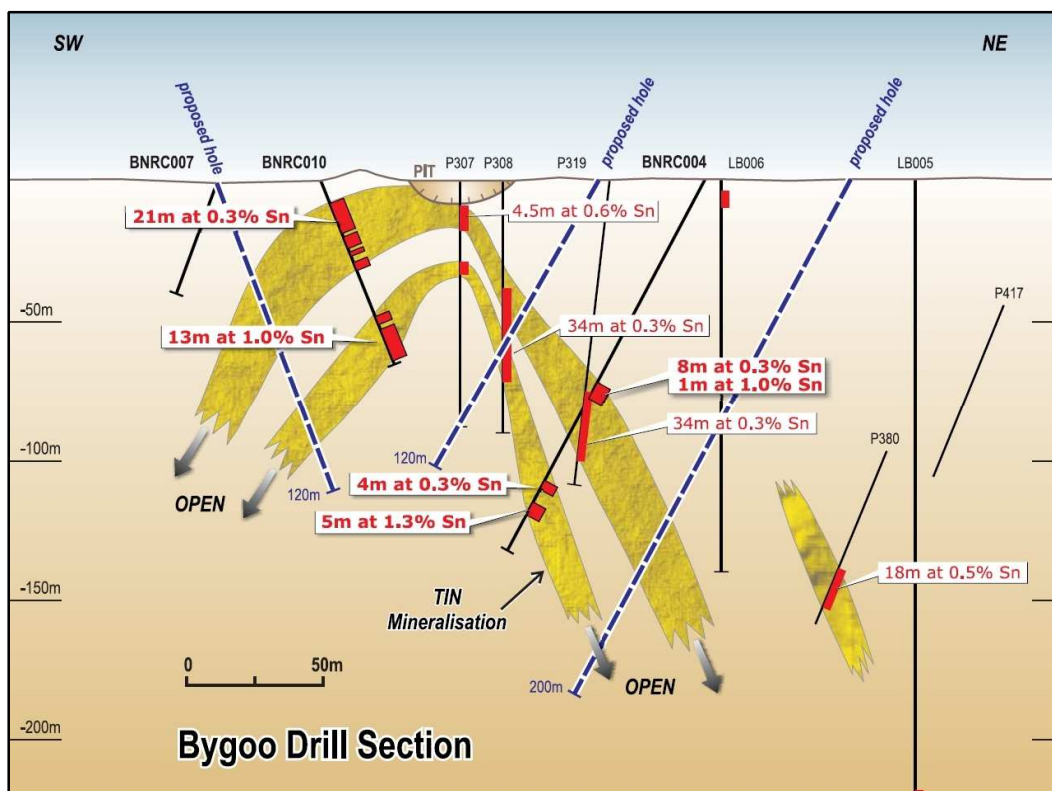


Figure 1: Section. Phase 2 drilling will target the southern limb of the model around BNRC010.

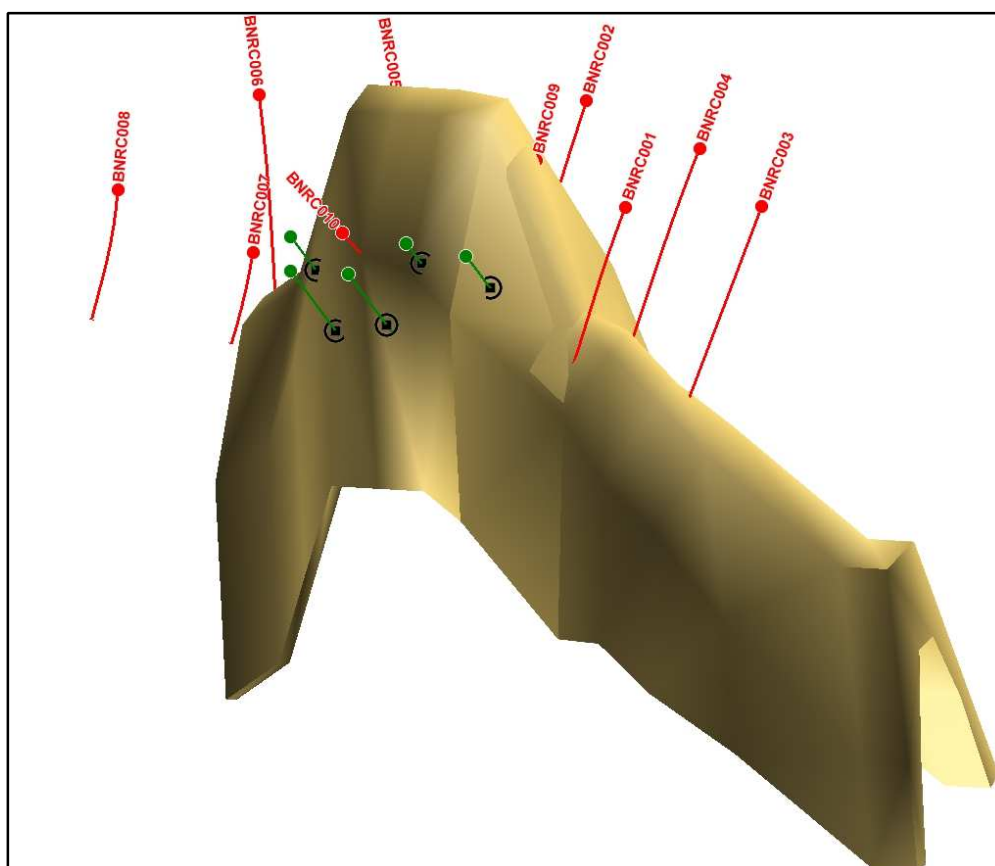


Figure 2: Bygoo North Model of Upper Greisen, oblique view from above on the south east side. Completed Phase 1 holes shown in red, Proposed Phase 2 holes shown in green. The Lower

Greisen is hidden underneath the Upper Greisen. The model strikes E-W and is 265m long, 160m wide and extends to a depth of 250m. A shallow pit, less than 10m deep, has been dug in the top part of the model, with underground workings to an estimated depth of 30m.

Byrock copper-zinc

Thomson Resources commissioned ground EM in early July over a number of prospects at the Byrock project. The strong VTEM anomaly at Wilga Downs on EL 8136 was confirmed by the ground based survey, with the new information adding higher resolution, greater depth penetration and new definition of the conductive response.

The anomaly and its geological setting are consistent with a Tritton-type volcanogenic massive sulphide (VMS) deposit: the Tritton copper mine, operated by Straits Resources, occurs in the same Ordovician age rock package 100km to the southeast. The top of the Tritton orebody is at about 180m below surface and it was discovered by a Ground EM survey in 1995.

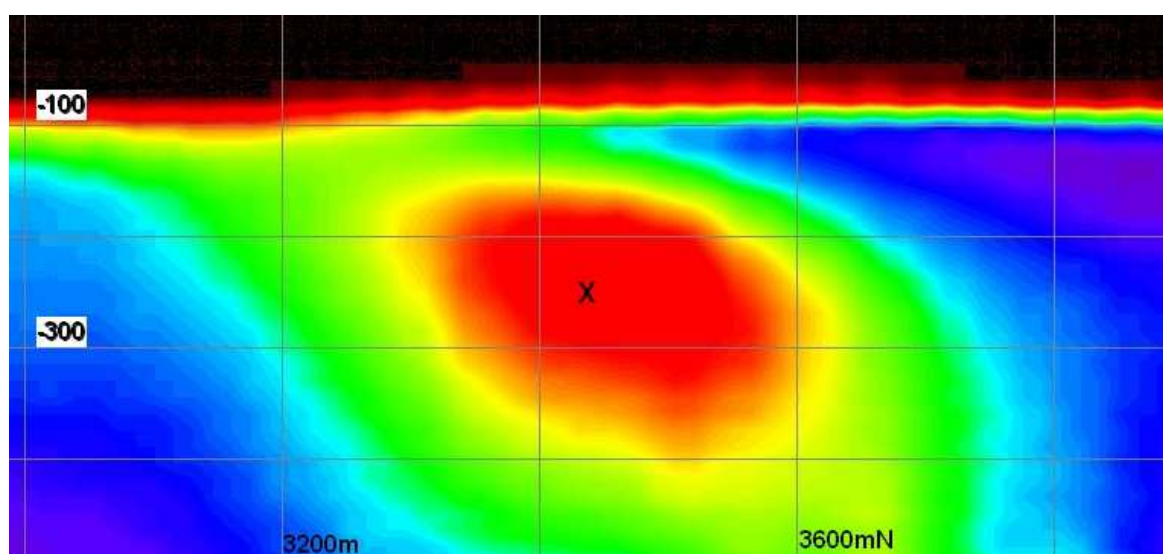


Figure 3: Wilga Downs EM anomaly. This is a conductivity-depth image showing a strong anomaly dipping to the right (north). The X marks the drill target - the centre of the strongest conductivity at about 250m below surface.

The closest previous drilling was by CRAE in 1978 and was collared 120m east of this anomaly. Hole 78WD01 was angled south, so it actually drilled away from the position of the new model. A drill test is being prepared and may occur at the same time as the upcoming second phase of drilling at the Bygoo tin project near Ardlethan. The new proposed hole will be angled to the northwest and is designed to intersect the strongest conductivity seen in the model (Figure 3).

Modelling work continues on other VTEM anomalies in the Byrock area, including the Kenilworth prospects on EL 7642, which were also surveyed in early July.

VTEM Copper – Zinc drill targets – Havilah (EL 7391)

Further ground EM to pinpoint drilling has been planned, with drilling to follow. The Havilah VTEM anomalies are hosted by Silurian age volcanic rocks. Like the Ordovician of the western Lachlan Belt, the Silurian rock sequence of the eastern Lachlan Belt also hosts important VMS deposits including Woodlawn and Captains Flat.

Mt Paynter Project: tin and tungsten

In April, Thomson lodged an exploration licence application (ELA 5181) over a significant tin-tungsten (Sn-W) exploration project at Mt Paynter in southern NSW (Figure 1). Mt. Paynter is located within the Lachlan Fold Belt within a similar geological setting to Thomson's Ardlethan project. The application is awaiting approval.

A small inferred JORC 2004 compliant resource was defined on the Main Lode in 2007. This comprises **245,000 tons grading 0.45% tungsten and 0.27% tin (1100 tons of tungsten and 660 tons of tin)**. This information was prepared and first disclosed under the JORC Code 2004. It has not been updated since to comply with the JORC Code 2012 on the basis that the information has not materially changed since it was last reported. Whilst the current resource is modest, there are good exploration prospects for additional mineralisation with potential to extend to the east and west as well as down dip. Further, there are several other veins in the area that have not been drill tested. Previous mining and exploration was mainly focused on tin, and there is evidence that tungsten bearing greisens may have been overlooked.

Gold target – Mt Jacob (EL 8256)

Ministerial consent was received for exploration over land where native title may exist. The access and environmental approval process is underway. The priority target here is gold in an Intrusion-Related Gold system (see Thomson's ASX Release of 7 September, 2014 for full details). However previous work has also discovered a substantial tin-copper skarn, which also requires further drilling (see Thomson's Quarterly Report dated December 2013 for a full description).

Kidman Joint Venture

Kidman Resources (ASX:KDR) continues to earn an 80% interest in the Achilles-Tooroonga joint venture. Kidman has identified several exploration anomalies on the joint venture tenements, which are adjacent to the Browns Reef zinc deposit.

Thomson Fold Belt

Thomson was awarded three drilling grants under the NSW Government's New Frontiers Cooperative Drilling Scheme including for drilling at its discoveries under cover at Cuttaburra A and Cuttaburra B on EL 6224 in the Thomson Fold Belt. However, the grants were not sufficiently attractive (\$25,550 and \$26,750 respectively) for Thomson to

commit to expensive deep drilling in this New Frontier area and the grants (not the ELs) have been allowed to expire. The Government has recently announced a revised scheme for the next round with up to 100% of drilling costs to be reimbursed and Thomson will resubmit these projects for additional funding later in the year.

Tenement Holdings

Thomson holds 932 square kilometres in ten 100%-owned, granted titles with an interest in an additional four titles covering 404 square kilometres in the Kidman joint venture.

Corporate

Exploration expenditure incurred during the quarter totalled \$103,000. Cash at the end of the quarter was \$183,000. A research and development refund of \$95,391 was received during the quarter. A joint venture contribution of \$54,055, relating to a farm-in on ELs 7642 and 8102, was also received. Thomson has no debt and had 81,027,701 shares on issue at end-June.

After the quarter end a further \$75,000 placement was made to a Malaysian private investor, with 3,750,000 shares issued.

Thomson also welcomes the recent strength in the tin price, with today's (29 July) LME tin price of \$US16,320 per ton equivalent to \$22,230 Australian dollars.

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 – Notes

This quarterly report contains commentary on exploration results and a JORC resource, the Tables for which are presented in previous Thomson Resources ASX releases of July 22nd (Ground EM at Wilga Downs); July 13th (Bygoo Tin Drilling results); May 27th (Mt Paynter JORC 2004 resource) and April 13th (Acquisition of Bygoo Tin project and historic drill results).

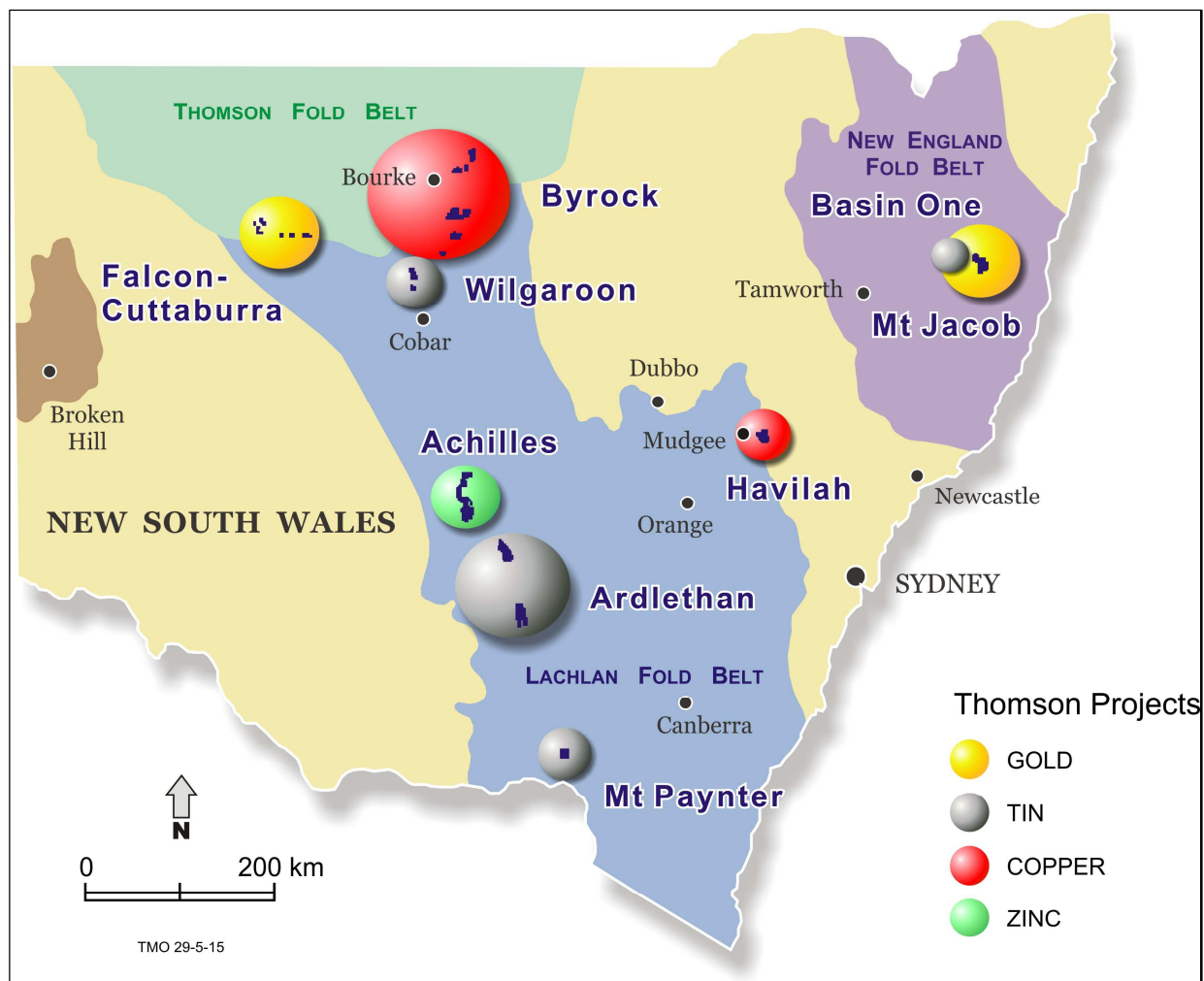


Figure 1: Thomson Projects in NSW