

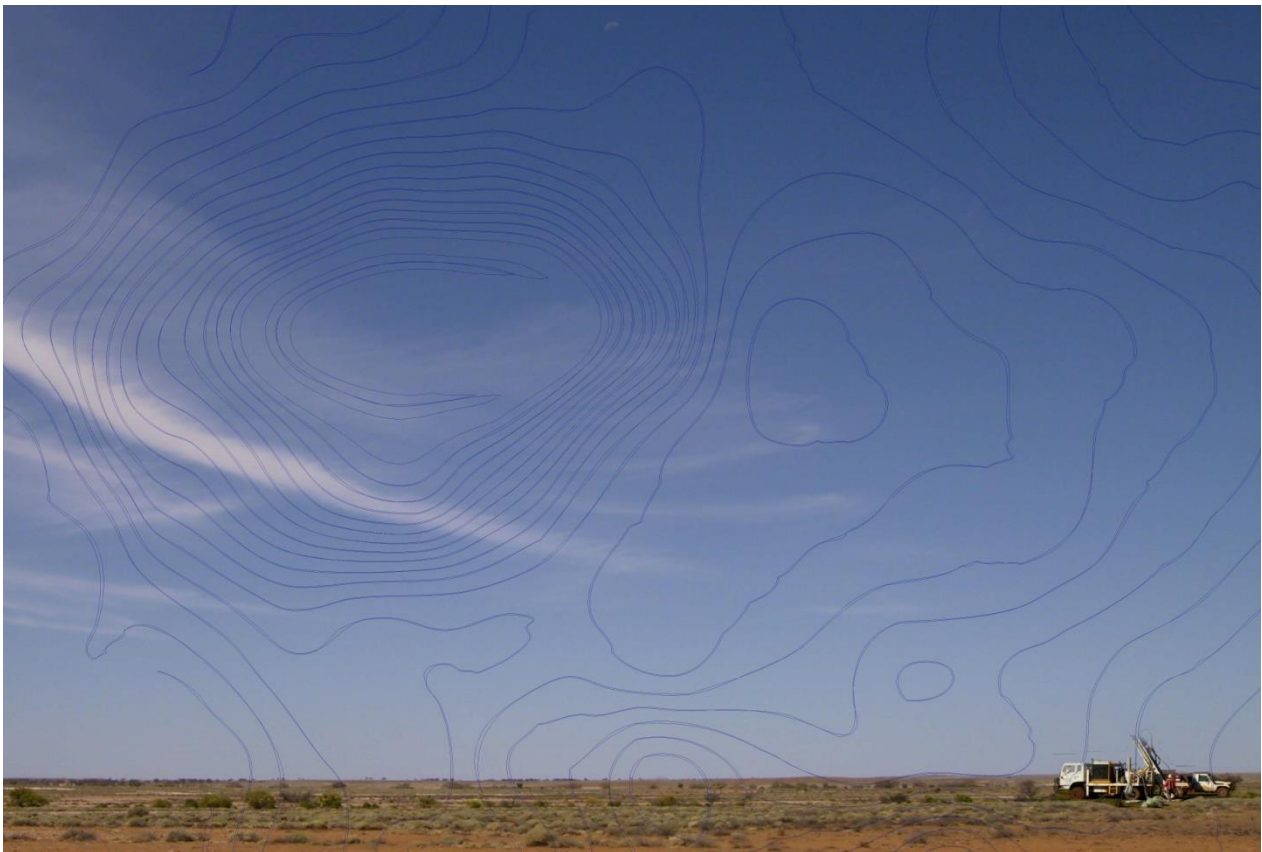
THOMSON RESOURCES LTD

ABN 82 138 358 728

HALF YEAR FINANCIAL REPORT
31 DECEMBER 2015

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Directors' Report

Your directors submit their report for Thomson Resources Ltd for the half year ended 31 December 2015.

Directors

The names of the Company's directors in office during the half year and until the date of this report are as below. Directors were in office for this entire period unless otherwise stated.

Lindsay Gilligan	Non-Executive Chairman
Eoin Rothery	Executive Director - CEO
Greg Jones	Non-Executive Director
Antonio Belperio	Non-Executive Director

Review and results of operations

The net results of operations after income tax expense for the half year was a loss of \$874,680 (2014: \$936,214).

Thomson Resources achieved exceptional drill results in two programs at its Bygoo Tin project in central NSW, Australia. The headline result of 35m at 2.1% Sn from 44m depth is a world class intersection; not matched in mainland Australia for many decades. The newly discovered greisen is a coarse quartz-topaz-cassiterite rock which has potential for easy processing and a clean concentrate. Follow up drilling is planned in the first quarter of 2016. Thomson also acquired a small tin-tungsten resource at Mt Paynter in southern NSW during the half year as well as farming out its copper-zinc VMS target near Mudgee to Silver Mines Ltd. Thomson retains its outstanding copper-zinc VMS target at Wilga Downs, with drilling planned for later in the year.

The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Eoin Rothery, (MSc, MAIG RPGeo), 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.

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 Lachlan and Thomson Fold Belt of NSW and the development of those resources into cash flow generating businesses.

Dividends

No dividends were paid or proposed during the period.

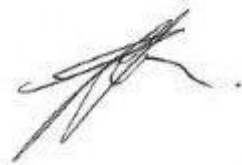
Significant events after the balance date

There were, at the date of this report, no matters or circumstances which have arisen since 31 December 2015 that have significantly affected or may significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group, in future financial years.

Auditor's independence declaration

A copy of the Auditor's Independence Declaration to the Directors as required under section 307C of the Corporations Act 2001 is set out on page 13.

Signed at Sydney this 10th day of March 2016 in accordance with a resolution of the directors.



Lindsay Gilligan
Chairman

Consolidated Statement of Comprehensive Income

For the half year ended 31 December 2015

	Note	31 Dec 2015 \$	31 Dec 2014 \$
Revenue	4	59,228	5,253
ASX and ASIC fees		(23,856)	(15,511)
Audit fees		(11,500)	(11,000)
Contract administration services		(45,677)	(49,687)
Depreciation expense		(3,176)	(5,559)
Employee costs (net of costs recharged to exploration projects)		(49,049)	(68,545)
Exploration expenditure expensed		(718,472)	(611,275)
Insurance costs		(6,511)	(7,290)
Rent		(14,400)	(14,400)
Share based payments		(36,150)	(53,505)
Other expenses from ordinary activities		(25,117)	(104,695)
Profit/ (loss) before income tax expense		(874,680)	(936,214)
Income tax expense		-	-
Profit/ (loss) after income tax expense		(874,680)	(936,214)
Other comprehensive income			
Other comprehensive income for the period, net of tax		-	-
Other comprehensive income/(loss) for the period		-	-
Total comprehensive income/(loss) for the period attributable to members of Thomson Resources Ltd		(874,680)	(936,214)
Basic gain/(loss) per share (cents per share)	8	(0.98)	(1.28)
Diluted gain/(loss) per share (cents per share)	8	(0.98)	(1.28)

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

Consolidated Statement of Financial Position

As at 31 December 2015

	Note	31 Dec 2015 \$	30 Jun 2015 \$
ASSETS			
Current assets			
Cash and cash equivalents	5	341,316	183,272
Receivables		9,380	151,505
Total current assets		350,696	334,777
Non-current assets			
Tenement security deposits	7	110,000	130,000
Property, plant and equipment		4,477	7,654
Deferred exploration and evaluation expenditure	6	1,638,568	2,049,257
Total non-current assets		1,753,045	2,186,911
Total assets		2,103,741	2,521,688
LIABILITIES			
Current liabilities			
Payables		35,425	49,864
Provisions		38,060	36,108
Total current liabilities		73,485	85,972
Non-current liabilities			
Provisions		25,967	23,852
Total non-current liabilities		25,967	23,852
Total liabilities		99,452	109,824
Net assets		2,004,289	2,411,864
EQUITY			
Contributed equity	9	7,823,783	7,392,828
Accumulated losses		(5,990,974)	(5,185,219)
Reserves	10	171,480	204,255
Total equity		2,004,289	2,411,864

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

Consolidated Statement of Changes in Equity



For the half year ended 31 December 2015

Note	Contributed equity \$	Accumulated losses \$	Reserves \$	Total equity \$
At 1 July 2014	7,192,725	(4,147,509)	425,055	3,470,271
Profit/(loss) for the period	-	(936,214)	-	(936,214)
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	-	(936,214)	-	(936,214)
Transactions with owners in their capacity as owners:				
Issue of share capital, net of transaction costs	-	-	-	-
Cost of share based payments taken directly to equity	-	-	53,505	53,505
Expired option value transferred to Accumulated Losses	-	86,640	(86,640)	-
At 31 December 2014	7,192,725	(4,997,083)	391,920	2,587,562

Note	Contributed equity \$	Accumulated losses \$	Reserves \$	Total equity \$
At 1 July 2015	7,392,828	(5,185,219)	204,255	2,411,864
Profit/(loss) for the period	-	(874,680)	-	(874,680)
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	-	(874,680)	-	(874,680)
Transactions with owners in their capacity as owners:				
Issue of share capital, net of transaction costs	430,955	-	-	430,955
Cost of share based payments taken directly to equity	-	-	36,150	36,150
Expired option value transferred to Accumulated Losses	-	68,925	(68,925)	-
At 31 December 2015	7,823,783	(5,990,974)	171,480	2,004,289

The Statement of Changes in Equity should be read in conjunction with the accompanying notes.

Consolidated Statement of Cash Flows

For the half year ended 31 December 2015

	31 Dec 2015	31 Dec 2014
Note	\$	\$
Cash flows from operating activities		
Payment to suppliers and employees	(178,942)	(176,200)
R&D tax concession offset	129,815	-
Interest received	420	6,522
Consulting fees received	58,808	82,500
Net cash flows (used in) operating activities	10,101	(87,178)
Cash flows from investing activities		
Expenditure on mining interests (exploration)	(272,425)	(284,941)
Tenement security deposits (paid)/recovered	20,000	90,000
Net cash flows (used in) investing activities	(252,425)	(194,941)
Cash flows from financing activities		
Proceeds from issue of shares	412,500	-
Equity raising expenses	(12,132)	-
Net cash flows from financing activities	400,368	-
Net increase (decrease) in cash held	158,044	(282,119)
Add opening cash brought forward	183,272	637,715
Closing cash carried forward	5 341,316	355,596

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

Notes to the Consolidated Financial Statements

For the half year ended 31 December 2015

1. Corporate information

The financial report of Thomson Resources Ltd (the Company) for the half year ended 31 December 2015 was authorised for issue in accordance with a resolution of the Directors on 10 March 2016. Thomson Resources Ltd (the Parent) is a company incorporated in Australia and limited by shares which are publicly traded on the Australian Securities Exchange using the ASX code TMZ.

The nature of the operations and principal activities of the Group are described in the Directors' Report.

2. Summary of significant accounting policies

The half year financial report does not include all notes of the type normally included within the annual financial report and therefore cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of the Group as the full financial report.

The half year financial report should be read in conjunction with the Annual Financial Report of TMZ as at 30 June 2015.

It is also recommended that the half year financial report be considered together with any public announcements made by TMZ during the half year ended 31 December 2015 in accordance with the continuous disclosure obligations arising under the *Corporations Act 2001*.

Basis of preparation

The half year financial report is a general purpose financial report, which has been prepared in accordance with the requirements of the *Corporations Act 2001*, applicable Accounting Standards, including AASB 134 Interim Financial Reporting and other mandatory professional reporting requirements. The half year financial report has been prepared on a historical cost basis.

For the purpose of preparing the half year financial report, the half year has been treated as a discrete report period.

Significant accounting policies

The half year financial statements have been prepared using the same accounting policies as used in the annual financial statements for the year ended 30 June 2015.

Management has reviewed and assessed the new accounting standards effective 1 July 2015 and these have been deemed to be not applicable to the Group.

Fair value measurement

The carrying amounts of the Group's assets and liabilities are a reasonable approximation of their fair values. The only exception to this is the carrying amount of deferred exploration and evaluation expenditure which is estimated to be not in excess of its fair value.

Basis of consolidation

The half year consolidated financial statements comprise the financial statements of Thomson Resources Ltd and its subsidiaries (the Group). The financial statements of the subsidiaries are prepared for the same reporting period as the parent company, using consistent accounting policies. All inter-company balances and transactions, including unrealised profits arising from intra-group transactions, have been eliminated in full. The subsidiaries are consolidated from the date on which control is transferred to the Group and cease to be consolidated from the date on which control is transferred out of the Group.

Going concern

The financial report has been prepared on the going concern basis, which assumes continuity of normal business activities and the realisation of assets and the settlement of liabilities in the ordinary course of business. The Directors are investigating options to raise additional funds to meet the Group's minimum project development and administrative expenses in the next twelve months following the date of signing of the financial report. The Directors believe that, subject to the ability to raise the required additional funds and the continued reduction in operating costs, the Group will have sufficient working capital to enable the Group to continue as a going concern.

If all of these options are unsuccessful, this may indicate there is a material uncertainty that may cast significant doubt on the Group's ability to continue as a going concern.

Notes to the Consolidated Financial Statements

For the half year ended 31 December 2015

3. Financial report by segment

The operating segments identified by management are as follows:

- (a) 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 6 of the Half Year 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 6 of the Half Year Report.

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 Group's accounting policy for reporting segments is consistent with that disclosed in Note 2.

4. Revenue

	31 Dec 2015 \$	31 Dec 2014 \$
Consulting and JV income	58,808	-
Interest received	420	5,253
	59,228	5,253

5. Cash and cash equivalents

	31 Dec 2015 \$	30 Jun 2015 \$
Cash at bank and on hand	340,365	183,272
Money market securities – bank deposits	951	-
	341,316	183,272

6. Deferred exploration and evaluation expenditure

	31 Dec 2015 \$	30 Jun 2015 \$
Costs brought forward	2,049,257	2,510,636
Costs incurred during the period	307,783	516,867
Acquisition costs of tenements	-	144,000
Expenditure written off during the period	(718,472)	(1,122,246)
Costs carried forward	1,638,568	2,049,257

7. Contingent assets and liabilities

The Group has provided guarantees totalling \$110,000 (30 June 2015: \$130,000) in respect of exploration tenements. These guarantees in respect of mining tenements are secured against term deposits with a banking institution and cash held by the NSW Department of Industry – Resources and Energy. The Company does not expect to incur any material liability in respect of the guarantees.

Notes to the Consolidated Financial Statements

For the half year ended 31 December 2015

8. Earnings per share

	31 Dec 2015	31 Dec 2014
	\$	\$
Net profit/(loss) used in calculating basic and diluted gain/(loss) per share	(874,680)	(936,214)
	Number	Number
Weighted average number of ordinary shares outstanding during the year used in calculation of basic EPS	89,291,529	73,027,701
	Cents per share	Cents per share
Basic earnings (loss) per share (cents per share)	(0.98)	(1.28)
Diluted earnings (loss) per share (cents per share)	(0.98)	(1.28)

9. Contributed equity

	31 Dec 2015	30 Jun 2015
	\$	\$
Share capital		
95,303,306 fully paid ordinary shares (30 June 2015: 84,144,506) Fully paid ordinary shares carry one vote per share and carry the right to dividends.	8,562,543	8,117,103
Share issue costs	(738,760)	(724,275)
	7,823,783	7,392,828

	Number	\$
Movements in ordinary shares on issue		
At 31 December 2014	73,027,701	7,917,000
Shares issued (i)	8,000,000	144,000
Shares issued (ii)	3,116,805	56,103
At 30 June 2015	84,144,506	8,117,103
Shares issued (iii)	3,750,000	75,000
Shares issued (iv)	2,900,000	145,000
Shares issued (v)	658,800	32,940
Shares issued (vi)	3,850,000	192,500
At 31 December 2015	95,303,306	8,562,543

- (i) The Company issued 8,000,000 shares at \$0.018 in April 2015 as part consideration for the purchase of Riverston Tin Pty Ltd.
- (ii) The Company issued 3,116,805 shares at \$0.018 in June 2015 to a creditor as settlement for services provided.
- (iii) The Company issued 3,750,000 shares at \$0.02 in July 2015 in a placement.
- (iv) The Company issued 2,900,000 shares at \$0.05 in November 2015 in a placement.
- (v) The Company issued 658,800 shares at \$0.05 in December 2015 to a creditor as settlement for services provided.
- (vi) The Company issued 3,850,000 shares at \$0.05 in December 2015 under a Share Purchase Plan.

In addition, 8,400,000 options are on issue under Share based payments (Note: 10).

Notes to the Consolidated Financial Statements

For the half year ended 31 December 2015

10. Reserves (share based payments)

		Number	\$
Movements in share based payments			
At 31 December 2014			
Options expired	(i)	(3,000,000)	(187,665)
		8,050,000	204,255
At 30 June 2015			
Options expired	(ii)	(750,000)	(8,925)
Options cancelled	(iii)	(400,000)	(60,000)
Options issued	(iv)	1,500,000	36,150
		8,400,000	171,480

- (i) 1,650,000 options expired on 19 February 2015 and 1,350,000 options expired on 5 May 2015.
- (ii) 750,000 options expired on 31 July 2015.
- (iii) 400,000 options were cancelled on 18 August 2015.
- (iv) 1,500,000 options were issued to the Managing Director with an exercise price of \$0.06 and expiry date of 24 November 2015.

11. Events after the balance sheet date

There were, at the date of this report, no matters or circumstances which have arisen since 31 December 2015 that have significantly affected or may significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group, in future financial years.

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 Group are in accordance with the *Corporations Act 2001*, including:
 - (i) Giving a true and fair view of the Group's financial position as at 31 December 2015 and the performance for the half year ended on that date; and
 - (ii) Complying with Accounting Standard AASB 134 "Interim Financial Reporting" and the Corporations Regulations 2001; and
- (b) There are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable.

On behalf of the Board

A handwritten signature in black ink, appearing to read "Lindsay Gilligan".

Lindsay Gilligan
Chairman

Sydney, 10 March 2016

Independent Auditor's Review Report

bdjpartners

CHARTERED ACCOUNTANTS

Independent Auditor's Review Report

partnersA J Dowell CA
M Galouzis CA
A N Fraser CA
G W Cliffe CA
B Kolevski CPA (Affiliate ICAA)**associate**

M A Nakkani CA

consultant

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To the members of Thomson Resources Limited

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Thomson Resources Limited and controlled entities (the consolidated entity), which comprises the consolidated statement of financial position as at 31 December 2015, the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Directors' Responsibility for the Half-Year Financial Report

The directors of Thomson Resources Limited (the company) are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the consolidated entity's financial position as at 31 December 2015 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting and the Corporations Regulations 2001*. As the auditor of Thomson Resources Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

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CHARTERED ACCOUNTANTS
AUSTRALIA • NEW ZEALAND
TAX PRACTITIONERS BOARD
REGISTERED
Tax agent
36730000

Independent Auditor's Review Report

Independence

In conducting our review, 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.

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Thomson Resources Limited and controlled entities is not in accordance with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the consolidated entity's financial position as at 31 December 2015 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting and Corporations Regulations 2001*.

Going Concern

Without modifying our opinion, we draw attention to Note 2 "Going concern" which describes the directors' assessment of the going concern assumption. There is some doubt about the success of future capital raisings which could indicate the existence of material uncertainty that may cast significant doubt about the consolidated entity's ability to continue as a going concern and therefore the consolidated entity may be unable to realise its assets and discharge its liabilities in the normal course of business.

BDJ Partners
Chartered Accountants



.....
Gregory W Cliffe
Partner

10 March 2016

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Auditor's Independence Declaration



partners

A J Dowell CA
M Galouzis CA
A N Fraser CA
G W Cliffe CA
B Kolevski CPA (Affiliate ICAA)

associate

M A Nakkan CA

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Auditor's Independence Declaration under Section 307C of the Corporations Act 2001 to the Directors of Thomson Resources Limited and Controlled Entities

I declare that, to the best of my knowledge and belief during the half year ended 31 December 2015 there have been:

- a. no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the review; and
- b. no contraventions of any applicable code of professional conduct in relation to the review.

BDJ Partners
Chartered Accountants



.....
Gregory W Cliffe
Partner

3 March 2016

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Corporate Directory

Thomson Resources Ltd

ABN 82 138 358 728

Directors

Lindsay Gilligan	Non-Executive Chairman
Eoin Rothery	Executive Director - CEO
Gregory Jones	Non-Executive Director
Antonio Belperio	Non-Executive Director

Company Secretary

Ivo Polovineo

Registered and Administration Office

Level 1, 80 Chandos Street
St Leonards, NSW 2065
PO Box 956, Crows Nest, NSW 1585
Telephone: 02 9906 6225
Facsimile: 02 9906 5233
Website: www.thomsonresources.com.au
E-mail: tmo@thomsonresources.com.au

Share Registry

Boardroom Pty Limited
GPO Box 3993
Sydney, NSW 2001
Telephone: +61 2 9290 9600
Email: enquiries@boardroomlimited.com.au
Website: www.boardroomlimited.com.au

Auditors

BDJ Partners

Bankers

Macquarie Bank
BankWest
Commonwealth Bank of Australia

Stock Exchange Listing

Listed on Australian Securities Exchange Limited
ASX Code: TMZ