



Tennant Creek
GOLD LIMITED

THOR MINING PLC ANNOUNCES SIGNIFICANT UPGRADE

25 January 2006

The Directors are pleased to inform shareholders of the significant announcement made by Thor Mining PLC (Thor), a company in which Tennant Creek Gold hold 24.8% of the share capital. Thor is listed on the AIM market of the London Stock exchange.

The full release is attached.

Yours faithfully

TENNANT CREEK GOLD LIMITED

A handwritten signature in black ink, appearing to read 'N Biddle'.

NEIL BIDDLE
Managing Director

THOR MINING REPORTS SIGNIFICANT INCREASE IN MOLYHIL TUNGSTEN-MOLYBDENUM RESOURCE

- **Molyhil global JORC Resource significantly increased to 2.4 million tonnes at 0.80% combined Tungsten (WO₃ – Tungsten Oxide) and Molybdenum (MoS₂ – Molybdenum Sulphide) after completion of successful 2005 bulk sampling programmes**
- **Resource grades increased by over 50% from that of the previous Indicated Resource, which was estimated from drilling data alone**
- **Global Resource now contains 6,200 tonnes MoS₂ and 13,000 tonnes WO₃ representing an increase of 66% and 104% respectively**
- **Molyhil deposit remains open at depth with potential to increase resources with deeper drilling**
- **Current prices for molybdenum and tungsten remain high**
- **Studies advancing for a 300,000 tonnes per annum mining operation with a minimum five year mine life**

Thor Mining ("Thor" or the "Company") (AIM THR), the AIM quoted Tungsten and Molybdenum developer focused on Australia, today announces an updated JORC compliant resource for its principal **Molyhil Project** following the successful underground mining and bulk sampling programmes carried out last year.

The updated resource estimate has increased significantly to **2.4 million tonnes at 0.8% combined WO₃ and MoS₂** representing a 50% increase in resource grade from the previously announced resource estimate.

Thor Mining's Executive Chairman, Mr John W. Barr said the updated resource estimate represented a significant result, confirming the Directors' view that the previous resource, which was based on drilling data only, underestimated the true head grade of the Molyhil resource.

"Bulk sample assay results have consistently demonstrated significantly higher grades than equivalent drill hole sections from previous exploration and have confirmed a consistent pattern of high-grade mineralisation within the magnetite-rich skarn at Molyhil", Mr Barr commented. "Data from the bulk sampling programme has also enabled the resource to be upgraded to Measured, Indicated and Inferred status".

"Our focus now is to move aggressively forward to complete the scoping studies already underway on development of a 300,00tpa mining operation with a minimum 5 year mine life in order to take advantage of current strong market prices for both tungsten and molybdenum. These studies are scheduled for completion in the March 2006 Quarter".

The Molyhil deposit remains open at depth and has been interpreted from geophysical data to extend to 400-500 meters vertical depth or at least 250 meters below the current resource zone. The potential exists to increase the Molyhil resource with deeper drilling which is proposed to occur later in the year.

THOR

MINING PLC

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■ DETAILED REPORT – MOLYHIL RESOURCE UPDATE

The Molyhil Tungsten-Molybdenum Project is located 220km north east of Alice Springs within the prospective polymetallic province of the Proterozoic Eastern Arunta Block of the Northern Territory of Australia.

Independent geological consultant, Continental Resource Management Pty Ltd (CRM) has completed an updated estimation of the resources at the Molyhil Project in accordance with 2004 JORC guidelines. The resource update was based on the results of a comprehensive underground trial mining and bulk sampling programme (including the sinking of three shafts into the deposit) completed during the second half of 2005 to evaluate the true head grade and mineralogical characteristics of the deposit.

The Molyhil deposit consists of two adjacent outcropping iron-rich skarn bodies that contain scheelite and molybdenite mineralisation. The mineralisation is coarse-grained and its distribution is irregular. CRM used information from the recent bulk sampling programmes to update its December 2004 resource estimation.

The updated 2006 Global Uncut Mineral Resource is presented below:

UNCUT				
	Tonnes	WO ₃ %	MoS ₂ %	Combined %
Measured	370,000	0.52	0.32	0.85
Indicated	1,750,000	0.52	0.26	0.77
Inferred	250,000	0.7	0.2	0.9
TOTAL	2,380,000	0.54	0.26	0.80

Note: Totals may differ from sum of individual items due to rounding

The resource with a lower block cut of 0.10% Mo-equivalent is estimated as set out in the table below (Mo-equivalent is Mo% plus 0.25W%):

0.10% LOWER BLOCK CUT				
	Tonnes	WO ₃ %	MoS ₂ %	Combined %
Measured	340,000	0.57	0.35	0.92
Indicated	1,200,000	0.70	0.34	1.04
Inferred	150,000	1.1	0.3	1.4
TOTAL	1,730,000	0.70	0.34	1.04

Note: Totals may differ from sum of individual items due to rounding

This resource has only been estimated to a depth of 150m (RL 250m). The Measured Resource is estimated to a depth of 45m (RL 355m).

The Molyhil Project previously had an Indicated Resource of 1,530,000 tonnes at 0.32% WO₃ and 0.19% MoS₂ (combined grade 0.52%) and an Inferred Resource of 500,000 tonnes at 0.25% WO₃ and 0.15% MoS₂ (combined grade 0.4%).

The 2005 underground exploration programme included the sinking of three shafts and cross cuts at the base of each shaft to extract bulk samples from the deposit. The samples from all cross-cuts were assayed at Australian Laboratory Services in Perth. In addition, surface bulk sampling data from three costeans were utilised.

Details of the methodology are set out in Appendix 1.

Preliminary mine designs and planning will now commence.

It is also planned to rapidly continue the scoping studies due to be completed in the March quarter.

■ CONCLUSION

With currently strong prices for both molybdenum and tungsten given high levels of demand in end-use sectors, including iron and stainless steel making, specialty metals and alloys, Thor Mining is aggressively pursuing completion of the previously announced scoping studies.

23 January 2006

The information in this report that relates to Mineral Resources is based on information compiled by John Baxter of Continental Resource Management Pty Ltd. John Baxter 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'. John Baxter consents to the inclusion in the report of the matters based on his information in the form and context in which they appear.

APPENDIX 1 – RESOURCE METHODOLOGY

The resources were estimated by geostatistical interpolation using the inverse distance squared method. Block sizes were 5m x 5m x 5m for the Southern body and 15m x 5m x 5m for the Yacht Club body. The resources were estimated within wireframes, constructed to contain the significant bodies of iron-rich skarn. The bulk sampling programmes demonstrated that the previous drill samples significantly underestimated the grade of the deposit. Consequently, the grades of those parts of the deposit that were estimated solely from drill analyses have been adjusted to account for this underestimation.

NOTES TO EDITORS

Thor is a mineral exploration and development company with resource assets in the Northern Territory of Australia.

■ KEY PROJECTS

Molyhil

The principle project of the Company is the Molyhill Tungsten-Molybdenum Project. Molyhil is located 220 kilometres north east of Alice Springs within the prospective polymetallic province of the Proterozoic Eastern Arunta Block, Northern Territory.

Thor has undertaken shaft sinking and detailed bulk sampling to evaluate the head grade and mineralogical characteristics of the Molyhil deposit. The results have been utilised to update the JORC Code compliant resource and provide the resource to underpin a feasibility study on development of the Project during 2006.

Thring Creek

The Thring Creek aeromagnetic anomaly is situated approximately 24 kilometres east of the Molyhil deposit and represents magnetite bearing rocks with similar response to the Molyhil deposit. An exploration programme commenced in 2005 with a detailed low-level aeromagnetic survey. This will be followed by a drilling programme in early 2006.

Hatches Creek

Hatches Creek is comprised of a group of three mineral tenements located in the central portion of the Northern Territory covering an area of 815km². The project comprises of one granted exploration licence and two exploration licence applications. Thor intends to explore for wolframite, a tungsten mineral, gold and copper within the Hatches Creek tenements.
