

Mithril expands Kalgoorlie nickel landholding

- Mithril now has over 500km² of 100%-owned nickel prospective ground along strike from previously mined high-grade nickel sulphide mineralisation at the Silver Swan and Scotia deposits
- Tenements contain prospective rock types and will be explored in conjunction with ongoing exploration at the Kurnalpi Nickel Cobalt Prospect

Mithril Resources Ltd (ASX: MTH) is pleased to advise that it has significantly expanded the size of its Kalgoorlie District nickel – prospective landholding to over 500km² with the application for two new tenements (EL's 29/1042 and 1043 - *Figure 1*).

Together with Mithril's adjacent (granted) Lignum Dam Project tenements, the Company's tenure covers over 50 kilometres of prospective ultramafic rocks along strike from previously mined high-grade nickel sulphide mineralisation at the Silver Swan and Scotia nickel deposits.

The tenements remain relatively unexplored with the main historic activity being shallow RAB / aircore drilling on wide-spaced regional traverses.

This drilling identified several areas of elevated nickel confirming the presence of prospective rock types (i.e. ultramafic) that will require follow-up (*Figure 2*).

Commenting on the announcement, Mithril's Managing Director Mr David Hutton said;

"Exploration on the expanded landholding will be undertaken in conjunction with ongoing work at the Kurnalpi Nickel-Cobalt Prospect where the Company has just confirmed the presence of nickel sulphides for the first time."

"With demand for nickel increasing, we are very pleased to have secured a large landholding covering poorly explored nickel-prospective rock types within a known nickel mineralised area and close to existing infrastructure".

Target generation activities have commenced and the Company looks forward to updating the market as new targets come to light.

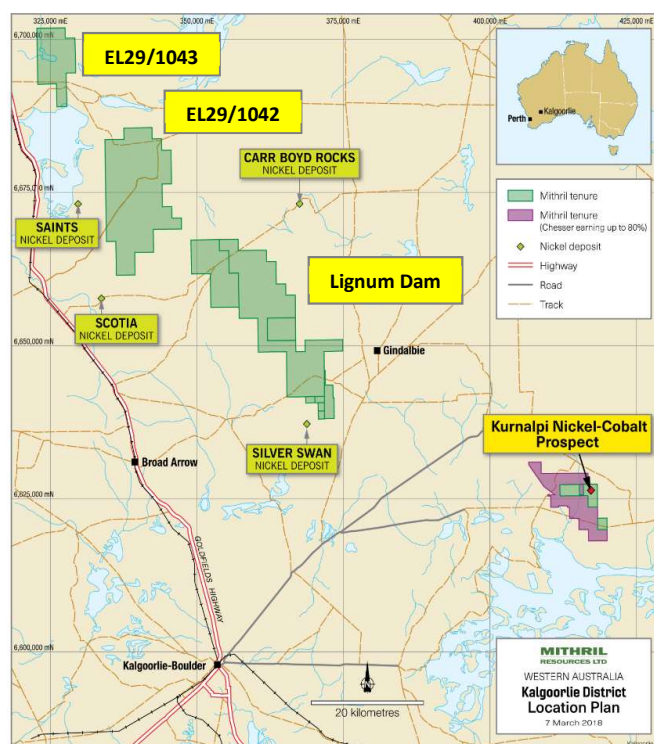


Figure 1: Project Location Plan

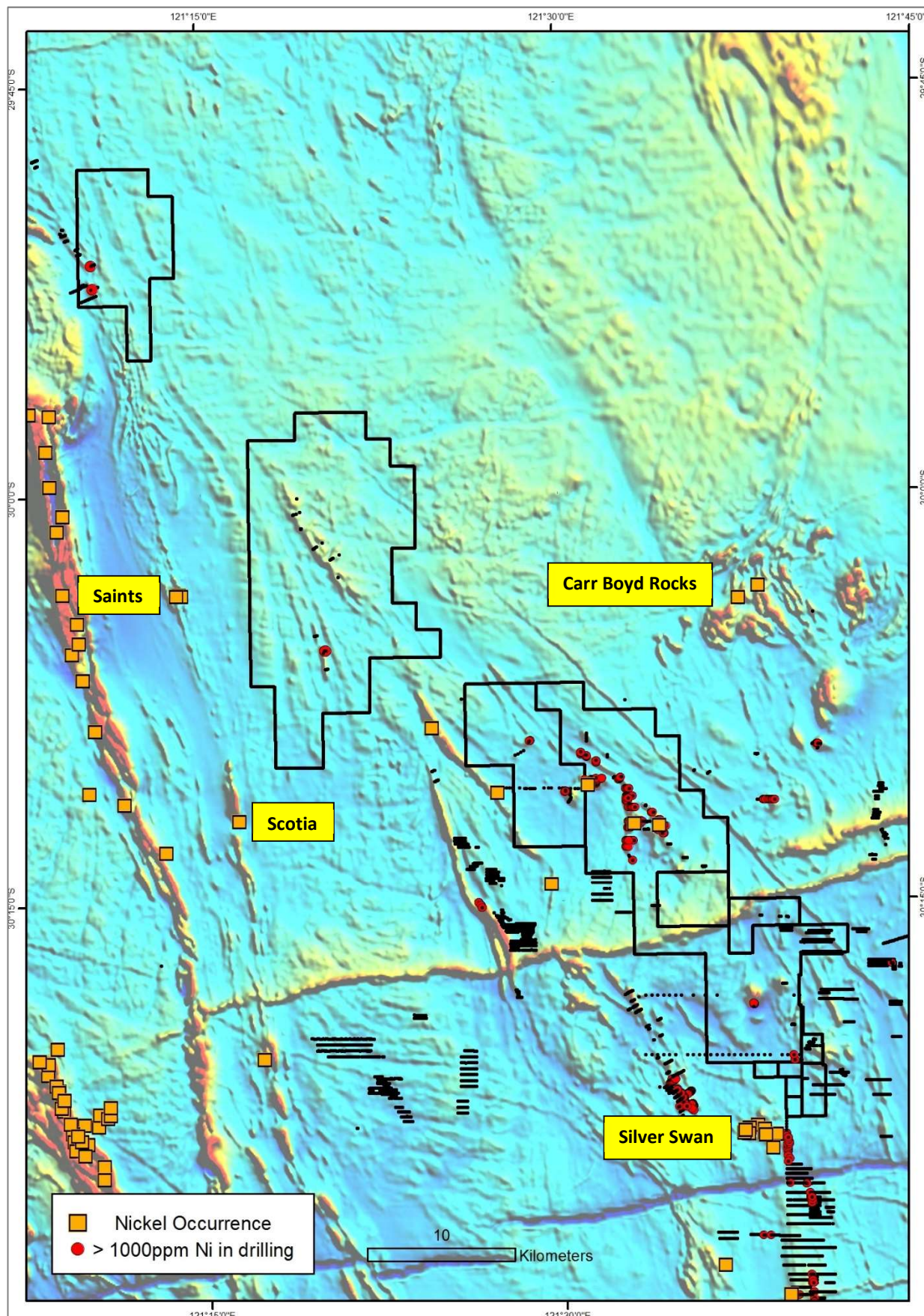


Figure 2: Kalgoorlie Nickel Project tenements, showing all drilling and nickel occurrences on background magnetic image. Ultramafic rocks show up as prominent linear magnetic trends and typically contain >1,000ppm nickel in drilling assays as shown.

JORC Code, 2012 Edition - TABLE 1 (Section 1: Sampling Techniques and Data)

Criteria	JORC Code explanation	Commentary
Sampling techniques	<i>Nature and quality of sampling (e.g. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc.). These examples should not be taken as limiting the broad meaning of sampling.</i>	RAB / Aircore and Reverse Circulation drilling has been undertaken across the tenements by a range of companies throughout the period 1980's to the early 2000's Drill samples were typically collected as composite samples (up to 4 metres) from the drill spoils laid out on the ground. Sample sizes were approximately 2-3kg in weight.
	<i>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</i>	Each drill hole location (easting and northing) was collected by a handheld GPS. Mithril Resources understands that drill hole specifications and details of lithologies and sampling were completed for every metre, or as necessary, for each drill hole.
	<i>Aspects of the determination of mineralisation that are Material to the Public Report.</i>	As the work is largely historic details of how mineralisation was determined is largely unknown.
Drilling techniques	<i>Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc.) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc.).</i>	Details of the RAB, aircore and RC drill rigs are unknown. The drilling methods produces chip samples (i.e. non-core).
Drill sample recovery	<i>Method of recording and assessing core and chip sample recoveries and results assessed.</i>	The results reported in this Report are historical and as such these details are unknown.
	<i>Measures taken to maximise sample recovery and ensure representative nature of the samples.</i>	The results reported in this Report are historical and as such these details are unknown.
	<i>Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.</i>	No relationship has been identified.
Logging	<i>Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.</i>	While drill chip samples have been geologically logged, they have not been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.
	<i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc.) photography</i>	Logging of drill samples is of a qualitative nature.
	<i>The total length and percentage of the relevant intersections logged.</i>	The results reported in this Report are historical and as such these details are unknown.
Sub-sampling techniques and sample preparation	<i>If core, whether cut or sawn and whether quarter, half or all core taken.</i>	Not Applicable as the drilling method produces chip samples (i.e. non-core).
	<i>If non-core, whether riffled, tube sampled, rotary split, etc. and whether sampled wet or dry.</i>	The results reported in this Report are historical and as such these details are unknown.
	<i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i>	The results reported in this Report are historical and as such these details are unknown.
	<i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i>	The results reported in this Report are historical and as such these details are unknown.
	<i>Measures taken to ensure that the sampling is representative of the in-situ material collected, including for instance results for field duplicate/second-half sampling.</i>	The results reported in this Report are historical and as such these details are unknown.
	<i>Whether sample sizes are appropriate to the grain size of the material being sampled</i>	The results reported in this Report are historical and as such these details are unknown.

Criteria	JORC Code explanation	Commentary
Quality of assay data and laboratory tests	<i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i>	The results reported in this Report are historical and as such these details are unknown.
	<i>For geophysical tools, spectrometers, handheld XRF instruments, etc., the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.</i>	The results reported in this Report are historical and as such these details are unknown.
	<i>Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.</i>	The results reported in this Report are historical and as such these details are unknown.
Verification of sampling and assaying	<i>The verification of significant intersections by either independent or alternative company personnel.</i>	Significant intersections were verified by the Geology Manager and Managing Director.
	<i>The use of twinned holes.</i>	No twin holes were drilled.
	<i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i>	All information used in the preparation of this Report has been sourced from publicly available Annual Technical Reports available from the WA Mines Department.
	<i>Discuss any adjustment to assay data</i>	There was no adjustment to assay data
Location of data points	<i>Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.</i>	All information used in the preparation of this Report has been sourced from publicly available Annual Technical Reports available from the WA Mines Department. Mithril has located a number of the historic holes in the field and is satisfied as to the accuracy of the drill holes reported locations.
	<i>Specification of the grid system used.</i>	Data points have been quoted in this Report using the MGA Zone 51 (GDA94) coordinate system.
	<i>Quality and adequacy of topographic control.</i>	Level of topographic control offered by the handheld GPS was considered sufficient for the work undertaken.
Data spacing and distribution	<i>Data spacing for reporting of Exploration Results.</i>	The results reported in this Report are historical and as such these details are unknown.
	<i>Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.</i>	The data spacing and distribution is not sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s).
	<i>Whether sample compositing has been applied.</i>	Sample compositing was employed (typically up to 4 metre intervals) depending on the geology and depth of hole.
Orientation of data in relation to geological structure	<i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</i>	Aircore and RC samples are unable to be orientated and do not provide structural information.
	<i>If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.</i>	No orientation-based sampling bias has been identified.
Sample security	<i>The measures taken to ensure sample security.</i>	The results reported in this Report are historical and as such these details are unknown.
Audits or reviews	<i>The results of any audits or reviews of sampling techniques and data.</i>	All results were reviewed by Company personnel including the Geology Manager and Managing Director. No negative issues were identified from these reviews.

JORC Code, 2012 Edition - TABLE 1 (Section 2: Reporting of Exploration Results)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.	The work described in this Report was undertaken on EL's 27/538, 576, 582, 584, PL's 27/2283 – 2286, and EL's 29/1042 – 1043 all of which are owned by Minex (Aust) Pty Ltd – a wholly owned subsidiary of Mithril Resources Ltd.
	The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.	There are no existing impediments to the granted tenements EL's 27/538, 576, 582, 584, PL's 27/2283 – 2286. Two tenements (EL's 29/1042 – 1043) are applications only and their grant is expected within the next 8 – 12 months.
Exploration done by other parties	Acknowledgment and appraisal of exploration by other parties.	Previous exploration has been carried out through the tenement area by a number of companies including KalNorth Gold Mines, Rox Resources, Pioneer Exploration, Hemisphere, Western Mining, North Limited, NickelOre, Proto and Normandy Exploration. Previous explorers have focussed on gold and nickel exploration.
Geology	Deposit type, geological setting and style of mineralisation.	The area referred to in this Report is prospective for nickel sulphide mineralisation within ultramafic rocks of Archean - age.
Drill hole Information	A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes: easting and northing of the drill hole collar, elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar, dip and azimuth of the hole, down hole length and interception depth, hole length.	No new material information has been included in this Report. Figure 2 shows the location of historic drilling within the tenements.
	If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.	No information has been excluded.
Data aggregation methods	In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated.	NO exploration results have been reported.
	Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.	Not Applicable as no weighting averaging techniques have been applied.
	The assumptions used for any reporting of metal equivalent values should be clearly stated.	No metal equivalents reported
Relationship between mineralisation widths and intercept lengths	These relationships are particularly important in the reporting of Exploration Results.	The relationship between mineralisation widths and intercept lengths is unknown. Widths of mineralisation have not been postulated. All mineralised intervals quoted in this announcement are quoted as downhole widths only.
	If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.	The geometry of the mineralisation with respect to the drill hole angle is not known.

Criteria	JORC Code explanation	Commentary
	<i>If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g. 'down hole length, true width not known').</i>	NO exploration results have been reported.
Diagrams	<i>Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.</i>	See Figure 2 of this Report.
Balanced reporting	<i>Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.</i>	NO exploration results have been reported.
Other substantive exploration data	<i>Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.</i>	All relevant data has been included within this Report.
Further work	<i>The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling).</i>	Further work will comprise data compilation, target generation, EM geophysical surveying and infill drilling.
	<i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i>	Figure 2 shows the location of the tenements and prospects.

For Further Information Contact:

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Competent Persons Statement:

The information in this report that relates to Exploration Targets and Exploration Results is based on information compiled by Mr David Hutton, who is a Competent Person, and a Fellow of The Australasian Institute of Mining and Metallurgy. Mr Hutton is Managing Director and a full-time employee of Mithril Resources Ltd.

Mr Hutton has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken 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 Hutton consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

About Mithril Resources Ltd:

Mithril Resources is an Australian resources company whose objective is the creation of shareholder wealth through the discovery and development of mineral deposits.

Mithril are exploring for a range of high-value commodities (principally nickel, cobalt, copper and zinc) throughout the Meekatharra, West Kimberley and Kalgoorlie Districts of Western Australia.

The Company is also exploring South Australia's far western Coompana Province for magmatic nickel – copper deposits with OZ Minerals Limited.