

MITHRIL COMMENCE DRILLING AT COPALQUIN PROJECT, MEXICO

Highlights

- Drilling has commenced at the Copalquin Gold Silver Project
- The expanded drilling program will consist of approximately 5,000m diamond core
- Planned drilling program is fully funded and work expected to run until end of CY2020
- First drilling assays expected late August to early September 2020.

Mithril Resources Limited [ASX: MTH] (“Mithril” or the “Company”) is pleased to advise that drilling has commenced at its flagship Copalquin gold silver project in Mexico, following the recent successful capital raising which was strongly supported by a number of new domestic and international sophisticated and institutional investors.

Drilling is being performed by a high-quality Mexican contractor and managed by Mithril’s experienced Mexico team with Mithril CEO John Skeet and Chief Geologist Hall Stewart in Copalquin with their senior exploration staff. Drill pads are ready, over 3.5 km of access tracks established, and a new core handling and storage facility constructed for the expanded diamond core drill program that is fully funded and expected to run until the end of 2020. The Company expects first drill core assays to be received by the end of August to early September 2020.

Commenting from the Copalquin Project in Mexico, Mithril’s Chief Executive Officer, John Skeet, said:

“It is impressive to see firsthand the effort of the entire team and our first-rate contractors here in Mexico, in addition to all the support from Mithril, Australia. Chief Geologist, Hall Stewart and his team have done a wonderful job reaching this milestone within months of the transaction closing, and in these challenging times; a testament to the extensive experience and professionalism within Mithril’s team.

With the recent fundraising completed, we are well funded to maximise the drilling at Copalquin via our expanded 5,000m diamond core program, commencing at the high-grade gold-silver La Soledad mine plus our ongoing field work, establishing further exciting gold and silver targets in this mining district.”



Photo 1 Diamond core rig commencing work at La Soledad first drill target.



Photo 2 Significant stope on the Apolonia Vein at the future drill target at San Manuel Mine.

COPALQUIN DRILLING AND EXPLORATION PROGRAM SUMMARY

Drilling is being performed by Globexplore, a large and highly experienced Mexican drilling contractor, using a man-portable diamond core rig capable of drilling HQ size core to depths of 400 metres. All holes will be downhole surveyed with some holes marked for oriented core, which is important for geologic understanding and mine design/planning.

The previously drilled areas of La Soledad-Refugio-Cometa are the first targets and the drilling team have a high degree of confidence in achieving strong results. Drilling will move across to Los Pinos and the multi-level mine of Los Reyes, extending the total strike length tested to 2 km. The expanded programme will allow further drilling at the important multi-level mine areas of San Manuel and La Constancia as well as follow up holes at La Soledad-Refugio-Cometa. Drill target field work is ongoing.

Globexplore and the Company have coordinated measures to work within the Mexican Government guidelines established for safe work practices during the COVID-19 pandemic.

ABOUT THE COPALQUIN GOLD SILVER PROJECT

The Copalquin Gold Silver Project is located in Durango State, Mexico and covers an entire mining district of 70km² containing over 32 historic gold and silver mines and workings. The district is within the Sierra Madre Gold Silver Trend which extends north-south along the western side of Mexico and hosts many world class gold and silver deposits.

Multiple mineralisation events, young intrusives thought to be system-driving heat sources, widespread alteration together with extensive surface vein exposures and dozens of historic mine workings, identify the Copalquin mining district as a major epithermal centre for gold and silver.

-ENDS-

Released with the authority of the Board.

For further information on the company and our projects, please visit: www.mithrilresources.com.au

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