

# MITHRIL DRILLS 9.64 G/T GOLD AND 278.8 G/T SILVER OVER 18.67M - COPALQUIN DISTRICT, MEXICO

## **Highlights**

- Thick high-grade intercept at El Refugio a further 95m along strike with:
  - o 18.67m @ 9.64 g/t gold, 278.8 g/t silver from 144.0m, (CDH-094) including
  - o **9.30m @ 17.9 g/t gold, 482.2 g/t silver** from 148.89m
- CDH-094 was drilled in the valley to the west of the main El Refugio ridge
- Drill hole CDH-096 finished at 504m with quartz breccia intervals within the last 50m of the drill hole (deepest intercept to date, awaiting assays)
- Infill drill assays received for drill database which will be included in our first resource estimate in the district with highlights below
  - 2.00m @ 9.90 g/t gold, 122 g/t silver from 286.0m (CDH-085), including
     1.00m @ 19.0 g/t gold, 209 g/t silver from 286.0m
  - 12.29m @ 4.08 g/t gold, 85.2 g/t silver from 250.71m (CDH-086), including
     1.50m @ 8.98 g/t gold, 137 g/t silver from 250.71m, and including
     2.00m @ 15.35 g/t gold, 333 g/t silver from 258.0m
  - 8.90m @ 0.97 g/t gold, 5.53 g/t silver from 252.1m (CDH-087), plus
     3.00m @ 3.71 g/t gold, 79.0 g/t silver from 349.0m
- Maiden JORC mineral resource estimate (MRE) on schedule for Q4 2021
- Metallurgical test work commencing November 2021
- Targets expanded for 2022 for the district scale Copalquin property, Mexico

Mithril Resources Ltd (**ASX: MTH**) (**Mithril** or the **Company**) is pleased to release further exploration and drilling results at its Copalquin Gold Silver District, Mexico.

#### Mithril CEO and Managing Director, John Skeet, commented:

"The intercept in drill hole CDH-094 demonstrates the Refugio structure continuity west to the next ridge with thick high-grade gold-silver mineralisation. Drilling is continuing at El Refugio with hole CDH-096, our deepest hole to date (504m), with a broad quartz breccia zone in the last 50m of the hole. The intercepts are in line with the geologic model and El Refugio continues to expand at depth and west, outside the first resource area within our 70 square kilometre Copalquin Mining District."

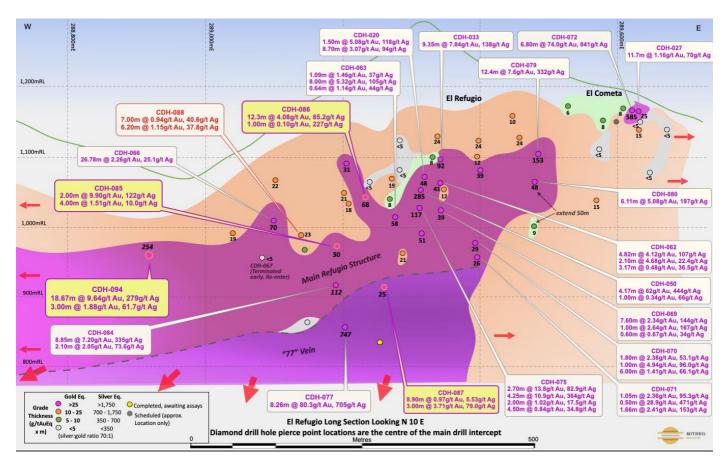


Figure 1 - Long section for the El Refugio target in the Copalquin district showing drill hole pierce points. Grade thickness as shown is the sum of all intercepts shown for each hole, pierce points are the midpoint of the main intercept. Metal equivalent grades calculated using 70 g/t Ag = 1 g/t Au, based on gold price of USD1,610 per ounce and silver price of USD23 per ounce.

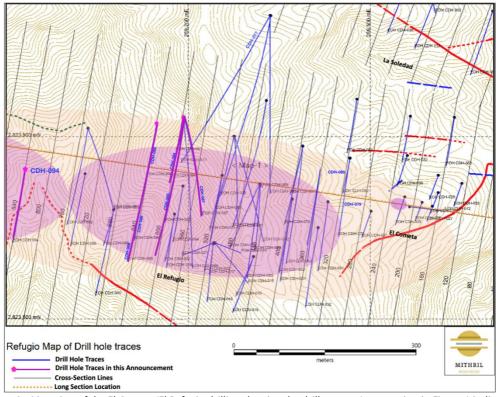


Figure 2 - Map view of the El Cometa/El Refugio drilling showing the drill traces. Long section in Figure 1 indicated by orange dotted line shown.



Assays for drill holes CDH-085 to CDH-090 plus CDH-094 have been received. Assay turn-around times from the ALS Vancouver laboratory have increased. Samples from CDH-094 were sent to another ALS laboratory allowing those results to be available in a shorter time. Holes CDH-085 to CDH-090 were drilled to complete the database for the maiden mineral resource estimate (MRE). Drilling has continued at El Refugio, with a series of deeper holes and holes further to the west. On the western side of the centre ridge, the structure is stronger depth and has continued across the valley to the next ridge with the excellent high-grade intercept from drill hole CDH-094 (18.67m @ 9.64 g/t gold, 278.8 g/t silver from 144.0m including 9.30m @ 17.9 g/t gold, 482.2 g/t silver from 148.89m, plus 3.00m @ 1.88 g/t gold, 61.7 g/t silver from 137m).

CDH-096 is a deep hole drilled in the central part of El Refugio, to the maximum depth with the drill pipe on site. The hole stopped in quartz breccia with several quartz breccia zones within the last 50 metres of the 504 metre drill hole.

A drill hole to follow up the high-grade gold-silver intercept in CDH-072 (**6.80m @ 74.0 g/t gold, 840.5 g/t silver** from 35.2m) is scheduled to further test this structure on the eastern side of El Refugio at El Cometa. The drill will then be moved by helicopter to follow up the intercept in CDH-094 (see Figure 3 below).

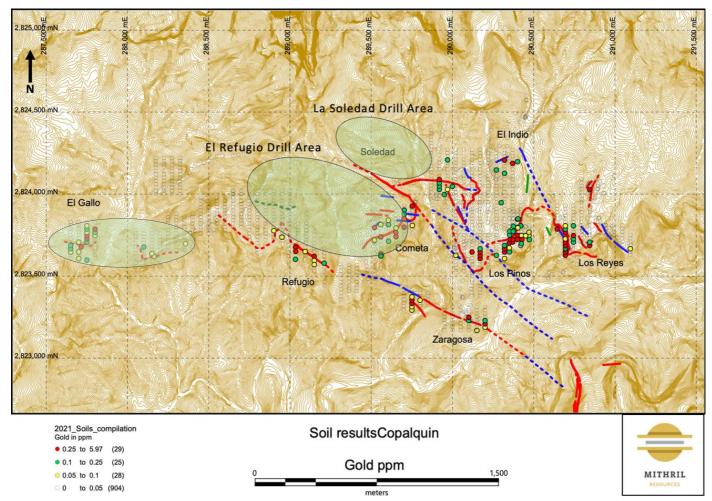


Figure 3 - Soil sampling program results and planned sampling grids within 10km² area of the 70km² Copalquin District mining concession area. Geochemical gold levels in soils determined by fire assay. El Gallo target 1.2km west of El Refugio drilling to be drill tested January 2022.



#### **MAIDEN RESOURCE ESTIMATE PROGRESS**

The independent site visit has been completed and the estimation work is in progress for Q4 2021 reporting. Highlights of the most recent holes CDH-085 to CDH-090 within the El Refugio structure are shown below with details of all intercepts given in Table 1 in the Appendices. Drilling at El Refugio has continued to produce reportable gold-silver intercepts from all drill holes.

- 2.00m @ 9.90 g/t gold, 122 g/t silver from 286.0m (CDH-085), including 1.00m @ 19.0 g/t gold, 209 g/t silver from 286.0m, plus 4.00m @ 1.51 g/t gold, 10.0 g/t silver from 307.0m, plus 1.00m @ 1.43 g/t gold, 3.00 g/t silver from 319.0m, plus 1.00m @ 0.97 g/t gold, 24.0 g/t silver from 324.0m
- 12.29m @ 4.08 g/t gold, 85.2 g/t silver from 250.71m (CDH-086), including
  1.50m @ 8.98 g/t gold, 137 g/t silver from 250.71m, and including
  2.00m @ 15.35 g/t gold, 333 g/t silver from 258.0m, plus
  1.00m @ 0.10 g/t gold, 227 g/t silver from 270.0m, plus
  2.00m @ 0.84 g/t gold, 33 g/t silver from 287.0m, plus
  1.38m @ 0.84 g/t gold, 19 g/t silver from 294.62m, plus
  1.05m @ 0.46 g/t gold, 52 g/t silver from 301.95m
- 8.90m @ 0.97 g/t gold, 5.53 g/t silver from 252.1m (CDH-087), plus
  1.00m @ 0.59 g/t gold, 64.0 g/t silver from 272.0m, plus
  0.54m @ 2.25 g/t gold, 12.0 g/t silver from 301.92m, plus
  3.00m @ 3.71 g/t gold, 79.0 g/t silver from 349.0m
- 2.20m @ 0.65 g/t gold, 24.9 g/t silver from 240.0m (CDH-088), plus
   7.00m @ 0.94 g/t gold, 40.6 g/t silver from 254.0m, plus
   6.20m @ 1.15 g/t gold, 37.8 g/t silver from 284.5m

(Awaiting assays for CDH-091 to CDH-093)

18.67m @ 9.64 g/t gold, 278.8 g/t silver from 144.0m, (CDH-094) including
 9.30m @ 17.9 g/t gold, 482.2 g/t silver from 148.89m, plus
 3.00m @ 1.88 g/t gold, 61.7 g/t silver from 137m



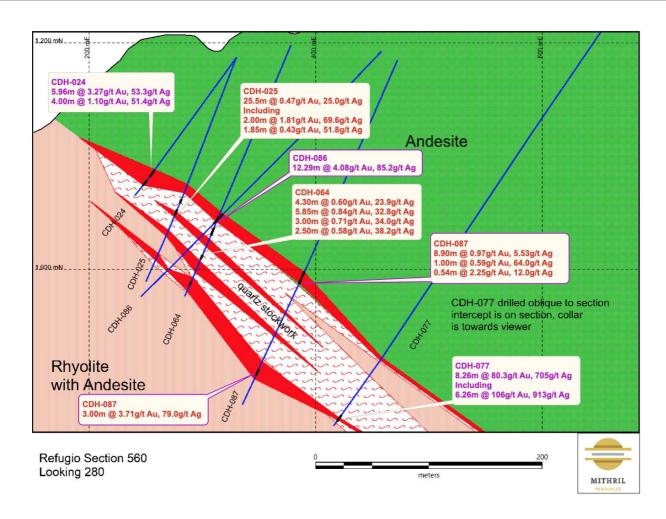


Figure 4 – Cross Section 560 with CDH-086 and CDH-087 intercepts up dip of 077 vein.

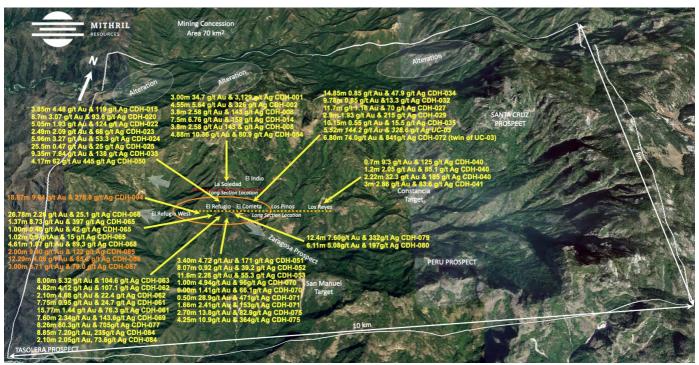


Figure 5 – Copalquin 70km<sup>2</sup> concession area showing highlight drill intercepts.



## ABOUT THE COPALQUIN GOLD SILVER PROJECT

The Copalquin mining district is located in Durango State, Mexico and covers an entire mining district of 70km<sup>2</sup> containing several dozen historic gold and silver mines and workings, ten of which had notable production. 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.

Mithril Resources is earning 100% interest in the Copalquin District mining concessions via a purchase option agreement detailed in ASX announcement dated 25 November 2019.

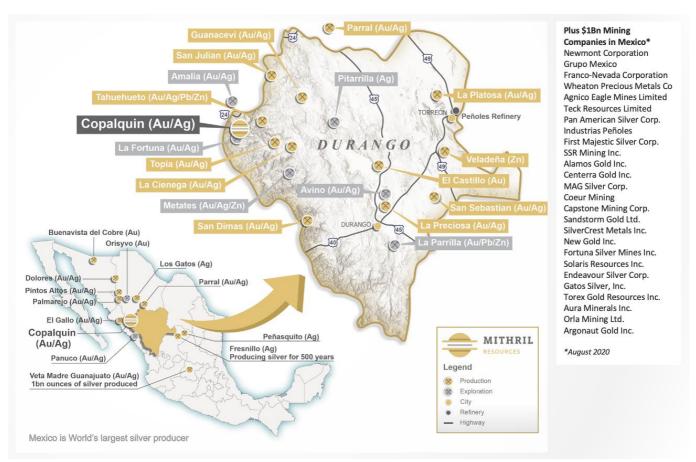


Figure 6 - Copalquin District location map with locations of mining and exploration activity within the state of Durango.



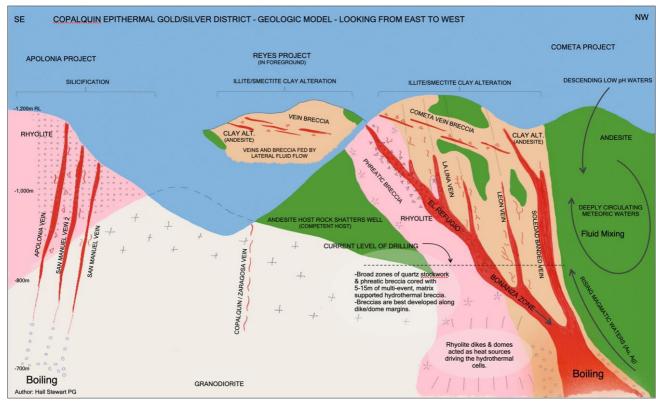


Figure 7 - Copalquin District Geologic Model for epithermal gold/silver - geologic model (author: Hall Stewart PG, Chief Geologist)

## **Preliminary Concept for Mine Access - El Refugio**

Deep high-grade intercepts such as in holes CDH-061, CDH-071 and CDH-077 bring mineralisation closer to potential access from a site with favourable logistics, taking advantage of the local topography. The CDH-077 'bonanza zone' can be reached by an exploration drift (adit) of approximately 750 metres long. Such a drift would allow access for the close-spaced sampling that will be necessary to bring the bonanza grade zone into higher confidence resource categories.

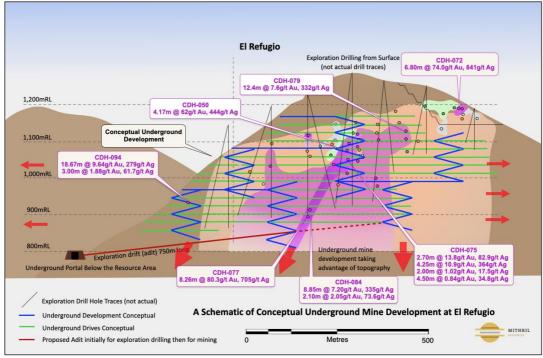


Figure 8 - Schematic showing an underground mine access concept for the El Refugio gold-silver deposit, Copalquin District, Mexico.



#### -ENDS-

Released with the authority of the Board.

For further information contact:

#### John Skeet

Managing Director and CEO jskeet@mithrilresources.com.au +61 435 766 809

### **Mark Flynn**

Investor Relations mflynn@mithrilresources.com.au +61 416 068 733

## **Competent Persons Statement**

The information in this report that relates to sampling techniques and data, exploration results and geological interpretation has been compiled by Mr Hall Stewart who is Mithril's Chief Geologist. Mr Stewart is a certified professional geologist of the American Institute of Professional Geologists. This is a Recognised Professional Organisation (RPO) under the Joint Ore Reserves Committee (JORC) Code.

Mr Stewart has sufficient experience of relevance to the styles of mineralisation and the types of deposits under consideration, and to the activities undertaken, to qualify as a Competent Person as defined in the 2012 Edition of the Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Stewart consents to the inclusion in this report of the matters based on information in the form and context in which it appears. The Australian Securities Exchange has not reviewed and does not accept responsibility for the accuracy or adequacy of this release.



# **APPENDICES**

Hole ID	From Interval (m)	To Interval (m)	Length Interval (m)	Au interval (g/t)	Ag interval (g/t)	AuEq¹ (g/t)	g/t AuEq¹ x m
CDH-015	146	149.85	3.85	4.48	119.3	6.18	23.79
CD11 013	including	1 15.03	5.05		113.3		25.73
CDH-015	146.5	148.65	2.15	6.32	186.7	8.99	19.33
2211 013	and	1 10.03	2.15	0.52	100.7		13.33
CDH-015	185.1	186	0.9	1.18	3.2	1.23	1.11
	and			.,,,,			
CDH-015	190.65	191.65	1	1.03	1.6	1.05	1.05
CDH-016	no reportable inter			.,,,,			1.00
CDH-017	168.25	169.25	1	1.45	55.1	2.24	2.23
CDH-018	148.82	150.95	2.13	1.28	14.7	1.49	3.17
CDH-019	159	162	3	2.06	52.3	2.81	8.42
CDH-020	169	170.5	1.5	5.08	117.5	6.76	10.14
CD11 020	and	170.5	1.5	5.00	117.5		10.14
CDH-020	176.85	185.55	8.7	3.07	93.6	4.41	38.32
CD11-020	including	185.55	6.7	3.07	93.0		30.32
CDH-020	176.85	179.25	2.4	8.42	184.0	11.05	26.53
CDH-020	175.7	176.35	0.65	0.48	27.3	0.87	0.56
CDIT-021	and	170.55	0.03	0.46	27.5	0.07	0.56
CDH-021		186	0.55	0.75	77.6	1.86	1.02
	185.45				77.6	3.70	18.67
CDH-022	227.4	232.45	5.05	1.93	123.7	3.70	
CDLL 022	Including	220.55	245	2.22	440.0	5.28	11.35
CDH-022	227.4	229.55	2.15	3.28	140.0	3.06	7.61
CDH-023	223.51	226	2.49	2.09	68.0	3.00	7.01
CD11 00 4	100.5	100.55				4.00	24.01
CDH-024	123.6	129.56	5.96	3.27	53.3	4.03	24.01
	and					4.00	7.32
CDH-024	135.35	139.35	4	1.10	51.4	1.83	
CDH-025	131	156.5	25.5	0.47	25.0	0.83	21.21
	Including						
CDH-025	135	137	2	1.81	69.6	2.80	5.60
	and						
CDH-025	145.59	147.44	1.85	0.43	51.8	1.17	2.17
CDH-026	13.5	22.5	9	0.27	19.4	0.54	4.90
	and						
CDH-026	29.5	34.9	5.4	0.23	17.4	0.48	2.59
CDH-027	10.9	22.6	11.7	1.16	70.0	2.16	25.32
	including						
CDH-027	15	16	1	7.17	236	10.54	10.54
CDH-028	25	28	3	0.18	15.3	0.40	1.21
CDH-029	29.6	32.5	2.9	1.93	215.7	5.01	14.53
CDH-030	10	13.7	3.7	0.17	19.4	0.45	1.66
CDH-031	35.72	41	5.28	0.39	25.6	0.75	3.98
	and						
CDH-031	56	58.4	2.4	0.55	8.4	0.67	1.61
CDH-032	78.75	88.53	9.78	0.85	13.3	1.04	10.18
CDH-033	206.3	215.65	9.35	7.84	138.1	9.81	91.76
	Including						
CDH-033	207	211	4	16.44	286.8	20.54	82.16
CDH-034	78.8	96.25	17.45	0.75	41.6	1.34	23.37



	in almalia a	T					
6511.004	including	04.45				0.40	
CDH-034	82.85	84.15	1.3	5.07	308.8	9.48	12.33
CDH-049	208.27	212	3.73	1.12	37.74	1.66	6.19
CDH-049	231	235	4	1.08	27.4	1.47	5.90
CDH-050	233.43	237.6	4.17	62.03	444.5	68.38	285.16
CDH-050	247	248	1	0.34	66.2	1.29	1.28
CDH-051	135.6	139	3.4	4.72	170.8	7.16	24.35
CDH-052	143.8	151.87	8.07	0.92	39.22	1.48	11.94
CDH-053	143.6	146	2.4	0.81	37.37	1.34	3.21
CDH-053	149	163.6	14.6	1.92	47.14	3.07	37.84
	including						
CDH-053	153.57	157.57	4	4.52	80.05	5.66	22.63
CDH-061	271	279.75	8.75	88.0	24.31	1.23	10.75
CDH-061	323.23	339	15.77	1.44	76.30	2.53	39.92
CDH-062	259.7	264.52	4.82	4.12	107.13	5.65	27.23
CDH-062	299.5	307.02	7.52	1.54	24.63	1.90	14.26
CDH-062	317.13	317.68	0.55	1.40	36.00	1.91	1.05
CDH-063	289.3	297.3	8	4.86	84.41	6.06	48.49
CDH-063	309.32	309.96	0.64	1.14	44.00	1.77	1.13
CDH-063	165	169.3	4.3	0.60	23.95	0.94	
							4.06
CDH-064	175.2	181.05	5.85	0.84	32.80	1.31	7.68
CDH-064	201	204	3	0.71	34.00	1.20	3.60
CDH-064	226.5	229	2.5	0.58	38.20	1.12	2.81
CDH-065	111.68	112.7	1.02	0.90	15.00	1.11	1.14
CDH-065	119.8	120.8	1	0.48	42.00	1.08	1.08
CDH-065	186.3	187.67	1.37	8.73	397.30	14.40	19.73
CDH-066	143.22	170	26.78	2.26	25.16	2.61	70.03
	Including						
CDH-066	145.44	147.15	1.71	5.23	160.23	7.52	12.86
	and including						
CDH-066	159	161	2	15.61	35.00	16.11	32.21
	and including						
CDH-066	164.58	165.8	1.22	5.87	5.50	5.95	7.26
CDH-067	195.95	196.66	0.71	0.77	23.0	1.1	0.78
CDH-067	189.9	190.9	1	1.17	41.0	1.76	1.76
CDH-068	155.84	160.45	4.61	1.87	89.3	3.15	14.52
CDH-068	176.41	177.18	0.77	4.00	37.0	4.53	3.49
CDH-068	193.38	194.28	0.9	0.59	38.0	1.13	1.02
CDH-069	253.25	260.85	7.6	2.34	143.6	4.39	33.36
CDH-069	266.35	267.35	1	2.64	167.0	5.03	5.03
CDH-069	275.2	275.8	0.6	0.69	34.0	1.18	0.71
CDH-069	313.8	314.8	1	1.89	74.0	2.95	2.95
CDH-009	212.85	213.35	0.5	0.56	39	1.12	
CDH-070	133	134	1	1.61	10	1.75	0.56
							1.75
CDH-070	154	155	1	0.88	15 <b>E2 1</b> 4	1.09	1.09
CDH-070	157.55	159.35	1.8	2.38	53.14	3.14	5.65
CDH-070	235.87	236.87	1	4.94	96	6.31	6.31
CDH-070	including 240	246	6	1.41	66.05	2.35	14.10
CDH-070	240	240.5	0.5	9.53	613	18.29	9.15
CDH-071	186	187.05	1.05	2.36	95.26	3.72	3.91
CDH-071	222.77	223.27	0.5	28.9	471	35.63	17.82
CDH-071	243.5	245.16	1.66	2.41	152.75	4.59	
	243.5		0.5				7.62
CDH-071		258.5		0.88	10	1.02	0.51
CDH-071	321	321.6	0.6	0.11	156	2.34	1.40



CDH-072	31	32	1	0.53	35	1.03	1.02
CDH-072	35.2	42	6.8	74.04	840.54	86.05	1.03 <b>585.1</b>
CDIT-072	including	42	0.8	74.04	040.34	80.03	303.1
CDH-072	37.9	40	2.1	235.14	2,554.29	271.63	570.4
CDH-075	300.3	303	2.7	13.75	82.93	14.94	40.34
CDH-075	307.05	311.3	4.25	10.90	363.65	16.09	68.38
CD11-073	including	311.3	4.23	10.50	303.03	10.09	08.38
CDH-075	307.05	309.7	2.65	16.31	414.45	22.23	58.92
CDH-075	315	317	2.03	1.02	17.50	1.27	2.54
CDH-075	358.5	363	4.5	0.84	34.78	1.34	6.03
CDH-076	342	344.4	2.4	0.93	15.60	1.16	2.78
CDH-076	373	378	5	2.06	95.40	3.43	17.15
CDH-076	383	384	1	0.86	39.0	1.42	1.42
CDH-077	468.34	476.6	8.26	80.3	705	90.4	747.0
CD11 077	including			55.5	700	30.1	7 17.0
CDH-077	468.34	474.6	6.26	106.0	913	119.0	745.0
CDH-079	86.6	99.0	12.4	7.60	332	12.34	153
65.1.675	Including						
CDH-079	90.0	94.19	4.19	18.1	810	29.7	124.3
CDH-080	112.19	118.3	6.11	5.08	197	7.89	48.2
	Including				_		
CDH-080	116.00	118.3	2.30	9.47	399	15.2	34.9
CDH-081	189.88	191.47	1.59	3.06	122.36	4.8	7.63
CDH-081	197	197.5	0.5	1.96	21	2.26	1.13
CDH-082	51.5	52.1	0.6	1.29	87	2.53	1.52
CDH-082	71	72	1	0.78	35	1.28	1.28
CDH-082	81.45	82.35	0.9	0.84	28	1.24	1.12
CDH-082	140	143.8	3.8	2.26	44.32	2.89	10.98
CDH-083	50	52.8	2.8	0.93	42.29	1.53	4.28
CDH-084	312.15	321	8.85	7.2	235.32	10.56	93.46
including							
CDH-084	317	319.5	2.5	18.22	582.8	26.55	66.38
CDH-084	324.9	327	2.1	2.05	73.56	3.1	6.51
CDH-084	394	395	1	1.16	36	1.67	1.67
CDH-085	286	288	2	9.9	122.5	11.65	23.3
	Including						
CDH-085	286	287	1	19.00	209.0	21.99	21.99
CDH-085	307	311	4	1.51	10	1.66	6.64
CDH-085	319	320	1	1.43	3	1.47	1.47
CDH-085	324	325	1	0.97	24	1.31	1.31
CDH-086	250.71	263	12.29	4.08	85.16	5.3	65.14
	Including						
CDH-086	250.71	252.21	1.5	8.98	137	10.94	16.41
	And including						
CDH-086	258	260	2	15.35	333	20.11	40.22
CDH-086	270	271	1	0.1	227	3.34	3.34
CDH-086	287	289	2	0.84	33	1.31	2.62
CDH-086	294.62	296	1.38	0.84	19	1.11	1.53
CDH-086	301.95	303	1.05	0.46	52	1.2	1.26
CDH-087	252.1	261	8.9	0.97	5.53	1.04	9.26
CDH-087	272	273	1	0.59	64	1.5	1.5
CDH-087	301.92	302.46	0.54	2.25	12	2.42	1.31
CDH-087	349	352	3	3.71	79	4.84	14.52
CDH-088	240.8	243	2.2	0.65	24.95	1.01	2.22
CDH-088	254	261	7	0.94	40.57	1.52	10.64



CDH-088	284.5	290.7	6.2	1.15	37.84	1.69	10.48
CDH-089	254.5	255.95	1.45	1.27	44	1.9	2.75
CDH-089	314.2	315.2	1	1.21	56	2.01	2.01
CDH-090	336	337	1	1.13	13	1.32	1.32
CDH-091	Awaiting assays						
CDH-092	Awaiting assays						
CDH-093	Awaiting assays						
CDH-094	137	140	3	1.88	61.7	2.76	8.28
CDH-094	144	162.67	18.67	9.64	278.8	13.63	254.5
	Including						
CDH-094	148.89	158.2	9.3	17.9	482.2	24.8	230.6
CDH-095	Awaiting assays	·					
CDH-096	Awaiting assays		·				

Table 1: Significant drill hole intercepts to date gold and silver assays for all drill holes drilled in the El Refugio and El Cometa, Copalquin District. (List does not include drill holes in La Soledad)

Intercepts reported greater than or equal to 1.00 g/t  $AuEq^1$  with maximum of 2 metres of internal intervals less than 1.00 g/t  $AuEq^1$ .

 $^{1}$ Metal equivalent grades calculated using 70 g/t Ag = 1 g/t Au, based on gold price of USD1,610 per ounce and silver price of USD23 per ounce.



# JORC CODE, 2012 EDITION – TABLE 1

# SECTION 1 SAMPLING TECHNIQUES AND DATA

Criteria	JORC Code explanation	Commentary
Sampling techniques	<ul> <li>Nature and quality of sampling (eg 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.</li> <li>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</li> <li>Aspects of the determination of mineralisation that are Material to the Public Report.</li> <li>In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.</li> </ul>	<ul> <li>Samples for the Copalquin, Mexico drill programs consist of ½ HQ core cut lengthwise with a diamond saw. Intervals are nominally 1 m but may vary between 1.5 m to 0.5 m based on geologic criteria.</li> <li>Deeper portions of holes from CDH-075 onward consist of ½ NQ core. Sample sizes are tracked by core diameter and sample weights.</li> <li>The same side of the core is always sent to sample (left side of saw).</li> <li>Reported intercepts are calculated as either potentially underground mineable (below 120m below surface) or as potentially open-pit mineable (near surface).</li> <li>Potentially underground mineable intercepts are calculated as length weighted averages of material greater than 1 g/t AuEQ_70 allowing up to 2m of internal dilution.</li> <li>Potentially open-pit mineable intercepts are calculated as length weighted averages of material greater than 0.25 g/t AuEQ_70 allowing for up to 2m of internal dilution.</li> <li>2021 soil sampling has been carried out by locating pre-planned points by handheld GPS and digging to below the first colour-change in the soil (or a maximum of 50 cm). In the arid environment there is a 1 – 10 cm organic horizon and a 10 – 30 cm B horizon above the regolith. Samples are sieved to -80 mesh in the field. A 15 g aliquot of sample is split from the soil "pulps" for analysis by X-Ray fluorescence (XRF). Mithril uses an Olympus Vanta 50kV X-Ray fluorescence analyser with a lower detection limit for silver of 2 ppm.</li> </ul>
Drilling techniques	• Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, facesampling bit or other type, whether core is oriented and if so, by what method, etc).	Drilling is done with an MP500 man-portable core rig capable of drilling HQ size core to depths of 400 m. To data all core has been HQ size although we are prepared to reduce to NQ if needed.
Drill sample recovery	Method of recording and assessing core and chip sample recoveries and results assessed.	<ul> <li>Drill recovery is measured based on measured length of core divided by length of drill run.</li> <li>Recovery in holes CDH-001 through CDH-025 and holes</li> </ul>



Criteria	JORC Code explanation	Commentary
	<ul> <li>Measures taken to maximise sample recovery and ensure representative nature of the samples.</li> <li>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.</li> </ul>	<ul> <li>CDH-032 through CDH077was always above 90% in the mineralized zones.</li> <li>Holes CDH-026 through CDH-031 had problems with core recovery in highly fractured, clay rich breccia zones.</li> <li>There is no adverse relationship between recovery and grade identified to date.</li> </ul>
Logging	<ul> <li>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.</li> <li>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</li> <li>The total length and percentage of the relevant intersections logged.</li> </ul>	<ul> <li>Core samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.</li> <li>Core logging is both qualitative or quantitative in nature. Photos are taken of each box of core before samples are cut. Core is wetted to improve visibility of features in the photos.</li> <li>All core has been logged and photographed.</li> </ul>
Sub-sampling techniques and sample preparation	<ul> <li>If core, whether cut or sawn and whether quarter, half or all core taken.</li> <li>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</li> <li>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</li> <li>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</li> <li>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.</li> <li>Whether sample sizes are appropriate to the grain size of the material being sampled.</li> </ul>	<ul> <li>Core is sawn and half core is taken for sample.</li> <li>Samples are prepared using ALS Minerals Prep-31 crushing, splitting and pulverizing. This is appropriate for the type of deposit being explored.</li> <li>Visual review to assure that the cut core is ½ of the core is performed to assure representativity of samples.</li> <li>field duplicate/second-half sampling is undertaken for 3% of all samples to determine representativity of the sample media submitted.</li> <li>Sample sizes are appropriate to the grain size of the material being sampled.</li> </ul>
Quality of assay data and laboratory tests	The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.	Samples are assayed for gold using ALS Minerals Au- AA25 method a 30 g fire assay with an AA finish. This is considered a total assay technique. Samples are assayed for silver using ALS Minerals ME- ICP61 method. Over limits are assayed by AgOG63 and



Criteria	JORC Code explanation	Commentary
	<ul> <li>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.</li> <li>Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.</li> </ul>	<ul> <li>AgGRAV21. These are considered a total assay technique.</li> <li>Standards, blanks and duplicates are inserted appropriately into the sample stream. External laboratory checks will be conducted as sufficient samples are collected. Levels of accuracy (ie lack of bias) and precision have not yet been established.</li> <li>Soil sampling is also subject to a program of standards and blanks using the X-ray florescence (XRF) analyser. Results are acceptable. Samples were analysed using three wavelengths 50Kv, 40 Kv and 15 Kv for times of 120 seconds, 30 seconds and 30 seconds respectively.</li> <li>Samples with significant amounts of observed visible gold are also assayed by AuSCR21, a screen assay that analyses gold in both the milled pulp and in the residual oversize from pulverization. This has been done for holes CDH-075 and CDH-077.</li> </ul>
Verification of sampling and assaying	<ul> <li>The verification of significant intersections by either independent or alternative company personnel.</li> <li>The use of twinned holes.</li> <li>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</li> <li>Discuss any adjustment to assay data.</li> </ul>	<ul> <li>The verification of significant intersections by either independent or alternative company personnel has not been conducted. A re-assay program of pulp duplicates is currently in progress.</li> <li>The use of twinned holes. No twin holes have been drilled.</li> <li>MTH has drilled one twin hole. Hole CDH-072, reported in the 15/6/2021 announcement, is a twin of holes EC-/002 and UC-03. Results are comparable.</li> <li>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols are maintained in the company's core facility.</li> <li>Assay data have not been adjusted other than applying length weighted averages to reported intercepts.</li> </ul>
Location of data points	<ul> <li>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.</li> <li>Specification of the grid system used.</li> <li>Quality and adequacy of topographic control.</li> </ul>	<ul> <li>Drill collar coordinates are currently located by handheld GPS. Precise survey of hole locations is planned. Downhole surveys of hole deviation are recorded for all holes. Locations for holes CDH-001 through CDH-048 and CDH-051 through CDH-068 have been surveyed with differential GPS to a sub 10 cm precision.</li> <li>Hole CDH-005, CDH-049 and CDH-050 were not surveyed</li> <li>UTM/UPS WGS 84 zone 13 N</li> <li>High quality topographic control from Photosat covers the entire drill project area.</li> </ul>



Criteria	JORC Code explanation	Commentary
Data spacing and distribution	<ul> <li>Data spacing for reporting of Exploration Results.</li> <li>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.</li> <li>Whether sample compositing has been applied.</li> </ul>	<ul> <li>Data spacing is appropriate for the reporting of Exploration Results.</li> <li>No Resource Estimation is included in this News Release.</li> <li>No sample compositing has been applied.</li> </ul>
Orientation of data in relation to geological structure	<ul> <li>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</li> <li>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.</li> </ul>	<ul> <li>Cut lines are marked on the core by the geologists to assure that the orientation of sampling achieves unbiased sampling of possible structures. This is reasonably well observed in the core and is appropriate to the deposit type.</li> <li>The relationship between the drilling orientation and the orientation of key mineralised structures is not considered to have introduced a sampling bias.</li> </ul>
Sample security	The measures taken to ensure sample security.	Samples are stored in a secure core storage facility until they are shipped off site by small aircraft and delivered directly to ALS Minerals.
Audits or reviews	The results of any audits or reviews of sampling techniques and data.	No audits or reviews of sampling techniques and data have been performed.



# SECTION 2 REPORTING OF EXPLORATION RESULTS

Criteria	JORC Code explanation	Con	nme	entary					
Mineral tenement and land	Type, reference     name/number, location     and cymposchip including	• (	Conc	cessions at Cop	alquin				
tenure status	and ownership including agreements or material issues with third parties	I	No.	Concession	Concession Title number	Area (Ha)	Location		
	such as joint ventures, partnerships, overriding royalties, native title		1	LA SOLEDAD	52033	6	Tamazula, Durango, Mexico		
	interests, historical sites, wilderness or national		2	EL COMETA	164869	36	Tamazula, Durango, Mexico		
	park and environmental settings.		3	SAN MANUEL	165451	36	Tamazula, Durango, Mexico		
	The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to		4	COPALQUIN	178014	20	Tamazula, Durango, Mexico		
			5	EL SOL	236130	6,000	Tamazula, Durango and Badiraguato, Sinaloa, Mexico		
operate .	operate in the area.	•	6	EL CORRAL	236131	907.3243	Tamazula, Durango and Badiraguato, Sinaloa, Mexico		
Exploration done by other parties	<ul> <li>Acknowledgment and appraisal of exploration by other parties.</li> </ul>	<ul> <li>Previous exploration by Bell Coast Capital Corp. and UC Resources was done in the late 1990's and in 2005 – 2007. Work done by these companies is historic and non-JORC compliant. Mithril uses these historic data only as a general guide and will not incorporate work done by these companies in resource modelling.</li> <li>Work done by the Mexican government and by IMMSA and will be used for modelling of historic mine workings which are now</li> </ul>							
Geology	Deposit type, geological setting and style of mineralisation.	<ul> <li>Copalquin is a low sulfidation epithermal gold-silver deposit hosted in andesite. This deposit type is common in the Sierra Madre Occidental of Mexico and is characterized by quartz veins and stockworks surrounded by haloes of argillic (illite/smectite) alteration. Veins have formed as both low-angle semi-continuous lenses parallel to the contact between granodiorite and andesite and as tabular veins in high-angle normal faults. Vein and breccia thickness has been observed up to 30 meters wide with average widths on the order of 3 to 5 meters. The overall strike length of the semi-continuous mineralized zone from Refugio to Cometa to Los Pinos to Los Reyes is 2 kilometres. Additional strike length at La Constancia and San Manuel provide additional exploration potential.</li> </ul>							



Criteria	JORC Code explanation	Commentary									
Drill hole	A summary of all	Hole_ID	WGS84_E	WGS84_N	El_M	Azimuth	Incl	Depth	Target		
Information	information material to	CDH-001	289591	2824210	1113	220	-65	210.50	Soledad		
	the understanding of the	CDH-002	289591	2824210	1113	165	-60	204.00	Soledad		
	exploration results	CDH-003	289591	2824210	1113	155	-70	153.00	Soledad		
	including a tabulation of	CDH-004	289591	2824210	1113	245	-55	202.50	Soledad		
	the following information	CDH-005	289665	2824195	1083	205	-60	10.50	Soledad		
	for all Material drill	CDH-006	289665	2824195	1083	200	-59	87.00	Soledad		
	holes:	CDH-007	289665	2824195	1083	240	-68	12.00	Soledad		
		CDH-008 CDH-009	289645 289645	2824196 2824196	1088 1088	150 197	-62 -70	165.00 21.00	Soledad Soledad		
	easting and northing of	CDH-009	289649	2824206	1083	198	-64	180.00	Soledad		
	the drill hole collar	CDH-010	289649	2824206	1083	173	-62	138.00	Soledad		
	• elevation or RL	CDH-011	289678	2824313	1095	200	-45	228.00	Soledad		
	(Reduced Level –	CDH-013	289678	2824313	1095	180	-45	240.30	Soledad		
	elevation above	CDH-014	289678	2824313	1095	220	-45	279.00	Soledad		
	• sea level in metres) of the	CDH-015	289311	2823706	1271	200	-75	256.50	Refugio		
	drill hole collar	CDH-016	289311	2823706	1271	200	-60	190.50	Refugio		
	• dip and azimuth of the	CDH-017	289234	2823727	1236	190	-75	171.00	Refugio		
	hole	CDH-018	289234	2823727	1236	190	-53	159.00	Refugio		
	<ul> <li>down hole length and</li> </ul>	CDH-019	289234	2823727	1236	140	-65	201.00	Refugio		
	interception depth	CDH-020	289234	2823727	1236	115	-78	216.00	Refugio		
		CDH-021	289234	2823727	1236	250	-75	222.00	Refugio		
	• hole length.	CDH-022	289255	2823835	1251	190	-54	261.00	Refugio		
	• If the exclusion of this	CDH-023	289255	2823835	1251	190	-70	267.00	Refugio		
	information is justified on	CDH-024	289170	2823774	1185	190	-55	150.00	Refugio		
	the basis that the	CDH-025	289170	2823774	1185	190	-70	213.00	Refugio		
	information is not	CDH-026	289585	2823795	1183	200	-50	51.00	Cometa		
	Material and this	CDH-027	289605	2823790	1179	200	-60	51.00	Cometa		
	exclusion does not detract	CDH-028	289612	2823815	1170	200	-45	51.00	Cometa		
	from the understanding of	CDH-029 CDH-030	289611 289653	2823835 2823823	1152 1153	200	-45 -45	60.00 55.50	Cometa		
	the report, the Competent	CDH-030	289510	2823781	1197	200	-45	66.00	Cometa Cometa		
	Person should clearly	CDH-031	289310	2823752	1223	190	-50	207.00	Refugio		
	explain why this is the	CDH-032	289325	2823732	1269	190	-55	270.00	Refugio		
	case.	CDH-033	289429	2823795	1197	190	-50	183.00	Refugio		
	cuse.	CDH-035	289560	2823800	1185	200	-45	69.00	Cometa		
		CDH-036	289556	2823868	1150	200	-45	75.00	Cometa		
		CDH-037	289650	2824145	1156	200	-45	159.40	Soledad		
		CDH-038	289565	2824170	1185	200	-45	135.00	Soledad		
		CDH-039	290765	2823760	1119	230	-70	123.00	Los Reyes		
		CDH-040	290801	2823733	1112	230	-51	123.00	Los Reyes		
		CDH-041	290842	2823702	1120	240	-45	120.00	Los Reyes		
		CDH-042	290365	2823765	1128	200	-50	60.00	Los Pinos		
		CDH-043	290365	2823765	1128	0	-90	15.00	Los Pinos		
		CDH-044	292761	2824372	1489	200	-62	130.50	Constanc		
		CDH-045	292761	2824372	1489	240	-62	130.50	Constanc		
		CDH-046	292778	2824259	1497	240	-70	133.00	Constanci		
		CDH-047	290887	2822835	1285	265	-65	234.00	San Manu		
		CDH-048	290902	2822734	1335	265	-65	249.00	San Manu		
		CDH-049	289325	2823822	1269	185	-70	282.00	Refugio		
		CDH-050	289325	2823822	1269	206	-67	288.00	Refugio		
		CDH-051 CDH-052	289370 289370	2823795 2823795	1225 1225	190 190	-47 -60	201.00	Refugio		
		CDH-052	289370	2823795	1200	190	-47	211.00	Refugio Refugio		
		CDH-053	289536	2824255	1155	200	-70	+	<del>                                     </del>		
		CDH-054	289738	2824255	1074	190	-70	321.00	Soledad Soledad		



Criteria	JORC Code explanation	Commen	Commentary								
		CDH-056	290903	2824030	1182	295	-45	102.00	Los Reyes		
		CDH-057	290841	2823795	1143	217	-50	201.00	Los Reyes		
		CDH-058	290841	2823795	1143	240	-55	222.00	Los Reyes		
		CDH-059	290867	2823750	1142	230	-50	180.00	Los Reyes		
		CDH-060	290765	2823810	1110	230	-50	183.00	Los Reyes		
		CDH-061	289280	2823900	1285	177	-64	351.00	Refugio		
		CDH-062	289280	2823900	1285	162	-62	345.00	Refugio		
		CDH-063	289280	2823900	1285	195	-70	351.00	Refugio		
		CDH-064	289190	2823820	1190	190	-67	240.00	Refugio		
		CDH-065	289077	2823776	1150	190	-55	246.00	Refugio		
		CDH-066	289077	2823776	1150	190	-75	253.00	Refugio		
		CDH-067	289077	2823776	1150	0	-90	198.00	Refugio		
		CDH-068	289021	2823837	1115	190	-55	213.00	Refugio		
		CDH-069	289325	2823822	1269	0	-90	345.00	Refugio		
		CDH-070	289385	2823885	1200	190	-64	300.00	Refugio		
		CDH-071	289385	2823885	1200	190	-76	339.00	Refugio		
		CDH-072	289565	2823788	1190	100	-45	81.00	Cometa		
		CDH-073	290243	2823763	1140	200	-55	201.00	Los Pino		
		CDH-074	290149	2823830	1120	200	-55	219.00	Los Pino		
		CDH-075	289330	2823963	1288	190	-60	396.00	Refugio		
		CDH-076	289335	2824100	1250	190	-55	477.00	Refugio		
		CDH-077	289335	2824100	1250	210	-53	480.00	Refugio		
		CDH-078	289666	2824300	1092	220	-60	325.00	Soledad		
		CDH-079	289465	2823865	1174	190	-47	200.00	Refugio		
		CDH-080	289465	2823865	1174	190	-70	225.00	Refugio		
		CDH-081	289478	2823962	1180	190	-65	225	Cometa		
		CDH-082	289566	2823934	1157.7	190	-60	156	Cometa		
		CDH-083	289638.6	2823932	1116.6	190	-50	126	Cometa		
		CDH-084	289192.9	2823933	1225	190	-75	411	Refugio		
		CDH-085	289190	2823935	1215	190	-60	366.00	Refugio		
		CDH-086	289190	2823935	1215	175	-45	351.00	Refugio		
		CDH-087	289190	2823935	1215	167	-65	375.00	Refugio		
		CDH-088	289148	2823922	1190	190	-45	327.00	Refugio		
		CDH-089	289148	2823922	1190	190	-60	381.00	Refugio		
		CDH-090	289148	2823922	1190	190	-75	372.00	Refugio		
		CDH-091	289190	2823935	1215	190	-82	462.00	Refugio		
		CDH-092	289035	2823914	1110	190	-55	276.00	Refugio		
		CDH-093	289035	2823914	1110	160	-60	276.00	Refugio		
		CDH-094	288931	2823845	1100	190	-55	201.00	Refugio		
		CDH-095	289335	2824100	1250	180	-52	435.00	Refugio		
		CDH-096	289335	2824100	1250	172	-65	504.00	Refugio		



Criteria	JORC Code explanation	Comm	Commentary								
Data aggregation methods	In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off	AuI app • Len CD rem	<ul> <li>AuEQ_70 using a 70:1 Silver to gold price ratio. No upper cut-off is applied to reporting intercepts.</li> <li>Length weighted averaging is used to report intercepts. The example of CDH-002 is shown. The line of zero assays is a standard which was removed from reporting.</li> </ul>								
	grades are usually	Au raw	Ag raw	Length (m)	Au *length	Ag *length					
	Material and should be	7.51	678	0.5	3.755	339					
	stated.	11.85	425	0.55	6.5175	233.75					
	Where aggregate	0	0	0	0	0					
	intercepts incorporate	0.306	16	1	0.306	16					
	short lengths of high	0.364	31.7	1_	0.364	31.7					
	grade results and longer	3.15	241	0.5	1.575	120.5					
	lengths of low grade	10.7 15.6	709 773	0.5	5.35 7.8	354.5 386.5					
	results, the procedure		113	0.5	1.0	300.3				Au	
	used for such aggregation						From	То	Length	gpt	Ag gpt
	should be stated and some typical examples of such	?		4.55	25.6675	1481.95	91.95	96.5	4.55	5.64	325.70
	<ul> <li>aggregations should be shown in detail.</li> <li>The assumptions used for any reporting of metal equivalent values should be clearly stated.</li> </ul>	• Metal equivalent grades are reported using a 70:1 silver to gold price ratio. This ratio is based on the gold and silver prices reported on kitco.com as of 11 July 2021 (actual ratio at that date 69.3:1)									
Relationship between mineralisati on widths and intercept lengths	<ul> <li>These relationships are particularly important in the reporting of Exploration Results.</li> <li>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</li> <li>If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not</li> </ul>	to the have and inte	ne hole e interc e true w holes c rcept le	s at Refu 's dip. Ho ept lengt vidths app drilled at engths. s are not	bles drille hs equal proximate -90 degre	ed at -50 to true-welly 92% ees have	degree idths, of the true wi	es may Holes report idths (	be conducted the desired the d	sidere at -70 cept l of the	ed to degrees engths reported



Criteria	JORC Code explanation	Commentary
Diagrams	• 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.	CON-GRAD  AND TO HARD AND TO H
Balanced reporting	• 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.	All exploration results are reported.
Other substantive exploration data	• 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	No additional exploration data are substantive at this time.



Criteria	JORC Code explanation	Commentary
	contaminating substances.	
Further work	<ul> <li>The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</li> <li>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</li> </ul>	Observations from 7 new holes drilled at the El Refugio – El Cometa targets reported on in this release CDH-085 to CDH-090 and CDH-094.  Observations from 7 new holes drilled at the El Refugio – El Cometa targets reported on in this release CDH-085 to CDH-090 and CDH-094.

