MITHRIL RESOURCES

ASX ANNOUNCEMENT

25 February 2022

FURTHER EXCELLENT METALLURGY RESULTS - COPALQUIN DISTRICT, MEXICO

Highlights

- **Study work has progressed following the excellent high-grade maiden resource estimate delivered in November 2021[1]**

- **High gold and silver extraction achieved in further test work on El Refugio core sample composite**
    - **Cyanide leaching test work completed on the flotation concentrate and tailings (flotation results reported 18 January news release)**
    - **High final overall recoveries after leaching of the flotation products – 96.5% for gold and 91% for silver**

- **Mining concepts design work has been completed with AMC Consulting finalising the report in within the next week**

- **Exploration drilling and field work in progress further east of El Refugio following the confirmation of El Refugio's western extension reported in January 2022. Awaiting assays**

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

Mithril CEO and Managing Director, John Skeet, commented:

> *"Building on the excellent high-grade gold and silver maiden mineral resource estimate, the high recoveries of gold and silver from the flotation and leaching test work reinforce attractive project metrics for our Copalquin District in Mexico. As our study work progresses for a future development at El Refugio, we continue to see excellent results as we seek to optimise the value from this high-grade gold-silver resource. Exploration drilling to the east of the maiden mineral resource area is in progress as part of the first quarter 2022 drill program and mapping and sampling are progressing in the district, expanding our drill targets and reinforcing the district potential for multi-million-ounce gold-silver resources. We await assay results from this work."*

[1] Maiden JORC MRE 2,416,000 tonnes @ 4.80 g/t gold, 141 g/t silver for 373,000 oz gold plus 10,953,000 oz silver (Total 529,000 oz AuEq*) @ cut-off grade of 2.0 g/t AuEq* - 17 Nov. 2021

HIGH GOLD AND SILVER RECOVERIES – EL REFUGIO COMPOSITE SAMPLE

A metallurgical test work program following the maiden mineral resource estimate (MRE) has been completed by SGS Laboratories. The high-grade maiden MRE released 17 November 2021 is given below.

- **2,416,000 tonnes @ 4.80 g/t gold, 141 g/t silver** for **373,000 oz gold** plus **10,953,000 oz silver (Total 529,000 oz AuEq*) using a cut-off grade of 2.0 g/t AuEq***
- **28.6% of the resource tonnage is classified as indicated**

	Tonnes (kt)	Tonnes (kt)	Gold (g/t)	Silver (g/t)	Gold Equiv.* (g/t)	Gold (koz)	Silver (koz)	Gold Equiv.* (koz)
El Refugio	Indicated	691	5.43	114.2	7.06	121	2,538	157
	Inferred	1,447	4.63	137.1	6.59	215	6,377	307
La Soledad	Indicated	-	-	-	-	-	-	-
	Inferred	278	4.12	228.2	7.38	37	2,037	66
Total	Indicated	691	5.43	114.2	7.06	121	2,538	157
	Inferred	1,725	4.55	151.7	6.72	252	8,414	372
	TOTAL	**2,416**	**4.80**	**141**	**6.81**	**373**	**10,953**	**529**

*Table 1- Mineral resource estimate El Refugio – La Soledad using a cut-off grade of 2.0 g/t AuEq**

*AuEq. = gold equivalent calculated using and gold:silver price ratio of 70:1. That is, 70 g/t silver = 1 g/t gold. The metal prices used to determine the 70:1 ratio are the cumulative average prices for 2021: gold USD1,798.34 and silver: USD25.32 (actual is 71:1) from kitco.com

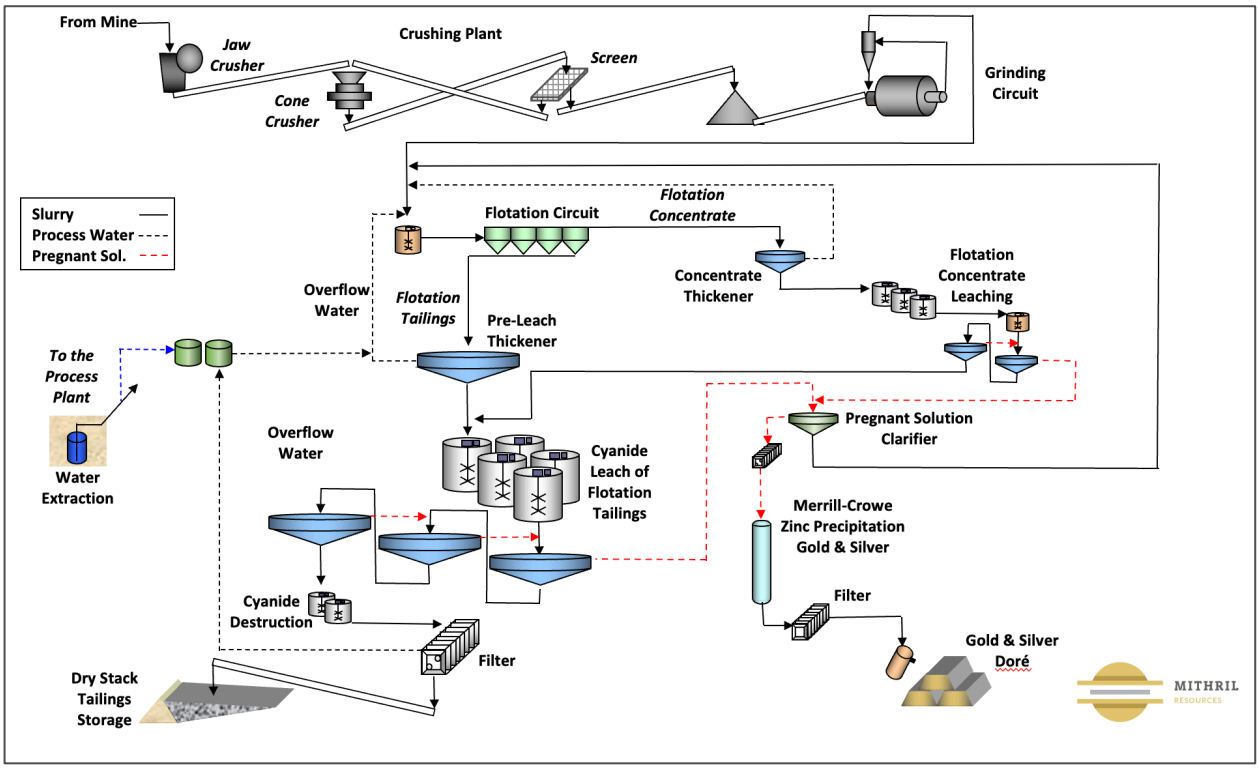

Figure 1 – Process flow sheet proposed for the El Refugio-La Soledad typical of other properties in the Sierra Madre Trend with similar geology

The sample used for the test work is a composite sample from El Refugio crushed drill core. The average grade of the composite is similar to the average grade of the maiden resource estimate. The calculated composite grade from the flotation test work is 4.52 g/t gold and 124 g/t silver.

Flotation test work has been completed using the same reagent scheme determined for the Palmarejo deposit (located in the Sierra Madre Trend and north of the Copalquin District) test work, due to the similarities in geology and mineralogy between Palmarejo and El Refugio at Copalquin.

Description 48 hr Leaching Time		**Test** Au %	**Test** Ag %	**Duplicate Test** Au %	**Duplicate Test** Ag %
Flotation Concentrate (% recovered)	A	94.2	87.6	92.9	87.9
Leaching of Flotation Concentrate	B	97.3	93.4	97.4	92.9
Flotation Tailings (% remaining)	C	5.8	12.4	7.1	12.1
Leaching of Flotation Tailing	D	85.8	76.5	82.9	75.7
Total Recovery to solution (B x A)+(DxC)		**96.6**	**91.3**	**96.4**	**90.8**

Table 2- Summary of the flotation and the flotation product cyanide leaching recoveries giving the final gold and silver recoveries to solution.

Intensive cyanide leaching of the flotation concentrate and low-level cyanide leaching of the flotation tailings allows high recovery of silver to be achieved. Cyanide leaching of silver is slower under the typical conditions used for gold only leaching. Recovering a high proportion of the silver into a concentrate (by flotation or gravity) allows the concentrate to leached under intensive conditions resulting in higher silver recovery. The overall recovery to solution is 96.5% for gold and 91% for silver. Gold and silver would be extracted from solution using the widely used Merrill-Crowe zinc precipitation method and then smelted to produce metal gold-silver ingots.

The process flowsheet for El Refugio-La Soledad resource material being tested is as shown below in Figure 1. This is the same flowsheet is used at similar deposits in the Sierra Madre Trend, Mexico including Palmarejo and SilverCrest Metals' Las Chispas (under construction).

Further metallurgical test work will allow the crushing, grinding, thickening, flotation and filtration equipment sizes to be determined.

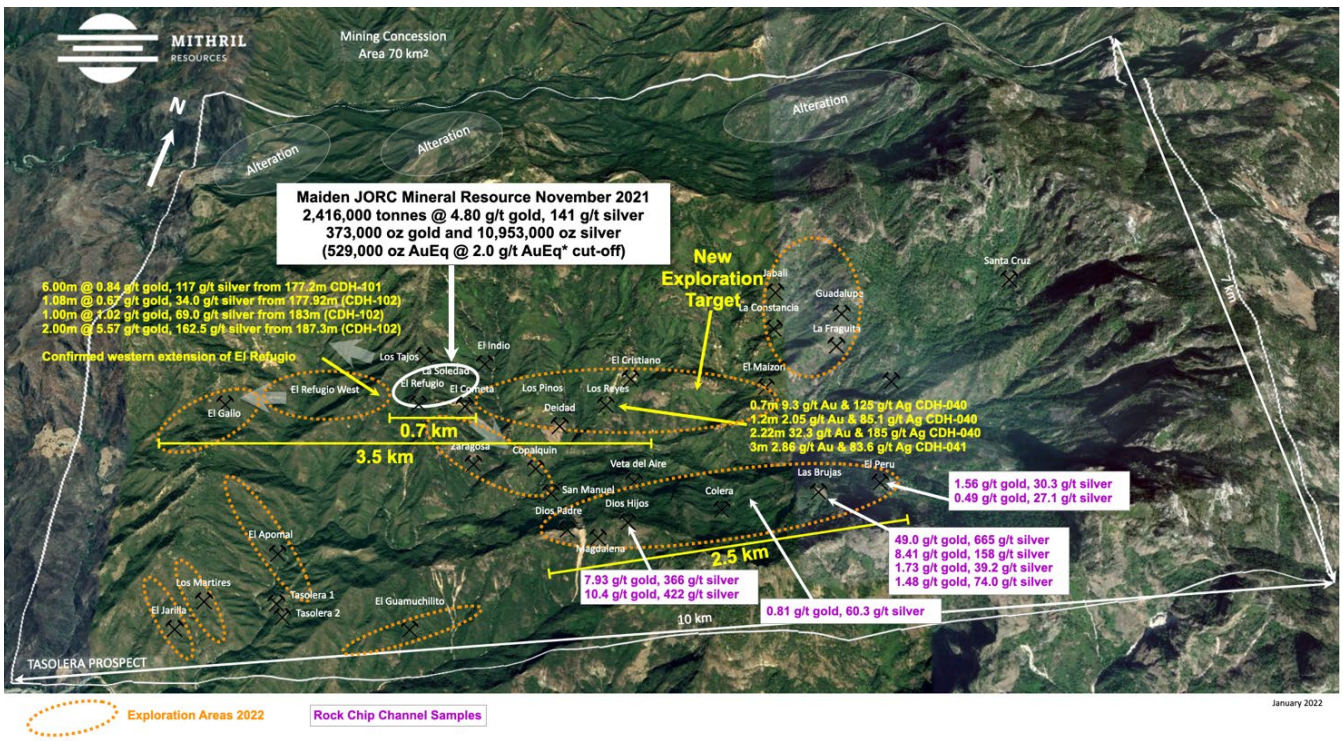

Figure 2 – The 70 km² Copalquin District mining concession area with maiden resource area at El Refugio, drill expansion west and development of new drill targets at El Peru, Las Brujas and Dios Hijos following strong rock chip sample results.

ABOUT THE COPALQUIN GOLD SILVER PROJECT

The Copalquin mining district is located in Durango State, Mexico and covers an entire mining district of 70km^2 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.

Within 15 months of drilling in the Copalquin District, Mithril delivered a maiden JORC mineral resource estimate demonstrating the high-grade gold and silver resource potential for the district. This maiden resource is detailed below.

- **2,416,000 tonnes @ 4.80 g/t gold, 141 g/t silver** for **373,000 oz gold** plus **10,953,000 oz silver (Total 529,000 oz AuEq*) using a cut-off grade of 2.0 g/t AuEq***
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*Table 3- Mineral resource estimate El Refugio – La Soledad using a cut-off grade of 2.0 g/t AuEq**

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.

-ENDS-

Released with the authority of the Board.

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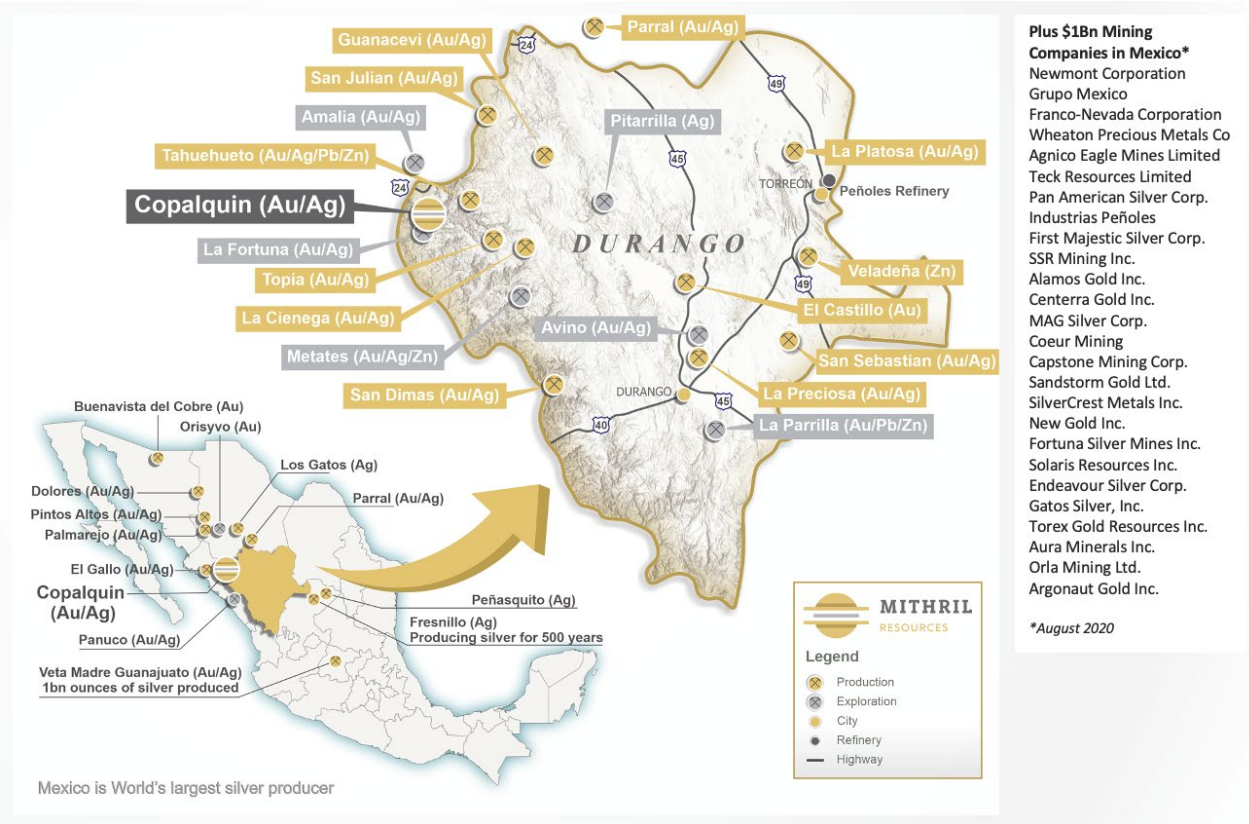


Figure 3 - Copalquin District location map with locations of mining and exploration activity within the state of Durango.

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.

The information in this report that relates to metallurgical test results, mineral processing and project development has been compiled by Mr John Skeet who is Mithril's CEO and Managing Director. Mr Skeet is a Fellow of the Australasian Institute of Mining and Metallurgy. This is a Recognised Professional Organisation (RPO) under the Joint Ore Reserves Committee (JORC) Code.

Mr Skeet 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 Skeet 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

Results for Flotation Test

FLOTATION TEST SUMMARY

Scope: Evaluate the response of the ore to flotation, for the recovery mainly of Au and Ag.

Head Assay					
Au	Ag	Pb	Zn	Fe	S
g/t	g/t	ppm	ppm	%	%
4.24	133.0	108	202	2.5	1.2

Parameters	
Sample Id.	El Refugio Composite
Objective:	Kinetics Flotation
Particle Size (µm):	75
Feed:	Head
Ore Weight (g):	1500
Water:	Tap water

Reagents								
	P-404	XAP	CuSO4	F-070	pH	ORP	Time	
	g/t	g/t	g/t	g/t			Min	Sec
Grinding	15		100		8.2	-67.7	22	42
Conditioning		30					5	
Rougher # 1				15			1	
Rougher # 2							1	
Rougher # 3							1	
Rougher # 4							1	
Rougher # 5							1	

Summary - Metallurgical Balances

Product		Partial											Cumulative										
		Weight	R/C	Assay					Distribution					Weight	R/C	Assay					Distribution				
		%		Au g/t	Ag g/t	Pb ppm	Zn ppm	Fe %	Au %	Ag %	Pb %	Zn %	Fe %	%		Au g/t	Ag g/t	Pb ppm	Zn ppm	Fe %	Au %	Ag %	Pb %	Zn %	Fe %
Test #1 75 µm	Rougher # 1	3.2		114.05	2629	2007	2570	17.5	80.5	67.7	61.5	43.7	20.8	3.2	31.4	114.05	2629	2007	2570	17.5	80.5	67.7	61.5	43.7	20.8
	Rougher # 2	3.2		14.04	488	419	584	6.3	10.0	12.7	13.0	10.0	7.5	6.4	15.6	63.84	1554	1210	1573	11.9	90.5	80.4	74.5	53.7	28.4
	Rougher # 3	3.1		2.55	135	128	227	3.6	1.7	3.4	3.8	3.7	4.2	9.5	10.5	43.92	1093	858	1136	9.2	92.2	83.8	78.3	57.5	32.5
	Rougher # 4	2.2		2.02	111	107	210	3.7	1.0	2.0	2.3	2.5	3.1	11.7	8.6	35.99	907	716	960	8.1	93.2	85.8	80.6	59.9	35.6
	Rougher # 5	3.3		1.28	70	72	163	3.3	0.9	1.9	2.3	2.9	4.0	15.0	6.7	28.39	724	575	786	7.1	94.2	87.6	82.8	62.8	39.6
	Tail	85.0		0.31	18	21	82	1.9	5.8	12.4	17.2	37.2	60.4	85.0		0.31	18	21	82	1.9	5.8	12.4	17.2	37.2	60.4
Test #2 75 µm (Dup)	Rougher # 1	4.3		76.17	2126	1562	1946	14.5	79.6	72.7	60.8	45.0	23.3	4.3	23.3	76.17	2126	1562	1946	14.5	79.6	72.7	60.8	45.0	23.3
	Rougher # 2	2.8		6.09	285	261	375	4.3	4.2	6.4	6.7	5.7	4.5	7.1	14.1	48.39	1396	1046	1323	10.5	83.8	79.1	67.4	50.7	27.8
	Rougher # 3	3.5		2.84	148	144	242	3.5	2.4	4.1	4.5	4.5	4.5	10.6	9.5	33.43	986	750	968	8.2	86.2	83.2	72.0	55.2	32.3
	Rougher # 4	2.9		1.87	102	101	190	3.2	1.3	2.4	2.7	3.0	3.5	13.5	7.4	26.57	794	609	799	7.1	87.6	85.6	74.7	58.2	35.8
	Rougher # 5	2.5		8.55	118	108	207	3.7	5.3	2.4	2.5	2.8	3.5	16.0	6.2	23.73	687	530	706	6.6	92.9	87.9	77.1	61.1	39.4
	Tail	84.0		0.35	18	30	86	1.9	7.1	12.1	22.9	38.9	60.6												

Comments:

* The results had a positive response to flotation for gold and silver.
* The global recovery of gold was higher than 94.2%.
* Tailings of the duplicate test for gold are being re-analyzed since the value obtained was <0.01 g/t.
* For silver global recovery ranged from 87.6% to 87.9%.
* Tailings and flotation concentrates are being prepared to be leached next week

Table 4 – Flotation test work details for duplicate flotation test on El Refugio drill core composite.

NATURAL RESOURCES // METALLURGY

Summary of Cyanide Leaching of Flotation Products

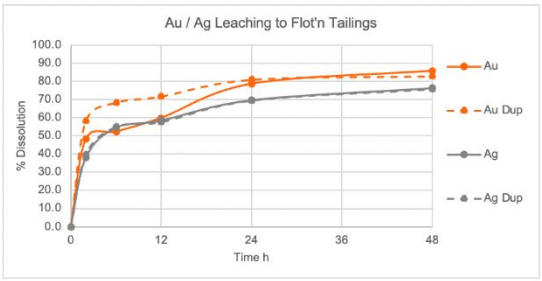
Objetive: Determine the dissolution of gold and silver in the products obtained from Flotation (Concentrate and Tailings) through the cyanidation process.

Parameters		
Description	Tailings	Concentrate
Particle Size (µm):	75 µm	75 µm
Dry Ore Weight (g):	1000	250
% Solids:	33%	33%
NaCN ppm:	1000	10000
pH:	10.5-11.5	10.5-11.5
Time (hr):	48	48

Dissolution Kinetics								
Description	Leaching to Flot'n Tailings				Leaching to Flot'n Concentrate			
hours	Test		Dup Test		Test		Dup Test	
	Au %	Ag %	Au %	Ag %	Au %	Ag %	Au %	Ag %
0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
2	48.3	38.1	58.2	39.8	66.0	60.1	55.3	55.4
6	52.3	54.6	68.4	55.0	83.0	68.9	84.5	73.0
12	59.9	58.6	71.8	57.6	89.4	76.5	91.2	78.0
24	78.7	69.8	81.1	69.5	96.4	88.3	98.6	88.2
48	85.8	76.5	82.9	75.7	97.3	93.4	97.4	92.9

Summary Results								
Description	Leaching to Flot'n Tailings				Leaching to Flot'n Concentrate			
	Test		Dup Test		Test		Dup Test	
	Au g/t	Ag g/t	Au g/t	Ag g/t	Au g/t	Ag g/t	Au g/t	Ag g/t
Calculated Head	0.42	21.3	0.35	20.6	27.87	950.8	25.66	867.3
Head Assay	0.36	17.0	0.36	17.0	25.27	868.1	25.27	868.1
Tail	0.06	5.0	0.06	5.0	0.75	63.0	0.67	62.0
Dissolution	Au %	Ag %	Au %	Ag %	Au %	Ag %	Au %	Ag %
	85.8	76.5	82.9	75.7	97.3	93.4	97.4	92.9
Reagents	NaCN kg/t	CaO kg/t	NaCN kg/t	CaO kg/t	NaCN kg/t	CaO kg/t	NaCN kg/t	CaO kg/t
Consumption	0.30	0.33	0.41	0.33	10.35	0.26	10.15	0.29

The NaCN Concentration in the concentrate was 1% and at the end of the test it was 0.95%



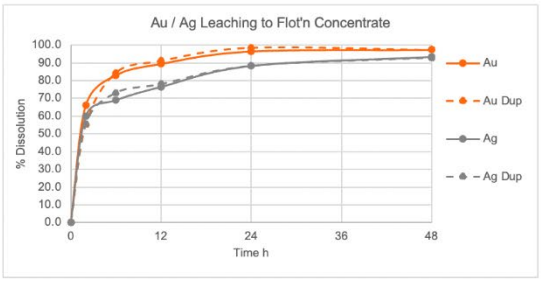


Table 5 – Duplicate test work results for cyanide leaching of the flotation test work products – cyanide leaching of the flotation test tailings and intensive cyanide leaching of the flotation test concentrates

JORC Code, 2012 Edition – Table 1

Section 1 Sampling Techniques and Data

Criteria	JORC Code explanation	Commentary
Sampling techniques	• *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.* • *Include reference to measures taken to ensure sample representvity and the appropriate calibration of any measurement tools or systems used.* • *Aspects of the determination of mineralisation that are Material to the Public Report.* • *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.*	• 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. • Deeper portions of holes from CDH-075 onward consist of ½ NQ core. Sample sizes are tracked by core diameter and sample weights. • The same side of the core is always sent to sample (left side of saw). • Reported intercepts are calculated as either potentially underground mineable (below 120m below surface) or as potentially open-pit mineable (near surface). • 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. • 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. • 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. • Rock chip sampling is done with hammer and chisel along continuous chip lines oriented perpendicular to the mineralized structure. The samples are as representative as possible.
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, face-sampling 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. Core is recovered in a standard tube. Less than 7% of the total core drilled is NQ size core (as of 2022-01-15).
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.*	• Drill recovery is measured based on measured length of core divided by length of drill run. • Recovery in holes CDH-001 through CDH-025 and holes

Criteria	JORC Code explanation	Commentary
	• *Measures taken to maximise sample recovery and ensure representative nature of the samples.* • *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.*	CDH-032 through CDH--077was always above 90% in the mineralized zones. Detailed core recovery data are maintained in the project database. • Holes CDH-026 through CDH-031 had problems with core recovery in highly fractured, clay rich breccia zones. • There is no adverse relationship between recovery and grade identified to date.
Logging	• *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.* • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* • *The total length and percentage of the relevant intersections logged.*	• Core samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies. • 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. • All core has been logged and photographed.
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.* • *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* • *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* • *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* • *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.* • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	• Core is sawn and half core is taken for sample. • Samples are prepared using ALS Minerals Prep-31 crushing, splitting and pulverizing. This is appropriate for the type of deposit being explored. • Visual review to assure that the cut core is ½ of the core is performed to assure representativity of samples. • field duplicate/second-half sampling is undertaken for 3% of all samples to determine representativity of the sample media submitted. • Sample sizes are appropriate to the grain size of the material being sampled.
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.* • *For geophysical tools, spectrometers, handheld XRF*	• 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 AgGRAV21. These are considered a total assay technique.

Criteria	JORC Code explanation	Commentary
	instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc. • *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.*	• 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. • 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. • 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.
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* • *Discuss any adjustment to assay data.*	• 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. • The use of twinned holes. No twin holes have been drilled. 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. • Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols are maintained in the company's core facility. • Assay data have not been adjusted other than applying length weighted averages to reported intercepts.
Location of data points	• *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.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	• 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. Hole CDH-005 was not surveyed • UTM/UPS WGS 84 zone 13 N • High quality topographic control from Photosat covers the entire drill project area.
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *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)*	• Data spacing is appropriate for the reporting of Exploration Results. • The Resource estimation re-printed in this announcement was originally released on 16 Nov 2021 • No sample compositing has been applied.

Criteria	JORC Code explanation	Commentary
	and classifications applied. • *Whether sample compositing has been applied.*	
Orientation of data in relation to geological structure	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* • *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.*	• 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. • The relationship between the drilling orientation and the orientation of key mineralised structures is not considered to have introduced a sampling bias.
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.*	• A review with spot checks was conducted by AMC in conjunction with the resource estimate published 16 Nov 2021. Results were satisfactory to AMC.

<table>
<tr><th>Criteria</th><th>JORC Code explanation</th><th>Commentary</th></tr>
<tr><td>Mineral tenement and land tenure status</td><td>• 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 security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.</td><td>• Concessions at Copalquin
<table>
<tr><th>No.</th><th>Concession</th><th>Concession Title number</th><th>Area (Ha)</th><th>Location</th></tr>
<tr><td>1</td><td>LA SOLEDAD</td><td>52033</td><td>6</td><td>Tamazula, Durango, Mexico</td></tr>
<tr><td>2</td><td>EL COMETA</td><td>164869</td><td>36</td><td>Tamazula, Durango, Mexico</td></tr>
<tr><td>3</td><td>SAN MANUEL</td><td>165451</td><td>36</td><td>Tamazula, Durango, Mexico</td></tr>
<tr><td>4</td><td>COPALQUIN</td><td>178014</td><td>20</td><td>Tamazula, Durango, Mexico</td></tr>
<tr><td>5</td><td>EL SOL</td><td>236130</td><td>6,000</td><td>Tamazula, Durango and Badiraguato, Sinaloa, Mexico</td></tr>
<tr><td>6</td><td>EL CORRAL</td><td>236131</td><td>907.3243</td><td>Tamazula, Durango and Badiraguato, Sinaloa, Mexico</td></tr>
</table>
</td></tr>
<tr><td>Exploration done by other parties</td><td>• Acknowledgment and appraisal of exploration by other parties.</td><td>• 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.
• Work done by the Mexican government and by IMMSA and will be used for modelling of historic mine workings which are now inaccessible (void model)</td></tr>
<tr><td>Geology</td><td>• Deposit type, geological setting and style of mineralisation.</td><td>• 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.</td></tr>
</table>

Criteria	JORC Code explanation	Commentary
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.* • *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.*	

Hole_ID	WGS84_E	WGS84_N	El_M	Azimut	Incl	Depth	Target
CDH-001	289591	2824210	1113	220	-65	210.50	Soledad
CDH-002	289591	2824210	1113	165	-60	204.00	Soledad
CDH-003	289591	2824210	1113	155	-70	153.00	Soledad
CDH-004	289591	2824210	1113	245	-55	202.50	Soledad
CDH-005	289665	2824195	1083	205	-60	10.50	Soledad
CDH-006	289665	2824195	1083	200	-59	87.00	Soledad
CDH-007	289665	2824195	1083	240	-68	12.00	Soledad
CDH-008	289645	2824196	1088	150	-62	165.00	Soledad
CDH-009	289645	2824196	1088	197	-70	21.00	Soledad
CDH-010	289649	2824206	1083	198	-64	180.00	Soledad
CDH-011	289649	2824206	1083	173	-62	138.00	Soledad
CDH-012	289678	2824313	1095	200	-45	228.00	Soledad
CDH-013	289678	2824313	1095	180	-45	240.30	Soledad
CDH-014	289678	2824313	1095	220	-45	279.00	Soledad
CDH-015	289311	2823706	1271	200	-75	256.50	Refugio
CDH-016	289311	2823706	1271	200	-60	190.50	Refugio
CDH-017	289234	2823727	1236	190	-75	171.00	Refugio
CDH-018	289234	2823727	1236	190	-53	159.00	Refugio
CDH-019	289234	2823727	1236	140	-65	201.00	Refugio
CDH-020	289234	2823727	1236	115	-78	216.00	Refugio
CDH-021	289234	2823727	1236	250	-75	222.00	Refugio
CDH-022	289255	2823835	1251	190	-54	261.00	Refugio
CDH-023	289255	2823835	1251	190	-70	267.00	Refugio
CDH-024	289170	2823774	1185	190	-55	150.00	Refugio
CDH-025	289170	2823774	1185	190	-70	213.00	Refugio
CDH-026	289585	2823795	1183	200	-50	51.00	Cometa
CDH-027	289605	2823790	1179	200	-60	51.00	Cometa
CDH-028	289612	2823815	1170	200	-45	51.00	Cometa
CDH-029	289611	2823835	1152	200	-45	60.00	Cometa
CDH-030	289653	2823823	1153	200	-45	55.50	Cometa
CDH-031	289510	2823781	1197	200	-45	66.00	Cometa
CDH-032	289414	2823752	1223	190	-50	207.00	Refugio
CDH-033	289325	2823822	1269	190	-55	270.00	Refugio
CDH-034	289429	2823795	1197	190	-50	183.00	Refugio
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	Constancia
CDH-045	292761	2824372	1489	240	-62	130.50	Constancia
CDH-046	292778	2824259	1497	240	-70	133.00	Constancia
CDH-047	290887	2822835	1285	265	-65	234.00	San Manuel
CDH-048	290902	2822734	1335	265	-65	249.00	San Manuel
CDH-049	289325	2823822	1269	185	-70	282.00	Refugio
CDH-050	289325	2823822	1269	206	-67	288.00	Refugio
CDH-051	289370	2823795	1225	190	-47	201.00	Refugio
CDH-052	289370	2823795	1225	190	-60	231.00	Refugio
CDH-053	289385	2823885	1200	190	-47	211.00	Refugio
CDH-054	289536	2824255	1155	200	-70	321.00	Soledad
CDH-055	289738	2824140	1074	190	-60	174.00	Soledad
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

Criteria	JORC Code explanation	Commentary

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 Pinos
CDH-074	290149	2823830	1120	200	-55	219.00	Los Pinos
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
CDH-097	289413	2824025	1205	190	-60	429	Refugio
CDH-098	289413	2824025	1205	190	-70	450	Refugio
CDH-099	289561	2823770	1189	110	-45	90	Cometa
CDH-100	289605	2823790	1179	295	-45	45	Cometa
CDH-101	288764	2823829	1190	190	-55	330	West Refugio
CDH-102	288848	2823842	1140	190	-55	300	West Refugio
CDH-103							
CDH-104							
CDH-105							
CDH-106							
CDH-107							
CDH-108							
CDH-109							
CDH-110							
CDH-111							
CDH-112							
CDH-113							
CDH-114							
CDH-115							
CDH-116							
CDH-117							

<table>
<tr><th>Criteria</th><th>JORC Code explanation</th><th>Commentary</th></tr>
<tr><td></td><td></td><td>
<table>
<tr><td>CDH-118</td><td></td><td></td><td></td><td></td><td></td><td></td><td></td></tr>
</table>
</td></tr>
<tr><td>Data aggregation methods</td><td>

In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.
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.
The assumptions used for any reporting of metal equivalent values should be clearly stated.

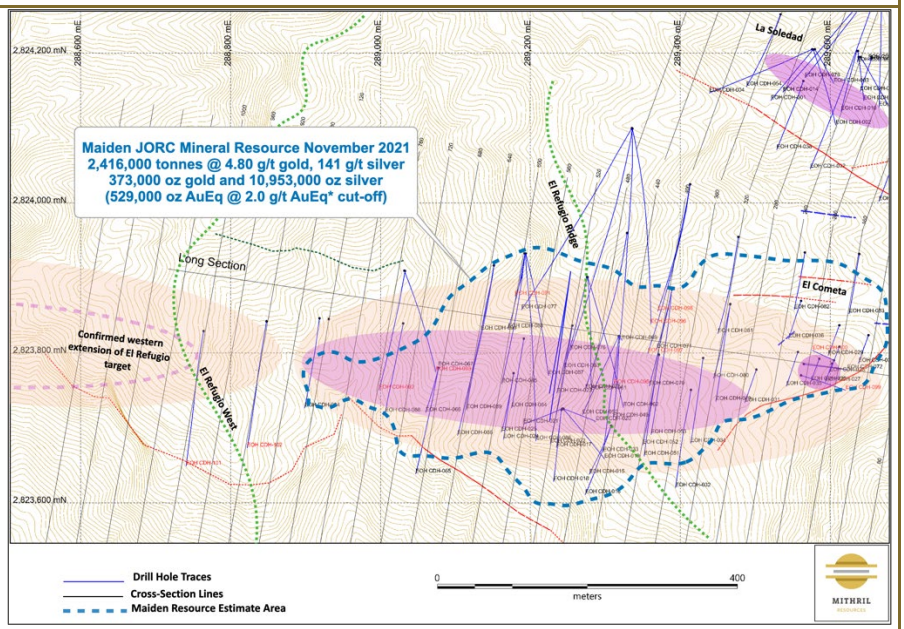
</td><td>

Intercepts are reported for all intercepts greater than or equal to 1 g/t AuEQ_70 using a 70:1 Silver to gold price ratio. No upper cut-off is applied to reporting intercepts.
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.

<table>
<tr><th>Au raw</th><th>Ag raw</th><th>Length (m)</th><th>Au *length</th><th>Ag *length</th><th></th><th></th><th></th><th></th><th></th></tr>
<tr><td>7.51</td><td>678</td><td>0.5</td><td>3.755</td><td>339</td><td></td><td></td><td></td><td></td><td></td></tr>
<tr><td>11.85</td><td>425</td><td>0.55</td><td>6.5175</td><td>233.75</td><td></td><td></td><td></td><td></td><td></td></tr>
<tr><td>0</td><td>0</td><td>0</td><td>0</td><td>0</td><td></td><td></td><td></td><td></td><td></td></tr>
<tr><td>0.306</td><td>16</td><td>1</td><td>0.306</td><td>16</td><td></td><td></td><td></td><td></td><td></td></tr>
<tr><td>0.364</td><td>31.7</td><td>1</td><td>0.364</td><td>31.7</td><td></td><td></td><td></td><td></td><td></td></tr>
<tr><td>3.15</td><td>241</td><td>0.5</td><td>1.575</td><td>120.5</td><td></td><td></td><td></td><td></td><td></td></tr>
<tr><td>10.7</td><td>709</td><td>0.5</td><td>5.35</td><td>354.5</td><td></td><td></td><td></td><td></td><td></td></tr>
<tr><td>15.6</td><td>773</td><td>0.5</td><td>7.8</td><td>386.5</td><td></td><td></td><td></td><td></td><td></td></tr>
<tr><td></td><td></td><td></td><td></td><td></td><td>From</td><td>To</td><td>Length</td><td>Au gpt</td><td>Ag gpt</td></tr>
<tr><td></td><td></td><td>4.55</td><td>25.6675</td><td>1481.95</td><td>91.95</td><td>96.5</td><td>4.55</td><td>5.64</td><td>325.70</td></tr>
</table>

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)

</td></tr>
</table>

Criteria	JORC Code explanation	Commentary
Relationship between mineralisation widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results.* • *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* • *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 known').*	• True widths at Refugio between sections 120 and 1,000 vary according to the hole's dip. Holes drilled at -50 degrees may be considered to have intercept lengths equal to true-widths, Holes drilled at -70 degrees have true widths approximately 92% of the reported intercept lengths and holes drilled at -90 degrees have true widths of 77% of the reported intercept lengths. • True widths are not known at La Soledad and downhole intercepts are reported.
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.*	
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.

Criteria	JORC Code explanation	Commentary
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 contaminating substances.*	• No additional exploration data are substantive at this time. • Metallurgical test work on drill core composite made of crushed drill core from the El Refugio drill hole samples has been conducted. • The samples used for the test work are representative of the material that makes up the majority of the Maiden Resource Estimate for El Refugio release on 17th November 2021. • The test work was conducted by SGS laboratory Mexico using standard reagents and test equipment.
Further work	• *The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).* • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	• No new drilling results reported in this release.