

## **JUNE 2024 QUARTERLY REPORT**

### **Highlights**

#### **Highlights for the June 2024 Quarter**

- Mithril held its AGM on 22 April 2024 with all resolutions passed at the meeting and ASX reinstating Mithril to trade on 22 May 2024
- The Company announced a A\$3.7M capital raising via share placement with a cornerstone investment by Jupiter Gold and Silver Fund (Jupiter) for A\$2M (~10% holding in Mithril) and at a 29 per cent premium to last traded share price
- Mithril progressed its application to dual list on the Toronto Venture Exchange (TSV). Subject to TSXV approval, the dual listing is on track for the September 2024 quarter. With the completion of the recent share placement, no additional placement is required for the TSXV listing.

#### **Copalquin Project, Mexico**

- Drilling commenced in June at the Target 1 area in the Copalquin district for an initial 4,000 metre diamond core programme. The recently completed capital raising allows drilling to continue throughout 2024 for a total of 9,000 metres to be drilled.
- A light detection and ranging (LiDAR) survey was flown over the Copalquin mining concession area. Initial results have identified important geological features plus 93 historic mine adits (tunnels), 7 mine shafts and 198 surfaces workings/prospecting pits, significantly more than previously understood.
- Geological mapping and channel sampling continued with new drill targets identified immediately south of the maiden resource area. Highlight channel sampling results include:
  - **3.5m @ 8.30 g/t gold, 239 g/t silver (Refugio Mine – main level)**
  - **1.5m @ 34.4 g/t gold, 372 g/t silver (Refugio Mine – second level)**
  - **2.0m @ 39.2 g/t gold, 401 g/t silver (Refugio Mine – main level)**
  - **1.8m @ 11.5 g/t gold, 226 g/t silver (Refugio Mine – second level)**
  - **10.5m @ 4.47 g/t gold, 121 g/t silver (Refugio Mine – surface prospect)**
  - **3.0m @ 8.02 g/t gold, 78 g/t silver (Copalquin Creek line)**
- Access road upgrade design work progressed with anticipated commencement of work at the beginning of the final quarter of 2024 following the end of the rainy season.

#### **Cash**

- At end of the June 2024 quarter, the Company had total cash of A\$1.5M, plus net proceeds from the \$3.7M capital raising announced at the end of the June quarter. See announcement [\\$3.7M Placement With Cornerstone Investor](#) released 26 June 2024 for the capital raising details
- The Company has received further Mexican VAT refunds during the quarter and expects VAT refunds for the current and future years to be received on a timely basis with the Mexican subsidiary company's continued compliance lodgement of its VAT claims.

---

Mithril Resources Ltd (ASX: MTH) (**Mithril** or the **Company**) is pleased to provide a quarterly update for the period ending 30 June 2024.

#### **DIRECTORS**

Craig Sharpe – Non-Executive Chair  
John Skeet – Managing Director & CEO  
Garry Thomas – Non-Executive Director  
Stephen Layton – Non-Executive Director  
Justyn Stedwell – Company Secretary

#### **MITHRIL RESOURCES LIMITED**

ACN: 099 883 922  
ASX: MTH

[www.mithrilresources.com.au](http://www.mithrilresources.com.au)

#### **REGISTERED OFFICE**

The Block Arcade  
Level 3, Suite 324, 96 Elizabeth St  
Melbourne VIC 3000  
T: +61 3 9088 2049  
E: [info@mithrilresources.com.au](mailto:info@mithrilresources.com.au)

## COPALQUIN GOLD-SILVER DISTRICT, MEXICO

With now 100 historic underground gold-silver mines and workings plus 198 surface workings/pits throughout 70km<sup>2</sup> of mining concession area, Copalquin is an entire mining district with high-grade exploration results and a maiden JORC resource. To date there are four interpreted hydrothermal upwelling zones in the district with one already hosting a high-grade gold-silver JORC resource at El Refugio (529koz AuEq @6.81 g/t AuEq)<sup>1</sup>. There is considerable strike and depth potential to increase the resource at El Refugio and at other target areas across the district.

With the district-wide gold and silver occurrences and rapid exploration success, it is clear the Copalquin District is developing into another significant gold-silver district like the many other districts in this prolific Sierra Madre Gold-Silver Trend of Mexico. These districts can host 1 – 5 million ounces of gold plus 50 – 100+ million ounces of silver.

- Diamond core drilling commenced in June 2024 for an initial 4,000m programme, now expanded to 9,000 metres with the recent capital raising funds.
- The initial programme includes drilling at the maiden resource at district Target 1 area at El Refugio and La Soledad, aiming to expand the resource by approximately 2X with anticipated update in Q1 2025.
- Geologic mapping and channel sampling around the high-grade maiden JORC resource at El Refugio – La Soledad continued, identifying additional structures, veins and historic workings in and around the most advanced district target area. Channel sampling results were reported during the June quarter (below).
- A light detection and ranging (LiDAR) survey was flown over the Copalquin mining concession area. Initial results have identified important geological features plus 93 historic mine adits (tunnels), 7 mine shafts and 198 surfaces workings/prospecting pits.
- Access road upgrade design work progressed with anticipated commencement of work at the beginning of the final quarter of 2024 following the end of the rainy season.
- Mithril's Technical Consultant Colin Jones visited Copalquin during the quarter.



Figure 1 Mithril's Technical consultant, Colin Jones, at Zaragoza workings (left) and La Soledad historic mine, level 4 (middle). Diamond core drill working at El Refugio (right).

<sup>1</sup> see 'About Copalquin Gold Silver Project' section for JORC MRE details and AuEq. calculation.



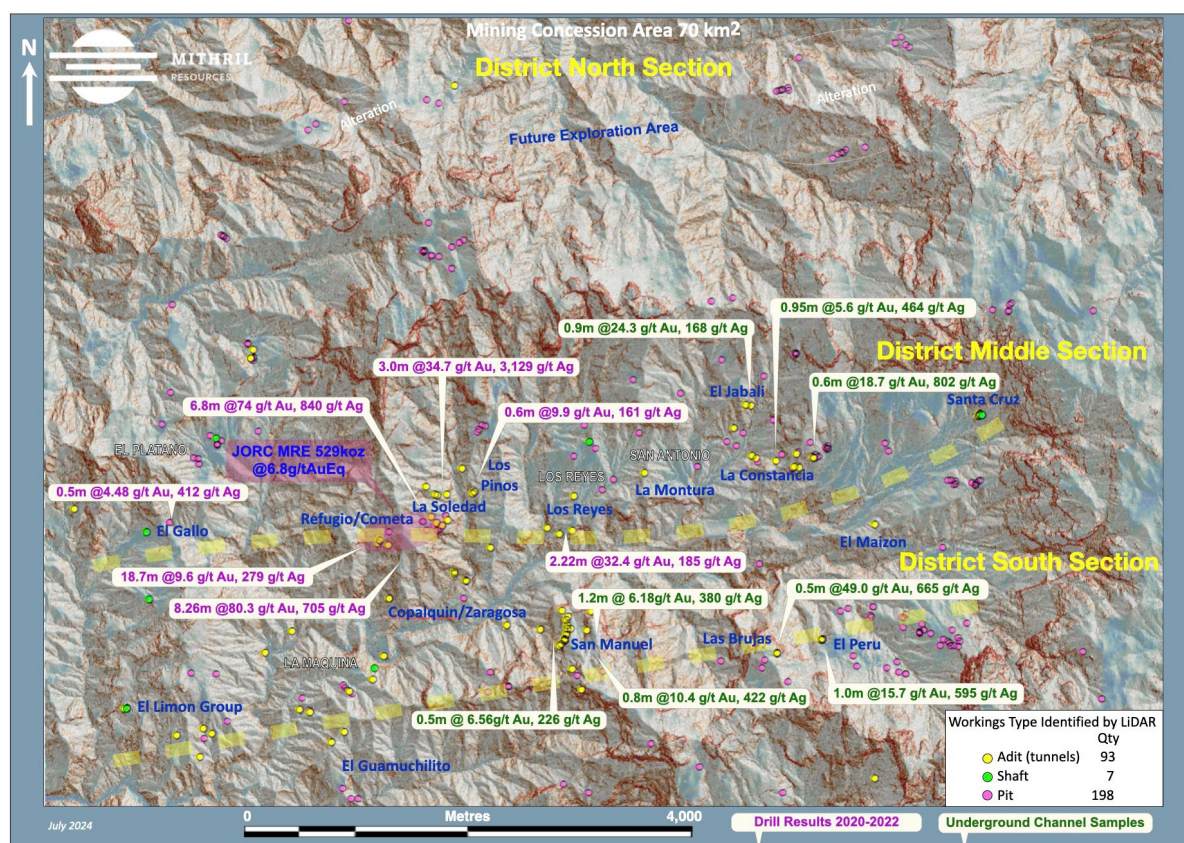


Figure 2 – Recent LiDAR image of the Copalquin Mining District 70km2 concession area showing the extensive historic mine and prospecting workings identified with the highly detailed LiDAR imaging.

Geologic mapping and rock chip channel sampling around the high-grade maiden JORC resource at El Refugio – La Soledad continued throughout the quarter, identifying new structures, veins and historic workings.

The exceptional channel sampling results were released during the quarter on 12 June 2024. See [High Grade Diamond Saw Assays Expand Drill Targets](#) for all details and JORC table.

This sampling programme used a diamond saw to cut underground and outcropping veins in a geologically unbiased manner as a method to support detailed mapping and interpretation of various structures. For future resource estimation work at the Target 1 area, these results may be included in JORC resource estimates with survey and proper QAQC carried out to JORC 2012 Standards.

El Refugio mine – main level	El Refugio Surface Prospect
• 3.5m @ 8.30 g/t gold, 239 g/t silver (L1)	• 1.7m @ 5.68 g/t gold, 106 g/t silver
• 2.5m @ 7.99 g/t gold, 191 g/t silver (L2)	• 1.9m @ 9.56 g/t gold, 215 g/t silver
• 3.0m @ 5.52 g/t gold, 154 g/t silver (L3)	• 1.8m @ 11.5 g/t gold, 226 g/t silver
• 3.0m @ 6.01 g/t gold, 156 g/t silver (L4)	• 1.3m @ 4.76 g/t gold, 100 g/t silver
El Refugio mine – second level	480 Cometa Surface Structure
• 1.5m @ 8.96 g/t gold, 325 g/t silver (L11)	• 10.5m @ 4.47 g/t gold, 121 g/t silver
• 1.5m @ 9.33 g/t gold, 173 g/t silver (L12)	• Cometa 2 Working
• 1.5m @ 34.4 g/t gold, 372 g/t silver (L25)	• 1.0m @ 1.74 g/t gold, 914 g/t silver
• 1.5m @ 4.20 g/t gold, 129 g/t silver (L26),	• La Soledad Mine Level 4
• 2.0m @ 6.91 g/t gold, 148 g/t silver (L28),	• 2.8m @ 6.92 g/t gold, 133 g/t silver (L3)
• 3.0m @ 11.0 g/t gold, 250 g/t silver (L29),	Copalquin Creek Line
• 2.0m @ 39.2 g/t gold, 401 g/t silver (L30), including 1.0m @ 70.7 g/t gold, 710 g/t silver	• 3.0m @ 8.02 g/t gold, 78 g/t silver
	Copalquin Mine
	• 2.0m @ 5.32 g/t gold, 245 g/t silver

Table 1 Highlight channel sampling results reported during the June 2024 quarter.



The mapping and channel sampling assays show there are structures interacting with the broad east-west low angle structure that extends for several kilometres across the district. The various mapped structures sampled in underground workings and surface structures show significant gold and silver mineralisation. The results support drilling in different orientations in the Target 1 area to intersect the various mineralised structures and provides some visual evidence of faulting.

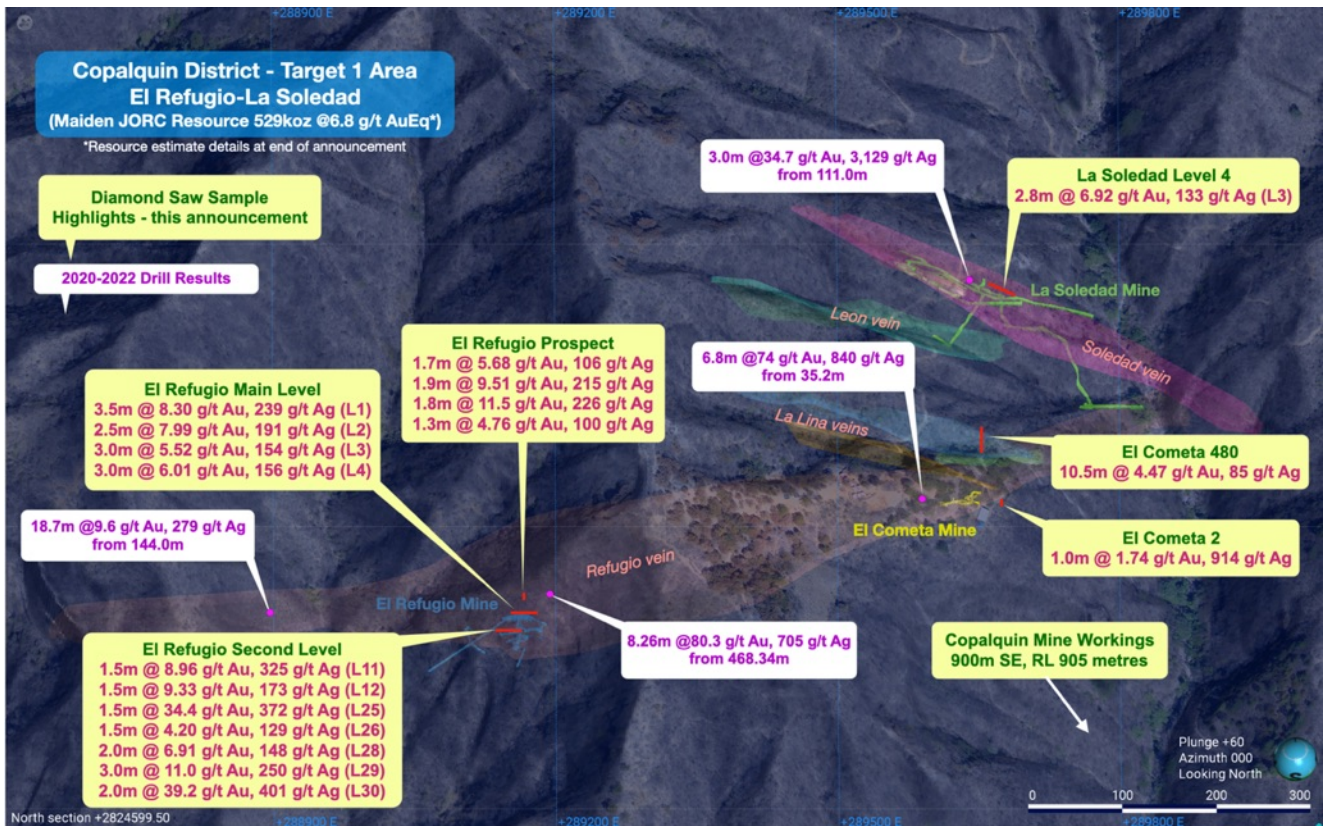


Figure 4 Map showing highlight diamond saw sampling result from Target Area 1, in the Copalquin District. Some highlight drill intercepts from 2020-2022 drilling also shown, which were part of the maiden JORC resource estimate for this target area.



Figure 3 Cutting a channel sample in large outcrop at El Cometa.



On the eastern side of Target 1 JORC resource area at El Cometa (see Figure 4), high-grade diamond saw sampling assays returned from a working (**Cometa 2 - 1.0m @ 1.74 g/t gold, 914 g/t silver**) down slope of the El Cometa mine plus a 10.5 metre wide NW trending cross cutting surface structure (**Cometa 480 - 10.5m @ 4.47 g/t gold, 121 g/t silver**). Previous drilling into a NW trending structure at El Cometa intercepted very high-grade near surface (CDH-072 6.8m @74 g/t gold, 840 g/t silver from 35.2m).



Figure 5 Channel sampling across vein at Copalquin Creek – Zaragoza area.



Figure 6 Well developed quartz vein at Copalquin Creek.



At the historic El Refugio mine working, new areas have been accessed, mapped and sampled returning high-grade assays providing enhanced interpretation of the structures in this important area. The main and second levels of the workings have been sampled for the first time and well as newly accessible areas (see Figures below).

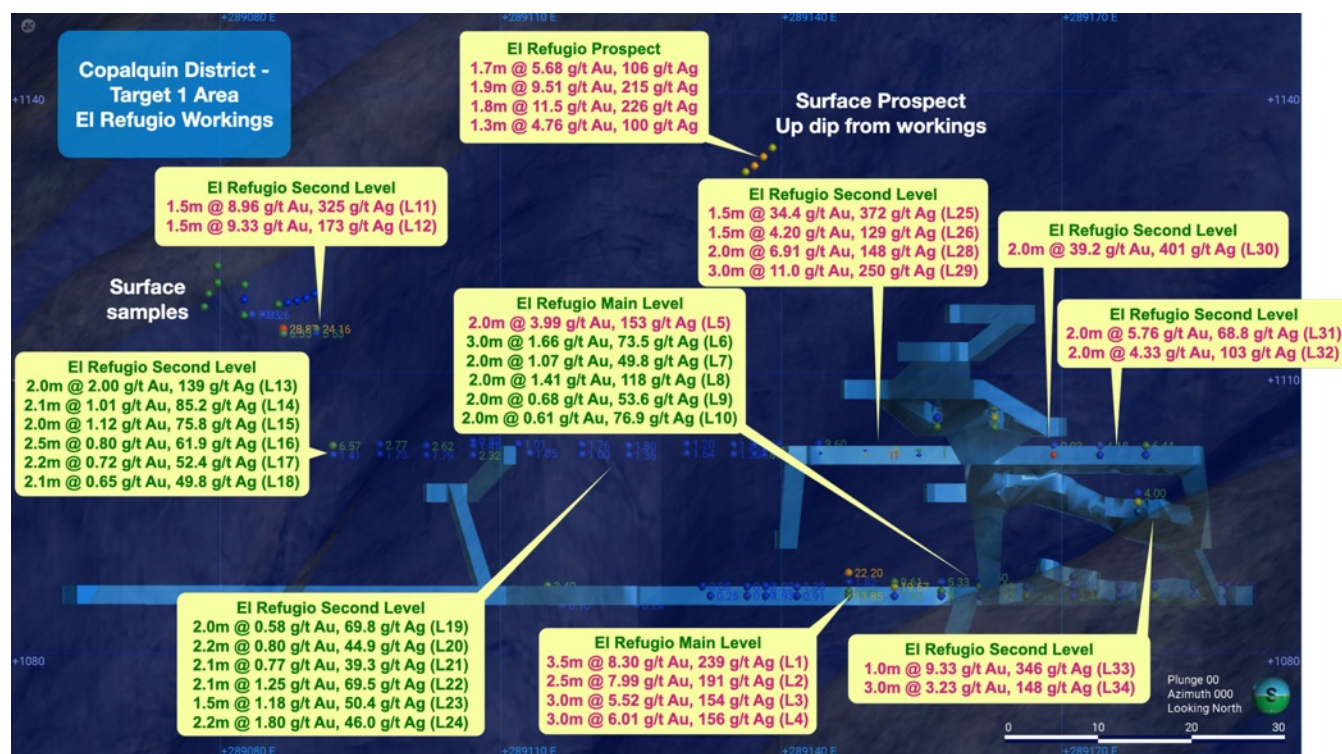


Figure 7 Cross section of the historic El Refugio mine workings, looking north with diamond saw sampling assay results. New areas have been accessed, mapped and sampled with survey pending to complete updated workings model. The detailed work has provided useful information regarding the various structures, breccias and faulting and the mineralisation. Sample from line 30 (L30 – 2.0m @ 39.2 g/t Au, 401 g/t Ag) is from a stope pillar, which provides an indication of the material historically mined.



Figure 8 Inside El Refugio workings, Left to right – sample line 12 (L12) - 1.5m @ 9.33 g/t Au, 173 g/t Ag, sample line 28 (L28) - 2.0m @ 6.91 g/t Au, 148 g/t Ag, and sample line 30 (L30) - 2.0m @ 39.2 g/t Au, 401 g/t Ag.



Below shows the location of the historic Copalquin mine workings down at the district central creek level and its position relative to the Target 1 resource area. The diamond saw sampling and mapping results are significant in supporting the concept of a major east-west vent system responsible for the widespread surface alteration and gold-silver mineralisation across the district.

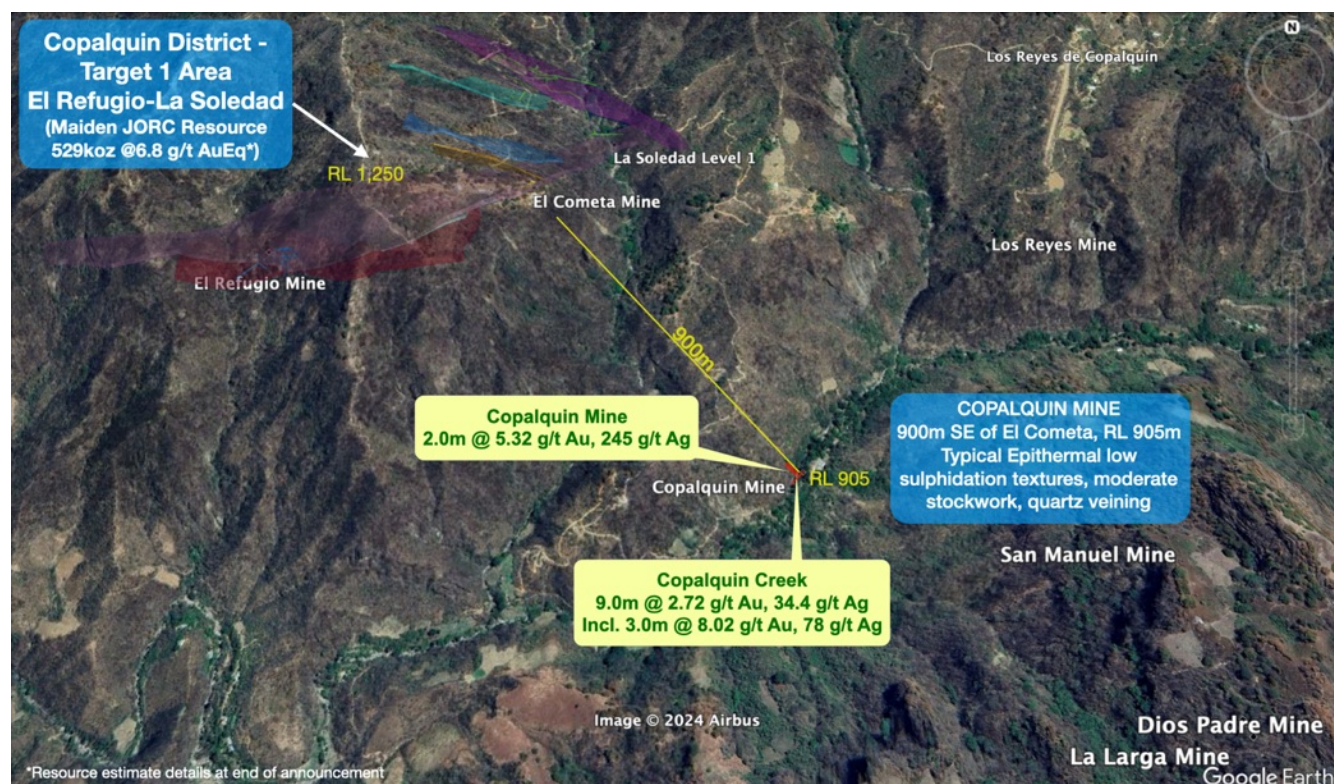


Figure 9 Map showing location of the historic Copalquin mine 900 metres south-east of the El Cometa mine at approximately 300 metres lower elevation. The results of the mapping and the assay results are significant in supporting the concept of a major east-west



Figure 10 Left: Mineralised structure in the Copalquin Creek important for the overall district geologic model. Right: Inside the historic Copalquin mine showing diamond saw channel sample.



The Copalquin mine workings have been developed on two levels along a quartz vein. No mine stoping has been done. The main vein is 50cm to 1m wide and comprises a multiphase quartz vein that exhibits well developed epithermal banding textures, including colloform banding and thin bands of sulphides. Copper oxide minerals are also observed. Inspection of a cross cut underground and the outcrop along the creek at the entrance to the workings shows that the main vein is associated with a 6m wide zone of similar but thinner veins. This structure is hosted in granodiorite and extends west into the Los Pinos alteration zone. A 9.0m wide diamond saw sample was taken across the structure yielding 9.0m @ 2.72 g/t gold, 34.4 g/t silver, including **3.0m @ 8.02 g/t gold, 78 g/t silver**.

This structure will be easy to drill in terms of access and is considered as a first priority target subject to detailed mapping and sampling of the area.

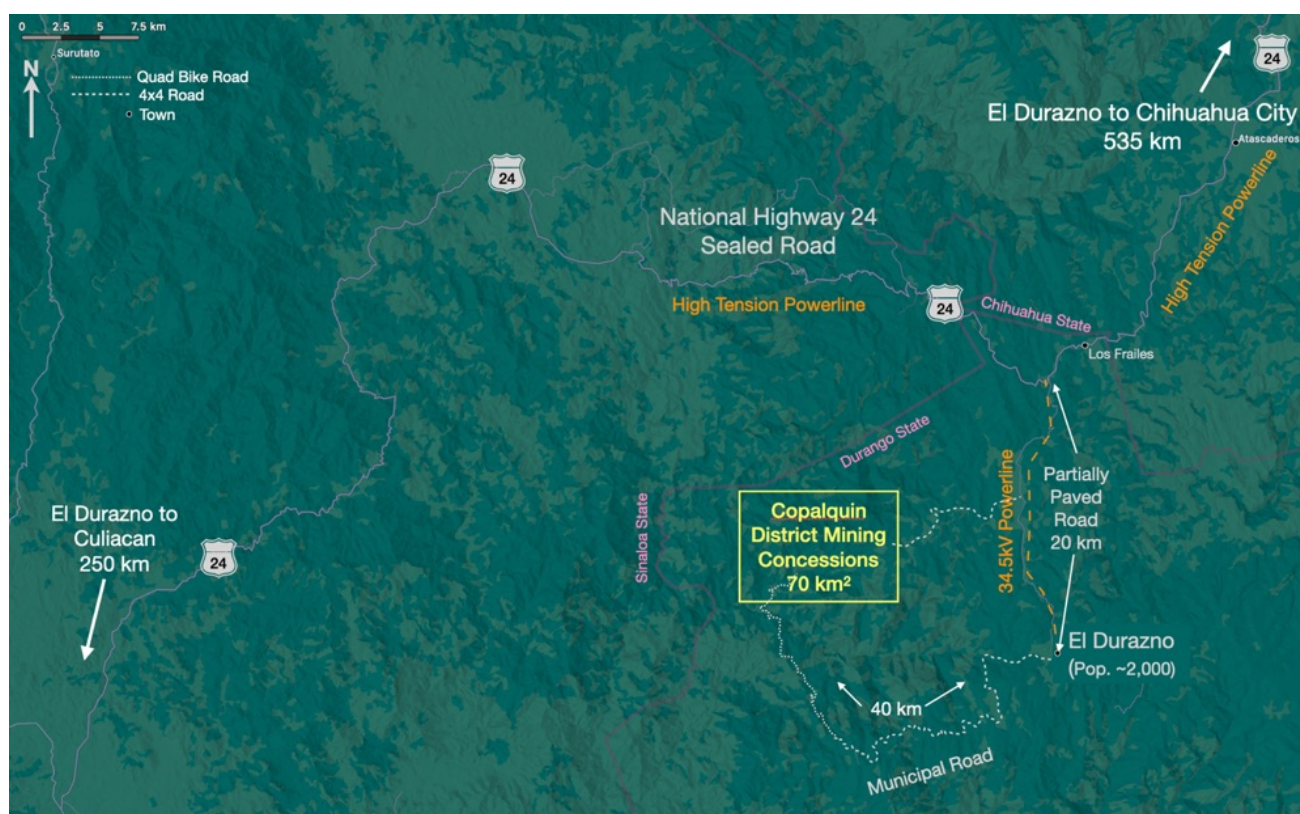


Figure 11 Copalquin District location and surrounding road access, major regional town of El Durazno and distances to cities. All-terrain vehicle track connecting to unsealed road with total length of 40 km between Copalquin and El Durazno. Design plans have advanced for the upgrading of the municipal road with anticipated commencement of work beginning early October 2024.

## Next Steps

The Company released an updated [Investor Presentation](#) on 21 May 2024 which provides the roadmap for the Copalquin Project. Figure 12 provides a structured overview of the planned activities across different phases of the project, showing a progression from exploration and assessment to development and engagement with stakeholders.



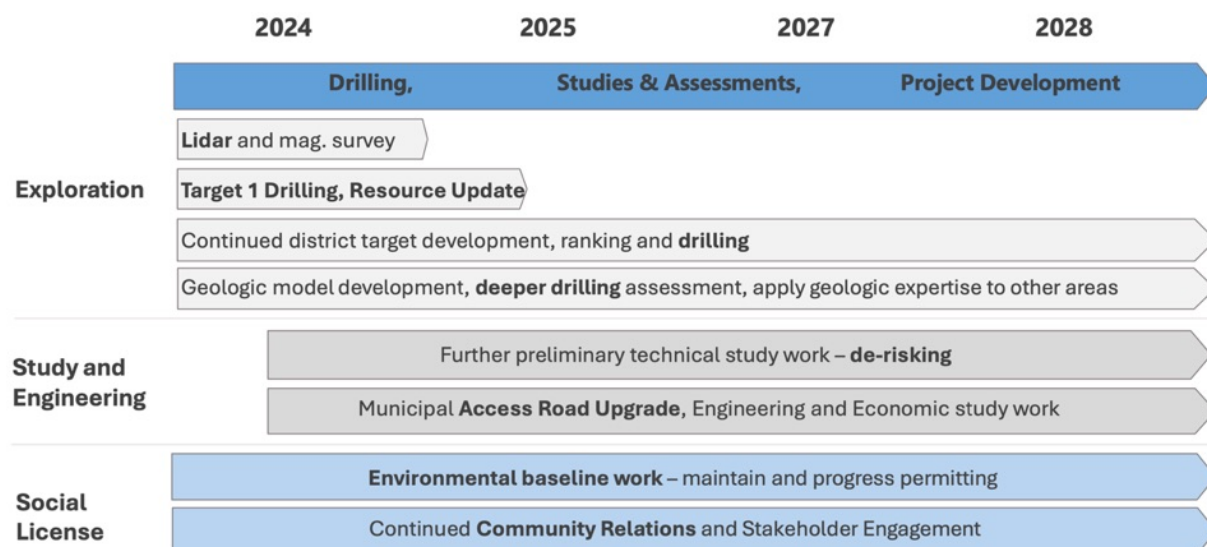


Figure 12 Copalquin Project Work Programme and Go Forward Plan

The Work Programme indicates strong news flow in 2024/2025, centred on the advancement from initial drilling to more detailed geological assessment and resource estimation.

*Note: MTH currently owns 50% of the Copalquin Gold-Silver Project and pursuant to its option agreement, MTH 100% owned subsidiary, Drummond Gold S.A. de C.V. has the exclusive right to earn up to 100% of the Copalquin Gold-Silver Project mining concessions. In order to exercise its rights to acquire up to 100% of the Project, MTH is required to pay CMC (Vendor) a cash payment of US\$10m which can be paid in either cash and/or shares up to August 2028.*

## CORPORATE

### Capital Raising

The Company completed a capital raising with Institutional, professional and sophisticated clients of PAC Partners Securities Pty Ltd and Arlington Group Asset Management (the Joint Lead Managers) for an investment in the Company of up to A\$3.7 million (before costs) through a Placement Offer. See announcement [\\$3.7M Placement With Cornerstone Investor](#) released 26 June 2024 for the capital raising details.

The placement was at a 29 per cent premium to last traded share price Jupiter Gold and Silver Fund (Jupiter) invested A\$2m for ~10% holding in Mithril, having completed a site visit in October 2023. Jupiter Gold and Silver Fund is a London based specialist gold and silver asset manager with approximately \$1 billion assets under management. Jupiter has been a shareholder since 2020 of ASX listed De Grey Mining and according to its March 2024 investor newsletter counts the Sprott Physical Silver ETF as its second largest holding while exploration companies are only 3% of the fund's assets under management.

### Cash

At end of the June 2024 quarter, the Company had total cash of A\$1.5M, plus net proceeds from the \$3.7M capital raising announced at the end of the June quarter and received subsequent to the quarter end.

The company has received further Mexican VAT refunds during the quarter and expects VAT refunds for the current and future years to be received on a timely basis with the Mexican subsidiary company's continued compliance lodgement of its VAT claims.



## Other - Company Secretary Appointment & Change of Registered Office

Mithril announced the appointment of Justyn Stedwell as Company Secretary. Justyn has over 17 years' experience as a Company Secretary of ASX listed companies and has also served as a Non-Executive Director on several ASX listed company Boards. He holds a Bachelor of Commerce from Monash University, a Graduate Diploma of Accounting from Deakin University and Graduate Diploma in Applied Corporate Governance from the Governance Institute of Australia. Further to this appointment, Claire Newstead-Sinclair resigned as Company Secretary and the Board thanked Claire for her outstanding services to the Company and is very grateful for her highly professional work over the previous two and half years.

The Company also advised that its registered office is now located at The Block Arcade, Suite 324, Level 3, 96 Elizabeth St, Melbourne, VIC, 3000.

## Related party Payments

In line with its obligations under ASX Listing Rule 5.3.5, Mithril Resources Limited notes that the only payments to related parties of the Company, as advised in the Appendix 5B for the period ended 30 June 2024, pertain to payments to directors and consultants for fees, salary and superannuation.

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE

The Company philosophy operating in the Copalquin district is to support communities via children's education and providing employment opportunities. This includes supporting three community schools in the district, employing twenty people from within the district under the federal employment laws, and developing infrastructure in the district for long term benefit. This includes the municipal access road, connecting to the township of El Durazno 12 km east of the Copalquin District, with design work progressing during the June quarter.

## 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.

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 (see ASX release 17 November 2021)<sup>^</sup>.

- **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 Eq.* (g/t)	Gold (koz)	Silver (koz)	Gold Eq.* (koz)
<b>El Refugio</b>	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
<b>La Soledad</b>	Indicated	-	-	-	-	-	-	-
	Inferred	278	4.12	228.2	7.38	37	2,037	66
<b>Total</b>	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
	<b>TOTAL</b>	<b>2,416</b>	<b>4.80</b>	<b>141</b>	<b>6.81</b>	<b>373</b>	<b>10,953</b>	<b>529</b>

Table 2 - Mineral resource estimate El Refugio – La Soledad using a cut-off grade of 2.0 g/t AuEq\*



\* The gold equivalent (AuEq.) values are determined from gold and silver values and assume the following: 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. Metallurgical recoveries are assumed to be approximately equal for both gold and silver at this early stage. Actual metallurgical recoveries from test work to date are 96% and 91% for gold and silver, respectively. In the Company's opinion there is reasonable potential for both gold and silver to be extracted and sold. Actual metal prices have not been used in resource estimate, only the price ratio for the AuEq reporting.

<sup>^</sup> The information in this report that relates to Mineral Resources or Ore Reserves is based on information provided in the following ASX announcement: 17 Nov 2021 - MAIDEN JORC RESOURCE 529,000 OUNCES @ 6.81G/T (AuEq\*), which includes the full JORC MRE report, also available on the Mithril Resources Limited Website.

The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

Mining study and metallurgical test work supports the development of the El Refugio-La Soledad resource with conventional mining methods indicated as being appropriate and with high gold-silver recovery to produce metal on-site with conventional processing.

Mithril is currently exploring in the Copalquin District to expand the resource footprint, demonstrating its multi-million-ounce gold and silver potential.

Mithril has an exclusive option to purchase 100% interest in the Copalquin mining concessions by paying US\$10M on or any time before 7 August 2026 (option has been extended by 3 years). Mithril has reached an agreement with the vendor for an extension of the payment date by a further 2 years (bringing the payment date to 7 August 2028).

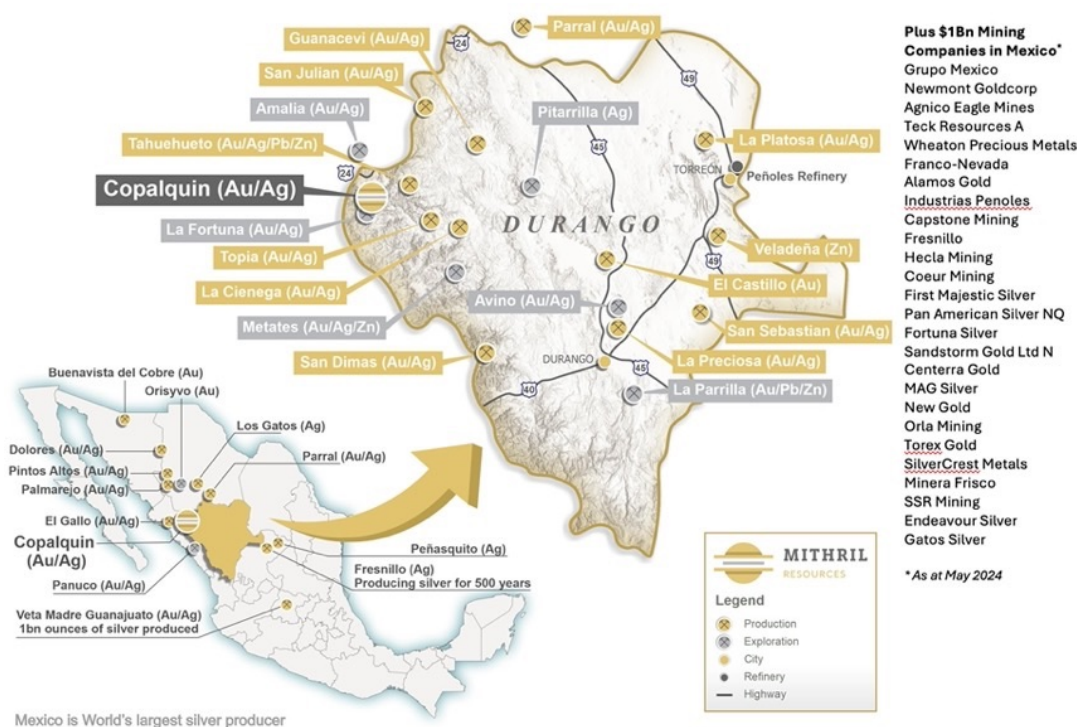


Figure 13 – Copalquin District location map with locations of mining and exploration activity within the state of Durango

-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 announcement that relates to metallurgical test results, mineral processing and project development and study work 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.

The information in this announcement that relates to sampling techniques and data, exploration results and geological interpretation for Mithril's Mexican project, has been compiled by Mr Ricardo Rodriguez who is Mithril's Project Manager. Mr Rodriguez is a Member of the Australasian Institute of Mining and Metallurgy. This is a Recognised Professional Organisation (RPO) under the Joint Ore Reserves Committee (JORC) Code.

Mr Rodriguez 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 Rodriguez consents to the inclusion in this report of the matters based on information in the form and context in which it appears.

The information in this announcement that relates to Mineral Resources is reported by Mr Rodney Webster, Principal Geologist at AMC Consultants Pty Ltd (AMC), who is a Member of the Australasian Institute of Mining and Metallurgy. The report was peer reviewed by Andrew Proudman, Principal Consultant at AMC. Mr Webster is acting as the 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, for the reporting of the Mineral Resource estimate. A site visit was carried out by Jose Olmedo a geological consultant with AMC, in September 2021 to observe the drilling, logging, sampling and assay database.

The Australian Securities Exchange has not reviewed and does not accept responsibility for the accuracy or adequacy of this release.

## ASX Announcements released during the June 2024 quarter:

26 Jun 2024	<a href="#"><u>\$3.7M PLACEMENT WITH CORNERSTONE INVESTOR</u></a>
12 Jun 2024	<a href="#"><u>High Grade Diamond Saw Assays Expand Drill Targets</u></a>
03 Jun 2024	<a href="#"><u>Company Secretary Appointment &amp; Change of Registered Office</u></a>
30 May 2024	<a href="#"><u>Drill Programme Restart at Copalquin</u></a>
21 May 2024	<a href="#"><u>Reinstatement to Official Quotation</u></a>
21 May 2024	<a href="#"><u>Investor Presentation</u></a>
30 Apr 2024	<a href="#"><u>Completion of Share Consolidation</u></a>
22 Apr 2024	<a href="#"><u>Results of Meeting</u></a>



## Mithril Resources Limited Group

### Tenement information

30 June 2024

#### Australian Interests:

Mining Concession	Tenement title number	Interest owned %
Kurnalpi Area	E28/2506	100.00
Kurnalpi Area	E28/2567	100.00
Kurnalpi Area	E28/2682	100.00
Kurnalpi Area	E28/2760	100.00
Lignum Dam Area	E27/538	100.00 <sup>#</sup>
Lignum Dam Area	E27/582	100.00 <sup>#</sup>
Lignum Dam Area	E27/584	100.00 <sup>#</sup>
Murchison Area (Limestone Well)	E20/846	10.00
Murchison Area (Limestone Well)	E57/1069	10.00

<sup>#</sup>The Lignum Dam tenements are under an earn-in agreement with Great Bolder Resources. Great Bolder has completed exploration expenditures to earn 51% interest in the tenements although this interest is not yet formally registered. Mithril is considering options to fully divest its interest in these tenements.

The Kurnalpi tenements are currently in good standing and Mithril is looking to farm-out or divest these tenements. Mithril continues to hold a 10% free carried interest in the Limestone Well tenements with Auteco Minerals.

#### Mexican Operations:

Mining Concession	Mining Concession title number	Interest owned %
LA SOLEDAD	52033	50.00
EL COMETA	164869	50.00
SAN MANUEL	165451	50.00
COPALQUIN	178014	50.00
EL SOL	236130	50.00
EL CORRAL	236131	50.00

Mithril has currently owns a 50% interest in the Copalquin mining concessions and has an exclusive option to purchase the remaining 50% (bringing Mithril's ownership of the Copalquin mining concessions to 100%) by paying US\$10M to the vendor on or any time before 7 August 2026 (the due date for payment was initially 7 August 2023, and was extended by 3 years by written agreement between Mithril and the vendor). Mithril has executed and registered an agreement with the vendor for an extension of the payment date by a further 2 years (bringing the payment date to 7 August 2028).



## Appendix 5B

### Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

MITHRIL RESOURCES LIMITED

ABN

30 099 883 922

Quarter ended ("current quarter")

30 JUNE 2024

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
<b>1.</b>	<b>Cash flows from operating activities</b>		
1.1	Receipts from customers		
1.2	Payments for		
	(a) exploration & evaluation		
	(b) development		
	(c) production		
	(d) staff costs	(175)	(361)
	(e) administration and corporate costs	(323)	(630)
1.3	Dividends received (see note 3)		
1.4	Interest received		
1.5	Interest and other costs of finance paid	(3)	(4)
1.6	Income taxes paid		
1.7	Government grants and tax incentives		
1.8	Other – GST/VAT refunds/(payments)		214
	Other – Mexico tax adjustments		121
	Other – Scheme implementation costs	(243)	(413)
	Other – Prepaid advisory costs	(175)	(175)
<b>1.9</b>	<b>Net cash from / (used in) operating activities</b>	<b>(919)</b>	<b>(1,248)</b>
<b>2.</b>	<b>Cash flows from investing activities</b>		
2.1	Payments to acquire or for:		
	(a) entities		
	(b) tenements		
	(c) property, plant and equipment		(1)
	(d) exploration & evaluation	(888)	(2,151)
	(e) investments		

## Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
2.2	(f) other non-current assets		
	Proceeds from the disposal of:		
	(a) entities		
	(b) tenements		
	(c) property, plant and equipment		
	(d) investments		
2.3	(e) other non-current assets		
	Cash flows from loans to other entities		
2.4	Dividends received (see note 3)		
2.5	Other (provide details if material)		
2.6	<b>Net cash from / (used in) investing activities</b>	<b>(888)</b>	<b>(2,152)</b>

<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	3,370	3,370
3.2	Proceeds from issue of convertible debt securities		1,000
3.3	Proceeds from exercise of options		
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(133)	(133)
3.5	Proceeds from borrowings		150
3.6	Repayment of borrowings	(46)	(62)
3.7	Transaction costs related to loans and borrowings		
3.8	Dividends paid		
3.9	Other (provide details if material)		
3.10	<b>Net cash from / (used in) financing activities</b>	<b>3,191</b>	<b>4,325</b>

<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of period	115	569
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(919)	(1,248)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(888)	(2,152)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	3,191	4,325



## Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	(2)	3
4.6	<b>Cash and cash equivalents at end of period</b>	<b>1,497</b>	<b>1,497</b>

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	1,497	115
5.2	Call deposits		
5.3	Bank overdrafts		
5.4	Other (provide details)		
5.5	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>1,497</b>	<b>115</b>

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	148
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
Amounts in 6.1 relate to Director fees and employee salaries.		
<i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i>		

## Mining exploration entity or oil and gas exploration entity quarterly cash flow report

<b>7. Financing facilities</b> <i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i> <i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</b>
7.1 Loan facilities		
7.2 Credit standby arrangements		
7.3 Other - Insurance funding loan	33	33
<b>7.4 Total financing facilities</b>	<b>33</b>	<b>33</b>
<b>7.5 Unused financing facilities available at quarter end</b>		-
7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		
Bank of Queensland insurance funding loan. Unsecured. Interest rate: 5.45% p.a. Matures on 30/12/2024 with fixed monthly repayments.		

<b>8. Estimated cash available for future operating activities</b>	<b>\$A'000</b>
8.1 Net cash from / (used in) operating activities (item 1.9)	(919)
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(888)
8.3 Total relevant outgoings (item 8.1 + item 8.2)	(1,807)
8.4 Cash and cash equivalents at quarter end (item 4.6)	1,497
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	1,497
<b>8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3)</b>	0.83
<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>	
8.8 If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
Answer: On 26 June 2024, the Company announced firm commitments had been received for a capital raising of \$3,700,000 before costs See announcement <a href="#">\$3.7M Placement With Cornerstone Investor</a> released 26 June 2024 for the capital raising details. On 4 July 2024, the Company issued 15,500,000 Shares as part of the Placement upon receiving funds of \$3,100,000. On 12 July 2024, the Company issued 2,500,000 Shares as part of the Placement upon receiving funds of \$500,000. A further \$100,000 is due following shareholder approval for director participation at an upcoming EGM. The Company has recommenced drilling at its Copalquin project in Mexico.	
8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
Answer: See above answer in 8.8.1	



8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: In light of the above factors, the Company believes that it will have sufficient cash to fund its existing activities. The Company's Board and Management is focused on meeting its current objectives and confirm that it is in compliance with ASX Listing Rules, in particular, Listing Rule 3.1.

*Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.*

## Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 31/7/24

**The Board of Directors**

Authorised by: .....  
(Name of body or officer authorising release – see note 4)

## Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.