Priority copper-nickel-PGE targets identified at Stark

- **New undrilled EM conductors along strike and down plunge from existing massive sulphide-hosted mineralisation demonstrate the potential for extensions and new mineralised bodies**
- **7 new targets identified along strike from Stark – each with discrete magnetic features consistent with Stark**
- **Field checking of regional targets to take place before end of June.**

Mithril Resources Ltd (**ASX: MTH**) is pleased to advise that further interpretation and modelling of recently acquired downhole (DHTEM) and ground (FLTEM) geophysical data has confirmed multiple high priority drill targets at the **Stark copper-nickel-PGE prospect** (*located 80 kilometres south east of Meekatharra, WA – Figure 1*).

In addition a regional exploration data review has identified 7 new targets that lie north and south along strike from Stark that require follow-up field checking.

Stark Drill Targets

As shown on *Figures 2 and 3*, a series of bedrock EM conductors have been identified along strike from and beneath previously drilled semi-massive and massive sulphide mineralisation at Stark including (*ASX Announcements dated 23 March 2015*):

- 16m @ 0.81%Cu, 0.09%Ni, 0.39g/t PGE's from 183 metres in NRC14008 including **4m @ 1.91%Cu, 0.18%Ni, 0.96g/t PGE's**,
- 16.37m @ 0.40% copper, 0.07% nickel, and 0.20g/t PGE's from 213.43 metres in NDD15001 including ***0.27m @ 0.41% copper, 1.62% nickel, and 1.60g/t PGE's*** *and* ***0.43m @ 2.19% copper, 0.12% nickel, and 0.77g/t PGE's,***
- 0.6m @ 3.81% copper, 0.05% nickel, 1.05g/t PGE's, and 19.1g/t silver from 246.35 metres in NDD15001, including; 0.15m ***@ 13.70% copper, 0.16% nickel, 3.94g/t PGE's, and 73.7g/t silver.***

Of note is a large new EM conductor that is centred approximately 300 metres south and down plunge from the NRC14008 / NDD15001 intercepts quoted above.

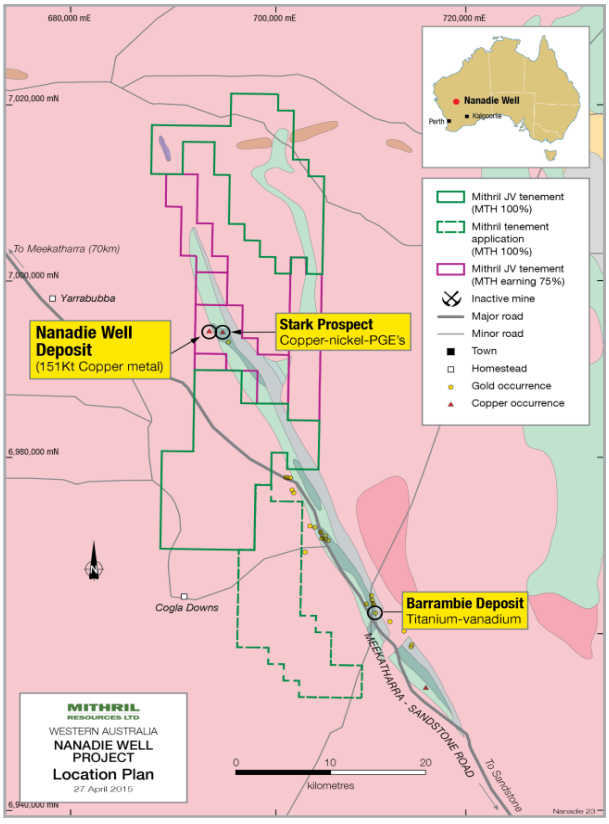

Figure 1: Location Plan - Nanadie Well Project

The EM conductor is one of three new off hole conductors (with modelled conductances ranging from 500 to 3,000S) that have now been identified at Stark (*Figure 3 and ASX Announcement dated 20 January 2015*).

With the exception of one hole, none of these modelled conductors have been drilled and clearly demonstrate the potential for extensions to the copper-nickel-PGE mineralisation drilled at Stark to date as well as previously unrecognised mineralised bodies.

Following its discovery by Mithril last year, only 8 holes (over 1 kilometre strike length) have been drilled at Stark with each hole intersecting copper-nickel-PGE mineralisation.

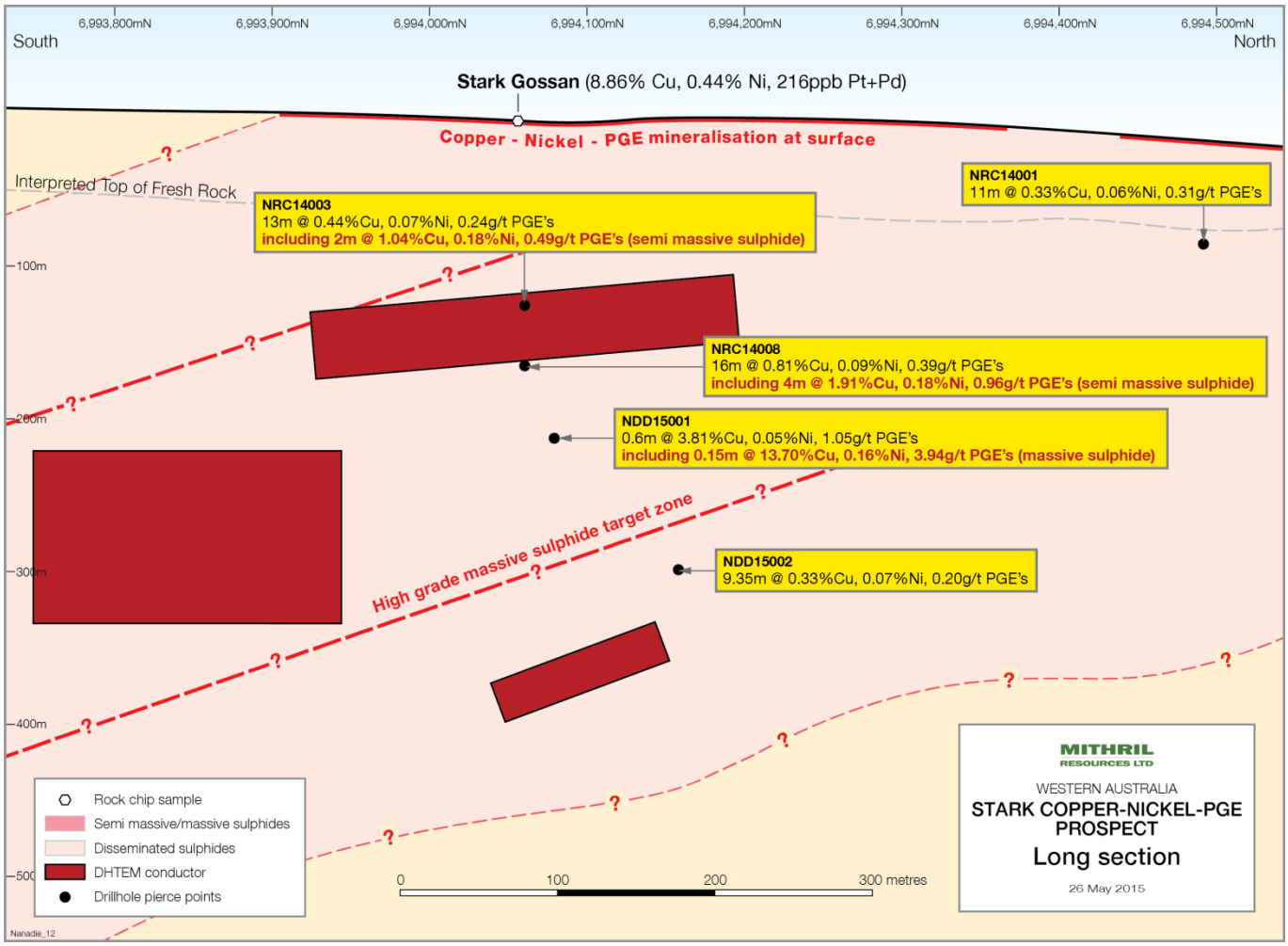

Figure 2: Stark long section (looking west) showing mineralisation, drill hole pierce points, and DHTEM conductors

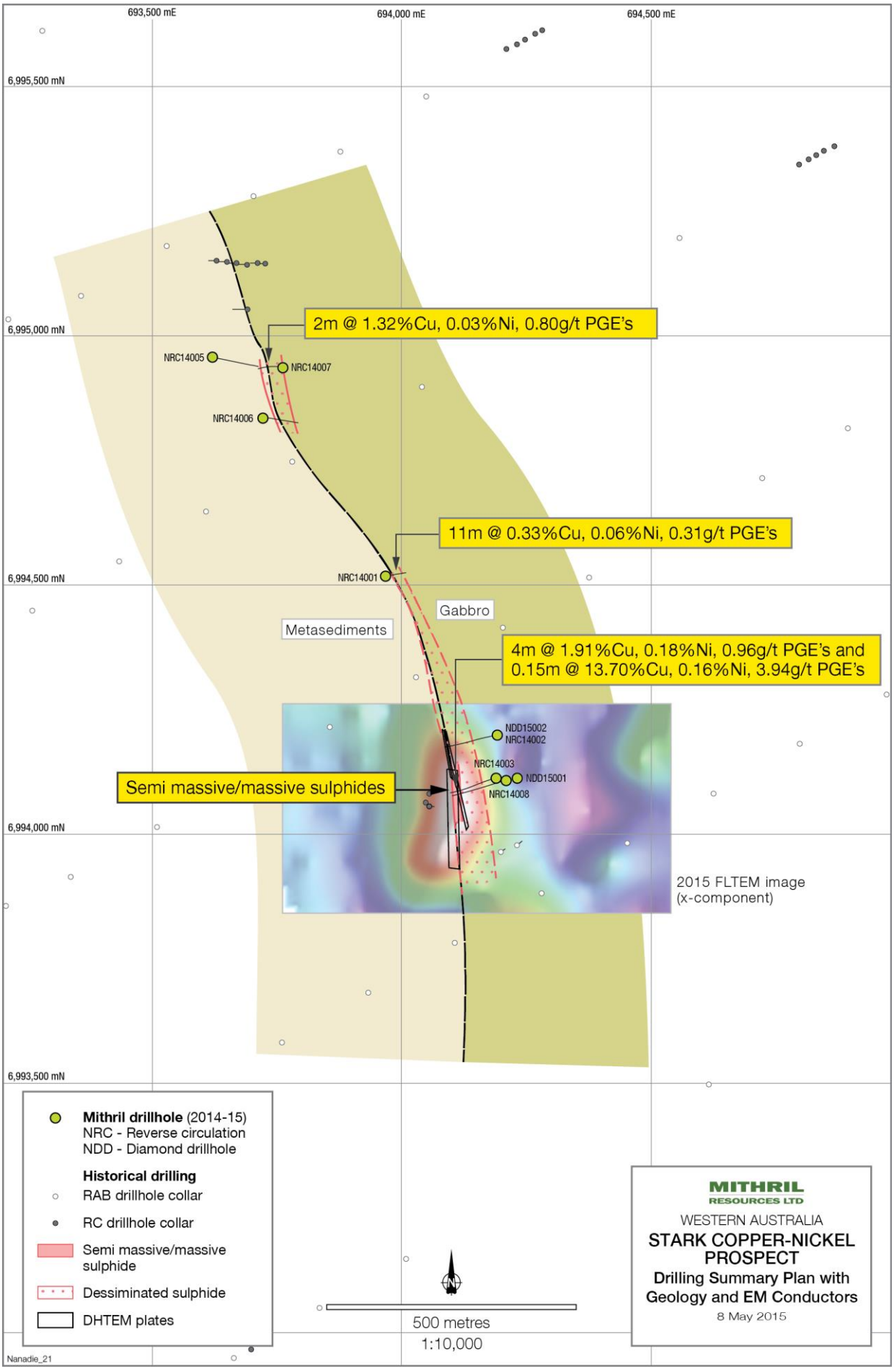

Figure 3: Stark Location Plan showing geology, drilling and 2015 FLTEM image (x-component)

Regional Targets

Seven new conceptual targets (**A** to **G** - *see Figure* 4) that lie up to 10 kilometres north and 15 kilometres south along strike from the Stark prospect have been identified from a review of available regional exploration data.

All targets are associated with discrete aeromagnetic features that are consistent with those seen at Stark itself. While the targets typically occur within areas of no outcrop, the three northern most targets (**A**, **B** and **C**) contain sub-cropping mafic and ultramafic rocks as well as anomalous geochemistry obtained from historic reconnaissance rock chip sampling (*see Table 1*).

Significantly **none of the targets have been previously explored** for magmatic copper-nickel-PGE mineralisation as seen at Stark, and there is no record of either geophysical surveying or drill testing having been completed at any of the targets.

As such the **regional targets are a priority for field checking** which will take place before the end of June.

Regional targets A, E, F, and G lie within tenements that are **wholly owned by Mithril Resources** and are not part of the Nanadie Well Joint Venture.

Stark and regional targets B, C, and D lie within tenements subject to a **Farmin and Joint Venture Agreement** with Intermin Resources Limited (**ASX: IRC**).

Under the terms of the joint venture, Mithril can earn a 60% interest in the project tenements by completing expenditure of $2M by 14 April 2018, and an additional 15% by completing further expenditure of $2M over a further 2 years (*in total $4M over 6 years for 75% - see ASX Announcement dated 6 December 2013*).

Table 1: Rock chip Sampling Information

Target	Sample ID	Easting	Northing	Copper (ppm)	Nickel (ppm)	Platinum + Palladium + Gold "PGE's" (g/t)
A	NA045	688,273	7,014,560	3,850	84	67
B	NA076	690,170	7.009,341	NSA	376	33
C	NA075	692,907	7,001,065	NSA	5,160	NSA

Table 2: EM Surveying Specifications

Method	Item	Details
Downhole EM	Operator	Outer Rim Exploration Services
	Transmitter	ORE HPTX
	Receiver	SMARTEM-24
	Sensor	DigiAtlantis 3-component B-field probe
	Loop Sizes	500 x 300m
	Readings	Every 5 or 10 metres down the hole
	Current	100A
	Base Frequency	5.0 Hz
	Off-Time	50msec
Fixed Loop EM	Transmitter	ORE HPTX
	Receiver	SMARTEM V
	Sensor	3-component Fluxgate B-field magnetometer
	Loop Sizes	500 x 300m
	Line Spacing	100m
	Line Orientation	East - West
	Station Spacing	50m
	Current	100A
	Base Frequency	4.167 Hz
	Off-Time	60msec

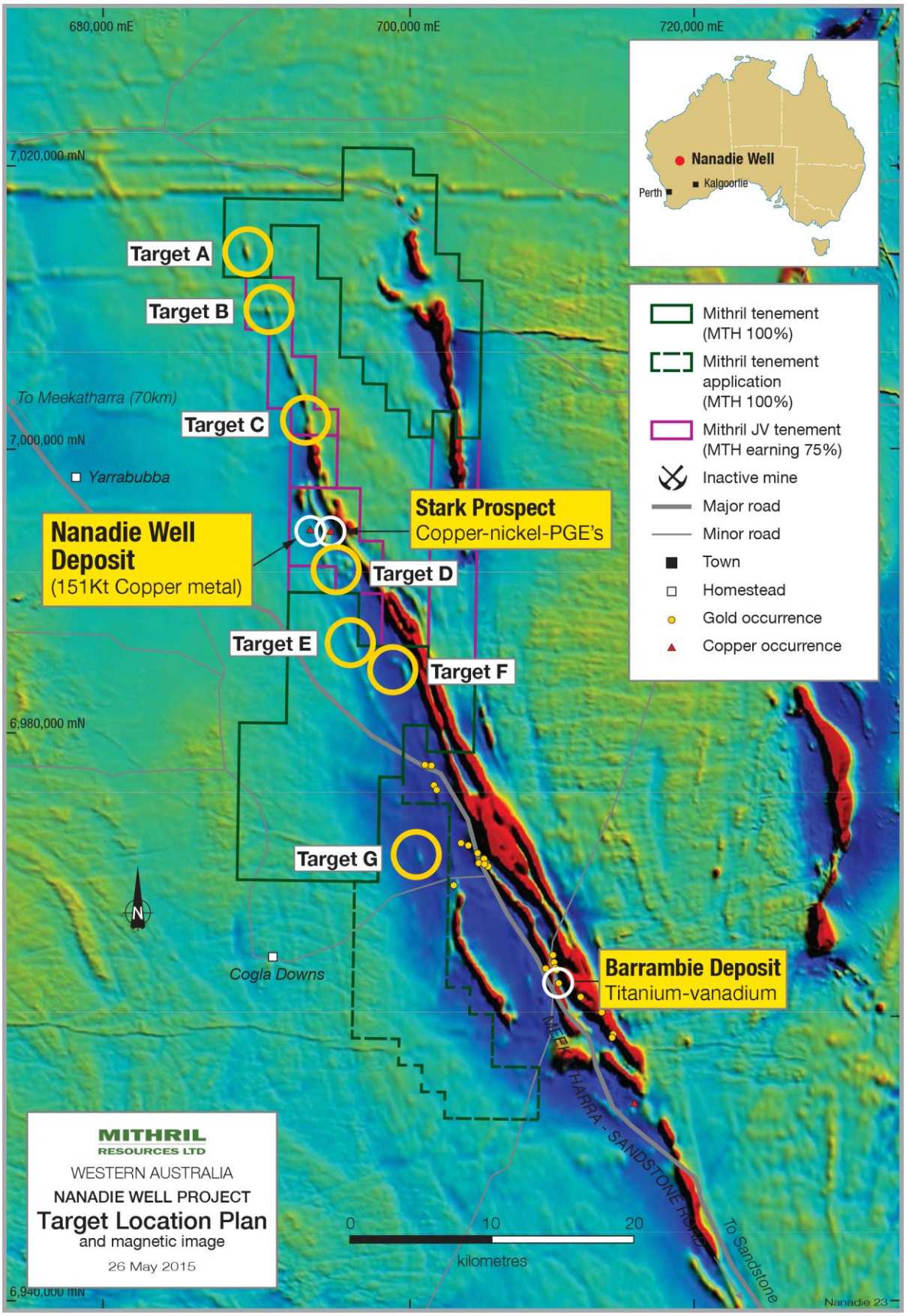

Figure 4: Nanadie Well Project Regional Target Location Plan (magnetic background image)

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

Criteria	JORC Code explanation	Commentary
Sampling techniques	*Nature and quality of sampling (e.g. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc.). These examples should not be taken as limiting the broad meaning of sampling.*	Fixed Loop (FLTEM) and down hole (DHTEM) electromagnetic geophysical surveying was undertaken at the Stark copper-nickel-PGE prospect. Technical specifications of both geophysical surveys are included in Table 2 of this Report. 1 – 3kg samples of either outcrop, sub crop or float/lag material was collected at various locations based on prospective geology.
	Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.	The geophysical surveys were undertaken to test for geophysical conductors potentially indicative of extensions to know mineralisation at Stark. The surveys were designed to ensure that they were a representative test of the prospect. Each rock chip location (easting and northing) was collected by a handheld GPS. A brief sample description and additional comments as necessary were recorded at every sample location. All sampling protocols remained constant throughout the program.
	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 (e.g. '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 (e.g. submarine nodules) may warrant disclosure of detailed information.	1 – 3kg rock chip samples were collected from either outcrop or sub crop and placed inside calico sample bags for transport to ALS Laboratories in Kalgoorlie, WA for sample preparation. Subsequent geochemical analysis was conducted by ALS in Perth WA. In the laboratory, samples are crushed and pulverised to produce a representative 30g sub-sample for analysis using fire assay with ICP-AES finish for Au, Pt, and Pd (PGMICP23 – Lab Code) and Four Acid ICP-AES analysis for Ag, Al, As, Ba, Be, Bi, Ca, Cd, Co, Cr, Cu, Fe, Ga, K, La, Mg, Mn, Mo, Na, Ni, P, Pb, S, Sb, Sc, Sr, Th, Ti, Tl, U, V, W, and Zn (ME-ICP61 – Lab Code).
Drilling techniques	*Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc.) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc.).*	Not Applicable as no drilling was undertaken.
Drill sample recovery	*Method of recording and assessing core and chip sample recoveries and results assessed.*	Not Applicable as no drilling was undertaken.
	Measures taken to maximise sample recovery and ensure representative nature of the samples.	Not Applicable as no drilling was undertaken.
	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.	Not Applicable as no drilling was undertaken.
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.*	Rock chip samples have been described geologically but not to a level of detail suitable for Mineral Resource estimation, mining and metallurgical studies.
	Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc.) photography	Logging of rock chip samples is of a qualitative nature. Samples are logged for lithology and sometimes logged for colour, texture, weathering, minerals and alteration. An overall sample description and general comment on location is also included.
	The total length and percentage of the relevant intersections logged.	Logging was restricted to describing individual rock sample collected for analysis.
Sub-sampling	*If core, whether cut or sawn and whether quarter, half or all core taken.*	Not Applicable as no drilling was undertaken.

Criteria	JORC Code explanation	Commentary
techniques and sample preparation	*If non-core, whether riffled, tube sampled, rotary split, etc. and whether sampled wet or dry.*	Rock chip samples were collected from outcrop, sub crop or float and all samples were dry.
	For all sample types, the nature, quality and appropriateness of the sample preparation technique.	The sample preparation of the rock chip samples follows industry best practice, involving oven drying (110°C) where necessary, crushing and pulverising (~90% less than 75µm).
	Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.	Sub-sampling will only occur if the sample is >3kg. All samples submitted were <3kg so no sub sampling occurred.
	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.	No field duplicates were taken. All samples collected were ~1 – 3kg, and entire sample pulverized.
	Whether sample sizes are appropriate to the grain size of the material being sampled	Sample sizes are considered appropriate for the exploration method.
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.*	Fire Assay method used is considered to be a total digest and is appropriate for analysing for Au, Pt & Pd. Four Acid digestion is a near total digestion and is a trace level detection analysis suitable for base metals.
	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.	Technical Specifications of the geophysical tools are given in Table 2 of this Report.
	Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.	For Fire Assay Gold, each fire (usually 84 pots) contains one blank to monitor the purity of the reagents and a minimum of two certified reference materials and three replicates to monitor accuracy and precision of results from the individual fire. For Multi-element analysis, each rack (40 tubes) contains one blank to monitor the purity of the reagents. Each rack contains two duplicate samples and the results are reported in a QC report at the end of the analytical report. Each rack contains two digested standards to monitor the accuracy of the method. The laboratory also conducts monthly round robin programs for fire assay gold and base metal analysis. The laboratory expects to achieve a precision and accuracy of plus or minus 10% for duplicate analyses, in-house standards and client submitted standards, when conducting routine geochemical analyses for gold and base metals. These limits apply at, or greater than, fifty times the limit of detection.
Verification of sampling and assaying	*The verification of significant intersections by either independent or alternative company personnel.*	Significant Results detailed in this Report have been verified by the Company's geophysicist, Geology Manager and Managing Director
	The use of twinned holes.	Not Applicable as no drilling was undertaken.
	Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.	Primary geophysical data was captured electronically in the field and transmitted to the Company's Perth-based geophysicist on a daily basis. Quality control measures were undertaken both in the field and in the office. Handwritten data entry was used for documenting the rock chip sampling.
	Discuss any adjustment to assay data	None undertaken.
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.*	Data points (rock chip sample locations and historic drill hole collars) were recorded using a handheld GPS with an expected accuracy of+/- 5m. For the nature of the program completed, this level of accuracy is considered to be suitable.
	Specification of the grid system used.	Data points have been quoted in this Report using the MGA Zone 50 (GDA94) coordinate system.

Criteria	JORC Code explanation	Commentary
	Quality and adequacy of topographic control.	Level of topographic control offered by the handheld GPS was considered sufficient for the work undertaken.
Data spacing and distribution	*Data spacing for reporting of Exploration Results.*	As detailed in Table 2 of this Report. The rock chip samples were randomly located based on where prospective rocks occurred as either outcrop or sub crop at the surface.
	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.	The data spacing and distribution is not sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s).
	Whether sample compositing has been applied.	No composite sampling 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.*	The orientation of the geophysical surveys was designed to be unbiased with respect to know geology and structures.
	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.	Not Applicable as no drilling was undertaken.
Sample security	*The measures taken to ensure sample security.*	Not Applicable as no drilling was undertaken.
Audits or reviews	*The results of any audits or reviews of sampling techniques and data.*	All results were reviewed by Company personnel including the Geology Manager and Managing Director. No negative issues were identified from these reviews.

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

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	*Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.*	The work described in this Report was undertaken on Exploration Licence 51/1040 which is owned by Intermin Resources and in which, Mithril has the right to earn up to a 75% interest by completing $4M expenditure over 6 years (See ASX Announcement dated 6 December 2013).
	The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.	There are no existing impediments to the tenements.
Exploration done by other parties	*Acknowledgment and appraisal of exploration by other parties.*	Intermin estimated a 2004 JORC Code Compliant Inferred Resource for the Nanadie Well Copper Deposit of 36.07Mt @ 0.42% Cu in September 2013. This work followed the completion of various previous RAB, RC and geophysical surveys throughout the area by Intermin and previous exploration companies. All previous drilling at the Stark Prospect has been undertaken by Mithril Resources.
Geology	*Deposit type, geological setting and style of mineralisation.*	The Nanadie Well Copper Deposit and Stark Prospect is interpreted to be an Archaean – age, mafic-hosted magmatic copper-nickel deposit. Disseminated copper (+/- lead, zinc, nickel) sulphide mineralisation occurs within a package of structurally deformed mafic lithologies.
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:*	A summary of the geophysical work referred to in this Report is presented in Table 2 and Figures 2 – 3. A summary of all rock chip sampling referred to in this Report

Criteria	JORC Code explanation	Commentary
	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.	is presented in Table 1 of the Report.
	If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.	No information has been excluded.
Data aggregation methods	*In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated.*	Rock chip results are presented without any weighting and / or cut-off grades applied.
	Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.	Not applicable see previous response.
	The assumptions used for any reporting of metal equivalent values should be clearly stated.	No metal equivalents reported
Relationship between mineralisation widths and intercept lengths	*These relationships are particularly important in the reporting of Exploration Results.*	Widths of mineralisation have not been postulated.
	If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.	The geometry of the mineralisation is not known.
	If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g. 'down hole length, true width not known').	Not applicable as only rock chip results have been included in this Report.
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.*	See Figures 1 - 4 of this Report.
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 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 contaminating substances.*	All relevant data has been included within this Report.
Further work	*The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling).*	Field follow-up of regional targets.
	Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.	Figures 2 – 4 display areas of interest within the Stark Prospect and surrounding project area.

ENDS

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Competent Persons Statement:

Mr Hutton has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'.

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

About Mithril Resources Ltd:

Mithril Resources Ltd is an Australian exploration company focused on the discovery and development of base metal deposits primarily copper. Mithril is a frontier explorer with a small but highly experienced team based in Adelaide. Combining advanced technology with a proven field-based approach ensures the bulk of the company's expenses go directly into the ground.