

Coompana Province target generation commences

- **Mithril and OZ Minerals Limited (ASX: OZL) exploring Coompana for magmatic nickel – copper deposits.**
- **Target generation activities comprising interpretation of existing geological and geophysical data and acquisition of new EM geophysical data to commence following grant of seven Coompana Province tenements**
- **If successful, initial drill testing could be undertaken in the early half of 2017**

Mithril Resources Ltd (“Mithril” - **ASX: MTH**) and OZ Minerals Limited (“OZ Minerals” - **ASX: OZL**) are pleased to advise that target generation activities will now commence on seven exploration licences (EL’s 5837 to 5843 - 6,435km²) in South Australia’s far western Coompana Province (*Figure 1*) following their grant by the South Australian Government on 31 August 2016.

Target generation activities will largely comprise interpretation of existing geological and geophysical datasets and the potential acquisition of new EM geophysical data.

In addition, the South Australia Department of State Development is planning to undertake a high-resolution gravity survey throughout the Coompana Province including the project tenements.

OZ Minerals and Mithril are exploring Coompana primarily for magmatic nickel – copper sulphide deposits under the terms of a Heads of Agreement whereby Mithril will undertake a target generation exercise at Coompana in the first instance, with a view to identifying potential drill targets on the tenements. OZ Minerals will invest \$250,000 as part of the stage one targeting.

If Mithril identifies potential drill targets, and the outcome of the exercise is acceptable to both parties, then negotiations would advance to a formal joint venture to undertake exploration on the relevant tenements.

Initial drill testing could be conducted by Mithril in the early half of 2017 and Mithril can elect to earn 20% interest by funding \$400,000 of a \$2m exploration program with the balance funded by OZ Minerals.

If the partnership extends to the drill testing phase, OZ Minerals will assist Mithril Resources to undertake a capital raising in support of the program.

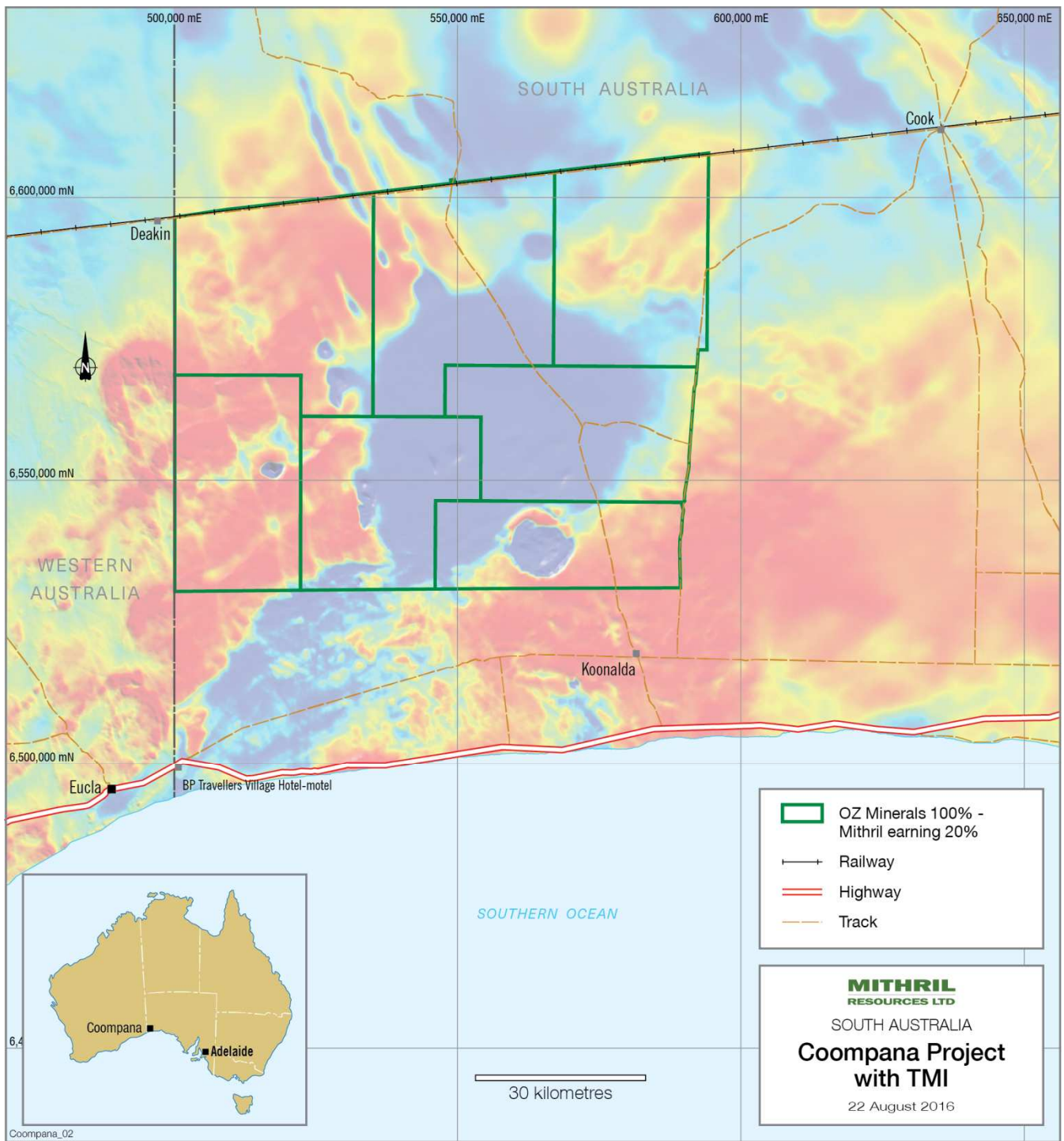


Figure 1: Coompana Project Location showing tenements and infrastructure on TMI magnetic background image.

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Competent Persons Statement:

The information in this report that relates to Exploration Targets, Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr David Hutton, who is a Competent Person, and a Fellow of The Australasian Institute of Mining and Metallurgy. Mr Hutton is Managing Director and a full-time employee of Mithril Resources Ltd.

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 is an Australian resources company whose objective is the creation of shareholder wealth through the discovery and development of mineral deposits.

The Company is actively exploring throughout two highly prospective areas of the Western Australian Goldfields, namely the Kalgoorlie District for gold and nickel deposits and the Meekatharra District for copper-nickel deposits.

The Company is also exploring South Australia's far western Coompana Province for magmatic nickel – copper deposits with OZ Minerals Limited.