

Drilling underway at Kombi Gold Prospect

- RC drill program targeting high-grade gold beneath historic workings and adjacent soil anomaly
- Historic workings mined to 10 metres depth - reported production of 1,094 tonnes @ 10.8g/t gold and sampling of remnant quartz vein material returning results up to 271g/t gold
- No previous drill testing below 25 metres vertical depth
- Results expected by early October 2017

Mithril Resources Ltd (ASX: MTH) is pleased to advise that a drilling programme is underway at the Kombi Gold Prospect, approximately 70 kms southeast of Meekatharra, WA (Figure 1).

Kombi comprises shallow historic gold workings (reported production to 10 metres depth of 1,094 tonnes @ 10.8g/t gold) and a large gold in soil anomaly (150m x 170m in size as defined by the +10ppb gold contour with maximum value of 340ppb gold) immediately along strike from the workings (Figure 2).

Rock chip sampling of remnant vein quartz material from the workings returned results ranging from **0.27 g/t gold to 271 g/t gold**.

Significantly Kombi has not been effectively drill tested in the past with only wide-spaced shallow drilling (less than 25 metres vertical depth) previously undertaken (see Mithril's ASX Announcement dated 7 August 2017 for further details).

The new drilling (~850 metres Reverse Circulation) is targeting high-grade gold mineralisation beneath the workings and soil anomaly with results expected by early October 2017.

The Kombi Gold Prospect lies on EL51/1040 which is 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 tenement by completing expenditure of \$2M by 14 April 2019, and an additional 15% by completing further expenditure of \$2M over a further 2 years.

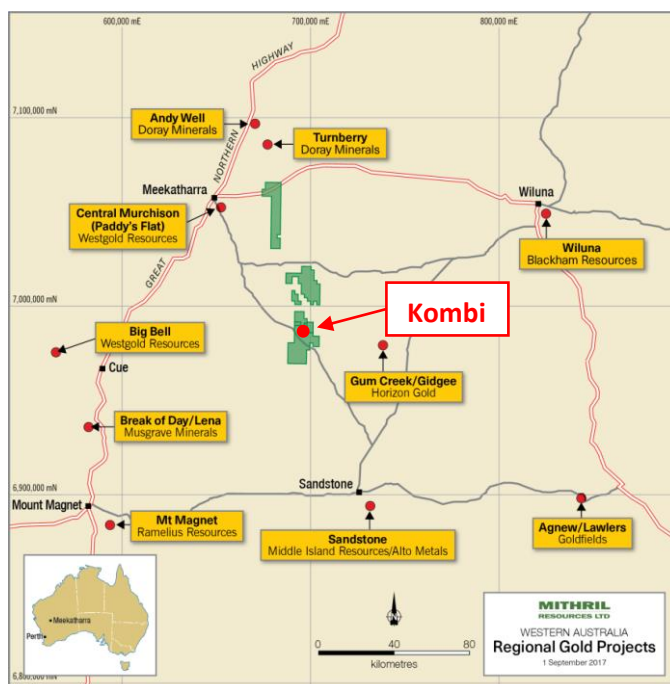


Figure 1: Kombi Location Plan



Figure 2: Kombi Gold Prospect – historic workings looking southeast towards the soil anomaly in the background.

ENDS

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Competent Persons Statement:

The information in this report that relates to Exploration Targets and Exploration Results 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 the Western Australian Goldfields for economic gold, copper and nickel deposits.

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