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ASX RELEASE

SOUTH AUSTRALIA MUSGRAVE TENEMENTS GRANTED

Mithril Resources Ltd is pleased to advise that exploration licence applications (“ELA’s”) 105/07, 104/07, 12/06 and 13/06 have been granted facilitating initial access to the Company’s strategic exploration holding in the prospective Musgrave Province of South Australia. The ELA’s have been replaced with the granted Exploration Licences (“EL’s”) indicated in Table 1. The four tenements comprise the Barrick Musgrave Joint Venture Project (Figure 1) where Mithril is earning up to an 80% interest (details of the Joint Venture were released on March 23rd, 2007).

Table 1 – Granted Exploration Licences

ELA’s	Granted EL’s	Location	Area (km ²)
12/06	3939	Mount Woodward	22
13/06	3940	Mount Woodroffe	424
104/07	3941	Hanging Knoll Area	427
105/07	3942	Mount Hardy Area	565

Mithril has prepared an initial work programme designed to evaluate priority target areas identified by previous exploration work on the tenements. The first stage of this programme will include the drilling of 46 Rotary Air Blast (“RAB”) drillholes on three traverses (Figure 2). The traverses are designed to take advantage of existing tracks and will test the magnetic low interpreted to represent the continuation of the layered mafic body that hosts the Alvey platinum-palladium (‘Pt-Pd’) prospect that outcrops 800m west of Mithril’s tenement boundary. Background information on the Alvey prospect is provided below. Heritage clearance surveys to facilitate the RAB drilling programme have been completed and the outcome of the surveys will be provided to Mithril after

they are approved by Anangu Pitjantjatjara Yankunytjatjara (“APY”) Executive later this week. Subject to a positive outcome from the clearance survey, the RAB drilling will commence as soon as a suitable rig can be sourced.

Previous exploration on the tenements also identified a number of airborne electromagnetic anomalies and surface geochemical targets that were not followed up. For the most part these targets appear to be associated with mafic units of the Giles Complex and are prospective for nickel sulphide mineralisation. They will be the focus of the second stage of Mithril’s initial exploration programme which will include ground geophysical surveys, geological mapping, and geochemical sampling. Further clearance surveys are required prior to commencing this stage of the programme and these surveys are planned for November, 2007.

The goal of this initial work programme is to identify drill targets for testing in March-April 2008. In addition, Mithril continues to advance discussions and consultations in regard to the Company’s application to conduct mineral exploration activities on four other priority Exploration Licence Applications (ELA’s 41/97, 52/97, 54/97 and 380/97).

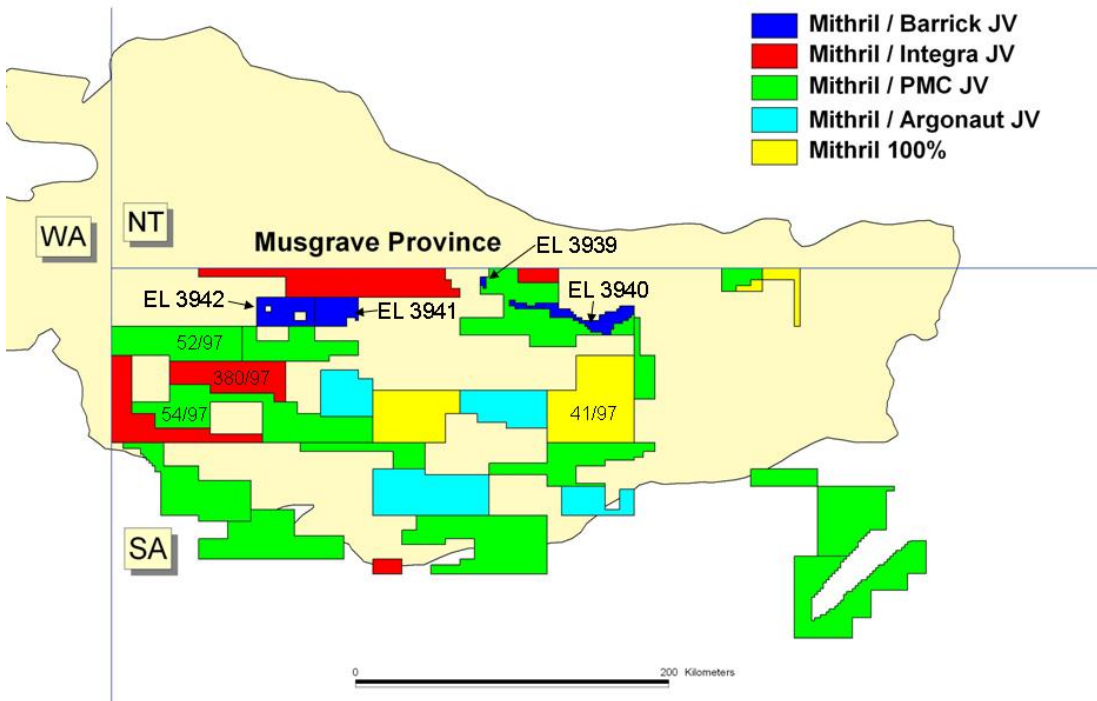


Figure 1: Mithril’s tenement position in the South Australia Musgrave Province showing the Barrick JV tenements in dark blue.

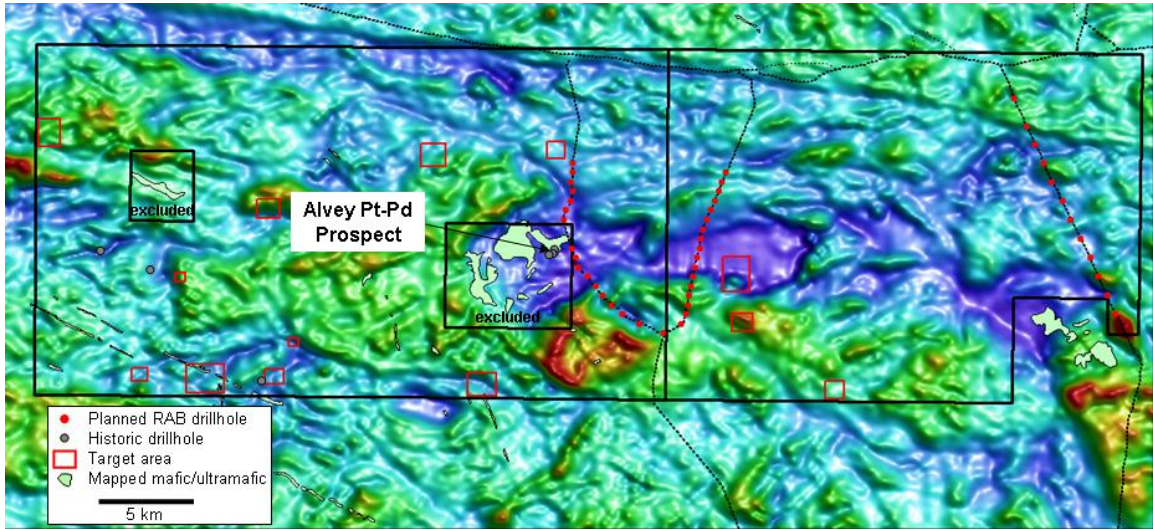


Figure 2: EL's 3941 and 3942 on magnetics showing previous drillholes, planned RAB drilling across magnetic lows and other target areas selected for ground follow-up

Background

The Musgrave Province is a large, under-explored block of Proterozoic-aged rocks comprising a diversity of geological environments and is located in the north-west corner of South Australia extending into Western Australia and the Northern Territory. In the Musgrave Province significant nickel sulphide mineralisation (Nebo / Babel deposits in WA) is known to occur in the Giles Complex, a series of layered, mafic-ultramafic intrusions and faulted segments. The Giles Complex is known to extend over an east-west strike length of some 500 km and constitutes the largest known mafic-ultramafic intrusive suite in Australia. Mithril has consolidated a significant exploration lease holding, either wholly-owned or by way of joint venture, in the South Australia portion of the Musgrave Province totalling approximately 34,000 km².

The Alvey Pt-Pd prospect outcrops 800m west of Mithril's tenement boundary within a small area excluded from, but enclosed by EL 3942. The prospect was discovered and drill tested by Rio Tinto Exploration Pty Limited in 2000 with three reverse circulation drillholes spanning a strike length of approximately 500m. All three drillholes intersected wide zones (14m to 18m) of elevated Pt-Pd values with highs of 0.9 grams/tonne ("g/t") Pt-Pd over 4m in RC00ALP001, 0.7 g/t Pt-Pd over 2m in RC00ALP002 and 0.8 g/t over 2m in RC00ALP003 (Table 2). The mineralization is situated at the contact between a

melagabbro-norite and a gabbronorite within a layered mafic intrusion. It strikes northeast and has not been tested at depth (down-dip) or along strike.

Table 2 – Anomalous Pt-Pd intercepts from the Alvey Prospect

Drillhole	From	To	Interval	Pt	Pd	Pt+Pd
RC00ALP001	74m	88m	14m	0.21 g/t	0.21 g/t	0.42 g/t
<i>including</i>	<i>78m</i>	<i>82m</i>	<i>4m</i>	<i>0.46g/t</i>	<i>0.44 g/t</i>	<i>0.90 g/t</i>
RC00ALP002	92m	106m	14m	0.19 g/t	0.18 g/t	0.37 g/t
<i>including</i>	<i>94m</i>	<i>96m</i>	<i>2m</i>	<i>0.39 g/t</i>	<i>0.33 g/t</i>	<i>0.72 g/t</i>
RC00ALP003	22m	40m	18m	0.19 g/t	0.17 g/t	0.36 g/t
<i>including</i>	<i>30m</i>	<i>32m</i>	<i>2m</i>	<i>0.46 g/t</i>	<i>0.37 g/t</i>	<i>0.82 g/t</i>

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For more information on the company visit www.mithrilresources.com.au

The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr G Ascough, who is a full-time employee of the Company and a Member of the Australasian Institute of Mining and Metallurgy. Mr G Ascough has more than five years experience which is relevant to the style of mineralization and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the “Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves”. Mr G Ascough consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.