



MITHRIL

RESOURCES LTD

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ASX RELEASE

HUCKITTA PROJECT UPDATE, NORTHERN TERRITORY

SUMMARY

- Drilling commences on the Hammer Hill Joint Venture of the Huckitta Project, Northern Territory.
- Evaluation of priority targets identified on the Hammer Hill and Indiana tenements continues with ground electromagnetic surveying.
- The Perenti Copper Prospect (14m @ 0.6%Cu from 142m) on the Tanami JV is under review
- Exploration expenditure at Hammer Hill and Indiana is sole funded by BHP Billiton under the terms of the Hammer Hill and Indiana Joint Venture Agreements

Mithril Resources Ltd is pleased to advise that drilling has commenced on the Hammer Hill Joint Venture. The planned program will test priority targets identified by the recently completed airborne and ground electromagnetic (“EM”) surveys on the Hammer Hill and Indiana Joint Venture Tenements which form part of Mithril’s Huckitta project. A total of seven diamond and reverse circulation drillholes are planned and the program is estimated to take five weeks to complete. Assay results should be available six weeks after drilling is complete.

The Huckitta Project is located 250km northeast of Alice Springs and is comprised of four separate joint ventures as summarised in Figure 1. Mapping and ground electromagnetic surveys over conductors identified by a helicopter time-domain electromagnetic (“VTEM”) survey completed in 2007 have identified a number of high priority targets. The priority target on Hammer Hill is IVT016 where ground EM results have identified high conductance bedrock features beneath thin alluvial cover. Modelling of the EM results suggests a number of conductive bodies with conductance ranging from 220 siemens to more than 12,000 siemens. Very high conductance values are often associated with sulphide mineralisation. These targets will be tested by the initial diamond drillholes. On Indiana the priority anomaly is IVT040, a conductive body (or bodies) with a one kilometre strike extent in close proximity (200m south) to outcropping mafic rocks where analytical results from a grab sample returned 1.4% copper.

Exploration expenditure at Hammer Hill and Indiana are sole funded by BHP Billiton under the terms of the Hammer Hill and Indiana Joint Venture Agreements. At Hammer Hill, BHP Billiton and Mithril may earn up to a 70% interest in the tenements held by Arafura Resources Limited (joint venture details are provided in the ASX Announcement lodged on December 3rd, 2007). Under a separate joint venture at Indiana, BHP Billiton may earn up to a 65% interest in tenements held 100% by Mithril (joint venture details are provided in the ASX announcement lodged on March 6th, 2007).

On the Tanami Joint Venture Mithril may earn up to an 80% interest in tenements held by Tanami Gold Ltd and Tanami Exploration NL. Desktop studies have recently identified a significant copper occurrence that was intersected in three drillholes at shallow depths over a strike length of over 500m. This drilling was completed in 1969-70 and the prospect was named Perenti. Analytical results from this drilling returned up to 14m @ 0.6% copper. There is no record of further work at Perenti and the mineralization remains open at depth and along strike. The drillcore is stored at the Northern Territory Geological Survey's core library in Alice Springs and relogging and resampling of these drillholes is in progress along with geological mapping and prospecting around the Perenti area.

Stream sediment and mapping programs are also underway for the Harts Range Joint Venture between Oklo Uranium Limited and Mithril.

Graham Ascough
Managing Director
Mithril Resources Ltd

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.

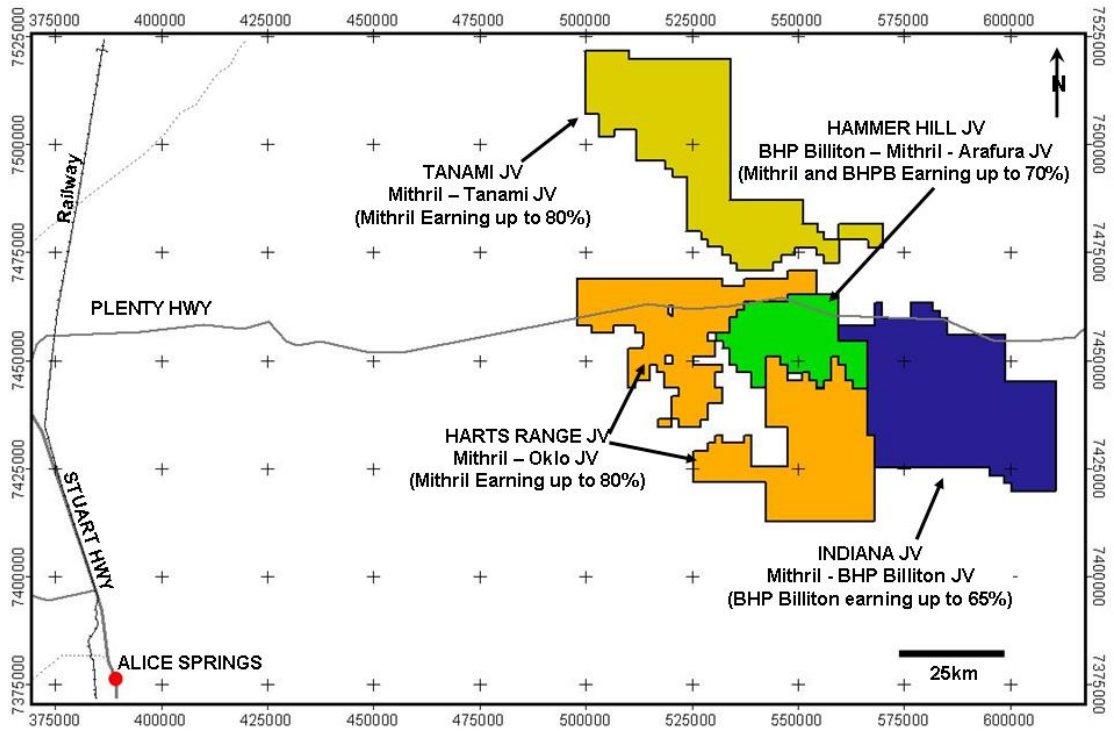


Figure 1: Huckitta Project Location Map

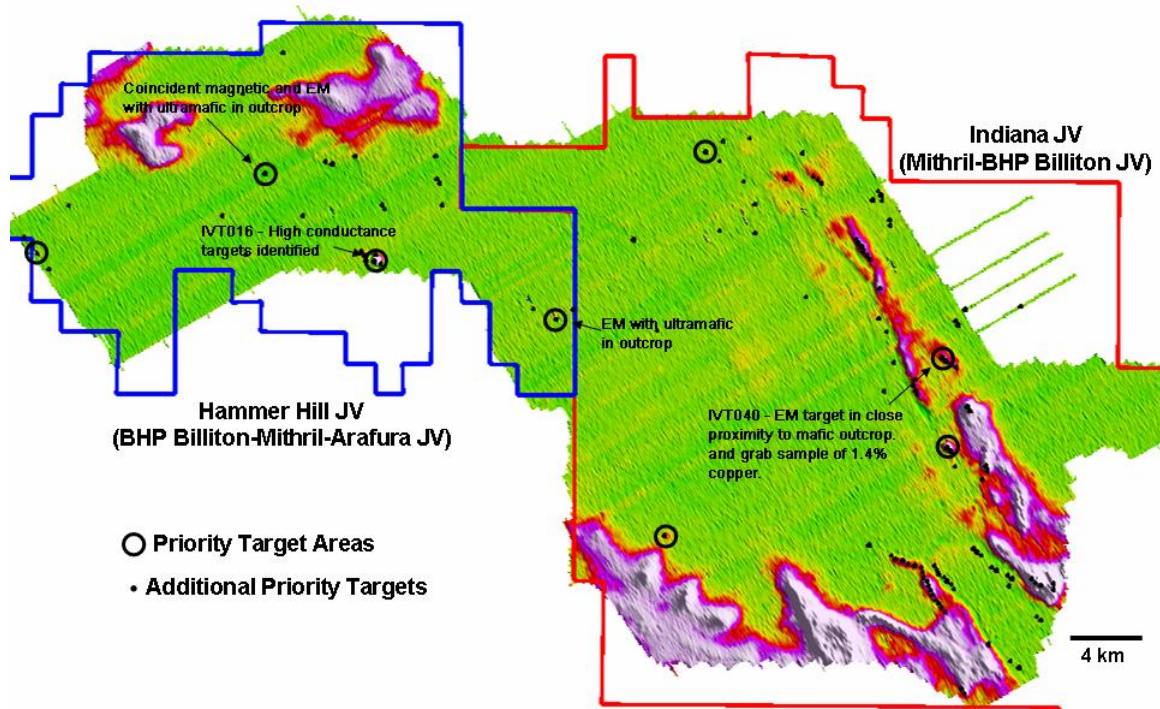


Figure 2: Image of Channel 34 VTEM results where hot colours (pinks) represent areas of higher conductivity. Very broad conductive areas are attributed to surface conditions or regionally extensive sedimentary units. Isolated features are considered to be the more prospective exploration targets.