



# **MITHRIL**

## **RESOURCES LTD**

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ASX RELEASE

### **MITHRIL COMMENCES DIAMOND DRILLING ON PLATINUM-PALLADIUM TARGET**

#### **SUMMARY**

- **A diamond drilling program to test the platinum-palladium potential of the Mt Alvey East area has commenced on the Barrick Joint Venture Project in the Musgrave region of South Australia.**
- **The drill program is partly funded through the South Australian Government's PACE (Plan for Accelerating Exploration) program.**

Mithril Resources Ltd is pleased to advise that a diamond drilling program has commenced on exploration licence (øELö) 3942 to test the platinum-palladium (Pt-Pd) potential of the Mt Alvey East area. EL 3942 is part of the Barrick Musgrave Joint Venture (øProjectö) covering four tenements located in the prospective Musgrave province of South Australia (Figure1). Mithril is currently earning up to an 80% interest in the Project and details of the Joint Venture can be found in the ASX announcement lodged on March 23rd, 2007. As previously announced the South Australian Government awarded Mithril PACE funding of \$90,000 to jointly fund this drilling program.

The planned program consists of two 400m deep diamond drillholes targeted to test the possible eastern extension of the Mt Alvey platinum-palladium (Pt-Pd) prospect. The Mt Alvey Prospect outcrops 800m west of Mithril's tenement boundary within a small area excluded from, but enclosed by EL 3942 (Mithril has recently submitted an Exploration Licence Application covering this area). On EL 3942 the Company recently completed an aircore drilling program across the magnetic low interpreted to represent the layered mafic body that hosts the Mt Alvey Prospect. Preliminary analytical results received to date indicate anomalous Pt-Pd values in aircore

drillholes directly east of Mt Alvey and confirm the presence of prospective rocks of the Giles Complex in the Mt Alvey East area.

The Mt Alvey 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 (the best intersection being 0.9 grams/tonne (ōg/tō) Pt-Pd over 4m). The mineralization is situated at the contact between a melagabbro-norite and a gabbro-norite within a layered mafic intrusion. As stated above, the Mt Alvey Prospect lies within a small area excluded from, but enclosed by EL 3942 and the company has recently submitted an Exploration Licence Application over the area. The prospect strikes northeast towards EL 3942 and has not been tested at depth (down-dip) or along strike.

The diamond drilling will take approximately 4 weeks to complete and analytical results from the sampling should be available in July.

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For more information on the company visit [www.mithrilresources.com.au](http://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.*

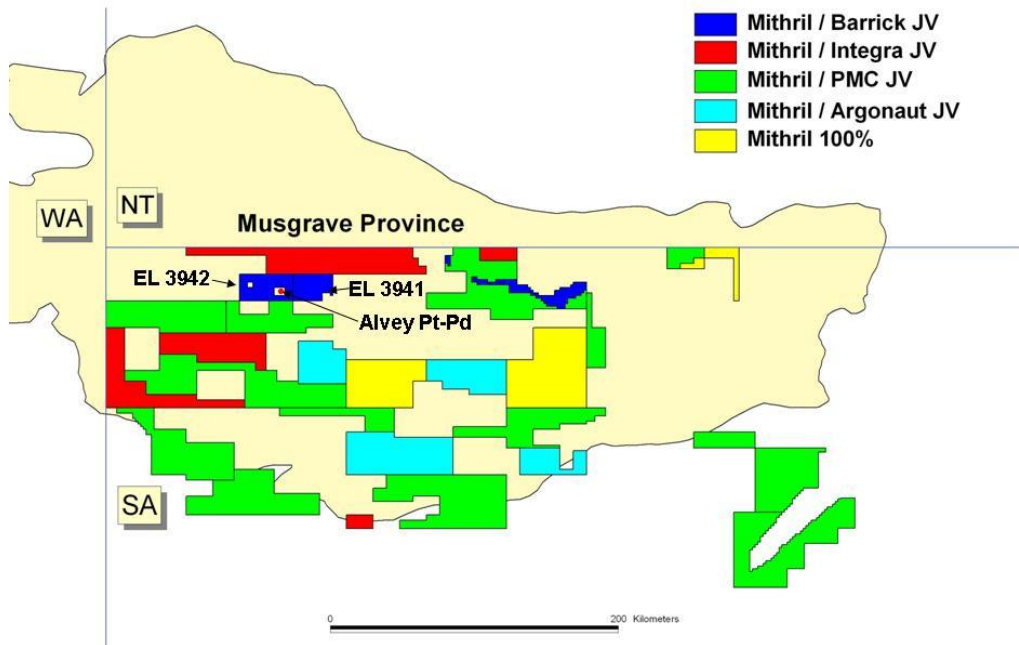


Figure 1: Mithril's tenement position in the South Australia Musgrave Province showing the Barrick JV tenements in dark blue.

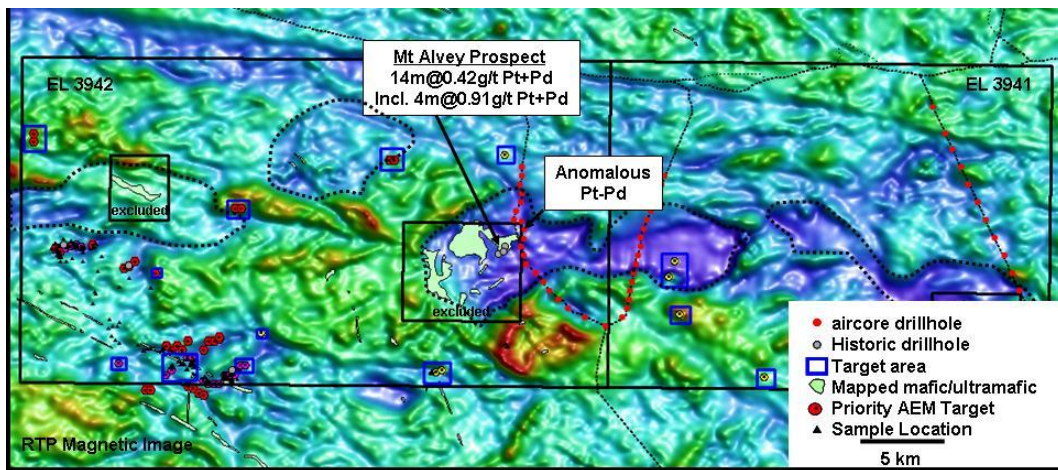


Figure 2: EL's 3941 and 3942 on magnetics showing previous recent aircore drilling traverses across magnetic lows (blue) along with other target areas selected for ground follow-up