



# **MITHRIL**

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## **RESOURCES LTD**

**11 August 2009**

### **ASX RELEASE HUCKITTA PROJECT UPDATE VTEM SURVEY IDENTIFIES NEW TARGETS**

- A large conductive target identified approximately 700m west of the Blackadder Prospect along with multiple high quality conductors through-out the project area.
- Drilling is scheduled to commence at Blackadder on September 1<sup>st</sup>, 2009.
- Two high priority VTEM anomalies on Mithril's 100% held Leaky Bore tenement verified with extensive zones of gossanous outcrops anomalous in copper (Basil and Manuel Prospects).
- A new nickel-copper prospect Kevin Darling, identified, with rockchip samples of a mineralized gabbro returning up to 0.14% nickel, 0.18% copper and 97ppb platinum+palladium.

Mithril Resources Limited advises that it continues to advance exploration on its Huckitta Project (Figure 1). Recently completed helicopter-borne geophysical survey and related ground follow-up have identified a number of new prospects.

Since announcing the initial discovery of high grade nickel-copper mineralisation the Company has continued to identify previously unmapped mineral occurrences suggesting a large, fertile magmatic event is present at Huckitta with the potential to host significant nickel sulphide deposits. Recently the Company completed a helicopter-borne geophysical survey utilizing the Geotech Versatile Time-domain Electromagnetic (VTEM) system to assist in the evaluation of the regional prospectivity of the project. The VTEM system has the ability to map anomalous conductivity that may represent significant accumulations of metal rich sulphide mineralisation at shallow depths. Preliminary interpretation of the results has identified over 20 high priority targets along with several lower priority targets. Field verification of these targets has commenced and they are being systematically evaluated.

The VTEM results have identified a strong conductive anomaly with a strike length of 600m approximately 700m west of Blackadder (Figure 2). Ground verification of this target located iron rich sub-crop with assays indicating elevated copper and nickel values from rockchip samples in an area dominated by thin sand cover.

Given the proximity of this high quality conductor to the outcropping mineralisation at Blackadder, this target will be tested as a priority in the upcoming drill program. The target is situated on the Harts Range Joint Venture where Mithril may earn up to an 80% interest in ELs 25451 and 25453 for all minerals other than uranium from Oklo Uranium Limited (ASX: OKU).

To the south, the VTEM results identified conductive anomalies immediately west of the Edmund Prospect and west of the newly discovered Kevin Darling Prospect (Figure 3). At Kevin Darling rockchips from a mineralised gabbroic body returned up to 0.14% nickel, 0.18% copper and 97ppb platinum+palladium. Ground EM will commence on these targets in mid August. These prospects are located on EL 25653 where Mithril is earning an 80% interest from Sammy Resources Pty Limited, a wholly owned subsidiary of ASX listed Cazaly Resources Ltd (ASX:CAZ).

On Mithril's 100% owned Leaky Bore tenement, field verification of two electromagnetic conductors from the VTEM results identified extensive gossan outcrops with rockchip samples returning anomalous values of copper, cobalt, silver and gold (Figure 3 – Basil and Manuel Prospects). A gossan is the product of intensely weathered sulphide mineralisation and finding it coincident with a strong electromagnetic anomaly suggests that a significant accumulation of sulphide mineralisation may be present at relatively shallow depths. At Basil gossans grading up to 0.24% copper have been located over a width of ~200m and over a strike length of 900m. At Manuel copper bearing gossans were located over 300m of strike and a single rockchip sample from the prospect, which was noted to have abundant secondary copper mineralisation, returned >1% copper (final assay pending). There is no evidence or record of any work by previous explorers on these areas. These Prospects do not appear to be part of a nickel sulphide system and it should be noted that only a minimal amount of ground verification work has been completed on these prospects to date. The VTEM results indicate the mineralised horizons are likely to extend beyond the extent of current sampling.

Mithril is very encouraged by these early results and the VTEM survey has provided a pipeline of quality targets for field verification and drill testing. Drill testing of the priority targets in the vicinity of Blackadder and Baldrick is scheduled to commence on September 1<sup>st</sup>, 2009.

For more information visit [www.mithrilresources.com.au](http://www.mithrilresources.com.au) or contact:

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*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 mineralisation 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.*

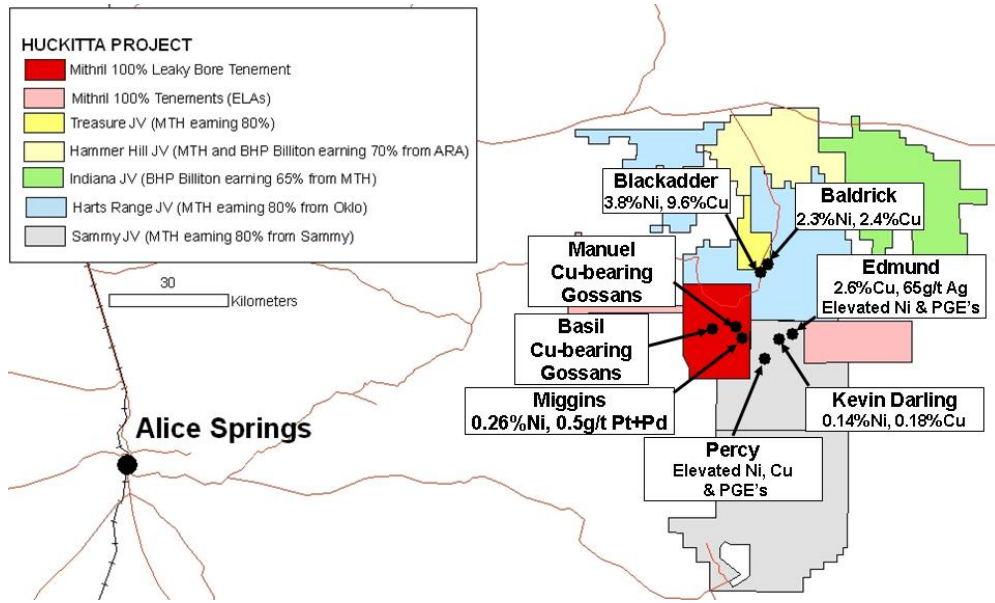


Figure 1: Project location with rockchip sampling highlights

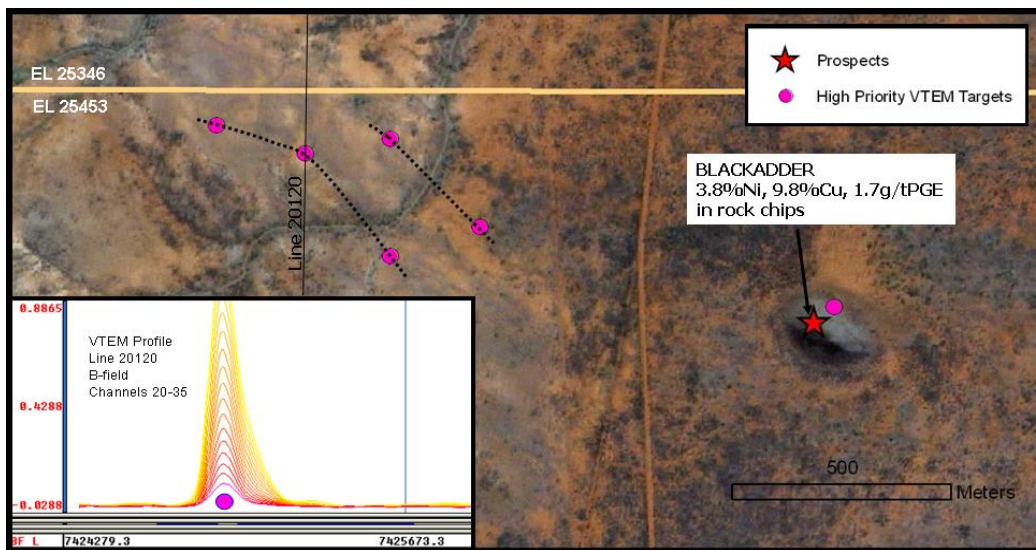
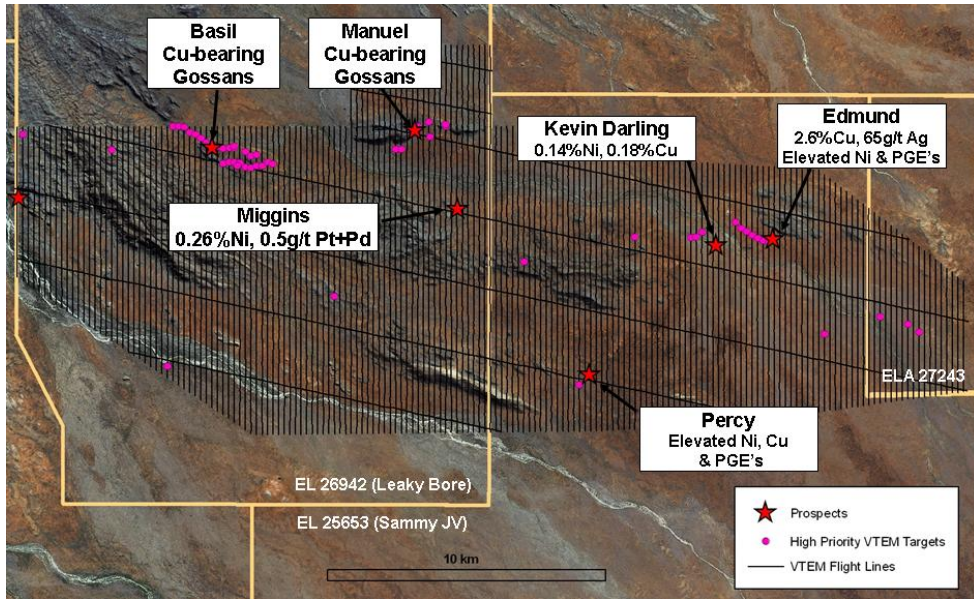


Figure 2: Blackadder and Blackadder West VTEM Anomaly



**Figure 3: Southern VTEM Block showing the Highest Priority VTEM anomalies**