



# MITHRIL

## RESOURCES LTD

16th December 2009

### ASX RELEASE

### DRILLING UPDATE - BASIL COPPER DISCOVERY

The Directors of Mithril Resources Ltd (ASX:MTH) are pleased to provide a further update on drilling results from the Basil Copper Prospect - a new, largely untested, greenfield copper discovery on 100% owned tenements. Recently received assays continue to demonstrate significant near surface intersections of copper and cobalt mineralisation (Table 1). Drillhole locations are found in Table 2.

Hole Number	Zone	From (m)	To (m)	Interval (m)	Copper (%)	Cobalt (ppm)
<b>LBRC6/LBDD3</b>	RH	<b>117.5</b>	<b>264</b>	<b>146.5</b>	<b>0.24</b>	<b>328</b>
<b>including</b>		<i>144.85</i>	<i>149.5</i>	<i>4.65</i>	<i>0.37</i>	<i>450</i>
		<i>155.3</i>	<i>166.45</i>	<i>11.15</i>	<i>0.51</i>	<i>531</i>
		<i>185.9</i>	<i>197.3</i>	<i>11.4</i>	<i>0.48</i>	<i>569</i>
		<i>229</i>	<i>264</i>	<i>35</i>	<i>0.43</i>	<i>523</i>
<b>LBRC16</b>	SE	<b>76</b>	<b>90</b>	<b>14</b>	<b>0.19</b>	<b>332</b>
<b>LBRC17</b>	RH	<b>0</b>	<b>13</b>	<b>13</b>	<b>0.27</b>	<b>388</b>
<b>and</b>		<b>19</b>	<b>69</b>	<b>50</b>	<b>0.29</b>	<b>402</b>
<b>LBDD2</b>	RH	<b>100.2</b>	<b>104.5</b>	<b>4.3</b>	<b>0.13</b>	<b>140</b>
<b>and</b>		<b>124.95</b>	<b>139.5</b>	<b>14.6</b>	<b>0.29</b>	<b>473</b>

Table 1: Recent significant drill assay results

Basil was first identified through mapping and rockchip sampling in August 2009 and the initial phase of drilling completed during November 2009 intersected copper and cobalt mineralisation near surface over a strike length of 900m at the Rotten Hill Zone on the Basil Trend (Figure 1). LBRC12 (previously reported) intersected 41m grading 0.6% copper and 432 ppm cobalt from 74m downhole depth including higher grade intervals of 3.0m @ 1.4% copper and 284 ppm cobalt from 74m, 9.0m @ 1.0% copper and 336 ppm cobalt from 87m, and 5.0m @ 0.9% copper and 615 ppm cobalt from 109m. The mineralisation at Rotten Hill is open and untested at depth and along strike.

The Basil Copper Trend is more than 10km long and is largely untested (Figure 2). It is situated on Mithril's 100% owned Leaky Bore tenement of the Huckitta Project in the Northern Territory (Figure 3) and is only one of a number of untested high quality, drill-ready copper and nickel targets on the project.

<b>HOLE #</b>	<b>Easting (m)</b>	<b>Northing (m)</b>	<b>Dip</b>	<b>Az</b>	<b>Depth (m)</b>
LBRC6/LBDD3	532016	7410738	60	210	324.5
LBRC16	533865	7409431	-60	29	121
LBRC17	531588	7410906	-60	220	79
LBDD2	531719	7410893	-60	210	210

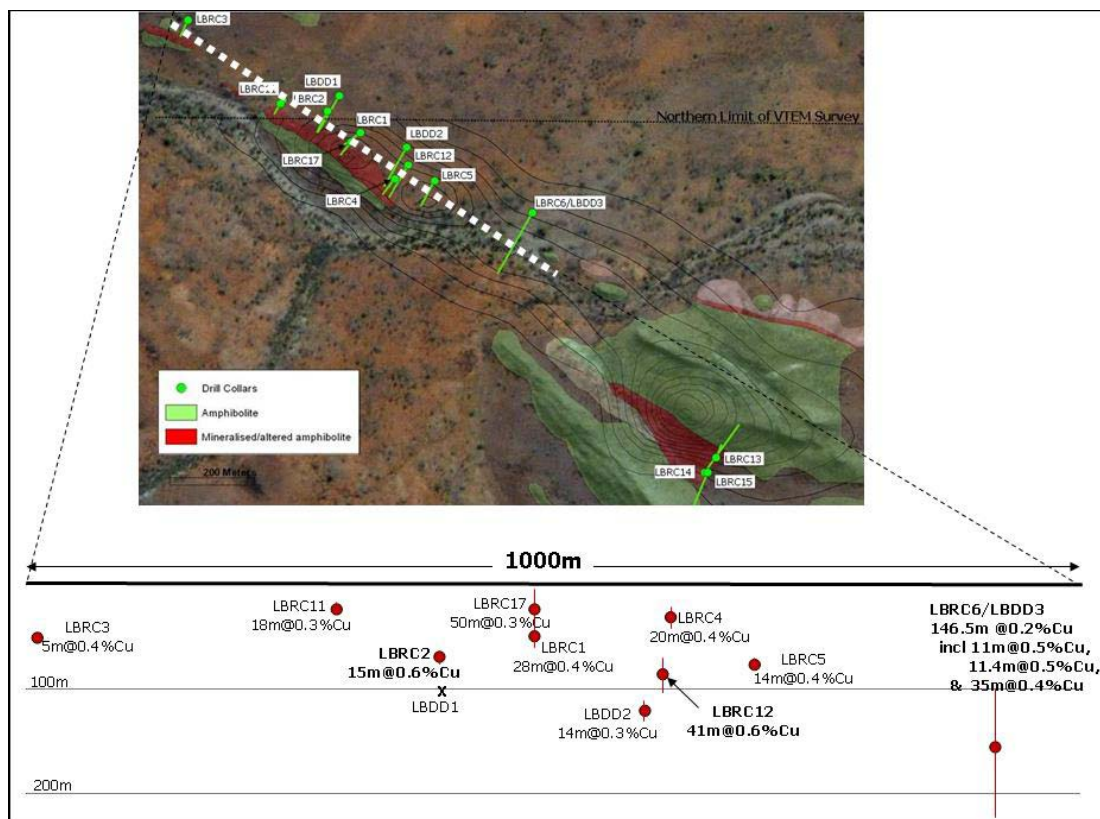
Table 2: Drillhole Coordinates

These early results from Basil continue to validate the mineral potential of this underexplored region and offer strong encouragement for further drilling which is expected to recommence in February 2010. The company is currently conducting a detailed assessment of the geological and geophysical data collected during the recent months to further assist in delineating targets for the next phase of drilling.

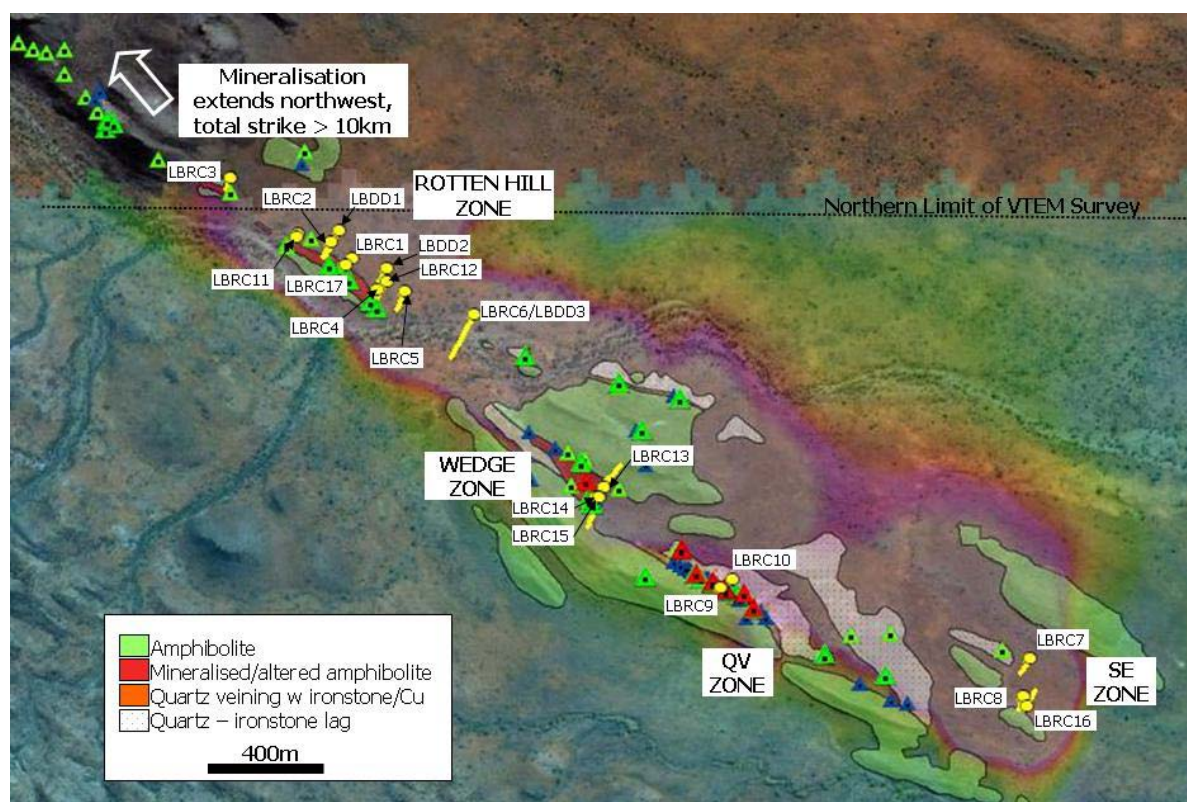
For more information visit [www.mithrilresources.com.au](http://www.mithrilresources.com.au) or contact:

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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: Rotten Hill Drill Plan and Long Section**



**Figure 2: Basil Copper Prospect – Drillhole collars (yellow) on satellite image with VTEM results and simplified geology. The triangles represent surface rockchip and lag samples with green indicating > 0.1% copper and red indicating > 1.0% copper. Blue is < 0.1% copper.**

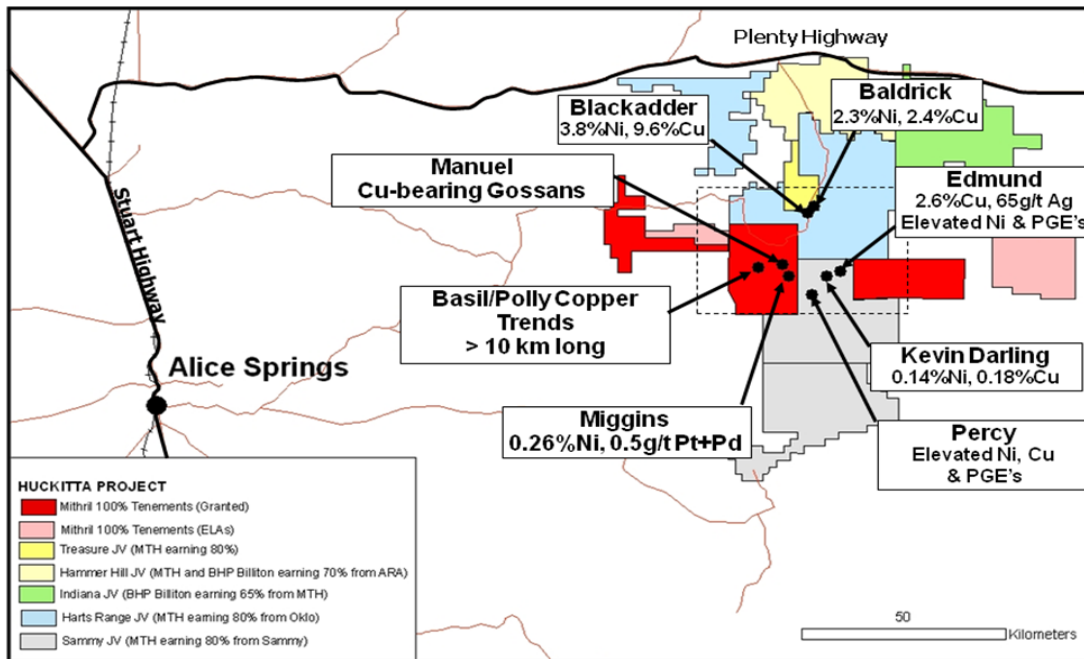


Figure 3: Project Location Plan