



MITHRIL

RESOURCES LTD

ASX RELEASE

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MITHRIL IDENTIFIES NEW TARGETS AT HUCKITTA

- **Airborne geophysical survey identifies new high-quality targets**
- **Ground verification of priority targets is underway**
- **A 4000m drill program at the Basil copper discovery - which was delayed due to rain - scheduled to commence next week**

Adelaide-based base metals explorer Mithril Resources Ltd (MTH:ASX) is pleased to announce that results from a recently completed airborne geophysical survey using the VTEM* system have identified a number of new targets on its Huckitta copper and nickel project in the Northern Territory.

The new survey builds on the success of last year's VTEM program that led to the discovery of the Basil Prospect - a new outcropping, greenfield copper discovery that has the potential to deliver a large tonnage, near-surface resource.

Mapping and surface sampling in 2009 identified significant copper mineralisation over 10km at the Basil Prospect and over 2.5km of significant copper mineralisation at the Polly Prospect (Figure 1).

"The new VTEM data indicates mineralised outcrops at the Basil Prospect and Polly Prospect may be linked to significant accumulations of mineralisation at depth," said Mithril Resources Managing Director Graham Ascough.

"These early results have surpassed our expectations as there are a number of new targets directly related to outcropping mineralisation that require immediate follow-up."

Only a small near-surface portion of the Basil Prospect has been drill tested so far and no drilling has been completed on the Polly Prospect. A drilling program on the Basil Prospect is scheduled to commence next week after significant delays due to rain in the region earlier in the year.

This 4000m drill program is designed to extend and upgrade the Basil Prospect through a focused campaign that will test a number of anomalies beneath mineralised outcrops on the southern part of the discovery.

The VTEM survey also detected new regional targets including a 2km long anomaly similar in character to the Basil Prospect. This target has seen no previous exploration and is located 12km Northeast of Basil on the Harts Range JV where Mithril may earn an 80% interest from Oklo Uranium Ltd (OKU:ASX).

In addition, a number of discrete targets have also been highlighted that have potential to host similar styles of mineralisation as that found at the Blackadder and Baldrick nickel prospects.

Interpretation of the VTEM results continues and Mithril’s exploration team is verifying new anomalies in the field on an on-going basis. This approach resulted in the discovery of the Basil and Manuel prospects last year.

**Versatile Time-Domain Electromagnetic (VTEM) system – an airborne geophysical survey tool operated by Geotech Airborne Australia that has the ability to detect conductive and/or magnetic mineralisation at depth.*

Mithril Resources Ltd is an Australian exploration company focused on the discovery and development of base metal deposits primarily nickel and copper. Mithril is a frontier explorer with a small but highly experienced team based in Adelaide. Combining advanced technology with a proven field-based approach ensures the bulk of the company’s expenses go directly into the ground. This is yielding excellent results and Mithril’s recent discovery of the Basil Copper Prospect at its Huckitta Project has the potential to deliver a large tonnage, near surface deposit.

For more information visit 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.

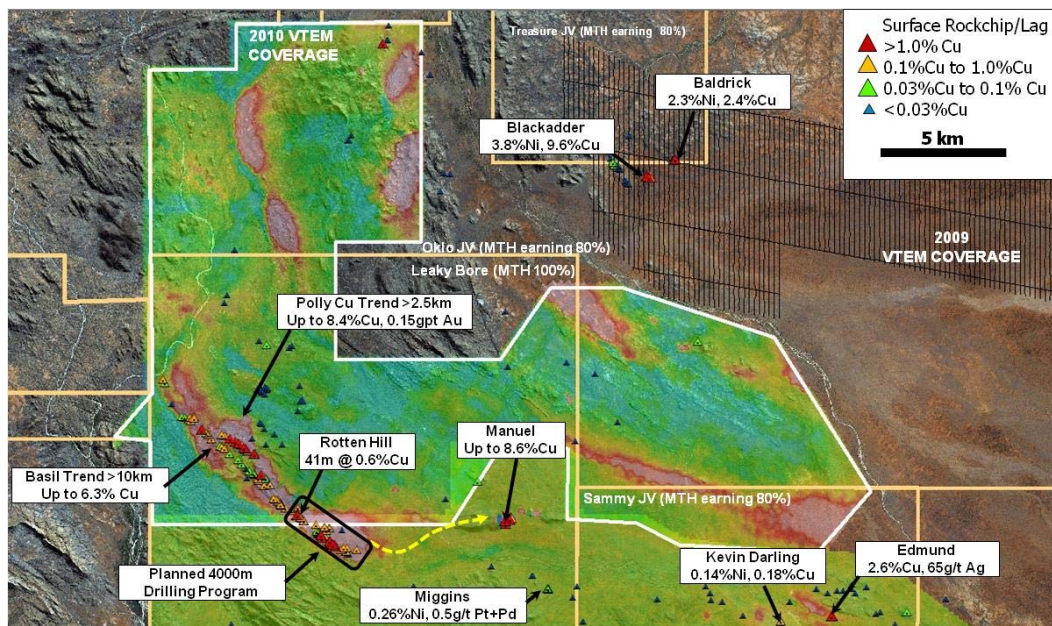


Figure 1: 2010 Preliminary VTEM results (channel 30 B-field) with mineral prospects and surface rockchip values. “Hotter” colors (reds-pink) indicate anomalous areas of interest (conductivity)