



# **MITHRIL**

---

## **RESOURCES LTD**

ASX RELEASE

28 May 2010

### **DRILLING COMMENCES AT BASIL PROSPECT**

Adelaide-based base metals explorer Mithril Resources (MTH:ASX) is pleased to announce the commencement of a major drilling program at its 100% owned Basil Prospect in the Northern Territory.

The Basil Prospect is a significant discovery that forms part of the Huckitta copper and nickel Project, located east of Alice Springs.

The planned 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 2.5km portion of the discovery area.

Mithril Resources Managing Director Graham Ascough said the Basil prospect was discovered through surface rock chip sampling following an airborne geophysical (VTEM) program completed in August 2009.

“The initial phase of drilling at Basil intersected significant widths of copper-cobalt mineralisation over a strike length of 900m at the Rotten Hill zone. Only a small near-surface portion of the more than 10km mineralised trend has been tested so far,” he said.

“Highlights from this initial drilling include 41m at 0.6% copper and 432ppm cobalt from a depth of 74m. Importantly, these results incorporate higher grade intervals - 3m at 1.4% copper, 9m at 1.0% copper and 5m at 0.9% copper.

“This strongly suggests there is zonation in the mineralised system and it therefore has the potential to deliver higher grade copper intersections.”

Wide intervals of mineralisation were also intersected, including 146.5m of semi-massive and disseminated sulphides grading 0.24% copper and 328ppm cobalt.

The planned program will consist of approximately 20 diamond drill holes and will take 2-3 months to complete.

Mithril Resources is very excited by the potential that this new discovery offers and updates will be provided as drilling results become available and as assays are received.

*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](http://www.mithrilresources.com.au) or contact:

**Mithril Resources Ltd**

Graham Ascough

[admin@mithrilresources.com.au](mailto:admin@mithrilresources.com.au)

08 8378 8200

**Michels Warren**

Richard Sproull 0418 585 517

Kristy Macfarlane 0402 557 527

*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.*