

## MMG Expands East Arunta Nickel Search

- MMG to earn up to 90% interest in EL25453 by completing expenditure of \$5M over 6 years - tenement currently held by Mithril (60%) and Oklo (40%)
- Represents a significant expansion of MMG's nickel search area with approximately 47% (2,368kms<sup>2</sup>) of Mithril's East Arunta Project Area now being explored by MMG
- MMG sole funding and managing all nickel exploration at East Arunta with a 2,400 metre RC drill program commencing October 2013 and aeromagnetic survey commencing November 2013
- Mithril remains focussed on copper with 3,000 metre RC drill program currently underway

Mithril Resources Ltd ("Mithril" - ASX: MTH) wishes to advise that it has executed a new Option and Joint Venture Agreement with MMG Exploration Pty Ltd ("MMG") and Oklo Resources Limited ("Oklo" - ASX: OKU), whereby MMG can earn up to a 90% interest in Exploration Licence 25453 which is currently held by Mithril (60%) and Oklo (40%) by completing expenditure of \$5 million over 6 years ("**Harts Range Option and Joint Venture**").

EL25453 is located in the eastern portion of Mithril's **East Arunta Project Area** ("East Arunta" - *Figure 1*) and lies immediately adjacent to other Mithril tenements that are currently being explored by MMG for nickel under the terms of the Huckitta Nickel Joint Venture (MMG earning up to 80% of the nickel rights by completing expenditure of \$4 million and a Pre-Feasibility study on a JORC Indicated Mineral Resource – *Figure 2*).

The new joint venture represents a significant expansion of MMG's exploration efforts at East Arunta, with approximately 47% (2,368 kms<sup>2</sup>) of the total East Arunta Project Area (5,074 kms<sup>2</sup>) now being explored for nickel by MMG. Importantly all of this work is being sole funded and managed by MMG.

MMG will be shortly undertaking a major program of geophysics and drilling with a **2,400 metre RC drill program** to test a number of newly identified aeromagnetic features that may represent **previously unrecognised nickel – copper – PGE bearing mafic intrusions** within the eastern portions of Huckitta to commence early **October 2013** (*ASX Announcement dated 06 August 2013*) and a **high-resolution aeromagnetic survey** to be flown over the majority of EL25453 during **November 2013**.

The expanded nickel search effort highlights the nickel potential of the East Arunta, and importantly allows Mithril to remain focussed on its copper exploration work programs including a **3,000 metre RC drill program** testing 6 priority **copper targets** that is currently underway.

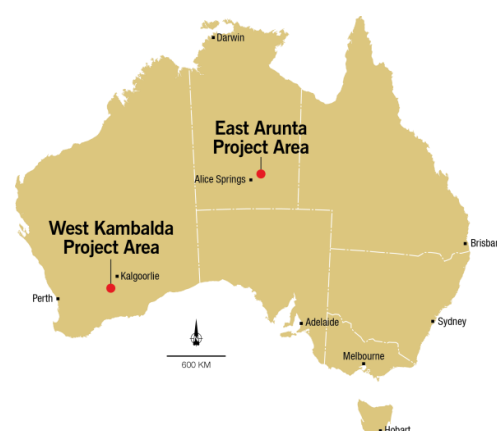


Figure 1: Project Location Plan

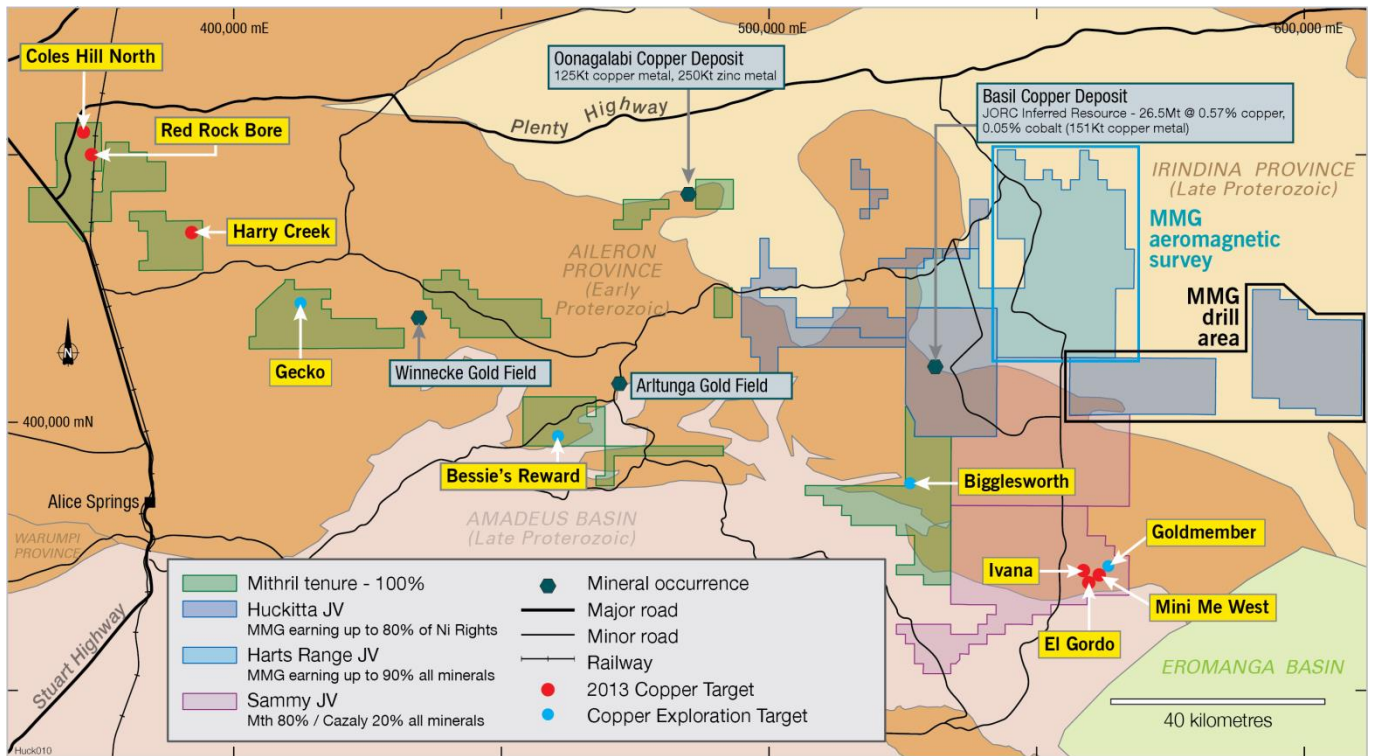


Figure 2: East Arunta Project Area – location of copper drill targets, Harts Range JV and MMG nickel work area

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### About the East Arunta Project Area

The East Arunta Project Area (“East Arunta”) is highly prospective for the discovery of economic base metal (copper, nickel, silver, lead and zinc) mineralisation and incorporates the 4,083 kms<sup>2</sup> **Huckitta Project** and wholly – owned 992 kms<sup>2</sup> **Yambah Project**.

East Arunta is located immediately north and east of Alice Springs in the Northern Territory (*Figures 1 and 2*) and represents a significant greenfields exploration portfolio within the rapidly emerging, and relatively underexplored Eastern Arunta Province of the Northern Territory.

Significant mineral occurrences within the province includes the Company’s **Basil Copper Deposit** (Inferred Resource of 26.5Mt @ 0.57% copper, 0.05% cobalt), Kentor Gold Limited’s (ASX: KGL) **Jervois Copper – Silver – Gold Project**, and Kidman Resources Limited’s (ASX: KDR) **Home of Bullion Copper Project**.

The **Basil Copper Deposit Inferred Mineral Resource** of 26.5Mt @ 0.57% copper, 0.05% cobalt has been calculated using a 0.3% copper cut-off grade. The Resource is composed of both interpolated and extrapolated resources and has been reported in accordance with the JORC Code (2004) and JORC/ASX Companies Update Number 03/07. *Refer to ASX Announcement dated 21 March 2012 for further information.*

In addition to 100% - owned tenements, Mithril has three joint ventures covering approximately 70% of the East Arunta Project Area.

#### 1. Sammy Joint Venture (MTH – 80% / CAZ – 20%)

The joint venture covers two tenements (EL’s 25643 and 25653) in the south eastern portion of the project area and is the current focus of the Company’s copper exploration efforts. The joint venture is between Mithril Resources (80% and operator) and Sammy Resources Pty Ltd (20%), a wholly owned subsidiary of ASX-listed Cazaly Resources Ltd (**ASX: CAZ**) with both parties funding the JV on a pro-rata basis.

The Sammy Joint Venture is separate from any other joint venture with MMG.

#### 2. Huckitta Nickel Joint Venture (MMG earning up to 80% Nickel Rights)

MMG can earn up to 80% of the nickel rights on the following Mithril tenements (EL’s 26942, 27178, 27243, 27435, 27662, 28336, 28471, and 28501) at Huckitta, by completing expenditure of \$4 million and a Pre-Feasibility study on a JORC Indicated Mineral Resource. MMG must spend a minimum of \$1.5 million by 31 October 2013. If MMG doesn’t satisfy this requirement then it is obliged to pay Mithril the difference between actual expenditure and the \$1.5 million.

### 3. Harts Range Option and Joint Venture (MMG earning up to 90%)

Under the terms of the Agreement:

- MMG can earn up to a 90% interest in Exploration Licence 25453 (and all minerals) by completing staged expenditure of \$5 million over 6 years. The tenement is currently held by Mithril Resources Limited (60%) and Oklo Resources Limited (40%).
- MMG may withdraw from the joint venture by giving 30 days' notice to Mithril and Oklo subject to MMG completing an aeromagnetic survey over the tenement and reimbursing both Mithril and Oklo for rental fees paid by them as at March 2013.
- If MMG withdraws from the joint venture, MMG's current and future rights will cease and it will have no further interest in the tenement. If MMG has earned an interest in the tenement, it must transfer that interest to Mithril and Oklo for \$1.
- Within 60 days of MMG earning 90%, Mithril and Oklo may elect to contribute to ongoing expenditure on a pro rata basis (i.e. Mithril – 6%, and Oklo – 4%) or convert their respective interests to a net smelter return royalty (i.e. Mithril – 0.9% NSR, and Oklo – 0.6% NSR)

The Option and Joint Venture Agreement is conditional upon Mithril and Oklo obtaining the renewal of EL25453, MMG obtaining all relevant authorisations under the Northern Territory *Minerals Titles Act*, Board approval by all parties, and MMG satisfactorily completing due diligence on the tenement. If the conditions precedents are not satisfied or waived within 90 days after the date of the Option and Joint Venture Agreement commencement, then any party may terminate the Agreement by giving notice in writing to the other parties.

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#### For Further Information Contact:

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#### Competent Persons Statement:

The information in this report that relates to Exploration Results and Mineral Resources is based on information compiled by Mr David Hutton (Managing Director), who is a full-time employee of the Company and a Fellow of the Australasian Institute of Mining and Metallurgy (AusIMM). Mr D Hutton 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 Hutton consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

#### About Mithril Resources Ltd:

Mithril Resources Ltd is an Australian exploration company focused on the discovery and development of base metal deposits primarily 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.