



Gold Exploration Update

- **Infill auger geochemical sampling to refine existing priority gold targets underway at Lignum Dam ahead of aircore / RC drilling planned for the December 2016 Quarter**
- **Heritage Clearances and line pegging completed by Doray Minerals at Duffy Well JV with aircore drilling to commence mid-October**

Mithril Resources Ltd (“Mithril” – **ASX: MTH**) is pleased to provide an update on gold exploration activities currently underway on two of its projects – Lignum Dam and Duffy Well.

At the wholly – owned **Lignum Dam Project** (located 50 kilometres north-northeast of Kalgoorlie Western Australia - *Figure 1*), Mithril is currently undertaking a program of **infill auger geochemical sampling** to refine existing priority gold targets ahead of **Aircore/RC drilling planned for the December 2016 Quarter**.

With an area of approximately 260km², **Lignum Dam** covers a package of gold and nickel prospective Archaean mafic, ultramafic, and felsic rocktypes directly along strike from the Lindsay’s Gold Mining Centre and the high grade Silver Swan nickel deposit.

At the **Duffy Well Project** (located 30 kilometres east of Meekatharra Western Australia - *Figure 1*), Doray Minerals Limited (“Doray” – **ASX: DRM**) has completed a Heritage Survey and line pegging ahead of undertaking a 3,500 metre **Aircore drilling program to test multiple gold targets**. Doray expects to commence the Duffy Well drilling by mid – October 2016.

Duffy Well covers the interpreted southern extension of the Gnaweeda Greenstone Belt where Doray has intersected high-grade gold mineralisation in RC drilling at the Turnberry Prospect, including 3m @ 10.1g/t gold from 149 metres, 5m @ 17.4g/t gold from 71 metres, and 4m @ 17.9g/t gold from 45 metres (*Doray ASX Announcement dated 11 June 2015*).

Doray can earn an initial 51% interest in Duffy Well by completing expenditure of \$300,000 within two years (by 3 November 2017) and can elect to earn an additional 34% interest by completing further expenditure of \$200,000 within another one year (in total 85% by spending \$500,000 over three years).

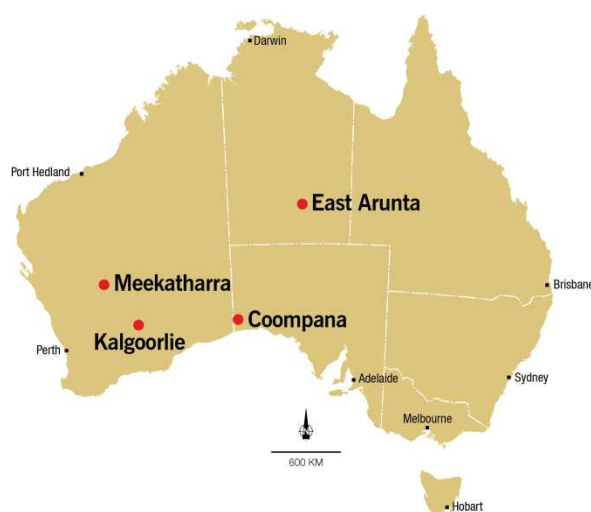


Figure 1: Project Locations

ENDS

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Competent Persons Statement:

The information in this report that relates to Exploration Targets, Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr David Hutton, who is a Competent Person, and a Fellow of The Australasian Institute of Mining and Metallurgy. Mr Hutton is Managing Director and a full-time employee of Mithril Resources Ltd.

Mr Hutton has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 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 and precious metal deposits primarily copper, nickel and gold. 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.
