

COMPLETION OF THE ACQUISITION OF SUN MINERALS PLACEMENT OF SHORTFALL AND CORPORATE UPDATE

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Mithril Resources Limited [ASX: MTH] (“Mithril” or “the Company”) is pleased to announce that it has successfully completed the acquisition of Sun Minerals Pty Ltd (“Sun Minerals”) which holds an exclusive option to acquire up to a 100% interest in the high-grade Copalquin Gold Silver Project in Durango, Mexico.

Commenting on the Sun Minerals acquisition, Mithril’s Non-Executive Director and Company Secretary, Adrien Wing, said:

“On behalf of our Board, I would like to thank shareholders for their support during the transformative acquisition of Sun Minerals and we look forward to commencing exploration on the highly prospective Copalquin Gold Silver Project in Mexico.

Following the recent Capital Raising which was strongly supported by existing and new shareholders Mithril is now well placed to aggressively explore Copalquin with diamond drilling planned to commence as soon as all in-country personnel, contractors and equipment are mobilised to the project site during June 2020.

It has been a pleasure to engage with the Sun Minerals team during the acquisition process and their 50+ years of operating experience in Mexico together with significant experience and success developing Gold Silver projects in Australia and overseas will be invaluable as we advance Copalquin”.

SUN MINERALS ACQUISITION

As consideration for the acquisition of Sun Minerals, the Company has issued an aggregate of 673,852,281 fully paid ordinary shares (Consideration Shares) to the shareholders of Sun Minerals (Sun Minerals Vendors) for the acquisition of all the issued capital of Sun Minerals. The issue of the Consideration Shares was approved by shareholders at the General Meeting of the Company held on 13 May 2020 (General Meeting).

As announced on 17 February 2020, Sun Minerals Vendors holding approximately 97% of the Consideration Shares have agreed to the voluntary escrow of their shares hold for 24 months from the date of issue. The Company will release a substantial holder notice in respect of the Vendor Shares in the coming days.

Mithril has also issued 10,000,000 fully paid ordinary shares and paid US\$200,000 to Compania Minera Copalquin S.A de C.V., the holder of the concessions forming the Copalquin Gold Silver Project, in accordance with the Company's completion obligations.

Mithril has also issued an aggregate of 224,999,999 performance rights. Of these performance rights, 199,999,999 were approved by shareholders at the General Meeting and the remaining 25,000,000 performance rights were issued to advisors under the existing placement capacity of the Company available under ASX Listing Rule 7.1. The terms of the

performance rights were set out in the notice of meeting released to ASX on 9 April 2020 (noting that the vesting condition with respect to timing of the completion of the acquisition of Sun Minerals has now been achieved).

An Appendix 2A and cleansing statement for the issue of the shares as referred to above and an Appendix 3G for the issue of the performance rights are being released to the ASX market announcements platform at or about the same time as this announcement.

RIGHTS ISSUE SHORTFALL

As announced on 19 May 2020, the shortfall from Mithril's recently completed Rights Issue comprised an aggregate of 80,059,950 fully paid ordinary shares. The Company is pleased to advise that it has successfully placed these shortfall shares and all subscription funds have been received. The issue of these shortfall shares occurred immediately prior to Completion and is included in the Appendix 2A and cleansing statement referred to above.

CORPORATE UPDATE

Mithril is pleased to welcome Mr Dudley Leitch as a Director of the Company. Dudley was nominated by Sun Minerals to join the Board of the Company and his appointment as a Director was approved by Mithril shareholders at the meeting on 12 February 2020.

The Company also advises that Mr David Hutton has resigned as a Director of the Company and its subsidiaries effective Friday 29th May 2020. Mithril wishes to thank Mr Hutton for his 8 years of service and his continued support of Mithril in respect of its existing exploration projects and pursuit of the Sun Minerals acquisition.

CHANGE OF ADDRESS

The Company and all its controlled entities have also changed their registered office and principle place of business to Level 2, 480 Collins Street, Melbourne VIC 3000. Telephone and facsimile details remain the same.

Released with the authority of the Board.

Regards,



Adrien Wing

Non-Executive Director and Company Secretary
Mithril Resources Limited