

MITHRIL PROGRESSES WORK AT COPALQUIN MEXICO

Highlights

- Drilling and helicopter support contracts executed, with mobilisation of equipment commencing in June 2020.
- Exciting diamond core drill programme to test primary target areas at Copalquin Gold Silver, Mexico.
- Systematic exploration plan to be executed throughout 2020.

Mithril Resources Limited [ASX: MTH] (“Mithril” or “the Company”) is pleased to announce that post the strongly supported capital raising and the appointment of a new CEO and Chief Geologist, it has activated final preparations for exploration on the high-grade Copalquin Gold Silver Project in Durango, Mexico. Drilling and helicopter support contracts have been signed with mobilisation of equipment commencing in June 2020.

Commenting on the progress, Mithril’s Chief Executive Officer, John Skeet, said:

“We are excited to be preparing for our maiden drill programme at Copalquin and to have secured the services of two important and highly regarded contractors with many years of experience working in the Sierra Madre Gold Silver Trend in Mexico – Transportes Aereos Sierra Alta helicopter support and Globexplore Drilling.

The maiden drill programme, centres mainly in the area of previous drilling and importantly, will set out to confirm depth and continuity of the known mineralised structures associated within these historically mined areas.

We look forward to receiving the first drill results over the coming months whilst continuing mapping and target generation over this underexplored mining district in a geological region known for major gold and silver deposits”

COPALQUIN PROJECT

The Copalquin Gold Silver Project is located in an ideal geological setting with the concessions covering an entire mining district (70km² area) in Durango state, Mexico. The district is endowed with multiple mineralisation events, typical of large epithermal centres. There is notable past production of gold and silver from several underground mines with reported bonanza grades. Previous exploration work in the 1990’s and 2000’s consisted of soil sampling programs and non-systematic drilling of 70 diamond core holes. Mithril’s recently acquired Sun Minerals compiled the previous data, confirmed rock chip sampling of historic underground working, completed extensive geologic mapping and acquired high resolution satellite imagery and topography.

Previous drilling has identified three areas with underground mineable grades over potentially mineable widths. These areas are El Refugio, La Soledad and El Cometa (which also include open pit resource potential). Mithril’s drilling campaign will systematically test each of these high-priority areas and will also drill test Los Reyes, Los Pinos, and later La Constancia and the important San Manuel multi-level mine workings.

Drilling will commence at La Soledad where there are regionally significant historic underground mine workings and indications of strike and depth potential for gold and silver mineralisation as indicated by mapping and previous drilling.

COPALQUIN EXPLORATION PLAN 2020

- Diamond core drill programme (helicopter assisted)
- Continue mapping and sampling of known mine areas.
- Develop future drill targets.
- Visit unexplored areas in the northern and western areas of the mining concession area.
- Select core sample for metallurgical test work.
- Progress infrastructure studies.



Figure 2 Mithril's helicopter contractor, Transportes Aereos Servicios Alta in Mexico.



Figure 1 Mithril's drilling contractor, Globexplore Drilling with compact core rig in Mexico.

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Released with the authority of the Board.

For further information on the company and our projects, please visit: www.mithrilresources.com.au

Contact:

Mithril Resources

John Skeet
Chief Executive Officer
jskeet@sunminerals.com.au
+61 435 766 809

Mark Flynn
Investor Relations
mflynn@mithrilresources.com.au
+61 416 068 733