

Kurnalpi Nickel Project Update

- Mithril to have 100% management of the entire project following notification from Farm-in partner that it intends to withdraw from an existing agreement over selected tenements
- Kurnalpi contains over 7 kilometres of a poorly - explored nickel sulphide - bearing ultramafic with drilling and EM geophysics scheduled to commence late June 2018 / early July 2018

Mithril Resources Ltd (the “Company” - **MTH.ASX**) advises that it has received formal notification from Chesser Resources Ltd (“Chesser” - **CHZ.ASX**) that it intends to withdraw from an existing Farm-In Agreement (effective date - 11 July 2018) on selected tenements at Mithril’s Kurnalpi Nickel Project (located 70 kms north east of Kalgoorlie, WA - Figures 1 and 2).

From the effective date, Mithril will have 100% management of the entire project which includes over 7 kilometres of a poorly-explored nickel sulphide-bearing ultramafic unit.

Mithril is planning to recommence nickel exploration over the ultramafic in late June / early July 2018.

A Reverse Circulation drilling program (as an initial test of a newly identified off hole EM conductor lying adjacent to nickel sulphide mineralisation) and EM geophysics (to define further drill targets along strike from the EM conductor) are planned (see Figure 3 and ASX Announcement dated 30 May 2018).

Mithril looks forward to updating the market when this work commences.

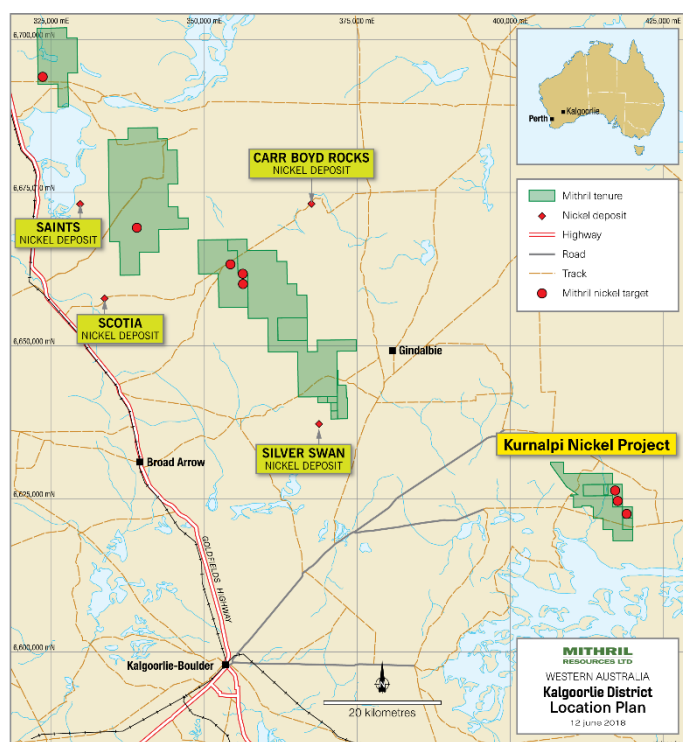


Figure 1: Kalgoorlie District – Project Location Plan

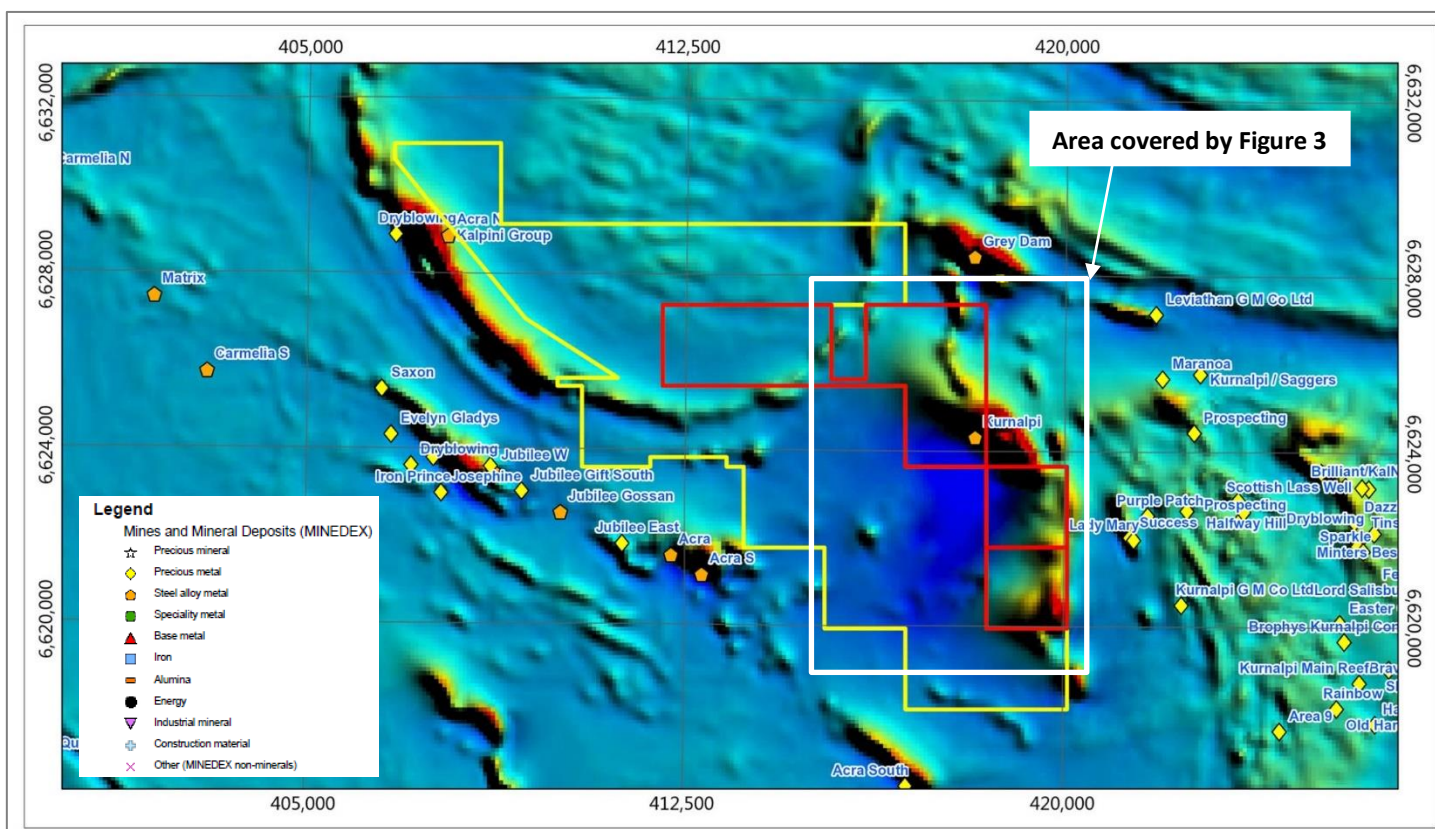


Figure 2: Kurnalpi Project magnetic image showing Mithril tenements with those tenements formerly subject to the Chesser Farm-In (yellow outlines). MINDEX mineral occurrences and the location of Figure 3 is also shown (white box).

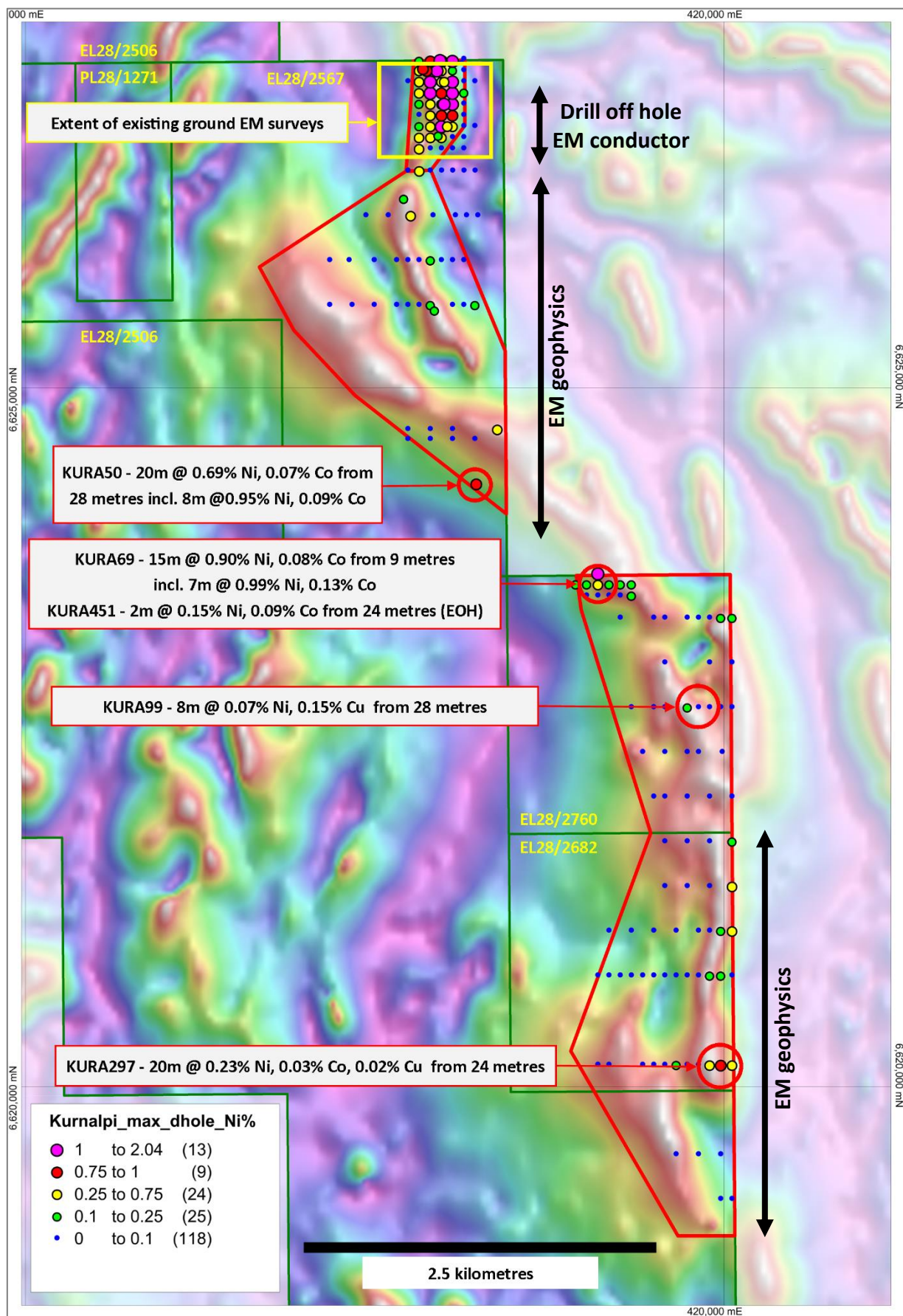


Figure 3: Kurnalpi Project magnetic image showing areas for ground EM and initial drilling, existing drill hole collar locations (colour coded by maximum downhole % nickel), and key drill intercepts.

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 is an Australian resources company whose objective is the creation of shareholder wealth through the discovery and development of mineral deposits.

Mithril are exploring for a range of high-value commodities (principally nickel, cobalt, copper and zinc) throughout the Meekatharra, West Kimberley and Kalgoorlie Districts of Western Australia.

The Company is also exploring South Australia's far western Coompana Province for magmatic nickel – copper deposits with OZ Minerals Limited.