ASCOT BORE

EL27435
ANNUAL AND FINAL TECHNICAL REPORT FOR
PERIOD 13th April 2010 to 2nd April 2015

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29th April 2015

MAP REFERENCE:
Illogwa Creek 250K Sheet SG53/15
SUMMARY

This report summarises work completed on Mithril Resources’ Ascot Bore Exploration Licence (EL27435) for the 5 year life of the licence ending 2nd April 2015.

The project area is located approximately 200 km east-northeast of Alice Springs, south of the Plenty Highway as formed part of Mithril’s larger Huckitta Project.

Work completed during the life of the licence included field reconnaissance, a detailed airborne magnetic survey and RC percussion drilling.

No significant results were returned and the licence was relinquished in full.
1.0 Introduction ...................................................................................................... 4
2.0 Tenure .............................................................................................................. 4
3.0 Geology ............................................................................................................ 4
  3.1 Regional Geology ......................................................................................... 4
  3.2 Project Geology ............................................................................................ 5
4.0 Exploration Work Completed ............................................................................ 5
  4.1 Mithril Resources Work Completed 2010-11 ..................................................... 5
  4.2 Mithril Resources Work Completed 2011-12 ..................................................... 6
  4.3 Work Completed 2012-13 .............................................................................. 6
  4.4 Work Completed 2013-14 .............................................................................. 6
  4.5 Work Completed 2014-15 .............................................................................. 6

FIGURES

Figure 1: Project Location Plan
Figure 2: Coverage of magnetic survey and drill hole locations

LIST OF TABLES

Table 1: Tenement Status
1.0 Introduction

This report summarises work completed on Mithril Resources’ Ascot Bore Exploration Licence (EL27435) for the period 13/4/2010 - 2/4/2015. This tenement formed part of the larger Huckitta Project.

The tenement is located approximately 200 km east-northeast of Alice Springs. Access to the area is via the Plenty Highway and then via a network of station roads and tracks on Huckitta and Indiana stations.

Mithril interpreted that intrusive mafic and ultramafic rocks of Palaeozoic age may extend onto the tenement and that these rocks are prospective for magmatic Ni/Cu/PGE sulphides. On this basis MMG Exploration Pty Ltd joint ventured in on the nickel rights on this EL as well as a number of other 100% Mithril owned tenements on the Huckitta Project. In addition the tenement is also prospective for Cu-Co and gold mineralisation as these have also been discovered recently on other portions of the Huckitta Project by Mithril (Basil Cu-Co deposit).

2.0 Tenure

Leasing details for the project are detailed in Table 1 below.

<table>
<thead>
<tr>
<th>Tenement</th>
<th>Grant date</th>
<th>Original size (blocks)</th>
</tr>
</thead>
<tbody>
<tr>
<td>EL24735</td>
<td>13/4/2010</td>
<td>124 (386sqkm)</td>
</tr>
</tbody>
</table>

3.0 Geology

3.1 Regional Geology
The Project lies within the Irindina Province (also known as the Harts Range Metamorphic Complex) of the south-eastern Arunta Inlier. The Irindina Province comprises the Harts Range Group, a volcano-sedimentary succession that was metamorphosed to granulite facies during the Ordovician Larapinta Event (475-460 Ma). Lithostratigraphical and geochronological data indicate that the Harts Range Group correlates with Neoproterozoic to Cambrian sediments of the adjacent Amadeus and Georgina Basins. Therefore, the Harts Range Group was probably deposited in a basin contiguous with, and possibly linking, the Amadeus and Georgina Basins.

While the Harts Range Group was metamorphosed to granulite-facies; however, sedimentation continued in the Amadeus and Georgina Basins. Structural and lithological evidence suggests that the Larapinta Event was extensional, with very deep burial required for the measured metamorphic conditions (30-35 km). Such an event was probably associated with mantle melting. The numerous mafic and ultramafic units found throughout the Irindina Province, although their timing is poorly constrained, may have intruded during the Larapinta Event. These intrusions are considered prospective for Ni-Cu-PGE sulphide deposits.

The Harts Range Group and Amadeus and Georgina Basins were structurally inverted and brought to the surface during the mid-Palaeozoic Alice Springs Orogeny (450-300 Ma).

3.2 Project Geology

The tenement area is predominantly covered by a veneer of aeolian and colluvial sand and gravel. Strongly weathered biotite, garnet-biotite and quartzofeldspathic gneiss, calcsilicate rocks and amphibolite are rarely sporadically exposed. There are numerous ferricrete, calcrite and silcrete rises, some of which may be indicative of the targeted mafic and ultramafic rocks. No detailed mapping has been undertaken in the area with the best regional maps compiled prior to detailed aeromagnetics and the current understanding of the geological history.

The area is considered prospective for Ni-Cu-PGE mineralisation associated with mafic and ultramafic intrusions as well as “Basil type” copper-cobalt mineralisation. Vein-style REE-Th-U mineralisation has also been identified in the area as well as multiple occurrences of mica.

4.0 Exploration Work Completed

Numerous companies and individuals have explored in the general area covered by EL27435 and research has shown that no sample has been recorded from this tenement area. This historical exploration is summarised in Appendix 1 from 2011-12 annual report.

4.1 Mithril Resources Work Completed 2010-11

No field work was completed during the year. Work was limited to reviewing historical exploration over the tenement. This was largely related to 4wd access.
problems given the extraordinary heavy and consistent rain throughout the year.

4.2 Mithril Resources Work Completed 2011-12

Work completed on this tenement during the year was limited to desktop studies, including the acquisition of detailed, geo-referenced Google Earth Imagery, and outlining an exploration program over the tenement area. The lack of ground work is mainly attributed to decisions within the company not to conduct ground work on tenements with very high fuel load and thus fire risk on remote Huckitta tenements. A first pass field program was planned but not completed.

4.3 Work Completed 2012-13

Work completed on EL27435 during the reporting period included a short field reconnaissance program and an aeromagnetic survey.

In late September, field reconnaissance using a helicopter was completed in the northern region of the tenement. The aim of the trip was to determine the location and quality of outcropping basement rocks. This reconnaissance was also used to determine the feasibility of completing surface geochemical sampling programs over the area.

An aeromagnetic survey was initially planned for November 2012 but was postponed due to landholder concerns. The rescheduled survey began in March 2013 and was completed by mid-April. The survey was completed by Fugro and involved 50m flight line spacing and with a 35m ground clearance over the entire tenement – in total ~8700 line-kms.

4.4 Work Completed 2013-14

Work completed in 2013-14 included the following:

- Helicopter reconnaissance for access
- Geological reconnaissance, checking for outcrop
- 12 soil samples
- Interpretation and processing of Magnetic survey completed in the previous year
- Heritage survey
- RC percussion drilling – 5 holes for 611m and associated assays. Work Completed 2014 – 15

Coverage of magnetic survey and location of drill collars are shown in Figure 2.

4.5 Work Completed 2014-15

Work completed during the reporting period was restricted to the detailed review of results from the previous year by both Mithril and MMG. The conclusions from this review were that no significant results were returned and that there were no further targets for drill testing. As a result of this MMG withdrew from the joint venture in September 2014 and the tenement was relinquished in its entirety on 31 March 2015.
Figure 2: RC collar locations on TMI_RTP aeromagnetic image. Coloured image is area of magnetic survey flown in 2013.

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