



MITHRIL
RESOURCES LTD

EL 28335 – ALBARTA BORE

YEAR 4 ANNUAL AND FINAL REPORT

For the Period

3 July 2014 to 22 June 2015

Compiled By

**Amy Lockheed and
Jim McKinnon-Matthews**

MAP REFERENCE: Illogwa Creek 250K - Sheet SF53/15
Target Commodities: Nickel and Copper

Report submitted on: 5 August 2015
All data provided is of GDA94 Datum, Zone 53.

All enquiries to Jim McKinnon-Matthews
Phone: 08 8132 8800
jimm@mithrilresources.com.au

22B Beulah Road, Norwood, South Australia 5067
Telephone: (61 8) 8132 8800 Fax: (61 8) 8132 8899
Web: www.mithrilresources.com.au Email: admin@mithrilresources.com.au
ABN: 30 099 883 922

SUMMARY

This report presents work completed during the fourth year and life of tenure on the Albarta Bore Tenement (EL 28335), granted to Mithril Resources Ltd (Mithril) on 4 July 2011.

EL 28335 is centred approximately 140 km east of Alice Springs. The tenement area has been held by numerous other companies who have explored for gold, base metals, industrial minerals and Uranium.

Mithril first applied for the ground with a view to explore for Nickel sulphide deposits whilst remaining open minded to opportunities provided by other commodities.

Work completed during the reporting period and life of the tenement included:

2011-2012

- Historical data compilation
- 140 float and rock chip samples
- 416 soil samples
- Ground Gravity Survey: 495 gravity stations on 38 lines
- Airborne Magnetic Survey: 206.6km² area surveyed

2012-2013

- 1 rock chip sample
- 9 field mapping points
- 4 x Reverse Circulation Holes (223m)
- 1 x Diamond Hole (210m)
- 6 Hand Auger Holes (2m)

2013-2014

- Rehabilitation of all drill sites
- Reduction of tenement area

2014-2015

Final rehabilitation work was completed during the 2014-15 reporting year followed by a review of all results obtained on the tenement over its life. As a result of this no significant walk up drill targets were identified and EL 28335 was relinquished in full on 22 June 2015.

CONTENTS

1.0 INTRODUCTION 1
 2.0 TENURE 1
 3.0 GEOLOGY 2
 3.1 Regional Geology..... 2
 3.2 Project Geology..... 2
 4.0 HISTORICAL EXPLORATION WORK COMPLETED 3
 4.1 Mithril work completed 2011-2012 3
 4.2 Mithril work completed 2012-2013 3
 4.3 Mithril work completed 2013-2014 5
 4.4 Mithril work completed 2014-2015 5
 COPYRIGHT – AUTHORISATION OF PUBLICATION 6

FIGURES

Figure 1: Location of EL 28335 (Albarta Bore)..... 1
 Figure 2: Geology of EL 28335 (from published 250k geology map sheet). 2
 Figure 3: Location of VTEM survey and conductor style responses 4

TABLES

Table 1: EL 28335 (Albarta Bore) tenure. 1

APPENDICES

Appendix 1: Illogwa Drilling Rehabilitation Report

1.0 INTRODUCTION

This report presents work completed on the Alberta Bore Tenement (EL 28335) by Mithril for the second reporting year, ending 4 July 2014.

EL 28335 is located approximately 140 km east of Alice Springs (Figure 1). The tenement can be accessed from the north via the Plenty Highway and station tracks or the east via the Numery Road and station tracks. Station tracks provide for reasonable access to much of the tenement area.

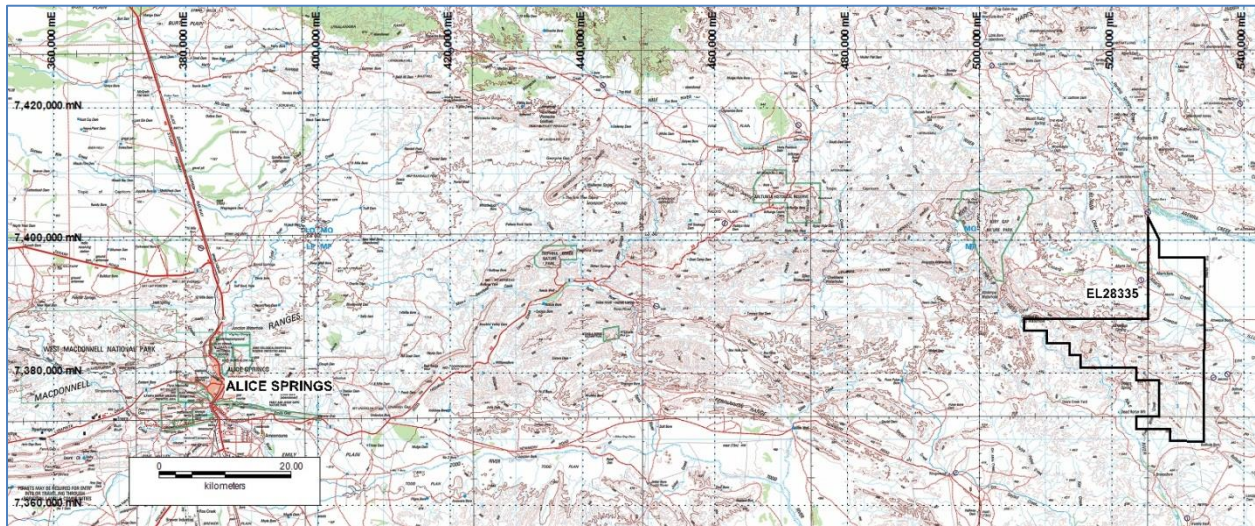


Figure 1: Location of EL 28335 (Alberta Bore).

Mithril initially targeted the area for Ni-Cu-PGE sulphide deposits associated with mafic and ultramafic magmatic rocks. This style of mineralisation has been identified on neighbouring tenements. However, recent exploration on the adjacent licence (EL 26942) has identified significant sulphide hosted Cu-Co mineralisation at the Basil Prospect. Drill intersections at the Basil prospect include 59.1m @ 0.63% Cu and 0.07% Co in LB035DD; and 29.0m @ 0.66% Cu and 0.07% Co in LB027DD.

Furthermore, EL 28335 forms part of the broader Illogwa Project whereby Iron-Oxide-Cooper-Gold style mineralisation has been mapped over 40 km in strike, covering both EL 28335 and the adjoining EL 25643 tenement.

2.0 TENURE

Mithril Resources Limited (ACN 099 883 922) was granted exploration license EL 28335 for a six year period due to expire 3 July 2017. Mithril reduced the tenement area from 338 km² to 231 km² in 2014.

Table 1: EL 28335 (Alberta Bore) tenure.

Project	Tenement Name	Tenement No	Application Date	Grant Blocks	Area (km ²)	Grant Date	Grant Period
Illogwa	Alberta Bore	28335	12/10/2010	108	338	4/07/2011	6 years

3.0 GEOLOGY

3.1 Regional Geology

EL 28335 lies within the Proterozoic Aileron Province and Amadeus Basin of the Arunta Inlier.

Heavitree Quartzite, Bitter Springs Formation and the Atneeqa Granitic Complex make up the majority of the hills and ranges seen over the tenement area.

3.2 Project Geology

The tenement area contains approximately 50% outcrop/subcrop and 50% Cainozoic cover from colluvial sand and gravel (Figure 2).

The area has been subjected to intense deformation and metamorphism and is considered prospective for;

- Ni-Cu-PGE mineralisation in layered mafic and ultramafic intrusions
- “Basil type” Cu-Co semi-massive sulphides
- Vein-style REE-Th mineralisation
- IOCG style mineralisation

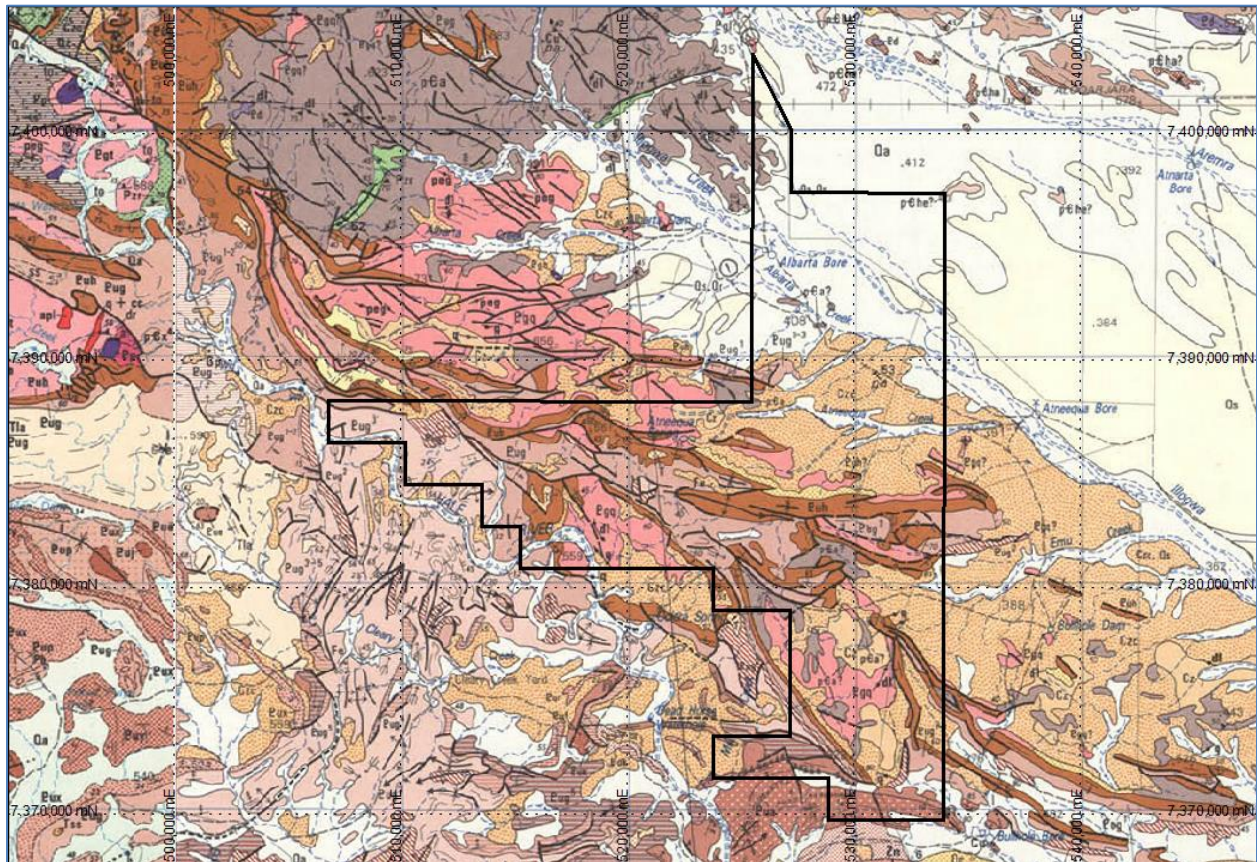


Figure 2: Geology of EL 28335 (from published 250k geology map sheet).

4.0 HISTORICAL EXPLORATION WORK COMPLETED

Numerous companies and individuals have explored in the general area covered by EL 28335.

A detailed synthesis of previous exploration work was submitted as Appendix 5 in the first Annual Report for EL 28335.

4.1 Mithril work completed 2011-2012

- Historical data compilation
- 140 float and rock chip samples
- 416 soil samples
- Ground Gravity Survey: 495 gravity stations on 38 lines
- Airborne Magnetic Survey: 206.6 km² area surveyed

Geophysical anomalies were observed in both surveys and require follow up work along with continuation of geological field mapping and sampling. Drill programs are also planned for the next reporting period.

4.2 Mithril work completed 2012-2013

- Surface Sampling/ Field Reconnaissance
- Drilling:
 - MIRC-014: Multiple thin copper bearing quartz veins were intersected within a granitic package +/- hematite alteration. End of hole at 65m. Best assay: 2 m @ 0.23 % Cu and 0.01 g/t Au from 7 m
 - MIRC-015: Multiple thin mineralised quartz veins were intersected within a granitic package with dominant hematite/ red rock alteration. End of hole at 82 m. Best assay: 1 m @ 1.37 % Cu, 1 g/t Ag and 0.01 g/t Au from 38 m
 - BWDD01: Drilled downdip of MIRC-015. Dominant lithology was a k-feldspar-quartz-chlorite-sericite-magnetite-granite with pervasive red rock alteration intruded by numerous, thin, copper bearing quartz veins. Best assay: 0.4 m @ 0.7 % Cu from 27.1 m and 1 m @ 0.34 % Cu from 175 m
 - MIRC-16: This hole targeted an isolated magnetic high. Hole terminated at 48 m in a k-feldspar-quartz granite. A large weathering profile exists down to 44 m and corresponds with a change in magnetic susceptibility from 0.9>3.03. No significant assay.
 - MIRC017: This hole targeted an isolated gravity high. Saprolitic granite was intersected between 0-8 m with a siliceous k-feldspar-quartz granite to 28 m (EOH). No indication of denser rocktypes or hematite alteration. Gravity high assumed deeper. No significant assay.

- Hand Auger:
 - A series of hand auger holes covered the main outcropping zone of Dixie (Figure 4). Outcropping granites have strong hematite/ Mushketovite alteration +/- fluorite and pyrite. The idea was to test the soil/ basement unconformity for base metal anomalism. Hole refusal was typically less than 0.3 m and intersected either barren granite or hematite altered granites. No base metal anomalism was detected.

- VTEM Survey:
 - Geotech Airborne Pty Ltd completed a 97 km² airborne electromagnetic survey over the tenement area at 300 m line spacing (Figure 3). This survey formed part of a larger survey covering EL 25643. No late-time conductors were detected across the survey. The survey area was dominated by a broad palaeochannel/conductive regolith response. The transition between this conductive regolith and resistive ground to the south is poorly defined in the southeast, but towards the northwest this transition becomes very well defined, and is marked by one of two types of anomaly — either a sharp gradient response that may represent a formational contact (e.g. S38, S39a,b and S43a,b,c,e), or that of a dipping conductive horizon (e.g. S37a,b,c and S43d).

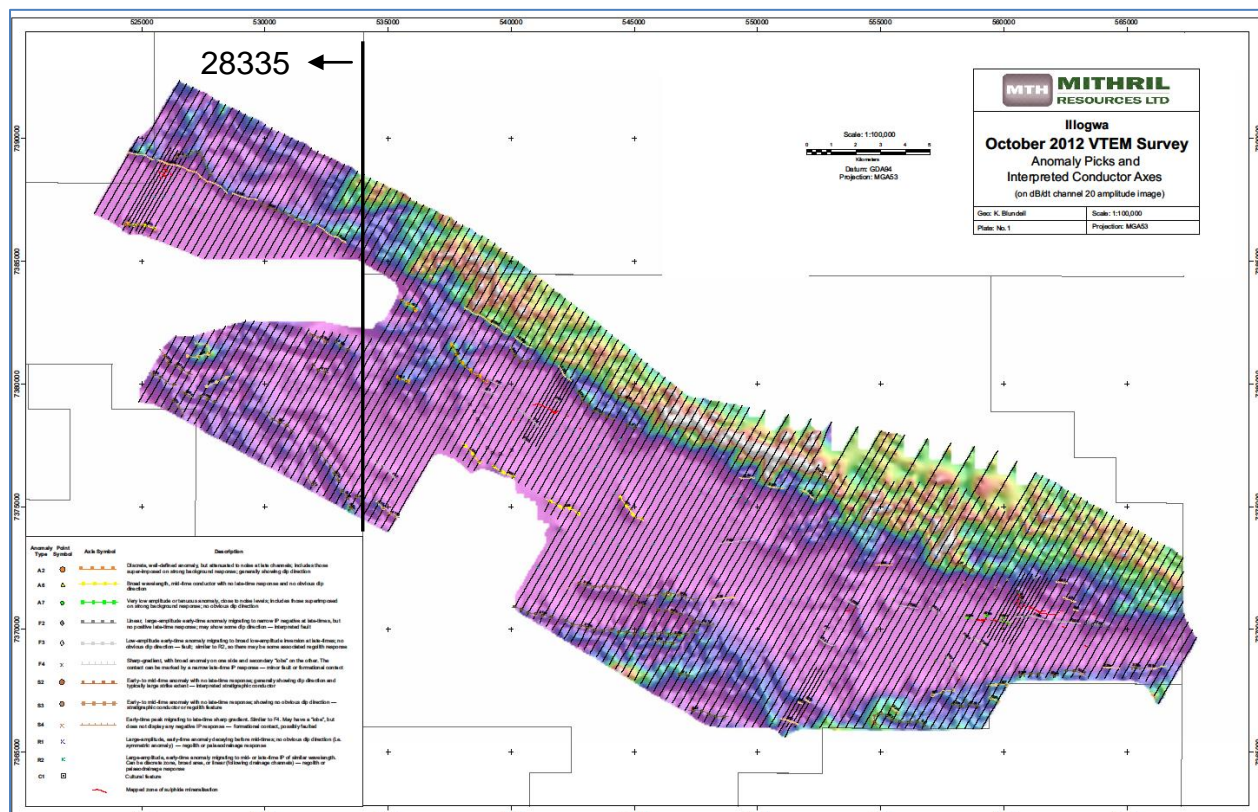


Figure 3: Location of VTEM survey and conductor style responses

4.3 Mithril work completed 2013-2014

Rehabilitation of all drilling took place during the reporting period.

The tenement area was reduced from 338 km² to 231 km². The area excised coincides with the Amadeus Basin and is not considered prospective for IOCG style mineralisation.

4.4 Mithril work completed 2014-2015

Final rehabilitation work was completed during the 2014-15 reporting year followed by a review of all results obtained on the tenement over its life. As a result of this no significant walk up drill targets were identified and EL 28335 was relinquished in full on 22 June 2015.

COPYRIGHT – AUTHORISATION OF PUBLICATION

This document and its content are subject to the copyright of Mithril Resources Ltd and its subsidiaries and may not be published in whole or in part nor used in a company prospectus without the written consent of the company.

The report was compiled by Jim McKinnon-Matthews for submission to the Northern Territory Department of Mines and Energy as part of tenement reporting requirements in accordance with the Minerals Titles Act. All relevant authorisations and consents have been obtained. Authorisation is hereby given for the department to copy and distribute the report and associated data.