Mithril Resources Limited: Cobalt Potential Highlighted at Nanadie Well Copper Deposit

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Adelaide, Australia - Mithril Resources Ltd. (ASX:MTH) is pleased to advise that a review of previously completed drill hole sampling has highlighted the cobalt potential of the Nanadie Well Copper Deposit (2004 JORC Code Compliant Inferred Resource of 36.07Mt @ 0.42% copper, 0.064 g/t gold - 151,506 tonnes copper and 74,233 ounces gold estimated by Intermin Resources Ltd. ASX:IRC in 2013) which is located 80 kilometres southeast of Meekatharra, Western Australia (see Figure 1 in the link below).

- Selective resampling of drill spoils returns elevated cobalt including;

o 1m @ 2.97% copper, 1.27g/t gold, and 0.15% cobalt, and

o 1m @ 5.71% copper, 0.86g/t gold, and 0.07% cobalt

- Previous exploration activities focussed primarily on copper with vast majority of higher grade copper intervals not analysed for cobalt

- Nanadie Well hosts an existing 2004 JORC Inferred Resource of 36.07Mt @ 0.42% copper, 0.064 g/t gold - 151,506t copper and 74,233ozs gold (see note below)

- Diamond drilling to test for further high-grade copper and associated cobalt planned for the June 2017 Quarter

Previous drilling at Nanadie Well has focused on copper and gold, with the overwhelming majority of higher grade copper intervals (i.e. greater than 1% copper) never having been analysed for cobalt.

Mithril's selective resampling of historic RC drillholes within the deposit has returned elevated cobalt as well as nickel, platinum and palladium, the best results being (see Table 1 and Figure 2 in the link below);

- 1m @ 2.97% copper, 1.27g/t gold, 0.15% cobalt, 0.47% nickel and 478ppb platinum + palladium ("PGE's") from 128m hole NRC12015 (grab sample),

- 1m @ 5.71% copper, 0.86g/t gold, 0.07% cobalt, 0.49% nickel and 128ppb PGE's from 146m in NRC12013 (grab sample), and

- 1m @ 4.50% copper, 0.87g/t gold, 0.06% cobalt, 0.82% nickel and 168ppb PGE's from 128m in NRC12015 (grab sample),

While the resampling results highlight the deposit's cobalt potential, further work is required to better understand the grade and distribution of cobalt, nickel and PGE mineralisation at Nanadie Well and with this in mind, diamond drilling to test for further high-grade copper and associated cobalt is planned for the June 2017 Quarter.

About the Nanadie Well Copper Deposit

Intermin Resources Ltd. estimated a 2004 JORC Code Compliant Inferred Resource for the Nanadie Well Copper Deposit in September 2013 (see Intermin's ASX Announcement "Initial Resource Estimate for the Nanadie Well Cu-Au Project" dated 19 September 2013).

The information pertaining to the Nanadie Well Copper Deposit Inferred Resource was prepared and first disclosed by Intermin under the JORC Code 2004. It has not been updated since to comply with the JORC Code 2012 on the basis that the information has not materially changed since it was last reported.

The Inferred Resource is within a few meters of the surface and has been defined over 1 kilometre strike length, 50 - 150 metres (true width) and to a maximum depth of 220. The deposit remains open in all directions and lies within a broader 2 kilometres long mineralised zone (see Figures 2 and 3 in the link below) that has been identified by wide spaced reconnaissance drilling.

Nanadie Well's prospectivity is further enhanced by the presence a second parallel copper - mineralised trend 500 metres east called the Stark prospect.

Refer to Mithril's ASX Announcements "Drilling extends Cu-Ni-PGE massive sulphides at Stark" dated 21 December 2015, and "Priority copper-nickel-targets at Stark" dated 1 June 2015 for further information on the Stark Prospect.

About the Nanadie Well Project

The Nanadie Well deposit and Stark prospect lie on tenements subject to a Farmin and Joint Venture Agreement (Nanadie Well Joint Venture) with Intermin Resources Ltd. (ASX:IRC). Under the terms of the joint venture, Mithril can earn a 60% interest in the project tenements by completing expenditure of $2M by 14 April 2019, and an additional 15% by completing further expenditure of $2M over a further 2 years.

To view tables and figures, please visit:
http://abnnewswire.net/lnk/5X9114E0

About Mithril Resources Limited:

Mithril Resources Ltd. (ASX:MTH) is an Australian resources company whose objective is the creation of shareholder wealth through the discovery of gold, copper and nickel deposits. The Company has a portfolio of highly prospective projects in the Kalgoorlie and Meekatharra Districts of Western Australia as well as in South Australia's far western Coompana Province, where it is exploring for magmatic nickel - copper deposits with Oz Minerals (ASX:OZL). Mithril also has several other properties which are being explored by a number of well-known third parties including Doray Minerals (ASX:DRM), Chesser Resources (ASX:CHZ) and Corona Minerals.

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