

MITHRIL RAISES A\$3.3M TO CONTINUE DRILLING WHILST COMPLETING MAIDEN JORC GOLD AND SILVER RESOURCE, COPALQUIN MEXICO

Highlights

- **Firm commitments received for A\$3.3m share placement (before costs) at A\$0.015 per share**
- **The Company remains fully funded to complete a maiden JORC resource estimate for El Refugio, continue its expansive drill program and progress study and test work at the Copalquin Gold-Silver District, Mexico**

Mithril Resources Ltd (ASX: MTH) (**Mithril** or the **Company**) is pleased to announce it has received firm commitments from sophisticated and professional investors to raise A\$3.3m (before costs) through a Share Placement (**Placement**). The Placement was strongly supported by existing and new institutional and high net worth investors.

Mithril Managing Director and CEO, John Skeet, commented:

"The ongoing success at El Refugio throughout this year has focussed the drilling in this area of the Copalquin District. The funds raised will allow expansive drilling to progress while completing our maiden JORC resource estimate work for El Refugio. Engineering study work and metallurgical test work is scheduled to commence during the last quarter of 2021. I thank all participants of the capital raising for their continued support and welcome our new investors. We look forward to reporting continued success at our Copalquin Gold-Silver District in Mexico."

Capital Raising Details

Mithril has received binding commitments for a Placement to sophisticated and professional investors, comprising 220,000,000 new fully paid ordinary shares in the Company (**New Shares**) at an issue price of 1.5 cents to raise approximately \$3.3m (before costs). An applicable Appendix 3B pertaining to this Placement follows this announcement.

The Placement was conducted by Morgans Corporate Limited and Taylor Collison as joint lead managers and within the Company's placement capacity under ASX Listing Rule 7.1. Settlement of the Placement is expected to occur on 7 September 2021, with Placement shares expected to be allotted (pursuant to Listing Rules 7.1) and to commence trading on 8 September 2021. An Appendix 2A confirming the exact allotments will be issued on the same date.

The Capital Raising price of A\$0.015 (1.5 cents) per New Share represents:

- 12.0% discount to the last traded price on Friday 27 August 2021 (A\$0.017)
- 12.0% discount to the 5 day VWAP price (A\$0.0170)
- 16.4% discount to the 15 day VWAP price (A\$0.0179)

DIRECTORS

John Skeet – Managing Director & CEO
Garry Thomas – Non Executive Director
Stephen Layton – Non Executive Director
Adrien Wing – Company Secretary

MITHRIL RESOURCES LIMITED

ACN: 099 883 922
ASX: MTH

www.mithrilresources.com.au

REGISTERED OFFICE

Level 2 480 Collins St
Melbourne VIC 3000
T: +61 3 9614 0600

E: admin@mithrilresources.com.au

Funds raised will be used to continue drilling in the Copalquin Gold Silver District in Mexico, complete a maiden JORC gold and silver resource estimate for El Refugio, preliminary engineering studies and metallurgical testing and for general working capital.

Workplan for remainder of 2021

The primary focus of the work for the Copalquin District is the completion of a maiden JORC resource estimate for El Refugio whilst continuing the expansive drilling to further test the depth and westerly extensions at El Refugio.

Further drill holes are also planned at El Cometa to follow-up the shallow bonanza grade intercept of drill hole CDH-072 6.8m @ 74 g/t gold, 841 g/t silver from 35.2m (ASX Announcement 15 June 2021) and to develop the geologic interpretation of this area.

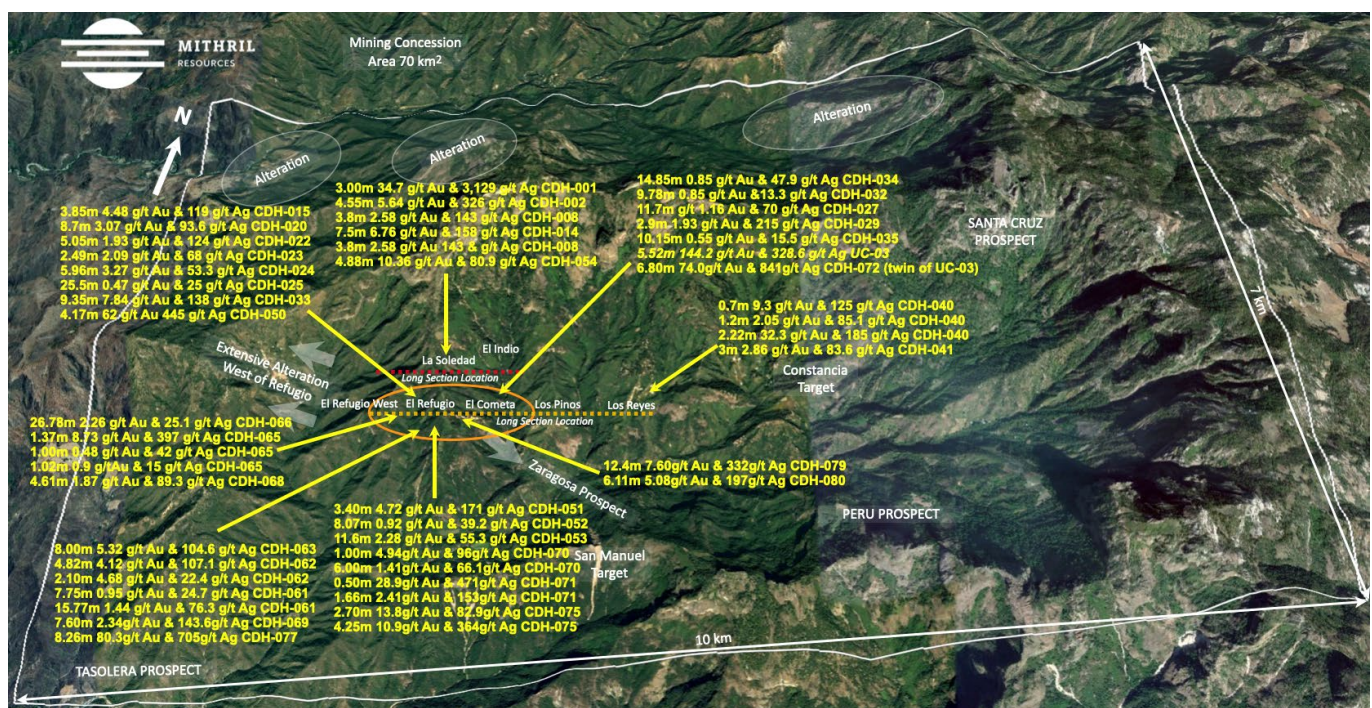


Figure 1 - Projects and Prospects within the Copalquin District with drilling highlights to-date from the maiden drill program.

In the last quarter of 2021, engineering study work will commence for the development of an exploration access road into the district and an underground exploration drift at El Refugio. An underground drift at El Refugio, taking advantage of the topography, will allow more efficient exploration drilling to develop the El Refugio resource.

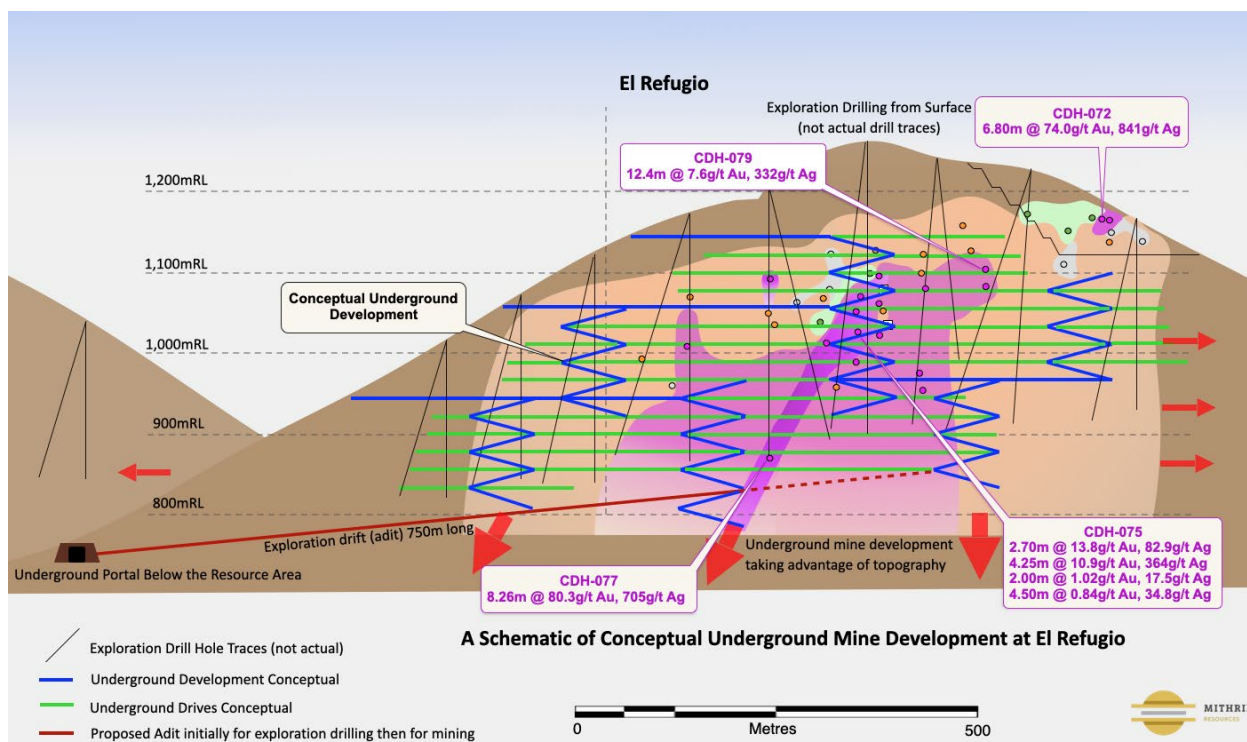


Figure 2 - Schematic showing an underground mine access concept for the El Refugio gold-silver deposit, Copalquin District, Mexico.

ABOUT THE COPALQUIN GOLD SILVER PROJECT

The Copalquin mining district is located in Durango State, Mexico and covers an entire mining district of 70km² containing several dozen historic gold and silver mines and workings, ten of which had notable production. The district is within the Sierra Madre Gold Silver Trend which extends north-south along the western side of Mexico and hosts many world-class gold and silver deposits.

Multiple mineralisation events, young intrusives thought to be system-driving heat sources, widespread alteration together with extensive surface vein exposures and dozens of historic mine workings, identify the Copalquin mining district as a major epithermal centre for Gold and Silver.

Mithril Resources is earning 100% interest in the Copalquin District mining concessions via a purchase option agreement detailed in ASX announcement dated 25 November 2019.

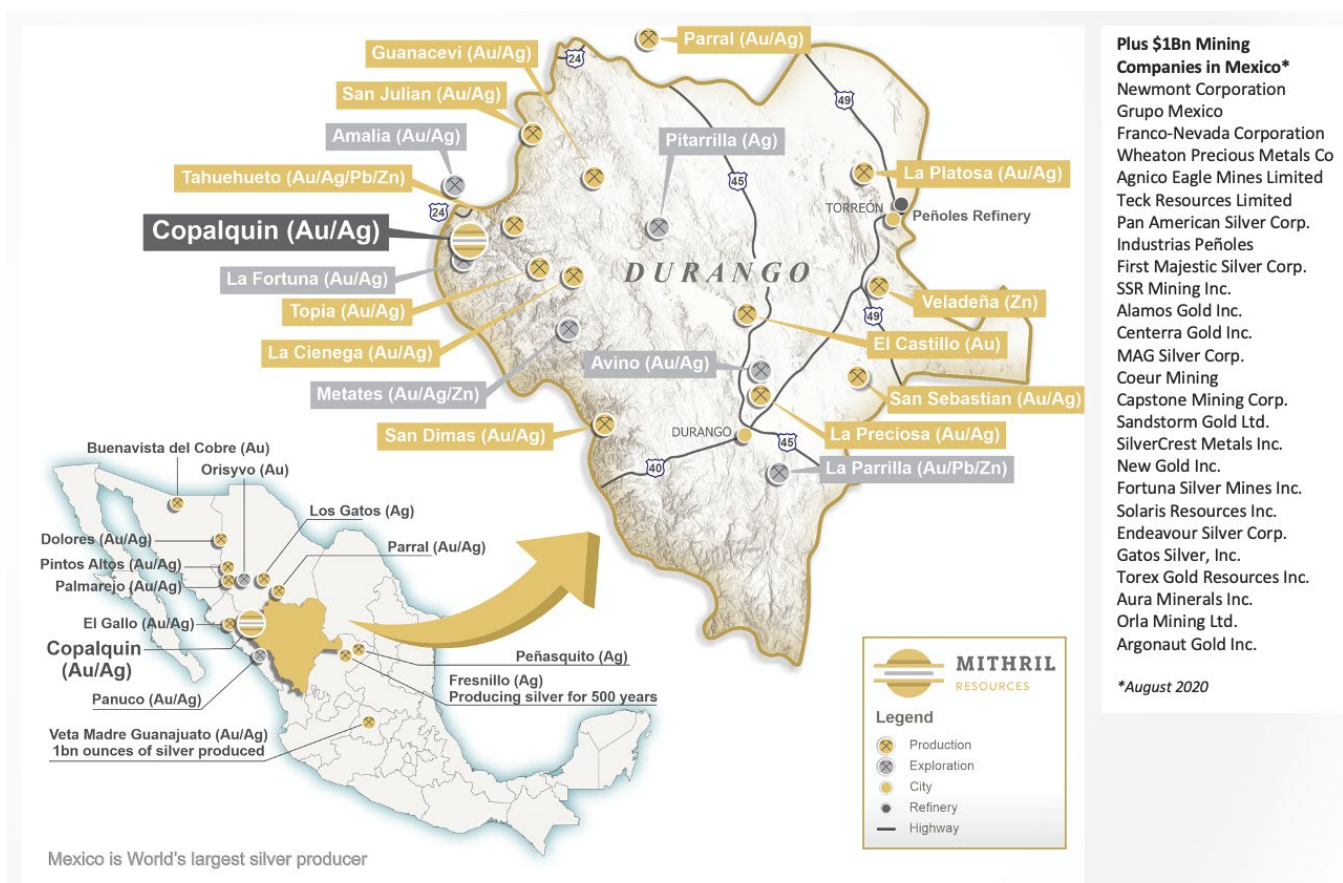


Figure 3 - Copalquin District location map with locations of mining and exploration activity within the state of Durango.

-ENDS-

Released with the authority of the Board.

For further information contact:

John Skeet

Managing Director and CEO

jskeet@mithrilresources.com.au

+61 435 766 809

Mark Flynn

Investor Relations

mflynn@mithrilresources.com.au

+61 416 068 733