



## **JUNE 2021 QUARTERLY ACTIVITIES REPORT**

### **Highlights – Copalquin Gold-Silver, Mexico**

- **Drilling in the Copalquin gold-silver district has expanded known mineralisation at El Refugio to 700m long x 350m deep**
- **Discovery of the '77 clavo' at El Refugio with bonanza grade intercept:**
  - **8.26m @ 80.3 g/t gold, 705 g/t silver** from 468.34m (CDH-077), including **6.26m @ 106 g/t gold, 913 g/t silver** from 468.34m, including **0.77m @ 837 g/t gold, 6,680 g/t silver** from 471.63m
- **Continued expansion of the El Refugio 'clavo' (4.17m @ 62.0 g/t gold and 445 g/t silver from 233.43m CDH-050) with multiple high-grade intercepts including:**
  - **2.70m @ 13.8 g/t gold, 82.9 g/t silver** from 300.3m (CDH-075), plus **4.25m @ 10.9 g/t gold, 364 g/t silver** from 307.05m,
  - **8.00m @ 5.32 g/t gold, 104.63 g/t silver** from 289.3m (CDH-063)
  - **4.82m @ 4.12 g/t gold, 107.13 g/t silver** from 259.7m (CDH-062)
  - **7.60m @ 2.34 g/t gold, 143.6 g/t silver** from 253.25m (CDH-069)
- **Westerly expansion at El Refugio with:**
  - **26.78m @ 2.26 g/t gold, 25.1 g/t silver** from 143.22m (CDH-066)
  - **4.61m @ 1.87 g/t gold, 89.3 g/t silver** from 155.84m (CDH-068), plus **0.77m @ 4.00 g/t gold, 37.0 g/t silver** from 176.41m, plus **0.90m @ 0.59 g/t gold, 38.0 g/t silver** from 193.38m,
- **Confirmatory El Cometa bonanza grades with twin of historic drill hole:**
  - **6.8m @ 74 g/t gold, 841 g/t silver** from 35.2m (CDH-072, twin of historic UC-03), including
  - **2.1m @ 235 g/t gold, 2,554 g/t silver** from 37.9m
- **Soil sampling expanding the El Refugio structure a further 1.3 km west**
- **Maiden JORC gold and silver resource estimate for El Refugio on track for H2 2021**
- **Drill core samples selected for metallurgical test work**
- **Cash at bank \$2.92m as of 30 June 2021**

Mithril Resources Ltd (ASX: MTH) (**Mithril** or the **Company**) is pleased to provide a quarterly update on activities at its Copalquin Gold Silver Project in Mexico for the period ending 30 June 2021.

Exploration work in the Copalquin Gold-Silver District has continued to develop and expand the El Refugio discovery with multiple bonanza grade intercepts drilled, extension of the mineralised zone along strike and down-dip and expansive soil sampling program.

The exploration plan for the September quarter 2021 includes continued development of the high grade 'ore shoots' (clavos) at El Refugio, resource expansion drilling and preparations for the El Refugio/El Cometa maiden JORC resource estimation work.

#### **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](http://www.mithrilresources.com.au)

#### **REGISTERED OFFICE**

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

E: [info@mithrilresources.com.au](mailto:info@mithrilresources.com.au)

## El Refugio, Copalquin District, Mexico

Post the end of the quarter ([12 July 2021](#)) Mithril released assay results for three drill holes CDH-075, CDH-076 and CDH-077 drilled during the June quarter, continuing to expand the El Refugio structure down dip with high-grade and bonanza grade gold-silver intercepts. Hole CDH-077 was designed to test the depth extents of the high-grade clavo and, in particular to test the zone predicted by the geologic model to be a bonanza zone at El Refugio. Drill hole CDH-077 successfully intercepted extremely high-grade gold and silver within a broad intercept of **8.26 metres at 80.3 g/t gold and 705 g/t silver from 468.34 metres** down hole. Further drilling commencing in July 2021 is designed to expand and further test the CDH-077 intercept.

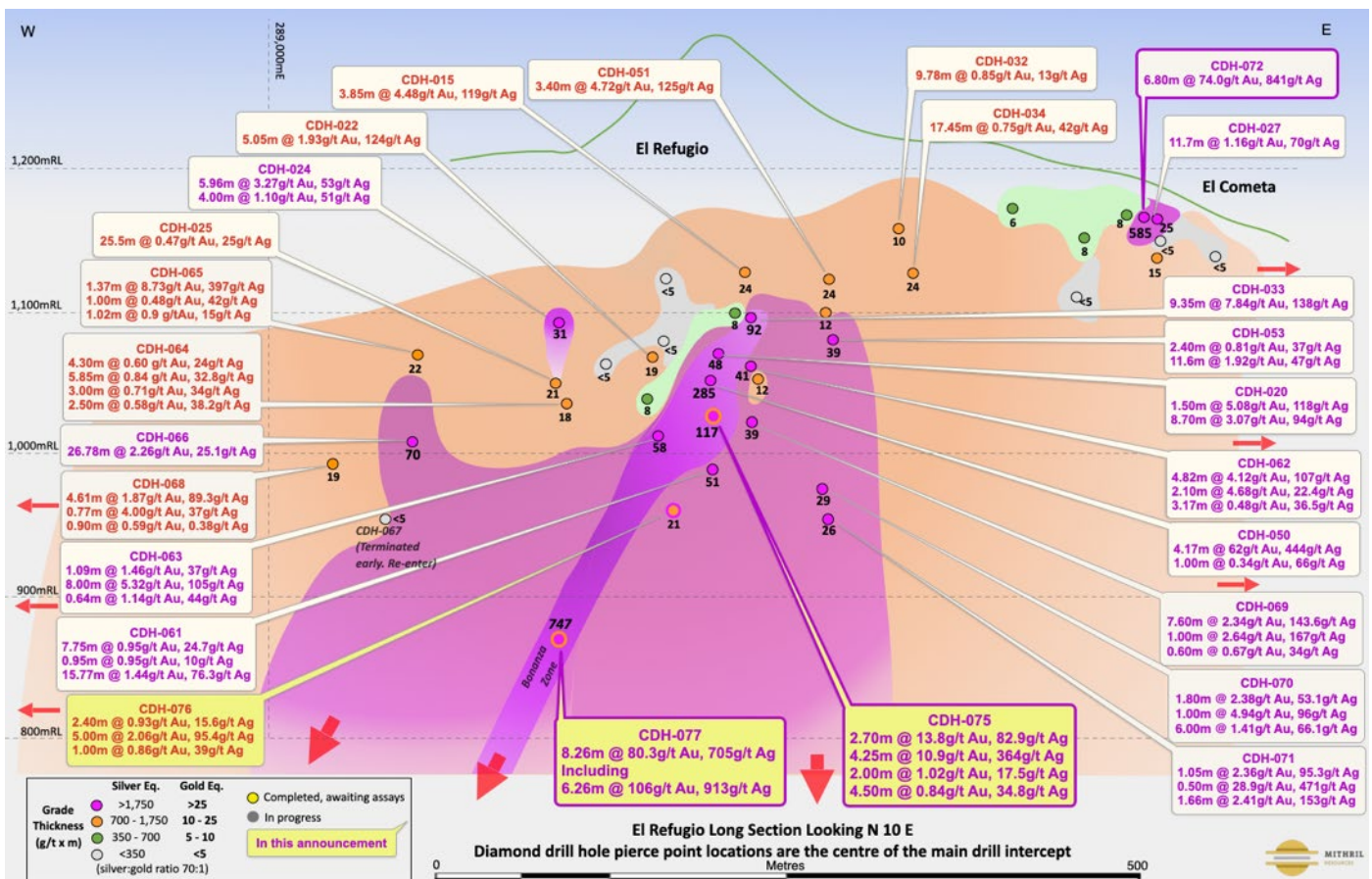


Figure 1: Long section for the El Refugio target in the Copalquin district showing drill hole pierce points. Grade thickness as shown is the sum of all intercepts shown for each hole, pierce points are the midpoint of the main intercept. Metal equivalent grades calculated using 70 g/t Ag = 1 g/t Au, based on gold price of USD1,610 per ounce and silver price of USD23 per ounce.

## Historic Bonanza Grades Confirmed at El Cometa

In mid-June 2021, the Company reported bonanza grades at El Cometa and the continued expansion of the El Refugio structure. Assay results for four drill holes were received expanding the El Refugio structure plus a hole designed to twin historic drill hole UC-03, intercepting extremely high-grade gold and silver (CDH-072).

Hole CDH-072 is Mithril's follow up test of the Cometa portion of the Refugio to Los Reyes structural zone. The first pass drilling (CDH-026 - CDH-031) was oriented perpendicular to the main structural zone and did not intercept the historically reported high grade gold mineralisation found in UC Resources hole UC-003. After further detailed geologic

mapping, it is postulated that there are a series of N – S tension gashes or dilatant fractures that were favourable for the deposition of bonanza grade gold. Drill hole CDH-072 intercepted **6.8m @ 74 g/t gold, 841 g/t silver** from 35.2m (twin of historic UC-03), **including 2.1m @ 235 g/t gold, 2,554 g/t silver** from 37.9m. Follow up drilling in this area will include (20m) step out drilling to locate the fractures.

## **EXTENSIVE GOLD-SILVER CONFIRMED AT EL REFUGIO WEST**

In mid-May, the Company announced drill results, testing the westerly extensions of El Refugio.

The first holes drilled west along the main El Refugio discovery intercepted multiple gold-silver veins within the broad El Refugio structure. These first holes reported confirmed the structure to continue 180 metres further west. Further drilling in this area will target the structure deeper and continue to test for continuation along strike.

Hole CDH-064 intercepted multiple veins down dip of holes CDH-024 and 025 within a broadening mineralised structure. This will continue to be developed at depth.

**CDH-064 – 4.30m @ 0.60 g/t gold, 24 g/t silver** from 165m, plus **5.85m @ 0.84 g/t gold, 32.8 g/t silver** from 175.2m, plus **3.00m @ 0.71 g/t gold, 34 g/t silver** from 201m, plus **2.5m @ 0.58 g/t gold, 38.2 g/t silver** from 226.5m.

Holes CDH-065 and CDH-066 have stepped out along strike 100m to the west and have successfully intercepted the top of the El Refugio structure. Future drilling in this area will target and develop the structure deeper.

**CDH-065 – 1.37m @ 8.73 g/t gold, 397 g/t silver** from 186.3m, plus **1.00m @ 0.48 g/t gold, 42 g/t silver** from 119.8m, plus **1.02m @ 0.90 g/t gold, 15 g/t silver** from 111.68m.

**CDH-066 – 26.78m @ 2.26 g/t gold, 25.1 g/t silver** from 143.22m, including **1.71m @ 5.23 g/t gold, 160 g/t silver** from 145.44m, and **2.00m @ 15.6 g/t gold, 35 g/t silver** from 159.0m, and **1.22m @ 5.87 g/t gold, 5.5 g/t silver** from 164.58m.

**CDH-067** – drilled down dip of hole CDH-066, stopped in stockwork zone before reaching the target due to swelling clay. **1.00m @ 1.17 g/t gold, 41 g/t silver** from 189.9m, and **0.71m @ 0.77 g/t gold, 23 g/t silver** from 195.95m. To be re-entered and completed later in program.

**CDH-068** was drilled a further 80m to the west of hole CDH-066 and intercepted the Refugio structure with **4.61m @ 1.87 g/t gold, 89.3 g/t silver** from 155.84m, plus **0.77m @ 4.00 g/t gold, 37.0 g/t silver** from 176.41m, plus **0.90m @ 0.59 g/t gold, 38.0 g/t silver** from 193.38m

## **CONTINUED EXPANSION OF EL REFUGIO DOWN DIP**

CDH-069 is a deeper hole on the same section as CDH-062 (Figure 5) intercepting the veins 70 metres down dip in central part of the current El Refugio drill area with the assays showing the continued width and depth progression of this high-grade mineralised zone within the structure. **7.60m @ 2.34 g/t gold, 143.6 g/t silver** from 253.25m, plus **1.00m @ 2.64 g/t gold, 167.0 g/t silver** from 266.35m,

Drill holes aggressively stepped down dip of hole CDH-053 on the eastern side of the El Refugio clavo have extended the veins deeper by 50 metres (CDH-070) and 100 metres (CDH-071) as shown in Figure 6 with **6.00m @ 1.41 g/t gold, 66 g/t silver** from 240m (CDH-070), including **0.50m @ 9.53 g/t gold, 613 g/t silver** from 240m, plus **1.00m @ 4.94 g/t gold, 96.0 g/t silver** from 235.87m, plus **1.80m @ 2.38 g/t gold, 53.1 g/t silver** from 157.55m. CDH-071 intercepted **5.00m @ 2.36 g/t gold, 95.3 g/t silver** from 186m (CDH-071), plus **0.50m @ 28.9 g/t gold, 471 g/t silver** from 222.77m, plus **1.66m @ 2.41 g/t gold, 152.8 g/t silver** from 235.87m.

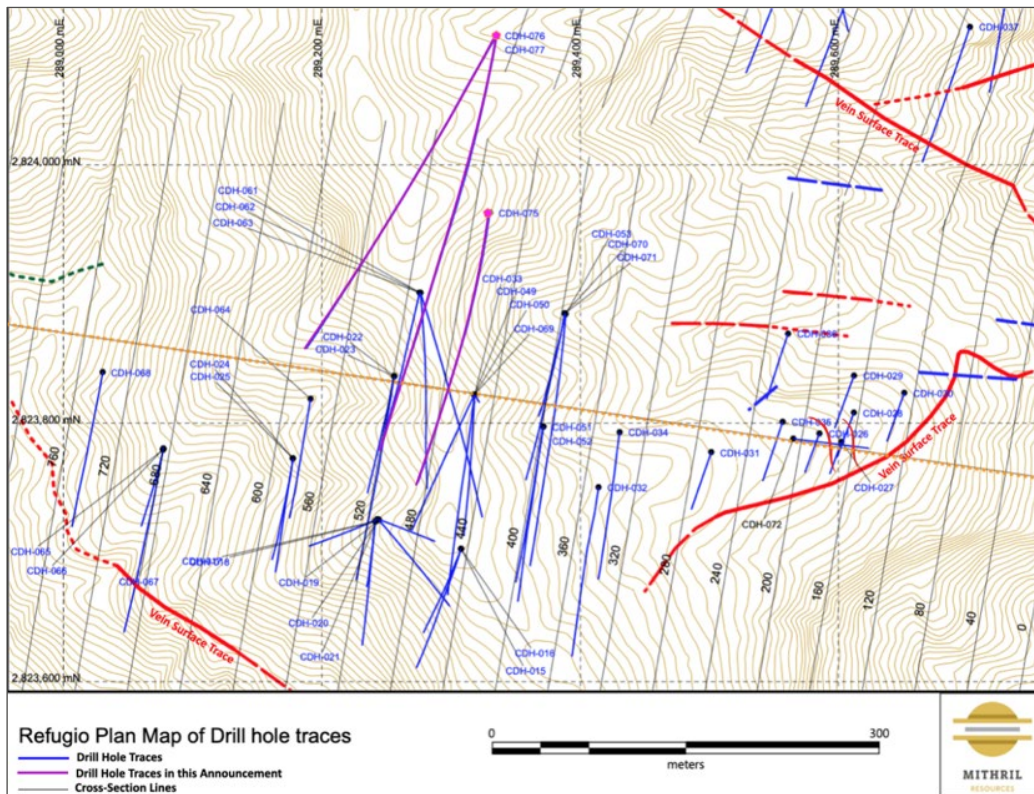


Figure 2: Map view of the El Cometa/El Refugio drilling showing the drill traces and the drill intercepts covered in this release. Long section indicated by orange dotted line shown in **Error! Reference source not found.**

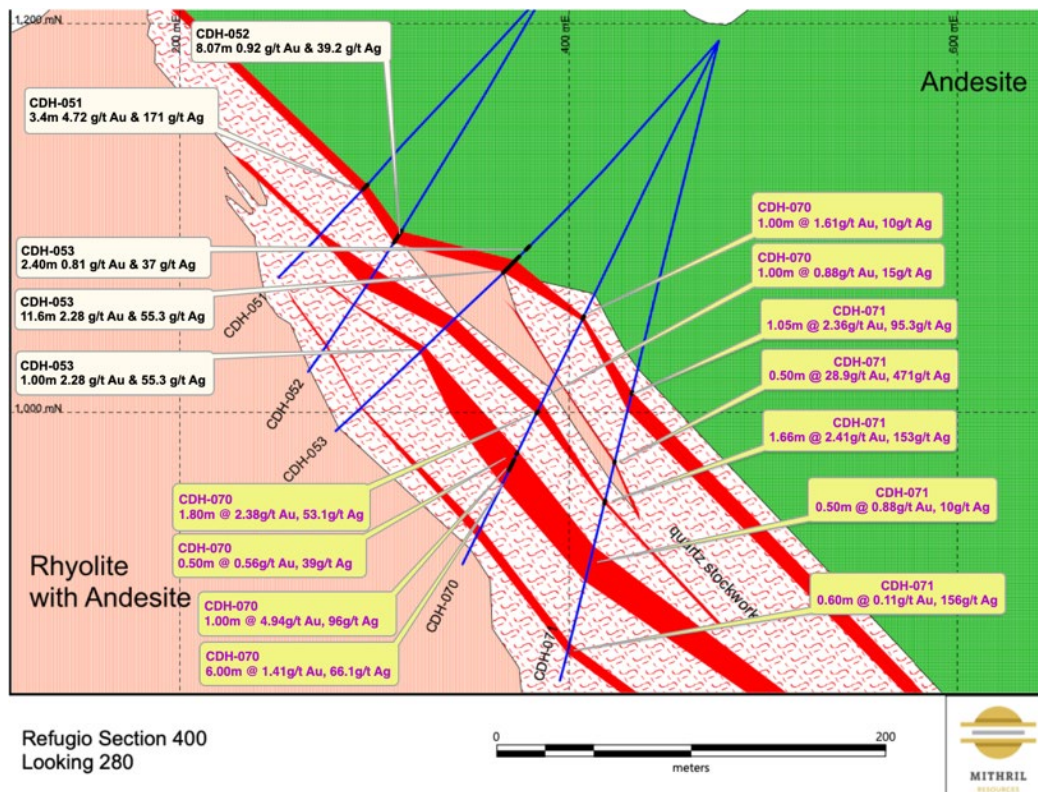


Figure 3: El Refugio cross section 400 showing the down dip extension holes CDH-070 and CDH-071.

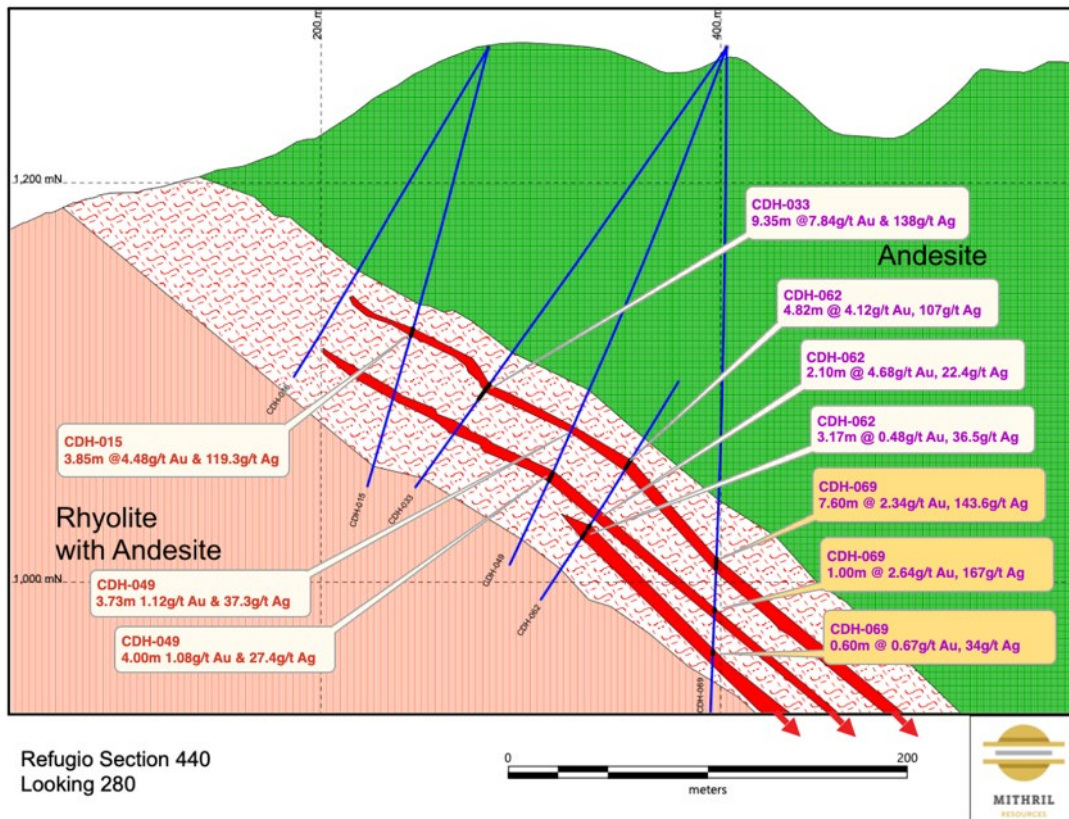


Figure 4: El Refugio cross section 440 showing the down dip extension of hole CDH-069.

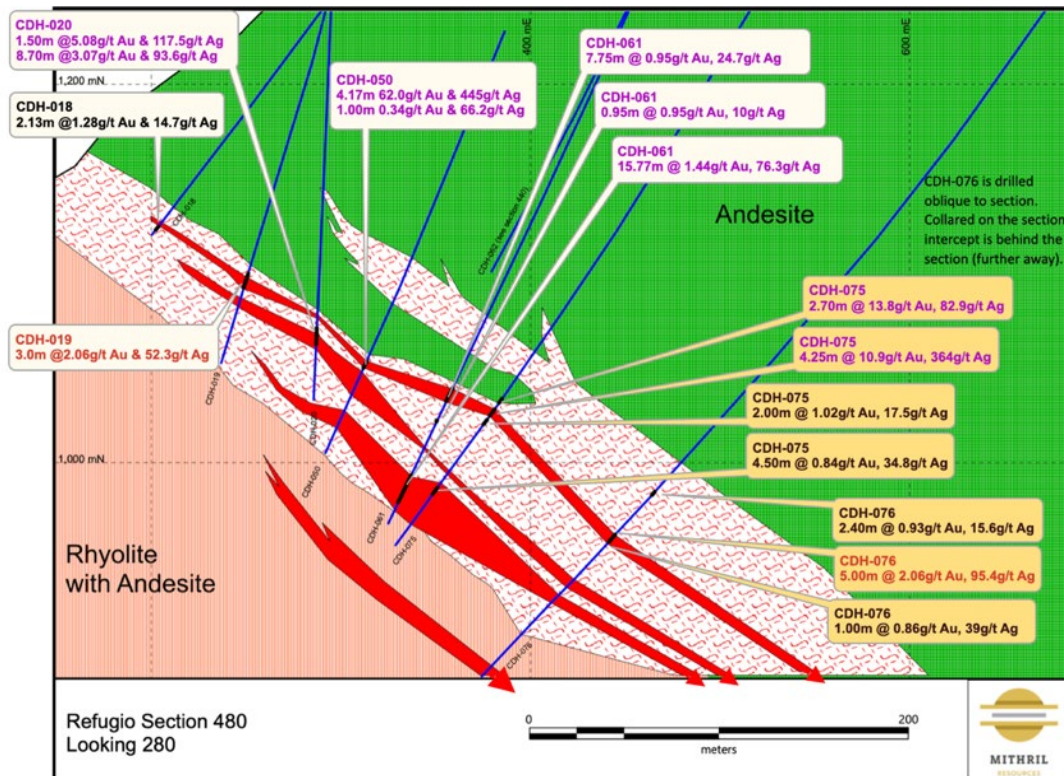


Figure 5: El Refugio cross section 480 showing intercepts for drill holes CDH-075 & 076. Note: CDH-076 collared on this section 480, intercept is behind (further away).

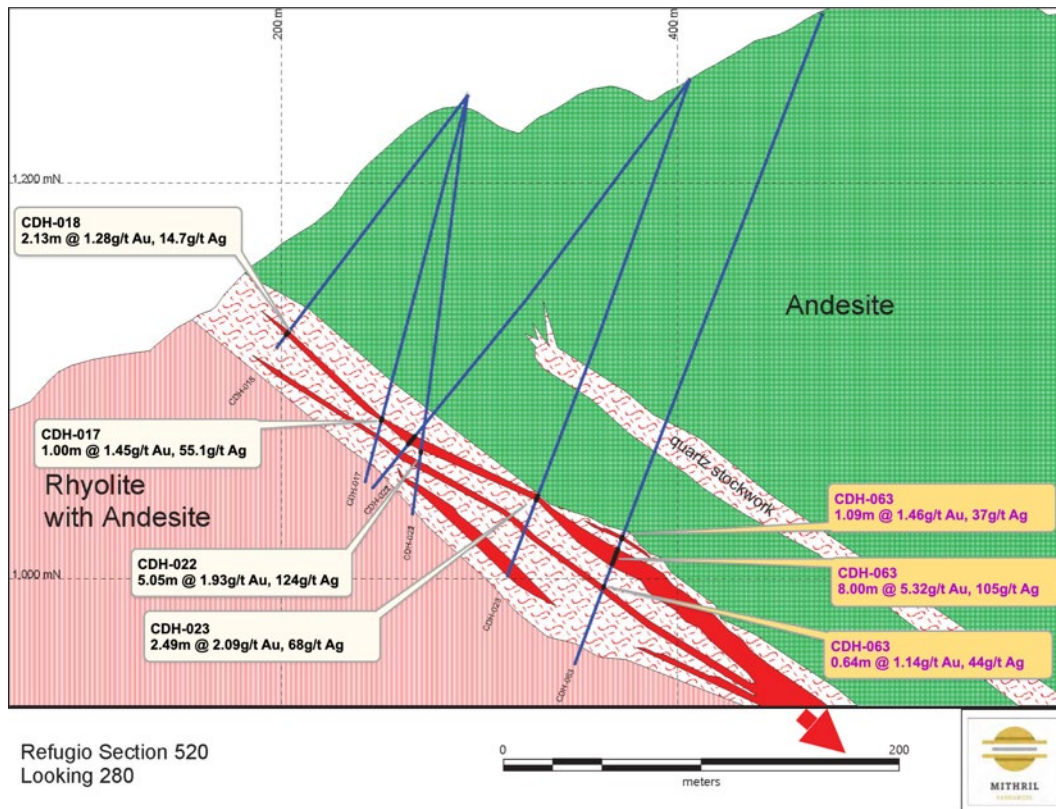


Figure 6: El Refugio cross section 520 showing the down dip extension holes CDH-063.

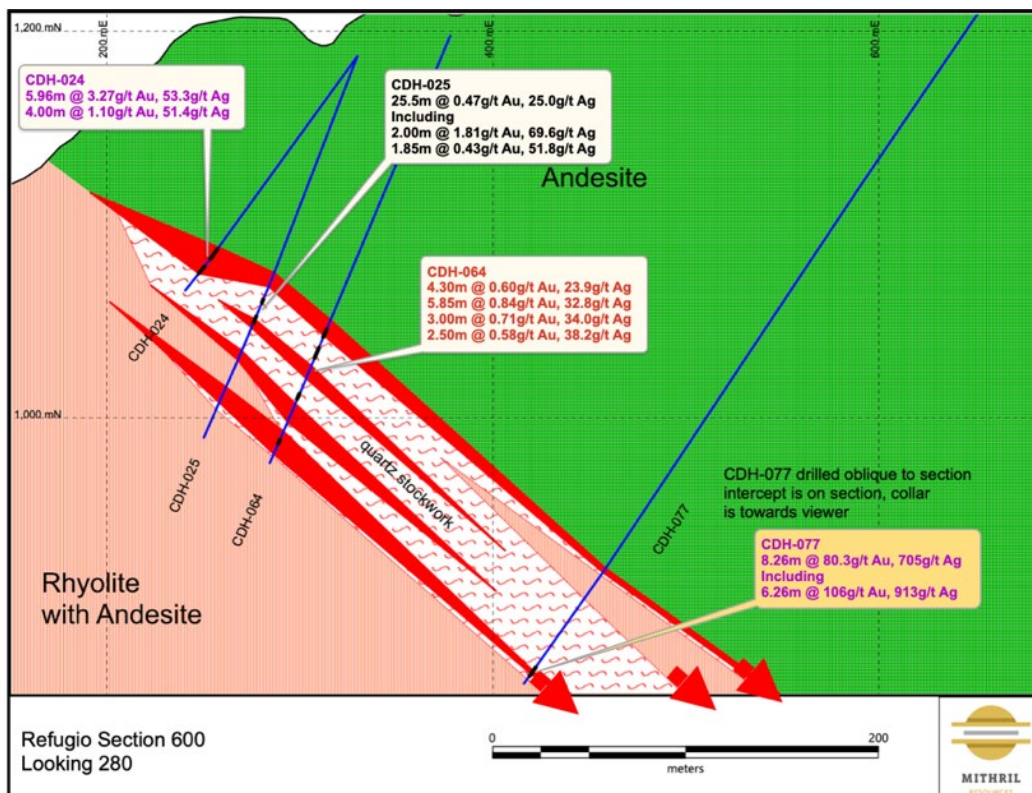


Figure 7: El Refugio cross section 600 showing drill hole CDH-077 intercept reaching the bonanza zone as per the geologic model shown in **Error! Reference source not found.**

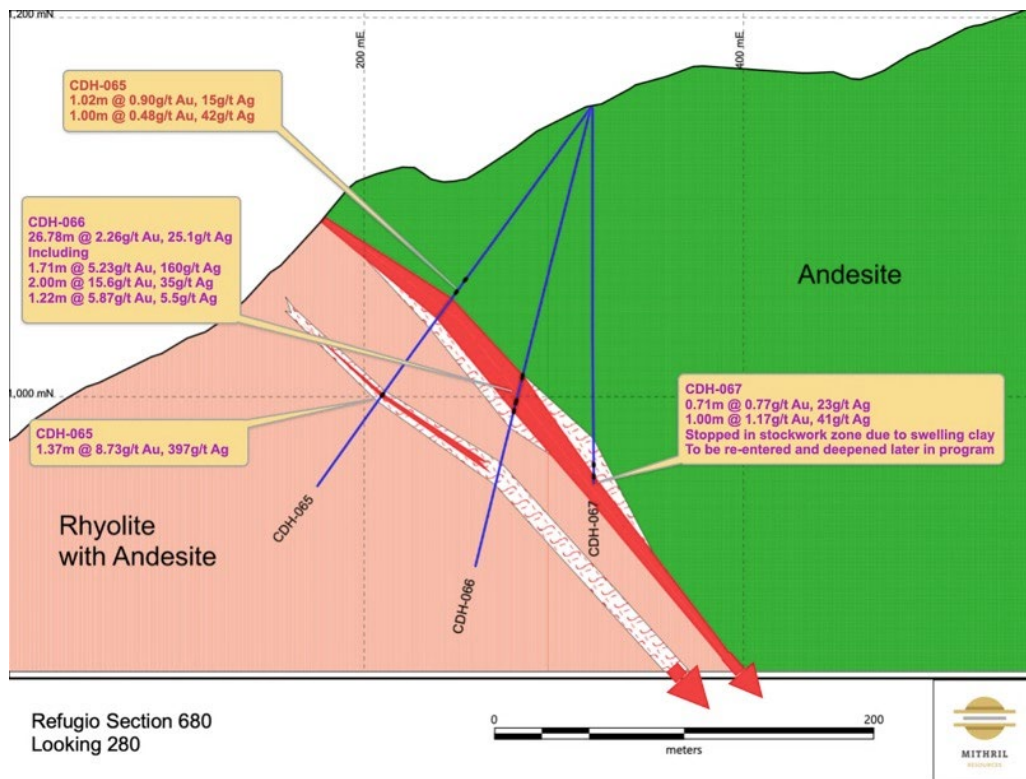


Figure 8: El Refugio cross section 680 showing the first western strike extension holes CDH-065, CDH-066 and CDH-067.

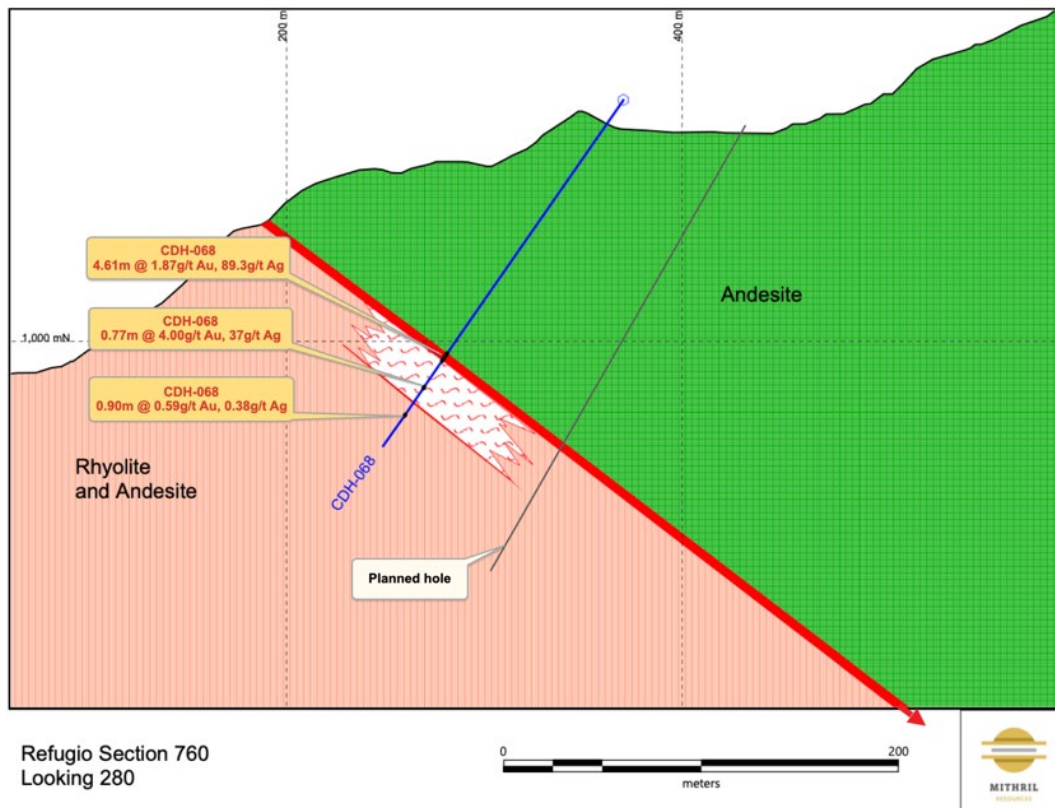


Figure 9: El Refugio cross section 760 showing the most westerly intercept to date with hole CDH-068 with future down dip holes planned.

**Drill Core Photos with Visible Gold from Holes CDH-072, 075, 076 and 077**



Figure 10: Two halves of cut NQ size core from hole CDH-077 472.1-472.3 metres with abundant visible gold

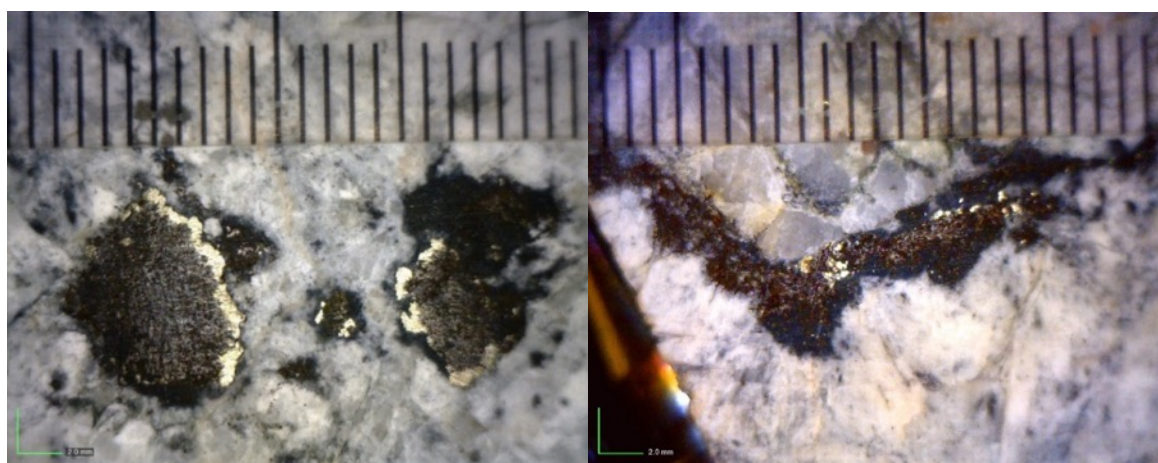


Figure 11a and b: mm wide rims of free gold surrounding fine aggregates of pyrite plus gold, plus silver sulphides 472.2 m CDH-077

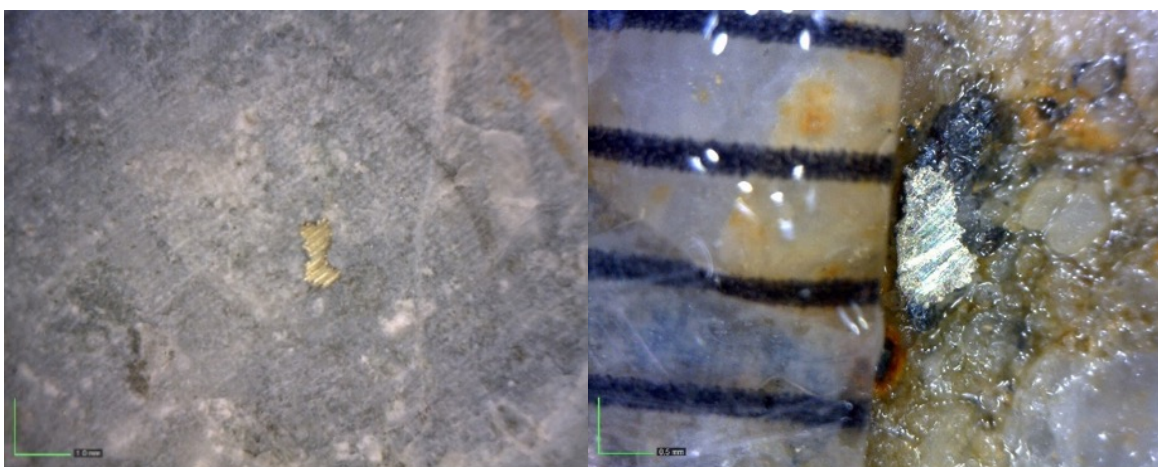


Figure 12: Glint of gold in CDH-076 at 376.2m

Figure 13: Glint of gold in CDH-072 at 38.0m (ASX Release 15/6/2021)



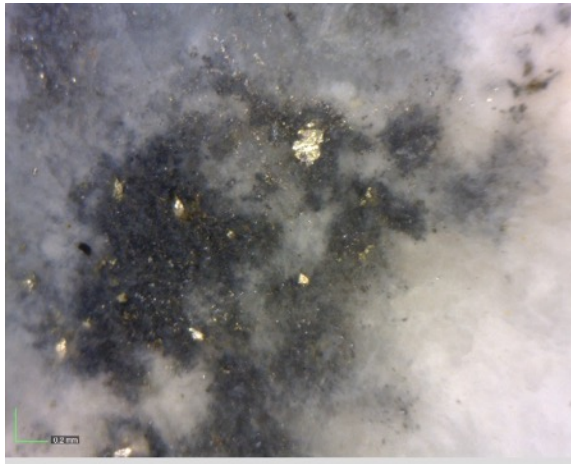


Figure 14: CDH-075 at 301.5m @ 150 X gold w/ginguro.

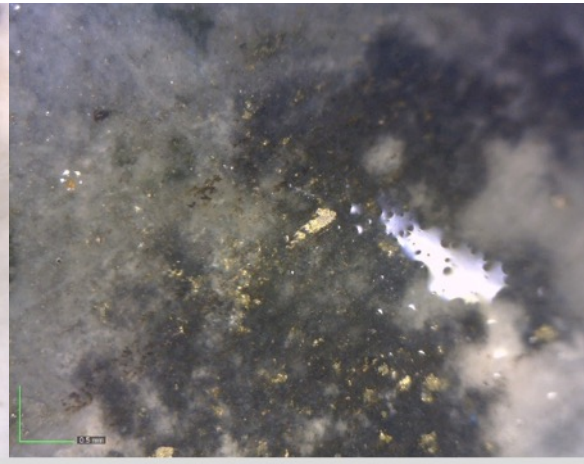


Figure 15: CDH-075 at 301.5m @ 100 X. gold w/ginguro

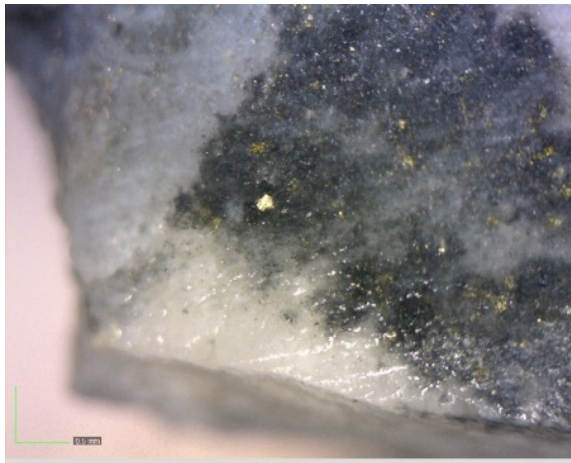


Figure 16: CDH-075 at 301.90m @ 100 X gold w/ginguro.

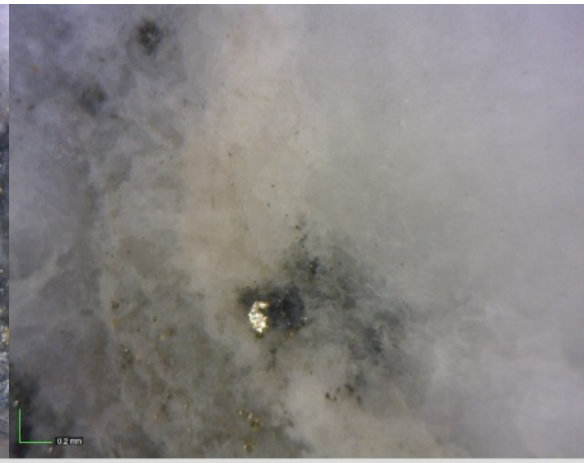


Figure 17: CDH-075 at 301.95m @ 150 X gold w/ginguro.

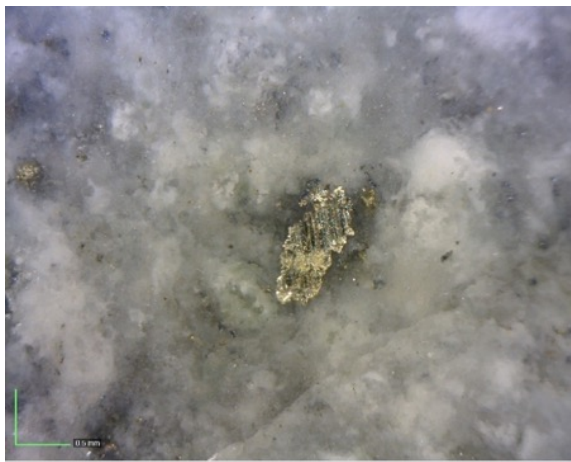


Figure 18: CDH-075 at 307.6m @ 100 X free gold.

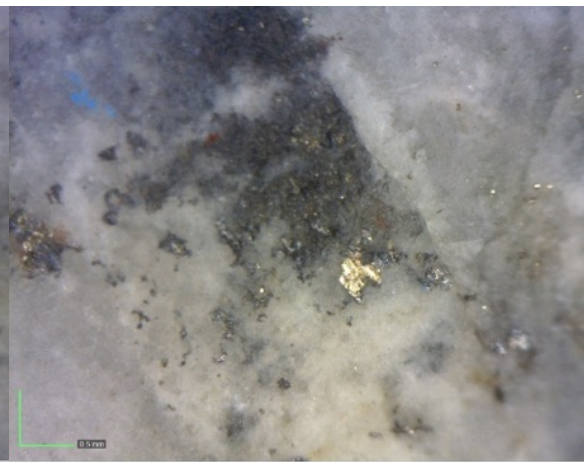


Figure 19: CDH-075 @ 310.15m @ 150 X gold w/ginguro.

## Preliminary Concept for Mine Access – El Refugio

Deep high-grade intercepts such as in holes CDH-061, CDH-071 and CDH-077 bring mineralisation closer to potential access from a site with favourable logistics, taking advantage of the local topography. The CDH-077 ‘bonanza zone’ can be reached by an exploration drift (adit) of approximately 750 metres long. Such a drift would allow access for the close-spaced sampling that will be necessary to bring the bonanza grade zone into higher confidence resource categories.

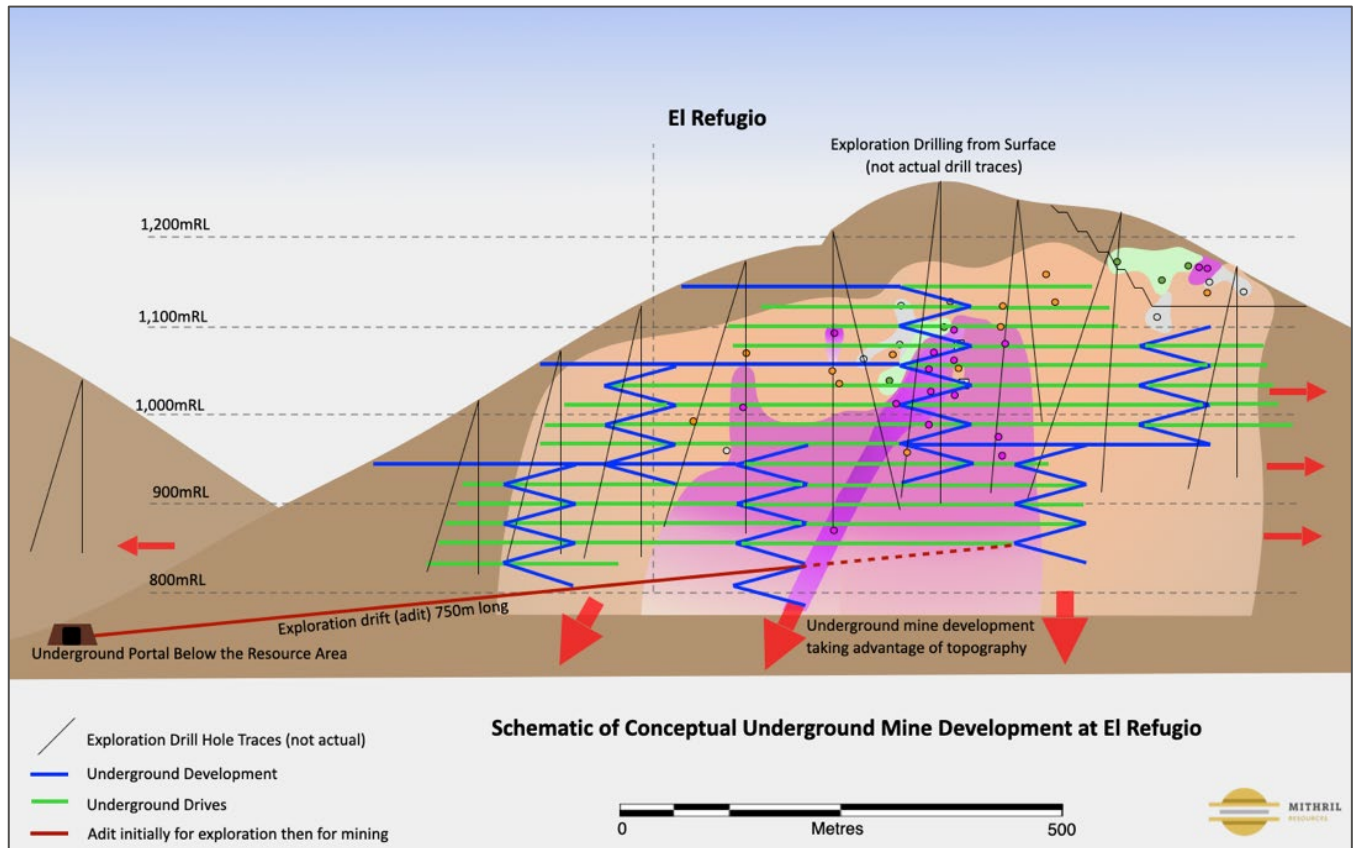


Figure 20: Schematic showing an underground mine access concept for the El Refugio gold-silver deposit, Copalquin District, Mexico.

## Soils Sampling Program – El Refugio West

Mithril announced soil sampling results (silver only) for the Refugio and part of Refugio West areas on [March 24, 2021](#). After receipt of the gold analysis the area has been re-interpreted identifying low-level gold anomalies that correspond to the locations of mapped quartz-bearing structures.

A follow-up soil sampling program over the Refugio West target was completed during the quarter with 240 samples collected from five sample grids of 48 samples each. This sampling program tests the hypothesis that the mapped structures to the west of Refugio are likely to be gold-bearing veins. Results from this program have extended the target zone for drilling a full 1,300 meters west from the currently westernmost drill holes.

Observations in the field include zones of quartz stockwork, large areas of clay alteration and the presence of rhyolite dikes and domes which are associated with mineralisation in the main Refugio target-area.

A map of the soil grids is shown below in Figure 21 with quartz-bearing structures shown in red. Final analysis will be completed once all assays from soils are received.

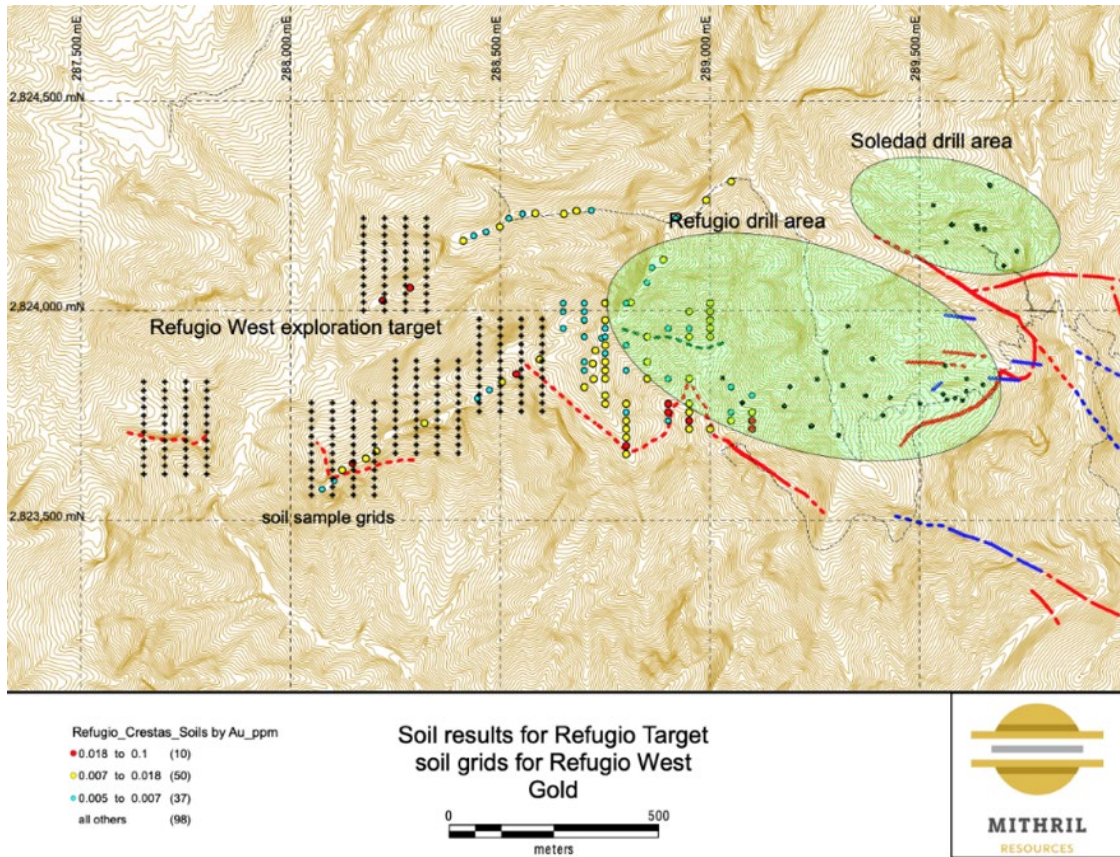


Figure 21: Soil sampling program results and planned sampling grids. Geochemical gold levels in soils determined by fire assay.



Figure 22: Western part of the Copalquin District with the schematic long section in Figure 23 below, shown by the orange dashed line and the schematic long section in Figure 24 by the red dashed line.

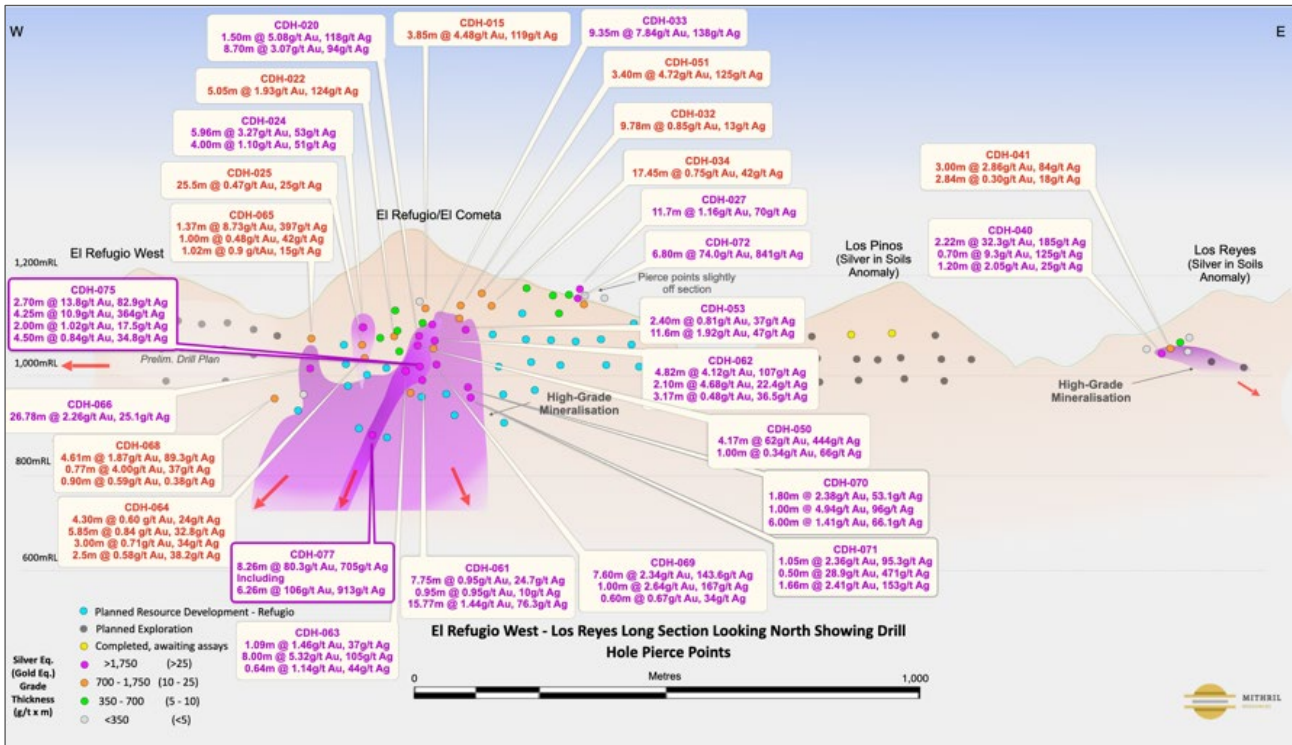


Figure 23: Schematic Long section Refugio West-Los Reyes with drill hole pierce point for holes completed to date plus conceptual planned resource development holes in turquoise and exploration holes shown in grey. Metal equivalent grades calculated using 70 g/t Ag = 1 g/t Au, based on gold price of USD1,610 per ounce and silver price of USD23 per ounce.

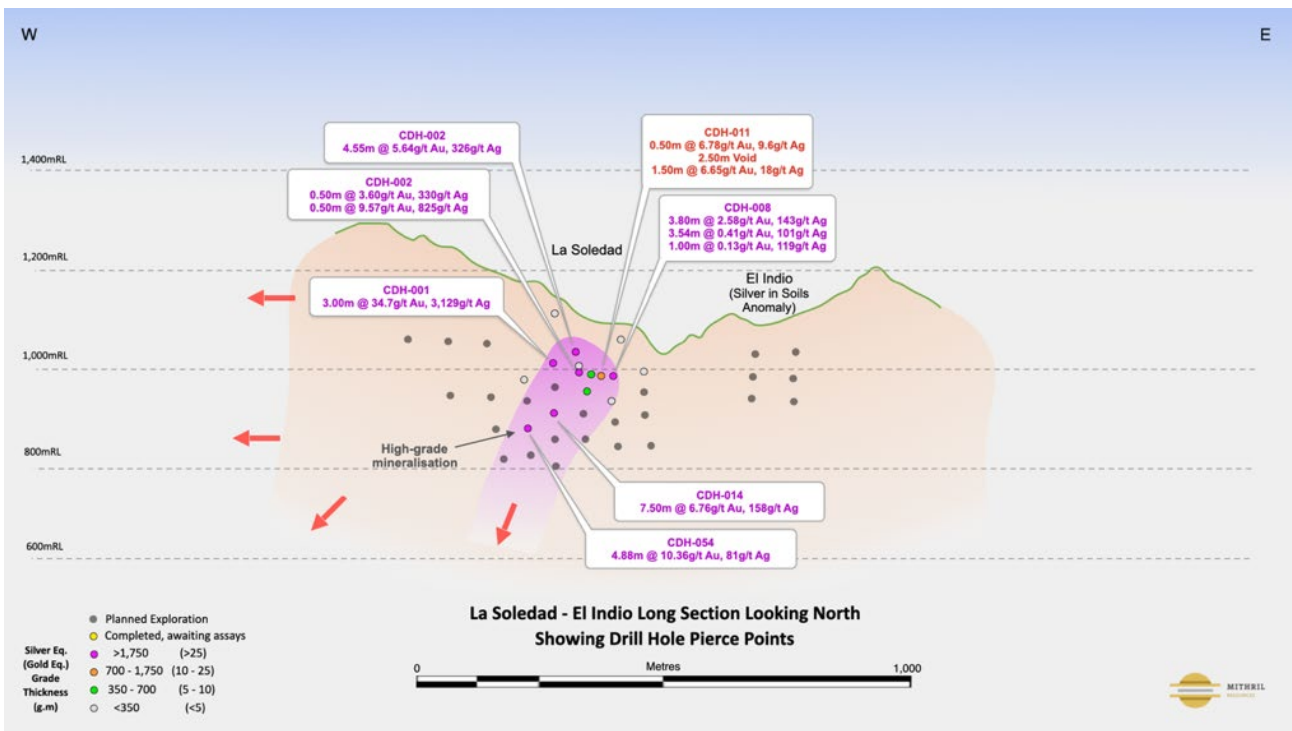


Figure 24: Schematic Long section La Soledad-El Indio with drill hole pierce point for holes completed to date plus conceptual planned resource development holes in turquoise and exploration holes shown in grey. CDH-011 shown in red as a reminder that the void (historic mine workings) Metal equivalent grades calculated using 70 g/t Ag = 1 g/t Au, based on gold price of USD1,610 per ounce and silver price of USD23 per ounce.

## Australian Projects

To ensure the Company maintains its focus on the Copalquin Gold Silver Project, Mithril has exploration partners to farm-in, sole fund and operate exploration activities on its Australian assets. These include:

- Great Boulder Resources (GBR.ASX) at the Lignum Dam Project;
- Auteco Minerals (AUT.ASX) at the Limestone Well Project;
- Carnavale Resources (CAV.ASX) at the Kurnalpi Project; and
- CBH Resources Limited ("CBH") at the Billy Hills Zinc Project.

Having farm-in exploration partners solely fund all exploration costs, ensures that the Mithril tenements are kept in good standing for the duration of the respective partnership agreements with the potential to benefit from prospectivity and exploration upside.

### Billy Hills Zinc (Billy Hills)

- Mithril 100%; and
- CBH Resources Limited earning up to 80% interest by completing expenditure of A\$4M over 5 years.
- No work was undertaken during the quarter.

### Kurnalpi Project (Kurnalpi)

- Mithril 100%; and
- Carnavale Resources earning an initial 80% interest by keeping the tenements in good standing over three years and paying Mithril A\$250,000 cash.
- No work was undertaken during the quarter.

### Lignum Dam Project (Lignum)

- Mithril 100%; and
- Great Boulder Resources earning up to 80% by completing expenditure of A\$1M over four years.
- Great Boulder carried out a program of auger geochemical sampling over nickel and gold prospective rock types and assays are awaited.

### Limestone Well Project (Limestone)

- Mithril 100%;
- Auteco Minerals can earn up to an 80% interest in the project by completing exploration expenditure of A\$2.5 million over five years; and
- Following drilling (see Auteco's ASX Announcement 14<sup>th</sup> October 2019), Auteco elected to continue sole funding the exploration work at Limestone Well by completing exploration expenditure of \$1.5M by August 2021 to earn an initial 60% interest.

## **OUTLOOK FOR NEXT QUARTER**

In the next quarter ending 30 September 2021, the Company will progress its work for its maiden JORC resource estimate for El Refugio/El Cometa structures which will demonstrate the size that can be achieved from the only 12 months drilling completed and to help guide the drill plan for the ongoing expansion of the gold and silver resources in the Copalquin District.

## **CORPORATE**

Mr Dudley Leitch retired from the Board for personal reasons, effective 7 July 2021. Dudley had been a Non-Executive Director of Mithril since May 2020. He was also a director of Sun Minerals Pty Ltd and instrumental in the successful acquisition of Sun Minerals by Mithril. The Mithril board and management thanked Dudley for his support and contribution.

## **CASH**

The Company has cash reserves of as of 30 June of \$2.92m.

## **RELATED PARTY PAYMENTS**

In line with its obligations under ASX Listing Rule 5.3.5, Mithril Resources Limited notes that the only payments to related parties of the Company, as advised in the Appendix 5B for the period ended 30 June 2021, pertain to payments to directors for fees, salary and superannuation.

**-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



## Competent Persons Statement

The information in this report that relates to sampling techniques and data, exploration results and geological interpretation has been compiled by Mr Hall Stewart who is Mithril's Chief Geologist. Mr Stewart is a certified professional geologist of the American Institute of Professional Geologists. This is a Recognised Professional Organisation (RPO) under the Joint Ore Reserves Committee (JORC) Code.

Mr Stewart has sufficient experience of relevance to the styles of mineralisation and the types of deposits under consideration, and to the activities undertaken, to qualify as a Competent Person as defined in the 2012 Edition of the Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Stewart consents to the inclusion in this report of the matters based on information in the form and context in which it appears. The Australian Securities Exchange has not reviewed and does not accept responsibility for the accuracy or adequacy of this release.

## ABOUT THE COPALQUIN GOLD SILVER PROJECT

The Copalquin mining district is in Durango State, Mexico and covers an entire mining district of 70km<sup>2</sup> 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.

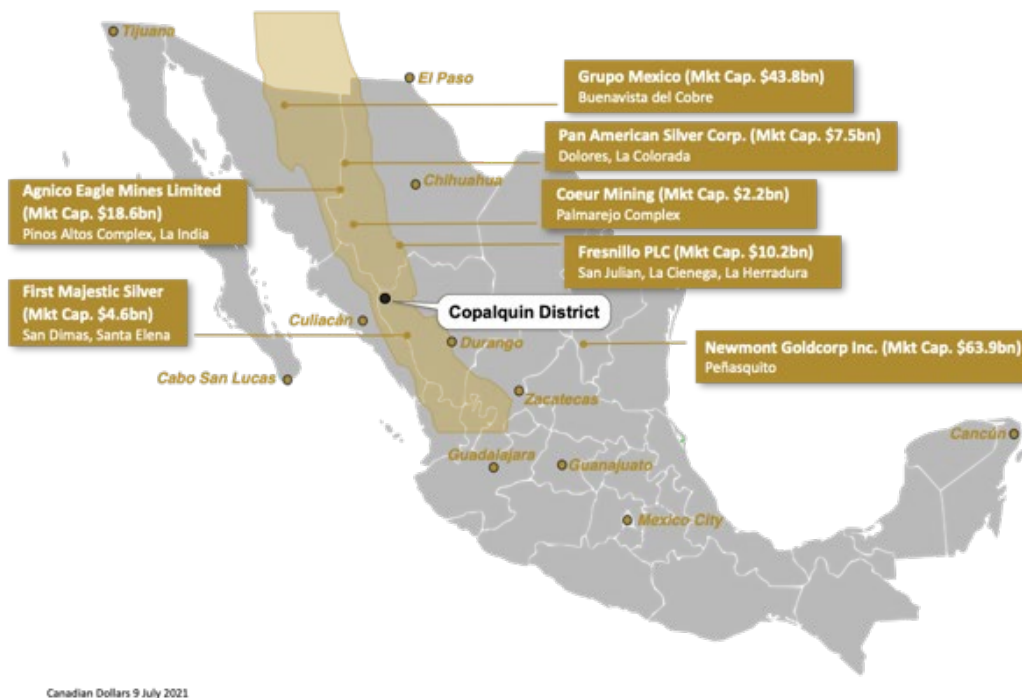


Figure 25: Copalquin District location map within the Sierra Madre gold-silver trend with some North American majors currently working in this part of Mexico.

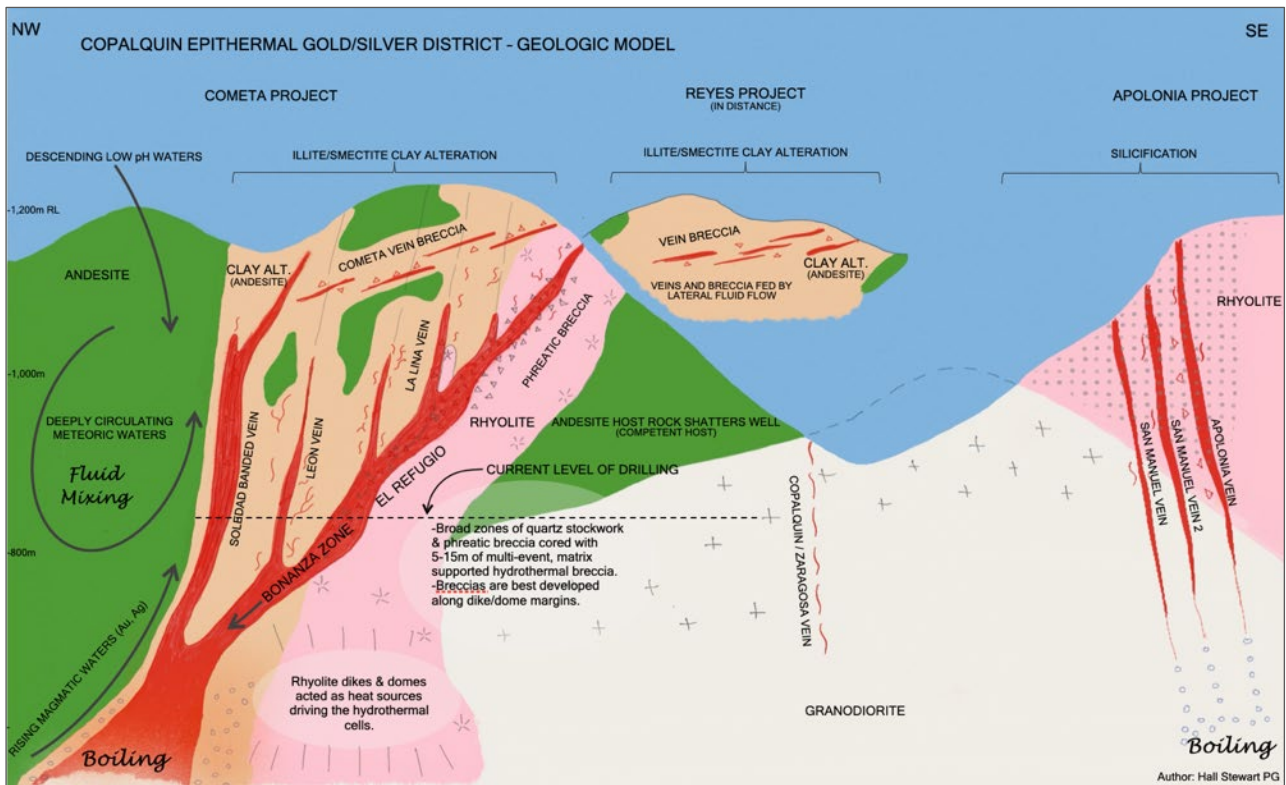


Figure 26: Copalquin District Geologic Model for epithermal gold/silver - geologic model (author: Hall Stewart PG, Chief Geologist).

**Mithril Group**  
**Tenement information**  
**30 June 2021**

**Australian Interests:**

	Tenement number	Interest owned %
Kurnalpi Area	E28/2506	100.00
Kurnalpi Area	E28/2567	100.00
Kurnalpi Area	E28/2682	100.00
Kurnalpi Area	E28/2760	100.00
Lignum Dam Area	E27/538	100.00
Lignum Dam Area	E27/582	100.00
Lignum Dam Area	E27/584	100.00
Murchison Area	E20/846	100.00
Murchison Area	E57/1069	100.00
West Kimberley Area	E04/2497	100.00
West Kimberley Area	E04/2503	100.00
West Kimberley Area	E80/5191	100.00



**Mexican Operations:**

<b>Concession</b>	<b>Concession title number</b>	<b>Interest</b>
LA SOLEDAD	52033	10.00%
EL COMETA	164869	10.00%
SAN MANUEL	165451	10.00%
COPALQUIN	178014	10.00%
EL SOL	236130	10.00%
EL CORRAL	236131	10.00%

# JORC CODE, 2012 EDITION – TABLE 1

## SECTION 1 SAMPLING TECHNIQUES AND DATA

Criteria	JORC Code explanation	Commentary
Sampling techniques	<ul style="list-style-type: none"> <li>• <i>Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.</i></li> <li>• <i>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</i></li> <li>• <i>Aspects of the determination of mineralisation that are Material to the Public Report.</i></li> <li>• <i>In cases where ‘industry standard’ work has been done this would be relatively simple (eg ‘reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay’). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Samples for the Copalquin, Mexico drill programs consist of ½ HQ core cut lengthwise with a diamond saw. Intervals are nominally 1 m but may vary between 1.5 m to 0.5 m based on geologic criteria.</li> <li>• Deeper portions of holes from CDH-075 onward consist of ½ NQ core. Sample sizes are tracked by core diameter and sample weights.</li> <li>• The same side of the core is always sent to sample (left side of saw).</li> <li>• Reported intercepts are calculated as either potentially underground mineable (below 120m below surface) or as potentially open-pit mineable (near surface).</li> <li>• Potentially underground mineable intercepts are calculated as length weighted averages of material greater than 1 g/t AuEQ_70 allowing up to 2m of internal dilution.</li> <li>• Potentially open-pit mineable intercepts are calculated as length weighted averages of material greater than 0.25 g/t AuEQ_70 allowing for up to 2m of internal dilution.</li> <li>• 2021 soil sampling has been carried out by locating pre-planned points by handheld GPS and digging to below the first colour-change in the soil (or a maximum of 50 cm). In the arid environment there is a 1 – 10 cm organic horizon and a 10 – 30 cm B horizon above the regolith. Samples are sieved to -80 mesh in the field. A 15 g aliquot of sample is split from the soil “pulp” for analysis by X-Ray fluorescence (XRF). Mithril uses an Olympus Vanta 50kV X-Ray fluorescence analyser with a lower detection limit for silver of 2 ppm.</li> </ul>
Drilling techniques	<ul style="list-style-type: none"> <li>• <i>Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).</i></li> </ul>	<ul style="list-style-type: none"> <li>• Drilling is done with an MP500 man-portable core rig capable of drilling HQ size core to depths of 400 m. To date all core has been HQ size although we are prepared to reduce to NQ if needed.</li> </ul>

Criteria	JORC Code explanation	Commentary
Drill sample recovery	<ul style="list-style-type: none"> <li>• Method of recording and assessing core and chip sample recoveries and results assessed.</li> <li>• Measures taken to maximise sample recovery and ensure representative nature of the samples.</li> <li>• Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.</li> </ul>	<ul style="list-style-type: none"> <li>• Drill recovery is measured based on measured length of core divided by length of drill run.</li> <li>• Recovery in holes CDH-001 through CDH-025 and holes CDH-032 through CDH-077 was always above 90% in the mineralized zones.</li> <li>• Holes CDH-026 through CDH-031 had problems with core recovery in highly fractured, clay rich breccia zones.</li> <li>• There is no adverse relationship between recovery and grade identified to date.</li> </ul>
Logging	<ul style="list-style-type: none"> <li>• Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.</li> <li>• Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</li> <li>• The total length and percentage of the relevant intersections logged.</li> </ul>	<ul style="list-style-type: none"> <li>• Core samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.</li> <li>• Core logging is both qualitative or quantitative in nature. Photos are taken of each box of core before samples are cut. Core is wetted to improve visibility of features in the photos.</li> <li>• All core has been logged and photographed.</li> </ul>
Sub-sampling techniques and sample preparation	<ul style="list-style-type: none"> <li>• If core, whether cut or sawn and whether quarter, half or all core taken.</li> <li>• If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</li> <li>• For all sample types, the nature, quality and appropriateness of the sample preparation technique.</li> <li>• Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</li> <li>• Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.</li> <li>• Whether sample sizes are appropriate to the grain size of the material being sampled.</li> </ul>	<ul style="list-style-type: none"> <li>• Core is sawn and half core is taken for sample.</li> <li>• Samples are prepared using ALS Minerals Prep-31 crushing, splitting and pulverizing. This is appropriate for the type of deposit being explored.</li> <li>• Visual review to assure that the cut core is ½ of the core is performed to assure representativity of samples.</li> <li>• field duplicate/second-half sampling is undertaken for 3% of all samples to determine representativity of the sample media submitted.</li> <li>• Sample sizes are appropriate to the grain size of the material being sampled.</li> </ul>

Criteria	JORC Code explanation	Commentary
Quality of assay data and laboratory tests	<ul style="list-style-type: none"> <li>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</li> <li>For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.</li> <li>Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.</li> </ul>	<ul style="list-style-type: none"> <li>Samples are assayed for gold using ALS Minerals Au-AA25 method a 30 g fire assay with an AA finish. This is considered a total assay technique. Samples are assayed for silver using ALS Minerals ME-ICP61 method. Over limits are assayed by AgOG63 and AgGRAV21. These are considered a total assay technique.</li> <li>Standards, blanks and duplicates are inserted appropriately into the sample stream. External laboratory checks will be conducted as sufficient samples are collected. Levels of accuracy (ie lack of bias) and precision have not yet been established.</li> <li>Soil sampling is also subject to a program of standards and blanks using the X-ray florescence (XRF) analyser. Results are acceptable. Samples were analysed using three wavelengths 50Kv, 40 Kv and 15 Kv for times of 120 seconds, 30 seconds and 30 seconds respectively.</li> <li>Samples with significant amounts of observed visible gold are also assayed by AuSCR21, a screen assay that analyses gold in both the milled pulp and in the residual oversize from pulverization. This has been done for holes CDH-075 and CDH-077.</li> </ul>
Verification of sampling and assaying	<ul style="list-style-type: none"> <li>The verification of significant intersections by either independent or alternative company personnel.</li> <li>The use of twinned holes.</li> <li>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</li> <li>Discuss any adjustment to assay data.</li> </ul>	<ul style="list-style-type: none"> <li>The verification of significant intersections by either independent or alternative company personnel has not been conducted. A re-assay program of pulp duplicates is currently in progress.</li> <li>The use of twinned holes. No twin holes have been drilled. MTH has drilled one twin hole. Hole CDH-072, reported in the 15/6/2021 announcement, is a twin of holes EC-/002 and UC-03. Results are comparable.</li> <li>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols are maintained in the company's core facility.</li> <li>Assay data have not been adjusted other than applying length weighted averages to reported intercepts.</li> </ul>
Location of data points	<ul style="list-style-type: none"> <li>Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.</li> <li>Specification of the grid system used.</li> </ul>	<ul style="list-style-type: none"> <li>Drill collar coordinates are currently located by handheld GPS. Precise survey of hole locations is planned. Downhole surveys of hole deviation are recorded for all holes. Locations for holes CDH-001 through CDH-048 and CDH-051 through CDH-068 have been surveyed with differential GPS to a sub 10 cm precision.</li> </ul>

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	<ul style="list-style-type: none"> <li>• <i>Quality and adequacy of topographic control.</i></li> </ul>	<p>Hole CDH-005, CDH-049 and CDH-050 were not surveyed</p> <ul style="list-style-type: none"> <li>• UTM/UPS WGS 84 zone 13 N</li> <li>• High quality topographic control from Photosat covers the entire drill project area.</li> </ul>
<i>Data spacing and distribution</i>	<ul style="list-style-type: none"> <li>• <i>Data spacing for reporting of Exploration Results.</i></li> <li>• <i>Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.</i></li> <li>• <i>Whether sample compositing has been applied.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Data spacing is appropriate for the reporting of Exploration Results.</li> <li>• No Resource Estimation is included in this News Release.</li> <li>• No sample compositing has been applied.</li> </ul>
<i>Orientation of data in relation to geological structure</i>	<ul style="list-style-type: none"> <li>• <i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</i></li> <li>• <i>If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Cut lines are marked on the core by the geologists to assure that the orientation of sampling achieves unbiased sampling of possible structures. This is reasonably well observed in the core and is appropriate to the deposit type.</li> <li>• The relationship between the drilling orientation and the orientation of key mineralised structures is not considered to have introduced a sampling bias.</li> </ul>
<i>Sample security</i>	<ul style="list-style-type: none"> <li>• <i>The measures taken to ensure sample security.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Samples are stored in a secure core storage facility until they are shipped off site by small aircraft and delivered directly to ALS Minerals.</li> </ul>
<i>Audits or reviews</i>	<ul style="list-style-type: none"> <li>• <i>The results of any audits or reviews of sampling techniques and data.</i></li> </ul>	<ul style="list-style-type: none"> <li>• No audits or reviews of sampling techniques and data have been performed.</li> </ul>

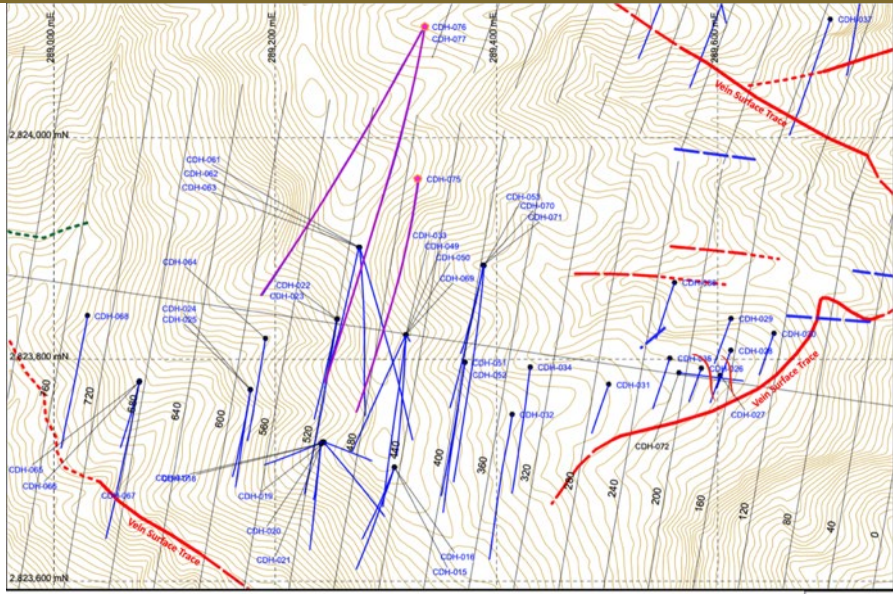
SECTION 2 REPORTING OF EXPLORATION RESULTS

Criteria	JORC Code explanation	Commentary																																			
Mineral tenement and land tenure status	<ul style="list-style-type: none"> <li>Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.</li> <li>The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.</li> </ul>	<ul style="list-style-type: none"> <li>Concessions at Copalquin <table border="1" data-bbox="667 443 1497 958"> <thead> <tr> <th>No.</th> <th>Concession</th> <th>Concession Title number</th> <th>Area (Ha)</th> <th>Location</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>LA SOLEDAD</td> <td>52033</td> <td>6</td> <td>Tamazula, Durango, Mexico</td> </tr> <tr> <td>2</td> <td>EL COMETA</td> <td>164869</td> <td>36</td> <td>Tamazula, Durango, Mexico</td> </tr> <tr> <td>3</td> <td>SAN MANUEL</td> <td>165451</td> <td>36</td> <td>Tamazula, Durango, Mexico</td> </tr> <tr> <td>4</td> <td>COPALQUIN</td> <td>178014</td> <td>20</td> <td>Tamazula, Durango, Mexico</td> </tr> <tr> <td>5</td> <td>EL SOL</td> <td>236130</td> <td>6,000</td> <td>Tamazula, Durango and Badiraguato, Sinaloa, Mexico</td> </tr> <tr> <td>6</td> <td>EL CORRAL</td> <td>236131</td> <td>907.3243</td> <td>Tamazula, Durango and Badiraguato, Sinaloa, Mexico</td> </tr> </tbody> </table> </li> </ul>	No.	Concession	Concession Title number	Area (Ha)	Location	1	LA SOLEDAD	52033	6	Tamazula, Durango, Mexico	2	EL COMETA	164869	36	Tamazula, Durango, Mexico	3	SAN MANUEL	165451	36	Tamazula, Durango, Mexico	4	COPALQUIN	178014	20	Tamazula, Durango, Mexico	5	EL SOL	236130	6,000	Tamazula, Durango and Badiraguato, Sinaloa, Mexico	6	EL CORRAL	236131	907.3243	Tamazula, Durango and Badiraguato, Sinaloa, Mexico
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Exploration done by other parties	<ul style="list-style-type: none"> <li>Acknowledgment and appraisal of exploration by other parties.</li> </ul>	<ul style="list-style-type: none"> <li>Previous exploration by Bell Coast Capital Corp. and UC Resources was done in the late 1990's and in 2005 – 2007. Work done by these companies is historic and non-JORC compliant. Mithril uses these historic data only as a general guide and will not incorporate work done by these companies in resource modelling.</li> <li>Work done by the Mexican government and by IMMSA and will be used for modelling of historic mine workings which are now inaccessible (void model)</li> </ul>																																			
Geology	<ul style="list-style-type: none"> <li>Deposit type, geological setting and style of mineralisation.</li> </ul>	<ul style="list-style-type: none"> <li>Copalquin is a low sulfidation epithermal gold-silver deposit hosted in andesite. This deposit type is common in the Sierra Madre Occidental of Mexico and is characterized by quartz veins and stockworks surrounded by haloes of argillic (illite/smectite) alteration. Veins have formed as both low-angle semi-continuous lenses parallel to the contact between granodiorite and andesite and as tabular veins in high-angle normal faults. Vein and breccia thickness has been observed up to 30 meters wide with average widths on the order of 3 to 5 meters. The overall strike length of the semi-continuous mineralized zone from Refugio to Cometa to Los Pinos to Los Reyes is 2 kilometres. Additional strike length at La Constancia and San Manuel provide additional exploration potential.</li> </ul>																																			

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Drill hole Information	<ul style="list-style-type: none"> <li>A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes: <ul style="list-style-type: none"> <li>easting and northing of the drill hole collar</li> <li>elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</li> <li>dip and azimuth of the hole</li> <li>down hole length and interception depth</li> <li>hole length.</li> <li>If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.</li> </ul> </li> </ul>	<table border="1"> <thead> <tr> <th>Hole_ID</th> <th>WGS84_E</th> <th>WGS84_N</th> <th>El_M</th> <th>Azimuth</th> <th>Incl</th> <th>Depth</th> <th>Target</th> </tr> </thead> <tbody> <tr><td>CDH-001</td><td>289591</td><td>2824210</td><td>1113</td><td>220</td><td>-65</td><td>210.50</td><td>Soledad</td></tr> <tr><td>CDH-002</td><td>289591</td><td>2824210</td><td>1113</td><td>165</td><td>-60</td><td>204.00</td><td>Soledad</td></tr> <tr><td>CDH-003</td><td>289591</td><td>2824210</td><td>1113</td><td>155</td><td>-70</td><td>153.00</td><td>Soledad</td></tr> <tr><td>CDH-004</td><td>289591</td><td>2824210</td><td>1113</td><td>245</td><td>-55</td><td>202.50</td><td>Soledad</td></tr> <tr><td>CDH-005</td><td>289665</td><td>2824195</td><td>1083</td><td>205</td><td>-60</td><td>10.50</td><td>Soledad</td></tr> <tr><td>CDH-006</td><td>289665</td><td>2824195</td><td>1083</td><td>200</td><td>-59</td><td>87.00</td><td>Soledad</td></tr> <tr><td>CDH-007</td><td>289665</td><td>2824195</td><td>1083</td><td>240</td><td>-68</td><td>12.00</td><td>Soledad</td></tr> <tr><td>CDH-008</td><td>289645</td><td>2824196</td><td>1088</td><td>150</td><td>-62</td><td>165.00</td><td>Soledad</td></tr> <tr><td>CDH-009</td><td>289645</td><td>2824196</td><td>1088</td><td>197</td><td>-70</td><td>21.00</td><td>Soledad</td></tr> <tr><td>CDH-010</td><td>289649</td><td>2824206</td><td>1083</td><td>198</td><td>-64</td><td>180.00</td><td>Soledad</td></tr> <tr><td>CDH-011</td><td>289649</td><td>2824206</td><td>1083</td><td>173</td><td>-62</td><td>138.00</td><td>Soledad</td></tr> <tr><td>CDH-012</td><td>289678</td><td>2824313</td><td>1095</td><td>200</td><td>-45</td><td>228.00</td><td>Soledad</td></tr> <tr><td>CDH-013</td><td>289678</td><td>2824313</td><td>1095</td><td>180</td><td>-45</td><td>240.30</td><td>Soledad</td></tr> <tr><td>CDH-014</td><td>289678</td><td>2824313</td><td>1095</td><td>220</td><td>-45</td><td>279.00</td><td>Soledad</td></tr> <tr><td>CDH-015</td><td>289311</td><td>2823706</td><td>1271</td><td>200</td><td>-75</td><td>256.50</td><td>Refugio</td></tr> <tr><td>CDH-016</td><td>289311</td><td>2823706</td><td>1271</td><td>200</td><td>-60</td><td>190.50</td><td>Refugio</td></tr> <tr><td>CDH-017</td><td>289234</td><td>2823727</td><td>1236</td><td>190</td><td>-75</td><td>171.00</td><td>Refugio</td></tr> <tr><td>CDH-018</td><td>289234</td><td>2823727</td><td>1236</td><td>190</td><td>-53</td><td>159.00</td><td>Refugio</td></tr> <tr><td>CDH-019</td><td>289234</td><td>2823727</td><td>1236</td><td>140</td><td>-65</td><td>201.00</td><td>Refugio</td></tr> <tr><td>CDH-020</td><td>289234</td><td>2823727</td><td>1236</td><td>115</td><td>-78</td><td>216.00</td><td>Refugio</td></tr> <tr><td>CDH-021</td><td>289234</td><td>2823727</td><td>1236</td><td>250</td><td>-75</td><td>222.00</td><td>Refugio</td></tr> <tr><td>CDH-022</td><td>289255</td><td>2823835</td><td>1251</td><td>190</td><td>-54</td><td>261.00</td><td>Refugio</td></tr> <tr><td>CDH-023</td><td>289255</td><td>2823835</td><td>1251</td><td>190</td><td>-70</td><td>267.00</td><td>Refugio</td></tr> <tr><td>CDH-024</td><td>289170</td><td>2823774</td><td>1185</td><td>190</td><td>-55</td><td>150.00</td><td>Refugio</td></tr> <tr><td>CDH-025</td><td>289170</td><td>2823774</td><td>1185</td><td>190</td><td>-70</td><td>213.00</td><td>Refugio</td></tr> <tr><td>CDH-026</td><td>289585</td><td>2823795</td><td>1183</td><td>200</td><td>-50</td><td>51.00</td><td>Cometa</td></tr> <tr><td>CDH-027</td><td>289605</td><td>2823790</td><td>1179</td><td>200</td><td>-60</td><td>51.00</td><td>Cometa</td></tr> <tr><td>CDH-028</td><td>289612</td><td>2823815</td><td>1170</td><td>200</td><td>-45</td><td>51.00</td><td>Cometa</td></tr> <tr><td>CDH-029</td><td>289611</td><td>2823835</td><td>1152</td><td>200</td><td>-45</td><td>60.00</td><td>Cometa</td></tr> <tr><td>CDH-030</td><td>289653</td><td>2823823</td><td>1153</td><td>200</td><td>-45</td><td>55.50</td><td>Cometa</td></tr> <tr><td>CDH-031</td><td>289510</td><td>2823781</td><td>1197</td><td>200</td><td>-45</td><td>66.00</td><td>Cometa</td></tr> <tr><td>CDH-032</td><td>289414</td><td>2823752</td><td>1223</td><td>190</td><td>-50</td><td>207.00</td><td>Refugio</td></tr> <tr><td>CDH-033</td><td>289325</td><td>2823822</td><td>1269</td><td>190</td><td>-55</td><td>270.00</td><td>Refugio</td></tr> <tr><td>CDH-034</td><td>289429</td><td>2823795</td><td>1197</td><td>190</td><td>-50</td><td>183.00</td><td>Refugio</td></tr> <tr><td>CDH-035</td><td>289560</td><td>2823800</td><td>1185</td><td>200</td><td>-45</td><td>69.00</td><td>Cometa</td></tr> <tr><td>CDH-036</td><td>289556</td><td>2823868</td><td>1150</td><td>200</td><td>-45</td><td>75.00</td><td>Cometa</td></tr> <tr><td>CDH-037</td><td>289650</td><td>2824145</td><td>1156</td><td>200</td><td>-45</td><td>159.40</td><td>Soledad</td></tr> <tr><td>CDH-038</td><td>289565</td><td>2824170</td><td>1185</td><td>200</td><td>-45</td><td>135.00</td><td>Soledad</td></tr> <tr><td>CDH-039</td><td>290765</td><td>2823760</td><td>1119</td><td>230</td><td>-70</td><td>123.00</td><td>Los Reyes</td></tr> <tr><td>CDH-040</td><td>290801</td><td>2823733</td><td>1112</td><td>230</td><td>-51</td><td>123.00</td><td>Los Reyes</td></tr> <tr><td>CDH-041</td><td>290842</td><td>2823702</td><td>1120</td><td>240</td><td>-45</td><td>120.00</td><td>Los Reyes</td></tr> <tr><td>CDH-042</td><td>290365</td><td>2823765</td><td>1128</td><td>200</td><td>-50</td><td>60.00</td><td>Los Pinos</td></tr> <tr><td>CDH-043</td><td>290365</td><td>2823765</td><td>1128</td><td>0</td><td>-90</td><td>15.00</td><td>Los Pinos</td></tr> <tr><td>CDH-044</td><td>292761</td><td>2824372</td><td>1489</td><td>200</td><td>-62</td><td>130.50</td><td>Constancia</td></tr> <tr><td>CDH-045</td><td>292761</td><td>2824372</td><td>1489</td><td>240</td><td>-62</td><td>130.50</td><td>Constancia</td></tr> <tr><td>CDH-046</td><td>292778</td><td>2824259</td><td>1497</td><td>240</td><td>-70</td><td>133.00</td><td>Constancia</td></tr> <tr><td>CDH-047</td><td>290887</td><td>2822835</td><td>1285</td><td>265</td><td>-65</td><td>234.00</td><td>San Manuel</td></tr> <tr><td>CDH-048</td><td>290902</td><td>2822734</td><td>1335</td><td>265</td><td>-65</td><td>249.00</td><td>San Manuel</td></tr> <tr><td>CDH-049</td><td>289325</td><td>2823822</td><td>1269</td><td>185</td><td>-70</td><td>282.00</td><td>Refugio</td></tr> <tr><td>CDH-050</td><td>289325</td><td>2823822</td><td>1269</td><td>206</td><td>-67</td><td>288.00</td><td>Refugio</td></tr> <tr><td>CDH-051</td><td>289370</td><td>2823795</td><td>1225</td><td>190</td><td>-47</td><td>201.00</td><td>Refugio</td></tr> <tr><td>CDH-052</td><td>289370</td><td>2823795</td><td>1225</td><td>190</td><td>-60</td><td>231.00</td><td>Refugio</td></tr> <tr><td>CDH-053</td><td>289385</td><td>2823885</td><td>1200</td><td>190</td><td>-47</td><td>211.00</td><td>Refugio</td></tr> <tr><td>CDH-054</td><td>289536</td><td>2824255</td><td>1155</td><td>200</td><td>-70</td><td>321.00</td><td>Soledad</td></tr> <tr><td>CDH-055</td><td>289738</td><td>2824140</td><td>1074</td><td>190</td><td>-60</td><td>174.00</td><td>Soledad</td></tr> <tr><td>CDH-056</td><td>290903</td><td>2824030</td><td>1182</td><td>295</td><td>-45</td><td>102.00</td><td>Los Reyes</td></tr> <tr><td>CDH-057</td><td>290841</td><td>2823795</td><td>1143</td><td>217</td><td>-50</td><td>201.00</td><td>Los Reyes</td></tr> <tr><td>CDH-058</td><td>290841</td><td>2823795</td><td>1143</td><td>240</td><td>-55</td><td>222.00</td><td>Los Reyes</td></tr> </tbody> </table>	Hole_ID	WGS84_E	WGS84_N	El_M	Azimuth	Incl	Depth	Target	CDH-001	289591	2824210	1113	220	-65	210.50	Soledad	CDH-002	289591	2824210	1113	165	-60	204.00	Soledad	CDH-003	289591	2824210	1113	155	-70	153.00	Soledad	CDH-004	289591	2824210	1113	245	-55	202.50	Soledad	CDH-005	289665	2824195	1083	205	-60	10.50	Soledad	CDH-006	289665	2824195	1083	200	-59	87.00	Soledad	CDH-007	289665	2824195	1083	240	-68	12.00	Soledad	CDH-008	289645	2824196	1088	150	-62	165.00	Soledad	CDH-009	289645	2824196	1088	197	-70	21.00	Soledad	CDH-010	289649	2824206	1083	198	-64	180.00	Soledad	CDH-011	289649	2824206	1083	173	-62	138.00	Soledad	CDH-012	289678	2824313	1095	200	-45	228.00	Soledad	CDH-013	289678	2824313	1095	180	-45	240.30	Soledad	CDH-014	289678	2824313	1095	220	-45	279.00	Soledad	CDH-015	289311	2823706	1271	200	-75	256.50	Refugio	CDH-016	289311	2823706	1271	200	-60	190.50	Refugio	CDH-017	289234	2823727	1236	190	-75	171.00	Refugio	CDH-018	289234	2823727	1236	190	-53	159.00	Refugio	CDH-019	289234	2823727	1236	140	-65	201.00	Refugio	CDH-020	289234	2823727	1236	115	-78	216.00	Refugio	CDH-021	289234	2823727	1236	250	-75	222.00	Refugio	CDH-022	289255	2823835	1251	190	-54	261.00	Refugio	CDH-023	289255	2823835	1251	190	-70	267.00	Refugio	CDH-024	289170	2823774	1185	190	-55	150.00	Refugio	CDH-025	289170	2823774	1185	190	-70	213.00	Refugio	CDH-026	289585	2823795	1183	200	-50	51.00	Cometa	CDH-027	289605	2823790	1179	200	-60	51.00	Cometa	CDH-028	289612	2823815	1170	200	-45	51.00	Cometa	CDH-029	289611	2823835	1152	200	-45	60.00	Cometa	CDH-030	289653	2823823	1153	200	-45	55.50	Cometa	CDH-031	289510	2823781	1197	200	-45	66.00	Cometa	CDH-032	289414	2823752	1223	190	-50	207.00	Refugio	CDH-033	289325	2823822	1269	190	-55	270.00	Refugio	CDH-034	289429	2823795	1197	190	-50	183.00	Refugio	CDH-035	289560	2823800	1185	200	-45	69.00	Cometa	CDH-036	289556	2823868	1150	200	-45	75.00	Cometa	CDH-037	289650	2824145	1156	200	-45	159.40	Soledad	CDH-038	289565	2824170	1185	200	-45	135.00	Soledad	CDH-039	290765	2823760	1119	230	-70	123.00	Los Reyes	CDH-040	290801	2823733	1112	230	-51	123.00	Los Reyes	CDH-041	290842	2823702	1120	240	-45	120.00	Los Reyes	CDH-042	290365	2823765	1128	200	-50	60.00	Los Pinos	CDH-043	290365	2823765	1128	0	-90	15.00	Los Pinos	CDH-044	292761	2824372	1489	200	-62	130.50	Constancia	CDH-045	292761	2824372	1489	240	-62	130.50	Constancia	CDH-046	292778	2824259	1497	240	-70	133.00	Constancia	CDH-047	290887	2822835	1285	265	-65	234.00	San Manuel	CDH-048	290902	2822734	1335	265	-65	249.00	San Manuel	CDH-049	289325	2823822	1269	185	-70	282.00	Refugio	CDH-050	289325	2823822	1269	206	-67	288.00	Refugio	CDH-051	289370	2823795	1225	190	-47	201.00	Refugio	CDH-052	289370	2823795	1225	190	-60	231.00	Refugio	CDH-053	289385	2823885	1200	190	-47	211.00	Refugio	CDH-054	289536	2824255	1155	200	-70	321.00	Soledad	CDH-055	289738	2824140	1074	190	-60	174.00	Soledad	CDH-056	290903	2824030	1182	295	-45	102.00	Los Reyes	CDH-057	290841	2823795	1143	217	-50	201.00	Los Reyes	CDH-058	290841	2823795	1143	240	-55	222.00	Los Reyes
		Hole_ID	WGS84_E	WGS84_N	El_M	Azimuth	Incl	Depth	Target																																																																																																																																																																																																																																																																																																																																																																																																																																																																																	
		CDH-001	289591	2824210	1113	220	-65	210.50	Soledad																																																																																																																																																																																																																																																																																																																																																																																																																																																																																	
		CDH-002	289591	2824210	1113	165	-60	204.00	Soledad																																																																																																																																																																																																																																																																																																																																																																																																																																																																																	
		CDH-003	289591	2824210	1113	155	-70	153.00	Soledad																																																																																																																																																																																																																																																																																																																																																																																																																																																																																	
		CDH-004	289591	2824210	1113	245	-55	202.50	Soledad																																																																																																																																																																																																																																																																																																																																																																																																																																																																																	
		CDH-005	289665	2824195	1083	205	-60	10.50	Soledad																																																																																																																																																																																																																																																																																																																																																																																																																																																																																	
		CDH-006	289665	2824195	1083	200	-59	87.00	Soledad																																																																																																																																																																																																																																																																																																																																																																																																																																																																																	
		CDH-007	289665	2824195	1083	240	-68	12.00	Soledad																																																																																																																																																																																																																																																																																																																																																																																																																																																																																	
		CDH-008	289645	2824196	1088	150	-62	165.00	Soledad																																																																																																																																																																																																																																																																																																																																																																																																																																																																																	
		CDH-009	289645	2824196	1088	197	-70	21.00	Soledad																																																																																																																																																																																																																																																																																																																																																																																																																																																																																	
		CDH-010	289649	2824206	1083	198	-64	180.00	Soledad																																																																																																																																																																																																																																																																																																																																																																																																																																																																																	
		CDH-011	289649	2824206	1083	173	-62	138.00	Soledad																																																																																																																																																																																																																																																																																																																																																																																																																																																																																	
		CDH-012	289678	2824313	1095	200	-45	228.00	Soledad																																																																																																																																																																																																																																																																																																																																																																																																																																																																																	
		CDH-013	289678	2824313	1095	180	-45	240.30	Soledad																																																																																																																																																																																																																																																																																																																																																																																																																																																																																	
		CDH-014	289678	2824313	1095	220	-45	279.00	Soledad																																																																																																																																																																																																																																																																																																																																																																																																																																																																																	
		CDH-015	289311	2823706	1271	200	-75	256.50	Refugio																																																																																																																																																																																																																																																																																																																																																																																																																																																																																	
		CDH-016	289311	2823706	1271	200	-60	190.50	Refugio																																																																																																																																																																																																																																																																																																																																																																																																																																																																																	
		CDH-017	289234	2823727	1236	190	-75	171.00	Refugio																																																																																																																																																																																																																																																																																																																																																																																																																																																																																	
		CDH-018	289234	2823727	1236	190	-53	159.00	Refugio																																																																																																																																																																																																																																																																																																																																																																																																																																																																																	
		CDH-019	289234	2823727	1236	140	-65	201.00	Refugio																																																																																																																																																																																																																																																																																																																																																																																																																																																																																	
		CDH-020	289234	2823727	1236	115	-78	216.00	Refugio																																																																																																																																																																																																																																																																																																																																																																																																																																																																																	
		CDH-021	289234	2823727	1236	250	-75	222.00	Refugio																																																																																																																																																																																																																																																																																																																																																																																																																																																																																	
		CDH-022	289255	2823835	1251	190	-54	261.00	Refugio																																																																																																																																																																																																																																																																																																																																																																																																																																																																																	
		CDH-023	289255	2823835	1251	190	-70	267.00	Refugio																																																																																																																																																																																																																																																																																																																																																																																																																																																																																	
		CDH-024	289170	2823774	1185	190	-55	150.00	Refugio																																																																																																																																																																																																																																																																																																																																																																																																																																																																																	
		CDH-025	289170	2823774	1185	190	-70	213.00	Refugio																																																																																																																																																																																																																																																																																																																																																																																																																																																																																	
		CDH-026	289585	2823795	1183	200	-50	51.00	Cometa																																																																																																																																																																																																																																																																																																																																																																																																																																																																																	
		CDH-027	289605	2823790	1179	200	-60	51.00	Cometa																																																																																																																																																																																																																																																																																																																																																																																																																																																																																	
		CDH-028	289612	2823815	1170	200	-45	51.00	Cometa																																																																																																																																																																																																																																																																																																																																																																																																																																																																																	
		CDH-029	289611	2823835	1152	200	-45	60.00	Cometa																																																																																																																																																																																																																																																																																																																																																																																																																																																																																	
		CDH-030	289653	2823823	1153	200	-45	55.50	Cometa																																																																																																																																																																																																																																																																																																																																																																																																																																																																																	
		CDH-031	289510	2823781	1197	200	-45	66.00	Cometa																																																																																																																																																																																																																																																																																																																																																																																																																																																																																	
		CDH-032	289414	2823752	1223	190	-50	207.00	Refugio																																																																																																																																																																																																																																																																																																																																																																																																																																																																																	
		CDH-033	289325	2823822	1269	190	-55	270.00	Refugio																																																																																																																																																																																																																																																																																																																																																																																																																																																																																	
		CDH-034	289429	2823795	1197	190	-50	183.00	Refugio																																																																																																																																																																																																																																																																																																																																																																																																																																																																																	
		CDH-035	289560	2823800	1185	200	-45	69.00	Cometa																																																																																																																																																																																																																																																																																																																																																																																																																																																																																	
		CDH-036	289556	2823868	1150	200	-45	75.00	Cometa																																																																																																																																																																																																																																																																																																																																																																																																																																																																																	
		CDH-037	289650	2824145	1156	200	-45	159.40	Soledad																																																																																																																																																																																																																																																																																																																																																																																																																																																																																	
		CDH-038	289565	2824170	1185	200	-45	135.00	Soledad																																																																																																																																																																																																																																																																																																																																																																																																																																																																																	
		CDH-039	290765	2823760	1119	230	-70	123.00	Los Reyes																																																																																																																																																																																																																																																																																																																																																																																																																																																																																	
		CDH-040	290801	2823733	1112	230	-51	123.00	Los Reyes																																																																																																																																																																																																																																																																																																																																																																																																																																																																																	
		CDH-041	290842	2823702	1120	240	-45	120.00	Los Reyes																																																																																																																																																																																																																																																																																																																																																																																																																																																																																	
		CDH-042	290365	2823765	1128	200	-50	60.00	Los Pinos																																																																																																																																																																																																																																																																																																																																																																																																																																																																																	
		CDH-043	290365	2823765	1128	0	-90	15.00	Los Pinos																																																																																																																																																																																																																																																																																																																																																																																																																																																																																	
		CDH-044	292761	2824372	1489	200	-62	130.50	Constancia																																																																																																																																																																																																																																																																																																																																																																																																																																																																																	
		CDH-045	292761	2824372	1489	240	-62	130.50	Constancia																																																																																																																																																																																																																																																																																																																																																																																																																																																																																	
		CDH-046	292778	2824259	1497	240	-70	133.00	Constancia																																																																																																																																																																																																																																																																																																																																																																																																																																																																																	
		CDH-047	290887	2822835	1285	265	-65	234.00	San Manuel																																																																																																																																																																																																																																																																																																																																																																																																																																																																																	
		CDH-048	290902	2822734	1335	265	-65	249.00	San Manuel																																																																																																																																																																																																																																																																																																																																																																																																																																																																																	
		CDH-049	289325	2823822	1269	185	-70	282.00	Refugio																																																																																																																																																																																																																																																																																																																																																																																																																																																																																	
		CDH-050	289325	2823822	1269	206	-67	288.00	Refugio																																																																																																																																																																																																																																																																																																																																																																																																																																																																																	
		CDH-051	289370	2823795	1225	190	-47	201.00	Refugio																																																																																																																																																																																																																																																																																																																																																																																																																																																																																	
		CDH-052	289370	2823795	1225	190	-60	231.00	Refugio																																																																																																																																																																																																																																																																																																																																																																																																																																																																																	
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		CDH-054	289536	2824255	1155	200	-70	321.00	Soledad																																																																																																																																																																																																																																																																																																																																																																																																																																																																																	
		CDH-055	289738	2824140	1074	190	-60	174.00	Soledad																																																																																																																																																																																																																																																																																																																																																																																																																																																																																	
		CDH-056	290903	2824030	1182	295	-45	102.00	Los Reyes																																																																																																																																																																																																																																																																																																																																																																																																																																																																																	
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Criteria	JORC Code explanation	Commentary
<p><i>Relationship between mineralisation widths and intercept lengths</i></p>	<ul style="list-style-type: none"> <li>• <i>These relationships are particularly important in the reporting of Exploration Results.</i></li> <li>• <i>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</i></li> <li>• <i>If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').</i></li> </ul>	<ul style="list-style-type: none"> <li>• True widths at Refugio between sections 400 and 680 vary according to the hole's dip. Holes drilled at -50 degrees may be considered to have intercept lengths equal to true-widths, Holes drilled at -70 degrees have true widths approximately 92% of the reported intercept lengths and holes drilled at -90 degrees have true widths of 77% of the reported intercept lengths.</li> <li>• True widths are not known at La Soledad and downhole intercepts are reported.</li> </ul>
<p><i>Diagrams</i></p>	<ul style="list-style-type: none"> <li>• <i>Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.</i></li> </ul>	 <p>Refugio Plan Map of Drill hole traces</p> <ul style="list-style-type: none"> <li>— Drill Hole Traces</li> <li>— Drill Hole Traces in this Announcement</li> <li>— Cross-Section Lines</li> </ul> <p>0 300 meters</p> <p>MITHRIL RESOURCES</p>
<p><i>Balanced reporting</i></p>	<ul style="list-style-type: none"> <li>• <i>Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.</i></li> </ul>	<ul style="list-style-type: none"> <li>• All exploration results are reported.</li> </ul>

Criteria	JORC Code explanation	Commentary
<i>Other substantive exploration data</i>	<ul style="list-style-type: none"> <li><i>Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.</i></li> </ul>	<ul style="list-style-type: none"> <li>No additional exploration data are substantive at this time.</li> </ul>
<i>Further work</i>	<ul style="list-style-type: none"> <li><i>The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</i></li> <li><i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i></li> </ul>	<ul style="list-style-type: none"> <li>Observations from 3 new holes drilled at the El Refugio target reported on in this release CDH-075 to CDH-077.</li> </ul>

## APPENDIX 5B

### MINING EXPLORATION ENTITY OR OIL AND GAS EXPLORATION ENTITY QUARTERLY CASH FLOW REPORT

**NAME OF ENTITY**

MITHRIL RESOURCES LIMITED

**ABN**

30 099 883 922

**QUARTER ENDED ("CURRENT QUARTER")**

30 JUNE 2021

CONSOLIDATED STATEMENT OF CASH FLOWS	Current quarter \$A'000	Year to date (12 months) \$A'000
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers		
1.2 Payments for		
(a) exploration & evaluation		
(b) development		
(c) production		
(d) staff costs	(81)	(448)
(e) administration and corporate costs	(173)	(1,111)
1.3 Dividends received (see note 3)		
1.4 Interest received	1	4
1.5 Interest and other costs of finance paid		
1.6 Income taxes paid		
1.7 Government grants and tax incentives		63
1.8 Other (provide details if material)		
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(253)</b>	<b>(1,492)</b>

<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire or for:		
(a) entities		
(b) tenements		
(c) property, plant and equipment		
(d) exploration & evaluation	(954)	(4,817)
(e) investments		
(f) other non-current assets		

CONSOLIDATED STATEMENT OF CASH FLOWS		Current quarter \$A'000	Year to date (12 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities		
	(b) tenements		
	(c) property, plant and equipment		
	(d) investments		
	(e) other non-current assets		
2.3	Cash flows from loans to other entities		
2.4	Dividends received (see note 3)		
2.5	Other (provide details if material)		
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	<b>(954)</b>	<b>(4,817)</b>

<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)		8,500
3.2	Proceeds from issue of convertible debt securities		
3.3	Proceeds from exercise of options		30
3.4	Transaction costs related to issues of equity securities or convertible debt securities		(499)
3.5	Proceeds from borrowings		
3.6	Repayment of borrowings		
3.7	Transaction costs related to loans and borrowings		
3.8	Dividends paid		
3.9	Other (provide details if material)		
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>		<b>8,031</b>

<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of period	4,121	1,188
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(253)	(1,492)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(954)	(4,817)
4.4	Net cash from / (used in) financing activities (item 3.10 above)		8,031

CONSOLIDATED STATEMENT OF CASH FLOWS		Current quarter \$A'000	Year to date (12 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	6	10
<b>4.6</b>	<b>Cash and cash equivalents at end of period</b>	<b>2,920</b>	<b>2,920</b>

5.	RECONCILIATION OF CASH AND CASH EQUIVALENTS AT THE END OF THE QUARTER (AS SHOWN IN THE CONSOLIDATED STATEMENT OF CASH FLOWS) TO THE RELATED ITEMS IN THE ACCOUNTS	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	1,919	2,121
5.2	Call deposits	1,001	2,000
5.3	Bank overdrafts		
5.4	Other (provide details)		
<b>5.5</b>	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>2,920</b>	<b>4,121</b>

6.	PAYMENTS TO RELATED PARTIES OF THE ENTITY AND THEIR ASSOCIATES	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	92
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

Amounts in 6.1 relate to Director fees and consulting services.

*Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.*

7.	FINANCING FACILITIES <i>NOTE: THE TERM "FACILITY" INCLUDES ALL FORMS OF FINANCING ARRANGEMENTS AVAILABLE TO THE ENTITY. ADD NOTES AS NECESSARY FOR AN UNDERSTANDING OF THE SOURCES OF FINANCE AVAILABLE TO THE ENTITY.</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1	Loan facilities		
7.2	Credit standby arrangements		
7.3	Other (please specify)		
7.4	<b>Total financing facilities</b>		
7.5	<b>Unused financing facilities available at quarter end</b>		
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		

8.	ESTIMATED CASH AVAILABLE FOR FUTURE OPERATING ACTIVITIES	\$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	(253)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(954)
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(1,207)
8.4	Cash and cash equivalents at quarter end (item 4.6)	2,920
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	2,920
8.7	<b>Estimated quarters of funding available (item 8.6 divided by item 8.3)</b>	2.4
	<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>	
8.8	If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1	Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
	Answer: N/A	
8.8.2	Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
	Answer: N/A	

8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: N/A

Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.

## COMPLIANCE STATEMENT

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: .....28 July 2021.....

Authorised by: .....With Authority of the Board.....

(Name of body or officer authorising release – see note 4)

## NOTES

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [*name of board committee – eg Audit and Risk Committee*]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.