

BINDING TERM SHEET FOR SALE OF LIMESTONE WELL

Highlights

- **Binding Term Sheet executed for the sale of Mithril's joint venture interest in the Limestone Well tenements to Auteco Minerals Ltd**
- **Upon successful completion of the sale, Mithril will receive a cash payment of A\$500,000 and retain a 10% free carried interest in the Limestone Well tenements**
- **Auteco will have option to purchase Mithril's 10% free carried interest for a consideration of A\$10,000,000**
- **The Sale Agreement will terminate the Farm-in and Joint Venture Agreement signed 17 August 2018**

Mithril Resources Ltd (**ASX: MTH**) (**Mithril** or the **Company**) is pleased to advise it has executed and binding term sheet to sell its two tenements at Limestone Well, located 90km southeast of Meekatharra, Western Australia. The Limestone Well tenements host vanadium-titanium mineralisation.

Mithril through its wholly owned subsidiary, Minex Pty Ltd (**Minex**) has agreed to terms to sell and Auteco Minerals Ltd (**ASX:AUT**) (**Auteco**) has agreed terms to purchase the tenements free from encumbrances for A\$500,000 with Minex retaining a 10% free carried interest in the tenements. Auteco will retain the sole, exclusive and irrevocable option to purchase all of Minex's rights and interests in the tenements (being 10% interest) for consideration of A\$10,000,000.

Auteco and Minex have agreed to terminate the Farm-in and Joint Venture Agreement for Limestone Well, dated 17 August 2018.

Mithril CEO and Managing Director, John Skeet, commented:

"With Auteco advancing its interest in the Limestone Well tenements since August 2018, and Mithril focussed on the Copalquin gold-silver project in Mexico, this is a logical step to allow both parties to accelerate their respective change of interest in the tenements. Mithril's retention of a 10% free carry interest and Auteco's option to purchase the free carry interest for A\$10,000,000 safeguards potential future upside from the tenements for Mithril shareholders. The A\$500,000 cash payment will be used to expand drilling at our high-grade gold-silver Copalquin district in Mexico."

-ENDS-

Released with the authority of the Board.

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