

Key Points

Kurnalpi (Nickel-Cobalt)

- Initial drilling program successfully intersected nickel sulphide and nickel-cobalt mineralisation at the 100%-owned Kurnalpi Nickel-Cobalt Prospect including;
 - 12m @ 0.54% nickel, 0.10% cobalt from 34 metres in 18GDSRC004 including 4m @ 0.70% nickel, 0.16% cobalt from 36 metres,
 - 12m @ 0.69% nickel, 0.07% cobalt from 26 metres in 18GDSRC003 including 4m @ 0.86% nickel, 0.10% cobalt from 26 metres.
- Downhole EM geophysical surveying has identified a new off hole conductor that warrants further investigation.
- **EM geophysics and follow-up drilling planned for the June 2018 Quarter**

Lignum Dam / North Scotia (Nickel)

- Mithril now has over 500km² of 100%-owned nickel prospective ground along strike from previously mined high-grade nickel sulphide mineralisation at the Silver Swan and Scotia deposits
- **To be explored in conjunction with ongoing exploration at the Kurnalpi Nickel Cobalt Prospect**

Billy Hills (Zinc)

- Project area expanded to over 315km² with a new tenement application east of the former Pillara Zinc Mine
- **Target generation continuing ahead of tenement grant anticipated for September 2018 Quarter**

Corporate and Cash

- Cash reserves of \$0.48M at 31 March 2018.

Exploration Overview

Mithril Resources (**ASX: MTH** - “Mithril”) and its exploration partners are exploring for a range of high-value commodities throughout the Meekatharra, West Kimberley and Kalgoorlie Districts of Western Australia, and the Coompana Province of South Australia (*Figure 1*).

During the March 2018 Quarter (the “Quarter”) Mithril successfully intersected nickel sulphide and nickel-cobalt mineralisation at **Kurnalpi**, significantly expanded its Kalgoorlie District nickel search area, and continued with target generation activities at **Billy Hills**.



Figure 1: Project Locations

Kurnalpi (Nickel - Cobalt)

(Mithril 100%)

An initial Reverse Circulation drilling program (18GDSRC001 to 004 - 768 metres) successfully intersected nickel sulphide and nickel-cobalt mineralisation at the 100%-owned Kurnalpi Nickel-Cobalt Prospect (located 70 kms north east of Kalgoorlie, WA - *Figure 2*).

Kurnalpi is underlain by a weathered sequence of ultramafic rocks that are prospective for nickel and cobalt mineralisation along with mafic and metasedimentary rocks. Nickel - cobalt mineralisation occurs towards the base of weathering as a flat lying zone developed preferentially over the ultramafic rocks.

Drill holes 18GDSRC003 and 18GDSRC004 both intersected zones of significant nickel - cobalt mineralisation at the southern end of the prospect;

- 12m @ 0.54% nickel, 0.10% cobalt from 34 metres in 18GDSRC004 including 4m @ 0.70% nickel, 0.16% cobalt from 36 metres, and
- 12m @ 0.69% nickel, 0.07% cobalt from 26 metres in 18GDSRC003 including 4m @ 0.86% nickel, 0.10% cobalt from 26 metres.

As well as intersecting the near surface nickel-cobalt zone, drill hole 18GDSRC002 also intersected a 4 - metre zone of gossanous weathered ultramafic and several narrow intervals of disseminated sulphide mineralisation within the underlying fresh ultramafic rock, assaying of which returned strongly anomalous levels of nickel, platinum + palladium (“PGE’s”) and copper (*Figure 3*);

- 36m @ 0.57% nickel, 0.02% cobalt, 155ppb PGE’s from 26m metres (nickel-cobalt zone) including 4m @ 0.47% nickel, 0.01% copper and 622ppb PGE’s from 52 metres (gossan zone),
- 2m @ 0.48% nickel, 0.09% copper from 128 metres and,
- 4m @ 0.62%Ni, 282ppb PGE’s from 142 metres

The association of elevated PGE's and/or copper with the nickel is characteristic of magmatic nickel sulphides and as such, the 18GDSRC002 results represents the first time that nickel sulphides have been recognised within Mithril's tenement.

Significantly the nickel sulphide mineralisation remains open in all directions and is a priority (along with the nickel-cobalt) for follow-up.

A fourth hole (18GDSRC001) was drilled to test a new ground EM conductor east of the main ultramafic unit. The hole intersected a broad zone of disseminated and stringer iron sulphides (pyrrhotite – pyrite) within a metasediment at the modelled conductor depth from which no significant results were returned.

Mithril is greatly encouraged by the results which clearly justify the continuation of exploration at both the prospect and along strike to the south where there is over 3.5 kilometres of poorly tested prospective ultramafic rocks, including a historic drill hole (KURA50) which intersected 20m @ 0.69% nickel, 0.07% cobalt from 32 metres including 8m @ 0.96% nickel, 0.09% cobalt from 36 metres and was never followed-up (*see ASX Announcement dated 7 February 2018*).

Subsequent to the end of the Quarter, a downhole EM geophysical surveying of 18GDSRC001 identified a new off hole conductor lying to the west of the hole (*Figure 3*). The south-plunging conductor (CT of 3400S), which has not been previously drilled, lies along the interpreted eastern edge of the ultramafic unit that hosts both the nickel-cobalt and nickel sulphide mineralisation at Kurnalpi.

Mithril plans to follow-up the latest drilling results, the new off hole EM conductor and the historic KURA50 intercept with a program of ground EM geophysics and drilling (once necessary statutory approvals for the drilling have been received) in the June 2018 Quarter.

Lignum Dam / North Scotia (Nickel)

(Mithril 100%)

Mithril has significantly expanded the size of its Kalgoorlie District nickel – prospective landholding to over 500km² with the application for two new tenements (EL's 29/1042 and 1043 "North Scotia" - *Figure 2*).

Together with Mithril's adjacent (granted) Lignum Dam Project tenements, the Company's tenure covers over 50 kilometres of prospective ultramafic rocks along strike from previously mined high-grade nickel sulphide mineralisation at the Silver Swan and Scotia nickel deposits.

The tenements remain relatively unexplored with the main historic activity being shallow RAB / aircore drilling on wide-spaced regional traverses. This drilling identified several areas of elevated nickel confirming the presence of prospective rock types (i.e. ultramafic) that will require follow-up.

Exploration on the expanded landholding will be undertaken upon grant of these tenements in conjunction with ongoing work at the Kurnalpi Nickel-Cobalt Prospect.

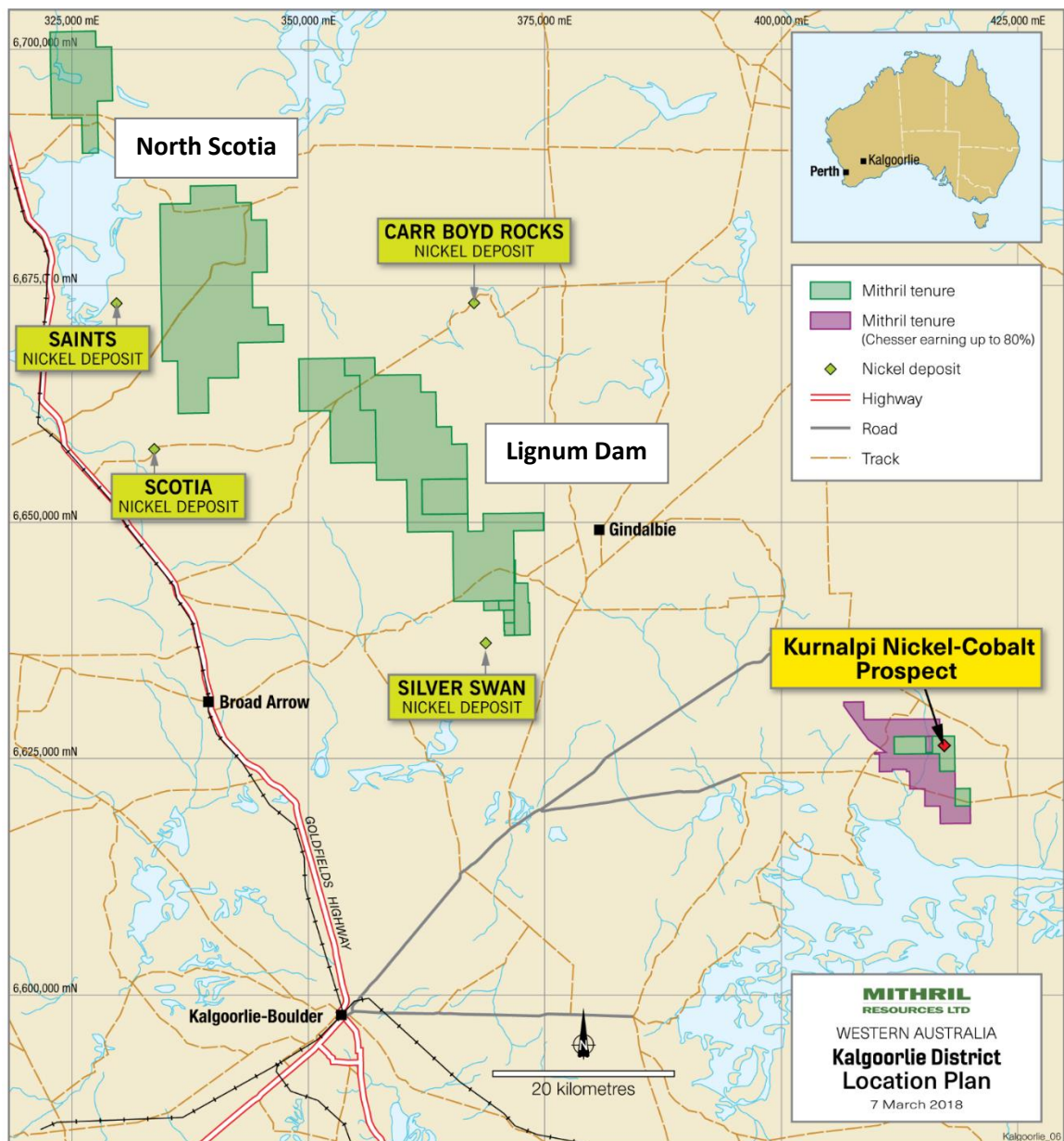


Figure 2: Kalgoorlie District Project Locations

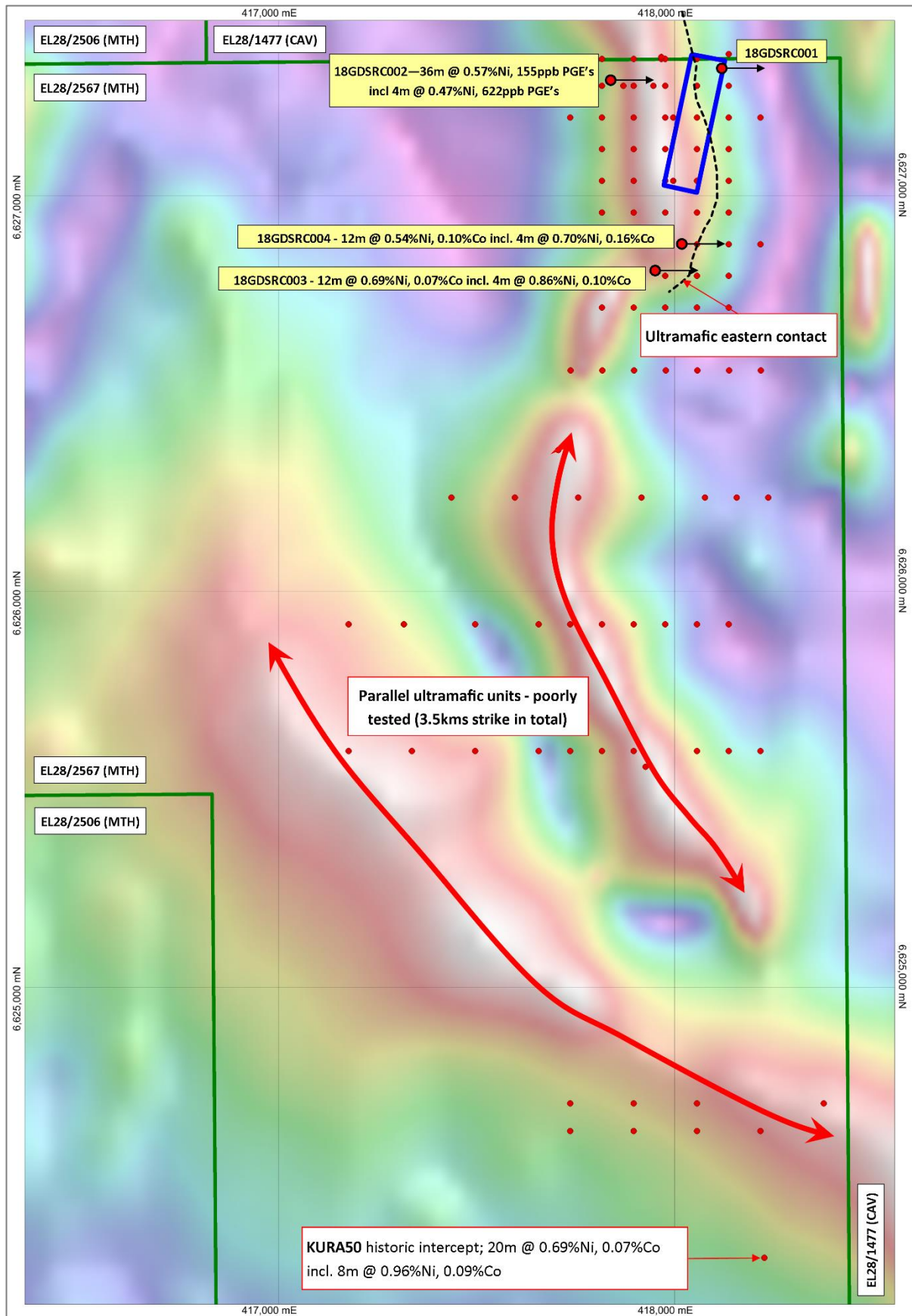


Figure 3: Kurnalpi Nickel Cobalt Prospect drill hole location plan showing location of Mithril 2018 drilling (18GDSRC001 – 004) and the new off hole EM conductor plate (blue outline)

Billy Hills (Zinc)

(Mithril 100%)

During the Quarter, the Company expanded the project area to over 315km² with a new tenement application (EL80/5191) covering zinc-prospective host rocks east of the former Pillara Zinc Mine (located 25 kms southeast of Fitzroy Crossing in the West Kimberley region of Western Australia - *Figures 1 and 4*).

In addition to covering the interpreted extensions to the key faults that control the Pillara mineralisation, the Billy Hills Project also contains a number of significant historic drill intersections and a 1.2-kilometre-long gossan (Snake Bore Prospect), directly along strike from previous drill intercepts of more than 10% zinc + lead over multiple metres at the Pillara West Prospect, adjacent to Mithril's tenement holding (see *Mithril ASX Announcement dated 21 August 2017*).

The first of the project tenements are expected to be granted during the September 2018 Quarter ahead of which target generation activities are continuing.

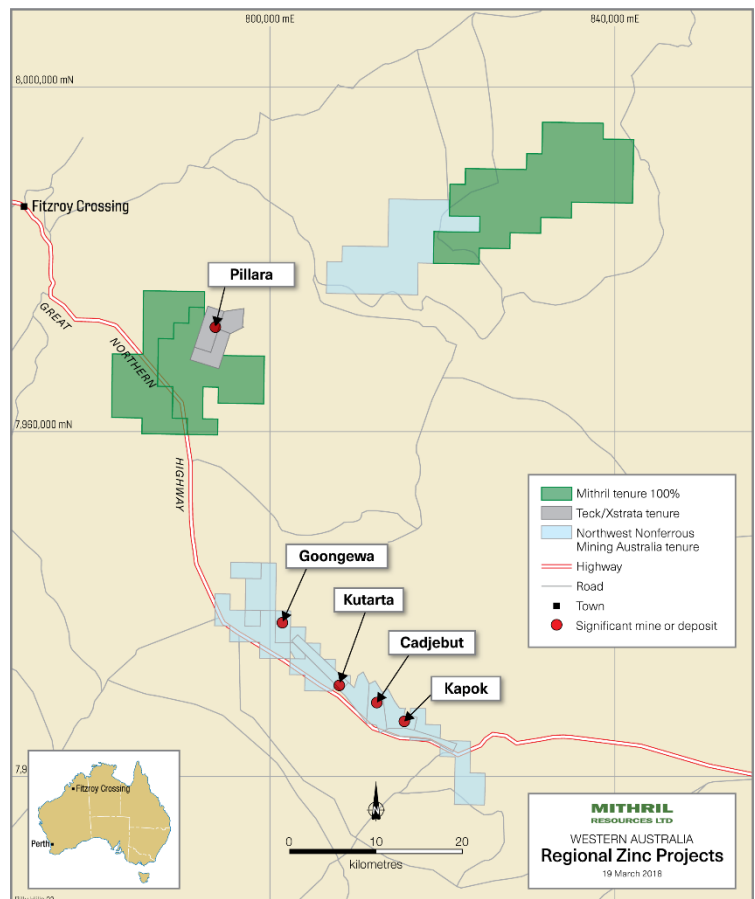


Figure 4: Billy Hills Project location plan

Murchison (Copper, Zinc)

(Mithril 100% - EL20/846 and earning up to 75% on EL's 51/1040, 1270, and 20/797 - "Nanadie Well JV")

During the Quarter, the Company undertook an EM geophysical survey over a series of discrete linear magnetic features that extend south of existing mineralisation at the Nanadie Well Copper under a thin soil veneer (the "Southern Target Area" - located 85 kms southeast of Meekatharra, WA - *Figure 5*).

While no basement conductors were identified from the survey, this could be attributable to the presence of extensive paleochannels over the magnetic features that may have masked any basement responses.

Mithril continues to assess the project and in light of continued market support for copper, will shift its focus to reviewing the potential to increase / upgrade the size of the Nanadie Well Copper Deposit (2004 JORC Code Compliant Inferred Resource of 36.07Mt @ 0.42% copper, 0.064 g/t gold - 151,506 tonnes copper and 74,233 ounces

gold estimated by Intermin Resources Limited in 2013) with a view to potentially carrying out further drilling in the second half of 2018.

The Southern Target Area lies on EL20/846 which is wholly owned by Mithril Resources.

The Nanadie Well Copper Deposit lies EL51/1040 which is subject to a Farmin and Joint Venture Agreement with Intermin Resources Limited whereby Mithril can earn a 60% interest by completing expenditure of \$2M by 14 October 2019 (approximately \$1.31M spent to date).

Mithril can then earn an additional 15% by completing further expenditure of \$2M over a further 2 years.

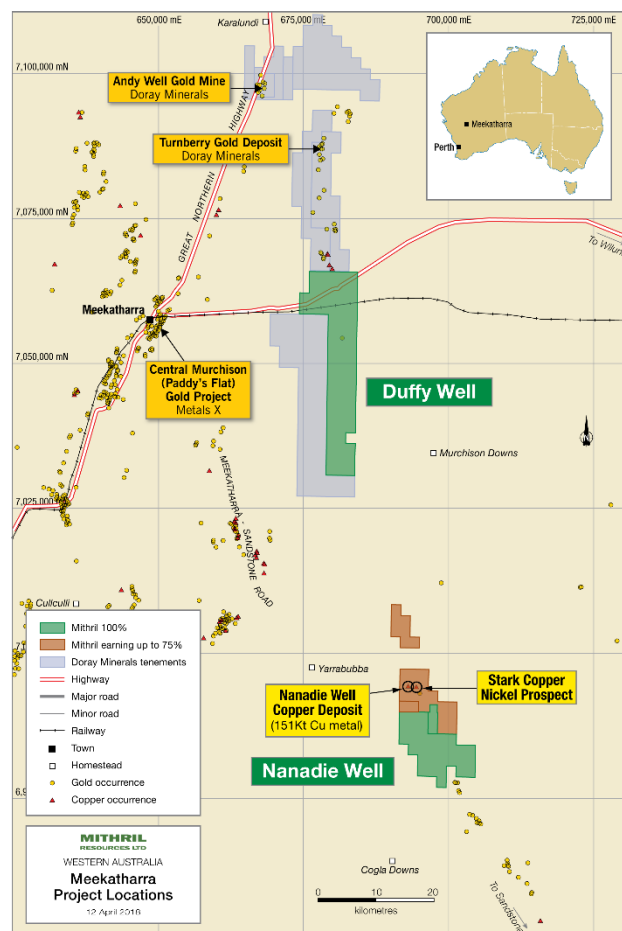


Figure 5: Murchison Project location plan

Other Projects

No work was undertaken during the Quarter on the following projects:

- Leaky Bore (Mithril 100%),
- Coompana (Mithril right to earn 20% / OZ Minerals 100%),
- Kurnalpi Chesser JV (Mithril 100% - Chesser Resources earning an initial 50% and operating).
- Spargos Reward (Mithril 35%, Corona Minerals 65%)

During the Quarter, Doray Minerals withdrew from the Duffy Well Joint Venture with the tenement (EL51/1649) reverting back to Mithril Resources 100%. At the time of writing, the Company was reviewing all exploration data to determine next steps for the project.

Corporate

During the Quarter, the Company spent \$0.19M on the exploration activities outlined in this Report and at 31 March 2018, the Company had cash reserves of \$0.48M.

The Company also refreshed its 25% Placement Capacity pursuant to ASX Listing Rules 7.1 and 7.1A following receipt of Shareholder approval at an Extraordinary General Meeting held during the Quarter.

Exploration Plan for next Quarter

- EM geophysical surveying and drilling at Kurnalpi
 - Data compilation and target generation for the Lignum Dam / North Scotia Nickel Project
 - Geological modelling and review of the Nanadie Well Copper Deposit
 - Continuation of target generation activities for the Billy Hills Zinc Project
-

Notes Specific

March 2018 Quarter ASX Announcements

The following announcements were lodged with the ASX during, and immediately subsequent to the Quarter. Further details (**including JORC 2012 Code Reporting Tables, where applicable**) for each of the sections outlined above can be found in the announcements listed below.

- Mithril expands Kalgoorlie nickel landholding - 06.04.2018
- Kurnalpi drilling returns further high-grade nickel-cobalt - 29.03.2018
- Kurnalpi Nickel Cobalt Prospect Update - 21.03.2018
- Nickel Cobalt Zinc Copper - Investor Update Presentation - 19.02.2018
- Drilling underway at the Kurnalpi Nickel Cobalt Prospect - 15.02.2018
- Strong targets at the Kurnalpi Nickel Cobalt Prospect - 07.02.2018
- Kurnalpi nickel-cobalt exploration update - 11.01.2018

About the Nanadie Well Copper Deposit

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

Nanadie Well Inferred Resource					
2004 JORC Code Classification	Tonnes (Mt)	Copper %	Gold ppm	Contained Copper (t)	Contained gold (ounces)
Inferred	36.07	0.42	0.064	151,506	74,233

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

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

About the Kurnalpi Nickel Cobalt Prospect downhole EM (DHTEM) geophysical survey

The 2018 DHTEM surveying at Kurnalpi was carried out by GEM Geophysics between the 4th and 6th April 2018. The data were acquired using a GEM GT-HO high-powered transmitter, SMARTem24 receiver, and DigiAtlantis sensor.

DLTEM data were acquired with a single turn 200 x 200m or 300 x 300m loops. Survey specifications are summarised below and in Table 1. A total of 104 readings were recorded over 686m.

Contractor Details

Operator : GEM Geophysics
Survey Date : 4th – 6th April 2018

Survey Design

Configurations : DHTEM
Reading Interval : 2.5 to 10 m
Datum/Projection : GDA94/MGA51

Receiver

Receiver : SMARTem-24
Sensor : Jessy Deeps LT-SQUID
Sensor : DigiAtlantis 3-component Fluxgate magnetometer (B-field)

Transmitter

Transmitter : GEM GT-HO (100A)
Frequency : 1.0 Hz
Time Base : 200 msec
Loop Size : 200 x 200m and 300 x 300m
Current : 60–90A

The following holes were surveyed:

Table 1: Drill hole Specifications

Hole ID	Easting GDA_Z51	Northing GDA_Z51	Dip°	Azi°	Total Depth (m)	Drill type	Casing
18GDSRC001	418,120	6,627,328	-65	90	219	RC	50mm PVC to 219m
18GDSRC002	417,844	6,627,291	-60	90	255	RC	50mm PVC to ~90m
18GDSRC003	417,954	6,626,809	-60	90	159	RC	50mm PVC to 159
18GDSRC004	418,019	6,626,880	-60	90	135	RC	50mm PVC to 135

JORC Code, 2012 Edition - TABLE 1 (Section 1: Sampling Techniques and Data)

Criteria	JORC Code explanation	Commentary
Sampling techniques	<i>Nature and quality of sampling (e.g. 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>	Downhole EM (DHEM) geophysical surveying was undertaken by Mithril Resources in March / April 2018.
	<i>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</i>	Each drill hole location (easting and northing) was collected by a handheld GPS.
	<i>Aspects of the determination of mineralisation that are Material to the Public Report.</i>	Drilling carried out by Mithril to date suggests that the nickel sulphide mineralisation is disseminated however the style of mineralisation can also occur as massive accumulations which by its nature is electrically conductive and can be “seen” by EM geophysics.
Drilling techniques	<i>Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc.) and details (e.g. 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>	Not Applicable – No drilling undertaken
Drill sample recovery	<i>Method of recording and assessing core and chip sample recoveries and results assessed.</i>	Not Applicable – No drilling undertaken
	<i>Measures taken to maximise sample recovery and ensure representative nature of the samples.</i>	Not Applicable – No drilling undertaken
	<i>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.</i>	Not Applicable – No drilling undertaken
Logging	<i>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.</i>	Not Applicable – No drilling undertaken
	<i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc.) photography</i>	Not Applicable – No drilling undertaken
	<i>The total length and percentage of the relevant intersections logged.</i>	Not Applicable – No drilling undertaken
Sub-sampling techniques and sample preparation	<i>If core, whether cut or sawn and whether quarter, half or all core taken.</i>	Not Applicable – No drilling undertaken
	<i>If non-core, whether riffled, tube sampled, rotary split, etc. and whether sampled wet or dry.</i>	Not Applicable – No drilling undertaken
	<i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i>	Not Applicable – No drilling undertaken
	<i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i>	Not Applicable – No drilling undertaken
	<i>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.</i>	Not Applicable – No drilling undertaken
	<i>Whether sample sizes are appropriate to the grain size of the material being sampled</i>	Not Applicable – No drilling undertaken
Quality of assay data and	<i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i>	Not Applicable – No drilling undertaken

Criteria	JORC Code explanation	Commentary
laboratory tests	<i>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.</i>	The details of geophysical tools used are detailed in the portion of this Report entitled “Notes Specific - Kurnalpi Nickel Cobalt Prospect downhole EM geophysical survey”.
	<i>Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.</i>	The geophysical results reported in this announcement were reviewed by the Company’s geophysicist and Geology Manager.
Verification of sampling and assaying	<i>The verification of significant intersections by either independent or alternative company personnel.</i>	Not Applicable – No drilling or geochemical sampling was undertaken
	<i>The use of twinned holes.</i>	Not Applicable – No drilling or geochemical sampling was undertaken
	<i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i>	All geophysical data collection was undertaken in line with standard industry procedures. The work was supervised by Mithril’s consultant geophysicist.
	<i>Discuss any adjustment to assay data</i>	Not Applicable – No drilling or geochemical sampling was undertaken
Location of data points	<i>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.</i>	EM survey stations were located in the field using a handheld GPS.
	<i>Specification of the grid system used.</i>	Data points have been quoted in this Report using the MGA Zone 51 (GDA94) coordinate system.
	<i>Quality and adequacy of topographic control.</i>	Level of topographic control offered by the handheld GPS was considered sufficient for the work undertaken.
Data spacing and distribution	<i>Data spacing for reporting of Exploration Results.</i>	The details of geophysical tools used are detailed in the portion of this Report entitled “Notes Specific - Kurnalpi Nickel Cobalt Prospect downhole EM geophysical survey”.
	<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>	The data spacing and distribution is not sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s).
	<i>Whether sample compositing has been applied.</i>	Not Applicable – No drilling or geochemical sampling was undertaken
Orientation of data in relation to geological structure	<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>	Not Applicable – No drilling or geochemical sampling was undertaken
	<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>	Not Applicable – No drilling or geochemical sampling was undertaken
Sample security	<i>The measures taken to ensure sample security.</i>	Not Applicable – No drilling or geochemical sampling was undertaken
Audits or reviews	<i>The results of any audits or reviews of sampling techniques and data.</i>	All results were reviewed by Company personnel including the Geology Manager and Managing Director. No negative issues were identified from these reviews.

JORC Code, 2012 Edition - TABLE 1 (Section 2: Reporting of Exploration Results)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	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.	EL28/2567 is 100%-owned by Mithril Resources through its wholly owned subsidiary, Minex (West) Pty Ltd.
	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.	There are no existing impediments to the tenements.
Exploration done by other parties	Acknowledgment and appraisal of exploration by other parties.	Mt Kersey Mining NL has conducted exploration activities on the tenement during the period 1996 – 1997.
Geology	Deposit type, geological setting and style of mineralisation.	The nickel – cobalt mineralisation referred to in this Report occurs within weathered ultramafic and mafic rocks of Archean - age.
Drill hole Information	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: easting and northing of the drill hole collar, elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar, dip and azimuth of the hole, down hole length and interception depth, hole length.	The details of geophysical tools used are detailed in the portion of this Report entitled “Notes Specific - Kurnalpi Nickel Cobalt Prospect downhole EM geophysical survey”.
	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.	No information has been excluded.
Data aggregation methods	In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated.	Not Applicable – No drilling or geochemical sampling was undertaken
	Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.	Not Applicable – No drilling or geochemical sampling was undertaken
	The assumptions used for any reporting of metal equivalent values should be clearly stated.	No metal equivalents reported
Relationship between mineralisation widths and intercept lengths	These relationships are particularly important in the reporting of Exploration Results.	Not Applicable – No drilling or geochemical sampling was undertaken
	If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.	Not Applicable – No drilling or geochemical sampling was undertaken
	If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g. ‘down hole length, true width not known’).	Not Applicable – No drilling or geochemical sampling was undertaken
Diagrams	Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include,	See Figures 2 - 3 of this Report.

Criteria	JORC Code explanation	Commentary
	<i>but not be limited to a plan view of drill hole collar locations and appropriate sectional views.</i>	
Balanced reporting	<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>	Not Applicable – No drilling or geochemical sampling was undertaken
Other substantive exploration data	<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>	All relevant data has been included within this Report.
Further work	<i>The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling).</i>	Further work will comprise RC drilling of the new EM conductors.
	<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>	Figure 2 shows the location of the tenements and prospects.

ENDS

For Further Information Contact:

Mithril Resources Ltd
David Hutton, Managing Director
admin@mithrilresources.com.au

22B Beulah Road
 Norwood, South Australia 5067
 ABN: 30 099 883 922
 T: (61 8) 8132 8800
 F: (61 8) 8132 8899
www.mithrilresources.com.au

Competent Persons Statement:

The information in this report that relates to Exploration Targets and Exploration Results is based on information compiled by Mr David Hutton, who is a Competent Person, and a Fellow of The Australasian Institute of Mining and Metallurgy. Mr Hutton is Managing Director and a full-time employee of Mithril Resources Ltd.

Mr Hutton has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'.

Mr Hutton consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

About Mithril Resources Ltd:

Mithril Resources is an Australian resources company whose objective is the creation of shareholder wealth through the discovery and development of mineral deposits.

The Company is actively exploring throughout the Western Australian Goldfields and Kimberley Districts for economic nickel, cobalt, copper, zinc and gold.

The Company is also exploring South Australia's far western Coompana Province for magmatic nickel – copper deposits with OZ Minerals Limited.

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/13, 01/09/16

Name of entity

MITHRIL RESOURCES LIMITED

ABN

30 099 883 922

Quarter ended ("current quarter")

31 March 2018

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers		
1.2 Payments for		
(a) exploration & evaluation	(194)	(651)
(b) development		
(c) production		
(d) staff costs		
(e) administration and corporate costs	(177)	(447)
1.3 Dividends received (see note 3)		
1.4 Interest received	2	8
1.5 Interest and other costs of finance paid		
1.6 Income taxes paid		
1.7 Research and development refunds		
1.8 Other (provide details if material)*	1	1
1.9 Net cash from / (used in) operating activities	(368)	(1,089)

*Contributions received from JV partners

2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment	-	(4)
(b) tenements (see item 10)		
(c) investments		

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
2.2	(d) other non-current assets		
	Proceeds from the disposal of:		
	(a) property, plant and equipment		
	(b) tenements (see item 10)		
	(c) investments		
	(d) 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)		
2.6	Net cash from / (used in) investing activities	-	(4)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of shares	-	844
3.2	Proceeds from issue of convertible notes		
3.3	Proceeds from exercise of share options		
3.4	Transaction costs related to issues of shares, convertible notes or options*	(51)	(88)
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)		
3.10	Net cash from / (used in) financing activities	(51)	756

*current quarter transaction costs relate to issue of shares in December 2017

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	900	818
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(368)	(1,089)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	(4)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(51)	756

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
4.5	Effect of movement in exchange rates on cash held		
4.6	Cash and cash equivalents at end of period	481	481

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	449	868
5.2	Call deposits	32	32
5.3	Bank overdrafts		
5.4	Other (provide details)		
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	481	900

6.	Payments to directors of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to these parties included in item 1.2	102
6.2	Aggregate amount of cash flow from loans to these parties included in item 2.3	-
6.3	Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2	
Director's remuneration		

7.	Payments to related entities of the entity and their associates	Current quarter \$A'000
7.1	Aggregate amount of payments to these parties included in item 1.2	
7.2	Aggregate amount of cash flow from loans to these parties included in item 2.3	
7.3	Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2	

8. Financing facilities available <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
8.1 Loan facilities	-	-
8.2 Credit standby arrangements	-	-
8.3 Other (please specify)	-	-
8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		

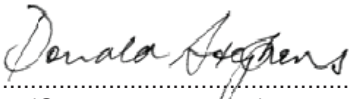
--

9. Estimated cash outflows for next quarter	\$A'000
9.1 Exploration and evaluation	90
9.2 Development	
9.3 Production	
9.4 Staff costs	70
9.5 Administration and corporate costs	90
9.6 Other (provide details if material)	
9.7 Total estimated cash outflows	250

10. Changes in tenements (items 2.1(b) and 2.2(b) above)	Tenement reference and location	Nature of interest	Interest at beginning of quarter	Interest at end of quarter
10.1 Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced		Refer Appendix 1		
10.2 Interests in mining tenements and petroleum tenements acquired or increased		Refer Appendix 1		

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.

Sign here: 
.....
(Company secretary)

Date: 20 April 2018

Print name: Donald Stephens

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly 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 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.

**Changes in Interests in Mining Tenements
For Quarter Ended 31 March 2018**

		Tenement Reference	Nature of Interest	Interest at the beginning of Quarter	Interest at the end of Quarter
6.1	Interests in mining tenements relinquished, reduced or lapsed	E51/1615	Exploration Licence surrendered effective 14 March 2018 (Murchison, Nanadie Well, Willow Well, WA).	100%	0%
6.2	Interests in mining tenements acquired or increased	E29/1042	Exploration Licence application effective 6 March 2018 (North Scotia, Ringlock West, WA).	0%	0%
		E29/1043	Exploration Licence application effective 8 March 2018 (North Scotia, South Tank, WA).	0%	0%
		E80/5191	Exploration Licence application effective 16 March 2018 (West Kimberley, Horseshoe Range, WA).	0%	0%

ASX Additional Information

List of mining tenements

Tenement No	Project Area	Area (km2)	Company Interest
EL26942	East Arunta Area	214.29	100%
EL24253	East Arunta Area	213.62	33.3%
E28/2567	Kurnalpi Area	14.77	100%
E28/2682	Kurnalpi Area	2.95	100%
E28/2506	Kurnalpi Area	51.85	100%
P28/1271	Kurnalpi Area	1.17	100%
E27/538	Lignum Dam Area	171.66	100%
E27/576	Lignum Dam Area	17.78	100%
E27/582	Lignum Dam Area	59.31	100%
E27/584	Lignum Dam Area	8.69	100%
P27/2283	Lignum Dam Area	1.42	100%
P27/2284	Lignum Dam Area	1.62	100%
P27/2285	Lignum Dam Area	1.62	100%
P27/2286	Lignum Dam Area	1.47	100%
E20/846	Murchison Area	94.51	100%
E51/1649	Murchison Area	202.23	100%
E57/1069 *	Murchison Area	6.09	0%
E29/1042 *	Lignum Dam Area	207.84	0%
E29/1043 *	Lignum Dam Area	59.51	0%
E15/1423	West Kambalda Area	23.47	35%
M15/1828	West Kambalda Area	10.13	35%
P15/5791	West Kambalda Area	0.24	35%
E04/2497 *	West Kimberley Area	94.35	0%
E04/2503 *	West Kimberley Area	87.84	0%
E80/5191 *	West Kimberley Area	195.46	0%

* In application stage