



MITHRIL

RESOURCES LTD

ASX RELEASE
ASX:MTH

29 May 2012

Exploration Update – Clarification

Base metals explorer Mithril Resources Ltd (“Mithril”/ The Company) provides the following additional information for clarification of certain statements made in the announcement dated 22nd May 2012 titled “Exploration Update”.

In the Exploration Update the following statement was made in regards to a new prospect located approximately 1.5km east from the El Gordo Prospect*;

“It has been mapped at surface over a strike length of 600m and the mineralisation and associated alteration varies in thickness from a few metres to tens of metres.”

In addition in Figure 2 a caption that relates to this prospect states *“NEW Prospect Assays Pending – Mineralisation and alteration 2 – 50m thick”*.

The Company wishes to clarify that the dimensions provided in the above statements relate only to the surface expression of the mineralisation and alteration being 600m long and from 2m to 50m wide, as observed by geological mapping, and does not imply a depth extent. The results of the geological mapping includes the observation of secondary copper mineralisation, which was further confirmed by portable NITON XRF analysis, and iron and silica altered rocktypes. Laboratory analytical results from the surface sampling of this observed mineralisation and alteration have not been received to date.

The presence of this mapped surface mineralisation and alteration may or may not extend at depth and this can only be confirmed by drilling which is planned in the coming months.

**The El Gordo prospect is located on EL25643 where Mithril may earn an 80% interest under a joint venture with Sammy Resources Pty Ltd, a wholly owned subsidiary of ASX-listed Cazaly Resources Ltd (ASX:CAZ).*

For more information visit www.mithrilresources.com.au or contact:

Mithril Resources Ltd

Graham Ascough

admin@mithrilresources.com.au

08 8378 8200

Michels Warren

Richard Sproull 0418 585 517

Kristy Macfarlane 0402 557 527

The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr G Ascough, who is a full-time employee of the Company and a Member of the Australasian Institute of Mining and Metallurgy. Mr G Ascough has more than five years experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr G Ascough consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.