

3 December 2021

**Mila Resources Plc**

**(‘Mila’ or the ‘Company’)**

**Commencement of Drilling at Kathleen Valley**

Mila Resources, the post-discovery gold exploration accelerator, is pleased to announce a drilling update from the Kathleen Valley Gold Project in Western Australia (“Kathleen Valley” or the “Project”). The objective of the drill programme is to build on the existing JORC Inferred Resource and unlock the full potential of the project, which is located in a region which hosts some of the largest gold projects in Australia and which is adjacent to Bellevue Gold’s discoveries.

**Highlights**

- 13,500m drilling programme has commenced at Kathleen Valley
- 11,100m of drilling and electromagnetic surveying scheduled to increase maiden resource at the Coffey Deposit
- 2,400m of RC drilling planned to test two new targets to the north of the current resource



*Figure 1: Commencement of RC drilling at Kathleen Valley.*

Following completion of the acquisition of its 30% in the Kathleen Valley gold project in Western Australia, which Mila completed on 23 November 2021, the Company is pleased to announce details of the drilling programme that is currently underway (Figure1).

Mila has commenced a 13,500m drill campaign with the objective of expanding the JORC resource in the southern area of the Project totalling 11,100m, as well as exploring the other two northern targets by drilling an additional 2,400m.

### Resource Drilling at Coffey Au-Ag-Zn Deposit

The Company has embarked on a comprehensive exploration campaign with the view of expanding the acquired maiden JORC Inferred gold resource at Kathleen Valley's Coffey Au-Ag-Zn Deposit (21,000oz @ 2.1g/t Au\*). The initial 11,100m drilling campaign is intended to increase the JORC resource in the southern area of the licence, with 40 new RC & DD holes as well as geophysical testing of deeper holes using downhole-electromagnetic surveying (DHEM). This will include drilling to greater depths of 250-350m, expanding the current footprint of the resource by step out drilling and selective in-fill drilling to test the calculated JORC Exploration Target of 145,000-280,000oz which has a grade range of 1.8-2.5g/t Au.

The Coffey resource was estimated by the Project vendor in late 2020, incorporating 12 RC drill holes totalling 2,160m. Since the acquisition of the Project, Mila has completed one diamond drill hole to a depth of 240.9m and 10 reverse cycle (RC) holes ranging from 111-200m in depth for a total of 1,505m into the Coffey Deposit resource zone. The 11 completed drill holes (1,755.9m) focussed on in-fill drilling within the resource zone, as well as step-out drilling around the edges of the zone to further define the quality and continuation of the mineralisation both up and down dip, as well as along-strike to the southeast (Figure 2 & Table 1).

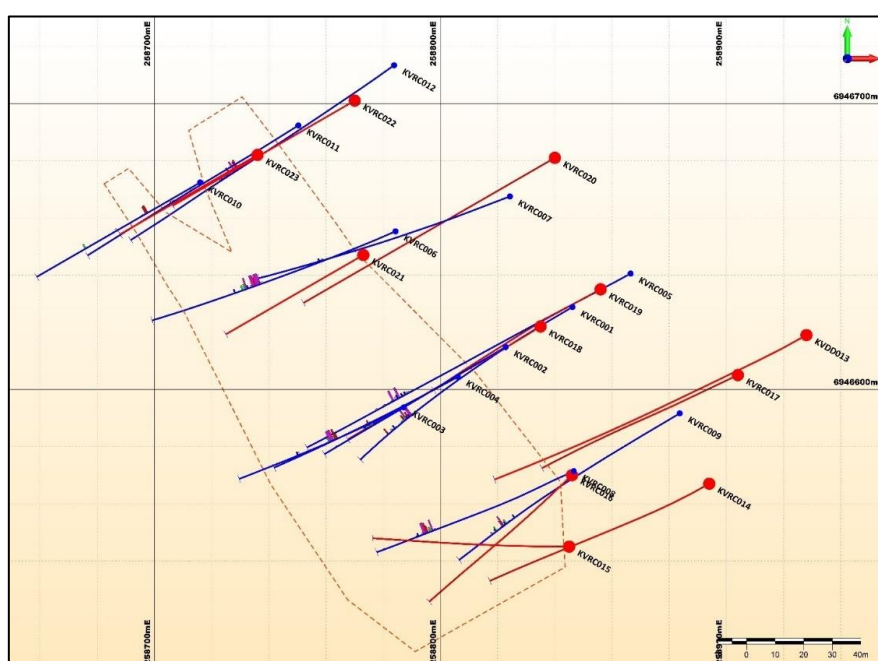


Figure 2: Drill hole location plan showing the Coffey Deposit Inferred resource zone (dotted polygon) with original resource drill holes (blue) and recently completed drilling (red).

Geological logging of these holes has verified the continuation of the alteration, sulphides and quartz veining which typically hosts the Au-Ag-Zn mineralisation within the target zone of the Coffey Deposit (Figure 3), giving the Company confidence as it moves forwards with the drilling programme well into 2022.

Samples for all completed holes have been despatched and are currently being tested at an interstate independent laboratory to speed up the sample turnaround time. Mila expects to have results over the coming weeks and will update investors once they have been collated and interpreted.



*Figure 3: Sulphide, quartz veining and alteration associated with the mineralisation in diamond core hole KVDD013 (201.8-202.4m shown).*

### **Two new targets – Sturrock and Powell Prospects**

The Company intends to begin drilling at two new major targets, to the north of the current resource, after the completion of the planned Coffey Deposit RC drilling. The Sturrock Prospect is located ~3.5km to the NNW of Coffey, on a sheared contact between mafic and ultramafic rocks which hosts the historical Main Road Au Pit, 2km along strike to the NE (Figure 4). Recent auger soil sampling (2019) highlighted a 700m x 250m zone of anomalous gold in soils and shallow historical aircore drilling returned zones of highly anomalous gold grades of between 0.1-1.1g/t Au. 12 RC holes totalling 2,400m with downhole-electromagnetic surveying of the deeper holes is scheduled and testing the anomaly to depth in an optimal direction to the shears.

The Powell Prospect is located 3.1km NNE of Coffey and 2.0km ESE of Sturrock in the northeast portion of the tenement (Figure 4). The auger soil sampling highlighted a 500m x 500m “X” shaped zone of anomalous gold in soils where it appears that two shear zones intersect. Field work located an historical shallow shaft and pit which has been dug in the area and further investigative work is required prior to drill testing.

Drilling is expected to commence in mid-January following the festive holidays in Australia.

Mark Stephenson commented:

“I am delighted at the progress on the ground at Kathleen Valley. The commitment and ingenuity of the team in Western Australia has enabled us to advance the Project as we look to build on the maiden resource and unlock the wider potential of the asset. As we have explained before, we believe that the current resource and Exploration Target represents just the 'tip of the iceberg' as these were delivered from just 2,160m RC drilling to date. Kathleen Valley is located in a region which hosts some of the largest gold projects in Australia and with this compelling geological address, I am extremely excited to see the results as they are received from the assay laboratories.”

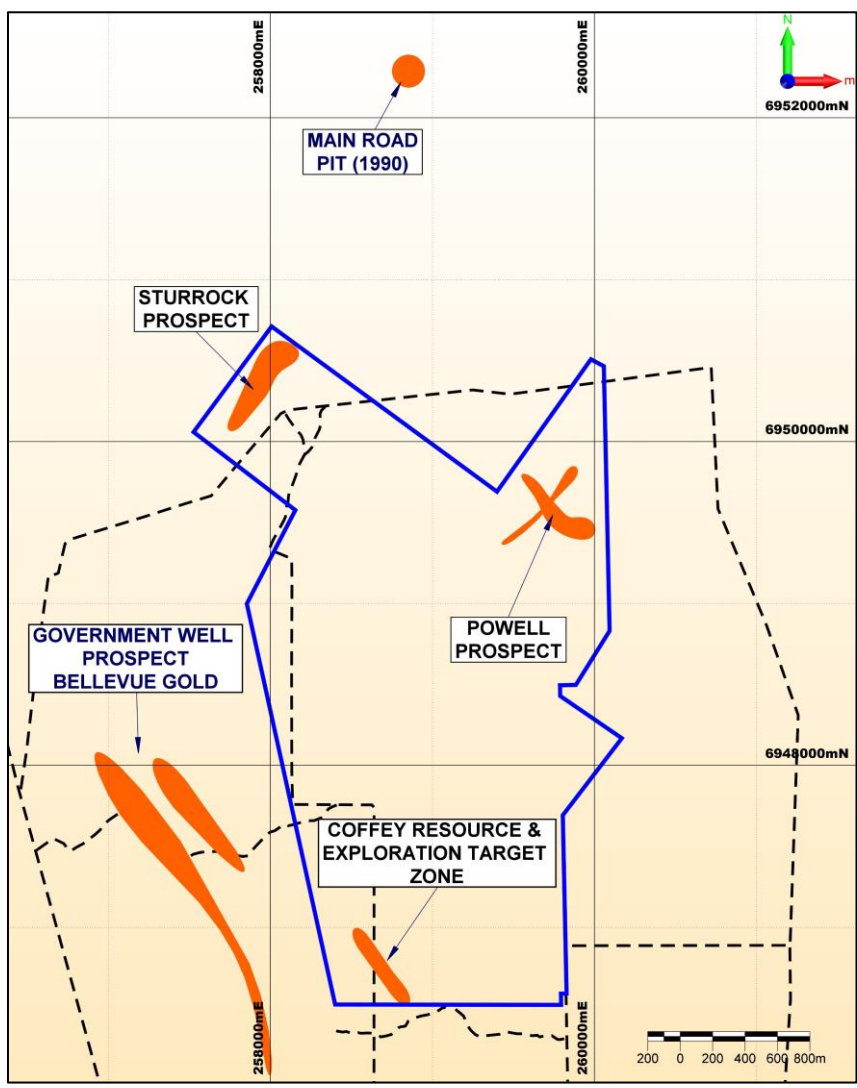


Figure 4: Kathleen Valley tenure (E36/876) with Prospect locations and access tracks.

Table 1: Drillhole collar details

HoleID	Type	Depth	Dip	Azimuth	MGA_East	MGA_North	MGA_RL	DrillComp	Year Drilled
KVRC001	RC	191.0	-60	240	258846	6946629	488.6	JarrahFire	2019
KVRC002	RC	161.0	-60	240	258823	6946615	487.4	JarrahFire	2019
KVRC003	RC	120.0	-60	240	258787	6946594	486.1	Ausdrill	2020
KVRC004	RC	140.0	-60	240	258806	6946604	486.6	Ausdrill	2020
KVRC005	RC	220.0	-60	240	258866	6946641	489.9	Ausdrill	2020
KVRC006	RC	190.0	-60	240	258784	6946655	485.6	Ausdrill	2020
KVRC007	RC	220.0	-60	240	258824	6946667	487.0	Ausdrill	2020
KVRC008	RC	160.0	-60	240	258847	6946571	486.8	Ausdrill	2020
KVRC009	RC	214.0	-60	240	258884	6946592	488.1	Ausdrill	2020
KVRC010	RC	132.0	-60	240	258716	6946672	485.4	Ausdrill	2020
KVRC011	RC	186.0	-60	240	258750	6946692	486.5	Ausdrill	2020
KVRC012	RC	226.0	-60	240	258784	6946713	488.0	Ausdrill	2020
KVDD013	DD	240.9	-60	240	258928	6946619	490.5	DrillCore	2021
KVRC014	RC	180.0	-60	240	258894	6946567	487.5	Ausdrill	2021
KVRC015	RC	117.0	-55	260	258845	6946545	485.4	Ausdrill	2021
KVRC016	RC	129.0	-60	225	258846	6946570	486.7	Ausdrill	2021
KVRC017	RC	200.0	-65	240	258904	6946605	488.9	Ausdrill	2021
KVRC018	RC	150.0	-60	240	258835	6946622	488.0	Ausdrill	2021
KVRC019	RC	183.0	-65	240	258856	6946635	489.0	Ausdrill	2021
KVRC020	RC	177.0	-55	240	258840	6946681	488.0	Ausdrill	2021
KVRC021	RC	111.0	-60	240	258773	6946647	485.6	Ausdrill	2021
KVRC022	RC	147.0	-60	240	258770	6946701	487.0	Ausdrill	2021
KVRC023	RC	111.0	-60	240	258736	6946682	486.0	Ausdrill	2021

### Competent Person Statement

The information in this announcement relating to Exploration Results is based on information compiled by Neil Hutchison, who is a Technical Director of Mila Resources, and a member of The Australasian Institute of Geoscientists. Mr Hutchison has sufficient experience relevant to the style of mineralisation and type of deposit under consideration, and to the activity he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the “Australasian Code for Reporting of Exploration Results, Mineral Resource and Ore Reserves”.

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

**\*\*ENDS\*\***

For more information visit [www.milaresources.com](http://www.milaresources.com) or contact:

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