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Mila Resources Plc
(‘Mila’ or the ‘Company’)

Further drilling down to 450m shows three additional sheared zones either side of the main mineralised Coffey shear zone

Mila Resources Plc (LSE:MILA), the post-discovery gold exploration accelerator, is pleased to announce highly encouraging preliminary visual results from the deepest holes drilled to date at its Kathleen Valley Gold Project in Western Australia (‘Kathleen Valley’ or the ‘Project’) as part of its ongoing ~13,500m programme.

The two deepest holes so far drilled at Coffey (KVDD0036 and KVDD0037) have intersected the down dip extension of the mineralised Coffey shear zone (figure 1) and encountered three additional sheared zones either side of the main shear zone over an apparent 87m wide length at ~339-426m. This is in addition to the zone encountered from drilling to 300m (hole KVDD0035) which intersected a 10m wide zone (from 256.3-266.5M).

Overview

- Drilling to date has extended the Coffey mineralisation continuously down dip for ~400m and is still open at depth as well as demonstrating the potential for multiple lodes to be developed at depth as previously modelled (see figures 3-4).
- Drill hole KVDD0036 was drilled to a depth of 348.9m and was stepped out 100m further down dip from KVDD0035, intersecting ~9m of similar alteration bearing sulphide mineralisation and quartz veining (from 316-325m) as well as a narrow massive sulphide vein from 346.5-346.6m near the end of the hole (see table 1).
- Drill hole KVDD0037 was the most successful hole drilled to a depth of 448.2m, intersecting multiple zones consistent with the Coffey mineralisation as well as the additional three shear zones 40m north of KVDD0036 and 110m down dip from KVDD0034 on the same section (see table 1 and figure 2).
- Significantly, KVDD0037 intersected a broad zone comprising four sheared zones over an apparent 87m wide down hole length (~339-426m) which, if each zone is mineralised with gold-silver, would be a significant breakthrough in the development of the mineralisation at the Coffey Deposit.

Operations Update

- Drill hole KVDD0038 is progressing and testing the mineralisation 60m north of KVDD0037 and 80m down dip of KVRD0030 on the northern-most drill line (figure 2).
- The core from KVDD0035, KVDD0036 and KVDD0037 has been cut and received by an independent laboratory in Perth ready for assaying.

- Following assay results of stage two drilling campaign, the team will look at a resource upgrade with the potential to significantly enhance Kathleen Valley's current JORC compliant resource for both grade and tonnage.

Neil Hutchison, Technical Director of Mila commented: "Hole KVDD0037 has the potential to be a game changer for us and to significantly increase our JORC resource. Due to the continuation and predictability of the mineralised Coffey Shear Zone, we were sufficiently confident to undertake large step outs with the aim of rapidly increasing the potential of the project. This has paid off, as we intersected the Coffey Shear at its projected position 100 and 110m away from our previous drilling, with KVDD0037 encountering multiple zones of alteration, sulphide mineralisation, brecciation and extensive quartz veining. All of these features are consistent with the gold-silver bearing zones already assayed and carrying significant mineralisation higher up in the system."

"Mila's geologists started seeing the signs of additional lodes in the previous drilling and geological modelling supported this concept. Hole KVDD0037 is the first real test of the concept and has delivered four structurally deformed zones which could all be potentially mineralised, within a broad area extending over an apparent width of 87m. We remain extremely excited about the potential for Coffey Deposit to grow significantly in size as we await our assay results and begin building our JORC resource model."

Mark Stephenson, Executive Chairman of Mila commented: "These visual results are very encouraging and seeing continuity of the ore body and the system opening at depth puts us in a very confident position moving forward. Following the completion of stage 2 step out holes and the return of the lab assay results, the team will look at taking the opportunity to make a substantial upgrade to the current JORC resource.

"Having recently raised £696,000 we will look at conducting parallel work streams to complement the drilling campaign, including detailed structural geological review and first phase metallurgical work to progress Coffey towards commercialisation.

"I am also particularly impressed with our ground team, who have developed a strong relationship with the traditional landowners through communication and operating responsibly, as well as having developed the knowledge and confidence to take a broad step out during this stage 2 drilling campaign. This work has allowed us to get onto the ground quickly and effectively, accelerating our development strategy dramatically. Both factors are key to the development of the Kathleen Valley Project which we will look at building upon in the future."



Figure 1: Core from KVDD0037 (347.5-354.6m shown) displaying altered and sulphide bearing rocks typical of the main ductile shear zone which carries the Au-Ag mineralisation at the Coffey Deposit.

Table 1: Visual description of potentially mineralised zones in drill holes KVDD0036 & KVDD0037.

Hole ID	From (m)	To (m)	Length (m)	Description
KVDD0036	316.0	325.0	9.0	Main alteration, sulphide, and veined shear zone
	328.2	328.5	0.3	Sulphide and chlorite veined zone
	346.5	346.6	0.1	Massive sulphide vein
KVDD0037	338.9	341.9	3.0	Upper alteration and veined shear zone
	348.1	365.0	16.9	Main Coffey shear alteration and sulphide zone
	365.0	373.0	8.0	Weakly veined and altered zone
	373.0	402.0	29.0	Extensive veining zone with weak alteration
	402.0	403.0	1.0	Semi-massive sulphides and alteration zone
	412.0	414.0	2.0	Alteration and quartz breccia zone
	414.0	426.0	12.0	Moderate veining & alteration bands

In relation to the disclosure of visual mineralisation, the Company cautions that visual estimates should never be considered a proxy or substitute for laboratory analysis. Laboratory assay results are required to determine the widths and grade of mineralisation. The Company will update the market when laboratory analytical results become available.

Further Information

In addition to the recent results from diamond core hole KVDD0035 which intersected a 10.2m wide ductile shear zone comprising of bleached, silicified and variably sulphide mineralised (pyrrhotite & chalcopyrite) basaltic rocks, drilling at Coffey continues to deliver excellent results with holes KVDD0036 and KVDD0037 both intersecting broad zones consistent with the Au-Ag bearing zones previously reported from the Coffey Deposit (Figure 2).

KVDD0036 was drilled to a depth of 348.9m and was stepped out 100m further down dip from KVDD0035 (Figure 3), intersecting 9m of similar alteration bearing sulphide mineralisation and

quartz veining (from 316-325m) as well as a two narrow sulphide veined zones below the main shear zone (Table 1 and see photos in Appendix 1).

The deepest hole of the drill program KVDD0037 (448.2m) was the most successful hole drilled to date, intersecting multiple zones consistent with the Coffey mineralisation 40m north of KVDD0036 and 110m down dip from KVDD0034 on the same section (Figure 2 and Figure 4).

Significantly, KVDD0037 intersected an apparent broad 87.1m wide zone (338.9-426.0m down hole length) comprising four structurally deformed zones of heavily sheared and altered rocks containing sulphide mineralisation, semi-massive and vein sulphides (pyrrhotite and chalcopyrite) as well as extensively quartz veined and altered basalt zones (see Figure 1 and Appendix 1 for photos). This style of deformation is consistent with the higher-grade gold-silver mineralised zones previously reported. These zones cannot be determined to be carrying gold-silver until the assays are returned from the laboratory; however, the considerable structural change in the rocks within KVDD0037 has the potential to be a significant breakthrough in the development of the mineralisation at the Coffey Deposit at depth.

Importantly these new intersections extend the Coffey shear zone mineralisation continuously down dip for 350-400m and is still open at depth. Hole KVDD0037 demonstrates the potential for multiple wide lodes to be developed at depth as previously modelled and are now visually evident. Hole KVDD0038 is in progress and will be testing the mineralisation 60m north of KVDD0037 and 80m down dip of KVRD0030 on the northern most drill line (Figure 2).

The samples from holes KVDD035-0037 have been cut, sampled, and sent to a commercial laboratory in Perth for assay analysis and will be reported to the market when they are available.

During Mila's three drilling campaigns, the Company is seeing the potential of the Coffey Au-Ag Deposit. Coffey has grown significantly in size, width and grade compared to the initial pre drilling resource. The Company is awaiting the assay results from this recent drilling program to enable it to begin building its JORC resource model. The Company is optimistic that it will be able to upgrade its JORC Resource for Coffey next year.

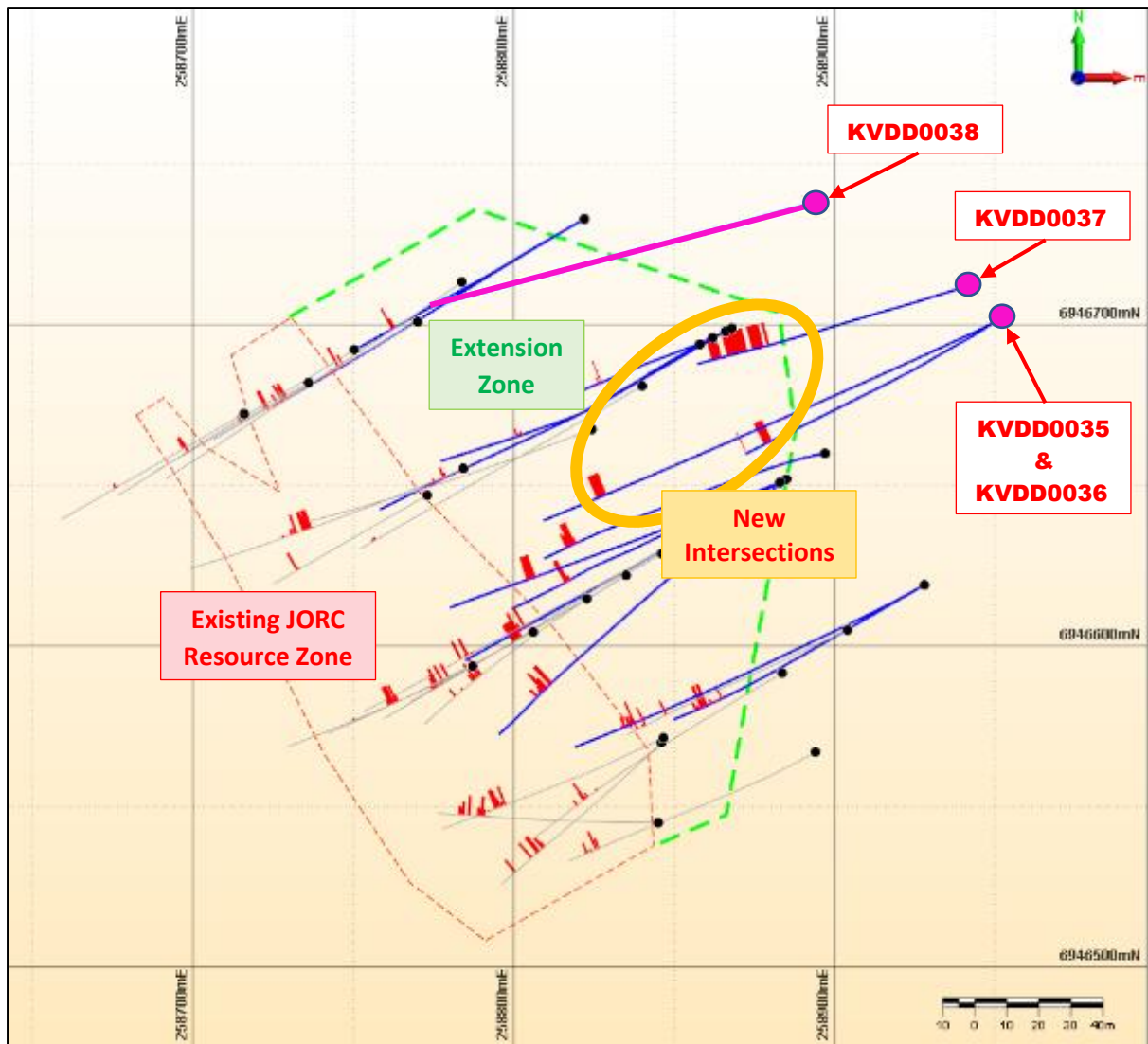


Figure 2: Drill collar plan showing RC drill holes (grey), Diamond drill hole (blue) and current hole (magenta). The existing JORC resource zone is shown (red) with the new mineralisation extension zone (green) which will be included in the upgraded JORC resource estimations. Gold intersection bars are shown in red.

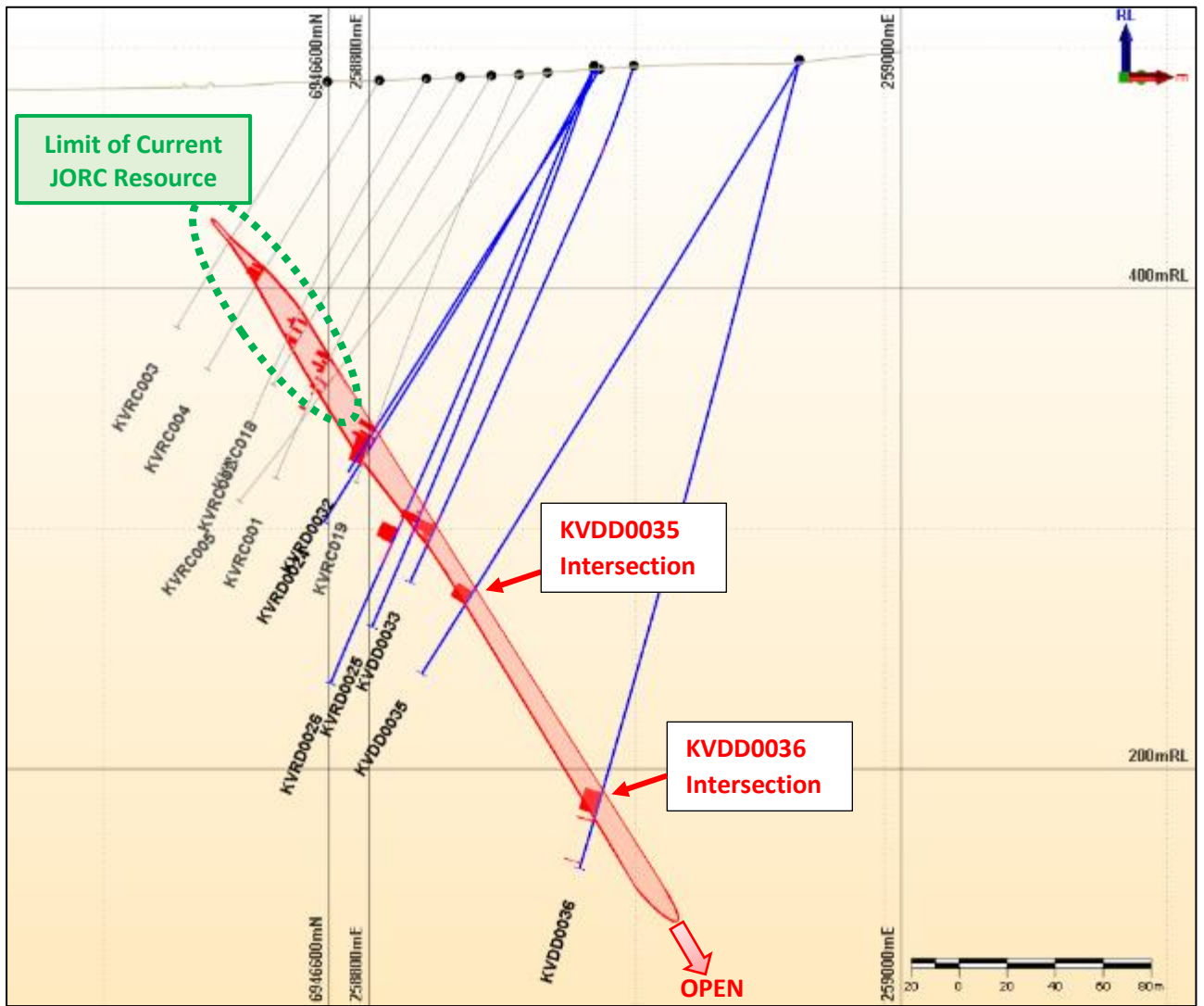


Figure 3: Cross Section showing the current JORC Resource zone limits and the newly defined mineralisation as a result of Mila's drilling. Intersection of the Coffey Shear zone mineralisation in the recently completed stepout holes KVDD0035 & KVDD0036 are shown, extending the mineralisation over 350m down dip, 250m beyond the resource zone and is open at depth.

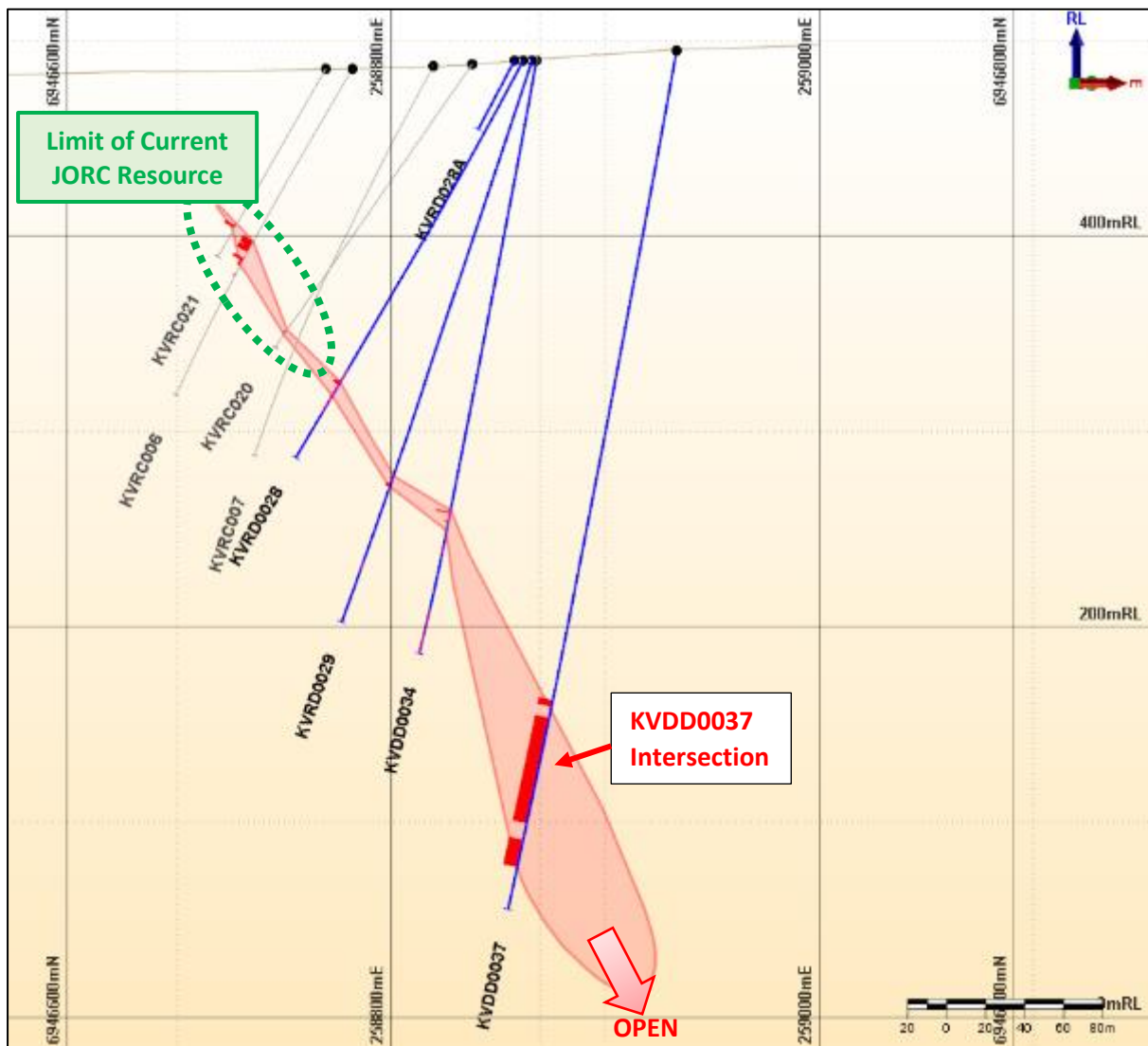


Figure 4: Cross Section showing the current JORC Resource zone limits and the newly defined mineralisation as a result of Mila's drilling. Intersection of the Coffey Shear zone mineralisation in the recently completed stepout hole KVDD0037 is shown, extending the mineralisation over 400m down dip, 300m beyond the resource zone and is open & widening at depth.

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