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

Success in First Drill Hole Completed at Coffey Gold Deposit During Next Round of Drilling

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

Overview

- Diamond core drill hole KVDD0035 has successfully intersected a ~10m wide zone of sulphide bearing alteration (from 256.3-266.5m) which is visually consistent with the previously reported mineralised gold-silver-zinc bearing zone at the Coffey Deposit.
- A 5.63m wide heavily mineralised core zone (from 259.55-265.18m) occurs in the centre of the alteration zone comprising of semi-massive, stringer, vein and quartz breccia sulphides (pyrrhotite and chalcopyrite)
- The zone is heavily bleached, silicified, and ductile deformed defining the targeted zone which hosts the Coffey mineralisation in the previously reported drill holes.
- KVDD0035 was drilled on the north-east extension of the central “Discovery Line” and is situated 44m down dip from KVRD0026 and 30m down dip from KVDD0033 which returned;
 - **KVRD0026: 6.6m @ 14.9 g/t Au & 21.8 g/t Ag including 5.0m @ 18.9 g/t Au & 18.1 g/t Ag**
 - **KVDD0033: 8.0m @ 2.9 g/t Au & 6.6 g/t Ag including 3.0m @ 5.8 g/t Au & 7.4 g/t Ag**
- KVDD0035 intersected the mineralisation 220m vertically below surface and now extends mineralisation to 200m down dip as a continuous mineralised zone.
- The next hole KVDD0036 was stepped out 100m below KVDD0035 and has the potential to extend the mineralised zone to 300m in length down dip and to 300m below surface presenting a significant expansion in the footprint and tonnage of the Coffey Deposit.
- The core is currently being sampled and will be sent off for assaying at an independent laboratory in Perth.



Figure 1: bleached, silicified, and ductile core samples from KVRD0035



Figure 2 (left): Semi-massive sulphide and figure 3 (right) quartz breccia sulphides (right) within altered ore zone in diamond core hole KVDD0035.



Figure 4: altered and mineralised zone within KVDD0035. Yellow marks and depths show the start and end of the main alteration zone with the red markers defining the heavily altered sulphide bearing zone

which typically carries the Au-Ag mineralisation at the Coffey Deposit. Green boxes show the core locations of the zoomed in left and right images above.

Mark Stephenson, Executive Chairman of Mila commented: “Today’s results underpin our findings to date and demonstrate consistently encouraging intersections with commercial grades and widths. We have the confidence to say that we are still on track with our objective to significantly enhance the initial JORC Resource at Kathleen Valley, and that these latest results have justified our strategy to step out to the next hole with the intention of expanding our mineralised footprint.

“We remain extremely excited about the potential for Kathleen Valley, and our most advanced Coffey target, as we look to build a sizeable JORC inventory over the coming months.”

Further Information

Coffey continues to deliver success with the first diamond core hole of the current drilling program intersecting the altered and mineralised shear zone at the predicted depth. A 10.2m wide ductile shear zone comprising of bleached, silicified and variably sulphide mineralised (pyrrhotite & chalcopyrite) basaltic rocks was intersected, which is consistent with the Au-Ag-Zn bearing zones previously reported from the Coffey Deposit. The broad altered zone contains a 5.6m wide heavily altered and sulphide mineralised central core zone which contains semi-massive, stringer, vein and quartz breccia sulphides (pyrrhotite and chalcopyrite) consistent with the higher-grade mineralised zones previously reported. KVDD0035 proves the continuity of the very planar 55° north-east dipping shear zone which has been very consistent and predictable to date.

This has given Mila’s geologists great confidence and as a result the next hole KVDD036 is targeting a step out position of 100m down dip of this KVDD035 intersection position and is the largest step out hole to date drilling to a depth of 350m. If the mineralised shear zone continues to behave itself the hole should intersect the mineralised zone at around 320m down hole. This will extend the known mineralisation to approximately 300m down the dip of the shear zone to the north-east and to a vertical depth of around 300m below surface. This will drive the targeting positions of the next 3 planned drill holes and has the potential to significantly increase the footprint and tonnage of the Coffey Deposit mineralisation.

The samples are currently being cut, sampled and sent to a commercial laboratory in Perth for assay analysis and will be reported to the market when they are available.

DrillCore drilling contractors have been commissioned to undertake an initial 2,000m of drilling, comprising of five deep diamond core drill holes at Coffey as Mila step backs to the north-east and tests the mineralised system down to a vertical depth of approximately 300-350m (Figure 5). Drilling will also test the potential of the additional lodes, which were intersected in the last round of deeper drill holes.

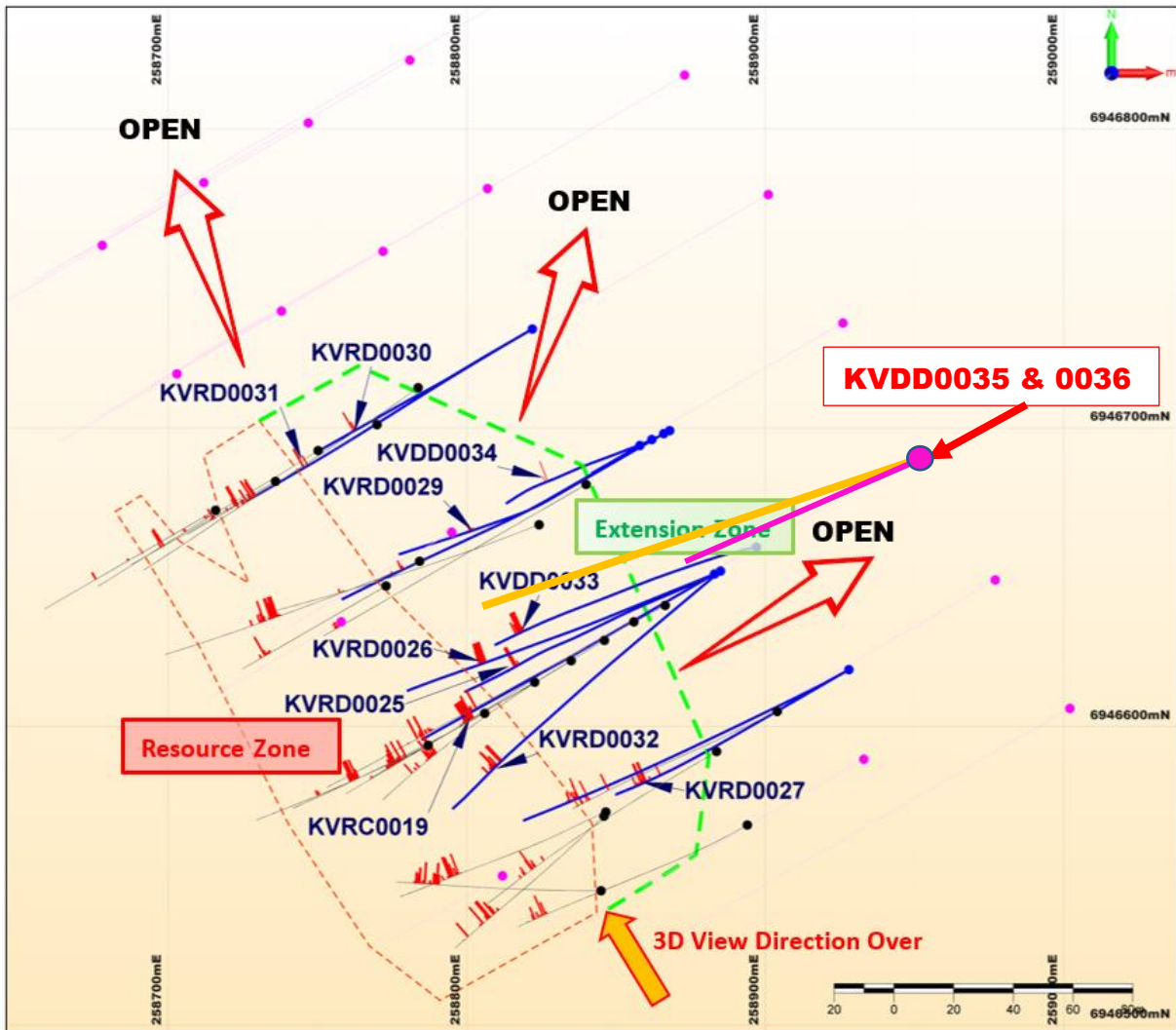


Figure 5: Drill collar plan showing RC drill holes (black), Diamond drill hole (blue) and Stage 2 planned holes (magenta). The existing JORC resource zone is shown with the new mineralisation extension zone. Gold intersection bars are shown in red with reported intersection positions. KVDD0025 is shown as thick orange trace and KVDD0036 as thick magenta trace.

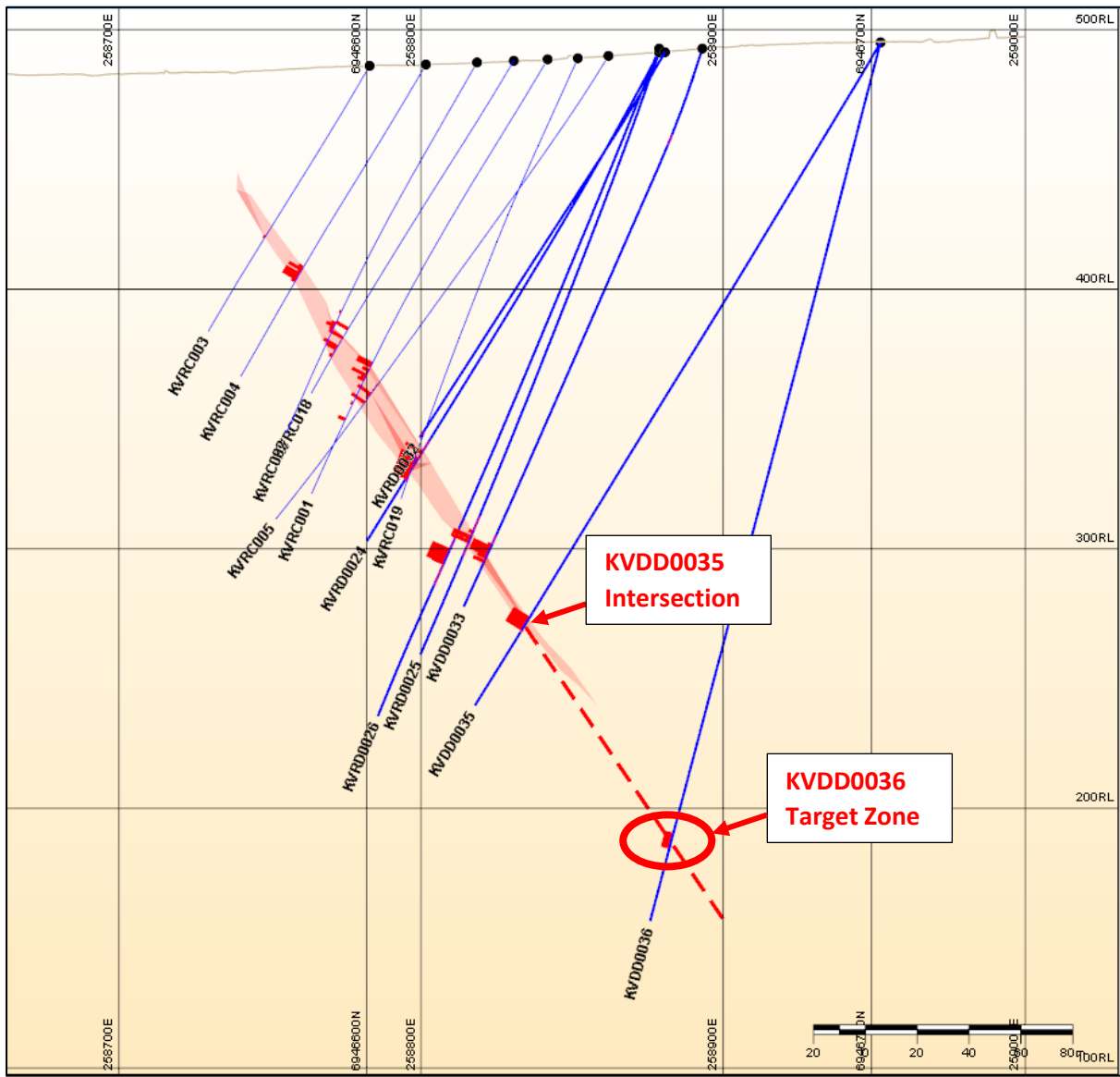


Figure 6: Cross Section showing defined Coffey mineralisation and projected mineralisation (dashed line) with position of hole KVDD0035 & KVDD0036.



Figure 7: Night shift drilling of KVDD035 at time of the intersection.

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