

MITHRIL RESOURCES LIMITED
ACN 099 883 922
NOTICE OF 2019 ANNUAL GENERAL MEETING

Notice is given that the 2019 Annual General Meeting ("**Meeting**") of Mithril Resources Limited ("the **Company**" or "**Mithril**") will be held at Level 17, 500 Collins Street, Melbourne VIC 3000 on 13 November 2019 at 10:00am (Melbourne time).

Further details in respect of each of the resolutions proposed in this Notice of Annual General Meeting ("**Notice**") are set out in the Explanatory Memorandum ("**Memorandum**") accompanying this Notice. Details of the resolutions contained in the Memorandum should be read together with, and form part of, this Notice.

GENERAL BUSINESS

2019 Annual Financial Statements

To lay before the meeting and consider the Annual Financial Statements of the Company in respect of the year ended 30 June 2019 and comprising the Annual Financial Report, the Directors' Report and the Auditor's Report.

RESOLUTION 1: NON-BINDING RESOLUTION TO ADOPT REMUNERATION REPORT

To consider and, if thought fit, pass the following resolution as a non-binding ordinary resolution:

"That the Company approve the adoption of the Remuneration Report, included in the Directors' Report, for the year ended 30 June 2019."

Voting Exclusion Statement:

A vote on Resolution 1 must not be cast (in any capacity) by or on behalf of either of the following persons:

- (a) a member of the key management personnel, details of whose remuneration are included in the Remuneration Report; or*
- (b) a closely related party of such a member (referred to herein as **Restricted Voters**).*

*However, a person (**voter**) may cast a vote on Resolution 1 as a proxy if the vote is not cast on behalf of a Restricted Voter and the voter is appointed as a proxy in writing that specifies the way the proxy is to vote on Resolution 1. The Chair may also exercise undirected proxies if the vote is cast on behalf of a person entitled to vote on Resolution 1 and the proxy appointment expressly authorises the Chair to exercise the proxy even if Resolution 1 is connected directly or indirectly with the remuneration of members of the key management personnel of the Company.*

Voting Note:

Directors of the Company who are key management personnel whose remuneration details are included in the 2019 Remuneration Report, any other key management personnel whose remuneration details are included in the 2019 Remuneration Report, or any of their closely related parties, will not be able to vote on Resolution 1 or to vote undirected proxies held by them on Resolution 1.

RESOLUTION 2: RE-ELECTION OF MR ADRIEN WING AS A DIRECTOR

To consider and, if thought fit, pass the following resolution as an ordinary resolution:

"That Mr Adrien Wing, who retires by rotation in accordance with the Company's constitution and, being eligible, offer himself for re-election, be re-elected as a Director of the Company."

RESOLUTION 3: RATIFICATION OF A PRIOR ISSUE OF SHARES

To consider and, if thought fit, pass the following resolution as an ordinary resolution:

“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, shareholders ratify the prior issue of 30,051,357 fully paid ordinary shares at an issue price of \$0.005 (0.5 cents) per share to unrelated sophisticated, professional and other exempt investors, as described in the Memorandum which accompanied and formed part of this Notice.”

Voting Exclusion

The Company will disregard votes cast in favour of this Resolution by or on behalf of any person who participated in the issue or any associates of that person.

However, the Company need not disregard a vote if it is cast by:

- *a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or*
- *the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with the direction on the proxy form to vote as the proxy decides.*

RESOLUTION 4: RATIFICATION OF A PRIOR ISSUE OF SHARES

To consider and, if thought fit, pass the following resolution as an ordinary resolution:

“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, shareholders ratify the prior issue of 68,000,000 fully paid ordinary shares at an issue price of \$0.005 (0.5 cents) per share to unrelated sophisticated, professional and other exempt investors, as described in the Memorandum which accompanied and formed part of this Notice.”

Voting Exclusion

The Company will disregard votes cast in favour of this Resolution by or on behalf of any person who participated in the issue or any associates of that person.

However, the Company need not disregard a vote if it is cast by:

- *a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or*
- *the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with the direction on the proxy form to vote as the proxy decides.*

RESOLUTION 5: APPROVAL OF PLACEMENT FACILITY

To consider, and if thought fit, pass the following resolution as a **special resolution**:

“That for the purposes of ASX Listing Rule 7.1A, shareholders approve the Company having the capacity to issue fully paid ordinary shares in the capital of the Company up to the maximum number permitted under ASX Listing Rule 7.1A.2 at an issue price which is not less than 75% of the volume weighted average market (closing) price of the Company’s ordinary shares calculated over the last fifteen (15) days on which trades of the Company’s ordinary shares were recorded on ASX immediately before the date on which the issue price is agreed or the date the issue is made as described in the Memorandum which accompanied and formed part of this Notice.”

Voting Note:

If, at the time of the Meeting, the Company:

- is included in the S&P/ASX 300 Index; and/or
- has a market capitalisation (excluding restricted securities and securities quoted on a deferred

settlement basis) of greater than AU\$300 million,

this Resolution will be withdrawn.

Voting Exclusion Statement:

The Company will disregard any votes cast in favour of this Resolution by:

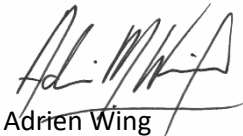
- *a person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company); or*
- *an associate of those persons.*

However, the Company need not disregard a vote on this Resolution if:

- *it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or*
- *it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.*

Dated: 19 September 2019

By the order of the Board



Adrien Wing
Director and Company Secretary

The accompanying Memorandum and the Proxy and Voting Instructions formed part of this Notice.

PROXY AND VOTING INSTRUCTIONS

Proxy Instructions

A member who is entitled to vote at a meeting may appoint:

- one proxy if the member is only entitled to one vote; and
- one or two proxies if the member is entitled to more than one vote.

Where more than one proxy is appointed each proxy may be appointed to represent a specific proportion of the member's voting rights. If the appointment does not specify the proportion or number of votes each proxy may exercise, each proxy may exercise half of the votes in which case any fraction of votes will be disregarded.

The proxy form (and the power of attorney or other authority, if any, under which the proxy form is signed) or a copy or facsimile which appears on its face to be an authentic copy of the proxy form (and the power of attorney or other authority) must be lodged with the Company's share registry not less than 48 hours before the time for holding the Meeting, or adjourned meeting as the case may be, at which the individual named in the proxy form proposes to vote.

The proxy form must be signed by the member or his/her attorney duly authorised in writing or, if the member is a corporation, in a manner permitted by the Corporations Act. A proxy given by a foreign corporation must be executed in accordance with the laws of that corporation's place of incorporation.

The proxy may, but need not, be a member of the Company.

A proxy form is attached to this Notice.

If you sign the proxy form and do not appoint a proxy, you will have appointed the Chair of the meeting as your proxy.

Corporate Representatives

Any corporation which is a member of the Company may authorise (by certificate under common seal or other form of execution authorised by the laws of that corporation's place of incorporation, or in any other manner satisfactory to the chairperson of the Meeting) a natural person to act as its representative at any general meeting.

Voting Entitlement

For the purposes of the Corporations Act and Corporations Regulations shareholders entered on the Company's Register of Members as at 7:00pm (Melbourne time) on 11 November 2019 are entitled to attend and vote at the meeting.

On a poll, members have one vote for every fully paid ordinary share held. Holders of options are not entitled to vote.

How the Chair Will Vote Undirected Proxies

Subject to the restrictions set out below and in the Notice, The Chair of the meeting will vote undirected proxies in favour of all of the proposed resolutions.

Voting Restrictions on Resolution 1 (Remuneration Report)

The Remuneration Report identifies key management personnel for the year ended 30 June 2019. Their closely related parties are defined in the Corporations Act 2001 (Cth) and include specified family members, dependents and companies they control.

Directors of the Company who are key management personnel whose remuneration details are included in the 2019 Remuneration Report, any other key management personnel whose remuneration details are included in the 2019 Remuneration Report, or any of their closely related parties, will not be able to vote on Resolution 1 or to vote undirected proxies held by them on Resolution 1 provided however that the Chair may vote undirected proxies on behalf of persons eligible to vote where expressly authorised to do so on the proxy form.

Special Resolution

Resolution 5 is proposed as a special resolution. For a special resolution to be passed, at least 75% of the votes validly cast on the resolution by shareholders (by number of shares) must be in favour of the resolution.

MITHRIL RESOURCES LIMITED
ACN 099 883 992
("the Company")

2019 ANNUAL GENERAL MEETING
EXPLANATORY MEMORANDUM

PURPOSE OF INFORMATION

This Explanatory Memorandum ("**Memorandum**") accompanies and forms part of the Company's Notice of Annual General Meeting ("**Notice**") for the 2019 Annual General Meeting ("**Meeting**") to be held at Level 17, 500 Collins Street, Melbourne VIC 3000 on 13 November 2019 at 10:00am (Melbourne time).

The Notice incorporates, and should be read together, with this Memorandum.

BUSINESS

2019 Annual Financial Statements

The Annual Financial Statements, comprising the Financial Report, Directors' Report and Auditor's Report for the year ended 30 June 2019 will be laid before the meeting. Shareholders will have the opportunity to ask questions about, or make comments on, the 2019 Annual Financial Statements and the management of the Company. A representative of the auditor will be invited to attend to answer questions about the audit of the Company's 2019 Annual Financial Statements.

The Company's 2019 Annual Financial Statements are set out in the Company's 2019 Annual Report which can be obtained from the Company's website, www.mithrilresources.com.au or upon request to Mr Adrien Wing, a Director and the Company Secretary, at the office of the Company, Level 17, 500 Collins Street, Melbourne VIC 3000 (telephone (03) 9614 0600).

There is no requirement for these reports to be formally approved by shareholders. No resolution is required to be moved in respect of this item.

Resolution 1: Non-binding Resolution - Remuneration Report

The Company is required pursuant to the Corporations Act 2001 (Cth) ("**the Corporations Act**"), to propose a non-binding resolution regarding the 2019 Remuneration Report, which forms part of the Director's Report in the 2019 Annual Financial Statements. The vote is advisory only and does not bind the Directors or the Company.

Shareholders attending the 2019 Annual General Meeting of the Company will have an opportunity to discuss and put questions in respect of the Remuneration Report.

The Board will consider the outcome of the vote and comments made by shareholders on the Remuneration Report at the meeting when reviewing the Company's remuneration policies. Under the Corporations Act, if 25% or more of votes that are cast are voted against the adoption of the Remuneration Report at two consecutive annual general meetings (**AGM**) (treating this AGM as the first such meeting), shareholders will be required to vote at the second of those AGM's on a resolution (a **spill resolution**) that another meeting be held within 90 days at which all of the Company's Directors (other than the Managing Director and CEO) must be put up for re-election. The vote on the Remuneration Report contained in the Company's 2018 Annual Financial Statements was passed with the support of more than 75% of votes thus a spill resolution will not be required in the event 25% or more of votes that are cast are against the adoption of the 2019 Remuneration Report. However, in the event that 25% or more of votes that are cast are against the adoption of the 2019 Remuneration Report, shareholders should be aware that if there is a 'no' vote of 25% or more for the same resolution at the 2020 AGM the consequences are that it may result in the re-election of the Board.

Note that a voting exclusion applies to Resolution 1 in the terms set out in the Notice. In particular, Directors and other members of the key management personnel details of whose remuneration are included in the Remuneration Report or a closely related party of those persons must not vote on Resolution 1 and must not cast a vote as proxy, unless the proxy appointment gives a direction on how to vote provided however that the Chair may vote undirected proxies on behalf of persons eligible to vote where expressly authorised to do so on the proxy form.

Resolution 2: Re-election of Mr Adrien Wing as a Director

Resolution 2 is a resolution for the re-election of Mr Adrien Wing as a Director of the Company.

Pursuant to the constitution of the Company, at each AGM one-third of Directors or, if their number is not a multiple of three (3), then the number nearest to but not more than one-third of Directors must retire from office. The Company has four (4) Directors and therefore one is required to retire.

The Directors to retire by rotation at an AGM are those Directors (other than the Managing Director) who have been longest in office since their last election or appointment. Directors elected or appointed on the same day may agree among themselves or determine by lot which of them must retire.

The Company has three Directors, one of whom is the Managing Director. All Directors were last elected at the 2018 AGM and accordingly have agreed among themselves that Mr Adrien Wing shall retire at the 2019 AGM.

Mr Adrien Wing retires by rotation and, being eligible, offers himself for re-election.

Mr Adrien Wing is a certified practicing accountant. He has worked in audit and corporate advisory for a chartered accounting firm before moving to assist a number of public companies listed on the ASX as a corporate and account consultant and company secretary.

The Board (with Mr Adrien Wing abstaining) unanimously support the re-election of Mr Adrien Wing as a Director of the Company.

RESOLUTION 3: RATIFICATION OF A PRIOR ISSUE OF SHARES

Resolution 3 seeks shareholder ratification pursuant to ASX Listing Rule 7.4 for the prior issue of 30,051,357 fully paid ordinary shares at an issue price of \$0.005 (0.5 cents) per share on 21 November 2018. An Appendix 3B with respect to the issue of these shares was announced to ASX on that date.

The shares were issued to unrelated professional, sophisticated and other investors exempt from the disclosure requirements of Chapter 6D of the Corporations Act who were clients of Patersons Securities Limited.

The shares the subject of Resolution 3 were issued without shareholder approval under ASX Listing Rule 7.1. ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue during any twelve (12) month period any equity securities, or other securities with rights to conversion to equity, if the number of those securities exceeds 15% of the share capital of the Company at the commencement of that twelve (12) month period.

ASX Listing Rule 7.4 provides that where a company's shareholders ratify the prior issue of securities made pursuant to ASX Listing Rule 7.1 (provided that the previous issue of securities did not breach ASX Listing Rule 7.1) those securities will be deemed to have been issued with shareholder approval for the purposes of ASX Listing Rule 7.1. The Company seeks approval under Listing Rule 7.4 to refresh its capacity to make further issues without shareholder approval under Listing Rule 7.1.

The following information is provided in accordance with the requirements of ASX Listing Rule 7.5:

- (a) The total number of securities issued was 30,051,357 fully paid ordinary shares.
- (b) The price at which the fully paid ordinary shares were issued was \$0.005 (0.5 cents) each.
- (c) The fully paid ordinary shares have the same terms and rights as, and rank equally with, the Company's existing listed fully paid ordinary shares.
- (d) The shares were issued to professional, sophisticated and other investors exempt from the disclosure requirements of Chapter 6D of the Corporations Act who were clients of Patersons Securities Limited. None of the recipients of the shares the subject of this Resolution 3 were related parties of the Company.
- (e) Funds raised from the issue of these shares have been, or will be, used to pay for expenses pertaining to the Company's Billy Hills (Zinc) Project and Kurnalpi (Nickel) Project. In addition, the proceeds will be used to fund general working capital and administration expenses.
- (f) A voting exclusion is contained in the Notice accompanying this Memorandum.
- (g) The Directors unanimously recommend shareholders vote in favour of this Resolution 3.

RESOLUTION 4: RATIFICATION OF A PRIOR ISSUE OF SHARES

Resolution 4 seeks shareholder ratification pursuant to ASX Listing Rule 7.4 for the prior issue of 68,000,000 fully paid ordinary shares at an issue price of \$0.005 (0.5 cents) per share on 18 September 2019. An Appendix 3B with respect to the issue of these shares was announced to ASX on that date.

The shares were issued to unrelated professional, sophisticated and other investors exempt from the disclosure requirements of Chapter 6D of the Corporations Act who were clients of Patersons Securities Limited.

The shares the subject of Resolution 4 were issued without shareholder approval under ASX Listing Rules 7.1 and 7.1A. ASX Listing Rule 7.1, subject to ASX Listing Rule 7.1A (among others) provides that a company must not, subject to specified exceptions, issue or agree to issue during any twelve (12) month period any equity securities, or other securities with rights to conversion to equity, if the number of those securities exceeds 15% of the share capital of the Company at the commencement of that twelve (12) month period.

The Company obtained shareholder approval under ASX Listing Rule 7.1A to issue shares under an additional 10% placement capacity at its 2018 AGM on 14 November 2018.

Of the 68,000,000 shares issued, 28,766,215 shares were issued pursuant to the Company's placement capacity under ASX Listing Rule 7.1 and 39,233,785 shares were issued pursuant to the Company's placement capacity under ASX Listing Rule 7.1A.

ASX Listing Rule 7.4 provides that where a company's shareholders ratify the prior issue of securities made pursuant to ASX Listing Rule 7.1 (provided that the previous issue of securities did not breach ASX Listing Rule 7.1) those securities will be deemed to have been issued with shareholder approval for the purposes of ASX Listing Rule 7.1. The Company seeks approval under Listing Rule 7.4 to refresh its capacity to make further issues without shareholder approval under Listing Rule 7.1.

The following information is provided in accordance with the requirements of ASX Listing Rule 7.5:

- (a) The total number of securities issued was 68,000,000 fully paid ordinary shares.
- (b) The price at which the fully paid ordinary shares were issued was \$0.005 (0.5 cents) each.

- (c) The fully paid ordinary shares have the same terms and rights as, and rank equally with, the Company's existing listed fully paid ordinary shares.
- (d) The shares were issued to professional, sophisticated and other investors exempt from the disclosure requirements of Chapter 6D of the Corporations Act who were clients of Patersons Securities Limited. None of the recipients of the shares the subject of this Resolution 4 were related parties of the Company.
- (e) Funds raised from the issue of these shares have been, or will be, used to continue with the development of Billy Hills (Zinc) Project, for working capital and to cover the costs of the offer.
- (f) A voting exclusion is contained in the Notice accompanying this Memorandum.
- (g) The Directors unanimously recommend shareholders vote in favour of this Resolution 4.

Resolution 5: Approval of placement facility

ASX has introduced fund raising rules to provide more flexibility for smaller companies to raise additional capital in an easier and potentially less costly manner. ASX Listing Rule 7.1A enables eligible entities to issue equity securities (as that term is defined in the ASX Listing Rules) up to 10% of their issued share capital through placements over a 12-month period after an annual general meeting (**10% Placement Facility**). The 10% Placement Facility is in addition to a company's 15% placement capacity under ASX Listing Rule 7.1. An eligible entity for the purposes of ASX Listing Rule 7.1A is an entity that is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300 million or less. The Company is, at the date of the Notice, an eligible entity.

The Company is seeking shareholder approval by way of special resolution to have the ability to issue equity securities under the 10% Placement Facility. The exact number of equity securities (if any) to be issued under the 10% Placement Facility will be determined in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 (refer below). The Company may use funds raised from any 10% Placement Facility for funding of existing projects or new projects and/or general working capital. It may also use the 10% Placement Facility for non-cash consideration purposes such as in connection with joint venture agreements or arrangements, as payments to consultants or contractors or in connection with the acquisition of new projects (although the Company presently has no current proposal to do so).

The Company previously obtained shareholder approval for the 10% Placement Facility at its 2018 AGM. The Company issued 39,233,785 securities under the 10% Placement Facility pursuant to the shareholder approval obtained at its 2018 AGM. Ratification of the prior issue of these securities is sought under Resolution 4.

The Directors of the Company believe that Resolution 5 is in the best interests of the Company and unanimously recommend that Shareholders vote in favour of this resolution.

DESCRIPTION OF LISTING RULE 7.1A

- Shareholder approval

The ability to issue equity securities under the 10% Placement Facility is subject to shareholder approval by way of a special resolution at an AGM.

- Equity securities

Any equity securities issued under the 10% Placement Facility must be in the same class as an existing quoted class of equity securities of the Company. The Company, as at the date of the Notice, has one class of quoted equity securities, fully paid ordinary shares (**MTH**).

- Formula for calculating 10% Placement Facility

ASX Listing Rule 7.1A.2 provides that eligible entities which have obtained shareholder approval at an AGM may, during the 10% Placement Period (defined below), issue a number of equity securities calculated in accordance with the following formula:

$$(A \times D) - E$$

where:

A is the number of shares on issue 12 months before the date of the issue or agreement to issue:

- (i) plus the number of fully paid shares issued in the 12 months under an exception in ASX Listing Rule 7.2;*
- (ii) plus the number of partly paid shares that became fully paid in the 12 months;*
- (iii) plus the number of fully paid shares issued in the 12 months with approval of holders of shares under ASX Listing Rules 7.1 and 7.4;*
- (iv) less the number of fully paid shares cancelled in the 12 months.*

Note: "A" has the same meaning in ASX Listing Rule 7.1 when calculating an entity's 15% placement capacity.

D is 10%

E is the number of equity securities issued or agreed to be issued under ASX Listing Rule 7.1A.2 in the 12 months before the date of the issue or agreement to issue that are not issued with the approval of shareholders under ASX Listing Rules 7.1 or 7.4.

- ASX Listing Rule 7.1 and ASX Listing Rule 7.1A

The ability of an entity to issue equity securities under ASX Listing Rule 7.1A is in addition to the entity's 15% placement capacity under ASX Listing Rule 7.1.

As at the date of this Memorandum, the Company has on issue 490,389,211 ordinary shares and therefore would have capacity to issue:

- (i) 73,558,381 ordinary shares under Listing Rule 7.1 (15% capacity); and*
- (ii) Subject to shareholders approving this Resolution 5, 49,038,921 ordinary shares under Listing Rule 7.1A (10% capacity).*

The actual number of equity securities that the Company will have capacity to issue under ASX Listing Rule 7.1A will be calculated at the date of issue of the equity securities in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 (refer above).

- Minimum Issue Price

The issue price of equity securities issued under ASX Listing Rule 7.1A must be not less than 75% of the VWAP of equity securities in the same class calculated over the 15 trading days immediately before:

- (i) the date on which the price at which the equity securities are to be issued is agreed; or*
- (ii) if the equity securities are not issued within 5 trading days of the date in paragraph (i) above,*

the date on which the equity securities are issued.

- 10% Placement Period

Shareholder approval of the 10% Placement Facility under ASX Listing Rule 7.1A is valid from the date of the AGM at which the approval is obtained and expires (and ceases to be valid) on the earlier to occur of:

- (i) the date that is 12 months after the date of the AGM at which the approval is obtained; or
- (ii) the date of the approval by Shareholders of a transaction under ASX Listing Rules 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking) (**10% Placement Period**).

- ASX Listing Rule 7.1A

The effect of Resolution 5 will be to allow the Company to issue the equity securities under ASX Listing Rule 7.1A during the 10% Placement Period separate to the Company's 15% placement capacity under ASX Listing Rule 7.1. Resolution 5 is a special resolution and therefore requires approval of 75% of the votes cast by Shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate shareholder, by a corporate representative).

SPECIFIC INFORMATION REQUIRED BY ASX LISTING RULE 7.3A

Pursuant to and in accordance with ASX Listing Rule 7.3A, information is provided in relation to the approval of the 10% Placement Facility as follows:

- Any equity security issued will be issued at an issue price of not less than 75% of the VWAP for the Company's equity securities over the 15 trading days immediately before:
 - (i) the date on which the price at which the equity securities are to be issued is agreed; or
 - (ii) if the equity securities are not issued within 5 trading days of the date in paragraph (i) above, the date on which the equity securities are issued.
- If Resolution 5 is approved by the Shareholders and the Company issues equity securities under the 10% Placement Facility, the existing Shareholders' voting power in the Company would be diluted as shown in the below table (in the case of options, only if the options are exercised). There is a risk that:
 - (i) the market price for the Company's equity securities may be significantly lower on the date of the issue of the equity securities than on the date of the Meeting; and
 - (ii) the equity securities may be issued at a price that is at a discount to the market price for the Company's equity securities on the issue date,

which may have an effect on the quantum of funds raised by the issue of the equity securities.

The table below shows the dilution of existing shareholders on the basis of the Deemed Price (defined below) and the current number of ordinary securities for variable "A" calculated in accordance with the formula in ASX Listing Rule 7.1A(2) as at the date of the Notice. The table also shows:

- Two examples where variable "A" has increased by 50% and 100%. Variable "A" is based on the number of ordinary shares the Company has on issue. The number of ordinary securities on issue may increase as a result of issues of ordinary securities that do not require shareholder approval

(for example, a pro-rata entitlement issue or scrip issued under a takeover offer) or future specific placements under ASX Listing Rule 7.1 that are approved at a future shareholders' meeting.

- Two examples of where the Deemed Price has decreased by 50% and increased by 50%.

Variable "A" in ASX Listing Rule 7.1A.2		Dilution		
		\$0.0025 50% Decrease in Deemed Price	\$0.005 Deemed Price	\$0.0075 50% Increase in Deemed Price
Current Variable A 490,389,211 shares	10% Voting Dilution	49,038,921 shares	49,038,921 shares	49,038,921 shares
	Funds raised	\$122,597	\$245,195	\$367,792
50% increase in current Variable A 735,583,817 shares	10% Voting Dilution	73,558,381 shares	73,558,381 shares	73,558,381 shares
	Funds raised	\$183,896	\$367,792	\$551,688
100% increase in current Variable A 980,778,422 shares	10% Voting Dilution	98,077,842 shares	98,077,842 shares	98,077,842 shares
	Funds raised	\$245,195	\$490,389	\$735,584

The table above has been prepared on the following assumptions:

- *The Company issues the maximum securities available under the ASX Listing Rule 7.1A being 10% of the Company's shares on issue at the date of the Meeting.*
- *No options are exercised into fully paid ordinary securities before the date of the issue of securities under ASX Listing Rule 7.1A.*
- *The table does not demonstrate an example of dilution that may be caused to a particular Shareholder by reason of placements under ASX Listing Rule 7.1A, based on that shareholder's holding at the date of the Meeting.*
- *The table only demonstrates the effect of issues of securities under ASX Listing Rule 7.1A. It does not consider placements made under ASX Listing Rule 7.1, the "15% rule".*
- *The price of ordinary securities is deemed for the purposes of the table above to be \$0.005, being the price per share of the placement completed by the Company on 18 September 2019 (Deemed Price). The Deemed Price is indicative only and does not consider the 25% discount to market that the securities may be placed at.*
- *The table does not demonstrate the effect of convertible securities being issued under ASX Listing Rule 7.1A, it only considers the issue of the fully paid ordinary securities.*

The Company may seek to issue the equity securities for the following purposes:

- Non-cash consideration including in connection with payment of contractors or consultants or in connection with the acquisition of new assets or businesses or other business development or

licensing arrangements (although the Company presently has no proposal to do so). In such circumstances, the Company will provide a valuation of the non-cash consideration as required by ASX Listing Rule 7.1A.3.

- Cash consideration. In such circumstances, the Company intends to use the funds raised towards advancing existing businesses, the acquisition of new assets or businesses or other business development or licensing arrangements and/or general working capital.

The Company will comply with the disclosure obligations under ASX Listing Rules 7.1A(4) and 3.10.5A upon issue of any equity securities.

The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue pursuant to the 10% Placement Facility. The identity of the allottees of equity securities will be determined on a case-by-case basis having regard to factors including but not limited to the following:

- the methods of raising funds that are available to the Company, including but not limited to, rights issue or other issue in which existing security holders can participate;
- the effect of the issue of the equity securities on the control of the Company;
- the financial situation and solvency of the Company; and
- advice from corporate, financial and broking advisers (if applicable).

The allottees under the 10% Placement Facility have not been determined as at the date of the Notice but may include existing substantial shareholders and/or new shareholders who are not related parties or associates of a related party of the Company. Further, if the Company were to pursue an acquisition and were it to be successful in acquiring new assets or investments, it is possible that the allottees under the 10% Placement Facility will be the vendors of the new assets or investments.

As noted above, the Company previously obtained shareholder approval for the 10% Placement Facility at its 2018 AGM. In the 12 months preceding the date of the Meeting and as at the date of the Notice, the Company has issued 290,046,831 fully paid ordinary shares. The issue of these securities represent approximately 144.78% (rounded to two decimal places) of the total number of fully paid ordinary shares on issue at the commencement of the 12 month period preceding the Meeting. The Company issued 39,233,785 shares pursuant to the 10% Placement Facility during the 12 month period preceding the date of the Meeting.

Further details of the issue of equity securities made by the Company during the 12 month period preceding the date of the Meeting are set out in Annexure A.

A voting exclusion statement is included in the Notice to which this Memorandum relates. At the date of that Notice, the Company has not approached any particular existing shareholder or security holder or an identifiable class of existing security holder to participate in the issue of the equity securities. No existing shareholder's votes will therefore be excluded under the voting exclusion in the Notice.

The directors of the Company unanimously recommend shareholders vote in favour of Resolution 5.

Note: unless otherwise specified, all monetary amounts are in Australia dollars.

ANNEXURE A

Date	Quantity	Class	Recipients	Issue price and discount to Market Price (if applicable)	Form of consideration (cash/non-cash)
21 November 2018	30,051,357	MTH	Professional, sophisticated and other investors exempt from the disclosure requirements of Chapter 6D of the Corporations Act who were clients of Patersons Securities Limited	Issue price of \$0.005 (aggregate of \$150,256). Market price at date of issue was \$0.006 Percentage discount 16.67%	Cash (\$150,256). Amount spent: \$150,256 Amount remaining: \$0 Funds raised from the issue of these shares have been, or will be, used to pay for expenses pertaining to the Company's Billy Hills (Zinc) Project and Kurnalpi (Nickel) Project. In addition, the proceeds will be used to fund general working capital and administration expenses
20 December 2018	76,745,116	MTH	Existing shareholders pursuant to an entitlement issue	Issue price of \$0.005 (aggregate of \$383,725). Market price at date of issue was \$0.006 Percentage discount 16.67%	Cash (\$383,725). Amount spent: \$383,725 Amount remaining: \$0 Funds raised from the issue of these shares have been, or will be, used to pay for expenses pertaining to the Company's Billy Hills (Zinc) Project and Kurnalpi (Nickel) Project. In addition, the proceeds will be used to fund general working capital and administration expenses
20 December 2018	115,250,358	MTH	Existing shareholders who subscribed for shortfall shares and professional, sophisticated and other investors exempt from the disclosure requirements of Chapter 6D of the Corporations Act who were clients of Patersons Securities Limited	Issue price of \$0.005 (aggregate of \$576,251). Market price at date of issue was \$0.006 Percentage discount 16.67%	Cash (\$576,251). Amount spent: \$204,251 Amount remaining: \$372,000 Funds raised from the issue of these shares have been, or will be, used to pay for expenses pertaining to the Company's Billy Hills (Zinc) Project and Kurnalpi (Nickel) Project. In addition, the proceeds will be used to fund general working capital and administration expenses
18 September 2019	68,000,000	MTH	Professional, sophisticated and other investors exempt from the disclosure requirements of Chapter 6D of the Corporations Act who were clients of Patersons Securities Limited.	Issue price of \$0.005 (aggregate of \$340,000). Market price at date of issue was \$0.006. Percentage discount 16.67%	Cash (\$340,000). Amount spent: \$0 Amount remaining: \$340,000 Funds raised from the issue of these shares have been, or will be, used to continue with the development of Billy Hills (Zinc) Project, working capital and to cover the costs of the offers.

MITHRIL RESOURCES LIMITED**ACN 099 883 922****("the Company")****PROXY FORM**

Full name of securityholder(s):

Address:

I/We being a member/s of Mithril Resources Limited ("**Company**") and entitled to attend and vote at the meeting of the Company to be held at Level 17, 500 Collins Street, Melbourne VIC 3000 on 13 November 2019 at 10:00am (Melbourne time) appoint:

☐ the Chair of the meeting **OR** ☐
 (mark box) (mark box) (Full name of proxy or the office of the proxy)

or if the person or body corporate named above fails to attend the meeting, or if no person/body corporate is named, the Chair of the meeting as my/our proxy to attend that meeting and vote on my/our behalf at that meeting and any adjournment or postponement of that meeting in accordance with the following directions (or if no directions have been given, as the proxy sees fit). If two proxies are appointed, the proportion of voting rights this proxy represents is%.

IMPORTANT: Directing the Chair how to vote on Resolution 1 Only

If you do not mark this box, and you have not directed your proxy how to vote on Resolution 1, the Chair will not cast your votes on Resolution 1 and your votes will not be counted in calculating the required majority if a poll is called on this Resolution.

If you appoint the Chair of the meeting as your proxy you can direct the Chair how to vote on Resolution 1 by either marking the relevant boxes below (for example if you wish to vote "against" or "abstain" from voting) or by marking this box (in which case the Chair will vote in favour of Resolution 1). The Chair intends to vote all available proxies in favour of Resolution 1.

I/We (except where I/we have indicated a different voting intention below):

- direct the Chair of the meeting to vote in accordance with the Chair's voting intentions on Resolution 1 to vote in favour of these Resolutions.
- authorise, in respect of Resolution 1, the Chair of the meeting to vote as described even though Resolution 1 is connected directly or indirectly with the remuneration of a member of key management personnel for the Company group; and
- acknowledge that the Chair of the meeting may exercise your proxy in respect of Resolutions 1 even though the Chair has an interest in the outcome of that Resolution and that votes cast by the Chair of the meeting for that Resolution, other than as proxy holder, will be disregarded because of that interest.

VOTING DIRECTIONS FOR YOUR PROXY

To instruct your proxy how to vote, insert 'X' in the appropriate column against each resolution set out below. If you do not instruct your proxy how to vote on a resolution, your proxy may vote as he/she thinks fit or abstain from voting.

The Chair intends to vote undirected proxies in favour of all resolutions in which the Chair is entitled to vote.

I/We direct my/our proxy to vote as indicated below:

		For	Against	Abstain
Resolution 1	Adoption of Remuneration Report	☐	☐	☐
Resolution 2	Re-election of Mr Adrien Wing as a Director	☐	☐	☐
Resolution 3	Ratification of prior issue of shares	☐	☐	☐
Resolution 4	Ratification of prior issue of shares	☐	☐	☐
Resolution 5	Approval of Placement Facility	☐	☐	☐

If a person: _____ Name (print) _____ (Signature) Date: ____/____/____	If a company: EXECUTED by: _____ Name of company (print) in accordance with the Corporations Act _____ (Signature) (Signature) Date: ____/____/____
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This proxy and any power of attorney or other authority under which it is signed (or a certified copy) must be lodged at:

- Level 17, 500 Collins Street, Melbourne VIC 3000; or
- by facsimile on 03 9614 0550 by 10:00am (Melbourne time) on 11 November 2019, being not less than 48 hours before the time for holding the meeting or adjourned meeting as the case may be.

