



MITHRIL

RESOURCES LTD

4 October 2016

Dear Fellow Shareholder

Share Purchase Plan

Your Director's are pleased to invite you to participate in the Mithril Resources Ltd (Mithril or Company) Share Purchase Plan (SPP) that closes on 28 October 2016. Under the SPP, you may subscribe for up to A\$15,000 worth of fully paid shares in the Company without incurring brokerage or other transaction costs. As fellow shareholders, your Directors have indicated that they intend to take up their maximum entitlement under the SPP (subject to scale-back if oversubscribed).

Under the SPP, a maximum of 170,063,720 shares will be issued at a price of \$0.005 (0.5 cents) to raise up to \$0.85M. The Company reserves the right to scale back the maximum participation amount per shareholder if the total demand exceeds \$0.85M and notes that allocation of shares will be on a "first-come, first-served basis".

Funds raised will be used to drill priority gold targets at the **Lignum Dam Gold Project**, fund ongoing target generation activities and for working capital purposes.

Located 50 kilometres north-northeast of Kalgoorlie in Western Australia, Lignum Dam covers a package of gold and nickel prospective Archaean mafic, ultramafic, and felsic rocktypes directly along strike from the Lindsay's Gold Mining Centre and the high grade Silver Swan nickel deposit.

The offer price of the shares under the SPP represents a 20% discount to the volume weighted average price (VWAP) of Mithril shares traded on the ASX during the period of 5 trading days up to and including the trading day prior to the SPP announcement (29 September 2016) and a 17% discount to the closing price on the trading day prior to the announcement.

The right to participate in the SPP is available exclusively to shareholders who were registered as holders of fully paid ordinary shares in the Company on 28 September 2016 and whose registered address is in Australia or New Zealand.

Details of the SPP are set out in the enclosed SPP Terms and Conditions. We encourage you to read these Terms and Conditions carefully and in their entirety before deciding whether or not to participate in the SPP.

Yours faithfully

Graham Ascough
Chairman - Mithril Resources Ltd

MITHRIL RESOURCES LIMITED
ACN 099 883 922

SHARE PURCHASE PLAN

TERMS AND CONDITIONS

These terms and conditions are the terms and conditions of the Mithril Resources Limited (**Company**) Share Purchase Plan (**Plan**) (as contemplated by Regulatory Guide 125 and Class Order [CO 09/425] of the Australian Securities and Investments Commission (**ASIC**)) and are binding on any shareholder completing the Share Purchase Plan Application Form which accompanies this document.

1. THE OFFER

The Offer is an invitation to offer to subscribe up to a maximum amount of \$15,000 for fully paid ordinary shares in the Company (**Shares**) at \$0.005 (0.5 cents) per Share for a choice of subscription amount of \$1,000 (200,000 Shares), \$2,500 (500,000 Shares), \$5,000 (1,000,000 Shares), \$10,000 (2,000,000 Shares) or \$15,000 (3,000,000 Shares). You may apply for any one of these number of Shares. You may refuse the Offer. The Offer to each eligible shareholder is made on the same terms and conditions. The Offer is non-renounceable (meaning that you may not transfer your right to acquire a Share under the Offer to anyone else).

2. OPENING AND CLOSING DATE OF THE OFFER

The Offer opens at 9.00 am (Adelaide time) on 11 October 2016. The Offer closes at 5.00 pm (Adelaide time) on 28 October 2016. The Directors of the Company reserve the right to change the closing date of the Offer.

No late applications will be accepted.

3. ELIGIBILITY

You are eligible to apply for Shares if:

- 3.1 your registered address in the Company's register of members is in Australia or New Zealand; and
- 3.2 you were registered or taken to be registered as a holder of fully paid ordinary shares in the Company as at 7.00 pm (Adelaide time) on 28 September 2016 (**Record Date**).

The Directors of the Company have determined that it is not practical for holders of shares with registered addresses in jurisdictions other than Australia and New Zealand to participate in the Plan.

To the extent that you hold shares on behalf of another person resident outside Australia or New Zealand, it is your responsibility to ensure that any acceptance is in compliance with all applicable foreign laws.

Single holders: If you are the only registered holder of a holding of Shares, but you receive more than one offer under the Plan (for example due to multiple registered holdings), you may only apply for one maximum parcel of \$15,000 (3,000,000) Shares.

Joint holders: If you are recorded with one or more other person as the joint holder of a holding of Shares, that joint holding is considered to be a single registered holding for the purpose of the Plan, and the joint holders are entitled to participate in the Plan in respect of that single holding only. If the same joint holders receive more than one offer under the Plan due to multiple identical holdings, the joint holders may only apply in aggregate for the maximum parcel of \$15,000 (3,000,000) Shares.

Custodians, trustees and nominees: If you are a custodian, trustee or nominee within the definition of ‘custodian’ in ASIC Class Order [CO 09/425] (**Custodian**) and hold Shares on behalf of one or more persons (each a **Participating Beneficiary**), you may apply for up to a maximum of \$15,000 worth of Shares for each Participating Beneficiary, subject to providing a notice in writing to the Company (**Custodian Certificate**) certifying:

- (a) either or both of the following:
 - (i) that the Custodian holds shares in the class on behalf of one or more Participating Beneficiaries that are not custodians;
 - (ii) that another custodian (**Downstream Custodian**) holds beneficial interests in shares in the class on behalf of one or more other persons (each a **Participating Beneficiary**), and the Custodian holds the shares to which those beneficial interests relate on behalf of the Downstream Custodian or another Custodian,on the Record Date and that each Participating Beneficiary has subsequently instructed the following persons:
 - (iii) where subsubparagraph (a)(i) applies – the Custodian; and
 - (iv) where subsubparagraph (a)(ii) applies – the Downstream Custodian,to apply for Shares on their behalf under the Plan;
- (b) the number of Participating Beneficiaries;
- (c) the name and address of each Participating Beneficiary;
- (d) in respect of each Participating Beneficiary:
 - (i) where subsubparagraph (a)(i) applies – the number of shares in the class that the Custodian holds on their behalf; and
 - (ii) where subsubparagraph (a)(ii) applies – the number of shares in the class to which the beneficial interests relate;
- (e) in respect of each Participating Beneficiary:
 - (i) where subsubparagraph (a)(i) applies – the number or the dollar amount of shares they instructed the Custodian to apply for on their behalf; and
 - (ii) where subsubparagraph (a)(ii) applies – the number or the dollar amount of shares they instructed the Downstream Custodian to apply for on their behalf;
- (f) there are no Participating Beneficiaries in respect of which the total of the application price for the following exceeds \$15,000:
 - (i) the Shares applied for by the Custodian under the Plan in accordance with the instructions referred to in subparagraph (e); and
 - (ii) any other shares in the class issued to the Custodian in the 12 months before the application as a result of an instruction given by them to the Custodian or the Downstream Custodian to apply for shares on their behalf under an arrangement similar to the Plan;
- (g) that a copy of the written offer document was given to each Participating Beneficiary; and

- (h) where subparagraph (a)(ii) applies – the name and address of each Custodian who holds beneficial interests in the shares in the class held by the Custodian in relation to each Participating Beneficiary.

In providing a certificate under this paragraph, the Custodian may rely on information provided to it by the Participating Beneficiary and any Custodian who holds beneficial interests in the shares in the class held by the Custodian.

For the purposes of ASIC Class Order [CO 09/425] you are a ‘Custodian’ if you are a registered holder that:

- holds an Australian financial services licence that:
 - (i) covers the provision of a ‘custodial or depository service’ (as defined in section 766E of the *Corporations Act 2001* (Cth) (**Corporations Act**)); or
 - (ii) covers the operation of an IDPS (as defined in ASIC Class Order [CO 13/763]); or
- is exempt under:
 - (i) paragraph 7.6.01(1)(k) of the *Corporations Regulations 2001* (Cth) (**Regulations**); or
 - (ia) paragraph 7.6.01(1)(na) of the Regulations; or
 - (ii) ASIC Class Order [CO 14/1000] or ASIC Class Order [CO 14/1001]; or
 - (iaa) ASIC Class Orders [CO 03/1099], [CO 03/1100], [CO 03/1101], [CO 03/1102], [CO 04/829] or [CO 04/1313]; or
 - (iib) an individual instrument of relief granted by ASIC to the person in terms similar to one of the class orders referred to in subparagraph (iaa); or
 - (iii) paragraph 911A(2)(h) of the Corporations Act,from the requirement to hold an Australian financial services licence for the provision of a custodial or depository service; or
- is a trustee of a:
 - (i) self-managed superannuation fund (as defined by ASIC Class Order [CO 09/425]); or
 - (ii) superannuation master trust (as defined by ASIC Class Order [CO 09/425]); or
- is the responsible entity of an IDPS-like scheme (as defined by ASIC Class Order [CO 13/762] or any class order that replaces that class order); or
- is the registered holder of shares in the class and is noted on the register of members of the Company as holding the shares on account of another person.

If you hold Shares as a trustee or nominee for another person, but are not a Custodian as defined above, you cannot participate for beneficiaries in the manner described above. In this case, the rules for multiple single holdings (above) apply.

Custodians should have received a Custodian Certificate with these terms and conditions. If you did not receive a Custodian Certificate or would like further information on how to apply, you should contact Computershare Investor Services Pty Limited.

4. ISSUE PRICE AND RELATIONSHIP TO MARKET PRICE

The issue price for each Share under the Offer is \$0.005 (0.5 cents) which represents a 20% discount to the volume weighted average price (VWAP) for the Company's shares calculated over the last 5 days on which sales in the shares were recorded before the Offer was announced on 29 September 2016.

5. RIGHTS ATTACHING TO SHARES

The rights and obligations of the Shares are contained in the constitution of the Company (which is available for inspection at the registered office of the Company during the period of the Offer). The Shares will be issued on the same terms as all other ordinary shares in the Company and the Company will apply for the Shares to be quoted on the ASX.

If the Shares are not to be quoted on ASX, the Shares will not be issued and application funds will be refunded without interest.

6. APPLICATION FOR SHARES

If you are an eligible shareholder, you may apply to purchase:

- 200,000 Shares for \$1,000;
- 500,000 Shares for \$2,500;
- 1,000,000 Shares for \$5,000;
- 2,000,000 Shares for \$10,000; or
- 3,000,000 Shares for \$15,000.

The Company reserves the right in its absolute discretion to reject any application for Shares to the extent that it considers that the application (whether alone or in conjunction with other applications) does not comply with these terms and conditions or for any other reason. If an application is refused, the application monies received will be refunded without interest.

The Company may, in its absolute discretion, undertake a scaleback to the extent and in the manner it sees fit. Any scaleback will be announced on the allotment date. If there is a scaleback, a shareholder may not receive any or all of the Shares for which it applied.

If the Company undertakes a scaleback, the difference between the allocation amount (being the number of Shares actually allotted multiplied by the issue price) and the application amount paid to the Company by the applicant will be refunded (without interest) by cheque and mailed to the applicant's registered address on the date this document is despatched to the applicant.

7. PARTICIPATION COSTS

You must pay the issue price per Share and any fees or charges incurred by you in completing the Application Form, for example, bank fees or fees of professional advisers. The Company will pay any brokerage or stamp duty.

8. ALLOTMENT OF SHARES

The Shares will be allotted as soon as possible after the closing date. The Company will send or cause to be sent to you a holding statement in due course.

9. **PAYMENT FOR THE SHARES**

All amounts in this Offer are expressed in Australian dollars.

Do not forward cash.

BPAY®: You may pay for the Shares via BPAY® by using the personalised reference number shown on your enclosed Application Form which is required to identify your holding. If you make your payment using BPAY® you do not need to return your Application Form. By paying by BPAY® you will be deemed to have completed an Application Form for the number of Shares the subject of your payment. New Zealand holders will not be able to make a payment using BPAY®. In applying for the Shares via BPAY®, you represent to the Company that the total of the application price for the following does not exceed \$15,000:

- (a) the shares the subject of the application;
- (b) any other shares in the class applied for under the Plan or any shares in the class issued under a similar arrangement in the 12 months before the application;
- (c) any other shares in the class which you have instructed a Custodian to acquire on your behalf under the Plan; and
- (d) any other shares in the class issued to a Custodian under an arrangement similar to the Plan in the 12 months before the application as a result of an instruction given by you to the Custodian or another Custodian and which resulted in you holding beneficial interests in the shares.

Cheque: Alternatively, you may pay by cheque, bank draft or money order in which event you must return your Application Form together with a cheque, bank draft or money order in Australian dollars for the correct amount drawn on an Australian bank and made payable to ‘Mithril Resources Limited Share Purchase Plan’.

Receipts for payment will not be issued.

If you pay an incorrect amount the Company reserves the right to vary your application, or to return some or all of your payment, or both, as it deems appropriate in its sole discretion. The Company may round the payment down to the lower appropriate amount and return the unused funds. Any applications for less than \$1,000 will be returned. The Company may otherwise determine that your application is invalid or defective. No interest will be paid on any refunds made for any reason.

10. **OFFERS UNDER THE PLAN**

The Company may make more than one invitation to acquire Shares under the Plan in any 12 month period. Shareholders will not be able to acquire Shares to a value exceeding \$15,000 pursuant to the Plan in any 12 month period. The Company may amend the terms of the Plan to provide for different terms to apply to different invitations. The Company may terminate the Plan at any time. Notice of invitations, the terms of invitations and termination of the Plan will be provided to ASX, although failure to give notice will not invalidate the event.

11. **APPLICATION OF PLAN**

The Company may act or omit to act in relation to the Plan (including applying the terms of the Plan) in its absolute discretion. The Company may settle any difficulty or question of fact or interpretation in relation to the Plan in any manner it thinks fit, whether generally or in relation to any participant, application or Share. The Company’s decision will be conclusive and binding. The Company reserves the right to waive strict compliance with the terms of the Plan. The Directors of the Company or any delegate of them may exercise the powers of the Company under the terms of the Plan.

12. RISK

Subscription under the Plan is a speculative investment and the market price of Shares may change between the date of the Offer, the date you apply for Shares and the date of issue of Shares to you. Accordingly, the value of Shares applied for may rise or fall.

This Offer is not a prospectus and does not require the types of disclosures required under the Corporations Act. You must rely on your own knowledge of the Company, previous disclosures made by the Company to ASX and, if necessary, consult your professional adviser when deciding whether or not to accept the Offer and participate in the Plan.

13. PRIVACY

By receiving completed Application Forms, the Company collects personal information about shareholders. The Company will use this information for the purposes of processing the Application Form and updating the records of the Company. Unless required by the law, the Company will not disclose the personal information of a shareholder to a third party or use the personal information for another purpose without the consent of the shareholder. Except as stated by the law, shareholders are able to access, upon request, their personal information or if you wish to obtain a copy of the Company's privacy policy, please contact us.

14. USE OF FUNDS

Funds raised pursuant to the Plan will be used to drill priority gold targets at the Lignum Dam Gold Project, fund ongoing target generation activities and for working capital purposes.

15. CLASS ORDER [CO 09/425] COMPLIANCE

This offer of Shares under the Plan is made subject to and in accordance with the requirements of ASIC Class Order [CO 09/425]. That Class Order grants relief from the requirement to prepare a prospectus for the offer of Shares under the Plan.

16. DECLARATION AND ACKNOWLEDGEMENT

By making payment via BPAY® or forwarding a cheque, bank draft or money order and the completed Application Form, you:

- (a) irrevocably and unconditionally agree to these terms and conditions and agree not to do any act or thing which would be contrary to the spirit, intention or purpose of the Plan;
- (b) agree to accept any lesser number of Shares than the number of Shares applied for;
- (c) certify that the aggregate of the application price for:
 - (i) the Shares the subject of the application; and
 - (ii) any other shares in the class applied for under the Plan or any shares in the class issued under a similar arrangement in the 12 months before the application;
 - (iii) any other shares in the class which the holder has instructed a Custodian to acquire on their behalf under the Plan; and
 - (iv) any other shares in the class issued to a Custodian under an arrangement similar to the Plan in the 12 months before the application as a result of an instruction given by the holder to the Custodian or another Custodian and which resulted in the holder holding beneficial interests in the shares,

does not exceed \$15,000;

- (d) agree to be bound by the Company's constitution in respect of Shares issued under the Plan;
- (e) accept that you will not be able to withdraw or revoke your application once it has been sent to the Company or payment has been made by you via BPAY®;
- (f) authorise the Company (and its officers or agents) to correct any error or omission in your Application Form and to complete the Application Form by the insertion of any missing details;
- (g) acknowledge that the Company may at any time determine that your Application Form is valid, in accordance with these terms and conditions, even if the Application Form is incomplete, contains errors or is otherwise defective;
- (h) accept the risk associated with any refund that may be sent to you by cheque to your address shown on the Company's register of members;
- (i) acknowledge that you are responsible for any dishonour fees or other costs the Company may incur in presenting a cheque for payment which is dishonoured;
- (j) acknowledge that neither the Company nor Computershare Investor Services Pty Ltd has provided you with investment advice or financial product advice, and that neither has any obligation to provide this advice, concerning your decision to apply for and buy Shares;
- (k) acknowledge that the Company is not liable for any exercise of its discretion referred to in these terms and conditions; and
- (l) certify that your acceptance of an offer under the Plan will not result in any person breaching the 20% limit imposed by section 606 of the Corporations Act.

17. GOVERNING LAW

The Offer is governed by the law in force in South Australia. By accepting the Offer, you submit to the non-exclusive jurisdiction of the Courts of South Australia.



This document has been prepared for publication in Australia and New Zealand only and may not be released elsewhere. This document does not constitute an offer to sell, or a solicitation of an offer to buy, securities in any jurisdiction other than Australia and New Zealand. In particular, the securities referred to in this document have not been, and will not be, registered under the United States Securities Act of 1993 as amended (**US Securities Act**), and may not be offered or sold in the United States or to or for the account or benefit of 'US Persons' (as defined in Regulation S under the US Securities Act) in the absence of registration or an available exemption from registration.

18. IMPORTANT DATES


The important dates in relation to this Offer are summarised below. These dates are indicative only and subject to change at the discretion of the Directors.

Record date for eligibility to participate in the Plan	28 September 2016
Offer opening date	11 October 2016
Offer closing date (subject to Directors' discretion to vary)	28 October 2016
Allotment date	7 November 2016
Despatch of holding statements	11 November 2016

For all enquiries:

Phone:
 (within Australia) 08 8132 8800
(outside Australia) 61 8 8132 8800
Web:
 www.investorcentre.com/contact

Make your payment:

 See overleaf for details of the Offer and how to make your payment

Share Purchase Plan Application Form

 **Your payment must be received by 5:00pm (Adelaide time) Friday 28 October 2016**

This is an important document that requires your immediate attention.

It can only be used in relation to the shareholding represented by the details printed overleaf. If you are in doubt about how to deal with this form, please contact your financial or other professional adviser.

By making payment you agree to be bound by the Constitution of Mithril Resources Limited and that the submission of this payment constitutes an irrevocable offer by you to subscribe for Mithril Resources Limited shares on the terms of the Share Purchase Plan (SPP).

In addition, by making payment you certify that the aggregate of the application price paid by you for:

- the New Shares the subject of the payment slip overleaf; and
- any other shares and interests in the class applied for by you under the SPP or any similar arrangement in the 12 months prior to the date of submission of the payment, does not exceed \$15,000.

Mithril Resources Limited may make determinations in any manner it thinks fit, in relation to any difficulties which may arise in connection with the SPP whether generally or in relation to any participant or application.

Any determinations by Mithril Resources Limited will be conclusive and binding on all Eligible Shareholders and other persons to whom the determination relates. Mithril Resources Limited reserves the right to waive strict compliance with any provision of the terms and conditions of the SPP, to amend or vary those terms and conditions or to suspend or terminate the SPP at any time. Any such amendment, suspension or termination will be binding on all Eligible Shareholders even where Mithril Resources Limited does not notify you of that event.

Step 1: Registration Name & Offer Details

Details of the shareholding and the Offer are shown overleaf.

Please check the details provided and update your address via www.investorcentre.com if any of the details are incorrect.

If you have a CHESS sponsored holding, please contact your Controlling Participant to notify a change of address.

Step 2: Make Your Payment

Note that shares may be purchased subject to purchase of the minimum value and not exceeding the maximum value. Your payment must correspond to one of the options detailed overleaf. You may choose one option only. Note that the amount chosen may be subject to scale back in accordance with the terms of the SPP.

Choose one of the payment methods shown below.

BPAY®: See overleaf. Do not return the payment slip with BPAY payment.

By Mail: Complete the reverse side of this payment slip and detach and return with your payment. Make your cheque, bank draft or money order payable in Australian dollars to **"Mithril Resources Limited Share Purchase Plan"** and cross **"Not Negotiable"**. The cheque must be drawn from an Australian bank. Cash is not accepted.

Payment will be processed on the day of receipt and as such, sufficient cleared funds must be held in your account as cheques received may not be re-presented and may result in your Application being rejected. Paperclip (do not staple) your cheque(s) to the payment slip. Receipts will not be forwarded. Funds cannot be debited directly from your account.

Entering your contact details is not compulsory, but will assist us if we need to contact you.

Mithril Resources Limited Share Purchase Plan Application Form
Payment must be received by 5:00pm (Adelaide time) Friday 28 October 2016


© Registered to BPAY Pty Limited ABN 69 079 137 518

Turn over for details of the Offer →

Share Purchase Plan Application Form

STEP 1

Registration Name & Offer Details

 For your security keep your SRN/HIN confidential.

Registration Name:

Offer Details:

Record date:

28 September 2016

Minimum value
available to purchase:

\$1,000

Maximum value
available to purchase:

\$15,000

STEP 2

Make Your Payment



Contact your financial institution to make your payment from your cheque or savings account.

Pay by Mail:



Make your cheque, bank draft or money order payable to **"Mithril Resources Limited Share Purchase Plan"** and cross **"Not Negotiable"**.

Return your cheque with the below payment slip to:

Computershare Investor Services Pty Limited

GPO BOX 2987 Adelaide South Australia 5001 Australia

Lodgement of Acceptance

If you are applying for New Shares and your payment is being made by BPAY, you do not need to return the payment slip below. Your payment must be received by no later than 5:00pm (Adelaide time) Friday 28 October 2016. Applicants should be aware that their own financial institution may implement earlier cut off times with regards to electronic payment, and should therefore take this into consideration when making payment. Neither Computershare Investor Services Pty Limited (CIS) nor Mithril Resources Limited accepts any responsibility for loss incurred through incorrectly completed BPAY payments. It is the responsibility of the applicant to ensure that funds submitted through BPAY are received by this time.

If you are paying by cheque, bank draft or money order the payment slip below must be received by CIS by no later than 5:00pm (Adelaide time) Friday 28 October 2016. You should allow sufficient time for this to occur. A reply paid envelope is enclosed for shareholders in Australia. Other Eligible Shareholders will need to affix the appropriate postage. Return the payment slip below with cheque attached. Neither CIS nor Mithril Resources Limited accepts any responsibility if you lodge the payment slip below at any other address or by any other means.

Privacy Notice

The personal information you provide on this form is collected by Computershare Investor Services Pty Limited (CIS), as registrar for the securities issuers (the issuer), for the purpose of maintaining registers of securityholders, facilitating distribution payments and other corporate actions and communications. In addition, the issuer may authorise us on their behalf to send you marketing material or include such material in a corporate communication. You may elect not to receive marketing material by contacting CIS using the details provided above or emailing privacy@computershare.com.au. We may be required to collect your personal information under the Corporations Act 2001 (Cth) and ASX Settlement Operating Rules. We may disclose your personal information to our related bodies corporate and to other individuals or companies who assist us in supplying our services or who perform functions on our behalf, to the issuer for whom we maintain securities registers or to third parties upon direction by the issuer where related to the issuer's administration of your securityholding, or as otherwise required or authorised by law. Some of these recipients may be located outside Australia, including in the following countries: Canada, India, New Zealand, the Philippines, the United Kingdom and the United States of America. For further details, including how to access and correct your personal information, and information on our privacy complaints handling procedure, please contact our Privacy Officer at privacy@computershare.com.au or see our Privacy Policy at <http://www.computershare.com/au>.

Detach here

Purchase Details for Mithril Resources Limited (choose one option)

<input type="checkbox"/> \$1,000 (200,000 Shares)	OR	<input type="checkbox"/> \$2,500 (500,000 Shares)	OR	<input type="checkbox"/> \$5,000 (1,000,000 Shares)
<input type="checkbox"/> \$10,000 (2,000,000 Shares)	OR	<input type="checkbox"/> \$15,000 (3,000,000 Shares)		

Payment must be received by 5:00pm (Adelaide time) Friday 28 October 2016

Contact Details

Contact

Name

Daytime

Telephone

Cheque Details

Drawer

Cheque Number

BSB Number

Account Number

A\$