

**MITHRIL RESOURCES LIMITED**  
**ACN 099 883 922**

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**NOTICE OF ANNUAL GENERAL MEETING**  
**EXPLANATORY MEMORANDUM**  
**PROXY FORM**

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**Date of Meeting**  
26 November 2013

**Time of Meeting**  
11.00 am (Adelaide time)

**Place of Meeting**  
HLB Mann Judd  
169 Fullarton Road  
DULWICH SA 5065

## NOTICE OF ANNUAL GENERAL MEETING

### MITRIL RESOURCES LIMITED ACN 099 883 922

Notice is hereby given that the Annual General Meeting of shareholders of Mithril Resources Limited (**Company**) will be held at HLB Mann Judd, 169 Fullarton Road, Dulwich, South Australia at 11.00 am (Adelaide time) on 26 November 2013.

#### **Ordinary Business**

To consider the Financial Statements for the financial year ended 30 June 2013 and accompanying reports of the Directors and Auditor.

#### **Resolution 1: Adoption of Remuneration Report**

To consider and, if thought fit, pass, with or without amendment, the following resolution as an ordinary resolution:

*‘That the Company adopt the Remuneration Report for the year ended 30 June 2013 as set out in the Company’s Annual Report for the year ended 30 June 2013.’*

#### **Resolution 2: Re-election of Graham Ascough as Director**

To consider and, if thought fit, pass, with or without amendment, the following resolution as an ordinary resolution:

*‘That Mr Graham Ascough, having voluntarily retired in accordance with Listing Rule 14.4 and rule 6.1 of the Company’s Constitution and being eligible, and offering himself, for re-election, is re-elected as a Director with effect immediately following the conclusion of the meeting.’*

#### **Resolution 3: Subsequent Approval of the Issue of 32,942,250 Shares**

To consider and, if thought fit, pass, with or without amendment, the following resolution as an ordinary resolution:

*‘That, for the purpose of Listing Rule 7.4 and for all other purposes, approval be and is hereby given to the issue by the Company of 32,942,250 ordinary shares on the terms and conditions described in the Explanatory Memorandum.’*

#### **Resolution 4: Approval of 10% Placement Facility**

To consider and, if thought fit, pass, with or without amendment, the following resolution as a **special resolution**:

*‘That, pursuant to and in accordance with Listing Rule 7.1A and for all other purposes, shareholders approve the issue of Equity Securities up to 10% of the issued capital of the Company (at the time of the issue) calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and on the terms and conditions in the Explanatory Memorandum.’*

**DATED 25 OCTOBER 2013**

**BY ORDER OF THE BOARD  
MITHRIL RESOURCES LIMITED**

A handwritten signature in cursive script that reads "Donald Stephens".

**DONALD STEPHENS  
COMPANY SECRETARY**

## NOTES:

### 1. Explanatory Memorandum

The Explanatory Memorandum accompanying this Notice of Annual General Meeting is incorporated in and comprises part of this Notice of Annual General Meeting and should be read in conjunction with this Notice of Annual General Meeting.

Shareholders are specifically referred to the Glossary in the Explanatory Memorandum which contains definitions of capitalised terms used in both this Notice of Annual General Meeting and the Explanatory Memorandum.

### 2. Voting Exclusion Statements

#### (a) Resolution 1

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

- (i) a member of the Key Management Personnel details of whose remuneration are included in the Remuneration Report; or
- (ii) a Closely Related Party of such a member.

However, a person described above may cast a vote on Resolution 1 as a proxy if the vote is not cast on behalf of a person described above and either:

- (i) the person is appointed as a proxy by writing that specifies the way the proxy is to vote on the resolution; or
- (ii) the person is the chair of the meeting and the appointment of the chair as proxy:
  - does not specify the way the proxy is to vote on the resolution; and
  - expressly authorises the chair to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel for the Company or, if the Company is part of a consolidated entity, for the entity.

#### (b) Resolution 3

The Company will disregard any votes cast on Resolution 3 by a person who participated in the issue and an associate of that person.

However, the Company will not disregard a vote if:

- (i) it is cast by the person as proxy for a person who is entitled to vote, in accordance with directions on the proxy form; or
- (ii) 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.

#### (c) Resolution 4

The Company will disregard any votes cast on Resolution 4 by a person (and any associates of such a person) who may participate in the 10% Placement Facility and a person (and any associates of such a person) who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary shares, if Resolution 4 is passed.

However, the Company will not disregard a vote if:

- (i) it is cast by the person as proxy for a person who is entitled to vote, in accordance with directions on the proxy form; or
- (ii) 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.

### 3. Proxies

A shareholder entitled to attend this Meeting and vote is entitled to appoint a proxy to attend and vote for the shareholder at the Meeting. A proxy need not be a shareholder. If the shareholder is entitled to cast two or more votes at the Meeting the shareholder may appoint two proxies and may specify the proportion or number of votes which each proxy is appointed to exercise. A form of proxy accompanies this Notice.

To record a valid vote, a shareholder will need to take the following steps:

- 3.1 cast the shareholder's vote online by visiting [www.investorvote.com.au](http://www.investorvote.com.au) and entering the shareholder's Control Number, SRN/HIN and postcode, which are shown on the first page of the enclosed proxy form; or
- 3.2 complete and lodge the manual proxy form at the share registry of the Company, Computershare Investor Services Pty Limited:
  - (a) by post at the following address:  
  
Computershare Investor Services Pty Limited  
GPO Box 242  
MELBOURNE VIC 3001  
  
OR
  - (b) by facsimile on 1800 783 447 (within Australia) or +61 3 9473 2555 (outside Australia); or
- 3.3 for Intermediary Online subscribers only (custodians), cast the shareholder's vote online by visiting [www.intermediaryonline.com](http://www.intermediaryonline.com),

so that it is received no later than 11.00 am (Adelaide time) on 24 November 2013.

Please note that if the chair of the meeting is your proxy (or becomes your proxy by default), you expressly authorise the chair to exercise your proxy on Resolution 1 even though it is connected directly or indirectly with the remuneration of a member of the Key Management Personnel for the Company, which includes the chair. If you appoint the chair as your proxy you can direct the chair to vote for or against or abstain from voting on Resolution 1 by marking the appropriate box on the proxy form.

The chair intends to vote undirected proxies in favour of each item of business.

### 4. 'Snap Shot' Time

The Company may specify a time, not more than 48 hours before the Meeting, at which a 'snap-shot' of shareholders will be taken for the purposes of determining shareholder entitlements to vote at the Meeting. The Directors have determined that all shares of the Company that are quoted on ASX as at 7.00 pm (Adelaide time) on 24 November 2013 shall, for the purposes of determining voting entitlements at the Meeting, be taken to be held by the persons registered as holding the shares at that time.

## **5. Corporate Representative**

Any corporate shareholder who has appointed a person to act as its corporate representative at the Meeting should provide that person with a certificate or letter executed in accordance with the Corporations Act authorising him or her to act as that company's representative. The authority may be sent to the Company and/or registry in advance of the Meeting or handed in at the Meeting when registering as a corporate representative.

## EXPLANATORY MEMORANDUM

This Explanatory Memorandum forms part of a Notice convening an Annual General Meeting of shareholders of Mithril Resources Limited to be held on 26 November 2013. This Explanatory Memorandum is to assist shareholders in understanding the background to and the legal and other implications of the Notice and the reasons for the resolutions proposed. Both documents should be read in their entirety and in conjunction with each other.

Other than the information set out in this Explanatory Memorandum, the Directors believe that there is no other information that could reasonably be required by shareholders to consider Resolutions 1 to 4 (inclusive).

### 1. RESOLUTION 1: ADOPTION OF REMUNERATION REPORT

The Annual Report for the year ended 30 June 2013 contains a Remuneration Report which sets out the remuneration policy of the Company.

An electronic copy of the 2013 Annual Report is available to download or view on the Company's website at [www.mithrilresources.com.au/annualreports.php](http://www.mithrilresources.com.au/annualreports.php). The 2013 Annual Report has also been sent by post to those shareholders who have previously elected to receive a hard copy. In addition, the Company has also enabled online voting, details of which are explained on the proxy form.

Section 250R(2) of the Corporations Act requires that a resolution to adopt the Remuneration Report be put to the vote of the Company. Shareholders should note that the vote on Resolution 1 is advisory only and, subject to the matters outlined below, will not bind the Company or the Directors. However, the Board will take the outcome of the vote into consideration when reviewing the Company's remuneration policy.

Section 250R(4) of the Corporations Act prohibits a vote on this resolution being cast (in any capacity) by or on behalf of any 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.

However, under section 250R(5) of the Corporations Act a person described above may cast a vote on Resolution 1 as a proxy if the vote is not cast on behalf of a person described above and either:

- (a) the person is appointed as a proxy by writing that specifies the way the proxy is to vote on the resolution; or
- (b) the person is the chair of the meeting and the appointment of the chair as proxy:
  - (i) does not specify the way the proxy is to vote on the resolution; and
  - (ii) expressly authorises the chair to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel for the Company or, if the Company is part of a consolidated entity, for the entity.

Please note that if the chair of the meeting is your proxy (or becomes your proxy by default), you expressly authorise the chair to exercise your proxy on Resolution 1 even though it is connected directly or indirectly with the remuneration of a member of the Key Management Personnel for the Company, which includes the chair. If you appoint the chair as your proxy

you can direct the chair to vote for or against or abstain from voting on Resolution 1 by marking the appropriate box on the proxy form.

The chair intends to vote undirected proxies in favour of Resolution 1.

Resolution 1 is an ordinary resolution.

Please also note that under sections 250U and 250V of the Corporations Act, if at two consecutive annual general meetings of a listed company at least 25% of votes cast on a resolution that the remuneration report be adopted are against adoption of the report, at the second of these annual general meetings there must be put to the vote a resolution that another meeting be held within 90 days at which all directors (except the managing director) who were directors at the date the remuneration report was approved at the second annual general meeting must stand for re-election. So, in summary, shareholders will be entitled to vote in favour of holding a general meeting to re-elect the Board if the Remuneration Report receives 'two strikes'. The Remuneration Report did not receive a 'first strike' at the Company's 2012 annual general meeting.

## 2. **RESOLUTION 2: RE-ELECTION OF GRAHAM ASCOUGH AS DIRECTOR**

In accordance with Listing Rule 14.4 and rule 6.1 of the Constitution at every Annual General Meeting one third of the Directors for the time being (excluding those who retire under rule 9.2 of the Constitution) must retire from office and are eligible for re-election. Accordingly, Mr Graham Ascough retires as a Director of the Company and, being eligible, offers himself for re-election.

A resume for Mr Ascough follows:

**Graham Ascough**, BSc, PGeo (Chairman, Non-Executive Director)

Mr Ascough is a senior resources executive with more than 24 years of industry experience evaluating mineral projects and resources in Australia and overseas. He has had broad industry involvement ranging from playing a leading role in setting the strategic direction for significant country-wide exploration programmes to working directly with mining and exploration companies.

Mr Ascough is a geophysicist by training and was the Managing Director of Mithril Resources Limited from October 2006 until June 2012. Prior to joining Mithril in 2006, Mr Ascough was the Australian Manager of Nickel and PGM Exploration at the major Canadian resources house, Falconbridge Limited (acquired by Xstrata Plc in 2006).

Mr Ascough is also Chairman of ASX listed Musgrave Minerals Limited, Phoenix Copper Limited and Aguiá Resources Limited. He is also a non-executive director of AO Energy Limited. He is a member of the Australian Institute of Mining and Metallurgy and is a Professional Geoscientist of Ontario, Canada.

Resolution 2 is an ordinary resolution.

The Directors (other than Mr Ascough) recommend that shareholders vote in favour of Resolution 2.

The chair intends to vote undirected proxies in favour of Resolution 2.

### 3. **RESOLUTION 3: SUBSEQUENT APPROVAL OF THE ISSUE OF 32,942,250 SHARES**

On 3 September 2013, the Company announced a placement of 32,942,250 ordinary shares (**Placement Shares**) and at an issue price of \$0.026 per share to raise \$856,498.

The Placement Shares were issued on 10 September 2013. The purpose of Resolution 3 is to obtain shareholder approval for the issue of the Placement Shares for the purpose of Listing Rule 7.4 and for all other purposes.

Listing Rule 7.1 provides, in summary, that a listed company may not issue equity securities in any 12 month period which exceeds 15% of the number of issued securities of the company held at the beginning of the 12 month period, except with the prior approval of shareholders of the company in general meeting, unless an exception in Listing Rule 7.2 applies.

However, Listing Rule 7.4 provides that an issue of equity securities made without shareholder approval under Listing Rule 7.1 is treated as having been made with shareholder approval for the purpose of Listing Rule 7.1 if:

- the issue did not breach Listing Rule 7.1; and
- holders of ordinary securities subsequently approve it.

The issue of the Placement Shares did not result in the Company breaching the 15% limit referred to in Listing Rule 7.1. The issue of the Placement Shares does not therefore depend upon shareholders passing Resolution 3. The purpose of Resolution 3 is to obtain shareholder approval for the purpose of Listing Rule 7.4 and for all other purposes. If shareholders approve the issue of the Placement Shares for the purpose of Listing Rule 7.4, the issue of the Placement Shares will not count towards determining the number of equity securities which the Company can issue in any 12 month period. However, if shareholders do not approve the issue of the Placement Shares for the purpose of Listing Rule 7.4, the issue of the Placement Shares will count towards the number of equity securities which the Company can issue in any 12 month period.

For the purpose of Listing Rule 7.5 information regarding the Placement Shares is provided as follows:

- 32,942,250 Placement Shares have been issued.
- The Placement Shares were issued at an issue price of \$0.026 each.
- The terms and conditions of the Placement Shares are the same as the terms and conditions of already issued fully paid ordinary shares in the Company.
- The Placement Shares were issued to professional and/or sophisticated investors as determined by the Board.
- Funds raised from the issue of the Placement Shares will be used to fund exploration in the Northern Territory, and for working capital purposes.

Resolution 3 is an ordinary resolution.

The Directors recommend that shareholders vote in favour of Resolution 3.

The chair intends to vote undirected proxies in favour of Resolution 3.

#### 4. **RESOLUTION 4: APPROVAL OF 10% PLACEMENT FACILITY**

##### 4.1 **General**

Listing Rule 7.1A enables an eligible entity to issue Equity Securities up to 10% of its issued ordinary share capital through placements over a 12 month period after the annual general meeting (**10% Placement Facility**). The 10% Placement Facility is in addition to the eligible entity's 15% placement capacity under Listing Rule 7.1.

An eligible entity for the purposes of 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 an eligible entity.

The Company is now seeking shareholder approval by way of a special resolution to have the ability to issue Equity Securities under the 10% Placement Facility.

The exact number of Equity Securities which may be issued under the 10% Placement Facility will be determined in accordance with the formula prescribed in Listing Rule 7.1A.2 (refer to section 4.2(c)).

##### 4.2 **Description of Listing Rule 7.1A**

###### (a) **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 annual general meeting.

###### (b) **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 on issue the following classes of Equity Securities:

- ordinary shares quoted on ASX
- options not quoted on ASX

###### (c) **Formula for calculating 10% Placement Facility**

Listing Rule 7.1A.2 provides that eligible entities which have obtained shareholder approval at an annual general meeting may issue or agree to issue, during the 10% Placement Period (refer to section 4.2(f)), a number of Equity Securities calculated in accordance with the following formula:

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

Where:

**A** is the number of fully paid ordinary shares on issue 12 months before the date of issue or agreement:

- plus the number of fully paid ordinary shares issued in the 12 months under an exception in Listing Rule 7.2;

- plus the number of partly paid ordinary shares that became fully paid in the 12 months;
- plus the number of fully paid ordinary shares issued in the 12 months with approval of holders of ordinary shares under Listing Rules 7.1 and 7.4;
- less the number of fully paid ordinary shares cancelled in the 12 months.

*(Note that A has the same meaning in 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 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 Listing Rule 7.1 or 7.4.

**(d) Listing Rule 7.1 and Listing Rule 7.1A**

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

At the date of this Notice, the Company has on issue 252,557,750 ordinary shares and therefore has a capacity to issue:

- (i) subject to shareholder approval being obtained under Resolution 3, 37,883,662 Equity Securities under Listing Rule 7.1; and
- (ii) subject to shareholder approval being obtained under Resolution 4, 25,255,775 Equity Securities under Listing Rule 7.1A.

The actual number of Equity Securities that the Company will have capacity to issue under Listing Rule 7.1A will be calculated at the date of issue of the Equity Securities in accordance with the formula prescribed in Listing Rule 7.1A.2 (refer to section 4.2(c)).

**(e) Minimum Issue Price**

The issue price of Equity Securities issued under 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 on which trades in that class were recorded 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 five Trading Days of the date referred to in section 4.2(e)(i), the date on which the Equity Securities are issued.

**(f) 10% Placement Period**

Shareholder approval of the 10% Placement Facility under Listing Rule 7.1A is valid from the date of the annual general meeting at which the approval is obtained and expires on the earlier to occur of:

- (i) the date that is 12 months after the date of the annual general meeting at which the approval is obtained; and
- (ii) the date of the approval by shareholders of a transaction under Listing Rule 11.1.1 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking),

or such longer period if allowed by ASX (**10% Placement Period**).

#### 4.3 **Listing Rule 7.1A**

The effect of Resolution 4 will be to allow the Directors to issue the Equity Securities under Listing Rule 7.1A during the 10% Placement Period in addition to using the Company's 15% placement capacity under Listing Rule 7.1.

Resolution 4 is a special resolution and therefore requires approval of at least 75% of the votes cast by shareholders entitled to vote (in person, by proxy, by attorney or, in the case of a corporate shareholder, by a corporate representative) on the Resolution.

#### 4.4 **Specific information required by Listing Rule 7.3A**

Pursuant to and in accordance with Listing Rule 7.3A, information is provided in relation to the approval of the 10% Placement Facility as follows to the extent that such information is not disclosed elsewhere in this Explanatory Memorandum:

- (a) The Equity Securities will be issued at an issue price of not less than 75% of the VWAP for the Company's Equity Securities in the same class over the 15 Trading Days on which trades in that class were recorded 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 five Trading Days of the date in section 4.4(a)(i), the date on which the Equity Securities are issued.
- (b) There is a risk that:
  - (i) the market price for the Company's Equity Securities in the same class 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 in the same class on the issue date,

which may have an effect on the amount of funds raised by the issue of the Equity Securities.

The table below shows the risk of voting dilution of existing shareholders on the basis of the current market price of shares and the current number of ordinary shares for variable 'A' calculated in accordance with the formula in Listing Rule 7.1A.2 as at the date of this Notice.

The table also shows:

- (i) 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 shares on issue may increase as a result of issues of ordinary shares that do not require shareholder approval (for example, a pro rata entitlements issue) or future specific placements under Listing Rule 7.1 that are approved at a future shareholders' meeting; and

- (ii) two examples of where the issue price of ordinary shares has decreased by 50% and increased by 100% as against the current market price.

Variable 'A' in formula in Listing Rule 7.1A.2		Issue Price		
		\$0.01 50% decrease in issue price	\$0.02 issue price	\$0.04 100% increase in issue price
Current Variable 'A' 252,557,750 shares	10% voting dilution	25,255,775 shares	25,255,775 shares	25,255,775 shares
	Funds raised	\$252,558	\$505,116	\$1,010,231
50% increase in current Variable 'A' 378,836,625 shares	10% voting dilution	37,883,662 shares	37,883,662 shares	37,883,662 shares
	Funds raised	\$378,837	\$757,673	\$1,515,346
100% increase in current Variable 'A' 505,115,500 shares	10% voting dilution	50,511,550 shares	50,511,550 shares	50,511,550 shares
	Funds raised	\$505,116	\$1,010,231	\$2,020,462

The table has been prepared on the following assumptions:

- The Company issues the maximum number of Equity Securities available under the 10% Placement Facility.
- No current options are exercised into shares before the date of the issue of the Equity Securities.
- The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.
- The table does not show an example of dilution that may be caused to a particular shareholder by reason of placements pursuant to the 10% Placement Facility, based on that shareholder's holding at the date of the Meeting.
- The table shows only the effect of issues of Equity Securities under Listing Rule 7.1A and no other issues of Equity Securities.
- The issue of Equity Securities under the 10% Placement Facility consists only of shares.

- The issue price is \$0.02, being the closing price of the shares on ASX on 9 October 2013.
- (c) The Company will only issue and allot the Equity Securities during the 10% Placement Period. The approval under Resolution 4 for the issue of the Equity Securities will cease to be valid in the event that shareholders approve a transaction under Listing Rule 11.1.2 (a significant change to the nature or scale of activities) or Listing Rule 11.2 (disposal of main undertaking).
- (d) The Company may seek to issue the Equity Securities for the following purposes:
- (i) non-cash consideration for the acquisition of new assets and investments. In such circumstances the Company will provide a valuation of the non-cash consideration as referred to in the Note to Listing Rule 7.1A.3; or
  - (ii) cash consideration. In such circumstances, the Company intends to use the funds raised towards an acquisition of new assets or investments (including expense associated with such acquisition), continued exploration and feasibility study expenditure on the Company's current assets and/or general working capital.
- (e) The Company will comply with the disclosure obligations under Listing Rules 7.1A.4 and 3.10.5A upon issue of any Equity Securities.
- (f) 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 and the number of Equity Securities allotted to each will be determined on a case-by-case basis having regard to factors including, but not limited to, the following:
- (i) the methods of raising funds that are available to the Company including, but not limited to, rights issue or other issue in which the existing security holders can participate;
  - (ii) the effect of the issue of the Equity Securities on the control of the Company;
  - (iii) the financial situation and solvency of the Company; and
  - (iv) 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 this 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 is successful in acquiring new assets or investments, it is likely that the allottees under the 10% Placement Facility will be the vendors of the new assets or investments or the nominee of such vendors.

- (g) The Company has not previously obtained shareholder approval under Listing Rule 7.1A.
- (h) A voting exclusion statement is included in the Notice. At the date of the 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 statement in the Notice.

Resolution 4 is a **special resolution**.

The Directors recommend that shareholders vote in favour of Resolution 4.

The chair intends to vote undirected proxies in favour of Resolution 4.

## 5. GLOSSARY

In this Explanatory Memorandum and Notice of Annual General Meeting the following expressions have the following meanings unless stated otherwise or unless the context otherwise requires:

**10% Placement Facility** has the meaning given in section 4.1;

**10% Placement Period** has the meaning given in section 4.2(f);

**ASIC** means the Australian Securities and Investments Commission;

**ASX** means ASX Limited ACN 008 624 691;

**Board** means the board of directors of the Company;

**Closely Related Party** of a member of the Key Management Personnel for an entity means:

- (a) a spouse or child of the member;
- (b) a child of the member's spouse;
- (c) a dependant of the member or of the member's spouse;
- (d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealings with the entity;
- (e) a company the member controls; or
- (f) a person prescribed as such by the *Corporations Regulations 2001* (Cth);

**Company** means Mithril Resources Limited ACN 099 883 922;

**Constitution** means the existing constitution of the Company;

**Corporations Act** means *Corporations Act 2001* (Cth);

**Director** means a director of the Company;

**Equity Securities** has the same meaning as in the Listing Rules;

**Key Management Personnel** has the same meaning as in the accounting standards as defined in section 9 of the Corporations Act (so the term broadly includes those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any director, whether executive or otherwise, of the Company);

**Listing Rules** means the listing rules of ASX;

**Meeting** means the meeting of shareholders convened by the Notice;

**Notice** means the notice of meeting to which this Explanatory Memorandum is attached;

**Trading Day** means a day determined by ASX to be a trading day in accordance with the Listing Rules; and

**VWAP** means volume weighted average price.



**Change of address.** If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.

# Proxy Form

Please mark  to indicate your directions

## STEP 1 Appoint a Proxy to Vote on Your Behalf

I/We being a member/s of Mithril Resources Ltd hereby appoint

the Chairman of the Meeting **OR**

 **PLEASE NOTE:** Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the Meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the Annual General Meeting of Mithril Resources Ltd to be held at HLB Mann Judd, 169 Fullarton Road, Dulwich SA 5065 on Tuesday 26 November 2013 at 11:00am (Adelaide time) and at any adjournment or postponement of that Meeting.

**Chairman authorised to exercise undirected proxies on remuneration related resolutions:** Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on **Item 1** (except where I/we have indicated a different voting intention below) even though **Item 1** is connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chairman.

**Important Note:** If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on **Item 1** by marking the appropriate box in step 2 below.

## STEP 2 Items of Business

 **PLEASE NOTE:** If you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

### ORDINARY BUSINESS

	For	Against	Abstain
1 Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Re-election of Graham Ascough as Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 Subsequent Approval of the Issue of 32,942,250 Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4 Approval of 10% Placement Facility	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Chairman of the Meeting intends to vote all available proxies in favour of each item of business.

## SIGN Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

Contact Name \_\_\_\_\_

Contact Daytime Telephone \_\_\_\_\_

Date \_\_\_\_ / \_\_\_\_ / \_\_\_\_