



MITHRIL

RESOURCES LTD

30 October 2014

Companies Announcement Office
Australian Securities Exchange Limited
PO Box H224
Australia Square NSW 1215

Mithril Resources Limited Cleansing Notice – Non-renounceable Entitlement Offer

This notice is given by Mithril Resources Limited (ASX code: MTH) (**Company**) under section 708AA(2)(f) of the *Corporations Act 2001* (Cth) (**Act**). The Company confirms that the non-renounceable pro rata entitlement offer announced on 27 October 2014 (**Entitlement Offer**) is being made without a disclosure document under section 708AA of the Act, as modified by Australian Securities and Investments Commission Class Order 08/35 (**CO 08/35**).

In accordance with section 708AA(2)(f) of the Act, the Company confirms that:

1. The Company will offer new shares pursuant to the Entitlement Offer for issue to investors without disclosure under Part 6D.2 of the Act.
2. The Company is giving this notice under section 708AA(2)(f) of the Act, as modified by CO 08/35.
3. As at the date of this notice, the Company has complied with:
 - (a) the provisions of Chapter 2M of the Act as they apply to the Company; and
 - (b) section 674 of the Act.
4. As at the date of this notice, the Company confirms that it has no excluded information (as that term is defined in section 708AA(8) and 708AA(9) of the Act) which it is required to disclose under section 708AA(7)(d) of the Act.
5. The potential effect that the issue of the new shares offered under the Entitlement Offer (**New Shares**) will have on the control of the Company, and the consequences of that effect, will depend on a number of factors and in particular the demand for New Shares by shareholders:

- (a) if all shareholders are eligible shareholders and take up their entitlements under the offer then the Entitlement Offer will have no effect on the control of the Company;
- (b) if not all shareholders are eligible shareholders or do not take up their full entitlements, the shortfall will be allocated:
 - (i) to eligible shareholders who subscribe for additional New Shares; and
 - (ii) to any other parties selected by the Directors.

The effect the placement of the shortfall may have on control will depend entirely on any additional subscriptions by shareholders;

- (c) if some shareholders do not take up their entitlements (whether because they are ineligible shareholders or otherwise), their equity in the Company will be diluted. The equity of shareholders who only take up part of their entitlement will also be diluted, but to a lesser extent;
- (d) the options the Company currently has on issue are not expected to be exercised prior to the record date as the exercise price for these options exceeds the offer price and the share price on 29 October 2014 of \$0.009 per share at close of trade, therefore the options are expected to have no effect on the offer or the control of the Company;
- (e) based on the structure of the Entitlement Offer and the current level of holdings of substantial shareholders, the Entitlement Offer is not expected to have a material effect or consequence on the control of the Company.

Yours sincerely

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

Donald Stephens
Company Secretary