

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 or making payment using BPAY®.

1. The offer

The Offer is an invitation to subscribe up to a maximum amount of \$15,000 for fully paid ordinary shares in the Company (**Shares**) with a choice of subscription amount of \$1,000, \$2,500, \$5,000, \$7,500, \$10,000 or \$15,000. You may apply for any one of these parcels 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 28 May 2018. The Offer closes at 5.00 pm (Adelaide time) on 18 June 2018. 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 17 May 2018 (**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 worth of 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 for one maximum parcel of \$15,000 worth of 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 subparagraph (a)(i) applies – the Custodian; and
 - (iv) where subparagraph (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 subparagraph (a)(i) applies – the number of shares in the class that the Custodian holds on their behalf; and
 - (ii) where subparagraph (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 subparagraph (a)(i) applies – the number or the dollar amount of shares they instructed the Custodian to apply for on their behalf; and
 - (ii) where subparagraph (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
 - (iia) Schedule 2 to the *ASIC Corporations (Repeal and Transitional) Instrument 2016/396*; or
 - (iib) an instrument, not being a legislative instrument, made by ASIC and which applies to the person on terms similar to Schedule 2 of the legislative instrument referred to in subparagraph (iia) or any of the ASIC Class Orders repealed by that legislative instrument; 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 Ltd.

4. Issue price

The issue price for each Share under the Offer will be a 20% discount to the volume weighted average market price (as defined in the ASX Listing Rules) for the Company's shares calculated over the last five days on which sales in the shares are recorded before the day on which the issue is made.

The Company will announce the final issue price for the Offer on the day on which the issue is made.

The number of Shares issued to an applicant will be determined by dividing the value of the Shares applied for by the issue price. If this calculation produces a fractional number, the number of Shares will be rounded up to the nearest whole Share.

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 ASX on the business day after the day on which the issue is made.

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:

- \$1,000 worth of Shares;
- \$2,500 worth of Shares;
- \$5,000 worth of Shares;
- \$7,500 worth of Shares;
- \$10,000 worth of Shares; or
- \$15,000 worth of Shares.

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. **Underwriting**

Pursuant to an Underwriting Agreement dated 17 May 2018 (**Underwriting Agreement**) between the Company and Patersons Securities Limited (**Patersons**), the Plan is partially underwritten to \$290,000 (**Underwritten Amount**) by Patersons.

In the event that eligible shareholders subscribe for an amount less than \$290,000 (**Shortfall Amount**) under the Plan, Shares to the value of the difference between the Shortfall Amount and the Underwritten Amount will be placed to nominees of Patersons (sub-underwriters) (**Shortfall Shares**).

The Underwriting Agreement contains customary conditions, warranties and undertakings, and is subject to various customary termination rights exercisable by Patersons.

In addition to the Underwritten Amount, upon completion of the Plan, Patersons has the sole and exclusive right, but not the obligation, to facilitate a non-underwritten offer of Shares at the same price at which Shares are issued under the Plan to raise up to \$490,000, subject to the Company having capacity to issue the Shares under the ASX Listing Rules (**Top-Up Placement**).

Patersons will receive an underwriting/selling fee of 6% of the total amount underwritten in the Plan and raised under the Top-Up Placement (if any), and a management fee of \$15,000 if the gross amount raised in the Plan and the Top-Up Placement is less than \$1,000,000 or \$30,000 if the gross amount raised in the Plan and the Top-Up Placement is equal to or exceeds \$1,000,000.

8. **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.

9. **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.

10. **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:

- 10.1 the shares the subject of the application;
- 10.2 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;
- 10.3 any other shares in the class which you have instructed a Custodian to acquire on your behalf under the Plan; and
- 10.4 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, 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.

11. **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.

12. **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.

13. **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. This means that the price you pay per Share pursuant to this Offer may be either higher or lower than the Company's share price on the date of this Offer, on the date you apply for Shares and/or on the date of issue of Shares to you.

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.

14. **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.

15. **Use of funds**

Funds raised pursuant to the Plan will be applied to drill priority nickel targets at the Kurnalpi Nickel Project, support ongoing target generation activities and for working capital purposes.

16. **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.

17. **Declaration and acknowledgement**

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

- 17.1 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;
- 17.2 agree to accept any lesser number of Shares than the number of Shares applied for;
- 17.3 certify that the aggregate of the application price for:
 - (a) the Shares the subject of the application; and
 - (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 the holder has instructed a Custodian to acquire on their 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 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;
- 17.4 agree to be bound by the Company's constitution in respect of Shares issued under the Plan;
- 17.5 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®;
- 17.6 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;
- 17.7 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;
- 17.8 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;
- 17.9 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;

- 17.10 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;
- 17.11 acknowledge that the Company is not liable for any exercise of its discretion referred to in these terms and conditions; and
- 17.12 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.

18. **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.

19. **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.

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| Record date for eligibility to participate in the Plan | 17 May 2018 |
| Offer opening date | 9.00 am (Adelaide time) on 28 May 2018 |
| Offer closing date (subject to Directors' discretion to vary) | 5.00 pm (Adelaide time) on 18 June 2018 |
| Allotment date | 26 June 2018 |