

Junior Minerals Exploration Incentive

- **Mithril has been successful in its application to participate in the Federal Government’s Junior Minerals Exploration Incentive (“JMEI”) scheme**
- **JMEI credits up to \$227,796 can be distributed as tax credits for the 2017 / 2018 Financial Year to eligible shareholders**
- **Shareholders and investors participating in the Company’s Share Purchase Plan and Placement announced today will be eligible to receive JMEI credits**

Mithril Resources Ltd (the “Company”) (ASX: MTH) is pleased to announce that it has been successful in its application to participate in the Federal Government’s Junior Minerals Exploration Incentive (“JMEI”) scheme and has been allocated credits of up to \$227,796 which can be distributed to eligible shareholders.

The Company’s allocation of JMEI tax credits must be distributed to all eligible shareholders on a pro-rata basis. To be eligible to receive JMEI credits from the Company, shareholders and investors must have applied for and been issued new shares in the Company after Tuesday 8 May 2018 (“Record Date”) and no later than 30 June 2018. Shares issued prior to the Record Date will not be eligible for the credit.

Shareholders and investors participating in the Company’s Share Purchase Plan and Placement (“Capital Raising”) announced today, will be eligible to receive JMEI credits. A participating shareholder’s precise JMEI entitlement amount will be determined following completion of the Capital Raising and after the lodgement of the Company’s Annual Tax Return for the 2017/18 Financial Year which the Company expects to lodge during the second half of the September 2018 Quarter.

Assuming that the maximum number of shares are issued under the Capital Raising then eligible shareholders’ JMEI credit entitlement would be approximately 0.3 cents per share (*see Note Specific*).

In March 2018, the Federal Parliament passed legislation introducing the JMEI scheme with effect from 1 July 2017 for a four-year period based on an annual application process. The Australian Taxation Office is the administrator of the scheme.

The JMEI scheme enables eligible exploration companies to create refundable tax credits to distribute to eligible shareholders by forgoing a portion of their carried forward tax losses that have arisen from allowable expenditure on “greenfield” exploration.

Australian resident shareholders that are issued with JMEI credits will generally be entitled to refundable tax offsets (for individual shareholders or superannuation funds) or franking credits (for companies).

Receiving a JMEI credit could have tax consequences and shareholders who are issued JMEI credits by the Company should obtain independent tax advice specific to their personal circumstances.

Note Specific

The Company announced a Capital Raising on Friday 18 May 2018.

The estimated eligible shareholders' JMEI credit entitlement of 0.3 cents per share assumes that the Company issues the maximum number of shares (36,993,380) under the terms of the Share Purchase Plan, and the maximum number of shares (30,827,817) available under its current Placement Capacity (pursuant to ASX Listing Rules 7.1 and 7.1A), and a corporate tax rate of 27.5%.

This is also prepared on the basis no shares other than those issued under the Capital Raising will be issued by the Company prior to 30 June 2018. Should the company issue additional shares prior to 30 June 2018, this would impact eligible shareholders entitlement to JMEI credits.

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For Further Information Contact:

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Competent Persons Statement:

The information in this report that relates to Exploration Targets, Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr David Hutton, who is a Competent Person, and a Fellow of The Australasian Institute of Mining and Metallurgy. Mr Hutton is Managing Director and a full-time employee of Mithril Resources Ltd.

Mr Hutton has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'.

Mr Hutton consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

About Mithril Resources Ltd:

Mithril Resources is an Australian resources company whose objective is the creation of shareholder wealth through the discovery and development of mineral deposits.

Mithril are exploring for a range of high-value commodities (principally nickel, cobalt, copper and zinc) throughout the Meekatharra, West Kimberley and Kalgoorlie Districts of Western Australia.

The Company is also exploring South Australia's far western Coompana Province for magmatic nickel – copper deposits with OZ Minerals Limited.