

**MITHRIL RESOURCES LIMITED**  
**ACN 099 883 922**  
**NOTICE OF ANNUAL GENERAL MEETING**

Notice is hereby given that the 2020 Annual General Meeting (“**Meeting**”) of the shareholders of Mithril Resources Limited [ACN 099 883 922] (“**the Company**”) will be held by virtual technology on 24 November 2020 at 11:00am (Melbourne time).

**IMPACTS OF COVID-19 ON THE MEETING**

The health and safety of members and personnel, and other stakeholders, is the highest priority and the Company is acutely aware of the current circumstances resulting from COVID-19, in particular in Victoria. While the COVID-19 situation remains volatile and uncertain, based on the best information available to the Board at the time of the Notice, the Company intends to conduct the Meeting virtually.

Shareholders are strongly encouraged to vote by lodging a directed proxy appointing the Chair as early as possible and in any event prior to the cut-off for proxy voting as set out in the Notice (being 11am on 22 November 2020). Instructions for lodging proxies are included on your personalised proxy form.

Shareholders and proxyholders will be able to vote at the Meeting online by:

- visiting [www.web.lumiagm.com](http://www.web.lumiagm.com) on a smartphone, tablet or computer (using the latest version of Chrome, Safari, Internet Explorer 11, Edge or Firefox); and
- entering the unique Meeting ID 373-680-733.

Online voting registration will commence 30 minutes prior to the start of the Meeting. For full details on how to log on and vote online, please refer to the user guide which can be accessed at [www.computershare.com.au/onlinevotingguide](http://www.computershare.com.au/onlinevotingguide).

Arrangements for attendance, with the ability to ask questions, can be made by contacting the Company by email at [pmoffatt@northernstargroup.com.au](mailto:pmoffatt@northernstargroup.com.au) at least two business days before the meeting.

In addition, the Company is happy to accept and answer questions submitted at least two business days prior to the Meeting by email to [pmoffatt@northernstargroup.com.au](mailto:pmoffatt@northernstargroup.com.au). The Company reserves the right to not respond to any unreasonable and/or offensive questions at its discretion.

Because the conditions and potential restrictions and other requirements for meetings relating to COVID-19 are rapidly changing, if it becomes necessary or appropriate to make alternative arrangements to those set out in this Notice of Annual General Meeting the Company will announce the alternative arrangements to ASX. Shareholders are encouraged to check for announcements of the Company at the ASX website [www.asx.com.au](http://www.asx.com.au), search code “MTH”.

Further details in respect of each of the Resolutions proposed in this Notice of Annual General Meeting (“**Notice**”) are set out in the Explanatory Memorandum (“**Memorandum**”) accompanying this Notice. The details of Resolutions contained in the Memorandum should be read together with, and form part of, this Notice.

**AGENDA**

**2020 ANNUAL FINANCIAL STATEMENTS**

To lay before the meeting and consider the Annual Financial Statements of the Company in respect of the year ended 30 June 2020 and comprising the Annual Financial Report, the Directors’ Report and the Auditor’s Report.

**RESOLUTION 1: NON-BINDING RESOLUTION TO ADOPT REMUNERATION REPORT**

To consider and, if thought fit, pass the following resolution as a non-binding ordinary resolution:

**"That the Company approve the adoption of the Remuneration Report, included in the Directors’ Report, for the year ended 30 June 2020."**

**Voting Prohibition:**

A vote on Resolution 1 must not be cast (in any capacity) by or on behalf of either 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 (referred to herein as **Restricted Voters**).

However, a person (**voter**) may cast a vote on Resolution 1 as a proxy if the vote is not cast on behalf of a Restricted Voter and the voter is appointed as a proxy in writing that specifies the way the proxy is to vote on Resolution 1. The Chair may also exercise undirected proxies if the vote is cast on behalf of a person entitled to vote on Resolution 1 and the proxy appointment expressly authorises the Chair to exercise the proxy even if Resolution 1 is connected directly or indirectly with the remuneration of members of the key management personnel of the Company.

**Voting Note:**

Directors of the Company who are key management personnel whose remuneration details are included in the 2020 Remuneration Report, any other key management personnel whose remuneration details are included in the 2020 Remuneration Report, or any of their closely related parties, will not be able to vote on Resolution 1 or to vote undirected proxies held by them on Resolution 1.

**RESOLUTION 2A: RE-ELECTION OF MR STEPHEN LAYTON AS A DIRECTOR**

To consider and, if thought fit, pass the following resolution as an ordinary resolution:

**"That Mr Stephen Layton, who retires by rotation in accordance with the Company's constitution and, being eligible, offer himself for re-election, be re-elected as a Director of the Company."**

**RESOLUTION 2B: RE-ELECTION OF MR DUDLEY LEITCH AS A DIRECTOR**

To consider and, if thought fit, pass the following resolution as an ordinary resolution:

**"That, for the purpose of the Company's constitution and for all other purposes, Mr Dudley Leitch, a Director appointed on 27 May 2020 who retires in accordance with the constitution of the Company and, being eligible, offers himself for election, be elected as a Director."**

**RESOLUTION 2C: ELECTION OF MR GARRY THOMAS AS A DIRECTOR**

To consider and, if thought fit, pass the following resolution as an ordinary resolution:

**"That, for the purpose of the Company's constitution and for all other purposes, Mr Garry Thomas, a Director appointed to fill a casual vacancy on 17 August 2020 who retires in accordance with the constitution of the Company and, being eligible, offers himself for election, be elected as a Director."**

**RESOLUTION 2D: ELECTION OF MR JOHN SKEET AS A DIRECTOR**

To consider and, if thought fit, pass the following resolution as an ordinary resolution:

**"That, for the purpose of the Company's constitution and for all other purposes, Mr John Skeet, a Director appointed to fill a casual vacancy on 8 September 2020 who retires in accordance with the constitution of the Company and, being eligible, offers himself for election, be elected as a Director."**

**RESOLUTION 3: APPROVAL OF 10% PLACEMENT FACILITY**

To consider, and if thought fit, pass the following resolution as a **special resolution**:

**"That for the purposes of ASX Listing Rule 7.1A, shareholders approve the Company having the capacity to issue fully paid ordinary shares in the capital of the Company up to the maximum number permitted under ASX Listing Rule 7.1A.2 at an issue price which is not less than 75% of the volume weighted average market (closing) price of the Company's ordinary shares calculated over the last fifteen (15) days on which trades of**

the Company's ordinary shares were recorded on ASX immediately before the date on which the issue price is agreed or the date the issue is made as described in the Memorandum which accompanied and formed part of this Notice."

**Voting Note:**

If as at the time of the Meeting, the Company:

- is included in the S&P/ASX 300 Index; and
- has a market capitalisation of greater than AU\$300 million,

this Resolution will be withdrawn.

**RESOLUTION 4: APPROVAL TO ISSUE PERFORMANCE RIGHTS – GARRY THOMAS**

To consider and, if thought fit, to pass the following Resolution as an ordinary resolution:

**"That, for the purposes of Listing Rule 10.11 and for all other purposes, shareholders approve the issue of 33,333,333 performance rights (each convertible to one fully paid ordinary share upon satisfaction of an applicable milestone prior to the expiry date) to Garry Thomas (and/or his nominee(s)) as described in the Memorandum which accompanied and formed part of this Notice."**

***Voting Exclusion Statement***

*The Company will disregard any votes cast in favour of Resolution 4 by or on behalf of the person who is to receive the securities in question and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company) under Resolution 4 and any of their associates.*

*However, this does not apply to a vote cast in favour of Resolution 4 by:*

- *a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with the directions given to the proxy or attorney to vote on the resolution in that way; or*
- *the chair of the Meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the chair to vote on the resolution as the chair decides; or*
- *a holder acting solely as nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:*
  - *the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and*
  - *the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.*

***Voting Prohibition***

*Other than as set out below, a vote on Resolution 4 must not be cast as proxy by a Restricted Voter.*

*A Restricted Voter may cast a vote on Resolution 4 as a proxy if either:*

- *the Restricted Voter is appointed as a proxy by writing that specifies the way the proxy is to vote on this resolution; or*
- *the Restricted Voter is the chair and the written appointment of the chair as proxy:*
  - *does not specify the way the proxy is to vote on this resolution; and*
  - *expressly authorises the chair to exercise the proxy even though this resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.*

**RESOLUTION 5: RENEWAL OF PROPORTIONAL TAKEOVER PROVISIONS IN THE CONSTITUTION**

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

**“That, for the purposes of section 648G(4) of the Corporations Act 2001 (Cth) and for all other purposes, the members (shareholders) of the Company approve the renewal of the proportional takeover provisions in rule 163 of the constitution of the Company for a period of three (3) years from the date of the Meeting.”**

**RESOLUTION 6: REMOVAL OF AUDITOR**

To consider, and if thought fit, pass the following resolution as a special resolution:

**“That, for the purposes of section 329(1) of the Corporations Act 2001 (Cth) and for all other purposes, Grant Thornton Audit Pty Ltd, the current auditor of the Company, be removed as auditor of the Company, effective from the date of the Meeting.”**

**RESOLUTION 7: APPOINTMENT OF AUDITOR**

To consider, and if thought fit, pass the following resolution as a **special resolution**:

**“That, subject to shareholders passing Resolution 6, for the purposes of section 327D(2) of the Corporations Act 2001 (Cth) and for all other purposes, Nexia Melbourne Audit Pty Ltd, having been nominated by a member and consented in writing to act in the capacity of auditor, be appointed as the auditor of the Company, effective from the date of the Meeting.”**

**OTHER BUSINESS**

To consider any other business that may be brought before the Meeting in accordance with the constitution of the Company and the Corporations Act.

By the order of the Board



**Garry Thomas  
Director**

Dated: 12 October 2020

The accompanying Proxy Instructions and Memorandum form part of this Notice.

## PROXY AND VOTING INSTRUCTIONS

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### Proxy Instructions

A member who is entitled to vote at a meeting may appoint:

- one proxy if the member is only entitled to one vote; and
- one or two proxies if the member is entitled to more than one vote.

Where more than one proxy is appointed each proxy may be appointed to represent a specific proportion of the member's voting rights. If the appointment does not specify the proportion or number of votes each proxy may exercise, each proxy may exercise half of the votes in which case any fraction of votes will be disregarded.

The proxy form (and the power of attorney or other authority, if any, under which the proxy form is signed) or a copy or facsimile which appears on its face to be an authentic copy of the proxy form (and the power of attorney or other authority) must be lodged with the Company's share registry not less than 48 hours before the time for holding the Meeting, or adjourned meeting as the case may be, at which the individual named in the proxy form proposes to vote.

The proxy form must be signed by the member or his/her attorney duly authorised in writing or, if the member is a corporation, in a manner permitted by the Corporations Act. A proxy given by a foreign corporation must be executed in accordance with the laws of that corporation's place of incorporation.

The proxy may, but need not, be a member of the Company.

A proxy form is attached to this Notice.

If you sign the proxy form and do not appoint a proxy, you will have appointed the Chair of the meeting as your proxy.

### Corporate Representatives

Any corporation which is a member of the Company may authorise (by certificate under common seal or other form of execution authorised by the laws of that corporation's place of incorporation, or in any other manner satisfactory to the chairperson of the Meeting) a natural person to act as its representative at any general meeting.

### Voting Entitlement

For the purposes of the Corporations Act and Corporations Regulations shareholders entered on the Company's Register of Members as at 11:00am (Melbourne time) on 22 November 2020 are entitled to attend and vote at the meeting.

On a poll, members have one vote for every fully paid ordinary share held. Holders of options are not entitled to vote.

### How the Chair Will Vote Undirected Proxies

Subject to the restrictions as set out in the Notice, the Chair of the Meeting will vote undirected proxies in favour of all of the proposed Resolutions.

### Voting Restrictions on Resolution 1 (Remuneration Report)

The Remuneration Report identifies key management personnel for the year ended 30 June 2020. Their closely related parties are defined in the Corporations Act 2001 (Cth) and include specified family members, dependents and companies they control.

Directors of the Company who are key management personnel whose remuneration details are included in the 2020 Remuneration Report, any other key management personnel whose remuneration details are included in the 2020 Remuneration Report, or any of their closely related parties, will not be able to vote on Resolution 1 or to vote undirected proxies held by them on Resolution 1 provided however that the Chair may vote undirected proxies on behalf of persons eligible to vote where expressly authorised to do so on the proxy form.

### Voting restrictions on Resolution 4

The Remuneration Report identifies key management personnel for the year ended 30 June 2020. Their closely related parties are defined in the Corporations Act 2001 (Cth) and include specified family members, dependents and companies they control.

Directors of the Company who are key management personnel whose remuneration details are included in the 2020 Remuneration Report, any other key management personnel whose remuneration details are included in the 2020 Remuneration Report, or any of their closely related parties, will not be able to vote undirected proxies held by them on Resolution 4 provided however that the chair may vote undirected proxies on Resolution 4 on behalf of persons eligible to vote where expressly authorised to do so on the proxy form.

### Special resolutions

For a special resolution to be passed, at least 75% of the votes validly cast on the resolution by shareholders (by number of shares) must be in favour of the resolution. Resolutions 3, 5 and 7 are special resolutions.

**MITHRIL RESOURCES LIMITED  
ACN 099 883 922  
ANNUAL GENERAL MEETING  
EXPLANATORY MEMORANDUM**

This Memorandum has been prepared for the information of members of Mithril Resources Limited [ACN 099 883 922] (the "**Company**") in connection with the business to be conducted at the 2020 Annual General Meeting ("**Meeting**") of Shareholders of the Company to be held by virtual technology on 24 November 2020 at 11:00am (Melbourne time).

**Please refer to the note on the front cover of the Notice of Annual General Meeting regarding COVID-19 related restrictions, lodging proxies and/or attending the Meeting.**

Shareholders are strongly encouraged to lodge their directed proxy forms in accordance with the instructions set out therein to vote before the Meeting.

This Memorandum should be read in conjunction with, and forms part of, the accompanying Notice.

**BUSINESS**

**2020 Annual Financial Statements**

The Annual Financial Statements, comprising the Financial Report, Directors' Report and Auditor's Report for the year ended 30 June 2020 will be laid before the meeting. Shareholders will have the opportunity to ask questions about, or make comments on, the 2020 Annual Financial Statements and the management of the Company. A representative of the auditor will be invited to attend, to answer questions about the audit of the Company's 2020 Annual Financial Statements.

As permitted by the Corporations Act, a printed copy of the Company's 2020 Annual Report has been sent only to those shareholders who have elected to receive a printed copy. A copy of the 2020 Annual Report is available from the Company's website ([www.mithrilresources.com.au](http://www.mithrilresources.com.au)) and the ASX announcements page of the Company ([www.asx.com.au](http://www.asx.com.au), search code "MTH"). A copy of the 2020 Annual Report can also be obtained upon request to the Company by email to [pmoffatt@northernstargroup.com.au](mailto:pmoffatt@northernstargroup.com.au).

There is no requirement for these reports to be formally approved by shareholders. No resolution is required to be moved in respect of this item.

**Resolution 1: Non-binding Resolution - Remuneration Report**

The Company is required pursuant to the Corporations Act 2001 (Cth) ("**the Corporations Act**"), to propose a non-binding resolution regarding the 2020 Remuneration Report, which forms part of the Director's Report in the 2020 Annual Financial Statements. The vote is advisory only and does not bind the Directors or the Company.

Shareholders attending the 2020 Annual General Meeting of the Company will have an opportunity to discuss and put questions in respect of the Remuneration Report.

The Board will consider the outcome of the vote and comments made by shareholders on the Remuneration Report at the meeting when reviewing the Company's remuneration policies. Under the Corporations Act, if 25% or more of votes that are cast are voted against the adoption of the Remuneration Report at two consecutive annual general meetings (**AGM**) (treating this AGM as the first such meeting), shareholders will be required to vote at the second of those AGM's on a resolution (a **spill resolution**) that another meeting be held within 90 days at which all of the Company's Directors (other than the Managing Director and CEO) must be put up for re-election. The vote on the Remuneration Report contained in the Company's 2019 Annual Financial Statements was passed with the support of more than 75% of votes thus a spill resolution will not be required in the event 25% or more of votes that are cast are against the adoption of the 2020 Remuneration Report. However, in the event that 25% or more of votes that are cast are against the adoption of the 2020 Remuneration Report, shareholders should be aware that if there is a 'no' vote of 25% or more for the same resolution at the 2021 AGM the consequences are that it may result in the re-election of the Board.

Note that a voting exclusion applies to Resolution 1 in the terms set out in the Notice. In particular, Directors and other members of the key management personnel details of whose remuneration are included in the Remuneration Report or a closely related party of those persons must not vote on Resolution 1 and must not cast a vote as proxy, unless the proxy appointment gives a direction on how to vote provided however that the Chair may vote undirected proxies on behalf of persons eligible to vote where expressly authorised to do so on the proxy form.

#### **Resolution 2A: Re-election of Mr Stephen Layton as a Director**

Resolution 2 is a resolution for the re-election of Mr Stephen Layton as a Director of the Company.

Pursuant to rule 6.1 of the constitution of the Company (**Constitution**), at each AGM one-third of Directors or, if their number is not a multiple of three (3), then the number nearest to but not more than one-third of Directors must retire from office. The Company has five (5) Directors and therefore one is required to retire.

Rule 6.2 of the Constitution provides that the Directors to retire by rotation at an AGM are those Directors who have been longest in office since their last election or appointment. Directors elected or appointed on the same day may agree among themselves or determine by lot which of them must retire. Each of Mr Stephen Layton and Mr Adrien Wing were last elected at the 2019 AGM and accordingly have agreed among themselves that Mr Stephen Layton shall retire at the 2020 AGM.

Mr Stephen Layton retires by rotation and, being eligible, offers himself for re-election.

Mr Layton has over 35 years' experience in equity capital markets in the UK and Australia. Mr Layton has worked with various stockbroking firms and/or AFSL regulated corporate advisory firms. Mr Layton specialised in capital raising services and opportunities, corporate advisory, facilitation of ASX listings and assisting companies with growth.

The Board (with Mr Stephen Layton abstaining) unanimously support the re-election of Mr Stephen Layton as a Director of the Company.

#### **Resolution 2B: Re-Election of Mr Dudley Leitch as a Director**

Mr Dudley Leitch was appointed as a Director pursuant to the approval of members obtained at a general meeting held on 12 February 2020. Mr Dudley Leitch was appointed as a Director with effect on and from 27 May 2020.

Pursuant to clause 9.2 of the Constitution, a Director appointed in general meeting holds office until the termination of the next AGM and is eligible for re-election at that AGM. Accordingly, Mr Dudley Leitch is required to retire and stands for re-election at the Meeting.

Dudley Leitch has over 40 years (10 years in Mexico) developing projects and running ASX mining/exploration companies with projects in Australia, Mexico and the USA. Dudley Leitch has previously been a director or managing director of Perseverance Corporation, Mogul Mining, Valdora Minerals, King Minerals and Bolnisi Gold.

The Board (with Mr Dudley Leitch abstaining) unanimously support the re-election of Mr Dudley Leitch as a Director of the Company.

#### **Resolution 2C: Re-Election of Mr Garry Thomas as a Director**

Mr Garry Thomas was appointed as a Director by the Board to fill a casual vacancy on 17 August 2020.

Pursuant to clause 9.2 of the Constitution, a Director appointed by the Board to fill a casual vacancy holds office until the termination of the next AGM and is eligible for re-election at that AGM. Accordingly, Mr Garry Thomas is required to retire and stands for re-election at the Meeting.

Garry is a civil engineer with over 35 years' experience in civil construction, mine development and operations. He has been involved in the implementation of mining operations in Australia, Indonesia, Laos, Russia, Zimbabwe, Ghana, Zambia, South Africa, Algeria, Mexico and Mali. He has managed the design, construction and

commissioning of over 20 CIL/CIP, flotation and heap leach plants in Australasia, Russia and Africa as well as many plant upgrades including the construction of the Palmarejo plant, Mexico prior to the Coeur Mining take over.

Garry founded Intermet Engineering an Australian design and construct consultancy focusing on non-ferrous mine development which he sold to Sedgman Metals. Garry has been a non-executive director of several mining companies in the past and is currently a director of ASX listed Oakagee Corporation (ASX: OKJ).

The Board (with Mr Garry Thomas abstaining) unanimously support the re-election of Mr Garry Thomas as a Director of the Company.

#### **Resolution 2D: Re-Election of Mr John Skeet as a Director**

Mr John Skeet was appointed as a Director by the Board to fill a casual vacancy on 8 September 2020.

Pursuant to clause 9.2 of the Constitution, a Director appointed by the Board to fill a casual vacancy holds office until the termination of the next AGM and is eligible for re-election at that AGM. Accordingly, Mr Garry Thomas is required to retire and stands for re-election at the Meeting.

John has over 30 years' experience in gold-silver mining, both in management at operations and developing projects in Australia, Republic of Georgia and Mexico. He successfully developed Ballarat East, Quartzite Gold in Georgia, and Palmarejo Silver Gold Mine in Mexico, prior to the Coeur Mining takeover and was COO of Cerro Resources prior to its takeover by Primero Mining. He has 16 years' experience in Mexico. He founded Sun Minerals in 2017 and acquired the option to purchase the Copalquin Project in Mexico.

The Board (with Mr John Skeet abstaining) unanimously support the re-election of Mr John Skeet as a Director of the Company.

#### **Resolution 3: Approval of 10% placement facility**

ASX Listing Rule 7.1A enables eligible entities to issue equity securities (as that term is defined in the ASX Listing Rules) up to 10% of their issued share capital through placements over a 12-month period after an AGM (**10% Placement Facility**). The 10% Placement Facility is in addition to a company's 15% placement capacity under ASX Listing Rule 7.1. An eligible entity for the purposes of ASX Listing Rule 7.1A is an entity that is not included in the S&P/ASX 300 Index and has a market capitalization of \$300 million or less.

The Company is, at the date of the Notice, an eligible entity.

The Company is 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 (if any) to be issued under the 10% Placement Facility will be determined in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 (refer below). The Company may use funds raised from any issue(s) under the 10% Placement Facility for development of its existing business and any acquired business, or funding new projects or business opportunities and/or general working capital.

The Company obtained shareholder approval to make issues under ASX Listing Rule 7.1A at its 2019 AGM. This Shareholder approval will lapse on the date of this Meeting.

The Company did not issue any equity securities under the capacity available to it under ASX Listing Rule 7.1A pursuant to approval obtained at the 2019 AGM prior to lapse of this capacity under ASX Listing Rule 7.1A.

The Company seeks to refresh the shareholder approval so as to continue to be able to make issues under the 10% Placement Facility after the Meeting in accordance with ASX Listing Rule 7.1A.

The Directors of the Company believe that Resolution 3 is in the best interests of the Company and unanimously recommend that Shareholders vote in favour of this Resolution.



## DESCRIPTION OF LISTING RULE 7.1A

- 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 AGM.

- 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 one class of quoted equity securities, being ordinary shares (**MTH**).

- Formula for calculating 10% Placement Facility

ASX Listing Rule 7.1A.2 provides that eligible entities which have obtained shareholder approval at an AGM may, during the 10% Placement Period (defined below), issue a number of equity securities calculated in accordance with the following formula:

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

**where:**

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

(i) plus the number of fully paid shares issued in the 12 months under an exception in ASX Listing Rule 7.2 other than exception 9, 16 or 17;

(ii) plus the number of fully paid ordinary shares issued in the relevant period on the conversion of convertible securities within ASX Listing Rule 7.2 where:

a. the convertible securities were issued or agreed to be issued before the commencement of the relevant period; or

b. the issue of, or agreement to issue, the convertible securities was approved, or taken under those rules to have been approved, under ASX Listing Rule 7.1 or 7.4;

(iii) plus the number of fully paid ordinary shares issued in the relevant period under an agreement to issue securities within ASX Listing Rule 7.2 Exception 16 where:

a. the agreement was entered into before the commencement of the relevant period; or

b. the agreement or issue was approved, or taken under those rules to have been approved, under ASX Listing Rule 7.1 or 7.4;

(iv) plus the number of fully paid shares issued in the 12 months with approval of holders of shares under ASX Listing Rules 7.1 and 7.4;

(v) plus the number of partly paid shares that became fully paid in the 12 months;

(vi) less the number of fully paid shares cancelled in the 12 months.

Note: "A" has the same meaning in ASX 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 ASX 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 ASX Listing Rules 7.1 or 7.4.

- ASX Listing Rule 7.1 and ASX Listing Rule 7.1A

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

As at the date of this Meeting, the Company has 2,087,075,146 ordinary shares on issue and will therefore (subject to the passage of the other resolutions at the Meeting) have capacity to issue:

- (i) 313,061,271 equity securities under Listing Rule 7.1 (15% capacity); and
- (ii) subject to shareholders approving this Resolution 3, 208,707,514 (provided such equity securities are in a class of quoted equity securities) under Listing Rule 7.1A.

The actual number of equity securities that the Company will have capacity to issue under ASX Listing Rule 7.1A will be calculated at the date of issue of the equity securities in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 (refer above).

- Minimum Issue Price

The issue price of equity securities issued under ASX 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 immediately before:

- (i) the date on which the price at which the relevant equity securities are to be issued is agreed by the Company and the recipient of the relevant equity securities; or
- (ii) if the equity securities are not issued within 10 trading days of the date in paragraph (i) above, the date on which the equity securities are issued.

- 10% Placement Period

Shareholder approval of the 10% Placement Facility under ASX Listing Rule 7.1A is valid from the date of the AGM at which the approval is obtained and expires (and ceases to be valid) on the earlier to occur of:

- (i) the date that is 12 months after the date of the AGM at which the approval is obtained; or
- (ii) the time and date of the next AGM of the Company; or
- (iii) the date of the approval by Shareholders of a transaction under ASX Listing Rules 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking).

**(10% Placement Period).**

- ASX Listing Rule 7.1A

The effect of Resolution 3 will be to allow the Directors of the Company to issue the equity securities under ASX Listing Rule 7.1A during the 10% Placement Period separate to the Company's 15% placement capacity under ASX Listing Rule 7.1. Resolution 3 is a special resolution and therefore requires approval of 75% of the votes cast by Shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate shareholder, by a corporate representative).

### **SPECIFIC INFORMATION REQUIRED BY ASX LISTING RULE 7.3A**

Pursuant to and in accordance with ASX Listing Rule 7.3A, information is provided in relation to the approval of the 10% Placement Facility as follows:

- Any equity security issued will be issued at an issue price of not less than 75% of the VWAP for the Company's equity securities over the 15 trading days immediately before:

- (i) The date on which the price at which the relevant equity securities are to be issued is agreed by the Company and the recipient of the relevant equity securities; or
  - (ii) If the equity securities are not issued within 10 trading days of the date in paragraph (i) above, the date on which the equity securities are issued.
- If Resolution 3 is approved by the Shareholders and the Company issues equity securities under the 10% Placement Facility, the existing Shareholders' voting power in the Company would be diluted as shown in the below table. There is a risk that:
    - (i) the market price for the Company's equity securities 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 on the issue date,
 which may have an effect on the quantum of funds raised by the issue of the equity securities.

The table below shows the dilution of existing shareholders on the basis of the current market price of the Company's ordinary shares and the current number of ordinary securities for variable "A" calculated in accordance with the formula in ASX Listing Rule 7.1A.2 as at the date of the Notice. The table also shows:

- 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 scrip issued under a takeover offer) or future specific placements under ASX Listing Rule 7.1 that are approved at a future shareholders' meeting.
- Two examples of where the price of ordinary shares has decreased by 50% and increased by 50% as against the current market price (being \$0.029 (2.9 cents), the closing price of the Company's ordinary shares at close of trading on 29 September 2020).

Variable "A" in ASX Listing Rule 7.1A.2		Dilution		
		\$0.0145 50% decrease in Deemed Price	\$0.029 Deemed Price	\$0.0435 50% Increase in Deemed Price
Current Variable A 2,087,075,146 Shares	10% Voting Dilution	208,707,514 shares	208,707,514 shares	208,707,514 shares
	Funds raised	\$3,026,259	\$6,052,518	\$9,078,777
50% increase in current Variable A 3,130,612,719 shares	10% Voting Dilution	313,061,271 shares	313,061,271 shares	313,061,271 shares
	Funds raised	\$4,539,388	\$9,078,777	\$13,618,165
100% increase in current Variable A 4,174,150,292 shares	10% Voting Dilution	417,415,029 shares	417,415,029 shares	417,415,029 shares
	Funds raised	\$6,052,518	\$12,105,036	\$18,157,554

***The table above has been prepared on the following assumptions:***

- *The Company issues the maximum securities available under the ASX Listing Rule 7.1A being 10% of the Company's shares on issue at the date of the Meeting.*

- *No options are exercised into fully paid ordinary securities and no performance rights are converted to fully paid ordinary securities before the date of the issue of securities under ASX Listing Rule 7.1A.*
- *The table does not demonstrate an example of dilution that may be caused to a particular Shareholder by reason of placements under ASX Listing Rule 7.1A, based on that shareholder's holding at the date of the Meeting.*
- *The table only demonstrates the effect of issues of securities under ASX Listing Rule 7.1A. It does not consider placements made under ASX Listing Rule 7.1.*
- *The deemed price in the table is indicative only and does not consider the maximum 25% discount to market that the securities may be placed at under ASX Listing Rule 7.1A.*

The Company may issue the equity securities for cash consideration. In such circumstances, the Company intends to use the funds raised (if any) towards developing its existing business and any acquired business, or to fund new projects or business opportunities and/or for general working capital.

The Company will comply with the disclosure obligations under ASX Listing Rules 7.1A.4 upon issue of any equity securities under the 10% Placement Facility.

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 will be determined on a case-by-case basis having regard to factors including but not limited to the following:

- the methods of raising funds that are available to the Company, including but not limited to, rights issue or other issue in which existing security holders can participate;
- the effect of the issue of the equity securities on the control of the Company;
- the financial situation and solvency of the Company; and
- advice from corporate, financial and broking advisers (if applicable).

Due to the forward looking nature of the approval, the allottees under the 10% Placement Facility have not been determined as at the date of the Notice but may include existing shareholders and/or new shareholders who are not related parties or associates of a related party of the Company.

Further, if the Company were to pursue an acquisition and were it to be successful in acquiring new assets or investments, it is possible that the allottees under the 10% Placement Facility will be the vendors of the new assets or investments (provided that the shares were issued for cash consideration).

The Company has previously obtained shareholder approval under ASX Listing Rule 7.1A at its 2019 AGM. The Company did not issue any equity securities under the shareholder approval under ASX Listing Rule 7.1A obtained at its 2019 AGM the 12-month period preceding the proposed date of the Meeting.

As at the date of that 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. Accordingly, no voting exclusion applies to this Resolution 3 and no existing shareholder's votes will therefore be excluded.

The directors of the Company unanimously recommend shareholders vote in favour of Resolution 3.

#### **Resolution 4: Approval to issue of performance rights – Garry Thomas**

##### *Background*

Resolution 4 seeks shareholder approval to issue 33,333,333 performance rights to Garry Thomas, an existing Director of the Company (and/or his nominee(s)). The performance rights are proposed to be converted to fully

paid ordinary shares in the capital of the Company upon and subject to the satisfaction of either of the below applicable milestones:

- determination by a geological consultant of an Inferred JORC Resource of 5.443Mt at a combined AuEq grade of not less than 4g/t for 700koz Au (or AuEq) on the Copalquin Project; or
- Mithril achieving a market capitalisation equal to or greater than A\$150,000,000 for a period of 20 consecutive trading days on which the securities of the Company traded.

#### *ASX Listing Rules*

ASX Listing Rule 10.11 requires a company to obtain shareholder approval by ordinary resolution prior to the issue of securities to a related party of the company. For the purpose of Listing Rule 10.11, a related party includes a director of the company, an entity over which a Director has control and an entity which ASX believes, or has reasonable grounds to believe, is likely to become a related party of the company in the future.

Shareholder approval is being sought under Listing Rule 10.11 for Resolution 4 and as such approval is not required under ASX Listing Rule 7.1.

If shareholders pass Resolution 4, the Company will be able to issue the performance rights the subject of Resolution 4 to Garry Thomas and/or his nominee(s). If those performance rights were to convert to ordinary shares, the Company's capacity to issue equity securities under ASX Listing Rule 7.1 (and, subject to the relevant shareholder approval being held at the time, ASX Listing Rule 7.1A) will be increased. If shareholders do not pass Resolution 4 then the Company will not be able to issue the performance rights to Garry Thomas and/or his nominee(s).

The following information is provided in accordance with the requirements of ASX Listing Rule 10.13:

- The proposed recipient of the performance rights is Garry Thomas (and/or his nominee(s)) and the number of performance rights to be issued under Resolution 4 is 33,333,333.
- Garry Thomas is a Director of the Company and is therefore a related party under ASX Listing Rule 10.11.1.
- The full terms of the performance rights are set out in Annexure A.
- The Company proposes issuing the performance rights the subject of Resolution 4 shortly following the Meeting and in any event no later than 1 month after the date of the Meeting.
- No funds are payable for issue of the performance rights, which are being issued as reasonable remuneration.
- Garry Thomas receives \$4,000 per month for acting as a Non-Executive Director.
- A voting exclusion for Resolution 4 is contained in the Notice.

#### *Corporations Act*

Under Chapter 2E of the Corporations Act, a public company cannot give a "financial benefit" to a "related party" unless one of the exceptions to the section apply or shareholders have in a general meeting approved the giving of that financial benefit to the related party.

Garry Thomas is a Director and is therefore a related party of the Company under the Corporations Act.

Section 211 of the Corporations Act provides that one of the exceptions to the requirement to obtain shareholder approval for giving a financial benefit to a related party is where the benefit is given to the related party as an officer of the Company and to give the remuneration would be reasonable given:

- (a) the circumstances of the Company; and

(b) the related party's circumstances (including the responsibilities involved in the office or employment).

The Company considers the proposed issue is reasonable remuneration and, as such, fall within the exception set out in section 211 of the Corporations Act.

In reaching this view, the Company has considered the position and responsibilities of Garry Thomas, the Company's reliance on a limited number of personnel, the need for the Company to effectively incentivise Garry Thomas while aligning the incentive with increasing shareholder value, the desirability of preserving cash resources within the Company, and the terms of the performance rights and in particular the applicable milestones for conversion. The Company considers that the issue of the performance rights is an effective tool which preserves the cash resources of the Company and its group entities whilst providing valuable consideration for Garry Thomas.

Garry Thomas was not present during any discussions and/or determination of the proposed issue of performance rights to him and/or his nominee(s).

Following issue of the performance rights, Garry Thomas will have a relevant interest in 33,333,333 performance rights.

#### **Resolution 5: Renewal of proportional takeover provisions in the Constitution**

Rule 163 of the Constitution contains provisions dealing with member approval requirements if there was to be any proportional takeover bids for the Company's securities (**Proportional Bid Provisions**).

A "proportional takeover bid" means an off-market bid for a specified proportion of the Company's securities held by each shareholder in a class for which a takeover bid has been made. It is not a bid for all securities held by all members of that class, only part of the securities each holds.

Part 6.5 Subdivision 5C of the Corporations Act provides that these Proportional Bid Provisions cease to apply at the end of 3 years from their adoption (or last renewal), but that they may be renewed by special resolution of the members. The Board believes it is appropriate that the Proportional Bid Provisions of the Constitution (rule 163) be renewed.

A soft copy of the Constitution can be sent via email to any shareholder upon request made to the Company Secretary.

The Resolution to renew the Proportional Bid Provisions is proposed as a special resolution. Accordingly, to be passed at least 75% of the votes validly cast on the Resolution by shareholders eligible to vote of the Resolution by number of shares must be in favour of the Resolution.

If Resolution 5 is passed, shareholders holding at least 10% of the Company's issued ordinary shares may, within 21 days after the Meeting, apply to a court to have the purported renewal of the Proportional Bid Provisions set aside. The court may make an order setting aside the purported renewal of the Proportional Bid Provisions if it is satisfied that it is appropriate in the circumstances to do so.

In seeking the members' approval for the renewal of the Proportional Bid Provisions, the Corporations Act requires the below information to be provided to members.

#### *Effect of provisions proposed to be renewed*

Rule 163 of the Constitution provides that the Company is prohibited from registering any transfer of shares giving effect to a contract of sale pursuant to a proportional takeover bid unless and until after the proposed transfer has been approved by the members at a general meeting of the Company (**Prescribed Resolution**). The person making the offer for the securities (**Offeror**) (and their associates) cannot vote on the Prescribed Resolution and the Prescribed Resolution requires the approval of more than 50% of members who are entitled to vote at that meeting.

Rule 163 also provides that if a Prescribed Resolution is not voted upon at the end of the day before the relevant day in relation to the off-market bid under which offers have been made, the Prescribed Resolution is deemed approved.

If shareholders pass this Resolution 5 then rule 163 of the Constitution as described above will continue to have effect for a period of three years from the date of the Meeting.

*Reasons for the resolution*

Section 648(G)(1) of the Corporations Act provides that Proportional Bid Provisions such as provided in rule cease to apply at the end of 3 years from their adoption (or their last renewal).

The Proportional Bid Provisions were included in the Constitution at the time of incorporation of the Company which was more than 3 years ago and therefore are due to be renewed.

Section 648(G)(4) enables the members to approve a renewal of Proportional Bid Provisions.

The Directors believe that the members should continue to have the choice of considering whether to accept a bid for what might become control of the Company without the members having the opportunity to dispose of **all** of their securities (rather than just some of their securities, as would be the case under a proportional takeover bid). To preserve this choice, rule 163 needs to be renewed. If rule 163 is renewed and any proportional takeover bid (if any) is subsequently approved by members, each member will still have the right to make a separate decision whether that member wishes to accept the (proportional takeover) bid for their own securities.

*Awareness of current acquisition proposals*

As at the date of the Notice, none of the Directors is aware of any proposal for any person to acquire (or increase the extent of) a substantial interest in the Company.

*Advantages and disadvantages of the Proportional Bid Provisions since last renewed*

As there have been no takeover bids made for any of the shares in the Company since the initial adoption of the Proportional Bid Provisions, there has been no application of rule 163 with respect to the Company as at the date of the notice of meeting. It may be considered that the potential advantages and disadvantages described below have applied for the period since adoption of rule 163 as part of the Constitution.

*Potential advantages and disadvantages of the proposed resolution for directors and members*

The potential advantages and disadvantages of renewing the Proportional Bid Provisions to directors include:

- (a) If the Directors consider a partial bid should be opposed they will be assisted in preventing the bidder from securing control of the Company as the bidder requires a majority of votes to be cast in its favour by the independent shareholders before the bid can succeed.
- (b) With the Proportional Bid Provisions in place, the Directors must call a meeting to seek the members' view if any partial takeover offer is made, even if the Directors believe the offer should be accepted.
- (c) Under the Proportional Bid Provisions the most effective view on a partial bid is the view expressed by the vote of the shareholders themselves, at the meeting.
- (d) The Proportional Bid Provisions may make it easier for Directors to discharge their fiduciary and statutory duties as Directors in the event of a partial takeover bid.
- (e) The Directors remain free to make a recommendation on whether a proportional takeover bid should be accepted.

The potential advantages of the renewal of the Proportional Bid Provisions for members include:

- (a) All members have an opportunity to study a proportional takeover bid, if made, and to attend or be represented by proxy at a meeting called specifically to vote on the proposal. A majority of shares voted at the meeting, excluding the shares of the bidder and its associates, will be required for the applicable resolution to be passed, following which members will be able to decide whether to accept the bid that may result in a change of the control of the Company.

- (b) Members are able to prevent a proportional takeover bid proceeding if they believe that control of the Company should not be permitted to pass under the bid and, accordingly, the terms of any future proportional takeover bid is likely to be structured in a manner that is attractive to a majority of members.
- (c) The Proportional Bid Provisions enable shareholders to act together to avoid the coercion of members that might otherwise arise where they believe a partial offer is inadequate, but nevertheless accept due to concerns that a significant number of shareholders may accept.
- (d) Members are protected against being coerced into accepting a partial bid at a high premium where the bidder indicates its intention to mount a subsequent bid for the remaining shares at a much reduced price, putting members under pressure to accept the initial bid to maximise returns.
- (e) If a partial bid is made, the Proportional Bid Provisions may make it more probable that a bidder will set its offer price at a level that is attractive to members.
- (f) members, as a group, may more effectively advise, contribute to or guide the Directors' response to a partial bid.
- (g) The Proportional Bid Provisions may increase the likelihood that any takeover offer will be a full bid for the whole shareholding of each member, so that member will have the opportunity to dispose of all of their shares rather than only a portion.

The potential disadvantages to members of renewing the Proportional Bid Provisions include:

- (a) By placing obstacles in the way of partial offers, the proposal may tend to discourage partial offers, thus reducing the opportunity for members to sell a portion of their holdings.
- (b) The continued existence of the Proportional Bid Provisions might adversely affect the market value of the Company's shares by making a partial offer less likely, thus reducing any takeover speculation element in the share price.
- (c) An individual member that wishes to accept the partial offer will be unable to sell to the offeror unless a majority of members vote in favour of the partial takeover bid.
- (d) If a partial takeover bid is made, the Company will incur the costs of calling a shareholders meeting.

#### *Recommendation for Resolution 5*

Balancing the above advantages and disadvantages, the Directors are of the view that the advantages of renewing the Proportional Bid Provisions outweigh any disadvantages and unanimously recommend the renewal.

#### **Resolution 6: Removal of auditor**

Under section 329 of the Corporations Act, an auditor may be removed from office by resolution at a general meeting of which two months' notice of intention to move the resolution has been given. It should be noted that, under this section, if a company calls a meeting after the notice of intention has been given, the meeting may pass the resolution even though the meeting is held less than two months after the notice of intention is given.

On 7 October 2020, a notice of request to convene a meeting to consider a resolution to remove the auditor of the Company, Grant Thornton Audit Pty Ltd, was served on the Company pursuant to section 329(1A) of the Corporations Act (**Notice of Intention**).

The Company has provided a copy of the Notice of Intention to Grant Thornton Audit Pty Ltd and to ASIC in accordance with the Corporations Act. A copy of the Notice of Intention is included in Annexure B.

Grant Thornton Audit Pty Ltd is entitled to make representations under section 329(3) of the Corporations Act within seven (7) days of receipt of the Notice of Intention in writing and to have those representations sent to members prior to the meeting.



As at the date of the Notice, Grant Thornton Audit Pty Ltd has not made any representations pursuant to section 329(3) of the Corporations Act. If Grant Thornton Audit Pty Ltd makes such representations after the date of the Notice, but before the date that is seven (7) days after receipt of the Notice of Intention, the Company will arrange for such representations to be sent to shareholders.

**Each member must consider his or her own opinion in relation to the resolution and vote as he or she considers appropriate having regard to the information contained in this Memorandum.**

**Resolution 7: Appointment of auditor**

Section 327D(2) of the Corporations Act provides that a company which has removed its auditor at a general meeting may pass a special resolution to appoint a new auditor at that same general meeting, provided that a copy of the notice of nomination of the auditor has previously been sent to the proposed new auditor as well as to the current auditor and each person entitled to receive notice of the meeting.

Resolution 7 provided for the auditor vacancy to be filled if Resolution 6 is passed. If Resolution 6 is not passed then Resolution 7 will be withdrawn.

A notice of nomination of Nexia Melbourne Audit Pty Ltd as the new auditor of the Company has been received by the Company and a copy has been sent to Nexia Melbourne Audit Pty Ltd and Grant Thornton Audit Pty Ltd. Nexia Melbourne Audit Pty Ltd has given its written consent to act as the auditor of the Company in accordance with section 328A(1) of the Corporations Act.

Resolution 7 is a special resolution and therefore requires approval of 75% of the votes cast by shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate shareholder, by a corporate representation) to be passed.

If Resolution 6 is passed and Resolution 7 is not passed, the Company will hold an adjourned meeting no less than 20 days and no greater than 30 days following this Meeting. At that adjourned meeting, Nexia Melbourne Audit Pty Ltd can be appointed by an ordinary resolution provided that the Company receives a notice of nomination of Nexia Melbourne Audit Pty Ltd from a member of the Company at least 14 days before the adjourned meeting.

**Each member must consider his or her own opinion in relation to the resolution and vote as he or she considers appropriate having regard to the information contained in this Memorandum.**

*Note: references in the Notice and the Memorandum to "\$" are to Australian currency.*

**ANNEXURE A**  
**TERMS OF PERFORMANCE RIGHTS**

- (a) A Performance Right is a right to receive a fully paid ordinary share in the capital of the Company (**Share**) subject to satisfaction of an Applicable Milestone (refer (b) below).
- (b) A Performance Right shall convert to a Share upon and subject to either:
  - a. determination by a geological consultant of an Inferred JORC Resource of 5.443Mt at a combined AuEq grade of not less than 4g/t for 700koz Au (or AuEq) on the Copalquin Project; or
  - b. Mithril achieving a market capitalisation equal to or greater than A\$150,000,000 for a period of 20 consecutive trading days on which the securities of the Company traded.each being an **Applicable Milestone**.
- (c) A Performance Right for which an Applicable Milestone has not been satisfied lapses on the date which is four (4) years from issue of that Performance Right (**Lapse Date**).
- (d) A Performance Right does not entitle the holder to attend or vote on any resolutions proposed at a general meeting of shareholders of the Company.
- (e) A Performance Right does not entitle the holder to any dividends.
- (f) Upon winding up of the Company, a Performance Right may not participate in the surplus profits or assets of Company.
- (g) A Performance Right is not transferable unless otherwise determined by the Board or a delegate of the Board.
- (h) A Performance Right does not lapse upon the termination or resignation of the holder.
- (i) In the event that the issued capital of the Company is reconstructed, and the Company is listed on ASX at the relevant time, all rights of a holder will be changed to the extent necessary to comply with the ASX Listing Rules at the time of reorganisation provided that, subject to compliance with the ASX Listing Rules, following such reorganisation the economic and other rights of the Holders are not diminished or terminated.
- (j) This clause applies whilst the Company is listed on ASX. Performance Rights will not be quoted on ASX. Upon conversion of a Performance Right into a Share in accordance with these terms, the Company must within seven (7) days from the date of conversion, apply for and use best endeavours to obtain official quotation on ASX of the Shares arising from conversion.
- (k) Subject to compliance with applicable law (including the ASX Listing Rules as they apply to the Company), Performance Rights shall immediately convert to Shares upon a Change of Control occurring.

Change of Control means:

- a. a bona fide takeover bid is declared unconditional and the bidder has acquired a relevant interest in over 50% of the Company's issued shares;
- b. the sale of all or substantially all of the assets of the Company;
- c. a court approves under section 411(4)(b) of the Corporations Act, a proposed compromise arrangement for the purpose of, or in connection with, a scheme for the reconstruction of the Company or its amalgamation with any other company or companies; or

- d. in any other case, a person obtains voting power in the Company that the Board (which for the avoidance of doubt will comprise those Directors immediately prior to the person acquiring the voting power) determines, acting in good faith and in accordance with their fiduciary duties, is sufficient to control the composition of the Board.
- (l) Holders of Performance Rights will not be entitled to participate in new issues of capital offered to holders of Shares such as bonus issues and entitlement issues.
- (m) This clause applies whilst the Company is listed on ASX. The terms of the Performance Rights may be amended as necessary by the Board to comply with the ASX Listing Rules, or any direction of ASX regarding the terms provided that, subject to compliance with the ASX listing rules, following such amendment, the economic and other rights of the Holder are not diminished or terminated.
- (n) A Performance Right gives the Holder no rights other than those expressly provided by these terms and those provided at law where such rights at law cannot be excluded by these terms.
- (o) Subject to paragraph (q) below, a Performance Right will convert into a Share upon the achievement of an Applicable Milestone to that Performance Right prior to the Lapse Date. An Applicable Milestone for a Performance Right will be specified in the terms of issue of or invitation to apply for the Performance Right.
- (p) In the event an Applicable Milestone is satisfied prior to the Lapse Date, Performance Rights held by a Holder will convert into an equal number of Shares.
- (q) If an Applicable Milestone for a Performance Right is not achieved by the Lapse Date, all Performance Rights will lapse and be deemed to have been cancelled without payment or other compensation to the Holder.
- (r) The Shares into which the Performance Rights will convert will rank pari passu in all respects with existing Shares and, if the Company is listed on ASX, an application will be made by the Company to ASX for official quotation of the Shares issued upon conversion.
- (s) The conversion of Performance Rights is subject to compliance at all times with the ASX Listing Rules if the Company is listed on ASX at the relevant time and the Corporations Act.

**ANNEXURE B  
NOTICE OF INTENTION TO REMOVE AUDITOR AND AUDITOR NOMINATION**

**AUDITOR NOMINATION**

7 October 2020

The Board of Directors  
Mithril Resources Limited  
Level 2, 480 Collins Street  
Melbourne Vic 3000

Dear Sirs,

RE: NOTICE OF INTENTION TO REMOVE CURRENT AUDITOR  
NOMINATION OF NEW AUDITOR

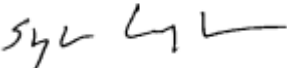
Bodie Investments Pty Ltd (**the Shareholder**), being a member (shareholder) of Mithril Resources Limited (**the Company**), requests the Company convene a meeting no later than the date that is two months after the date this notice of given to the Company to consider and if thought fit pass an ordinary resolution that Grant Thornton Audit Pty Ltd be removed as auditor.

The Shareholder further requests that a special resolution for the appointment of Nexia Melbourne Audit Pty Ltd of Level 12, 31 Queen Street, Melbourne VIC 3000 be considered and if thought fit passed at the same meeting if the resolution for the removal of Grant Thornton Audit Pty Ltd as auditor is passed.

The shareholder hereby gives written notice of:

- (i) Intention to move a resolution for the removal of the current auditor of the Company, Grant Thornton Audit Pty Ltd, pursuant to section 329(1A) of the Corporations Act; and
- (ii) The nomination of Nexia Melbourne Audit Pty Ltd for appointment as auditor of the Company.

Signed for and on behalf of Bodie Investments Pty Ltd, a member (shareholder) of Mithril Resources Limited.

  
Stephen Layton  
Director  
Bodie Investments Pty Ltd