

MITHRIL COMPLETES \$700,000 CONVERTIBLE NOTE RAISE

Highlights

- **Completion of \$700,000 convertible note raise (before costs) from sophisticated and professional investors.**
- **Proceeds of this raise to be used as working capital and to continue exploration work at Copalquin.**
- **Appointment of Mr Craig Sharpe to Mithril's Board as non-executive chair (as announced on 18 December 2023)**

The Board of Mithril Resources Limited (ASX:MTH) (**MTH** or the **Company**) is pleased to announce that it has completed a raising with professional and sophisticated clients of PAC Partners Securities Pty Ltd and Arlington Group Asset Management (the **Joint Lead Managers**) for an investment in the Company of up to \$700,000 (before costs) through a Convertible Note Offer.

Convertible Note Offer Details

The Company has successfully completed and received \$700,000 via the issue of Convertible Notes with a face value of \$1.00 each convertible into ordinary Shares in the Company at a conversion price equal to the price set at the next equity capital raising. The Convertible Note Agreements remain subject to and conditional upon (amongst other things) shareholder approval for the issue of the Convertible Notes under ASX Listing Rule 7.1 (**Shareholder Approval**).

Subject to shareholder approval, each Convertible Note holder will be issued an additional 1,000 unlisted Options to acquire a Share in the Company for every \$1.00 raised. The options will have an exercise price of \$0.001 and an expiry date of 3 years from the date of issue.

The funds from the Convertible Note Agreements are expected to support the Company as it continues to fund exploration work at the Copalquin project in Mexico and continued evaluation of other mineral properties and for general working capital prior to undertaking a future equity capital raising (**Capital Raising**).

Key terms of the Convertible Note Agreement are summarised as follows:

Issue Amount	\$700,000
Issue Price	Face value of \$1.00 per Convertible Note
Interest Rate	18% per annum
Maturity Date	The earlier of three (3) months from the Subscription Date or settlement of the next capital raising
Conversion Price	Conversion price equal to the price set at the next equity capital raising
Conversion Terms	Upon completion of the Capital Raising, the Subscriber may elect to, subject to Shareholder Approval convert the Convertible Notes into Shares at a conversion price equal to the price set at the next equity capital raising (Conversion) by providing notice in writing to MTH within ten (10) business days of completion of the Capital Raising (Conversion Notice).

DIRECTORS

John Skeet – Managing Director & CEO
Garry Thomas – Non Executive Director
Stephen Layton – Non Executive Director
Claire Newstead-Sinclair – Company Secretary

MITHRIL RESOURCES LIMITED

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REGISTERED OFFICE

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Option details:

Options	1,000 unlisted options each to acquire a share in MTH, for every \$1.00 invested in the convertible note
Exercise Price	\$0.001
Expiry date	3 years from the date of issue

The joint lead managers will receive a fee of 6% of the gross proceeds of the capital raising. Arlington Group Asset Management will take all fees as scrip issued on the same terms as the next equity capital raising. In connection with the Joint Lead Manager mandate, the Company has committed to seek shareholder approval for a capital consolidation of 100 for 1 at a shareholders meeting to held in February 2024.

MTH Managing Director and CEO, Mr John Skeet commented,

"Mithril has visible opportunities ahead at the high-grade gold-silver Copalquin mining district project in Mexico, which already hosts a high-grade maiden JORC resource and several high priority target areas across the district scale 70km2 mining concession area. The support and investments from PAC Partners Securities and Arlington Group Asset Management provides us with the runway needed to deliver on the these. On behalf of the Board, I also take this opportunity to welcome Mr Craig Sharpe as non-executive chair and we look forward to working together to progress this exceptional opportunity."

The Company will convene its Annual General Meeting in February 2024 to seek the necessary Shareholder Approvals.

-ENDS-

Released with the authority of the Board.

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