MITHRIL RESOURCES

ABN 30 099 883 922

Annual Report - 30 June 2022

Mithril Resources Limited
Contents
30 June 2022

Mithril Resources Limited
Corporate directory
30 June 2022

Directors	Mr Garry Thomas (Non-Executive Director) Mr John Skeet (Managing Director) Mr Stephen Layton (Non-Executive Director)
Company secretary	Ms Claire Newstead-Sinclair
Registered office	Vistra Australia Level 4, 100 Albert Road SOUTH MELBOURNE VIC 3205
Principal place of business	Vistra Australia Level 4, 100 Albert Road SOUTH MELBOURNE VIC 3205
Share register	Computershare Investor Services Pty Ltd Level 5, 115 Grenfell Street ADELAIDE SA 5000
Auditor	Nexia Melbourne Audit Pty Ltd Level 12, 31 Queen Street MELBOURNE VIC 3000
Bankers	National Australia Bank 800 Bourke Street MELBOURNE VIC 3008
Stock exchange listing	Mithril Resources Limited shares are listed on the Australian Securities Exchange (ASX code: MTH)
Website	www.mithrilresources.com.au

Mithril Resources Limited
Managing Director's Letter

Dear Fellow Shareholders,

Despite the challenges of travel and working during the global pandemic, travel continued between Australia and Mexico to support in-country personnel and maintain relationships with our stakeholders. The on-site team led by Mithril's highly experienced Chief Geologist, Hall Stewart kept the exploration work progressing, achieving great success by the end of our first two years in the Copalquin District. The Board acknowledges and thanks the great effort and success achieved by all our Mexico based personnel under more challenging conditions than are typical for remote site exploration.

Following our first and successful year as an explorer for gold and silver in the prolific Sierra Madre Trend of Mexico, the company successfully delivered a high-grade gold-silver maiden JORC mineral resource estimate (MRE) for its first drill target area at the flagship Copalquin District project. This high-quality resource is well positioned for upgrading and expansion with favourable development characteristics indicated by the initial mining and metallurgical study work.

Our strategy for Copalquin remains to continue expansion and increase resource confidence at El Refugio, progress its development, while developing the other target areas within the 70km^2 district. At El Refugio, there is considerable upside at depth as well as west of the main upwelling feeder zone where initial drilling at El Refugio West and a further kilometre west at El Gallo, has produced high-grade gold-silver intercepts. East of El Refugio, at Los Pinos there are excellent geological indications for additional resource potential.

For this year, Mithril set its goal to deliver a maiden high-grade JORC resource estimate following the first year of exploration in the Copalquin District which was successfully delivered in November 2021. In just two years, we have achieved great success in the Copalquin District, and I am extremely grateful to our shareholders for the continued support and we look forward to delivering continued news of our developments in Mexico throughout the next year.

Sincerely,

John Skeet

The Directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'Group') consisting of Mithril Resources Limited (referred to hereafter as the 'Company' or 'Parent Entity') and the entities it controlled at the end of, or during, the year ended 30 June 2022.

Information on Directors

The following persons were Directors of Mithril Resources Limited during the whole of the financial year and up to the date of this report, unless otherwise stated:

Name:	John Skeet (Appointed 8 September 2020)
Title:	Chief Executive Officer / Managing Director
Qualifications:	B.App.Sc
Experience and expertise:	Mr. Skeet 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.
Other current directorships:	N/A
Former directorships (last 3 years):	N/A
Interests in shares:	224,163,615 ordinary shares

Name:	Mr Stephen Layton (Appointed 15 May 2019)
Title:	Non-Executive Director
Qualifications:	MSIAA
Experience and expertise:	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 grow.
Other current directorships:	EQ Resources Ltd
Former directorships (last 3 years):	New Age Exploration Ltd (resigned 26 September 2020)
Interests in shares:	140,500,000 ordinary shares
Interests in Options:	5,000,000 Options exercisable at $0.15 expiring 26 April 2024

Name:	Mr Garry Thomas (Appointed as Alternate-Director 15 June 2020) (Appointed Non-Executive Director 17 August 2020)
Title:	Non-Executive Director
Qualifications:	Assoc. CE
Experience and expertise:	Mr Thomas 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 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 construction of at Palmarejo, Mexico prior to the Coeur Mining take over. Mr Thomas founded Intermet Engineering which he sold to Sedgman Metals.
Other current directorships:	Oakajee Corporation Ltd
Former directorships (last 3 years):	N/A
Interests in shares:	285,685,273 ordinary shares

Name:	Mr Dudley Leitch (Resigned 7 July 2021)
Title:	former Non-Executive Director
Qualifications:	BSc
Experience and expertise:	Mr Leitch is a geologist and mining entrepreneur with over 40 years developing mining projects and running ASX mining/exploration companies with projects in Australia, Mexico, USA. He has previously held directorships in a number of Australian and international mining companies.

'Former directorships (last 3 years)' quoted above are directorships held in the last 3 years for listed entities only and excludes directorships of all other types of entities, unless otherwise stated.

Company Secretary
Claire Newstead-Sinclair is the Company Secretary.

Ms Newstead-Sinclair is a Chartered Accountant and Member of the Governance Institute of Australia at the Corporate Business Service Provider, Vistra Australia. Ms Newstead-Sinclair has been CFO and Company Secretary for several ASX listed and unlisted public and private companies in a range of industries including biotechnology, healthcare and mineral exploration.

Principal activities
During the financial year the principal continuing activities of the Group consisted of:
- to carry out exploration of mineral tenements, both on a joint venture basis and by the Group in its own right;
- to continue to seek extensions of areas held and to seek out new areas with mineral potential; and
- to evaluate results achieved through surface sampling, drilling and geophysical surveys carried out during the year.

There have been no significant changes in the nature of those activities during the year.

Dividends
There were no dividends paid, recommended or declared during the current or previous financial year.

Review of operations
The loss for the Group after providing for income tax amounted to $632,304 (30 June 2021: $1,688,618).

Exploration Highlights

- **Delivered a high-grade gold-silver maiden JORC mineral resource estimate (MRE) at the first drill target area in the Copalquin District, Mexico**
- **The maiden JORC MRE for the El Refugio-La Soledad target area was delivered after only 15 months of drilling and for an all-in cost of only USD14.30 per ounce of gold equivalent[*]**
- **With 373,000 oz of gold (4.80g/t) and 10.9 million ounces (141g/t) contained within only 2.4 million tonnes (equivalent to 529,000oz of gold[*]), this is a high-grade resource with excellent expansion upside and development prospects**
- **Metallurgical test work and conceptional mine design work indicate a simple project development scenario for this first resource area in the Copalquin Mining District**
- **Drilling reported after the financial year end at El Refugio successfully intercepted further high-grade gold and silver giving excellent indications for resource upgrade and expansion in this important area of the district**
- **Exploration work was completed in other parts of the district, developing further targets for future exploration programs, including drilling**
- **Currently over 10km of strike length to explore within the Copalquin gold-silver mining district**

Photo 1 Top – children from La Maquina school on Earth Day with Mithril Senior Geologist, Ing. Darcy Garcia. Top Middle – Trekking to El Jabali, eastern end of the District Middle Section. Bottom Middle – Ing. Darcy Garcia with children on Independence Day. Bottom – Globexplore Drilling in the Copalquin District.

Corporate Highlights

- **Two placements were completed during the 2021-22 financial year, A$3.3m in September 2021 and A$3.5m in April 2022 (both amounts before costs) with proceeds used to continue exploration and drilling at the Copalquin gold-silver district in Mexico**
- **The company successfully conducted its exploration and drilling programs in Mexico continuously during the Covid-19 pandemic months**
- **Having completed over US$8m of direct exploration expenditure on the 70 km^2 Copalquin mining concessions since July 2020, Mithril, via its 100% owned Mexican subsidiary, is now registered as 50% owner of the mining concessions. As per the Purchase Option Agreement, Mithril can purchase 100% of the concessions by paying US$10m on or before August 2026[1]**
- **Value added tax (VAT) refunds were received during the year for exploration expenditures in Mexico. Typically, there is detailed scrutiny and requests for detailed information by the Mexican tax office to support claims for the monthly VAT refund. The company has successfully received over US$520,000 in VAT refunds during the year**

- **Sale of the Limestone Well tenements was completed to Mithril's earn-in partner Auteco Minerals Ltd. Effectively, Auteco accelerated its 80% earn-in for the Limestone Well tenements by paying to Mithril A$500k for a 90% interest and leaving Mithril with a 10% free carried interest, which Auteco can purchase at any time for A$10m[1]**

**See notes with maiden JORC Resource in Table 1*
[1]See list of ASX releases for further information

Environmental, Social and Governance


Photo 2 - Children from the Copalquin District at Christmas 2021 celebration.

Mithril's Copalquin District, located in the Sierra Madre mountains in the western most area of Durango State, Mexico is an isolated site currently with mule road and light aircraft access only. There are small settlements throughout the district, with El Limon just outside the south-west corner of the concession area, the largest with about 20 dwellings. In the second half of the nineteenth century, it is reported that the Copalquin settlement was home to over 2,000 inhabitants with cobblestone street, church and mine buildings. Now there is just one family residing in the Copalquin settlement. Many of the families have been in the district for generations. While there are no records of ejidos (land grants given after the Mexican revolution) or registered communities, the inhabitants have legal possession of the land if fenced and occupied for longer than 10 years. Mithril's (and previously Sun Minerals') approach is to proceed as if the community is registered, with all members having legal possessions of land as we progress future applications for development with the Mexican authorities.

Mithril is the only employer in the Copalquin district, and all of our non-professional staff are from within the district. Our people are skilled and hard-working, developed from living in an isolated location. Skills possessed include carpentry, dwelling and road construction, mule handling, farming and mining. Mithril has implemented job specific training and encourages online learning.

Throughout 2021-22, Mithril has progressed study work on infrastructure enhancements that will be of benefit to both our exploration developments and the local community. Specific community focussed developments are for education, medical, environmental management and communications.

Key points about our ESG work

- The company philosophy operating in the Copalquin district is to support communities via children's education and providing employment opportunity
- Mithril supports three community schools in the district
- Employs 28 local people under the federal employment laws
- Developing infrastructure in the district for long term benefit
- Exploration work using man-portable diamond core drill
- Drilling contractor with developed environmental management practices

- Future mine development – low impact underground mining, high-grade, low tonnage, waste rock storage underground, dry-stack tailings management
- Fully compliant with all federal laws – permitting, taxation, employment
- Successfully receiving VAT refunds
- Board and management with successful track record working in remote locations
- Excellent relationships with local community and the mining concession partner

Copalquin Gold-Silver District, Durango State, Mexico

The Copalquin mining district is located in Durango State, Mexico and covers an entire mining district of 70km^2 containing several dozen historic gold and silver mines and workings, ten of which had notable production. The district is within the Sierra Madre Gold Silver Trend which extends north-south along the western side of Mexico and hosts many world-class gold and silver deposits.

Multiple mineralisation events, young intrusives thought to be system-driving heat sources, widespread alteration together with extensive surface vein exposures and dozens of historic mine workings, identify the Copalquin mining district as a major epithermal centre for Gold and Silver.

Within 15 months of drilling in the Copalquin District, Mithril delivered a maiden JORC mineral resource estimate in November 2021, demonstrating the high-grade gold and silver resource potential for the district. This maiden resource is detailed below.

- **2,416,000 tonnes @ 4.80 g/t gold, 141 g/t silver** for **373,000 oz gold** plus **10,953,000 oz silver (Total 529,000 oz AuEq*) using a cut-off grade of 2.0 g/t AuEq***
- **28.6% of the resource tonnage is classified as indicated**

	Tonnes (kt)	Tonnes (kt)	Gold (g/t)	Silver (g/t)	Gold Equiv.* (g/t)	Gold (koz)	Silver (koz)	Gold Equiv.* (koz)
El Refugio	Indicated	691	5.43	114.2	7.06	121	2,538	157
	Inferred	1,447	4.63	137.1	6.59	215	6,377	307
La Soledad	Indicated	-	-	-	-	-	-	-
	Inferred	278	4.12	228.2	7.38	37	2,037	66
Total	Indicated	691	5.43	114.2	7.06	121	2,538	157
	Inferred	1,725	4.55	151.7	6.72	252	8,414	372
	TOTAL	**2,416**	**4.80**	**141**	**6.81**	**373**	**10,953**	**529**

*Table 1 - Mineral resource estimate El Refugio – La Soledad using a cut-off grade of 2.0 g/t AuEq**

*AuEq. = gold equivalent calculated using and gold:silver price ratio of 70:1. That is, 70 g/t silver = 1 g/t gold. The metal prices used to determine the 70:1 ratio are the cumulative average prices for 2021: gold USD1,798.34 and silver: USD25.32 (actual is 71:1) from kitco.com
(See ASX Announcement 17 Nov 2022 - *Maiden JORC Resource 529,000 Ounces @ 6.81g/t*)

Mining study and metallurgical test work supports the development of the El Refugio-La Soledad resource with conventional mining methods indicated as being appropriate and with high gold-silver recovery to produce metal on-site with conventional processing.

Mithril is continuing work in the Copalquin District to expand the resource footprint and demonstrate its multi-million ounce gold and silver potential.

Mithril Resources is earning 100% interest in the Copalquin District mining concessions via a purchase option agreement detailed in ASX announcement dated 25 November 2019.

Mexico – Mining and Economy

- Mexico attracts most foreign direct investment (FDI) in Latin America ^
- In addition to being open to FDI, integrated into the world economic order: a member of USMCA (formerly NAFTA), OECD, G20 and the Pacific Alliance
- Strategic geographic location and acts as a transit platform to North America and Latin America
- A wide variety of natural resources, allowing development of all types of industries at very competitive prices
- Cost of labour (a young and abundant labour force) is not very high and is relatively well qualified
- Seventh biggest tourist destination in the world and has in parallel a large and important industrial base

Mexico Global Metal Production Rankings^		
Metal	**Mexico**	**Australia**
Silver	**#1**	#5
Lead	#5	#2
Zinc	#6	#2
Gold	#9	#3
Copper	#9	#6

Table 2 - Global ranking for Mexico and Australia metal production. ^ Sources: Santander, Gold Council, Silver Institute, Nat. Res. Canada, Statista 2020-21

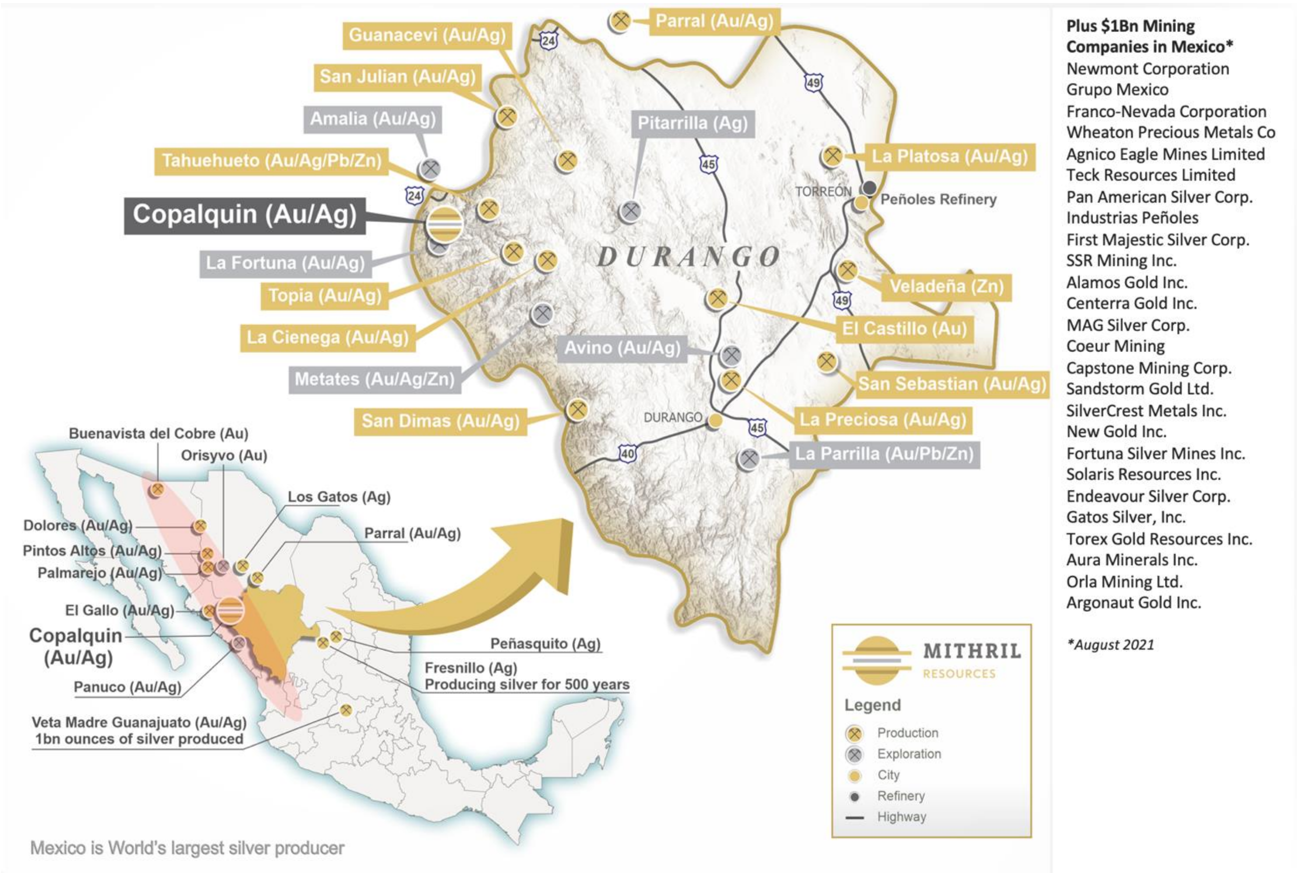

Figure 1 - Copalquin District location map with locations of mining and exploration activity within the state of Durango.

Exploration in the Copalquin District, Mexico

Exploration drilling progressed in the district during the second half of 2021 with the maiden JORC mineral resource estimate delivered for El Refugio-La Soledad in November 2021 (see Table 1).

During the first half of 2022, exploration work focussed on expanding and developing exploration targets in this vast mining district utilising mapping and soil sampling best undertaken during the cooler dry season months when there is minimal vegetation cover in the district.

Drilling at El Refugio recommenced in May 2022, producing significant drill intercepts and geological information that indicated and support resource expansion east and west, and most importantly at depth with El Refugio identified as a major hydrothermal upwelling feeder zone in the district.

Drilling in the Copalquin gold-silver district has expanded known mineralisation at El Refugio to 1,000m long x 350m deep and a further 1,000m west to El Gallo.

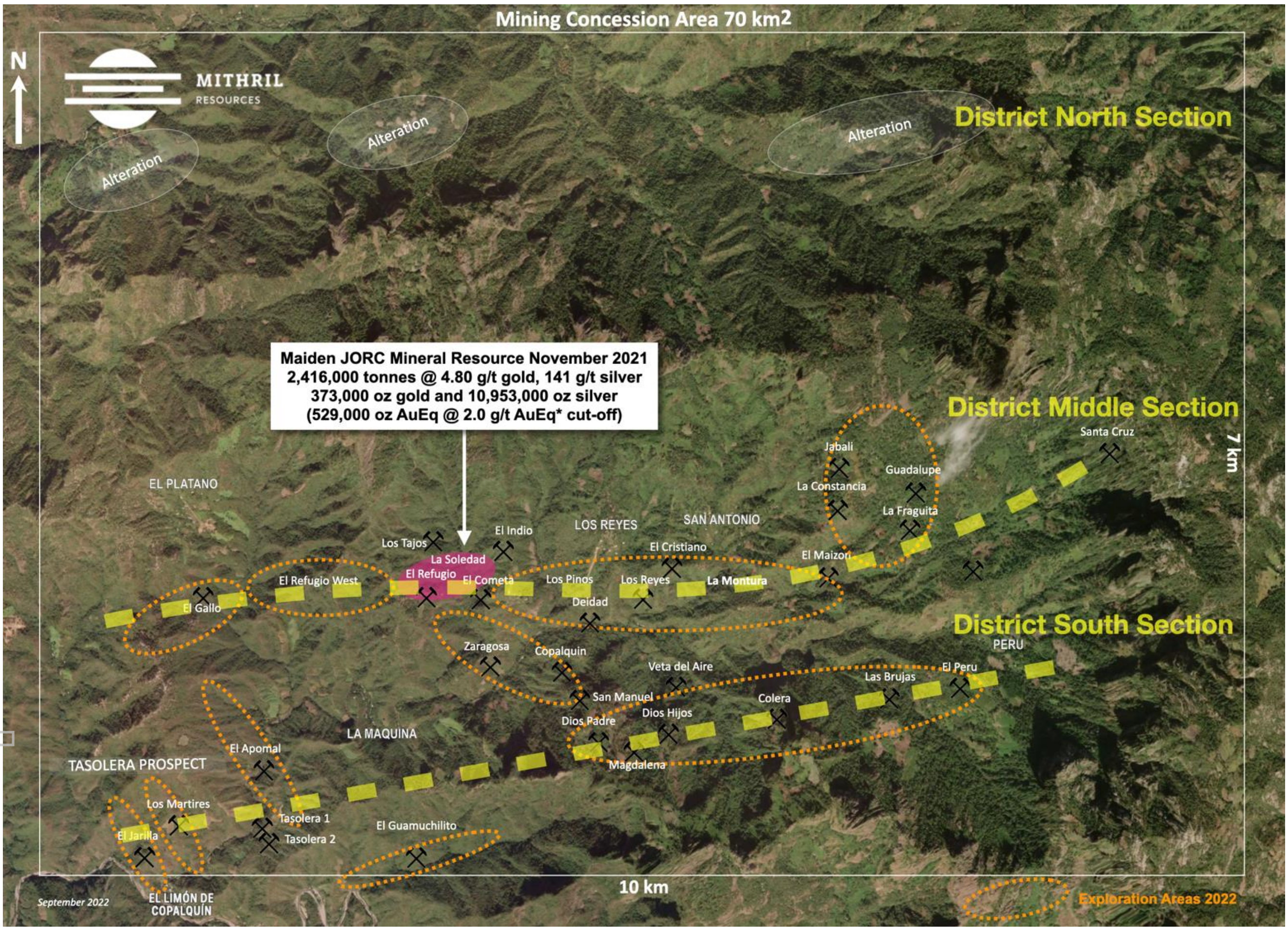

Figure 2 – Copalquin 70km² concession area showing exploration target areas and District long section locations shown in Figure 3

During the year, Mithril continued to advance its exploration work in the Copalquin District, successfully expanding its drill targets and the district's resource potential. *(ASX Announcement 5 May 2022).*

Figure 2 above and Figures 3 and 4 below, show the progress and status of exploration work in the district which is well set up for continued exploration across this important mining district within the prolific Sierra Madre gold-silver trend of Mexico. Figure 5 shows the schematic long section at El Refugio with its impressive distribution of high-grade intercepts and clear indications for expansion at this important target area in the Copalquin district.

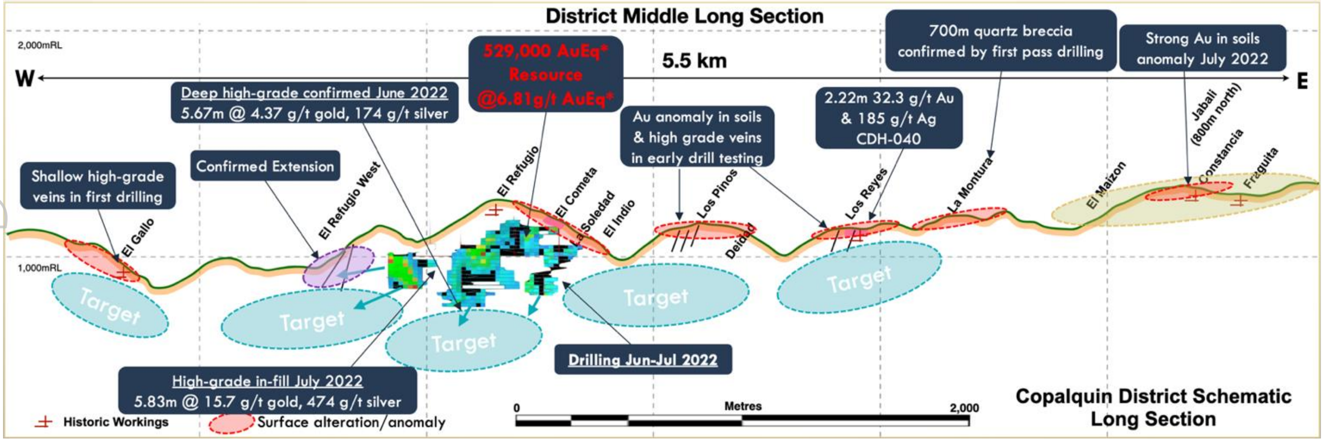

Figure 3 – Schematic long section of the Copalquin District middle mineralised trend which includes the maiden JORC resource at El Refugio/La Soledad.

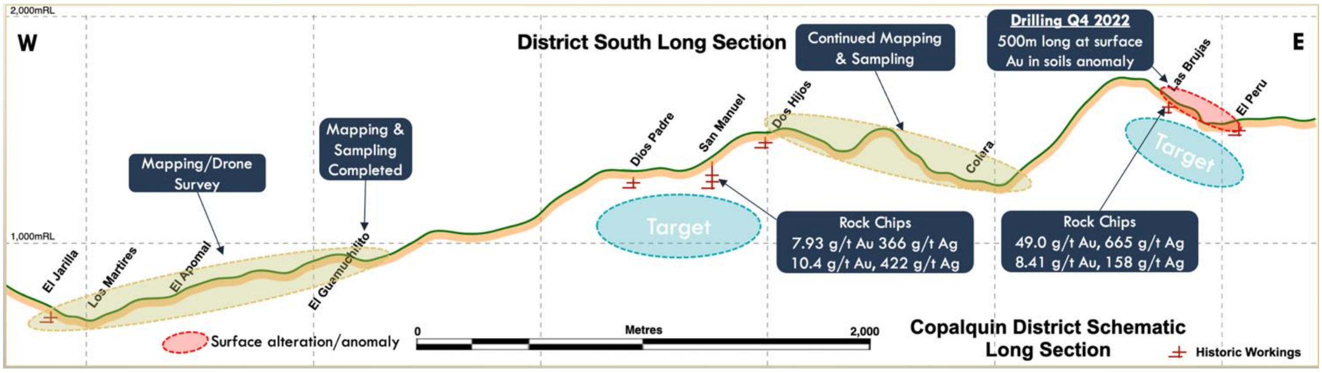

Figure 4 – Schematic long section of the southern part of the Copalquin District

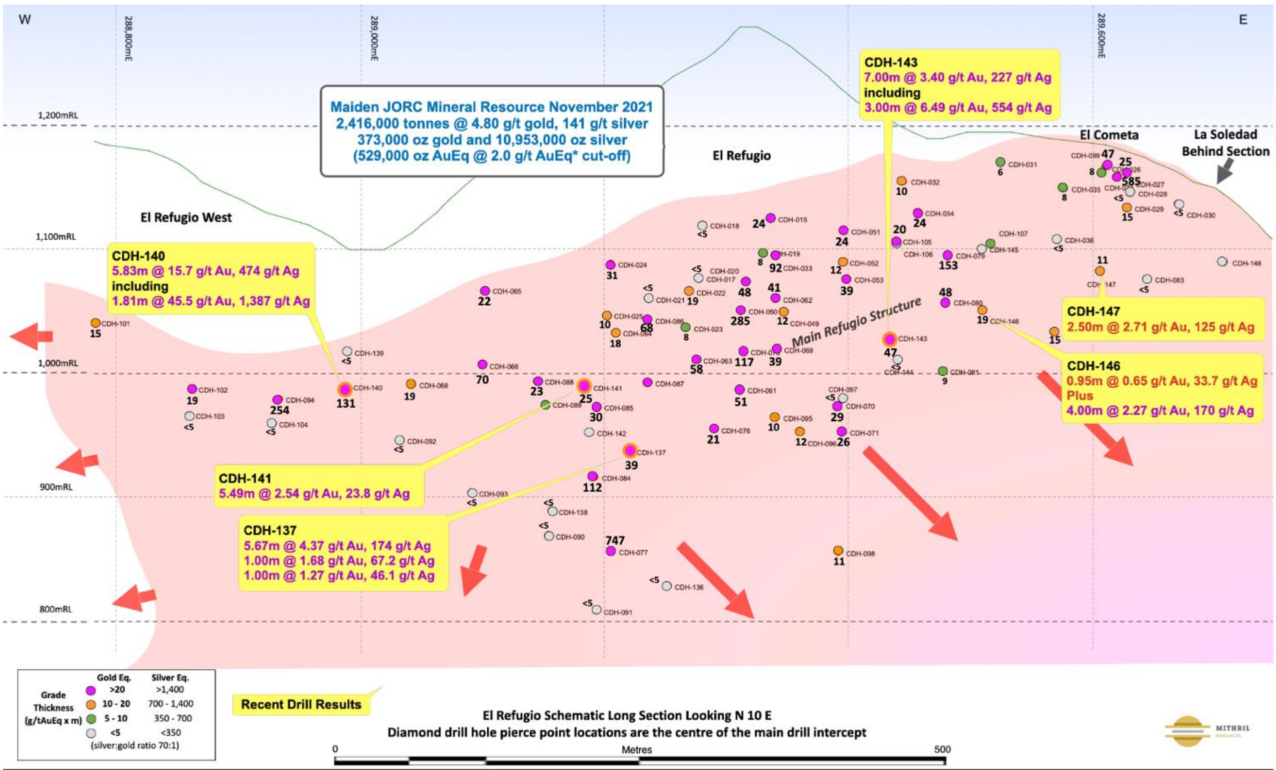

Figure 5 - Long section for the El Refugio target in the Copalquin district showing drill hole pierce points. Grade thickness as shown is the sum of all intercepts shown for each hole, pierce points are the midpoint of the main intercept. Highlighted intercepts are from drilling completed May-July 2022.

MINING CONCEPTS STUDY WORK COMPLETED

In March 2022, the Company released details on the recently completed conceptual mining study by AMC Consulting. (ASX Announcement 1 March 2022) This study and the recently reported high metallurgical recoveries (ASX Announcement 18 January 2022) are seen as positive steps towards development in the district for production of gold and silver from high-grade resources.

Conceptual Mine Design and Exploration Access for Deeper Drilling

In Q1 2022, AMC Consultants commenced and completed a mining concepts design study for the El Refugio-La Soledad maiden JORC mineral resource estimate. The study considered open pit potential and various underground mining techniques. The positioning of the underground mine development was also assessed.

The study work shows that there is some open pit potential requiring further drilling work to better define near surface high-grade material at El Cometa. The most likely scenario from the study indicates that the resource would be most effectively mined by underground methods.

For the underground mining, the preferred mining method recommended is mechanised Avoca bench (a variant of long hole open stope benching with rockfill) using a bottom-up extraction sequence as shown in the schematic below.

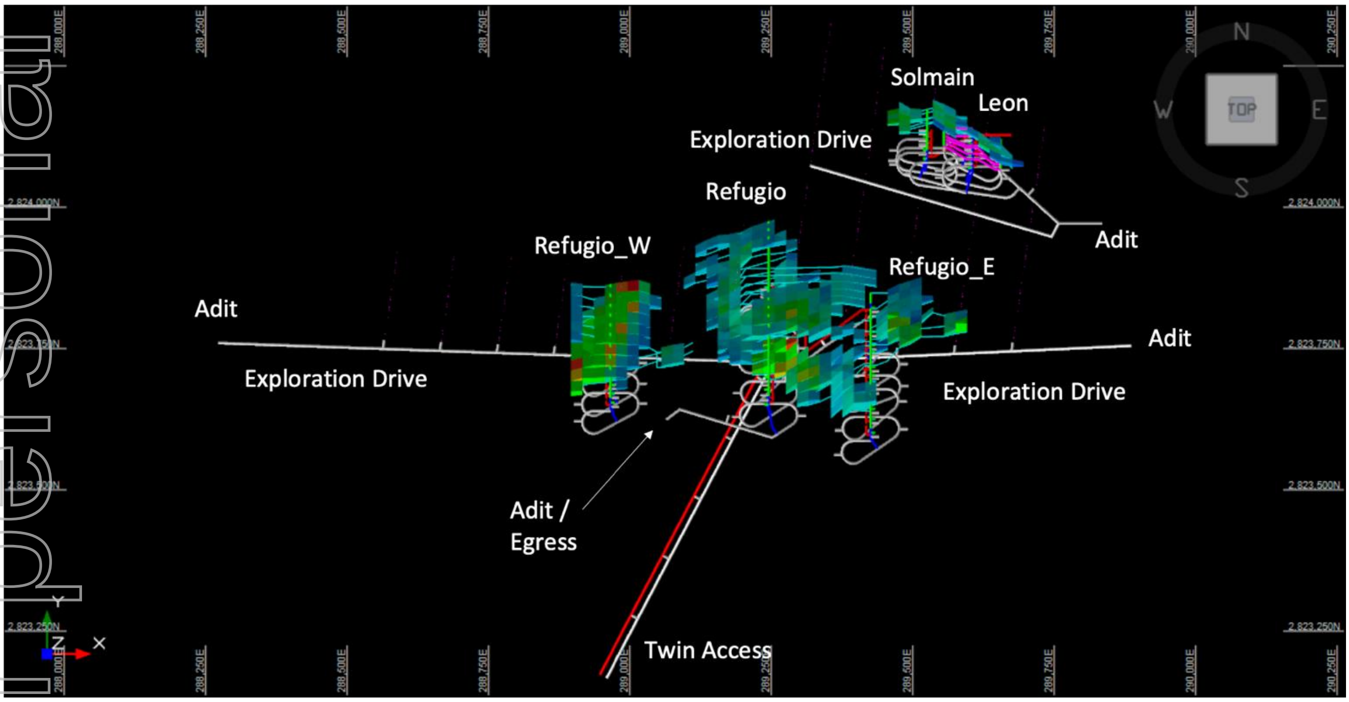

Figure 6 – Plan view of the conceptual mine plan using the maiden MRE for El Refugio-La Soledad

Higher Grade Access for a First Stage Mining Development

Subsequent to this mining study, which also considered additional access for deeper exploration drilling, a shorter access at a higher elevation has been identified to access a high-grade portion of the indicated resource within the maiden JORC resource MRE block model (see Figure 7, below).

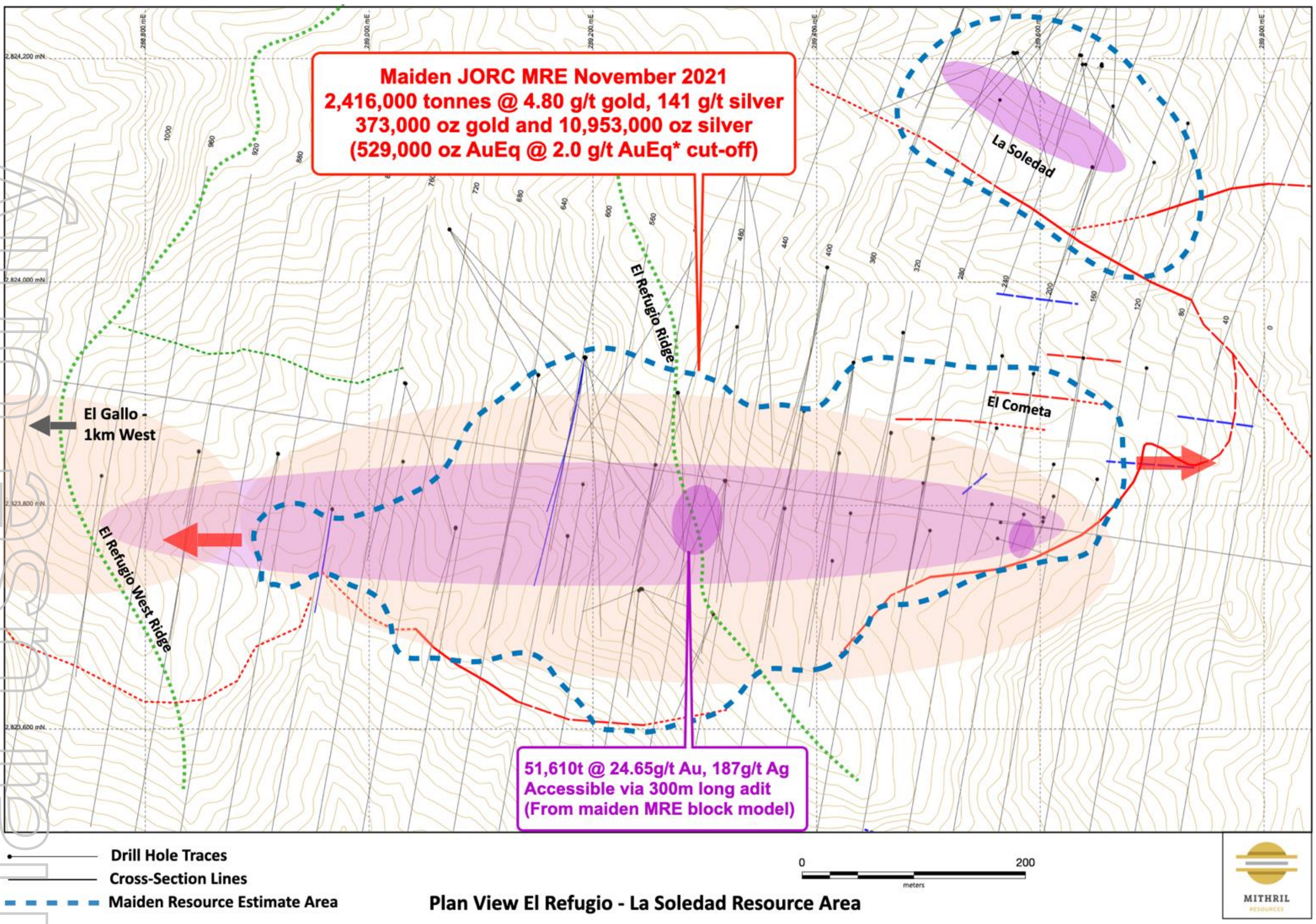

Figure 7 – Plan view of the El Refugio-La Soledad Maiden JORC Resource area showing the higher-grade area within the resource block model that can be accessed by a 300m long adit as part of mining development at El Refugio.

METALLURGICAL TEST WORK
HIGH RECOVERIES OF GOLD AND SILVER – EL REFUGIO COMPOSITE SAMPLE

A metallurgical test work program following the maiden mineral resource estimate (MRE) was completed by SGS Laboratories. (ASX Announcement 25 February 2022) Building on Mithril's excellent high-grade gold and silver maiden mineral resource estimate (ASX Announcement 17 November 2021), the high recoveries of gold and silver from the flotation and leaching test work reinforce attractive project metrics for the district.

The sample used for the test work is a composite sample from El Refugio crushed drill core. The average grade of the composite is similar to the average grade of the maiden JORC resource estimate for El Refugio. The calculated composite grade from the flotation test work is 4.52 g/t gold and 124 g/t silver.

Flotation test work has been completed using the same reagent scheme determined for the Palmarejo deposit (located in the Sierra Madre Trend and north of the Copalquin District) test work, due to the similarities in geology and mineralogy between Palmarejo and El Refugio at Copalquin.

The test work yielded excellent results summarised in Table 3 below.

Description		**Test**		**Duplicate Test**	
48 hr Leaching Time		**Au %**	**Ag %**	**Au %**	**Ag %**
Flotation Concentrate (% recovered)	A	94.2	87.6	92.9	87.9
Leaching of Flotation Concentrate	B	97.3	93.4	97.4	92.9
Flotation Tailings (% remaining)	C	5.8	12.4	7.1	12.1
Leaching of Flotation Tailing	D	85.8	76.5	82.9	75.7
Total Recovery to solution (B x A)+(DxC)		**96.6**	**91.3**	**96.4**	**90.8**

Table 3 - Summary of the flotation and the flotation product cyanide leaching recoveries giving the final gold and silver recoveries to solution.

Intensive cyanide leaching of the flotation concentrate and low-level cyanide leaching of the flotation tailings allows high recovery of silver to be achieved. Cyanide leaching of silver is slower under the typical conditions used for gold only leaching. Recovering a high proportion of the silver into a concentrate (by flotation or gravity) allows the concentrate to leached under intensive conditions resulting in higher silver recovery. The overall recovery to solution is 96.5% for gold and 91% for silver. Gold and silver would be extracted from solution using the widely used Merrill-Crowe zinc precipitation method and then smelted to produce metal gold-silver ingots.

The process flowsheet for El Refugio-La Soledad resource material being tested is as shown below in Figure 8. This is the same flowsheet used at similar deposits in the Sierra Madre Trend, Mexico including Coeur Mining's Palmarejo and SilverCrest Metals' Las Chispas (production commenced July 2022).

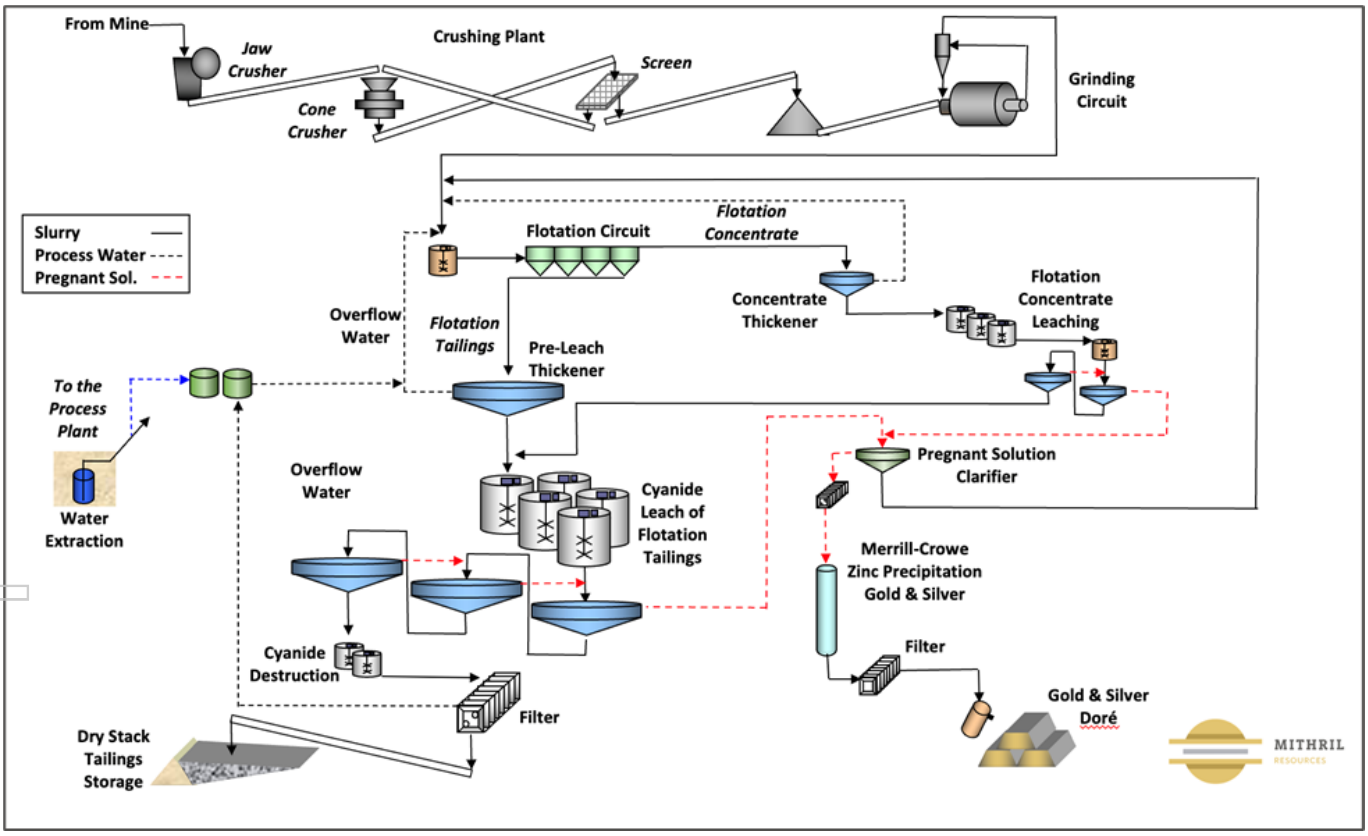

Figure 8 – Process flow sheet proposed for the El Refugio-La Soledad typical of other properties in the Sierra Madre Trend with similar geology

Further metallurgical test work will allow the crushing, grinding, thickening, flotation and filtration equipment sizes to be determined.

Figure 9 – Left, inside level 2 of the El Jabali historic mine workings. Right, quartz amethyst inside the wall of the workings.

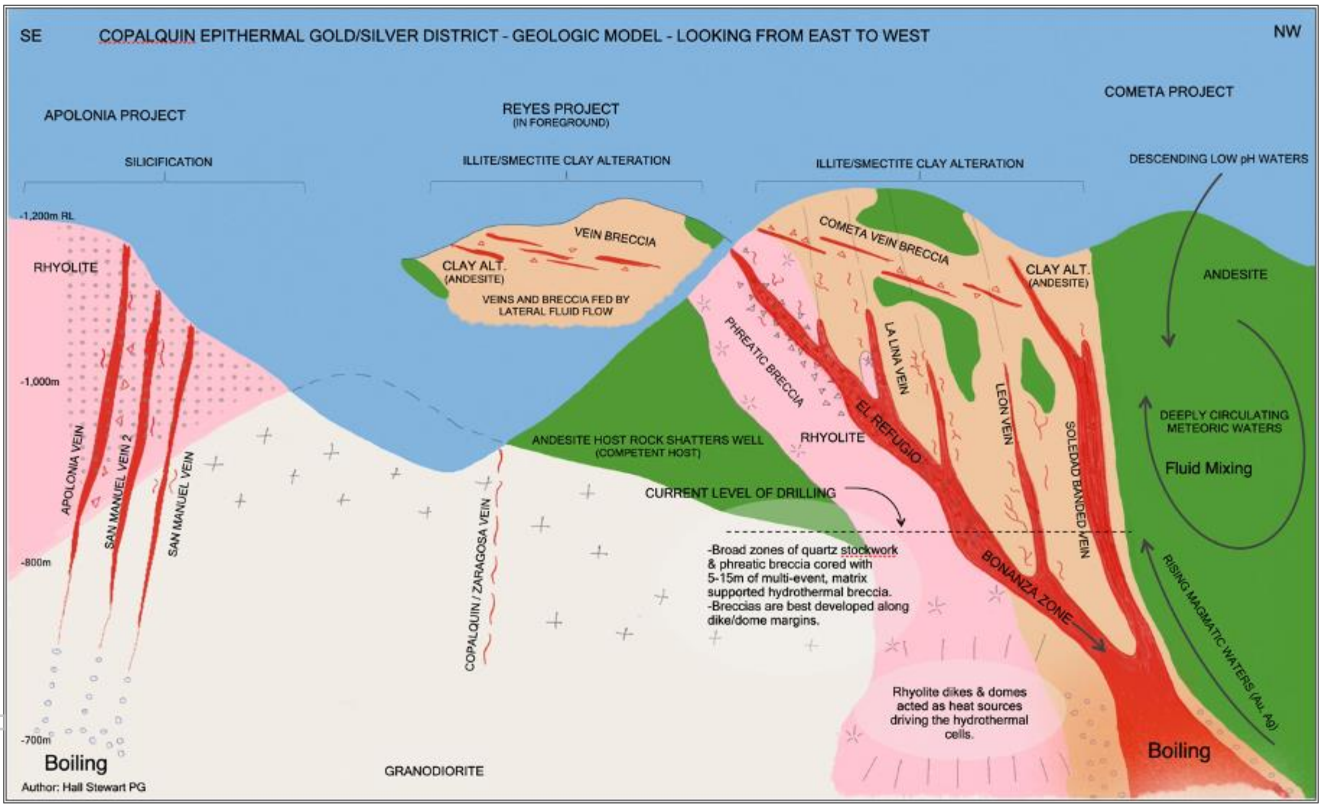

Figure 10 - Copalquin District Geologic Model for epithermal gold/silver - geologic model (author: Hall Stewart PG, Chief Geologist)

CORPORATE ACTIVITIES

Two share placements were completed during the year for A$3.3M and A$3.5M (both before costs) in September 2021 and April 2022, respectively. Proceeds were allocated to exploration work at the Copalquin property in Mexico.

Mexican value added tax (VAT) refunds were received throughout the year with a total of over US$520,000 received. Refunds of a further ~US$500 are pending from the Mexican tax office with good expectation for receipt of these refunds.

Amendments have been agreed with the Copalquin mining concession vendor to extend the purchase option period by 3 years until August 2026. Having invested over US$8m in direct exploration costs on the concessions, Mithril via its Mexican subsidiary now holds 50% interest in the mining concessions and can purchase 100% by paying USD10m in cash, shares or a combination of both to the vendor at any time up to August 2026. (see announcement for details 25 Nov 2019 *Transformative high-grade gold silver project acquisition*)

The company completed the sale of its Limestone Well tenements to Mithril's earn-in partner Auteco Minerals Ltd. Effectively, Auteco accelerated its 80% earn-in for the Limestone Well tenements by paying to Mithril A$500k for a 90% interest and leaving Mithril with a 10% free carried interest, which Auteco can purchase at any time for A$10m.

The Company continues with its community relations in the Copalquin district via support of three district schools and environmental activities/education.

In late November 2021, the Company announced the appointment of Ms Claire Newstead-Sinclair as Company Secretary, replacing Mr Adrien Wing effective 1 December 2021 (*ASX Announcement 23 November 2021*). The Board of Directors thanked Mr Adrien Wing for his significant contributions during his time with the Company. Mr Wing provided tremendous support to the Company during his earlier tenure as Director, as well as to the Board as Company Secretary.

Ms Newstead-Sinclair is a Chartered Accountant and Member of the Governance Institute of Australia at the Corporate Business Service Provider, Vistra Australia. Ms Newstead-Sinclair has been CFO and Company Secretary for several ASX listed and unlisted public and private companies in a range of industries including biotechnology, healthcare and mineral exploration.

In conjunction with this appointment the Company relocated its Registered Office and Principal Place of Business to: Vistra Melbourne, Level 4, 100 Albert Road South Melbourne, VIC 3205 Australia.

Further details, JORC tables and Competent Persons Statements for exploration results in this Annual Report are in ASX Releases listed below.

27 Jul 2022	Continued High-Grade Drilling At El Refugio, Copalquin
20 Jul 2022	Investor Presentation
05 Jul 2022	Expansive Deep Drilling Success at El Refugio, Copalquin
05 May 2022	Exploration Continues To Expand, Copalquin District, Mexico
13 Apr 2022	MTH Raises A$3.5m To Expand High Grade Gold-Silver Resources
17 Mar 2022	High-Grade Multiple Vein Intercepts
08 Mar 2022	Investor Presentation
01 Mar 2022	Mining Concepts Study Completed - Copalquin
25 Feb 2022	Further Excellent Metallurgy Results
28 Jan 2022	Quarterly Activities Report and Appendix 5B
18 Jan 2022	Exploration & Metallurgy Results - Copalquin District Mexico
17 Nov 2021	Maiden JORC Resource 529,000 Ounces @ 6.81g/t
05 Nov 2021	Mithril Drills 9.64 G/T Gold and 278.8 G/T Silver over 18.67m
12 Oct 2021	Binding Term Sheet for Sale of Limestone Well
08 Sep 2021	Drilling Intercepts 18.2 G/T Gold & 583 G/T Silver
11 Aug 2021	Mithril Extends High-Grade Gold Silver
28 Jul 2021	Quarterly activities and cashflow report
12 Jul 2021	Mithril Drills 80.3 G/T Gold, 705 G/T Silver Over 8.26m
25 Nov 2019	Transformative High-Grade Gold Silver Project Acquisition

AUSTRALIAN PROJECTS

To ensure the Company maintains its focus on the Copalquin Gold Silver Project, Mithril has exploration partners to farm-in, sole fund and operate exploration activities on its Australian assets. These include:

- Great Boulder Resources (GBR.ASX) at the Lignum Dam Project;
- Auteco Minerals (AUT.ASX) at the Limestone Well Project;
- Carnavale Resources (CAV.ASX) at the Kurnalpi Project; and
- CBH Resources Limited ("CBH") at the Billy Hills Zinc Project.

Having farm-in exploration partners solely fund all exploration costs, ensures that the Mithril tenements are kept in good standing for the duration of the respective partnership agreements with the potential to benefit from prospectivity and exploration upside.

Billy Hills Zinc (Billy Hills)

- Mithril 100%; and
- CBH Resources Limited earning up to 80% interest by completing expenditure of A$4M over 5 years.
- Native title clearance for the first phase of drilling has been granted.

Kurnalpi Project (Kurnalpi)

- Mithril 100%; and
- Carnavale Resources earning an initial 80% interest by keeping the tenements in good standing over three years and paying Mithril A$250,000 cash. Subsequent to the year end, Carnavale has elected to withdraw from the tenement earn-in.

Lignum Dam Project (Lignum)

- Mithril 100%; and
- Great Boulder Resources earning up to 80% by completing expenditure of A$1M over four years.
- Great Boulder carried out a program of auger geochemical sampling over nickel and gold prospective rock types.

Limestone Well Project (Limestone)

- Mithril 10%, Auteco Minerals 90%
- In October 2021, Mithril announced the execution of a binding term sheet for the sale of 90% interest in the Limestone Well tenements to its farm-in partner, Auteco Minerals for a payment of A$500,000 in cash. For details of the term sheet please refer to the *ASX Announcement 12 October 2021*

Significant changes in the state of affairs

There were no significant changes in the state of affairs of the Group during the financial year.

Matters subsequent to the end of the financial year

On 18 August 2022, the Group’s interest in the Copalquin Gold Silver Project in Durango, Mexico increased to 50% upon satisfied expenditure requirements and the issue of 10,000,000 shares to the owner of the concessions.

No other matters or circumstances have arisen since 30 June 2022 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

Environmental regulation

The Group is aware of its responsibility to impact as little as possible on the environment, and where there is any disturbance, to rehabilitate sites. During the year under review the majority of work carried out was in the Northern Territory, Western Australia and Durango (Mexico) and the Group followed procedures and pursued objectives in line with guidelines published by the Australian and Mexican Governments. These guidelines are quite detailed and encompass the impact on owners and land users, heritage, health and safety and proper restoration practices. The Group supports this approach and is confident that it properly monitors and adheres to these objectives, and any local conditions applicable wherever it explores.

The Group is committed to minimising environmental impacts during all phases of exploration, development and production through a best practice environmental approach. The Group shares responsibility for protecting the environment for the present and the future. It believes that carefully managed exploration programs should have little or no long-lasting impact on the environment and the company has formed a best practice policy for the management of its exploration programs. The Group properly monitors and adheres to this approach and there were no environmental incidents to report for the year under review. Furthermore, the Group is in compliance with the state and/or commonwealth environmental laws for the jurisdictions in which it operates.

Occupational Health, Safety and Welfare

In running its business, Mithril aims to protect the health, safety and welfare of employees, contractors and guests. The Group reviews its OHS&W policy at regular intervals to ensure a high standard of OHS&W, and to reflect best practice in injury and accident prevention.

Corporate Governance

In recognising the need for the highest standards of corporate behaviour and accountability, the Directors of Mithril Resources Limited support and have adhered to the principles of sound corporate governance. The Board recognises the recommendations of the Australian Securities Exchange Corporate Governance Council and considers that Mithril Resources is in compliance to the extent possible with those guidelines, which are of importance to the commercial operation of a junior listed resources company. During the financial year, shareholders continued to receive the benefit of an efficient and cost-effective corporate governance policy for the Company.

The Company has established a set of corporate governance policies and procedures and these can be found within the Company’s Corporate Governance Statement located on the Company’s website:
www.mithrilresources.com.au/corporate-governance

Shares under option

At the date of this report, options to acquire ordinary shares in the Company were on issue as follows:

Grant date	Expiry date	Exercise price	Number under option
26/04/2022	26/04/2024	$0.015	170,000,000
22/06/2022	26/04/2024	$0.015	5,000,000
			175,000,000

No person entitled to exercise the options had or has any right by virtue of the option to participate in any share issue of the Company or of any other body corporate.

Shares issued on the exercise of options

No ordinary shares of Mithril Resources Limited were issued during the year ended 30 June 2022 and up to the date of this report on the exercise of options granted:

Remuneration report (audited)

The remuneration report details the key management personnel remuneration arrangements for the Group, in accordance with the requirements of the Corporations Act 2001 and its Regulations.

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including all directors. These are as follows:

Stephen Layton	Non-Executive Director (Appointed 15 May 2019)
Garry Thomas	Alternate-Director / Non-Executive Director (Appointed Alternate-Director 15 June 2020) (Appointed Non-Executive Director 17 August 2020)
John Skeet	Chief Executive Officer / Managing Director (Appointed Managing Director 8 September 2020)
Dudley Leitch	Non-Executive Director (Resigned 7 July 2021)
Adrien Wing	Company Secretary (Resigned 15 February 2021)

Principles used to determine the nature and amount of remuneration

The Board is responsible for determining remuneration policies applicable to directors and senior executives of the Group. The Board policy is to ensure that remuneration properly reflects the individuals' duties and responsibilities and that remuneration is competitive in attracting, retaining and motivating people with appropriate skills and experience. At the time of determining remuneration consideration is given by the Board to the Group's financial performance.

The Board currently determines the nature and amount of remuneration for board members and senior executives of the Group. The policy is to align Director and executive objectives with shareholder and business objectives by providing a fixed remuneration component and offering specific long-term incentives.

The Non-Executive Directors and other executives receive a superannuation guarantee contribution required by the government, which was 10%, and do not receive any other retirement benefits. Some individuals, however, may choose to sacrifice part of their salary to increase payments towards superannuation. All remuneration paid to directors and executives is expensed as incurred. Executives are also entitled to participate in the Company share option scheme. Options are valued using the Black-Scholes methodology.

Non-Executive Directors remuneration is set from a pool that is approved by shareholders, which presently is set at $250,000 per annum. The Non-Executive Director fees have not been increased since the Group’s initial public offering in 2002 and the Group has a policy of obtaining shareholder approval for any share based remuneration (such as options) to be granted to Directors in accordance with the ASX Listing Rules. The Board policy is to remunerate Non-Executive Directors at market rates based on comparable companies for time, commitment and responsibilities. The board determines payments to non-executive Directors and reviews their remuneration annually, based on market practice, duties and accountability. Independent external advice is sought when required.

There is no direct relationship between the remuneration policy and the Entity’s performance.

Voting and comments made at the Company's 2021 Annual General Meeting ('AGM')

At the 2021 AGM, more than 93% of the votes received supported the adoption of the remuneration report for the year ended 30 June 2021. The Company did not receive any specific feedback at the AGM regarding its remuneration practices.

Details of remuneration

Amounts of remuneration
Details of the remuneration of key management personnel of the Group are set out in the following tables.

	Short-term benefits	Post-employment benefits	Share-based payments	
2022	Cash salary and fees $	Super-annuation $	Performance Rights $	Total $
Non-Executive Directors:				
Stephen Layton	48,000	-	-	48,000
Dudley Leitch*	825	78	-	903
Garry Thomas	43,636	4,364	-	48,000
Executive Director:				
John Skeet	180,000	-	-	180,000
	272,461	4,442	-	276,903
2021				
Non-Executive Directors:				
Stephen Layton	48,000	-	-	48,000
Adrien Wing**	80,000	-	-	80,000
Dudley Leitch	43,836	4,164	-	48,000
Garry Thomas***	38,297	3,639	643,333	685,269
Executive Director:				
John Skeet****	180,000	-	-	180,000
	390,133	7,803	643,333	1,041,269

* Mr Leitch resigned as a Director on 7 July 2022.
** Mr Wing resigned as a Director on 15 February 2021.
*** Mr Thomas was appointed as an Alternate-Director on 15 June 2020 and appointed as a Non-Executive Director on 17 August 2020.
**** Mr Skeet was appointed as CEO on 9 June 2020 and appointed Managing Director on 8 September 2020.

The proportion of remuneration linked to performance and the fixed proportion are as follows:

	Fixed remuneration		At risk - STI	
Name	2022	2021	2022	2021
Non-Executive Directors:				
Stephen Layton	100%	100%	-	-
Adrien Wing	n/a	100%	n/a	-
Dudley Leitch	100%	100%	-	-
Garry Thomas	100%	6.1%	-	93.9%
Executive Director:				
John Skeet	100%	100%	-	-

Service agreements
Remuneration and other terms of employment for key management personnel are formalised in service agreements. Details of these agreements are as follows:

Name:	John Skeet
Title:	Chief Executive Officer (Appointed Managing Director 8 September 2020)
Agreement commenced:	9 June 2020
Term of agreement:	Reviewed every two years
Details:	Mr Skeet's gross salary, is $180,000. The Company or the employee may terminate the employment contract without cause by providing 3 months written notice or making payment in lieu of notice, based on the annual salary component. Termination payments are generally not payable on resignation or dismissal for serious misconduct. In the instance of serious misconduct the Company can terminate employment at any time.

Share-based compensation

Issue of shares
There were no shares issued to Directors and other key management personnel as part of compensation during the year ended 30 June 2022.

Options
The terms and conditions of each grant of options over ordinary shares affecting remuneration of Directors and other key management personnel in this financial year or future reporting years are as follows:

Grant date	Vesting date and exercisable date	Expiry date	Exercise price	Fair value per option at grant date
22/06/2017	22/06/2017	22/06/2022	$0.100	$0.021
10/10/2018	10/10/2018	10/10/2021	$0.010	$0.006

Options granted carry no dividend or voting rights.

Performance rights
The terms and conditions of each grant of performance rights over ordinary shares affecting remuneration of Directors and other key management personnel in this financial year or future reporting years are as follows:

	Grant date	Expiry date	Fair value per right at grant date
Performance rights	24 November 2020	23 November 2024	$0.019

Performance rights granted carry no dividend or voting rights.

Details of performance rights over ordinary shares granted, vested and lapsed for Directors and other key management personnel as part of compensation during the years ended 30 June 2021 and 2022 are set out below:

Name	Grant date	Number of rights granted	Number of rights vested	Value of rights granted $	Value of rights expensed in the period $	Number of rights lapsed	Value of rights lapsed $
Garry Thomas	24 Nov 2020	33,333,333	-	643,333	643,333	-	-

Further information regarding the performance rights can be found in note 27.

Additional disclosures relating to key management personnel

Shareholding
The number of shares in the Company held during the financial year by each Director and other members of key management personnel of the Group, including their personally related parties, is set out below:

	Balance at the start of the year	Received as part of remuneration	Acquired	Disposals/ other	Balance at the end of the year
Ordinary shares					
Stephen Layton	115,500,000	-	25,000,000	-	140,500,000
Dudley Leitch	124,051,195	-	-	(124,051,195)	-
Garry Thomas	292,685,273	-	-	-	292,685,273
John Skeet	221,663,615	-	2,500,000	-	224,163,615
	753,900,083	-	27,500,000	(124,051,195)	657,348,888

Options
The number of Options in the Company held during the financial year by each Director and other members of key management personnel of the Group, including their personally related parties, is set out below:

	Balance at the start of the year	Received as part of remuneration	Acquired	Disposals/ other	Balance at the end of the year
Options					
Stephen Layton	-	-	5,000,000	-	5,000,000
Dudley Leitch	-	-	-	-	-
Garry Thomas	-	-	-	-	-
John Skeet	-	-	-	-	-
	-	-	5,000,000	-	5,000,000

Performance rights holding
The number of performance rights over ordinary shares in the Company held during the financial year by each Director and other members of key management personnel of the Group, including their personally related parties, is set out below:

	Balance at the start of the year	Granted during the year	Vested during the year	Balance at the end of the year
Performance rights over ordinary shares				
Garry Thomas	33,333,333	-	-	33,333,333

Other transactions with key management personnel and their related parties
Mr Skeet is a director of Trimin Pty Ltd (Trimin). During the financial year the Company incurred costs of $45,360 (2021: $45,360) relating to consultancy services provided by Trimin relating to consultancy services provided for legal and administration services for Mexico. From 1 April 2022, a related party of Mr Skeet has been employed in an administration and legal role related to Mexico requirements and incurred salary costs of $20,914 (2021: nil).

This concludes the remuneration report, which has been audited.

Meetings of Directors
The number of meetings of the Company's Board of Directors ('the Board') held during the year ended 30 June 2022, and the number of meetings attended by each Director were:

	Directors Meetings	
	Attended	Held
John Skeet	6	6
Stephen Layton	6	6
Dudley Leitch*	-	-
Garry Thomas	6	6

Held: represents the number of meetings held during the time the Director held office.
* Resigned 7 July 2021

Indemnity and insurance of officers
The Group has made and agreement indemnifying all the Directors and Officers of the Company against all losses or liabilities by each Director or Officer in their capacity as Directors or Officers of the Company to the extent permitted by the Corporations Act 2001, the indemnification specifically excludes wilful acts of negligence.

The Company paid insurance premiums in respect of Directors' and Officers' Liability Insurance contracts for current officers of the Company, including officers of the Company's controlled entities. The liabilities insured are damages and legal costs that may be incurred in defending civil or criminal proceeding that may be brought against the officers in their capacity as officers of entities of the Group. The total amount of insurance premiums paid for the financial year was $46,680 (2021: $23,200).

Indemnity and insurance of auditor
The Company has not, during or since the end of the financial year, indemnified or agreed to indemnify the auditor of the Company or any related entity against a liability incurred by the auditor.

During the financial year, the Company has not paid a premium in respect of a contract to insure the auditor of the Company or any related entity.

Proceedings on behalf of the Company
No person has applied to the Court under section 237 of the Corporations Act 2001 for leave to bring proceedings on behalf of the Company, or to intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or part of those proceedings.

Non-audit services
There were no non-audit services provided during the financial year by the auditor.

Auditor's independence declaration
A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this Directors' report.

Auditor
Nexia Melbourne Audit Pty Ltd continues in office in accordance with section 327 of the Corporations Act 2001.

This report is made in accordance with a resolution of Directors, pursuant to section 298(2)(a) of the Corporations Act 2001.

On behalf of the Directors

John Skeet
Managing Director

30 September 2022

Nexia Australia

Nexia Melbourne Audit
Registered Audit Company 291969
Level 12 31 Queen Street
Melbourne Victoria 3000
T: +61 3 8613 8888
F: +61 3 8613 8800
nexia.com.au

Auditor's Independence Declaration under Section 307C of the Corporations Act 2001 to the Directors of Mithril Resources Limited

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2022, there have been:

(i) no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and

(ii) no contraventions of any applicable code of professional conduct in relation to the audit.

Nexia

Nexia Melbourne Audit Pty Ltd
Melbourne

Ben Bester
Director

Dated this 30th day of September 2022

Mithril Resources Limited
Statement of profit or loss and other comprehensive income
For the year ended 30 June 2022

	Note	Consolidated 2022 $	Consolidated 2021 $	
Income				
Other income	5	25,611	53,166	
Interest received		2,309	4,285	
Profit on sale of tenement interest		293,079	-	
Expenses				
Administration expenses		(429,629)	(472,506)	
ASIC and ASX listing fees		(88,528)	(127,112)	
Share-based payments	27	-	(643,333)	
Employee benefits expense	6	(317,551)	(396,566)	
Occupancy expense		(3,100)	(7,440)	
Travel expenses		(71,275)	(65,293)	
Depreciation and amortisation expense		(43,220)	(21,238)	
Impairment of exploration assets	11	-	(12,581)	
Loss before income tax expense		(632,304)	(1,688,618)	
Income tax expense	7	-	-	
Loss after income tax expense for the year		(632,304)	(1,688,618)	(3,3
Other comprehensive income				
Items that may be reclassified subsequently to profit or loss				
Foreign currency translation		866,821	265,480	
Other comprehensive income for the year, net of tax		866,821	265,480	
Total comprehensive income for the year		234,517	(1,423,138)	
		Cents	**Cents**	
Basic earnings per share	25	(0.02)	(0.08)	
Diluted earnings per share	25	(0.02)	(0.08)	

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

Mithril Resources Limited
Statement of financial position
As at 30 June 2022

	Note	Consolidated 2022 $	Consolidated 2021 $
Assets			
Current assets			
Cash and cash equivalents	8	2,271,886	2,920,481
Trade and other receivables	9	938,391	767,371
Other assets	10	20,102	21,065
Total current assets		3,230,379	3,708,917
Non-current assets			
Trade and other receivables		1,082	1,005
Exploration and evaluation	11	25,176,844	18,074,143
Total non-current assets		25,177,926	18,075,148
Total assets		28,408,305	21,784,065
Liabilities			
Current liabilities			
Trade and other payables	12	670,498	804,474
Employee benefits	13	20,383	17,562
Total current liabilities		690,881	822,036
Total liabilities		690,881	822,036
Net assets		27,717,424	20,962,029
Equity			
Issued capital	14	64,808,617	58,287,739
Reserves	15	3,432,397	2,565,576
Accumulated losses		(40,523,590)	(39,891,286)
Total equity		27,717,424	20,962,029

The above statement of financial position should be read in conjunction with the accompanying notes

Mithril Resources Limited
Statement of changes in equity
For the year ended 30 June 2022

Consolidated	**Issued capital $**	**Reserves $**	**Accumulated losses $**	**Total equity $**
Balance at 1 July 2021	58,287,739	2,565,576	(39,891,286)	20,962,029
Loss after income tax expense for the year	-	-	(632,304)	(632,304)
Other comprehensive income for the year, net of tax	-	866,821	-	866,821
Total comprehensive income for the year	-	866,821	(632,304)	234,517
Transactions with Owners in their capacity as Owners:				
Shares issued during the period (note 14)	6,950,000	-	-	6,950,000
Transactions costs	(429,122)	-	-	(429,122)
Balance at 30 June 2022	64,808,617	3,432,397	(40,523,590)	27,717,424

Consolidated	**Issued capital $**	**Reserves $**	**Accumulated losses $**	**Total equity $**
Balance at 1 July 2020	50,264,467	1,656,763	(38,202,668)	13,718,562
Loss after income tax expense for the year	-	-	(1,688,618)	(1,688,618)
Other comprehensive income for the year, net of tax	-	265,480	-	265,480
Total comprehensive income for the year	-	265,480	(1,688,618)	(1,423,138)
Transactions with Owners in their capacity as Owners:				
Share-based payments (note 27)	-	643,333	-	643,333
Shares issued during the period (note 14)	8,530,000	-	-	8,530,000
Transactions costs	(506,728)	-	-	(506,728)
Balance at 30 June 2021	58,287,739	2,565,576	(39,891,286)	20,962,029

The above statement of changes in equity should be read in conjunction with the accompanying notes

Mithril Resources Limited
Statement of cash flows
For the year ended 30 June 2022

	Note	Consolidated 2022 $	2021 $
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		27,614	1,440
Payments to suppliers and employees (inclusive of GST)		(973,287)	(1,515,495)
		(945,673)	(1,514,055)
Interest received		1,896	3,982
Government grants received		-	63,542
Net cash (used in) operating activities	24	(943,777)	(1,446,531)
Cash flows from investing activities			
Payments for exploration activities		(6,591,897)	(4,854,757)
Payments for security deposits		-	(1,005)
Proceeds from disposal of exploration assets		500,000	-
Net cash (used in) investing activities		(6,091,897)	(4,855,762)
Cash flows from financing activities			
Proceeds from issue of shares	14	6,800,000	8,530,000
Share issue transaction costs		(419,022)	(499,228)
Net cash provided by financing activities		6,380,978	8,030,772
Net increase/(decrease) in cash and cash equivalents		(654,696)	1,728,479
Cash and cash equivalents at the beginning of the financial year		2,920,481	1,187,589
Foreign exchange movements		6,101	4,413
Cash and cash equivalents at the end of the financial year	8	2,271,886	2,920,481

The above statement of cash flows should be read in conjunction with the accompanying notes

Note 1. General information

The financial statements cover Mithril Resources Limited ('the Company') as a Group consisting of Mithril Resources Limited and the entities it controlled at the end of, or during, the year. The financial statements are presented in Australian dollars, which is Mithril Resources Limited's functional and presentation currency.

Mithril Resources Limited is a listed public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Vistra Australia
Level 4, 100 Albert Road
SOUTH MELBOURNE VIC 3205

The financial statements were authorised for issue, in accordance with a resolution of Directors, on 30 September 2022.

Note 2. Significant accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out either in the respective notes or below. These policies have been consistently applied to all the years presented, unless otherwise stated.

New or amended Accounting Standards and Interpretations adopted
The Group has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the Group.

Going concern
The financial report has been prepared on the basis of a going concern. The financial report shows the Group incurred a net loss of $632,304 (2021: $1,688,618) and a net cash outflow from operating and investing activities of $7,035,674 (2021: $6,302,293) during the year ended 30 June 2022.

The Group continues to be economically dependent on the generation of cashflow from the raising of additional capital as and when required for the continued operations including the exploration program and the provision of working capital.

Notwithstanding this, the Directors are satisfied that the Group will have sufficient cash resources to meet its working capital requirements in the future. The Directors have reviewed the cashflow forecasts and believe that for a period in excess of 12 months from the date of signature of the financial report, the Group has the ability to meet its debts as and when they fall due.

The Group’s ability to continue as a going concern is contingent upon generation of cashflow from successfully raising additional capital. If sufficient additional funds are not raised, the going concern basis may not be appropriate, with the result that the Group may have to realise its assets and extinguish its liabilities, other than in the ordinary course of business and at amounts different from those stated in the financial report. The Group continues to receive strong interest and support from professional investors in its capital raisings.

No allowance for such circumstances has been made in the financial report.

Note 2. Significant accounting policies (continued)

Basis of preparation
These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the Corporations Act 2001, as appropriate for for-profit oriented entities. These financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board ('IASB').

Historical cost convention
The financial statements have been prepared under the historical cost convention, except for, where applicable, the revaluation of financial assets and liabilities at fair value through profit or loss, financial assets at fair value through other comprehensive income, investment properties, certain classes of property, plant and equipment and derivative financial instruments.

Critical accounting estimates
The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 3.

Parent entity information
In accordance with the Corporations Act 2001, these financial statements present the results of the Group only. Supplementary information about the parent entity is disclosed in note 21.

Principles of consolidation
The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Mithril Resources Limited ('Company' or 'parent entity') as at 30 June 2022 and the results of all subsidiaries for the year then ended. Mithril Resources Limited and its subsidiaries together are referred to in these financial statements as the 'Group'.

Subsidiaries are all those entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between entities in the Group are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Foreign currency translation
The financial statements are presented in Australian dollars, which is Mithril Resources Limited's functional and presentation currency.

Foreign currency transactions
Foreign currency transactions are translated into Australian dollars using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at financial year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

Foreign operations
The assets and liabilities of foreign operations are translated into Australian dollars using the exchange rates at the reporting date. The revenues and expenses of foreign operations are translated into Australian dollars using the average exchange rates, which approximate the rates at the dates of the transactions, for the period. All resulting foreign exchange differences are recognised in other comprehensive income through the foreign exchange reserve in equity.

The foreign exchange reserve is recognised in profit or loss when the foreign operation or net investment is disposed of.

Income
Interest
Interest income is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Current and non-current classification
Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the Group's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

Note 2. Significant accounting policies (continued)

A liability is classified as current when: it is either expected to be settled in the Group's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are always classified as non-current.

Joint Arrangement
AASB 11 Joint Arrangements defines a joint arrangement as an arrangement of which two or more parties have joint control and classifies these arrangements as either joint ventures or joint operations.

Mithril Resources Ltd has determined that it has both joint ventures and joint operations.

In relation to its joint venture operations, where the venturer has the rights to the individual assets and obligations arising from the arrangement, Mithril Resources Ltd has recognised:

- Its assets, including its share of any assets held jointly;
- Its liabilities, including its share of any liabilities incurred jointly;
- Its revenue from the sale of its share of the output arising from the joint operation;
- Its share of the revenue from the sale of the output by the joint operation;
- Its expenses, including its share of any expenses incurred jointly.

These figures are incorporated into the relevant line item in the primary statements.

Impairment of non-financial assets
Goodwill and other intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

Goods and Services Tax ('GST') and other similar taxes
Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

New Accounting Standards and Interpretations not yet mandatory or early adopted
Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the Group for the annual reporting period ended 30 June 2022. The Group has not yet assessed the impact of these new or amended Accounting Standards and Interpretations.

Note 3. Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Capitalisation of exploration and evaluation expenditure
The Group's policy for exploration and evaluation is discussed in Note 11. The application of this policy requires management to make certain assumptions as to future events and circumstances. Any such estimates and assumptions may change as new information becomes available. If, after having capitalised exploration and evaluation expenditure, management concludes that the capitalised expenditure is unlikely to be recovered by future sale or exploration, then the relevant capitalised amount will be written off through the consolidated statement of profit or loss and other comprehensive income.

Share-based payment transactions
The Group measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using either the Monte Carlo or Black-Scholes model taking into account the terms and conditions upon which the instruments were granted. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact profit or loss and equity.

Recovery of deferred tax assets
Deferred tax assets are recognised for deductible temporary differences only if the Group considers it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Note 4. Operating segments

Identification of reportable operating segments
The Board has considered the requirements of AASB 8 Operating Segments and has determined that the Group has two operating segments: Mexican operations and Australian operations.

In determining these operating segments, the Board has considered the location of the Group's exploration activities which represent its principal operations. The results of these operating segments are monitored by the Board and form the basis for which strategic decisions are made.

The Copalquin Gold Silver Project in Durango, Mexico constitutes a separately identifiable operating segment to the Group's Australian operations given the Board's intention to regularly review the financial information from its Mexican operations to determine the future allocation of resources.

Intersegment receivables, payables and loans
Intersegment loans are initially recognised at the consideration received. Intersegment loans receivable and loans payable that earn or incur non-market interest are not adjusted to fair value based on market interest rates. Intersegment loans are eliminated on consolidation.

Note 4. Operating segments (continued)

Operating segment information

Consolidated - 2022	Mexican operations $	Australian operations $	Total $
Revenue			
Other revenue	25,611	293,079	318,690
Interest revenue	-	2,309	2,309
Total revenue	25,611	295,388	320,999
Operating expenses	(2,706)	(589,826)	(592,532)
Share-based payments	-	-	-
Employee benefits expense	-	(317,551)	(317,551)
Depreciation and amortisation	(43,220)	-	(43,220)
Impairment of assets	-	-	-
Loss before income tax expense	(20,315)	(611,989)	(632,304)
Income tax expense			-
Loss after income tax expense			(632,304)
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss			
Foreign currency translation	866,821	-	866,821
Other comprehensive income for the year, net of tax	-	-	-
Total comprehensive income for the year	846,506	(611,989)	234,517
Assets			
Cash and cash equivalents	42,517	2,229,369	2,271,886
Trade and other receivables	956,236	(17,845)	938,391
Other assets	542	20,642	21,184
Exploration and evaluation	24,059,437	1,117,407	25,176,844
Total assets	25,058,732	3,349,573	28,408,305
Liabilities			
Trade and other payables	571,117	99,381	670,498
Employee benefits	20,383	-	20,383
Total liabilities	591,500	99,381	690,881

Note 4. Operating segments (continued)

Consolidated - 2021	Mexican operations $	Australian operations $	Total $
Revenue			
Other revenue	1,108	52,058	53,166
Interest revenue	-	4,285	4,285
Total revenue	1,108	56,343	57,451
Operating expenses	(39,388)	(632,963)	(672,351)
Share-based payments	-	(643,333)	(643,333)
Employee benefits expense	-	(396,566)	(396,566)
Depreciation and amortisation	(21,238)	-	(21,238)
Impairment of assets	-	(12,581)	(12,581)
Loss before income tax expense	(59,518)	(1,629,100)	(1,688,618)
Income tax expense			-
Loss after income tax expense			(1,688,618)
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss			
Foreign currency translation	265,480	-	265,480
Other comprehensive income for the year, net of tax	265,480	-	265,480
Total comprehensive income for the year	205,962	(1,629,100)	(1,423,138)
Assets			
Cash and cash equivalents	79,803	2,840,678	2,920,481
Trade and other receivables	751,736	16,640	768,376
Other assets	3	21,062	21,065
Exploration and evaluation	16,841,879	1,232,264	18,074,143
Total assets	17,673,421	4,110,644	21,784,065
Liabilities			
Trade and other payables	727,926	76,548	804,474
Employee benefits	17,562	-	17,562
Total liabilities	745,488	76,548	822,036

Note 5. Other income

	Consolidated	
	2022 $	**2021 $**
Government Boosting Cashflow Payment	-	49,817
Other income	25,611	3,349
Other income	25,611	53,166

Government Boosting Cashflow Payment
Boosting Cashflow income is recognised when there is reasonable assurance that the Company will comply with the conditions attached to it, and the grant will be received. The nature of the grant is unconditional and has been presented on a gross basis.

Note 5. Other income (continued)

Other income
Other income is recognised when it is received or when the right to receive payment is established.

Note 6. Employee benefits expense

	Consolidated	
	2022 $	2021 $
Salaries and wages	311,241	388,763
Superannuation	6,310	7,803
	317,551	396,566

Note 7. Income tax

	Consolidated	
	2022 $	2021 $
Numerical reconciliation of income tax expense and tax at the statutory rate		
Loss before income tax expense	(632,304)	(1,688,618)
Tax at the statutory tax rate of 25% (2021: 26%)	(158,076)	(439,041)
Tax effect amounts which are not deductible/(taxable) in calculating taxable income:		
Expenses not allowable for income tax purposes	36,186	78,347
Share based payments	-	176,917
	(121,890)	(183,777)
Current year tax losses not recognised	121,890	183,777
Income tax expense	-	-

The Group has tax losses arising in Australia of $39,394,702 (2021: $38,720,887) that may be available and may be offset against future taxable profits. In addition, these tax losses can only be utilised in the future if the continuity of ownership test is passed, or failing that, the same business test is passed.

No deferred tax asset has been recognised because it is not likely future assessable income is derived of a nature and of an amount sufficient to enable the benefit to be realised.

Accounting policy for income tax
The income tax expense or benefit for the period is the tax payable on that period's taxable income based on the applicable income tax rate for each jurisdiction, adjusted by the changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognised for prior periods, where applicable.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to be applied when the assets are recovered or liabilities are settled, based on those tax rates that are enacted or substantively enacted, except for:
- When the deferred income tax asset or liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting nor taxable profits; or
- When the taxable temporary difference is associated with interests in subsidiaries, associates or joint ventures, and the timing of the reversal can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Note 7. Income tax (continued)

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

The carrying amount of recognised and unrecognised deferred tax assets are reviewed at each reporting date. Deferred tax assets recognised are reduced to the extent that it is no longer probable that future taxable profits will be available for the carrying amount to be recovered. Previously unrecognised deferred tax assets are recognised to the extent that it is probable that there are future taxable profits available to recover the asset.

Deferred tax assets and liabilities are offset only where there is a legally enforceable right to offset current tax assets against current tax liabilities and deferred tax assets against deferred tax liabilities; and they relate to the same taxable authority on either the same taxable entity or different taxable entities which intend to settle simultaneously.

Mithril Resources Ltd and its wholly owned Australian resident entities are part of a tax consolidated group.

The head entity within the tax-consolidated group is Mithril Resources Ltd. Mithril Resources Ltd and each of its wholly-owned controlled entities recognise the current and deferred tax assets and deferred tax liabilities applicable to the transactions undertaken by it, after elimination of intra-group transactions. Mithril Resources Ltd recognises the entire tax-consolidated group's retained tax losses.

Note 8. Cash and cash equivalents

	Consolidated	
	2022 $	2021 $
Cash at bank	1,271,886	1,919,164
Short-term deposits	1,000,000	1,001,317
	2,271,886	2,920,481

Cash at bank earns interest at floating rates based on daily bank deposit rates.

Short-term deposits are made for varying periods of between one day and three months, depending on the immediate cash requirements of the Company, and earn interest at the respective short-term deposit rates.

Accounting policy for cash and cash equivalents
Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Note 9. Trade and other receivables

	Consolidated	
	2022 $	2021 $
Other receivables	629	2,219
GST and overseas taxes receivable	937,762	765,152
	938,391	767,371

Trade and other receivables are non-interest bearing and are generally on 30-90 day terms. An allowance for expected credit loss is made when there is objective evidence that a trade receivable is impaired. No impairment was recognised in the current and prior financial year and no receivables are past due at balance date.

Note 9. Trade and other receivables (continued)

Accounting policy for trade and other receivables
Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses. Trade receivables are generally due for settlement within 30 days.

Collectability of trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollectable are written off by reducing the carrying amount directly. A provision for impairment of trade receivables is raised when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation and default or delinquency in payments (more than 90 days overdue) are considered indicators that the trade receivable may be impaired. The amount of the impairment allowance is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. Cash flows relating to short-term receivables are not discounted if the effect of discounting is immaterial.

Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

Note 10. Other assets

	Consolidated	
	2022 $	2021 $
Prepayments	20,102	21,065

Note 11. Exploration and evaluation

	Consolidated	
	2022 $	2021 $
Tangible exploration assets		
Exploration and evaluation - Copalquin Gold Silver Project (Mexico)	333,727	208,952
Intangible exploration assets		
Exploration and evaluation - Australia	1,117,407	1,232,261
Exploration and evaluation - Copalquin Gold Silver Project (Mexico)	23,725,710	16,632,930
	24,843,117	17,865,191
	25,176,844	18,074,143

Note 11. Exploration and evaluation (continued)

Movements

Consolidated	Australian Projects $	Copalquin Gold Silver Project $	Total $
Balance at 1 July 2020	1,169,117	11,506,008	12,675,125
Additions through expenditures capitalised	75,725	5,074,807	5,150,532
Foreign exchange translation	-	261,067	261,067
Relinquished tenements*	(12,581)	-	(12,581)
Balance at 30 June 2021	1,232,261	16,841,882	18,074,143
Additions through expenditures capitalised	92,067	6,356,912	6,448,979
Foreign exchange translation	-	860,643	860,643
Disposal of interest in Limestone Well project	(206,921)	-	(206,921)
Balance at 30 June 2022	1,117,407	24,059,437	25,176,844

* write-off of capitalised exploration expenditures for the tenements that were relinquished during the year, included in impairment of exploration assets expense.

The recoverability of the carrying amount of the exploration and evaluation assets is dependent on successful development and commercial exploitation, or alternatively, sale of the respective areas of interest.

The recoverable amount of development expenditure is determined as the higher of its fair value less costs to sell and its value in use.

Exploration and Evaluation expenditure has been carried forward to the extent that they are expected to be recouped through the successful development or sale of the area or where activities in the area have not yet reached a stage that permits reasonable assessment of the existence of economically recovered reserves.

Acquisition of Copalquin Gold Silver Project (Mexico)
On 27 May 2020 the Company completed the acquisition of Sun Mineral Pty Ltd (Sun Minerals). Sun Minerals holds the exclusive option to earn up to a 100% interest in the high-grade Copalquin Gold Silver Project in Durango, Mexico as set out below:

(a) At the completion of the Transaction Sun Minerals held a 10% interest in the concessions forming Copalquin.
(b) If, on or before 7 August 2023, Sun Minerals:
(i) incurs expenditure of US $4 million on Copalquin, Sun Minerals will hold a 25% interest in the concessions forming Copalquin; and
(ii) incurs further expenditure of US $4 million (aggregate expenditure of US $8 million) on Copalquin, Sun Minerals will hold a 50% interest in the concessions forming Copalquin.
(c) At any time on or before 7 August 2023, Sun Minerals may make a cash payment of US $10 million to CMC (and/or its nominee) to acquire the remaining interests then held by CMC. CMC may elect to receive the US $10 million through the issue of fully paid Mithril shares at a deemed issue price per share that is the higher of:
(i) a 10% discount for the 20-day VWAP of fully paid Mithril shares on ASX, ending on the trading day immediately before any such election; or
(ii) $0.01 (1 cent).
Following payment of the US $10 million (in cash, fully paid Mithril shares or a combination of both) the Group will hold a 100% interest on the concessions forming Copalquin.

Requirements (b)(i) and (b)(ii) above have been completed and Sun Minerals holds a 50% interest in the concessions.

Accounting policy for exploration and evaluation assets
Exploration and evaluation expenditures in relation to each separate area of interest are recognised as an exploration and evaluation asset in the year in which they are incurred where the following conditions are satisfied:

Note 11. Exploration and evaluation (continued)

(a) the rights to tenure of the area of interest are current; and
(b) at least one of the following conditions is also met:

(i) the exploration and evaluation expenditures are expected to be recouped through successful development and exploration of the area of interest, or alternatively, by its sale; or

(ii) exploration and evaluation activities in the area of interest have not at the balance date reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves, and active and significant operations in, or in relation to, the area of interest are continuing.

Exploration and evaluation assets are initially measured at cost and include acquisition of rights to explore, studies, exploratory drilling, trenching and sampling and associated activities and an allocation of depreciation and amortisation of assets used in exploration and evaluation activities.

General and administrative costs are only included in the measurement of exploration and evaluation costs where they are related directly to operational activities in a particular area of interest.

Exploration and evaluation assets are assessed for impairment when facts and circumstances suggest that the carrying amount of an exploration and evaluation asset may exceed its recoverable amount. The recoverable amount of the exploration and evaluation asset (for the cash generating unit(s) to which it has been allocated being no larger than the relevant area of interest) is estimated to determine the extent of the impairment loss (if any).

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in previous years.

Where a decision has been made to proceed with development in respect of a particular area of interest, the relevant exploration and evaluation asset is tested for impairment and the balance is then reclassified to development. Where an area of interest is abandoned, any expenditure carried forward in respect of that area is written off as an impairment loss.

Note 12. Trade and other payables

	Consolidated	
	2022	**2021**
	$	**$**
Trade payables	595,870	687,041
Other payables	74,628	117,433
	670,498	804,474

Refer to note 16 for further information on financial instruments.

Accounting policy for trade and other payables
These amounts represent liabilities for goods and services provided to the Group prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

Note 13. Employee benefits

	Consolidated 2022 $	Consolidated 2021 $
Annual leave	20,383	17,562
	20,383	17,562

Accounting policy for employee benefits

Short-term employee benefits
Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

Note 14. Issued capital

	Consolidated 2022 Shares	2021 Shares	2022 $	2021 $
Ordinary shares - fully paid	2,930,233,041	2,350,233,041	64,808,617	58,287,739

Movements in ordinary share capital

Details	Date	Shares	Issue price	$
Balance	30 June 2020	1,664,630,703		50,264,467
Shares issued via private placement	16 July 2020	194,444,444	$0.018	3,500,000
Exercise of Options	10 July 2020	3,000,000	$0.01	30,000
Conversion of performance rights	14 August 2020	224,999,999	-	-
Shares issued via private placement	5 February 2021	263,157,895	$0.019	5,000,000
Transaction costs (net of tax)				(506,728)
Balance	30 June 2021	2,350,233,041		58,287,739
Issue of shares – placement	8 September 2021	220,000,000	$0.015	3,300,000
Increase in Copalquin project, Mexico	14 October 2021	10,000,000	$0.015	150,000
Issue of shares – placement	13 April 2022	350,000,000	$0.01	3,500,000
Transaction costs (net of tax)				(429,122)
Balance	30 June 2022	2,930,233,041		64,808,617

Ordinary shares
Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the Company in proportion to the number of and amounts paid on the shares held. The fully paid ordinary shares have no par value and the Company does not have a limited amount of authorised capital.

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

Share buy-back
There is no current on-market share buy-back.

Note 14. Issued capital (continued)

Capital risk management
The Group's objectives when managing capital is to safeguard its ability to continue as a going concern, so that it can provide returns for shareholders and benefits for other stakeholders and to maintain an optimum capital structure to reduce the cost of capital.

Capital is regarded as total equity, as recognised in the statement of financial position, plus net debt. Net debt is calculated as total borrowings less cash and cash equivalents.

Proceeds from share issues are used to maintain and expand the Company’s exploration activities and fund operating costs.

Accounting policy for issued capital
Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Note 15. Reserves

	Consolidated 2022 $	**Consolidated 2021 $**
Foreign exchange reserve	1,067,068	200,247
Share options reserve	124,496	124,496
Performance rights reserve	2,240,833	2,240,833
	3,432,397	2,565,576

Foreign exchange reserve
The reserve is used to recognise exchange differences arising from the translation of the financial statements of foreign operations to Australian dollars.

Share-based payments reserves
The share options reserve and the performance rights reserve are used to recognise the value of equity benefits provided to employees and Directors as part of their remuneration, and other parties as part of their compensation for services.

Movements in reserves
Movements in each class of reserve during the current and previous financial year are set out below:

Consolidated	Share options reserve $	Performance rights reserve $	Foreign exchange reserve $	Total $
Balance at 1 July 2020	124,496	1,597,500	(65,233)	1,656,763
Issue of performance rights	-	643,333	-	643,333
Movement in foreign exchange reserve	-	-	265,480	265,480
Balance at 30 June 2021	124,496	2,240,833	200,247	2,565,576
Movement in foreign exchange reserve	-	-	866,821	866,821
Balance at 30 June 2022	124,496	2,240,833	1,067,068	3,432,397

Note 16. Financial instruments

Financial risk management objectives
The Group's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group. The Group uses different methods to measure different types of risk to which it is exposed. These methods include sensitivity analysis in the case of interest rate and ageing analysis for credit risk.

Risk management is carried out by the Board of Directors ('the Board'). These policies include identification and analysis of the risk exposure of the Group and appropriate procedures, controls and risk limits. The Board identifies, evaluates and hedges financial risks within the Group's operating units.

Market risk

Foreign currency risk
The Group undertakes certain transactions denominated in foreign currency and is exposed to foreign currency risk through foreign exchange rate fluctuations.

Foreign exchange risk arises from future commercial transactions and recognised financial assets and financial liabilities denominated in a currency that is not the entity's functional currency. The Board has determined that the current level of foreign currency risk resulting from its operations in Mexico is not significant to the Group.

Price risk
The Group is not exposed to any significant price risk.

Interest rate risk
The Group is not exposed to any significant interest rate risk.

The following table illustrates the sensitivity of the net result for the year and equity to a reasonably possible change in interest rates with effect from the beginning of the year. These changes are considered to be reasonably possible based on observation of current market conditions but are not expected to have a significant impact on the Group's operating result.

	Basis points increase			Basis points decrease		
Consolidated - 2021	**Basis points change**	**Effect on profit before tax**	**Effect on equity**	**Basis points change**	**Effect on profit before tax**	**Effect on equity**
Cash and cash equivalents	50	14,602	14,602	50	(14,602)	(14,602)

	Basis points increase			Basis points decrease		
Consolidated - 2022	**Basis points change**	**Effect on profit before tax**	**Effect on equity**	**Basis points change**	**Effect on profit before tax**	**Effect on equity**
Cash and cash equivalents	50	11,359	11,359	50	(11,359)	(11,359)

Credit risk
Credit risk represents the risk that the counterparty to the financial instrument will fail to discharge an obligation and cause the Group to incur a financial loss. The Group's maximum credit exposure is the carrying amounts on the statement of financial position. The Group holds financial instruments with credit worthy third parties. The credit risk for liquid funds and other short-term financial assets is considered negligible, since the counterparties are reputable banks and institutions with high quality external credit ratings. The Group has no past due or impaired debtors as at 30 June 2022.

Note 16. Financial instruments (continued)

Liquidity risk

Liquidity risk arises from the Company's management of working capital and the finance charges and principal repayments on its debt instruments. It is the risk that the Company will encounter difficulty in meeting its financial obligations as they fall due.

Ultimate responsibility for liquidity risk management rests with the Board of Directors, whom have built an appropriate liquidity risk management framework for the management of the Company's short, medium and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves.

Fair value of financial instruments

Unless otherwise stated, the carrying amounts of financial instruments reflect their fair value.

Note 17. Key management personnel disclosures

Compensation

The aggregate compensation made to Directors and other members of key management personnel of the Group is set out below:

	Consolidated	
	2022	**2021**
	$	**$**
Short-term employee benefits	272,461	390,133
Post-employment benefits	4,442	7,803
Share-based payments	-	643,333
	276,903	1,041,269

Full details of the remuneration of each director of the Company and each of the other key management personnel are disclosed in the Remuneration Report contained within the Directors' Report.

Other transactions with key management personnel

Mr Skeet is a director of Trimin Pty Ltd (Trimin). During the financial year the Company incurred costs of $45,360 (2021: $45,360) relating to consultancy services provided by Trimin. From 1 April 2022, a related party of Mr Skeet has been employed in an administration and legal role related to Mexico requirements and incurred salary costs of $20,914 (2021: nil).

Note 18. Remuneration of auditors

During the financial year the following fees were paid or payable for services provided:

	Consolidated	
	2022	**2021**
	$	**$**
Audit or review of the financial statements	44,720	47,164

Note 19. Capital and leasing commitments

In order to maintain current rights of tenure to exploration tenements, the Company is required to meet minimum expenditure requirements in respect of tenement lease rentals. There are also Mexican government mining concession rents and purchase option payments to the concession owner each six month period.

These are not considered commitments as the Company can walk away from the projects and not continue payments at any time.

Note 20. Related party transactions

Parent entity
Mithril Resources Limited is the parent entity.

Subsidiaries
Interests in subsidiaries are set out in note 22.

Transactions between Mithril Resources Ltd and its wholly owned entities during the year consisted of loans advanced by Mithril Resources Ltd to fund exploration and investment activities.

Key management personnel
Disclosures relating to key management personnel are set out in note 17 and the remuneration report included in the Directors' report.

Transactions with related parties
There were no transactions with related parties during the current and previous financial year other than those disclosed in note 17.

Payable to related parties
The following balances are outstanding at the reporting date in relation to transactions with related parties:

	Consolidated	
	2022 **$**	**2021** **$**
Current payables:		
Director's fees payable	16,500	16,500
Consulting fees payable	-	3,960

Loans to/from related parties
There were no loans to or from related parties at the current and previous reporting date other than those disclosed in note 17.

Terms and conditions
All transactions were made on normal commercial terms and conditions and at market rates.

Note 21. Parent entity information

Set out below is the supplementary information about the parent entity.

Statement of profit or loss and other comprehensive income

	Parent	
	2022 **$**	**2021** **$**
Loss after income tax	(900,215)	(1,488,371)
Other comprehensive income for the year, net of tax	-	-
Total comprehensive loss	(900,215)	(1,488,371)

Note 21. Parent entity information (continued)

Statement of financial position

	Parent	
	2022 $	2021 $
Total current assets	2,248,382	2,874,901
Total non-current assets	24,452,117	18,163,677
Total assets	26,700,499	21,038,578
Total current liabilities	117,807	76,549
Total liabilities	117,807	76,549
Net assets	26,582,692	20,962,029
Equity		
Issued capital	64,808,617	58,287,739
Share options reserve	124,496	124,496
Performance rights reserve	2,240,833	2,240,833
Accumulated losses	(40,591,254)	(39,691,039)
Total equity	26,582,692	20,962,029

Guarantees entered into by the parent entity in relation to the debts of its subsidiaries
The parent entity had no guarantees in relation to the debts of its subsidiaries as at 30 June 2022 and 30 June 2021.

Contingent liabilities
The parent entity had no contingent liabilities as at 30 June 2022 and 30 June 2021.

Significant accounting policies
The accounting policies of the parent entity are consistent with those of the Group, as disclosed in note 2, except for the following:
- Investments in subsidiaries are accounted for at cost, less any impairment, in the parent entity.
- Investments in associates are accounted for at cost, less any impairment, in the parent entity.
- Dividends received from subsidiaries are recognised as other income by the parent entity and its receipt may be an indicator of an impairment of the investment.

Note 22. Interests in subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policy described in note 2:

Name	Principal place of business / Country of incorporation	Ownership interest 2022 %	Ownership interest 2021 %
Minex (Aust) Pty Ltd	Australia	100%	100%
Minex (West) Pty Ltd	Australia	100%	100%
Mithril Resources Investments Pty Ltd	Australia	100%	100%
Sun Minerals Pty Ltd	Australia	100%	100%
Drummond Gold S.A. de C.V.	Mexico	100%	100%
Carlton Gold S.A. de C.V.	Mexico	100%	100%

* The percentage of ownership interest held is equivalent to the percentage voting rights for all subsidiaries.

Note 23. Events after the reporting period

On 18 August 2022, the Group's interest in the Copalquin Gold Silver Project in Durango, Mexico increased to 50% upon satisfied expenditure requirements and the issue of 10,000,000 shares to the owner of the concessions.

No other matters or circumstances have arisen since 30 June 2022 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

Note 24. Cash flow information

Reconciliation of loss after income tax to net cash used in operating activities

	Consolidated 2022 $	Consolidated 2021 $
Loss after income tax expense for the year	(632,304)	(1,688,618)
Adjustments for:		
Depreciation and amortisation	43,220	21,238
Impairment of non-current assets	-	12,581
Net gain on disposal of exploration assets	(293,079)	-
Share-based payments	-	643,333
Change in operating assets and liabilities:		
Increase in trade and other receivables	1,590	(690,267)
Decrease/(increase) in prepayments	963	(21,065)
Increase/(decrease) in trade and other payables	(66,988)	317,011
Increase/(decrease) in employee benefits	2,821	(40,744)
Net cash used in operating activities	(943,777)	(1,446,531)

Note 25. Earnings per share

	Consolidated 2022 $	Consolidated 2021 $
Loss after income tax	(632,304)	(1,688,618)

	Number	Number
Weighted average number of ordinary shares used in calculating basic earnings per share	2,611,520,712	2,152,958,395
Weighted average number of ordinary shares used in calculating diluted earnings per share	2,611,520,712	2,152,958,395

	Cents	Cents
Basic earnings per share	(0.02)	(0.08)
Diluted earnings per share	(0.02)	(0.08)

Accounting policy for earnings per share

Basic earnings per share
Basic earnings per share is calculated by dividing the profit attributable to the owners of Mithril Resources Limited, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the financial year.

Diluted earnings per share
Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

Note 26. Contingent liabilities

Contingent liabilities
The Group had no contingent liabilities as at 30 June 2022 and 30 June 2021.

Note 27. Share-based payments

The Group established the Mithril Resources Ltd Employee Share Option Plan and a summary of the Rules of the Plan are set out below:

- All employees (full and part time) will be eligible to participate in the Plan after a qualifying period of 12 months employment, although the Board may waive this requirement.

- Options are granted under the Plan at the discretion of the Board and if permitted by the Board, may be issued to an employee's nominee.

- Each option is to subscribe for one fully paid ordinary share in the Company and will expire 5 years from its date of issue. An option is exercisable at any time from its date of issue. Options will be issued free. The exercise price of options will be determined by the Board, subject to a minimum price equal to the market value of the Company's shares at the time the Board resolves to offer those options. The total number of shares, the subject of options issued under the Plan, when aggregated with issues during the previous 5 years pursuant to the Plan and any other employee share plan, must not exceed 5% of the Company's issued share capital.

- If, prior to the expiry date of options, a person ceases to be an employee of the Company for any reason other than retirement at age 60 or more (or such earlier age as the board permits), permanent disability, redundancy or death, the options held by that person (or that person's nominee) automatically lapse on the first to occur of a) the expiry of the period of 6 months from the date of such occurrence, and b) the expiry date. If a person dies, the options held by that person will be exercisable by that person's legal personal representative.

- Options can't be transferred other than to the legal personal representative of a deceased option holder.

- The Company will not apply for official quotation of any options issued under the plan.

- Shares issued as a result of the exercise of options will rank equally with the Company's previously issued shares.

- Option holders may only participate in new issues of securities by first exercising their options.

The Board may amend the Plan Rules subject to the requirements of the Listing Rules.

Set out below are summaries of options granted under the plan:

2022

Grant date	Expiry date	Exercise price	Balance at the start of the year	Granted	Exercised	Expired/ forfeited/ other	Balance at the end of the year
22/06/2017	22/06/2022	$0.100	300,000	-	-	(300,000)	-
10/10/2018	10/10/2021	$0.010	4,000,000	-	-	(4,000,000)	-
			4,300,000	-	-	(4,300,000)	-

The weighted average remaining contractual life of options outstanding at the end of the financial year was nil years (2021: 0.33 years).

Note 27. Share-based payments (continued)

Performance rights granted to directors and key management personnel
At the Annual General Meeting held on 24 November 2020 the shareholders of the Company granted approval for the issue of 33,333,333 performance rights to Mr Garry Thomas. Details of the performance rights issued can be found in the Notice of General Meeting announcement dated 19 October 2020.

The conversion of the issued performance rights to fully paid ordinary shares of the Company is subject to the satisfaction of either of the following 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.

Fair value of performance rights granted:
The fair value of performance rights granted was independently determined using a Monte Carlo pricing model. This model simulates share price movements using assumptions of lognormally distributed prices, averages the payoff values over the range of resultant outcomes, and then discounts the expected payoff at the risk-free rate to get an estimate of the value of the option or performance right.

For the performance rights granted, the valuation model inputs used to determine the fair value at the grant date, are as follows:

Grant date	Expiry date	Share price at grant date	Exercise price	Expected volatility	Dividend yield	Risk-free interest rate	Fair value at grant date
24/11/2020	24/11/2024	$0.026	$0.000	95.000%	-	0.37%	$0.0193

Share-based payments during the year are:

	Consolidated	
	2022 **$**	**2021** **$**
Performance rights issued to Directors and key management personnel	-	643,333

Note 27. Share-based payments (continued)

Accounting policy for share-based payments
Equity-settled and cash-settled share-based compensation benefits are provided to employees.

Equity-settled transactions are awards of shares, or options over shares, that are provided to employees in exchange for the rendering of services. Cash-settled transactions are awards of cash for the exchange of services, where the amount of cash is determined by reference to the share price.

The cost of equity-settled transactions are measured at fair value on grant date. Fair value is independently determined using either the Monte Carlo or Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option, together with non-vesting conditions that do not determine whether the Group receives the services that entitle the employees to receive payment. No account is taken of any other vesting conditions.

The cost of equity-settled transactions are recognised as an expense with a corresponding increase in equity over the vesting period. The cumulative charge to profit or loss is calculated based on the grant date fair value of the award, the best estimate of the number of awards that are likely to vest and the expired portion of the vesting period. The amount recognised in profit or loss for the period is the cumulative amount calculated at each reporting date less amounts already recognised in previous periods.

The cost of cash-settled transactions is initially, and at each reporting date until vested, determined by applying either the Monte Carlo or Black-Scholes option pricing model, taking into consideration the terms and conditions on which the award was granted. The cumulative charge to profit or loss until settlement of the liability is calculated as follows:
- during the vesting period, the liability at each reporting date is the fair value of the award at that date multiplied by the expired portion of the vesting period.
- from the end of the vesting period until settlement of the award, the liability is the full fair value of the liability at the reporting date.

All changes in the liability are recognised in profit or loss. The ultimate cost of cash-settled transactions is the cash paid to settle the liability.

Market conditions are taken into consideration in determining fair value. Therefore any awards subject to market conditions are considered to vest irrespective of whether or not that market condition has been met, provided all other conditions are satisfied.

If equity-settled awards are modified, as a minimum an expense is recognised as if the modification has not been made. An additional expense is recognised, over the remaining vesting period, for any modification that increases the total fair value of the share-based compensation benefit as at the date of modification.

If the non-vesting condition is within the control of the Group or employee, the failure to satisfy the condition is treated as a cancellation. If the condition is not within the control of the Group or employee and is not satisfied during the vesting period, any remaining expense for the award is recognised over the remaining vesting period, unless the award is forfeited.

If equity-settled awards are cancelled, it is treated as if it has vested on the date of cancellation, and any remaining expense is recognised immediately. If a new replacement award is substituted for the cancelled award, the cancelled and new award is treated as if they were a modification.

In the Directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, the Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;

- the attached financial statements and notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in note 2 to the financial statements;

- the attached financial statements and notes give a true and fair view of the Group's financial position as at 30 June 2022 and of its performance for the financial year ended on that date; and

- there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

The Directors have been given the declarations required by section 295A of the Corporations Act 2001.

Signed in accordance with a resolution of Directors made pursuant to section 295(5)(a) of the Corporations Act 2001.

On behalf of the Directors

John Skeet
Managing Director

30 September 2022

Nexia Australia

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Independent Auditor's Report to the Members of Mithril Resources Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Mithril Resources Limited (the Company and its subsidiaries (the Group)), which comprises the consolidated statement of financial position as at 30 June 2022, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

(i) giving a true and fair view of the Group's financial position as at 30 June 2022 and of its performance for the year then ended; and

(ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional & Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, has been given to the directors of the Company, as at the date of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 2 in the financial report, which indicates that the Company incurred a net loss of $632,304 (2021: $1,688,618) and a net cash outflow from operating and investing activities of $7,035,674 (2021: $6,302,293) during the year ended 30 June 2022. As stated in Note 2, these events or conditions, along with other matters as set forth in Note 2, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our conclusion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Nexia Australia

Independent Auditor's Report to the Members of Mithril Resources Limited

Key audit matter	How our audit addressed the key audit matter
Exploration and evaluation assets ***Refer to Notes 3 and 11*** At 30 June 2022, the carrying value of exploration and evaluation assets was $25,176,844. In accordance with *AASB 6 Exploration and Evaluation of Mineral Resources*, the Group is required to assess at each reporting date if there are any triggers for impairment which may suggest the carrying value is in excess of the recoverable value. The process undertaken by management to assess whether there are any impairment triggers in each area of interest involves an element of management judgement. This area is a key audit matter due to the significant judgement involved in determining the existence of impairment triggers.	Our procedures included, amongst others: • Obtaining schedules of the areas of interest held by the Group and assessing whether the rights to tenure remain current at balance date; • Considering whether any such areas of interest had reached a stage where a reasonable assessment of economically recoverable reserves existed; • Reviewing the Group's capitalisation of exploration expenditure in the current year, ensuring that it is consistent with the criteria as stated under AASB 6. This included discussion with management, reviewing Group exploration budgets, ASX announcements and directors' minutes; • Reviewing and considering whether any facts or circumstances existed that suggested impairment was required; • Assessing the adequacy of the related disclosures in Note 11 to the financial report.

Other Information

The directors are responsible for the other information. The other information comprises the information in the Group's annual report for the year ended 30 June 2022 but does not include the financial report and the auditor's report thereon.

Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of the other information we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Independent Auditor's Report to the Members of Mithril Resources Limited

In preparing the financial report, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at The Australian Auditing and Assurance Standards Board website at: http://www.auasb.gov.au/auditors_responsibilities/ar1.pdf. This description forms part of our auditor's report.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 20 to 23 of the Directors' Report for the year ended 30 June 2022.

In our opinion, the Remuneration Report of Mithril Resources Limited for the year ended 30 June 2022 complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Nexia

Nexia Melbourne Audit Pty Ltd
Melbourne

Ben Bester
Director

Dated this 30th day of September 2022

Details of Shares as at 12 September 2022:

Top Holders

The 20 largest holders of Fully Paid Ordinary Shares as at were:

Name	No. of Shares	%
TRIMIN PTY LTD	221,663,615	7.54
GARRY THOMAS + NANCY-LEE THOMAS <THOMAS FAMILY A/C>	181,081,267	6.16
BODIE INVESTMENTS PTY LTD	132,500,000	4.51
NORTHERN STAR NOMINEES PTY LTD	110,500,000	3.76
THOMAS FAMILY SUPERANNUATION FUND PTY LTD	104,604,006	3.56
MR DUDLEY ROY LEITCH	102,717,862	3.49
MR HALL HERBERT STEWART	99,979,409	3.40
COVENANT HOLDINGS (WA) PTY LTD <THE BOYD NO 3 A/C>	82,700,000	2.81
EQUITY TRUSTEES LIMITED <LOWELL RESOURCES FUND A/C>	82,385,965	2.80
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	71,032,542	2.42
MR MIGUEL MATAS MARTINEZ	62,000,000	2.11
PIERCE ASIA PTY LTD	23,333,333	0.79
MR BILLY-JOE THOMAS	23,125,280	0.79
CLUB 7 SUPER FUND PTY LTD <CLUB 7 SUPER FUND A/C>	22,000,000	0.75
MR VIRGINIO VIGOLO + MRS SUSAN MICHELLE VIGOLO <VSV FAMILY A/C>	20,128,750	0.68
MR DOMINIC VIRGARA	20,000,000	0.68
MR ADAM CHARLES COLE	18,910,291	0.64
ACCORD MBO PTY LTD <MBO SUPER FUND A/C>	17,490,000	0.59
PENAUSE PTY LTD	17,424,607	0.59
BNP PARIBAS NOMINEES PTY LTD <IB AU NOMS RETAILCLIENT DRP>	16,542,208	0.56
	1,430,119,135	**48.64**

Distribution Schedules

A distribution of each class of equity security as at 12 September 2022:

Fully Paid Ordinary Shares

Range	Total holders	No. of shares	% Units
100,001 and Over	1,637	2,870,478,492	97.63
10,001 to 100,000	1,447	67,521,951	2.30
5,001 to 10,000	153	1,289,854	0.04
1,001 to 5,000	294	791,450	0.03
1 to 1,000	319	151,294	0.01
	3,850	**2,940,233,041**	**100.00**

Unquoted Options

Range	Total holders	No. of Performance Rights	% Units
100,001 and Over	96	174,880,000	99.93
10,001 to 100,000	2	120,000	0.07
5,001 to 10,000	0	0	0.00
1,001 to 5,000	0	0	0.00
1 to 1,000	0	0	0.00
	98	**175,000,000**	**100.00**

Mithril Resources Limited
Shareholder information
30 June 2022

Substantial shareholders

The names of substantial shareholders and the number of shares to which each substantial shareholder and their associates have a relevant interest are set out below:

Substantial Shareholder	No. of shares	%
Garry Thomas	285,685,273	9.78
Trimin Pty Ltd	224,163,615	7.62

Unmarketable Parcels

Holdings less than a marketable parcel of ordinary shares (being 83,334 at $0.006 per share as at 12 September 2022):

Fully Paid Ordinary Shares	Holders
Holdings less than a marketable parcel	2,002

Voting Rights

The voting rights attaching to fully paid ordinary shares are:

On a show of hands every member present in person or by proxy shall have one vote and upon a poll each share shall have one vote.

Unquoted Options do not carry any voting rights.

Additional Shareholder Information

The 2022 Annual General Meeting will be held on or about Wednesday, 16 November 2022 at 12.00pm (Melbourne time). Further details relating to the meeting will be advised in the Notice of Meeting to be sent to all Shareholders and released to ASX immediately upon dispatch.

Tenement information

Australian Interests:

Project	Tenement number	Interest owned %
Kurnalpi Area	E28/2506	100.00
Kurnalpi Area	E28/2567	100.00
Kurnalpi Area	E28/2682	100.00
Kurnalpi Area	E28/2760	100.00
Lignum Dam Area	E27/538	100.00
Lignum Dam Area	E27/582	100.00
Lignum Dam Area	E27/584	100.00
Murchison Area (Limestone Well)	E20/846	10.00
Murchison Area (Limestone Well)	E57/1069	10.00
West Kimberley Area	E04/2497	100.00
West Kimberley Area	E04/2503	100.00
West Kimberley Area	E80/5191	100.00

Mexican Operations:

Concession	Concession title number	Interest owned % *
LA SOLEDAD	52033	50.00
EL COMETA	164869	50.00
SAN MANUEL	165451	50.00
COPALQUIN	178014	50.00
EL SOL	236130	50.00
EL CORRAL	236131	50.00

* Interest in the Copalquin Gold Silver Project in Durango, Mexico increased to 50% in July 2022. Mithril holds an exclusive option to purchase a 100% interest in the concessions by paying US$10m on or anytime before 7 August 2026.