

Mithril Resources Ltd
ACN: 099 883 922
SHAREHOLDER SHARE PURCHASE PLAN APPLICATION FORM



**Holder Identification Number (HIN)/
 Shareholder Reference Number (SRN):**
Record Date: 23 March 2004
Closing Date: 23 April 2004
Purchase Price: 40 cents per share

A Offer Choice and Payment Instructions

I/We being the above mentioned, do hereby apply for the number of shares set out below in accordance with the terms and conditions of the Mithril Resources Ltd's Share Purchase Plan ("SPP").

To participate in the Plan shareholders must select **only one** of the following options.

	Number of Shares which may be purchased	Total amount payable @A\$0.40 per share
Offer A	2,500 shares	A\$1,000
Offer B	5,000 shares	A\$2,000
Offer C	7,500 shares	A\$3,000
Offer D	10,000 shares	A\$4,000
Offer E	12,500 shares	A\$5,000

Indicate your choice below by marking one box only.

Offer A	Offer B	Offer C	Offer D	Offer E
<input type="checkbox"/> 2,500 shares \$A1,000	<input type="checkbox"/> 5,000 shares \$A2,000	<input type="checkbox"/> 7,500 shares \$A3,000	<input type="checkbox"/> 10,000 shares \$A4,000	<input type="checkbox"/> 12,500 shares \$A5,000

Record cheque details below

Drawer	Cheque number	BSB number	Account number	Amount A\$

- a) Payments may only be made by cheque in Australian dollars and drawn on an Australian Financial Institution within Australia. Please make the cheque payable to "Mithril Resources Ltd Share Purchase Plan" and crossed "Not Negotiable". Please ensure that you submit the correct amount. Incorrect payments may result in your application being rejected.
- b) Payments must be made via cheque accompanying the Application Form.
- c) Cash will not be accepted via the mail or at the Mithril Resources Ltd's Share Registry.
- d) Ensure that your Application form and cheque reach Computershare Investor Services Pty Limited by the closing date of the Offer being no later than 5.00pm (AEST) on 23 April 2004.
- e) Sufficient cleared funds should be held in your account as your application may be rejected if your cheque is dishonoured.

B Contact Details

Please provide a telephone number and contact name in case we need to contact you

Home telephone number	Work telephone number	Contact Name

C Certification and Acknowledgements

By lodging this form with your cheque you confirm that you have read, understood and agreed to the terms and conditions of the Plan. You certify that the total cost of all shares purchased by you (including through joint and beneficial holdings) under this offer, and any similar offer made by Mithril Resources Ltd in the 12 months prior to this application, does not exceed A\$5,000.

NO SIGNATURE IS REQUIRED ON THIS FORM

THIS OFFER IS NON-RENOUNCEABLE

Application Forms and cheques must be received no later than 5.00pm (AEST) on 23 April 2004 at:
Computershare Investor Services Pty Limited

**Level 5, 115 Grenfell Street
 ADELAIDE SA 5000**

**GPO Box 1903
 ADELAIDE SA 5001**

You should allow sufficient time for this to occur. The postal acceptance rule does not apply to the SPP. Mithril Resources Ltd may settle, in any manner it thinks fit, any dispute or anomalies which may arise in connection with or by reason of the operation of the Plan, whether generally or in relation to any applicant or application of shares. The decision of Mithril Resources Ltd will be conclusive and binding on all persons to whom the determination relates. Mithril Resources Ltd reserves the right to waive compliance with any provision of the Plan terms and conditions, or to vary those terms and conditions if required to comply with the ASX Listing Rules.

Mithril Resources Ltd

247 Greenhill Road, Dulwich 5065, South Australia
Tel: +61 8 8366 6066 Fax: +61 8 8366 6067
Website: www.mithrilresources.com.au

2 April 2004

Dear Shareholder

SHAREHOLDER SHARE PURCHASE PLAN

Mithril Resources Ltd ("Mithril") is pleased to advise shareholders of the opportunity to participate in a Shareholder Share Purchase Plan ("SPP"). This letter sets out the terms and conditions of the offer under the SPP.

On 19 March 2004, the Company announced that it had raised \$1.332 million through the placement of 3.33 million shares at 40 cents (\$0.40) per share. At that time, the Company indicated that it would also proceed with a SPP to provide eligible shareholders with the opportunity to participate in a further capital raising.

The SPP entitles shareholders in the Company, irrespective of the size of their shareholding, to purchase up to \$5,000 worth of shares in the Company (the "Offer"). No brokerage, commission or stamp duty will apply to shareholders taking up shares under the SPP. A copy of the Terms and Conditions of the SPP is enclosed. You should read this document carefully before making a decision to invest in shares pursuant to the SPP.

The funds to be raised pursuant to this SPP are to be used to fund exploration and project generation for the Company's alliance with BHP Billiton Minerals Pty Ltd.

Eligible Members that wish to participate in the SPP must complete and lodge an application form together with payment for the shares they wish to subscribe for, with the Company's share registry by Friday, 23 April 2004. By forwarding your Application Form and cheque you acknowledge that you have read, understood and agree to be bound by the terms and conditions of the SPP.

All shares issued under the SPP will rank equally with existing fully paid ordinary shares of the company and will carry the same voting rights, dividend rights and other entitlements. The Company will seek quotation of the shares issued pursuant to the SPP on the Australian Stock Exchange ("ASX") as soon as possible or in any event, within 10 business days after allotment.

PARTICIPATION

Participation in the SPP is open to all persons registered as holders of shares in the Company as at the close of business on 23 March 2004 (the "Record Date") who have an address (as recorded in the Company's register of members) in Australia or New Zealand ("Eligible Members"). All persons registered as shareholders in the Company as at the Record Date, who may have sold their shares in the Company after the Record Date, are entitled to participate in the SPP. However, all persons who have purchased shares after the Record Date are not entitled to participate in the SPP. The Board does not consider that it is practical to lawfully extend the Offer to shareholders in jurisdictions outside of Australia and New Zealand. This letter will not constitute an offer in any jurisdiction in which it would not be lawful to make such an offer or to any person to whom it would not be lawful to make such an offer.

Participation in the SPP is entirely at the discretion of Eligible Members.

If you are eligible to purchase shares under the SPP, you may select one of the following alternatives:

Offer A	2,500 shares at \$0.40 per share	A\$1,000
Offer B	5,000 shares at \$0.40 per share	A\$2,000
Offer C	7,500 shares at \$0.40 per share	A\$3,000
Offer D	10,000 shares at \$0.40 per share	A\$4,000
Offer E	12,500 shares at \$0.40 per share	A\$5,000

In order to comply with the Australian Securities & Investments Commission's Class Order 02/831 an Eligible Member may not acquire more than 12,500 ordinary shares (\$5,000) under the SPP in any consecutive 12 month period, taking into account all applications by the Eligible Member.

The Company reserves the right to reject any application for shares where there is non-compliance with this requirement or any other term of the SPP.

SHAREHOLDERS MEETING

The issue of the shares pursuant to the SPP is subject to approval at a general meeting of shareholders to be held on Tuesday the 27 April 2004. If approval is not obtained then the SPP will be cancelled.

PRICING

The purchase price for shares under the SPP is 40 cents (\$0.40) ("SPP Price") and is equal to the price at which the Company effected a placement on 11 March 2004. The SPP Price represents a 20% discount to the market on the 5 day average closing price ended 10 March 2004, being the date immediately prior to the date of the placement referred to above.

The market price of the Company's shares may rise or fall between the date of the Offer and the date on which shares are allotted to you. This means that the SPP Price you pay for the shares may exceed the market price of the shares at the date of allotment of the shares under the Offer. You should obtain your own financial advice in relation to the Offer and consider price movements of the Company's shares prior to accepting the Offer.

UNDERWRITING

Pursuant to an Underwriting Agreement between Taylor Collison Ltd and the Company, Taylor Collison Ltd has agreed to underwrite the difference between 6,000,000 Shares and the number of shares applied for by shareholders under the SPP. The total number of shares to be offered to shareholders under the SPP is 7,400,000 shares. If the number of shares applied for under the SPP exceeds 7,400,000 shares then applications for shares will be scaled back on a pro rata basis according to the number of shares applied for. Taylor Collison Ltd also has the right, but not the obligation, to place an additional 1,400,000 shares if the number of shares applied for under the SPP is less than 6,000,000 shares and the volume weighted average price of the shares over the 5 business days prior to the underwriter being advised of the shortfall is less than 50 cents per share.

The Underwriter's obligations under the Underwriting Agreement will terminate if any one or more of a number of specified termination events occurs before shares are allotted to shareholders under the SPP.

LODGEMENT INSTRUCTIONS

This letter and the enclosed Application Form set out the terms and conditions of the offer under the SPP. By making an application to purchase shares under the SPP, you will have agreed to be bound by these terms and conditions and the Constitution of Mithril Resources Ltd.

If you wish to apply for any shares under the SPP, you should complete the enclosed Application Form and forward it to our Share Registry with your payment by Cheque made payable to "Mithril Resources Ltd Share Purchase Plan", on or before the closing date of 5.00 pm (AEST) on 23 April 2004.

Applications received after 23 April 2004 will not be accepted. If the exact amount of money is not tendered with the Application Form, Mithril reserves the right to return your Application Form and Cheque and not allot any shares to you.

ADDITIONAL INFORMATION

Participation in the SPP is entirely at your option. The offer under the SPP is non-renouncable. This means you cannot transfer your right to purchase shares under the SPP to anyone else.

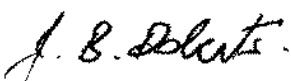
All new shares issued under the SPP will rank equally with existing fully paid ordinary shares in Mithril at the date of allotment (expected to be 30 April 2004) and will carry the same voting rights, dividend rights and other entitlements at the allotment date.

It is anticipated that any shares allotted to you under the SPP will be quoted on the ASX within 10 business days after allotment and you should receive your holding statement or confirmation advice shortly after this date.

If you have any questions in respect of the SPP, please contact your stockbroker or financial adviser or Mithrils' share registry at:

Computershare Investor Services Pty Limited	Telephone	1300 556 161 (within Australia)
Level 5, 115 Grenfell Street		61 3 9415 4000 (outside Australia)
Adelaide SA 5000	Facsimile	(08) 8236 2305

Yours sincerely



John Roberts
Chairman

Terms and Conditions of the Mithril Resources Ltd Shareholder Share Purchase Plan

1. DEFINITIONS

In this Plan, unless the context otherwise indicates:

“ASIC” means Australian Securities and Investments Commission;

“ASX” means Australian Stock Exchange Limited ACN 008 624 691;

“Board” means the board of directors of the Company;

“Closing Date” means the date specified as such in an Offer or such later date as may be determined by the Board;

“Company” means Mithril Resources Ltd ACN 099 883 922;

“Eligible Members” means members of the Company eligible to participate in the Offer as determined under 2.1;

“Market price” has the meaning given to that term in the Listing Rules of ASX;

“Offer” means a non-renounceable offer of Shares to Eligible Members made pursuant to and under the terms of this Plan;

“Plan” means the Mithril Resources Ltd Shareholder Share Purchase Plan approved by the Board from time to time;

“Purchase Price” means the subscription price for each Share determined in accordance with clause 3 and specified in each Offer;

“Record Date” means the date specified as such in an Offer;

“Shares” means fully paid ordinary shares in the Company.

2. ELIGIBILITY TO PARTICIPATE

- 2.1 Those members of the Company who will be eligible to apply for Shares under an Offer are those who:
 - (a) are recorded in the Company’s register of members at close of business on the relevant Record Date for that Offer; and
 - (b) have an address (as recorded in the Company’s register of members) in a jurisdiction in which it is lawful and practical for the Company to offer and to issue Shares under this Plan (in the responsible opinion of the Board).
- 2.2 An Offer does not constitute an offer in any jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer.
- 2.3 Eligible Members may apply for Shares with an application price of up to a maximum of five thousand dollars (\$5,000) in any consecutive twelve (12) month period.
- 2.4 Offers made under the Plan are not renounceable. This means that Eligible Members cannot transfer their right to purchase Shares offered under the Plan to another person.
- 2.5 In determining whether a member of the Company is an Eligible Member the Board shall apply the rules set out in ASIC Class Order 02/831.

Terms and Conditions of the Mithril Resources Ltd Shareholder Share Purchase Plan

3. CALCULATION OF PURCHASE PRICE

- 3.1 The Purchase Price of Shares will be determined by the Board and will be less than the Market price, but not less than 80% of the weighted average Market price, of the Company's Shares on ASX over the five (5) trading days immediately prior to the date of the Company announcing its intention to make an Offer or within the thirty (30) days prior to the date of the offer or the date of the issue (as determined by the Company).
- 3.2 By accepting an Offer and applying for Shares under the Plan, each Eligible Member acknowledges that although the Purchase Price is at a discount to the weighted average Market price of the Company's Shares on ASX during the period described in clause 3.1, the Shares are a speculative investment and the price of the Shares quoted on ASX may change between the date of the Offer and the date of issue of the Shares and that the value of the Shares received under this Plan may rise or fall accordingly.

4. TERMS OF ISSUE OF SHARES

- 4.1 The Board reserves the right to refuse an application if it considers that the applicant is not an Eligible Member or has not otherwise complied with the Terms and Conditions of the Plan or for any other reason. If an application is refused, the application monies received will be refund without interest.
- 4.2 Subject to clause 4.1, Shares issued under the Plan will be issued no later than 15 business days after the Closing Date stipulated in respect of an Offer.
- 4.3 Shares allotted under the Plan will rank equally in all respects with all other Shares in the Company on the date of issue.
- 4.4 The Company will apply for quotation on ASX of Shares issued under the Plan, within the period prescribed by the Listing Rules of ASX.
- 4.5 The maximum number of shares which may be allotted under the Plan is 7,400,000 shares. If applications for Shares pursuant to the Plan exceed in total 7,400,000 shares then all applications will be reduced pro rata according to the size of each shareholder's individual application.

5. GENERAL

- 5.1 This Plan will be administered by the Board (or a committee of the Board) which will have an absolute discretion to:
 - (a) determine appropriate procedures for administration of the Plan consistent with the Terms and Conditions of the Plan;
 - (b) resolve conclusively all questions of fact or interpretation arising in connection with the Terms and Conditions or implementation of this Plan;
 - (c) waive strict compliance with any provision of these Terms and Conditions; and
 - (d) delegate to any one or more persons for such period and on such conditions as they may determine, the exercise of their powers or discretions under the Terms and Conditions or implementation of this Plan.
- 5.2 This Plan and any or all of the Terms and Conditions of this Plan may be suspended, terminated or amended at any time by the Board;
- 5.3 The Company reserves the right to allocate Shares on a pro-rata basis in the event of an over subscription.
- 5.4 These Terms and Conditions are governed by and construed in accordance with the laws for the time being in the State of South Australia.