



30 July 2020

ASX ANNOUNCEMENT

**GEOTECHNICAL DRILLING AND GEOPHYSICS UNDERWAY
FOR STARTER THETA PIT**

Highlights:

- **Geotechnical drilling and geophysics underway for starter Theta pit**
- **Design engineering work also advancing**
- **Mining is defined as an essential service in South Africa – limited impact to on-site works timetable**
- **Trial mining is planned for late this calendar year**

Theta Gold Mines Limited ("Theta Gold" or "Company") (ASX: TGM, TGMO | OTCQB: TGMGF) is pleased to provide this update on ongoing project development activities at the Starter Theta Project with geotechnical drilling and a geophysical survey now underway (*see figures 1&2 overleaf*).

Theta Gold is undertaking a geotechnical assessment of the areas identified for the Waste Rock Dumps (WRDs) and Pollution Control Dams (PCD) within the plan area. Design engineering work for minesite infrastructure is progressing well with all these initiatives scheduled for completion by the end of September.

Theta Gold has not witnessed any impact to its works program as a result of lockdown measures due to COVID-19. Under section 213 of the Labour Relations Act, 1995, mining operations in South Africa are deemed as an essential serviceⁱ and Theta Gold's operations are thus not affected. The Company's onsite team has completed all necessary paperwork and safety protocols and mine site development activities onsite remain on-track.

Chairman Mr Bill Guy stated, *"We are pleased to kick off geotechnical drilling and geophysical survey work. This activity is another crucial step in our ongoing project development works which are progressing to plan and are not delayed."*

"We can confirm that all of our team is on site and safely managing this works program. We have an exceptionally busy program underway at the Starter Theta Pit. We are also finalising engineering plans for roads and infrastructure, another critical mine development milestone, and getting prepared for trial mining which is scheduled for late in the year."

"I look forward to keeping shareholders updated on progress as we continue to steadily work our way through these project development initiatives."



Figure 1: Track mounted reverse circulation drill rig and compressor on site at the Starter Theta Pit



Figure 2: Drilling activities in the Plant Area

This announcement was authorised for release by the Board of Directors.

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ABOUT THETA GOLD MINES LIMITED

Theta Gold Mines Limited (ASX: TGM, TGMO | OTCQB: TGMGF) is a gold development company that holds a range of prospective gold assets in a world-renowned South African gold mining region. These assets include several surface and near-surface high-grade gold projects which provide cost advantages relative to other gold producers in the region.

Theta Gold's core project is located next to the historical gold mining town of Pilgrim's Rest, in Mpumalanga Province, some 370km northeast of Johannesburg by road or 95km north of Nelspruit (Capital City of Mpumalanga Province). Following small scale production from 2011 – 2015, the Company is currently focussing on the construction of a new gold processing plant within its approved footprint at the TGME plant, and for the processing of the Theta Open Pit oxide gold ore. Nearby surface and underground mines and prospects are expected to be further evaluated in the future.

The Company aims to build a solid production platform to over 150kozpa based primarily around shallow, open-pit or adit-entry shallow underground hard rock mining sources. Theta Gold has access to over 43 historical mines and prospect areas that can be accessed and explored, with over 6.7Moz of historical production recorded.

Theta Gold holds 100% issued capital of its South African subsidiary, Stonewall Mining (Pty) Ltd ("Stonewall"). Stonewall holds a 74% shareholding in both Transvaal Gold Mining Estates Limited ("TGME") and Sabie Mines (Pty) Ltd ("Sabie Mines"). The balance of shareholding is held by Black Economic Empowerment ("BEE") entities. The South African Mining Charter requires a minimum of 26% meaningful economic participation by the historically disadvantaged South Africans ("HDSAs"). The BEE shareholding in TGME and Sabie Mines is comprised of a combination of local community trusts, an employee trust and a strategic entrepreneurial partner.



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This announcement may contain forward looking statements. Whilst Theta Gold has no reason to believe that any such statements and projections are either false, misleading or incorrect, it does not warrant or guarantee such statements. Nothing contained in this announcement constitutes investment, legal, tax or other advice. This overview of Theta Gold does not purport to be all inclusive or to contain all information which its recipients may require in order to make an informed assessment of the Company's prospects. Before making an investment decision, you should consult your professional adviser, and perform your own analysis prior to making any investment decision. To the maximum extent permitted by law, the Company makes no representation and gives no assurance, guarantee or warranty, express or implied, as to, and take no responsibility and assume no liability for, the authenticity, validity, accuracy, suitability or completeness of, or any errors in or omissions, from any information, statement or opinion contained in this announcement. This announcement contains information, ideas and analysis which are proprietary to Theta Gold.

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This announcement may refer to the intention of Theta Gold regarding estimates or future events which could be considered forward looking statements. Forward looking statements are typically preceded by words such as "Forecast", "Planned", "Expected", "Intends", "Potential", "Conceptual", "Believes", "Anticipates", "Predicted", "Estimated" or similar expressions. Forward looking statements, opinions and estimates included in this announcement are based on assumptions and contingencies which are subject to change without notice, and may be influenced by such factors as funding availability, market-related forces (commodity prices, exchange rates, stock market indices and the like) and political or economic events (including government or community issues, global or systemic events). Forward looking statements are provided as a general reflection of the intention of the Company as at the date of release of the document, however are subject to change without notice, and at any time. Future events are subject to risks and uncertainties, and as such results, performance and achievements may in fact differ from those referred to in this announcement. Mining, by its nature, and related activities including mineral exploration, are subject to a large number of variables and risks, many of which cannot be adequately addressed, or be expected to be assessed, in this document. Work contained within or referenced in this report may contain incorrect statements, errors, miscalculations, omissions and other mistakes. For this reason, any conclusions, inferences, judgments, opinions, recommendations or other interpretations either contained in this announcement, or referencing this announcement, cannot be relied upon. There can be no assurance that future results or events will be consistent with any such opinions, forecasts or estimates. The Company believes it has a reasonable basis for making the forward looking statements contained in this document, with respect to any production targets, resource statements or financial estimates, however further work to define Mineral Resources or Reserves, technical studies including feasibilities, and related investigations are required prior to commencement of mining. No liability is accepted for any loss, cost or damage suffered or incurred by the reliance on the sufficiency or completeness of the information, opinions or beliefs contained in this announcement.

ⁱ <https://www.gov.za/documents/labour-relations-act>