



15 March 2021

ASX ANNOUNCEMENT

**FUNDS RAISED TO SUPPORT MINE STUDY & INFRASTRUCTURE
DEVELOPMENT**

Theta Gold Mines Limited (“Theta Gold” or “Company”) (ASX: TGM | OTCQB: TGMGF) is pleased to advise that the Company will issue a total of 15,027,819 fully paid ordinary shares at \$0.275 per share, 11,391,455 shares pursuant to a share placement to sophisticated and professional investors to raise \$3,132,650 before costs, and 3,636,364 shares on full conversion of a \$1,000,000 cash advance.

The funds raised from the share placement will be used for –

- a) Project expenditure (open-pit and underground), including permitting, underground mine pre-feasibility study, reserve conversion, tailings infrastructure, etc
- b) Working capital, business development and corporate expenses
- c) Cost of the issue

The above share issues are being made under the Company’s placement capacity pursuant to Listing Rule 7.1. The shares are expected to be issued on Tuesday 23 March 2021.

The issue of 3,636,364 fully paid ordinary shares at \$0.275 per share is in full settlement of the \$1,000,000 short term loan advanced by a shareholder between December 2020 and January 2021 (refer Appendix 5B Quarterly Cashflow Report dated 29 January 2021).

Theta Gold Chairman Bill Guy commented, “The Company has raised funds to support its project development work. In the short term, the Company will update the market with its maiden underground mining reserve and integrated mine strategy. The team in South Africa is completing the underground Prefeasibility Study, focussed on easily accessible underground indicated resources, to generate the first underground mining reserve.”

“The Integrated Mine Strategy will outline a clear vision of how Theta Gold intends to bring on multiple mines online over the next 4 to 5 years, with the integration of those mines through a central processing plant and mine infrastructure. The team is concentrating on the bigger mines initially, out of the 43 historical mines available to be evaluated.”

Aura Capital Pty Ltd and Spark Plus Pte Ltd acted as Joint Lead Managers for the placement.

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

For more information, please visit www.thetagoldmines.com or contact:

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ABOUT THETA GOLD MINES LIMITED

Theta Gold Mines Limited (ASX: TGM | 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 160Kozpa 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.

