



Market Announcement

10 December 2021

UPDATE ON NON-RENOUNCEABLE ENTITLEMENT OFFER

Focus Minerals Limited (ASX: FML) (**Company** or **Focus**) refers to:

- the Company's announcement on 3 December 2021 in relation to its 1 for 1 non-renounceable entitlement offer of new Focus shares (**New Shares**) at an issue price of A\$0.25 per New Share to raise up to A\$45,687,141.25 (**Entitlement Offer**); and
- the Company's announcement on 9 December 2021 in relation to the announcement by Theta Gold Mines Limited (ASX: TGM) (**TGM**) (also on 9 December 2021) of its intended off-market takeover offer for all of the issued shares in the Company (**TGM Intended Offer**).

Shareholders should be aware that the TGM Intended Offer is subject to a number of conditions, including that Focus announce that the Entitlement Offer will not proceed (and the Entitlement Offer does not proceed) and that Focus does not issue or agree to issue any new shares (collectively, the **Relevant TGM Conditions**).

Entitlement Offer proceeding and now open for acceptance

Focus confirms that, despite the TGM Intended Offer and the Relevant TGM Conditions, the Entitlement Offer is proceeding. The Focus Board remains committed to pursuing its plans to resume mining operations at Coolgardie (see ASX announcement on 3 December 2021). The Focus Board reaffirms its view that its plan to resume mining at Coolgardie (as supported by the Entitlement Offer) is in the best interests of all Focus shareholders. The funds raised under the Entitlement Offer will be principally applied for that purpose as further described in the offer booklet dated 3 December 2021 (see ASX announcement on 3 December 2021).

The offer period for the Entitlement Offer opens today and is scheduled to remain open until 5.00pm (Perth time) on Thursday, 23 December 2021.

Further response to TGM Intended Offer

Although the Focus Board's assessment of the TGM Intended Offer is continuing, the Board's current view is that:

- the TGM Intended Offer is opportunistically timed, having been announced approximately one week after FML's announcement of its Entitlement Offer; and
- the TGM Intended Offer is opportunistically structured to include a condition that requires the Entitlement Offer not to proceed. That condition is an entirely discretionary one that TGM has elected to include as part of its offer.

If the Entitlement Offer is implemented as announced by the Company, the Relevant TGM Conditions will not be satisfied. In those circumstances, the TGM Intended Offer would not proceed unless the Relevant TGM Conditions are waived by TGM.

The Focus Board continues to advise Focus shareholders **to TAKE NO ACTION in relation to the TGM Intended Offer or any documents shareholders may receive from TGM** until Focus' directors have completed their assessment of the TGM Intended Offer.

The Company will provide a further announcement in due course once it has completed its assessment of the TGM Intended Offer. Having regard to the all scrip nature of the consideration under TGM Intended Offer and the absence of any minimum acceptance condition, the Board's assessment of TGM Intended Offer will be materially informed by the information in TGM's Bidder's Statement which has yet to be received by FML.

This announcement has been authorised for release by the Board of Focus Minerals Limited.

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Not for release in United States

This announcement may not be released or distributed in the United States. This announcement does not constitute an offer to sell, or the solicitation of an offer to buy, any securities in the United States. Neither the Entitlements nor the New Shares have been or will be registered under the U.S. Securities Act of 1933 (the **US Securities Act**) and may not be offered or sold in the United States except in transactions exempt from, or not subject to, the registration requirements of the US Securities Act and applicable US state securities laws. Accordingly, the Entitlements may only be taken up by, and the New Shares may only be offered or sold to, persons that are not in the United States and are not acting for the account or benefit of a person in the United States.

About Focus Minerals Limited (ASX: FML)

Focus Minerals is a Perth-based, ASX-listed gold exploration company focused on delivering shareholder value from its 100%-owned Coolgardie Gold Project and Laverton Gold Project, in Western Australia's Goldfields.

Focus is committed to delivering shareholder value from the Coolgardie Gold Project, a 138km² tenement holding that includes the 1.4Mtpa processing plant at Three Mile Hill (on care and maintenance), by continuing exploration and value-enhancing activities. An updated PFS in September 2020 highlighted the potential for a low capital cost, fast-tracked return to mining at Coolgardie and delivered an NPV_{7.5%} of \$183 million. The Company's efforts are now focused on increasing production-ready Mineral Resources at Coolgardie and delivering the approvals and permits required for a resumption of gold-mining operations.

The Laverton Gold Project covers 362km² area of highly prospective ground that includes the historic Lancefield and Chatterbox Trend mines. Focus' priority target is to confirm sufficient gold mineralisation at the Beasley Shear Zone, Lancefield-Wedge Thrust, Karridale and Burtville to support a Stage 1 production restart at Laverton. In parallel, Focus is working to advance key Laverton resource growth targets including Sickie, Ida-H and Burtville South. Focus has delivered first results from a progressive Pre-Feasibility Study (Pre-Tax NPV_{5.0%} A\$132M) and is advancing study work utilising Laverton's expanded Mineral Resource position.

ASX Listing Rule 5.19.2

The material assumptions underpinning the production target, or the forecast financial information derived from the PFS continue to apply and have not materially changed.