



8 February 2022

UPDATE REGARDING SHANDONG GOLD INTENTION TO REJECT TGM OFFER

West Australian gold explorer Focus Minerals Limited (ASX: FML) (**Focus** or the **Company**) refers to the announcement by Theta Gold Mines Limited (ASX: TGM) (**TGM**) on 3 February 2022, which:

- included a copy of TGM's third supplementary bidder's statement (**Third Supplementary Bidder's Statement**) relating to its off-market takeover offer for certain of the issued shares in the Company¹ (**TGM Offer**); and
- a notice declaring that the TGM Offer is now wholly unconditional in accordance with section 650F of the *Corporations Act 2001* (Cth) (**Unconditional Offer Notice**).

The Focus Board of Directors has requested Shandong Gold International Mining Corporation Limited (**Shandong Gold**) to provide a written update of its intentions in relation to the TGM Offer following the release of the Third Supplementary Bidder's Statement and the Unconditional Offer Notice on 3 February 2022.

Shandong Gold has now provided a further letter with a written update of its intentions regarding the TGM Offer since the previous letter from Shandong Gold released on 7 January 2022. A copy of that letter accompanies this announcement. Notwithstanding that the TGM Offer is now unconditional, Shandong Gold has reaffirmed its previously stated intention that it intends to **REJECT** the TGM Offer in its current form.

The release of this ASX announcement was authorised by
The Executive Chairman of Focus Minerals Ltd.

**For further information
please contact:**

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¹ The TGM Offer only relates to Focus shares that existed on the 'register date' of 21 December 2021 (and therefore does not extend to the new Focus shares issued under Focus' recently completed non-renounceable entitlement offer).

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 Sickle, 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

Focus confirms that all material assumptions underpinning the production target or the forecast financial information derived from the Coolgardie 2020 PFS announced in September 2020 continue to apply and have not materially changed.

Focus Minerals Limited

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8 February 2022

The Directors
Focus Minerals Limited
Level 2
159 Adelaide Terrace
East Perth WA 6004

By email: wanghong.yang@sd-gold.net

Dear Directors

Intentions regarding Theta Gold Mines Limited takeover offer

We refer to our previous letter dated 6 January 2021 to Focus Minerals Limited (**Focus**) in relation to the off-market takeover offer announced on 9 December 2021 by Theta Gold Mines Limited (**TGM**) of 2 TGM shares for certain Focus shares (**Offer**).

We confirm that:

- Shandong Gold International Mining Corporation Limited (a company incorporated in Hong Kong) (**Shandong Gold**) has reviewed:
 - TGM's Replacement Bidder's Statement released to ASX on 4 January 2022;
 - TGM's Second Supplementary Bidder's Statement released to ASX on 18 January 2022;
 - Focus' Target's Statement released to ASX on 28 January 2022;
 - TGM's notice that the Offer is wholly unconditional released to ASX on 3 February 2022; and
 - TGM's Third Supplementary Bidder's Statement released to ASX on 3 February 2022; and
- Shandong Gold further confirms that its previously stated intention that it does not support the Offer and does not intend to accept the Offer in its current form in respect of any of the Focus shares that Shandong Gold owns or controls, has not changed.

Shandong Gold consents to Focus including in any public statement relating to the Offer (including in any supplementary target's statement) a reference to our intentions noted above.

Shandong Gold acknowledges that any public statement made in relation to our intentions set out above will be subject to the Australian Securities and Investments Commission's (**ASIC's**) *Regulatory Guide 25: Takeovers: False and misleading statements (RG25)*.

In providing this confirmation, Shandong Gold acknowledges that it is aware that RG25 has the effect that where a holder makes a statement of the nature of the above intentions and does not subsequently act in accordance with those intentions, the

shareholder risks regulatory action by ASIC or an application to the Takeovers Panel for a declaration of 'unacceptable circumstances'.

Yours faithfully

EXECUTED AND DELIVERED AS A DEED by

Shandong Gold International Mining
Corporation Limited

A handwritten signature in black ink, appearing to be 'Pei Dianfei', written in a cursive style.

Signature:

Name: Pei Dianfei

Title: Chairman of Board of Directors