



14 February 2022

ASX ANNOUNCEMENT

Improved Offer Consideration and Extension of Offer Period

Theta Gold Mines Limited (**Theta Gold, TGM or Company**) (ASX: TGM | OTC: TGMGF) refers to its replacement bidder's statement dated 4 January 2022 (as supplemented from time to time) (**Replacement Bidder's Statement**) and offers in relation to its off-market takeover bid for all of the shares in Focus Minerals Ltd (ACN 005 470 799) (**Focus**) as at the Register Date stated in the Replacement Bidder's Statement.

Improved Offer Consideration and Fourth Supplementary Bidder's Statement

TGM has today varied its Offer by increasing its Offer Consideration from 2 New TGM Shares for every 1 Focus Share to **5 New TGM Shares for every 2 Focus Shares**. This is equivalent to 2.5 New TGM Shares for every 1 Focus Share.

Further, TGM confirms that this improved Offer Consideration is now **best and final and will not be increased** unless there is a competing proposal.

The improved Offer Consideration will apply to all Focus Shareholders (who hold shares to which the Offer relates) who accept TGM's Offer, including those Focus Shareholders who have already accepted the Offer.

Further details of the increase are set out in TGM's fourth supplementary bidder's statement dated 14 February 2022. This was lodged with ASIC today and a copy is attached to this announcement.

Extension of Offer Period

TGM has also extended the Offer Period for its takeover bid so that its Offer will remain open for acceptance until 7.00pm (Sydney time) on 2 March 2022 (unless further extended or withdrawn).

A formal notice of variation under section 650D of the *Corporations Act 2001* (Cth) (increasing the Offer Consideration and extending the Offer Period) was lodged with ASIC today and a copy is attached to this announcement. The formal notice, together with the fourth supplementary bidder's statement and an updated Acceptance Form, will be dispatched to Focus Shareholders as soon as practicable. Focus Shareholders can also continue to use the previous Acceptance Form.

TGM urges Focus Shareholders to **ACCEPT** without delay

TGM strongly encourages all Focus Shareholders (who hold shares to which the Offer relates) to **ACCEPT** TGM's **unconditional** Offer as soon as possible. The Offer is scheduled to close at 7.00pm (Sydney time) on 2 March 2022 (unless further extended or withdrawn).

Focus Shareholders who require any assistance (including a replacement Acceptance Form) can contact the TGM Offer Information Line on 1300 737 760 (toll free within Australia) or +61 2 9290 9600 (normal charges apply) between 9.00am and 5.00pm (Sydney time) Monday to Friday.

This announcement was authorised for release by Mr Bill Guy, Chairman.

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 | OTC: TGMGF) is a gold mining 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 being evaluated.

The Company aims to build a solid production platform to over 160 kozpa based primarily around shallow, open-cut or adit-entry 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, Theta Gold SA (Pty) Ltd ("SGSA"). SGSA 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 BEE shareholding in TGME and Sabie Mines is comprised of a combination of local community trusts, an employee trust and a strategic entrepreneurial partner.



Fourth Supplementary Bidder's Statement in respect of the offer for shares in Focus Minerals Ltd

Important Information

This document is the fourth supplementary bidder's statement (**Fourth Supplementary Bidder's Statement**) given by Theta Gold Mines Limited (ABN 30 131 758 177) (**TGM**) in connection with its takeover offer for all shares in Focus Minerals Ltd (ABN 56 005 470 799) (**Focus**) that existed on the Register Date of 21 December 2021. This Fourth Supplementary Bidder's Statement supplements, and must be read together with, TGM's first supplementary bidder's statement dated 4 January 2022 (**First Supplementary Bidder's Statement**), TGM's replacement bidder's statement dated 4 January 2022 (**Replacement Bidder's Statement**) which replaced TGM's original bidder's statement dated 20 December 2021, TGM's second supplementary bidder's statement dated 18 January 2022 (**Second Supplementary Bidder's Statement**) and TGM's third supplementary bidder's statement dated 3 February 2022 (**Third Supplementary Bidder's Statement**). This Fourth Supplementary Bidder's Statement will prevail to the extent of any inconsistency with the First Supplementary Bidder's Statement, Second Supplementary Bidder's Statement, Third Supplementary Bidder's Statement and Replacement Bidder's Statement.

A copy of this Fourth Supplementary Bidder's Statement was lodged with the Australian Securities and Investments Commission (**ASIC**) on 14 February 2022. Neither ASIC nor its officers takes any responsibility for the contents of this Fourth Supplementary Bidder's Statement. Unless the context otherwise requires, defined terms used in this Fourth Supplementary Bidder's Statement have the same meaning as given to them in the Replacement Bidder's Statement. Section 10.2 (*References to certain general terms*) of the Replacement Bidder's Statement also applies to this Fourth Supplementary Bidder's Statement.

1. IMPROVED OFFER CONSIDERATION AND EXTENSION OF OFFER PERIOD

TGM has increased the Offer Consideration from 2 New TGM Shares for every 1 Focus Share to **5 New TGM Shares for every 2 Focus Shares**.¹

Further, TGM confirms that this Offer Consideration is **best and final and will not be increased** unless there is a competing proposal.

TGM's Offer is wholly **unconditional**, and TGM urges Focus Shareholders to **ACCEPT the improved Offer** without delay.

The increased TGM Offer implies a value for each Focus Share of \$0.40.² This represents **attractive premiums** of:

- (a) **40.4%** to the closing price of Focus Shares on ASX of A\$0.285 on 11 February 2022;
- (b) **60%** to the Focus Entitlement Offer price of A\$0.25;
- (c) **45.8%** to the 30 day VWAP of Focus Shares on ASX of A\$0.2743 to 11 February 2022;³ and
- (d) **36.6%** to the 90 day VWAP of Focus Shares on ASX of A\$0.2929 to 11 February 2022.⁴

As noted in the Replacement Bidder's Statement, these figures will continue to change from time to time as a result of changes in the prices of TGM Shares and Focus Shares on ASX. When assessing the

¹ This is equivalent to 2.5 New TGM Shares for every 1 Focus Share.

² Based on a TGM share price on ASX of \$0.16 as at the close of trade on 11 February 2022, the last trading date before the date of this Fourth Supplementary Bidder's Statement, and the increased TGM Offer ratio.

³ VWAP of A\$0.2743 for the 30 days up to and including 11 February 2022.

⁴ VWAP of A\$0.2929 for the 90 days up to and including 11 February 2022.

Offer, Focus Shareholders should ensure that they take into account the latest trading prices of Focus Shares and the implied value of the Offer based on the latest trading prices of TGM Shares.

TGM has also extended the Offer Period so that the Offer will now remain open for acceptance until 7.00pm (Sydney time) on 2 March 2022 (unless further extended or withdrawn under the Corporations Act).

The increased Offer Consideration applies to all Focus Shareholders (who hold Shares to which the Offer relates) who accept the TGM Offer. This includes Focus Shareholders who have already accepted the TGM Offer (and who will be issued additional TGM Shares as a result). As set out in clause 2 of Appendix 1 to the Replacement Bidder's Statement, any fractional entitlement to New TGM Shares will be rounded up to the nearest whole number of New TGM Shares (except in the circumstances contemplated by that clause).

An updated Acceptance Form is enclosed for your convenience. Focus Shareholders can also continue to use the previous Acceptance Form.

A copy of the formal notice under section 650D of the Corporations Act that varies the Offer (to improve the Offer Consideration and to extend the Offer Period) is also enclosed.

2. SHANDONG GOLD INTENTION STATEMENTS

As noted in TGM's Second Supplementary Bidder's Statement, on 5 and 7 January 2022, Focus released ASX announcements which attached statements made by Shandong Gold. In those statements, Shandong Gold said that "it does not support the Offer and does not intend to accept the Offer in its current form in respect of any Focus shares that Shandong Gold owns or controls". On 8 February 2022 Focus released a further announcement (attaching an intention statement made by Shandong Gold) which reiterated Shandong Gold's position following TGM's announcement that the Offer is now wholly unconditional.

As TGM has now **improved** the terms of its Offer, TGM notes that these statements by Shandong Gold no longer apply. If Shandong Gold were to accept the improved Offer (in respect of those of its Focus Shares to which the Offer relates), it would again be possible for TGM to acquire control of Focus in the circumstances contemplated by the Replacement Bidder's Statement (see further at section 3 below). However, this would only be possible if Shandong Gold accepts the Offer (in respect of those of its Focus Shares to which the Offer relates) and a large proportion of minority Focus Shareholders also accept the Offer.

As previously noted, there is no minimum acceptance condition, so the Offer is not conditional in any way on Shandong Gold accepting. TGM also notes that it is open to Shandong Gold to make a further intention statement. However, whether or not Shandong Gold accepts (or states that it does not intend to accept), TGM encourages acceptance by all other Focus Shareholders as (amongst other things) a way of aggregating the minority voice in Focus and enhancing TGM's ability to (potentially) share with Focus its opinions and considerable experience with regards to mining operations.

3. EFFECT ON CAPITAL STRUCTURE

Section 6.3 of the Replacement Bidder's Statement sets out a description of the potential effect of the Offer on the capital structure of TGM. The increase in the Offer Consideration (described above) will alter this description.

The actual number of TGM Shares on issue at completion of the Offer will depend upon the number of acceptances of the Offer. There are many potential scenarios, which will result in different effects on the capital structure of TGM.



If the Offer is accepted by all holders of Focus Shares to which the Offer relates (other than Focus Shares already held by or on behalf of TGM), TGM would have approximately 977.70 million fully paid ordinary shares on issue of which approximately 452.27 million (or 46.26%) would represent shares issued pursuant to the Offer. In this scenario (that all holders of Focus Shares to which the Offer relates accept):

- (a) Shandong Gold would obtain a substantial interest in TGM of up to approximately 23.15%; and
- (b) TGM would hold an interest in 64.24% of Focus Shares with Shandong Gold continuing to hold an interest in 31.59% of Focus Shares (and minority Focus Shareholders holding the remaining balance of 4.17% of Focus Shares).

If the Offer is accepted by all holders of Focus Shares to which this Offer relates other than Shandong Gold (and other than Focus Shares already held by or on behalf of TGM), TGM would have approximately 751.40 million fully paid ordinary shares on issue of which approximately 225.97 million (or 30.07%) would represent shares issued pursuant to the Offer. In this scenario (that all holders of Focus Shares to which the Offer relates other than Shandong Gold accept) TGM would hold an interest in 32.65% of Focus Shares with Shandong Gold continuing to hold an interest in 63.18% of Focus Shares (and minority Focus Shareholders holding the remaining balance of 4.17% of Focus Shares).

If the Offer is not accepted by Shandong Gold but is accepted by minority Focus Shareholders representing 50% of the holdings of minority Focus Shareholders to which this Offer relates other than Focus Shares already held by or on behalf of TGM (that is, 45,193,088 Focus Shares), TGM would have approximately 638.42 million fully paid ordinary shares on issue of which approximately 112.98 million (or 17.70%) would represent shares issued pursuant to the Offer. In this scenario (that minority Focus Shareholders representing 50% of the holdings of minority Focus Shareholders to which this Offer relates accept) TGM would hold an interest in 16.88% of Focus Shares with Shandong Gold continuing to hold an interest in 63.18% of Focus Shares (and minority Focus Shareholders holding the remaining balance of 19.94% of Focus Shares).

The above scenarios are not the only scenarios which may apply.

In all potential scenarios, the number of TGM securities other than its fully paid ordinary shares on issue (such as TGM's options, performance rights and bonds on issue as set out in section 2.1 of the Replacement Bidder's Statement) will not change as a result of the Offer. To the extent any TGM Shares are issued on exercise or vesting of these options and performance rights, such issues will dilute all existing holders of TGM Shares (including any holders of New TGM Shares received pursuant to the Offer).

Further to the above, at item 2 of the "Reasons to accept the Offer" section of the Replacement Bidder's Statement, TGM also sets out the maximum interest that Shandong Gold would obtain in TGM (if it were to accept the Offer). Given the increase in the Offer Consideration and by way of update, TGM notes that if Shandong Gold were to accept the Offer it would obtain a substantial interest in TGM of up to 23.15% (if all Focus Shareholders accept the Offer) or 30.10% (if Shandong Gold is the only Focus Shareholder to accept the Offer).

4. PRO FORMA CONSOLIDATED FINANCIAL INFORMATION

Section 6.4 of the Replacement Bidder's Statement sets out an overview of the potential effect of the transaction on TGM in two possible scenarios. The two scenarios were as follows:

- (a) **Scenario (i) (Controlled Group)** - that TGM has an interest in 50.1% of Focus Shares on completion of the Offer; and
- (b) **Scenario (ii) (minority interest)** - that TGM has an interest of 25% of Focus Shares on completion of the Offer.

Given that the Offer Consideration has now been improved (as described at section 1 above) TGM has revised, and sets out below, updated pro-forma consolidated financial information for each of these two possible scenarios. These pro-formas also include reference to additional financial information released to ASX by each of TGM and Focus since the date of the Replacement Bidder's Statement, and update the TGM reference share price to the closing price on 11 December 2022.

(a) Scenario (i) - Controlled Group pro forma consolidated financial statements

BALANCE SHEET

Unaudited Pro-Forma Consolidated Statement of Financial Position - (assuming 50.1% of FML Shares are acquired in a Controlled Group)

| | TGM | FML | TGM | FML | Scenario (a) | Pro forma Balance Sheet Post Completion - 50.1% Controlled Group |
|---|---------------|----------------|------------------------------------|------------------------------------|---|--|
| | 30/06/2021 | 30/06/2021 | 31/12/2021 | 31/12/2021 | 50.1% Controlled Group | 50.1% Controlled Group |
| | Balance Sheet | Balance Sheet | Appendix 5B | Appendix 5B | | |
| | (audited) | (reviewed) | Pro forma Adjustments (un-audited) | Pro forma Adjustments (un-audited) | Pro forma Eliminations / Adjustments (un-audited) | (un-audited) |
| | \$A'000 | \$A'000 | \$A'000 | \$A'000 | \$A'000 | \$A'000 |
| ASSETS | | | | | | |
| CURRENT ASSETS | | | | | | |
| Cash and cash equivalents | 266 | 10,817 | 2,448 | 7,361 | (500) | 20,392 |
| Short-term Deposits | - | 96 | - | - | - | 96 |
| Trade and Other Receivables | 239 | 196 | - | - | - | 435 |
| Inventories | - | 4 | - | - | - | 4 |
| TOTAL CURRENT ASSETS | 505 | 11,113 | 2,448 | 7,361 | (500) | 20,927 |
| NON-CURRENT ASSETS | | | | | | |
| Cash and cash equivalents-Restricted Cash | - | 13,746 | - | - | - | 13,746 |
| Receivables | 57 | - | - | - | - | 57 |
| Other receivables | 2,079 | - | - | - | - | 2,079 |
| Inventories | - | 851 | - | - | - | 851 |
| Plant and Equipment | 1,462 | 1,286 | 508 | 403 | - | 3,659 |
| Right-of-use Assets | - | 249 | - | - | - | 249 |
| Exploration and Evaluation Assets | 20,964 | 101,235 | 1,916 | 13,700 | 15,079 | 152,894 |
| Investment in Focus Minerals Limited | - | - | 847 | - | - | 847 |
| Financial Assets | 698 | - | - | - | - | 698 |
| TOTAL NON-CURRENT ASSETS | 25,260 | 117,367 | 3,272 | 14,103 | 15,079 | 175,081 |
| TOTAL ASSETS | 25,765 | 128,480 | 5,719 | 21,464 | 14,579 | 196,007 |
| LIABILITIES | | | | | | |
| CURRENT LIABILITIES | | | | | | |
| Trade and other payables | 1,266 | 1,549 | - | - | - | 2,815 |
| Provisions | 1,115 | 228 | - | - | - | 1,343 |
| Lease Liabilities | - | 87 | - | - | - | 87 |
| Borrowings | 9,649 | - | 5,924 | - | - | 15,573 |
| TOTAL CURRENT LIABILITIES | 12,030 | 1,864 | 5,924 | - | - | 19,818 |
| NON-CURRENT LIABILITIES | | | | | | |
| Provisions | 2,067 | 29,339 | - | - | - | 31,406 |
| Borrowings | 112 | 20,000 | - | (195) | - | 19,917 |
| Lease Liabilities | - | 166 | - | - | - | 166 |
| TOTAL NON-CURRENT LIABILITIES | 2,179 | 49,505 | - | (195) | - | 51,489 |
| TOTAL LIABILITIES | 14,209 | 51,369 | 5,924 | (195) | - | 71,307 |
| NET ASSETS | 11,556 | 77,111 | (205) | 21,659 | 14,579 | 124,700 |
| EQUITY | | | | | | |
| Issued capital | 116,894 | 427,167 | 3,936 | 25,503 | (396,518) | 176,982 |
| Non-controlling interest | - | - | - | - | 57,197 | 57,197 |
| Reserves | 10,366 | (7,178) | - | - | 7,178 | 10,366 |
| (Accumulated losses) | (115,704) | (342,878) | (4,141) | (3,844) | 346,722 | (119,845) |
| TOTAL EQUITY | 11,556 | 77,111 | (205) | 21,659 | 14,579 | 124,700 |

(b) Scenario (i) - Pro forma adjustments and assumptions

The pro forma balance sheet has been prepared on the basis of the following assumptions which contemplate the acquisition by TGM of a 50.1% controlling interest in Focus:

1. TGM would be required to issue 350,950,125 New TGM Shares to existing Focus Shareholders to acquire a 50.1% controlling interest in Focus (taking into account that it already held 3,185,831 Focus Shares at a cost value of \$848,691) at an implied price of \$0.40 per Focus Share in a scrip transaction with each TGM Share valued at \$0.16 (being the closing price on 11 February 2022, the last trading day before the date of this Fourth Supplementary Bidder's Statement). The total purchase price to acquire 50.1% of Focus Shares on issue at the date of this Fourth Supplementary Bidder's Statement is therefore approximately \$56.2m (using TGM's closing price on 11 February 2022 of \$0.16⁵) plus \$848,691 for those Focus Shares already held.
2. In this scenario, the remaining non-controlling interest holders' share of 49.9% of Focus of \$57.2m has been calculated on the same basis as in paragraph 1 above and is reflected in the pro forma balance sheet adjustments for scenario (i). The non-controlling interest holding has been calculated using TGM's closing price on 11 February 2022 of \$0.16.
3. Estimated costs of the Offer are \$500,000 which include legal fees, audit fees, financial advisory costs, consultants' fees, corporate compliance fees and regulatory and printing costs have been capitalised to exploration and evaluation assets in adjustments/eliminations.
4. A capital raising completed by TGM, raising \$10.37m (net of transaction costs) occurred in the period subsequent to 30 June 2021 and resulted in 21,266,870 TGM Shares being issued at \$0.21 per share and debt funding of A\$6m (by way of Bonds) being raised and is reflected in the 31 December 2021 Appendix 5B for TGM.
5. During the December 2021 quarter and included in adjustments/eliminations, TGM purchased 1,842,436 Focus Shares on market at a cost of \$512,842 and applied for and was allotted 1,343,395 Focus Shares under the Focus Entitlement Offer at a cost of \$335,849.
6. Appendix 5B Cashflow entries as at 31 December 2021 for TGM and Focus are adjusted in the merged statement of financial position to include unaudited net cash inflows/(outflows) of \$2.4m and \$7.4m for TGM and Focus respectively. TGM has converted its cashflow entries using the closing USD/AUD spot rate provided by the RBA of 0.7256 as at 31 December 2021.
7. Fair value adjustment attributed to exploration and evaluation assuming TGM acquires 50.1% controlling interest of Focus under the Offer, based on the issue of 5 New TGM Shares for every 2 Focus Shares on issue as at the Register Date (being 350,950,125 New TGM Shares valued at \$56.2m and taking into account that TGM already holds 3,185,831 Focus Shares for which it has paid \$848,691).
8. Focus has noted in its offer booklet for the Focus Entitlement Offer (released to ASX on 3 December 2021) that the Shandong Loan Facility for US\$10m (A\$14m) may be drawn down and used to fund exploration and development. This is in addition to the \$20m Shandong Loan included in Focus' Balance Sheet as at 30 June 2021.

⁵ The Offer consideration is subject to change as the price of TGM Shares changes between the date of this Fourth Supplementary Bidder's Statement and the expiration of the Offer Period.

9. Tax effect accounting has not been adjusted in the pro-forma balance sheet.
10. TGM presentational reporting currency is in USD which has been converted to AUD in financial statements presented in the Replacement Bidder's Statement (and this Fourth Supplementary Bidder's Statement).
11. The pro-forma balance sheet is indicative only and will vary in aggregate as well as asset and liability classes following the comprehensive fair value assessment of Focus' assets and liabilities upon completion of the Offer including fair purchase price allocations and related tax effect accounting. Furthermore, the actual number of New TGM Shares on issue at completion of the Offer and the price paid to acquire shares in Focus will depend upon the number of acceptances of the Offer.

(c) Scenario (ii) - Minority Interest pro forma consolidated financial statements

BALANCE SHEET

Unaudited Pro-Forma Consolidated Statement of Financial Position - (assuming 25% of FML Shares are acquired as a minority interest)

| | TGM 30/06/2021 Balance Sheet | TGM 31/12/2021 Appendix 5B | TGM Post Completion Balance Sheet | TGM Scenario (b) | TGM Pro forma Balance Sheet Post Completion - 25% Minority Interest |
|--------------------------------------|------------------------------------|----------------------------------|--|---|---|
| | (audited) \$A'000 | (un-audited) \$A'000 | (un-audited) \$A'000 | 25% Minority Interest in FML / Adjustments (un-audited) \$A'000 | (un-audited) \$A'000 |
| ASSETS | | | | | |
| CURRENT ASSETS | | | | | |
| Cash and cash equivalents | 266 | 2,448 | 2,714 | (500) | 2,214 |
| Trade and Other Receivables | 239 | - | 239 | - | 239 |
| TOTAL CURRENT ASSETS | 505 | 2,448 | 2,953 | (500) | 2,453 |
| NON-CURRENT ASSETS | | | | | |
| Receivables | 57 | - | 57 | - | 57 |
| Other receivables | 2,079 | - | 2,079 | - | 2,079 |
| Plant and Equipment | 1,462 | 508 | 1,970 | - | 1,970 |
| Exploration and Evaluation Assets | 20,964 | 1,916 | 22,880 | - | 22,880 |
| Investment in Focus Minerals Limited | - | 847 | 847 | 27,882 | 28,729 |
| Financial Assets | 698 | - | 698 | - | 698 |
| TOTAL NON-CURRENT ASSETS | 25,260 | 3,272 | 28,532 | 27,882 | 56,413 |
| TOTAL ASSETS | 25,765 | 5,719 | 31,484 | 27,382 | 58,866 |
| LIABILITIES | | | | | |
| CURRENT LIABILITIES | | | | | |
| Trade and other payables | 1,266 | - | 1,266 | - | 1,266 |
| Provisions | 1,115 | - | 1,115 | - | 1,115 |
| Borrowings | 9,649 | 5,924 | 15,573 | - | 15,573 |
| TOTAL CURRENT LIABILITIES | 12,030 | 5,924 | 17,954 | - | 17,954 |
| NON-CURRENT LIABILITIES | | | | | |
| Provisions | 2,067 | - | 2,067 | - | 2,067 |
| Borrowings | 112 | - | 112 | - | 112 |
| TOTAL NON-CURRENT LIABILITIES | 2,179 | - | 2,179 | - | 2,179 |
| TOTAL LIABILITIES | 14,209 | 5,924 | 20,133 | - | 20,133 |
| NET ASSETS | 11,556 | (205) | 11,351 | 27,382 | 38,733 |
| EQUITY | | | | | |
| Issued capital | 116,894 | 3,936 | 120,830 | 27,382 | 148,212 |
| Reserves | 10,366 | - | 10,366 | - | 10,366 |
| (Accumulated losses) | (115,704) | (4,141) | (119,845) | - | (119,845) |
| TOTAL EQUITY | 11,556 | (205) | 11,351 | 27,382 | 38,733 |

(d) Scenario (ii) - Pro forma adjustments and assumptions

The pro forma balance sheet has been prepared on the basis of the following assumptions which contemplate the acquisition of a minority interest of 25% in Focus by TGM:

1. The purchase price to obtain 25% of Focus of approximately \$27.4m (plus \$848,691 for those Focus Shares already held), is included in adjustments for scenario (ii) and has been calculated using TGM's closing price on 11 February 2022 (the last trading day before the date of this Fourth Supplementary Bidder's Statement) of \$0.16.⁶ The purchase price will be satisfied by the issue of 171,134,576 New TGM Shares at a ratio of 5 New TGM Shares for every 2 Focus Shares (in calculating the purchase price, 3,185,831 Focus Shares already held by TGM have also been taken into account at a cost of approximately \$848,691).
2. The 25% minority interest in Focus will be treated as an investment in an associate and equity accounted as shown in the pro-forma balance sheet adjustments for scenario (ii). All other assumptions are the same as those shown above at items 3 to 11 in scenario (i).

5. FURTHER INFORMATION

If you are in any doubt as to how to deal with this Fourth Supplementary Bidder's Statement, you should contact your broker or your legal, financial or other professional adviser.

If you have any questions about the Offer or how to accept it (including if you require a replacement Acceptance Form), please contact the TGM Offer Information Line on 1300 737 760 (toll free within Australia) of +61 2 9290 9600 (normal charges apply) between 9.00am and 5.00pm (Sydney time) Monday to Friday.

6. AUTHORISATION

This Fourth Supplementary Bidder's Statement has been approved by a unanimous resolution of the directors of Theta Gold Mines Limited.

Dated 14 February 2022

Signed for and on behalf of Theta Gold Mines Limited by



Charles William Guy – Chairman

⁶ The Offer consideration is subject to change as the price of TGM Shares changes between the date of this Fourth Supplementary Bidder's Statement and the expiration of the Offer Period.

Theta Gold Mines Limited ABN 30 131 758 177

Notice of Variation – Extension of Offer Period and Increase in Offer Consideration

To: Australian Securities & Investments Commission (**ASIC**);
Focus Minerals Ltd (**Focus**);
ASX Limited (**ASX**); and
each person referred to in section 650D(1)(c)(ii) of the *Corporations Act 2001* (Cth) as modified by ASIC Class Order [CO 13/521].

This notice is issued by Theta Gold Mines Limited (ABN 30 131 758 177) (**TGM**) in relation to TGM's takeover bid for all Focus Shares that existed on the Register Date of 21 December 2021 made under TGM's Replacement Bidder's Statement dated 4 January 2022 (as supplemented from time to time) (**Bidder's Statement**).

Words defined in the Bidder's Statement have the same meaning in this notice unless the context requires otherwise.

1 Extension of Offer Period

TGM gives notice under section 650D(1) of the Corporations Act that it varies the Offer by extending the period during which the Offer will remain open for acceptance until 7.00pm on 2 March 2022 (unless further extended or withdrawn).

Accordingly, the Offer is varied by replacing all references to "21 February 2022" with "2 March 2022" in all places in the Bidder's Statement and Acceptance Form where the date "21 February 2022" appears (or is deemed to appear) as the last day of the Offer Period.

2 New date for giving notice of the status of defeating conditions

TGM gives notice under subsection 630(2)(b) of the Corporations Act that:

- (a) the new date for giving notice of the status of the defeating conditions (for the purposes of clause 7.5 of Appendix 1 of the Bidder's Statement) is 23 February 2022; and
- (b) as at the date of this notice, the Offer has been freed from all defeating conditions set out in Appendix 2 of the Bidder's Statement and is, accordingly, unconditional.

3 Increase in Offer Consideration

TGM gives notice under section 650D(1) of the Corporations Act that it varies the Offer by increasing the Offer Consideration from 2 New TGM Shares for every 1 Focus Share to 5 New TGM Shares for every 2 Focus Shares.¹

Accordingly, the Offer is varied by replacing all references to:

- (a) "2 New TGM Shares for every 1 Focus Share"; and

¹ This is equivalent to 2.5 New TGM Shares for every 1 Focus Share.

(b) “2 New TGM Shares for every 1 of your Focus Shares”,

with “5 New TGM Shares for every 2 Focus Shares” in all places in the Bidder’s Statement, the Acceptance Form and in all other instances where “2 New TGM Shares for every 1 Focus Share” appears (or is deemed to appear) as the Offer Consideration.

This increased Offer Consideration will apply to all Focus Shareholders (to whom the Offer applies) who accept the TGM Offer, including those Focus Shareholders who have already accepted the TGM Offer.

A copy of this notice was lodged with ASIC on 14 February 2022. ASIC takes no responsibility for the contents of this notice.

This notice is dated 14 February 2022 and has been approved by a unanimous resolution of the directors of TGM.

Signed for and on behalf of Theta Gold Mines Limited by



Charles William Guy

Chairman

ACCEPTANCE AND TRANSFER FORM

in respect of the Offer by Theta Gold Mines Limited ABN 30 131 758 177 (TGM) to acquire all of your Shares in Focus Minerals Ltd ABN 56 005 470 799 (Focus) that exist on the Register Date of 21 December 2021.

THIS IS AN IMPORTANT DOCUMENT

IF YOU DO NOT UNDERSTAND IT PLEASE CONSULT YOUR FINANCIAL, LEGAL OR OTHER PROFESSIONAL ADVISER IMMEDIATELY

STEP 1 – Check your details below (see over)

Number of Focus Shares you Hold as at the Register Date of 21 December 2021

HIN/SRN *

(*A new SRN may be allocated to you solely for the purpose of this offer)

Sub Register

Use this Acceptance Form to accept the Offer by TGM for all your Focus Shares that exist on the Register Date 21 December 2021 on the terms of the Replacement Bidder's Statement from TGM dated 4 January 2022 as replaced or supplemented (Bidder's Statement). You should read the Bidder's Statement, which accompanies this Acceptance Form. Capitalised terms used in this Acceptance Form have the same meaning as in the Bidder's Statement unless otherwise defined. By accepting the Offer, you are accepting for ALL of your Focus Shares that exist on the Register Date of 21 December 2021. You cannot accept for only part of your Focus Shares that exist on the Register Date of 21 December 2021.

If you need help completing this Acceptance Form or have any enquiring in relation to TGM's offer, please contact the share registry on 1300 737 760 (within Australia) or +61 2 9290 9600 (for callers from outside Australia) Monday to Friday between 8.30am to 5.00pm (EST).

STEP 2 – For Issuer Sponsored Holdings only

If your Focus Shares are held on the Issuer Sponsored Sub-register (see "Sub-register" above) or if at the time of your acceptance you are entitled to be (but are not yet) registered as a holder of your Focus Shares, to accept the Offer you must **sign below** and **return this form**.

* OFFER CONSIDERATION

5 New TGM Shares for every 2 of your Focus Shares.

* NB: See clause 6.3, Appendix 1 of the Bidder's Statement for details on Ineligible Foreign Shareholders.

STEP 3 – For CHESSE Holdings only

If your Focus Shares are held on the CHESSE Sub-register (see "Sub-register" above) to accept the Offer you can either:

- Contact your Controlling Participant – normally your Broker – and instruct them to accept the Offer on your behalf (If you do that and your Controlling Participant follows those instructions, you do not need to complete and return this Acceptance Form);

OR

- If you want TGM to contact your Controlling Participant on your behalf, write their details here and sign and return this form. By doing so you authorise TGM to instruct your Controlling Participant to initiate acceptance of the Offer and to take all other steps necessary to cause acceptance of the Offer in accordance with the ASTC Settlement Rules.

BROKER DETAILS (CHESSE HOLDINGS ONLY)

Your Broker's Name:

Your Broker's Address:

Your Broker's Telephone Number:

STEP 4 – Sign as indicated below

I/We, the securityholder(s) named above, being the holder(s) of Focus Shares:

- ACCEPT the Offer in respect of ALL of my/our Focus Shares that exist on the Register Date;
- AGREE TO TRANSFER my/our Focus Shares that exist on the Register Date to TGM for the consideration specified in the Offer, and in accordance with the terms of the Offer;
- AUTHORISE TGM, its officers and agents to correct any errors in or omissions from this Acceptance Form to make it an effective acceptance of the Offer and enable registration of the transfer of the Focus Shares to TGM; and
- AGREE to be bound by the terms of the Offer.

Please refer overleaf for further instructions on how to complete this form

If this form is signed under power of attorney, the attorney declares that they have no notice of the revocation of the power of attorney.

Individual or Securityholder 1

Securityholder 2

Securityholder 3

Sole Director and Sole Company Secretary

Director

Director/Company Secretary (delete one)

Please enter your telephone number where you may be contacted during business hours

Dated ___/___/2022

Telephone number: _____

Your acceptance must be received BEFORE the Offer Period ends (being 7pm (Sydney Time) on 2 March 2022 (unless extended). If the Acceptance Form is sent by mail, you may use the enclosed reply paid envelope.

How to complete this Acceptance Form and ACCEPT the Offer

1. Your Name & Address details

Your pre-printed name and address is as it appears on the share register of Focus. If you are Issuer Sponsored and this information is incorrect, please make the correction on this form and initial the correction. Securityholders sponsored by a Broker on the CHESS Sub-register should advise their Broker of any changes.

2. Issuer Sponsored Holdings

(as indicated by "Issuer Sponsored" appearing next to "Sub-register" on this Acceptance Form)

If your Focus Shares are in an Issuer Sponsored Holding, or if you are not yet registered as the holder of your Focus Shares, then to accept the Offer, **you must fill out this Acceptance Form overleaf and return it to one of the addresses shown below.**

3. CHESS Holdings

(as indicated by "CHESS" appearing next to "Sub-register" on this Acceptance Form)

If your Focus Shares are in a CHESS Holding, you do not need to complete and return this Acceptance Form to accept the Offer. You can contact your Controlling Participant, normally your Broker, and instruct them to accept the Offer on your behalf. If you decide to use this Acceptance Form, follow the instructions below.

It is the responsibility of the eligible securityholder to allow sufficient time for their Controlling Participant to initiate acceptance on their behalf in accordance with ASTC Settlement Rule 14.14. You must ensure that this Acceptance Form is received in sufficient time before the end of the Offer Period to enable us to instruct your Controlling Participant to effect acceptance on CHESS during business hours.

If your holding is CHESS sponsored and you send your Acceptance Form to Boardroom Pty Limited, they will send the relevant acceptance message to CHESS for forwarding to your Controlling Participant for acknowledgement. TGM and Boardroom Pty Limited will not be responsible for any delays incurred by this process.

If you sign and return this Acceptance Form to one of the below addresses either in respect of an Issuer Sponsored Holding or so that contact may be made with your Controlling Participant on your behalf, you warrant to TGM (and authorise TGM to warrant on your behalf) that you have full legal and beneficial ownership of the Focus Shares and that TGM will acquire them free from all mortgages, charges, liens, encumbrances (whether legal or equitable), restrictions on transfer and free from any third party rights.

4. Signature(s)

You must sign the form as follows in the space provided overleaf:

| | | | |
|---------------------------|---|-------------------------|--|
| Joint Holding: | Where the securityholding is in more than one name all of the Focus Shareholders must sign. | Deceased Estate: | All executors must sign and, if not already noted by the Focus registry, attach a certified copy of probate, letters of administration or grant accompanied (where required by law for the purpose of the transfer) by a certificate of payment of death or succession duties and (if necessary) a statement in terms of section 1071B(9)(b)(iii) of the Corporations Act. |
| Power of Attorney: | To sign under power of attorney, you must attach a certified copy of the power of attorney to this form when you return it. By signing this form under a power of attorney, you will have declared that you have no notice of revocation of the power and are able to further delegate power under it under the Bidder's Statement. | Companies: | This form must be signed by either 2 directors or a director and a company secretary. Alternatively, where the company has a sole director and, pursuant to the Corporations Act, there is no company secretary, or where the sole director is also the sole company secretary, that director may sign alone. Delete titles as applicable. |

Additional Notes

- Sold all your Focus Shares** – if you have sold all of your Focus Shares, please send this form and your Bidder's Statement to the stockbroker who acted on your behalf.
- Recently bought or sold Focus Shares** – if you have recently bought or sold any Focus Shares, your holding may differ from that shown on the front of this form. If so, please alter the number of Focus Shares shown as your registered holding that existed on the Register Date of 21 December 2021 only.

Information you supply on this Acceptance Form will be used by TGM and Boardroom Pty Limited for the primary purpose of processing your acceptance of the Offer and to provide you with the consideration payable under the Offer. This information may be disclosed to TGM's professional advisers, securities brokers, printing and mailing providers and other third parties in connection with the Offer. If you do not supply this information, your acceptance may not be processed and you may not receive the consideration payable. You may have rights to access the personal information you have supplied. Please see Boardroom Pty Limited's privacy policy on its website.

This Acceptance Form must be received at the relevant address shown below before the end of the Offer Period.

Postal address

Boardroom Pty Limited
TGM Offer
GPO BOX 3993
SYDNEY NSW 2001

Delivery in person

Boardroom Pty Limited
TGM Offer
Level 12, 225 George Street
SYDNEY NSW 2000

If the Acceptance Form is sent by mail, you may also use the enclosed reply paid envelope.

Neither TGM nor Boardroom Pty Limited takes any responsibility if you lodge this Acceptance Form at any other address or by any other means. The postal rule does not apply to this offer.