THETA GOLD MINES

ANNUAL REPORT 2022

Contents

CHAIRMANS LETTER

Dear Fellow Shareholders,

On behalf of the Board of Directors, I am pleased to present the 2022 Annual Report for Theta Gold Mines Limited (ASX: TGM | OTC: TGMGF). In the last twelve months, the company has delivered its 2021 promise to change direction to underground mining. The TGME Underground Feasibility Study (FS) was completed in July 2022, along with the submission of the Environmental Impact Assessment (EIA) for Mining Right (MR)83.

The company completed a FS for the first four mines Beta, CDM, Frankfort and Rietfontein (TGME Underground Project). The Base Case life of mine (LOM) plan will comprise a 12.9-year mining operation starting in 2024 to deliver a production of 1.24 million ounces of contained gold. Peak production is over 100,000 ounces per year. By adding the fourth mine Rietfontein to the mining schedule, there has been a significant scale-up from the April 2021 pre-feasibility study with a production rate of just above 60,000 ounces per year.

The estimated development capital or peak funding requirement is US$77 million (with a total Capex of US$100 million), with the project forecast to generate a pre-tax $NPV_{10\%}$ of US$324 million (A$432 million) and pre-tax Internal Rate of Return (IRR) of 65% at the forecast average gold price of US$1,642/oz over the LOM.

Underground mining will deliver higher-grade ore to the gold plant with a much smaller environmental footprint that's well supported by the local community and key stakeholders, with access to a larger resource base of 4.5 million ounces of underground mineral resources.

The company has 6.1 million ounces of total gold resources under management. The new multi-mines strategy delineated by the Board set a goal to deliver 160,000 ounces of gold per year over 5 years, offering a clear growth profile in production and shareholder value.

Environment, Social and Governance (ESG) is enhanced by the TGME Underground Project. Over 20 environmental studies were completed for Mining Right (MR)83. The final Environmental Impact Assessment Report and Environmental Management Programme (EIA/EMPr) have been submitted to the Department of Mineral Resources and Energy (DMRE) together with the final technical documents for the integrated water use licence application to the Department of Water and Sanitation (DWS) for final decision.

The findings from the EIA/EMPr and specialist studies have not elicited any fatal flaw. The outcome of the decisions from the DMRE and DWS on the applications are expected in Q1, 2023.

Theta's team has worked very hard to reduce its environmental footprint; The project is an extension of existing underground mines. There will be only minor new ground disturbances as infrastructure will be placed on the existing footprint, where the higher-grade ore will lead to reducing chemical consumption and processing cost per ounce of gold. The social contract with the local population will be further enhanced by mining underground, which is well understood in the area. The region has over 150 years of underground mining history.

There was a steady transition of the company from exploration to development as the company looks towards the next major repositioning to a gold producer. During the year, 83% of all funds raised went to South Africa to develop the TGME Underground Project. During this process, the share register has also changed, with the number of shareholders recently surpassing 1,200.

Moving forward into the 2023 financial year, the company will work on completing the project financing requirement, permitting, further exploration work, and underground development. Once project financing is complete, we will begin the mine build phase. Currently, the company has 30 staff on site led by our Chief Operations Officer, a proven African gold mine builder Mr. Jacques Du Triou.

We appreciate the continued support from our shareholders, and we welcome new shareholders to the share register. The company looks forward to continuing to progress project development and deliver good news for shareholders in 2023.

Thank you for your continued support.

Bill Guy

Charles (Bill) Guy
Chairman

REVIEW OF OPERATIONS

OVERVIEW

Theta Gold Mines Limited ("the Company" or "Theta Gold" or "TGM") is a gold exploration and development company that holds a range of prospective gold assets through its 74%-owned subsidiary Transvaal Gold Mining Estate Ltd (TGME) in a world-renowned South African gold mining region. The Company's shares are dual listed on the Australian Securities Exchange (ASX: TGM) and the OTC Markets in the United States (OTC: TGMGF) with Depository Trust & Clearing (DTC) Eligibility.

The Company's TGME Underground Gold Mine Project ("The Project" or "TGME Project") phase one consists of four existing mines, Beta, Frankfort, CDM and the Rietfontein mine. The Project is located next to the historical gold mining town of Pilgrim's Rest, in the Mpumalanga Province, some 370km northeast of Johannesburg or 95km north of Nelspruit (the Provincial Capital City) and includes more than 43 historical mines identified across the vast prospective gold field of 620 square kilometres (62,000 hectares).

The Company delivered its very first definitive Feasibility Study (FS) in July 2022 which presents a clear pathway to production via the re-development of TGME's gold assets and is currently focused on the holistic strategy to deliver long term organic growth, with initial development focusing on the permitting of six mines to target a production profile of 160,000 ounces Au per annum. The TGME Project (Phase 1) incorporates the first four mines. In April 2021 Theta declared a maiden underground mining reserve of 419,000 oz @ 5.49 g/t Gold, along with the first Maiden Underground Pre-Feasibility Study. The Mining Reserve were based on only 16% of the 4.5 Moz underground gold resource and incorporated only three mines across the project area.

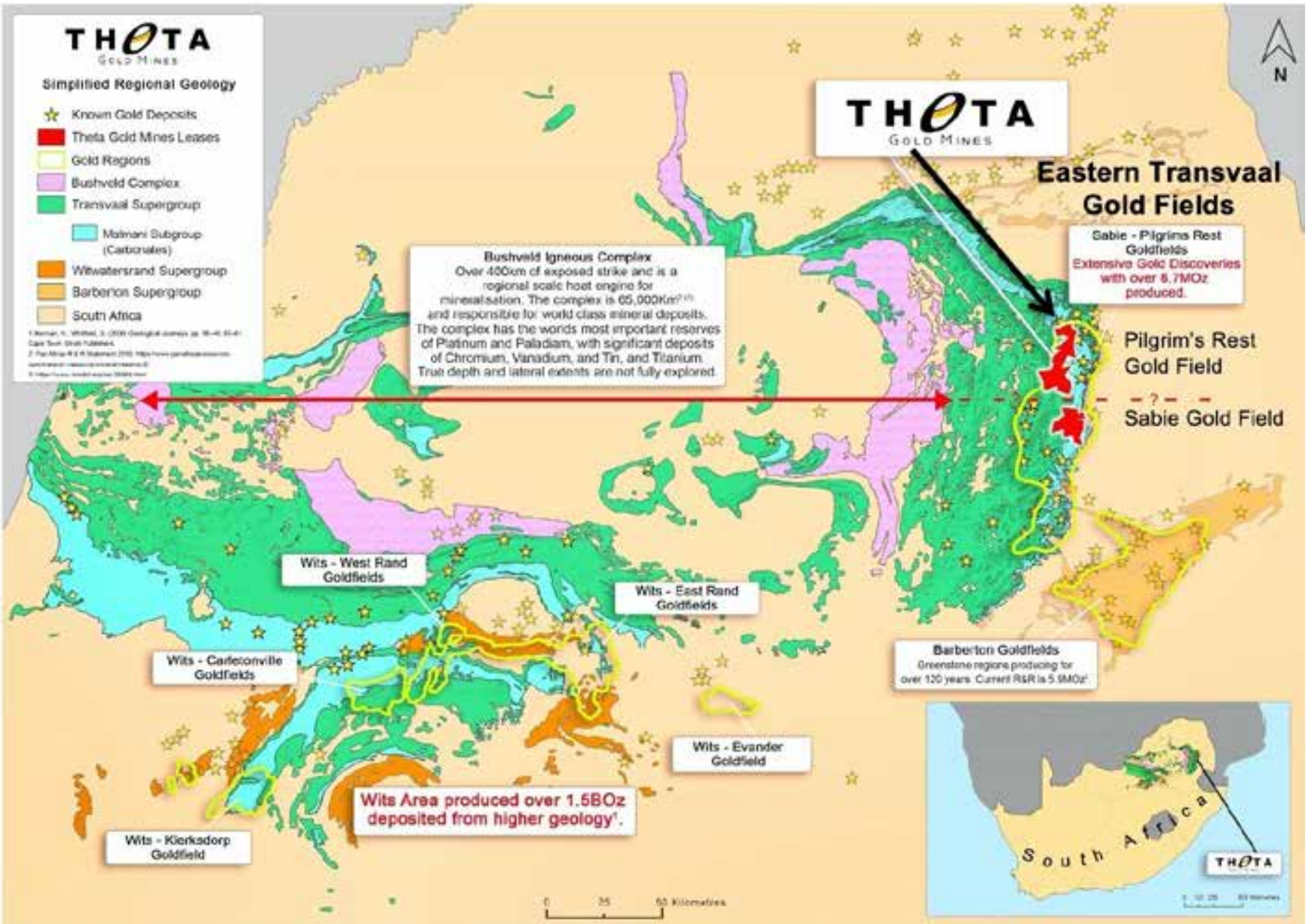

Figure 1: Location of Theta Project

FY22 HIGHLIGHTS

Feasibility Study (TGME Underground Gold Mine Project)

- TGME Feasibility Study[1] delivers 1.24Moz contained gold production, underpinning an initial 12.9-year mine life.
- Strong financial return based on LOM plan (at average gold price of A$2,189/oz) with first production targeted for Q2, 2024[2] including:
    - Undiscounted free cash flows of US$508m, (A$678m), pre-tax US$717, (A$956m);
    - NPV (at a 10% discount rate) of US$219m, (A$292m), pre-tax US$324m, (A$432m);
    - Capital payback period of 31 months;
    - Pre-tax IRR of 65%; and
    - Peak production over 100,000 oz Gold.
- All-in-sustaining Cost (AISC) of US$834/oz (A$1,112/oz) over LOM sits on the bottom quartile of South Africa and Australian gold producers;
- Peak Capital requirement is US$77m, (A$103m), total capital requirements US$174m, (A$232m), and
- Front-End Engineering Design (FEED) of the TGME gold plant completed, forming an important input towards the finalisation of the definitive Feasibility Study (FS) of the TGME underground project[3].

Trial Mining Successfully Completed

- The trial mining work started in September 2021 focused on rock engineering and mine support systems, drilling, and blasting technics as well as cleaning of broken ore in support of the definitive FS completed in July 2022.
- The trial mining at Frankfort Mine was a success and proved that the planned mechanical long-hole drilling applied to a narrow vein orebody will achieve the desired outcome and open endless possibilities within these goldfields.

  As part of the ongoing trial mining within the project scope, investigations were undertaken in accessing suitable equipment to allow for bulk gravity gold sampling for exploration work in targeted areas across the tenements. A centrifugal concentrator was procured, which will be utilized to test different ore types and attain an understanding of potential gravity gold recovery.

Figure 2: Low-Profile Loader entering Frankfort mine

[1] Ref to ASX release dated 27 July 2022 titled "Theta's TGME Project Definitive FS Confirms NPV10% of A$432 million at US$1,642/Oz Gold price"
[2] First gold produced timing will be subject to securing funding and obtaining all necessary regulatory permitting approvals.
[3] Refer to ASX release dated 20 June 2022 titled "TGME Gold Project Update"

Permitting

- The Company announced in July 2022[4] that the final Environmental Impact Assessment (EIA) Report and Environmental Management Programme (EIA/EMPr) have been submitted to the Department of Mineral Resources and Energy (DMRE) and the final technical documents for the integrated Water Use License (WUL) application to the Department of Water and Sanitation (DWS) for final decision.
- The outcome of the decisions from the DMRE and DWS on the applications are expected in Q4 of 2022 with an additional 90-days review and objection period. A positive decision from the competent authorities will enable the Company to commence with its MR83 underground mines build.
- Over 20 studies have been completed as part of the EIA process. The findings from the EIA/EMPr and specialist studies have not identified any fatal flaw, unaddressed objection, or significantly high impact ratings. The requisite mitigation measures are all imminently feasible and this provides all interested and affected parties the confidence that the impacts of our proposed activities will not threaten the environment.
- An application for an Atmospheric Emissions License (AEL) was granted for the operation of the processing plant by the Department of Forestry, Fisheries and the Environment (DFFE) in September 2022 along with a State Forest Licence issued for the Frankfort Mine[5].

Table 1 Environmental Approvals Granted for Mining Rights (MR) 83- Progress Table

Task	Duration	Status[1]
Submit application for EA	Q3 2021	✓
Submit draft scoping report	Q1 2022	✓
Specialists EIA Studies Completed	Q1 2022	✓
DMRE acceptance of final Scoping report	Q2 2022	✓
Draft EIA/EMPr submitted for public review	Q2 2022	✓
Draft IWWMP submitted for public review	Q2 2022	✓
Expected EIA approvals (all studies and documentation submitted)	Q4 2022	
Expected Water use approvals (all studies and documentation submitted)	Q4 2022	
Air Quality Emissions approval (all studies and documentation submitted)	Q4 2022	✓

1. Status of environmental permits as at the completion of this annual report.

Corporate

- Raised up to AU$11.9 million during 2022 in development funding made up as follows:
  - AU$5.9 million of capital raised (before costs) through the issue of shares via private placement and Share Purchase Plan, and
  - AU$6 million secured bonds issued to 2Invest AG[6] a large European fund who is a cornerstone institutional investor on the register and holder 6.28% of the shares in Theta Gold.
- Completion of the Focus Minerals Limited (FML) off-market takeover offer on 2 March 2022, resulting in the Company receiving a total of 4,977,984 FML acceptances and gained approximately 417 new shareholders on the TGM registry. As a result, TGM has issued 12,445,002[7] new TGM shares as consideration under the 5-for-2 scrip for scrip takeover offer representing approximately 2.83% of fully-paid FML shares on issue at the time.

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[4] Refer to ASX release dated 18 July 2022 titled "Permitting Update TGME Underground Gold Project"
[5] Refer to ASX release dated 6 September 2022 titled "Two Approvals Granted for the TGME Underground Gold Project"
[6] Refer to ASX release dated 30 July 2021 titled "Over AU$10M New Funding Package Secured, Led by a German Investor to accelerate the TGME Gold Project Development"
[7] Refer to ASX Releases dated 4 and 11 March 2022 titled "Applications for Quotations of Securities"

THETA'S TGME GOLD PROJECT DEFINITIVE FEASIBILITY STUDY (FS)

The FS[8] for the TGME Project was delivered on 27 July 2022, confirming Theta Gold's potential to be a significant near-term, high-margin, low-cost gold production project with tremendous opportunities for future growth. Based on the FS results, the Project will provide robust financial returns from a long-life large underground mining operation for a modest capital investment given the scale of operations envisaged.

The Project LOM will initially comprise a 12.9-year mining operation starting in Q1, 2023[9] and delivering LOM production of 1.24 Moz of contained gold. The estimated peak development Capital Expenditure ("Capex") is A$103 million, with the Project forecast to generate a pre-tax $NPV_{10\%}$ of A$432 million and pre-tax internal Rate of Return (IRR) of 65% at a forecast average gold price of A$2,189 per ounce. Based on these metrics, the Project has a projected capital payback period of 31 months.

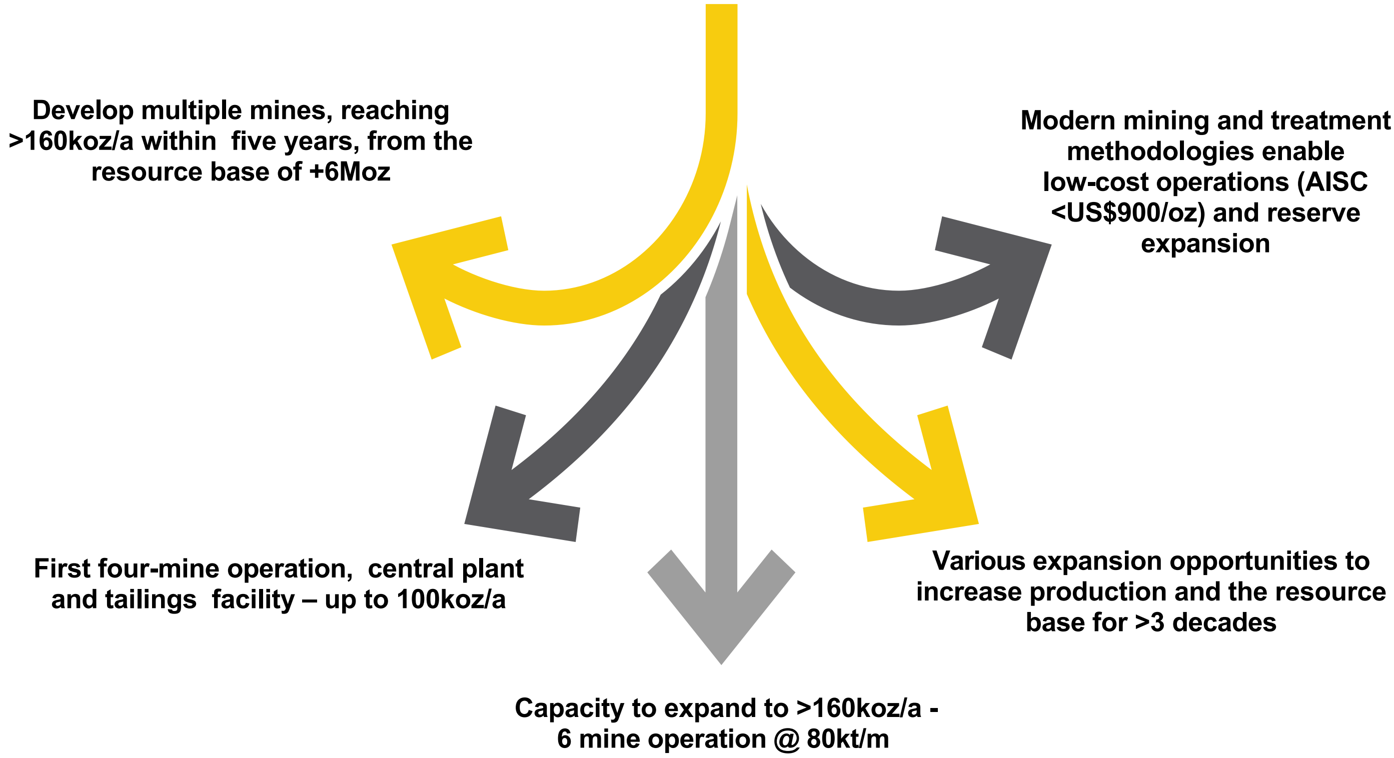
The FS paves the way for a Final Investment Decision ('FID') by the Theta Gold Board in respect to funding negotiations and on-going discussions with financiers with respect to full/partial debt and equity funding options. Theta Gold has appointed a debt funding advisor to manage this important process and will provide updates in due course.

[8] Refer to ASX Release dated 27 July 2022 titled "Theta's TGME Project Definitive FS Confirms NPV(10%) of A$432 Million at US$1,642 / Oz Gold Price"
[9] Start time will be dependent on securing necessary funding and permitting approvals.

KEY FEATURES OF PROJECT

Note1. First gold pour is subject to securing funding and regulatory permits.

Solid Growth Potential



6 UG MINES TARGETED FIRST OUT OF POTENTIAL >40

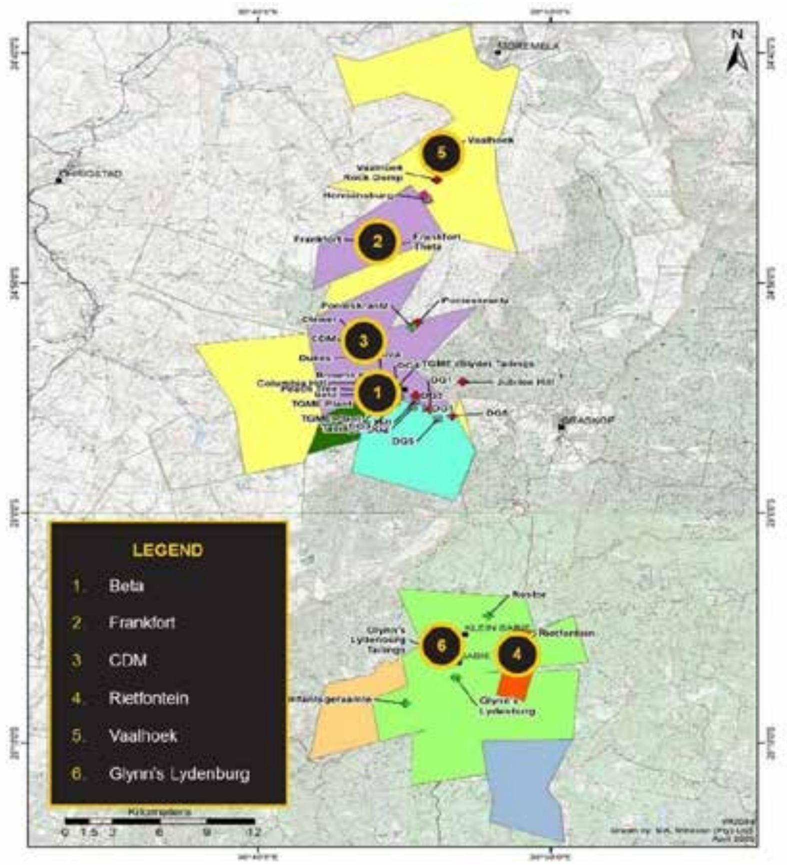


Figure 3: Location of first 6 gold mine sites

Table 2: Key Project Metrics

Description	Units	Base Case	Reserve Plan
Project Start Date	Qtr/Year-yyyy	Q1 2023	Q1 2023
Commercial Production Start Date	Qtr/Year-yyyy	Q2 2024	Q2 2024
Production build up period	Months	14	14
Life of mine	years	12.9	7.3
Underground ore mined (LOM)	Mt	6.46	2.85
Mined Grade	g/t	5.95	6.09
Gold Mined (LOM)	Moz	1.24	0.56
Production Rate	Kt/a	540	540
Production Rate	Kt/m	45	45
Grind size	μ	106	106
Gold recovered (average LOM)	%	87	87
Gold recovered (LOM)	Moz	1.08	0.49

Project economics below shows the sensitivities to the various gold price estimates and demonstrates the robust financial returns of the Project. The FS completed in July 2022 used an average gold price of USD 1,642 / Oz as a base case.

Table 3: Project Economics at Various Gold Prices – Base Case (AUD)

Project Economics at gold price	Unit	Forecast (USD1,642/ oz Avg)	USD1,500/oz	USD1,600/oz	USD1,800/oz	USD2,000/oz	USD2,200/oz
NPV @ 10% (real) Pre-tax	AUDm	432	339	405	536	669	802
NPV @ 10% (real) Post-tax	AUDm	292	232	274	359	447	533
IRR (%) Pre-tax	%	65%	57%	64%	77%	90%	102%
IRR (%) Post-tax	%	57%	50%	56%	67%	78%	87%
AISC	AUD/oz	1,112	1,096	1,107	1,129	1,149	1,167
EBITDA annual average	AUDm	92	77	87	107	128	148
EBIT annual average	AUDm	80	66	76	96	116	136
Free Cash Flow (Pre-tax)	AUDm	956	768	897	1,158	1,421	1,686
Free Cash Flow (Post-tax)	AUDm	678	550	638	814	996	1,175
Development Capital – Peak Funding	AUDm	102	102	102	102	102	102
Capital Sustaining	AUDm	49	49	49	49	49	49
Payback post-tax	Months	31	33	31	28	25	24
Capital Efficiency (Pre-Tax NPV/Dev Capital	%	422%	332%	395%	524%	653%	783%
Capital Efficiency (Post-Tax NPV/Dev Capital	%	285%	226%	268%	351%	437%	521%

NOTES:

1. Converted to AUD from USD using AUD:USD exchange rate of 1.333.
2. Due to rounding, numbers presented throughout this document may not add up precisely to the totals, provided and percentages may not precisely reflect the absolute figures.

Figure 4: Annual Gold Production – Base Case

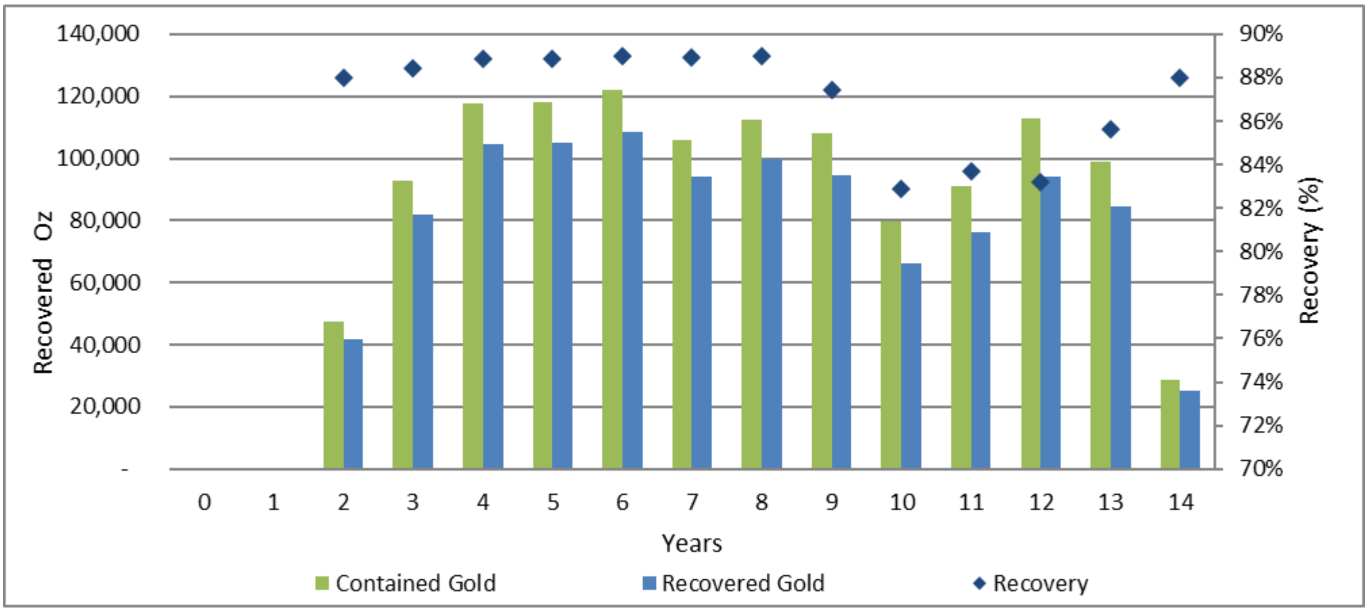
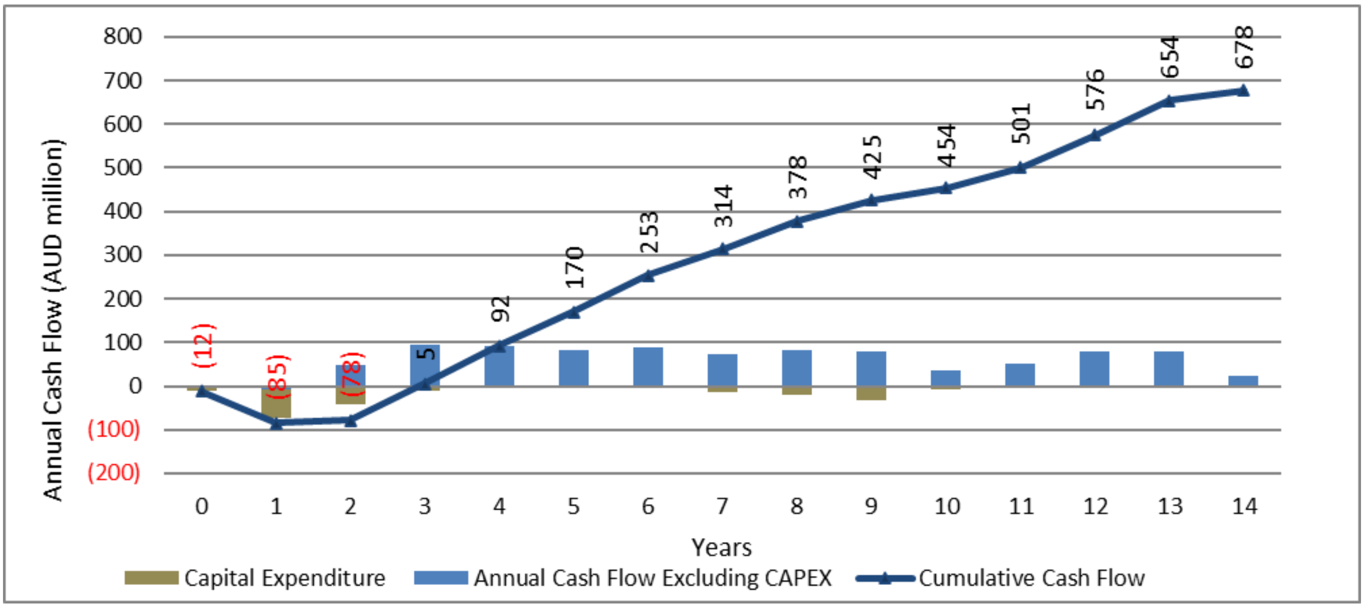


Figure 5: Annual and Cumulative Cash Flow (Post-Tax) – Base Case (AUD)



NOTES:-

1. Forecast Prices averaging USD1,642/oz over LOM.
2. Converted to AUD from USD at exchange rate of 1.333 AUD:USD.

The TGME Project targets to restart historical underground gold mines located in a historically prolific gold mining region in the Mpumalanga Province of South Africa. The Project Areas are centred in the town of Pilgrims Rest, some 370 km due northeast of Johannesburg, and vast majority of the tenements were under TGME's ownership since the late 1800s.

The Project targets the Beta (including the Beta North, Beta Central and Beta South sections), Rietfontein, Frankfort and Clewer-Dukes Hill-Morgenzon ("CDM") mines. A significant amount of gold resources remain underground which were not mined historically due to technological limitations or limiting ore characteristics.

Beta is scheduled as the first operation to commence production, followed by Rietfontein, and finally CDM and Frankfort simultaneously. In comparison to CDM and Frankfort, Beta and Rietfontein are higher-grade mines.

A gold plant, which acts as the central processing plant for all the historical operations, is situated in close proximity with a maximum distance to operations of approximately 40km. A new facility will be established on this footprint to treat all the ore from the surrounding operations.

Two scheduling strategies have been investigated in the FS. The Base Case considers a LOM plan targeting the total Mineral Resources (Measured, Indicated and Inferred). The Ore Reserve Case considers a LOM plan targeting only Measured and Indicated Mineral Resources.

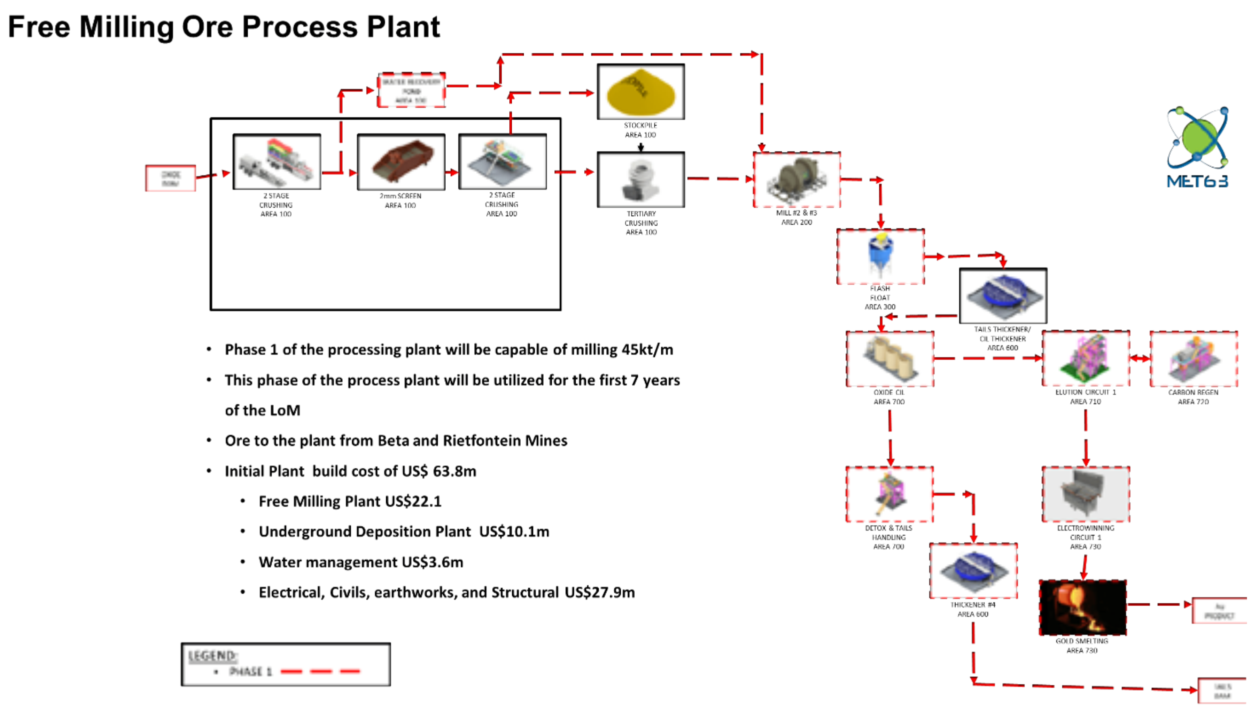
This FS demonstrates the ability to achieve optimised cash flows by scheduling production from the operations. The mine designs and associated costs per operational element feed into a combined operations financial model. The Ore Reserve Case supports the declaration of compliant JORC Code 2012 Ore Reserves.

TGME Underground Gold Mine Development

As part of the preparation for the installation of the first phase new gold plant, TGME had appointed the services of Jet Demolition to remove the redundant plant equipment. The process started in the second week of January 2022. Specialised equipment were utilised for demolition, after which it was reduced in size and made ready for transport to scrap merchants. The project to remove the old plant is now complete[10].

Processing consultants Met63 was contracted to do a detailed design and costing of a processing plant designed for a feed capacity of 45,000 tons per month which is equivalent to 67 tons per hour at 92% availability. A flow schematic is shown in Figure 5.

Figure 6: Process Flow Schematic Phase 1



The FS has been split into three phases, allowing for various processing scenarios aligned with the mining development program. The design of each phase is based on a stand-alone processing facility aligned with the mining plan of the ore body.

- *Phase 1 – Carbon-in-Leach (CIL) Plant (*Free-milling ore is process for the first 7 Years, see *figure 6*).

  The design and costing of a 45,000 tons per month oxide ore processing plant including crushing, milling, CIL and elution with gold Doré produced on site. Testwork undertaken on various "free-milling" ores has indicated high undissolved gold losses, indicating the presence of small amounts of sulphidic constituents. This was particularly evident when completing standard cyanidation bottle roll trials on the CDM mine samples. Subsequent additional testwork supports this. As a result, the Phase 1 circuit will include a flash flotation stage post-milling to remove sulphide associated materials before conventional cyanidation. This flotation mass pull will join the concentrator (production scheduled in Phase 2).

[10] Ref to ASX release dated 4 March 2022 titled "DFS Update and High-Grade Ore Sweeped from New Historical Mines".

- *Phase 2 – Gold Concentrator Plant*

  The design and cost of a 20,000 tons per month concentrating plant including crushing, milling, Density Media separation (DMS) and flotation. The final products consist of a combined carbon and sulphide flotation concentrate. The carbon flotation concentrate being processed through the CIL plant #3 and the sulphide flotation concentrate is processed through the CIL plant #1.

- *Phase 3 – Oxidative Leaching of Sulphide Concentrate*

  The Phase 3 plant includes a 45,000 tons per month Leach-ox processing plant that was designed and costed, including crushing, milling and carbon/sulphide flotation. The phase 3 plant consists of both the gold concentrator plant as well as the CIL plant as described in Phase 1 and Phase 2. The carbon flotation concentrate processed in a dedicated CIL circuit (CIL plant #3), sulphide flotation concentrate oxidized under atmospheric conditions with liquid oxygen injection and high shear reactors. Oxidised product to be treated in a separate batch CIL process (CIL #1) with the tails treated in a larger CIL (CIL plant #2), that also processes the flotation tails as well as "free-milling" ore feed. This option allows for all recovered gold to be produced as Doré on-site with no concentrate produced.

Although there are some shared infrastructure and processing equipment between the phases, for the purposes of this FS the phase-one plant will be constructed first to treat Beta, Rietfontein and CDM ore with phase-three being constructed at a later stage before mining of Frankfort ore commences.

The plant will be developed by an Engineering, Procurement and Construction (EPC) contractor. The Company will run a tender process to evaluate contracts for the construction and upgrade of existing infrastructure including detailed engineering for the plant, procurement, fabrication and delivery to site of plant, equipment and materials and construction of the process plant facilities.

Project Finance

Theta Gold has engaged with a debt funding advisor to assist in negotiations for the required Capex requirements of the A$103 million peak capital. The Company is expected to complete negotiations with debt financing within 2022 calender year.

Project Permits and Approvals

The Company announced in July 2022[11] that the final Environmental Impact Assessment Report and Environmental Management Programme (EIA/EMPr) have been submitted to the Department of Mineral Resources and Energy (DMRE) and the final technical documents for the integrated water use license (WUL) application to the Department of Water and Sanitation (DWS) for final decision.

The outcome of the decisions from the DMRE and DWS on the applications are expected in Q4 of 2022 with an additional 90-day review and objection period for the public. A positive decision from the competent authorities will enable the Company to commence with its MR83 underground project.

Over 20 studies have been completed as part of the EIA process. The findings from the EIA/EMPr and specialist studies have not identified any fatal flaw, unaddressed objection, or significantly high impact ratings. The requisite mitigation measures are all imminently feasible and this should give all interested and affected parties the confidence that the impacts of our proposed activities will not threaten the environment.

A comprehensive stakeholder engagement process was undertaken before the submission of the applications. A very successful open day was held in Pilgrims Rest on 28 May 2022. Feedbacks from the open day was very positive and the community is very excited about the job opportunities and economic upliftment that will be created by the project. With the good turnout at the open day and various other stakeholder meetings it can be concluded that the procedural requirement to consult during the EIA phase is satisfied.

[11] Ref to ASX release dated 18 July 2022 titled "Permitting Update TGME Underground Gold Mine"

It has been advised that the Department of Forestry, Fisheries and the Environment ("DFFE") is currently conducting interdepartmental consultations on the Company's request for Ministerial conditions for continued mining in certain sections of Morgenzon Forest Nature Reserve ("FNR") that was declared in October 2021.

The Company is confident that it can successfully implement its mining operations to better protect the strategic water source and biodiversity area. It is of great concern to the local community and downstream farmers that environmental degradation is accelerating in this catchment area. A positive response on the request to the Minister will therefore be welcomed by stakeholders in the light of current challenges in the catchment, the manageable environmental impacts from the proposed MR83 underground project, and the significant value offering of the proposed Ecological Compensation Programme to support DFFE's wider Environmental, Social and Governance ("ESG") objectives in the region.

Gold Plant Front-End Engineering Design (Feed) Complete

Front-End Engineering Design (FEED) of the TGME gold plant has been completed, forming an important input towards the finalisation of the definitive Feasibility Study (FS) of the TGME Project.

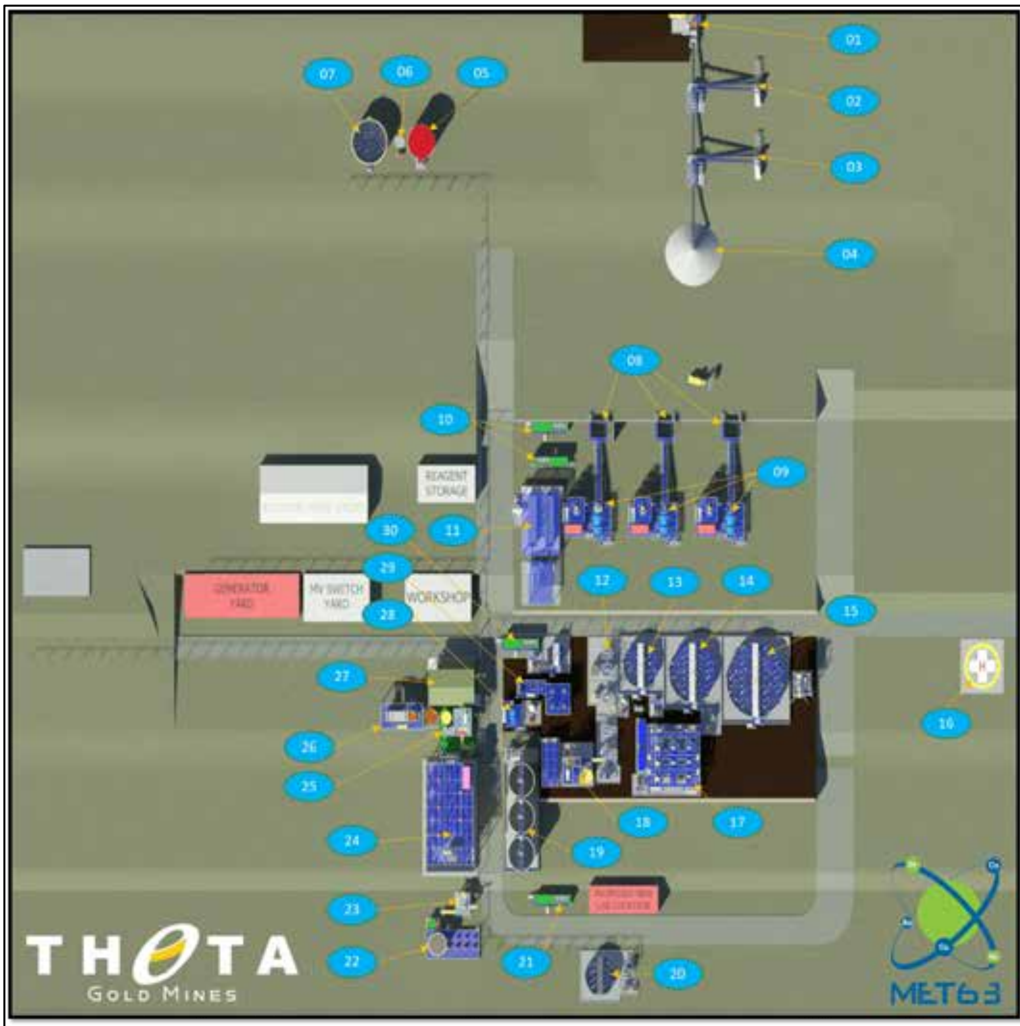
Theta Gold provides an update on the MR83 gold processing plant advising that it had appointed MET63, which specialises in the design and construction of advanced modular processing plants, to undertake and complete the plant design, based on a thorough metallurgical testwork program, and with multi-tier internal and independent oversight.

Key Features of the Gold Process Plant:

- The new gold processing plant is designed to have a milling capacity of 540,000 tons per annum. The plant design consists of two individual processing streams, capable of processing free-milling and sulphide ore separately.
- The new gold processing plant is designed to fit into the current plant footprint which forms part of MR83, therefore no additional environmental permitting will be required.
- The new processing plant components include three-stage crushing, milling, reagent, flotation, CIL, elution, and gold room sections as indicated in Figure 7 & 8.
- The gold plant will produce dore gold bars.
- Engineering and costing have been completed to the required level of accuracy for the FS.
- The completed design includes water and power reticulation with the scope to increase the capacity with modular units for future plant expansions, consistent with the Company's strategy to reach its gold production target of 160,000 ounces per annum within five years.
- The latest proven available automation technologies were incorporated into the gold processing plant design which will reduce labour requirements and enhance productivity levels.
- The tailings disposal will be moved onto the existing tailings storage facility located some 150 metres from the plant.
- Some existing plant infrastructures were incorporated into the new gold processing plant.
- A 3D rendering of the processing plant is illustrated in Figure 7.

Figure 7: 3D Plant Rendering Final design Phase 1-3.

Figure 8: New TGME Plant Layout



1. PRIMARY CRUSHER
2. SECONDARY CRUSHER
3. TERTIARY CRUSHER
4. STOCKPILE
5. FIRE WATER TANK
6. POTABLE WATER TANK
7. PROCESS WATER TANK
8. BALL MILL FEED BINS
9. BALL MILLS
10. MCC CONTAINERS
11. FILTER PRESS AREA
12. REAGENTS AREA
13. CARBON THICKENER
14. CONCENTRATE THICKENER
15. TAILINGS THICKENER
16. HELI-PAD
17. FLOTATION CIRCUIT
18. ELUTION COLUMN
19. OXIDATION TANKS
20. THICKENER
21. MCC CONTAINER
22. TAILINGS TRANSFER TANK
23. DETOX TANKS
24. CIL TANKS
25. ELUTION COLUMNS
26. KILN
27. GOLD ROOM
28. 6FT BALL MILL
29. SULPHIDE CIL
30. MCC CONTAINER

Figure 9: Existing Plant Drone View (post demolition of old sections)

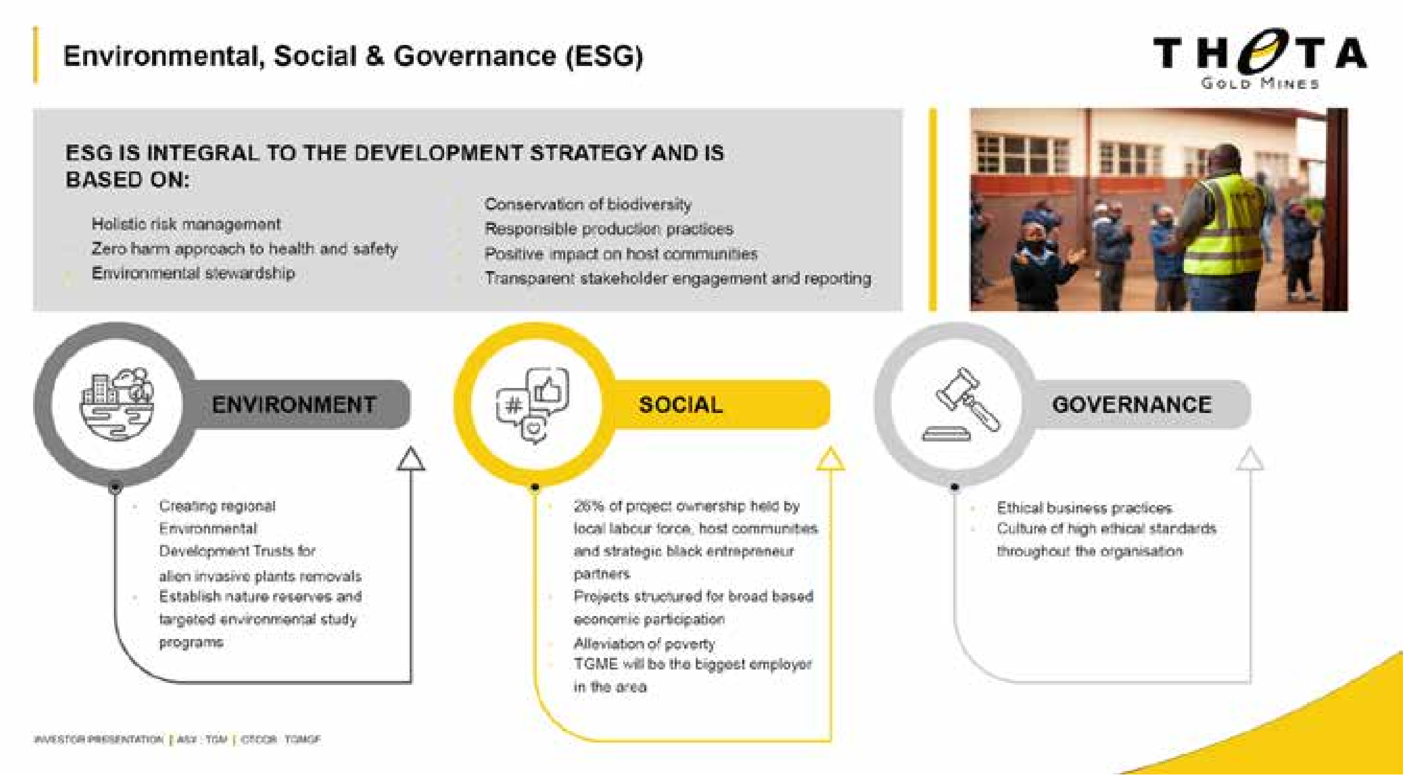
ENVIRONMENTAL, SOCIAL & GOVERNANCE (ESG)

Environmental And Licensing

The Company continues to keep all its Mining Rights in good standing by ensuring that the various licence conditions continue to be met.

The Company continues to do the various environmental monitoring and reporting required for its various mining rights. The Company also receives regular visits from the various government departments to ensure that what is being reported is observed in the field. Over the years the Company has built up a good rapport with the various regulatory departments and the relationships are functional and conducive.

The Company's mineral, employment and empowerment regulation reporting remain up to date.



Community Relations

The Company's host communities are supportive of mining in general, and the associated employment and flow-on economic benefits specifically that are likely to flow to local and regional businesses and the general uplifting of the area. Similarly, Theta Gold is committed to community upliftment and regional growth through effective partnerships with all local stakeholders in the regions where it has mining operations.

In connection with the Company's recent stakeholders engagement in the environmental authorisation amendment process for MR83, over 5,000 local residents signed a petition in support of Theta Gold re-establishing mining operation (open pit and underground) in the region.

As part of the Company's commitment to its Corporate Social Responsibility, the Company currently runs the following projects for the benefit of the local community:

1. Employment of teachers at the primary and high schools in Pilgrim's Rest
2. Provision of water to the local community
3. Heating and cooking fuel provision to the local community
4. School Feeding Scheme
5. Small, Medium and Micro-sized Enterprises (SMMEs) development

It is a priority of the Company to effectively engage with the community and manage expectations and relations with respect to all activities the Company is, or will be, engaged in including construction, development, transport, potential environmental impacts (noise, dust etc) and other factors associated with mining operations.

Figure 10: TGME Staff member receiving Covid-19 injections at site

EXPLORATION & RESOURCES

Exploration and Resource upgrades

- New 419,000 oz @ 5.49 g/t Gold Maiden Underground Mining Reserve declared
- Total 580,000 oz @ 3.98 g/t Global Mining Reserve (Open Pit & Underground combined)
- 63 % Conversion factor for Maiden Underground Mining Reserve (from Inferred Resources)
- 3.5 Moz of Underground Resource (Inferred) remaining for future conversion into Mining Ore Reserve
- Global Mineral Resource of 6.1 Moz Au includes:
  - 4.5 Moz Underground (26.3 Mt @ 5.4 g/t Au) (Measured, Indicated, and Inferred)
    - 969,400 oz (4.87 Mt @ 6.20 g/t Au) (Measured & Indicated)
  - 1.3 Moz Open pit resources (13.02 Mt @3.25 g/t Au) (Indicated & Inferred)
    - 917 Koz (9.6 Mt @ 2.99g/t Au) (Indicated & Inferred; 0-130m depth)
    - 161 Koz (2.16 Mt @ 2.31 g/t Au at a 0.4 g/t Au cut-off) Probable Ore Reserve
  - Tailings & Rock dumps – 174, 000 oz (Indicated & Inferred)

  (see Tables 4, 5, 6, 7, 8 & 9)

An Ore Reserve and Mineral Resource Statement is set out on pages 25, 26 and 27.

Table 4: TGM Underground Projects Mineral Resources as at 1 February 2021

Mineral Resource Classification	Mine	Reef	Reef Grade	Stope Grade	Reef Width	Stope width	Content	Reef Tonnes	Stope Tonnes	Au Content	
			g/t	g/t	cm	cm	cm.g/t	Mt	Mt	kg	koz
Measured	Frankfort	Bevetts	7.13	5.37	73	103	520	0.069	0.091	489	15.7
Total Measured			**7.13**	**5.37**	**73**	**103**	**520**	**0.069**	**0.091**	**489**	**15.7**
Indicated	Frankfort	Bevetts	7.86	5.13	58	96	452	0.243	0.373	1912	61.5
	CDM	Rho	13.19	3.80	23	90	307	0.258	0.895	3401	109.4
	Beta	Beta	21.66	6.58	23	90	499	0.716	2.357	15506	498.5
	Rietfontein	Rietfontein	14.57	8.20	52	92	755	0.517	0.919	7534	242.2
Total Indicated			**16.35**	**6.24**	**37**	**91**	**597**	**1.734**	**4.543**	**28,352**	**911.5**
Total Measured & Indicated			**16.00**	**6.22**	**38**	**91**	**606**	**1.803**	**4.634**	**28,841**	**927.3**
Mineral Resource Classification	**Mine**	**Reef**	**Reef Grade**	**Stope Grade**	**Reef Width**	**Stope width**	**Content**	**Reef Tonnes**	**Stope Tonnes**	**Au Content**	
			g/t	**g/t**	**cm**	**cm**	**cm.g/t**	**Mt**	**Mt**	**kg**	**koz**
Inferred	Frankfort	Bevetts	7.41	4.27	48	93	356	0.343	0.596	2543	81.8
	CDM	Rho	10.06	3.02	24	90	244	0.544	1.811	5472	175.9
	Beta	Beta	16.51	5.43	25	90	414	1.107	3.367	18285	587.9
	Rietfontein	Rietfontein	14.06	8.52	57	94	803	1.190	1.962	16721	537.6
Total Inferred			**13.51**	**5.56**	**39**	**91**	**532**	**3.184**	**7.736**	**43,022**	**1383.2**

Notes:-

1. Mineral Resource cut-off of 160 cm.g/t applied.
2. Fault losses of 5% for Measured and Indicated, 10% for Inferred Mineral Resources.
3. Gold price used for the cut-off calculations is USD1,500/oz.
4. cm.g/t and g/t figures will not back calculate due to variable densities in reef and waste rock.
5. Mineral Resources are stated as inclusive of Ore Reserves.
6. Mineral Resources are reported as total Mineral Resources and are not attributed.
7. Discrepancy in summation may occur due to rounding.

Ore Reserves

The total Ore Reserve estimate for the combined LOM plan, only targeting Measured and Indicated Resources in the LOM schedule, is detailed in Table 5 below.

Table 5: Ore Reserve Estimate for TGM Mines (Ore Reserve Plan)

Ore Reserve Category	Tonnes	Grade	Au Content	
	kt	g/t	kg	koz
Beta				
Proved	-	-	-	-
Probable	1,634	6.86	11,206	360
Rietfontein				
Proved	-	-	-	-
Probable	509	7.76	3,954	127
Frankfort				
Proved	58	4.26	245	8
Probable	258	4.08	1,053	34
CDM				
Proved	-	-	-	-
Probable	395	2.30	908	29
Combined				
Proved	58	4.26	245	8
Probable	2,796	6.12	17,121	550
Total	**2,853**	**6.09**	**17,366**	**558**

Notes:

1. An Ore Reserve cut-off of 170 cm.g/t has been applied for the Beta Mine.
2. An Ore Reserve cut-off of 150 cm.g/t has been applied for the Frankfort Mine.
3. An Ore Reserve cut-off of 121 cm.g/t has been applied for the CDM Mine.
4. An Ore Reserve cut-off of 160 cm.g/t has been applied for the Rietfontein Mine.
5. A gold price of USD1,465/oz and exchange rate of ZAR/USD 16.00 was used for the cut-off calculation.
6. Discrepancy in summation may occur due to rounding.

Exploration Potential

Approximately 3.5 Moz of the underground mineral resource sits in the inferred category. Beta Mine is a great example of what the future holds. Beta's current Mine Reserve is 1.634 million tons at 6.86 g/t gold for a total mine reserve of 360 Koz. Note an inferred resource under JORC cannot be converted into mine reserve.

As underground development ramps up exploration stopes and underground drilling can upgrade the 587,000oz of inferred resource that sits adjacent to the existing mine reserve, to measured and indicated under JORC Code, and allowing it to be converted into mine reserve and add to the mine schedule, hence further increasing the LOM.

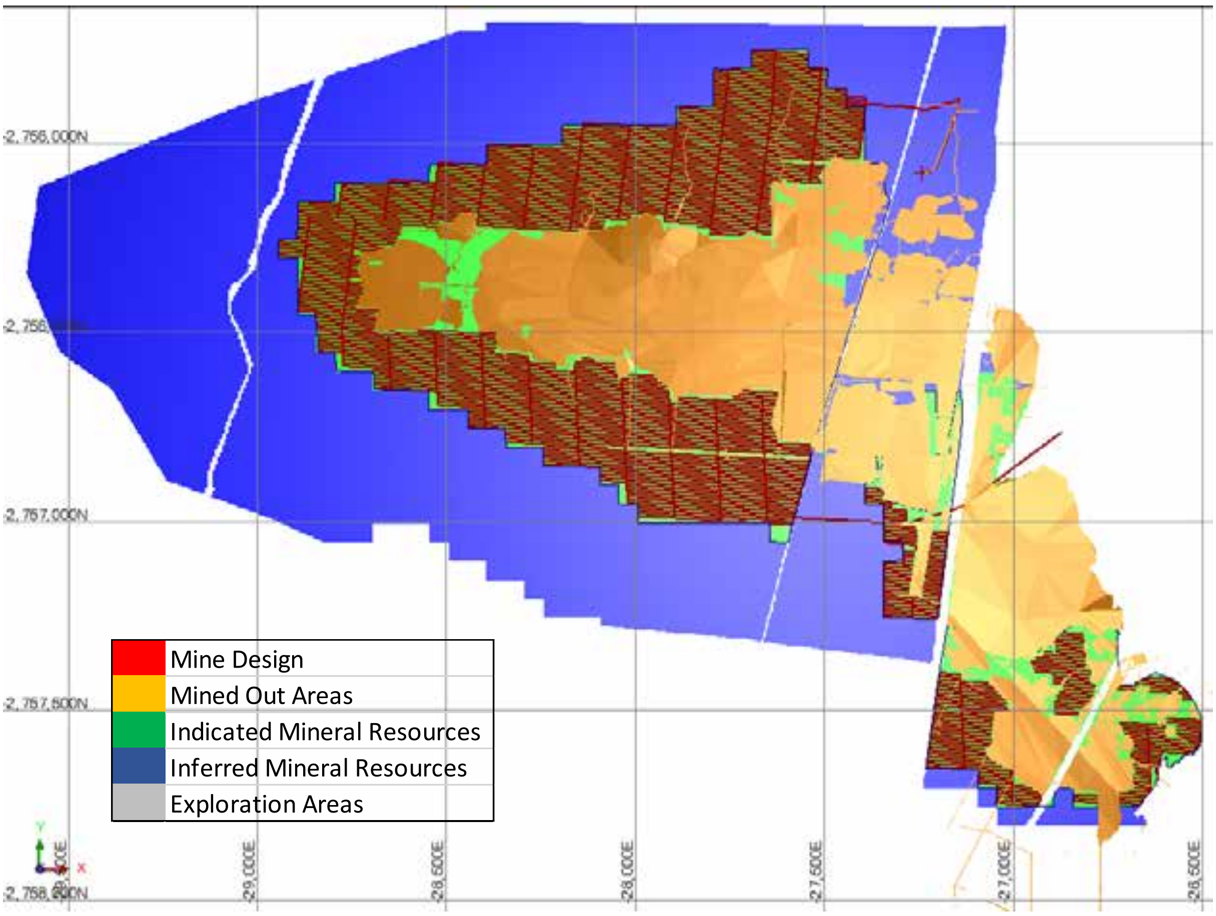


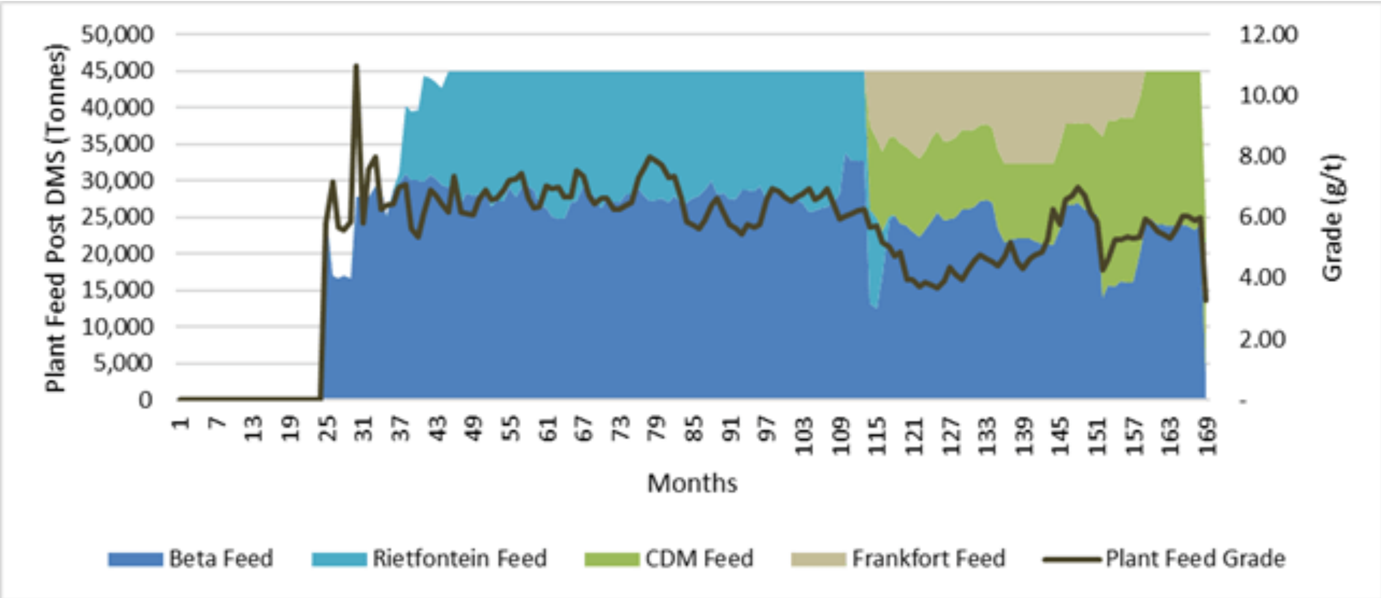
Figure 11 – Beta Mine plan and Resource potential 587,000 oz Inferred Mineral Resource (Not included in New Mine Design Blue area)

Life of Mine Plan (LOM)

Combined Plant Feed (Base Case)

The combined plant feed tonnes for the Base Case are illustrated in *Figure 12*. The feed is based on the LOM plan targeted Mineral Resources, inclusive of Inferred Mineral Resources. The total LOM for the plant feed is 11.33 years, shorter than the mining LOM plan due to stockpiling the initial on-reef development at Beta.

Figure 12: Combined Plant Feed Tonnes from Underground Operations –Base Case



FINANCIALS

Results

The Consolidated Entity made a loss after tax of US$7,636,000 (2021: US$4,365,000). Contributing to the loss was indirect exploration costs written-off of US$1,171,000, finance costs of US$2,120,000, including interest paid on secured bond and corporate and administration costs carried by the Consolidated Entity in support of its exploration and pre-development activities of US$2,528,000.

Further exploration expenditure was incurred on permitting and pre-development activities associated with the Theta Project. This further contributed to the total capitalized expenditure of US$16,193,000 recognised on the balance sheet as at 30 June 2022.

Cashflow

Funding for the Company's business activities were sourced from a combination of debt and equity markets in the 2022 year. During the year, the company raised a total of US$4,250,000 (A$5,870,000) from equity issues and a further US$4,200,000 (A$6,000,000) via a secured bond with 2Invest AG. The funds were applied towards pre-development and permitting activities for the Theta Project and general exploration, acquisition of the used ball mill, debt repayment and general administration and corporate costs.

The Consolidated Entity continues to proactively manage its cash flow requirements to ensure that funds are available, including from capital raisings, as and when required to meet its debts and commitments as they fall due.

Subsequent to balance date, the Company raised in excess of A$2.3 million (before costs) through an equity issue.

CORPORATE

Changes to Corporate Executive and Management Team
During the financial year the Company made several changes at both the board and senior management levels in preparation for operational readiness of the TGME Underground Gold Mine Project. This included the appointment of Mr Byron Dumpleton to the Theta Gold board as Non-Executive Director. Mr Dumpleton has over 30 years mining experience in Australia and Asia as well as 7 years as Chief Geologist for Red 5 Limited (ASX:RED). Mr Bill Guy who has been on the board of Theta Gold since 2018 moved to become Executive Chairman, committed to support the Company as it transitions from a gold explorer towards producer status.

Investment in Bullion Asset Management
In January 2021, the Company made an TGM-scrip based equity investment in Bullion Asset Management Services Pte Ltd ("BAM"), a Singapore-based technology company focused on financing, tokenization of physical gold bullion and precious metals trading.

BAM is a Singapore registered company co-founded by Decentralised Capital Pte Ltd, a related entity of Aura Group, and backed by Jaggards Trading Pty Ltd, Australia's oldest bullion and rare coin merchant, and DigitalX Ltd (ASX: DCC), an ASX listed technology and digital asset management company.

The investment in BAM comprised an initial subscription of A$700,000 worth of BAM shares which was settled on 29 January 2021 by the issue of 2,087,682 Theta Gold shares at $0.335 per share. The Company wishes to retain its investment in BAM and continue to work with the group in alternative gold financing and project joint venture initiatives.

Option to Extend Secured Bond Facility for a further 12 months
On the 13 May 2022[12], the Company announced it has entered into an agreement to extend the maturity date for the outstanding A$6 million Secured Bond Facility (Secured Bond) it currently holds with 2Invest AG and its associates for a further 12 months, if required.

The maturity date and repayment of the A$6 million Secured Bond is currently 23 January 2023 which may be extended for a further 12 months to 23 January 2024, at the discretion of the Board.

As part of the agreement, the Company issued 15 million unlisted Series C Options to 2Invest AG with an exercise price of $0.17 and expiry date on or before the 16 January 2024.

TGM Off-Market Takeover Offer Completion
Completion of the Focus Minerals Limited (FML) off-market takeover offer on 2 March 2022, resulting in the Company receiving a total of 4,977,984 FML acceptances and gained approximately 417 new shareholders on the TGM registry. As a result, TGM has issued 12,445,002[13] new TGM shares as consideration under the 5-for-2 scrip for scrip takeover offer representing approximately 2.83% of fully-paid FML shares on issue at the time.

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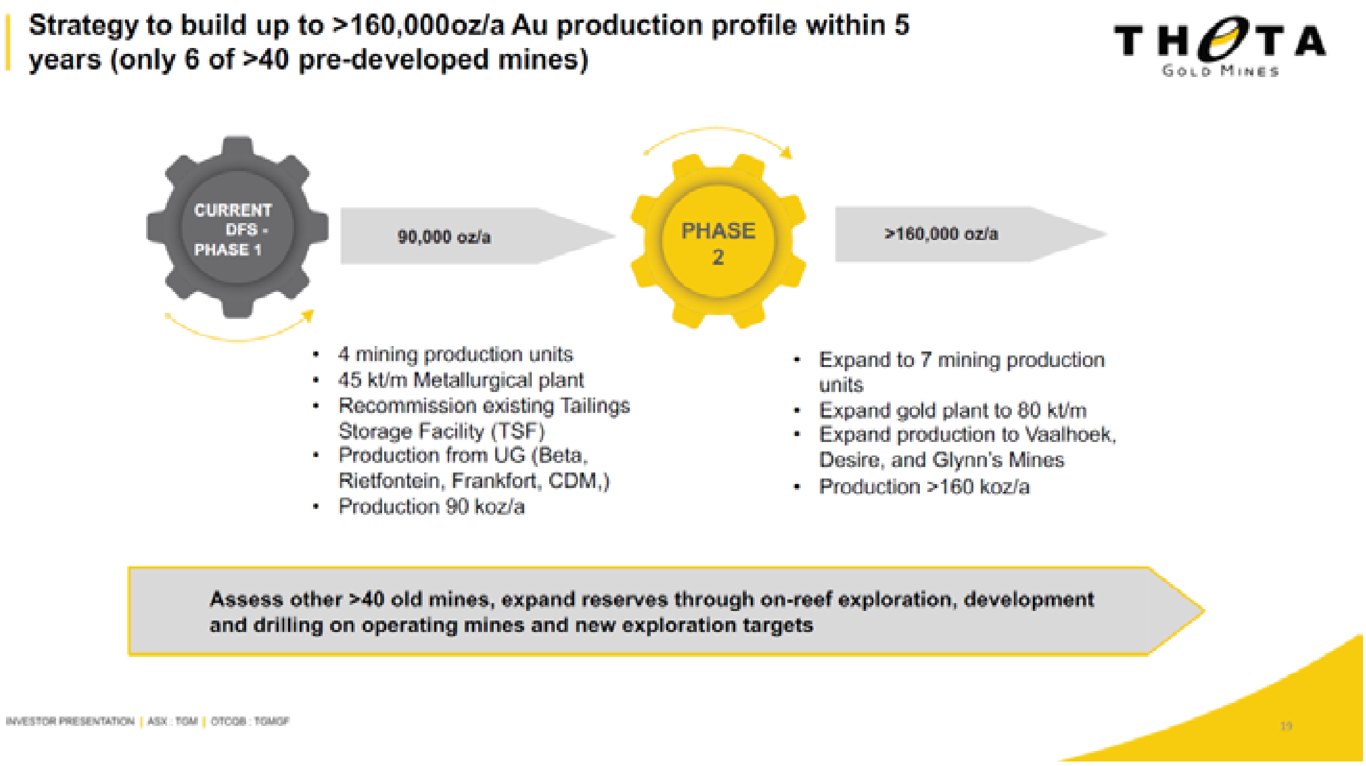
[12] Refer to ASX Release dated, 13 May 2022 titled "Option to Extend Bond Facility Maturity Date and Issue of New Call Options"
[13] Refer to ASX Releases dated 4 and 11 March 2022 titled "Applications for Quotations of Securities"

OUTLOOK



The Company focused on organic growth strategy for the TGME gold mines. Developing the first four (4) underground mines, then adding new operations as funding and permitting allows. Theta's great strength is its optionality with 43 historical mines under management. Six (6) mines over the coming years will be evaluated for development targeting the 160,000 ounces per annum production profile as each new mine brought online adds to the production profile.

The Company has increased operational capacity with its highly experienced mining team in South Africa. The team is tasked with delivering the project on the ground. Efforts this year have been positive with the completion of the definitive FS and successful permitting licences granted along with resource upgrades and strong project economics from the TGME Underground Project, demonstrating that underground mines in the East Transvaal Goldfield can be mined effectively in today's modern environment.

Following the completion of the FS in July 2022 and a successful trial mining programme at the Frankfort mine, the Company will be taking steps towards pre-development and construction works, subject to securing the necessary funding. The Company expects to produce first gold in Q2, 2024 and is expected to produce over 100,000 ounces per annum by the third year of production. Development and permitting work programs will be ongoing as each mine is evaluated.

ORE RESERVE AND MINERAL RESOURCE STATEMENT

Table 6: Combined Underground and Open Pit Ore Reserves as at 1 February 2021

Operation	Grade	Tonnes	Au Content	
	g/t	kt	kg	koz
Beta	6.51	1,662	10,822	347.94
Frankfort	4.13	319	1,317	42.33
CDM	2.31	385	889	28.58
Open Pit (MR83)	2.74	2,164	4,996	160.61
Total	**3.92**	**4,530**	**18,024**	**579.46**

Notes:

1. The information pertaining to the Ore Reserve estimation is detailed in the notes of the Ore Reserve tabulation for the individual operations.

Table 7: Combined Mineral Resource as at 1 February 2021

Resource Classification	Type of Operation	Combined Mineral Resource			
		Tonnage	Gold Grade	Gold Content	
		Mt	g/t	Kg	koz
Measured	Underground	0.091	5.37	489	15.7
	Open pit				
	Tailings				
Total Measured		**0.091**	**5.37**	**489**	**15.7**
Indicated	Underground	4.774	6.21	29 661	953.7
	Open Pit	8.109	2.14	17 364	558.2
	Tailings	5.244	0.83	4 373	140.6
Total Indicated		**18.127**	**3.03**	**51 398**	**1652.5**
Inferred	Underground	21.452	5.22	111 880	3597.0
	Open pit	4.907	5.11	25 057	805.6
	Tailings	0.023	0.57	13	0.4
	Rock Dump	0.885	1.20	1 059	34.0
Total Inferred		**27.267**	**3.025**	**138 009**	**4 437.0**
Grand Total		**45.486**	**4.42**	**189 896**	**6 105.2**

Notes:

1. Columns may not add up due to rounding.
2. Gold price used for the cut-off calculations is USD1,500/oz.
3. UG Mineral Resources are reported at a cut-off of 160 cm.g/t, open pit at 0.5 g/t and 0.35 g/t, tailings and rock dumps at 0.35 g/t.
4. Fault losses of 5% for Measured and Indicated, 10% for Inferred Mineral Resources.
5. Mineral Resources are stated as inclusive of Ore Reserves.
6. Mineral Resources are reported as total Mineral Resources and are not attributed.

Table 8: Beta Underground Ore Reserve as at 1 February 2021

Ore Reserve Category	Grade	Tonnes	Au Content	
	g/t	kt	kg	koz
Probable	6.51	1,662	10,822	347.94
Total	**6.51**	**1,662**	**10,822**	**347.94**

Notes:

7. An Ore Reserve cut-off of 170 cm.g/t has been applied.
8. A gold price of USD 1,465 / oz and exchange rate of 16 ZAR / USD was used for the cut-off calculation.
9. Ore Reserves are reported as total Mineral Reserves and are not attributed.

Table 9: Frankfort Underground Ore Reserve as at 1 February 2021

Ore Reserve Category	Grade	Tonnes	Au Content	
	g/t	kt	kg	koz
Proved	4.24	60	254	8.16
Probable	4.11	259	1,063	34.16
Total	**4.17**	**319**	**1,317**	**42.32**

Notes:

1. An Ore Reserve cut-off of 150 cm.g/t has been applied.
2. A gold price of USD 1,465 / oz and exchange rate of 16 ZAR / USD was used for the cut-off calculation.
3. Ore Reserves are reported as total Ore Reserves and are not attributed.

Table 10: CDM Underground Ore Reserve as at 1 February 2021

Ore Reserve Category	Grade	Tonnes	Au Content	
	g/t	kt	kg	koz
Probable	2.31	385	889	28.58
Total	**2.31**	**385**	**889**	**28.58**

Notes:

1. An Ore Reserve cut-off of 121 cm.g/t has been applied.
2. A gold price of USD 1,465 / oz and exchange rate of 16 ZAR / USD was used for the cut-off calculation.
3. Ore Reserves are reported as total Ore Reserves and are not attributed.

Table 11: Ore Reserves for the Open pit Operations as at 1 February 2021

Ore Reserve Category in LoM Plan	Pit	Grade	Reef Tonnes	Au Content	
		g/t	kt	kg	koz
Probable	Browns Hill	2.61	279	728	23
Probable	Iota	2.43	1,490	3,628	117
Probable	Theta Hill	1.62	395	640	21
Total		**2.221**	**2,164**	**4,996**	**161**

Notes:

1. An Ore Reserve cut – off of 0.4 g/t was applied.
2. A gold price of USD 1,300 / oz was used for the cut – off calculation.
3. Ore Reserves are reported as total Ore Reserves and are not attributed.

Table 12: Total Theta Project – Mineral Resources, 1 February 2021

Resource Classification	Open Pit Mine	Reef	Reef Grade	Reef Width	Content	Reef Tonnes	Au Content	
			g/t	Cm	cmgt	Mt	Kg	koz
Indicated	Theta & Browns Hill	Shale	1.02	200	204	0.397	404	13.0
	Theta & Browns Hill	Bevett's	1.08	223	241	0.856	925	29.7
	Theta & Browns Hill	Upper Theta	2.41	100	241	0.651	1 571	50.5
	Theta & Browns Hill	Lower Theta	3.79	100	379	0.839	3 178	102.2
	Theta & Browns Hill	Beta	2.51	100	251	0.373	938	30.1
	Columbia Hill	Bevett's	2.98	114	340	0.108	323	10.4
	Columbia Hill	Upper Rho	2.33	402	937	0.897	2 090	67.2
	Columbia Hill	Lower Rho	2.51	520	1306	0.981	2 464	79.2
	Columbia Hill	Upper Theta	1.06	114	121	0.163	173	5.6
Total Indicated			**2.29**	**258**	**591**	**5.265**	**12 066**	**387.9**

Resource Classification	Open Pit Mine	Reef	Reef Grade	Reef Width	Content	Reef Tonnes	Au Content	
			g/t	Cm	cmgt	Mt	Kg	koz
Inferred	Theta & Browns Hill	Shale	1.12	215	240	0.600	668	21.5
	Theta & Browns Hill	Bevett's	1.17	217	254	0.451	528	17.0
	Theta & Browns Hill	Upper Theta	1.86	100	186	0.948	1 762	56.6
	Theta & Browns Hill	Lower Theta	8.06	100	806	1.384	11 153	358.6
	Theta & Browns Hill	Beta	2.17	100	217	0.778	1 686	54.2
	Columbia Hill	Upper Rho	5.12	134	687	0.131	673	21.6
Total Inferred			**3.84**	**129**	**497**	**4.292**	**16 470**	**529.5**

Resource Classification	Open Pit Mine	Reef	Reef Grade	Reef Width	Content	Reef Tonnes	Au Content	
			g/t	cm	cmgt	Mt	Kg	koz
Indicated	Total Theta Project	All	2.29	258	591	5.3	12 066	387.9
Inferred	Total Theta Project	All	3.84	129	497	4.3	16 470	529.5
Total Indicated and Inferred			**2.99**	**200**	**598**	**9.6**	**28 535**	**917.4**

Notes:

1. Theta Project (Theta Hill, Browns Hill and Iota) cut-off is 0.35 g/t;
2. The gold price used for the cut-off calculations is USD 1,500 / oz;
3. Geological losses applied are 10% for inferred and 5% for Indicated and Measured;
4. Theta Hill and Browns Hill – Upper Theta Reef, Lower Theta Reef and Beta Reef are diluted grades over 100cm;
5. Historical mine voids have been depleted from the Mineral Resource;
6. The inferred Mineral Resources have a high degree of uncertainty and it should not be assumed that all or a portion thereof will be converted to Ore Reserves;
7. Mineral Resources fall within the mining right 83MR and 341MR.

DISCLAIMERS

Competent Persons Statement

MINERAL RESOURCES

Mr. Uwe Engelmann confirms that he is the Competent Person for the TGM Mineral Resources as reported on TGM's Mineral Resources which is extracted from TGM's ASX announcement dated 8 April 2021 (Initial Maiden Underground Mining Reserve) and 25 October 2021 (TGME Project Permitting Update) available to view at www.asx.com.au and was prepared in accordance with the guidelines of the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code, 2012). Mr. Engelmann has read and understood the requirements of the JORC Code (2012).

Mr. Engelmann is a Competent Person as defined by the JORC Code, 2012, having more than five years' experience that is relevant to the style of mineralisation and type of deposit described in this report and to the activity for which he is accepting responsibility. Mr. Engelmann (BSc (Zoo. & Bot.), BSc Hons (Geol.), Pr.Sci.Nat. No. 400058/08, MGSSA), is a director of Minxcon (Pty) Ltd and a member of the South African Council for Natural Scientific Professions. Mr. Engelmann is a full-time employee of Minxcon (Pty) Ltd and has reviewed this report and consents to the inclusion of the matters based on his supporting information in the form and context in which it appears.

The information in this announcement that relates to TGM's Mineral Resources is extracted from TGM's ASX announcement dated 8 April 2021 (Initial Maiden Underground Mining Reserve) and 25 October 2021 (TGME Project Permitting Update) available to view at www.asx.com.au, and was prepared in accordance with the guidelines of the JORC Code (2012). TGM confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and that all material assumptions and technical parameters underpinning the Mineral Resources estimates in the relevant market announcement continue to apply and have not materially changed. TGM confirms that the form and content in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

ORE RESERVES

The information in this report relating to Ore Reserves is based on, and fairly reflects, the information and supporting documentation compiled by Mr. Daniel van Heerden (B.Eng (Mining M.Com (Business Management), member of Engineering Council of South Africa (Pr.Eng. Reg. No. 20050318)), a director of Minxcon Pty Ltd and a fellow of the South African Institute of Mining and Metallurgy (FSAIMM Reg. No. 37309).

Mr van Heerden has sufficient experience that is relevant to the style of mineralisation under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the JORC Code (2012). Mr van Heerden consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The information in this announcement that relates to TGM's Ore Reserves is extracted from TGM's ASX announcement dated 8 April 2021 (Initial Maiden Underground Mining Reserve) and 25 October 2021 (TGME Project Permitting Update) available to view at www.asx.com.au, and was prepared in accordance with the guidelines of the JORC Code (2012). TGM confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and that all material assumptions and technical parameters underpinning the Ore Reserve estimates in the relevant market announcement continue to apply and have not materially changed. TGM confirms that the form and content in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

Forward Looking Statement

This report has been prepared by and issued by Theta Gold Mines Limited to assist in informing interested parties about the Company and should not be considered as an offer or invitation to subscribe for or purchase any securities in the Company or as an inducement to make an offer or invitation with respect to those securities. No agreement to subscribe for securities in the Company will be entered into on the basis of this report.

This report 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 report contains information, ideas and analysis which are proprietary to Theta Gold.

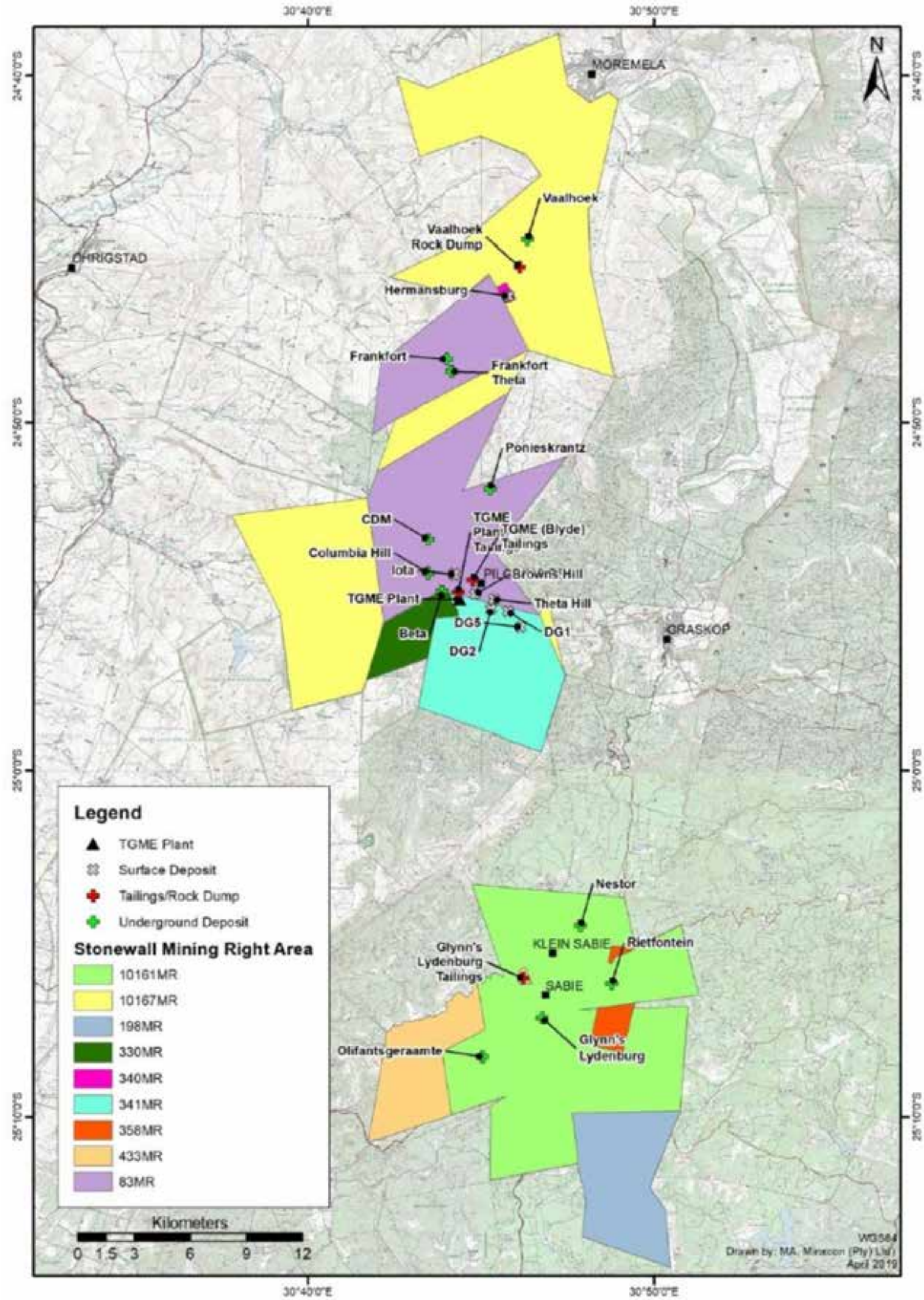
MINING RIGHTS AND APPLICATIONS FOR MINING RIGHTS

Table 13: List of current Mining Rights (MR) and Applications for Mining Rights

MR No	Description	Farms	Effective Date	Expiry Date	Remarks
NORTHERN TENEMENTS (MR83, MR330, MR340, MR341, MR10167)					
MR 83	Greater TGME	Portions 1, 2, 3, 4, 5 and the Remaining Extent of Frankfort 509KT, Krugers Hoop 527 KT, Portions 1, 2 and the Remaining Extent of Morgenzon 525 KT, Peach Tree 544 KT, 18, 42, 43, 44 and Remaining Extent of Ponieskrans 543 KT and Portion 1 and the Remaining Extent of Van der Merwes Reef 526 KT	16-Oct-13	15-Oct-23	Amendment application to include open cut mining in process
MR 330	Beta Re-Development & Grootfontein Cluster	Portions 1, 2, 3 and the Remaining Extent of Grootfonteinberg 561 KT and Remaining Extent of Grootfontein 562 KT	Refer Note 1	Refer Note 1	Granted
MR 340	Hermansburg	Portion of the Remaining Extent of Hermansburg 495 KT	10-Jul-13	09-Jun-23	Granted
MR 341	PTD's	Portions 1 and 2 and a Portion of the Remainder Extent of Grootfontein 562KT	25-Sep-19	16-Feb-22	Granted
MR 10167	TGME	Desire 563KT, RE and Ptn 1, 2, 3, 12, 14, 15, 17, 18, 19, 20, 22 and 23 of Doornhoek 545KT, RE and Ptn 1, 2 and 3 Rotunda Greek 510KT, Vaalhoek 474KT, Buffelsfontein 452KT, RE and Ptn 1 of Willemsoord 476KT, Sacramento 492KT, Granite Hill 477KT, Blackhill 528KT, Manx 475KT, Klondyke 493KT, Hermansburg 495KT	Refer Note 1	Refer Note 1	Consolidation of Prospecting Rights 10255PR, 10404PR, 10254PR Granted
SOUTHERN TENEMENTS (MR198, MR358, MR433, MR10161)					
MR198	Elandsdrift Heap Leach	Portions 1 and 2 of Elandsdrift 220 JT	18-Mar-08	17-Mar-09	Renewal submitted
MR 358	Rietfontein	Portion of the Remaining Extent and Portion 2 and 3 of the farm Spitskop 195 JT, Portion of Portion 16 of Waterval 168 JT and Portion of the Remaining Extent of Maliveld Vallei 192 JT	05-Jun-13	04-Jun-28	Amendment application pending to incorporate portions of Portions 1, 4 and 6 of the farm Rietfontein 193 JT
MR 433	Glynn's Lydenburg	Portion 5 of Grootfontein 196 JT and Remaining Extent of Olifantsgeraamte 198 JT	12-Nov-13	11-Nov-23	Granted
MR 10161	Sabie	Spitzkop 195JT, Ptns of the RE and Ptn 1 of Hendriksdal 216JT, Grootfontein 196JT, Waterval 168JT, Sheba 219JT, Vertroosting 218JT, Olifants Geraamte 198JT, Rietfontein 193JT	Refer Note 1	Refer Note 1	Consolidation of Prospecting Rights 10005PR, 660PR, 10252PR Granted

Note 1:
The period of grant of the mining right will be determined upon execution thereof. In the South African context, mining rights may be granted for up to 30 years and are renewable thereafter.

Figure 13: Tenement map



Corporate Governance Statement

The Board of Directors support good corporate governance practices. Unless disclosed otherwise, the best practice recommendations of the ASX Corporate Governance Council have been applied for the financial year ended 30 June 2022.

This Corporate Governance Statement was approved by the Board on 30 September 2022.

The Board has adopted a Corporate Governance Charter which encompasses a Board Charter, Code of Conduct, Continuous Disclosure Policy and Diversity Policy. Separately, the Board has also adopted a Securities Trading Policy, Audit and Risk Management Committee Charter and a Nomination and Remuneration Committee Charter. The Company's constitution, the Charters and the Securities Trading Policy are available on the Company's website (www.thetagoldmines.com).

References to Company in this statement shall, where applicable, include the Consolidated Entity.

Principle 1: Lay solid foundations for management and oversight
The roles of the Board and the Managing Director are separate.

The Board is responsible for the following:

(i) ensuring compliance with the *Corporations Act*, ASX Listing Rules and all other relevant laws;

(ii) appointment of appropriate staff, consultants and experts to assist in the Company's operations, including the selection and monitoring of a chief executive officer;

(iii) approving annual budgets and monitoring financial and other reporting;

(iv) monitoring and ensuring appropriate accountability for directors' and senior managers' remuneration;

(v) oversight of the Company including its framework of control and accountability systems to enable risk to be assessed and managed;

(vi) input into and final approval of management's development of corporate strategy and performance objectives;

(vii) monitoring management's performance and implementation of strategy and ensuring appropriate resources are available;

(viii) approving and monitoring the progress of major capital expenditure, capital management and acquisitions and divestitures.

The Managing Director is responsible for conducting the affairs of the Company under delegated authority from the Board and implementing the policies and strategies set by the Board. In carrying out his responsibilities, the Managing Director must report to the Board in a timely manner and ensure all reports to the Board present a true and fair view of the Company's financial position and operating results.

There has been Board renewal in the last three financial years, with one director retiring and two new directors appointed to the Board. During the year, the Managing Director stepped down from executive duties and resigned from the Board in August 2021. Whilst no formal performance review was undertaken on senior executives, the executives receive informal feedbacks on their performance from time to time. No performance evaluations have been conducted on, or by, the directors during the reporting period.

The Company Secretary is directly accountable to the Board on all Board matters. He also acts as secretary of all Board committees.

All directors and senior executive appointments are made in writing.

Diversity policy

Diversity is about the commitment to equality and treating all individuals with respect irrespective of religion, race, ethnicity, language, gender, sexual orientation, disability, age or any other area of potential difference.

The Board recognizes that a diverse and inclusive workforce is not only good for our employees but also good for our business. It helps the Company attract and retain talented people, create more innovative solutions, and be more flexible and responsive. Across the Company, there is increasing momentum on diversity with a particular focus on gender and age, as well as greater work and career flexibility.

As the Company grows, the Directors are also committed to increasing the representation of females at all levels of the organisation including senior management and at Board level. However, measurable objectives for achieving gender diversity have not been set given the stage of the Company's development.

Principle 2: Structure the board to add value

The Board is comprised of the following directors, whom are mostly all Non-Executive Directors, save for Mr Robert Thomson who resigned on 13 August 2021 as a Non-Executive Director and Mr Finn Behnken who was a Non-Executive Director until 15 August 2022 and resigned as a Non-Executive Director. Mr Charles Guy was made an Executive Chairman on 10 November 2021 having previously served on the board from 2018 as a Non-Executive Director. The skills, experience and expertise of each director in office at the date of this report, their attendances at meetings and their term of office are detailed in the Directors' Report.

Charles William Guy	Executive Chairman	Not Independent
Bill Richie Yang	Non-Executive Director	Independent
Finn Stuart Behnken	Non-Executive Director	Independent
Yang (Simon) Liu	Non-Executive Director	Independent
Byron Dumpleton	Non-Executive Director	Independent
Guyang (Brett) Tang	Non-Executive Director	Not Independent

The Chairman of the Board is not an independent director. Mr. Charles William Guy is Executive Chairman and is not considered independent while Mr Brett Tang is associated with a substantial shareholder of the Company.

In assessing the independence of directors, the Company will generally regard an Independent Director as a non-executive director (that is, not a member of management) who:

- is not a substantial shareholder of the Company or an officer of, or otherwise associated directly with, a substantial shareholder of the Company;
- within the last three years has not been employed in an executive capacity by the Company or another group member, or been a director after ceasing to hold any such employment;
- within the last three years has not been a principal of a material professional advisor or a material consultant to the Company or another group member, or an employee materially associated with the service provider;
- is not a material supplier or customer of the Company or other group member, or an officer of or otherwise associated directly or indirectly with a material supplier or customer; and
- has no material contractual relationship with the Company or another group member other than as a director of the Company.

Independent directors have the right to seek independent professional advice in the furtherance of their duties as directors at the Company's expense. Written approval must be obtained from the chair prior to incurring any expense on behalf of the Company.

The Company does not conduct induction or professional development programs; however, directors are encouraged to attend external programs and courses.

Nomination and Remuneration Committee

The members of the committee are –

- Bill Richie Yang (Chair)
- Charles William Guy
- Simon Liu
- Brett Tang

The Nomination and Remuneration Committee Charter sets out the process for nomination and election of directors.

The attendance of each committee member at committee meetings is set out in the Directors' Report.

Principle 3: Act ethically and responsibly

The Board acknowledges and emphasises the importance of all directors and employees maintaining the highest standards of corporate governance practice and ethical conduct.

A code of conduct has been established requiring directors and employees to:

- Act honestly and in good faith,
- Exercise due care and diligence in fulfilling the functions of office,
- Avoid conflicts and make full disclosure of any possible conflict of interest,
- Comply with the law,
- Encourage the reporting and investigation of unlawful and unethical behaviour; and
- Comply with the share trading policy outlined in the Code of Conduct.

Directors are obliged to be independent in judgement and ensure all reasonable steps are taken to ensure due care is taken by the Board in making sound decisions.

Principle 4: Safeguard integrity in corporate reporting

Audit Committee

The Company has an Audit and Risk Management Committee which operates under a charter that sets out its role. The Committee's primary function is to assist the Board in discharging its responsibility to exercise due care, diligence and skill in relation to the Company, including appointment of external auditors, business risk management, internal control systems, business policies and practices and monitoring corporate conduct and business ethics.

Members of the Audit and Risk Management Committee, a majority independent directors, are –

Finn Stuart Behnken (Chair) – resigned 15 August 2022
Bill Richie Yang (Chair) – appointed 15 August 2022
Charles William Guy

The skills, experience and expertise of each committee member and their attendances at committee meetings are set out in the Directors' Report.

Financial reporting

The Chair (in the absence of a Managing Director role) together with the Chief Financial Officer, are required to declare in writing to the Board each financial period that the financial records have been properly maintained and that the financial statements and notes for the financial period give a true and fair view of the financial position and performance of the Consolidated Entity and comply with relevant accounting standards and that the declaration, provided in accordance with section 295A of the *Corporations Act,* is founded on a sound system of risk management and internal control and that the system is operating effectively in all material respects in relation to financial reporting risks.

The Company's external auditor attends each annual general meeting and is available to answer questions pertaining to the audit of the Company's financial statements.

Principle 5: Make timely and balanced disclosures

The Company's Corporate Governance Charter incorporates the Company's continuous disclosure policy which sets out the Company's processes in dealing with price-sensitive information to ensure that it complies with its continuous disclosure obligations, the market is kept fully informed and no director, employee or third-party deals in the Company's securities while in possession of inside information.

The system for releasing information to the ASX is as follows:

(a) When any member of the Reporting Group (being the Chairman, Managing Director or Company Secretary) becomes aware of information which he or she believes may need to be disclosed, he or she immediately contacts and gives full details to each of the other members of the Reporting Group.

(b) The Reporting Group will take the following steps in relation to information received by them:

- assess whether disclosure is required,
- consult legal and other advisers (including the ASX) as necessary,
- prepare an announcement for release to the ASX, and
- forward the release to the ASX.

In order to maintain control over disclosures, the following persons only will be authorised to speak on the Company's behalf to analysts, brokers and institutional investors, and to respond generally to shareholder queries:

(a) the Chairperson,
(b) the Managing Director or CEO (if applicable),
(c) the Company Secretary, and
(d) any other person who has been given express prior authority by the Chairperson.

All announcements lodged with ASX are posted on the Company's website after they have been released by ASX with Board approval.

Principle 6: Respect the rights of security holders

The Company has a facility on its website for shareholders and interested parties to register for email alerts of announcements posted on the website. Shareholders may also elect to receive notices of meetings by email.

Shareholders are entitled to vote on significant matters impacting on the business, which include the election and remuneration of directors, changes to the constitution and receipt of annual financial statements. Shareholders are strongly encouraged to attend and participate in the Annual General Meetings of the Company and other shareholder meetings, to lodge questions to be responded by the Board, and if not able to attend the meetings, are encouraged to appoint proxies.

Principle 7: Recognise and manage risks

The Board considers identification and management of key risks associated with the business as vital to maximising shareholder wealth. As a gold exploration/development company operating in South Africa, the Company faces material business risks (operational, financial, environmental and social sustainability), as well as regulatory, political and reputational risks.

The Audit and Risk Management Committee reviews and oversees the management of the risks. Details of the Audit and Risk Committee are set out above.

The Company does not have an internal audit function.

Risk review is an ongoing function. Risks are generally managed by strategies adopted such as –

i) annual budgets
ii) monthly/quarterly reports against budgets
iii) financial authority limits
iv) insurance programme
v) regular monitoring.

The Board monitors risks through –

a) monthly/periodic operations reports
b) monthly/quarterly financial reports against budgets
c) briefings by senior executives
d) tour of operations.

Principle 8: Remunerate fairly and responsibly

The Board has a Nomination and Remuneration Committee. Details of the Nomination and Remuneration Committee are set out above.

The Company's remuneration policy is set out in the Remuneration Report. The remuneration policy is designed to ensure that it is appropriate and effective in attracting and retaining the best key management personnel ("KMP"), as well as create goal congruence between KMPs and shareholders. To that end, remuneration is structured to comprise a fixed cash salary component and superannuation, supplemented by incentive securities (performance rights and/or options) linked to share price performance or operational performance hurdles.

The Board's policy is to remunerate non-executive directors at market rates for time, commitment and responsibilities. The Board determines payments to the non-executive directors at A$50,000 per annum for each non-executive director. The maximum aggregate amount of fees that can be paid to non-executive directors is subject to approval by shareholders in general meeting. This amount will not exceed $600,000 per annum. Fees for non-executive directors are not linked to the performance of the Consolidated Entity. However, to align directors' interests with those of shareholders, all directors are encouraged to hold shares in the Company and directors may be granted performance rights.

The Company has adopted an Employee Performance Rights and Option Plan ("Plan"). Grant of performance rights and options under the Plan is at the discretion of the Board and is available to directors and employees of the Company as well as those of its subsidiaries in South Africa.

The Company does not permit the hedging of incentive options and performance rights by directors and employees.

Directors' Report

Your Directors present their report, together with the financial statements of Theta Gold Mines Limited ("Company") and its controlled entities ("Consolidated Entity" or "Group") for the financial year ended 30 June 2022.

Directors

The Directors of the Company during or since the end of the financial year are:

Charles William Guy	Executive Chairman (appointed 10 November 2021), Non-Executive Director (previous role)
Robert Peter Thomson	Managing Director and Non-Executive Director (resigned as Managing Director on the 5 August 2020 and resigned as Director on the 13 August 2021)
Bill Richie Yang	Non-Executive Director
Finn Stuart Behnken	Non-Executive Director (resigned on 15 August 2022)
Byron Dumpleton	Non-Executive Director (appointed on 10 November 2021)
Yang (Simon) Liu	Non-Executive Director
Guyang (Brett) Tang	Non-Executive Director

Information on Directors

Charles William Guy	**Executive Chairman**
Period of Directorship:	Appointed 10 November 2021 (previously Non-executive Director appointed 7 March 2018)
Qualifications:	B. App. Sc. Member, Australian Institute of Geoscientists
Experience:	Bill Guy was appointed as a director of the company in March 2018 and is a professional mining executive and geologist with over 30 years' experience in exploration and resource development in Asia, Australia and Europe. In previous executive and geology roles he was involved in all aspects of the mining industry inclusive of project acquisitions, project development (Cockatoo Island Fe), project discovery (Mt Ida Fe), and large scale JV (Newcrest JV Au), in both the corporate and technical roles.
Interest in Shares and Performance Rights:	Held directly - 2,400,000 performance rights expiring 27 June 2024 Held by Mineral Rock Pty Ltd <SEBC Family A/C> - 1,843,923 fully paid ordinary shares
Special Responsibilities:	Member of Nomination and Remuneration Committee Member of Audit and Risk Management Committee
Other Listed Company Directorships in Last 3 Years:	N/A

Robert Peter Thomson	**Managing Director and Non-Executive Director**
Period of Directorship:	Appointed 25 November 2016, resigned 13 August 2021
Qualifications:	BE (Mining) (University of Queensland) MBA (University of Wollongong, NSW) Fellow, Australasian Institute of Mining and Metallurgy
Experience:	Mr. Thomson commenced his career in underground gold operations in southern Africa and has since been involved in numerous successful gold and base metal ventures which included transitioning companies from exploration to production, and the establishment of sustainable operations. Mr. Thomson was Managing Director of the Company from 25 November 2016 to 5 August 2020.
Interest in Shares and Options:	Nil
Special Responsibilities:	Nil
Other Listed Company Directorships in Last 3 Years:	Pacific Nickel Mining (appointed 3 September 2020)

Bill Richie Yang	**Non-Executive Director**
Period of Directorship:	Appointed 16 June 2015
Qualifications:	BCom (Business Economics and Finance), University of New South Wales
Experience:	Mr. Yang is a corporate financier and business executive, with more than 16 years in the mining resources sector focused on business development, corporate strategies, M&A and financing. Mr. Yang has held numerous executive directorships and management roles in junior mining development companies, including Executive Director of ASX-listed Bligh Resources Limited between 2015 and 2017. He is also Managing Director of Sydney/Hong Kong based Vs Capital Group, a corporate finance advisory firm and Family Office investor.
Interest in Shares and Performance Rights:	Held directly - 3,000,000 performance rights expiring 27 June 2024 Held by Bill Richie Yang <Yana Family Super Fund A/C> - 572,692 fully paid ordinary shares Held by Vs Capital Investments Pty Ltd <The Exponential Family A/C> - 1,509,528 fully paid ordinary shares Held by Vs Capital Investments Pty Ltd - 528,948 fully paid ordinary shares
Special Responsibilities:	Member of Audit and Risk Management Committee Member of Nomination and Remuneration Committee (Chair)
Other Listed Company Directorships in Last 3 Years:	Nil

Finn Stuart Behnken	**Non-Executive Director**
Period of Directorship:	Appointed 19 December 2018, resigned 15 August 2022
Qualifications:	B.Sc Eng (Mining)
Experience:	Mr Behnken is a mining engineer and has South African mining management experience as the CEO of Tshipi é Ntle Manganese Mining (Pty) Limited (during the construction and initial production phase of the major Tshipi Borwa Manganese Mine). Prior to this, he was an investment banker with South African based Nedbank and has served as non-executive director of various mining companies including, most recently, as a director of the then AIM listed Gemfields plc. Mr Behnken is currently the South African representative of Auramet International, a United States domiciled precious metals merchant and mine financier.
Interest in Shares and Performance Rights:	Held directly - 800,000 performance rights expiring 27 June 2024
Special Responsibilities:	Chairman of Audit and Risk Management Committee
Other Listed Company Directorships in Last 3 Years:	Gemfields Plc

Byron Dumpleton	**Non-Executive Director**
Period of Directorship:	Appointed 10 November 2021
Qualifications:	Bachelor of Applied Science in Geology, Graduated 1986 Member, Australian Institute of Geoscientists
Experience:	Geologist with over thirty years' experience in Australia, Philippines & Indonesia: Experience in structurally complex Archean Gold (16+yrs), Proterozoic Copper and Gold, Oxide and Primary Copper (12+ yrs), Epithermal Gold/Silver (LS and HS) and Cu-Au Porphyry's, Archean and Ordovician VMS Copper Deposits, Sb and Au Shear Deposits (5+ yrs), Pb-Zn/Ag base metal deposits, Nickel Laterites (Australian, Indonesian, PNG) and Tertiary Coal Deposits (Indonesia). Iron Ore - –ematite and Magnetite Deposits (Mid West W.A. and Mauritania, West Africa).
Interest in Shares and Options:	Nil
Special Responsibilities:	Nil
Other Listed Company Directorships in Last 3 Years:	N/A

Yang (Simon) Liu	**Non-Executive Director**
Period of Directorship:	Appointed 29 January 2013
Qualifications:	Graduate, School of Journalism and Communication, Renmin University, China
Experience:	Mr. Liu has over 20 years' experience in marketing and corporate consulting. In 2010 he co-founded Beijing-based Hanhong Private Equity Fund which managed over USD1.5 billion. The fund's'investments covered entertainment, property development, oil/gas and gold mining projects. Simon is currently a senior partner at Rose Rock Capital, a wholly-owned Rockefeller family investment arm in Asia Pacific.
Interest in Shares and Performance Rights:	Held directly - 3,444,998 fully paid ordinary shares Held by Hanhong New Energy Holdings Ltd - 4,527,105 fully paid ordinary shares
Special Responsibilities:	Member of Nomination and Remuneration Committee
Other Listed Company Directorships in Last 3 Years:	Nil

Guyang (Brett) Tang	**Non-Executive Director**
Period of Directorship:	Appointed 3 July 2018
Qualifications:	Bachelor of Law (University of Soochow) MBA (University of Nanjing)
Experience:	Mr Tang is a qualified lawyer in China and is also registered as a Fund Manager with the Asset Management Association of China (AMAC). He is a professional investor and fund manager, experienced in and been successful in mining and mining investments. From 2007-2013, he was Executive Director at Yunnan Gold Mountain Ltd, a joint venture gold/copper mining company with a Chinese state-owned mining enterprise. Mr Tang is a director at Tasman Funds Management Ltd and a director and founding partner of China Nanjing Venture Capital Ltd, a VC Fund.
Interest in Shares and Performance Rights:	Held directly - 594,339 fully paid ordinary shares - 2,000,000 performance rights expiring 27 June 2024 Held by Tasman Funds Management Ltd - 32,730,995 fully paid ordinary shares
Special Responsibilities:	Member of Nomination and Remuneration Committee
Other Listed Company Directorships in Last 3 Years:	Nil

Company Secretary

Brent Hofman LLB, B. Com (appointed 16 November 2021)	Finance professional with twenty-plus years' experience as CFO and Company Secretary with multiple ASX Listed entities predominately in the resources and energy sectors. Strong commercial and corporate administrative professional with a Bachelor of Commerce (B.Com.), Griffith University Brisbane, A Bachelor of Laws (LLB), QUT Brisbane and qualifications from the Institute of Chartered Accountants Australia and New Zealand. Familiar with corporate law, listing rules, ASX disclosures, IPO experience, M&A and large asset monetarisation transactions, hostile takeovers, taxation and consolidating large, complex corporate entities for Australia, Hong Kong, United States , New Zealand, Vietnam and the Pacific Regions (PNG / SI).
Heath Roberts Grad. Dip. Legal Practice (resigned 16 November 2021)	A commercial solicitor with over twenty-five years ASX listed company management and operational experience to Executive Director level. Particular strength in company compliance, backdoor listings, exploration, mining and agricultural asset due diligence/acquisitions, joint venture structuring and management, project permitting and stakeholder negotiations, equity and debt fund raisings.

Principal Activities

The Consolidated Entity holds prospective gold assets in the Pilgrim's Rest – Sabie goldfield, a historic South African gold mining region. These assets include several surface and near-surface high-grade gold projects. The principal activities during the year consisted of continuing exploration with particular focus on optimising the feasibility study on the TGME Gold Project completed in the previous years covering both open-pits and underground gold mines, in parallel with securing various permitting entitlements over the existing mining rights.

Operating and Financial Review

The review of operations during the year is set out on pages 4 to 30.

Significant Changes in State of Affairs

The following significant changes in the state of affairs of the Consolidated Entity occurred during the financial year:

(a) Issued capital increased US$5,010,000 arising primarily from the issue of securities to raise funds for the group's activities.

Dividends

No dividend was paid, recommended or declared but not paid since the start of the financial year.

Likely Developments and Expected Results

Subject to receipt of permitting approval for open-cut mining and securing project finance, it is the Company's intention to develop the Theta Open-Cut Project as the group's starter mining project. The group will also be aiming to actively explore the surrounding Theta Project area to increase the project mine life. Subject to funding, it would be the group's plan to convert the large mineral resource into ore reserves through further drilling and exploration.

Environmental Regulations

The Consolidated Entity's operations are subject to environmental regulation under both South African and Australian legislation. There have been no known breaches of these regulations by the Consolidated Entity.

Significant Events after Balance Date

Subsequent to balance date, the Company issued 35,384,615 fully-paid ordinary shares at an issue price of A$0.065 per share, raising a total of A$2,300,000 (USD 1,600,000) before cost.

The Company also issued 20,000,000 unlisted call options to 2Invest AG who are substantial shareholders in the Company in return for non-exclusive advisory services in connection with identifying potential development funding investors for its TGME Underground Gold Mine Project. The options have an exercise price of $0.12 and will expire on 31 December 2023.

In addition, the Company released its Definitive Feasibility Study on 27 July 2022 for the TGME Underground Gold Mine Project. The Feasibility Study ('FS') presents a clear pathway to production via the re-development of TGME's gold assets within South Africa's renowned gold mining regions, with a forecast total Life of Mine (LOM) production of 1.24 Moz's of contained gold. Economics of the project are extremely strong delivering an $NPV_{10\%}$ of A$432 million applying a gold price of A$2,189 /Oz and an AISC of A$1,112 / oz. LOM is 12.9 years using a free-milling stand-alone processing plant that will produce dore gold bars on site from between 80 to 100koz p.a at 5.18 g/t and a gold recovery rate of 87.1%.

On 6 September 2022 the Company announced it has received approvals for two project-critical regulatory licences for the development of its TGME Underground Gold Mine.

1. Atmospheric Emissions Licence issued for the operations of the processing plant, and
2. State Forest Licence issued for Frankfort Mine.

The successful approvals are the by-project of an extensive period of engagement with domestic regulators, which required the Company to satisfy a broad range of criteria to meet the standards set out by government departments at the federal level.

Debt Advisors

The Company announced in July 2022 following the successful release of its DFS that it had engaged debt advisors to complete a TGME Project Information Memorandum and banking model to discuss with potential debt funding transactions with numerous project financiers and institutions for the peak capital requirements of the project of A$103 million. The Company expects non-binding initial offers and term-sheets in the coming months and will update the market with results of that process

Meetings of Directors

Attendances at Board and Committee meetings by directors during the year were as follows:

Board meetings

	Eligible to attend	Attended
Charles William Guy	10	10
Robert Peter Thomson	1	1
Bill Richie Yang	10	10
Simon Liu	10	8
Brett Tang	10	8
Finn Stuart Behnken	10	10
Bryon Dumpleton	8	4

Audit and Risk Committee meetings

	Eligible to attend	Attended
Finn Stuart Behnken	2	2
Charles William Guy	2	2
Bill Richie Yang	2	2

Nomination and Remuneration Committee meeting

	Eligible to attend	Attended
Bill Richie Yang	1	1
Charles William Guy	1	1
Simon Liu	1	1
Brett Tang	1	1

Performance Rights

Performance rights issued during the year

Nil performance rights were issued during the year ended 30 June 2022. In 2021, 400,000 performance rights expiring on 31 Dec 2022 and 1,900,000 expiring on 31 Dec 2025 were issued to Jan Bronkhorst & Freddy Moketla, employees of the group. The performance rights are subject to the performance hurdles described below.

Other than the above, no options over unissued ordinary shares were granted during or since the end of the financial year.

Total unissued shares under option

The unissued ordinary shares under options and performance rights at the date of this report are –

	Number
Unlisted options (details below)	48,011,433
Unlisted performance rights (details below)	12,420,000
	60,431,433

Number	Performance Hurdle/Vesting Date (if applicable)	Exercise Price	Expiry Date
Unlisted Options			
800,000	Options will vest on 1 October 2021	$0.30	30 Sep 2022
400,000	Options will vest on 3 and 4 January 2022	$0.30	31 Dec 2022
7,500,000	Issued as part of a funding transaction in August 2021	$0.275	31 Jul 2023
18,571,433	Issued as part of a funding transaction in August 2021	$0.40	30 Sep 2023
15,000,000	Issued as consideration to extend secured bond for 12 months	$0.17	16 Jan 2024
640,000	-320,000 for production of over 25,000 ounces of gold over a consecutive period of 3 months, and -320,000 for production of over 37,500 ounces of gold over a consecutive period of 3 months	$0.50	30 Sep 2025
3,200,000	-1,200,000 options upon a decision to mine. -800,000 options upon production commencement, and -1,200,000 options upon 3 months production (ounces) on schedule as per Theta Project Optimised Feasibility Study or from underground mine production, or the combination thereof, at AISC of US$855/oz (+/- 10%).	$0.40	30 Sep 2025
1,900,000	-500,000 options upon production of over 12,500 ounces of gold over a consecutive period of 3 months. -600,000 options upon production of over 25,000 ounces of gold over a consecutive period of 3 months, and -800,000 options upon production of over 37,500 ounces of gold over a consecutive period of 3 months.	$0.50	31 Dec 2025
48,011,433	**Total Options**		

Number	Performance Hurdle/Vesting Date (if applicable)	Exercise Price	Expiry Date
Unlisted Performance Rights			
50,000	All systems, licences, insurances, regulatory and statutory compliance in place to meet South Africa Mining regulations, laws, Mining Charter 111, commercial contacts. (Mine ready).	Nil	27 Jun 2024
5,100,000	Achieving annualised production of 50,000 ounces of gold per annum over a consecutive period of 3 months. This performance hurdle must be achieved on or before 27 September 2022 (extended from 27 Dec 2021, being 30 months from the date of issue of the performance right).	Nil	27 Jun 2024
5,350,000	Achieving annualised production of 100,000 ounces of gold per annum over a consecutive period of 3 months. This performance hurdle must be achieved on or before 27 March 2024 (extended from 27 Jun 2023, being 48 months from the date of issue of the performance right).	Nil	27 Jun 2024
640,000	12 months production (ounces) on schedule as per Theta Project Optimised Feasibility Study or from underground mine production, or the combination thereof, at AISC of US$855/oz (+/- 10%).	Nil	30 Jun 2025
640,000	Production of over 25,000 ounces of gold over a consecutive period of 3 months (100,000 oz pa).	Nil	30 Sep 2025
640,000	Production of over 37,500 ounces of gold over a consecutive period of 3 months (150,000 oz pa).	Nil	30 Sep 2025
12,420,000	**Total Performance Rights**		

The performance rights and option holders do not have any right to participate in any share issue of the Company or any other body corporate.

Shares issued as a result of exercise of performance rights

During the current financial year, 920,000 shares were issued as a result of the exercise of performance rights on the 20 August 2021 following the satisfaction of performance hurdles.

Indemnity and Insurance of Officers

The Company's constitution states that "to the extent permitted by law, the Company may –

a) indemnify each relevant officer against a liability of that person and the legal costs of that person.
b) make a payment (whether by way of advance, loan or otherwise) to a relevant officer in respect of legal costs of that person.
c) enter into, or agree to enter into, or pay, or agree to pay a premium for a contract insuring a relevant officer against a liability of that person and the legal costs of that person."

During the financial year, the Consolidated Entity paid a premium for a Directors and Officers Liability Insurance Policy for the benefit of the directors, secretaries, other officers, and employees of the Company. The contract of insurance prohibits disclosure of the terms of the policy and the amount of premium paid.

Indemnity and Insurance of Auditors

To the extent permitted by law, the Company has agreed to indemnify its auditor, Ernst & Young Australia, as part of the terms of its audit engagement agreement against claims by third parties arising from the audit (for an unspecified amount). No payment has been made to indemnify Ernst & Young during or since the end of the financial year.

Non-Audit Services

During the financial year, the auditor, Ernst & Young, did not provide any non-audit services to a controlled entity. The Directors have considered the level and nature of all services provided by the auditor and, in accordance with advice received from the Audit Committee, is satisfied that the nil provision of the non-audit services during the year is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001*.

Full details of the auditor's remuneration are set out in Note 5 to the financial statements.

Auditor's Independence Declaration

The auditor's independence declaration for the year ended 30 June 2022 is set out on page 53.

Rounding of Amounts to Nearest Thousand Dollars

The Company is of a kind referred to in ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191 and in accordance with that Instrument, amounts in the Directors' Report and the Financial Report have been rounded to the nearest thousand dollars, unless otherwise stated.

Remuneration Report (Audited)

This report details the nature and amount of remuneration paid/payable to key management personnel of the Consolidated Entity.

The key management personnel during the year were –

Directors

Charles William Guy, Executive Chairman (Appointed 10 November 2021)

Robert Peter Thomson, Managing Director and Non-Executive Director (Resigned as Managing Director on the 5 August 2020 and resigned as Director on the 13 August 2021)

Bill Richie Yang, Non-Executive Director

Finn Stuart Behnken, Non-Executive Director (Resigned on 15 August 2022)

Byron Dumpleton, Non-Executive Director (Appointed 10 November 2021)

Guyang (Brett) Tang, Non-Executive Director

Yang (Simon) Liu, Non-Executive Director

Other Key Management Personnel

Mitford Mundell, Chief Executive Officer (South Africa) (Ceased on 14 June 2022)

Jacques Du Triou, Chief Operations Officer (South Africa) (Appointed on 1 October 2020)

Phillip Rankin, Chief Financial Officer (Contractor) (Retired on 16 November 2021)

Brent Hofman, Chief Financial Officer / Company Secretary (Appointed on 16 November 2021)

Remuneration policy

The Board of Directors sets the remuneration policy to ensure that it is appropriate and effective in attracting and retaining the best key management personnel ("KMP") to manage the Consolidated Entity, as well as create goal congruence between KMPs and shareholders. To that end, remuneration is structured to comprise a fixed cash salary component and superannuation, supplemented by incentive securities (performance rights and/or options) linked to share price performance or operational performance hurdles.

The Company has adopted an Employee Performance Rights and Option Plan ("Plan"). Grant of performance rights and options under the Plan is at the discretion of the Board and is available to employees of the Company as well as those of its subsidiaries in South Africa.

The Board's policy is to remunerate non-executive directors at market rates for time, commitment, and responsibilities. The Board sets the director fees payable to non-executive directors at A$50,000 per annum. The maximum aggregate amount of fees that can be paid to non-executive directors shall be an amount not exceeding in aggregate a maximum sum that is from time to time approved by shareholders in general meeting. The current amount is A$600,000 per annum. In addition, non-executive directors receive extra remuneration as determined by the Board where they perform services at the request of the Board which, in the opinion of the Board are outside the scope of the ordinary duties of a Director.

Fees for non-executive directors are not linked to the performance of the Consolidated Entity. However, to align directors' interests with those of shareholders, all directors are encouraged to hold shares in the Company.

Relationship between Remuneration Policy and Consolidated Entity Performance

Long term incentives

The Consolidated Entity's remuneration policy in granting incentive securities to Directors and employees is targeted at transforming the entity from a gold explorer to a gold producer.

To ensure that the whole team is focussed on the same objective of delivering the Theta Project (underground mining) into production, the Board has determined that incentive securities issued to Directors and employees should have the same operational performance hurdles instead of the varied share price and performance hurdles in previous Options and Performance Rights. The Board believes that operational performance hurdles are more appropriate incentives and align the interests of the Directors and employees with those of shareholders. To that end, the performance rights currently on issue contain the following operational performance hurdles focussed on the development and operation of the Theta Project.

During the year, the Company issued nil incentive performance rights or options, (2021, 1,900,000) to Directors and employee's of the group. Full details of the Performance Rights and Options as at balance date issued to Directors and employee's are set out in the table below

Grant Date	Number '000		Performance Hurdle/Vesting Date (if applicable)	Exercise Price	Value at Grant (fair value as per AASB2)	Vesting Date	Expiry Date
	2022	2021					
01 Oct 2020	**800**	**800**	Employment commencement (Options will vest on 1 October 2021, being 12 months from commencement of employment)	$0.30	A$0.25	On or before 1 Oct 2021	30 Sept 2022
01 Oct 2020	**400**	**400**	Achieving annualised production of over 100,000 ounces and 150,000 ounces of gold per annum over a consecutive period of 3 months	$0.30	A$0.25	On or before 3 & 4 Jan 2022	31 Dec 2022
26 Sep 2019	**50**	**50**	All systems, licences, insurances, regulatory and statutory compliance in place to meet South Africa Mining regulations, laws, Mining Charter 111, commercial contacts. (Mine ready).	Nil	A$0.16	On or before 31 Mar 2023	27 Jun 2024
28 June 2019	**-**	**920**	Delineating a total of 300,000 ounces of gold ore reserves (in accordance with the JORC Code 2012[1]) at grade of at least 2.5g/t Au, amenable to open-cut mining on Mining Right 83, Mining Right 341 and Mining Right 10167 (under application).	Nil	A$0.16	On or before 27 Dec 2021	27 Jun 2024
28 June 2019 26 Sep 2019	**-** **-**	**4,000** **300**	Decision to Mine (Board approval to commence development of a gold mining operation) with all regulatory approvals secured.	Nil	A$0.16 A$0.155	On or before 27 Sep 2021	27 Jun 2024
28 June 2019 26 Sep 2019	**5,000** **100**	**5,500** **100**	Achieving annualised production of 50,000 ounces of gold per annum over a consecutive period of 3 months.	Nil	A$0.16 A$0.155	On or before 27 Sep 2022	27 Jun 2024

28 June 2019 26 Sep 2019	**5,300** **50**	**5,800** **50**	Achieving annualised production of 100,000 ounces of gold per annum over a consecutive period of 3 months.	Nil	A$0.16 A$0.155	On or before 27 Mar 2024	27 Jun 2024
1 Oct 2020	**1,200**	**1,200**	Decision to Mine	$0.40	A$0.146	On or before 31 Mar 2023	30 Sep 2025
1 Oct 2020	**800**	**800**	Production Commencement	$0.40	A$0.146	On or before 31 Dec 2023	30 Sep 2025
1 Oct 2020	**1,200**	**1,200**	3 months production (ounces) on schedule as per Theta Project Optimised Feasibility Study or from underground mine production, or the combination thereof, at AISC of US$855/oz (+/- 10%)	$0.40	A$0.146	On or before 30 Jun 2024	30 Sep 2025
1 Oct 2020	**640**	**640**	12 months production (ounces) on schedule as per Theta Project Optimised Feasibility Study or from underground mine production, or the combination thereof, at AISC of US$855/oz (+/- 10%)	Nil	A$0.25	On or before 30 Jun 2025	30 Sep 2025
1 Oct 2020	**320**	**320**	Production of over 25,000 ounces of gold over a consecutive period of 3 months (100,000 oz pa)	$0.50	A$0.1357	On or before 30 Sep 2025	30 Sep 2025
1 Oct 2020	**640**	**640**	Production of over 25,000 ounces of gold over a consecutive period of 3 months (100,000 oz pa)	Nil	A$0.25	On or before 30 Sep 2025	30 Sep 2025
1 Oct 2020	**320**	**320**	Production of over 37,500 ounces of gold over a consecutive period of 3 months (150,000 oz pa)	$0.50	A$0.1357	On or before 30 Sep 2025	30 Sep 2025
1 Oct 2020	**640**	**640**	Production of over 37,500 ounces of gold over a consecutive period of 3 months (150,000 oz pa)	Nil	A$0.25	On or before 30 Sep 2025	30 Sep 2025
26 Jan 2021	**500**	**500**	Production of over 12,500 ounces of gold over a consecutive period of 3 months	$0.50	A$0.39	On or before 31 Dec 2025	31 Dec 2025
26 Jan 2021	**600**	**600**	Production of over 25,000 ounces of gold over a consecutive period of 3 months	$0.50	A$0.39	On or before 31 Dec 2025	31 Dec 2025
26 Jan 2021	**800**	**800**	Production of over 37,500 ounces of gold over a consecutive period of 3 months	$0.50	A$0.39	On or before 31 Dec 2025	31 Dec 2025
Total	**19,360**	**25,580**					

Short term incentives

No key management personnel received performance-based bonuses during the financial year.
The table below sets out summary information about the Consolidated Entity's performance for the last five financial years.

		2022	2021	2020	2019	2018
Revenue	USD'000	-	-	-	-	-
Net Loss Before Tax	USD'000	7,636	4,365	5,490	5,172	4,129
Net Loss After Tax	USD'000	7,636	4,365	5,490	5,172	4,129
Basic earnings per share	US cents	(1.5)	(1.3)	(1.3)	(1.6)	(1.8)
Diluted earnings per share	US cents	(1.5)	(1.3)	(1.3)	(1.6)	(1.8)
Share price at start of year[1]	AU cents	22.5	29	16	11	26
Share price at end of year[1]	AU cents	7.0	22.5	29	16	11
Market capitalisation	AUD million	38.5	107.3	128.1	61.3	28.2

[1] On 30 November 2018, shareholders in general meeting approved a 10:1 consolidation of shares and options on issue at that date. For comparative purposes, the basic and diluted earnings per share for the financial years ended 30 June 2016 - 20018 have been presented on a post consolidation basis as if the share consolidation had occurred in the prior financial years.

Details of Remuneration

The following tables detail the components of remuneration for each key management personnel of the Consolidated Entity.

Table of Benefits and Payments

2022	SHORT-TERM BENEFITS		POST-EMPLOYMENT	SHARE-BASED	TERMINATION	Total
	Salary / Director Fees	Consulting fees	Superannuation	Options/ Rights	Benefits	
	USD	USD	USD	USD	USD	USD
Directors						
Charles William Guy	174,111		17,411	-	-	191,522
Robert Peter Thompson	5,521		552	-	-	6,073
Bill Richie Yang	36,270	94,310	-	-	-	130,580
Simon Liu	36,276		-	-	-	36,276
Brett Tang	33,127		3,313	-	-	36,440
Bryon Dumpleton	20,229		2,023	-	-	22,252
Finn Stuart Behnken	36,276		-	-	-	36,276
Other Key Management Personnel						
Brent Hofman	58,037		5,804	-	-	63,841
Mitford Mundell	283,932		-	94,157	65,055	443,144
Jacques Du Triou	231,654		-	56,494	-	288,148
Key Management Personnel	**915,433**	**94,310**	**29,103**	**150,651**	**65,055**	**1,254,552**

1. Charles William Guy moved to Executive Chairman in November 2021.

2. Mr Chin Haw Lim and Mr George Jenkins retired during the year ended 30 June 2021 and are no longer KMP's.

2021	SHORT-TERM BENEFITS		POST-EMPLOYMENT	SHARE-BASED	TERMINATION	Total
	Salary / Director Fees	Consulting fees	Superannuation	Options/ Rights	Benefits	
	USD		USD	USD	USD	USD
Directors						
Charles William Guy	114,128	60,946	-	8,971	-	184,045
Mr R Thomson	49,084		5,431	(20,228)	-	34,287
Mr B R Yang	40,629	86,887	-	10,957	-	138,473
Simon Liu	37,504		-	-	-	37,505
B Tang	34,250		3,254	5,478	-	42,982
F Behnken	37,505		-	(1,854)	-	35,651
Other Key Management Personnel						
Mr. C.H. Lim	112,515		10,689	(16,183)	-	107,021
Mr LM Mundell	183,243		-	94,085	-	277,328
J Du Triou	150,550		-	56,451	-	207,001
Mr. G. Jenkins	196,941		-	6,574	-	203,515
Total Key Management Personnel	**956,349**	**147,833**	**19,374**	**144,250**	**-**	**1,267,808**

Key management personnel equity holdings

The following tables set out the equity holdings in the Company of key management personnel of the Consolidated Entity.

Fully Paid Ordinary Shares

2022	Balance 1 July 2021	Acquisitions	Disposals	Net other change	Balance 30 June 2022	Balance nominally held
	No.	No.	No.	No.	No.	No.
Directors						
Charles William Guy	1,843,923	-	-	-	1,843,923	1,843,923
Robert Peter Thomson[1]	1,367,342	-	(1,367,342)	-	-	-
Bill Richie Yang	2,611,168	-	-	-	2,611,168	2,611,168
Simon Liu	7,972,103	-	-	-	7,972,103	7,972,103
Brett Tang	33,325,334	-	-	-	33,325,334	33,325,334
Finn Behnken	-	-	-	200,000	200,000	200,000
Total Key Management Personnel	**47,119,870**	**-**	**(1,367,342)**	**200,000**	**45,952,528**	**45,952,528**

1.Robert Thomson resigned as a non-executive director on 13 August 2021

Options and Performance Rights

2022	Balance 1 July 2021	Granted	Lapsed	Net other change	Balance 30 June 2022	Vested and exercisable
	No.	No.	No.	No.	No.	
Directors						
Charles William Guy	3,200,000	-	(800,000)	-	2,400,000	-
Bill Richie Yang	4,000,000	-	(1,000,000)	-	3,000,000	-
Simon Liu	400,000	-	(400,000)	-	-	-
Brett Tang	2,000,000	-	(500,000)	-	1,500,000	-
Finn Stuart Behnken	1,200,000	-	(200,000)	(200,000)	800,000	-
Other Key Management Personnel						
Mitford Mundell (CEO – Africa)	4,100,000	-	-	-	4,100,000	
Jacques Du Trio (COO – Africa)	2,460,000	-	-	-	2,460,000	
Total Key Management Personnel	**17,360,000**	**-**	**(2,900,000)**	**-**	**14,260,000**	**-**

Service contracts

Name	Term	Base salary	Termination payment
Charles William Guy Executive Chairman	From 10 November 2021	A$240,000 per annum plus statutory superannuation	3 months notice of termination or pay in lieu
Brent Hofman, Chief Financial Officer and Company Secretary (appointed 16 November 2021)	From 16 November 2021	A$160,000 per annum plus statutory superannuation (pro-rate basis)	1 month notice of termination or pay in lieu
Mitford Mundell, Chief Executive Officer – Africa	From 1 October 2020 until cessation on 16 June 2022	ZAR3.36m per annum base.	3 months notice of termination.
Jacques Du-Triou, Chief Operations Officer – Africa	From 1 October 2020	ZAR2.76m per annum base.	3 months notice of termination.

Other transactions with KMPs

The Company did not have any reportable transactions with directors or key management personnel other than that disclosed above during the year.

This directors' report, incorporating the remuneration report, has been signed in accordance with a resolution of the directors made pursuant to s298 (2) of the Corporations Act 2001.

For and on behalf of the Board

Charles William Guy
Chairman

Sydney
30 September 2022

Directors' Declaration

The directors of Theta Gold Mines Limited declare that:

1. The financial statements and notes, as set out on pages 50 to91, are in accordance with the Corporations Act 2001 and:

   (a) comply with Australian Accounting Standards, which, as stated in accounting policy Note 1 to the financial statements, constitutes compliance with International Financial Reporting Standards (IFRS); and

   (b) give a true and fair view of the Consolidated Entity's financial position as at 30 June 2022 and of its performance for the year ended on that date;

2. In the directors' opinion there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable; and

3. The directors have been given the declarations required by section 295A of the Corporations Act 2001.

Signed in accordance with a resolution of the directors made pursuant to section 295(5) of the Corporations Act 2001.

On behalf of the Board

Charles William Guy
Chairman

Sydney
30 September 2022

Building a better
working world

Ernst & Young
200 George Street
Sydney NSW 2000 Australia
GPO Box 2646 Sydney NSW 2001

Tel: +61 2 9248 5555
Fax: +61 2 9248 5959
ey.com/au

Auditor's independence declaration to the directors of Theta Gold Mines Limited

As lead auditor for the audit of the financial report of Theta Gold Mines Limited for the financial year ended 30 June 2022, I declare to the best of my knowledge and belief, there have been:

a. No contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the audit;

b. No contraventions of any applicable code of professional conduct in relation to the audit; and

c. No non-audit services provided that contravene any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Theta Gold Mines Limited and the entities it controlled during the financial year.

Ernst & Young

Scott Jarrett
Partner
Sydney
30 September 2022

Consolidated Statement of Profit or Loss and Other Comprehensive Income for the Year Ended 30 June 2022

	Notes	2022 USD'000	2021 USD'000
Continuing Operations			
Revenue		**-**	-
Cost of sales		**-**	-
Gross loss		**-**	-
Other income	3a	**181**	154
Finance costs	3b	**(2,120)**	(970)
Exploration expenses	3c	**(1,171)**	(1,090)
Operating expenses	3c	**(4,546)**	(2,512)
Other Expenses	3d	**20**	51
Loss before tax		**(7,636)**	(4,365)
Income tax expense	25	**-**	-
Loss for the year		**(7,636)**	(4,365)
Other comprehensive income, net of tax			
Items that may be reclassified subsequently to profit or loss:			
Unrealised gain/ (loss) on financial assets		**(956)**	-
Exchange difference on translating foreign operations		**(1,364)**	1,891
Other comprehensive (loss) / income for the year, net of income tax		**(2,320)**	1,891
Total comprehensive loss for the year		**(9,956)**	(2,474)
Loss attributable to:			
Equity holders of the parent		**(7,636)**	(4,365)
		(7,636)	(4,365)
Total comprehensive income attributable to:			
Equity holders of the parent		**(9,956)**	(2,474)
		(9,956)	(2,474)
Loss per share			
Basic (cents per share)	6	**(1.5)**	(0.9)
Diluted (cents per share)	6	**(1.5)**	(0.9)

The accompanying notes form part of these financial statements

Consolidated Statement of Financial Position
as at 30 June 2022

	Notes	2022 USD'000	2021 USD'000
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents		**22**	200
Receivables	7	**149**	180
		171	380
TOTAL CURRENT ASSETS		**171**	380
NON-CURRENT ASSETS			
Receivables	7	**39**	43
Other receivable	9	**1,427**	1,563
Property, plant and equipment	10	**695**	1,099
Exploration expenditure	11	**16,193**	15,760
Financial asset	8	**1,328**	525
TOTAL NON-CURRENT ASSETS		**19,682**	18,990
TOTAL ASSETS		**19,853**	19,370
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	12	**747**	952
Provisions	13	**682**	838
Borrowings	14	**7,749**	7,254
TOTAL CURRENT LIABILITIES		**9,178**	9,044
NON-CURRENT LIABILITIES			
Provisions	13	**1,701**	1,554
Borrowings	14	**4,157**	84
TOTAL NON-CURRENT LIABILITIES		**5,858**	1,638
TOTAL LIABILITIES		**15,036**	10,682
NET ASSETS		**4,817**	8,688
EQUITY			
Issued capital	15	**92,891**	87,881
Reserves	17	**6,546**	7,793
Accumulated losses		**(94,620)**	(86,986)
TOTAL EQUITY		**4,817**	8,688

The accompanying notes form part of these financial statements

Consolidated Statement of Changes in Equity for the Year Ended 30 June 2022

2022	Issued Capital	Equity Reserve	Asset Revaluation Reserve	Option Reserve	Share based payment reserve	Foreign Exchange Reserve	Accumulated Losses	Total
	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000
Balance 1 July 2021	**87,881**	**7,552**	**-**	**586**	**3,744**	**(4,089)**	**(86,986)**	**8,688**
Loss for the period	-	-	-	-	-	-	(7,636)	(7,636)
Other comprehensive income net of income tax	-	-	(956)	-	-	(1,364)	-	(2,320)
Total comprehensive income	-	-	(956)	-	-	(1,364)	(7,636)	(9,956)
Recognition of share based payments	-	-	-	-	189	-	-	189
Issue of options	-	-	-	885	-	-	-	885
Issue of shares	5,490	-	-	-	-	-	-	5,490
Cost of shares issued	(480)	-	-	-	-	-	-	(480)
Balance 30 June 2022	92,891	7,552	(956)	1,471	3,933	(5,453)	(94,621)	4,817

The accompanying notes form part of these financial statements

Consolidated Statement of Changes in Equity for the Year Ended 30 June 2021

2021	Issued Capital	Equity Reserve	Asset Revaluation Reserve	Option Reserve	Share based payment reserve	Foreign Exchange Reserve	Accumulated Losses	Total
	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000
Balance 1 July 2020	**81,349**	**7,552**	**-**	**198**	**3,603**	**(5,980)**	**(82,624)**	**4,098**
Loss for the period	-	-	-	-	-	-	(4,365)	(4,365)
Other comprehensive income net of income tax	-	-	-	-	-	1,891	-	1,891
Total comprehensive income	-	-	-	-	-	1,891	(4,365)	(2,474)
Recognition of share based payments	-	-	-	-	141	-	-	141
Issue of options	-	-	-	388	-	-	-	388
Issue of shares	6,853	-	-	-	-	-	-	6,853
Cost of shares issued	(321)	-	-	-	-	-	-	(321)
Balance 30 June 2021	87,881	7,552	-	586	3,744	(4,089)	(86,989)	8,688

The accompanying notes form part of these financial statement

Consolidated Statement of Cash Flows for the Year Ended 30 June 2022

	Notes	2022 USD'000	2021 USD'000
Cash flows from operating activities			
Payments to suppliers and employees		**(3,099)**	(2,876)
Payments for exploration expenditure		**(1,171)**	(1,090)
Interest received		**38**	6
Interest paid		**(441)**	(53)
Income tax paid		**-**	-
Net cash flow used in operating activities	21	**(4,673)**	(4,013)
Cash flows from investing activities			
Payments for property, plant and equipment		**(566)**	(36)
Payments for capitalised exploration expenditure		**(2,516)**	(2,157
Acquisition of shares in listed companies		**(616)**	-
Proceeds from disposal of property, plant and equipment		**21**	57
Net cash flow used in investing activities		**(3,677)**	(2,136)
Cash flows from financing activities			
Proceeds from issues of shares and other equity securities		**4,006**	6,719
Payments for share issue costs		**(173)**	(512)
Proceeds from borrowings		**4,477**	-
Repayment of borrowings		**(138)**	(5)
Net cash flow from financing activities		**8,172**	6,202
Net increase / (decrease) in cash and cash equivalents		**(178)**	53
Cash and cash equivalents at beginning of the year		**200**	147
Exchange rate adjustments		**-**	-
Cash and cash equivalents at end of the year		**22**	200

The accompanying notes form part of these financial statements

Notes to the Financial Statements for the Year Ended 30 June 2022

Note 1: Basis of Preparation of Financial Report

i. Compliance Statement

These financial statements are general purpose financial statements which have been prepared in accordance with the Corporations Act 2001, Australian Accounting Standards and Interpretations. The financial statements comprise the consolidated financial statements of Theta Gold Mines Limited and its controlled entities ("Consolidated Entity"). Compliance with Australian Accounting Standards ensures that the financial statements and notes comply with International Financial Reporting Standards ('IFRS').

The financial statements were authorized for issue in accordance with a resolution of the directors on 30 September 2022

ii. Basis of Preparation

The consolidated financial statements have been prepared on the basis of historical cost, except for financial instruments that are measured as at fair value at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair values of the consideration given in exchange for goods and services. All amounts are presented in thousands of USD, unless otherwise noted.

iii. Going Concern

The financial statements have been prepared on the going concern basis, which contemplates continuity of normal business activities and the realization of assets and discharge of liabilities in the normal course of business.

The Consolidated Entity made a loss of $7,636,000 for the year (2021: $4,365,000), with net cash outflows from operating activities of $4,673,000 (2021: $4,013,000). At 30 June 2022, the Consolidated Entity had net current liabilities of $9,007,000 (2021: $8,664,000).

The above matters indicate material uncertainty that may cast doubt on the Company's and the Consolidated Entity's ability to continue as a going concern and whether the entity will realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial report.

Loans

Net liabilities of the company included a loan from 2Invest AG for $4,200,000 (A$6,000,000) provided by way of a Secured Bond facility to assist in development funding for the TGME Underground Gold Mine Project as announced in July 2021.

The Secured Bond comprises of fifteen (15) 'bearer partial bonds', each with a face value A$400,000 with the full principal repayment of date 23 January 2023. In May 2022, the Company further announced that it had the option to extend the repayment date by 12 months to 23 January 2024 at the discretion of the Theta Board.

The Secured Bond requires an annualized cash coupon rate of 20% payable half yearly in arrears. The Company has met all its interest payment obligations to date under the Bond agreement.

2 Invest AG is also a significant shareholder in the Company currently holding 6.28 % of the shares in TGM.

In addition the Company has included as a net current liability, a loan from Australian Private Capital Investment Group (International) Ltd ("APCIG"), a company associated with Mr Simon Liu, a director of the Company. At 30 June 2022, the loan and accrued interest amounted to $9,985,428 (2021: $7,061,930). As explained in Note 14(b), the Company has formalised an agreement with Hanhong Private Equity Management Company Ltd ("Hanhong") and its subsidiary, Asia Field Enterprises Limited ("AFE") (companies associated with Mr Simon Liu), under which the parties agreed:

(i) That Hanhong and AFE agree to continue to procure the novation of the APCIG loan, replacing APCIG with AFE or Hanhong's nominee as lender;
(ii) That the amount owing under the APCIG loan is A$4,920,000 and upon novation of the APCIG loan;
(iii) The amount of A$4,920,000 is to be paid in the following manner following the novation of the APCIG loan:
a. The sum of A$3,280,000 by cash payments ("Cash Payments") to AFE, Hanhong or Hanhong's nominee; and
b. The sum of A$1,640,000 by the issue of shares in the capital of the Company to AFE, Hanhong or Hanhong's nominee ("Share Payment").
(iv) If the Company repays or is ordered to repay APCIG, AFE and Hanhong shall indemnify the Company for any amount it pays to or is ordered to pay to APCIG in excess of A$4,920,000.

At the date of the financial statements, the loan is yet to be novated to AFE or Hanhong's nominee as lender and the loan continues to be recorded at its full value and classified as a current liability.

Funding
The Company has historically demonstrated an ability to secure funding as and when required to meet its ongoing financial obligations. The Company has raised a further A$5,870,000 (US$4,250,000) before issue expenses during the year from share placements to institutions and sophisticated investors and continues to be able to raise new funds to support its activities. As disclosed in Note 26, subsequent to balance date, the Company issued 35,384,615 fully paid ordinary shares at an issue price of A$0.065 per share, raising a total of A$2,300,000 (US$1,600,000) before cost.

In addition, the Company announced in July 2022 following the successful release of its DFS that it had engaged debt advisors to complete a TGME Project Information Memorandum and banking model to discuss potential debt funding transactions with numerous project financiers and institutions for the peak capital requirements of the project of A$103 million. The Company expects non-binding initial offers and term-sheets in the coming months and will update the market with results of that process.

The Company continues to proactively manage its cash flow requirements to ensure that funds are available, including from capital raisings, as and when required.

The ability of the Consolidated Entity to continue as a going concern and meet its debts and commitments as they fall due is dependent upon the Company continuing to be successful in raising additional funds and receiving the ongoing financial support of the related party lender. In the event the Consolidated Entity is unsuccessful in achieving the above, there is material uncertainty that may cast significant doubt as to whether the Consolidated Entity will continue as a going concern and, therefore, whether it will realise its assets and settle its liabilities and commitments in the normal course of business and at the amounts stated in the financial report.

The Directors believe that the Company will be successful in the above matters and, accordingly, have prepared the financial report on a going concern basis. At this time, the Directors are of the opinion that no asset is likely to be realised for an amount less than the amount at which it is recorded in the financial report at 30 June 2022. Accordingly, no adjustments have been made to the financial report relating to the recoverability and classification of the asset carrying amounts or the amounts and classification of liabilities that might be necessary should the Company not continue as a going concern.

iv. Critical Accounting Estimates and Judgements

The directors evaluate estimates and judgments incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Consolidated Entity.

v. Key Judgments and Estimates

Impairment

The carrying amounts of the Consolidated Entity's assets, including capitalized exploration costs (refer Note 11) are reviewed at each reporting date to determine whether there is any indication of impairment. If there is any indication that an asset may be impaired, its recoverable amount is estimated.

Rehabilitation provision

The provision for rehabilitation and restoration costs is based on significant estimates and assumptions as there are many factors that will affect the ultimate cost payable to rehabilitate the project sites. The provision is based on current costs, current legal requirements and current technology, all of which could change over time. Changes in life of mine plans is another significant factor. The provision is adjusted for inflation each reporting period, however the actual rehabilitation costs can only be determined with certainty when all such factors are known at the appropriate time.

Share based payment

The cost of equity-settled transactions with employees is measured by reference to the fair value of the equity instruments at the date when they are granted. The fair value is determined by an external valuer.

The Company recognises a share-based payment expense based on the fair value of the equity instruments. In determining the expense, significant assumptions and estimates are made including the vesting period and probability of vesting.

Note 2: Summary of Significant Accounting Policies

a. **Principles of Consolidation**

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Theta Gold Mines Limited as at 30 June 2022 and the results of all subsidiaries for the year then ended. Theta Gold Mines Limited and its subsidiaries together are referred to in these financial statements as the 'Consolidated Entity'.

Control is achieved when the Consolidated Entity:

a) has power over the investee;

b) is exposed, or has rights, to variable returns from its involvement with the investee; and

c) has the ability to use its power to affect its returns.

The Consolidated Entity reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

Intercompany transactions, balances and unrealised gains on transactions between entities in the Consolidated Entity are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Consolidated Entity.

Non-controlling interest in the results and equity of subsidiaries are shown separately in the statement of profit or loss and other comprehensive income, statement of financial position and statement of changes in equity of the Consolidated Entity. Losses incurred by the Consolidated Entity are attributed to the non-controlling interest in full, even if that results in a deficit balance.

Where the Consolidated Entity loses control over a subsidiary, it de-recognises the assets including goodwill, liabilities and non-controlling interest in the subsidiary together with any cumulative translation differences recognised in equity. The Consolidated Entity recognises the fair value of the consideration received and the fair value of any investment retained together with any gain or loss in profit or loss.

b. **Black Economic Empowerment (BEE) Transactions**

Where equity instruments are issued to a BEE partner at less than fair value, these are accounted for as share-based payments. The difference between the fair value of the equity instruments issued and the consideration received is accounted for as an expense in profit or loss on the transaction date, with a corresponding increase in equity. No service or other conditions exist for BEE partners. A restriction on the BEE partner to transfer the equity instrument subsequent to its vesting is not treated as a vesting condition but is factored into the fair value determination of the instrument.

c. **Borrowing Costs**

Borrowing costs directly attributable to the acquisition, construction or production of assets that necessarily take a substantial period of time to prepare for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in profit and loss in the period in which they are incurred.

d. **Cash and Cash Equivalents**

Cash and cash equivalents include cash on hand, deposits available on demand with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are reported within short-term borrowings in current liabilities in the statement of financial position.

e. **Earnings Per Share**

Basic Earnings Per Share

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the Consolidated Entity, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the year.

Diluted Earnings Per Share

Diluted earnings per share is calculated by dividing profit, adjusting for interest on the convertible preference shares outstanding during the year plus weighted conversion of all potentially dilutive ordinary shares.

f. **Employee Benefit Liabilities**

Provision is made for the Consolidated Entity's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits. Those cash flows are discounted using market yields on corporate bonds with terms to maturity that match the expected timing of cash flows.

g. **Exploration and evaluation expenditure**

Exploration and evaluation expenditure is carried forward in the accounts in respect to areas of interest for which the rights of tenure are current and where –

(i) such costs are expected to be recouped through successful development and exploitation of the area of interest, or alternatively, by its sale; or

(ii) exploration and/or evaluation activities in the area have not yet reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves and active and significant operations in, or in relation to, the area are continuing.

Where the expenditure is expected to be recouped through development and economic exploitation of the area of interest, the accumulated costs are transferred to mine properties and amortised over the life of the mine in proportion to the depletion of the economically recoverable mineral reserves.

Costs carried forward in respect of an area of interest which no longer satisfy the above policy are written off in the period in which that decision is made.

Indirect exploration expenditure is expensed in the period it is incurred.

h. **Financial Instruments**

Classification and measurement

i. Financial Assets

The Consolidated Entity initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs.

Debt financial instruments are subsequently measured at fair value through profit or loss (FVPL), amortised cost, or fair value through other comprehensive income (FVOCI). The classification is based on two criteria: the Consolidated Entity's business model for managing the assets; and whether the instruments' contractual cash flows represent 'solely payments of principal and interest' on the principal amount outstanding (the 'SPPI criterion').

The classification and measurement of the Consolidated Entity's financial assets are, as follows:

- Debt instruments at amortised cost for financial assets that are held within a business model with the objective to hold the financial assets in order to collect contractual cash flows that meet the SPPI criterion. This category includes the Consolidated Entity's receivables and other receivables,

Other financial assets are classified and subsequently measured, as follows:

- Equity instruments at FVOCI, with no recycling of gains or losses to profit or loss on derecognition. This category only includes equity instruments, which the Consolidated Entity intends to hold for the foreseeable future and which the Consolidated Entity has irrevocably elected to so classify upon initial recognition or transition.

- Financial assets at FVPL comprise derivative instruments and quoted equity instruments which the Consolidated Entity had not irrevocably elected, at initial recognition or transition, to classify at FVOCI. This category would also include debt instruments whose cash flow characteristics fail the SPPI criterion or are not held within a business model whose objective is either to collect contractual cash flows, or to both collect contractual cash flows and sell. The shares in Bullion Asset Management are accounted for as a financial asset at FVPL.

Impairment

The Consolidated Entity is required to record an allowance for ECLs for all loans and other debt financial assets not held at FVPL.

ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Consolidated Entity expects to receive. The shortfall is then discounted at an approximation to the asset's original effective interest rate.

For receivables and other receivables, the Consolidated Entity applies the standard's simplified approach and calculates ECLs based on lifetime expected credit losses.

For other debt financial assets (i.e., loans and debt securities at FVOCI), the ECL is based on the 12-month ECL. The 12-month ECL is the portion of lifetime ECLs that results from default events on a financial instrument that are possible within 12 months after the reporting date. However, when there has been a significant increase in credit risk since origination, the allowance will be based on the lifetime ECL.

The Consolidated Entity considers a financial asset in default when contractual payment are 90 days past due. However, in certain cases, the Consolidated Entity may also consider a financial asset to be in default when internal or external information indicates that the Consolidated Entity is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Consolidated Entity.

ii. Financial Liabilities

Financial liabilities at fair value through profit or loss are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability and is included in the 'other gains and losses' line item. Fair value is determined in the manner described in note 23.

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost.

iii. Compound instruments

The component parts of compound instruments (convertible bonds) issued by the Consolidated Entity are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument. Conversion options that will be settled by the exchange of a fixed amount of cash or another financial asset for a fixed number of the Consolidated Entity's own equity instruments is an equity instrument.

At the date of issue, the fair value of the liability component is estimated using the prevailing market interest rate for similar non-convertible instruments. This amount is recognised as a liability on an amortised cost basis using the effective interest method until extinguished upon conversion or at the instrument's maturity date.

The conversion option classified as equity is determined by deducting the amount of the liability component from the fair value of the compound instrument as a whole. This is recognised and included in equity, net of income tax effects, and is not subsequently remeasured. In addition, the conversion option classified as equity will remain in equity reserves until the conversion option is exercised, in which case, the balance recognised in equity will be transferred to issued capital. Where the conversion option remains unexercised at the maturity date of the convertible note, the balance recognised in equity will be transferred to retained profits/ accumulated losses. No gain or loss is recognised in profit or loss upon conversion or expiration of the conversion option.

Transaction costs that relate to the issue of the convertible notes are allocated to the liability and equity components in proportion to the allocation of the gross proceeds. Transaction costs relating to the equity component are recognised directly in equity. Transaction costs relating to the liability component are included in the carrying amount of the liability component and are amortised over the lives of the convertible notes using the effective interest method.

Embedded derivatives are no longer separated from a host financial asset. Instead, financial assets are classified based on their contractual terms and the Consolidated Entity's business model.

iv. De-recognition

Financial assets are derecognised where the contractual rights to receipt of cash flows expires or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are discharged, cancelled or expired. The difference between the carrying value of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

Derivative financial instruments

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

Derivatives embedded in non-derivative host contracts are treated as separate derivatives when they meet the definition of a derivative, their risks and characteristics are not closely related to those of the host contracts and the contracts are not measured at fair value through profit or loss.

i. Foreign Currency Translation

i. Functional and presentation currency

Items included in the financial statements of each of the Consolidated Entity's subsidiaries are measured using the currency of the primary economic environment in which the subsidiary operates. The consolidated financial statements are presented in United States Dollars (USD); on the basis that the US dollar is the most appropriate base given the Consolidated Entity operates in more than one currency and has a large investor base which operates in a different functional currency to all companies in the Consolidated Entity.

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss, except when they are attributable to part of the net investment in a foreign operation.

ii. Net investments in foreign operations

The results and financial position of foreign operations (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

a) Assets and liabilities are translated at year-end exchange rates prevailing at that reporting date;
b) Income and expenses are translated at average exchange rates for the period, and
c) All resulting exchange differences are recognised in other comprehensive income.

j. **Goods and Services Tax (GST) and Value Added Tax (VAT)**

Revenues, expenses and assets are recognised net of the amount of GST and VAT, except where the amount of GST incurred is not recoverable from the Australian Tax Office (ATO) and South African Revenue Service (SARS).

Receivables and payables are stated inclusive of the amount of GST and VAT receivables or payable. The net amount of GST and VAT recoverable from, or payable to, the ATO and SARS is included with other receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST and VAT components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the ATO and SARS are presented as operating cash flows and included in receipts from customers or payments to suppliers.

k. **Income Tax**

The income tax expense (benefit) for the year comprises current income tax expense (benefit) and deferred tax expense (benefit).

Current income tax expense charged to the profit or loss is the tax payable on taxable income. Current tax liabilities (assets) are measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the year as well as unused tax losses.

Current and deferred income tax expense (benefit) is charged or credited outside profit or loss when the tax relates to items that are recognised outside profit or loss.

Deferred tax assets and liabilities are calculated at the tax rate that are expected to apply to the period when the assets is realised or the liability is settled and their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability. Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised.

Deferred tax assets and liabilities are offset where (a) a legally enforceable right of set off exists, (b) the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur in future periods in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

l. **Impairment of Assets**

At the end of each reporting period, the Consolidated Entity assesses whether there is any indication that an asset may be impaired. The assessment will include the consideration of external and internal sources of information. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in profit or loss, unless the asset is carried at a revalued amount in accordance with another Standard (e.g. in accordance with the revaluation model in AASB116). Any impairment loss of a revalued asset is treated as a revaluation decrease in accordance with that other Standard.

Where it is not possible to estimate the recoverable amount of an individual asset, the Consolidated Entity estimates the recoverable amount of the cash generating unit to which the asset belongs.

m. **Leases**

The Consolidated Entity assesses at contract inception whether a contract is, or contains, a lease, that is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Right-of-use assets

The Consolidated Entity recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

Lease liabilities

A lease liability is recognised at the commencement of the lease. The Consolidated Entity recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Consolidated Entity and payments of penalties for terminating the lease, if the lease term reflects the Consolidated Entity exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

Short-term leases and leases of low-value assets

The Consolidated Entity applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

n. **Property, Plant and Equipment**

Each class of property, plant and equipment is carried at cost as indicated less, where applicable, any accumulated depreciation and impairment losses.

Depreciation

The depreciable amount of all fixed assets including capitalised lease assets, but excluding freehold land, is depreciated on a straight-line basis over the asset’s useful life commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.
The depreciation rates used for each class of depreciable assets are:

Class of Fixed Asset	*Depreciation Rate*
Furniture and fittings	16.66%
Plant and machinery	20%
Computer equipment	33.33%
Motor vehicles	20%
Buildings	5%

The assets' carrying amounts and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying value is written down immediately to its recoverable amount if the asset's carrying value is greater than its estimated recoverable amount.

o. **Provisions**

Provisions are recognised when the Consolidated Entity has a present legal or constructive obligation as a result of past events, for which it is probable that an outflow of economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

p. **Rehabilitation Provision**

Estimated long-term environmental provisions, comprising pollution control, rehabilitation, decommissioning and mine closure, are independently calculated by third parties based on current technological, environmental and regulatory requirements. The provision for rehabilitation is recognised as and when the environmental liability arises.

The provision is based on the estimated cost before salvages, for the Consolidated Entity to rehabilitate the mine sites. The present value of the provision for rehabilitation costs is updated using an average inflation rate during periods when limited environment disturbance is caused.

q. **Rounding of Amounts to Nearest Thousand Dollars**

The Company is of a kind referred to in ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191 and in accordance with that Instrument, amounts in the Directors' Report and the Financial Report have been rounded to the nearest thousand dollars, where specified.

r. **Accounting Standards and Interpretations issued but not yet effective**

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the consolidated entity for the annual reporting period ended 30 June 2022. Management have reviewed the accounting standards that are not yet mandatory and do not believe that they do not have a material impact to the consolidated entity and therefore they are not expected to have a material impact on the financial statements.

s. **New or amended Accounting Standards and Interpretations adopted**

The consolidated entity has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period. The impact of their adoption has not been material.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

Comparative figures

The opening balance of 503,246 shares at 1 July 2021 was adjusted due to an discrepancy identified during the audit for 2022. The closing balance at 30 June 2021 of 476,946 shares excluded 26,300,000 shares issued during that year.

Note 3: Profit /Loss from Operations

	2022 USD'000	2021 USD'000
(a) Other income		
Interest income	**97**	68
Other income	**84**	86
	181	154
(b) Finance Costs		
Loans – non-related parties	**1,135**	-
Loans – vendors	**9**	-
Loans – related parties	**976**	970
	2,120	970
(c) Operating expenses		
Administration expenses	**590**	448
Consultants expenses and professional costs	**1,080**	1,042
Employee and contractor expenses	**1,935**	1,969
Depreciation	**78**	32
Share Based Payments	**189**	141
Impairment of PPE item	**782**	-
Other operating expenses	**1,063**	(31)
	5,717	3,602
Reclassified as Exploration expenses	**(1,171)**	(1,090)
	4,546	2,512
(d) Other expenses (non-cash)		
Provision for Doubtful Debts	**-**	-
Other Expenses	**(20)**	(51)
Impairment of assets	**-**	-
	(20)	(51)

Note 4: Key Management Personnel Compensation

Details of the remuneration paid or payable to each member of the Consolidated Entity's key management personnel (KMP) are set out in the Remuneration Report contained in the Directors' Report on pages 45 to 51.

	2022 USD	**2021 USD**
Total remuneration paid or payable to KMPs is as follows:		
Short-term employee benefits	1,009,744	1,104,184
Post-employment benefits	29,102	19,374
Termination benefits	65,055	-
Share-based payments	150,651	144,250
	1,254,552	1,267,808

Note 5: Auditor's Remuneration

	2022	2021
	USD	USD
Audit and review of financial report		
- Ernst & Young, Australia	78,239	70,808
- Ernst & Young, South Africa	51,679	43,505
	129,918	114,313
Taxation services		
- Ernst & Young, South Africa	-	-
	129,918	114,313

Note 6: Loss per Share

	Cent	Cent
Basic loss per share	(1.5)	(0.9)
Diluted loss per share	(1.5)	(0.9)
	USD'000	**USD'000**
Loss used to calculate basic and diluted loss per share	**7,636**	4,365
	Number of shares	**Number of shares**
Weighted average number of ordinary shares used in calculating basic and diluted loss per share	**503,700,462**	476,945,666

The Consolidated Entity has a number of options and performance rights on issue. Options and performance rights have not been included in the earnings per share calculation due to being non-dilutive for the year.

Note 7: Receivables

	2022	2021
	USD'000	USD'000
Current		
Trade receivables	**-**	1
Tax receivable	**74**	69
Other receivables	**75**	109
	149	180
Non-current		
Security deposits	**39**	43

The value of receivables considered by the directors to be past due or impaired is nil (2021: nil).

Note 8: Financial asset

	2022	2021
	USD'000	USD'000
Investments in Focus Minerals Limited	**846**	-
Shares in Bullion Asset Management Services Pte Ltd	**482**	525
Total Financial Assets	**1,328**	525

During the year the Company acquired 3,199,593 shares in Focus Minerals Limited (FML) made up of 1,856,198 shares purchased directly on market and 1,343,395 shares via an allocation available in a Renounceable Entitlement Offer by FML in December 2021. The market value of these shares in FML was $330,726, (A$479,939).

In December 2021 the Company also announced its intention to make an off-market takeover bid for the shares in FML. The original offer was on a 2 for 1 basis where each FML shareholders who took up the offer would receive 2 shares in TGM. In February 2022, TGM announced they had improved the offer for FML shares to 5 new TGM shares for every 2 FML shares. As at the closing date in March 2022 of the TGM off market offer, TGM had received a total of 4,977,984 acceptances in the offer and gain approximately 417 new TGM shareholders on the registry. As a result, TGM issued 12,445,002 new TGM shares as consideration under the 5 for 2 script for script takeover offer. The market value of these shares in FML was $515,549, (A$745,698).

The investment in FML is recognized as a financial asset and has been measured at fair value through equity reserve account at 30 June 2022 at $846,275 (A$1,226,637).

In January 2021, the Company made an TGM-script based equity investment in Bullion Asset Management Services Pte Ltd ("BAM"), a Singapore-based technology company focused on financing, tokenization of physical gold bullion and precious metals trading. The investment in BAM comprised an initial subscription of A$700,000 worth of BAM shares which was settled on 29 January 2021 by the issue of 2,087,682 Theta Gold shares at $0.335 per share. The Company wishes to retain its investment in BAM and continue to work with the group in alternative gold financing and project joint venture initiatives.

The investment in BAM is recognised as a financial asset and measured at fair value through profit and loss in accordance with the company's accounting policy. The fair value of the financial asset as at 30 June 2022 is $482,000, A$700,000 (2021: $525,000; A$700,000) based on the fair value of the BAM share price of US$1 per share as determined by management.

Note 9: Other Receivable

	2022	2021
	USD'000	USD'000
Rehabilitation investment fund	**1,427**	1,563

The rehabilitation funds are pledged to a third party as security for the issue of rehabilitation guarantees to the Department of Mineral Resources and Energy in South Africa in support of various mining licenses.

Note 10: Property, Plant and Equipment

	2022	2021
	USD'000	USD'000
Land and buildings		
Land and buildings - at cost	**414**	476
Less accumulated depreciation	**(189)**	(220)
	225	256
Plant and machinery		
Plant and machinery - at cost	**669**	1,686
Less accumulated depreciation	**(261)**	(888)
	408	798
Other plant and equipment		
Other plant and equipment - at cost	**143**	173
Less accumulated depreciation	**(81)**	(128)
	62	45
Total Property, Plant and Equipment	**695**	1,099

	2022	2021
	USD'000	USD'000
Movements:		
Land and buildings		
Opening net book value	**257**	224
Disposals	**-**	-
Depreciation and impairment	**(4)**	(4)
Reclassified from/(to) assets held for sale	**-**	-
Exchange rate effect	**(28)**	37
Closing net book value	**225**	257
Plant and machinery		
Opening net book value	**796**	669
Additions	**519**	-
Depreciation	**(51)**	-
Impairment*	**(782)**	(13)
Exchange rate effect	**(74)**	140
Closing net book value	**408**	798

*During the period the company impaired the full value of the Ball mill to a recoverable value of zero. This is due to a change in project strategy and re-designed of the processing plant, therefore the mill was no longer conductive for the development.

Other		
Opening net book value	**45**	23
Additions	**48**	36
Disposals	**(1)**	(4)
Depreciation and impairment	**(23)**	(15)
Exchange rate effect	**(7)**	5
Closing net book value	**62**	45

Note 11: Exploration Expenditure

	2022 USD'000	2021 USD'000
Exploration expenditure	**16,193**	15,760

Movements:

Opening net book value	**15,760**	11,379
Additions	**2,528**	1,964
Exchange rate effect	**(2,095)**	2,417
Closing net book value	**16,193**	15,760

Note 12: Trade and Other Payables

	2022 USD'000	2021 USD'000
Trade payables	**351**	488
Accrued expenses	**396**	464
	747	952

The average credit period on purchases of goods is 30 days. No interest is charged on the trade payables for the first 30 days from the date of the invoice. Thereafter, interest is charged at variable rates per annum on the outstanding balances from certain suppliers.

Note 13: Provisions

		2022 USD'000	2021 USD'000
Current			
Provision for employee benefits		**89**	175
Accural for audit fees		**54**	83
Provision for tax penalty	(a)	**539**	580
Provision for tax		**-**	-
		682	838
Non-Current			
Provision for rehabilitation	(b)	**1,701**	1,554

Movements:

Balance at beginning of year	**1,554**	1,578
Changes in estimate during year	**362**	(337)
Exchange rate effect	**(215)**	314
Balance at end of year	**1,701**	1,554

(a) The provision for tax penalty relates to a penalty assessed by the South African Revenue Service ("SARS") on a subsidiary of the Company in respect to the financial years ended 30 June 2016, 2017 and 2018. The subsidiary had lodged its income tax returns in those years, based on professional advice, on the basis that deductible expenses were available as losses carried forward to be used against future assessable income. However, SARS has determined that the expenditure should have been capitalized as the subsidiary was not in production in those periods and claimed the capitalized costs as amortizable costs against future assessable income. Notwithstanding the subsidiary has not utilized any of the losses carried forward, SARS has assessed a penalty of 25% of the tax benefit deemed to have been received by the subsidiary.

The subsidiary is strongly objecting against the penalty assessment, however has made the provision in accordance with accounting standards.

(b) The rehabilitation provision relates to the Consolidated Entity's obligation to restore and rehabilitate areas within its mining tenements where there have been exploration and mining activities in the past. The provision includes costs relating to the decommissioning of the gold processing plant.

The provision is partially supported by cash held in a Rehabilitation Investment Fund (Note 9).

Note 14: Borrowings

		2022 USD'000	2021 USD'000
Current			
Secured			
Vendor finance	(a)	**98**	80
		98	80
Unsecured			
Loan – related party	(b)	**7,410**	7,062
Loan – unrelated party	(c)	**241**	113
		7,651	7,175
Total		**7,749**	7,254
Non-Current			
Secured			
Loan – unrelated party	(d)	**4,125**	-
Vendor finance		**32**	84
		4,157	84

(a) Vendor finance

The loan is secured by registration of a first covering private bond in favour of the lender, over the property purchased by a controlled entity from the lender in 2014. The loan is repayable over 10 years from August 2014 and interest is payable at the South African prime rate plus 2%.

Also includes premium insurance funding with Attvest Finance Pty Ltd for Director and Officer insurance cover for 2022-23 at 5.7% per annum.

(b) Loan – related party

In 2013, the Company entered into a loan agreement with Australian Private Capital Investment Group (International) Ltd ("APCIG"), a company associated with Mr Simon Liu, a director of the Company, whereby APCIG lent the Company A$4,000,000 (USD 2,805,200). The key terms of the loan are –

(i) Interest accrues at the rate of 10% per annum and 15% per annum on overdue principal and interest;

(ii) The loan is unsecured;

As previously announced, certain individuals purporting to represent the loan provider, APCIG, have threatened the Company with various claims, including issuing statutory demands on the Company on two occasions, the most recent in May 2017. On both occasions, the courts have issued orders that the statutory demands be set aside.

The Company's view was, and remains, that the claims were without foundation and were otherwise considered frivolous and vexatious. The Company's position was that the parties purporting to represent APCIG sought to establish their entitlement by commencing legal proceedings. If the confusion continues, the Company will seek direction from a court of competent jurisdiction to reach a determination as to who the Company should in fact repay and so direct the Company to do so.

In the previous reporting period, the Company formalised an agreement with the controller of the APCIG Loan, Hanhong Private Equity Management Company Ltd ("Hanhong") and its subsidiary, Asia Field Enterprises Limited ("AFE") (companies associated with Mr Simon Liu), under which the parties agreed:

(i) That Hanhong and AFE agree to continue to procure the novation of the APCIG Loan, replacing APCIG with AFE or Hanhong's nominee as lender;

(ii) That the amount owing under the APCIG Loan is A$4,920,000 and upon novation of the APCIG Loan;

(iii) The amount of A$4,920,000 is to be repaid in the following manner:

a. The sum of A$3,280,000 by cash payments (Cash Payments) to AFE, Hanhong or Hanhong's nominee; and

b. The sum of A$1,640,000 by the issue of shares in the capital of the Company to AFE, Hanhong or Hanhong's nominee (Share Payment).

(iv) The Cash Payments will comprise four (4) equal instalments paid every six calendar months, commencing on the last day of the sixth month following confirmation that Transvaal Gold Mining Estates Limited, a subsidiary of the Company, has achieved gold production at an annualised rate of 40,000 ounces of gold over a consecutive period of three (3) months;

(v) The Share Payment will be made one month after novation of the APCIG Loan to AFE or Hanhong's nominee;

(vi) If the Company repays or is ordered to repay APCIG, AFE and Hanhong shall indemnify the Company for any amount it pays to or is ordered to pay to APCIG in excess of A$4,920,000.

Until the loan is novated to AFE or Hanhong's nominee as lender, interest will continue to accrue in accordance with the original loan agreement and the full amount will continue to be classified as a current liability.

(c) Loan – non related party

Short-term loan from Aus Agriculture Pty Ltd of $350,000, (A$241,000) at 8% per annum, annualised.

(d) Loan – non related party

During the period the company was provided a Secured Bond Facility by 2Invest AG. The Bond outstanding payable amount is A$6,000,000 (USD 4.1 million) with an annualised coupon rate of 20% paid half-yearly in arrears. The principle amount of the bond is due 18 months from draw down date with the option to extend for a further 12 months.

Principle	4,135	-
Issue costs	(631)	-
Amortization	621	**-**
	4,125	-

Note 15: Issued Capital

	2022 USD'000	2021 USD'000
Issued and paid-up shares	**92,891**	87,881

(a) Movements

2022		Number of Shares '000	USD'000
01 Jul 2021	Balance at beginning of year	**503,246[1]**	87,881
11 Aug 2021	Share Placement	**12,695**	1,958
19 Aug 2021	Exercise of Performance Rights	**920**	-
01 Oct 2021	Share Placement	**8,571**	1,299
02 Mar 2022	Shares issued under TGM Offer	**5,085**	496
11 Mar 2022	Shares issued under TGM Offer	**7,360**	754
06 May 2022	Share Placement	**12,350**	983
	Less: Share issue expenses	**-**	(480)
30 June 2022	**Balance at end of year**	**550,227**	**92,891**
	Less: Treasury shares held	**24,000**	-
30 June 2022	**Balance at end of year**	**526,227**	**92,891**

1. The opening balance of 503,246 shares at 1 July 2021 was adjusted due to an discrepancy identified during the audit for 2022. The previous closing balance at 30 June 2021 of 476,946 shares excluded 26,300,000 shares issued during that year.

2021		Number of Shares '000	USD'000
01 Jul 2020	Balance at beginning of year	**441,657**	81,349
15 Jul 2020	Exercise of Options	**100**	13
15 Jul 2020	Exercise of Options	**159**	21
27 Jul 2020	Share Placement	**11,771**	2,014
27 Jul 2020	Share Placement	**729**	125
16 Aug 2020	Exercise of Options	**337**	46
16 Sep 2020	Share Placement	**4,167**	733
3 Nov 2020	Exercise of Options	**1,219**	259
29 Jan 2021	Share Placement	**2,088**	536
23 Mar 2021	Share Placement	**5,385**	1,137
23 Mar 2021	Share Placement	**9,334**	1,970
25 Mar 2021	Share Placement	**24,000[1]**	-
21 Apr 2021	Exercise of Performance Rights	**2,300**	-
	Less: Share issue expenses	**-**	(321)
30 June 2021	**Balance at end of year**	**503,246**	87,881
	Less: Treasury shares held	**24,000**	-
30 June 2021	**Balance at end of year**	**479,246**	87,881

1. On 25 March 2021 the Company for no cash consideration provided 24 million shares as security over an At-The-Market facility with Acuity Capital.

Ordinary Shares

At a general meeting, on a show of hands, each shareholder present and each other person present as a proxy, attorney or corporate representative of a shareholder and entitled to vote has one vote. On a poll, each shareholder present and each other person present as a proxy, attorney or corporate representative of a shareholder and entitled to vote:

(i) has one vote for each fully paid share held; and
(ii) has for each share which is not fully paid a fraction of a vote equivalent to the proportion which the amount paid up, but not credited as paid up, on that share bears to the total of the amounts paid and payable (excluding amounts credited) on that share.

Fully paid ordinary shares carry a right to dividends and upon the winding up of the Company.

Capital management

The Consolidated Entity's funding requirements are largely sourced from equity raisings. Its objectives in capital management are to ensure that it can meet its debts and commitments as and when they fall due and to maintain an optimal capital structure to reduce the cost of capital.

Note 16: Options and Performance Rights

		2022 Number '000	2021 Number '000
Listed options (ASX: TGMO)	16(b)	**-**	-
Unlisted options	16(c)	**48,011**	15,098
Unlisted performance rights	16(d)	**12,420**	18,640
		60,431	33,738

	2022 Number '000	2021 Number '000
a) Movements		
Balance at beginning of year	**33,738**	62,284
Listed options issued	**-**	-
Listed options exercised	**-**	(1,219)
Listed options lapsed	**-**	(32,536)
Unlisted options issued	**51,443**	12,773
Unlisted options exercised	**-**	(596)
Unlisted options lapsed	**(18,530)**	(408)
Performance rights issued	**-**	1,920
Performance rights lapsed	**(5,300)**	(6,180)
Performance rights exercised	**(920)**	(2,300)
Balance at end of year	**60,431**	33,738

b) Unlisted Options at 30 June 2022

Grant date	2022 Number '000	2021 Number '000	Expiry date	Exercise price
29 Apr 2020	**-**	2,325	27 Apr 2022	A$0.40
1 Oct 2020	**800**	800	30 Sep 2022	A$0.30
1 Oct 2020	**3,200**	3,200	30 Sep 2025	A$0.40
1 Oct 2020	**640**	640	30 Sep 2025	A$0.50
30 Nov 2020	**-**	833	27 Apr 2022	A$0.40
18 Dec 2020	**-**	5,000	30 Jun 2022	A$0.50
1 Jan 2021	**400**	400	31 Dec 2022	A$0.30
1 Jan 2021	**1,900**	1,900	31 Dec 2025	A$0.50
11 Aug 2021	**7,500**	-	31 July 2023	A$0.27.5
11 Aug 2021	**8,200**	-	30 Sep 2023	A$0.40
1 Oct 2021	**2,929**	-	30 Sep 2023	A$0.40
4 Oct 2021	**1,190**	-	30 Sep 2023	A$0.40
6 Oct 2021	**6,252**	-	30 Sep 2023	A$0.40
16 May 2022	**15,000**	-	16 Jan 2024	A$0.17
	48,011	15,098		
Weighted average exercise price	**A$0.31**	A$0.44		

a) During the year, the Company issued 36,442,862 unlisted options exercisable at varies prices and exercise dates as part of a A$10.6 million funding package as announced on 30 July 2021. The various unlisted options were issued as follows:

I. 7,500,000 unlisted options exercisable at A$0.275 with an expiry date of 31 July 2023 and 8,200,000 unlisted options exercisable at A$0.40 with an expiry date of 30 September 2023 as a condition of a Secured Bond facility provided by 2Invest AG;

II. 6,252,381 unlisted options exercisable at A$0.40 with an expiry date of 30 September 2023 and 6,252,381 unlisted options exercisable at A$0.26 with an expiry date of 31 December 2021 as part of a Placement to 2Invest AG which was split between three funding tranches;

III. 2,928,574 unlisted options exercisable at A$0.40 with an expiry date of 30 September 2023 and 2,928,574 unlisted options exercisable at A$0.26 with an expiry date of 31 December 2021 as part of a Private Placement to various Australian and Overseas sophisticated and professional investors; and

IV. 1,190,476 unlisted options exercisable at A$0.40 with an expiry date of 30 September 2023 and 1,190,476 unlisted options exercisable at A$0.26 with an expiry date of 31 December 2021 as part of a Share Purchase Plan to various Australian and Overseas sophisticated and professional investors.

b) 10,371,431 unlisted options included above, exercisable at A$0.26, expired on 17 December 2021.

c) 15,000,000 unlisted options issued on 16 May 2022 with an exercise price of $0.17, expiring on 16 January 2024 as part of the conditions to extend the repayment of the Secured Bond facility payable to 2Invest AG as announced to ASX on 13 May 2022.

(d) Unlisted performance rights

Grant date	2022 Number '000	2021 Number '000	Expiry date	Exercise price
28 Jun 2019	**10,500**	16,220	27 Jun 2024	na
26 Sep 2019	**-**	500	27 Jun 2024	na
1 Oct 2020	**1,920**	1,920	30 Sep 2025	na
	12,420	18,640		

On 20 August 2021 the Company exercised 920,000 incentive performance rights to employees resulting in the issued of 920,000 ordinary shares.

On the 27 September 2021, 3,800,000 incentive performance rights expired and on the 20 August 2021 a further 1,500,000 incentive performance rights expired.

Note 17: Reserves

	2022 USD'000	2021 USD'000
Equity reserve	**7,552**	7,552
Financial assets revaluation reserve	**(956)**	-
Option reserve	**1,473**	586
Share-based payment reserve	**3,928**	3,744
Foreign currency translation reserve	**(5,451)**	(4,089)
	6,546	7,793

(a) The equity reserve recognises the value of share-based payments made on the transfer of shares to BEE entities and includes the equity portion of related party loan not extended on market related terms.

(b) The financial assets revaluation reserve recognises the carrying value of the financial assets through Other Comprehensive Income at reporting date.

(c) The option reserve represents the equity component (conversion rights) of the convertible notes issued and fair value of share options recognised as equity financial instruments.

(d) The share-based payment reserve is used to recognise the value of options and performance rights granted.

(e) The foreign currency translation reserve records exchange differences arising on translation of financial statements of foreign controlled entities.

Note 18: Capital Commitments

Exploration

The Consolidated Entity has certain obligations to perform work in accordance with work programmes, as approved by the relevant statutory body, when the permits are granted. These work programmes may be varied or renegotiated or reduced by farm-out, sale, reduction of tenement area and/or relinquishment.

Note 19: Contingent Liability

There is no contingent liability as at 30 June 2022 (30 June 2021: nil).

Note 20: Operating Segments

Segment Information

The Consolidated Entity's operations are located in Australia where it has its corporate office and in South Africa where it is involved in gold exploration.

The gold exploration activity is conducted through a subsidiary, Transvaal Gold Mining Estates Limited (TGME). The entire gold project is centred around the TGME processing plant and accordingly it has only one operating segment.

Note 21: Cash Flow Reconciliation

	2022 USD'000	2021 USD'000
a. Reconciliation of Cash Flow used in Operating Activities with Loss for the Year		
Loss from ordinary activities after income tax	**(7,636)**	(4,365)
Impairment	**782**	-
Depreciation	**78**	32
Rehabilitation provision	**361**	(337)
Finance costs	**1,660**	917
Interest income	**(59)**	(62)
Share-based payment	**189**	141
Gain on sale of assets	**(20)**	(51)
Unrealised exchange (gain)/loss	**166**	(235)
	(4,460)	(3,958)
Changes in assets and liabilities		
(Increase) / Decrease in accounts receivable	**43**	(17)
(Decrease) / Increase in provisions	**(114)**	10
Decrease in trade creditors and accruals	**(142)**	48
	(213)	(41)
Net cash flow used in operating activities	**(4,673)**	(4,013)

Note 22: Related Party Transactions

Parent entity

Theta Gold Mines Limited is the parent entity of the group.

Subsidiaries

Interests in subsidiaries are set out in Note 24.

Transactions with related parties

Transactions with related parties are on normal commercial terms and conditions, except for the loan from Australian Private Capital Investment Group (International) Ltd for $2,805,200 (A$4,000,000) (30 June 2021: $3,002,400 (A$4,000,0000) plus accrued interest of $4,653,553 (A$6,753,088) (30 June 2021: $4,059,530 (USD: A$5,408,380)) and an interest expense of $975,536 (A$1,344,709) (30 June 2021: $916,497 (A$1,221,854)) (refer Note 14(b)).

Director and director-related entities

N/A

Key management personnel

Remuneration of key management personnel are disclosed in Note 4 and the Remuneration Report.

Note 23: Financial Instruments

a. Financial Risk Management Policies

The Consolidated Entity's financial instruments consist mainly of deposits with banks, bank overdrafts, short-term investments, accounts receivable and payable, loans to and from related parties and leases.

(i) Treasury Risk Management

The Consolidated Entity's overall risk management strategy seeks to assist the Consolidated Entity in meeting its financial targets, whilst minimizing potential adverse effects on financial performance.

(ii) Capital management

The primary objective of the Consolidated Entity's capital management is to ensure that it is able to continue as a going concern and able to meet its debts as and when they become due and payable. It aims to maintain an optimal capital structure to reduce the cost of capital.

(iii) Sensitivity Analysis

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the overall performance of financial market prices. Market risk comprises three types of risk:

- interest rate risk;
- currency risk; and
- other price risk, such as equity price risk.

Financial instruments affected by market risk include deposits and debt, and equity investments.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in financial market interest rates. The Consolidated Entity's exposure to the risk of changes in market interest rates relates primarily to the Entity's cash as well as its investment in listed and unlisted equities. The risk that changes in interest rates may have an adverse impact on the capital value or income of a security.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Consolidated Entity's exposure to the risk of changes in foreign exchange rates relates primarily to the Entity's operating activities (when revenue or expense is denominated in a foreign currency) as well as its investment in listed and unlisted equities.

Some securities held may be denominated in a currency different to Australian Dollars. A change in the value of these currencies relative to the Australian dollar can affect the value of the securities held by the Consolidated Entity.

The Consolidated Entity does not have a defined policy on foreign currency derivatives; however, the Board assesses the risk of individual transactions as they arise for the requirement to use currency derivative instruments.

Equity price risk

The Consolidated Entity's listed and non-listed equity investments are susceptible to market price risk arising from uncertainties about future values of the investment securities. The Consolidated Entity manages the equity price risk through diversification and by placing limits on individual and total equity instruments. Reports on the equity investments are submitted to the Consolidated Entity's Board of Directors on a regular basis. The Company's Board of Directors reviews and approves all equity investment decisions.

At the reporting date, the Consolidated Entity's held $846,000 (2021:nil) in listed equity investments. It's exposure to non-listed equity and at fair value were $482,000 (2021: $525,000).

Given that the changes in fair values of the equity and certain unlisted investments held are strongly positively correlated with changes to the variables such as ASX market index, the broader financial markets and the underlying assets held by the listed equities, the Consolidated Entity has determined that an increase/ (decrease) of 10% in these market variables could have an impact of approximately $133,000 (2021: $53,000) increase/ (decrease) on the income and equity attributable to the Entity.

Interest Rate Risk and Foreign Currency Risk

The Consolidated Entity has performed sensitivity analysis relating to its exposure to interest rate risk and foreign currency risk at the reporting date. This sensitivity analysis demonstrates the effect on the current year results and equity which could result from a change in these risks.

Interest Rate Sensitivity Analysis

The Consolidated Entity's exposure to change in interest rates relates primarily to interest bearing borrowings. Borrowings issued at a variable rate expose the Consolidated Entity to interest rate risk.

The Consolidated Entity's variable interest-bearing financial liabilities outstanding at year-end totalled $161,363 (2021:$164,000). An increase/decrease in interest rates of 2% would have an adverse/favourable effect on loss before tax of $3,093 (2021: $2,960) per annum. The percentage change is based on the potential volatility of interest rates.

Foreign Currency Risk Sensitivity Analysis

The Consolidated Entity undertakes transactions denominated in foreign currencies, hence exposures to exchange rate fluctuations arise.

At year end the Consolidated Entity was exposed to currency fluctuations between the presentation currency, being US Dollars (USD) and Australian Dollars (AUD) and South African Rand (ZAR). Exchange rate exposures are managed within approved internal policy parameters.

The carrying amounts of the Consolidated Entity's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows –

Assets	**2022**	**2021**
South African Rand (US dollar equivalent)		
Cash	**29**	14
Receivables	**85**	95
Other receivables	**1,427**	1,563
	1,541	1,672
Australian Dollar (US dollar equivalent)		
Cash	**(7)**	186
Receivables	**102**	127
Financial Assets	**1,328**	527
	1,423	840

Liabilities	**2022**	**2021**
South African Rand (US dollar equivalent)		
Trade and other Payables	**269**	266
Provisions	**2,366**	2,311
Borrowings	**74**	163
	2,709	2,740
Australian Dollar (US dollar equivalent)		
Trade and other Payables	**478**	686
Provisions	**17**	81
Borrowings	**11,832**	7,175
	12,327	7,942

Based on the financial instruments held, the Consolidated Entity's total equity would have been USD 613,189 higher / lower (2021: USD 665,731 higher / lower) with a 10% increase / decrease in the US Dollar against the South African Rand and Australian Dollar.

a. Financial Instruments

(i) Financial instrument composition and maturity analysis

The tables below reflect the undiscounted contractual settlement terms for financial instruments of a fixed period of maturity, as well as the settlement period for all other financial instruments.

2022

	Weighted average effective interest rate	Variable interest rate	Less than 1 year	1-5 years	Longer than 5 years	Non-interest bearing	Total
	%	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000
Financial assets							
Cash and cash equivalents	-	-	-	-	-	22	22
Receivables	-	-	-	-	-	188	188
Other receivable	3.83%	-	1,427	-	-	-	1,427
Financial asset	-	-		-	-	1,328	1,328
Total		**-**	**1,427**	**-**	**-**	**1,538**	**2,965**
Financial liabilities							
Trade and other payables	-	-	-	-	-	747	747
Vendors	10.25%	-	56	74	-	-	130
Loans from unrelated parties	20%	-	637	4,795	-	-	4,422
Loans from related parties	14.29%	-	7,410	-	-	-	7,410
Total		**-**	**8,102**	**3,859**	**-**	**747**	**12,709**

2021

	Weighted average effective interest rate	Variable interest rate	Less than 1 year	1-5 years	Longer than 5 years	Non-interest bearing	Total
	%	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000
Financial assets							
Cash and cash equivalents	-	-	-	-	-	200	200
Receivables	-	-	-	-	-	223	223
Other receivable	4.4%	-	1,563	-	-	-	1,563
Financial asset						525	525
Total		**-**	**1,563**	**-**	**-**	**948**	**2,511**
Financial liabilities							
Trade and other payables	-	-	-	-	-	952	952
Vendors	9%	-	80	84	-	113	276
Loans from related parties	14.21%	-	7,062	-	-	-	7,062
Total		**-**	**7,142**	**84**	**-**	**1,065**	**8,290**

(ii) Fair value measurements

This note provides information about how the Consolidated Entity determines fair values of various financial assets and financial liabilities.

Fair value of the Consolidated Entity's financial assets and financial liabilities that are measured at fair value on a recurring basis

Some of the Consolidated Entity's financial assets and financial liabilities are measured at fair value at the end of each reporting period. The following table gives information about how the fair values of these financial assets and financial liabilities are determined (in particular, the valuation technique(s) and inputs used).

Financial Asset	Fair value at (USD'000)		Fair value hierarchy	Valuation technique(s) and key input(s)
	2022	2021		
Bullion Asset Management[1]	**482**	525	Level 3	Market price of securities based on recent cash settled transactions with third parties.
Focus Minerals Limited[2]	**846**	-	Level 1	
Total	**1,328**	525		

1. Bullion Asset Management is classified as unquoted equity shares in an unlisted company.
2. Focus Minerals Limited is classified as quoted equity shares in a listed company stock code ASX:FML.

The Consolidated entity uses the following hierarchy for determining the fair value of a financial asset or liability:

- Level 1 – the fair value is calculated using quoted prices in active markets.
- Level 2 – the fair value is estimated using inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices). The Group's interest bearing loans and borrowings and derivative instruments including forward exchange contracts fall within Level 2 of the hierarchy.
- Level 3 - if one or more of the significant inputs are not based on observable market data, the instrument is included in Level 3. This is the case for unlisted equity instruments.

Fair value of financial assets and financial liabilities that are not measured at fair value

The directors consider that the carrying amounts of all other financial assets and financial liabilities recognised in the consolidated financial statements approximate their fair values.

Note 24: Parent Entity Information

The accounting policies of the parent entity, which have been applied in determining the financial information shown below, are the same as those applied in the consolidated financial statements except as set out below. Refer to Note 2 for a summary of the significant accounting policies relating to the Consolidated Entity.

Set out below is the supplementary information about the parent entity, Theta Gold Mines Limited.

Statement of profit or loss and other comprehensive income

	Parent **2022** **USD'000**	2021 USD'000
Loss after income tax	**(2,268)**	(6,308)

Statement of financial position

	Parent **2022** **USD'000**	2021 USD'000
Assets		
Total current assets	**925**	313
Total non-current assets	**573**	624
Total assets	**1,498**	937
Liabilities		
Total current liabilities	**7,891**	7,942
Total non-current liabilities	**4,125**	-
Total liabilities	**12,016**	7,942
Equity		
Issued capital	**107,851**	112,275
Reserves	**4,122**	4,379
Accumulated losses	**(122,491)**	(123,659)
Total equity	**(10,518)**	(7,005)

Contingent liabilities

The parent entity had no contingent liabilities as at 30 June 2022 (2021: Nil).

Capital commitments

The parent entity had no capital commitments as at 30 June 2022 (2021: Nil).

Significant accounting policies

Investments in subsidiaries are recorded at cost, less any impairment adjustments. Except for the foregoing, the accounting policies of the parent entity are consistent with those of the Consolidated Entity, as disclosed in Note 2.

No deferred tax asset has been recognised as it is currently not probable that future taxable profits will be available to realize the asset in the foreseeable future. Potential deferred tax assets on carry forward losses are shown above.

Note 26: Events after Balance Date

Funding:

Subsequent to balance date, the Company issued 35,384,615 fully-paid ordinary shares at an issue price of A$0.065 per share, raising a total of A$2,300,000 (USD 1,600,000) before cost[14].

The Company also issued 20,000,000 unlisted call options to 2Invest AG who are substantial shareholders[15] in the Company in return for non-exclusive advisory services in connection with identifying potential development funding investors for its TGME Underground Gold Mine Project. The options have an exercise price of $0.12 and will expire on 31 December 2023.[16]

Operations:

In addition, the Company released its Definitive Feasibility Study on 27 July 2022[17] for the TGME Underground Gold Mine Project. The Feasibility Study ('FS') presents a clear pathway to production via the re-development of TGME's gold assets within South Africa's renowned gold mining regions, with a forecast total Life of Mine (LOM) production of 1.24 Moz's of contained gold. Economics of the project are extremely strong delivering an $NPV_{10\%}$ of A$432 million applying a gold price of A$2,189 /Oz and an AISC of A$1,112 / oz. LOM is 12.9 years using a free-milling stand-alone processing plant that will produce dore gold bars on site from between 80 to 100koz p.a at 5.18 g/t and a gold recovery rate of 87.1%.

On 6 September 2022[18] the Company announced it has received approvals for two project-critical regulatory licences for the development of its TGME Underground Gold Mine.

1. Atmospheric Emissions Licence issued for the operations of the processing plant, and
2. State Forest Licence issued for Frankfort Mine.

The successful approvals are the by-project of an extensive period of engagement with domestic regulators, which required the Company to satisfy a broad range of criteria to meet the standards set out by government departments at the federal level.

Debt Advisors

The Company announced in July 2022 following the successful release of its DFS that it had engaged debt advisors to complete a TGME Project Information Memorandum and banking model to discuss with potential debt funding transactions with numerous project financiers and institutions for the peak capital requirements of the project of A$103 million. The Company expects non-binding initial offers and term-sheets in the coming months and will update the market with results of that process

[14] Refer to ASX Announcement dated 3 August 2022, "Share Placement and Funding"

[15] Refer to ASX Announcement dated 12 August 2022, "Form 603 initial substantial holder notice"

[16] Refer to ASX Announcement dated 7 September 2022, "Issue of New Call Options to 2Invest AG"

[17] Refer to ASX Announcement dated 27 July 2022, "Theta's TGME Project Definitive FS Confirms $NPV_{10\%}$ of A$432 million at US$1,642/oz Gold Price

[18] Refer to ASX Announcement dated 6 September 2022, "Two Approvals Granted for The TGME Underground Gold Project"

The consolidated financial statements incorporate the assets, liabilities and results of Theta Gold Mines Limited and the following subsidiaries in accordance with the accounting policy described in Note 2:

Name of entity	Country of incorporation	Equity holding 2022 %	2021 %
Theta Gold SA (Pty) Ltd (formerly Stonewall Mining (Proprietary) Limited) and its subsidiaries -	South Africa	**100**	100
- Transvaal Gold Mines Estates Limited*	South Africa	**74**	74
- Sabie Mines (Proprietary) Limited*	South Africa	**74**	74
- Vanaxe Share Block Pty Ltd (subsidiary of Sabie Mines (Proprietary) Limited)	South Africa	**74**	74
- TGME Exploration Company 1 (Pty) Ltd	South Africa	**100**	100
- TGME Exploration Company 2 (Pty) Ltd	South Africa	**100**	100

* Theta Gold SA (Pty) Ltd (formerly Stonewall Mining (Proprietary) Ltd) entered into a share sale agreement with TGME Empowerment Company Proprietary Limited (TGME SPV) dated 11 June 2012 in terms of which it sold 330,234 shares in TGME (26% of the shares) to the TGME SPV for a nominal amount. Thus one share was issued by TGME to the TGME SPV on 30 October 2012. This is consolidated into TGME as TGME controls the SPV.

Theta Gold SA (Pty) Ltd entered into a share sale agreement with African Sun Empowerment Company Proprietary Limited (Sabie SPV) dated 11 June 2012 in terms of which it sold 40,299 shares in Sabie (26% of the shares) to the Sabie SPV for a nominal amount. Thus one share was issued by Sabie to the Sabie SPV on 30 October 2012. This is consolidated into Sabie as Sabie controls the SPV.

The nature of the BEE arrangement is such that the trustees of the trusts that collectively own 100% of the shares of TGME SPV, and Sabie SPV, which in turn owns 26% of TGME and Sabie Mines Pty Limited respectively, do not have control of the trusts. Under the terms of the BEE arrangements, these trustees must operate within a framework established and controlled by Theta Gold SA Pty Limited. The shares held by the trust are therefore treated as treasury shares. The dividends or distributions to the trust are utilised by the trustees for predetermined purposes to benefit local communities and are presented as expenses at the consolidated level. Accordingly, no non-controlling interests are recognised.

Note 25: Income tax expense

	2022 USD'000	2021 USD'000
Loss before income tax expense	**(7,636)**	(4,365)
Prima facie (tax benefit) / expense on loss from ordinary activities before income tax at 27.5% (2021: 27.5%)	**(2,100)**	(1,200)
Effect of expenses that are not deductible in determining taxable income	**2,286**	1,540
Effect of different tax rates of group entities operating in different jurisdictions	**(41)**	(27)
Effect of temporary differences and / or tax losses not recognised	**(145)**	(313)
Income tax expense recognised in profit or loss	**-**	-

Unrecognised deferred tax balances

Unused tax losses for which no deferred tax asset has been recognised	**34,680**	30,887

Ernst & Young
200 George Street
Sydney NSW 2000 Australia
GPO Box 2646 Sydney NSW 2001

Tel: +61 2 9248 5555
Fax: +61 2 9248 5959
ey.com/au

Independent auditor's report to the members of Theta Gold Mines Limited

Report on the audit of the financial report

Opinion

We have audited the financial report of Theta Gold Mines Limited (the Company) and its subsidiaries (collectively the Group), which comprises the consolidated statement of financial position as at 30 June 2022, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

a. Giving a true and fair view of the consolidated financial position of the Group as at 30 June 2022 and of its consolidated financial performance for the year ended on that date; and

b. Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty related to going concern

We draw attention to Note 1 in the financial report, which describes the principal conditions that raise doubts about the entity's ability to continue as a going concern. These events or conditions indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Building a better working world

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial report of the current year. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, but we do not provide a separate opinion on these matters. In addition to the matter described in the *Material Uncertainty Related to Going Concern* section, we have determined the matters described below to be the key audit matter to be communicated in our report. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditor's responsibilities for the audit of the financial report* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial report. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial report.

Carrying value of Exploration and Evaluation Assets

Why significant	How our audit addressed the key audit matter
Capitalised exploration and evaluation assets are the Group's most significant asset. Exploration assets are initially recognised at cost and any additional expenditure is capitalised to the exploration asset in accordance with the Group's accounting policy as outlined in Note 2(g). At each reporting date the Directors assess the Group's exploration assets for indicators of impairment. The decision as to whether there are indicators that require the Group's exploration assets to be assessed for impairment in accordance with AASB 6 involved judgment, including the Group's ability and intention to continue to evaluate and develop the area of interest and whether the results of the Group's exploration and evaluation work to date are sufficiently progressed for a decision to be made as to the commercial viability or otherwise of the area of interest. Due to the value of the exploration and evaluation asset and the subjectivity involved in assessing indicators of impairment, we considered this to be a key audit matter.	Our procedures to address the Group's assessment of the carrying value of exploration and evaluation assets included: ▶ Considered the Group's right to explore in the relevant exploration area, which included obtaining and assessing supporting documentation such as license agreements. ▶ Considered the Group's intention to carry out significant exploration and evaluation activity in the relevant areas of interest, which included an assessment of the Group's cash-flow forecast models, discussions with senior management and Directors as to the intentions and strategy of the Group. ▶ Agreed a sample of costs capitalised for the period to supporting documentation and considering whether these costs met the requirements of Australian Accounting Standards and the Group's accounting policy.

Refer to Note 1 (iv), *Critical Accounting Estimates and Judgements,* Note 2 (g) *Exploration and evaluation expenditure* and Note 11 *Exploration Expenditure* to the financial statements for the amounts held on the balance sheet by the Group as at 30 June 2022 and related disclosure.

- Assessed whether the methodology used by the Group to identify indicators of impairment met the requirements of Australian Accounting Standards and whether the results of the Group's exploration and evaluation work to date indicate the commercial viability or otherwise of the area of interest.
- Evaluated the adequacy of the related disclosures in the financial report.

Information other than the financial report and auditor's report thereon

The directors are responsible for the other information. The other information comprises the information included in the Company's 2022 Annual Report, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon, with the exception of the Remuneration Report and our related assurance opinion.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the financial report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Building a better working world

Auditor's responsibilities for the audit of the financial report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated to the directors, we determine those matters that were of most significance in the audit of the financial report of the current year and are therefore the key audit matters. We describe these matters in our auditor’s report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on the audit of the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in the directors' report for the year ended 30 June 2022.

In our opinion, the Remuneration Report of Theta Gold Mines Limited for the year ended 30 June 2022, complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Ernst & Young

Scott Jarrett
Partner
Sydney
30 September 2022

Shareholders Information
as at 15th September 2022

1. Issued securities

	Ordinary shares (ASX: TGM)	Unlisted Options	Performance rights
Number on issue	586,802,952	48,011,433	12,420,000

2. Distribution of Shareholders

Holdings Ranges	Holders	Total Units	%
1 - 1,000	226	112,091	0.02%
1,001 - 5,000	323	1,037,881	0.18%
5,001 - 10,000	170	1,364,521	0.23%
10,001 - 100,000	349	13,016,533	2.22%
100,001 +	160	571,271,926	97.35%
Totals	1,228	586,802,952	100.00%

3. Substantial Shareholders

The substantial shareholders in the Company based on substantial holding notices received by the Company are –

Name	Number of shares	%
BNP Paribas Nominees Pty Ltd	85,768,786	14.62
Zenith (HK) Holding Limited	46,645,701	7.95
2Invest AG	36,825,092	6.28
Tasman Funds Management Pty Ltd	32,730,995	5.58
Golden Asia Investment Group Limited	31,127,805	5.31

4. Non-Marketable Parcels

A non-marketable parcel is a shareholding with a market value of less than $500. There were 605 shareholders with non-marketable parcels.

5. On-Market Buy-back

There is no current on-market buy-back.

6. Voluntary Escrow

Class	Number of shares	Expiry date
Ordinary shares	-	-

7. Top 20 shareholders

Holder Name	Number of Ordinary Shares Held	Percentage of Total Issued Shares
BNP Paribas Nominees Pty Ltd	85,768,786	14.62%
Zenith (HK) Holding Limited	46,645,701	7.95%
Citicorp Nominees Pty Limited	42,272,156	7.20%
2Invest AG	36,825,092	6.28%
Tasman Funds Management Ltd	32,730,995	5.58%
Golden Asia Investment Group Limited	31,127,805	5.31%
Mr Xinzhou Li	24,133,334	4.11%
Acuity Capital Investment Management Pty Ltd	24,000,000	4.09%
BNP Paribas Nominees Pty Ltd ACF Clearstream	23,270,516	3.97%
High Gift Investments Ltd	23,015,179	3.92%
Huazhou Li	20,000,000	3.41%
Best Wealth Winner Limited	19,555,556	3.33%
BNP Paribas Noms Pty Ltd	18,167,098	3.1%
Qinglong Fan	9,200,000	1.57%
Jianping Zhou	8,010,255	1.37%
Richlink Capital Pty Ltd	7,554,875	1.29%
R & M Sutton Super Pty Ltd	7,000,000	1.19%
Monex Boom Securities (HK) Ltd	6,074,472	1.04%
Khan International Limited	5,569,339	0.95%
Murray SA Investment Pty Ltd	5,296,373	0.90%
Total Securities of Top 20 Holdings	**476,217,532**	**81.15%**
Total of Securities	**586,811,952**	

Corporate Directory

DIRECTORS **Executive Chairman** Charles William Guy **Non-Executive Directors** Bill Richie Yang Byron Dumpleton (appointed 10/11/21) Yang (Simon) Liu Guyang (Brett) Tang	**SHARE REGISTRY** Boardroom Pty Limited Grosvenor Place Level 12, 225 George Street Sydney NSW 2000 Australia Tel: 1300 737 760 (within Australia) +61 2 9290 9600 (outside Australia) Fax: +61 2 9290 9655 **SOLICITORS** Johnson Winter & Slattery Level 49 152-158 St Georges Terrace, Perth WA 6000
COMPANY SECRETARY Brent Hofman (appointed 16/11/21)	**STOCK EXCHANGE LISTINGS** ASX: TGM OTC: TGMGF
PRINCIPAL OFFICE Suite 80 Level 35 (Servcorp) International Tower One 100 Barangaroo Avenue Sydney NSW 2000 Australia Tel: + 61 2 8046 7584 Email: info@thetagoldmines.com	**INVESTOR RELATIONS** Australia: Ben Jarvis, Six Degrees Investor Relations: +61 (0) 413 150 448 **Webpage:** www.thetagoldmines.com https://twitter.com/ThetaGoldMines https://www.linkedin.com/company/thetagoldmines/
AUDITOR Ernst & Young 200 George Street Sydney NSW 2000 Australia	**AUSTRALIAN BUSINESS NUMBER** 30 131 758 177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