



31 July 2023

ASX ANNOUNCEMENT
(ASX:TGM)

QUARTERLY REPORT

1 April 2023 to 30 June 2023

Theta Gold Mines Limited (“**Theta Gold**” or “**Company**”) (ASX: TGM | OTC: TGMGF) is pleased to report on its activities for the period from **1 April 2023 to 30 June 2023**.

HIGHLIGHTS

DURING THE JUNE 2023 QUARTER:

- The Company completed a A\$5 million (US\$3.3 million) financing package and the signing of a commercial bulk sampling trial for its Frankfort gold mine project¹.
- Received the Water Use License for its TGME Gold Project over Mining Right 83 from the Department of Water and Sanitation (DWS) of South Africa².
- Frankfort Mine commercial bulk sample mining preparation and operations initiated³.
- The Company continues to progress the due diligence process for the A\$110 million (US\$70 million) non-binding Term Sheet (“TGME Stream”) signed with Sprott Streaming and Royalty Corporation (“Sprott Streaming”)⁴.

POST QUARTER

- Final Environmental Authorisation (EA) received for Mining Right 83 from the Department of Mineral Resource and Energy (DMRE) of South Africa.
- Drill, blast and mining at Frankfort Mine commenced⁵.
- A\$5 million (US\$3.3 million) Private Placement completed with strategic professional and sophisticated investors.

¹ Refer to ASX Release date 3 April 2023 titled, “5M to Fund Sampling Trial at Theta’s Frankfort Mine”.

² Refer to ASX Release dated 11 April 2023 titled, “Theta Received Water Use Licence for Mining Right 83”.

³ Refer to ASX Release dated 15 May 2023 titled, “Operational Update”.

⁴ Refer to ASX Release dated 19 October 2022 titled, “Theta Gold Executes a A\$110M (US\$70M) Non-Binding Funding Term Sheet with Sprott Streaming for its TGME Gold Project”.

⁵ Refer to ASX Release dated 19 July 2023 titled, “Drill and Blast at Frankfort Gold Mine Commences”.

OPERATIONS AND DEVELOPMENT UPDATE

Commercial Bulk Sampling Ore Milling Agreement

Theta Gold announced on 3 April 2023⁶ it had executed a 3,000 tons commercial bulk sampling ore delivery contract with Barberton Mines (Pty) for its fully permitted Frankfort Mine. The contract schedules for TGME to deliver from its Frankfort Mine 3,000 tons of ore as a bulk trial sample.

TGME will cover its own mining and delivery costs. Once delivered and accepted at the Barberton gold plant, a revenue split (Gold Split) between the parties will apply, subject to the average recovered grade of gold ore delivered. Provided the average grade delivered to the plant is above 3g/t Au, the parties will be paid in accordance with the Gold Split, and no other toll/milling costs are required from the Supplier post-delivery. If the recovered grade of less than 3g/t is achieved, the Gold Split will cease and a processing cost per ton will be payable.

The A\$5 million (US\$3.3 million) funding package was to finance the bulk trial sampling program. The funding was raised with strategic long-term investors via three separate unsecured Convertible Loan Agreements (**'Agreements'**) to fund the bulk trial sampling program at the Frankfort Mine along with working capital for the Company.



Figure 1: The Chairman thanking a miner at Frankfort Gold Mine on the day of the first blast (July 2023)

⁶ Refer to ASX Release dated 3 April 2023 titled "\$5 million financing and financing and signing of commercial bulk sampling trial run with Pan African Resources' Barberton Mines Gold Plant".

Project Permits and Approvals

In light of the latest round of successful license applications, the Company continues to advance the long-term environmental approvals process for MR83 following the release of its definitive Feasibility Study⁷ completed in 2022.

The South African Department of Water and Sanitation (DWS) has granted a Water Use License (WUL) for the Company's Mining Right (MR) 83, which covers the initial TGME Underground Gold Project mining schedule as per our Feasibility Study.

The WUL is issued in accordance with Chapter 4 of the National Water Act, 1998 (Act 36 of 1998) for a period of 12 years. The WUL forms an integral part of the TGME Underground Project since it authorises the extension of the current Tailings Storage Facility and all planned water use activities within the MR83 area.

The approval of the WUL is a result of comprehensive environmental specialist studies conducted with detailed engineering designs that satisfy the extensive regulatory requirements relating to water and waste management in South Africa.

The DWS will inform all interested and affected parties of the issuing of this licence, which lead to a 90-day public review and objection period that has ended on the 30th of June 2023. The company is still awaiting notification and the outcome of the 90-day review process from DWS.

Updated Environmental Approvals for MINING RIGHT (MR) 83 – Progress Table

Environmental Approvals for Mining Right (MR) 83	Status
Submit application for EA	✓
Submit draft scoping report	✓
Specialists EIA Studies Completed	✓
DMRE acceptance of final Scoping report	✓
Draft EIA/EMPr submitted for public review	✓
Draft IWWMP submitted for public review	✓
Air Quality Emissions approval	✓
Water use approvals	✓
EIA approvals	✓

The communications with the Department of Forest, Fishery and Environment (DFFE) for the continuation of mining remain in progress⁸.

⁷ Refer to ASX release dated 27 July 2022 titled "Theta Gold's TGME Project DFS confirms NPV10% of AUD432 Million".

⁸ Refer to ASX release date 18 July 2022 titled "Permitting Update TGME Underground Gold Project".

The Company announced on 26 July 2023⁹ that it has received its Environmental Authorisation (EA) and that the South African Department of Minerals Resources and Energy (DMRE) has granted the Company’s EA application over MR83.

As a result of the DMRE approval, three (3) of the four (4) mines within the initial TGME Underground Gold Project are now fully permitted, subject to a 90-day public participation and appeal period which enables interested and affected parties an opportunity to review and/or lodge an appeal to the DMRE decision to approve the EA for MR83.

Theta Gold is now able to commence mine planning, subject to securing funding for the development and construction of its gold operations. While the Company actively seeks to finalise funding packages, it will commence delivery of a series of bulk samples from its fully approved Frankfort mine to the Barberton gold plant to begin early cashflow generation for the Company¹⁰.

Key Feasibility Study Highlights for TGME Gold Mine Project

On 27 July 2022¹¹, the TGME Underground Project Definitive Feasibility Study (“FS”) was released to ASX with an NPV_{10%} of \$A432 million at US\$1,642 / oz gold price. Key features of FS include:

- TGME Feasibility Study delivers 1.24Moz contained gold, underpinning an initial 12.9-year mine life.
- Strong financial return (based on LOM Plan), including (at a gold price of A\$2,189/oz, with first production targeted for 2024¹², 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%;
 - Combined Underground Projects have an AISC of US\$834/oz (A\$1,112/oz);
 - Peak Capital requirement is US\$77m (A\$103m), total LOM capital requirements US\$174m (A\$232m).
 - Table 1 demonstrates the key economics of the project based on various gold price assumptions.

Table 1: 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

⁹ Ref to ASX Release dated, 26 July 2023 titled, “Final Environmental Authorisation Granted for MR83”

¹⁰ Ref to ASX Release dated, 3 April 2023 titled, “\$5 million to fund Bulk Sampling Trial at Theta’s Frankfort mine”.

¹¹ Refer to ASX release dated 27 July 2022 titled “Theta’s TGME Project FS confirms NPV_{10%} of A\$432 Million at US\$1,642 / Oz Gold Price”.

¹² First gold production will be subject to financing, permitting and regulatory approvals.

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.

Onsite Environmental Activities

A detailed environmental monitoring program has been established for the TGME operations. This programme includes dust monitoring, surface water and groundwater monitoring, biomonitoring and resource consumption monitoring.

The monitoring program is based on general legal requirements, commitments in the various approved Environmental Management Programmes (“EMPrs”) and the requirements of the Integrated Water Use Licenses (“WUL’s”) that were granted to TGME.

Dust Monitoring

A dustfall monitoring network, comprising four (4) single dustfall units is in place at the TGME Tailings Storage Facility (“TSF”). Dust samples are collected monthly by the TGME Environmental Department and taken to Regen Waters Laboratory in Witbank for analysis.



Figure 2: Dust Monitoring March 2023

Firebreaks

Working On Fire (Pty) Ltd has been appointed to assist with the implementation of the firebreaks at Rietfontein.



Figure 3: Implementation of the firebreaks at Rietfontein

New Miners Training

All new mine employees were provided with company induction training during May 2023. Particular emphasis was placed on health and safety standards, competency and human resources policies. Training and experience will also be gained through ongoing ‘on-the-job’ training.

Access cards were issued to new miners, and they were trained on the use of the cards and the access control procedures.





Figure 4: Induction training provided to new miners.

Local Economic Development Programme

The Company has continued to sponsor Pilgrim’s Rest Primary School and Pilgrim’s Rest City Secondary School, even though no revenue is being generated.

It came to the Company’s attention in the past that both schools are short-staffed with educators and the school’s academic overall performance became poor. Over the years we have witnessed enormous improvement in overall academic performance as well as the matric pass rate. For the first time in history, Pilgrim’s Rest City Secondary School was able to obtain a second position in the Sabie Circuit, this would not have been possible without the Company’s assistance.

Both schools are grateful for the support they receive from the Company. Regular visits to the schools are conducted to have a glimpse at the progress that the schools are making.



Figure 5: Pilgrim’s Rest Primary School

CORPORATE GOVERNANCE AND FUNDING UPDATE

A\$5m (US\$ 3.3 million) Funding Package signed and led by long-term Strategic Investor Deutsche Balaton AG

Funding of A\$5 million (US\$3.3 million) to initiate the bulk trial sampling program and ore milling agreement with Pan African Resources¹³ was raised with strategic long-term investors via three separate unsecured Convertible Loan Agreements (**'Agreements'**). The Agreements were with Deutsche Balaton AG (DB) for A\$3.5 million, Golden Asia Investment Group Ltd ("GAIG") for A\$1 million, and Aus Agriculture Pty Ltd ("AAPL") for A\$500,000 respectively.

Deutsche Balaton AG is the controlling entity to the Company's existing significant shareholder, 2Invest AG who holds above 6% equity interest in TGM. This new funding deal came just after the decision makers of DB visited Theta's TGME mining camp following this year's February 2023 Cape Town Mining Indaba Conference.

GAIG is an existing long-term shareholder of the Company based out of Hong Kong who's been very supportive of Theta's business plans and funding activities throughout the years. AAPL is also an existing long-term shareholder in the Company.

A\$5m (US\$3.3 million) Private Placement with Strategic Sophisticated and Professional Investors

The Company announced on 4 July 2023, following a trading halt on 30 June 2023, it had raised A\$5.0 million¹⁴ (US\$3.3 million) through a private placement (**Placement**) to strategic professional and sophisticated investors.

Hong Kong Ruihua Investment Management Limited ("Ruihua") cornerstoned A\$3.0 million of the placement. Ruihua is a wholly-owned subsidiary to its Nanjing based parent company Jiangsu Ruihua Investment Holding Group Co., Ltd (since 2003), a fund manager with over US\$3 billion AUM who specialises in the equity market, including secondary market trading, private placements, venture capital and private equity activities.

The Company issued 76,923,077 new fully paid TGM Ordinary Shares at the issue price of A\$0.065¹⁵ cents per share to the investors using the Company's existing placement capacity pursuant to Listing Rule 7.1.

AU\$110m (US\$70m) non-binding Term Sheet with Sprott Streaming and Royalty Corporation

The Company continues to make advance the due diligence efforts with the Sprott Streaming which is expected to be complete during the September 2023 quarter. The terms of the transaction can be found on the Company's ASX release date 19 October 2022¹⁶.

Cash Position and Subsequent Funding

As of 30 June 2023, the Group had US\$1.9 million in cash.

¹³ Ref to ASX Release dated, 3 April 2023 titled, "\$5 million to fund Bulk Sampling Trial at Theta's Frankfort mine".

¹⁴ Ref to ASX Release dated 4 July 2023 titled, "\$5 million private placement and corporate update".

¹⁵ Shares issue price of \$0.065 cents is 4% discount to the 14 day VWAP just prior to completion of the capital raising.

¹⁶ Ref to ASX Release dated, 19 October 2023 titled, "Theta Gold Executes A\$110M Term Sheet with Sprott Streaming".

Furthermore, as announced previously on 25 March 2021, the Company entered into an At-The-Market Subscription Deed (“ATM”) with Acuity Capital. The ATM was renewed on 31 July 2023 and extended for a further 3 years to 31 July 2026 and may provide the Company with additional standby equity capital of up to A\$15,000,000 (US\$9,958,500) available under the facility. There are no requirements on the Company to utilise the ATM and the Company may terminate the ATM at any time, without cost or penalty. As security for the ATM, the Company has issued 24 million TGM collateral shares to be held by Acuity Capital on 25 March 2021. As of the date of this report, this facility remains available and undrawn.

In accordance with ASX Listing Rules 5.3.1 and 5.3.2, the Company provides the following summary of expenditures incurred during the Quarter:

Mining exploration costs (incl exploration labour)	US	\$382,418
Mining Production and Development Costs (incl trial mining)	US	\$284,711
Licence to Operate Costs	US	\$7,552
Total	US	\$674,681

The Company’s Quarterly Appendix 5B reported US\$124,451 payments to related parties and their associates as noted on the Appendix 5B this payment was for directors' fees and consulting fees (including payments relating to current and prior quarters).

Capital Structure

The current capital structure of the Company at 30 June 2023 is as follows:

	Number
Fully paid ordinary shares (ASX: TGM OTC: TGMGF)	623,151,930
Unlisted options, performance rights, and bonds (see “Annexure C”)	113,681,433

The market capitalisation of TGM was A\$41 million¹⁷ (US\$27m) as at 30 June 2023.

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

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

Bill Guy, Chairman
Theta Gold Mines Limited
 T: +61 2 8046 7584
billg@thetagoldmines.com

¹⁷ Calculated as 623,151,930 fully-paid ordinary shares on issue at the closing price of AU\$0.066 cents per share as at 30 June 2023 converted at the RBA exchange rate of AUD:USD of 0.6639.

Theta Gold Mines' Interactive Investor Hub

The Company encourages shareholders to please join the Theta Investor Hub which allows you to ask questions directly to the Company, view video's and keep up to date on progress of the TGME Gold Project at <http://investors.thetagoldmines.com>.



Webpage: www.thetagoldmines.com



<https://twitter.com/ThetaGoldMines>



<https://www.linkedin.com/company/thetagoldmines/>

Competent Persons Statement

Mineral Resources and Ore Reserves

The information in this report relating to mineral resources and ore reserves is based on, and fairly reflects, the information and supporting documentation compiled by Mr Uwe Engelmann (BSc (Zoo. & Bot.), BSc Hons (Geol.), Pr.Sci.Nat. No. 400058/08, MGSSA), a director of Minxcon (Pty) Ltd and a member of the South African Council for Natural Scientific Professions and 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).

Metallurgical results

The information in this report relating to exploration results is based on, and fairly reflects, the information and supporting documentation compiled by Mr Phil Bentley (MSc (Geol), MSc (MinEx), Pr.Sci.Nat. No. 400208/05, FGSSA), a consultant to the Company and a member of the South African Council for Natural Scientific Professions.

The original reports titled “Theta Gold Increases Mineral Resource to over 6Moz” dated 16 May 2019, “Optimised Mine Schedule for Theta Open Pit Starter Project Delivers Significant Improvements” dated 20 April 2020, “Excellent Bulk Metallurgical Results Provides Confidence For Underground PFS” and “Initial Maiden Underground Mining Reserve 419,000 oz Gold” dated 8 April 2021 were released to the Australian Securities Exchange (ASX) on those dates. The Company confirms that:

- it is not aware of any new information or data that materially affects the information included in the ASX announcements; and
- all material assumptions and technical parameters underpinning the estimates in the ASX announcements continue to apply and have not materially changed.

ABOUT THETA GOLD MINES LIMITED

Theta Gold Mines Limited (ASX: TGM | OTC: TGMGF) is a gold mining development company that holds a range of prospective gold assets in a world-renowned South African gold mining region. These assets include several surface and near-surface high-grade gold projects which provide cost advantages relative to other gold producers in the region.

Theta Gold's core project is located next to the historical gold mining town of Pilgrim's Rest, in Mpumalanga Province, some 370km northeast of Johannesburg by road or 95km north of Nelspruit (Capital City of Mpumalanga Province). The Company aims to build a solid production platform to over 160 kozpa based primarily around shallow adit/stope-entry hard rock mining sources. Theta Gold has access to over 43 historical mines and prospect areas that can be accessed and explored, with over 6.7Moz of historical production recorded.

Theta Gold holds 100% issued capital of its South African subsidiary, Theta Gold SA (Pty) Ltd ("SGSA"). SGSA holds a 74% shareholding in both Transvaal Gold Mining Estates Limited ("TGME") and Sabie Mines (Pty) Ltd ("Sabie Mines"). The balance of shareholding is held by Black Economic Empowerment ("BEE") entities. The BEE shareholding in TGME and Sabie Mines is comprised of a combination of local community trusts, an employee trust and a strategic entrepreneurial partner.



DISCLAIMER

This announcement 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 announcement.

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

FORWARD LOOKING AND CAUTIONARY STATEMENTS

This announcement may refer to the intention of Theta Gold regarding estimates or future events which could be considered forward looking statements. Forward looking statements are typically preceded by words such as “Forecast”, “Planned”, “Expected”, “Intends”, “Potential”, “Conceptual”, “Believes”, “Anticipates”, “Predicted”, “Estimated” or similar expressions. Forward looking statements, opinions and estimates included in this announcement are based on assumptions and contingencies which are subject to change without notice, and may be influenced by such factors as funding availability, market-related forces (commodity prices, exchange rates, stock market indices and the like) and political or economic events (including government or community issues, global or systemic events). Forward looking statements are provided as a general reflection of the intention of the Company as at the date of release of the document, however are subject to change without notice, and at any time. Future events are subject to risks and uncertainties, and as such results, performance and achievements may in fact differ from those referred to in this announcement. Mining, by its nature, and related activities including mineral exploration, are subject to a large number of variables and risks, many of which cannot be adequately addressed, or be expected to be assessed, in this document. Work contained within or referenced in this report may contain incorrect statements, errors, miscalculations, omissions and other mistakes. For this reason, any conclusions, inferences, judgments, opinions, recommendations or other interpretations either contained in this announcement, or referencing this announcement, cannot be relied upon. There can be no assurance that future results or events will be consistent with any such opinions, forecasts or estimates. The Company believes it has a reasonable basis for making the forward looking statements contained in this document, with respect to any production targets, resource statements or financial estimates, however further work to define Mineral Resources or Reserves, technical studies including feasibilities, and related investigations are required prior to commencement of mining. No liability is accepted for any loss, cost or damage suffered or incurred by the reliance on the sufficiency or completeness of the information, opinions or beliefs contained in this announcement.

The Feasibility Study referred to in this announcement is based on technical and economic assessments to support the estimation of Ore Reserves. There is no assurance that the intended development referred to will proceed as described, and will rely on access to future funding to implement. Theta Gold believes it has reasonable grounds the results of the Feasibility Study. At this stage there is no guarantee that funding will be available, and investors are to be aware of any potential dilution of existing issued capital. The production targets and forward looking statements referred to are based on information available to the Company at the time of release, and should not be solely relied upon by investors when making investment decisions. Theta Gold cautions that mining and exploration are high risk, and subject to change based on new information or interpretation, commodity prices or foreign exchange rates. Actual results may differ materially from the results or production targets contained in this release. Further evaluation is required prior to a decision to conduct mining being made. The estimated Mineral Resources quoted in this release have been prepared by Competent Persons as required under the JORC Code (2012). Material assumptions and other important information are contained in this release.

The Company confirms that all material assumptions underpinning the production target, or the forecast financial information derived from the production target continue to apply and have not materially changed from that released in the definitive Feasibility Study released to ASX on 27 July 2022.

ANNEXURE A

Mineral Resource and Mining Reserves

Table 1: 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	3.98	4,530	18,023	579.46

Notes:

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

Table 2: 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		18.128	2.84	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	5.06	138 009	4 437.0
Grand Total		45.485	4.17	189 896	6 105.2

Notes:

- Columns may not add up due to rounding.
- Gold price used for the cut-off calculations is USD1,500/oz.
- 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.
- Fault losses of 5% for Measured and Indicated, 10% for Inferred Mineral Resources.
- Mineral Resources are stated as inclusive of Ore Reserves.
- Mineral Resources are reported as total Mineral Resources and are not attributed.

Table 3: 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:

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

Table 4: 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	4.13	319	1,317	42.33

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 5: 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 6: 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		2.31	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 7: 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	5.267	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.

ANNEXURE B

Mining Rights 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, Portions 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 pending to include open cut mining
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-July-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	Renewal submitted
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 Pad	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, Vertrouwing 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.

ANNEXURE C

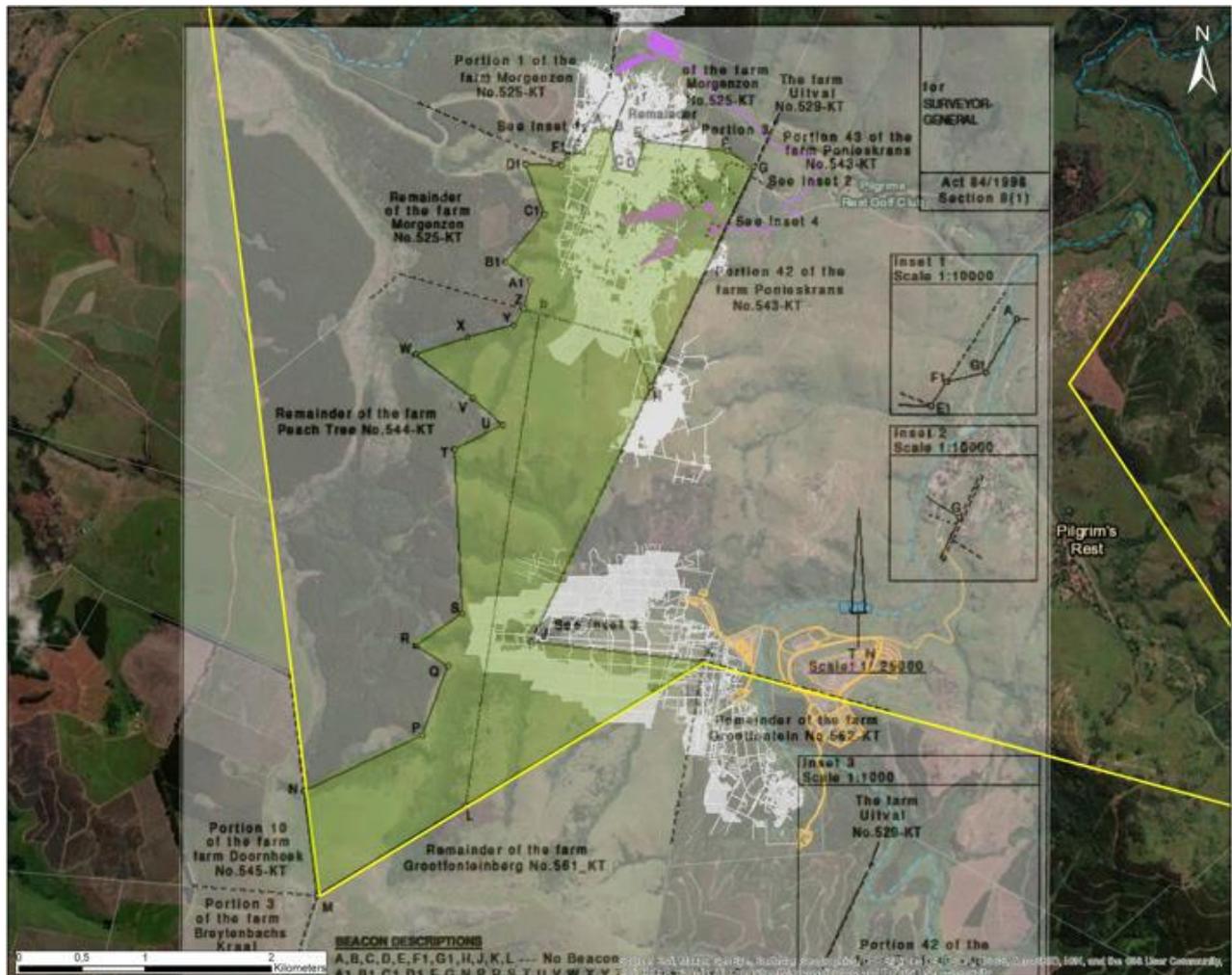
Unlisted Options, Performance Rights and Bonds

Number	Performance Hurdle/Vesting Date (if applicable)	Exercise Price	Expiry Date
OPTIONS			
20,000,000	NA	\$0.12	31 Dec 2023
7,500,000	NA	\$0.275	31 Jul 2023
18,571,433	NA	\$0.40	30 Sep 2023
15,000,000	NA	\$0.17	16 Jan 2024
1,200,000	NA	\$0.40	30 Sept 2025
240,000	NA	\$0.50	30 Sept 2025
1,900,000	NA	\$0.50	31 Dec 2025
9,150,000	NA	\$0.12	30 Sept 2025
2,650,000	NA	\$0.17	30 Sept 2027
300,000	NA	\$0.25	20 Sept 2027
4,000,000	NA	\$0.055	2 Oct 2023
1,000,000	NA	\$0.07	30 Oct 2023
1,000,000	NA	\$0.068	29 Nov 2023
82,511,433	TOTAL OPTIONS		
PERFORMANCE RIGHTS			
3,300,000	N/A	Nil	27 Jun 2024
3,600,000	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 Mar 2024.	Nil	27 Jun 2024
240,000	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 Sep 2025
240,000	Achieving annualised production of over 100,000 ounces of gold per annum over a consecutive period of 3 months.	Nil	30 Sep 2025
240,000	Achieving annualised production of over 100,000 ounces of gold per annum over a consecutive period of 3 months.	Nil	30 Sep 2025
2,750,000	Decision to Mine	Nil	30 Sep 2025
5,250,000	Production Commencement	Nil	30 Sep 2025

700,000	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%) 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 Sep 2025
700,000	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 Sep 2027
1,700,000	Consecutive 3 months >50k annualised ounces	Nil	30 Sep 2025
2,650,000	Consecutive 3 months >100k annualised ounces	Nil	30 Sep 2027
3,800,000	Consecutive 3 months >150k annualised ounces	Nil	30 Sep 2027
25,170,000	TOTAL PERFORMANCE RIGHTS/OPTIONS		
6,000,000	20% Bearer Bond Note		2021- 2023
113,681,433	TOTAL OPTIONS, PERFORMANCE RIGHTS/OPTIONS AND BOND NOTE		

Annexure D

The forest nature reserve declared area overlaid with the underground mine plan is shown below.



Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

THETA GOLD MINES LIMITED

ABN

30 131 758 177

Quarter ended ("current quarter")

30 June 2023

Consolidated statement of cash flows	Current quarter \$US'000	Year to date (12 months) \$US'000
1. Cash flows from operating activities		
1.1 Receipts from customers		
1.2 Payments for		
(a) exploration & evaluation	(238)	(840)
(a) development	-	-
(b) production	-	-
(c) staff costs	(307)	(1,413)
(d) administration and corporate costs	(1,505)	(1,634)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	21	30
1.5 Interest and other costs of finance paid	(115)	(501)
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other (provide details if material)	-	-
1.9 Net cash from / (used in) operating activities	(2,144)	(4,358)

2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities	-	-
(a) tenements	-	-
(b) property, plant and equipment	-	-
(c) exploration & evaluation	(410)	(882)
(d) investments	-	-
(e) other non-current assets	-	-

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$US'000	Year to date (12 months) \$US'000
2.2	Proceeds from the disposal of: entities		
	(a) tenements	-	-
	(b) property, plant and equipment	21	15
	(c) investments	-	-
	(d) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	(389)	(867)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	1,298	4,334
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(4)	(145)
3.5	Proceeds from borrowings	639	2,986
3.6	Repayment of borrowings	(40)	(69)
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	1,893	7,106

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	2,526	5
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(2,144)	(4,358)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(389)	(867)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	1,893	7,106

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$US'000	Year to date (12 months) \$US'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	1,886	1,886

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$US'000	Previous quarter \$US'000
5.1	Bank balances	1,886	2,526
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	1,886	2,526

6.	Payments to related parties of the entity and their associates	Current quarter \$US'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	124 ⁽¹⁾
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

7. Financing facilities	Total facility amount at quarter end \$US'000	Amount drawn at quarter end \$US'000
<i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i>		
<i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>		
7.1	Loan facilities	9,326
7.2	Credit standby arrangements	-
7.3	Other (please specify)	-
7.4	Total financing facilities	9,326
7.5	Unused financing facilities available at quarter end	1,480
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.	
	<p>Finance Facilities:</p> <ul style="list-style-type: none"> As announced to ASX on 3 April 2023 the Company had entered into a Convertible Loan Agreement with Golden Asia Investment Group (GAIG) which remained partially undrawn at 30 June 2023 for the amount of US\$364,650 (A\$550,000) and is included in Loan Facilities available by the Company. Converted at the exchange rate of 0.6639 AUD:USD at 30 June 2023. On 25 March 2021 the Company announced a At-the-Market Subscription Deed with Acuity Capital for standby equity capital facility whereby 24,000,000 TGM shares were issued to Acuity Capital with a total available facility of A\$15,000,000 (US\$9,958,500). On 31 July 2023, as announced in the June 2023 quarterly report, this facility was extended for a further 3 years to 31 July 2026 for no cost or penalty to the Company. The value of this available facility at 30 June 2023 is US\$1,115,352 (A\$1,680,000) at closing share price of TGM Shares on 30 June 2023. No drawdowns have been made to date. Converted at the exchange rate of 0.6639 AUD:USD at 30 June 2023. 	

8. Estimated cash available for future operating activities	\$US'000	
8.1	Net cash from / (used in) operating activities (item 1.9)	(2,144)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(c))	(389)
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(2,533)
8.4	Cash and cash equivalents at quarter end (item 4.6)	1,886
8.5	Unused finance facilities available at quarter end (item 7.5)	1,480
8.6	Total available funding (item 8.4 + item 8.5)	3,366
8.7	Estimated quarters of funding available (item 8.6 divided by item 8.3)	1.32
	<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>	

8.8 If item 8.7 is less than 2 quarters, please provide answers to the following questions:

8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?

Answer: Yes

8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

Answer:

As announced on 3 April 2023¹ the Company had entered into Convertible Loan Agreements totalling US\$3.4 million, (A\$5 million) to fund a commercial bulk trial sample and ore milling programme with Barberton Gold Plant. As 30 June 2023 an amount of \$US\$364,650 remained undrawn.

The Company announced on 19 October 2022² it had executed a non-binding Term Sheet with Sprott Streaming and Royalty Corporation (Sprott Streaming) for up to US\$70 million (A\$110 million) streaming funding for pre-development, development capital and operating expenditure to bring the TGME Gold Project into production and reach positive cashflows. The transaction is subject to satisfactory due diligence to be completed by debt provider as well as the parties entering into a binding streaming agreement with the process currently ongoing.

On 4 July 2023, the Company announced the successful completion of a Private Placement (Placement) of A\$5.0 (US\$3.3 million) to strategic professional and sophisticated investors. Hong Kong Ruihua Investment Management Limited (“Ruihua”) cornerstoned A\$3.0 million (US\$2 million) of the placement. Ruihua is a wholly-owned subsidiary to its Nanjing based parent company Jiangsu Ruihua Investment Holding Group Co., Ltd (since 2003), a fund manager with over US\$3 billion AUM who specialises in equity markets, including secondary market trading, private placements, venture capital and private equity activities.

In addition, as noted above and (as per ASX Release dated 25 March 2021), the Company had entered into an At-The-Market Subscription Deed (“ATM”) with Acuity Capital. This facility was extended for a further 3 years to 31 July 2026 on 31 July 2023. The ATM provides the Company the opportunity to draw-down up to A\$1,680,000 million (US\$1,115,353) at 30 June 2023 market price of TGM Shares of a total A\$15,000,000 (US\$9,958,500) standby equity capital facility, with the expiry of the ATM now extended to 31 July 2026. (Note: converted using a 30 June 2023 exchange rate of 0.6639 for AUD:USD).

¹ Refer to ASX release dated 3 April 2023, titled “\$5 Million Financing and Signing of Commercial Bulk Sampling Trial Run with Pan African Resources, Barberton Mines Gold Plant”.

² Refer to ASX release dated 19 October 2022, titled “Theta Gold executes a A\$110M (US\$70M) non-binding funding Term Sheet with Sprott Streaming for its TGME Gold Project”.

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: Yes.

The Company has completed and released a definitive Feasibility Study (FS) to the ASX on 27 July 2022³ with an NPV_{10%}, US\$324 million (A\$432 million⁴) and an initial Life-of-Mine (LOM) of 12.9 years from 1.08 Moz of recovered gold. The FS used an average gold price of US\$1,642, (A\$2,189) with an AISC of US\$834/Oz.

The group's large tenement holding in South Africa is potentially very prospective and remains largely unexplored using modern technology. The Theta Project, potential underground mines development and the prospective tenement holding should underpin the company's ability to raise funds for its business needs.

Furthermore, in addition to description in 8.8.2 above, the company are currently in negotiation with numerous financiers on project financing terms, with term sheets been exchanged and discussions in progress.

Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

31 July 2023

Date:

Board of Directors

Authorised by:
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".

³ Refer to ASX release dated 27 July 2022, titled "Theta's TGME Project DFS Study Confirms NPV_{10%} of A\$432 Million at US\$1,642/Oz Gold Price"

⁴ USD to AUD converted at an exchange rate of 1.333

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.