



16 October 2023

**ASX ANNOUNCEMENT
(ASX: TGM)**

NOTIFICATION OF ISSUE OF UNLISTED OPTIONS

Theta Gold Mines Limited ("**Theta Gold**" or the "**Company**") (ASX: TGM|OTC: TGMGF) wish to advise that the following unlisted options were approved for issue by Shareholders as set out in a Notice of Meeting dated 12 September 2023 for an Extraordinary General Meeting (EGM) that was held on Friday, 13 October 2023.

Pursuant to Resolutions 16 and 17 passed at that EGM, the Company will enter into consultancy agreements ("Consultancy Agreements") with Golden Asia Investment Group Limited ("GAIG") and High Gift Investments Limited ("HGI").

GAIG and HGI are to provide investor relations and corporate advice services for the Company with the aim to generate long term interest from both existing and new investors in order to grow the Company's market capitalisation through either (1) to place new equity investors for the Company, and (2) to enhance secondary market trading of the Company's stocks.

In consideration of the Company entering into the Consultancy Arrangements, the Company intends to issue 20,000,000 options to GAIG and 10,000,000 options to HGI respectively, ("Consultancy Options"). The options have an exercise price of \$0.12 and expiry date of 31 March 2025. In addition, a vesting condition sets out that the TGM shares must have traded with a 10 day VWAP of \$0.30 before the options can be exercised. (A summary of vesting conditions are set out in Schedules 1 and 2 attached below in this notice):

Option holder	Number of Options	Number of Shares	Issue / Exercise Price	Securities
GAIG	20,000,000	-	\$0.12	Unlisted options with an exercise price of \$0.12 and expiry date of 31 March 2025. Key terms are set out in Schedule 1.

Option holder	Number of Options	Number of Shares	Issue / Exercise Price	Securities
GAIG	-	50,000	-	<p>A\$50,000 signing fee payable at the Company's election:</p> <ul style="list-style-type: none"> • in cash; or • in shares - equal to \$50,000 divided by the at-market closing price that the Company's Shares traded on ASX on the trading day before signing
HGI	10,000,000	-	\$0.12	Unlisted options with an exercise price of \$0.12 and expiry date of 31 March 2025. Key terms are set out in Schedule 2.

Options will be issued on Tuesday, 17 October 2023. A summary of the material terms of the Consultancy Arrangements are set out in Schedules 3 and 4 attached below in this notice.

The Consultancy Options have been granted with shareholder approval provided at an EGM held on 13 October 2023 and therefore will not use up any of the Company's 15% capacity limit under Listing Rule 7.1 when issued.

Summary of the key terms of unlisted options to be issued as are follows:

Parties who can convert the convertible security	Golden Asia Investment Group Limited ¹ and High Gift Investments Limited ²
When the convertible security can be converted	Any time before 31 March 2025 provided that the Vesting Condition (defined in Schedules 1 & 2) has been met.
Conditions that have to be met before the convertible security can be converted	10 day VWAP for the Company's shares trading on ASX must be over \$0.30 per Share ("Vesting Condition")
The class of equity securities into which the convertible securities convert	Fully paid ordinary shares
Price at which the convertible securities convert	\$0.12 per Consultancy Option
The number of equity securities into which the convertible securities convert	1 Consultancy Option converts into 1 Share

¹ Golden Asia Investment Group Ltd is one of the top 20 shareholders of the Company with a 4.459% interest as at 16 October 2023.

² High Gift Investment Limited is a one of the top 20 shareholders of the Company with a 3.264% interest as at 16 October 2023.

An Appendix 3B – Proposed Issue of Securities will follow today’s announcement.

This announcement was approved for release by Theta Gold Mines Limited’s Board.

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

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<https://twitter.com/ThetaGoldMines>

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

Webpage: www.thetagoldmines.com

Interactive Investor Hub: <http://investors.thetagoldmines.com>



[Theta Gold Mines Interactive Investor Hub](http://investors.thetagoldmines.com)

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 investors.thetagoldmines.com or scan the QR code below.



ABOUT THETA GOLD MINES LIMITED

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

Theta Gold's core project is located next to the historical gold mining town of Pilgrim's Rest, in Mpumalanga Province, some 370km northeast of Johannesburg by road or 95km north of Nelspruit (Capital City of Mpumalanga Province).

Following small scale production from 2011 – 2015, the Company is currently focussing on the construction and financing of a new gold processing plant within its approved footprint at the TGME plant. The company has completed a FS in July 2022 for the first four mines Beta, CDM, Frankfort and Rietfontein (TGME Underground Project). The Base Case LOM plan will comprise a 12.9-year mining operation starting in 2023 and delivering production of 1.24 million ounces of contained gold.

The estimated development capital or peak funding requirement is USD77 million (AUD102 million), with the Project forecast to generate a pre-tax NPV10% of USD324 million (AUD432 million) and pre-tax Internal Rate of Return (IRR) of 65% at the forecast gold price of averaging USD1,642/oz over the LOM. The Company aims to build a solid production platform to over next 5 years to 160kozpa based primarily around shallow, open-pit or adit-entry shallow underground 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 ("TGSA"). TGSA 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 South African Mining Charter requires a minimum of 26% meaningful economic participation by the historically disadvantaged South Africans ("HDSAs"). 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.

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 those previously released to ASX in a Feasibility Study dated 27 July 2022.

Schedule 1

THETA GOLD MINES LIMITED UNLISTED OPTIONS TO GOLDEN ASIA INVESTMENT GROUP LIMITED EXPIRING 31 MARCH 2025 (\$0.12 EXERCISE PRICE)

The terms and conditions of the unlisted Options are as follows:

(a) **Entitlement**

Each Option entitles the holder to subscribe for one Share upon exercise of the Option.

(a) **Exercise Price**

Subject to paragraph **Error! Reference source not found.**, the amount payable upon exercise of each Option will be \$0.12 (**Exercise Price**).

(b) **Expiry Date**

Each Option will expire at 5:00 pm (AEDT) on 31 March 2025 (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(c) **Exercise Period**

The Options are exercisable at any time after the day that the VWAP for the Company's Shares over any 10 trading day period is at least A\$0.30 on or prior to the Expiry Date (**Exercise Period**).

(d) **Notice of Exercise**

The Options may be exercised during the Exercise Period by notice in writing to the Company (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

(e) **Exercise Date**

A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds (**Exercise Date**).

(f) **Timing of issue of Shares on exercise**

Within 5 Business Days after the Exercise Date, the Company will:

- (i) issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company; and

- (ii) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.

(g) Shares issued on exercise

Shares issued on exercise of the Options rank equally with the then issued shares of the Company.

(h) Bonus issues

If prior to an exercise of an Option, the Company makes an issue of Shares by way of capitalisation of profits or out of its reserves (other than pursuant to a dividend reinvestment plan), pursuant to an offer of such Shares to at least all the holders of Shares, then on exercise of the Option, the number of Shares over which an Option is exercisable shall be increased by the number of Shares which the holder of the Option would have received if the Option had been exercised before the date on which entitlements to the issue were calculated.

(i) Right issues

If prior to an exercise of an Option, any offer or invitation is made by the Company to at least all the holders of Shares resident in Australia for the subscription for cash with respect to Shares, options or other securities of the Company on a pro rata basis relative to those holders' Share holding at the time of the offer, the Exercise Price shall be adjusted as specified in the Listing Rules in relation to pro-rata issues (except bonus issues).

(j) Reconstruction of capital

If at any time the issued capital of the Company is reconstructed, all rights of an Optionholder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.

(k) Participation in new issues

There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options.

(l) Change in exercise price

Subject to paragraphs (i), (j) and **Error! Reference source not found.**, an Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Option can be exercised.

(m) Transferability

The Options are transferable at the optionholder's discretion.

THETA GOLD MINES LIMITED
UNLISTED OPTIONS TO HIGH GIFT INVESTMENTS LIMITED
EXPIRING 31 MARCH 2025 (\$0.12 EXERCISE PRICE)

The terms and conditions of the unlisted Options are as follows:

(a) **Entitlement**

Each Option entitles the holder to subscribe for one Share upon exercise of the Option.

(b) **Exercise Price**

Subject to paragraph **Error! Reference source not found.**, the amount payable upon exercise of each Option will be \$0.12 (**Exercise Price**).

(c) **Expiry Date**

Each Option will expire at 5:00 pm (AEDT) on 31 March 2025 (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(d) **Exercise Period**

The Options are exercisable at any time after the day that the VWAP for the Company's Shares over any 10 trading day period is at least A\$0.30 on or prior to the Expiry Date (**Exercise Period**).

(e) **Notice of Exercise**

The Options may be exercised during the Exercise Period by notice in writing to the Company (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

(f) **Exercise Date**

A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds (**Exercise Date**).

(g) **Timing of issue of Shares on exercise**

Within 5 Business Days after the Exercise Date, the Company will:

- (iii) issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company; and
- (iv) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.

(h) **Shares issued on exercise**

Shares issued on exercise of the Options rank equally with the then issued shares of the Company.

(i) **Bonus issues**

If prior to an exercise of an Option, the Company makes an issue of Shares by way of capitalisation of profits or out of its reserves (other than pursuant to a dividend reinvestment plan), pursuant to an offer of such Shares to at least all the holders of Shares, then on exercise of the Option, the number of Shares over which an Option is exercisable shall be increased by the number of Shares which the holder of the Option would have received if the Option had been exercised before the date on which entitlements to the issue were calculated.

(j) Right issues

If prior to an exercise of an Option, any offer or invitation is made by the Company to at least all the holders of Shares resident in Australia for the subscription for cash with respect to Shares, options or other securities of the Company on a pro rata basis relative to those holders' Share holding at the time of the offer, the Exercise Price shall be adjusted as specified in the Listing Rules in relation to pro-rata issues (except bonus issues).

(k) Reconstruction of capital

If at any time the issued capital of the Company is reconstructed, all rights of an Optionholder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.

(l) Participation in new issues

There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options.

(m) Change in exercise price

Subject to paragraphs (i), (j) and **Error! Reference source not found.**, an Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Option can be exercised.

(n) Transferability

The Options are transferable at the Optionholder's discretion.

CONSULTANCY AGREEMENT – GOLDEN ASIA INVESTMENT GROUP LIMITED

Consultant	Golden Asia Investment Group Limited
Term	30 June 2024
Termination	1 month notice by either the Consultant or Company.
Scope of Work	<ul style="list-style-type: none"> To introduce investor(s) or private lender(s) to the Company for new equity investment or simple loan facility for the Company. To setup private investor/lender meetings for the Company's executives. To attract and generate new investors to acquire shares in the Company both in primary and secondary markets.
Fees	<p>Base fee</p> <p>On signing:</p> <ul style="list-style-type: none"> a A\$50,000 fee payable at the Company's election: <ul style="list-style-type: none"> in cash; or in shares - equal to \$50,000 divided by the at-market closing price that the Company's Shares traded on ASX on the trading day before signing; and 20,000,000 unlisted options with an exercise price of \$0.12 per option, expiring on 31 March 2025, on the terms and conditions in Schedule 1. <p>Success Fee</p> <ul style="list-style-type: none"> Cash fee equal to 6% of the total amount invested in, or lent to, the Company from an investor or lender introduced by the Consultant (Capital Raised), payable on receipt of the Capital Raised (as and when it is received); plus for every A\$1,000,000 of Capital Raised - 1,000,000 unlisted options with an exercise price equal to 125% of the at-market closing price that the Company's Shares traded on ASX on the trading day before the announcement of the proposed investment or loan, with an expiry date that is 18 months after the date of grant. The options will be granted within 5 business days of receipt of the Capital Raised (as and when it is received).

CONSULTANCY AGREEMENT – HIGH GIFT INVESTMENTS LIMITED

Consultant	High Gift Investments Limited
Term	30 June 2024
Termination	30 days' written notice by either the Consultant or Company
Scope of Work	<ul style="list-style-type: none"> • Consultant to introduce new investors to the Company with the aim to generate equity investments and/or secondary market purchase of Shares; • assist in the facilitation of the above transactions and marketing materials; and • represent the Company as directed and instructed in negotiating the terms of such transactions with potential investors.
Fees	<p>Retainer</p> <p>On signing – 10,000,000 unlisted options with an exercise price of \$0.12 per option, expiring on 31 March 2025, on the terms and conditions in Schedule 2.</p> <p>Success fee</p> <p>Cash fee equal to 6% of the total amount invested in the Company from an investor introduced by the Consultant (Capital Raised), payable on receipt of the Capital Raised (as and when it is received).</p> <p>The success fee survives termination of the agreement and is payable if an investment or loan is made by a person introduced by the Consultant within 3 years of the introduction, despite the termination of the agreement.</p>
Other	Other terms and conditions regarding consultant liability, limitation of consultant liability, indemnities in favour of the consultant and confidentiality which are customarily found in consultancies of this size, nature and type.