

Announcement Summary

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**Entity name**

THETA GOLD MINES LIMITED

**Announcement Type**

New announcement

**Date of this announcement**

3/4/2023

**The Proposed issue is:**☒ A placement or other type of issue**Total number of +securities proposed to be issued for a placement or other type of issue**

ASX +security code	+Security description	Maximum Number of +securities to be issued
New class-code to be confirmed	Convertible Loans	90,909,090
New class-code to be confirmed	Unlisted Options, Exercise Price \$0.055, Expiry Date 2 October 2023.	3,000,000
New class-code to be confirmed	Unlisted Options, Exercise Price \$0.055, Expiry date 2 October 2023.	1,000,000
TGM	ORDINARY FULLY PAID	4,142,857

**Proposed +issue date**

4/4/2023

Refer to next page for full details of the announcement

Part 1 - Entity and announcement details

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**1.1 Name of +Entity**

THETA GOLD MINES LIMITED

We (the entity named above) give ASX the following information about a proposed issue of +securities and, if ASX agrees to +quote any of the +securities (including any rights) on a +deferred settlement basis, we agree to the matters set out in Appendix 3B of the ASX Listing Rules.

If the +securities are being offered under a +disclosure document or +PDS and are intended to be quoted on ASX, we also apply for quotation of all of the +securities that may be issued under the +disclosure document or +PDS on the terms set out in Appendix 2A of the ASX Listing Rules (on the understanding that once the final number of +securities issued under the +disclosure document or +PDS is known, in accordance with Listing Rule 3.10.3C, we will complete and lodge with ASX an Appendix 2A online form notifying ASX of their issue and applying for their quotation).

**1.2 Registered Number Type**

ABN

**Registration Number**

30131758177

**1.3 ASX issuer code**

TGM

**1.4 The announcement is**☒ New announcement**1.5 Date of this announcement**

3/4/2023

**1.6 The Proposed issue is:**☒ A placement or other type of issue



Part 7 - Details of proposed placement or other issue

Part 7A - Conditions

7A.1 Do any external approvals need to be obtained or other conditions satisfied before the placement or other type of issue can proceed on an unconditional basis?  
☒ No

Part 7B - Issue details

Is the proposed security a 'New class' (+securities in a class that is not yet quoted or recorded by ASX) or an 'Existing class' (additional securities in a class that is already quoted or recorded by ASX)?  
☒ New class

Will the proposed issue of this +security include an offer of attaching +securities?  
☒ No

Details of +securities proposed to be issued

ISIN Code (if Issuer is a foreign company and +securities are non CDIs)

Have you received confirmation from ASX that the terms of the proposed +securities are appropriate and equitable under listing rule 6.1?  
☒ Yes

Will the entity be seeking quotation of the 'new' class of +securities on ASX?  
☒ No

ASX +security code

New class-code to be confirmed

+Security description

Convertible Loans

+Security type

+Convertible debt securities

Number of +securities proposed to be issued

90,909,090

Offer price details

Are the +securities proposed to be issued being issued for a cash consideration?  
☒ Yes



**In what currency is the cash consideration being paid?**

AUD - Australian Dollar

**What is the issue price per +security?**

AUD 0.05500

**Will all the +securities issued in this class rank equally in all respects from their issue date?**

☒ Yes

+Convertible debt securities details

**These securities are:**

Convertible

**Type of security**

Convertible note or bond

**+Security currency**

AUD - Australian Dollar

**Face value**

AUD 5,000,000.0000

**Interest rate type**

Fixed rate

**Frequency of coupon/interest payments per year**

Semi-annual

**First interest payment date**

28/9/2023

**Interest rate per annum**

20.00000 %

**Is the interest rate per annum estimated at this time?**

☒ No

**s128F of the Income Tax Assessment Act status applicable to the +security**

Not applicable

**Is the +security perpetual (ie. no maturity date)?**

☒ No

**Maturity date**

28/3/2025

**Select other features applicable to the +security**

☒ None of the above

**Is there a first trigger date on which a right of conversion, redemption, call or put can be exercised (whichever is first)?**

☒ No

**Details of the type of +security that will be issued if the securities are converted, transformed or exchanged**

TGM : ORDINARY FULLY PAID



Number of +securities that will be issued if the +securities are converted, transformed or exchanged (including, if applicable, any interest)

90,909,090 Ordinary Shares

Please provide a URL link for a document lodged with ASX setting out the material terms of the +securities proposed to be issued or provide the information by separate announcement.

<https://www.asxonline.com/companies/e/status/viewPdf/2534742>

Is the proposed security a 'New class' (+securities in a class that is not yet quoted or recorded by ASX) or an 'Existing class' (additional securities in a class that is already quoted or recorded by ASX)?

☒ New class

Will the proposed issue of this +security include an offer of attaching +securities?

☒ No

Details of +securities proposed to be issued

ISIN Code (if Issuer is a foreign company and +securities are non CDIs)

Have you received confirmation from ASX that the terms of the proposed +securities are appropriate and equitable under listing rule 6.1?

☒ No

Will the entity be seeking quotation of the 'new' class of +securities on ASX?

☒ No

ASX +security code

New class-code to be confirmed

+Security description

Unlisted Options, Exercise Price \$0.055, Expiry Date 2 October 2023.

+Security type

Options

Number of +securities proposed to be issued

3,000,000

Offer price details

Are the +securities proposed to be issued being issued for a cash consideration?

☒ No

Please describe the consideration being provided for the +securities

3,000,000 Unlisted Options to be issued as consideration under an Agreement with 2Invest AG to extend the interest on the Bond which was due on 31 January 2023. As part of that Agreement, an additional one million unlisted options are to be issued each and every month the interest payment is late which was due on 31 January 2023. A total of 3,000,000 unlisted options are issued for the months of February 2023, March 2023 and April 2023, (T1 Options).



**Please provide an estimate of the AUD equivalent of the consideration being provided for the +securities**

165,000.000000

**Will all the +securities issued in this class rank equally in all respects from their issue date?**

☒ Yes

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#### Options details

<b>+Security currency</b>	<b>Exercise price</b>	<b>Expiry date</b>
AUD - Australian Dollar	AUD 0.0550	2/10/2023

**Details of the type of +security that will be issued if the option is exercised**

TGM : ORDINARY FULLY PAID

**Number of securities that will be issued if the option is exercised**

3,000,000 Ordinary Shares

**Please provide a URL link for a document lodged with ASX setting out the material terms of the +securities proposed to be issued or provide the information by separate announcement.**

<https://www.asxonline.com/companies/e/status/viewPdf/2534742>

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**Is the proposed security a 'New class' (+securities in a class that is not yet quoted or recorded by ASX) or an 'Existing class' (additional securities in a class that is already quoted or recorded by ASX)?**

☒ Existing class

**Will the proposed issue of this +security include an offer of attaching +securities?**

☒ No

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#### Details of +securities proposed to be issued

**ASX +security code and description**

TGM : ORDINARY FULLY PAID

**Number of +securities proposed to be issued**

3,142,857

**Offer price details**

**Are the +securities proposed to be issued being issued for a cash consideration?**

☒ No



**Please describe the consideration being provided for the +securities**

3,142,857 potential new TGM Ordinary Shares issued at \$0.055 in respect to the Convertible Loan Agreements establish fees. Establishment fee shares will only be required to be issued if certain milestones under the Convertible Loans are met.

**Please provide an estimate of the AUD equivalent of the consideration being provided for the +securities**

172,857.000000

**Will these +securities rank equally in all respects from their issue date with the existing issued +securities in that class?**

☒ Yes

**Is the proposed security a 'New class' (+securities in a class that is not yet quoted or recorded by ASX) or an 'Existing class' (additional securities in a class that is already quoted or recorded by ASX)?**

☒ Existing class

**Will the proposed issue of this +security include an offer of attaching +securities?**

☒ No

Details of +securities proposed to be issued

**ASX +security code and description**

TGM : ORDINARY FULLY PAID

**Number of +securities proposed to be issued**

1,000,000

**Offer price details**

**Are the +securities proposed to be issued being issued for a cash consideration?**

☒ No

**Please describe the consideration being provided for the +securities**

1,000,000 Ordinary Shares issued at \$0.55 cents per share to 2 Invest AG pursuant to an agreement to allow the Company to defer interest due on a Bond which was due 31 January 2023.

**Please provide an estimate of the AUD equivalent of the consideration being provided for the +securities**

55,000.000000

**Will these +securities rank equally in all respects from their issue date with the existing issued +securities in that class?**

☒ Yes



Is the proposed security a 'New class' (+securities in a class that is not yet quoted or recorded by ASX) or an 'Existing class' (additional securities in a class that is already quoted or recorded by ASX)?

☒ New class

Will the proposed issue of this +security include an offer of attaching +securities?

☒ No

Details of +securities proposed to be issued

ISIN Code (if Issuer is a foreign company and +securities are non CDIs)

Have you received confirmation from ASX that the terms of the proposed +securities are appropriate and equitable under listing rule 6.1?

☒ No

Will the entity be seeking quotation of the 'new' class of +securities on ASX?

☒ No

ASX +security code

New class-code to be confirmed

+Security description

Unlisted Options, Exercise Price \$0.055, Expiry date 2 October 2023.

+Security type

Options

Number of +securities proposed to be issued

1,000,000

Offer price details

Are the +securities proposed to be issued being issued for a cash consideration?

☒ No

Please describe the consideration being provided for the +securities

1,000,000 Unlisted Options to be issued to 2Invest AG as consideration for the deferral of interest on a Bond that was due to be paid on 31 January 2023, (April 2023 Options).

Please provide an estimate of the AUD equivalent of the consideration being provided for the +securities

55,000.000000

Will all the +securities issued in this class rank equally in all respects from their issue date?

☒ Yes

Options details

+Security currency

AUD - Australian Dollar

Exercise price

AUD 0.0550

Expiry date

2/10/2023





**Details of the type of +security that will be issued if the option is exercised**

TGM : ORDINARY FULLY PAID

**Number of securities that will be issued if the option is exercised**

1,000,000 Ordinary Shares

**Please provide a URL link for a document lodged with ASX setting out the material terms of the +securities proposed to be issued or provide the information by separate announcement.**

<https://www.asxonline.com/companies/e/status/viewPdf/2534742>

Part 7C - Timetable

**7C.1 Proposed +issue date**

4/4/2023

Part 7D - Listing Rule requirements

**7D.1 Has the entity obtained, or is it obtaining, +security holder approval for the entire issue under listing rule 7.1?**

☒ No

**7D.1b Are any of the +securities proposed to be issued without +security holder approval using the entity's 15% placement capacity under listing rule 7.1?**

☒ Yes

**7D.1b ( i ) How many +securities are proposed to be issued without security holder approval using the entity's 15% placement capacity under listing rule 7.1?**

60,000,000 Ordinary Shares - Convertible Loans  
1,000,000 Unlisted Options - April 2023 Options  
3,000,000 Unlisted Options - T1 Options

**7D.1c Are any of the +securities proposed to be issued without +security holder approval using the entity's additional 10% placement capacity under listing rule 7.1A (if applicable)?**

☒ Yes

**7D.1c ( i ) How many +securities are proposed to be issued without +security holder approval using the entity's additional 10% placement capacity under listing rule 7.1A?**

30,909,090 Ordinary Shares - Convertible Loans  
3,142,857 Ordinary Shares - Establishment Fees  
1,000,000 Ordinary Shares - Deferral of Interest

**7D.1c ( ii ) Please explain why the entity has chosen to do a placement rather than a +pro rata issue or an offer under a +security purchase plan in which existing ordinary +security holders would have been eligible to participate**

The Company chose to use Convertible Loan Agreements as they was the most cost effective and timely method of raising funding for the bulk sample trial program at its TGME Gold Mine Project.



**7D.2 Is a party referred to in listing rule 10.11 participating in the proposed issue?**

☒ No

**7D.3 Will any of the +securities to be issued be +restricted securities for the purposes of the listing rules?**

☒ No

**7D.4 Will any of the +securities to be issued be subject to +voluntary escrow?**

☒ No

## Part 7E - Fees and expenses

**7E.1 Will there be a lead manager or broker to the proposed issue?**

☒ No

**7E.2 Is the proposed issue to be underwritten?**

☒ No

**7E.4 Details of any other material fees or costs to be incurred by the entity in connection with the proposed issue**

As part of the costs to establish the Convertible Loan Agreements a total of 3,142,857 new TGM Ordinary Shares will be issued in lieu of cash payments to lenders or approximately 3.46% of proceeds raised under the Loan Agreements. Establishment fee shares will only be required to be issued if certain milestones are reached under the Convertible Loan Agreements.

## Part 7F - Further Information

**7F.01 The purpose(s) for which the entity is issuing the securities**

Pursuant to an announcement dated 3 April 2023 to raise up to A\$5 million to fund the bulk trial sample at the Company's Frankfort Mine as part of the TGME Gold Mine Project and working capital requirements.

**7F.1 Will the entity be changing its dividend/distribution policy if the proposed issue proceeds?**

☒ No

**7F.2 Any other information the entity wishes to provide about the proposed issue**

None

**7F.3 Any on-sale of the +securities proposed to be issued within 12 months of their date of issue will comply with the secondary sale provisions in sections 707(3) and 1012C(6) of the Corporations Act by virtue of:**

☒ The publication of a cleansing notice under section 708A(5), 708AA(2)(f), 1012DA(5) or 1012DAA(2)(f)