



4 July 2023

**ASX ANNOUNCEMENT
(ASX:TGM)**

\$5 MILLION PRIVATE PLACEMENT AND CORPORATE UPDATE

Theta Gold Mines Limited (“**Theta Gold**” or the “**Company**”) (ASX: TGM| OTC: TGMGF) is pleased to announce it has raised A\$5.0 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 equity markets, including secondary market trading, private placements, venture capital and private equity activities.

The Company will issue up to 76,923,077 new fully paid TGM Ordinary Shares at the issue price of A\$0.065¹ cents per share, using the Company’s existing placement capacity pursuant to Listing Rule 7.1. The shares are expected to be issued on Monday, 10th July 2023.

An Appendix 3B will be released following this announcement.

Use of funds raised from the share placement as follows:

- a) Progress towards completion of permitting approvals for the TGME Gold Mine Project including necessary environmental surety bond with the South African Department of Resources and Energy (DRME) for 25 million Rand, approximately (A\$2m);
- b) Funding required for a commercial bulk sample trial currently underway for the Frankfort mine;
- c) Project expenditure including pre-liminary development and planning activities for the TGME Gold Mine Project; and
- d) General working capital, corporate overheads and loan interest payments.

¹ Shares issue price of \$0.065 cents is 4% discount to the 14 day VWAP just prior to completion of the capital raising.

Chairman Mr. Bill Guy commented: *"I'm extremely pleased with the significant progress made by the Company in recent months on multiple fronts.*

"Final Environmental Authorisation (EA) is expected to be granted by the DRME upon the installation of an environmental surety bond along with a final Water Use License (WUL) for MR83.

"Meanwhile, the Company has made significant progress on its commercial bulk sampling program at its Frankfort mine which will supply gold bearing ore to Pan Africa Resources' processing plant under a toll milling agreement². If successful, it will provide early cashflow for the Company.

"I also welcome the new strategic investors to our registry as Theta moves closer towards cashflow."

There are no cash commissions arising from funds raised in the placement.

[ENDS]

This announcement was approved for release by Theta Gold Mines Limited's Board and ceases the Trading Halt of the Company's securities on the ASX.

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

Bill Guy, Chairman

Theta Gold Mines Limited

T: + 61 2 8046 7584 E: billg@thetagoldmines.com

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>.



² Ref to ASX Release dated, 3 April 2023 titled "\$5 million financing and signing of commercial bulk sampling trial with Pan African Resources', Barberton Mines Gold Plant".

Webpage: www.thetagoldmines.com



<https://twitter.com/ThetaGoldMines>



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

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 Feasibility Study (FS) released to ASX on 27 July 2022, for the first four mines Beta, CDM, Frankfort and Rietfontein (TGME Underground Project). The Base Case LOM plan comprises 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.

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 announcement 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.