



31 July 2019

ASX ANNOUNCEMENT

Quarterly Report – 1 April to 30 June 2019

HIGHLIGHTS

- **Theta Gold Mines increased Mineral Resources (refer ASX release 16 May 2019)**
 - **Global Resource increased to 6Moz Au (44.8Mt @ 4.18g/t Au), with a 30% increase for open cut resources (refer Appendix A - JORC Tables)**
 - **1.3Moz open cut resources (13.08Mt @ 3.12g/t Au)**
 - **4.5Moz underground resources (26.3Mt @ 5.4g/t Au)**
- **"Theta Project" Open Cut Resource 870 Koz (10.1 Mt @ 2.7g/t Au) (Indicated & Inferred; 0-130m depth)**
 - **Maiden Mining Reserve 205 Koz (2.31 Mt @ 2.76 g/t Au at a 0.4 g/t Au cut-off) (Refer Appendix A Table 2)**
- **Feasibility Study for Theta Project (refer ASX release 16 May 2019)**
 - **219 Koz Au delivered to plant (201 Koz Au recovered) from 2.52 Mt @ 2.71 g/t Au (0.4 g/t Au cut-off) over Life of Mine ("LoM")**
 - **USD 764/oz all-in sustaining cost ("AISC") over the 5-year LoM (bottom quartile for South African producers) (Figure 3)**
 - **Total Capital cost of USD34.3 million over LoM (including contingencies), USD21.6 million Capital (excluding contingencies) for a predominantly new Metallurgical Plant**

Theta Gold Mines Limited ("Theta Gold" or "Company") (ASX: TGM) is pleased to report on its activities for the three months ended 30 June 2019. Most notably, the Company had a successful period of operations with the release of a positive Feasibility Study for the "Theta Project", an increase in the global mineral resource to over 6 Moz, and the declaration of an initial Mining Reserve.

Subsequent to the end of the quarter, as announced on 23 July 2019, the Company also entered into subscription agreements with specialist global resource investors for the placement of 53,333,334 shares (voluntarily escrowed until 31 December 2020) at an issue price of \$0.15 per share to raise a total of \$8,000,000. The shares are to be issued in three tranches, with the first tranche issued on 25 July 2019 and the other two tranches expected in August and end September (refer ASX release 23 July 2019).

The "Theta Project Feasibility Study", demonstrated robust project economics and has built a solid case for the Company moving towards development and supports the case for further exploration on this large historical goldfield. The Feasibility Study for the "Theta Project", viewed as a starter project by Directors, focused solely on the best way to capitalize on the existing permitted gold plant, infrastructure, and the permitted tailings dam which has 2.5 Mt of capacity.

Chairman, Bill Guy commented: “The team has made great progress this quarter and is currently making minor enhancements to the Feasibility Study findings as they complete more detailed work on site. Permitting is in progress, additionally, the central area which includes “Theta Project” has been subject to a topographical survey (Lidar) to assist planning and project development”.

The Feasibility Study highlights the Theta Project as an exciting starter project which will allow the Company to unlock the potential of the East Transvaal goldfield with modern mining and exploration methods. The project will act as a proof of concept that modern open cut mining is viable in a region that has historically been operated as an underground goldfield. Success at Theta Project can potentially be replicated across the whole goldfield.

The Theta Project has a number of unique geological features that have a positive effect on mining and costs. The reef systems are flat dipping between 2-7 degrees horizontal and the high grade gold reefs are oxidised which leads to high recoveries. In addition, the host sediments are generally extremely fractured leading to reduced rock strength and reduced mining costs (refer Section 1.2 **Geology effect on Financials and Costs**) “.

Current Work Program

The work program for the September 2019 Quarter will include completion of a Lidar survey over the central mine area around the TGME Gold Plant. The Lidar survey will deliver topographic accrete for earthworks mining activities, refine mineral resource calculations and future civil development.

Other work includes permitting, preparing exploration programs, hosting potential mine contractors, and examining local infrastructure requirements for the mining project. Post feasibility detail design work is in progress as well as evaluating critical long lead items. Theta Gold has also started to explore the market for key individuals who will be able to drive the project towards production should the permitting stage be successfully concluded.

1. THETA PROJECT FEASIBILITY STUDY SUMMARY

The Ore Reserves estimated for the Theta Project occur in the Iota section of Columbia Hill and an estimated 35% portion of the Theta Hill and Browns Hill deposits within MR83 boundary. The remainder of the Theta Hill and Browns Hill deposits extend to the south and into Mining Right 341 (“MR341”) (Figure 1 below). MR83 is fully permitted for underground mining and an amendment to include open pit mining is in progress. Mining Right 341 is in the progress of being executed; once executed it would be the Company’s intention to commence with exploration in this area.

The Feasibility Study was limited to the current permitted tailings dam capacity (2.5 Mt) and within the MR83 boundary. Further work will be required to expand the tailings dam capacity.

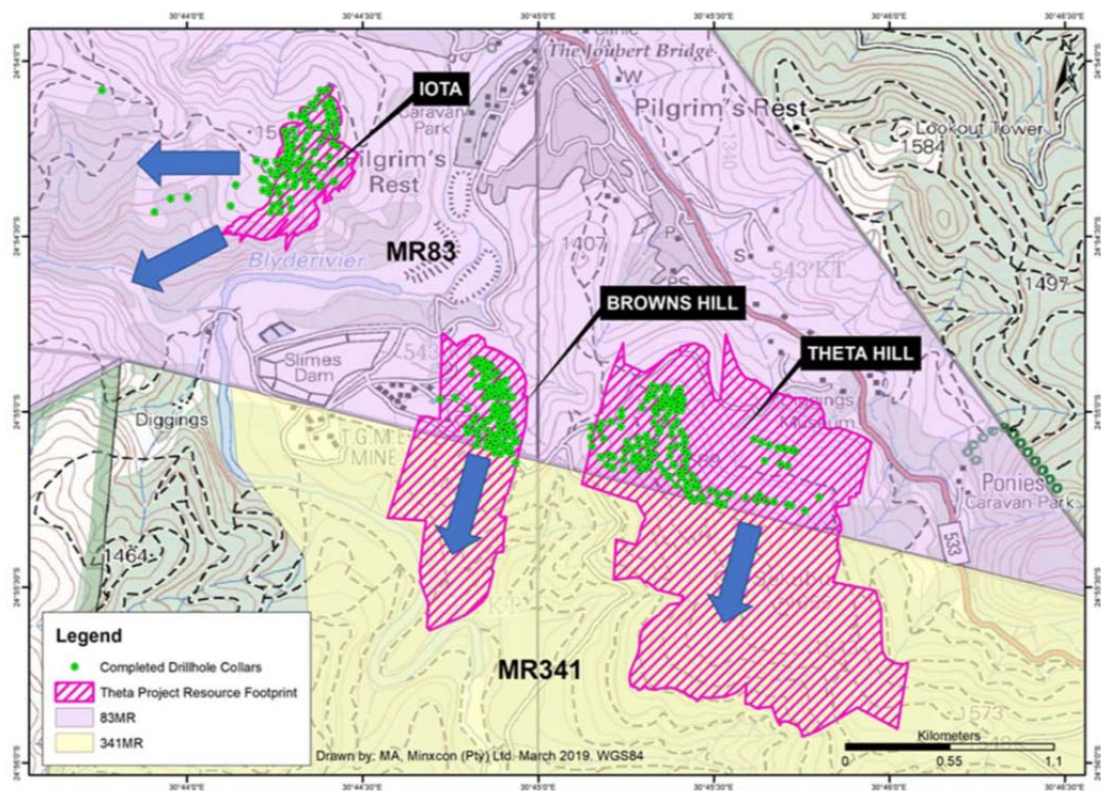


Figure 1: Drill Hole Location Plan and area for Future Drilling

In terms of the Feasibility Study, a new CIL Plant based on approximately 500,000 tonnes of ore per annum is planned - the throughput being restricted by the existing Tailings Storage Facility ("TSF") capacity of 2.5 Mt. As such an initial 5-year Ore Reserve of open pit oxide ore was targeted by the mine planning and scheduling completed as part of the Feasibility Study. Once in production a new TSF would need to be planned and constructed.

All processing layouts were configured in and around the existing CIL Plant infrastructure to allow for potential future plant expansions.

The Feasibility Study selected equipment largely on the basis of using new machinery, for instance new crushing and milling circuits. No consideration was given to the use of used equipment and the use of refurbished equipment is a possibility and this might lead to capital cost savings.

In parallel to the Feasibility Study, the Company has also initiated an amendment to the current approved Mining Right to include open-cut mining in addition to approved underground mining operations. Approval applications and permitting are in progress.

The financial modelling of the project demonstrates modern open pit gold mining methods being deployed for the first time in this historic goldfield to be financially viable.

1.2 Geology effect on Financials and Costs

The strong financials from the starter “Theta Project” (Table 1) stem from the open-cut mining potential of the geology, near surface of the shallow flat laying horizontal reef systems, higher grade oxide ore, host rock sediments and close proximity of the reefs to the existing process plant centre.

1.2.1 Flat Reefs

The near surface flat reef allows for lower-cost modified terrace mining (Appendix B) which is less expensive than traditional mining as much of the waste is not hauled out of the pit and put on a waste dump.

Most Theta waste is simply pushed behind the advancing mining face with waste haulage reduced and waste stockpiles minimised. Fuel requirements and associated costs are also reduced.

1.2.2 Oxides Ores

The oxide ore is generally softer and easier to mine, mill and process due to the breakdown of sulphides mineral which host the gold. Oxide ores are processed by traditional CIL Plants such as the TGME CIL plant at Pilgrim’s Rest which is well understood, easy to run, with experienced staff generally available given South Africa’s mining heritage.

Oxides at Theta show metallurgical recovery in a standard CIL plant of > 90%.

1.2.3 Ore Host Sediments – Transvaal Basin

The host sediments consist mainly of shales, siltstones, dolomites and conglomerates within Transvaal Basin. Sediments are generally softer than igneous rocks i.e. traditional greenstone hosted gold deposits which has range rocks (igneous and sediments), including basalts which due to their hardness are used as road base.

Theta sediment units are also oxides and extremely fractured (Figure 2). Both fracturing and oxidising reduce rock strength. Reduced rock strength leads to limited drill blast costs, higher production rates, reduce maintenance on machinery, and fuel burn.

BHID	Sample No.	From m	To m	Width m	Estimated Recovery	Au Final g/t	Intersection m	Au g/t
DDBH21	S0792	33.10	34.04	0.94	37%	134.00	0.94	134.00
DDBH21	S0795	34.72	35.15	0.43	79%	9.15	0.43	9.15



Figure 2: Diamond Drill Hole (DDBH21) "Theta Project"- Oxides drill core extremely fracture

1.2.4 New Discoveries

The drill program at the Theta Project increased the Indicated resources to 358 Koz of contained gold, inclusive of the discovery of two new Reefs (Shale & Bevetts). Historically 21 high grade discrete reefs have been mined.

Detailed resource drilling demonstrated the continuity of Shale and Bevetts Reef from close spaced drill programs and the discovery of the Shale and Bevetts Reef is a bonus: These reefs are about 1 to 1.2m thick at just over 1 g/t gold and as these reefs sit between the historical Upper Theta, Lower Theta and Beta Reef system, they would have to be mined to access the Theta and Beta reef system. As such the Shale and Bevetts Reef will be mined and processed instead of being dumped on a waste dump. This not only provides additional gold resources and revenue but also assists in reducing the strip ratio at "Theta Project".

Note: In total 82,200 oz gold was added to the "Theta Project" by the discovery of Shale and Bevetts Reef (refer Appendix A Table 3).

1.2.5 Table 1: Key Aspects of Feasibility Study - Theta Project

- Initial 2 years to recover 91,050 oz Au at rate of 45,525 oz per annum
- Average annual EBITDA over 5 years ~USD20 million (39% Margin)
- Average LoM gold recovery/yield at 91.6%
- Average All-In Sustaining Cost over 5 years USD764/oz
- Payback period 1.2 years (Peak Funding USD29m)
- LoM Average Gold Price of USD 1,257/oz
- Total gold recovered over 5 years 201Koz
- 9 month construction timeline post approvals
- Post-tax cumulative undiscounted cashflow of USD65.7m
- Total EBITDA over LoM USD100m
- Post-tax NPV₅ of USD49.6m and 65.1% IRR

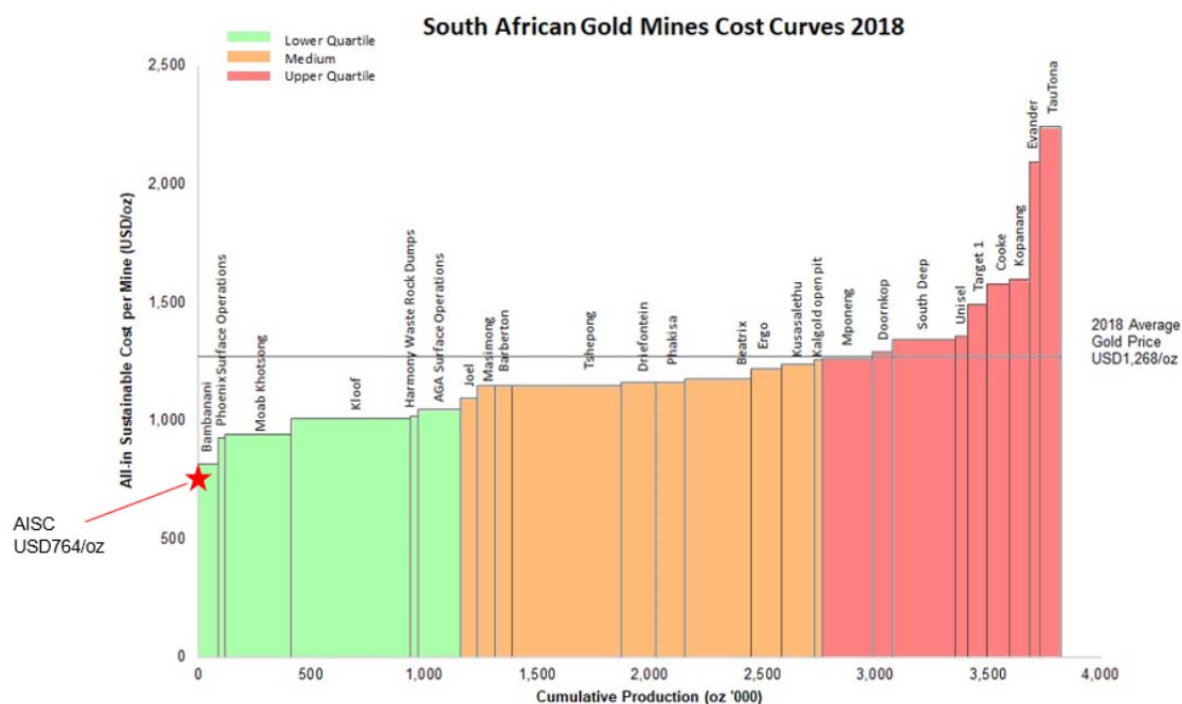


Figure 3: South African Miners AISC Costs 2018: Minxcon 2018

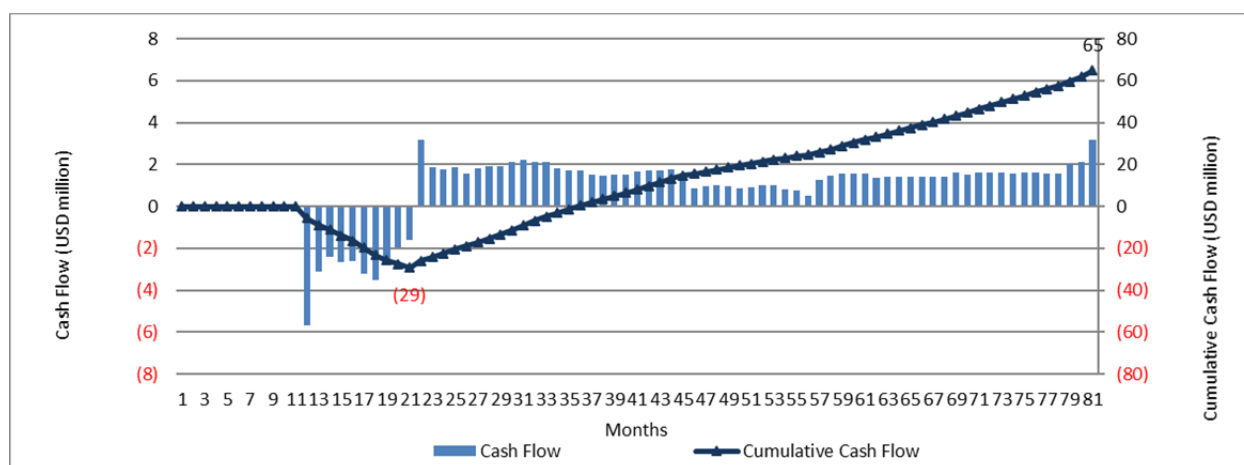


Figure 4: Theta Project Feasibility – Cashflow

Note -

- Strong free cashflow generation post construction, total US\$65.7m over LOM (post tax)
- The Company aims to increase ore reserves and construct additional TSF to extend LoM
- Pay back 1.2 years

2 CORPORATE

2.1 Shareholders Meeting

The shareholders meeting held on 28 June 2019 was strongly supported with an overwhelming proxy vote for all resolutions. Following the meeting, 19.85M unlisted performance rights and options were replaced with performance rights which align the interests of employees and directors with those of shareholders. All performance rights contain hurdles which are

resource and production-based (see below). The performance hurdles 1, 3 and 4 are set above the current Theta Project Feasibility Study.

Performance Hurdles	
1	Delineating a total of 300,000 ounces of gold ore reserves (in accordance with the JORC Code 2012 ¹) at grade of at least 2.5g/t Au, amenable to open-cut mining on Mining Right 83, Mining Right 341 and Mining Right 10167 (under application, converting from existing Prospecting Rights).
2	Decision to Mine (Board approval to commence development of a gold mining operation) with all regulatory approvals secured. This performance hurdle must be achieved on or before the date that is 18 months from the date of issue of the performance right.
3	Achieving annualised production of 50,000 ounces of gold per annum over a consecutive period of 3 months. This performance hurdle must be achieved on or before the date that is 30 months from the date of issue of the performance right.
4	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 the date that is 48 months from the date of issue of the performance right.

2.2 Cash Position and Funding

As at 30 June 2019, the Group had US\$488,000 in cash.

Subsequent to the end of the quarter, the Company entered into subscription agreements with specialist global resource investors for the placement of 53,333,334 shares at \$0.15 per share to raise a total of \$8,000,000.

The placement will be made under the Company's placement capacity pursuant to Listing Rule 7.1 and the shares, to be issued in three tranches, will be subject to voluntary escrow until 31 December 2020.

Tranche	Amount	Price	No. of shares	Due date
1	\$2,620,000	\$0.15	17,466,667	23 Jul 2019
2	\$1,380,000	\$0.15	9,200,000	30 Aug 2019
3	\$4,000,000	\$0.15	26,666,667	30 Sep 2019
Total	\$8,000,000		53,333,334	

The Tranche 1 subscription has been completed with the application money received and the shares were issued on 25 July 2019 (refer ASX release 25 July 2019).

The funds raised will be used for completion of pre-development activities, working capital and applied towards the purchase of equipment for the Company's Theta open-cut gold project. The raise will also contribute to environmental related work, including environmental bond obligations for a number of the Mining Rights.

2.3 Capital Structure

The current capital structure of the Company is as follows –

	Number
Fully paid ordinary shares (ASX: TGM)	400,839,918
Listed options exercisable at \$0.30 each on or before 31 October 2020 (ASX: TGMO)	31,429,663
Unlisted options and performance rights (details in Appendix C)	38,093,304

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

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Competent Persons Statement

Mineral Resources and Ore Reserves

The information in this report relating to Mineral Resources 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.

The information in this report relating to Ore Reserves is based on, and fairly reflects, the information and supporting documentation compiled by Mr Daniel van Heerden (B Eng (Min.), MCom (Bus. Admin.), MMC, Pr.Eng. No. 20050318, FSAIMM, AMMSA), a director of Minxcon (Pty) Ltd and a member of the Engineering Council of South Africa.

The original reports titled "Theta Gold increases Mineral Resource to over 6Moz" and "Positive Feasibility Study for Theta Project" were dated 16 May 2019 and were released to the Australian Securities Exchange (ASX) on that date. 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) 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 Mines core project is TGME, located next to the historical gold mining town of Pilgrim's Rest, in Mpumalanga Province, some 370km east 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 planned refurbishment of the existing CIL plant and nearby mines/prospects with the intention of resuming gold production and is considering open pit mining where it has identified mineral resources amenable to open pit production. The Company has completed a detailed feasibility study and is in the process of seeking approvals for open pit mining on the existing mining licences held.

The Company aims to build a solid production platform to over 100kozpa based primarily around shallow, open-cut or adit-entry hard rock mining sources. Theta Gold Mines has access to over 43 historical mines and prospect areas that can be accessed and explored, with over 6.7Moz of historical production recorded.



BUSINESS ARRANGEMENT

Theta Gold Mines holds 100% issued capital of its South African subsidiary Stonewall Mining (Pty) Ltd ("Stonewall"). Stonewall 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 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.

FORWARD LOOKING AND CAUTIONARY STATEMENTS

This announcement may refer to the intention of Theta Gold Mines 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. 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.

Appendix A: JORC 2012 Tables

Table 1: Combined Mineral Resources as at 1 May 2019

Mineral Resource Classification	Type of Operation	Tonnage	Gold Grade	Gold Content	
		Mt	g/t	Kg	koz
Measured	Underground	0.091	5.37	489	15.7
Total Measured		0.091	5.37	489	15.7
Indicated	Underground	4.774	6.21	29,661	953.7
	Open Pit	7.161	2.11	15,091	485.2
	Tailings	5.244	0.83	4,373	140.6
Total Indicated		17.179	2.86	49,126	1,579.4
Inferred	Underground	21.452	5.22	111,880	3,597.0
	Open Pit	5.922	4.35	25,730	827.3
	Tailings	0.023	0.57	13	0.40
	Rock Dump	0.121	1.64	199	6.40
Total Inferred		27.518	5.01	137,823	4,431.0
Grand Total		44.788	4.18	187,438	6,026.2

Notes:

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

Table 2: Theta Project Ore Reserves for MR83 Only, 1 May 2019

Mineral Resource Category in LoM Plan	Pit	Grade	Reef Tonnes	Au Content	
		g/t	kt	kg	oz
Probable	Browns Hill	3.24	564	1,826	58,699
Probable	Iota (Columbia Hill)	2.54	1,253	3,189	102,513
Probable	Theta Hill	2.76	493	1,362	43,798
Total		2.76	2,310	6,377	205,010

The Ore Reserves exclude Inferred Mineral Resources.

Notes:

1. Totals in the Ore Reserve may not add-up due to rounding.
2. Mineral Resources are for MR83 only and excludes MR341.
3. No Inferred Mineral Resources are included in the Ore Reserve.

Table 3: Total Theta Project - Mineral Resources, 1 May 2019

Mineral Resource Classification	Open Pit Mine	Reef	Reef Grade	Reef Width	Content	Reef Tonnes	Au Content	
			g/t	cm	cm.g/t	Mt	Kg	koz
Indicated	Theta Hill & Browns Hill	Shale	1.02	200	204	0.439	402	12.9
	Theta Hill & Browns Hill	Bevetts	1.10	221	244	0.891	886	28.5
	Theta Hill & Browns Hill	Upper Theta	2.41	100	241	0.724	1,568	50.4
	Theta Hill & Browns Hill	Lower Theta	3.70	100	370	0.888	2,956	95.0
	Theta Hill & Browns Hill	Beta	2.49	100	249	0.383	859	27.6
	Columbia Hill	Bevetts	2.89	114	330	0.105	303	9.7
	Columbia Hill	Upper Rho	2.43	393	956	0.808	1,965	63.2
	Columbia Hill	Lower Rho	2.51	550	1381	0.815	2,047	65.8
	Columbia Hill	Upper Theta	1.08	114	123	0.158	171	5.5
Total Indicated			2.14	246	526	5.211	11,157	358.7
Mineral Resource Classification	Open Pit Mine	Reef	Reef Grade	Reef Width	Content	Reef Tonnes	Au Content	
			g/t	cm	cm.g/t	Mt	Kg	koz
Inferred	Theta Hill & Browns Hill	Shale	1.11	216	240	0.703	666	21.4
	Theta Hill & Browns Hill	Bevetts	1.07	213	227	0.648	589	19.0
	Theta Hill & Browns Hill	Upper Theta	1.86	100	186	1.071	1,692	54.4
	Theta Hill & Browns Hill	Lower Theta	8.11	100	811	1.643	11,329	364.3
	Theta Hill & Browns Hill	Beta	2.23	100	223	0.748	1,417	45.6
	Columbia Hill	Upper Rho	5.13	106	544	0.099	507	16.3
Total Inferred			3.30	132	434	4.912	16,202	520.9
Mineral Resource Classification	Open Pit Mine	Reef	Reef Grade	Reef Width	Content	Reef Tonnes	Au Content	
			g/t	cm	cm.g/t	Mt	Kg	koz
Indicated	Total Theta Project	All	2.14	246	526	5.2	11,157	358.7
Inferred	Total Theta Project	All	3.30	132	435	4.9	16,202	520.9
Total Indicated and Inferred			2.70	190	514	10.1	27,359	879.6

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 MR83 and MR341.

Appendix B: Modified Terrace Mining

Mining Method

The mining method selected for this project is modified terrace mining (Figure 8) and is suited to the mountainous profile of the current topography. The orebodies are considered stratified and on an inclined mountain. The ore will be extracted on a flat surface whereby all the ore is extracted on the horizontal plane via ripping, loading and hauling.

The modified terrace mining method incorporated at the Theta Project is presently being planned to consist of partial in pit waste (backfilling of the waste material) to reduce environmental footprint. Theta Hill and Iota Pit will be partially backfilled and the waste that is not backfilled is expected to be dumped onto a waste rock dump situated at Theta Hill and Iota Pit respectively.

The overburden or waste material will be removed with a combination of excavators and trucks with the assistance of ripping via a dozer. The waste material will require some breakage prior to the loading and it is expected that this will be achieved by ripping with a dozer. The ripping of the waste material will increase the simplicity, safety and slope stability of the operation compared to conventional drill and blast.

The mining method is illustrated in the simplified diagram in Figure 5.

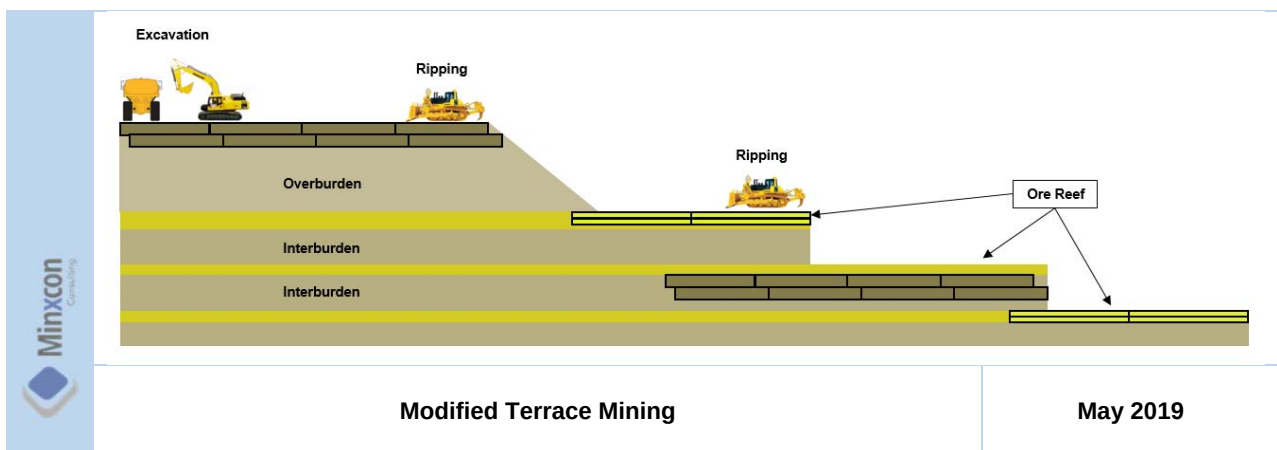


Figure 5: Modified Terrace Mining

Appendix C: Unlisted Options and Performance Rights

Number	Performance Hurdle/Vesting Date (if applicable)	Exercise Price	Expiry Date
OPTIONS			
222,223		\$0.30	15 Aug 2019
614,449		\$0.30	21 Aug 2019
1,000,000		\$0.30	22 Aug 2019
274,449		\$0.30	1 Sep 2019
1,050,000		\$0.15	12 Oct 2019
2,000,000		\$0.20	12 Oct 2019
1,000,000	Company achieving a market capitalisation of greater than \$25,000,000 for a period of 10 consecutive trading days	\$0.20	12 Oct 2019
3,500,000		\$0.40	12 Oct 2019
727,970		\$0.19	15 Jan 2020
1,000,000		\$0.25	18 Jan 2020
1,000,000		\$0.30	18 Jan 2020
604,213		\$0.19	13 Aug 2020
200,000	20 day VWAP above \$0.030. This performance hurdle must be achieved on or before the date that is three years from the date of issue of the Options.	\$0.35	19 July 2022
200,000	20 day VWAP above \$0.035. This performance hurdle must be achieved on or before the date that is three years from the date of issue of the Options.	\$0.40	19 July 2022
13,393,304	TOTAL OPTIONS		
PERFORMANCE RIGHTS			
4,670,000	Delineating a total of 300,000 ounces of gold ore reserves (in accordance with the JORC Code 2012 ¹) at grade of at least 2.5g/t Au, amenable to open-cut mining on Mining Right 83, Mining Right 341 and Mining Right 10167 (under application).	Nil	27 June 2024
5,070,000	Decision to Mine (Board approval to commence development of a gold mining operation) with all regulatory approvals secured. This performance hurdle must be achieved on or before the date that is 18 months from the date of issue of the performance right.	Nil	27 June 2024
7,530,000	Achieving annualised production of 50,000 ounces of gold per annum over a consecutive period of 3 months. This performance hurdle must be achieved on or before the date that is 30 months from the date of issue of the performance right.	Nil	27 June 2024
7,430,000	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 the date that is 48 months from the date of issue of the performance right.	Nil	27 June 2024
24,700,000	TOTAL PERFORMANCE RIGHTS		
38,093,304	TOTAL OPTIONS AND PERFORMANCE RIGHTS		

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/13, 01/09/16

Name of entity

THETA GOLD MINES LIMITED

ABN

30 131 758 177

Quarter ended ("current quarter")

30 June 2019

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	(815)	(3,355)
(b) development		
(c) production		
(d) staff costs	(149)	(539)
(e) administration and corporate costs	(794)	(2,155)
1.3 Dividends received (see note 3)		
1.4 Interest received	39	44
1.5 Interest and other costs of finance paid	(10)	(53)
1.6 Income taxes paid		
1.7 Research and development refunds		
1.8 Other		
1.9 Net cash from / (used in) operating activities	(1,729)	(6,058)

2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment	(6)	(10)
(b) tenements (see item 10)		
(c) investments		
(d) other non-current assets		

Consolidated statement of cash flows		Current quarter US\$'000	Year to date (12 months) US\$'000
2.2	Proceeds from the disposal of:		
	(a) property, plant and equipment	107	186
	(b) tenements (see item 10)		
	(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	101	176

3.	Cash flows from financing activities		
3.1	Proceeds from issues of shares	2,046	6,789
3.2	Proceeds from issue of convertible notes		
3.3	Proceeds from exercise of share options		
3.4	Transaction costs related to issues of shares, convertible notes or options	(74)	(188)
3.5	Proceeds from borrowings	144	324
3.6	Repayment of borrowings	(113)	(751)
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	2,003	6,174

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	113	196
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(1,730)	(6,058)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	101	176
4.4	Net cash from / (used in) financing activities (item 3.10 above)	2,003	6,174
4.5	Effect of movement in exchange rates on cash held		
4.6	Cash and cash equivalents at end of period	488	488

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	488	113
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)	488	113

6.	Payments to directors of the entity and their associates	Current quarter US\$'000
6.1	Aggregate amount of payments to these parties included in item 1.2	450
6.2	Aggregate amount of cash flow from loans to these parties included in item 2.3	
6.3	Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2	

Payments for consulting fees, salaries and office rent at commercial rate.

7.	Payments to related entities of the entity and their associates	Current quarter US\$'000
7.1	Aggregate amount of payments to these parties included in item 1.2	
7.2	Aggregate amount of cash flow from loans to these parties included in item 2.3	
7.3	Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2	

Mining exploration entity and oil and gas exploration entity quarterly report

8. Financing facilities available <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end US\$'000	Amount drawn at quarter end US\$'000
8.1 Loan facilities	2,910	2,910
8.2 Credit standby arrangements		
8.3 Other (please specify)		
8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		

Details of the loan facilities are set out in Note 16 of the Company's Financial Report for the year ended 30 June 2018.

9. Estimated cash outflows for next quarter	US\$'000
9.1 Exploration and evaluation	900
9.2 Development	-
9.3 Production	-
9.4 Staff costs	170
9.5 Administration and corporate costs	750
9.6 Other (loan repayment and legacy creditors)	250
9.7 Total estimated cash outflows	2,070

10. Changes in tenements (items 2.1(b) and 2.2(b) above)	Tenement reference and location	Nature of interest	Interest at beginning of quarter	Interest at end of quarter
10.1 Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced				-
10.2 Interests in mining tenements and petroleum tenements acquired or increased				

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.



Sign here:
(~~Director~~/Company secretary)

Date: 31/07/2019

Print name: Chin Haw Lim

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly 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 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.