



2 November 2022

ASX ANNOUNCEMENT
(ASX:TGM)

WATER USE LICENSE GRANTED FOR THE FRANKFORT MINE

HIGHLIGHTS:

- **Theta Gold Mines confirms the receipt of another key regulatory license for the development of its TGME Underground Gold Mine**
- **Frankfort Mine fully permitted**

Theta Gold Mines Limited (“**Theta Gold**” or the “**Company**”) (ASX: TGM|OTC: TGMGF) is pleased to advise that the South African Department of Water and Sanitation (DWS) has awarded the first of the two water use licences required for its TGME Underground Gold Mine.

The new Greater TGME Integrated Water Use License (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 TGME Underground Project since it authorises all current water use activities within Mining Right (MR) 83 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 license. No public participation process is required for this license however any interested and effected parties may still appeal the licence. The Company has, however, in the interest of transparency sent out a notification to inform all of our stakeholders that the license was issued. Our stakeholder engagement forum will going forward be kept updated in terms of compliance monitoring of the license.

Following the granting of this WUL, Theta Gold has now secured all of the regulatory licences required for the Frankfort Mine.

Theta Gold **Chairman, Bill Guy, commented:** *“The full approvals now granted for the Frankfort Mine marks another key step forward for the development of TGME Gold Project.*

“Bulk sampling work shall commence on Frankfort mine in the coming weeks with the aim to optimise mining and to maximise ore recovery.

“The full approval of the Frankfort Mine displays full recognition from all related government departments of Theta’s effort to becoming a responsible miner in the region.

“I would like to thank our management team and consultants who worked tirelessly on achieving such positive outcomes for the Company.

“The Company shall keep shareholders informed with the final two permits pending on MR83, expected by year-end.”

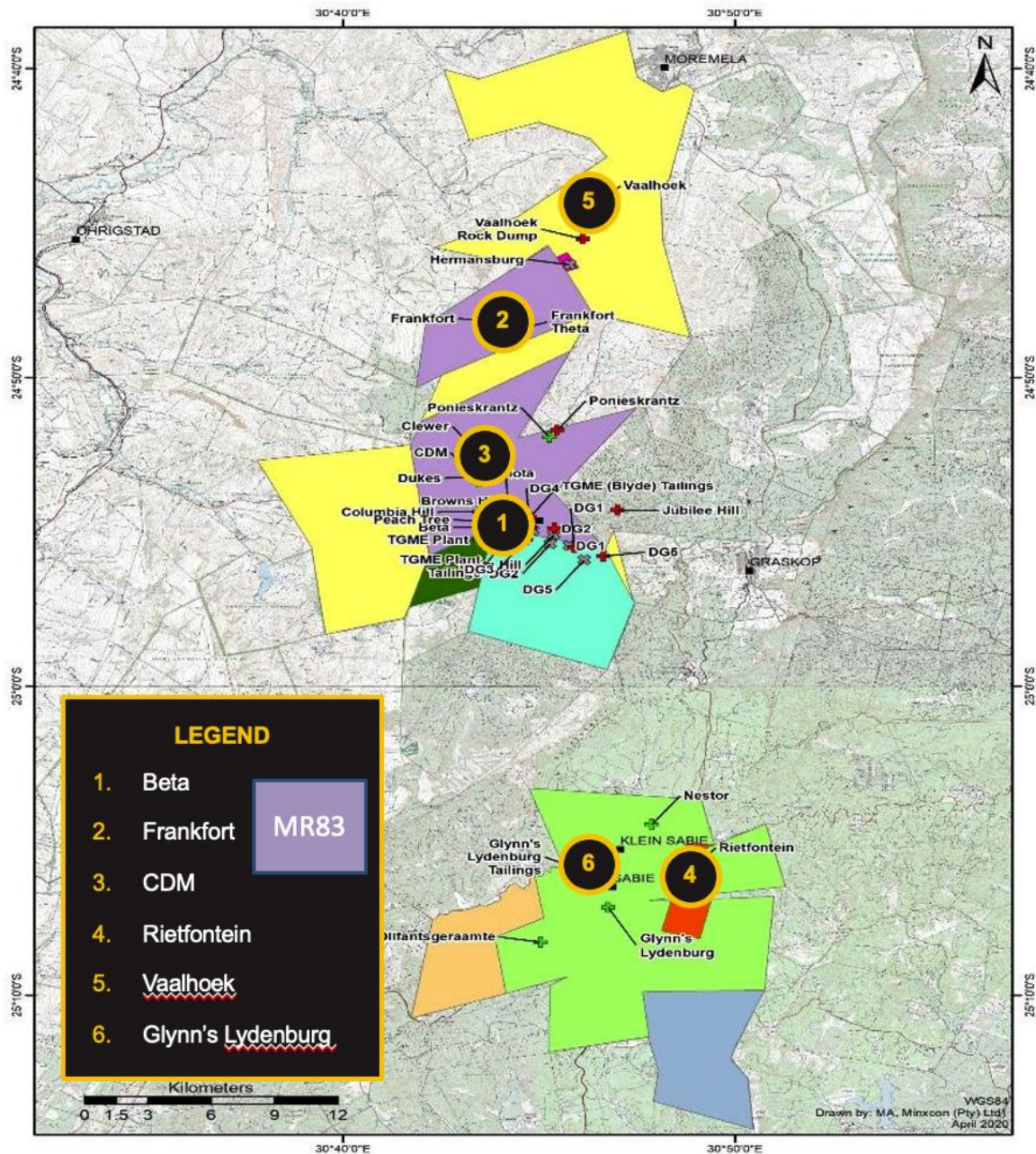


Figure 1: Map location of first 6 gold mines

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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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 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)², 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.

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 Mines 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.

Cautionary Statement for the LOM Base Case – The Base Case is referred to “**In about Theta Gold Mines Limited**” as potential upside to the Project. However, the Base Case is supported by a significant portion of Inferred Mineral Resources. Inferred Mineral Resources inherently have a lower level of confidence and although it would be reasonable to expect that the majority of Inferred Mineral Resources would upgrade to Indicated Mineral Resources with continued exploration, it should not be assumed that such upgrading will occur. The realisation of the full potential of the Base Case as presented thus cannot be guaranteed.