



27 April 2022

ASX ANNOUNCEMENT

**PERMITTING UPDATE
THE TGME UNDERGROUND PROJECT**

HIGHLIGHTS:

- Final Scoping Report submitted with the South African Department of Mineral Resources and Energy ('MRE')
- Completion of environmental specialist and engineering designs required for MR 83 permitting
- MR 83 permitting project now moves into the Environmental Impact Assessment ('EIA') phase – completion anticipated in late Q4 2022
- Water Use Licence application registered with the Department of Water and Sanitation ('DWS') – final submission expected in Q3 followed by a 90-day review period
- Department of Forestry, Fisheries and the Environment ('DFFE') presented with a comprehensive ecological compensation programme for the continuance of mining at the Beta and CDM Mines on areas which sit within the Forest Nature Reserve
- Upon approval the ecological compensation programme will add to Theta Gold's growing ESG program

Theta Gold Mines Limited ("Theta Gold" or the "Company") (ASX: TGM | OTC: TGMGF) is pleased to advise it has advanced its MR 83 permitting process, completing 20 environmental studies (Table 1) to support the TGME Underground ('UG') project, which comprises the Beta, Frankfort, CDM, and Rietfontein mines.

The Final Scoping Report was submitted on 12 April 2022 has been reviewed and accepted by the South African Department of Mineral Resources and Energy ('DMRE') allowing the Company to proceed to the EIA phase of the Environmental Authorisation ('EA') application process. The acceptance of the Scoping Report is an important milestone for Theta Gold highlighting in that it marks the conclusion of all environmental specialist and engineering designs required for the MR 83 permitting process necessary to progress underground mining at the Beta, Frankfort, and CDM mines.

Theta Management will now focus on securing approval for the Draft EIA Report and Environmental Management Programme (Draft 'EIA/EMPr') which has been compiled for the public comment. This document is presently available for a 60-day public review and comment period which commenced

on 19 April 2022. During this public review period, various meetings and a public open day will take place to address any comments and concerns from stakeholders. The final EIA/EMPr will be submitted to the DMRE for approval in Q3 and a decision on the EA application is expected in Q4.

In addition, the Water Use Licence ('WUL') application has been registered with the Department of Water and Sanitation ('DWS') and a pre-application meeting was conducted with a DWS case officer. The WUL is a separate process from the EIA, as highlighted by Table 2 showing permitting workstreams have already been completed. The draft Integrated Water and Waste Management Plan ('IWWMP') has been compiled and is also available for public review, running parallel with the EIA phase public review period. The final submission of the WUL application is scheduled for Q3. Once submitted the DWS will have 90 days to assess the application.

To continue mining in parts of the Beta and CDM Mines, approval from the Minister of the Department of Forestry, Fisheries and the Environment ('DFFE') is also required. The DFFE has been offered an Ecological Compensation Programme to assist with securing the future of the local catchment system. As part of Theta ESG programs, Theta will cornerstone the investment with other NGO'S to protect, rehabilitate and ensure the long-term sustainability of the local catchment area. The proposed Ecological Compensation Programme includes;

- Eradication and control of invasive alien plants species,
- Fire belt implementation,
- Rehabilitation of diverted streams and drainages,
- Implementation of erosion and sediment control,
- Facilitating the re-establishment of native grasslands and indigenous forests,
- Optimising the hydrological functioning of the catchment area.

The Frankfort and Rietfontein Mines which fall outside the Morgenzon forest nature reserve areas are excluded from the above DFFE dealings and will not have to meet this DFFE requirement. Frankfort and Rietfontein and are only subject to the normal EA process highlighted above.

Chairman Mr. Bill Guy commented: *"The acceptance of the final scoping report received from the MRE marks a significant milestone for Theta as we have now completed all the required environmental specialist and engineering designs required for MR 83 permitting. Its pleasing to see the support and endorsement we have received not only from the government, but from our local communities and landowners who all have a direct interest under the BEE structure. As we move to the Environmental Impact Assessment stage, we expect to witness the same level of support from all stakeholders during our meetings and public open day."*

"At the Beta and CDM mines, by including the ecological compensation into our growing ESG program, we will positively affect the local catchment area for years to come. Our decision to cornerstone this investment and work with stakeholders and the DFFE is set to benefit future generations in the region. As we continue to make encouraging progress towards the DFS, I look forward to providing shareholders with ongoing updates."

Table 1 indicates the list of specialist studies conducted to date as part of the environmental application process.

Specialist Studies	Environmental Specialists	Status
Air Quality impact assessment and Greenhouse Gas Assessment	Airshed Planning Professionals (Pty) Ltd	✓
Biodiversity impact assessment	SAS Environmental Group of Companies	✓
Blasting and Vibration study	Blast Management and Consulting	✓
Ecological Compensation Plan	Conservation Strategy, Tactics, and Insight	✓
Mine Closure and rehabilitation plan	OMI Solutions	✓
Freshwater and aquatic ecology impact assessment	SAS Environmental Group of Companies	✓
Geohydrological impact assessment	MvB Consulting	✓
Dolomite Stability assessment	Jones & Wagener	✓
Heritage and Paleontological impact assessment	Heritage Management Consulting	✓
Noise impact assessment	EnviroRoots (Pty) Ltd	✓
Socio-economic impact assessment	Kongiwe Environmental	✓
Soil and land use capability	SAS Environmental Group of Companies	✓
Stormwater management plans/ Civil engineering designs	Eco Elementum Environmental and Engineering	✓
Traffic impact assessment	Infratrans Pty (Ltd)	✓
Visual impact assessment	SAS Environmental Group of Companies	✓
Waste classification	GeoDyn Systems	✓
Tailings Storage Facility Waste Risk Assessment	HydroScience	✓
Rietfontein Prefeasibility Study: Freshwater and aquatic ecology impact assessment	SAS Environmental Group of Companies	✓
Rietfontein Prefeasibility Study: Soil and Land Use Capability Assessment	SAS Environmental Group of Companies	✓
Rietfontein Prefeasibility Study: Visual Impact Assessment	SAS Environmental Group of Companies	✓

Table 1 - Specialist studies conducted.

Table 2 indicates the progress made in the current environmental approval process.

Task	Duration	Status
Submit application for EA	29 November 2021	✓
Obtain Reference number from DMRE for EA application (acknowledgement letter)	15 February 2022	✓
Submit draft scoping report to the public for review	06 December 2021	✓
Public Review Period – draft scoping report	07 December 2021 – 26 January 2022	✓
Public Participation Meetings for Scoping Phase	12 January 2022 – 15 January 2022	✓
Open day meeting	15 January 2022	✓
Submission of final scoping report to the DMRE	03 February 2022	✓
Submit pre-application enquiry for WUL application	21 February 2022	✓
Specialists EIA Studies Completed	31 March 2022	✓
Pre-application meeting with DWS	11 April 2022	✓
DMRE acceptance of final scoping report	12 April 2022	✓
Draft EIA/EMPr and the Draft IWWMP submitted for public review	19 April 2022	✓

Table 2 – Progress made in current environmental approval process.

[ENDS]

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 of a new gold processing plant within its approved footprint at the TGME plant, and for the processing of the Theta Open Pit oxide gold ore. Nearby surface and underground mines and prospects are expected to be further evaluated in the future.

The Company aims to build a solid production platform to over 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.