30 September 2019

ASX ANNOUNCEMENT

COMPLETION OF $8,000,000 SHARE PLACEMENT

Theta Gold Mines Limited (ASX: TGM, TGMO) ("Company") refers to its announcement on 23 July 2019 that it had entered into subscription agreements with specialist global resource investors for the placement of 53,333,334 shares (100% escrowed until 31 December 2020) at $0.15 per share to raise a total of $8,000,000.

The Company is pleased to announce that the placement has been completed today with the issue of the final 26,666,667 shares following receipt of subscription money of $4,000,000.

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

An Appendix 3B for the share issue today is attached.

For further information please contact:

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ABOUT THETA GOLD MINES LIMITED

Theta Gold Mines Limited (ASX: TGM, TGMO) 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.



Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 01/07/96 Origin: Appendix 5 Amended 01/07/98, 01/09/99, 01/07/00, 30/09/01, 11/03/02, 01/01/03, 24/10/05, 01/08/12

Name of entity

THETA GOLD MINES LIMITED

ABN

30 131 758 177

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

1	+Class of +securities issued or to be issued	Fully paid ordinary shares (ASX: TGM)
2	Number of +securities issued or to be issued (if known) or maximum number which may be issued	26,666,667 shares
3	Principal terms of the +securities (eg, if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion)	Pari passu with existing fully paid ordinary shares, except shares are voluntarily escrowed to 31 December 2020 pursuant to the terms of the Subscription Agreement announced on 23 July 2019

+ See chapter 19 for defined terms.

4	Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities? If the additional securities do not rank equally, please state: • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment	Yes
5	Issue price or consideration	$0.15 per share (total $4,000,000) pursuant to ASX announcement on 23 July 2019
6	Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)	For pre-development expenditure on Theta open-cut gold project, environmental bond obligations and general working capital
6a	Is the entity an +eligible entity that has obtained security holder approval under rule 7.1A? If Yes, complete sections 6b – 6h *in relation to the +securities the subject of this Appendix 3B*, and comply with section 6i	Yes
6b	The date the security holder resolution under rule 7.1A was passed	30 November 2018
6c	Number of +securities issued without security holder approval under rule 7.1	26,666,667

6d	Number of +securities issued with security holder approval under rule 7.1A	Nil
6e	Number of +securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)	Nil
6f	Number of securities issued under an exception in rule 7.2	Nil
6g	If securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the issue date and both values. Include the source of the VWAP calculation.	N/A
6h	If securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements	N/A
6i	Calculate the entity's remaining issue capacity under rule 7.1 and rule 7.1A – complete Annexure 1 and release to ASX Market Announcements	Listing Rule 7.1 – 4,172,653 shares Listing Rule 7.1A – 38,337,325 shares (See attached Annexure 1 for further details)
7	Dates of entering +securities into uncertificated holdings or despatch of certificates	30 September 2019

		Number	+Class
8	Number and +class of all +securities quoted on ASX (*including* the securities in section 2 if applicable)	436,706,585 31,429,663	Fully paid ordinary shares Options exercisable at $0.30 each, on or before 31 Oct 2020

+ See chapter 19 for defined terms.

		Number	+Class
9	Number and +class of all +securities not quoted on ASX (*including* the securities in section 2 if applicable)	36,482,183	Refer Annexure 2

10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	N/A

Part 2 - Bonus issue or pro rata issue

11	Is security holder approval required?	N/A
12	Is the issue renounceable or non-renounceable?	N/A
13	Ratio in which the +securities will be offered	N/A
14	+Class of +securities to which the offer relates	N/A
15	+Record date to determine entitlements	N/A
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	N/A
17	Policy for deciding entitlements in relation to fractions	N/A
18	Names of countries in which the entity has +security holders who will not be sent new issue documents Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.	N/A
19	Closing date for receipt of acceptances or renunciations	N/A

20	Names of any underwriters	N/A
21	Amount of any underwriting fee or commission	N/A
22	Names of any brokers to the issue	N/A
23	Fee or commission payable to the broker to the issue	N/A
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of +security holders	N/A
25	If the issue is contingent on +security holders' approval, the date of the meeting	N/A
26	Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled	N/A
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	N/A
28	Date rights trading will begin (if applicable)	N/A
29	Date rights trading will end (if applicable)	N/A
30	How do +security holders sell their entitlements *in full* through a broker?	N/A
31	How do +security holders sell *part* of their entitlements through a broker and accept for the balance?	N/A
32	How do +security holders dispose of their entitlements (except by	N/A

+ See chapter 19 for defined terms.

sale through a broker)?

33 +Despatch date

N/A

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

34 Type of securities
(*tick one*)

(a) ☐ Securities described in Part 1

(b) ☐ All other securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

35 ☐ If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders

36 ☐ If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories
1 - 1,000
1,001 - 5,000
5,001 - 10,000
10,001 - 100,000
100,001 and over

37 ☐ A copy of any trust deed for the additional +securities

Entities that have ticked box 34(b)

38 Number of securities for which +quotation is sought

39	Class of +securities for which quotation is sought	
40	Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities? If the additional securities do not rank equally, please state: • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment	

+ See chapter 19 for defined terms.

41	Reason for request for quotation now Example: In the case of restricted securities, end of restriction period (if issued upon conversion of another security, clearly identify that other security)	

		Number	+Class
42	Number and +class of all +securities quoted on ASX (*including* the securities in clause 38)		

Quotation agreement

1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.

2 We warrant the following to ASX.

- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
- There is no reason why those +securities should not be granted +quotation.
- An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

  Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
- If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

4 We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.



Sign here: ..... Date: 30 September 2019
Company Secretary

Print name: Chin Haw Lim

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+ See chapter 19 for defined terms.

Appendix 3B – Annexure 1

Calculation of placement capacity under rule 7.1 and rule 7.1A for +eligible entities

Introduced 01/08/12

Part 1

Rule 7.1 – Issues exceeding 15% of capital	
Step 1: Calculate "A", the base figure from which the placement capacity is calculated	
Insert number of fully paid ordinary securities on issue 12 months before date of issue or agreement to issue	301,141,012
Add the following: • Number of fully paid ordinary securities issued in that 12 month period under an exception in rule 7.2 • Number of fully paid ordinary securities issued in that 12 month period with shareholder approval • Number of partly paid ordinary securities that became fully paid in that 12 month period *Note:* • *Include only ordinary securities here – other classes of equity securities cannot be added* • *Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed* • *It may be useful to set out issues of securities on different dates as separate line items*	15,555,556 shares on 03/10/2018 17,222,223 shares on 23/11/2018 22,777,778 shares on 31/01/2019 5,555,555 shares on 24/04/2019 19,139,999 shares on 09/05/2019 1,886,790 shares on 28/06/2019 94,339 shares on 25/07/2019 Total: 82,232,240
Subtract the number of fully paid ordinary securities cancelled during that 12 month period	Nil
"A"	383,373,252

Step 2: Calculate 15% of "A"	
"B"	0.15 *[Note: this value cannot be changed]*
Multiply "A" by 0.15	57,505,987
Step 3: Calculate "C", the amount of placement capacity under rule 7.1 that has already been used	
Insert number of equity securities issued or agreed to be issued in that 12 month period *not counting* those issued: • Under an exception in rule 7.2 • Under rule 7.1A • With security holder approval under rule 7.1 or rule 7.4 *Note:* • *This applies to equity securities, unless specifically excluded – not just ordinary securities* • *Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed* • *It may be useful to set out issues of securities on different dates as separate line items*	17,466,667 shares on 25/07/2019 9,200,000 shares on 04/09/2019 26,666,667 shares on 30/09/2019
"C"	53,333,334
Step 4: Subtract "C" from ["A" x "B"] to calculate remaining placement capacity under rule 7.1	
"A" x 0.15 *Note: number must be same as shown in Step 2*	57,505,987
Subtract "C" *Note: number must be same as shown in Step 3*	53,333,334
Total ["A" x 0.15] – "C"	4,172,653 *[Note: this is the remaining placement capacity under rule 7.1]*

+ See chapter 19 for defined terms.

Part 2

Rule 7.1A – Additional placement capacity for eligible entities	
Step 1: Calculate "A", the base figure from which the placement capacity is calculated	
"A" *Note: number must be same as shown in Step 1 of Part 1*	383,373,252
Step 2: Calculate 10% of "A"	
"D"	0.10 *Note: this value cannot be changed*
Multiply "A" by 0.10	38,337,325
Step 3: Calculate "E", the amount of placement capacity under rule 7.1A that has already been used	
Insert number of equity securities issued or agreed to be issued in that 12 month period under rule 7.1A *Notes:* • *This applies to equity securities – not just ordinary securities* • *Include here – if applicable – the securities the subject of the Appendix 3B to which this form is annexed* • *Do not include equity securities issued under rule 7.1 (they must be dealt with in Part 1), or for which specific security holder approval has been obtained* • *It may be useful to set out issues of securities on different dates as separate line items*	
"E"	Nil
Step 4: Subtract "E" from ["A" x "D"] to calculate remaining placement capacity under rule 7.1A	
"A" x 0.10 *Note: number must be same as shown in Step 2*	38,337,325
Subtract "E" *Note: number must be same as shown in Step 3*	Nil
Total ["A" x 0.10] – "E"	38,337,325 *Note: this is the remaining placement capacity under rule 7.1A*

Appendix 3B – Annexure 2

Unlisted Options and Performance Rights

Number	Performance Hurdle/Vesting Date (if applicable)	Exercise Price	Expiry Date
OPTIONS			
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
11,282,183	**TOTAL OPTIONS**		
PERFORMANCE RIGHTS			
50,000	All systems, licences, insurances, regulatory and statutory compliance in place to meet South Africa Mining regulations, laws, Mining Charter 111, commercial contacts. (Mine ready).	Nil	27 June 2024
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
5,370,000	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
7,630,000	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
7,480,000	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
25,200,000	**TOTAL PERFORMANCE RIGHTS**		
36,482,183	**TOTAL OPTIONS AND PERFORMANCE RIGHTS**		