

MINING FLASHNOTE

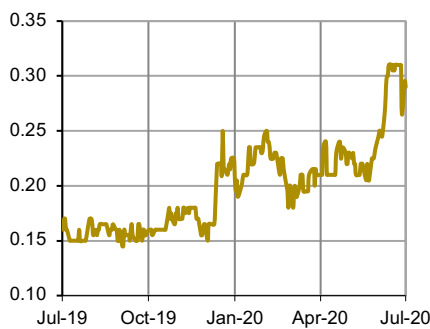
# Theta Gold Mines Limited (TGM ASX)

21 July 2020

## Stock Data

Share Price:	A\$0.29
Market Cap (M):	A\$126.65
EV (M):	A\$125.48

## Price Chart



## 52 Week Range

A\$0.32		A\$0.29
A\$0.14		

## Company Summary

Theta Gold Mines is focused on restarting gold mining in the East Transvaal Goldfield through the development of open pit mining.

MAIN SHAREHOLDERS	HOLDING
Fineway Creation Limited	15.18%
Zenith (HK) Holding Limited	10.56%
Mr Xinzhou Li	9.99%
Tasman Funds Management Ltd	7.41%
Golden Asia Investment Group	7.04%

Source: Bloomberg & Theta Gold Mines

## Theta selects Digmin as Preferred Mining Contractor

### Event

Theta Gold Mines Limited (“Theta”) has announced that a key project development milestone for the Starter Theta Project has been achieved with the selection of an experienced and respected mining contractor, Digmin, in order that the Company is positioned to rapidly advance trial mining activities.

### Comment

Following the oversubscribed raising of \$4M before costs, Theta have quickly moved to advance their project. After a careful and comprehensive tendering process, the Digmin Group has been selected. They have a good track record in South Africa and have completed over US\$2B worth of civil and mining works in South Africa alone.

Digmin will be aided by the fact that they have an in-depth knowledge of the Pilgrim’s Rest area and their capabilities include mining, rehabilitation, civil and road works, along with open pit and underground drilling.

Theta are now in a position to rapidly mobilise trial mining operations. These operations will commence once the final permitting has been achieved. The permit required is the environmental authorisation for open pit mining on Theta’s existing underground mining right.

Once permitting is achieved, a trial mining phase is planned for the end of 2020. This will include two box cuts in the future Iota and Browns Hill pits, which will allow the selection of the final mining equipment and grade control practices.

Post permitting of MR83 and trial mining, the final mining contract is expected to be negotiated with Digmin. Theta will be looking for synergies between different EPC contractors which could potentially reduce the already low capital cost of the project.

Theta has also made good progress with the first stage of the 600kt pa gold plant tender process, based on a Lump Sum Turnkey contract. A further announcement regarding this is expected towards the end of the current quarter.

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## Research Disclosures

### **Peter Rose**

Peter has 34 years' experience in equities as a resources analyst; he has been at Brandon Hill Capital for 13 years, after having spent 11 years with Deutsche Bank in Australia. Prior to this he spent 2 years with Prudential Bache and 6 years with James Capel. Peter's industry experience includes 16 years as a metallurgist, 3 years with De Beers in South Africa and 9 years in the uranium industry, six of which were spent at the Ranger Uranium mine. Peter holds a BSc degree in Applied Mineral Science from Leeds University UK and a Bachelor of Commerce from the University of South Africa. Peter is also a member of the Institute of Materials, Mining & Metallurgy and a chartered engineer.

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Research disclosure as of 21 July 2020

<u>Company Name</u>	<u>Disclosure</u>
Theta Gold Mines Limited	2, 7

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