



15 February 2022

UPDATE REGARDING SHANDONG GOLD INTENTION TO REJECT TGM OFFER

West Australian gold explorer Focus Minerals Limited (ASX: FML) (**Focus** or the **Company**) refers to the announcement by Theta Gold Mines Limited (ASX: TGM) (**TGM**) on 14 February 2022, which included:

- a copy of TGM's fourth supplementary bidder's statement (**Fourth Supplementary Bidder's Statement**) relating to its off-market takeover offer for certain shares¹ (**Focus Offer Shares**) in Focus (**TGM Offer**); and
- a notice of variation which extended the closing date of the TGM Offer and set out the increased consideration under the TGM Offer (**Notice of Variation**).

The Focus Board of Directors has requested Shandong Gold International Mining Corporation Limited (**Shandong Gold**) to provide a written update of its intentions in relation to the TGM Offer following the release of the Fourth Supplementary Bidder's Statement and the Notice of Variation on 14 February 2022.

Shandong Gold has now provided a further letter with a written update of its intentions regarding the TGM Offer since the previous letter from Shandong Gold released on 8 February 2022. A copy of that letter accompanies this announcement. Notwithstanding the extension to the closing date of the TGM Offer and the increased consideration under the TGM Offer, Shandong Gold has reaffirmed its previously stated intention that it intends to **REJECT** the TGM Offer in its current form.

The release of this ASX announcement was authorised by
The Executive Chairman of Focus Minerals Ltd.

For further information please contact:

Nicholas Ong
Company Secretary
Focus Minerals Ltd.
Phone: +61 8 9215 7888
Email: info@focusminerals.com.au

For media and investor enquiries please contact:

Peter Klingler
Director, Investor Relations
Cannings Purple
Phone: +61 411 251 540
Email: pklinger@canningspurple.com.au

¹ TGM's Offer applies only to those Focus shares that existed as at 21 December 2021, and therefore does not relate to the 103,810,080 new Focus shares that were issued on 31 December 2021 pursuant to Focus' recently completed non-renounceable entitlement offer.

Focus Minerals Limited

ACN 005 470 799 | ABN 56 005 470 799 | ASX: FML

Level 2, 159 Adelaide Terrace, East Perth WA 6004 | PO Box 3233, East Perth WA 6892

T +61 (0) 8 9215 7888 | F +61 (0) 8 9215 7889 | E info@focusminerals.com.au | W focusminerals.com.au

About Focus Minerals Limited (ASX: FML)

Focus Minerals is a Perth-based, ASX-listed gold exploration company focused on delivering shareholder value from its 100%-owned Coolgardie Gold Project and Laverton Gold Project, in Western Australia's Goldfields.

Focus is committed to delivering shareholder value from the Coolgardie Gold Project, a 138km² tenement holding that includes the 1.4Mtpa processing plant at Three Mile Hill (on care and maintenance), by continuing exploration and value-enhancing activities. An updated PFS in September 2020 highlighted the potential for a low capital cost, fast-tracked return to mining at Coolgardie and delivered an NPV_{7.5%} of \$183 million. The Company's efforts are now focused on increasing production-ready Mineral Resources at Coolgardie and delivering the approvals and permits required for a resumption of gold-mining operations.

The Laverton Gold Project covers 362km² area of highly prospective ground that includes the historic Lancefield and Chatterbox Trend mines. Focus' priority target is to confirm sufficient gold mineralisation at the Beasley Shear Zone, Lancefield-Wedge Thrust, Karridale and Burtville to support a Stage 1 production restart at Laverton. In parallel, Focus is working to advance key Laverton resource growth targets including Sickle, Ida-H and Burtville South. Focus has delivered first results from a progressive Pre-Feasibility Study (Pre-Tax NPV_{5.0%} A \$132M) and is advancing study work utilising Laverton's expanded Mineral Resource position.

ASX Listing Rule 5.19.2

Focus confirms that all material assumptions underpinning the production target or the forecast financial information derived from the Coolgardie 2020 PFS announced in September 2020 continue to apply and have not materially changed.

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15 February 2022

The Directors
Focus Minerals Limited
Level 2
159 Adelaide Terrace
East Perth WA 6004

By email: wanghong.yang@sd-gold.net

Dear Directors

Intentions regarding Theta Gold Mines Limited takeover offer

We refer to our previous letter dated 8 February 2022 to Focus Minerals Limited (**Focus**) in relation to the off-market takeover offer announced on 9 December 2021 by Theta Gold Mines Limited (**TGM**) of 2 TGM shares for certain Focus shares (**Offer**).

We confirm that:

- Shandong Gold International Mining Corporation Limited (a company incorporated in Hong Kong) (**Shandong Gold**) has reviewed:
 - TGM's Replacement Bidder's Statement released to ASX on 4 January 2022;
 - TGM's Second Supplementary Bidder's Statement released to ASX on 18 January 2022;
 - Focus' Target's Statement released to ASX on 28 January 2022;
 - TGM's notice that the Offer is wholly unconditional released to ASX on 3 February 2022;
 - TGM's Third Supplementary Bidder's Statement released to ASX on 3 February 2022;
 - TGM's notice that the Offer consideration is increased from 2 New TGM Shares for every 1 Focus share to 5 New TGM Shares for every 2 Focus shares and that the Offer period is extended so that the Offer will remain open for acceptance until 7.00pm (Sydney time) on 2 March 2022 released to ASX on 14 February 2022; and
 - TGM's Fourth Supplementary Bidder's Statement released to ASX on 14 February 2022.
- Shandong Gold further confirms that its previously stated intention that it does not support the Offer and does not intend to accept the Offer in its current form in respect of any of the Focus shares that Shandong Gold owns or controls, has not changed.

Shandong Gold consents to Focus including in any public statement relating to the Offer (including in any supplementary target's statement) a reference to our intentions noted above.

Shandong Gold acknowledges that any public statement made in relation to our intentions set out above will be subject to the Australian Securities and Investments Commission's (**ASIC's**) *Regulatory Guide 25: Takeovers: False and misleading statements (RG25)*.

In providing this confirmation, Shandong Gold acknowledges that it is aware that RG25 has the effect that where a holder makes a statement of the nature of the above intentions and does not subsequently act in accordance with those intentions, the shareholder risks regulatory action by ASIC or an application to the Takeovers Panel for a declaration of 'unacceptable circumstances'.

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Yours faithfully

EXECUTED AND DELIVERED AS A DEED
by

Shandong Gold International Mining
Corporation Limited

A handwritten signature in black ink, appearing to be 'Pei Dianfei', written in a cursive style.

Signature:

Name: Pei Dianfei
Title: Chairman of Board of Directors

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