

28 January 2022

**Dispatch of email and letter regarding Target's Statement  
to Focus Shareholders**

Focus Minerals Limited (**Focus**) has recently released its target's statement (**Target's Statement**) in response to the off-market takeover offer by Theta Gold Mines Limited (**TGM**), for certain of the fully paid ordinary shares of Focus<sup>1</sup> (**Offer**).

As previously announced, ASIC has granted Focus relief from the usual requirement under the *Corporations Act 2001* (Cth) to send the Target's Statement to Focus shareholders. As the Target's Statement has now been released:

- if you have nominated an email address to receive communications from Focus, then you will receive an email to your nominated email address with a link to an electronic copy of the Target's Statement; and
- if you have not nominated an email address to receive communications from Focus, then you will receive a letter from Focus to your registered postal address, which will contain details of where you can access an electronic copy of the Target's Statement or how to request a hard copy of the Target's Statement.

Focus has commenced the dispatch of these emails and letters to Focus shareholders, copies of which accompany this announcement.

An electronic copy of the Target's Statement and updates in relation to the Offer will be made available on Focus' website ( <https://www.focusminerals.com.au/>) and we encourage shareholders to call the Focus Information Line on 1300 308 375 (for callers within Australia) or +61 8 6314 6300 (for callers outside of Australia) Monday to Friday between 9.00am and 5.30pm (Perth time) to address any queries.

The release of this ASX announcement was authorised by  
the Board 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](mailto:info@focusminerals.com.au)

**For media and investor enquiries  
please contact:**

**Peter Klinger**  
Director, Investor Relations  
Cannings Purple  
Phone: +61 411 251 540  
Email: [pklinger@canningspurple.com.au](mailto:pklinger@canningspurple.com.au)

<sup>1</sup> 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.

## About Focus Minerals Limited (ASX: FML)

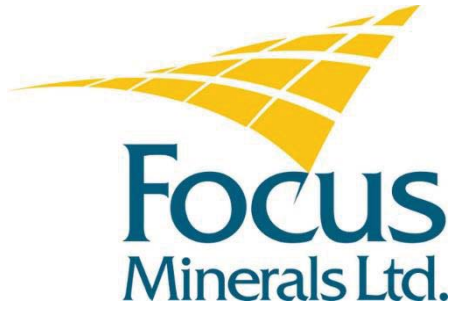
Focus Minerals is a Perth-based, ASX-listed gold exploration company focused on delivering shareholder value from its 100%-owned Coolgardie Gold Project and Laverton Gold Project, in Western Australia's Goldfields.

Focus is committed to delivering shareholder value from the Coolgardie Gold Project, a 138km<sup>2</sup> 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<sub>7.5%</sub> 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 362km<sup>2</sup> 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 Sickie, Ida-H and Burtville South. Focus has delivered first results from a progressive Pre-Feasibility Study (Pre-Tax NPV<sub>5.0%</sub> 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.



28 January 2022

Dear Focus Shareholders,

On 9 December 2021, Theta Gold Mines Limited (**TGM**) announced an unsolicited, conditional, off-market takeover offer for certain shares<sup>1</sup> in Focus Minerals Limited (**Focus**). TGM is offering 2 TGM shares for each such Focus share you hold (**Offer**). The Offer opened on 18 January 2022 and is scheduled to close at 7.00pm (Sydney time) on 21 February 2022, unless extended or withdrawn.

As previously announced, due to the coronavirus pandemic and related issues, ASIC has granted Focus relief from the usual requirement under the *Corporations Act 2001* (Cth) to send the Target's Statement to Focus shareholders by post. Focus has now released its Target's Statement responding to the Offer and an electronic copy can be found on Focus's website.

#### HOW TO ACCESS THE TARGET'S STATEMENT

##### Online

The Target's Statement can be accessed via the website below:  
<http://www.focusminerals.com.au/investors/news-announcements/>

##### Paper

Request a copy of the Target's Statement by calling Focus' information line free of charge on [1300 308 375](tel:1300308375) (for callers within Australia) or [+61 8 6314 6300](tel:+61863146300) (for callers outside of Australia) Monday to Friday between 9.00am and 5.30pm (Perth time)

Focus' directors unanimously recommend you **REJECT** the Offer for the following reasons (in summary):

For personal use only

1. **The Offer Consideration, comprising only TGM Shares, is FUNDAMENTALLY UNATTRACTIVE**

- TGM has a **LOWER** Mineral Resource and Ore Reserve inventory position, is exposed to **HIGHER** jurisdictional and business risks, and is in a **WEAKER** financial position than Focus
- TGM will require **ADDITIONAL FUNDING** to meet its short term financial commitments and **SUBSTANTIAL CAPITAL** to fund any project development, and TGM Shareholders may be **FURTHER DILUTED** by the exercise of options and vesting of performance rights
- TGM Shares have recently provided **LOWER LIQUIDITY** than Focus Shares

2. **Focus has a STRONG PLATFORM and IS EXECUTING ON ITS STRATEGY by progressing initiatives to drive value creation**

- Focus has recently established a clear plan to resume mining operations at Coolgardie, has made additional management and board appointments and raised **SUBSTANTIAL FUNDING** to pursue this plan

3. **The Offer is INADEQUATE and DOES NOT appropriately reflect the underlying value of Focus' strategic asset portfolio**

- The Offer materially undervalues the assets of Focus and provides a **NEGLIGIBLE PREMIUM** to recent market prices of your Focus Shares

4. **The terms and conditions of the Offer result in further MATERIAL RISKS for accepting Focus Shareholders**

- The Offer is **NOT A CREDIBLE** attempt to acquire Focus outright or merge with TGM, the Offer remains **HIGHLY CONDITIONAL**, and there may be **ADVERSE TAX CONSEQUENCES** if you accept the Offer

Please refer to the Target's Statement for further details.

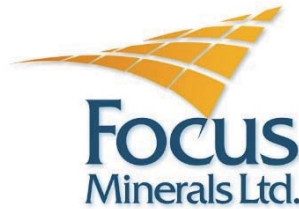
Yours faithfully



Mr Wanghong Yang  
Executive Chairman  
Focus Minerals Ltd  
ABN: 56 005 470 799

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.

You have received this message because you have elected to receive electronic securityholder communications. To change your preferences login to [Investor Centre](#), select the "Communication Preferences" option and follow the prompts. We may occasionally send marketing material about products and services. To opt-out of receiving these communications, reply with the word "unsubscribe".



FML  
MR SAM SAMPLE  
FLAT 123  
123 SAMPLE STREET  
THE SAMPLE HILL  
SAMPLE ESTATE  
SAMPLEVILLE VIC 3030

28 January 2022

## RELEASE OF TARGET'S STATEMENT RECOMMENDING YOU REJECT TGM'S OFFER AND TAKE NO ACTION

On 9 December 2021, Theta Gold Mines Limited (**TGM**) announced an unsolicited, conditional, off-market takeover offer for certain shares<sup>1</sup> in Focus Minerals Limited (**Focus**). TGM is offering 2 TGM shares for each such Focus share you hold (**Offer**). The Offer opened on 18 January 2022 and is scheduled to close at 7.00pm (Sydney time) on 21 February 2022, unless extended or withdrawn.

As previously announced, due to the coronavirus pandemic and related issues, ASIC has granted Focus relief from the usual requirement under the *Corporations Act 2001* (Cth) to send the Target's Statement to Focus shareholders by post. Focus has now released its Target's Statement responding to the Offer and an electronic copy can be found on Focus's website.

### HOW TO ACCESS THE TARGET'S STATEMENT

Online	Paper
The Target's Statement can be accessed via the website below: <a href="http://www.focusminerals.com.au/investors/news-announcements/">http://www.focusminerals.com.au/investors/news-announcements/</a>	Request a copy of the Target's Statement by calling Focus' information line free of charge on 1300 308 375 (for callers within Australia) or +61 8 6314 6300 (for callers outside of Australia) Monday to Friday between 9.00am and 5.30pm (Perth time)

Focus' directors unanimously recommend you **REJECT** the Offer for the following reasons (in summary):

#### 1. The Offer Consideration, comprising only TGM Shares, is **FUNDAMENTALLY UNATTRACTIVE**

- TGM has a **LOWER** Mineral Resource and Ore Reserve inventory position, is exposed to **HIGHER** jurisdictional and business risks, and is in a **WEAKER** financial position than Focus
- TGM will require **ADDITIONAL FUNDING** to meet its short term financial commitments and **SUBSTANTIAL CAPITAL** to fund any project development, and TGM Shareholders may be **FURTHER DILUTED** by the exercise of options and vesting of performance rights
- TGM Shares have recently provided **LOWER LIQUIDITY** than Focus Shares

#### 2. Focus has a **STRONG PLATFORM** and **IS EXECUTING ON ITS STRATEGY** by progressing initiatives to drive value creation

- Focus has recently established a clear plan to resume mining operations at Coolgardie, has made additional management and board appointments and raised **SUBSTANTIAL FUNDING** to pursue this plan

#### 3. The Offer is **INADEQUATE** and **DOES NOT** appropriately reflect the underlying value of Focus' strategic asset portfolio

- The Offer materially undervalues the assets of Focus and provides a **NEGLIGIBLE PREMIUM** to recent market prices of your Focus Shares

<sup>1</sup> 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.

**4. The terms and conditions of the Offer result in further MATERIAL RISKS for accepting Focus Shareholders**

- The Offer is **NOT A CREDIBLE** attempt to acquire Focus outright or merge with TGM, the Offer remains **HIGHLY CONDITIONAL**, and there may be **ADVERSE TAX CONSEQUENCES** if you accept the Offer

Please refer to the Target's Statement for further details.

Yours faithfully



Mr Wanghong Yang  
Executive Chairman  
Focus Minerals Ltd  
ABN: 56 005 470 799

For personal use only