TG Metals Limited
(formerly Tethered Goat Pty Ltd)

A.C.N. 644 621 830

Financial Statements
For the Period ended 30 June 2021

Contents

Directors' report

Your directors present their report on TG Metals Limited (**TG Metals Limited** or the **Company**) for the period 16 October 2020 to 30 June 2021.

TG Metals Limited was incorporated with the intention of listing on the Australian Securities Exchange (**ASX**).

Directors

The names of Directors in office at any time during the period from incorporation to year end are:

- Dean William Calder — Director (Appointed 16 October 2020, Resigned 23 December 2021)
- Jaxon Trent Crabb — Director (Appointed 16 November 2020, Resigned 23 December 2021)
- Stewart Robert McDonald — Director (Appointed 16 November 2020, Resigned 23 December 2021)
- Richard Gwynn Bevan — Director (Appointed 23 December 2021)
- Brett Sidney Smith — Director (Appointed 23 December 2021)
- Di Zhang (Gloria) — Director (Appointed 23 December 2021)

For additional information of Directors including details of the qualifications of Directors please refer below to the Directors Report.

Company secretary

The following person held the position of Company Secretary at the end of the period:

- Dean William Calder
  Qualifications: BBus, CA, ACIS
  Experience: Dean is a qualified Chartered Accountant who has over 30 years' experience. Mr Calder completed a Bachelor of Business degree in 1988 with a double major in Accounting and Business Law. He qualified as a Chartered Accountant in 1992 and after spending 8 years working for international accounting firms, he commenced public practice as a partner in a West Perth accounting firm in 1997. Mr Calder is also a Chartered Secretary and has sat on various ASX listed company boards over the last 20 years.

Subsequent to the end of the period on 2 March 2022, Ms Nicki Farley was appointed as Company Secretary replacing Mr Calder:

- Nicki Farley
  Qualifications: BA, LLB
  Experience: Ms Farley has over 15 years' experience working within the legal and corporate advisory sector providing advice in relation to capital raisings, corporate and securities laws, mergers and acquisitions and corporate compliance. Ms Farley has held a number of secretarial roles for ASX listed companies.

Dividend paid or recommended

There were no dividends paid or recommended during the period ended 30 June 2021.

Significant changes in the state of affairs

There have been no significant changes in the state of affairs of the Company during the period ended 30 June 2021 other than disclosed elsewhere in this Annual Report.

Operating and financial review

Nature of Operations and Principal Activities

The Company was incorporated as a proprietary company on 16 October 2020, for the purpose of exploring for, discovering and then proceeding to develop mineral deposits.

Operations Review

The Company wishes to conduct an initial public offering (IPO) on the Australian Securities Exchange (ASX).

The Company carried out an initial fundraising in October 2020, issuing 30,675,000 ordinary shares to raise $487,000.

ASSET ACQUISTIONS REGISTER

COMPANY	AGREEMENT	DATE AGREEMENT SIGNED	TENEMENT	DEAL TYPE	CONSIDERATION TERMS
TG METALS LIMITED					
Mining 2000 Pty Ltd/ Black Resources Pty Ltd	Tenement Option Agreement	19 October 2020	E63/1960, E63/1961, E63/1973, E63/1983, E63/1984	Option to acquire	To acquire 100% of Tenements. Option Consideration $10,000 and Cash Consideration of $170,000 (ex GST)
Tethered Goat Pty Ltd/ Mining 2000 Pty Ltd, Black Resources Pty Ltd	Deed of Assignment and Assumption and Option Purchase Tenement Option Agreement	1 December 2020	E63/1960, E63/1961, E63/1973, E63/1983, E63/1984	Deed of assignment and assumption	
Tethered Goat Pty Ltd/ Black Resources Pty Ltd	Exercise Notice	10 December 2020	E63/1960, E63/1961, E63/1973, E63/1983, E63/1984	Notice, Correspondence in relation to Tenement Option Agreement	
Mining 200 Pty Ltd/ Matlock Geological Services Pty Ltd	Tenement Option Agreement	28 October 2020	E63/1997, P63/2201, P63/2202	Option to acquire	To acquire 100% of Tenements. Option Consideration of $20,000 and Cash Consideration of $35,000, together being the Exercise Price of $55,000 (ex GST). A Subsequent Benefit of $75,000 in cash or fully paid ordinary shares in the listed entity, subsequent to being listed on the ASX.
Tethered Goat Pty Ltd/ Mining 2000 Pty Ltd, Matlock Geological Services Pty Ltd	Deed of Assignment and Assumption and Option Purchase Tenement Option Agreement	25 November 2020	E63/1997, P63/2201, P63/2202	Deed of assignment and assumption	
Tethered Goat Pty Ltd/ Black Resources Pty Ltd	Exercise Notice	17 December 2020	E63/1997, P63/2201, P63/2202	Notice, Correspondence in relation to Tenement Option Agreement	

Financial Review

Operating Results

For the period ended 30 June 2021 the Company reported a loss before tax of $41,974.

Financial Position

The net assets of the Company is $440,367 at 30 June 2021.

The financial report has been prepared on a going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and the settlement of liabilities in the ordinary course of business.

The directors are satisfied that the going concern basis of preparation is appropriate as the directors are confident of the Company's ability to raise additional funds as and when they are required.

The ability of the Company to continue as a going concern is principally dependent upon the ability of the Company to secure funds by raising capital and managing cash flow in line with available funds. These conditions indicate a material uncertainty that may cast significant doubt about the ability of the Company to continue as a going concern and realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial report.

Should the Company be unable to continue as a going concern it may be required to realise its assets and extinguish its liabilities other than in the normal course of business and at amounts different to those stated in the financial statements. The financial statements do not include any adjustments relating to the recoverability and classification of asset carrying amounts or to the amount and classification of liabilities that might result should the Company be unable to continue as a going concern and meet its debts as and when they fall due.

Events Subsequent to Reporting Date

On 14 January 2022, there was a consolidation of share capital on a 3 for 4 basis, the Company changed its name from Tethered Goat Pty Ltd to TG Metals Limited and the status of the Company was converted from Proprietary to Public.

Also in November and December 2021, a second round of capital raising was carried out, resulting in a further 4,166,664 ordinary shares being issued in March 2022 at a price of $0.12 per share raising a further $500,000.

On 23 December 2021, the Board of Directors unanimously resolved to appoint Richard Gwynn Bevan, Brett Sidney Smith, and Di Zhang as directors of the Company. Resignation as directors were received from Jaxon Trent Crabb, Stewart Robert McDonald, and Dean William Calder. Dean William Calder would continue as Company Secretary.

There are no other significant after balance date events that are not covered in this Directors' Report or within the financial statements at Note 12 Events subsequent to reporting date.

Future Developments, Prospects and Business Strategies

Likely developments, future prospects and business strategies of the operations of the Company and the expected results of those operations have not been included in this report as the Directors believe that the inclusion of such information would be likely to result in unreasonable prejudice to the Company.

Environmental Regulations

The Company's operations are not currently subject to any other significant environmental regulations in the jurisdictions it operates in, namely Australia.

Information relating to the directors

Richard Gwynn Bevan

Mr Bevan has been involved in businesses areas as diverse as healthcare, construction and engineering, resources and information services. He has extensive senior management experience having been the Managing Director, CEO and Chairperson of several listed and unlisted companies, including most recently being the founding Managing Director of Cassini Resources Limited.

In October 2020, Cassini Resources was acquired by OZ Minerals Limited (ASX:OZL) via a Scheme of Arrangement. Mr Bevan continues his involvement with OZ Minerals as the WA Advisor to the West Musgrave Project.

Mr Bevan is currently Non-executive Chairperson of Killi Resources Limited (ASX:KLI) and Non-executive Director of Cannon Resources Limited (ASX: CNR).

He is also Non -Executive Chairperson of Narryer Metals Limited which is currently in a process to list on the ASX.

The Board considers that Mr Bevan is an independent Director.

As at the date of this report, Mr Bevan has a relevant interest in 416,667 ordinary shares in the Company.

Brett Smith

Mr Smith has more than 35 years' experience as a geologist across a wide range of commodities and global jurisdictions. He has over 20 years' experience in investor engagement, corporate management and board responsibilities with private and ASX-listed companies.

Mr Smith is currently the Managing Director of Corazon Mining Limited (ASX:CZN) - a Perth based company focused on nickel sulphide exploration and resource development in Canada and Australia.

The Board considers that Mr Smith is a non-independent Director.

As at the date of this report, Mr Smith has a relevant interest in 2,250,000 shares.

Di Zhang (Gloria) BCom Marketing & Management, MBA, AICD

Gloria has 25+ years' experience in international business, banking, project management and marketing.

She works as an international business advisor for several major ASX-listed companies, including Arafura Resources Ltd (ASX: ARU), Core Lithium (ASX: CXO), and other companies from Australian critical minerals sector. Gloria is instrumental in capital raising, offtake negotiation, joint venture management and Asian shareholder relations. She was once held a senior management role in a Chinese mining company's Australian operation. Gloria is a Graduate Member of the Australian Institute of Company Directors. She is currently the Chairperson of The Australian Association of International Business and Managing Director of Intlang Corporate Consulting.

The Board considers that Ms Zhang is a non-independent Director.

At the date of this report, Ms Zhang has a relevant interest in 468,750 ordinary shares in the Company.

Stewart Robert McDonald (Appointed 16 November 2020, Resigned 23 December 2021)

Stewart is the owner of Vertical Events and RIU which are the premier conference organisers for the resource sector in Australia. This business established 1999. Stewart has also been involved in several public company floats and roles over the years as CFO and Company secretary. He is a seasoned resource professional.

As at the date of this report, Mr McDonald has a relevant interest in 5,718,750 ordinary shares in the Company.

Jaxon Trent Crabb (Appointed 16 November 2020, Resigned 23 December 2021)

Jaxon has more than 20 years' experience with investor engagement, marketing and public relations across a wide range of ASX listed companies. He is currently the Business Development Manager at Vertical Events - a Perth based company who is the premier mining, resources and technology conference organizing company in Australia.

As at the date of this report, Mr Crabb has a relevant interest in 1,249,500 ordinary shares in the Company.

Dean William Calder (Appointed 16 October 2020, Resigned 23 December 2021)

Dean is a qualified Chartered Accountant who has over 30 years' experience. Mr Calder completed a Bachelor of Business degree in 1988 with a double major in Accounting and Business Law. He qualified as a Chartered Accountant in 1992 and after spending 8 years working for international accounting firms, he commenced public practice as a partner in a West Perth accounting firm in 1997. Mr Calder is also a Chartered Secretary and has sat on various ASX listed company boards over the last 20 years.

As at the date of this report, Mr Calder has a relevant interest in 468,750 ordinary shares in the Company.

Meetings of directors

During the period no meeting of Directors was held.

Indemnifying officers or auditors

Indemnification

The Company has agreed to indemnify all the directors of the Company for any liabilities to another person (other than the Company or related body corporate) that may arise from their position as directors of the Company and its controlled entities, except where the liability arises out of conduct involving a lack of good faith.

Insurance premiums

During the period the Company has not insured the directors and officers of the Company against any liability incurred in the course of their duties to the extent permitted by the Corporations Act 2001.

Options

Unissued shares under option

No options have been issued by the Company.

Shares issued on exercise of options

None.

Proceedings on behalf of the company

No person has applied for leave of Court to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings.

The Company was not a party to any such proceedings during the period.

Auditor's independence declaration

The auditor's independence declaration under section 307C of the *Corporations Act 2001* (Cth) for the period ended 30 June 2021 has been received and can be found on page 8.

This Report of the Directors is signed in accordance with a resolution of directors made pursuant to s.298(2) of the Corporations Act 2001 (Cth).

BRETT SMITH
Director
Dated this 22nd day of March 2022

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DECLARATION OF INDEPENDENCE BY PHILLIP MURDOCH TO THE DIRECTORS OF TG METALS LIMITED

As lead auditor of TG Metals Limited for the period ended 30 June 2021, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
2. No contraventions of any applicable code of professional conduct in relation to the audit.

Phillip Murdoch

Director

BDO Audit (WA) Pty Ltd

Perth, 22 March 2022

Statement of profit or loss and other comprehensive income

For the period ended 30 June 2021

	Note	2021 $
Continuing operations		
Revenue		-
Tenement Expenses		566
Professional fees		38,964
Other expenses		2,444
(Loss) before tax		(41,974)
Income tax benefit / (expense)	**3**	-
Net (loss) for the period		**(41,974)**
Other comprehensive income, net of income tax		
Items that will not be reclassified subsequently to profit or loss		-
Items that may be reclassified subsequently to profit or loss		-
Other comprehensive income for the period, net of tax		-
Total comprehensive loss for the period		**(41,974)**

The statement of profit or loss and other comprehensive income is to be read in conjunction with the accompanying notes.

Statement of financial position

As at 30 June 2021

	Note	2021 $
Current Assets		
Cash at Bank	**4**	184,726
Receivables		1,129
Total Current Assets		185,855
Non-Current Assets		
Exploration and Evaluation expenditure	**5**	270,480
Total Non-Current Assets		270,480
Total Assets		456,335
Current Liabilities		
Trade Payables and other payables	**6**	15,968
Total Current Liabilities		15,968
Total Liabilities		15,968
Net Assets		440,367
Equity		
Issued capital	**7**	482,341
Accumulated losses		(41,974)
Total Equity		**440,367**

The statement of financial position is to be read in conjunction with the accompanying notes.

Statement of changes in equity

For the period ended 30 June 2021

	Note	Issued Capital $	Accumulated Losses $	Total $
Balance as at 16 October 2020		1	-	1
Loss for the period		-	(41,974)	(41,974)
Other comprehensive income for the period		-	-	-
Total comprehensive loss for the period		**-**	**(41,974)**	**(41,974)**
Transactions with owners, directly in equity				
Share application funds received	**7**	487,000	-	487,000
Transaction costs		(4,660)	-	(4,660)
Balance at 30 June 2021		**482,341**	**(41,974)**	**440,367**

The statement of changes in equity is to be read in conjunction with the accompanying notes.

Statement of cash flows

For the period ended 30 June 2021

	Note	2021 $
Cash flows from operating activities		
Payments to suppliers and employees		(27,135)
Net cash used in operating activities	**4b.i**	**(27,135)**
Cash flows from investing activities		
Acquisition of tenements		(270,480)
Net cash used in investing activities		**(270,480)**
Cash flows from financing activities		
Proceeds from issue of shares		487,001
Share issue transaction costs		(4,660)
Net cash provided from financing activities		**482,341**
Net increase in cash held		**184,726**
Cash and cash equivalents at the beginning of the period		-
Cash and cash equivalents at the end of the period	**4**	**184,726**

The statement of cash flows is to be read in conjunction with the accompanying notes.

Notes to the financial statements

For the period ended 30 June 2021

Note 1 Statement of significant accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out below.

New or amended Accounting Standards and Interpretations adopted
The entity has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the entity.

The following Accounting Standards and Interpretations are most relevant to the entity:

Conceptual Framework *for Financial Reporting (Conceptual Framework)*
The entity has adopted the revised Conceptual Framework from 1 July 2020. The Conceptual Framework contains new definition and recognition criteria as well as new guidance on measurement that affects several Accounting Standards, but it has not had a material impact on the entity's financial statements.

AASB 1060 General Purpose Financial Statements - Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities
The entity has adopted AASB 1060 from 1 July 2020. The standard provides a new Tier 2 reporting framework with simplified disclosures that are based on the requirements of IFRS for SMEs. As a result, there is increased disclosure in these financial statements for key management personnel, related parties, tax and financial instruments.

1.1 Basis of preparation
These general purpose financial statements have been prepared in accordance with the Australian Accounting Standards - Simplified Disclosures issued by the Australian Accounting Standards Board ('AASB') and the Corporations Act 2001, as appropriate for for-profit oriented entities.

Historical cost convention
The financial statements have been prepared under the historical cost convention, except for, where applicable, the revaluation of financial assets and liabilities at fair value through profit or loss, financial assets at fair value through other comprehensive income, investment properties, certain classes of property, plant and equipment and derivative financial instruments.

Critical accounting estimates
The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the consolidated entity's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 2.

Note 1 Statement of significant accounting policies (continued)
1.2 Going Concern

The financial report has been prepared on a going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and the settlement of liabilities in the ordinary course of business.

The Company incurred a loss for the period of $41,974 and $27,135 net operating cash out-flow. As at 30 June 2021, the Company's cash and cash equivalents is $184,726.

The ability of the Company to continue as a going concern is therefore dependent on the ability to raise additional funding through debt and/or equity.

These conditions indicate a material uncertainty that may cast a significant doubt about the Company's ability to continue as a going concern and, therefore, that it may be unable to realise its assets and discharge its liabilities in the normal course of business.

Management believe that as at the date of this report there are reasonable grounds to believe that the Company will continue as a going concern for the following reasons:

- The Company plans to undertake an Initial Public Offering to raise $6,000,000 (before costs) under a prospectus expected to be issued in the next coming months;
- The Company received $500,000 subsequent to period end in relation to its second round seed placement. A total of 4,166,664 ordinary shares at a price of $0.12 per share was allotted in March 2022; and
- The ability to raise additional funding through debt and/or equity.

Should the Company not be able to continue as a going concern, it may be required to realise its assets and discharge its liabilities other than in the ordinary course of business, and at amounts that may differ from those stated in the financial statements. The financial report does not include any adjustments relating to the recoverability and classification of recorded asset amounts or liabilities that might be necessary should the Company not continue as a going concern.

Note 1 Statement of significant accounting policies (continued)

1.3 Significant accounting policies

a. Income tax

The income tax expense / (revenue) for the period comprises current income tax expense / (income) and deferred tax expense / (income). Current and deferred income tax expense / (income) is charged or credited directly to other comprehensive income instead of the profit or loss when the tax relates to items that are credited or charged directly to other comprehensive income.

Current tax

Current income tax expense charged to the profit or loss is the tax payable on taxable income calculated using applicable income tax rates enacted, or substantially enacted, as at reporting date. Current tax liabilities / (assets) are therefore measured at the amounts expected to be paid to / (recovered from) the relevant taxation authority.

Current tax assets and liabilities are offset where a legally enforceable right of set-off exists and it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur.

Deferred tax

Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the period as well unused tax losses.

Deferred tax assets and liabilities are ascertained based on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets also result where amounts have been fully expensed but future tax deductions are available. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates enacted or substantively enacted at reporting date. Their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability.

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised.

Deferred tax assets and liabilities are offset where a legally enforceable right of set-off exists, the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur in future periods in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

b. Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

The net amount of GST recoverable form, or payable to, the Australian Taxation Office is included as a current asset or liability in the statement of financial position.

Cash flows are presented in the statement of cash flows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

Note 1 Statement of significant accounting policies (continued)

c. Financial Instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instruments. For Financial assets, this is equivalent to the date that the Company commits itself to either purchase or sell the asset (i.e. trade date accounting is adopted).

Financial instruments are initially measured at fair value plus transaction costs, except where the instruments is classified 'at fair value through profit or loss' in which case transaction costs are expensed to profit or loss immediately. Financial instruments are classified and measured as set out below.

Classification and Subsequent Measurement

Financial instruments are subsequently measured at either fair value, amortised cost using the effective interest rate method or cost. Fair value represents the price that would be received to sell an asset or paid to transfer a liability in orderly transaction between market participants at the measurement date. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Amortised cost is calculated as (i) the amount at which the financial asset or financial liability is measure at initial recognition; (ii) less principal repayments; (iii) plus or minus the cumulative amortization of the difference, if any, between the amount initially recognised and the maturity amount calculated using the effective interest method; and (iv) less any reduction for impairment.

The effective interest method is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that exactly discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life (or when this cannot be reliability predicted, the contractual term) of the financial instrument to the net carry amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying value with a consequential recognition of an income or expense in profit or loss. The Company does not designate any interest in subsidiary, associates or joint venture entities as being subject to the requirements of accounting standards specifically applicable to financial statements.

i. Financial assets at fair value through profit and loss or through other comprehensive Income

Financial assets are classified at 'fair value through profit or loss' or Fair value through Other comprehensive Income' when they are either held for trading for purposes of short term profit taking, derivatives not held for hedging purposes, or when they are designated as such to avoid an accounting mismatch or to enable performance evaluation where a group of financial assets is managed by key management personnel on a fair value basis in accordance with a documented risk management or investment strategy. Such assets are subsequently measured at fair value with changes in carrying value being included in profit or loss if electing to choose 'fair value through profit or loss' or other comprehensive income if electing 'Fair Value through other comprehensive income'.

ii. Financial Liabilities

The Company's financial liabilities include trade and other payables, loan and borrowings, provisions for cash bonus and other liabilities which include deferred cash consideration and deferred equity consideration for acquisition of subsidiary & associates. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings, and payables, net of directly attributable transaction costs.

Fair value

Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine the fair value for all unlisted securities, including recent arm's length transactions, reference to similar instruments and option pricing models.

Note 1 Statement of significant accounting policies (continued)

Derecognition

Financial assets are derecognised where the contractual rights to receipts of cash flows expire or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risk and benefits associated with the asset. Financial Liabilities are recognised where the related obligations are either discharged, cancelled or expire. The difference between the carrying value of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

d. Cash and cash equivalents

Cash comprises cash on hand and demand deposits. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Bank overdrafts are shown within short-term borrowings in current liabilities on the statement of financial position

e. Trade and other receivables

Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

Trade and other receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses. Collectability of trade and other receivables are reviewed on an ongoing basis. An impairment loss is recognised for debts which are known to be uncollectible. An impairment provision is raised for any doubtful amounts

f. Exploration and evaluation expenditure

Exploration, evaluation and development expenditure incurred is accumulated in respect of each identifiable area of interest. These costs are only carried forward to the extent that they are expected to be recouped through the successful development of the area or where activities in the area have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves.

Accumulated costs in relation to an abandoned area are written off in full against profit in the period in which the decision to abandon the area is made. When production commences, the accumulated costs for the relevant area of interest are amortised over the life of the area according to the rate of depletion of the economically recoverable reserves.

A regular review is undertaken of each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest.

g. Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of the financial period which are unpaid and stated at their amortised cost. The amounts are unsecured and are generally settled on 30 day terms.

h. Share capital

Ordinary issued capital is recorded at the consideration received. Incremental costs directly attributable to the issue of ordinary shares and share options are recognised as a deduction from equity, net of any related income tax benefit. Ordinary issued capital bears no special terms or conditions affecting income or capital entitlements of the shareholders.

i. Impairment of financial assets

At each reporting date, the Company assesses whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a significant or prolonged decline in the value of the instrument is considered to determine whether impairment has arisen. Impairment losses are recognised in the statement of profit or loss and other comprehensive income.

The carrying amount of financial assets including uncollectible trade receivables is reduced by the impairment loss through the use of an allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss.

With the exception of available-for-sale equity instruments, if, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

In respect of available-for-sale equity instruments, any subsequent increase in fair value after an impairment loss is recognised directly in the financial assets reserve in other comprehensive income.

Derecognition

Financial assets are derecognised where the contractual rights to receipt of cash flows expire or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are either discharged, cancelled or expire. The difference between the carrying value of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non- cash assets or liabilities assumed is recognised in profit or loss.

j. Impairment of non-financial assets

At each reporting date, the Company reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

Any excess of the asset's carrying value over its recoverable amount is expensed to the statement of profit or loss and other comprehensive income.
Impairment testing is performed annually for intangible assets with indefinite lives and intangible assets not yet available for use. Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

k. Provisions

Provisions are recognised when the Company has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.
Provisions are measured using the best estimate of amounts required to settle the obligation at the end of the reporting period.

l. Asset acquisitions

Where an acquisition does not meet the definition of a business combination the transaction is accounted for as an asset acquisition. The consideration transferred for the acquisition of an asset comprises the fair values of the assets transferred, the liabilities incurred and the equity interests issued by the Company. The consideration transferred also includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Acquisition-related costs with regards to the acquisition are capitalised. Identifiable assets acquired and liabilities assumed in the acquisition are measured at their fair value at the acquisition date.

m. Revenue and other income

Revenue is measured at the fair value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed. Any consideration deferred is treated as the provision of finance and is discounted at a rate of interest that is generally accepted in the market for similar arrangements. The difference between the amount initially recognised and the amount ultimately received is interest revenue.

Interest income is recognised as it accrues in the profit and loss using the effective interest method.

All revenue is stated net of the amount of Goods and Services Tax (GST).

Note 2 Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial period are discussed below.

Coronavirus (COVID-19) pandemic
Judgement has been exercised in considering the impacts that the Coronavirus (COVID-19) pandemic has had, or may have, on the entity based on known information. This consideration extends to the nature of the products and services offered, customers, supply chain, staffing and geographic regions in which the entity operates. Other than as addressed in specific notes, there does not currently appear to be either any significant impact upon thefinancial statements or any significant uncertainties with respect to events or conditions which may impact the entity unfavourably as at the reporting date or subsequently as a result of the Coronavirus (COVID-19) pandemic.

Income tax
The entity is subject to income taxes in the jurisdictions in which it operates. Significant judgement is required in determining the provision for income tax. There are many transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. The entity recognises liabilities for anticipated tax audit issues based on the entity's current understanding of the tax law. Where the final tax outcome of these matters is different from the carrying amounts, such differences will impact the current and deferred tax provisions in the period in which such determination is made.

Exploration and evaluation expenditure
Exploration and evaluation expenditure incurred is accumulated in respect of each identifiable area of interest. These costs are carried forward in respect of an area that has not at balance date reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves, and active and significant operations in or relating to, the area of interest are continuing.

Note 3 Income Tax

	2021 $
a. Income tax expense / benefit	
Current tax	-
Deferred tax	-
	-

The prima facie tax payable / (benefit) on loss from ordinary activities before income tax is reconciled to the income tax expense as follows:

Prima facie tax on operating loss at 26.0%	(10,913)
Add / (less) tax effect of:	
• Deferred tax asset not brought to account	10,913
	-

Note 4 Cash and cash equivalents

a. Reconciliation of cash

	2021 $
Cash at Bank	184,726

b. Cash Flow information

	2021 $
i Reconciliation of cash flow from operations to profit/(loss) after income tax	
Loss after income tax	(41,974)
Non-cash flows in loss	
	-
Changes in assets and liabilities	
• Increase/(decrease) in accruals	15,968
• (Increase)/decrease in receivables	(1,129)
• Cash flow from operations	**(27,135)**

Note 5 Exploration and Evaluation

The Company acquired Tenements E63/1997, P63/2201 and P63/2202 from Matlock Geological Services Pty Ltd by way of a Tenement Option Agreement dated 25 November 2020. The total consideration including the option fee was $55,000.

The Company also acquired Tenements E63/1960, E63/1961, E63/1973, E63/1983 and E63/1984 from Black Resources Pty Ltd by way of a Tenement Option Agreement dated 1 December 2020. The total consideration including the option fee was $180,000.

As at the date of this report, no indictors of impairment have been identified by management.

Note 6 Trade and other payables

	2021
	$
Current	
Trade Payables	3,968
Audit Fee Accrual	12,000
	15,968

Note 7 Issued capital

Ordinary Shares Issued and Fully Paid	**Number of Shares 2021**	**2021 $**
Balance 16 October 2020	1	1
Shares issued	30,675,000	487,000
Share issue transaction costs	-	(4,660)
Closing Balance 30 June	**30,675,001**	**482,341**

Ordinary shares participate in dividends and the proceeds on winding up of the Company in proportion to the number of shares held.

At the shareholders' meetings each ordinary share is entitled to one vote when a poll is called, otherwise each shareholder has one vote on a show of hands

Note 8 Commitments

The Company has no material commitments as at 30 June 2021.

Note 9 Contingent assets and liabilities

Pursuant to the exercise of the Option Purchase Agreement with Matlock Geological Services Pty Ltd (Matlock Services), the Company will settle contingent consideration of $75,000 payable to Matlock Services upon the Company's official quotation on the Australian Stock Exchange (ASX). The contingent consideration is a form of deferred consideration with payment contingent upon the entity's official quotation.

There were no other changes to contingent liabilities, contingent assets or commitments during the period.

Note 10 Related Party Transactions

Professional Fees of $23,758 were paid during the period ended 30 June 2021 and $2,970 was owing as at 30 June 2021 to Calder Roth & Co, a Chartered Accounting firm associated with director/Company Secretary Dean Calder. These fees were in connection with secretarial, accounting, taxation and administrative services and were charged at usual hourly rates.

a) During the period ended 30 June 2021, 5,718,750 ordinary shares on a post-consolidation basis were issued to entities related to Stewart Robert McDonald for a total consideration of $46,000. A total of 5,250,000 and 468,750 ordinary shares were issued at $0.004 and $0.053 respectively.

Note 10 Related Party Transactions (cont.)

b) During the period ended 30 June 2021, 1,249,500 ordinary shares on a post-consolidation basis were issued to Jaxon Trent Crabb for total consideration of $4,998 at $0.004 per ordinary share.
c) During the period ended 30 June 2021, 2,225,000 ordinary shares on a post-consolidation basis were issued to entities related to Brett Sidney Smith for total consideration of $9,000 at $0.004 per ordinary share.
d) During the period ended 30 June 2021, 468,750 ordinary shares on a post-consolidation basis were issued to Dean William Calder for a total consideration of $25,000 at $0.053 per ordinary share.
e) During the period ended 30 June 2021, 468,750 ordinary shares on a post-consolidation basis were issued to Di Zhang (Gloria) for a total consideration of $25,000 at $0.053 per ordinary share.

Note 11 Financial Risk Management

In common with all other businesses, the Company is exposed to risks that arise from its use of financial instruments.

This note describes the Company's objectives, policies and processes for managing those risks and the methods used to measure them. Further quantitative information in respect of those risks is presented throughout these financial statements.

The Board has overall responsibility for the determination of the Company's risk management objectives and policies and, whilst retaining ultimate responsibility for them, it has delegated the authority for designing and operating processes that ensure the effective implementation of the objectives and policies to the Company's finance function. The Company's risk management policies and objectives are therefore designed to minimise the potential impacts of these risks on the Company where such impacts may be material. The Board receives monthly financial reports through which it reviews the effectiveness of the processes put in place and the appropriateness of the objectives and policies it sets. The overall objective of the Board is to set policies that seek to reduce risk as far as possible without unduly affecting the Company's competitiveness and flexibility.

Note 12 Events subsequent to reporting date

On 14 January 2022, there was a consolidation of share capital on a 3 for 4 basis, the Company changed its name from Tethered Goat Pty Ltd to TG Metals Limited and the status of the Company was converted from Proprietary to Public.

In November and December 2021, a second round of capital raising was carried out, resulting in a further 4,166,664 ordinary shares being issued in March 2022 at a price of $0.12 per share raising a further $500,000.

On 23 December 2021, the Board of Directors unanimously resolved to appoint Richard Gwynn Bevan, Brett Sidney Smith, and Di Zhang as directors of the Company. Resignation as directors were received from Jaxon Trent Crabb, Stewart Robert McDonald, and Dean William Calder. Dean William Calder would continue as Company Secretary.

No other matters or circumstances have arisen since the end of the financial period which significantly affected or may significantly affect the operations of the Company, the results of those operations, or the state of affairs of the Company in future financial periods.

Note 13 Company details

The registered office of the company is

Address:	Level 24, 44 St Georges Tce Perth WA 6000	Telephone:	08 6211 5099

Directors' Declaration

The Directors have determined that the Company is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies described in Note 1 to the financial statements.

The Directors of the Company declare that:

1. The financial statements and notes, as set out on pages 9 to 22, are in accordance with the *Corporations Act 2001*(Cth) and:

    a. comply with Accounting Standards as described in Note 1 to the financial statements, the *Corporations Regulations 2001* and other mandatory professional reporting requirements;

    b. give a true and fair view of the financial position as at 30 June 2021 and of the performance for the period ended on that date of the Company.

2. In the directors' opinion there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors and is signed for and on behalf of the directors by:

BRETT SMITH
Director
Dated this 22nd day of March 2022

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Australia

INDEPENDENT AUDITOR'S REPORT

To the members of TG Metals Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of TG Metals Limited (the Company), which comprises the statement of financial position as at 30 June 2021, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the period then ended, and notes to the financial report, including a summary of significant accounting policies, and the directors' declaration.

In our opinion the accompanying financial report of the Company is in accordance with the *Corporations Act 2001*, including:

(i) Giving a true and fair view of the Company's financial position as at 30 June 2021 and of its financial performance for the period ended on that date; and

(ii) Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report. We are independent of the Company in accordance with the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty related to going concern

We draw attention to Note 1.2 in the financial report which describes the events and/or conditions which give rise to the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern and therefore the Company may be unable to realise its assets and discharge its liabilities in the normal course of business. Our opinion is not modified in respect of this matter.

Other information

The directors are responsible for the other information. The other information obtained at the date of this auditor's report is information included in the Directors' report, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website (http://www.auasb.gov.au/Home.aspx) at:

http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf

This description forms part of our auditor's report.

BDO Audit (WA) Pty Ltd

BDO

Phillip Murdoch

Director

Perth, 22 March 2022