

TG Metals Limited

A.C.N. 644 621 830

Interim Financial Report For the Period ended 31 December 2022

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Directors' report

Your directors present their report on TG Metals Limited (**TG Metals or the Company**) for the period 1 July 2022 to 31 December 2022.

TG Metals Limited was incorporated on 16 October 2020 and successfully achieved admission to the official list of the Australian Securities Exchange (**ASX**) on 24 May 2022.

Directors

The names of Directors in office at any time during the period are:

- Richard Gwynn Bevan Director
- Brett Sidney Smith Director
- Di Zhang (Gloria) Director

Company secretary

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

- Nicki Farley

Dividend paid or recommended

There were no dividends paid or recommended during the period ended 31 December 2022.

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 31 December 2022 other than disclosed elsewhere in this Interim Report.

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

TG Metals Limited (ASX: TG6) (**TG Metals or the Company**) is a Perth-based, Australian resource company focused on advancing the exploration of its flagship, 100% owned multi commodity Lake Johnston Project (Lake Johnston or Project) in Western Australia. Prospective for nickel, lithium and gold – the Project boasts proximity to current and past producing nickel mines, processing plants and geochemical and geophysical targets for immediate exploration.

EXPLORATION ACTIVITIES

LAKE JOHNSTON PROJECT

Overview

The Lake Johnston Project encompasses a +50 kilometre prospective strike located within Western Australia's Lake Johnston Greenstone Belt (Figure 1).

TG Metals has the most significant land package ever held by one company in the history of exploration within the Lake Johnston Greenstone Belt, which is geologically similar to the prolific gold and nickel producing Norseman-Wiluna and Southern Cross greenstone belts.

The Project's proximity to nickel sulphide resource centres including mines and processing plants at Forrestania, Maggie Hays/Emily Anne (Lake Johnston), a nickel laterite processing plant at Ravensthorpe and associated infrastructure in the region, is highly beneficial to any future project development.

The Company's primary exploration focus is nickel-copper-PGE sulphide mineralisation located in the ultramafic units of the greenstone belt. Proof of concept for this model are the Emily Ann and Maggie Hays nickel sulphide deposits located immediately to the north of the Project. These mines historically produced more than 117,000 tonnes of nickel metal, with approximately 52,000 tonnes in current resources.

Past electromagnetic ("EM") geophysical surveys completed over the Lake Johnston Project were conducted with lower powered systems than currently available. Utilising modern geophysics, strong potential exists for the delineation of new exploration targets of interest and for the better interrogation of targets that may have previously been identified, but not properly defined at Lake Johnston.

The location of known nickel occurrences within the Lake Johnston Greenstone Belt supports the previously unrecognised prospectivity of the entire basal greenstone sequence, which, within the Company's ground, represents a sequence of up to five (5) kilometres in thickness.

Past exploration within the Lake Johnston project area has focused on nickel, however, the greenstone belt also hosts good potential for both gold and lithium mineralisation. The Project's potential for lithium mineralisation has been enhanced by the results of TG Metals' recent soil sampling program, and recently discovered lithium occurrences on neighbouring tenements.

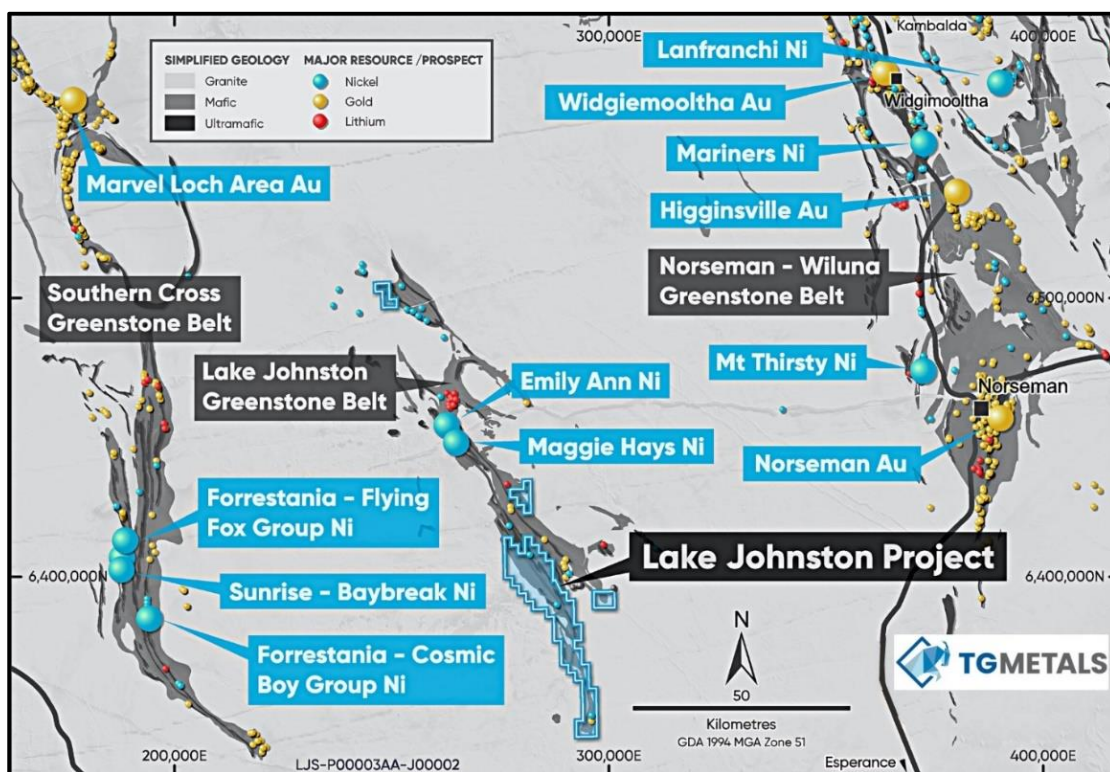


Figure 1 – Lake Johnston Project Location

Exploration Target Statement – Bremer Range Nickel Laterite

Following the completion of its desktop study on past drilling of the nickel laterite deposits at the Bremer Range prospect (ASX announcement 10 November 2022), the Company engaged consultants HGMC to define a Exploration Target (Table A*), based on their examination of historical drilling and interpretation of untested areas of the ultramafic sequences in the Bremer Range prospect for potential nickel laterite mineralisation.

All available drilling data was used to build the mineralisation models and for guiding Exploration Target estimation. The development of wire-frames were tightly controlled and typically not extended (extrapolated) beyond one average section spacing from the last drill-hole 'point of observation'.

In total five (5) main areas of mineralisation were defined and modelled. Figure 2 shows the plan view of the deposits and example cross-sections locations. Example mineralisation cross section is shown in Figure 3.

Exploration Target Cutoff Grades	Tonnes Range Low	Tonnes Range High	Ni Range Low (%)	Ni Range High (%)	Co Range Low (%)	Co Range High (%)
0.3%Ni Cutoff	28 million	32 million	0.41	0.47	0.029	0.034
0.5%Ni	7 million	8 million	0.55	0.65	0.045	0.053

Table A* – Exploration Target Ranges at 0.3% Ni and 0.5% Ni cutoffs

* The potential quantity and grade of the Exploration Target is conceptual in nature, there has been insufficient exploration to estimate a Mineral Resource and it is uncertain if further exploration will result in the estimation of a Mineral Resource. The Exploration Target was derived from actual past drilling which is of variable quality and deficient in some analysis for deleterious elements and the compositing of sample data is not conducive to determining a Mineral Resource of sufficient accuracy. Past drilling did however define five (5) zones of nickel laterite mineralisation. These zones were modelled within defined grade envelopes and aggregated to determine the total Exploration Target ranges as per Table A above.

In its assessment of the nickel-cobalt oxide deposits at Bremer Range, the Company will preferentially consider third-party processing options as a low capital start-up.

Pre-processing up-grade beneficiation is an important consideration for low-grade deposits and is of particular importance when considering a supply to a processing flow sheet, which depends on beneficiation for economic viability.

Previous operators of the Bremer Range prospect conducted dry beneficiation tests on the mineralisation, concluding that upgrade in the order of 50% is possible. However, there is little data on the test methods performed and key parameters such as rejection, sizing and no indication of wet beneficiation upgrade. The Company will conduct beneficiation testwork on new drill samples in order to determine these crucial parameters, targeting a wet beneficiated head grade of +1.4%Ni.

Next Steps

Technologies in laterite processing are evolving. The Company will investigate if any recent alternative processing technology developments are viable for the Bremer Range deposits. Should processing pathways be viable, the Company will move to additional infill drilling to determine a JORC Compliant resource.

Analysis of the historical drilling revealed the potential for nickel sulphide mineralisation, at depth below the oxide material. Previous historical drilling did not test deep enough into fresh rock, below oxide nickel anomalies not associated with the upper laterite mineralisation.

Permitting for the initial aircore drilling program is progressing following the Company's completion of a flora and fauna survey during the period and completion of field work for aboriginal heritage surveys subsequent to the end of the period.

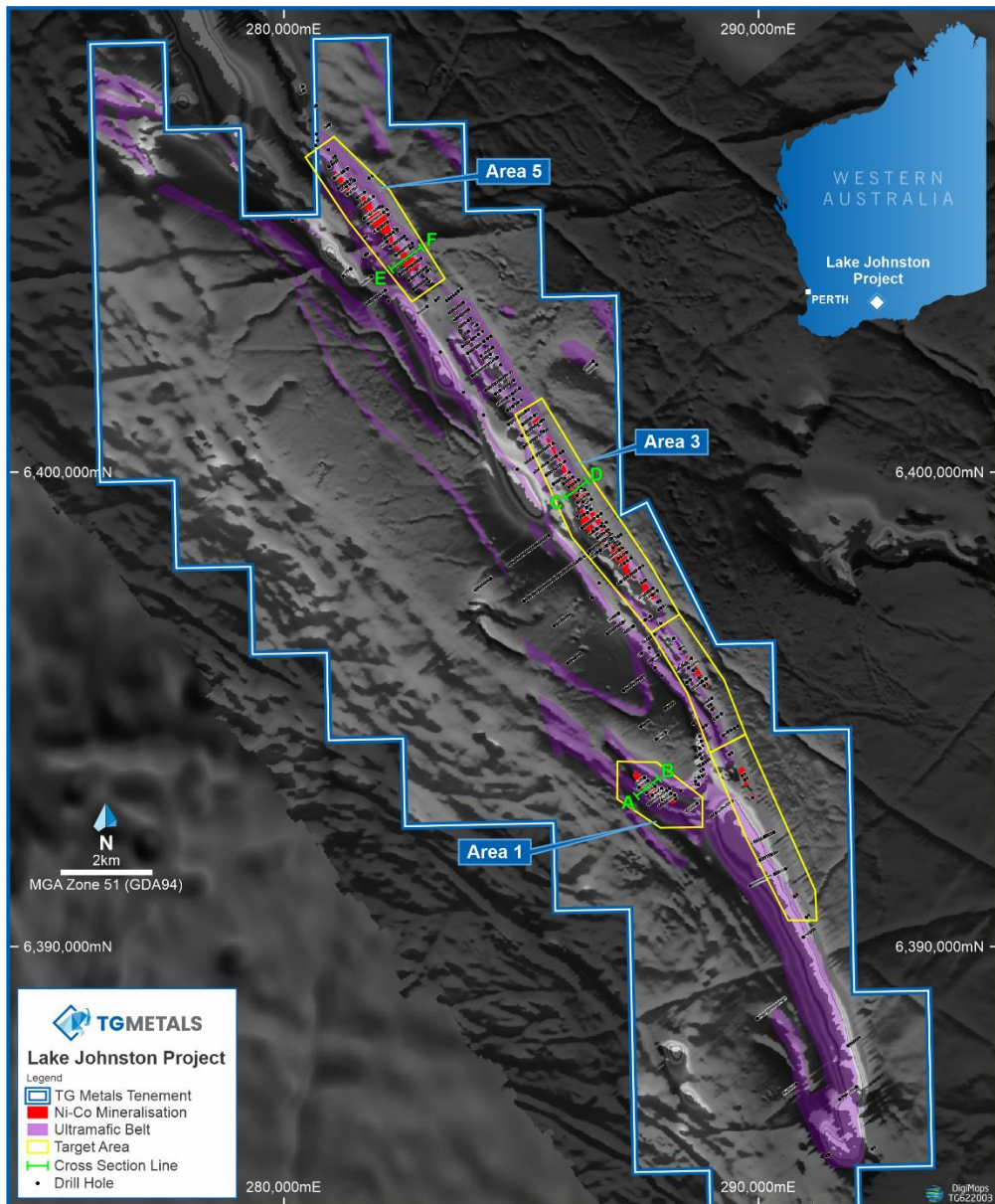


Figure 2 – Bremer Range Deposits over aeromagnetic image Datum: AMG Zone 51 (AGD84)

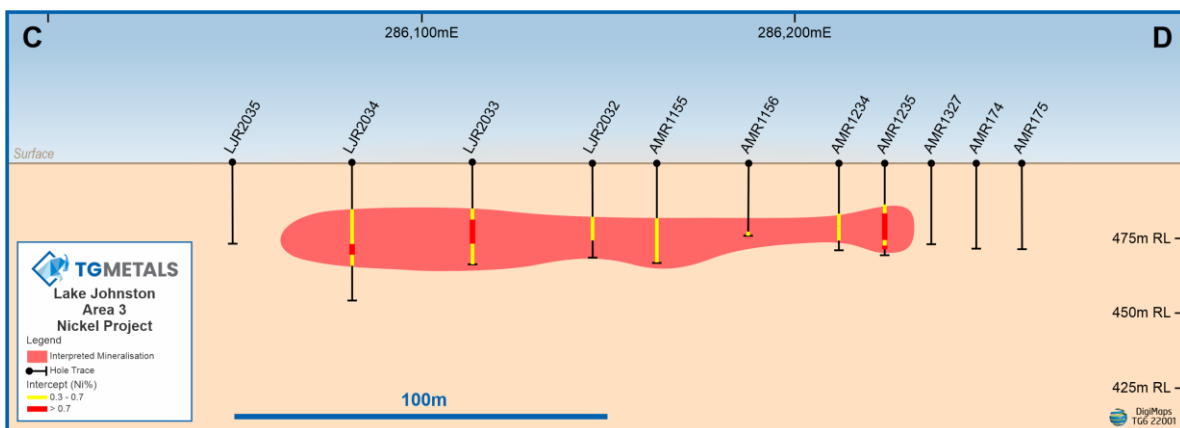


Figure 3 – Bremer Range Deposits cross section C-D Area 3

Moving and Fixed Loop Transient Electromagnetic Survey Completed

During the period, the Company completed a Slingram Moving Loop Transient Electromagnetic (SMLTEM) geophysical survey, and a Fixed Loop Electromagnetic (FLEM) geophysical survey at the Lake Johnston Project (ASX announcement 21 December 2022).

This new high-quality, high-powered geophysical survey provides a superior test of trends that are favourable for nickel-sulphide deposits. The SMLTEM and FLEM programs were designed based on historical exploration data and new concepts on nickel sulphide deposition in the Lake Johnston region.

The program, including extensions required to fully test target areas (ASX announcement 1 December 2022), has been completed. Processing and modelling of the geophysical data has also been completed (ASX announcement 19 January 2023) subsequent to the end of the period.

Processing and modeling identified:

- Nine (9) ground electromagnetic (EM) conductors that have not been tested by drilling. Including five (5) targets defined as drill-ready targets for potential nickel sulphides Figure 4.
- The modern high-powered EM has been able to penetrate deeper than past exploration and are ideally suited to detecting bedrock conductors such as massive sulphide mineralisation below the base of weathering. Figures 5 and 6 shows the modelled plate of the LJC137 target, deep under the base of weathering.
- The successful detection of conductors with this program has provided encouragement to extend this modern EM work to other prospective areas of the Lake Johnston Project.

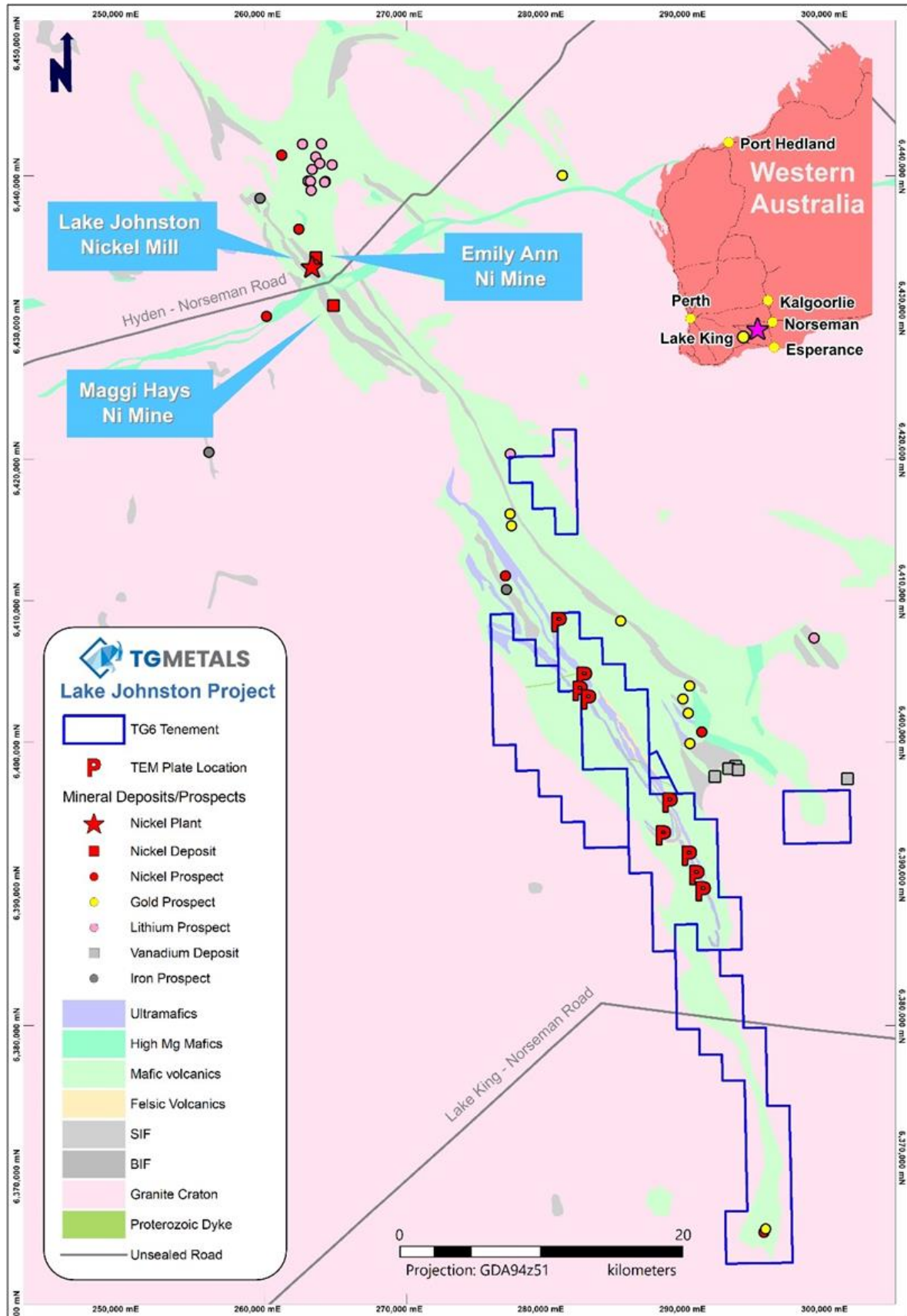


Figure 4 – Simplified Geology with location of Plate Model Conductors Datum: AMG Zone 51 (AGD84)

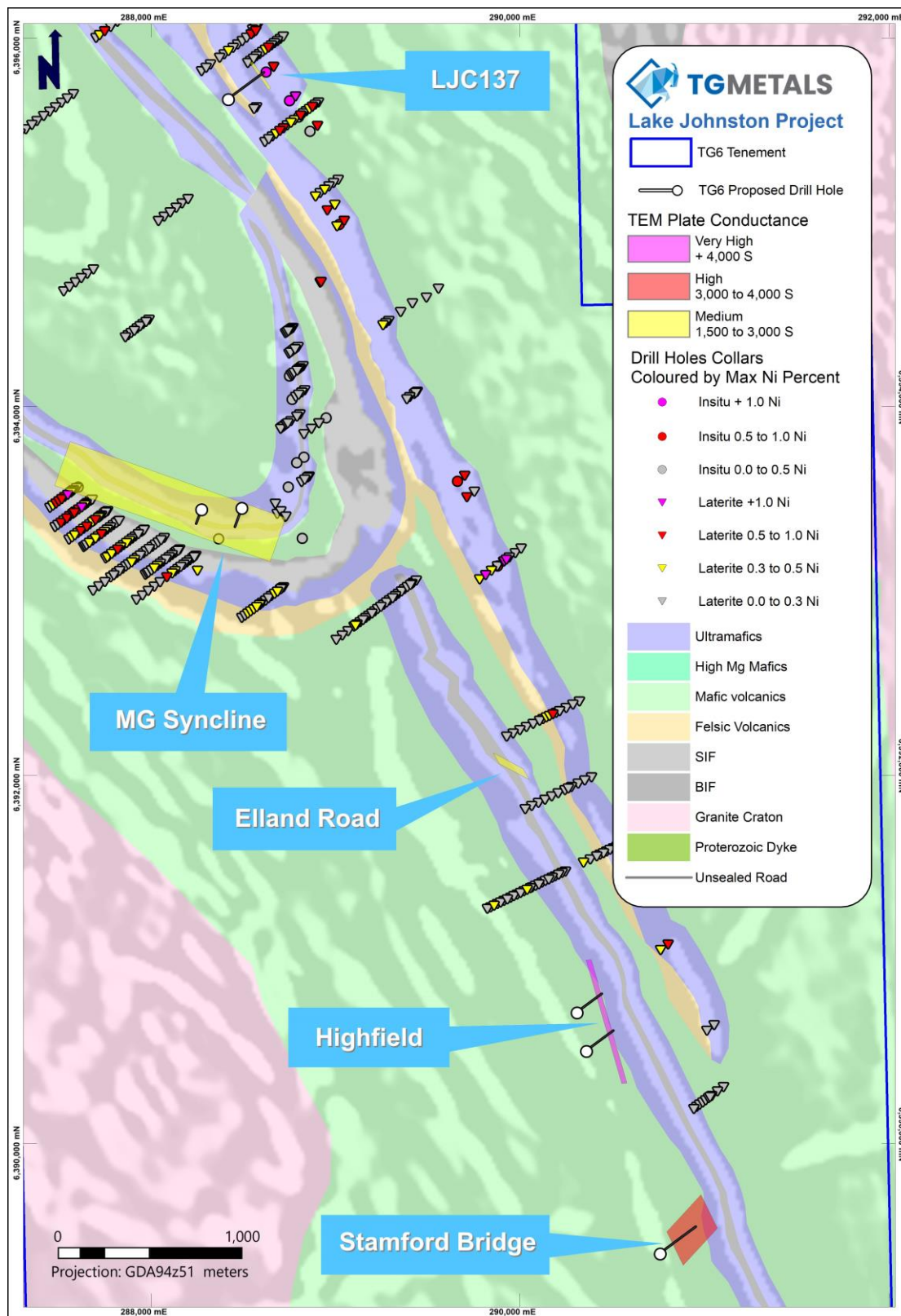


Figure 5 – Simplified Geology with historical drill collars, Plate Conductors and planned drilling

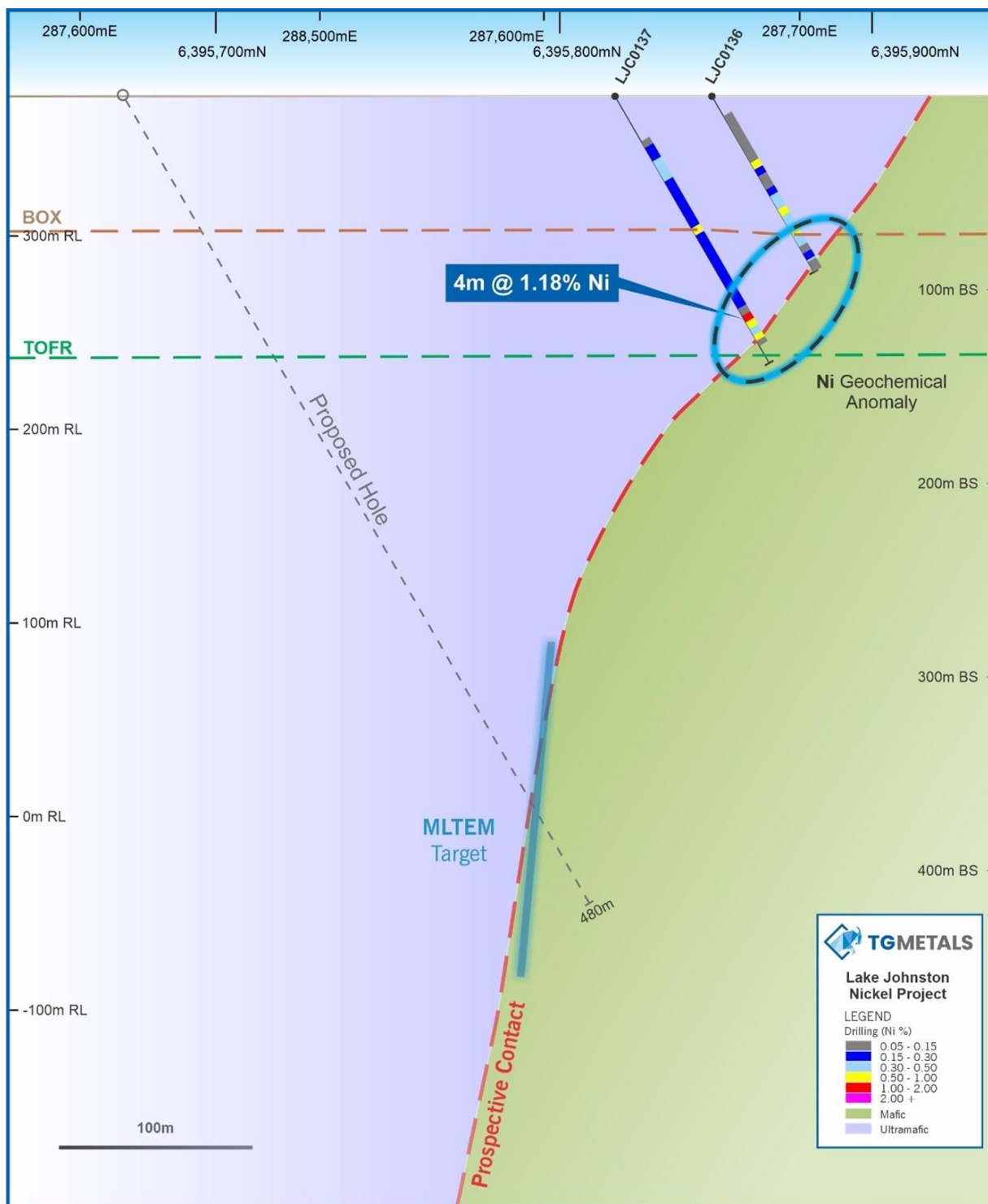


Figure 6 – Interpreted Geology, historical drilling and proposed drillhole into LJC137 MLTEM target

Next Steps

Accurate drill collar locations are being planned and, drilling permitting has commenced to test these highly prospective geophysical targets.

Lithium Exploration

During the period, the Company's Lithium (Li) Index elements soil-sampling program over the Bremer Range prospect (ASX announcement 4 October 2022) delivered results showing anomalous Li Index values close to the eastern boundary of the soil sample survey area (Figure 7).

Soil samples were analysed by pXRFII by Portable Spectral Services Pty Ltd, in their West Perth laboratory, who have provided a proprietary Li IndexI value to define potential LCT pegmatite indicators.

Higher index values appear linear in nature and may define potential for swarm pegmatites. The entire sampled area is covered by soil and deep weathering.

Further ground truthing is required, testing for indications of pegmatitic material. Determining the source of the Li Index anomalies will require confirmation by drilling and further sampling. A planned Lidar survey will also assist with any potential pegamatite outcrop identification.

The size of the anomaly, approximately 5 kilometres x 1.2 kilometres, is encouraging, as is the Project's proximal location to both the Pagrus lithium prospect and Charger Metals' (ASX: CHR) Medcalf lithium deposit.

The Bremer Range prospect has been previously unexplored for lithium and the discovery of Li Index anomalies in the initial sampling by TG Metals is highly encouraging. The Company looks forward to testing these anomalies with drilling in 2023.

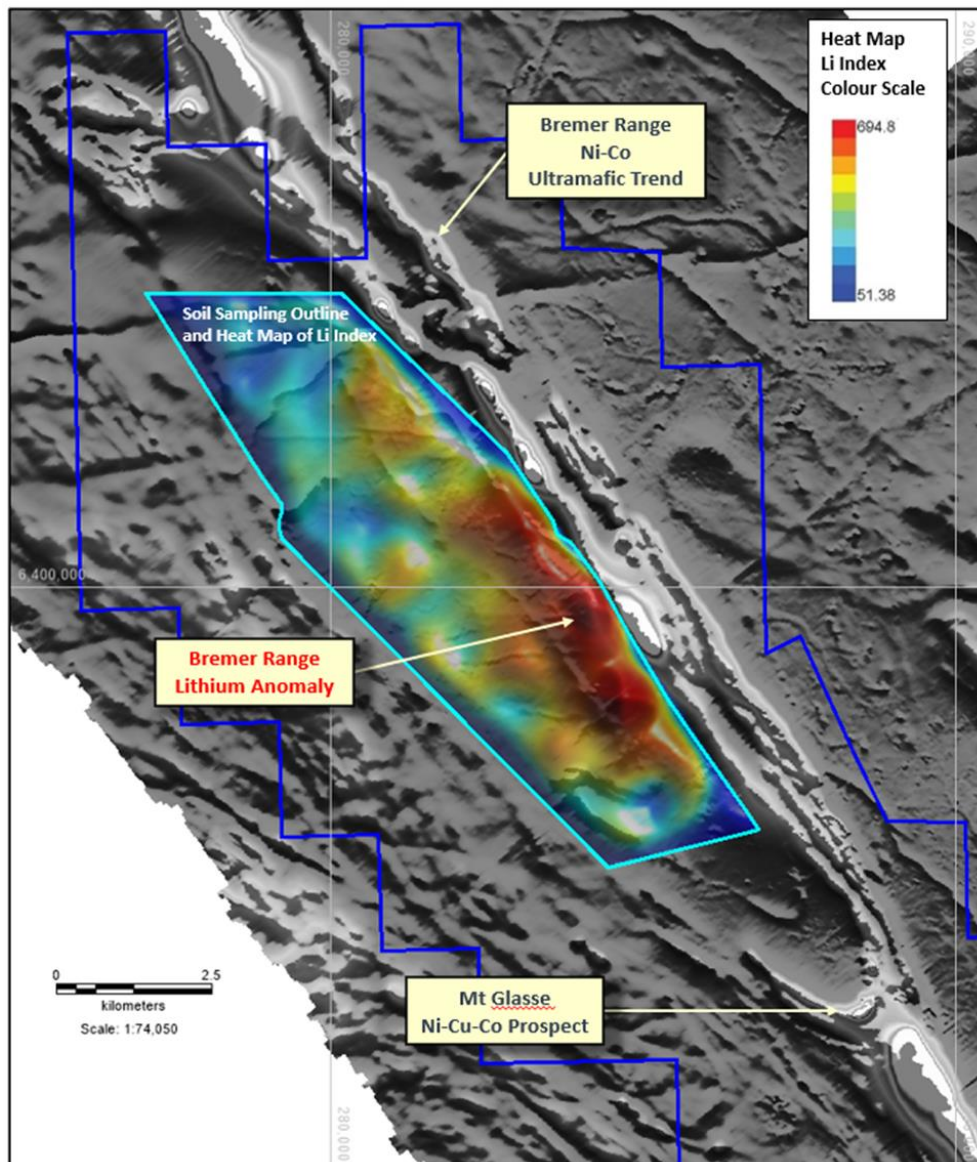


Figure 7 – Lithium Index Values Heat Map over Aeromagnetic Image (Reduced to Pole, North Shade, Greyscale). Source GSWA Datasets. Datum ADG84 Zone 51

Competent Person Statement

Information in this announcement that relates to exploration results, exploration strategy, exploration targets, geology, drilling and mineralisation is based on information compiled by Mr David Selfe who is a Fellow of the Australasian Institute of Mining and Metallurgy. Mr Selfe has sufficient experience that is relevant to the style of mineralization and type of deposit under consideration and to the activities that he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Selfe has consented to the inclusion in this presentation of matters based on their information in the form and context in which it appears.

The Company confirms that it is not aware of any new information or data that materially affects the Exploration Results information included in this report from previous Company announcements, including Exploration Results extracted from the Company's Prospectus announced to the ASX on 26 May 2022 and the Company's subsequent ASX announcements of 14 September 2022, 4 October 2022, 25 October 2022, 10 November 2022, 21 December 2022 and 19 January 2023.

Financial Review*Operating Results*

For the period ended 31 December 2022 the Company reported a loss before tax of \$536,727 (2021: loss \$68,773).

Financial Position

The net assets of the Company is \$5,686,648 at 31 December 2022 (30 June 2022: \$6,106,122).

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.

Events Subsequent to Reporting Date

Subsequent to the end of the period, the Company announced results from its Slingram Moving Loop Transient Electromagnetic (SMLTEM) geophysical survey at the Lake Johnston Ni-Li-Au Project (ASX announcement 19 January 2023). Processing and modeling identified nine ground electromagnetic (EM) conductors, including 5 high priority drilling targets for potential nickel sulphides.

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 periods.

Environmental Regulations

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

Auditor's independence declaration

The auditor's independence declaration under section 307C of the *Corporations Act 2001* (Cth) for the period ended 31 December 2022 has been received and can be found on page 14.

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).

**RICHARD BEVAN**

Director

Dated this 14th day of March 2023

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

As lead auditor for the review of TG Metals Limited for the half-year ended 31 December 2022,
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 review; and
2. No contraventions of any applicable code of professional conduct in relation to the review.



Phillip Murdoch
Director

BDO Audit (WA) Pty Ltd
Perth
14 March 2023

Statement of profit or loss and other comprehensive income

For the period ended 31 December 2022

	Note	31 Dec 2022 \$	31 Dec 2021 \$
Continuing operations			
Revenue		-	-
Tenement expenses		-	(6,210)
Consulting and professional fees		(76,466)	(58,381)
Employee and contractor expenses		(252,797)	-
Depreciation and amortisation		(9,735)	-
Interest expenses		(1,093)	-
Other expenses		(79,383)	(4,182)
Share based payments	4	(117,253)	-
Loss before tax		(536,727)	(68,773)
Income tax expense		-	-
Loss after income tax		(536,727)	(68,773)
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 year, net of tax		-	-
Total comprehensive loss for the year		(536,727)	(68,773)
Earnings per share for loss attributable to the ordinary equity holders of the Company:			
		Cents	Cents
Basic and diluted earnings per share		(0.94)	(0.23)

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 31 December 2022

	Note	31 Dec 2022 \$	30 June 2022 \$
Current Assets			
Cash and Cash Equivalents		5,022,473	5,707,866
Trade and Other Receivables		30,416	28,739
Total Current Assets		5,052,889	5,736,605
Non-Current Assets			
Exploration and Evaluation Expenditure	2	708,203	467,596
Property, Plant and Equipment		2,092	-
Right-of-Use Asset		50,978	-
Total Non-Current Assets		761,273	467,596
Total Assets		5,814,162	6,204,201
Current Liabilities			
Trade and Other Payables		57,880	96,363
Provisions		15,696	1,716
Lease Liability		28,313	-
Total Current Liabilities		101,889	98,079
Non-Current Liabilities			
Lease Liability		25,625	-
Total Non-Current Liabilities		25,625	-
Total Liabilities		127,514	98,079
Net Assets		5,686,648	6,106,122
Equity			
Issued Capital		6,380,823	6,380,823
Reserves	3	1,911,123	1,793,870
Accumulated Losses		(2,605,298)	(2,068,571)
Total Equity		5,686,648	6,106,122

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

Statement of Changes in Equity

For the year ended 31 December 2022

	Note	Issued Capital \$	Reserves \$	Accumulated Losses \$	Total \$
Balance as at 1 July 2022		6,380,823	1,793,870	(2,068,571)	6,106,122
Loss for the period		-	-	(536,727)	(536,727)
Other comprehensive income for the period		-	-	-	-
Total comprehensive loss for the period		-	-	(536,727)	(536,727)
<i>Transactions with owners, directly in equity</i>					
Shares issued		-	-	-	-
Share issue costs		-	-	-	-
Share based payments	4	-	117,253	-	117,253
Balance at 31 December 2022		6,380,823	1,911,123	(2,605,298)	5,686,648
Balance as at 1 July 2021		482,341	-	(41,974)	440,367
Loss for the period		-	-	(68,773)	(68,773)
Other comprehensive income for the period		-	-	-	-
Total comprehensive loss for the period		-	-	(68,773)	(68,773)
<i>Transactions with owners, directly in equity</i>					
Shares issued		-	-	-	-
Share issue costs		-	-	-	-
Share based payments		-	-	-	-
Balance at 31 December 2021		482,341	-	(110,747)	371,594

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

Statement of cash flows

For the period ended 31 December 2022

	Note	31 Dec 2022 \$	31 Dec 2021 \$
<i>Cash flows from operating activities</i>			
Payments to suppliers and employees		(434,826)	(29,674)
Net cash used in operating activities		(434,826)	(29,674)
<i>Cash flows from investing activities</i>			
Payments for exploration and evaluation	2	(240,607)	-
Payments for deferred exploration expenditure		-	(58,269)
Payments for property, plant and equipment		(4,545)	-
Net cash used in investing activities		(245,152)	(58,269)
<i>Cash flows from financing activities</i>			
Proceeds from shares to be issued		-	500,000
Payment of lease liabilities		(5,415)	-
Net cash (used in)/provided from financing activities		(5,415)	500,000
Net (decrease)/increase in cash held		(685,393)	412,057
Cash and cash equivalents at the beginning of the period		5,707,866	184,726
Cash and cash equivalents at the end of the period		5,022,473	596,783

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

Notes to the financial statements

For the period ended 31 December 2022

Note 1 Statement of significant accounting policies

These general purpose financial statements for the interim half-year reporting period ended 31 December 2022 have been prepared in accordance with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*, as appropriate for for-profit oriented entities. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 *Interim Financial Reporting*.

These general purpose financial statements do not include all the notes of the type normally included in annual financial statements. Accordingly, these financial statements are to be read in conjunction with the annual report for the period ended 30 June 2022 and any public announcements made by the Company during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

The principal accounting policies adopted are consistent with those of the previous financial period and corresponding interim reporting period, unless otherwise stated.

Leases

The Company, as a lessee, will assess whether a contract is, or contains, a lease under AASB 16. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. If the contract is assessed to be, or contains, a lease, the Company will recognise a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, and subsequently at cost less any accumulated depreciation and impairment losses and adjusted for certain re-measurements of the lease liability.

Initial Measurement and Subsequent Measurement

(i) Measurement of Lease Liability

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, and the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate. The lease liability is subsequently increased by the interest cost on the lease liability, offset by lease payments made. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, a change in the estimate of the amount expected to be payable under a residual value guarantee, or as appropriate, changes in the assessment of whether a purchase or extension option is reasonably certain to be exercised or a termination option is reasonably certain not to be exercised.

(ii) Measurement of Right-of-Use Asset

The Right of Use Asset is initially measured at cost comprising the initial measurement of the lease liability. Subsequent to initial recognition the right of use asset is amortised over the shorter of the assets useful life and the lease term on a straight line basis.

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.

Notes to the financial statements

For the period ended 31 December 2022

Note 2. Exploration and Evaluation Expenditure

	31 Dec 2022 \$	30 June 2022 \$
Exploration and evaluation	708,203	467,596

Reconciliations

Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

Opening balance	467,596	270,480
Additions during the year	-	75,000
Expenditure during the year	240,607	122,116
Closing balance	708,203	467,596

The recoverability of the carrying amounts of exploration and evaluation assets is dependent on the successful development and commercial exploitation or sale of the respective area of interest.

As at the date of this report, Management has not identified any geological indicators of impairment.

Note 3. Reserves

	31 Dec 2022 \$	30 June 2022 \$
Share based payments reserve	1,911,123	1,793,870
	1,911,123	1,793,870

	Options \$	Rights \$	Total \$
Balance at 1 July 2021	-	-	-
Issue of options	1,746,478	-	1,746,478
Issue of performance rights	-	47,392	47,392
Balance at 30 June 2022	1,746,478	47,392	1,793,870
Issue of options	31,125	-	31,125
Vesting of performance rights	-	86,128	86,128
Balance at 31 December 2022	1,777,603	133,520	1,911,123

Notes to the financial statements

For the period ended 31 December 2022

Note 4. Share Based Payments

Period ended 31 December 2021

No share based payments occurred during the period ended 31 December 2021.

Period ended 31 December 2022

During the period ended 31 December 2022, the following transactions were recognised as share based payments by the Company:

	Value \$
Advisor options (Note 4(a))	31,125
Performance rights (Note 4(b))	86,128
Total share based payments	117,253

(a) Advisor Options

On 19 October 2022, the Company issued 500,000 unlisted options as part consideration for corporate services to be provided. For the period ended 31 December 2022, \$31,125 was recognised as a share based payment.

The fair value of the share options granted is estimated as at the date of grant using the Black-Scholes option valuation model taking into account the terms and conditions upon which the options were granted.

Weighted average exercise price	\$0.30
Weighted average life of the options	2.04 years
Weighted average underlying share price	\$0.135
Expected share price volatility	120.3%
Risk-free interest rate	3.37%
Grant date	19 October 2022
Expiry date	31 October 2024
Value per option	\$0.06225

(b) Performance Rights

Pursuant to the Company's Prospectus dated 4 April 2022 and its successful Initial Public Offering, the Company issued 5,110,000 performance rights to key management personnel, being the Directors and Mr David Selfe, in May 2022.

The performance rights were granted at nil consideration, do not have an exercise price and expire on 24 May 2027.

Each performance right will vest and convert to one fully paid ordinary share subject to the satisfaction of the following vesting conditions:

Tranche	Vesting Conditions
Class A	The Class A Performance Rights will vest subject to the Company's shares as traded on the ASX achieving a VWAP of at least \$0.40 over a period of 20 consecutive trading days within 5 years from the date of the Company's listing on the ASX.
Class B	The Class B Performance Rights will vest subject to the Company's shares as traded on the ASX achieving a VWAP of at least \$0.60 over a period of 20 consecutive trading days within 5 years from the date of the Company's listing on the ASX.
Class C	The Class C Performance Rights will vest subject to the Company's shares as traded on the ASX achieving a VWAP of at least \$0.70 over a period of 20 consecutive trading days within 5 years from the date of the Company's listing on the ASX.

The fair value of the performance rights granted is estimated as at the date of grant using a barrier up-and-in trinomial option pricing model taking into account the terms and conditions upon which the performance rights were granted.

The total fair value of the performance rights granted to key management personnel was \$882,456.

Notes to the financial statements

For the period ended 31 December 2022

Note 4. Share Based Payments (continued)

During the period ended 31 December 2022, \$86,128 has been recognised as a share based payment.

Directors

	Class A Performance Rights	Class B Performance Rights	Class C Performance Rights	Total
Number Issued	1,053,335	1,053,333	1,053,332	3,160,000
Grant Date	15 March 2022	15 March 2022	15 March 2022	
Vesting Date	18 May 2027	18 May 2027	18 May 2027	
Vesting Period (days)	1,891	1,891	1,891	
Value per Right	\$0.1818	\$0.1705	\$0.1657	
Total Value of Rights	\$191,496	\$179,593	\$174,537	\$545,626
Amount Expensed in Prior Year	\$10,837	\$10,162	\$9,875	\$30,874
Amount Expensed in Current Period	\$18,633	\$17,475	\$16,983	\$53,091
Amount to be Expensed in Future Periods	\$162,026	\$151,956	\$147,679	\$461,661

Chief Executive Officer (Mr Selfe)

	Class A Performance Rights	Class B Performance Rights	Class C Performance Rights	Total
Number Issued	650,000	650,000	650,000	1,950,000
Grant Date	30 March 2022	30 March 2022	30 March 2022	
Vesting Date	18 May 2027	18 May 2027	18 May 2027	
Vesting Period (days)	1,876	1,876	1,876	
Value per Right	\$0.1818	\$0.1706	\$0.1658	
Total Value of Rights	\$118,170	\$110,890	\$107,770	\$336,830
Amount Expensed in Prior Year	\$5,795	\$5,438	\$5,285	\$16,518
Amount Expensed in Current Period	\$11,591	\$10,876	\$10,570	\$33,037
Amount to be Expensed in Future Periods	\$100,784	\$94,576	\$91,915	\$287,275

Note 5. Related Party Transactions

There have been no significant changes to the Company's related party transactions since 30 June 2022.

Note 6. Segment Information

The Company operates predominately in one business segment, which is the exploration for mineral deposits, and predominately in one geographical area which is Western Australia. The operating segment is based on the internal reports that are reviewed and used by the Board of Directors in assessing performance and in determining the allocation of resources.

The Company is domiciled in Australia. All revenue from external parties is generated from Australia only. All the assets are located in Australia.

Note 7. Commitments, Contingent Assets and Liabilities

There have been no changes to contingent liabilities, contingent assets or commitments from the prior reporting period.

Notes to the financial statements

For the period ended 31 December 2022

Note 8. Events Subsequent to Reporting Date

Subsequent to the end of the period, the Company announced results from its Slingram Moving Loop Transient Electromagnetic (SMLTEM) geophysical survey at the Lake Johnston Ni-Li-Au Project (ASX announcement 19 January 2023). Processing and modeling identified nine ground electromagnetic (EM) conductors, including 5 high priority drilling targets for potential nickel sulphides.

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 periods.

Note 9. Company Details

The registered office of the Company is:

Address: Level 24
44 St Georges Terrace
PERTH WA 6000

Telephone: 08 6211 5099

Directors' Declaration

In the directors' opinion:

- a. the attached financial statements and notes comply with the *Corporations Act 2001*, Australian Accounting Standard AASB 134 *Interim Financial Reporting*, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- b. the attached financial statements and notes give a true and fair view of the entity's financial position as at 31 December 2022 and of its *performance* for the financial half-year ended on that date; and
- c. there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of directors made pursuant to section 303(5)(a) of the *Corporations Act 2001*:



RICHARD BEVAN

Director

Dated this 14th day of March 2023

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of TG Metals Limited

Report on the Half-Year Financial Report

Conclusion

We have reviewed the half-year financial report of TG Metals Limited (the Company), which comprises the statement of financial position as at 31 December 2022, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the half-year ended on that date, a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of the Company does not comply with the *Corporations Act 2001* including:

- A. Giving a true and fair view of the Company's financial position as at 31 December 2022 and of its financial performance for the half-year ended on that date; and
- B. Complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Financial Report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of 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 the audit of the annual 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 the same terms if given to the directors as at the time of this auditor's review report.

Responsibility of the directors for the financial report

The directors of the Company are responsible for the preparation of the half-year 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 half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's responsibility for the review of the financial report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Company's financial position as at 31 December 2022 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

BDO Audit (WA) Pty Ltd

A handwritten signature in black ink, appearing to read 'P. Murdoch', is written over a horizontal line. Above the signature, the letters 'BDO' are handwritten in a smaller, less distinct script.

Phillip Murdoch

Director

Perth

14 March 2023