

Quarterly Activities Report for the period ended 31 December 2023

HIGHLIGHTS

- Discovery of the high grade Burmeister lithium spodumene prospect
- Initial RC drilling and diamond core drilling campaign completed at Burmeister extends known mineralisation to 1.4km x 0.8km
- Significant new lithium soil anomaly at adjacent Jaegermeister prospect
- Successful capital raising completed to advance lithium prospects
- Cash at bank of \$10.76m at 31 December 2023

LAKE JOHNSTON PROJECT EXPLORATION

TG Metals Limited (**TG Metals** or the **Company**) (ASX:TG6) is pleased to report its activities for the period ended 31 December 2023 (**Quarter**), during which the Company continued to advance the exploration of its 100% owned multi commodity Lake Johnston Project in WA.

Activities for the Quarter concentrated on drilling of the high grade Burmeister spodumene lithium prospect. Highlights include:

- High grade lithium up to 2.88% Li₂O intercepted in the Burmeister discovery drillholes (ASX announcements 30 October 2023, 12 December 2023, 17 January 2024).
- Subsequent to the end of the Quarter, best intercept of 17.1m @ 1.66% Li₂O (ASX announcement 17 January 2024).
- New soil sampling results defined a large soil anomaly to the east of Burmeister, named Jaegermeister.
- Approvals activities to drill the Jaegermeister soil anomaly and expand drilling at Burmeister commenced.
- Successful capital raising of \$10,000,000 (before costs) completed in December to advance the Burmeister lithium discovery and test other lithium prospects in the Lake Johnston Project.

Figure 1 shows the area of exploration activity this Quarter.

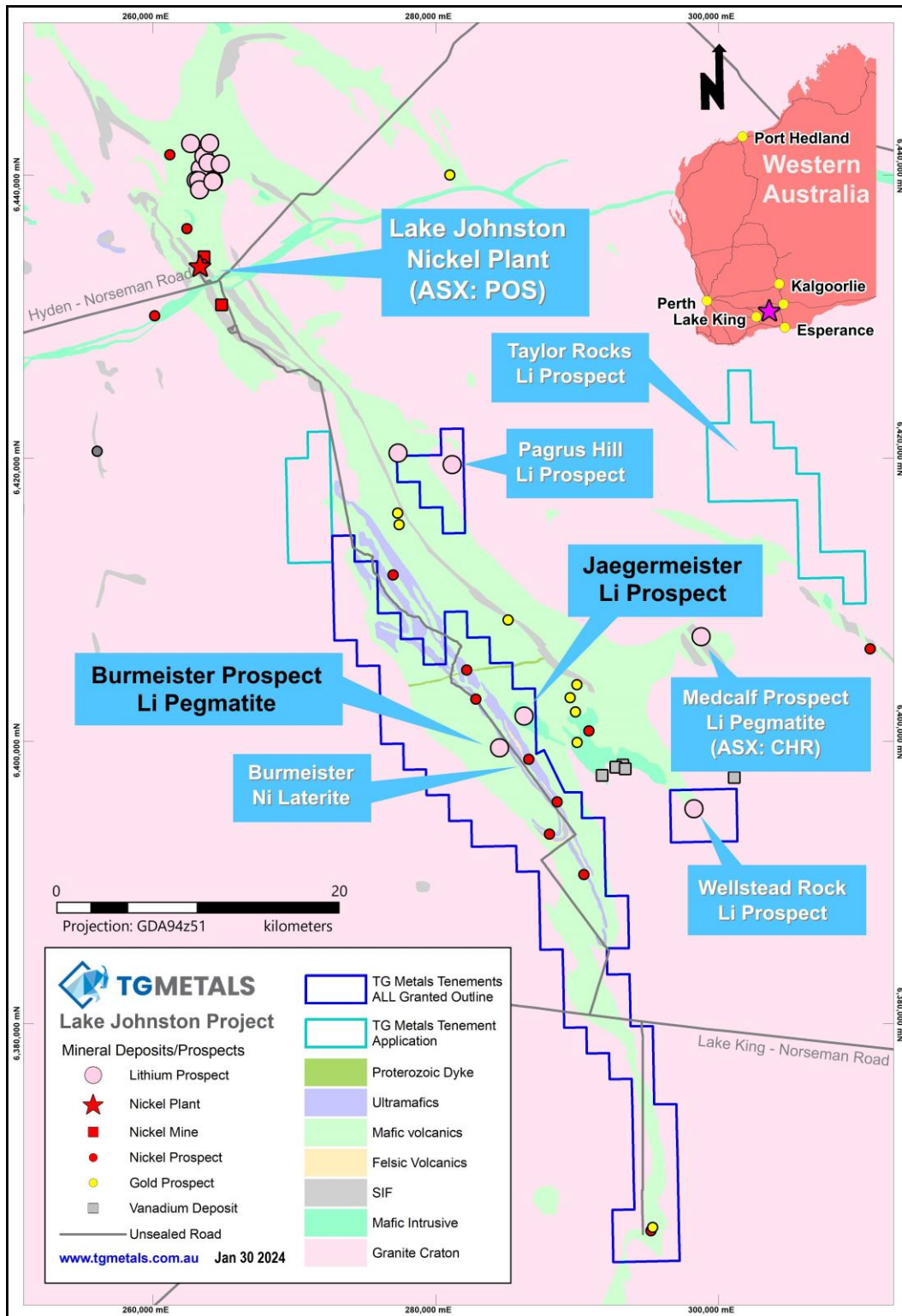


Figure 1 – Simplified Geology with prospect locations and the main area of exploration focus at Burmeister and Jaegermeister. Datum: AMG Zone 51 (GDA94).

Lithium Exploration

During the Quarter, the Company commenced drilling on the Burmeister lithium soil anomaly which resulted in immediate success with the interception of high grade spodumene pegmatites. This discovery was made without any outcropping pegmatite in the Burmeister area and was based on geology and geochemical targeting alone. Subsequent to the end of the Quarter, RC drilling re-commenced and further assays were received from the Burmeister drilling. The Company believes that Burmeister is a significant lithium discovery and aims to further prove up the spodumene pegmatites with successive drilling programs. In addition, the success of discovering high grade lithium pegmatites under cover opens up the remainder of the Company's Lake Johnston Project for similar prospectivity, some 50km of strike length over the Lake Johnston greenstone belt. Significant intercepts drilled so far include:

- **9m @ 1.35% Li₂O from 30m**
 - including 1m @ 2.03% Li₂O from 32m and 1m @ 2.21% Li₂O from 37m
- **9m @ 1.62% Li₂O from 87m**
 - including 1m @ 2.28% Li₂O from 87m
- **19m @ 1.52% Li₂O from 206m**
 - including 2m @ 2.53% Li₂O from 209m and 2m @ 2.36% Li₂O from 217m
- **4.05m @ 1.74% Li₂O from 132.5m (Diamond Core Tail on TGRC0009)**
 - including 0.95m @ 2.29% Li₂O from 133.6m
- **17.1m @ 1.66% Li₂O from 203.7m**
 - including 2m @ 2.18% Li₂O from 207.5m and 2m @ 2.18% Li₂O from 215.6m
- **4.0m @ 1.21% Li₂O from 201m**

The next phase of drilling will target up-dip mineralisation with the intent of identifying thicker pegmatite zones.

Figure 2 shows the approved drilling lines and completed drillhole locations on the Burmeister lithium prospect. The strike length tested is up to 1400m and remains open to the north.

Figures 3 and 4 show cross sections through the lithium pegmatite intercepts. The pegmatites are open to the west and up dip to the east. Further infill drilling is expected to define the limits of the pegmatite up dip and explore for extensions down plunge to the north.

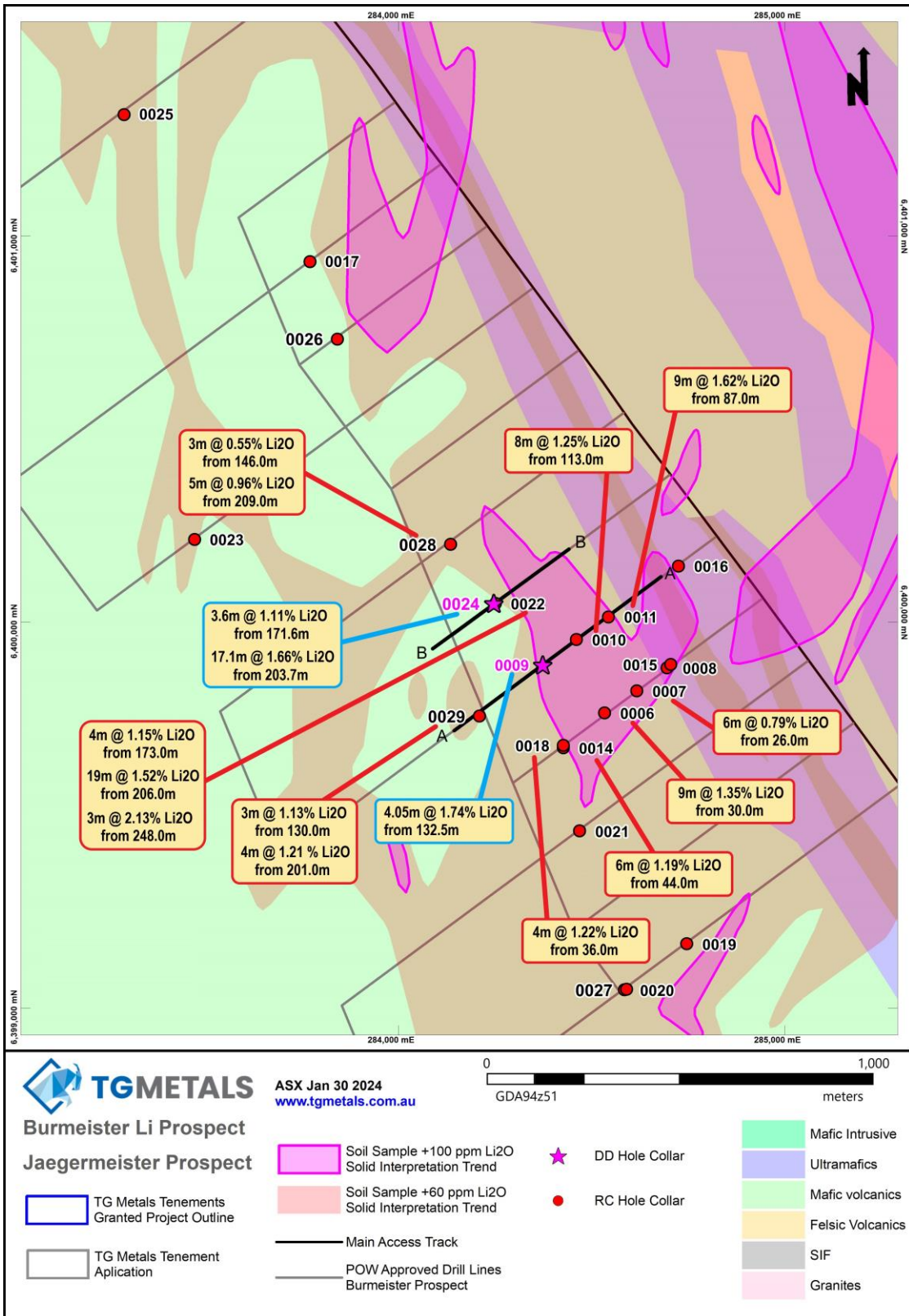


Figure 2 – Burmeister Lithium Prospect Drilling Completed. Datum: AMG Zone 51 (GDA94).

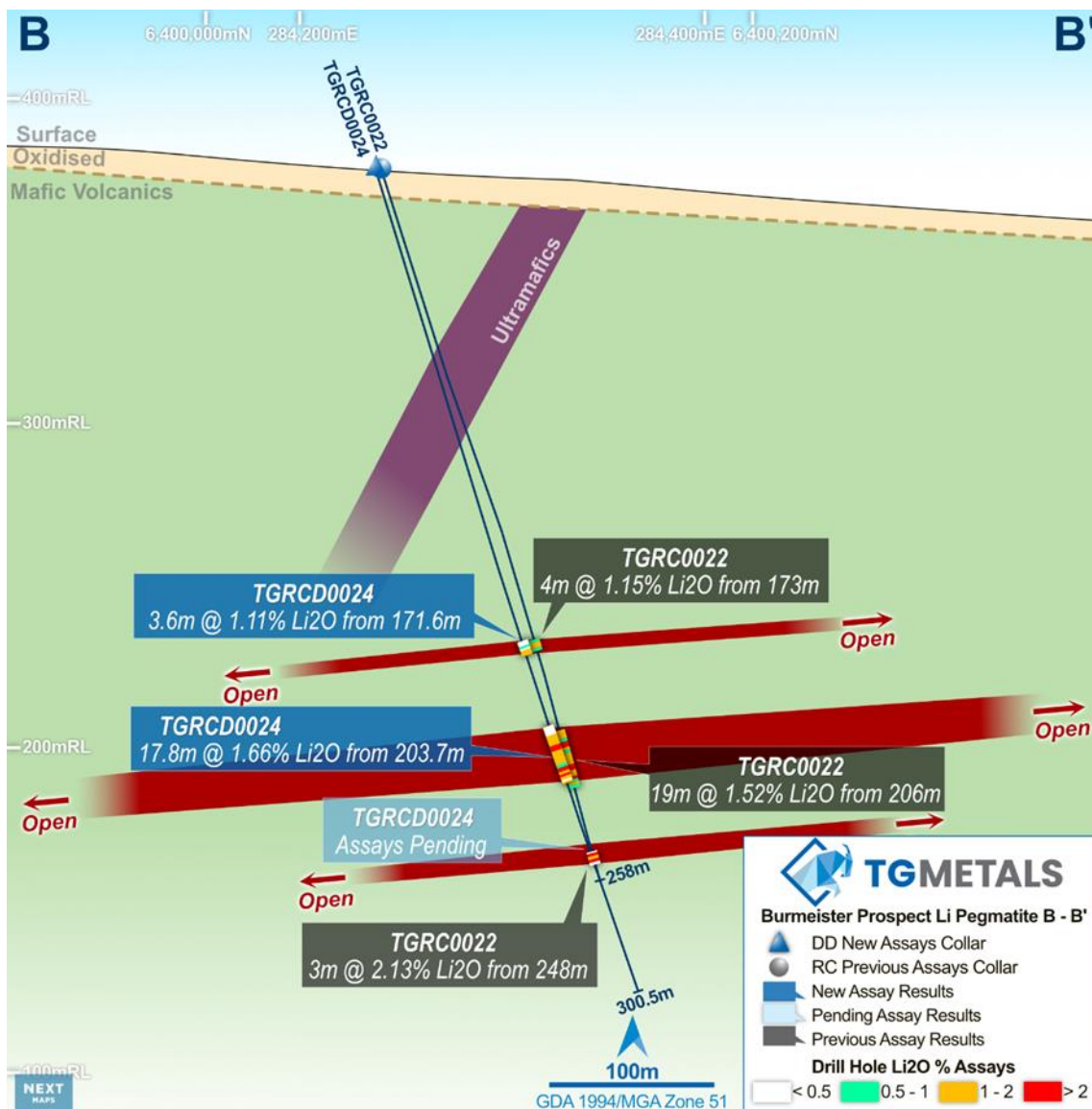


Figure 3 –Cross section TGRC0022 to TGRCD0024 showing lithium pegmatite intercepts in RC and twinned DD holes.

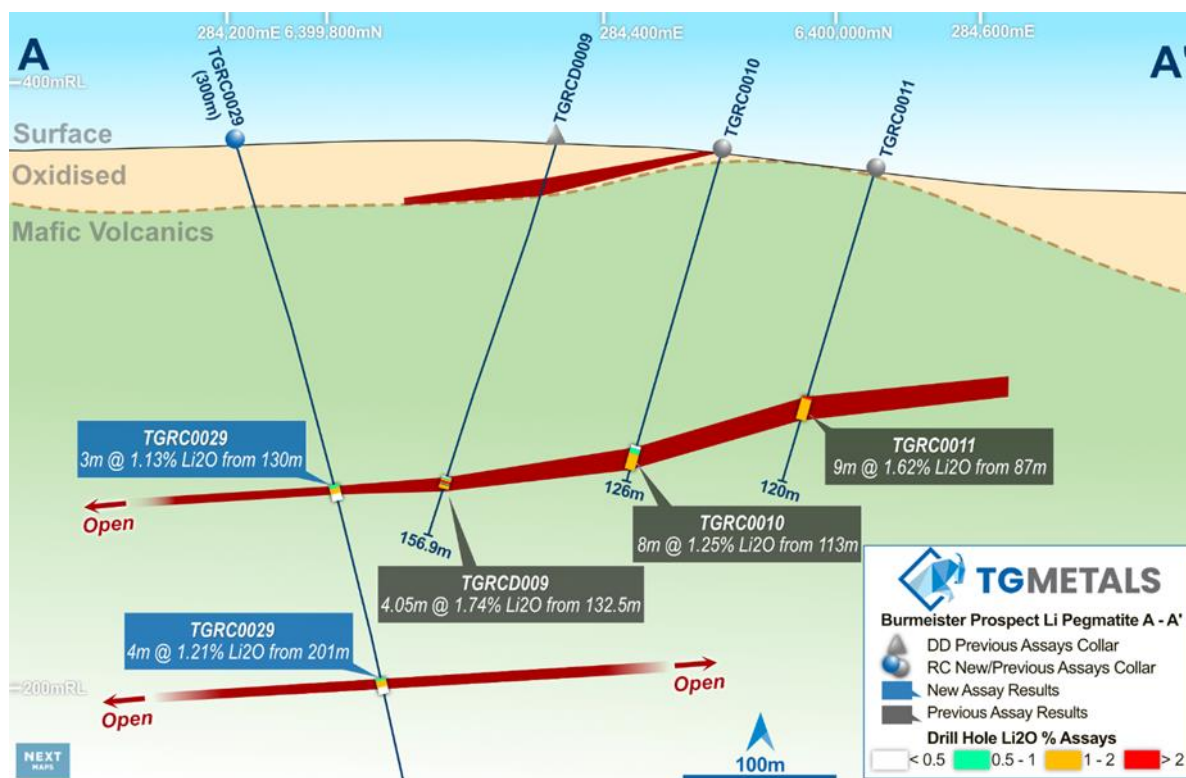


Figure 4 – Cross section TGRC0029 and previously drilled TGRCD0009 to TGRCD0011, showing lithium pegmatite intercepts.

Subsequent to the end of the Quarter, Micro-XRF/AMICS mineralogy determinations were conducted on a sample of drill core from hole TGRCD0009, a high-grade lithium intercept (ASX Announcement 17 January 2024). The results showed that spodumene is the dominant mineral in the pegmatite, making up 35.9% of the sample. The only other potential lithium bearing mineral detected was zinnwaldite, a low grade lithium source.

This simple mineralogy is a positive indication for the application of simple mineral separation techniques and will be examined in future metallurgical testwork.

Figure 5 below shows the Micro-XRF image coloured by mineral type and the mineral abundance table.

Mineral	Area%	Colour	Mineral	Area%	Colour
Spodumene	35.90	Orange	Pollucite	0.16	Yellow
Quartz	34.24	White	Apatite	0.14	Blue
Microcline (Rb-Bearing)	19.23	Purple	Zircon	0.02	Light Yellow
Albite	5.17	Red	Spessartine	0.02	Light Blue
Zinnwaldite	4.83	Brown	Tapiolite	<0.01	Olive Green
Columbite	0.27	Green	Zn-Phase	<0.01	Cyan

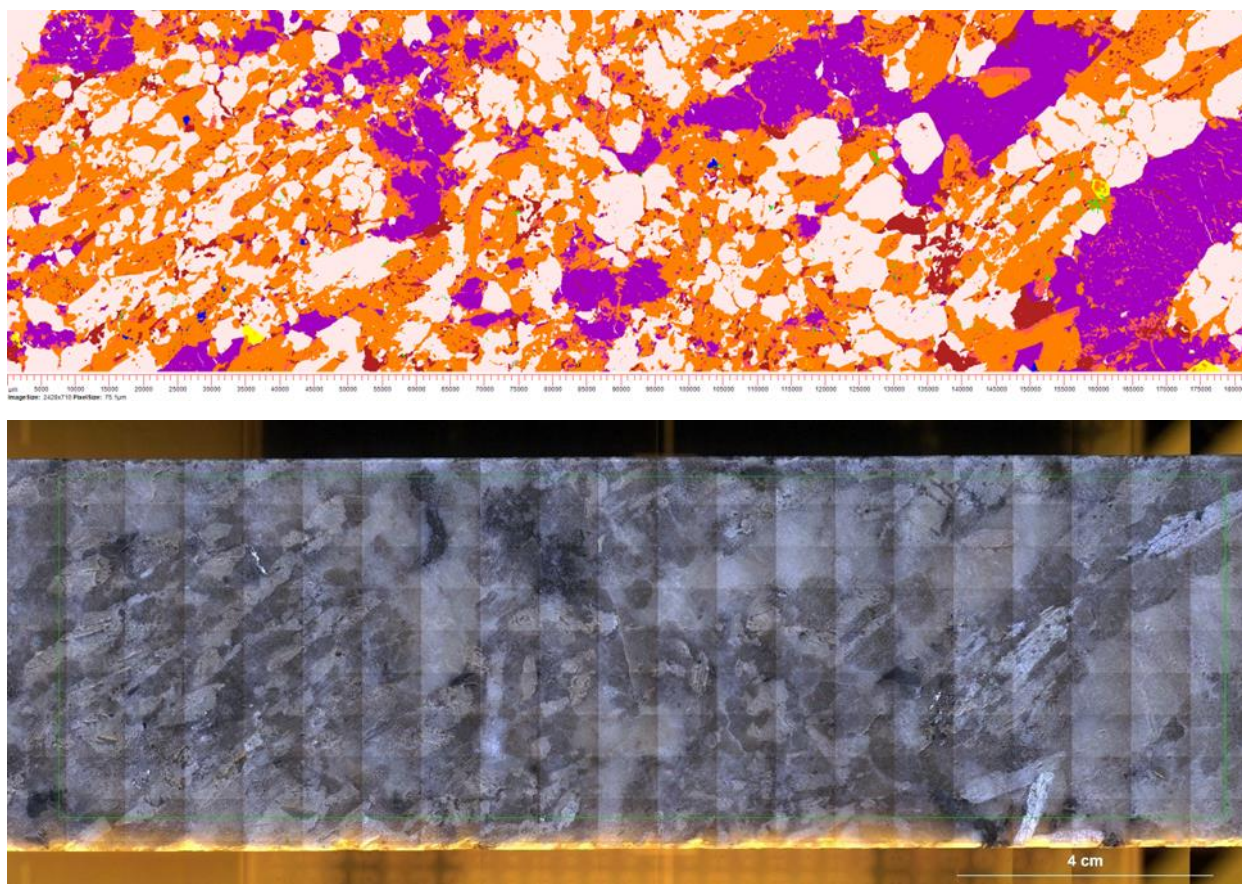


Figure 5 – Micro-XRF/AMICS mineralogy result on core from TGRCD0009, interval 134.2m to 134.4m (nominally 2.29% Li₂O). Lower image is a mosaic scan of the coloured image above.

Infill soil sampling was completed on the eastern lithium soil anomaly which resulted in the definition of a large high tenor lithium soil anomaly named Jaegermeister (ASX Announcement 13 November 2023). The soil anomalies above 100ppm Li₂O are extensive and open to the north and south providing further LCT pegmatite potential within TG Metals tenements. The anomalies join with the Burmeister discovery soil anomalies providing a broader area of influence for the Burmeister mineralized zone. As with Burmeister, the Jaegermeister lithium anomaly is within a favourable host rock sequence that includes thick piles of basalt and ultramafic rocks of the Central Ultramafic Unit (CUU). Approvals activities for first drilling on Jaegermeister commenced during the Quarter.

Figure 6 shows the relative location of the Jaegermeister soil anomaly to the Burmeister drilling.

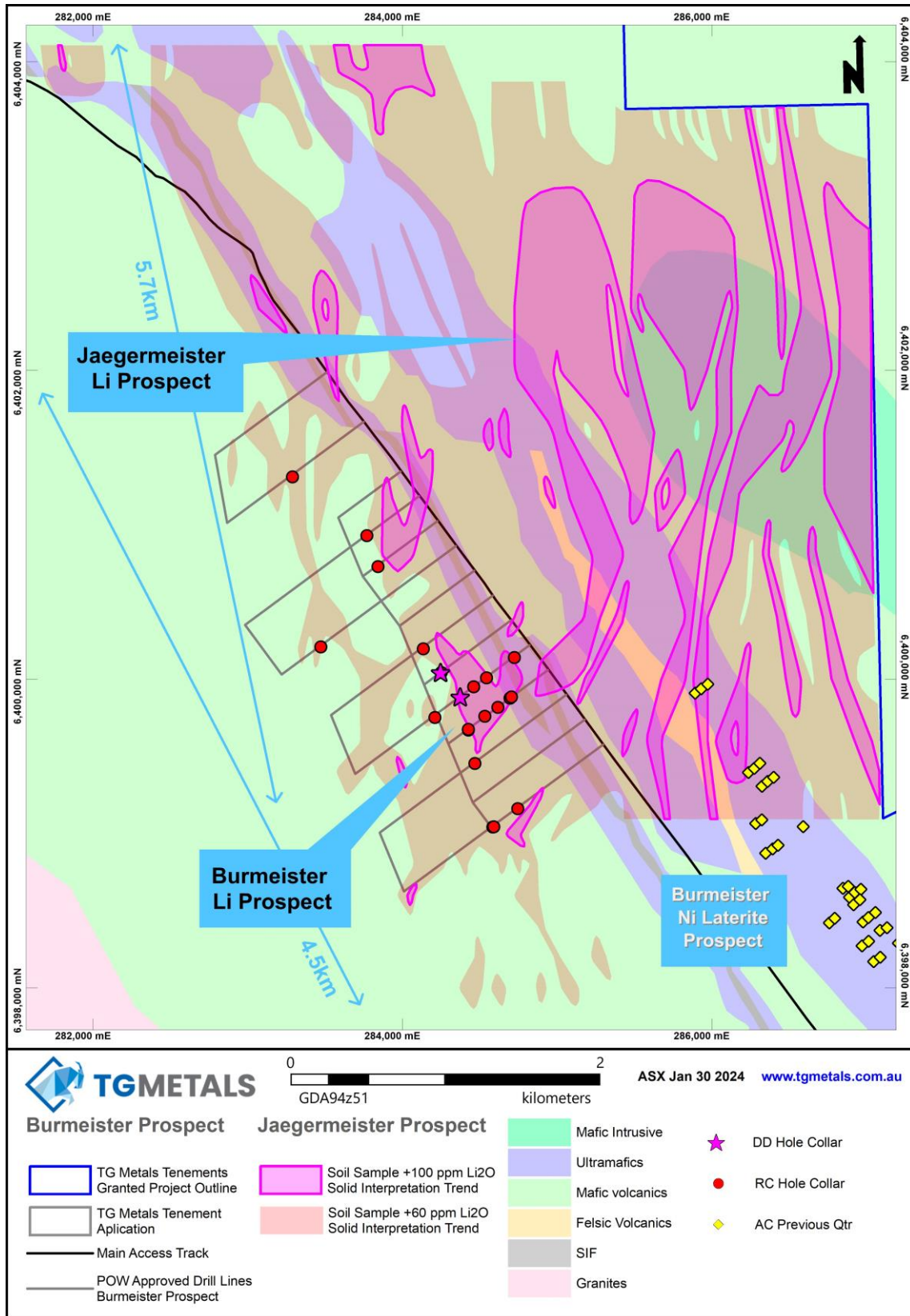


Figure 6 – Burmeister lithium pegmatite drilling and Jaegermeister soil anomalies showing 60ppm and 100ppm Li₂O soil grade contours with RC, AC and DD drill locations, major structures and simplified geology Datum: AMG Zone 51 (GDA94).

Nickel Exploration

During the Quarter, RC and diamond core drilling on nickel sulphide targets was completed as well as downhole TEM. The Highfield and LJC137 targets were drill tested with no significant nickel intercepts found. Subsequent downhole TEM detected off-hole conductors at Highfield however these are interpreted to be from known conductive sediments which has downgraded the potential for nickel sulphides on this target. The Cathkin South target remains untested by drilling, as does the Gravity anomalies defining potential deep notch weathering at the Tottenham prospect (ASX announcement 8 August 2023). Downhole TEM is yet to be completed on the LJC137 target drillhole.

Drilling of these remaining nickel sulphide targets is on hold as the Company's focus turns to the lithium discoveries on the Lake Johnston tenements. Similarly metallurgical testwork has been deferred on the nickel laterite mineralization defined earlier in 2023.

BUSINESS DEVELOPMENT

During the Quarter, the Company applied for two exploration licences in proximity to the Maggie Hays nickel mine site. Several other applications by other parties have also been made on the same ground, as a result these two applications will go to a Ballot to decide the successful applicant. The Company now has 5 exploration licence applications in the Lake Johnston region.

The Company continuously assesses opportunities to grow and consolidate tenement positions as they arise.

CORPORATE

Capital Raise

During the Quarter, the Company raised \$10 million (before costs) via a share placement by issuing a total of 13,333,334 placement shares at \$0.75 per share. The placement shares were issued under the Company's placement capacity under ASX Listing Rule 7.1 (8,657,784 shares) and 7.1A (4,675,550 shares) and accordingly no shareholder approvals were required.

TG Metals closed the Quarter with approximately A\$10.76 million in cash. The Company's quarterly summary of financials is presented in the Appendix 5B. The Company has 71,107,540 fully paid ordinary shares on issue.

ASX Disclosures

ASX Listing Rule 5.3.1: During the Quarter, the Company spent \$1,521,000 on exploration activities, associated predominantly with activities undertaken on the Lake Johnston Project.

ASX Listing Rule 5.3.2: There were no substantive mining production and development activities conducted during the Quarter.

ASX Listing Rule 5.3.4: As required, the table below details indicative use of funds as per the IPO prospectus and actual expenditure to date (31 December 2023). Includes expenditure prior to 30 March 2022.

Indicative Use of funds	Prospectus Amount (2 Year Period)	Actual Expenditure
Exploration on the Lake Johnston Project	\$ 3,739,000	\$ 2,523,182
Expenses of the Offers	\$ 684,145	\$ 407,000
Cash payment to Matlock	\$ 75,000	\$ 75,000
General working capital	\$ 1,937,568	\$ 2,179,113
Total	\$ 6,435,713	\$ 5,184,295

Expenditure for the period from listing on 26 May 2022 to 31 December 2023 was broadly in line with projects since the commencement of drilling activities at the Lake Johnston Project.

ASX Listing Rule 5.3.5: Item 6.1 in the Appendix 5B includes an amount of \$103,000 as payment to related parties, reflecting payments to directors including non-executive directors for fees, salaries and consulting costs for the Quarter.

This announcement has been authorised by the Board of TG Metals Limited.

For further information visit www.tgmetals.com.au or contact:

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About TG Metals

TG Metals is an ASX listed company focused on exploring for lithium, nickel and gold at its wholly owned Lake Johnston Project (Figure 7) in the stable jurisdiction of Western Australia. The Lake Johnston Project boasts proximity to current and past producing nickel and lithium mines, processing plants and geochemical and geophysical targets for immediate exploration.

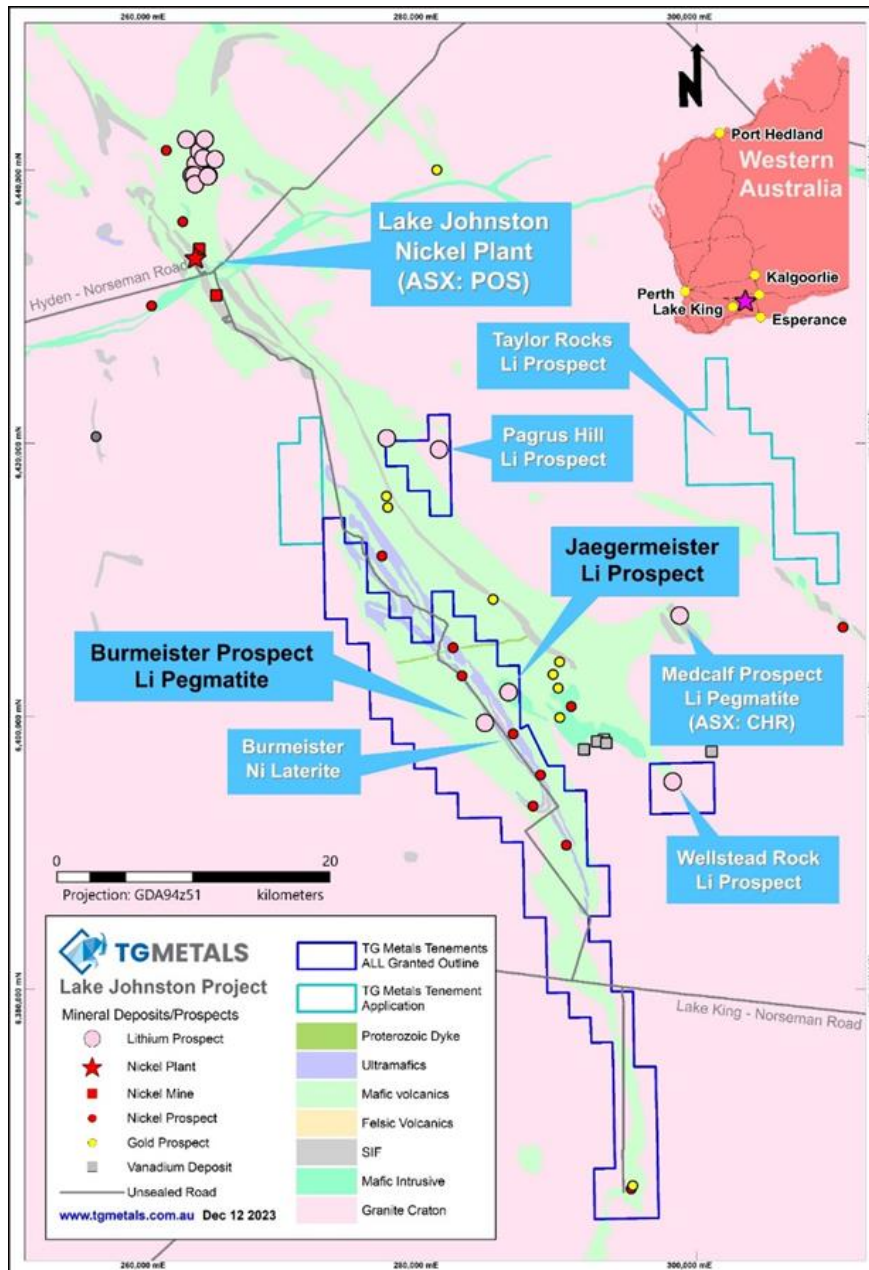


Figure 7 – Lake Johnston Project Location. Simplified Geology with prospect locations Datum: AMG Zone 51 (GDA94).

Cautionary Statement – Visual Estimates

This announcement contains references to visual results and visual estimates of mineralization. The Company draws attention to uncertainty in reporting visual results. Visual estimates of mineral abundance should never be considered a proxy or substitute for laboratory analyses where concentrations or grades are the factor of principal economic interest. Visual estimates also potentially provide no information regarding impurities or deleterious physical properties relevant to valuations.

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.

Forward Looking Statements

This announcement may contain certain statements that may constitute “forward looking statements”. Such statements are only predictions and are subject to inherent risks and uncertainties, which could cause actual values, results, performance achievements to differ materially from those expressed, implied or projected in any forward looking statements.

Forward-looking statements are statements that are not historical facts. Words such as “expect(s)”, “feel(s)”, “believe(s)”, “will”, “may”, “anticipate(s)” and similar expressions are intended to identify forward-looking statements. These statements include, but are not limited to statements regarding future production, resources or reserves and exploration results. All such statements are subject to certain risks and uncertainties, many of which are difficult to predict and generally beyond the control of the Company, that could cause actual results to differ materially from those expressed in, or implied or projected by, the forward-looking information and statements. These risks and uncertainties include, but are not limited to: (i) those relating to the interpretation of drill results, the geology, grade and continuity of mineral deposits and conclusions of economic evaluations, (ii) risks relating to possible variations in reserves, grade, planned mining dilution and ore loss, or recovery rates and changes in project parameters as plans continue to be refined, (iii) the potential for delays in exploration or development activities or the completion of feasibility studies, (iv) risks related to commodity price and foreign exchange rate fluctuations, (v) risks related to failure to obtain adequate financing on a timely basis and on acceptable terms or delays in obtaining governmental approvals or in the completion of development or construction activities, and (vi) other risks and uncertainties related to the Company’s prospects, properties and business strategy. Our audience is cautioned not to place undue reliance on these forward-looking statements that speak only as of the date hereof, and we do not undertake any obligation to revise and disseminate forward-looking statements to reflect events or circumstances after the date hereof, or to reflect the occurrence of or non-occurrence of any events.

The Company believes that it has a reasonable basis for making the forward-looking Statements in the presentation based on the information contained in this and previous ASX announcements.

The Company is not aware of any new information or data that materially affects the information included in this ASX release, and the Company confirms that, to the best of its knowledge, all material assumptions and technical parameters underpinning the exploration results in this release continue to apply and have not materially changed.

Tenement Schedule as at 31 December 2023

Tenement	Area	Grant Date	Expiry Date	Entity's Interest at Quarter End	Change in Entity's interest during Quarter
Exploration Licences					
E63/1960	6 BL	05/11/2019	04/11/2024	100%	No change
E63/1961	29 BL	05/11/2019	04/11/2024	100%	No change
E63/1973	26 BL	16/01/2020	15/01/2025	100%	No change
E63/1983	7 BL	21/02/2020	20/02/2025	100%	No change
E63/1984	5 BL	04/08/2020	03/08/2025	100%	No change
E63/1997	37 BL	27/10/2020	26/10/2025	100%	No change
E63/2254	8 BL	20/07/2023	19/07/2028	100%	No change
E63/2315*	43 BL	Pending	N/A	100%	No change
E63/2324*	9 BL	Pending	N/A	100%	No change
E63/2349*	20BL	Pending	N/A	100%	No Change
E63/2433	2 BL	Pending	N/A	100%	100%
E63/2434	6 BL	Pending	N/A	100%	100%
Prospecting Licences					
P63/2201	176.52 HA	03/11/2020	02/11/2024	100%	No change
P63/2202	193.69 HA	16/01/2020	02/11/2024	100%	No change

*Tenement Application

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

TG Metals Limited

ABN

40 644 621 830

Quarter ended ("current quarter")

31 December 2023

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation	(224)	(389)
(b) development	-	-
(c) production	-	-
(d) staff costs	-	-
(e) administration and corporate costs	(463)	(730)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	-
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other (Being balance of cash at bank from Pty Ltd company)	-	-
1.9 Net cash from / (used in) operating activities	(687)	(1,119)
2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) tenements	-	-
(c) property, plant and equipment	-	-
(d) exploration & evaluation	(1,297)	(1,420)
(e) investments	-	-
(f) other non-current assets	-	-

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	(1,297)	(1,420)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	10,000	10,000
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	112	112
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(600)	(600)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	9,512	9,512

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	3,235	3,790
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(687)	(1,119)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(1,297)	(1,420)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	9,512	9,512

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	10,763	10,763

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	10,748	3,220
5.2	Call deposits	15	15
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	10,763	3,235

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	103
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
<i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i>		
6.1	Includes Directors Fees, Salaries, and superannuation contributions.	

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

7. Financing facilities	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
<i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i>		
<i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>		
7.1 Loan facilities	-	-
7.2 Credit standby arrangements	-	-
7.3 Other (please specify)	-	-
7.4 Total financing facilities	-	-
7.5 Unused financing facilities available at quarter end		-
7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (item 1.9)	(687)
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(1,297)
8.3 Total relevant outgoings (item 8.1 + item 8.2)	(1,984)
8.4 Cash and cash equivalents at quarter end (item 4.6)	10,763
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	10,763
8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3)	5.42
<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>	
8.8 If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
Answer:	
8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
Answer:	

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer:

Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

31 January 2024

Date:

By the Board

Authorised by:
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.