

**TG Metals Limited**  
**(formerly Tethered Goat Pty Ltd)**

A.C.N. 644 621 830

**Interim Financial Report**  
**For the Period ended 31 December 2021**

## Contents

Directors' report .....	3
Auditor's independence declaration .....	5
Statement of profit or loss and other comprehensive income.....	6
Statement of financial position.....	7
Statement of changes in equity .....	8
Statement of cash flows .....	9
Notes to the financial statements .....	10
Directors' declaration .....	14
Independent auditor's review report.....	15

## Directors' report

Your directors present their report on TG Metals Limited (**TG Metals Limited** or **the Company**) for the period 1 July 2021 to 31 December 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 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)                            |

### Company secretary

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

- Dean William Calder

Subsequent to the end of the period on 2 March 2022, Ms Nicki Farley was appointed as Company Secretary.

### Dividend paid or recommended

There were no dividends paid or recommended during the period ended 31 December 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 31 December 2021 other than disclosed elsewhere in this Interim 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).

#### Financial Review

##### Operating Results

For the period ended 31 December 2021 the Company reported a loss before tax of \$68,773 (2020: loss \$13,754).

##### Financial Position

The net assets of the Company is \$371,594 at 31 December 2021 (30 June 2021: \$440,367).

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**

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.

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**

The Company is pursuing an initial public offering (IPO) on the Australian Securities Exchange (ASX) to continue to explore and develop its portfolio of mining tenements.

**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 2021 has been received and can be found on page 5.

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 22<sup>nd</sup> day of March 2022

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

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

This declaration is in respect of TG Metals Limited.



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 31 December 2021

	Note	31 Dec 2021	16 Oct 2020 to 31 Dec 2020
		\$	\$
<b>Continuing operations</b>			
Revenue		-	-
Tenement expenses		(6,210)	(3,666)
Professional fees		(58,381)	(10,006)
Other expenses		(4,182)	(82)
(Loss) before tax		(68,773)	(13,754)
Income tax benefit/(expense)	2	-	-
<b>Net loss for the period</b>		<b>(68,773)</b>	<b>(13,754)</b>
<b>Other comprehensive income, net of income tax</b>			
Items that will not be reclassified subsequently to profit or loss		-	-
Items that may be reclassified subsequently to profit or loss		-	-
<b>Total comprehensive loss for the period</b>		<b>(68,773)</b>	<b>(13,754)</b>
 Earnings per share for loss attributable to the ordinary equity holders of the company:			
Basic loss (cents per share)		(0.0023)	(0.0004)
Diluted loss (cents per share)		(0.0023)	(0.0004)

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 2021

	Note	31 Dec 2021 \$	30 June 2021 \$
<b>Current Assets</b>			
Cash at Bank	3	596,783	184,726
Receivables		8,468	1,129
<b>Total Current Assets</b>		<b>605,251</b>	<b>185,855</b>
<b>Non-Current Assets</b>			
Exploration and Evaluation expenditure	4	328,748	270,480
<b>Total Non-Current Assets</b>		<b>328,748</b>	<b>270,480</b>
<b>Total Assets</b>		<b>933,999</b>	<b>456,335</b>
<b>Current Liabilities</b>			
Trade Payables and other payables	5	62,405	15,968-
Funds received for unissued capital	6	500,000	-
<b>Total Current Liabilities</b>		<b>562,405</b>	<b>15,968-</b>
<b>Total Liabilities</b>		<b>562,405</b>	<b>15,968-</b>
<b>Net Assets</b>		<b>371,594</b>	<b>440,367</b>
<b>Equity</b>			
Issued capital	7	482,341	482,341
Accumulated losses		(110,747)	(41,974)
<b>Total Equity</b>		<b>371,594</b>	<b>440,367</b>

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

**Statement of changes in equity**

For the period ended 31 December 2021

	Note	Issued Capital \$	Accumulated Losses \$	Total \$
<b>Balance as at 1 July 2021</b>		<b>482,341</b>	<b>(41,974)</b>	<b>440,367</b>
Loss for the period		-	(68,773)	(68,773)
Other comprehensive income for the period		-	-	-
<b>Total comprehensive loss for the period</b>		<b>-</b>	<b>(68,773)</b>	<b>(68,773)</b>
<i>Transactions with owners, directly in equity</i>				
Share issue	7	-	-	-
Transaction costs		-	-	-
<b>Balance at 31 December 2021</b>		<b>482,341</b>	<b>(110,747)</b>	<b>371,594</b>

	Note	Issued Capital \$	Accumulated Losses \$	Total \$
<b>Balance as at 16 October 2020</b>		1	-	1
Loss for the period		-	(13,754)	(13,754)
Other comprehensive income for the period		-	-	-
<b>Total comprehensive loss for the period</b>		<b>-</b>	<b>(13,754)</b>	<b>(13,754)</b>
<i>Transactions with owners, directly in equity</i>				
Share issue		-	-	-
Transaction costs		-	-	-
<b>Balance at 31 December 2020</b>		<b>1</b>	<b>(13,754)</b>	<b>(13,753)</b>

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 2021

	Note	31 Dec 2021 \$	30 June 2021 \$
<b><i>Cash flows from operating activities</i></b>			
Payments to suppliers and employees		(29,674)	(27,135)
<b>Net cash used in operating activities</b>	<b>3b</b>	<b>(29,674)</b>	<b>(27,135)</b>
<b><i>Cash flows from investing activities</i></b>			
Payments for deferred exploration expenditure	4	(58,269)	(270,480)
<b>Net cash used in investing activities</b>		<b>(58,269)</b>	<b>(270,480)</b>
<b><i>Cash flows from financing activities</i></b>			
Proceeds from shares to be issued	6	500,000	487,001
Share issue transaction costs		-	(4,660)
<b>Net cash provided from financing activities</b>		<b>500,000</b>	<b>482,341</b>
<b>Net increase in cash held</b>		<b>412,057</b>	<b>184,726</b>
Cash and cash equivalents at the beginning of the period		184,726	-
<b>Cash and cash equivalents at the end of the period</b>	<b>3a</b>	<b>596,783</b>	<b>184,726</b>

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 2021

### Note 1 Statement of significant accounting policies

These general purpose financial statements for the interim half-year reporting period ended 31 December 2021 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 2021 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.

#### 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.

#### 1.1 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 \$68,773 and \$29,674 net operating cash out-flow.

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; 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 half-year financial statements. The half-year 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.

**TG METALS LIMITED**

A.C.N. 644 621 830

**INTERIM FINANCIAL REPORT**

31 December 2021

16 Oct 2020 to

31 Dec 2021	31 Dec 2020
\$	\$

**Note 2 Income Tax****a. Income tax expense / benefit**

Current	-	-
Deferred	-	-
	-	-

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%

Add / (less) tax effect of:	(17,881)	(3,576)
- Deferred tax asset not brought to account	17,881	3,576

- Deferred tax asset not brought to account

	-	-
--	---	---

31 Dec 2021	30 June 2021
\$	\$

**Note 3 Cash and cash equivalents****a. Reconciliation of cash**

Cash at bank	596,783	184,726
--------------	---------	---------

**b. Cash flow information**

Reconciliation of cash flow from operations to profit/(loss) after income tax.

Loss after income tax	(68,773)	(41,974)
-----------------------	----------	----------

Non-cash flows in profit

Changes in assets and liabilities

- Increase/decrease in accruals	46,437	15,968
- (Increase)/decrease in receivables	(7,338)	(1,129)

**Cash flow from operations**

	(29,674)	(27,135)-
--	----------	-----------

**Note 4 Exploration and Evaluation**

31 Dec 2021	30 June 2021
\$	\$

Tenement Acquisition Costs	241,240	241,240
Capitalised Exploration Expenditure	87,508	29,240

*Movements in carrying value*

Balance at beginning of the year/period	270,480	-
Tenement Acquisition Costs	-	241,240
Exploration expenditure capitalised	58,268	29,240
Balance at the end of the year	328,748	270,480

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. Management did not identify any indicators of impairment for the period ended 31 December 2021.

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.

	31 Dec 2021	30 June 2021
	\$	\$
<b>Note 5 Trade and other payables</b>		
<b>Current</b>		
Trade payables	53,405	3,968
Audit fee accrual	9,000	12,000
	<u>62,405</u>	<u>15,968</u>

	31 Dec 2021	30 June 2021
	\$	\$
<b>Note 6 Funds received for unissued capital</b>		
<b>Current</b>		
Funds received for unissued capital	500,000	-
	<u>500,000</u>	<u>-</u>

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. As at 31 December 2021, the funds received for these issues have been classified as liabilities.

**Note 7 Issued capital**

Ordinary Shares Issued and Fully Paid	Number of Shares	\$
Opening Balance 1 July 2021	30,675,001	482,341
Shares issued	-	-
Less: Share issue costs		-
Closing Balance 31 December 2021	<b>30,675,001</b>	<b>482,341</b>

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 31 December 2021.

**Note 9 Contingent assets and liabilities**

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

**Note 10 Related Party Transactions**

Professional Fees of \$13,740 were paid during the period ended 31 December 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.

At 31 December 2021, the company was holding \$500,000 for the second seed raise, for which shares had not been issued. Only one of the directors, Richard Gwynn Bevan had made application for 416,667 shares at \$.012 per share as part of this raising.

**Note 11 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.

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 12 Company details**
**The registered office of the company is**

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

## **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 2021 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:



**BRETT SMITH**

Director

Dated this 22nd day of March 2022

## 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 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 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:

- (i) Giving a true and fair view of the Company's financial position as at 31 December 2021 and of its financial performance for the half-year ended on that date; and
- (ii) 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.

#### Material uncertainty relating to going concern

We draw attention to Note 1.1 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 conclusion is not modified in respect of this matter.

#### 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 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 2021 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, 22 March 2022