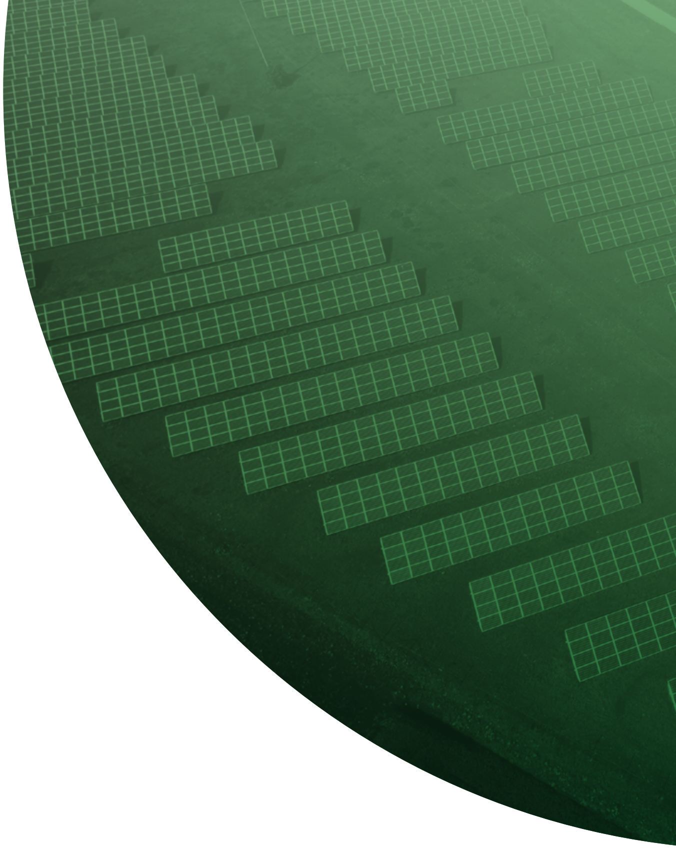
TECHNOLOGY
METALS AUSTRALIA LIMITED

2023 ANNUAL REPORT

ASX:TMT | ABN 64 612 531 389



CORPORATE INFORMATION

Directors

Mr Michael Fry (Non-executive Chairman)
Mr Ian Prentice (Managing Director)
Ms Jo Gaines (Non-executive Director)
Dr Carmen Letton (Non-executive Director)

Company secretary

Mr Sonu Cheema

Registered office

Suite 9, 330 Churchill Avenue
Subiaco, WA 6008

Principal place of business

Suite 9, 330 Churchill Avenue
Subiaco, WA 6008

Share registry

Automic Registry Services
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Perth, WA 6000

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P: +61 (0) 2 9698 5414 (International)

Bankers

National Australia Bank Ltd
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West Perth, WA 6005

Auditors

HLB Mann Judd (WA Partnership)
Level 4, 130 Stirling Street
Perth, WA 6000

Securities Exchange Listing

Technology Metals Australia Limited shares are listed on the Australian Securities Exchange (ASX: TMT)

ABN 64 612 531 389

ACKNOWLEDGEMENT OF COUNTRY

Technology Metals acknowledges the Traditional Custodians on the lands on which we work. In particular, we acknowledge the Yugunga-Nya People as the custodians of the lands on which we hold tenure and we pay our respects to the Elders past, present and emerging. We celebrate the stories, traditions and the living cultures of Aboriginal and Torres Strait Islander people who also work and live on this land.

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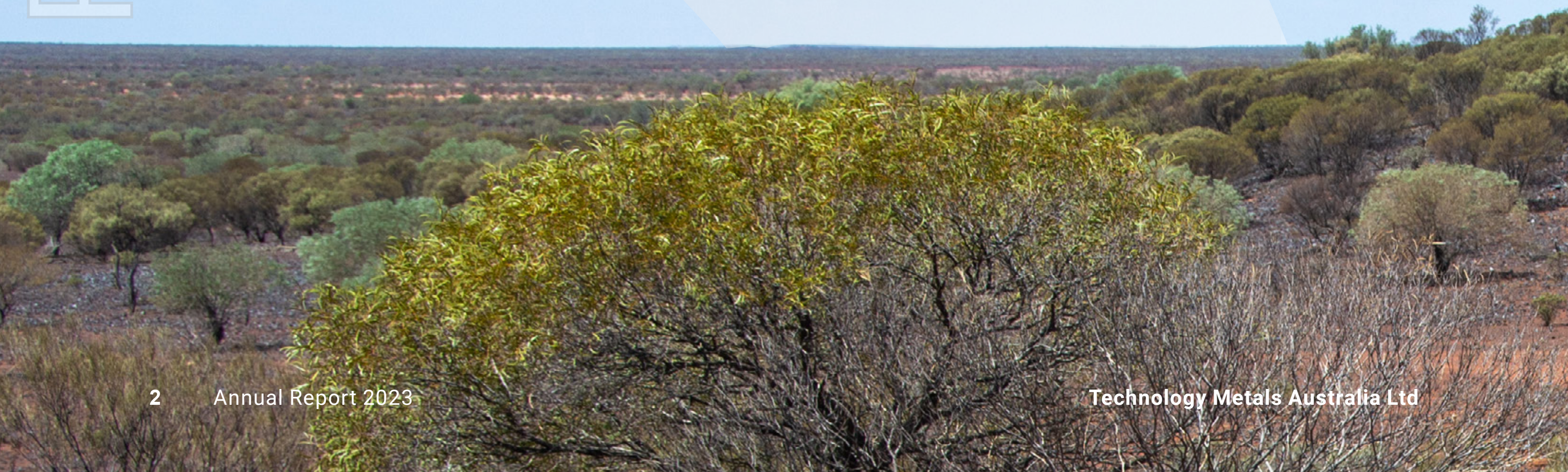
ABOUT TECHNOLOGY METALS

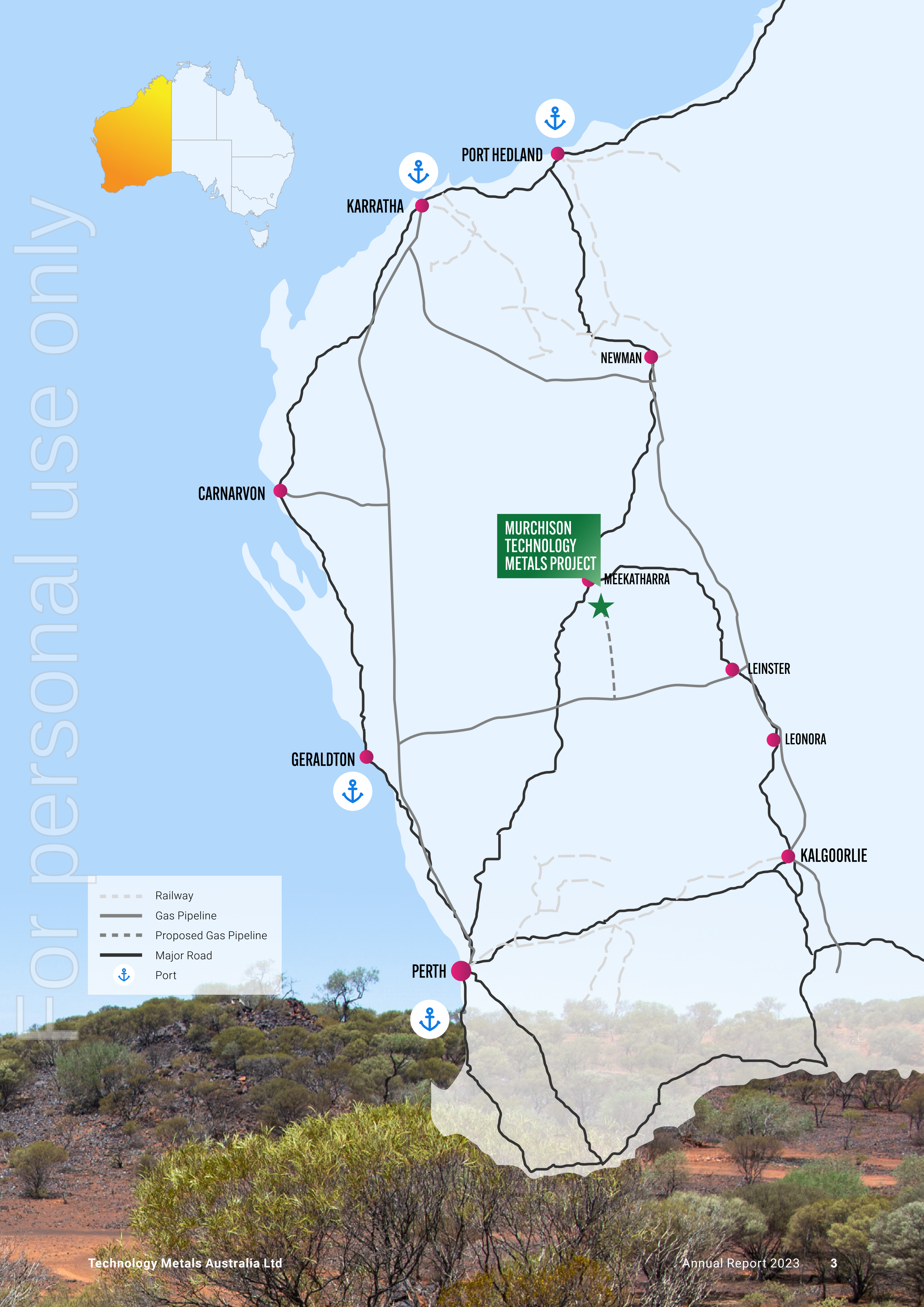
Technology Metals Australia Limited (**the Company**) is a future-oriented, ASX-listed company focused on the development of its flagship, 100 per cent owned Murchison Technology Metals Project (**MTMP**), with the aim of producing high-purity vanadium products that will meet the growing demands of the global energy transition.

Our mission is to develop and operate a world-class critical minerals project that makes a positive difference to the local community, minimises impacts to the environment, and contributes to global decarbonisation.

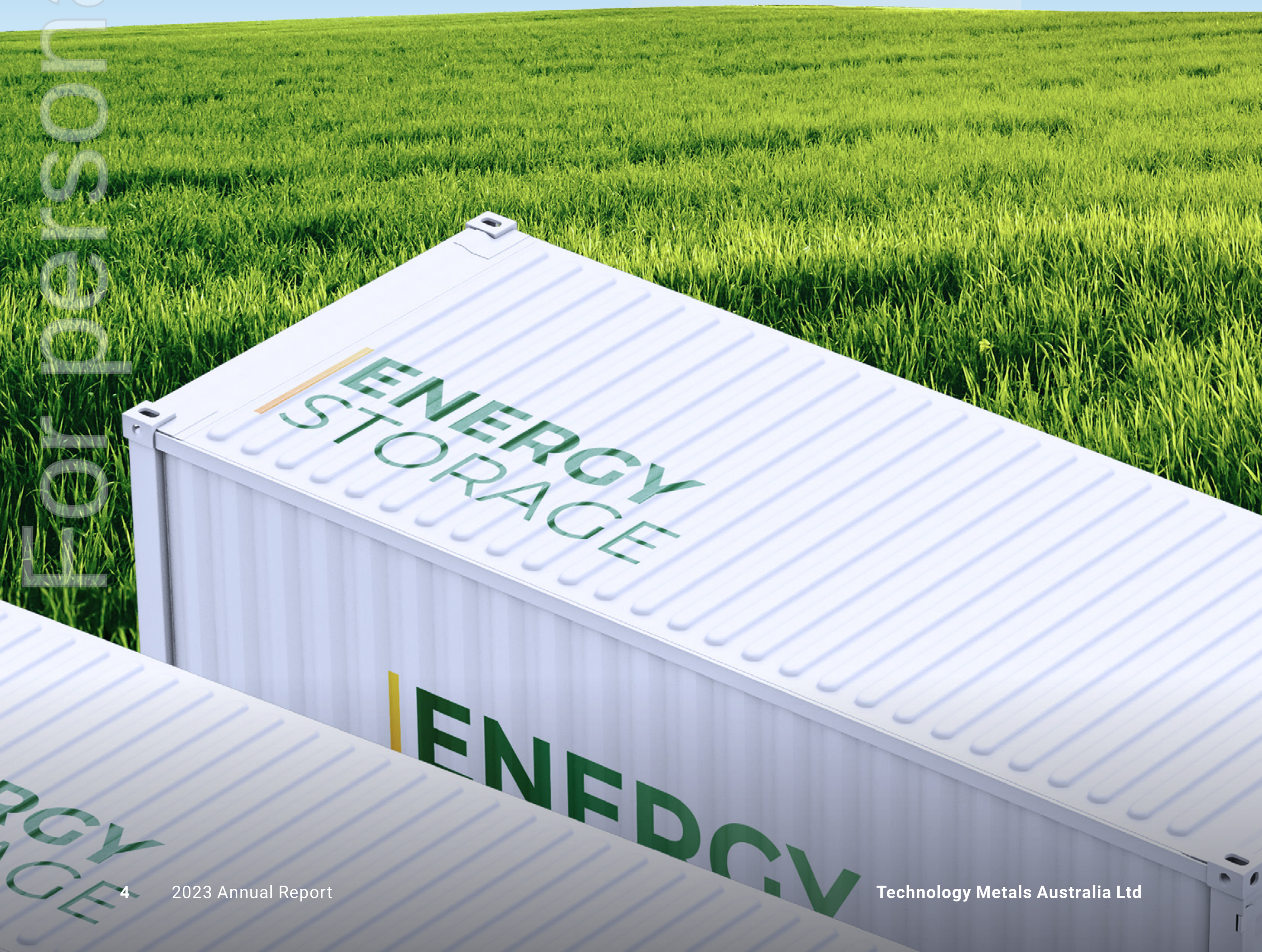
The MTMP is located 50km southeast of Meekatharra in the Mid-West region of Western Australia. The MTMP has a Global Mineral Resource Estimate (**MRE**) of 153.7Mt at 0.8% vanadium pentoxide (**V_2O_5**) and comprises the Gabanintha deposit and the Yarrabubba deposit. The integrated processing facility and other key non-processing infrastructure will be located at the Gabanintha hub.

As part of our decarbonisation strategy, the MTMP will be powered by natural gas, a cleaner source of fuel compared to those used by our peers, coupled with renewable energy generation involving solar farm array with scope for vanadium battery energy storage.




PORT HEDLAND
KARRATHA
NEWMAN
CARNARVON
MURCHISON TECHNOLOGY METALS PROJECT
MEEKATHARRA
LEINSTER
LEONORA
GERALDTON
KALGOORLIE
PERTH
Railway
Gas Pipeline
Proposed Gas Pipeline
Major Road
Port

CHAIRMAN'S LETTER



Dear fellow shareholder,

It is with pleasure that we present you with the 2023 Annual Report for Technology Metals Australia Limited. This year has seen us make meaningful progress in the early important activities required for the development of the Murchison Technology Metals Project (**MTMP**).

Strong recognition of vanadium as a battery metal with long duration energy storage capabilities continues to be demonstrated by its inclusion in the Critical Minerals list in the EU, USA, India, Japan, and Australia. During the last 12 months, we have not only witnessed significant large-scale vanadium battery projects being implemented internationally, such as the 100 MW Dalian Rongke Power Vanadium Battery installation in Dalian, China, but also in Australia, with the 2MW/8MWh vanadium battery at the Yadlamalka Energy Project in South Australia entering commissioning phase and Energy Queensland planning a 250 kW/750 kWh vanadium battery as part of its CopperString 2032 project across South-East Queensland. Without a doubt, vanadium's time is here and in Australia we are poised to be a driving force in the production and supply of this important metal.

This year has been one of intense activity as we move forward with permitting and approvals and front-end engineering design (**FEED**). We have been collaborating positively with the Traditional Owners, the Yugunga-Nya People, with a series of community consultation meetings over this reporting period to ensure we understand their viewpoints and undertake project development respectfully. The Integrated Project Team, comprising the TMT project team and our key project partners, are working closely on early materials planning, site establishment work streams, and schedule interfaces.

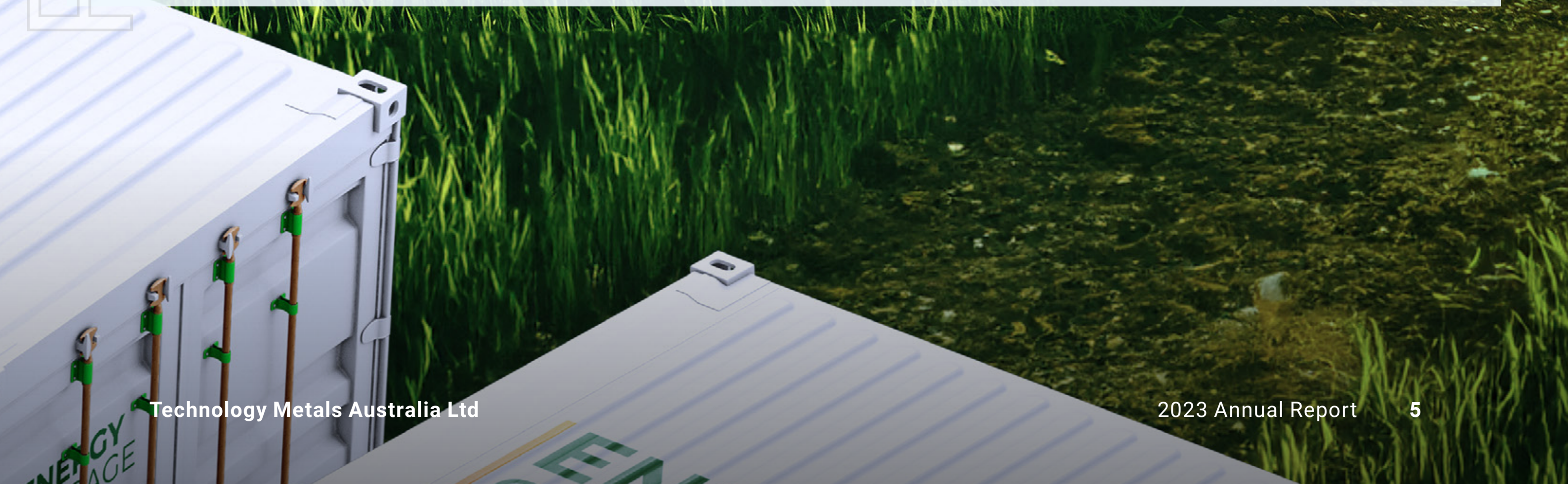
We have established key commercial relationships with quality partners in both the steel and battery sectors, including India's largest steelmaker Tata Steel and fast-growing vanadium battery manufacturer Delectrik Systems, and extended our strong relationship with Japan's innovative vanadium electrolyte developer LE System. In collaboration with LE System and as part of our downstream "ore to electrolyte strategy", we have successfully produced battery grade vanadium electrolyte from MTMP feedstock that meets the specifications of major vanadium battery manufacturers.

Subsequent to year end, the Board of Technology Metals made a unanimous recommendation to merge with our project neighbour Australian Vanadium Limited (**AVL**), via a proposed Scheme of Arrangement. We believe that consolidation of two adjoining projects on the same orebody will drive synergies, optimise mine development pathways and capital costs, and increase access to government, export credit agencies, and private sector financing.

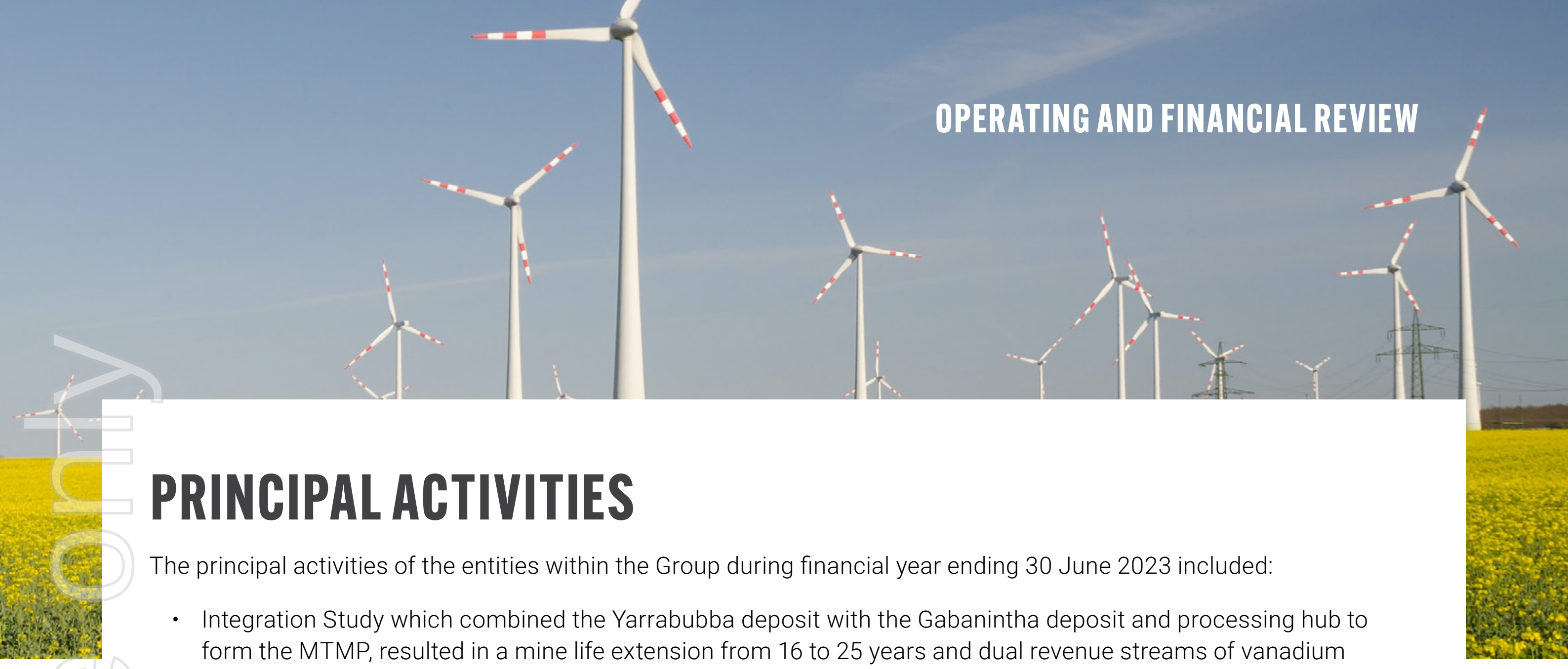
An Integration Team with members from both TMT and AVL will commence work on developing the integrated project optimisation strategy which aims to bring together the best attributes of each project and will leverage the combined expertise of both companies. The permitting and FEED workstreams that the Company has undertaken to date will be consolidated with that of AVL, with the combined group well-positioned to meet the forecasted global demand for vanadium with our enhanced project economics, opportunities for mine expansion, and development of a domestic vanadium electrolyte industry that both companies have underway.

We expect the vanadium market to exhibit strong buoyancy, driven by the increasing adoption of vanadium batteries as a long duration energy storage solution. It is exciting times ahead for the Australian vanadium sector and we look forward to having our shareholders continue the journey with us.

Michael Fry
Chairman



OPERATING AND FINANCIAL REVIEW



PRINCIPAL ACTIVITIES

The principal activities of the entities within the Group during financial year ending 30 June 2023 included:

- Integration Study which combined the Yarrabubba deposit with the Gabanintha deposit and processing hub to form the MTMP, resulted in a mine life extension from 16 to 25 years and dual revenue streams of vanadium pentoxide and ilmenite (over 7 of the first 9 years).
- Implementation and construction readiness activities associated with the development of the MTMP, including permitting and approvals, front-end engineering and design, commercial competitive tendering, product marketing and engagement with potential customers, and progression of financing.
- Advancement of the "Ore to Electrolyte" strategy through wholly owned subsidiary vLYTE with the successful production of vanadium electrolyte from MTMP feedstock and progression of the vanadium electrolyte feasibility study.

INTEGRATION STUDY

The Integration Study released in the September quarter was an important milestone in the Company's activities this financial year which facilitated the progression of the integrated MTMP into the Implementation Phase. The aim of the study was to merge the high-grade Yarrabubba deposit into the overall MTMP mine plan.

Drilling and metallurgical test work confirmed that ore from the Yarrabubba deposit is suitable for processing at the Gabanintha processing plant and will also produce an ilmenite by-product. The higher vanadium in concentrate grades (1.61% V_2O_5), excellent recoveries and the ilmenite by-product revenue from Yarrabubba was expected to materially enhance the economic metrics in the early years of the project, lowering the development risk on the MTMP. The mine life has been extended from 16 to 25 years based on an ore reserve estimate of 44.5Mt @ 0.89% V_2O_5, with higher vanadium in concentrate grade Yarrabubba ore.

The Integration Study confirmed that the MTMP will be a long term, low-cost stable producer of high purity vanadium, a critical mineral with a vital role to play in the efficient and effective deployment of renewable energy and reduction of emissions.

UPGRADED MINERAL RESOURCE ESTIMATE

In November 2022, the Company announced an upgrade to the Global MRE for the MTMP. The updated Global MRE of 153.7Mt at 0.8% V_2O_5, a 5% increase on the previous Global MRE, includes a maiden Measured MRE for Yarrabubba of 5.9Mt at 1.0% V_2O_5 and 11.2% TiO2 within a Global Measured and Indicated component of 63.2Mt at 0.9% V_2O_5, a 26% increase on the previous MRE. The Global Measured MRE of 12.1Mt at 1.0% V_2O_5 is expected to support significant growth in the Proven Ore Reserve component of the MTMP.

Yarrabubba is expected to be the initial ore feed source for the MTMP, delivering higher vanadium in concentrate grades (1.61% V_2O_5), excellent recoveries and the highly sought-after ilmenite by-product, providing significant benefits for the economics of the Project and materially lowering the development risk. Conversion of a portion of the shallow transitional material at Yarrabubba to the higher confidence Indicated category is expected to deliver positive impacts for the Ore Reserve estimate and Project economics.

The upgraded Global MTMP MRE combined with additional data on the geotechnical parameters of the proposed open pit walls at both Gabanintha and Yarrabubba is being used to update the Project's open pit mine designs, completion of mine schedule optimisation work and ultimately generate an updated Global Proven and Probable Ore Reserve estimate for the MTMP.

IMPLEMENTATION PHASE ACTIVITIES

PERMITTING AND APPROVALS

The Company continued to work collaboratively with the WA Environmental Protection Authority (**EPA**) on the environmental approval processes. In the June quarter, Company representatives hosted the EPA and Department of Water and Environmental Regulation (**DWER**) EPA Services team on the MTMP site, providing the EPA with invaluable insight into the environmental factors relating to the Project.

Post this reporting period, an updated Environmental Review Document (**ERD**) was submitted to the EPA, addressing the EPA's queries and feedback from government and non-government stakeholders on the previous versions of the ERD.

HERITAGE AND NATIVE TITLE

The Yugunga-Nya (**YN**) People, represented by the Yugunga-Nya Native Title Aboriginal Corporation (**YN PBC**), hold non-exclusive native title over lands including the MTMP area. Technology Metals has maintained a respectful and constructive working relationship with the YN People and the YN PBC to enable informed consultation and engagement regarding the proposed development of the MTMP.

During the reporting period, the Company held a series of community information sessions and consultation meetings with the YN People and the YN PBC regarding the opportunities and impacts of the proposed development. Negotiation meetings were also held to inform the drafting of the Project Native Title Agreement.

Post this reporting period, on-country cultural heritage consultations and field work to inform the drafting of the Cultural Heritage Management Plan (**CHMP**) were undertaken as a part of the Company's traditional owner engagement.

Site visits and consultation meetings are an important part of ensuring that the YN People are engaged in Technology Metals' proposed plans, participate in planning activities, receive updates from the Company, and have an avenue for communicating with the Company.

FRONT-END ENGINEERING AND DESIGN

During this financial year, the Company completed a commercial competitive tender process for the MTMP processing plant and key non-process infrastructure. In the March quarter, the Company announced the engagement of key project partners GR Engineering Services Limited (ASX: GNG) (**GRES**) and Iron Mine Contracting (**IMC**) to progress front-end engineering and design and construction readiness workstreams, working alongside FLSmidth, the key equipment supplier for the MTMP processing plant.

FLSmidth has been partnering with Technology Metals since early 2018, from salt roast leach testwork, to the more recent Front-End Engineering and Design (**FEED**) for the pyro processing technology and major equipment selection reviews for the concentrator and leach circuit.

EIFO, Denmark's Export Credit Agency has provided the Company with a Letter of Interest of financing support of A$150 million based on expected Danish content from the involvement of FLSmidth as a key equipment supplier to the MTMP.

The MTMP project team and the GRES, IMC, and FLSmidth partners together form the Integrated Project Team, and has progressed detailed construction planning, schedule definition and site establishment work streams this financial year. Cost estimates, engineering design and development schedules from the Integrated Project Team's activities will form the basis of commercial pricing for contract formation for construction activities.

INFRASTRUCTURE

Post-reporting period, the Company announced that it has executed a Road Access and Maintenance Deed Agreement with the Shire of Meekatharra (**Shire**), providing a framework for Technology Metals' use and maintenance of the key public roads required to enable access to and from the MTMP over the proposed life of the operation. This agreement is an important component of the Company's community engagement with respect to the ongoing safe and reliable use of this shared infrastructure.

The Company has a strong working relationship with the Shire and continues to work collaboratively with Shire and local community stakeholders, providing relevant and regular updates on our proposed development activities.

The Company continued to participate in constructive discussions with the Mid West Port Authority on the use of the Port of Geraldton (**the Port**) for the import and export of goods and product. The Company intends to import reagents required for processing and export the Company's ilmenite product via the Port. The discussions are currently conducted under the Joint Cooperation Agreement (**JCA**). In anticipation of the operations commencing at the MTMP, the Company seeks to progress to a Port Access and Service Agreement (**Port Agreement**) in due course, which will contemplate Port access, berth capacity reservations, Port services relating to the handling, loading, and unloading of reagent and product, and other ship services.

Company representatives attended the official opening of APA Group Limited's (**APA**) Northern Goldfields Interconnect (**NGI**) gas pipeline post the reporting period. The Company executed the Early Works Agreement (**EWA**) with APA in June 2022 for activities associated with the proposed Gabanintha Gas Pipeline (**Proposed Pipeline**), which will be a spur pipeline off the NGI. The works to be completed by APA under the EWA include undertaking the required survey and stakeholder engagement activities to support confirmation of the proposed pipeline route, required licence and permitting, with engineering and design activities to support the preparation of procurement processes for the identified long lead items

The Proposed Pipeline is designed to come from a point to the east of Mount Magnet as a spur off the NGI. The NGI will provide better access to existing and new natural gas production regions and gas storage infrastructure, especially in the emerging Perth Basin; and further support mining and industrial development in the Mid-West and Goldfields regions, with the MTMP being a user of this important development. The completion of the NGI is an important external milestone for the Company as it will now enable early fieldworks for the Proposed Pipeline to commence.

PROGRESSION OF FINANCING

The Company continued to engage with a range of prospective debt financiers and government sovereign funds and export credit agencies during the reporting period. In the March quarter, the Company received a Letter of Interest from the Export and Investment Fund of Denmark (**EIFO**), previously EKF, Denmark's export credit agency, with regard to potential financing support of up to A$150 million based on expected Danish content from the involvement of FLSmidth as a key equipment supplier of the MTMP. EIFO supports Danish exporters in their exports around the world, financing a significant number of transactions and projects over the years, and have had extensive and positive experience with FLSmidth. As the Danish export credit agency, financing support from EIFO is backed by the Danish state and as such can be considered to carry a AAA rating.

EIFO's participation requirements, as specified in the Letter of Interest, include sufficient Danish economic interest, acceptable credit risk in the opinion of EIFO, compliance of the transaction with OECD Arrangement on Officially Supported Export Credits, completion of normal and customary project due diligence, including but not limited to environmental and social matters, and satisfactory documentation and security package. The Company continues to hold discussions and provide project updates to EIFO on a regular basis throughout this financial year and will continue to collaborate with a view to finalising financing arrangements with EIFO in line with the Company's debt funding strategy.

An Independent Technical Expert (**ITE**) was appointed in the June quarter to undertake a comprehensive due diligence review of the MTMP, covering geology, resource estimation, mining and reserves, metallurgy and process engineering, project infrastructure, capital and operating costs, scheduling, material contracts and proposed labour requirements, and ESG and regulatory compliance matters. The ITE's independent report will form an important element of the due diligence program being undertaken by the prospective debt financiers engaged in the MTMP financing process.

PRODUCT MARKETING AND OFFTAKE DISCUSSIONS

TATA STEEL LIMITED

The Company continues to make significant progress during this financial year with customer engagement and product marketing with industry participants in both the steel and vanadium battery sectors. During the December quarter, a Memorandum of Understanding (**MOU**) was executed with Tata Steel Limited, one of the world's largest steel manufacturing companies headquartered in India. Part of the global Tata Group, Tata Steel has a consolidated turnover of US$32,836 million in FY22 and is the 10th largest steel producer in the world with an annual crude steel production capacity of 34Mtpa.

Under this MOU, the parties will undertake discussions on the technical requirements for downstream vanadium processing in India and Australia, potential commercial collaboration in the MTMP and downstream production facilities, supply of vanadium pentoxide and other downstream vanadium products and potential investment by Tata Steel into Technology Metals and/or the MTMP. Offtake discussions cover the potential supply of vanadium pentoxide from the MTMP for production of ferrovanadium and vanadium nitride.

The MOU is effective for five years and during this financial year, a number of constructive discussions were held. The Company will continue to advance these discussions with Tata Steel in parallel with the development of the MTMP.

DELECTRIK SYSTEMS PVT. LTD.

In the June quarter, the Company together with vLYTE executed an MOU with Delectrik Systems, a fast-growing vanadium redox flow battery manufacturer based in Gurgaon, India that produces its own vanadium electrolyte as well as designs and manufactures vanadium battery systems ranging from kW to MW scale. Delectrik is commercially selling its vanadium battery systems in India, USA, Australia, Western Europe, and the Middle East.

The market growth of Delectrik's vanadium battery installation will require substantial volumes of vanadium electrolyte. The MOU therefore contemplates the supply of vanadium products directly from the MTMP to Delectrik, and the supply of vanadium electrolyte by vLYTE to Delectrik within Australia using vanadium from the MTMP. Specific volumes to be supplied are the subject of ongoing discussions which will continue to occur over the development timeline.

LE SYSTEM CO., LTD

The partnership with LE System Co., Ltd remains strong and collaborative since its commencement in March 2021. During this financial year, the LE System team from Japan visited Perth and Meekatharra, WA and Company representatives visited LE System's electrolyte production facility in Namie, Fukushima, and the VRFB laboratory in Tokyo, Japan.

A key milestone this financial year is the successful production of high-quality vanadium electrolyte utilising feedstock from the MTMP, which was completed by LE System at its Tsukuba Technical Centre, in Ibaraki, Japan. This a component of the feasibility study Technology Metals is undertaking through vLYTE to progress the Company's downstream vanadium electrolyte production capacity in Australia, with LE System providing technical support for the feasibility study from its knowledge, expertise, and experience from operating its own vanadium electrolyte plant in Japan.

The vanadium electrolyte produced by LE System has been subject to an initial series of mini-cell short-term performance tests examining aspects including the charge and discharge at cell, and the electrolyte flow rate to understand the current, power, and voltage efficiency. The Company's vanadium electrolyte demonstrated very positive results from this initial testwork, including high power efficiency, and compares favourably to electrolyte produced from other vanadium feedstock. In particular, analysis of the electrolyte confirmed that it meets the quality specifications of major vanadium battery manufacturers.

The partnership with LE System continues to move forward in terms of technical collaboration and joint assessment on the opportunities to establish vanadium electrolyte production facilities in Australia utilising LE System's proprietary technology.

PROGRESSING THE ORE TO ELECTROLYTE STRATEGY

During this financial year, the Company and its wholly owned subsidiary vLYTE, continued to progress the downstream feasibility study to produce vanadium electrolyte in Australia using low cost, high purity vanadium produced from the MTMP. The Company continues to investigate the manufacture of vanadium electrolyte in Australia, including testwork to optimise the processing pathway for electrolyte, consideration of potential facility locations, and the generation of commercial vanadium electrolyte samples for global vanadium battery manufacturers.

The Company continues to engage with multiple vanadium battery manufacturers and vanadium electrolyte manufacturers to understand the requirements of the industry, especially the exacting quality specifications required to power vanadium batteries.

As part of the ore to electrolyte strategy and to enhance our understanding of vanadium electrolyte quality specifications, in the September quarter the Company joined the Government-backed Future Battery Industries Cooperative Research Centre (FBICRC) as a key investor in the Development of Electrolytes Project. This Project has been established by the FBICRC to optimise electrolyte performance within vanadium batteries. The Company as a major participant in the Project has committed a cash contribution, access to our technical team, and provision of material including magnetite concentrate and vanadium pentoxide from the MTMP. The Project will run over three years with set milestones.

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FORWARD PLAN

Technology Metals is committed to the development of a new vanadium mining and downstream processing operation in Western Australia. On 25 September 2023, the Company announced that it had entered into a binding Scheme Implementation Deed with Australian Vanadium Limited (**AVL**) under which the two companies propose to merge via a scheme of arrangement (Scheme), subject to the satisfaction of certain conditions. The proposed transaction will consolidate the ownership of one contiguous orebody and provide enhanced project economics and material synergies. Any further forward look remains subject to the successful completion of the Scheme.

OPERATING RESULTS FOR THE YEAR AND FINANCIAL REVIEW

The net loss after income tax for the year ended 30 June 2023 was $1,934,000 (2022: net loss of $2,517,000).

The Group's income increased to $188,000 (2022: $45,000) primarily due to an increase in interest income earned which was a factor of both increased rates and a higher average cash balance.

Expenses decreased to $2,122,000 (2022: $2,562,000) as a result of a reversal of share-based payments expense recognised in prior periods reflecting management's assessment at balance date that it is unlikely the vesting conditions will be met on the outstanding classes of options and performance rights. Excluding share-based payments, total other expenses increased due to higher employee numbers, related occupancy costs and corporate travel and consultancy expenditure as the Group prepared to move into the next phase of its evolution.

The Group made a voluntary change to how it accounts for the cash received from the Research and Development Tax Incentive (**R&DTI**) refund. Prior to this change in policy, the Group recognised refundable R&DTI as a current income tax benefit in the consolidated statement of comprehensive income. Following the change in policy, the Group now nets the R&DTI received in relation to exploration activities against the related exploration and evaluation assets.

The directors believe that this change in policy will result in more relevant and no less reliable information as the policy is more transparent and is more closely aligned with the accounting policies adopted by comparable companies. The change in policy will therefore assist users of the financial statements in gaining a clear understanding of the Group's financial position. Prior period financial information has been restated as disclosed in Note 18.

Deferred exploration and evaluation expenditure increased to $38,145,000 (2022: $29,344,000) reflecting costs incurred to complete the MTMP Integration Study in August 2022, and progress through the Implementation Study phase.

Net assets increased to $55,843,000 (2022: $47,389,000) reflecting equity funds received, net of costs, during the year of $11,412,000 (2022: $20,591,000) offset by the net loss for the year.

As at 30 June 2023, the Group had $16,464,000 (2022: $18,600,000) of cash and cash equivalents with no debt.

SUSTAINABILITY

Embedding Environmental, Social and Governance (**ESG**) philosophy into the Company's approach to the implementation, construction, and operation of the Murchison Technology Metals Project is paramount to the Company and the Project's success. ESG is not an afterthought at Technology Metals, but rather the driving force: given Vanadium's significant role in the global energy transition, the Company's goal is to ensure our products are delivered with due consideration to the environment and the community, and under exceptional corporate stewardship.

This year, the Company has articulated our Corporate Values, which will guide our Board and our people as we move forward on the development of the MTMP. The Company continues to mature in its ESG strategy and action plans, starting with a gap analysis against well-regarded international frameworks including the International Finance Corporation's (**IFC**) Performance Standards on Environmental and Social Sustainability, as well as the Equator Principles (**EP4**). These are frameworks used by government funding agencies, commercial banks, and strategic and institutional financiers in their assessment of projects for funding support.

Our ESG action plans include internal data collection which will assist the Company in tracking and measuring performance against the material risks we have identified. We look forward to sharing the full scope of Technology Metals' ESG performance in the Company's maiden sustainability report, which will look to align with the International Sustainability Standards Board's (**ISSB**) IFRS Sustainability Disclosure Standards, the SASB Standards Board's Sustainability Accounting Standard for Metals and Mining (**SASB**), and the Global Reporting Initiative's (**GRI**) Sustainability Reporting Standards.

DECARBONISATION STRATEGY

During this reporting period, the Company continues to evaluate pathways towards decarbonisation at the MTMP. Technology Metals is committed to understanding and mitigating real and potential climate change risks, implementing emissions reduction initiatives in line with the goals of the Paris Agreement, making improvements to our energy efficiency and consumption where we identify potential savings, and measuring and reporting our emissions transparently and in a timely manner.

The emissions reduction approach will be informed by best practice with consideration to a range of technology options, cost, and feasibility.

CORPORATE GOVERNANCE

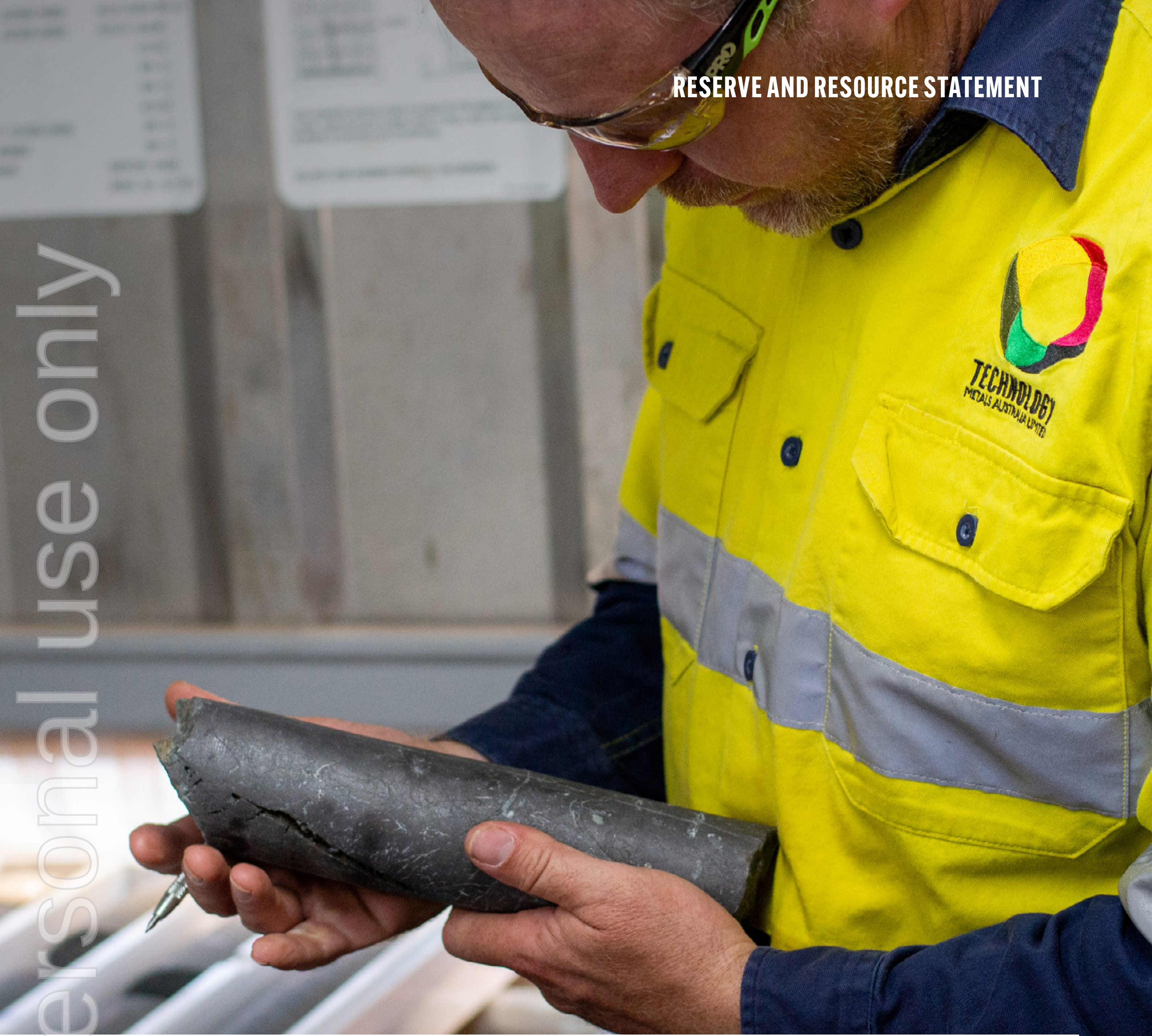
Over the last 12 months, the Company conducted a comprehensive review of our company policies, updating many of the governance practices and enhancing our commitment to the environment, the community, and to strong ethics and compliance standards. Particular attention has been paid to policies addressing sustainable contribution to the community through employment, contracting, and training opportunities, as well as community support initiatives and programs, which are demonstrated in the Company's Community Policy, Local Employment Policy, and Local Procurement Policy.

The mining and resources industry as a whole has been focussed over the last few years on work health and safety practices and especially on acceptable and respectful workplace behaviours. The Company is committed to its duty of care to all personnel and stakeholders and their physical and psychological safety and wellbeing and has been following developments of industry best practices. To that end, this year the Company has refined our Work Health and Safety Policy and also introduced the Bullying and Harassment Policy.

In line with the Company's values and commitment to environmental stewardship and decarbonisation, the Company also has in place our ESG Policy, Environment Policy, and Climate Change and Emissions Policy to ensure we continue to manage our operational activities in a sustainable manner and minimise adverse impacts to the environment and the communities in which we operate.

The Company will continue to review and strengthen our suite of company policies and procedures as we mature and move towards the development of the MTMP.

RESERVE AND RESOURCE STATEMENT



The Company reviews and reports its Ore Reserves and Mineral Resources at least annually. The date of reporting is 30 June each year, to coincide with the Company's end of financial year balance date. If there are any material changes to the Ore Reserves and Mineral Resource estimates for the Company's mining projects over the course of the year, the Company is required to report these changes.

MURCHISON TECHNOLOGY METALS PROJECT (MTMP)

The MTMP comprises the Gabanintha and Yarrabubba deposits.

MURCHISON TECHNOLOGY METALS PROJECT - MINERAL RESOURCE ESTIMATE

The Company reported its maiden Mineral Resource Estimate for the Murchison Technology Metals Project on 13 June 2017. The Company has since updated the Mineral Resource estimates for the Project on 18 December 2017, 7 March 2018, 29 March 2019, 1 July 2020, 10 November 2021 and 7 November 2022.

Classification	Material	Mt	V_2O_5 %	Fe %	Al_2O_3 %	SiO_2 %	TiO_2 %	LOI %	P %	S %
Measured (Yarrabubba)	Massive	4.4	1.1	48.1	5.5	7.3	12.4	-0.4	0.01	0.3
	Disseminated	1.5	0.6	30.0	10.8	23.4	7.7	2.5	0.01	0.2
Measured (Gabanintha)	Massive	5.1	1.1	46.9	5.7	8.4	12.1	-0.2	0.01	0.3
	Disseminated	1.1	0.8	36.4	7.9	19.6	9.0	0.5	0.01	0.2
Measured	**Massive + Disseminated**	**12.1**	**1.0**	**44.3**	**6.5**	**10.9**	**11.4**	**0.1**	**0.01**	**0.2**
Indicated (Yarrabubba)	Massive	8.0	1.1	48.1	5.4	7.1	12.5	0.0	0.01	0.3
	Disseminated	6.9	0.6	28.4	12.5	25.2	7.2	2.6	0.02	0.3
Indicated (Gabanintha)	Massive	19.5	1.1	48.9	5.2	6.2	12.8	-0.1	0.01	0.2
	Disseminated	16.7	0.6	27.3	13.3	26.7	7.0	3.0	0.03	0.2
Indicated	**Massive + Disseminated**	**51.2**	**0.9**	**39.0**	**8.9**	**15.6**	**10.1**	**1.3**	**0.02**	**0.2**
Measured plus Indicated	Massive + Disseminated	63.2	0.9	40.0	8.4	14.7	10.4	1.1	0.02	0.2
Inferred (Yarrabubba)	Massive	5.7	1.1	47.4	5.6	7.8	12.3	0.1	0.01	0.3
	Disseminated	11.4	0.6	27.9	12.6	25.8	7.2	2.0	0.02	0.4
Inferred (Gabanintha)	Massive	36.5	1.1	46.7	3.0	8.3	12.3	0.4	0.01	0.2
	Disseminated	36.9	0.5	26.6	12.9	27.6	6.9	3.4	0.03	0.3
Inferred	**Massive + Disseminated**	**90.5**	**0.8**	**36.2**	**9.6**	**18.3**	**9.5**	**1.8**	**0.02**	**0.2**
Total	Massive + Disseminated	153.7	0.8	37.7	9.1	16.8	9.8	1.5	0.02	0.2

***Notes:**

- Mineral Resources are reported in accordance with the JORC Code (2012 Edition).
- Mineral Resources were estimated within constraining wireframe solids using a nominal 0.9% V_2O_5 lower cut-off grade for the massive magnetite zones and using a nominal 0.4% V_2O_5% lower cut-off grade for the banded and disseminated mineralisation zones.
- Mineral Resources are quoted from all classified blocks within the wireframe solids above a lower cut-off grade of 0.4% V_2O_5.
- Differences may occur due to rounding. Yarrabubba Measured and Indicated Mineral Resources are reported above an open pit optimised pit shell. Inferred Mineral Resources are reported to a lower RL limit of 250 mRL. Gabanintha Measured and Indicated Mineral Resources are reported above a lower RL limit of 240 to 280 mRL that approximates the Ore Reserve pit shells. Inferred Mineral Resources are reported to a lower RL limit of 170 mRL

MURCHISON TECHNOLOGY METALS PROJECT - ORE RESERVE

The Company reported its maiden Ore Reserve estimate for the Murchison Technology Metals Project on 21 June 2018 as part of the Gabanintha Vanadium Project definitive feasibility study. The Company has since updated the Ore Reserve on 16 September 2020 and most recently on finalisation of the Integration Study bringing together Gabanintha and Yarrabubba as the MTMP on 5 August 2022.

Deposit	Ex-Pit Ore				Magnetic Conc.		Non-Magnetic Conc.		Rec. V_2O_5	Rec. Ilmenite	Waste	Total
	Mt	V_2O_5%	TiO_2%	Mass Yield	Mt	V_2O_5%	Mt	TiO_2%	M lb	kt	Mt	Mt
Yarrabubba Probable	15.88	0.87%	10.0%	44.4%	7.04	1.61%	8.84	12.35%	202.7	1,132.6	110.10	125.98
Yarrabubba Total	**15.88**	**0.87%**	**10.0%**	**44.4%**	**7.04**	**1.61%**	**8.84**	**12.35%**	**202.7**	**1,132.6**	**110.10**	**125.98**
Gabanintha Proven	1.12	0.95%	-	69.8%	0.78	1.30%0	-	-	18.1	-	154.48	183.08
Gabanintha Probable	27.48	0.90%	-	57.1%	15.69	1.31%	-	-	369.4	-		
Gabanintha Total	**28.60**	**0.91%**	**10.7%**	**57.6%**	**16.47**	**1.31%**	**-**	**-**	**387.5**	**-**	**154.48**	**183.08**
Total	44.48	0.89%	10.5%	52.9%	23.52	1.40%	8.84	12.35%	590.3	1,132.6	264.58	309.06

GOVERNANCE ARRANGEMENTS AND INTERNAL CONTROLS

The Company has ensured that the Ore Reserve and Mineral Resources quoted are subject to thorough governance arrangements and internal controls.

The Ore Reserve for the MTMP was prepared by Mr Ross Cheyne of independent mining consulting group, Orelogy, with metallurgical and process engineering input provided by Mr Brett Morgan, a full-time employee of the Company.

The Mineral Resource estimate for the MTMP was prepared by Mr Matthew Clark of independent specialist resource and mining consulting group, CSA Global. Exploration Results are compiled by Mr John McDougall, the Company's Exploration manager.

The Company's reporting governance for Ore Reserve and Mineral Resource estimates consists of several assurance measures, including:

- Peer review by external consultants and senior technical staff before being presented to the Company's Board for approval and subsequent reporting.
- The Competent Persons responsible for the estimates are current members of professional organisations recognised by the JORC Code:
  - Mr McDougall is a Member in good standing of the Australian Institute of Geoscientists. Mr Cheyne, Mr Morgan and Mr Clark, are Members/ Fellows in good standing of the Australian Institute of Mining and Metallurgy. All individuals have sufficient relevant experience 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.
  - Refer to page 20 for a detailed Competent Persons' Statement.
- The Company has received supporting documentation for the estimates to a level consistent with standard industry practice.

COMPETENT PERSONS' AND CAUTIONARY STATEMENTS

COMPETENT PERSONS' STATEMENT

The information in this report that relates to Exploration Results are based on information compiled by Mr John McDougall. Mr McDougall is the Company's Exploration Manager and a member of the Australian Institute of Geoscientists. Mr McDougall has sufficient experience relevant to the styles of mineralisation and types of deposits which are covered in this report and to the activity which they are 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' (JORC Code). Mr McDougall consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

The information in this report that relates to Mineral Resources is based on information compiled by Mr Matthew Clark. Mr Clark is a Senior Resource Geologist of CSA Global Pty Ltd and is a Member of the Australasian Institute of Mining and Metallurgy. Mr Clark has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as Competent Person as defined in the 2012 Edition of the Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code). Mr Clark consents to the disclosure of the information in this announcement in the form and context in which it appears.

The information that relates to Ore Reserves is based on information compiled by Mr Ross Cheyne of Orelogy who takes overall responsibility for the Report as Competent Person. Mr Cheyne is a Fellow of The Australasian Institute of Mining and Metallurgy and has sufficient experience, which is relevant to the style of mineralisation and type of deposit under consideration, and to the activity he is undertaking, to qualify as Competent Person in terms of the JORC (2012 Edition). The Competent Person, Ross Cheyne has reviewed the Ore Reserve statement and given permission for the publication of this information in the form and context within which it appears.

The information in this report that relates to the Processing and Metallurgy for the Murchison Technology Metals project is based on and fairly represents, information and supporting documentation compiled by Mr Brett Morgan, a full-time employee of Technology Metals Australia. Mr Morgan is a Member of The Australasian Institute of Mining and Metallurgy and has sufficient experience, which is relevant to the style of mineralisation and type of deposit under consideration, and to the activity he is undertaking, to qualify as Competent Person in terms of the JORC (2012 Edition). The Competent Person, Brett Morgan consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

FORWARD-LOOKING STATEMENTS

This document includes forward-looking statements. Forward-looking statements include, but are not limited to, statements concerning Technology Metal Australia Limited's planned exploration programs, corporate activities and any, and all, statements that are not historical facts. When used in this document, words such as "could," "plan," "estimate," "expect," "intend," "may", "potential," "should" and similar expressions are forward-looking statements. Technology Metal Australia Limited believes that it has a reasonable basis for its forward-looking statements; however, forward-looking statements involve risks and uncertainties, and no assurance can be given that actual future results will be consistent with these forward-looking statements. All figures presented in this document are unaudited and this document does not contain any forecasts of profitability or loss.

TENEMENT SCHEDULE

(As at 15 September 2023)

Located in Western Australia

Project	Tenement Number	Registered Holder	Nature of Interests
Murchison Technology Metals Project	E51/1818	The Kop Ventures Pty Ltd	100%
	E51/1510	The Kop Ventures Pty Ltd	100%
	G51/29	The Kop Ventures Pty Ltd	100%
	G51/30	The Kop Ventures Pty Ltd	100%
	G51/31	The Kop Ventures Pty Ltd	100%
	L51/101	The Kop Ventures Pty Ltd	100%
	L51/102	The Kop Ventures Pty Ltd	100%
	L51/117	The Kop Ventures Pty Ltd	100%
	L51/121	The Kop Ventures Pty Ltd	100%
	M51/883	The Kop Ventures Pty Ltd	100%
	M51/884	The Kop Ventures Pty Ltd	100%
	P51/2930	The Kop Ventures Pty Ltd	100%
	P51/3140	The Kop Ventures Pty Ltd	100%
	E51/2056	The Kop Ventures Pty Ltd	100% - Application
	E51/2117	The Kop Ventures Pty Ltd	100% - Application
	G51/32	The Kop Ventures Pty Ltd	100% - Application
	G51/34	The Kop Ventures Pty Ltd	100% - Application
	L51/123	The Kop Ventures Pty Ltd	100% - Application
	L51/125	The Kop Ventures Pty Ltd	100% - Application
	L51/128	The Kop Ventures Pty Ltd	100% - Application
	L51/129	The Kop Ventures Pty Ltd	100% - Application
	L51/134	The Kop Ventures Pty Ltd	100% - Application

DIRECTORS' REPORT

The directors present their report together with the consolidated financial statements of Technology Metals Australia Limited (**Technology Metals** or the **Company**) and its controlled entities (collectively, the **Group**) for the financial year ended 30 June 2023.

DIRECTORS

The directors of the Company in office since 1 July 2022 and up to the date of this report are as follows. Directors were in office for the entire period unless otherwise stated.

MR MICHAEL FRY

INDEPENDENT NON-EXECUTIVE CHAIRMAN

Mr Fry holds a Bachelor of Commerce degree from the University of Western Australia, is a Fellow of the Financial Services Institute of Australasia, and is a past member of the Australian Securities Exchange. Mr Fry has extensive corporate and commercial experience, financial and capital market knowledge and a background in corporate treasury management.

Mr Fry is currently non-executive chairman of ASX-listed Brookside Energy Limited and, during the past 3 years, has not served as a director of any other ASX listed company.

MR IAN PRENTICE

MANAGING DIRECTOR

Mr Prentice has extensive global resource industry and equity capital markets experience, with a proven track record of high-quality corporate management and technical excellence. His broad ranging 30 year-plus career extends from exploration and operational roles across a variety of commodities to the listing and management of ASX-listed resource companies. Mr Prentice has served as a director for a number of ASX-listed resource companies, with activities ranging from exploration and project acquisition in Asia and Africa through to gold production in Australia. Mr Prentice has broad experience in identifying and reviewing resource projects for potential acquisition. Mr Prentice is a Member of the Australasian Institute of Mining and Metallurgy and holds a Bachelor of Science (Geology) from the University of Western Australia.

During the past 3 years, Mr Prentice has not served as a director of any other ASX listed company.

DR CARMEN LETTON

INDEPENDENT NON-EXECUTIVE DIRECTOR,
APPOINTED 10 AUGUST 2022

Dr Letton is a mining engineer and mineral economist with 35 years of global mining experience and a diverse background in senior leadership roles in operations, business improvement and operational excellence. More recently focused on corporate and asset strategy development, she has extensive technical expertise in open pit and underground mines across multiple commodities and the many stages of asset development. Dr Letton was most recently the Head of Resource Development and Life of Asset Planning (Asset Strategy Development) at Anglo American, having previously worked at BHP Billiton, Rio Tinto, Newmont, Newcrest and a number of other international mining companies.

Dr Letton is currently a director of TSX-listed CanaGold Resources Ltd, and during the past 3 years, has also served as a director on the following ASX listed entities:

- Magnetite Mines Limited, non-executive director (January 2023 to present)

MS JOANNE GAINES

INDEPENDENT NON-EXECUTIVE DIRECTOR,
APPOINTED 15 JUNE 2023

Ms Gaines is an experienced, highly regarded leader and strategic policy director, having previously worked as the Deputy Chief of Staff to the Premier of Western Australia. She was a leader in the development of the WA Recovery Plan in response to the COVID-19 pandemic.

Prior to this position, Ms Gaines served as Branch Assistant Secretary for the Community and Public Sector Union/Civil Service Association for over 10 years.

Ms Gaines is a graduate of the Australian Institute of Company Directors and holds a Bachelor of Arts from the University of Western Australia and a Post Graduate Diploma in Occupational Health and Safety from Curtin University.

Ms Gaines is currently Chair of the Government Employees Superannuation Board (GESB) and a director of DevelopmentWA, and during the past 3 years, has also served as a director on the following ASX listed entities:

- Chalice Mining Limited, non-executive director (August 2022 to present)

MRS JACQUELINE MURRAY

INDEPENDENT NON-EXECUTIVE DIRECTOR,
RESIGNED 22 FEBRUARY 2023

Jacqueline Murray is a Partner at Resource Capital Funds (**RCF**) and has worked within the mining industry for over 20 years. Mrs Murray joined RCF in 2012 after working in business analysis and improvement roles with BHP Billiton. Prior to this she worked in various geotechnical engineering roles in underground and open pit operations within BHP Billiton and WMC Resources. Mrs Murray holds an MBA from Melbourne Business School and a Bachelor of Geological Engineering from RMIT University. She is a graduate of the Australian Institute of Company Directors and currently serves on the board of directors of Alliance Mining Commodities and Khoemacau Copper Mining.

MR SONU CHEEMA

COMPANY SECRETARY

Mr Cheema holds the position of Director for Cicero Group Pty Ltd and has over 12 years' experience working with public and private companies in Australia and abroad. Mr Cheema resigned as a non-executive director of the Company on 10 August 2022.

In the past 3 years, Mr Cheema also served as a director of the following ASX listed entities:

- Avira Resources Limited, non-executive director (March 2020 to present)
- Austin Metals Limited, non-executive director (May 2020 to present)

DIRECTORS' MEETINGS

The number of board meetings attended by each director during the year were as follows:

	Board Meetings	
Number of meetings held:	**11**	
	Attended	**Eligible to Attend**
Michael Fry	11	11
Ian Prentice	11	11
Carmen Letton	10	10
Joanne Gaines	1	1
Jacqueline Murray	6	6
Sonu Cheema	1	1

COMMITTEE MEMBERSHIP

As at the date of this report, the Company's board conducts the functions of the Audit and Risk Committee and Remuneration Committee due to the size of the Company and the nature of its operations.

DIRECTORS' INTERESTS IN THE SHARES AND OPTIONS OF THE COMPANY

As at the date of this report, the interests of the directors in the options of the Company were unchanged from the holdings as at 30 June 2023 as disclosed in the remuneration report. The directors' interests in the shares of the Company at the date of this report are set out in the table below.

	Fully paid ordinary shares
Ian Prentice	2,267,712
Michael Fry	1,000,000
Carmen Letton	-
Joanne Gaines	-

PRINCIPAL ACTIVITIES

The principal activities of the Group during financial year ending 30 June 2023 were:

- Mineral exploration and evaluation of the Murchison Technology Metals Project located 40km southeast of Meekatharra in the mid-west region of Western Australia with the aim to develop this project to supply high-quality vanadium pentoxide (V_2O_5) flake product to both the steel market and the emerging vanadium battery market; and
- Evaluating downstream processing opportunities, including vanadium electrolyte production from MTMP feedstock and development of large-scale vanadium battery applications.

BUSINESS STRATEGIES AND PROSPECTS FOR FUTURE FINANCIAL YEARS

The Company's vision is to be a leader in the Australian and international vanadium industry and a significant producer of vanadium pentoxide and associated downstream products, supplying the growing demand for critical metals that help the world to decarbonise.

Our mission is to develop and operate a world-class critical minerals project that makes a positive difference to the local community, minimises impacts on the environment and contributes to global decarbonisation.

To realise these goals, the Group has the following strategic objectives:

- De-risk development
- Develop our business and market
- Fund the strategy
- Focus on people and stakeholders

The Group's activities have inherent risk and the board is unable to provide certainty of the expected results of these activities, or than any or all of these likely activities will be achieved. The material business risks faced by the Group that could influence its future prospects, and how we manage these risks are outlined below.

DEVELOPMENT RISKS

As a result of the substantial expenditures and time involved in mine development projects, and the impact on those expenditures from high-inflation environment, mine developments are prone to material cost overruns, cost inflation, labour shortages and supply chain interruptions. The capital expenditures and time required to develop new mines are considerable and changes to cost or construction schedules can significantly increase both the time and capital required to build the project. Contracting arrangements will be entered into that limit the Company's exposure to schedule and cost overruns as far as practical.

VANADIUM PRICES AND FOREIGN EXCHANGE

The price of vanadium products and other commodities fluctuate and are affected by numerous factors beyond the control of the Company. Potential future production from the Company's mineral properties will be dependent upon the price of vanadium products and other commodities being adequate to make these properties economic. The Company plans to manage this risk exposure through executing binding offtake agreements with high quality partners across both the steel and electrolyte manufacturing industries across different jurisdictions.

Most of the planned development and operational activities are expected to be denominated in Australian dollars. Sales revenues are likely to be denominated in United States dollars. The Company will need to develop a Treasury policy that outlines acceptable foreign currency dealing practices to manage this risk.

ACCESS TO CAPITAL TO FUND CONSTRUCTION

Some of the key impacts of the current financial market turmoil caused by the COVID-19 pandemic, global geopolitical tensions and inflationary economic environments may result in contraction of credit markets resulting in a widening of credit risk, devaluations and high volatility in global equity, commodity, foreign exchange and precious metal markets, and a lack of market liquidity. Due to the current nature of the Company's activities, a slowdown in financial markets or other adverse changes in economic conditions my affect the Company's growth and ability to finance its activities. If these increased levels of volatility and market turmoil continue, there can be no assurance that access to sufficient debt capital or other types of financing will be available to fund construction or that, if available, the terms of such financing will be favourable to the Company. This may require the Company to delay the timing of the project until market conditions improve.

NATIVE TITLE AND ABORIGINAL CULTURAL HERITAGE

There are areas of the MTMP over which legitimate common law and/or statutory Native Title rights of Aboriginal Australians exist. Where Native Title rights do exist, the Company must obtain consent of the relevant landowner to progress the exploration, development and mining phases of its operations. Where there is an Aboriginal Site for the purposes of the Aboriginal Cultural Heritage legislation, the Company must obtain consents in accordance with the legislation. The Company is in the process of forming a Project Native Title Agreement with the Native Title Owners for the MTMP and establishing a framework for ongoing engagement and obtaining required consents for the continuity of works, but in the event that it is unable to obtain these consents, its activities may be adversely affected.

GOVERNMENT REGULATIONS AND APPROVALS

The development of the MTMP is subject to obtaining further key approvals from relevant government authorities. The Company has an approvals schedule and management team with significant experience in approvals required for mining projects in Western Australia. A delay or failure to obtain required permits may affect the Company's schedule or ability to develop the Project. Any material adverse changes in government policies or legislation in Western Australia and Australia that affects mining, processing, development and mineral exploration activities, export activities, income tax laws, royalty regulations, government subsidies and environmental issues may affect the viability and profitability of any planned development at the MTMP. No assurance can be given that new rules and regulations will not be enacted or that existing rules and regulations will not be applied in a manner which could adversely impact the Group's mineral properties.

IMPACT OF COVID-19

The COVID-19 pandemic has had an impact on individuals, communities and businesses globally. Employees at all levels of the business have changed the way they work and how they interact professionally and socially. Together with the various Government health measures, the Group implemented controls and requirements to protect the health and safety of its workforce, their families, local suppliers and neighbouring communities while ensuring a safe working environment.

No adjustments have been made to the Company's results as at 30 June 2023 for the impacts of COVID-19, however the scale and duration of the COVID-19 pandemic and possible future Government measures, vaccine rollout and their impact on the Company's operations and financial situation necessarily remains uncertain.

The Company continues to monitor Government advice in relation to COVID-19 to update existing protocols and ensure the ongoing maintenance of a safe environment for its employees, contractors, visitors and the communities in which we work.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

There have been no significant changes in the state of affairs other than those noted elsewhere in this financial report.

SIGNIFICANT EVENTS AFTER BALANCE DATE

On 25 September 2023, the Company announced that it had entered into a binding Scheme Implementation Deed with Australian Vanadium Limited (AVL) under which the two companies propose to merge via a scheme of arrangement (Scheme), subject to the satisfaction of certain conditions, including:

- Approval being obtained from TMT shareholders and court approval in relation to the Scheme
- An Independent Expert concluding that the Scheme is in the best interests of TMT shareholders
- No material adverse change, prescribed occurrence or regulated event (each as defined in the SID) occurring in relations to either AVL or TMT
- AVL raising at least A$15 million under its concurrently announced equity placement; and
- Other conditions as customary for a transaction of this nature.

Under the terms of the Scheme, AVL will acquire 100% of the fully paid ordinary shares of TMT with each shareholder of TMT to receive 12 fully paid ordinary AVL shares for each TMT share held at the Scheme record date.

TMT will seek Court approval to convene a meeting of TMT shareholders to approve the Scheme. A scheme booklet containing notice of the Scheme meeting and information relating to the Scheme, including the basis for the TMT board's unanimous recommendation, Independent Expert's Report and details of the Scheme is expected to be circulated to all TMT Shareholders in November 2023.

There has not been any other matter or circumstance that has arisen since 30 June 2023 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

LIKELY DEVELOPMENTS AND EXPECTED RESULTS

In the opinion of Directors, information regarding the likely developments of the Group is set out in the Operating and Financial Review on pages 6 to 12 of the Annual Report, which forms part of the Directors' Report. Disclosure of any further information relating to likely developments and expected results could result in unreasonable prejudice to the interests of the Group.

DIVIDENDS

No dividends have been paid or declared since the start of the financial year and the Directors do not recommend the payment of a dividend in respect of the financial year.

SHARE OPTIONS

UNISSUED SHARES

At the date of this report, the Company had the following unissued shares under unlisted options:

Expiry date of option	Exercise price of option	Number of shares under option
1 January 2024	$0.50	5,375,000
30 June 2025	$0.60	5,425,000
Total		**10,800,000**

Option holders do not have any right, by virtue of the option to participate in any share issue of the Company or any related body corporate.

Details of options granted to directors and other key management personnel during the year are set out in the remuneration report.

SHARES ISSUED AS A RESULT OF THE EXERCISE OF OPTIONS

During the financial year, employees, executives and consultants have exercised options to acquire 3,390,000 fully paid ordinary shares in Technology Metals Australia Limited at a weighted average exercise price of $0.20 per share.

ENVIRONMENTAL LEGISLATION

The Group is subject to environmental legislation and obligations under the laws of the Commonwealth of Australia and the State of Western Australia.

The Group has policies and procedures in place that are designed to ensure that, where our activities are subject to any particular and significant environmental regulation, those obligations are identified, appropriately addressed and any breaches promptly notified.

So far as the directors are aware, there have been no material breaches of the Group's license conditions and environmental regulations to which the Group is subject to during the year ended 30 June 2023 and to the date of this report.

INDEMNIFICATION AND INSURANCE OF DIRECTORS AND OFFICERS

The Company has agreed, to the maximum extent permitted by law, to indemnify each of its Directors and Officers who have held office during the year, against all liabilities to a third party (other than the Company or a related body corporate of the Company) that may arise from their position as a Director or Officer of the Company or a related body corporate of the Company. The indemnity stipulates that the Company will meet the full amount of any such liabilities, including legal costs incurred.

During the year the Group has paid insurance premiums in respect of a contract insuring Directors and Officers of the Group against a liability incurred as a Director or Officer to the extent permitted by the *Corporations Act 2001*. The contract of insurance prohibits disclosure of the nature of the coverage and the amount of the premium.

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

AUDITOR INDEPENDENCE AND NON-AUDIT SERVICES

No non-audit services were provided by the Company's auditor, HLB Mann Judd during the year. Details of amounts paid or payable to the auditor for services provided during the period by the auditor are outlined in Note 16 to the financial statements.

The auditor's independence declaration, as required under section 307C of the *Corporations Act 2001*, is set out on page 41 and forms part of this Directors' Report.

ROUNDING

The Company is of a kind referred to in ASIC Class Order 2016/191 and in accordance with that Class Order, amounts in the Financial Statements and Directors' Report have been rounded to the nearest thousand dollars ($'000), unless otherwise stated.

CORPORATE GOVERNANCE STATEMENT

The Board of Directors of Technology Metals Australia Limited is responsible for the corporate governance of the Group. Technology Metals Australia Limited, through its Board and executives, recognises the need to establish and maintain corporate governance policies and practices that reflect the requirements of the market regulators and participants, and the expectations of members and others who deal with the Company. These policies and practices remain under constant review as the corporate governance environment and good practices evolve.

ASX CORPORATE GOVERNANCE PRINCIPLES AND RECOMMENDATIONS

The fourth edition of ASX Corporate Governance Council Principles and Recommendations (the **Principles**) sets out recommended corporate governance practices for entities listed on the ASX.

The Group has issued a Corporate Governance Statement which discloses the Group's corporate governance practices and the extent to which the Group has followed the recommendations set out in the Principles. The Corporate Governance Statement was approved by the Board on 29 September 2023 and is available on the Group's website: **https://www.tmtlimited.com.au/corporate/corporate-governance/ .**

REMUNERATION REPORT (AUDITED)

INTRODUCTION

This remuneration report for the year ended 30 June 2023 outlines the remuneration arrangements of the Company and the Group in accordance with the requirements of the *Corporations Act 2001* (the **Act**) and its regulations. This information has been audited as required by Section 308(3C) of the Act.

The remuneration report details the remuneration arrangements for key management personnel (**KMP**) who are defined as those persons having authority and responsibility for planning, directing and controlling the major activities of the Company and the Group, directly or indirectly, including any director (whether executive or otherwise) of the parent company.

The table below outlines the KMP of the Group and their movements during FY23:

Name	Position	Term as KMP
Non-executive directors		
Michael Fry	Non-executive chair	Full financial year
Carmen Letton	Non-executive director	Appointed 10 August 2022
Joanne Gaines	Non-executive director	Appointed 15 June 2023
Sonu Cheema	Non-executive director	Resigned 10 August 2022
Jacqueline Murray	Non-executive director	Resigned 22 February 2023
Executive directors		
Ian Prentice	Managing director (MD)/Chief Executive Officer (CEO)	Full financial year
Other executives		
David English	Chief Operating Officer (COO)	Full financial year
Elisha Civil	Chief Financial Officer (CFO)	Appointed 5 September 2022

There were no other changes to KMP after the reporting date and before the date the financial report was authorised for issue.

OVERVIEW OF EXECUTIVE REMUNERATION

HOW WE DETERMINE EXECUTIVE REMUNERATION POLICIES AND STRUCTURES

The following principles guide our decisions about executive remuneration at the Group:

- Fairness: set competitive remuneration packages to attract and retain high calibre employees;
- Alignment: link executive rewards to shareholder value creation; and
- Challenge: establish appropriate, demanding performance hurdles for variable executive remuneration.
- Values: reward behaviour and performance that are aligned to Company goals, values and external stakeholder expectations

At this point in the Company's development, the Board does not believe it is appropriate to link director and executive officers' remuneration with Company financial performance but rather project milestones.

In accordance with best practice corporate governance, the structure of non-executive and executive remuneration is separate and distinct.

The Company may issue equity securities (i.e. options or performance rights) under the Employee Securities Incentive Plan (**Plan**) to retain and reward short and long term performance of directors, executives and employees, aligned to strategic objectives and shareholder returns. The Plan was last approved by shareholders at the 2022 AGM.

EXECUTIVE REMUNERATION

The Company's executive remuneration strategy is designed to attract, motivate and retain high performance individuals and align the interests of executives and shareholders. Remuneration consists of fixed remuneration and variable 'at risk' remuneration (comprising short-term and long-term incentive schemes).

FIXED REMUNERATION

Fixed remuneration consists of base salary, superannuation and other non-monetary benefits and is designed to reward for:

- The scope of the executive's role
- The executive's skills, experience and qualifications
- Individual performance

Fixed remuneration is key in attracting and retaining executive talent and is reviewed on an annual basis by the Remuneration Committee and the board. The annual review will generally include a comparison to relevant roles in similar companies. There were no changes to executive fixed remuneration during FY2023.

VARIABLE REMUNERATION

SHORT-TERM INCENTIVES

The Board may consider short-term 'at risk' performance related remuneration in the form of cash or share-based payments to reward performance in relation to shorter term strategic objectives of the Company.

The Company currently has no formal performance related remuneration policy that governs the payment of annual cash bonuses upon meeting pre-determined performance targets. There were no cash bonuses paid to or received by executives in the years ended 30 June 2023 or 30 June 2022.

LONG-TERM INCENTIVES

The Company may issue equity securities (i.e. options or performance rights) under the Plan to reward longer term performance, retain executives and provide an opportunity to participate in the growth of the Company.

The Company, under the Plan, can issue either share options or rights that focus on aligning the interests of executives and shareholders. In addition to vesting service periods, performance hurdles are set on options and performance rights issued to executives in certain circumstances. Where options are issued the Company believes that by issuing options with an exercise price in excess of the Company's share price at the date of issue, there is an inherent performance hurdle as the share price of the Company's shares has to increase before any reward can accrue to the executive.

Long-term performance incentives will vest to the extent that the Board, using its sole discretion, determines that the long-term incentive criteria have been satisfied.

Refer to Tables 3 and 4 of this remuneration report for details of long-term incentives issued to executives in the current and prior years.

SERVICE CONTRACTS

The Group has entered into service contracts with each KMP. The service contract outlines the components of remuneration paid to each key management person but does not prescribe how remuneration levels are modified from year to year. Remuneration levels are reviewed each year to take into account cost-of-living changes, any change in the scope of the role performed by the KMP and any changes required to meet the principles of the remuneration policy. Key terms for executive KMP are detailed below.

Component	Executive director description	Other executives' description
Fixed Remuneration	$300,000	$300,000 to $350,000
Resignation notice	3 months	3 months
Termination notice for cause	None	None
Termination notice without cause (severance pay)	6 months	3 months

All employment agreements with executive KMP are for an unlimited duration. All executive KMP are entitled to receive pay in lieu of notice and, on cessation of employment, statutory entitlements to accrued but unused annual and long service leave, and any accrued superannuation contributions would be paid to their fund. In the case of genuine redundancy, executives would receive their statutory entitlements based on completed years of service.

HOW REMUNERATION IS GOVERNED

REMUNERATION COMMITTEE

The Remuneration Committee of the board of directors of the Company is responsible for determining and reviewing compensation arrangements for the non-executive and executive directors, executives and employees. The Remuneration Committee assesses the appropriateness of the nature and amount of remuneration on a periodic basis by reference to relevant employment market conditions with an overall objective of ensuring maximum stakeholder benefit from the retention of a high-quality board and executive team.

Due to the size of the board and scope of the Group's activities, the full board performs the role of the Remuneration Committee.

STATUTORY KEY PERFORMANCE INDICATORS OF THE GROUP OVER THE LAST FIVE YEARS

	2023	2022 (Restated)	2021 (Restated)	2020 (Restated)	2019 (Restated)
Loss for the year attributable to owners of Technology Metals Australia Limited ($'000)	(1,934)	(2,517)	(2,129)	(1,487)	(2,857)
Basic & diluted loss per share (cents per share)	(0.91)	(1.34)	(1.54)	(1.55)	(3.94)
Closing share price ($ per share)	0.33	0.40	0.30	0.18	0.21
Total dividends per share ($)	Nil	Nil	Nil	Nil	Nil
Net assets ($'000)	55,843	47,389	28,543	21,211	18,468

USE OF REMUNERATION ADVISORS

The Remuneration Committee approved the engagement of BDO Reward WA Pty Limited (**BDO Reward**) to benchmark the Company's remuneration practices to market and to make recommendations in respect of the development of a 'fit for purpose' remuneration approach for executives and non-executive directors.

Both BDO Reward and the Committee are satisfied the advice received from BDO Reward is free from undue influence from the KMP to whom the remuneration recommendations apply.

The remuneration recommendations were provided to the Committee as an input into decision making only. The Remuneration Committee considered the recommendations, along with other factors, in making its remuneration decisions.

The fees paid to BDO Reward for the remuneration recommendations were $27,750. No other advisory services were provided by BDO Reward or its related entities during the year.

REMUNERATION REPORT APPROVAL AT 2022 ANNUAL GENERAL MEETING (AGM)

The Remuneration Report for the financial year ended 30 June 2022 received positive shareholder support at the 2022 Annual General Meeting with a vote of 99.90% in favour.

SHARE TRADING POLICY

All Group KMP and employees are subject to the Company's securities Trading Policy which sets out the governance approach for dealing in the Company's securities. A copy is available at **https://www.tmtlimited.com.au/corporate/corporate-governance/.**

This policy prohibits:

- The dealing (or procurement of another person to deal) with Technology Metals' securities or the securities of another company where they are in position of inside information
- Dealing with Technology Metals securities during blackout periods
- Short-term dealing or entering into forward contracts; and
- Hedging Technology Metals' securities.

The Group would consider a breach of this policy as gross misconduct, which may lead to disciplinary action and potentially dismissal.

OVERVIEW OF NON-EXECUTIVE DIRECTOR REMUNERATION

The Board recognises the importance of attracting and retaining talented non-executive directors (**NED**) and aims to align remuneration with companies of a similar size and complexity in the mining and exploration industry. Technology Metals' NED fee policy is designed to attract and retain high calibre directors who can discharge the roles and responsibilities required in terms of good governance, strong oversight, independence and objectivity.

The table below summarises board fees payable to non-executive directors for FY23 (inclusive of superannuation):

	$
Annual Board fees	
Chair	$80,000
Non-executive director	$50,000

NEDs may be reimbursed for expenses reasonably incurred in attending to the Group's affairs. They do not receive retirement benefits and, at the discretion of the board, may participate in the Employee Securities Incentive Plan subject to approvals required by shareholders.

MAXIMUM AGGREGATE NED FEE POOL

The ASX Listing Rules specify that the aggregate remuneration of non-executive directors shall be determined from time to time by a general meeting. The maximum aggregate amount that may be paid to NEDs for their services is $250,000 during any financial year. This amount remains unchanged from the initial fee pool established in the Company's constitution, last approved by shareholders at the November 2022 AGM.

The amount of total compensation apportioned amongst non-executive directors is reviewed annually and the board considers advice from external stakeholders as well as the fees paid to non-executive directors of comparable companies when undertaking the annual review process.

All non-executive directors enter into a letter of appointment with the Company. The letter summarises the Company's policies, terms of appointment, including remuneration relevant to the office or non-executive director.

KEY MANAGEMENT PERSONNEL REMUNERATION

TABLE 1: REMUNERATION FOR THE YEAR ENDED 30 JUNE 2023

30 June 2023	Short-term	Post-employment	Long-term benefits	Share-based payments		Total remuneration	Performance related
	Salary & fees	Super-annuation	Annual & long service leave	Options	Performance rights		
Non-executive directors	**$**	**$**	**$**	**$**	**$**	**$**	**%**
Michael Fry	79,996	-	-	(120,937)	-	(40,941)	295.4
Carmen Letton[1]	45,834	-	-	-	-	45,834	-
Joanne Gaines[2]	2,083	-	-	-	-	2,083	-
Jacqueline Murray[3]	25,744	-	-	-	-	25,744	-
Sonu Cheema[4]	6,000	-	-	(60,469)	-	(54,469)	111.0
Executive director							
Ian Prentice	301,000	30,500	18,454	(278,651)	(84,552)	(13,249)	2,741.5
Other executives							
David English[5]	355,197	34,740	42,824	(11,220)	(47,135)	374,406	(15.6)
Elisha Civil[6]	236,577	23,736	2,248	-	-	262,561	-
Total	**1,052,431**	**88,976**	**63,526**	**(471,277)**	**(131,687)**	**601,969**	

[1] Dr Letton was appointed to the board on 10 August 2022.
[2] Ms Gaines was appointed to the board on 15 June 2023.
[3] Mrs Murray resigned from the board on 22 February 2023.
[4] Mr Cheema resigned from the board on 10 August 2022.
[5] Mr English was appointed to the role of COO on 10 January 2022 and included as a KMP from 1 July 2022.
[6] Ms Civil was appointed to the role of CFO on 5 September 2022 and included as a KMP from that date.

TABLE 2: REMUNERATION FOR THE YEAR ENDED 30 JUNE 2022

30 June 2022	Short-term	Post-employment	Long-term benefits	Share-based payments		Total remuneration	Performance Related
	Salary & fees	Super-annuation	Annual & long service leave	Options	Performance Rights		
Non-executive directors	**$**	**$**	**$**	**$**	**$**	**$**	**%**
Michael Fry	86,663	-	-	128,092	-	214,755	60
Jacqueline Murray[1]	28,710	-	-	-	-	28,710	-
Sonu Cheema	30,000	-	-	55,357	-	85,357	65
Executive director							
Ian Prentice	240,000	-	-	292,960	84,552	617,512	61
Total	**385,373**	**-**	**-**	**476,409**	**84,552**	**946,334**	

[1] Mrs Murray was appointed to the board on 13 October 2021.

TABLES 3 & 4: RIGHTS AND OPTIONS OVER EQUITY INSTRUMENTS GRANTED AS COMPENSATION

All rights and options refer to rights and options over ordinary shares of Technology Metals Australia Limited, which are exercisable on a one-for-one basis. Share options and performance rights do not carry any voting or dividend rights, and can only be exercised once the vesting conditions have been met.

Details of options and rights granted to KMPs as compensation during the current and previous years and which have vested during or remain outstanding at the end of the year are provided below.

SHARE OPTIONS

	Granted & Outstanding		Terms & Conditions for Each Grant				Movements during the year		
	No.	Grant date	Fair value at grant date	Exercise price	Expiry date	Vesting Class	No. vested	No. lapsed	No. exercised
M Fry	1,000,000	23 Apr. 21	$0.1738	$0.50	1 Jan.24	Class C	-	-	-
M Fry	-	4 May 20	$0.0564	$0.20	10 May 23	Class B	-	1,000,000	-
M Fry	-	4 May 20	$0.0564	$0.20	10 May 23	Class A	-	-	1,000,000
C Letton	1,000,000	24 Nov. 22	$0.1220	$0.60	30 Jun. 25	Class E	-	-	-
C Letton	1,000,000	24 Nov. 22	$0.0560	$0.50	30 Oct. 23	Class C	-	-	-
I Prentice	2,000,000	19 Nov. 21	$0.1088	$0.60	30 Jun. 25	Class E	-	-	-
I Prentice	2,000,000	23 Apr. 21	$0.1738	$0.50	1 Jan. 24	Class C	-	-	-
I Prentice	-	4 May 20	$0.0564	$0.20	10 May 23	Class B	-	2,000,000	-
I Prentice	-	4 May 20	$0.0564	$0.20	10 May 23	Class A	-	400,000	1,600,000
D English	500,000	6 Apr. 22	$0.3118	$0.60	30 Jun. 25	Class E	-	-	-
D English	-	4 May 20	$0.0564	$0.20	10 May 23	Class B	-	250,000	-
E Civil	350,000	5 Sep. 22	$0.1430	$0.60	30 Jun. 25	Class E	-	-	-
E Civil	300,000	5 Sep. 22	$0.0650	$0.50	30 Oct. 23	Class C	-	-	-
Total	**8,150,000**						**-**	**3,650,000**	**2,600,000**

All options expire at the earlier of their expiry date or termination of the individual's employment. Options granted as compensation have the following vesting conditions as well as a continuing employment service condition:

Class A	Vested upon grant of mining license M51/883 (Gabanintha Project) in August 2020.
Class B	Vest upon progressing to a final investment decision for the development of a vanadium plant at is Gabanintha Project prior to 10 May 2023. All Class B options lapsed without vesting during the year.
Class C	Vest upon progressing to a final investment decision for Yarrabubba Project prior to 30 October 2023.
Class E	Vest upon the Company achieving first commercial production at MTMP prior to 30 June 2025.

PERFORMANCE RIGHTS

	Granted & Outstanding		Terms & Conditions for Each Grant				Movements during the year		
	No.	Grant date	Fair value at grant date	Exercise price	Expiry date	Vesting Class	No. vested	No. lapsed	No. exercised
I Prentice	500,000	19 Nov. 21	$0.3500	-	30 Oct. 23	Class B	-	-	-
I Prentice	500,000	19 Nov. 21	$0.3500	-	30 Oct. 25	Class D	-	-	-
D English	500,000	19 Apr. 22	$0.4950	-	30 Oct. 23	Class B	-	-	-
D English	500,000	19 Apr. 22	$0.4950	-	30 Jun. 25	Class D	-	-	-
E Civil	300,000	5 Sep. 22	$0.3550	-	30 Oct. 23	Class B	-	-	-
E Civil	350,000	5 Sep. 22	$0.3550	-	30 Jun. 25	Class D	-	-	-
Total	**2,650,000**						**-**	**-**	**-**

All performance rights expire at the earlier of their expiry date or termination of the individual's employment. Performance rights granted as compensation have the following vesting conditions as well as a continuing employment service condition:

Class B	Vest upon progressing to a final investment decision for the Murchison Technology Metals Project to 30 October 2023.
Class D	Vest upon achieving first production at MTMP prior to 30 June 2025.

There were no alterations to the terms and conditions of options or performance rights awarded as remuneration since their award date.

VALUE OF OPTIONS AND PERFORMANCE RIGHTS GRANTED AND EXERCISED

The value of options and performance rights granted during the year is determined at the time of grant in accordance with AASB 2. For details on the valuation of options and performance rights, including models and assumptions used, please refer to note 12

The value of options and performance rights exercised during the year is determined as the intrinsic value at the time of exercise.

30 June 2023	Value of options granted	Value of options exercised	Value of performance rights granted	Value of performance rights exercised
Non-executive directors				
Michael Fry	-	135,000	-	-
Carmen Letton	178,000	-	-	-
Joanne Gaines	-	-	-	-
Executive director				
Ian Prentice	-	216,000	-	-
Other executives				
David English	-	-	-	-
Elisha Civil	69,550	-	230,750	-
Total	**247,550**	**351,000**	**230,750**	**-**

TABLES 5 & 6: MOVEMENTS IN RIGHTS AND OPTIONS OVER EQUITY INSTRUMENTS

SHARE OPTIONS

The movement during the reporting period, by number of options over ordinary shares in Technology Metals Australia Limited held, directly, indirectly or beneficially, by each KMP, including their related parties, is as follows:

30 June 2023	Balance at beginning of period	Granted as compensation	Options exercised	Net change other	Balance at end of period	Vested and exercisable	Vested but not exercisable
Non-executive directors							
Michael Fry[2]	3,000,000	-	(1,000,000)	(1,000,000)	1,000,000	-	-
Carmen Letton	-	2,000,000	-	-	2,000,000	-	-
Joanne Gaines	-	-	-	-	-	-	-
Jacqueline Murray	-	-	-	-	-	-	-
Sonu Cheema[1]	1,000,000	-	-	(1,000,000)	-	-	-
Executive director							
Ian Prentice[3]	8,000,000	-	(1,600,000)	(2,400,000)	4,000,000	-	-
Other executives							
David English[2]	750,000	-	-	(250,000)	500,000	-	-
Elisha Civil	-	650,000	-	-	650,000	-	-
Total	**12,750,000**	**2,650,000**	**(2,600,000)**	**(4,650,000)**	**8,150,000**	**-**	**-**

[1] Mr Cheema resigned as a director on 10 August 2022. 'Net change other' reflects the number of options held at this date.

[2] Net change other' for Mr Fry and Mr English reflects the number of Class B options held that expired on 10 May 2023 without vesting.

[3] 'Net change other' for Mr Prentice reflects the expiry of 2,000,000 unvested Class B options and the expiry of 400,000 vested Class A options on 10 May 2023.

PERFORMANCE RIGHTS

The movement during the reporting period, by number of performance rights over ordinary shares in Technology Metals Australia Limited held, directly, indirectly or beneficially, by each KMP, including their related parties, is as follows:

30 June 2023	Balance at beginning of period	Granted as compensation	Performance rights exercised	Net change other	Balance at end of period	Vested and exercisable	Vested but not exercisable
Executive director							
Ian Prentice	1,000,000	-	-	-	1,000,000	-	-
Other executives							
David English	1,000,000	-	-	-	1,000,000	-	-
Elisha Civil	-	650,000	-	-	650,000	-	-
Total	**2,000,000**	**650,000**	**-**	**-**	**2,650,000**	**-**	**-**

TABLE 7: SHAREHOLDINGS OF KEY MANAGEMENT PERSONNEL

The movement during the reporting period in the number of ordinary shares in Technology Metals Australia Limited held directly, indirectly or beneficially by each KMP including their related parties, is as follows:

30 June 2023	Balance at beginning of period	On exercise of options	Net change other	Balance at end of period	Balance held nominally
Non-executive directors					
Michael Fry	300,000	1,000,000	(300,000)	1,000,000	-
Carmen Letton	-	-	-	-	-
Joanne Gaines	-	-	-	-	-
Jacqueline Murray	-	-	-	-	-
Sonu Cheema[1]	162,857	-	(162,857)	-	-
Executive director					
Ian Prentice	667,712	1,600,000	-	2,267,712	-
Other executives					
David English	-	-	-	-	-
Elisha Civil[2]	-	-	17,750	17,750	-
Total	**1,130,569**	**2,600,000**	**(445,107)**	**3,285,462**	**-**

[1] Mr Cheema resigned as a director on 10 August 2022. 'Net change other' reflects the number of shares held at this date.

[2] Ms Civil was appointed as CFO on 5 September 2022. 'Net change other' reflects the number of shares held at this date.

All equity transactions with KMP other than those arising from the exercise of remuneration options have been entered into under terms and conditions no more favourable than those the Group would have adopted if dealing at arm's length.

LOANS TO KEY MANAGEMENT PERSONNEL AND THEIR RELATED PARTIES

There were no loans made to any director, key management personnel and/or their related parties during the current or prior years.

OTHER TRANSACTIONS WITH KEY MANAGEMENT PERSONNEL

The Group receives accounting, bookkeeping, company secretarial and administrative services from Cicero Group Pty Ltd (**Cicero**), an entity in which Mr Cheema is a shareholder and director, for a monthly fee of $8,000 (2022: monthly fee of $10,000, which included office rent). These services are provided on arm's length, commercial terms. Fees paid to Cicero for the period from 1 July 2022 to 10 August 2022 during which Mr Cheema was also a director of the Company, totaled $16,000 (2022: $161,277) of which nil balance is payable at 30 June 2023 (2022: $6,667 payable).

Other than the ordinary accrual of personnel expenses at balance date and transactions disclosed above, there are no other amounts receivable from or payable to key management personnel and their related parties.

Signed in accordance with a resolution of the directors.

Michael Fry
Chairman

Perth, Western Australia; Dated this 29th day of September 2023

HLB MANN JUDD
ADVISORY AND ACCOUNTING

AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of the consolidated financial report of Technology Metals Australia Limited for the year ended 30 June 2023, I declare that to the best of my knowledge and belief, there have been no contraventions of:

a) the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and

b) any applicable code of professional conduct in relation to the audit.

Perth, Western Australia
29 September 2023

D I Buckley
Partner

hlb.com.au

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CONSOLIDATED FINANCIAL STATEMENTS

Consolidated Statement of Comprehensive Income

FOR THE YEAR ENDED 30 JUNE 2023

	Note	30 June 2023 $'000	30 June 2022 $'000
			(Restated)
Continuing operations			
Other income	2	53	20
Administrative expense	3	(2,011)	(2,359)
Exploration and evaluation expenditure		(111)	(203)
Finance income	2	135	25
Loss before income tax		**(1,934)**	**(2,517)**
Income tax benefit	5	-	-
Net loss for the year		**(1,934)**	**(2,517)**
Other comprehensive income, net of income tax		-	-
Other comprehensive loss for the year, net of income tax		**-**	**-**
Total comprehensive loss for the year		**(1,934)**	**(2,517)**
Basic and diluted loss per share (cents per share)	4	(0.91)	(1.34)

The accompanying notes form part of these financial statements.

The Consolidated Statement of Comprehensive Income for the year ended 30 June 2022 has been retrospectively adjusted to reflect a change in accounting policy. Refer to note 18 for further information.

Consolidated Balance Sheet

AS AT 30 JUNE 2023

	Note	30 June 2023 $'000	30 June 2022 $'000
			(Restated)
Current assets			
Cash and cash equivalents	6	16,464	18,600
Trade and other receivables	7	2,308	517
Other current assets		101	25
Total current assets		18,873	19,142
Non-current assets			
Property, plant and equipment		4	-
Deferred exploration and evaluation expenditure	8	38,145	29,344
Total non-current assets		38,149	29,344
Total assets		57,022	48,486
Current liabilities			
Trade and other payables	9	1,179	1,097
Total current liabilities		1,179	1,097
Total liabilities		1,179	1,097
Net assets		55,843	47,389
Equity			
Issued capital	11	66,741	55,329
Reserves	11	2,790	3,814
Accumulated losses		(13,688)	(11,754)
Total equity		55,843	47,389

The accompanying notes form part of these financial statements

The Consolidated Balance Sheet as at 30 June 2022 has been retrospectively adjusted to reflect a change in accounting policy. Refer to note 18 for further information.

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Consolidated Statement of Changes in Equity

FOR THE YEAR ENDED 30 JUNE 2023

	Note	Issued capital $'000	Reserves $'000	Accumulated Losses $'000	Total Equity $'000
Balance at 1 July 2021		**34,738**	**3,041**	**(4,912)**	**32,867**
Adjustment on change in accounting policy	18	-	-	(4,325)	(4,325)
Balance at 1 July 2021 – Restated		**34,738**	**3,041**	**(9,237)**	**28,542**
Loss for the period – Restated		-	-	(2,517)	(2,517)
Other comprehensive income for the year, net of income tax		-	-	-	-
Total comprehensive loss for the period		**-**	**-**	**(2,517)**	**(2,517)**
Transactions with owners in their capacity as owners:					
Proceeds from shares issued	11	20,000	-	-	20,000
Share-based payments	12	-	773	-	773
Exercise of options	11	1,578	-	-	1,578
Share issue costs	11	(987)	-	-	(987)
Balance at 30 June 2022 - Restated		**55,329**	**3,814**	**(11,754)**	**47,389**

	Note	Issued capital $'000	Reserves $'000	Accumulated Losses $'000	Total Equity $'000
Balance at 1 July 2022		**55,329**	**3,814**	**(11,754)**	**47,389**
Loss for the period		-	-	(1,934)	(1,934)
Other comprehensive income for the year, net of income tax		-	-	-	-
Total comprehensive loss for the period		**-**	**-**	**(1,934)**	**(1,934)**
Transactions with owners in their capacity as owners:					
Proceeds from shares issued	11	11,500	-	-	11,500
Share-based payments	12	-	(1,024)	-	(1,024)
Exercise of options	11	678	-	-	678
Share issue costs	11	(766)	-	-	(766)
Balance at 30 June 2023		**66,741**	**2,790**	**(13,688)**	**55,843**

The accompanying notes form part of these financial statements.

The Consolidated Statement of Changes in Equity for the year ended 30 June 2022 has been retrospectively adjusted to reflect a change in accounting policy. Refer to note 18 for further information.

Consolidated Statement of Cash Flows

FOR THE YEAR ENDED 30 JUNE 2023

	Note	30 June 2023 $'000	30 June 2022 $'000
			(Restated)
Cash flows from operating activities			
Payments to suppliers and employees		(2,982)	(1,560)
Other income		304	20
Interest received		116	25
Net cash outflow from operating activities	6	(2,562)	(1,515)
Cash flows from investing activities			
Payments for plant and equipment		(7)	(44)
Research and development tax incentive refund received	8, 18	-	965
Payments for exploration and evaluation expenditure		(10,979)	(6,983)
Net cash outflow from investing activities		(10,986)	(6,062)
Cash flows from financing activities			
Proceeds from the issue of shares		12,178	21,578
Payments for share issue costs		(766)	(987)
Net cash inflow from financing activities		11,412	20,591
Net (decrease)/increase in cash held		(2,136)	13,014
Cash and cash equivalents at beginning of period		18,600	5,586
Cash and cash equivalents at the end of the period	6	16,464	18,600

The accompanying notes form part of these financial statements.

The Consolidated Statement of Cash Flows for the year ended 30 June 2022 has been retrospectively adjusted to reflect a change in accounting policy. Refer to note 18 for further information.

For the Year Ended 30 June 2023

BASIS OF PREPARATION

Technology Metals Australia Limited (**TMT** or the **Company**) is a for-profit company limited by shares, incorporated and domiciled in Australia, whose shares are publicly traded on the Australian Securities Exchange. Its registered office and principal place of business is:

Suite 9, 330 Churchill Avenue
Subiaco WA 6008

A description of the nature of operations and principal activities of TMT and its subsidiaries (collectively, the **Group**) is included in the Directors' Report, which is not part of these financial statements.

The financial statements were authorised for issue in accordance with a resolution of directors on 29 September 2023.

These financial statements are general purpose financial statements which:

- have been prepared in accordance with the requirements of the *Corporations Act 2001*, Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board (**AASB**) and complies with International Financial Reporting Standards (**IFRS**) as issued by the International Accounting Standards Board (**IASB**);
- have been prepared on a historical cost basis except for assets and liabilities and share-based payments which are required to be measured at fair value. The basis of measurement is discussed further in the individual notes;
- are presented in Australian dollars, which have been rounded to the nearest thousand dollars, unless otherwise stated, in accordance with *ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191*;
- presents reclassified comparative information where required for consistency with the current year's presentation;
- adopts all new and amended Accounting Standards and Interpretations issued by the AASB that are relevant to the operations of the Group and effective for reporting periods beginning on or after 1 July 2022. Refer to note 18 for further details; and
- does not early adopt Accounting Standards and Interpretations that have been issued or amended but are not yet effective. Refer to note 18 for further details.

Principles of consolidation

The consolidated financial statements comprise the financial statements of the Group. A list of controlled entities (subsidiaries) at year end is contained in note 13.

The financial statements of subsidiaries are prepared for the same reporting period as the parent company, using consistent accounting policies. Adjustments are made to bring into line any dissimilar accounting policies that may exist.

In preparing the consolidated financial statements, all intercompany balances and transactions, income and expenses and profits and losses resulting from intra-group transactions have been eliminated. Subsidiaries are consolidated from the date on which control is obtained to the date on which control is disposed. The acquisition of subsidiaries is accounted for using the acquisition method of accounting.

Foreign currency translation

Both the functional currency of each entity within the Group and the Group's presentation currency is Australian dollars.

Transactions in foreign currencies are initially recorded in Australian dollars at the exchange rate on that day. Foreign currency monetary assets and liabilities are translated to Australian dollars at the reporting date exchange rate. Foreign currency gains and losses are generally recognised in profit or loss.

Going concern

The financial report has been prepared on the going concern basis which contemplates continuity of normal business activities and realisation of assets and settlement of liabilities in the ordinary course of business. The directors recognise that the going concern of the Company is dependent upon, managing its costs and raising additional funds through future capital raisings. For the year ended 30 June 2023 the Company recorded a loss before income tax expense of $1,934,000 (2022: $2,517,000), a net operating cash outflow of $2,562,000 (2022: $1,515,000), had a net asset position of $55,843,000 (2022: $47,389,000).

Considering the Group's positive net cash position of $16,464,000 (refer to Note 6), and the outstanding amounts of trade and other payables of $1,179,000 (refer Note 9) the directors are satisfied that at the date of signing the financial report, there are reasonable grounds to believe that the Group will be able to continue to meet its debts as and when they fall due and that it is appropriate for the financial statements to be prepared on a going concern basis. The Directors continue to monitor the ongoing funding requirements of the Group on a monthly basis including the monitoring of costs forecast to be incurred 12 months into the future, with a view to reducing them as required.

Significant accounting estimates and judgements

In the process of applying the Group's accounting policies, management has made a number of judgements and applied estimates of future events. Judgements and estimates which are material to the financial report are found in the following notes.

Note 5	Recovery of deferred tax assets
Note 8	Impairment of exploration and evaluation assets
Note 8	Ore reserve and mineral resource estimates
Note 12	Share-based payments

Notes to the Financial Statements

The notes include information which is required to understand the financial statements and is material and relevant to the operations and financial position and performance of the Group. Information is considered relevant and material if, for example:

- The amount is significant due to its size or nature;
- The amount is important for understanding the results of the Group;
- It helps to explain the impact of significant changes in the Group's business; or
- It relates to an aspect of the Group's operations that is important to its future performance.

The notes are organised into the following sections:

- Performance for the year;
- Operating assets and liabilities
- Capital structure, financial instruments and risk; and
- Other disclosures.

A brief explanation is included under each section.

PERFORMANCE FOR THE YEAR

This section focuses on the results and performance of the Group. This covers both profitability, income taxes and the resultant return to shareholders via earnings per share, combined with cash flow analysis and balances.

NOTE 1: SEGMENT INFORMATION

Operating segments are identified on the basis of internal reports that are regularly reviewed by the chief operating decision maker (**CODM**) in assessing performance and determining the allocation of resources. Due to the nature and size of the Group, the Board as a whole has been determined to be the CODM.

The Group operates in one industry and geographical sector, being the exploration for and development of vanadium resources in Western Australia.

NOTE 2: REVENUE AND OTHER INCOME

Accounting Policy

OTHER INCOME

Other income is recognised when it is received or when the right to receive payment is established.

INTEREST INCOME

Interest income is recognised as it accrues using the effective interest method.

	Note	30 June 2023 $'000	30 June 2022 $'000
(a) Other income			
Rental facility on-charge		53	20
(b) Finance income			
Interest revenue		135	25

NOTE 3: EXPENSES

	Note	30 June 2023 $'000	30 June 2022 $'000
(a) Administrative expenses			
Directors' fees		166	379
Employee costs (excluding share-based payments expense)		702	52
Consulting and professional fees		803	205
Share-based payments expense	12	(1,024)	773
Corporate, marketing and investor relations costs		859	609
Travel and accommodation		195	-
Rent and occupancy costs		138	97
Other expenses		172	244
		2,011	**2,359**

NOTE 3: EXPENSES (CONTINUED)

	Note	30 June 2023 $'000	30 June 2022 $'000
(b) Employee benefits expense			
Directors' fees, employee salaries and wages		1,935	889
Defined contribution superannuation expense		171	5
Share-based payments – directors and employees	12	(597)	603
Other employee benefits expense		66	-
Total employee benefits expense		**1,575**	**1,497**
Less: amounts capitalised to deferred exploration and evaluation		(1,304)	(463)
Employee benefits expense recognised in the statement of comprehensive income		**271**	**1,034**

NOTE 4: EARNINGS/(LOSS) PER SHARE

Accounting Policy

Basic earnings/(loss) per share is calculated as net profit/(loss) attributable to members of the parent, adjusted to exclude any costs of servicing equity (other than dividends) and preference share dividends, divided by the weighted average number of ordinary shares, adjusted for any bonus element.

Diluted earnings/(loss) per share is calculated as basic earnings/(loss) per share with an adjustment for the weighted average number of ordinary shares that would be issued on conversion of all dilutive potential ordinary shares.

	Note	30 June 2023 $'000	30 June 2022 $'000
Earnings used in calculating loss per share			(Restated)
Net loss attributable to ordinary equity holders of the parent		(1,934)	(2,517)

	Note	30 June 2023 No. Shares	30 June 2022 No. Shares
Weighted average number of shares			
Issued ordinary shares at 1 July		209,824,557	150,178,057
Effect of shares issued		3,726,411	38,116,403
Weighted average number of ordinary shares at 30 June		213,550,968	188,294,460

Diluted loss per share takes into account the dilutive effect of all potential ordinary shares, being unlisted share options and performance rights on issue. As the options and performance rights outstanding at 30 June 2023 and 30 June 2022 would have reduced the loss per share on conversion, the potential ordinary shares were not considered dilutive.

There have been no transactions involving ordinary shares between the reporting date and the date of completion of these financial statements which would impact on the above loss per share calculation.

NOTE 5: INCOME TAX

Accounting Policy

Current Tax

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred Tax

Deferred tax balances are determined using the balance sheet method, which provides for temporary differences at the balance sheet date between accounting carrying amounts and the tax bases of assets and liabilities.

Deferred income tax liabilities are recognised for all taxable temporary differences, other than for the exemptions permitted under accounting standards. At 30 June 2023 there are no unrecognised temporary differences associated with the Group's investment in subsidiaries (2022: $nil).

Deferred income tax assets are recognised for all deductible temporary differences, carry-forward of unused tax assets and unused tax losses, to the extent that it is probable that future taxable profits will be available to utilise these deductible temporary differences. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and liabilities relate to the same taxable entity and the same taxation authority.

	Note	30 June 2023 $'000	30 June 2022 $'000
			(Restated)
(a) Income tax recognised in the statement of comprehensive income			
The major components of income tax expense are:			
Current tax			
Current income tax benefit		(886)	(523)
Adjustment in respect of income tax of previous years		26	34
Deferred tax			
Relating to the origination and reversal of temporary differences		(2,987)	(1,885)
Adjustment in respect of income tax of previous years		784	631
Income tax losses not brought to account		3,063	1,743
Income tax expense reported in the statement of comprehensive income		-	-
(b) Reconciliation between tax expense and accounting profit before tax multiplied by the Group's applicable income tax rate:			
Accounting loss before income tax		(1,934)	(2,517)
At the Group's statutory income tax rate of 30% (2022: 30%)		(580)	(755)
Share-based payments expense		(307)	232
Other non-deductible expenses		2	-
Adjustment in respect of income tax of previous years		810	665
Temporary differences not recognised/(utilised)		75	(142)
Income tax expense/(benefit)		-	-

NOTE 5: INCOME TAX (CONTINUED)

Deferred income tax at 30 June relates to the following:

	Note	30 June 2023 $'000	30 June 2022 $'000
			(Restated)
Deferred tax liabilities			
Trade and other receivables		(2)	(7)
Deferred exploration and evaluation expenditure		(7,235)	(5,097)
Gross deferred tax liabilities		(7,237)	(5,104)
Set off of deferred tax assets		7,237	5,104
Net deferred tax liabilities		-	-
Deferred tax assets			
Trade and other payables		42	9
Expenses deductible over time		458	354
Tax losses carried forward		10,286	7,092
Gross deferred tax assets		10,786	7,455
Set off of deferred tax assets		(7,237)	(5,104)
Deferred tax assets not brought to account		(3,549)	(2,351)
Net deferred tax assets		-	-

Key judgement
Recovery of deferred tax assets
Judgement is required in determining whether deferred tax assets are recognised on the balance sheet. Deferred tax assets, including those arising from unutilised tax losses, require management to assess the likelihood that the Group will generate taxable earnings in future periods to utilise deferred tax assets. Estimates of future taxable income are based on forecast cash flows from operations and the application of existing tax laws in Australia. To the extent that future cash flows and taxable income differ significantly from estimates, the ability of the Group to realise the net deferred tax assets recorded at the reporting date could be impacted. Additionally, future changes in tax laws in Australia could limit the ability of the Group to obtain tax deductions in future periods.

Tax Consolidation

The Company and its wholly-owned Australian subsidiaries formed a tax consolidated group as of 20 December 2016. As a consequence, all members of the tax consolidated group are taxed as a single entity from that date. The head entity of the tax consolidated group is Technology Metals Australia Limited.

NOTE 6: CASH AND CASH EQUIVALENTS

Accounting Policy

Cash and cash equivalents comprise cash balances and term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. The carrying value of cash and cash equivalents is considered to approximate fair value.

	Note	30 June 2023 $'000	30 June 2022 $'000
Cash and cash equivalents in the balance sheet and cash flow statement			
Cash at bank and on hand		6,464	18,600
Short-term deposits		10,000	-
		16,464	**18,600**

	Note	30 June 2023 $'000	30 June 2022 $'000
			(Restated)
Reconciliation of loss after income tax to net cash inflow from operating activities			
Net loss for the year		(1,934)	(2,517)
Adjusted for:			
Depreciation expense		3	44
Share-based payments expense		(1,024)	773
Changes in assets and liabilities:			
(Increase)/decrease in trade and other receivables		193	(244)
(Increase)/decrease in other current assets		(48)	-
Increase/(decrease) in trade and other payables		248	429
Net cash from operating activities		(2,562)	(1,515)

Non-cash financing and investing activities

There were no non-cash financing or investing activities during the year (2022: $nil).

Operating Assets and Liabilities

This section shows the assets used to generate the Group's trading performance and the liabilities incurred as a result.

NOTE 7: RECEIVABLES

Accounting Policy

Trade and other receivables

Receivables are initially recognised at fair value and subsequently measured at the amounts considered receivable (financial assets at amortised cost). Balances within receivables do not contain impaired assets, are not past due and are expected to be received when due.

The Group does not have trade receivables in relation to sales. The only material receivables at year end are for GST and Research and Development Tax Incentive refunds receivable from the Australian Taxation Office (**ATO**) and therefore the Group is not generally exposed to credit risk in relation to its receivables.

Due to the short-term nature of these receivables, their carrying amount is assumed to approximate fair value.

Goods and services taxes (GST)

Revenue, expenses and assets are recognised net of the amount of goods and services tax (**GST**) except where the amount of GST incurred is not recoverable from the taxation authority. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated with the amount of GST included. The net amount of GST recoverable from or payable to the ATO is included as a current asset or liability in the consolidated balance sheet.

Cash flows are included in the consolidated statement of cash flows on a gross basis. The GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to the ATO, are classified as operating cash flows.

	Note	30 June 2023 $'000	30 June 2022 $'000
R&D tax incentive refund receivable		1,404	-
GST receivable		292	254
Interest receivable		19	-
Security deposits	(a)	593	13
Insurance claim receivable		-	250
		2,308	**517**

(a) Security deposits are cash backed and relate to the Early Works Agreement with APA Operations of $580,000, which will be returned to the Group in the event that Project Documents are executed as discussed in note 16, and rental of the Group's corporate head office of $13,000 (2022: $13,000).

NOTE 8: DEFERRED EXPLORATION AND EVALUATION EXPENDITURE

Accounting Policy

EXPLORATION AND EVALUATION EXPENDITURE

Exploration and evaluation expenditure is accumulated on an area of interest basis. Exploration and evaluation assets include the cost of acquiring licenses, cost associated with exploration and evaluation activity, and the fair value (at acquisition date) of exploration and evaluation assets acquired in a business combination. Expenditure is carried forward when incurred in areas for which the Group has rights of tenure and where economic mineralisation is indicated, but activities have not yet reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves and active, and significant operations in, or in relation to, the area of interest are continuing. Costs incurred before the Group has obtained the legal rights to explore an area are recognised in the statement of comprehensive income.

Once the technical and commercial viability of the extraction of mineral resources in an area of interest are demonstrable, exploration and evaluation assets attributable to that are of interest are first tested for impairment and then reclassified to mine properties under development. No amortisation is charged during the exploration and evaluation phase.

Research and development tax incentives received as cash refunds, to the extent they relate to eligible expenditure on exploration and evaluation assets, are accounted for as a reduction in deferred exploration and evaluation costs.

Expenditure for the Year by Area of Interest

	Note	30 June 2023 $'000	30 June 2022 $'000
			(Restated)
Area of Interest: Murchison Technology Metals Project			
Balance at 1 July		29,344	23,325
Expenditure for the period		10,785	6,984
Research and development tax incentive refund		(1,404)	(965)
Transfer of security deposit for Early Works Agreement to receivables	7	(580)	-
Balance at 30 June		**38,145**	**29,344**

Acquisition of Tenements

No tenements were acquired during the year (2022: nil).

Impairment

Exploration and evaluation assets are assessed for impairment if (i) sufficient data exists to determine the technical feasibility and commercial viability and, (ii) facts and circumstances suggest that the carrying amount exceeds the recoverable amount. For the purposes of impairment testing, exploration and evaluation assets are allocated to cash-generating units (CGUs) to which the exploration activity relates. The CGU is not larger than the area of interest.

NOTE 8: DEFERRED EXPLORATION AND EVALUATION EXPENDITURE (CONTINUED)

Key judgements, estimates and assumptions

Impairment of exploration and evaluation assets

The future recoverability of capitalised exploration and evaluation expenditure is dependent upon a number of factors, including whether the Group decides to exploit the related lease itself or, if not, whether it successfully recovers the related exploration and evaluation asset through sale.

Factors that could impact future recoverability include the level of reserves and resources, future technological changes which could impact the cost of mining, future legal changes (including changes to address climate change and traditional landowner engagement) and changes to commodity prices.

Ore reserve and mineral resource estimates

The determination of mineral resources and ore reserves impacts the accounting for asset carrying values. The Group estimates its mineral resources and ore reserves in accordance with the *Australian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves 2012* (the JORC Code). The information on mineral resources and ore reserves was prepared by or under the supervision of Competent Persons as defined in the JORC Code. The amounts presented are based on the mineral resources and ore reserves determined under the JORC Code.

There are numerous uncertainties inherent in estimating mineral resources and ore reserves, and assumptions that are valid at the time of estimation may change significantly when new information becomes available.

Changes in the forecast prices of commodities, exchange rates, production costs or recovery rates may change the economic status of reserves and may ultimately result in reserves being restated.

Exploration Expenditure Commitments

Exploration expenditure commitments represent tenement rentals and expenditure requirements that may be required to be met under the relevant legislation should the Group wish to retain tenure on all current tenements in which it has an interest. The terms and conditions under which the Group retains title to its various mining tenements oblige it to meet tenement rentals and minimum levels of exploration expenditure as gazetted by the Western Australian state government, as well as local government rates and taxes.

The exploration commitments of the Group not provided for in the consolidated financial statements and payable are as follows:

	Note	30 June 2023 $'000	30 June 2022 $'000
Not longer than 1 year		195	165
1 – 2 years		149	350
2 – 5 years		517	849
		861	1,364

The tenement commitments shown above represent the minimum required to be spent on all granted tenements as at reporting date. Actual expenditure will vary as a result of ongoing management of the tenement portfolio including reductions and relinquishment of tenements not considered prospective, in whole or in part.

Tenement commitments are shown gross of exemptions that are likely to be available in the ordinary course of business as the financial impact of potential exemptions cannot be measured reliably in advance.

NOTE 9: TRADE AND OTHER PAYABLES

Accounting Policy

Trade Payables

Trade and other payables are initially recognised at the value of the invoice received from a supplier and subsequently measured at amortised cost. They represent liabilities for goods and services provided to the Group prior to the end of the financial year that are unpaid and arise when the Group becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured and are usually paid within 30 days of recognition.

Employee Entitlements

A liability is recognised for the amount expected to be paid to an employee for annual leave they are presently entitled to as a result of past service. The liability includes allowances for on-costs such as superannuation and payroll taxes, as well as any future salary and wage increase that the employee may be reasonably entitled to.

	Note	30 June 2023 $'000	30 June 2022 $'000
Trade payables		639	1,033
Accrued expenses		337	25
Other payables		108	39
Employee entitlements – annual leave payable		95	-
		1,179	1,097

CAPITAL STRUCTURE, FINANCIAL INSTRUMENTS AND RISK

This section outlines how the Group manages its capital, related financing costs and its exposure to various financial risks. It explains how these risks affect the Group's financial position and performance and what the Group does to manage these risks.

The Group's objectives when managing capital are to safeguard its ability to continue as a going concern, so that it can deliver return to stakeholders through the optimisation of the debt and equity balance.

The capital structure of the Group consists of cash and cash equivalents and equity attributable to equity holders of the parent, comprising issued capital, reserves and retained earnings.

The Group's overall strategy remains unchanged during the financial year.

None of the Group's entities are subject to externally imposed capital requirements.

NOTE 10: FINANCIAL RISK MANAGEMENT

The Group holds financial instruments for the following purposes:

- Financing: to raise finance for the Group's operations or, in the case of short-term deposits, to invest surplus funds. The principal types of instruments used include cash and short-term deposits.
- Operational: the Group's activities generate financial instruments including cash, receivables and trade payables.

It is, and has been throughout the year, the Group's policy that no speculative trading in financial instruments shall be undertaken.

The Group's holding of these financial instruments exposes it to the following risks:

- Credit risk
- Liquidity risk
- Market risk, including interest rate and foreign exchange rate risk

This note presents information about the Group's exposure to each of the above risks and its objectives, policies and processes for measuring and managing risk. These risks affect the fair value measurements applied by the Group. Further quantitative disclosures are included through this financial report.

The board of directors has overall responsibility for the establishment and oversight of the risk management framework. The Audit and Risk Committee is responsible for developing and monitoring risk management policies. The committee reports regularly to the board of directors on its activities.

Credit Risk

Credit risk is the risk of a financial loss to the Group if the counterparty to a financial asset fails to meet its contractual obligation. Credit risk arises from cash and cash equivalents. The Group has adopted the policy of dealing with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults. Cash is deposited only with institutions approved by the board. The Group has determined that it currently has no significant exposure to credit risk as at the reporting date given banks have investment grade credit ratings.

NOTE 10: FINANCIAL RISK MANAGEMENT (CONTINUED)

Liquidity Risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risk damage to the Group's reputation.

The Group uses weekly and monthly cash forecasting to monitor cash flow requirements. Typically the Group ensures it has sufficient cash on hand to meet expected operational expenses, excluding the potential impact of extreme circumstances that cannot be reasonably predicted, such as natural disasters.

The following table analyses the Group's financial liabilities into relevant maturity periods based on the remaining period at the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows and hence will not necessarily reconcile with the amounts disclosed in the balance sheet.

30 June 2023 $'000	Carrying Amount	Contractual Cash Flows	6 mths or less	6-12 mths	1-2 years	2-5 years	More than 5 years
Trade and other payables	1,084	1,084	1,084	-	-	-	-
Total	**1,084**	**1,084**	**1,084**	**-**	**-**	**-**	**-**

30 June 2022 $'000	Carrying Amount	Contractual Cash Flows	6 mths or less	6-12 mths	1-2 years	2-5 years	More than 5 years
Trade and other payables	1,097	1,097	1,097	-	-	-	-
Total	**1,097**	**1,097**	**1,097**	**-**	**-**	**-**	**-**

Market Risk

Market risk is the risk that changes in market prices such as foreign exchange rates, interest rates, commodity prices and equity prices will affect the Group's income or value of the holdings of financial instruments. The object of market risk management is to manage and control market risk exposures within acceptable parameters while optimising the return. The Group currently has exposure to both foreign currency risk and interest rate risk. Future development of the MTMP and its operation will have exposure to commodity price risk.

- *Foreign currency risk:* The Group is occasionally exposed to foreign currency risk when goods or services are purchased in a currency other than Australian dollars. The Group maintains all of its cash in Australian dollars and does not currently hedge these purchases. There is no significant exposure to foreign currency risk at reporting date.
- *Interest rate risk:* The Group is exposed to movements in market interest rates on term deposits. The Group regularly reviews its working capital requirements against cash balances and the returns available on short term deposits. The Group does not have any short- or long-term debt and therefore this risk is minimal.

NOTE 10: FINANCIAL RISK MANAGEMENT (CONTINUED)

Market Risk (continued)

INTEREST RATE RISK

At the reporting date, the interest rate profile of the Group's interest-bearing financial instruments was as follows:

30 June 2023	Fixed Interest (<1 year) $'000	Floating Interest $'000	Non-interest Bearing $'000	Total $'000	Weighted Average Interest Rate %
Financial assets					
Cash and cash equivalents	10,000	5,626	838	**16,464**	3.32%
Trade and other receivables	1,404	-	904	**2,308**	2.37%
Financial liabilities					
Trade and other payables	-	-	1,084	**1,084**	-

30 June 2022	Fixed Interest (<1 year) $'000	Floating Interest $'000	Non-interest Bearing $'000	Total $'000	Weighted Average Interest Rate %
Financial assets					
Cash and cash equivalents	-	17,565	1,035	**18,600**	0.27%
Trade and other receivables	-	-	516	**516**	-
Financial liabilities					
Trade and other payables	-	-	1,096	**1,096**	-

Based on the financial instruments held at 30 June 2023, if interest rates had changed by +/- 100 basis points from the year end rates, with all other variables held constant, net loss and equity for the year would have been $170,000 lower/$170,000 higher (2022: net loss and equity $18,600 lower/$18,600 higher based on a +/- 10 basis points change to the year end rates).

Fair Values

The carrying amounts and estimated fair values of all the Group's financial instruments recognised in the financial statements are materially the same. The methods and assumptions used to estimate fair value of the financial instruments are disclosed in the respective notes.

NOTE 11: ISSUED CAPITAL AND RESERVES

Accounting Policy

Issued Capital

Ordinary shares are classified as equity. Transaction costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

	Note	30 June 2023 $'000	30 June 2022 $'000
Ordinary shares – issued and fully paid	(a)	66,741	55,329

	Note	No.	$'000
(a) Movement in ordinary shares on issue			
On issue at 1 July 2021		150,178,057	34,738
Shares issued as part of a placement on 5 October 2021		36,357,014	13,634
Shares issued as part of a placement on 26 November 2021		16,976,319	6,366
Issued on exercise of options		6,313,167	1,578
Transaction costs		-	(987)
On issue at 30 June 2022		**209,824,557**	**55,329**
Issued on exercise of options		3,390,000	678
Private placement 1-2 June 2023		41,071,427	11,500
Transaction costs		-	(766)
On issue at 30 June 2023		**254,285,984**	**66,741**

The holders of ordinary shares are entitled to receive dividends as declared from time to time and, on a poll, are entitled to one vote per share at meetings of the Company. The Company does not have authorised capital or par value in respect of its issued shares.

Nature and purpose of reserves

Share-based payments reserve

This reserve is used to record the value of equity benefits (options and performance rights) provided to employees, consultants and directors as part of their remuneration.

	Note	30 June 2023 $'000	30 June 2022 $'000
Balance at 1 July		3,814	3,042
Share-based payments expense recognised/(reversed) during the year	12	(1,024)	907
Forfeiture of incentive securities		-	(135)
Balance at 30 June		**2,790**	**3,814**

Other Disclosures

This section provides information on items which require disclosure to comply with Australian Accounting Standards and other regulatory pronouncements.

NOTE 12: SHARE-BASED PAYMENTS

Accounting Policy

The cost of equity-settled transactions with employees and KMP and those providing similar services are initially measured at the fair value of the share options or performance rights at grant date and subsequently recognised as an expense, with a corresponding increase in equity, over the period in which the performance conditions are fulfilled (the vesting period), ending on the date on which the individual becomes fully entitled to the award (vesting date).

At each subsequent reporting date until vesting, the cumulative charge to the statement of comprehensive income is the product of:

- The grant date fair value of the share option or performance right;
- The current best estimate of the number of options or rights that will ultimately vest, taking into account such factors as the likelihood of employee turnover during the vesting period and the likelihood of non-market performance conditions being met; and
- The expired portion of the vesting period.

Until an award has vested, any amounts recorded are contingent and will be adjusted if more or fewer awards vest than were originally anticipated to do so. No expense is recognised for awards that do not ultimately vest.

Where terms of an equity-settled award are modified, as a minimum an expense is recognised as if the terms had not been modified. In addition, an expense is recognised for any increase in the value of the transaction arising from the modification, as measured at the date of modification.

Where an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately. However, if a new award is substituted for the cancelled award and designated as a replacement award on the date that it is granted, the cancelled and new award are treated as if they were a modification of the original award, as described in the previous paragraph.

Recognised share-based payments expense

	Note	30 June 2023 $'000	30 June 2022 $'000
Share-based payments expense relating to:			
Unlisted options – directors and employees		(424)	458
Unlisted options – others		(112)	94
Performance rights – directors and employees		(173)	145
Performance rights – others		(315)	76
Total expense arising from share-based payment transactions		**(1,024)**	**773**

The share-based payment plans are described below. Except as disclosed below, there have been no cancellations or modifications to any of the plans during the current or prior periods.

NOTE 12: SHARE-BASED PAYMENTS (CONTINUED)

Employee securities incentive plan

During the period, the Board granted options and performance rights to eligible participants under the terms of the Technology Metals Australia Limited Employee Securities Incentive Plan (the Plan) approved at the Company's Annual General Meeting on 24 November 2022.

The objective of the Plan is to attract, motivate and retain key employees, directors and other service providers and provide them with the opportunity to participate in the future growth of the Company.

Under the Plan, the Board may issue to eligible participants, options to acquire shares in the future at an exercise price fixed by the Board on grant of the options or performance rights that convert into ordinary shares in the future for nil consideration.

The vesting of all options and performance rights are subject to service conditions being met whereby the recipient must remain an eligible participant as defined in the Plan, as well as the satisfaction of performance conditions as defined by the Board at the time of grant.

During the year ended 30 June 2023, options and performance rights were issued to directors and employees as part of their remuneration with the following performance conditions:

Security Class	Performance Condition	Number granted
Class C Options	Vest upon final investment decision (**FID**) on the Yarrabubba Vanadium Project prior to 30 October 2023.	1,300,000
Class E Options	Vest upon achieving first commercial production at MTMP prior to 30 June 2025.	1,350,000
Class B Performance Rights	Vest upon FID on the Yarrabubba Vanadium Project prior to 30 October 2023.	300,000
Class D Performance Rights	Vest upon achieving first commercial production at MTMP prior to 30 June 2025.	350,000

During the year ended 30 June 2022, options and performance rights were issued to directors, employees and consultants with the following performance conditions:

Security Class	Performance Condition	Number granted
Class C Options	Vest upon final investment decision (**FID**) on the Yarrabubba Vanadium Project prior to 30 October 2023.	300,000
Class E Options	Vest upon achieving first commercial production at MTMP prior to 30 June 2025.	4,075,000
Class B Performance Rights	Vest upon FID on the Yarrabubba Vanadium Project prior to 30 October 2023.	1,775,000
Class D Performance Rights	Vest upon achieving first commercial production at MTMP prior to 30 June 2025.	2,575,000

NOTE 12: SHARE-BASED PAYMENTS (CONTINUED)

Measurement of Fair Values

SHARE OPTIONS

The fair value of services received in return for the grant of options under the Plan has been measured using the Black-Scholes formula. The inputs used to calculate the grant date fair value of these options are set out below.

	2023 Plan	2022 Plan
Share price at grant date	$0.350 – $0.355	$0.34 – $0.57
Exercise price	$0.50 – $0.60	$0.50 – $0.60
Expected dividends	0%	0%
Risk-free interest rate	0% – 3.29%	0.24% – 2.54%
Expected volatility	70% – 82%	62% – 90%
Expected life (years)	0.9 – 2.8	3.0 – 3.61
Fair value per option/right at grant date	$0.056 - $0.143	$0.1088 – $0.3118

The expected life of the options is based on historical data and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that historical volatility is indicative of future trends, which may also not necessarily be the actual outcome.

PERFORMANCE RIGHTS

The fair value of services received in return for the grant of performance rights under the Plan has been measured using the Black-Scholes formula. The inputs used to calculate the fair value of these performance rights are set out below.

	2023 Plan	2022 Plan
Share price at grant date	$0.355	$0.35 - $0.57
Exercise price	Nil	Nil
Expected dividends	0%	0%
Risk free interest rate	0% - 3.29%	0.24% – 2.54%
Expected volatility	70% - 82%	62% – 90%
Performance period (years)	1.2 – 2.8	1.4 – 3.2
Fair value per right at grant date	$0.355	$0.35 - $0.57

The expected volatility reflects the assumption that historical volatility is indicative of future trends, which may also not necessarily be the actual outcome.

Key estimates and assumptions

Share-based payments

The Group measures the cost of equity-settled transactions with employees and consultants performing services by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by use of the Black-Scholes model, using the assumptions outlined above.

The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact expenses and equity.

NOTE 12: SHARE-BASED PAYMENTS (CONTINUED)

Summary of options and performance rights granted

SHARE OPTIONS

The following table illustrates the number (No.) and weighted average exercise price (WAEP) of, and movements in, share options issued during the period.

	30 June 2023		30 June 2022	
Unquoted options	*No.*	*WAEP*	*No.*	*WAEP*
Outstanding at the beginning of the period	16,150,000	$0.38	12,350,000	$0.31
Granted during the period	2,650,000	$0.55	4,375,000	$0.59
Forfeited during the period	-	-	(575,000)	$0.50
Exercised during the period (i)	(3,390,000)	$0.20	-	-
Expired during the period	(4,610,000)	$0.20	-	-
Outstanding at the end of the period (ii)	**10,800,000**	**$0.55**	**16,150,000**	**$0.38**
Exercisable at the end of the period	-	-	3,875,000	$0.20

(i) The weighted average share price at the date of exercise was $0.335 (2022: no options exercised).

(ii) Details of options outstanding at the end of the period include:

	30 June 2023	30 June 2022
Weighted average remaining contractual life	1.20 years	1.60 years
Range of exercise prices	$0.50 to $0.60	$0.20 to $0.60
Weighted average fair value of options granted during the year	$0.0934	$0.1933

PERFORMANCE RIGHTS

The following table illustrates the number (No.) of, and movements in, performance rights issued during the period.

	30 June 2023	30 June 2022
Performance rights	*No.*	*No.*
Outstanding at the beginning of the period	5,525,000	2,650,000
Granted during the period	650,000	4,350,000
Forfeited during the period	-	(1,475,000)
Exercised during the period	-	-
Expired during the period	-	-
Outstanding at the end of the period (i)	**6,175,000**	**5,525,000**
Exercisable at the end of the period	-	-

(i) Details of performance rights outstanding at the end of the period include:

	30 June 2023	30 June 2022
Weighted average remaining contractual life	1.15 years	2.14 years
Weighted average fair value of performance rights granted during the year	$0.3550	$0.4387

NOTE 13: RELATED PARTY DISCLOSURES

Key management personnel compensation

The key management personnel compensation included in employee benefits expense (note 3) and share-based payments (note 12), is as follows:

	Note	30 June 2023 $	30 June 2022 $
Short-term employee benefits		1,052,431	385,373
Post-employment benefits		88,976	-
Long term benefits		63,526	-
Share-based payments expense recognised/(reversed)		(602,964)	560,961
Total compensation		**601,969**	**946,334**

Individual directors' and executives' compensation disclosures

Information regarding individual directors' and executives' compensation and equity instrument disclosures required by s300A of the *Corporations Act 2001* and *Corporations Regulations 2001* Part 2M.3.03 are provided in the Remuneration Report section of the Directors' Report.

Other transactions with key management personnel

The Group receives accounting, bookkeeping, company secretarial and administrative services from Cicero Group Pty Ltd (**Cicero**), an entity in which Mr Cheema is a shareholder and director, for a monthly fee of $8,000 (2022: monthly fee of $10,000, which included office rent). These services are provided on arm's length, commercial terms. Fees paid to Cicero for the period from 1 July 2022 to 10 August 2022 during which Mr Cheema was also a director of the Company, totalled $16,000 (2022: $161,277) of which nil balance is payable at 30 June 2023 (2022: $6,667 payable).

Other than the ordinary accrual of personnel expenses at balance date and transactions disclosed above, there are no other amounts receivable from or payable to key management personnel and their related parties.

Subsidiaries

The consolidated financial statements include the financial statements of Technology Metals Australia Limited and the subsidiaries listed in the following table:

	Country of Incorporation	30 June 2023 % Equity Interest	30 June 2022 % Equity Interest
The Kop Ventures Pty Ltd	Australia	100	100
vLyte Pty Ltd	Australia	100	100

Ultimate parent

Technology Metals Australia Limited is the ultimate Australian parent entity and the ultimate parent entity of the Group.

NOTE 13: RELATED PARTY DISCLOSURES (CONTINUED)

Transactions with related parties

A loan is made by the Company to The Kop Ventures Pty Ltd (**Kop**) and represents the subsidiary's share of payments for deferred exploration and evaluation expenditure on the MTMP as the holder of the underlying tenements. The loan outstanding between the Company and Kop has no fixed date of repayment and is non-interest bearing. As at 30 June 2023, the balance of the loan receivable was $8,829,000 (2022: $14,000).

A loan is made by the Company to vLyte Pty Ltd (**vLyte**) and represents the subsidiary's expenditure on research and development into vanadium use in battery energy storage solutions. The loan outstanding between the Company and vLyte has no fixed date of repayment and is non-interest bearing. As at 30 June 2023, the balance of the loan receivable was $679,000 (2022: $nil).

NOTE 14: PARENT ENTITY INFORMATION

The following details information related to the parent entity, Technology Metals Australia Limited, at 30 June 2023. The information presented here has been prepared using consistent accounting policies as detailed in the relevant notes of this report.

	Note	30 June 2023 $'000	30 June 2022 $'000
			(Restated)
Current assets		17,452	19,141
Non-current assets		39,257	29,348
Total assets		**56,709**	**48,489**
Current liabilities		495	1,085
Non-current liabilities		-	-
Total liabilities		**495**	**1,085**
Issued capital		66,741	55,329
Share-based payments reserve		2,789	3,814
Accumulated losses		(13,317)	(11,739)
Total equity		**56,214**	**47,404**

	Note	30 June 2023 $'000	30 June 2022 $'000
			(Restated)
Net loss for the year		(1,578)	(2,517)
Other comprehensive income for the year		-	-
Total comprehensive loss for the year		**(1,578)**	**(2,517)**

The parent entity has not guaranteed any loans of its subsidiaries.

There are no commitments, contingent assets or liabilities of the parent entity at 30 June 2023.

NOTE 15: COMMITMENTS AND CONTINGENT LIABILITIES

Commitments

There are no capital commitments of the Group, other than the exploration expenditure commitments disclosed in note 8.

Contingent liabilities

In June 2022, the Group entered into an Early Works Agreement (**EWA**) with APA Operations Pty Ltd (**APA Operations**) for the provision of certain early works by APA Operations in respect of the proposed development of the Gabanintha Gas Pipeline. These works will ultimately allow the Group and APA Operations to negotiate a development agreement and gas transportation agreement (**Project Documents**) to supply the MTMP with gas from the commencement of operations.

The EWA includes a requirement for the Group to reimburse APA Operations for all costs incurred and committed to in connection with the early works where the parties have not executed the Project Documents by the Backstop Date (currently 31 January 2024). The EWA required the Group to provide a cash backed security deposit of $580,000 (refer note 7) for the potential reimbursement of these costs. Where Project Documents are executed, the early works costs are rolled up into the future tariffs payable and are not reimbursable, and the security deposit funds are released to the Group.

At 30 June 2023, APA Operations had incurred total EWA costs of $775,000 which the Group would be required to reimburse if Project Documents are not executed by the Backstop Date. Payment of the first $580,000 of costs incurred would be funded through return of the security deposit noted above. The Group and APA Operations are actively working towards executing the Project Documents and at reporting date, the board of directors' judgement is that it is only possible, but not probable, that the Group will be required to reimburse APA Operations for the EWA costs. Accordingly, no provision for any liability has been made in these financial statements.

There were no other contingencies as at 30 June 2023 (2022: $Nil).

NOTE 16: AUDITOR'S REMUNERATION

The auditor of Technology Metals Australia Limited is HLB Mann Judd.

	Note	30 June 2023 $	30 June 2022 $
Audit services			
Audit and review of financial statements		45,750	35,501
Total auditor's remuneration		**45,750**	**35,501**

NOTE 17: SUBSEQUENT EVENTS

On 25 September 2023, the Company announced that it had entered into a binding Scheme Implementation Deed with Australian Vanadium Limited (AVL) under which the two companies propose to merge via a scheme of arrangement (Scheme), subject to the satisfaction of certain conditions, including:

- Approval being obtained from TMT shareholders and court approval in relation to the Scheme
- An Independent Expert concluding that the Scheme is in the best interests of TMT shareholders
- No material adverse change, prescribed occurrence or regulated event (each as defined in the SID) occurring in relations to either AVL or TMT
- AVL raising at least A$15 million under its concurrently announced equity placement; and
- Other conditions as customary for a transaction of this nature.

Under the terms of the Scheme, AVL will acquire 100% of the fully paid ordinary shares of TMT with each shareholder of TMT to receive 12 fully paid ordinary AVL shares for each TMT share held at the Scheme record date.

TMT will seek Court approval to convene a meeting of TMT shareholders to approve the Scheme. A scheme booklet containing notice of the Scheme meeting and information relating to the Scheme, including the basis for the TMT board's unanimous recommendation, Independent Expert's Report and details of the Scheme is expected to be circulated to all TMT Shareholders in November 2023.

There have been no other events subsequent to balance date that would significantly affect the amounts reported in the consolidated financial statements as at and for the year ended 30 June 2023.

NOTE 18: NEW ACCOUNTING STANDARDS AND INTERPRETATIONS

Changes in Accounting Policies

Accounting for the Research and Development Tax Incentive

During the year, the Group amended its accounting policy with respect to the treatment of cash received from the refundable Research and Development Tax Incentive (**R&DTI**).

Prior to this change in policy, the Group recognised refundable R&DTI as a current income tax benefit in the consolidated statement of comprehensive income.

Following the change in policy, the Group now nets the R&DTI received in relation to exploration activities against the related exploration and evaluation assets.

The directors believe that this change in policy will result in more relevant and no less reliable information as the policy is more transparent and is more closely aligned with the accounting policies adopted by comparable companies. The change in policy will therefore assist users of the financial statements in gaining a clear understanding of the Group's financial position.

Comparative financial information has been restated in this financial report to align with the new accounting policy.

NOTE 18: NEW ACCOUNTING STANDARDS AND INTERPRETATIONS (CONTINUED)

Changes in Accounting Policies (Continued)

The impact of this voluntary change in accounting policy on the consolidated financial statements is summarised below:

	30 June 2022 $'000	Change $'000	30 June 2022 $'000
	(As Reported)		(Restated)
Consolidated Statement of Comprehensive Income			
Loss before income tax	(2,517)		(2,517)
Income tax benefit	965	(965)	-
Net loss for the year	**(1,552)**	**(965)**	**(2,517)**
Total comprehensive loss for the year	**(1,552)**	**(965)**	**(2,517)**
Basic and diluted loss per share	(0.82)	(0.52)	(1.34)
Consolidated Balance Sheet			
Deferred exploration and evaluation expenditure	34,633	(5,289)	29,344
Total non-current assets	**34,633**	**(5,289)**	**29,344**
Total assets	**53,775**	**(5,289)**	**48,486**
Net assets	**52,678**	**(5,289)**	**47,389**
Accumulated losses	(6,465)	(5,289)	(11,754)
Total equity	**52,678**	**(5,289)**	**47,389**
Consolidated Statement of Cash Flows			
Research and development tax incentive refund received	965	(965)	-
Net cash outflow from operating activities	**(550)**	**(965)**	**(1,515)**
Research and development tax incentive refund received	-	965	965
Net cash outflow from investing activities	**(7,027)**	**965**	**(6,062)**

	1 July 2021 $'000	Change $'000	1 July 2021 $'000
	(As Reported)		(Restated)
Consolidated Balance Sheet			
Deferred exploration and evaluation expenditure	27,650	(4,325)	23,325
Total non-current assets	**27,650**	**(4,325)**	**23,325**
Total assets	**33,534**	**(4,325)**	**29,209**
Net assets	**32,867**	**(4,325)**	**28,542**
Accumulated losses	(4,912)	(4,325)	(9,237)
Total equity	**32,867**	**(4,325)**	**28,542**

NOTE 18: NEW ACCOUNTING STANDARDS AND INTERPRETATIONS (CONTINUED)

Changes in Accounting Policies (Continued)

Other Changes

The Group has adopted the following new and revised accounting standards, amendments and interpretations as of 1 July 2022:

- AASB 2020-3 Amendment to AASB 9 – Fees in the '10 per cent' Test for Derecognition of Financial Liabilities (Part of Annual Improvements 2018-2020 Cycle)
- AASB 2020-3 Amendments to AASB 3 – Reference to the Conceptual Framework
- AASB 2020-3 Amendments to AASB 116 – Property, Plant and Equipment: Proceeds before Intended Use
- AASB 2020-3 Amendments to AASB 137 – Onerous Contracts – Cost of Fulfilling a Contract

The adoption of these new and revised standards did not have a material impact on the Group's financial statements.

New standards and interpretations issued but not yet effective

The following standards, amendments to standards and interpretations have been identified as those which may impact the entity in the period of initial application. They are available for early adoption at 30 June 2023, but have not been applied in preparing this financial report. Except where noted, the Group has evaluated the impact of the new standards and interpretations listed below and determined that changes are not likely to have a material impact on its financial statements.

Disclosure of Accounting Policies – Amendments to IAS 1 and IFRS Practice Statement 2

In February 2021, amendments to IAS 1 *Presentation of Financial Statements* and IFRS Practice Statement 2 *Making Materiality Judgements* were issued, providing guidance and examples to help entities apply materiality judgements to accounting policy disclosures.

The amendments aim to help entities provide accounting policy disclosures that are more useful by:

- Replacing the requirement for entities to disclose their 'significant accounting policies' with a requirement to disclose 'material accounting policy information'; and
- Adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures

The amendments may impact the accounting policy disclosures of entities. Determining whether accounting policies are material or not requires the use of judgement therefore, entities are encouraged to revisit their accounting policy disclosures to ensure consistency with the amended standard.

Application date of Standard:	1 January 2023	*Application date for Group:*	1 July 2023

Definition of Accounting Estimates – Amendments to IAS 8

In February 2021, amendments to IAS 8 introduced a new definition of 'accounting estimates'. The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. Also, they clarify how entities use measurement techniques and inputs to develop accounting estimates. The amended standard clarifies that the effects on an accounting estimate of a change in an input or a change in a measurement technique are changes in accounting estimates if they do not result from the correction of prior period errors.

The amendments are intended to provide preparers of financial statements with greater clarity as to the definition of accounting estimates, particularly in terms of the difference between accounting estimates and accounting policies. Although the amendments are not expected to have a material impact on entities' financial statements, they should provide helpful guidance in determining whether changes are to be treated as changes in estimates, changes in policies, or errors.

Application date of Standard:	1 January 2023	*Application date for Group:*	1 July 2023

NOTE 18: NEW ACCOUNTING STANDARDS AND INTERPRETATIONS (CONTINUED)

New Standards and Interpretations Issued but not yet Effective (Continued)

Deferred tax related to assets and liabilities arising from a single transaction – Amendments to IAS 12

In May 2021, amendments to IAS 12 *Income Taxes* were issued which narrow the scope of the initial recognition exception under IAS 12 so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences.

The amendments clarify that where payments that settle a liability are deductible for tax purposes, it is a matter of judgement (having considered the applicable tax law) whether such deductions are attributable for tax purposes to the liability recognised in the financial statements or the related asset component. This judgement is important in determining whether any temporary differences exist on initial recognition of the asset and liability.

Under the amendments, the initial recognition exception does not apply to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. It only applies if the recognition of a lease asset and lease liability (or decommissioning liability and decommissioning asset component) give rise to taxable and deductible temporary differences that are not equal.

Nevertheless, it is possible that the resulting deferred tax assets and liabilities are not equal (e.g., if the entity is unable to benefit from the tax deductions or if different tax rates apply to the taxable and deductible temporary differences). In such cases, which are expected to occur infrequently, an entity would need to account for the difference between the deferred tax asset and liability in profit or loss.

Application date of Standard:	1 January 2023	*Application date for Group:*	1 July 2023

Classification of liabilities as Current or Non-Current and Non-Current Liabilities with Covenants – Amendments to IAS 1

In January 2020 and October 2022, amendments to IAS 1 were issued to specify the requirements for classifying liabilities as current or non-current. The amendments clarify:

- What is meant by the right to defer settlement;
- That a right to defer settlement must exist at the end of the reporting period;
- That classification is unaffected by the likelihood that an entity will exercise its deferral right;
- That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification; and
- Disclosure requirements where the right to defer settlement is contingent on compliance with future covenants within twelve months.

Application date of Standard:	1 January 2024	*Application date for Group:*	1 July 2024

Disclosures: Supplier Finance Arrangements – Amendments to IAS 7 and IFRS 7

In May 2023, amendments to IAS 7 *Statement of Cash Flows* and IFRS 7 *Financial Instruments: Disclosures* were issued, specifying enhanced disclosure requirements intended to assist users in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk.

The amendments clarify the characteristics of supplier finance arrangements. In these arrangements, one or more providers pay amounts an entity owes to its suppliers. The entity agrees to settle those amounts with the finance providers according to the terms and conditions of the arrangements, either at the same date or at a later date than that on which the finance providers pay the entity's suppliers.

The amendments require an entity to provide information about the impact of supplier finance arrangements on liabilities and cash flows, including the terms and conditions of those arrangements, quantitative information on liabilities related to those arrangements as at the beginning and end of the reporting period and the type and effect of non-cash changes in the carrying amounts.

Application date of Standard:	1 January 2024	*Application date for Group:*	1 July 2024

Directors' Declaration

In accordance with a resolution of the directors of Technology Metals Australia Limited, I state that:

In the opinion of the directors:

(a) the financial statements and notes of Technology Metals Australia Limited and its subsidiaries (collectively the Group) are in accordance with the *Corporations Act 2001* including:

   (i) giving a true and fair view of the Group's financial position as at 30 June 2023 and of its performance for the financial year ended on that date; and

   (ii) complying with Accounting Standards and the *Corporations Regulations 2001*; and

(b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable; and

(c) the financial statements and notes thereto are in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board.

The Directors have been given the declarations required by Section 295A of the *Corporations Act 2001* from the Chief Executive Officer and Chief Financial Officer for the financial year ended 30 June 2023.

On behalf of the Board

Michael Fry
Chairman

Dated this 29th day of September 2023

HLB MANN JUDD
ADVISORY AND ACCOUNTING

INDEPENDENT AUDITOR'S REPORT

To the Members of Technology Metals Australia Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Technology Metals Australia Limited ("the Company") and its controlled entities ("the Group"), which comprises the consolidated balance sheet as at 30 June 2023, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

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

(a) giving a true and fair view of the Group's financial position as at 30 June 2023 and of its financial performance for the year then ended; and

(b) 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 Group 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* ("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.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the matter described in the next page to be the key audit matters to be communicated in our report.

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Key Audit Matter	How our audit addressed the key audit matter
Deferred exploration and evaluation expenditure Refer to Note 8 of the financial report	
In accordance with AASB 6 *Exploration for and Evaluation of Mineral Resources*, the Group capitalises all exploration and evaluation expenditure, including acquisition costs and subsequently applies the cost model after recognition. Exploration and evaluation expenditure was determined to be a key audit matter as it is important to the users' understanding of the financial statements as a whole and was an area which involved the most audit effort and communication with those charged with governance.	Our procedures included but were not limited to the following: - Obtained an understanding of the key processes associated with management's review of the carrying value of exploration and evaluation; - Considered the Directors' assessment of potential indicators of impairment in addition to making our own assessment; - Obtained evidence that the Group has current rights to tenure of its areas of interest; - Considered the nature and extent of future planned ongoing activities; - Checked the impact of the retrospective change in accounting policy to apply the research and development tax incentive refund offset against the capitalised exploration and evaluation expenditure balance; - Substantiated a sample of expenditure by agreeing to supporting documentation; and - Examined the disclosures made in the annual report.

Information Other than the Financial Report and Auditor's Report Thereon

The directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2023, 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, 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 ability of the Group 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 Group or to cease operations, or have no realistic alternative but to do so.

HLB MANN JUDD
ADVISORY AND ACCOUNTING

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 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.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

– Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
– Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
– Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
– Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
– Evaluate the overall presentation, structure, and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

HLB MANN JUDD
ADVISORY AND ACCOUNTING

REPORT ON THE REMUNERATION REPORT

Opinion on the Remuneration Report

We have audited the Remuneration Report included in the directors' report for the year ended 30 June 2023.

In our opinion, the Remuneration Report of Technology Metals Australia Limited for the year ended 30 June 2023 complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

HLB Mann Judd

HLB Mann Judd
Chartered Accountants

Perth, Western Australia
29 September 2023

D I Buckley

D I Buckley
Partner

ASX Additional Information

As at 15 September 2023 the following information applied:

1. Securities

(A) FULLY PAID ORDINARY SHARES

The number of holders of fully paid ordinary shares in the Company is 2,129. On a show of hands every holder of fully paid ordinary shares present or by proxy, shall have one vote. Upon a poll, each share shall have one vote. The distribution of holders of fully paid ordinary shares is as follows:

Category		Number of Shareholders	Number of Shares
Holding between	1 – 1,000 shares	113	40,419
Holding between	1,001 – 5,000 shares	681	1,969,584
Holding between	5,001 – 10,000 shares	329	2,615,250
Holding between	10,001 – 100,000 shares	775	27,263,735
Holding more than	100,001 shares	231	222,396,996
		2,129	**254,285,984**
Holding less than	A marketable parcel	264	256,241

The Company's fully paid ordinary shares are quoted on the Australian Securities Exchange using the code TMT.

The top 20 shareholders are as follows:

Holder Name	Number of fully paid ordinary shares held	Percentage Interest
CITICORP NOMINEES PTY LIMITED	51,799,326	20.37%
BNP PARIBAS NOMS PTY LTD <DRP>	22,229,378	8.74%
STANDARD PASTORAL COMPANY PTY LTD	14,000,000	5.51%
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	12,043,208	4.74%
RETZOS EXECUTIVE PTY LTD <RETZOS EXECUTIVE S/FUND A/C>	6,800,000	2.67%
DR ADEL WAGDI AWISS MORSI	6,620,000	2.60%
STATION NOMINEES PTY LTD <STATION SUPER FUND A/C>	5,000,000	1.97%
MR COLIN DAVID ILES	4,629,878	1.82%
ATASA HOLDINGS PTY LTD <TS3A FAMILY A/C>	4,343,995	1.71%
KHAZANAH PTY LTD	2,619,210	1.03%
UBS NOMINEES PTY LTD	2,494,805	0.98%
RETZOS FAMILY PTY LTD <RETZOS FAMILY S/FUND A/C>	2,310,000	0.91%
MR RICHARD THOMAS HAYWARD DALY & MRS SARAH KAY DALY <THE DALY FAMILY SUPER A/C>	2,306,227	0.91%
ASHANTI INVESTMENT FUND PTY LTD <ASHANTI INVESTMENT FUND A/C>	2,287,143	0.90%
PERRIWINKLE INVESTMENTS PTY LTD	2,149,316	0.85%
SHAYDEN NOMINEES PTY LTD	1,964,866	0.77%
MR DAVID JAMES HARRINGTON	1,900,000	0.75%
MR PAUL VENDA DIVIN	1,644,012	0.65%
MR JACOB EDWARDS & MRS CATHY EDWARDS	1,638,800	0.64%
DR JAMES LEONG	1,627,358	0.64%
Top 20 shareholders of ordinary fully paid shares (total)	150,407,522	59.16%

1. Securities (continued)

(B) UNLISTED OPTIONS

Unlisted options over fully paid ordinary shares	Number of Holders	Number of Options Held
Expiry 1 January 2024 (exercise price $0.50)	10	5,375,000
Expiry 30 June 2025 (exercise price $0.60)	12	5,425,000

Option holders may attend and speak at general meetings of the Company. However, they do not have an entitlement to vote upon the business before the meeting either by show of hands or by poll.

(C) UNLISTED PERFORMANCE RIGHTS

Unlisted performance rights to ordinary shares	Number of Holders	Number of Options Held
Expiry 1 January 2024	12	3,250,000
Expiry 30 June 2025	11	2,925,000

Performance rights do not carry a right to vote. Voting rights will be attached to the unissued shares when the performance rights have been exercised.

(D) RESTRICTED SECURITIES

Other than the securities listed in the table below, the Company does not have any restricted securities on issue.

Class of Security	Number	End of Escrow Period
Fully paid ordinary shares subject to voluntary escrow	3,300,000	Various

2. Substantial Shareholders

The substantial shareholders as disclosed in substantial shareholder notices received by the Company are:

Name of Shareholder	Number of Fully Paid Ordinary Shares Held	Percentage Interest
Resource Capital Fund VII LP	45,821,428	18.19%
Standard Pastoral Company Pty Ltd	14,000,000	5.51%

3. On-Market Buy-Back

There is no current on-market buy-back of the Company's securities.

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