



**Tivan Limited (ABN 12 000 817 023)
and its Controlled Entities
(formerly TNG Limited)**

Half-Year Financial Report

31 December 2022

Tivan Limited and its controlled entities

Corporate Information

Directors

Grant Wilson	Executive Chairman
Simon Morten	Non-Executive Director
Dr Anthony Robinson	Non-Executive Director

Company Secretary

Tony Bevan

Registered Office

Suite 20, 22 Railway Road
Subiaco WA 6008

PO Box 1126
Subiaco, WA 6904

Telephone: (08) 9327 0900

Facsimile: (08) 9327 0901

Website: <https://tivan.com.au>

Email: corporate@tivan.com.au

Share Registry

Computershare Investor Services Pty Limited

Level 11

172 St Georges Terrace

Perth WA 6000

Telephone: (08) 9323 2000

Facsimile: (08) 9323 2033

Auditor

KPMG

235 St Georges Terrace

Perth WA 6000

Listed on the Australian Stock Exchange Limited

ASX Code: TVN

Tivan Limited and its controlled entities

Directors' Report

The directors of Tivan Limited (the "Company" or "Tivan") (formerly TNG Limited) present their report on the consolidated entity, consisting of the Company and its subsidiaries, together with the consolidated financial statements for the six months ended 31 December 2022 and the review report thereon.

DIRECTORS

The Directors of the Company at any time during, and since the end of, the financial period were as follows:

Grant Wilson (Executive Chairman)	Appointed 28 November 2022
Simon Morten (Non-Executive Director)	
Dr Anthony Robinson (Non-Executive Director)	Appointed 20 September 2022
Paul Burton	Resigned 25 November 2022
John Elkington	Resigned 20 September 2022
Elizabeth Henson	Appointed 1 August 2022; Resigned 20 September 2022
Neil Biddle	Appointed 2 September 2022; Retired 28 November 2022
Rowan Johnston	Appointed 10 October 2022; Retired 28 November 2022

REVIEW OF OPERATIONS

Overview

Tivan is a critical minerals company listed on the Australian Stock Exchange. The Company is primarily focussed on the development of its innovative TIVAN® Process technology for titanomagnetite ore bodies, and the Mount Peake Vanadium-Titanium-Iron Project ("Mount Peake") in the Northern Territory, Australia.

Change of Management

A change in management took place at the Company during the reporting period which saw a number of changes at both the Board and executive management level. These changes included:

- Election of Mr Grant Wilson as a Director at the Company's Annual General Meeting ("AGM") on 28 November 2022 and subsequent appointment as Executive Chairman of the Board of Directors.
- Election of Dr Anthony Robinson as a Non-Executive Director at a General Meeting of the Company on 20 September 2022.
- Appointment of Mr Jason Giltay as Chief Financial Officer effective from 2 December 2022.
- Appointment of Mr Tony Bevan as Company Secretary (Joint Company Secretary from 15 September 2022, moving to Company Secretary on 19 January 2023).
- Resignation of a number of the Company's directors; this included Mr Paul Burton, the Company's former Managing Director and CEO, resigning effective as of 25 November 2022.

The Company's new Board of Directors commenced a detailed strategic review of all aspects of the Company and a Mount Peake Project Review following the AGM at the end of November 2022, a key part of a commitment for an initial phase of Reset, Review and Renew for the Company. This phase is expected to conclude not later than the end of the March quarter 2023, with the findings to inform the next phases of work for Tivan's assets and in-turn support progression of longer-term development planning for the Company's projects.

As part its reset and renew, during the reporting period the Company announced a proposed change of its name from TNG Limited to Tivan Limited. The new name is forward facing, culturally appropriate, aesthetically appealing and of high relevance to the Company's mission. It is a name that shareholders and stakeholders are already familiar

Tivan Limited and its controlled entities

Directors' Report

with. The Company additionally owns the TIVAN® trademark. The new name captures the criticality of the minerals at Mount Peake, specifically titanium (Ti) and vanadium (Van), and the verticality of the Company's mineral processing technology.

Subsequent to the end of the reporting period, shareholders approved the name change at an Extraordinary General Meeting held on 20 January 2023, with the Company announcing on 23 January 2023 that the Company's change of name to Tivan Limited has been effected following official confirmation from the Australian Securities and Investments Commission.

Mount Peake Project - Updates

During the reporting period, the Company announced a number of updates for the Mount Peake Project, including:

- Agreement reached with Vimson Group to extend the Life-of-Mine Offtake and Marketing Agreement for up to 100% of high purity iron products intended to be produced from the Mount Peake Project (see ASX announcement of 16 December 2022).
- Notice of termination provided to Gunvor Singapore Pte Ltd in respect of the Life-of-Mine Offtake and Marketing Agreement for 40% of the vanadium pentoxide intended to be produced from the Mount Peake Project, given the conditions precedent have not been satisfied (see ASX announcement of 16 December 2022).
- Water Extraction Licence Application for the Mount Peake Project has been put on hold pending the outcome of the Company and project review that is being undertaken (see ASX announcement of 12 December 2022).
- As part of the reset and renewal process, the new Board is reviewing the engineering strategy and contractors involved with the Mount Peake Project, which extends to Clough and all major contractors (see ASX announcement of 6 December 2022).

The previous Board of Directors made a number of other announcements during the reporting period with respect to engineering, financing and permitting for the Mount Peake Project. All such previous activity for the Mount Peake Project is being reviewed as part of the new Board's Project Review.

Other Projects - Updates

The Company holds various interests in a number of other projects in the Northern Territory and Western Australia. The new Board of Directors is reviewing the prospectivity and strategy for these projects as part of its strategic review.

Under the leadership of the Company's former Managing Director and CEO, Mr Paul Burton, in August 2022 the Company entered into a binding term sheet with two private prospectors to acquire 13 Exploration Licence Applications comprising the Sandover Lithium Project located 50km south-east of the Company's Mount Peake Project.

Subsequent to the end of the reporting period, the Company renegotiated the terms of acquisition of the Sandover Project with the vendors, and executed a Deed of Satisfaction under which the parties agreed to cancel a contingent milestone payment, which the Board considered to be uncommercial, in return for the Company making a one-off payment of A\$200,000 to the vendors (for more details, see ASX announcement of 27 January 2023). The new Board of Directors is reviewing the prospectivity and strategy for the Sandover Project as part of its strategic review.

FINANCIAL REVIEW

Half Year Result

The Company recorded a net loss of \$2 million for the half-year ended 31 December 2022 (half year ended 31 December 2021: \$2.6 million) and incurred \$4.5 million (half year ended 31 December 2021: \$4.2 million) of exploration and evaluation expenditure. Employment expenses during the reporting period included payments to the former Managing Director & CEO of the Company related to his resignation.

Tivan Limited and its controlled entities

Directors' Report

Working Capital

Tivan had total cash reserves of \$5.9 million and working capital of \$7.3 million at the end of the reporting period.

EVENTS AFTER BALANCE DATE

The following events occurred after balance date:

- On 17 January 2023, the Company announced that it has received an amount of \$1.9 million as a refundable tax offset under Federal Government's Research and Development ("R&D") tax incentive scheme for eligible R&D activities undertaken during the 2021/2022 financial year. The R&D activities relate to the Mount Peake Project and the TIVAN® Process.
 - On 20 January 2023, the Company provided an update on the remaining 8 million loan funded shares ("Loan Shares") on issue that were previously issued by the Company under the TNG Employee Share Plan and TNG Non-Executive Director and Consultant Share Plan, including plans to sell 4 million Loan Shares held by the Company's former Managing Director and CEO, Mr Paul Burton (following notice to repay the loans for these Loan Shares being provided, and Mr Burton not repaying the loan in the required time).
 - A General Meeting of Shareholders was held on 20 January 2023 to consider a change of name to Tivan Limited; shareholders voted in favour of the name change. On 23 January 2023, the Company announced the change of name to Tivan Limited had been effected following official confirmation from the Australian Securities and Investments Commission. The Company's ASX code also changed to "TVN" on 25 January 2023.
 - On 27 January 2023, the Company announced that it had renegotiated the terms of acquisition of the Sandover Project with the vendors, and executed a Deed of Satisfaction under which the parties agreed to cancel a contingent milestone payment in return for the Company making a one-off payment of A\$200,000 to the vendors.
 - On 14 February 2023, the Company released the first finding of the Board's strategic review, announcing that it has reached agreement with the Northern Territory Government to return to the Middle Arm Sustainable Development Precinct in Darwin for the planned TIVAN® Processing Facility.
 - On 20 February 2023, the Company released the second finding of the Board's strategic review, announcing that it had signed a binding term sheet ("Agreement") with ASX listed resources company King River Resources Limited ("KRR") to acquire 100% of the issued capital of Speewah Mining Pty Ltd, the owner of the Speewah Vanadium-Titanium-Iron Project located in north-west Western Australia, for total consideration of A\$20 million paid on the following terms:
 - A\$2.5 million to be held in escrow as a refundable deposit pending transaction completion;
 - A\$2.5 million on Tivan completing a raising of no less than A\$2.5 million;
 - A\$5 million to be paid 12 months after execution of the Agreement, or, if the payment of \$2.5m above has not been made at that time, A\$7.5 million must be paid 12 months after execution of the Agreement; and
 - A\$10 million through the issue of 100 million ordinary fully paid shares in Tivan to KRR at a deemed issue price of 10 cents per share; these shares will be subject to a voluntary escrow for a two year period from the date of the Agreement.
- The final A\$5 million cash payment will only be paid if an application to extend the term of Speewah tenement E80/3657 is granted within 12 months.
- On 7 March 2023, the Company released the third finding of the Board's strategic review, announcing that Tivan will henceforth be identified as a critical minerals company, an inclusive description specifically adopted to provide scope for the Company to advance critical minerals exploration activities that are principally based in the Northern Territory. In support, the Company also announced that it has executed an Exploration Alliance Agreement with metals exploration company EARTH AI to progress target generation and drilling at the Sandover Lithium Project.

Tivan Limited and its controlled entities Directors' Report

The Directors are not aware of any other matters or circumstances which have arisen since 31 December 2022 that have significantly affected or may significantly affect:

- a) the Company's operations in future years, or
- b) the results of those operations in future financial years, or
- c) the Company's state of affairs in future financial years.

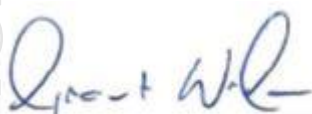
LEAD AUDITOR'S INDEPENDENCE DECLARATION

The lead auditor's independence declaration is set out on page 7 and forms part of the Directors' Report for the six months ended 31 December 2022.

ROUNDING OFF

The Company is of a kind referred to in *ASIC Corporations (Rounding in Financial / Directors' Reports) Instrument 2016/191* and in accordance with that instrument, amounts in the condensed consolidated interim financial statements and Directors' Report have been rounded off to the nearest thousand dollars, unless otherwise stated.

Signed in accordance with a resolution of the Directors.



Grant Wilson
Executive Chairman
14 March 2023



Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

To the Directors of Tivan Limited

I declare that, to the best of my knowledge and belief, in relation to the review of Tivan Limited for the half-year ended 31 December 2022 there have been:

- i. No contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the review; and
- ii. No contraventions of any applicable code of professional conduct in relation to the review.

A handwritten signature of the KPMG firm, written in blue ink.

KPMG

A handwritten signature of Glenn Brooks, written in blue ink.

Glenn Brooks

Partner

Perth

14 March 2023

Tivan Limited and its controlled entities
Half-Year Financial Report

CONDENSED CONSOLIDATED INTERIM STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the half year ended 31 December 2022

		31 December 2022	31 December 2021
	Note	\$'000	\$'000
Other Income		75	-
Total income		75	
Occupancy expenses		(119)	(107)
Administrative expenses		(155)	(69)
Employment expenses		(1,512)	(878)
Non-Cash Share Based Expense		864	(565)
Corporate expenses		(1,266)	(448)
Exploration and evaluation expenses	8	-	(564)
Depreciation and amortisation expense		(22)	(16)
Total expenses		(2,210)	(2,647)
Results from operating activities		(2,135)	(2,647)
Financial income		100	14
Financial expenses		(2)	(5)
Net financing income		98	9
Loss before income tax		(2,037)	(2,638)
Income tax benefit/(expense)		-	-
Loss for the period		(2,037)	(2,638)
Other comprehensive income			
<i>Items that may be reclassified subsequently to profit or loss</i>			
Equity Investments at FVOCI-net change in fair value		(58)	(18)
Other comprehensive loss for the period		(58)	(18)
Total comprehensive loss for the period		(2,095)	(2,656)
Loss per share (cents per share)			
Basic and Diluted loss per share (cents per share)		(0.15)	(0.21)

The condensed consolidated interim statement of profit or loss and other comprehensive income is to be read in conjunction with the notes to the condensed consolidated interim financial statements.

Tivan Limited and its controlled entities
Half-Year Financial Report

CONDENSED CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION
As at 31 December 2022

		31 December 2022	30 June 2022
	Note	\$'000	\$'000
Current Assets			
Cash and cash equivalents		5,873	14,442
Other receivables	6	2,237	409
Prepayments		438	371
Other investments	7	139	197
Total Current Assets		8,687	15,419
Non-Current Assets			
Other receivables	6	98	95
Plant and equipment		137	32
Exploration and evaluation assets	8	60,309	57,753
Right-of-use asset	9	77	102
Total Non-Current Assets		60,621	57,982
Total Assets		69,308	73,401
Current Liabilities			
Trade and other payables	6	1,075	1,960
Provisions		227	461
Lease liabilities	6, 9	73	103
Total Current Liabilities		1,375	2,524
Non-Current Liabilities			
Lease liabilities	6, 9	5	8
Provisions		40	22
Total Non-Current Liabilities		45	30
Total Liabilities		1,420	2,554
Net Assets		67,888	70,847
Equity			
Issued capital	10	126,176	126,176
Reserves		(3,409)	(3,351)
Accumulated loss		(54,879)	(51,978)
Total Equity		67,888	70,847

The condensed consolidated interim statement of financial position is to be read in conjunction with the notes to the condensed consolidated interim financial statements.

Tivan Limited and its controlled entities
Half-Year Financial Report

CONDENSED CONSOLIDATED INTERIM CASH FLOW STATEMENT
For the half year ended 31 December 2022

	31 December 2022	31 December 2021
	\$'000	\$'000
Cash flows from operating activities		
Cash paid to suppliers and employees	(2,923)	(1,531)
Interest received	109	11
Interest paid	(2)	(5)
Net cash (used in) operating activities	(2,816)	(1,525)
Cash flows from investing activities		
Payments for exploration and evaluation	(4,968)	(5,390)
Gain/loss on sale of tenements	75	-
Purchase of tenements	(625)	-
Acquisition of plant and equipment	(121)	(7)
Payments of security bonds	(23)	-
Net cash (used in) investing activities	(5,662)	(5,397)
Cash flows from financing activities		
Proceeds from issue of shares	-	12,500
Proceeds from exercise of options	-	6
Cost of shares issued	-	(683)
Payments of lease liabilities	(91)	(80)
Net cash (used in)/ received from financing activities	(91)	11,743
Net (decrease) / increase in cash and cash equivalents	(8,569)	4,821
Cash and cash equivalents at 1 July	14,442	11,434
Cash and cash equivalents at 31 December	5,873	16,255

This condensed consolidated interim cash flow statement is to be read in conjunction with the notes to the condensed consolidated interim financial statements.

Tivan Limited and its controlled entities
Half-Year Financial Report

CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY
For the half year ended 31 December 2022

	Issued Capital	Accumulated loss	Fair Value Reserve	Total Equity
	\$'000	\$'000	\$'000	\$'000
Balance at 1 July 2021	114,735	(48,506)	(2,948)	63,281
Equity Investment at FVOCI-net change in fair value	-	-	(18)	(18)
Net loss for the period	-	(2,638)	-	(2,638)
Total comprehensive Income (loss) for the period	-	(2,638)	(18)	(2,656)
<i>Transactions with owners, recorded directly in equity</i>				
Share placement	12,500	-	-	12,500
Exercise of Options	6	-	-	6
Cost of share issue	(683)	-	-	(683)
Cost of share issue (Share Based Payment)	(382)	382		
Share based payments expense	-	565	-	565
Balance at 31 December 2021	126,176	(50,197)	(2,966)	73,013
Balance at 1 July 2022	126,176	(51,978)	(3,351)	70,847
Equity Investment at FVOCI-net change in fair value	-	-	(58)	(58)
Net loss for the period	-	(2,037)	-	(2,037)
Total comprehensive loss for the period	-	(2,037)	(58)	(2,095)
<i>Transactions with owners, recorded directly in equity</i>				
Share placement	-	-	-	-
Exercise of Options	-	-	-	-
Cost of share issue	-	-	-	-
Cost of share issue (Share Based Payment)	-	-	-	-
Share based payments expense	-	(864)	-	(864)
Balance at 31 December 2022	126,176	(54,879)	(3,409)	67,888

The amounts recognised directly in equity are disclosed net of tax.

The condensed consolidated interim statement of changes in equity is to be read in conjunction with the notes to the condensed consolidated interim financial statement.

Tivan Limited and its controlled entities

Notes to the consolidated financial statements

1. Corporate Information

Tivan Limited (the “Company” or “Tivan”) is a for-profit company limited by shares, incorporated and domiciled in Australia, and whose shares are publicly traded.

The Half Year Financial Report as at and for the half year ended 31 December 2022 comprises the Company and its subsidiaries (together referred to as the “Group”). The Group is a for profit entity and is primarily involved in the exploration, evaluation and development of mineral assets within Australia.

2. Basis of Preparation and Accounting Policies

Basis of preparation

The condensed consolidated interim financial statements for the half-year ended 31 December 2022 have been prepared in accordance with AASB134 Interim Financial Reporting and the *Corporations Act 2001*.

The condensed consolidated interim financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the Group’s annual financial statements for the year ended 30 June 2022 which are available upon request from the Company’s Registered Office or at <https://tivan.com.au/>.

The Half Year Financial Report was approved by the Board of Directors on 14 March 2023.

Significant accounting policies

The accounting policies adopted in the preparation of the condensed consolidated interim financial statements are consistent with those followed in the preparation of the Group’s annual financial statements for the year ended 30 June 2022.

Adoption of New and Revised Accounting Standards

New standards and interpretation applicable for the half year ended 31 December 2022

In the period ended 31 December 2022, the Company has reviewed all the new and revised Standards and Interpretations issued by the AASB that are relevant to the Group and effective for the current reporting period. As a result of this review, the Company has determined that there is no material impact of the new and revised Standards and interpretations on the Group and, therefore, no material change is necessary to Group Accounting policies.

Standards and interpretations in issue not yet adopted

The Company has also reviewed all the new and revised Standards and Interpretations in issue not yet adopted for the period ended 31 December 2022. As a result of this review the Company has determined that there is no material impact of the Standards and interpretations in issue not yet adopted on the Group and, therefore, no change is necessary to Group accounting policies.

3. Estimates

The preparation of the Condensed Consolidated Interim Financial Statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income, and expense. Actual results may differ from these estimates.

In preparing the Condensed Consolidated Interim Financial Statements, the significant judgements made by management in applying the Group’s accounting policies and the key sources of estimation uncertainty were the same as those that applied to the Group’s annual financial statements as at and for the year ended 30 June 2022.

Tivan Limited and its controlled entities

Notes to the consolidated financial statements

4. Going Concern

The Half Year Financial Report has been prepared on a going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and settlement of liabilities in the normal course of business.

The Group incurred a loss for the half-year period of \$2,037,000 (2021: \$2,638,000), operating cash outflows of \$2,816,000 (2021: \$1,525,000) and net cash outflows of \$8,569,000 (2021: net cash inflow of \$4,821,000). The Directors note that the cashflows for the half-year included a number of non-recurring items, including significant expenditure in relation to former Directors' defence of shareholder 249D action and termination payments to former management. The Directors have also implemented significant cost saving measures in relation to salaries of senior management, travel expenses and advisor fees.

The ability of the Group to continue as a going concern is reliant on the Group securing funds by raising capital from equity financing or other means (such as the sale of assets or farm-down of interests in projects) and managing cashflow in line with available funds. This includes in relation to the remaining staged payments for the acquisition of the Speewah Vanadium-Titanium-Iron Project; refer Note 12 – Subsequent Events for details. These conditions, and the Group's ability to raise additional capital indicate a material uncertainty that may cast significant doubt about the ability of the Group to continue as a going concern.

The Directors are satisfied there are reasonable grounds to believe the Group will be able to continue as a going concern, after consideration of the following factors:

- The Group intends to raise additional capital during the course of this year via either an equity placement to professional or sophisticated investors (utilising the Company's capacity under ASX listing rule 7.1) and/or via a capital raising with existing shareholders (which may include a rights issue or share purchase plan), in both cases subject to market conditions.
- The Group has a history of successfully raising equity, with \$12.5 million raised in November 2021 via a placement to institutional and high net worth investors (including a major shareholder)
- The Group has no loans or borrowings; and
- The Group has the ability to curtail discretionary spending should it be required and institute cost saving measures to further reduce corporate and administrative costs.

The Directors have reviewed the Group's overall financial position and are of the opinion that the use of the going concern basis of accounting is appropriate as they believe the Group will be able to raise further funding as required that will provide availability of sufficient funds for at least 12 months.

Should the Group be unable to secure additional funding or curtail expenditure, or both, and be unable to continue as a going concern it may be required to realise its assets and extinguish its liabilities other than in the ordinary course of business and at amounts difference to those statements in the financial statements. The financial statements do not include any adjustment for the recoverability and classification of asset carrying amounts or to the amount and classification of liabilities that might result should the Group be unable to continue as a going concern and meet its debts as and when they fall due.

5. Segment Information

The Board has determined that the Group has one reportable segment, being mineral exploration and evaluation in Australia, and consequently the Group does not report segmented operations.

6. Financial Assets and Financial Liabilities

Set out below is an overview of financial assets (other than cash and short-term deposits) and financial liabilities, held by the Group at 31 December 2022.

Tivan Limited and its controlled entities
Notes to the consolidated financial statements

	31 December 2022 \$'000	30 June 2022 \$'000
<i>Financial assets at amortised cost</i>		
Other Receivables - R&D Rebate	1,894	-
Other Receivables - Other	441	504
Total financial assets	2,335	504
<i>Financial liabilities at amortised cost</i>		
Trade and other payables	1,075	1,960
Obligations under leases		
Current	73	103
Non-current	5	8
Total financial liabilities	1,153	2,071

7. Other Investments

	31 December 2022 6 months \$'000	30 June 2022 12 months \$'000
Balance at the beginning of the period	197	600
Revaluation recognised in other comprehensive income	(58)	(403)
Balance at the end of the period	139	197

The group's investments in equity securities are classified as Investment in equity securities (FVOCI). Subsequent to initial recognition, they are measured at fair value. Gains and losses on revaluation (i.e. changes in fair value) of assets are recognised in other comprehensive income (FVOCI). During the reporting period, Tivan recognised a fair value downwards adjustment of \$58,491 through other comprehensive income.

8. Exploration and Evaluation Expenditure

Cost	31 December 2022 6 Months \$'000	30 June 2022 12 Months \$'000
Balance at the beginning of the period	57,753	53,149
Exploration and evaluation expenditure	4,450	8,855
Research and development rebate	(1,894)	(3,687)
Impairment expense	-	(564)
Balance at the end of the period	60,309	57,753

The ultimate recoupment of costs carried forward for exploration and evaluation phases is dependent on the successful development and commercial exploitation or sale of the respective areas. The Company's new Board of Directors commenced a detailed strategic review of all aspects of the Company following the AGM at the end of November 2022, a key part of a commitment for an initial phase of Reset, Review and Renew for the Company. This phase is expected to conclude not later than the end of the March

Tivan Limited and its controlled entities
Notes to the consolidated financial statements

quarter 2023, with the findings to inform the next phases of work for Tivan's assets and in-turn support progression of longer-term development planning for the Company's projects.

At balance sheet date, the carrying amount of exploration and evaluation expenditure was \$60,309,022 of which \$59,380,421 was attributable to the Mount Peake Project (including development of the TIVAN® Process technology), with the balance relating to the Company's other exploration projects.

In August 2022, the Company acquired a single Exploration Licence (EL31896) in the Northern Territory, which has been incorporated into the Mount Peake Project, for an amount of \$300,000 (in addition to a \$50,000 option fee paid in May 2022).

In August 2022, the Company acquired 13 Exploration Licence Applications in the Northern Territory referred to as the Sandover Lithium Project, for an amount of \$325,000 (in addition to a \$60,000 option fee paid in December 2021). Five of these tenements have since been granted.

9. Leases

Lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate and assessment of whether it will exercise a purchase, extension or termination option or there is a revised-in substance fixed lease payment.

Cost	31 December 2022	30 June 2022
	\$'000	\$'000
Balance at the beginning of the period	111	253
Additions	56	22
Interest expense	2	8
Lease repayments	(91)	(172)
Lease liability at the end of the period	78	111
Comprising:		
Current	73	103
Non-current	5	8
	78	111

Right-of-use-assets are measured at the amount equal to the lease liability at inception adjusted by the amount of depreciation relating to that lease recognised in the balance sheet as at 31 December 2022.

Cost	31 December 2022	30 June 2022
	\$'000	\$'000
Balance at the beginning of the period	102	238
Additions	56	22
Depreciation expense	(81)	(158)
Closing carrying value at the end of the period	77	102

Tivan Limited and its controlled entities
Notes to the consolidated financial statements

The Group leases offices, shed and office equipment up to 5 years with options to extend in some cases.

10. Issued Capital

	31 December 2022	30 June 2022
	\$'000	\$'000
Issued and paid-up share capital	126,176	126,176

Movements in shares on issue

	31 December 2022		30 June 2022	
	Number	\$'000	Number	\$'000
Balance at the beginning of the period	1,388,418,222	126,176	1,249,497,040	114,735
Capital raisings/Share placement			138,888,889	12,500
Share issue costs	-	-	-	(683)
Share Issue Costs (Share Based Payments)	-	-	-	(382)
Options Exercised			32,293	6
Loan Funded Share Plan – loan repaid	-	-	-	-
Balance at end of the period	1,388,418,222	126,176	1,388,418,222	126,176

11. Exploration Commitments

Tenement expenditure commitments

In order to maintain current rights of tenure to exploration tenements, the Group is required to perform minimum exploration work to meet the minimum expenditure requirements specified by various State and Territory governments. These requirements are subject to renegotiation when application for a mining lease is made and at other times. These obligations are not provided for in the financial report.

	Consolidated	
	December 2022	June 2022
	\$'000	\$'000
Exploration commitments payable not provided for in the financial report:		
Within one year	1,110	1,391

12. Subsequent Events

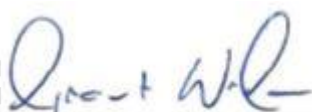
- On 17 January 2023, the Company announced that it has received an amount of \$1.9 million as a refundable tax offset under Federal Government's Research and Development ("R&D") tax incentive scheme for eligible R&D activities undertaken during the 2021/2022 financial year. The R&D activities relate to the Mount Peake Project and the TIVAN® Process.
- On 20 January 2023, the Company provided an update on the remaining 8 million loan funded shares ("Loan Shares") on issue that were previously issued by the Company under the TNG Employee Share Plan and TNG Non-Executive Director and Consultant Share Plan, including plans to sell 4 million Loan Shares held by the Company's former Managing Director and CEO, Mr Paul Burton (following notice to repay the loans for these Loan Shares being provided, and Mr Burton not repaying the loan in the required time).
- A General Meeting of Shareholders was held on 20 January 2023 to consider a change of name to Tivan Limited; shareholders voted in favour of the name change. On 23 January 2023, the Company announced the change of name to Tivan Limited had been effected following official confirmation from the Australian Securities and Investments Commission. The Company's ASX code also changed to "TVN" on 25 January 2023.
- On 27 January 2023, the Company announced that it had renegotiated the terms of acquisition of the Sandover Project with the vendors, and executed a Deed of Satisfaction under which the parties agreed to cancel a contingent milestone payment in return for the Company making a one-off payment of A\$200,000 to the vendors.
- On 14 February 2023, the Company released the first finding of the Board's strategic review, announcing that it has reached agreement with the Northern Territory Government to return to the Middle Arm Sustainable Development Precinct in Darwin for the planned TIVAN® Processing Facility.
- On 20 February 2023, the Company released the second finding of the Board's strategic review, announcing that it had signed a binding term sheet ("Agreement") with ASX listed resources company King River Resources Limited ("KRR") to acquire 100% of the issued capital of Speewah Mining Pty Ltd, the owner of the Speewah Vanadium-Titanium-Iron Project located in north-west Western Australia, for total consideration of A\$20 million paid on the following terms:
 - A\$2.5 million to be held in escrow as a refundable deposit pending transaction completion;
 - A\$2.5 million on Tivan completing a raising of no less than A\$2.5 million;
 - A\$5 million to be paid 12 months after execution of the Agreement, or, if the payment of \$2.5m above has not been made at that time, A\$7.5 million must be paid 12 months after execution of the Agreement; and
 - A\$10 million through the issue of 100 million ordinary fully paid shares in Tivan to KRR at a deemed issue price of 10 cents per share; these shares will be subject to a voluntary escrow for a two year period from the date of the Agreement.The final A\$5 million cash payment will only be paid if an application to extend the term of Speewah tenement E80/3657 is granted within 12 months.
- On 7 March 2023, the Company released the third finding of the Board's strategic review, announcing that Tivan will henceforth be identified as a critical minerals company, an inclusive description specifically adopted to provide scope for the Company to advance critical minerals exploration activities that are principally based in the Northern Territory. In support, the Company also announced that it has executed an Exploration Alliance Agreement with metals exploration company EARTH AI to progress target generation and drilling at the Sandover Lithium Project.

Tivan Limited and its controlled entities Directors' Declaration

In the opinion of the Directors of Tivan Limited ("the Company"):

- 1 the condensed consolidated interim financial statements and notes set out on pages 8 to 17, are in accordance with the *Corporations Act 2001*, including:
 - (a) giving a true and fair view of the financial position of the Group as at 31 December 2022 and of its performance for the six months ended on that date; and
 - (b) complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*; and
- 2 there are reasonable grounds to believe that the Company and the Group will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the Directors.



Grant Wilson
Executive Chairman
14 March 2023



Independent Auditor's Review Report

To the shareholders of Tivan Limited

Report on the Half-Year Financial Report

Conclusion

We have reviewed the accompanying **Half-year Financial Report** of Tivan Limited.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the Half-year Financial Report of Tivan Limited does not comply with the *Corporations Act 2001*, including:

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

The **Half-year Financial Report** comprises:

- Condensed consolidated statement of financial position as at 31 December 2022;
- Condensed consolidated statement of profit or loss and other comprehensive income, Consolidated statement of changes in equity and Consolidated statement of cash flows for the half-year ended on that date;
- Notes 1 to 12 comprising a summary of significant accounting policies and other explanatory information; and
- The Directors' Declaration.

The **Group** comprises Tivan Limited (the Company) and the entities it controlled at the half year's end or from time to time during the half-year.

Basis for Conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Financial Report* section of our report.

We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the *Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with these requirements.



Material uncertainty related to going concern

We draw attention to Note 4, "Going Concern" in the Half-year Financial Report. The events or conditions disclosed in Note 4, indicate a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern and, therefore, whether it will realise its assets and discharge its liabilities in the normal course of business, and at the amounts stated in the Half-year Financial Report. Our conclusion is not modified in respect of this matter.

Responsibilities of the Directors for the Half-year Financial Report

The Directors of the Company are responsible for:

- The preparation of the Half-year Financial Report that gives a true and fair view in accordance with *Australian Accounting Standards* and the *Corporations Act 2001*; and
- Such internal control as the Directors determine is necessary to enable the preparation of the Half-year Financial Report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities for the Review of the Half-year Financial Report

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

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

KPMG

Glenn Brooks
Partner
Perth
14 March 2023