

Terra Uranium Pty Ltd

ACN 650 774 253

Financial Report for the period from 4 June 2021 - 30 June 2021

Terra Uranium Pty Ltd
Corporate directory
30 June 2021

Directors	Niv Dagan Andrew Vigar Dr. Darryl Clark (appointed 12 May 2022) Dr. Kylie Prendergast (appointed 23 May 2022)
Company secretary	Nova Taylor
Registered office	Level 5 126 Phillip Street Sydney NSW 2000
Principal place of business	Level 5 126 Phillip Street Sydney NSW 2000
Auditor	BDO (Audit) Pty Ltd Level 9, Mia Yellagonga Tower 2 5 Spring Street Perth WA 6000
Solicitors	Steinepreis Paganin Lawyers & Consultants Level 4, The Read Buildings 16 Milligan Street Perth WA 6000

Terra Uranium Pty Ltd
Directors' report
30 June 2021

The directors present their report, together with the financial statements, on the company for the period since incorporation to 30 June 2021 .

Directors

The following persons were directors of the company during the whole of the financial period and up to the date of this report, unless otherwise stated:

Niv Dagan	Executive Director (appointed 4 June 2021)
Andrew Vigar	Executive Director (appointed 13 October 2021)
Dr. Darryl Clark	Non-Executive Director (appointed 12 May 2022)
Dr. Kylie Prendergast	Non-Executive Director (appointed 23 May 2022)

Principal activities

Terra Uranium Pty Ltd (the 'company') is an Australian company incorporated on 4 June 2021. During the financial period the principal continuing activities of the company consisted of:

- Preparation for an initial public listing on the Australian Stock Exchange ('ASX').

Dividends

There were no dividends paid, recommended or declared during the current financial period.

Review of operations

The loss for the company after providing for income tax amounted to \$12,074.

The company is pursuing an initial public offering to the Official List of the Australian Securities Exchange to raise funds to continue commercialisation of the business.

Significant changes in the state of affairs

There were no significant changes in the state of affairs of the company during the financial period.

Matters subsequent to the end of the financial period

Since balance date 30 June 2021 the company has undertaken pre-listing activities and pre-IPO placement. The company has assembled a highly skilled and experienced geological and management team based in Saskatoon Canada and undertaken a data compilation and prospectivity analysis of the eastern Athabasca Basin.

Between October 2021 and March 2022, the company issued 5,200,000 ordinary shares as part of seed raising, \$520,000 was raised.

On 13 October 2021, Andrew Vigar was appointed Executive Director.

On 20 October 2021, the company changed from an Australian Proprietary Company to an Australian Public Company. As a result of this change, the company name was changed from Terra Uranium Pty Ltd to Terra Uranium Limited.

On 12 November 2021, the company incorporated Terra Uranium Canada Limited as a 100% owned Canadian subsidiary of the company.

On 6 December 2021, the company issued 2,000,000 new shares for nil consideration to directors and management for their advisory services, recognising \$200,000 in share based payment expense.

In December 2021, the company agreed to issue 300,000 new shares for nil consideration to the Lead Manager for services provided in relation to Pre-IPO Placement. A share based payment expense of \$30,000 was recognised and the shares were allotted on 25 May 2022.

During March 2022, additional tenements were acquired, bringing the total projects to three being Pasfield Lake Project, HawkRock Project and Parker Lake Project. This expanded package will now become the core set of projects for the group which now moves to 100% owned projects and owner/operator status.

On the 8 April 2022 the previous agreements with CanAlaska expired.

On 14 April 2022, the company lodged an 'Application for In-principal Advice' to list on the ASX which was accepted during April 2022.

Terra Uranium Pty Ltd
Directors' report
30 June 2021

On 26 April 2022, 1,000,000 new shares were issued as consideration to a director and proposed key management personnel for services provided to secure the additional tenements. These were issued for nil consideration and share based payment expense recognised was \$100,000.

On 12 May 2022, Dr. Darryl Clark was appointed Non-Executive Director .

On 23 May 2022, Dr. Kylie Prendergast was appointed Non-Executive Director.

No other matter or circumstance has arisen since 30 June 2021 that has significantly affected, or may significantly affect the company's operations, the results of those operations, or the company's state of affairs in future financial years.

Likely developments and expected results of operations

Information on likely developments in the operations of the company and the expected results of operations have not been included in this report because the directors believe it would be likely to result in unreasonable prejudice to the company.

Legal counsel

Steinpreis Paganin Lawyers & Consultants is in office providing legal advice and guidance on matters of law.

Environmental regulation

The company is not subject to any significant environmental regulation under Australian Commonwealth or State law.

Information on Directors

Name:	Niv Dagan
Title:	Executive Director (appointed 4 June 2021)
Qualifications:	Bachelor of Commerce (Honours Finance), Finance
Experience and expertise:	Mr. Dagan was appointed as an executive director for Terra Uranium Pty Ltd on 4th June 2021. He was over 15 years of experience in the capital market and asset management. Niv is also the founder and executive director of PEAK Asset Management, focusing on growing the firm's underlying business and presence across Australia, Asia and the US. Prior to founding PEAK Asset Management, Niv headed up HC Securities; spent three years growing its capital markets and broking divisions and also worked on the wholesale desk at Macquarie Bank for three years, servicing a wide range of institutional, intermediary and offshore hedge funds.
Other current directorships:	PEAK Asset Management
Former directorships (last 3 years):	HC Securities TYMLEZ (TYM)

'Other current directorships' quoted above are current directorships for listed entities only and excludes directorships of all other types of entities, unless otherwise stated.

'Former directorships (last 3 years)' quoted above are directorships held in the last 3 years for listed entities only and excludes directorships of all other types of entities, unless otherwise stated.

Company secretary

Justyn Stedwell (appointed 4 June 2021, resigned 10 February 2022)

Mr Stedwell held the role of company secretary from the company's incorporation date 4 June 2021, until his resignation on 10 February 2022. Mr Stedwell is a professional Company Secretary consultant with over 12 years' experience acting as a Company Secretary of ASX listed companies across a wide range of industries.

Nova Taylor (appointed 10 February 2022)

Ms Taylor has completed a Bachelor of Laws from Deakin University. She has over six years' experience working as a company secretary for various ASX listed companies.

Shares under option

There were no unissued ordinary shares of the company under option outstanding at the date of this report.

Shares issued on the exercise of options

There were no ordinary shares of the company issued on the exercise of options during the period ended 30 June 2021 and up to the date of this report.

Indemnity and insurance of officers

The company has indemnified the directors and executives of the company for costs incurred, in their capacity as a director or executive, for which they may be held personally liable, except where there is a lack of good faith.

During the financial period, the company paid a premium in respect of a contract to insure the directors and executives of the company against a liability. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

Indemnity and insurance of auditor

The company has not, during or since the end of the financial period, indemnified or agreed to indemnify the auditor of the company or any related entity against a liability incurred by the auditor.

During the financial period, the company has not paid a premium in respect of a contract to insure the auditor of the company or any related entity.

Proceedings on behalf of the company

No person has applied to the Court to bring proceedings on behalf of the company, or to 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 part of those proceedings.

Auditor's independence declaration

A copy of the auditor's independence declaration is set out immediately after this directors' report.

Auditor

BDO (Audit) Pty Ltd is in office in accordance with Australian Accounting Standards.

This report is made in accordance with a resolution of directors.

On behalf of the directors



Niv Dagan
Executive Director

20 June 2022

DECLARATION OF INDEPENDENCE BY JARRAD PRUE TO THE DIRECTORS OF TERRA URANIUM PTY LTD

As lead auditor of Terra Uranium Pty Ltd for the year ended 30 June 2021, I declare that, to the best of my knowledge and belief, there have been no contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Terra Uranium Pty Ltd.



Jarrad Prue

Director

BDO Audit (WA) Pty Ltd

Perth, 20 June 2022

Terra Uranium Pty Ltd

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30 June 2021

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General information

The financial statements cover Terra Uranium Pty Ltd as an individual entity. The financial statements are presented in Australian dollars, which is Terra Uranium Pty Ltd's functional and presentation currency.

Terra Uranium Pty Ltd is a company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Level 5
126 Phillip Street
Sydney NSW 2000

A description of the nature of the company's operations and its principal activities are included in the directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of directors, on 17 June 2022. The directors have the power to amend and reissue the financial statements.

Terra Uranium Pty Ltd
Statement of profit or loss and other comprehensive income
For the period ended 30 June 2021

	Note	For the period from 4 June 2021 to 30 June 2021 \$
Expenses		
Audit Fees		(6,000)
Consulting & Accounting		(2,250)
Legal expenses		<u>(3,824)</u>
Loss before income tax expense		(12,074)
Income tax expense	3	<u>-</u>
Loss after income tax expense for the period attributable to the owners of Terra Uranium Pty Ltd	7	(12,074)
Other comprehensive income for the period, net of tax		<u>-</u>
Total comprehensive income for the period attributable to the owners of Terra Uranium Pty Ltd		<u><u>(12,074)</u></u>

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

Terra Uranium Pty Ltd
Statement of financial position
As at 30 June 2021

	Note	30 June 2021
		\$
Assets		
Current assets		
Trade and other receivables	4	300
Total current assets		<u>300</u>
Total assets		<u>300</u>
Liabilities		
Current liabilities		
Trade and other payables	5	12,074
Total current liabilities		<u>12,074</u>
Total liabilities		<u>12,074</u>
Net liabilities		<u><u>(11,774)</u></u>
Equity		
Issued capital	6	300
Accumulated losses	7	<u>(12,074)</u>
Total deficiency in equity		<u><u>(11,774)</u></u>

The above statement of financial position should be read in conjunction with the accompanying notes

Terra Uranium Pty Ltd
Statement of changes in equity
For the period ended 30 June 2021

	Issued capital \$	Accumulated losses \$	Total deficiency in equity \$
Balance at 4 June 2021	-	-	-
Loss after income tax expense for the period	-	(12,074)	(12,074)
Other comprehensive income for the period, net of tax	-	-	-
	<hr/>	<hr/>	<hr/>
Total comprehensive income for the period	-	(12,074)	(12,074)
<i>Transactions with owners in their capacity as owners:</i>			
Contributions of equity, net of transaction costs (note 6)	300	-	300
	<hr/>	<hr/>	<hr/>
Balance at 30 June 2021	<u>300</u>	<u>(12,074)</u>	<u>(11,774)</u>

The above statement of changes in equity should be read in conjunction with the accompanying notes

Terra Uranium Pty Ltd
Statement of cash flows
For the period ended 30 June 2021

	Note	For the period from 4 June 2021 to 30 June 2021 \$
Net cash from operating activities	15	-
Net cash from investing activities		-
Cash flows from financing activities		
Proceeds from issue of shares		-
Net cash from financing activities		-
Net increase in cash and cash equivalents		-
Cash and cash equivalents at the beginning of the financial period		-
Cash and cash equivalents at the end of the financial period		-

The above statement of cash flows should be read in conjunction with the accompanying notes

Note 1. Significant accounting policies

Terra Uranium Pty Ltd (the 'company') is an Australian company incorporated on 4 June 2021.

The principal activities of the company was preparation for an initial public listing on the Australian Stock Exchange ('ASX').

The principal accounting policies adopted in the preparation of the financial statements are set out either in the respective notes or below.

New or amended Accounting Standards and Interpretations adopted

The company has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

Going concern

For the period ended 30 June 2021 the company recorded a loss of \$12,074 and has nil net cash inflows from operating activities. The company has nil cash or cash equivalents and a net working capital deficiency of \$11,774.

The ability of the company to continue as a going concern and to continue to support its exploration activities is dependent upon the company raising further capital through IPO process and or shareholders continued financial support.

The directors believe that there are reasonable grounds to believe that the company will continue as a going concern, after consideration of the following factors:

- The company is pursuing an initial public offering ('IPO') to the Official List of the Australian Securities Exchange to raise between \$6,000,000 and \$7,500,000 to fund potential mining operations in Canada. The Company has raised \$520,000 from seed prior to IPO.
- The company has plans to raise further working capital through the issue of equity during the financial year ended 30 June 2022.
- The company continues to keep costs at a minimum in order to conserve cash reserves for the financial period ended 30 June 2022.

Accordingly, the Directors believe that the company will be able to continue as a going concern and that it is appropriate to adopt the going concern basis in the preparation of the financial report.

Should the company not be able to continue as a going concern, it may be required to realise its assets and discharge its liabilities other than in the ordinary course of business, and at amounts that differ from those stated in the financial statements.

The financial report does not include any adjustments relating to the recoverability and classification of recorded asset amounts or liabilities that might be necessary should the company not continue as a going concern and meet its debts as and when they become due and payable.

The directors plan to continue the company's operations on the basis as outlined above and believe there will be sufficient funds for the company to meet its obligations and liabilities for at least twelve months for the date of this report.

Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB'), as appropriate for for-profit oriented entities. These financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board ('IASB').

Historical cost convention

The financial statements have been prepared under the historical cost convention, except for, where applicable, the revaluation of financial assets and liabilities at fair value through profit or loss, financial assets at fair value through other comprehensive income, investment properties, certain classes of property, plant and equipment and derivative financial instruments.

Note 1. Significant accounting policies (continued)

Critical accounting estimates

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 2.

Income tax

The income tax expense or benefit for the period is the tax payable on that period's taxable income based on the applicable income tax rate for each jurisdiction, adjusted by the changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognised for prior periods, where applicable.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to be applied when the assets are recovered or liabilities are settled, based on those tax rates that are enacted or substantively enacted, except for:

- When the deferred income tax asset or liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting nor taxable profits; or
- When the taxable temporary difference is associated with interests in subsidiaries, associates or joint ventures, and the timing of the reversal can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

The carrying amount of recognised and unrecognised deferred tax assets are reviewed at each reporting date. Deferred tax assets recognised are reduced to the extent that it is no longer probable that future taxable profits will be available for the carrying amount to be recovered. Previously unrecognised deferred tax assets are recognised to the extent that it is probable that there are future taxable profits available to recover the asset.

Deferred tax assets and liabilities are offset only where there is a legally enforceable right to offset current tax assets against current tax liabilities and deferred tax assets against deferred tax liabilities; and they relate to the same taxable authority on either the same taxable entity or different taxable entities which intend to settle simultaneously.

Current and non-current classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the company's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the company's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are always classified as non-current.

Operating segments

Operating segments are reported in a manner that is consistent with the internal reporting period to the chief operating decision maker, which has been identified by the Company as Board of Directors. The Company operates only in one reportable segment being predominantly in the area of mineral exploration in Western Australia.

Goods and Services Tax ('GST') and other similar taxes

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

Note 1. Significant accounting policies (continued)

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

Note 2. Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Coronavirus (COVID-19) pandemic

Judgement has been exercised in considering the impacts that the Coronavirus (COVID-19) pandemic has had, or may have, on the company based on known information. This consideration extends to the nature of the products and services offered, customers, supply chain, staffing and geographic regions in which the company operates. Other than as addressed in specific notes, there does not currently appear to be either any significant impact upon the financial statements or any significant uncertainties with respect to events or conditions which may impact the company unfavourably as at the reporting date or subsequently as a result of the Coronavirus (COVID-19) pandemic.

Income tax

The company is subject to income taxes in the jurisdictions in which it operates. Significant judgement is required in determining the provision for income tax. There are many transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. The company recognises liabilities for anticipated tax audit issues based on the company's current understanding of the tax law. Where the final tax outcome of these matters is different from the carrying amounts, such differences will impact the current and deferred tax provisions in the period in which such determination is made.

Note 3. Income tax expense

	For the period from 4 June 2021 to 30 June 2021 \$
<i>Income tax expense</i>	
Deferred tax - origination and reversal of temporary differences	-
Aggregate income tax expense	-
<i>Numerical reconciliation of income tax expense and tax at the statutory rate</i>	
Loss before income tax expense	(12,074)
Tax at the statutory tax rate of 26%	(3,139)
Non-deductible expense	3,139
Income tax expense	-

The potential tax benefit for tax losses has not been recognised in the statement of financial position as the recovery of this benefit is uncertain.

Note 4. Current assets - trade and other receivables

	30 June 2021 \$
Other receivables	300

Accounting policy for trade and other receivables

Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

Note 5. Current liabilities - trade and other payables

	30 June 2021 \$
Other payables	12,074

Refer to note 9 for further information on financial instruments.

Accounting policy for trade and other payables

Other payables represent liabilities for goods and services provided to the company prior to the end of the financial period and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

Note 6. Equity - issued capital

	30 June 2021 Shares	\$
Ordinary shares - fully paid	3,000,000	300

Note 6. Equity - issued capital (continued)

Ordinary shares

Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the company in proportion to the number of and amounts paid on the shares held. The fully paid ordinary shares have no par value and the company does not have a limited amount of authorised capital.

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

Capital risk management

The company's objectives when managing capital is to safeguard its ability to continue as a going concern, so that it can provide returns for shareholders and benefits for other stakeholders and to maintain an optimum capital structure to reduce the cost of capital.

Capital is regarded as total equity, as recognised in the statement of financial position, plus net debt. Net debt is calculated as total borrowings less cash and cash equivalents.

In order to maintain or adjust the capital structure, the company may adjust the return capital to shareholders, issue new shares or sell assets to reduce debt.

Accounting policy for issued capital

Ordinary shares are classified as equity.

Incremental 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 7. Equity - accumulated losses

	30 June 2021
	\$
Retained profits at the beginning of the financial period	-
Loss after income tax expense for the period	(12,074)
	<hr/>
Accumulated losses at the end of the financial period	(12,074)
	<hr/> <hr/>

Note 8. Equity - dividends

There were no dividends paid, recommended or declared during the current financial period.

Note 9. Financial instruments

Financial risk management objectives

The company's activities may expose it to a variety of financial risks: market risk (including foreign currency risk, price risk and interest rate risk), credit risk and liquidity risk. The company's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the company.

Risk management is carried out by senior finance executives ('finance') under policies approved by the Board of Directors ('the Board'). These policies include identification and analysis of the risk exposure of the company and appropriate procedures, controls and risk limits. Finance identifies, evaluates and hedges financial risks within the company's operating units. Finance reports to the Board on a monthly basis.

At 30 June 2021, the entity is not exposed to any significant financial risk.

Note 10. Key management personnel disclosures

Key management personnel ('KMP'): Any persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any director (whether executive or otherwise) of that Company are considered key management personnel.

Directors

The following persons were directors of Terra Uranium Pty Ltd during the financial period:

Niv Dagan

Executive Director

Note 11. Remuneration of auditors

During the financial period the following fees were paid or payable for services provided by BDO (Audit) Pty Ltd , the auditor of the company:

	For the period from 4 June 2021 to 30 June 2021 \$
<i>Audit services - BDO (Audit) Pty Ltd</i>	
Audit of the financial statements	<u>6,000</u>

Note 12. Commitments and contingencies

There were no commitments or contingent liabilities which would require disclosure at the end of the period.

Note 13. Related party transactions

There were no transactions or balances with related parties or key management personnel during the period.

Note 14. Events after the reporting period

Since balance date 30 June 2021 the company has undertaken pre-listing activities and pre-IPO placement. The company has assembled a highly skilled and experienced geological and management team based in Saskatoon Canada and undertaken a data compilation and prospectivity analysis of the eastern Athabasca Basin.

Between October 2021 and March 2022, the company issued 5,200,000 ordinary shares as part of seed raising, \$520,000 was raised.

On 13 October 2021, Andrew Vigar was appointed Executive Director.

On 20 October 2021, the company changed from an Australian Proprietary Company to an Australian Public Company. As a result of this change, the company name was changed from Terra Uranium Pty Ltd to Terra Uranium Limited.

On 12 November 2021, the company incorporated Terra Uranium Canada Limited as a 100% owned Canadian subsidiary of the company.

On 6 December 2021, the company issued 2,000,000 new shares for nil consideration to directors and management for their advisory services, recognising \$200,000 in share based payment expense.

In December 2021, the company agreed to issue 300,000 new shares for nil consideration to the Lead Manager for services provided in relation to Pre-IPO Placement. A share based payment expense of \$30,000 was recognised and the shares were allotted on 25 May 2022.

Note 14. Events after the reporting period (continued)

During March 2022, additional tenements were acquired, bringing the total projects to three being Pasfield Lake Project, HawkRock Project and Parker Lake Project. This expanded package will now become the core set of projects for the group which now moves to 100% owned projects and owner/operator status.

On the 8 April 2022 the previous agreements with CanAlaska expired.

On 14 April 2022, the company lodged an 'Application for In-principal Advice' to list on the ASX which was accepted during April 2022.

On 26 April 2022, 1,000,000 new shares were issued as consideration to a director and proposed key management personnel for services provided to secure the additional tenements. These were issued for nil consideration and share based payment expense recognised was \$100,000.

On 12 May 2022, Dr. Darryl Clark was appointed Non-Executive Director.

On 23 May 2022, Dr. Kylie Prendergast was appointed Non-Executive Director.

No other matter or circumstance has arisen since 30 June 2021 that has significantly affected, or may significantly affect the company's operations, the results of those operations, or the company's state of affairs in future financial years.

Note 15. Reconciliation of loss after income tax to net cash from operating activities

	For the period from 4 June 2021 to 30 June 2021 \$
Loss after income tax expense for the period	(12,074)
Change in operating assets and liabilities:	
Increase in trade and other payables	12,074
Net cash from operating activities	<u><u>-</u></u>

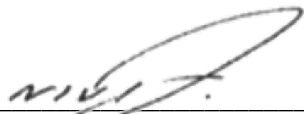
Terra Uranium Pty Ltd
Directors' declaration
30 June 2021

In the directors' opinion:

- the attached financial statements and notes comply with the Accounting Standards and other mandatory professional reporting requirements;
- the attached financial statements and notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in note 1 to the financial statements;
- the attached financial statements and notes give a true and fair view of the company's financial position as at 30 June 2021 and of its performance for the financial period ended on that date; and
- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of directors.

On behalf of the directors



Niv Dagan
Executive Director

20 June 2022

INDEPENDENT AUDITOR'S REPORT

To the members of Terra Uranium Pty Ltd

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Terra Uranium Pty Ltd (the Entity), which comprises the statement of financial position as at 30 June 2021, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the period then ended, and notes to the financial report, including a summary of significant accounting policies, and the directors' declaration.

In our opinion the accompanying financial report presents fairly, in all material respects, the financial position of the Entity as at 30 June 2021, and its financial performance and its cash flows for the period then ended in accordance with Australian Accounting Standards.

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 Entity in accordance with 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 financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty related to going concern

We draw attention to Note 1 in the financial report which describes the events and/or conditions which give rise to the existence of a material uncertainty that may cast significant doubt about the Entity's ability to continue as a going concern and therefore the entity may be unable to realise its assets and discharge its liabilities in the normal course of business. Our opinion is not modified in respect of this matter.

Responsibilities of management and those charged with governance for the Financial Report

Management is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and for such internal control as management determines is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.



In preparing the financial report, management is responsible for assessing the Entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity's financial reporting process.

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 the 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.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website (<http://www.auasb.gov.au/Home.aspx>) at:

http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf

This description forms part of our auditor's report.

BDO Audit (WA) Pty Ltd

The image shows a handwritten signature in dark ink. The signature appears to be 'J Prue' written in a cursive, flowing style. Above the signature, the letters 'BDO' are handwritten in a simple, blocky font.

Jarrad Prue

Director

Perth, 20 June 2022