

9 May 2023

T92 to raise A\$2.78m to advance Athabasca Basin Uranium Projects

Highlights

- A\$2.78m to be raised utilising the Flow-Through-Share (**FTS**) provisions under Canadian tax law.
- The flow-through shares will be placed at A\$0.278 per share, representing a 26% premium to Terra Uranium's last closing price of A\$0.22.
- The flow-through shares will then be immediately on sold through a block trade agreement to select high-quality institutional and sophisticated investors.
- Use of the FTS provisions enables Terra Uranium to significantly minimise the dilution of issued capital.
- The funds raised will be applied to advance exploration and drilling of key targets identified by the Terra Uranium team at the Company's uranium projects in the Eastern Athabasca Basin, Canada.

Terra Uranium Executive Chairman, Andrew Vigar commented, *"We appreciate the continued support of our quality investors to now move to drilling our high quality 100% owned uranium targets in the Eastern Athabasca Basin, Canada. Following our IPO in September 2022, we have now been able to utilise the Flow-Through Share provisions under Canadian tax law to raise capital at a significant premium to the current share price which in turn minimises dilution to current shareholders. These funds will be fully applied directly to drilling at our Parker and Pasfield Lake Projects."*

Terra Uranium Limited (ASX:T92) (**Terra Uranium, T92** or the **Company**) is pleased to announce it is raising capital by way of a flow-through share placement.

As previously announced to the ASX, Terra Uranium has now completed detailed exploration to define multiple high-quality drill targets on our Parker and Pasfield Lake projects which are considered to have high uranium discovery potential and are characterised as robust co-incidentally stacked anomalies. Coincident geophysical anomalies include strong ZTEM basement conductors, ANT velocity low at the unconformity, a basement magnetic susceptibility low, and strong VTEM conductivity in sandstone considered indicative of potential mineralisation at the target basal unconformity. These are supported by uranium and very high helium values in shallow RC drilling.

Preparation for diamond drilling is complete with necessary consumables having been brought in over the winter trails and ice roads for our maiden drilling program and the Winter Camp Base Camp at Pasfield Lake being transitioned to summer operations.

Flow-Through Shares Placement Details

The offer (**FTS Placement**) is being facilitated by Canadian flow-through share dealer, PearTree Securities Inc. (**PearTree**), pursuant to a subscription and renunciation agreement with the

Company, and the end buyer block trade is being facilitated by leading Melbourne boutique, Peak Asset Management (**Peak Asset**), who is acting as lead manager to the transaction.

Peak Asset will be entitled to a capital raising fee equal to 6% (plus GST) of the gross proceeds raised under the block trade.

CPS Capital (**CPS**) is acting as executing broker to the block trade.

PearTree will not receive any fees or commissions from the Company for its role in respect of the FTS Placement.

Funds raised under the FTS Placement will be applied to advance exploration and drilling at the Company's uranium projects in the Eastern Athabasca Basin, Canada, including diamond drilling at priority targets, prospecting, ground geophysics, drill logging and assaying and eligible staffing expenses and sundry exploration costs.

The Company has now received firm commitments to undertake the FTS Placement to raise approximately C\$2,502,000 (A\$2,780,000 before costs) through the issue of 10,000,000 shares at an issue price of C\$0.2502 (A\$0.278¹) per share (**Flow-Through Shares** or **New Shares**). The Canadian "Flow Through Shares" provide tax incentives to those investors for expenditures which qualify as flow through critical mineral mining expenditures under the *Income Tax Act* (Canada). The Flow-Through Shares will be issued at a 26% premium to the last closing price of Terra Uranium pursuant to the Canadian FTS regime. The "Flow-Through Share" is a defined term in the *Income Tax Act* (Canada) and is not a special class of share under corporate law.

Pursuant to a block trade agreement between PearTree, CPS and Peak Asset, CPS and Peak Asset will facilitate the secondary sale of the Flow-Through Shares acquired by PearTree clients under the FTS Placement to select institutional and sophisticated investors by way of a block trade at A\$0.20 per share. Peak Asset will arrange the institutional and sophisticated investors under the block trade. The Flow-Through Shares will cease to be flow-through shares on the completion of the FTS Placement and end buyers taking the Flow-Through Shares in the block trade will not take the Flow-Through Shares as flow-through shares.

A prospectus prepared in accordance with section 713 of the *Corporations Act 2001* (Cth) will be issued in connection with the FTS Placement to facilitate secondary trading of the New Shares.

The tax benefits associated with the Flow-Through Shares are available only to the investors (who are Canadian residents) arranged by PearTree and not to any other person who acquires the Flow-Through Shares through the on-sale or transfer of those Flow-Through Shares.

FTS Placement - Additional Details

An issue price of A\$0.278 per share represents an implied:

- 26% premium to the last closing price of A\$0.22 per share on 3 May 2023; and
- 33% premium to the 10-day volume weighted average price (**VWAP**) of A\$0.21 per share as of 3 May 2023.

The New Shares will be issued utilising the Company's existing placement capacities under ASX Listing Rules 7.1 and 7.1A.

Settlement of the FTS Placement is expected to occur on Wednesday, 24 May 2023 and the New Shares will rank equally with the Company's existing shares on issue.

¹ Using an exchange rate of A\$1 = C\$0.90

Effect on Capital Structure

Upon completion of the FTS Placement, the company's capital structure will be as follows:

Class	Shares	Options
Securities on issue at the date of this announcement ¹	49,205,161	31,511,717
Shares to be issued pursuant to the FTS Placement	10,000,000	-
Total on completion of the FTS Placement	59,205,161	31,511,717

Note:

1. includes 7,895,000 shares and 6,000,000 options subject to escrow.

This announcement has been authorised by Andrew J Vigar, Chairman, on behalf of the Board of Directors.

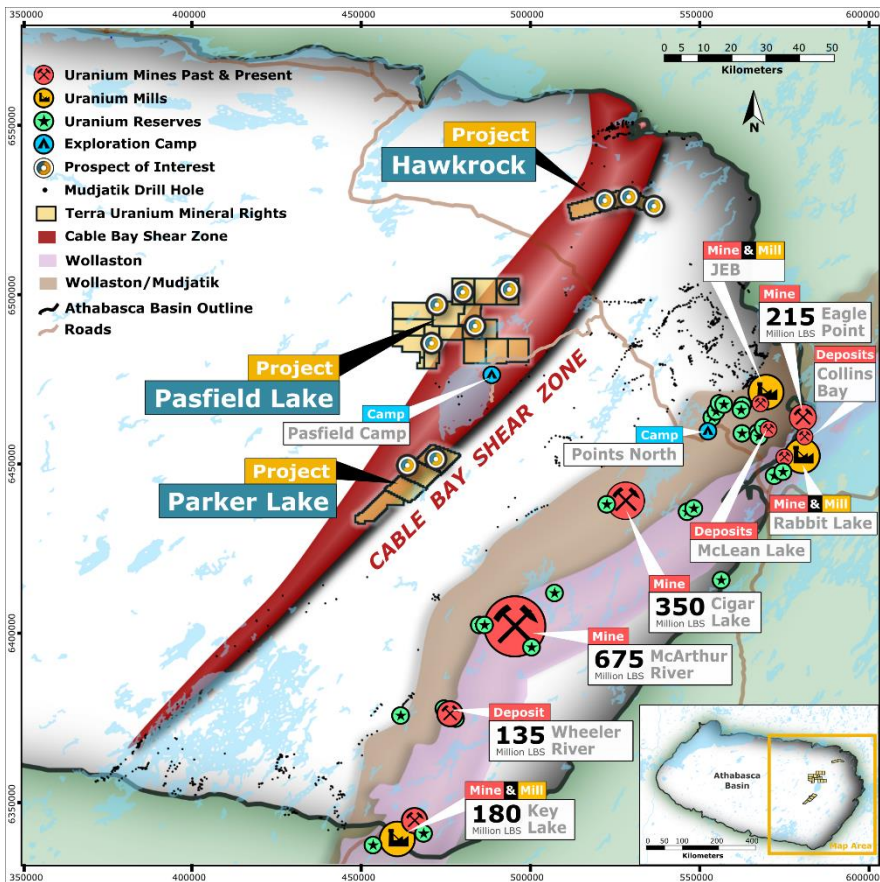
Announcement Ends

Forward Looking Statements

Statements in this release regarding the Terra Uranium business or proposed business, which are not historical facts, are forward-looking statements that involve risks and uncertainties. These include Mineral Resource Estimates, commodity prices, capital and operating costs, changes in project parameters as plans continue to be evaluated, the continued availability of capital, general economic, market or business conditions, and statements that describe the future plans, objectives or goals of Terra Uranium, including words to the effect that Terra Uranium or its management expects a stated condition or result to occur. Forward-looking statements are necessarily based on estimates and assumptions that, while considered reasonable by Terra Uranium, are inherently subject to significant technical, business, economic, competitive, political and social uncertainties and contingencies. Since forward-looking statements address future events and conditions, by their very nature, they involve inherent risks and uncertainties. Actual results in each case could differ materially from those currently anticipated in such statements. Investors are cautioned not to place undue reliance on forward-looking statements.

About Terra Uranium

Terra Uranium Limited is a mineral exploration company strategically positioned in the Athabasca Basin, Canada, a premium uranium province hosting the world’s largest and highest-grade uranium deposits. Canada is a politically stable jurisdiction with established access to global markets. Using the very best people available and leveraging our in-depth knowledge of the Basin’s structures and deposits we are targeting major discoveries under cover that are close to existing production infrastructure. We have a philosophy of doing as much as possible internally and working closely with the local communities. The Company is led by a Board and Management with considerable experience in Uranium. Our dedicated exploration team is based locally in Saskatoon, Canada.



The Company holds a 100% interest in 22 Claims covering a total of 1,008 sq km forming the HawkRock, Pasfield Lake and Parker Lake Projects (together, the Projects), located in the Cable Bay Shear Zone (CBSZ) on the eastern side of the Athabasca Basin, north-eastern Saskatchewan, Canada. The Projects are approximately 80 km to the west/northwest of multiple operating large uranium mills, mines and known deposits.

The CBSZ is a major reactivated structural zone with known uranium mineralisation but limited exploration as the basin sediment cover is thicker than for the known deposits immediately to the east. Methods used to explore include airborne and ground

geophysics that can penetrate to this depth and outcrop and reverse circulation geochemical profiling to provide the best targets before undertaking costly core drilling.

There is good access and logistics support in this very activate uranium exploration and production province. A main road passing between the HawkRock and Pasfield Lake Projects with minor road access to Pasfield Lake and the T92 operational base there. The regional prime logistics base is Points North located about 50km east of the Projects.

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