

22 September 2023

### Use of Funds Update

Terra Uranium Limited **ASX: T92** (the **Company**), provides the below update in respect of the use of funds as provided in the Company’s Quarterly Activities Report for the quarter ended 30 June 2023.

#### Use of Funds

The expanded use of funds reconciliation provided as Table 1 provides further detail of the use of funds raised under the prospectus, separating the funds raised under the subsequent flow-through-share offer. An overall combined variance of \$619,357 relating to the exploration budget as at 30 June is explained as follows:

- Rapid increases in supplier costs between budget and execution
- Higher than budgeted costs relating to heavy equipment rental and road building due to unfavourable ground conditions encountered once operations commenced.
- Diamond Drilling costs being considerably higher than expected per metre drilled due to operational issues in such a remote location.
- Movements in the AUD to CAD exchange rate when compared to the Prospectus.

Table 1 – Expanded use of funds table as at 30 June 2023 including FTS Funds

Expenditure	IPO			FTS			Total		
	Funds allocated under the Prospectus	Actual to 30 June 2023	Variance	Funds allocated under FTS	Actual to 30 June 2023	Variance	Funds allocated under FTS	Actual to 30 June 2023	Variance
Exploration budget at HawkRock Project	\$1,714,578	\$213,547	\$1,501,031	\$0	\$0	\$0	\$1,714,578	\$213,547	\$1,501,031
Exploration budget at Parker Lake Project*	\$871,430	\$2,342,954	-\$1,471,524	\$2,802,403	\$1,778,312	\$1,024,091	\$3,673,833	\$4,121,266	-\$447,433
Exploration budget at Pasfield Lake Project*	\$1,714,085	\$2,362,949	-\$648,864	\$0	\$0	\$0	\$1,714,085	\$2,362,949	-\$648,864
Expenses of the Offer	\$775,634	\$743,293	\$32,341	\$0	\$0	\$0	\$775,634	\$743,293	\$32,341
Corporate and administration costs	\$2,151,832	\$1,093,702	\$1,058,130	\$0	\$0	\$0	\$2,151,832	\$1,093,702	\$1,058,130
Working capital	\$731,881	\$397,855	\$334,026	\$0	\$227,289	-\$227,289	\$731,881	\$625,144	\$106,737
<b>Total</b>	<b>\$7,959,440</b>	<b>\$7,154,300</b>	<b>\$805,140</b>	<b>\$2,802,403</b>	<b>\$2,005,601</b>	<b>\$796,802</b>	<b>\$10,761,843</b>	<b>\$9,159,901</b>	<b>\$1,601,942</b>

The variation between projects followed a reassessment of prospectivity on the completion of large-scale airborne geophysics. HawkRock was downgraded and Parker moved up in priority. The additional funds raised under the flow-through-share offer were used to move the initial diamond drilling program to Parker Lake at higher cost but which was seen by the Board to have the highest likelihood of positive results following the initial work performed.

The Company also notes the significantly higher spend on Direct Exploration at 73% vs the IPO estimate of 54%, as shown in Table 1 and illustrated in blue in Figure 1.

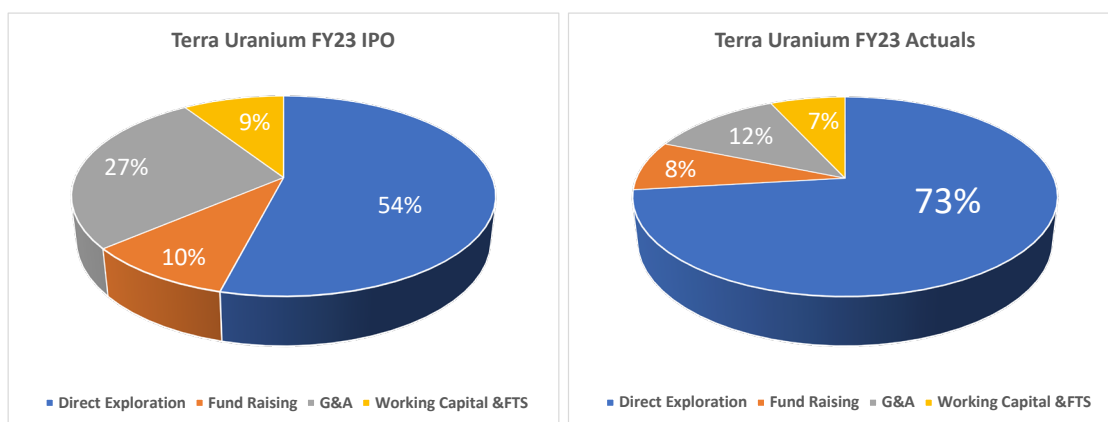


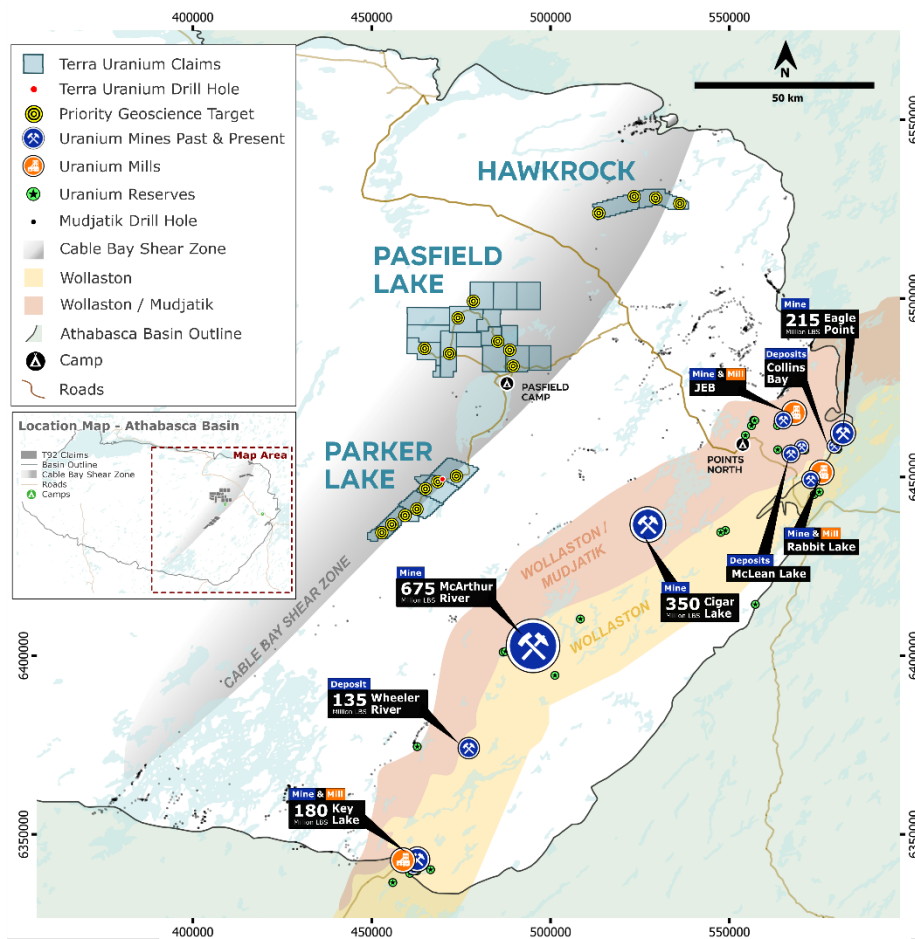
Figure 1 – Percentage allocation of funds in IPO vs Actual to 30 June 2023

#### Announcement Ends

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

## 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.

### For more information:

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