



ISSUE OF PERFORMANCE RIGHTS, SHARES AND CLEANSING NOTICE

Terra Metals Limited (ASX: TM1) ("Terra" or the "Company") advises that it has issued 24,000,000 unquoted performance rights (Performance Rights) to employees and consultants and allotted 879,982 fully paid ordinary shares (Shares).

Issue of Performance Rights

The 24,000,000 Performance Rights have been issued to support retention and align long-term incentives with the development of the Dante Project. Vesting is linked to continued service or the achievement of the project milestones described below.

A further 9,000,000 Performance Rights are proposed for Managing Director and CEO Thomas Line under the Company's proposed Employee Incentive Plan, subject to shareholder approval at the Company's 2026 Annual General Meeting. These Performance Rights have not been issued.

Class	Issued to employees and consultants	Proposed for Thomas Line	Total issued and proposed
A	6,000,000	2,250,000	8,250,000
B	3,125,000	1,125,000	4,250,000
C	5,430,000	2,250,000	7,680,000
D	9,445,000	3,375,000	12,820,000
Total	24,000,000	9,000,000	33,000,000

The Company will notify ASX of the issue of the unquoted Performance Rights by lodging an Appendix 3G.

Performance Rights terms

Class	Vesting condition
A	Continuous employment or engagement with the Company or a Related Body Corporate, with 50% of the Class A Performance Rights vesting on the first anniversary of the date on which the Performance Rights are granted and the remaining 50% vesting on the second anniversary of that date, subject to the holder remaining continuously employed or engaged.
B	The Company announcing to ASX a Mineral Resource estimate for the Dante Project, reported in accordance with the JORC Code 2012 and ASX Listing Rule 5.8, of not less than 5 million ounces PtEq in the measured, indicated and inferred categories in aggregate, at an average grade of not less than 1.0g/t PGE3, reported at a cut-off grade of not less than 0.5g/t PtEq, where PtEq includes Pt, Pd, Au, Rh, Ru, Re, Os, Cu, Ni and Co, and the platinum equivalent formula, commodity prices and metallurgical recoveries used to calculate PtEq are disclosed in that announcement in accordance with clause 50 of the JORC Code 2012 and the estimate is supported by a statement from a Competent Person.

- C The Company announcing to ASX a Mineral Resource estimate for the Dante Project, reported in accordance with the JORC Code 2012 and ASX Listing Rule 5.8, of not less than 10 million ounces PtEq in the measured, indicated and inferred categories in aggregate, at an average grade of not less than 1.0g/t PGE3, reported at a cut-off grade of not less than 0.5g/t PtEq, where PtEq includes Pt, Pd, Au, Rh, Ru, Re, Os, Cu, Ni and Co, and the platinum equivalent formula, commodity prices and metallurgical recoveries used to calculate PtEq are disclosed in that announcement in accordance with clause 50 of the JORC Code 2012 and the estimate is supported by a statement from a Competent Person.
- D Completion of a Board-approved positive Pre-Feasibility Study for the Dante Project demonstrating economic viability and supporting advancement to the next stage of project development.

Each Performance Right is granted for nil consideration and entitles the holder to one fully paid ordinary share upon satisfaction of the applicable vesting conditions, with no exercise price payable. The Performance Rights have a maximum expiry period of five years from grant.

Further details of Mr Line's proposed Performance Rights, including the applicable resolutions and voting exclusions, will be included in the Company's Notice of Annual General Meeting.

Issue of Shares

The Company has issued and allotted 879,982 fully paid ordinary shares on 14 October 2026, comprising:

Purpose of issue	Shares allotted
Employment agreement entitlements	500,000
Settlement of consulting fees	379,982
Total	879,982

Of the Shares issued, 500,000 satisfy entitlements under employment agreements and 379,982 have been issued in lieu of cash payment of fees for services provided to the Company, pursuant to agreed fee offset arrangements.

The Shares rank equally with the Company's existing fully paid ordinary shares. The Company will apply to ASX for quotation of the Shares by lodging an Appendix 2A.

Cleansing notice under section 708A

This notice relates solely to the 879,982 Shares described above. The Company gives notice under section 708A(5)(e) of the Corporations Act 2001 (Cth) (Corporations Act) that:

- the Shares were issued without disclosure to investors under Part 6D.2 of the Corporations Act;
- this notice is being given under section 708A(5)(e) of the Corporations Act;
- as at the date of this notice, the Company has complied with the provisions of Chapter 2M of the Corporations Act as they apply to the Company and with sections 674 and 674A of the Corporations Act; and
- as at the date of this notice, there is no excluded information within the meaning of section 708A(7) of the Corporations Act, which is required to be disclosed by the company in accordance with section 708A(8) of the Corporations Act.

Authorisation

This announcement has been authorised for release by the Chair and Managing Director of Terra Metals Limited.

For further information, please contact:

Thomas Line

Managing Director & CEO

info@terrametals.com.au