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ASX Announcement | **30 January 2026**

DECEMBER 2025 QUARTERLY REPORT

Terra Metals Limited (ASX:TM1) ("Terra" or "Company") is pleased to present its quarterly report for the quarter ending 31 December 2025. Highlights during and since the quarter include:

Highlights

- **New discoveries at Southwest Prospect:**
  - First assays from SW5 have returned exceptionally high-grade PGE3[1] results, up to **52.97 g/t PGE3**, confirming the Southwest Prospect as a major emerging PGM–Cu–Ni sulfide centre within the Dante Project.
  - Drillhole SWT008 returned an intercept of **35m @ 2.90 g/t PGE3** from 48m, including **3m @ 27.78 g/t PGE3** and **1m @ 52.97 g/t PGE3** and the mineralisation in SWT008 starts from near surface.
  - First assays from SW6 target confirmed new PGM-Cu-Ni sulfide discovery at the Southwest Prospect with multiple zones of PGM mineralisation.
  - First assays from SW3 and SW4 confirm multiple, thick Ti–V–Cu-Co-PGM sulfide reefs, adding a new style of mineralisation to the Company's Dante Project.
- **Resource upgrade and infill drilling at Reefs 1 & 2 continues to intersect multiple high-grade Ti-V-Cu-PGM-Au reefs, reinforcing continuity and confidence:**
  - First assays from resource expansion and upgrade drilling at Reef 2 (Hyperion) continue to confirm thick, Ti-V-Cu-PGM-Au reefs from surface across previously undrilled areas.
- **Strong financial position:**
  - The Company ended the quarter with approximately $11 million cash on hand, after completing a $15 million placement, led by cornerstone shareholders Golden Energy and Resources ("GEAR") and Tribeca Investment Partners.

For further information, please contact:

Thomas Line | CEO & Managing Director
Tel: +61 8 9322 6322

[1] PGE3 is the sum of platinum (Pt), palladium (Pd), and gold (Au).

Dante Project

The Dante polymetallic project ("Dante Project" or "Project"), located in the West Musgrave region of Western Australia, contains large-scale magmatic copper ("Cu"), gold ("Au"), platinum group metals ("PGMs"), titanium ("Ti") and vanadium ("V") discoveries in the same geological complex and in close proximity to one of the world's largest mining development projects, BHP's Nebo-Babel deposit.

During the 2024 financial year, the Company made two large Bushveld-style Cu-Au-PGMs-V-Ti reef discoveries (the "Dante Reefs") extending for at least 20km of strike. The Dante Reefs are large mineralised stratiform reefs hosted within the Jameson Layered Intrusion, part of the Giles Complex.

The Giles Complex is hosted within the broader Musgrave block (140,000km^2) in central Australia which is located at the junction of three major crustal elements: the West Australian, North Australian, and South Australian cratons. It is a Mesoproterozoic, east-west trending orogenic belt and comprises a variety of high grade (amphibolite to granulite facies) basement lithologies overprinted by several major tectonic episodes.

There are several other mapped (outcropping and sub-cropping) and interpreted reefs throughout the Dante Project, which are yet to be drill tested.

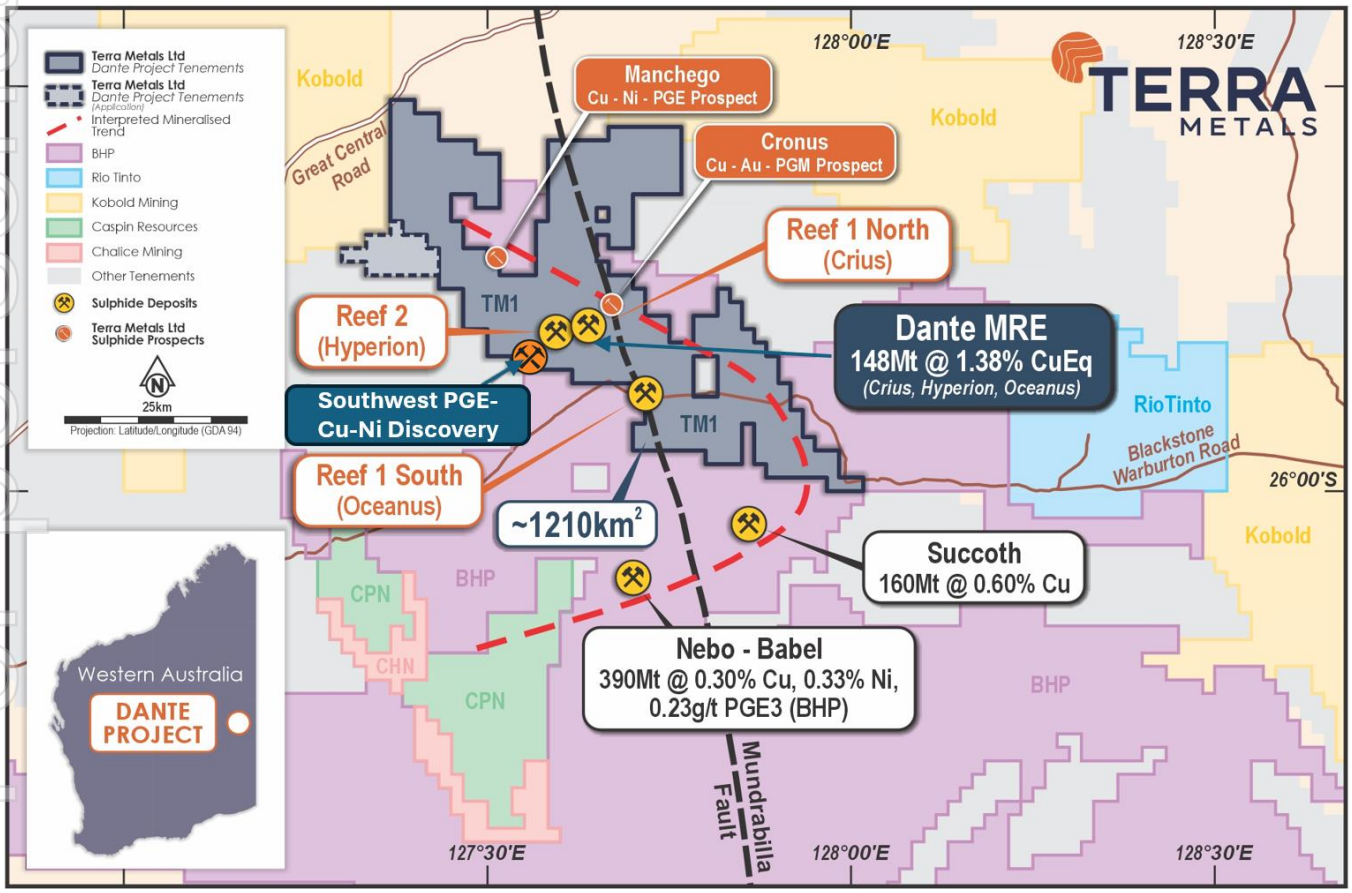


Figure 1. *Dante Project location map displaying surrounding companies' tenure and major deposits.*

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Phase 3 Drilling Program

During the quarter, the Company completed its Phase 3 drill program at the Dante Project, which totalled 20,755m of drilling for 182 drillholes (163 reverse circulation ("RC") drillholes and 19 diamond ("DD") drillholes).

To-date, assays have been reported for 27 of these drillholes and assays are pending for the remaining 155 drillholes.

The Phase 3 program was focussed on:

(i) resource expansion drilling, including step-out holes at Reef 1 and Reef 2 aimed at extending strike and depth continuity of known mineralisation;

(ii) new discoveries, including first pass drilling at the Southwest Prospect and several additional high-priority magnetic and geochemical anomalies across the Jameson Layered Intrusion; and

(iii) district-scale upside, including systematic testing of multiple parallel reef structures identified but not yet drill tested.

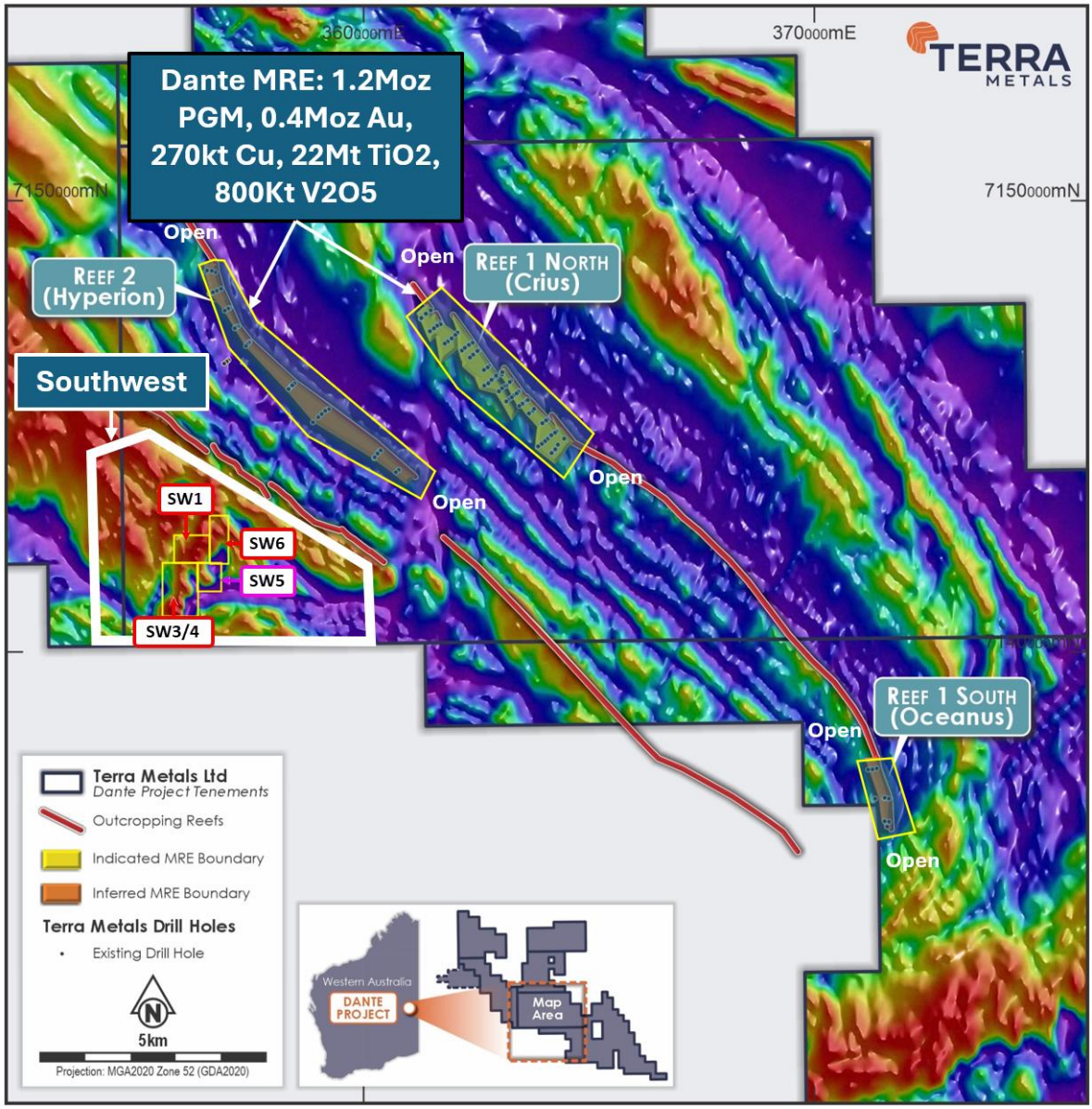


Figure 2. *Location of the outcropping magnetite reefs relative to the location of the MRE and drill holes overlaying regional aeromagnetic data (AMAG) displayed using a pseudo-colour spectrum.*

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Dante Reefs

During the quarter, drilling results from the Company's Phase 3 drill program at the Dante Project continued to deliver multiple thick, continuous Bushveld-style reef intercepts from surface across previously undrilled areas of Reef 2 (Hyperion), confirming strong potential to significantly grow and increase confidence in the existing 148Mt MRE.

The new assays confirm consistent mineralisation within previously unknown large gaps in the drill spacing. Known mineralisation at Reef 2 currently extends for more than 6.2 kilometres of continuous strike and demonstrates consistent TiO_2–V_2O_5–Cu–PGM-Au grades in high-grade Basal Reef layer, and medium grade Upper Reef layer, within broad well-developed thick, and consistently mineralised hanging wall packages from surface.

These results continue to reinforce that the Dante system hosts a large-scale, Bushveld-style sequence of stratiform, mineralised, reef layers with continuity along strike and at depth. Importantly, the intersections reported today form part of a 21,679m drilling program, with assays still pending for approximately 110 drillholes, including additional zones of visually logged sulfides at Southwest, resource upgrade drilling at Reef 1 and Reef 2, and newly mapped reef extensions across the intrusive complex.

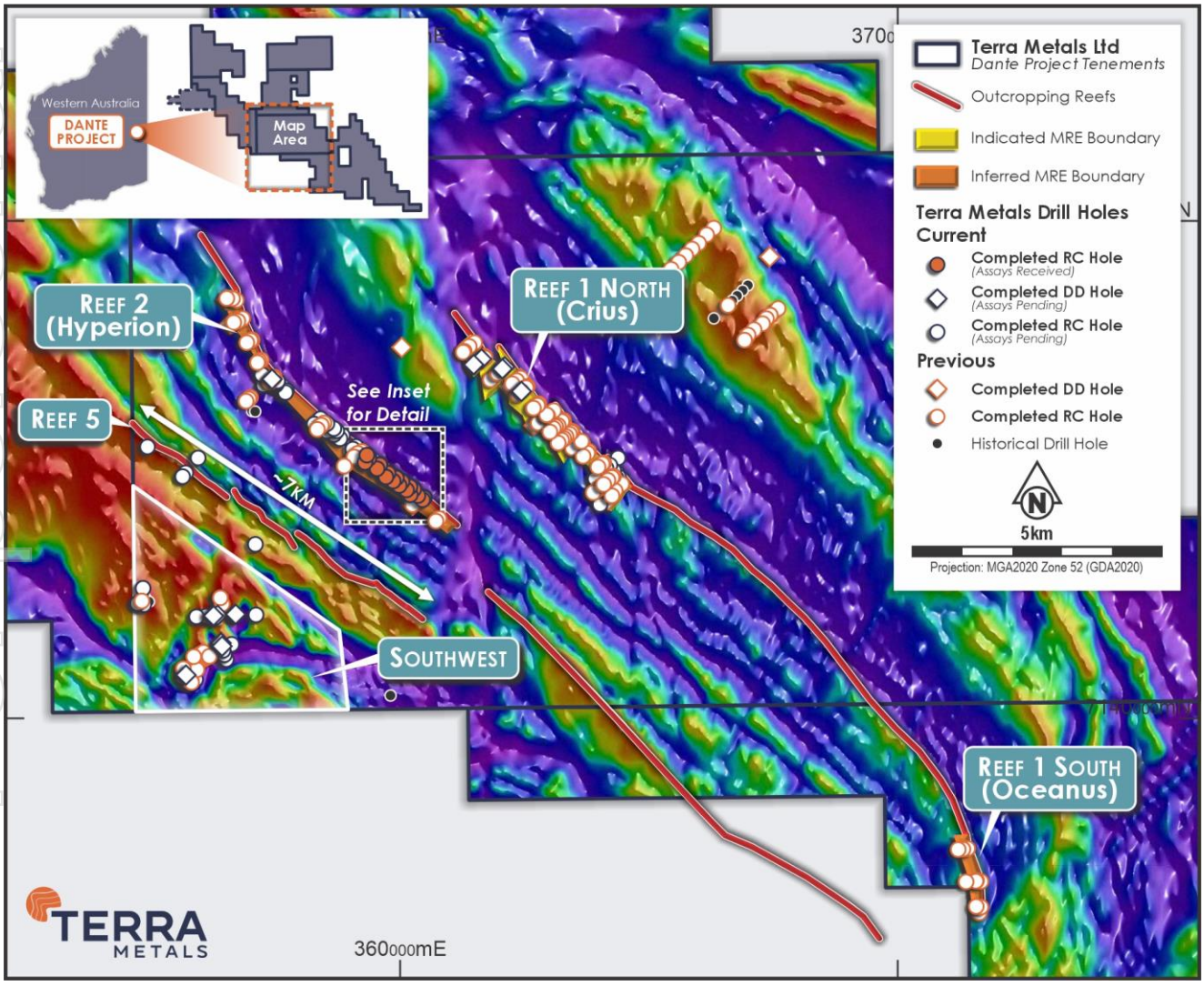


Figure 3. *Location of the outcropping magnetite reefs and drill holes overlaying regional aeromagnetic data (AMAG) displayed using a pseudo-colour spectrum.*

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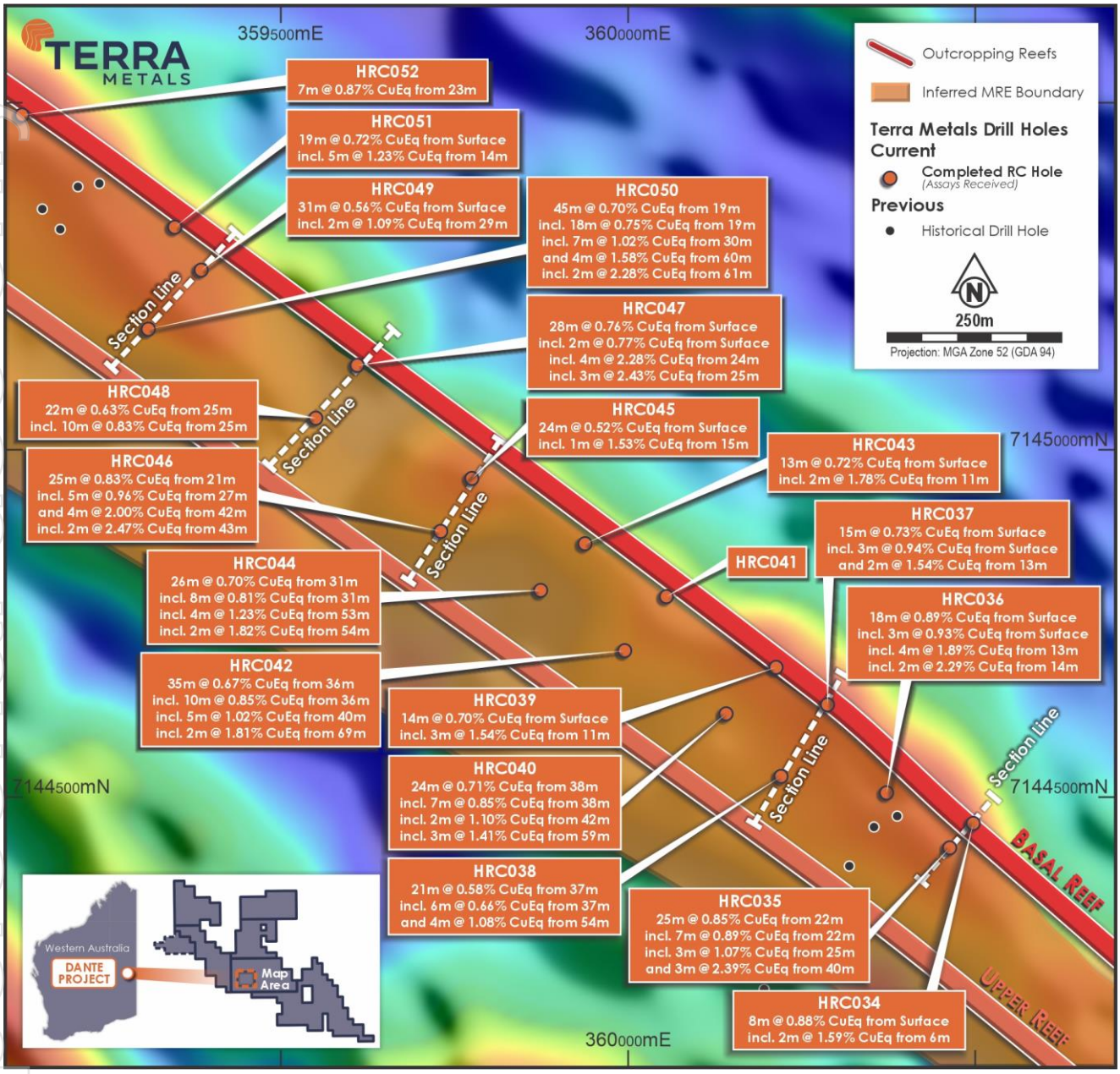


Figure 4. *Inset to Figure 3 showing new Reef 2 (Hyperion) drill holes and assay results relative to the location of the MRE overlaying regional aeromagnetic data (AMAG) displayed using a pseudo-colour spectrum.*

Southwest Prospect

The Southwest Prospect is a newly defined and highly prospective 12km^2 target area within the Dante Project, representing one of the most compelling growth opportunities across the broader Jameson Layered Intrusion. Although first identified in historical datasets, the area is only now being systematically tested for the first time.

The Southwest Prospect has rapidly emerged as a cornerstone growth opportunity within the Dante Project. By integrating historical datasets with new mapping, sampling, and geophysical interpretation, Terra Metals has built a robust exploration case. The combination of extensive newly mapped reef, confirmed sulfides, strong geochemical signatures, large cumulate layers with elevated PGM content, and multiple EM targets positions Southwest as a prime candidate for significant new discoveries.

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Subsequent to the quarter, the Company reported assays from SW5 (SWT008) that materially upgrade the grade and tenor of PGM–Cu–Ni sulfide mineralisation at Southwest. SWT008 returned **35m @ 2.90 g/t PGE3** from 48m, including **3m @ 27.78 g/t PGE3** and **1m @ 52.97 g/t PGE3**. Importantly, mineralisation begins near surface and the hole ended in mineralisation, indicating the system remains open at depth. These results confirm that high-tenor magmatic sulfide horizons are developed within oxide-poor mafic layers adjacent to the broader oxide-rich stratigraphy.

Additional drilling at the Southwest corridor also includes SWT009, which intersected broad intervals of PGM–Cu–Ni mineralisation with comparatively higher nickel and copper tenor. While grades are lower than SWT008, SWT009 expands the mineralised footprint and reinforces that multiple sulfide-bearing horizons are present across Southwest. SWT009 provides important context by demonstrating system scale and continuity and will assist in refining the architecture of the feeder and associated mineralised stratigraphy.

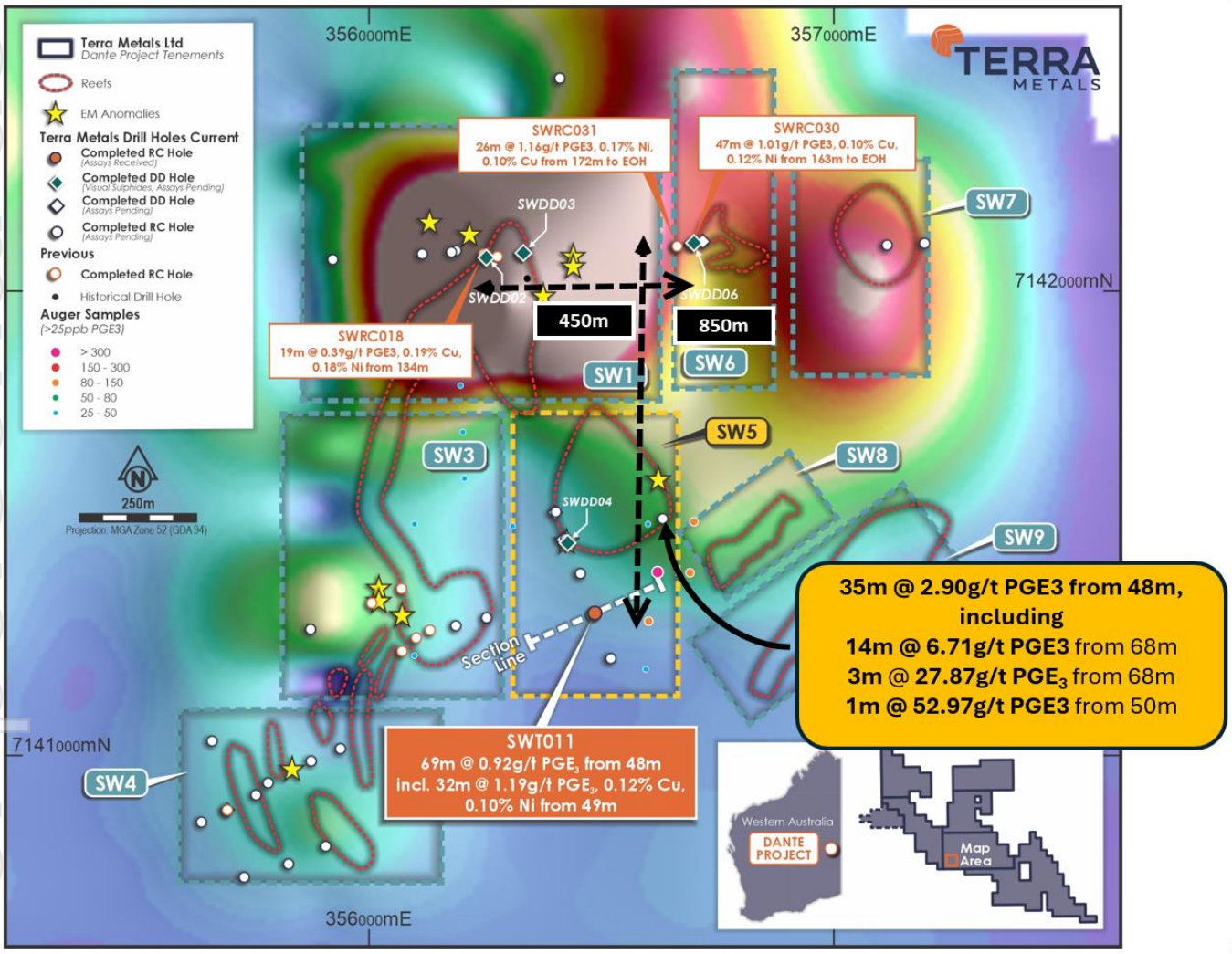


Figure 5. *Plan view of the Southwest Prospect area, showing various target areas (SW1, SW2, SW3, SW4, SW5, SW6, SW7, SW8, SW9)*

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SW5 Target

Subsequent to the quarter, first assays received from the SW5 prospect have confirmed a major PGM sulfide discovery at the Southwest Prospect, returning exceptionally high grade results up to **52.97g/t PGE3**.

Selected intercepts from SW5:

- **35m @ 2.90g/t PGE3** from 48m (SWT008), including:
  - including **14m @ 6.71g/t PGE3** from 68m
  - including **3m @ 27.78g/t PGE3** from 68m
  - including **1m @ 52.97g/t PGE3** from 69m
- **69m @ 0.92g/t PGE3** from 48m (SWT011), including:
  - including **8m @ 1.61g/t PGE3** from 49m
  - including **2m @ 1.99g/t PGE3** from 50m
  - including **7m @ 1.64g/t PGE3** from 94m
  - including **2m @ 1.92g/t PGE3** from 99m

Remarkably, the mineralisation in SWT008 starts from near surface, and the hole was terminated at 102m depth, 138m short of its planned target depth, suggesting potential for further mineralised horizons at depth.

SWT011 intersected multiple broad zones of high-grade PGM mineralisation, with consistent associated copper and nickel.

PGM-Cu-Ni mineralisation has now been defined over a large area at Southwest, spanning 850m in length, 450m in width, averaging approximately 50m in thickness (excluding visually reported sulfide intersections), and remains open in all directions and downdip; as well as having significant potential for vertically stacked mineralised repetitions throughout the feeder conduit and layered systems.

These results are in addition to previously reported visual sulfide intercepts (refer ASX announcement dated 29 October 2025), which did not include SWT011, and further strengthen the interpretation that Southwest hosts a large, multi-centre PGM sulfide system with significant scale and growth potential.

Geological interpretation of SW5 drilling indicates that PGM–Cu–Ni mineralisation forms through segregation of immiscible sulfide melt within a layered mafic–ultramafic unit. The exceptional grades in SWT008 (up to 52.97 g/t PGE3) and SWT011 occur within a thin oxide-poor mafic layer, consistent with localised sulfide pooling during a transient sulfide-saturated stage in the magma chamber. This mineralisation style is distinct from the Bushveld-style Ti–V–Fe oxide reefs elsewhere at Dante and supports a feeder-proximal magmatic sulfide model. Further drilling is required to define geometry and continuity, and diamond drilling is planned to better constrain the structural and stratigraphic setting.

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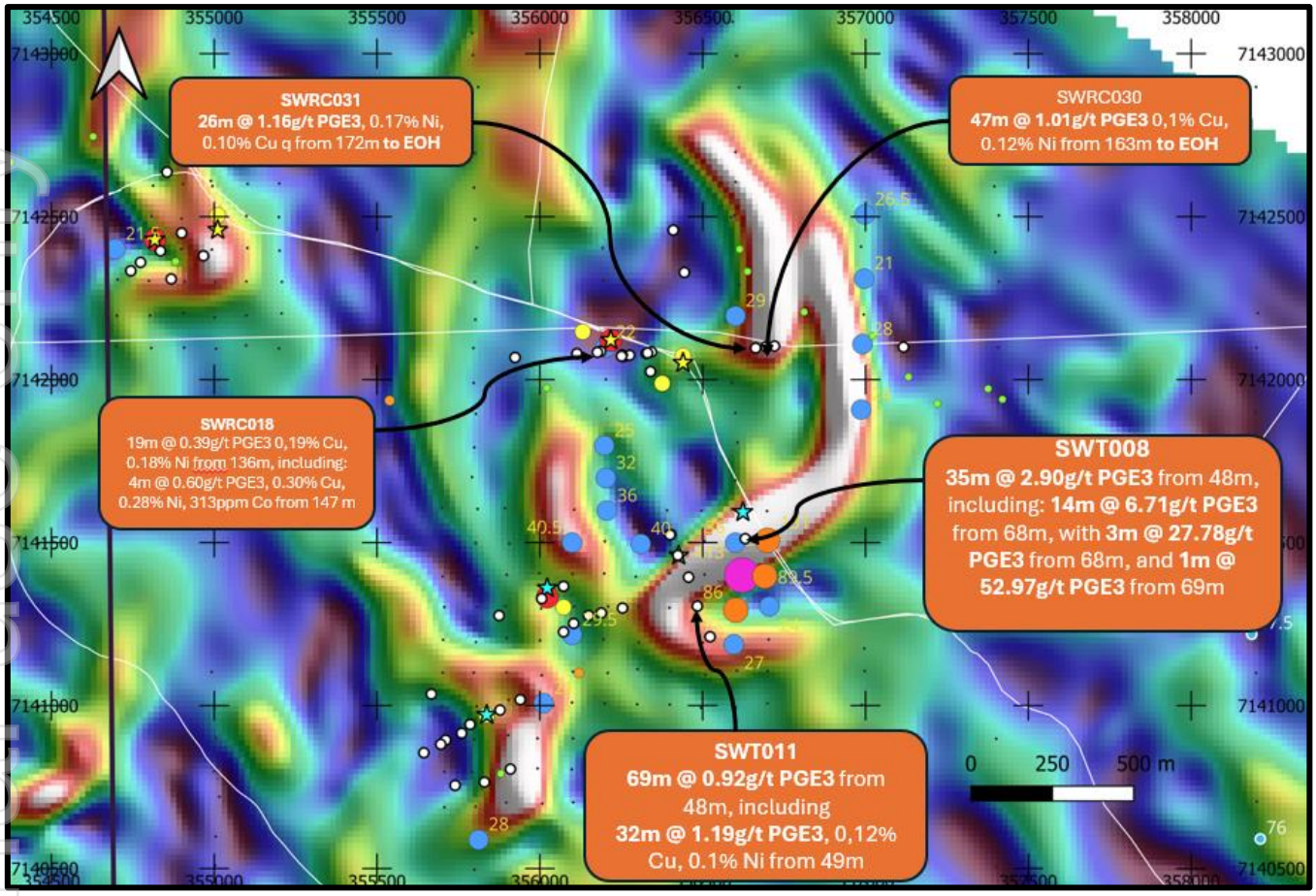


Figure 6. *Southwest PGM intercepts, including the presently reported SWT008, overlaid on the newly collected high-resolution gravity geophysical image. Also shown are anomalous PGM auger geochemistry samples with grade labels in ppb PGM, and airborne EM anomalies (Stars), and all drill collars (white dots, many assays pending).*

SW6 Target

Subsequent to the quarter, the Company reported initial drilling results from SW6 which confirmed significant PGM, Cu and Ni sulfide mineralisation, establishing a new mineralised zone within the broader Southwest Prospect.

The first two drillholes reported from reconnaissance RC drilling at SW6 have intersected multiple intervals of elevated to high-grade PGM mineralisation, with both holes ending in mineralised ultramafic rocks. These results demonstrate that SW6 hosts a zone of PGM–Ni–Cu sulfide mineralisation that is geochemically and lithologically distinct from the magnetite–ilmenite–vanadium reef style previously identified at the Dante Project.

Assay results from SWRC030 support the presence of a broad mineralised system, with elevated PGM grades accompanied by nickel and copper in high-MgO ultramafic host rocks.

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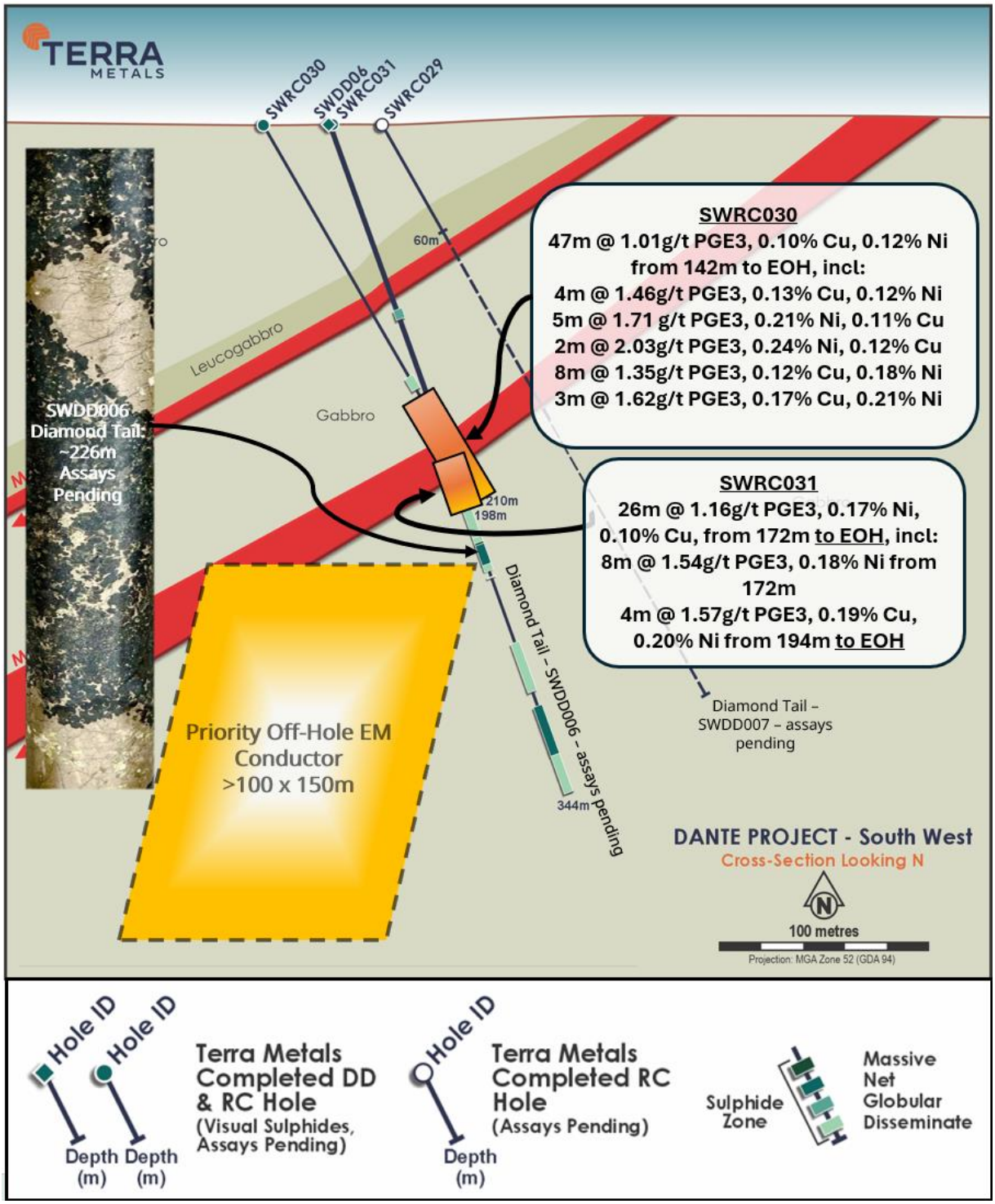


Figure 7. *Cross section of drilling at SW6 target, showing intercepts and newly defined DHEM off-hole conductor*

SW3 and SW4 Targets

During the quarter, initial drilling results from the Company's Phase 3 drill program at SW3 and SW4 confirmed the discovery of multiple titanium–vanadium–gallium sulfide reefs at SW3 and SW4, adding a new style of mineralisation to the Company's Dante Project.

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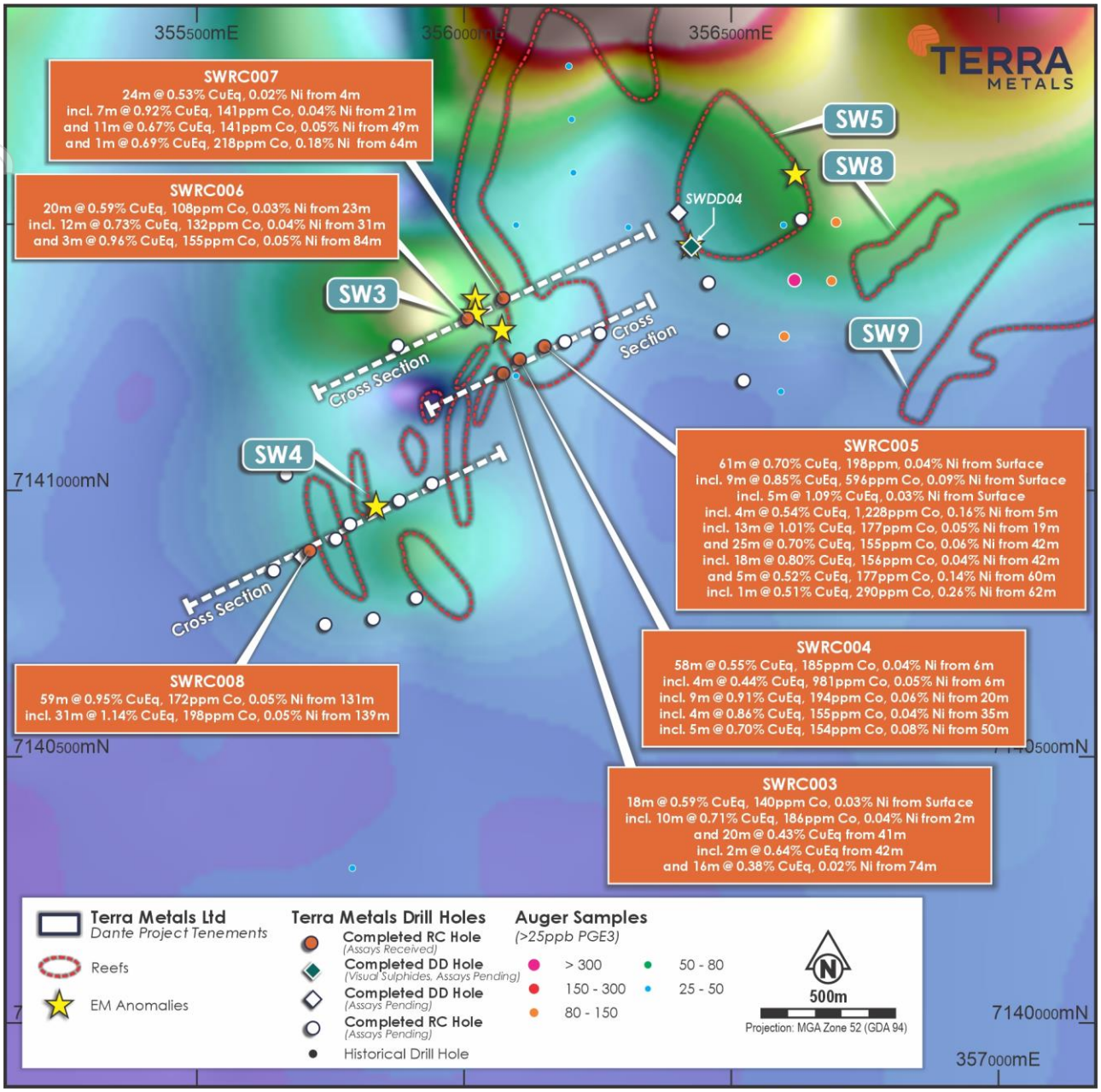


Figure 8. *SW3 and SW4 target intercepts (over electromagnetics)*

Corporate

During the December 2025 quarter, the Company completed the second tranche of its placement to raise gross proceeds of $15.0 million. The placement was led by cornerstone shareholders GEAR and Tribeca Investment Partners.

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Mineral Resources

Table 1: *Dante Project Mineral Resources (August 2025)*

Category	Tonnage (Mt)	Grade							
		TiO_2 (%)	V_2O_5 (%)	Cu (%)	3PGE (g/t)	Au (g/t)	Pt (g/t)	Pd (g/t)	Cu Eq (%)
Indicated	38	18.4	0.73	0.23	0.71	0.16	0.41	0.14	1.87
Inferred	110	13.5	0.47	0.16	0.21	0.06	0.11	0.04	1.21
Total	**148**	**14.8**	**0.54**	**0.18**	**0.33**	**0.08**	**0.18**	**0.07**	**1.38**

Category	Tonnage (Mt)	Contained Metal						
		TiO2 (Mt)	V_2O_5 (kt)	Cu (kt)	3PGE (Koz)	Au (koz)	Pt (koz)	Pd (koz)
Indicated	38	7.0	280	90	870	200	500	180
Inferred	110	15	520	180	730	200	380	150
Total	**148**	**22**	**800**	**270**	**1,600**	**400**	**880**	**330**

Note: Some numbers may not add up due to rounding.

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ASX Additional Information

Mining exploration tenements

As at 31 December 2025, the Company holds an interest in the following exploration tenements:

Mining exploration project name	Permit Number	Percentage Interest	Status
Dante Project (Western Australia)	E69/3401	100%	Granted
	E69/3552	100%	Granted
	E69/3554	100%	Granted
	E69/3555	100%	Granted
	E69/3556	100%	Granted
	E69/3557	100%	Granted
	E69/4193	100%	Application
	E69/4304	100%	Application
	E69/4305	100%	Application
	E69/4306	100%	Application
	E69/4307	100%	Application
	E69/4335	100%	Application
	E69/4336	100%	Application
	E69/4337	100%	Application
	E69/4338	100%	Application
	E69/4339	100%	Application
	E69/4340	100%	Application
	E69/4341	100%	Application
	E69/4342	100%	Application
	E69/4343	100%	Application
	E69/4344	100%	Application
	E69/4345	100%	Application
Onslow Cu-Au (Western Australia)	E08/3311	100%	Granted
	E08/3197	80%	Granted

During the quarter, the Company sold tenements P15/6723-6726 (Higginsville) for nominal cash consideration and a royalty.

Mining exploration expenditures

During the quarter, the Company made the following payments in relation to mining exploration activities:

Mining exploration activity	A$000
Drilling	(2,275)
Sample analysis	(253)
Geological and other consultants	(748)
Mapping	(17)
Native Title	(91)
Tenement rents, rates and management	(36)
Environmental and rehabilitation	(67)
Field supplies, vehicles, travel and other	(561)
Total	**(4,048)**

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There were no expenses incurred for mining or production activities during the quarter.

Related party payments

During the quarter, the Company made payments of approximately $154,000 to related parties and their associates, for director's fees, superannuation, company secretarial services and provision of a fully serviced office.

Competent Persons Statement

The information in this report that relates to Exploration Results, Metallurgical Testwork, and Mineral Resources is extracted from the Company's ASX announcements dated 8 December 2025, 4 December 2025, 3 November 2025, 29 October 2025, 22 September 2025, 11 August 2025, 2 April 2025, 24 March 2025, 4 March 2025, 19 February 2025, 28 January 2025, 19 December 2024, 12 November 2024, 14 August 2024, 17 July 2024, 3 July 2024, 20 June 2024, 11 June 2024, 13 May 2024, 24 January 2024, 13 December 2023, 22 November 2023, 28 September 2023, and 28 August 2023 ("Original ASX Announcements").

These announcements are available to view at the Company's website at www.terrametals.com.au. The Company confirms that: a) it is not aware of any new information or data that materially affects the information included in the Original ASX Announcements; b) all material assumptions included in the Original ASX Announcements continue to apply and have not materially changed; and c) the form and context in which the relevant Competent Persons' findings are presented in this report have not been materially changed from the Original ASX Announcements.

Forward Looking Statements

Statements regarding plans with respect to Terra's projects are forward-looking statements. There can be no assurance that the Company's plans for development of its projects will proceed as currently expected. These forward-looking statements are based on the Company's expectations and beliefs concerning future events. Forward looking statements are necessarily subject to risks, uncertainties and other factors, many of which are outside the control of the Company, which could cause actual results to differ materially from such statements. The Company makes no undertaking to subsequently update or revise the forward-looking statements made in this announcement, to reflect the circumstances or events after the date of that announcement.

This ASX announcement has been approved in accordance with the Company's published continuous disclosure policy and authorised for release by the Managing Director & CEO.

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Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

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Name of entity

Terra Metals Limited

ABN	Quarter ended ("current quarter")
44 155 933 010	31 December 2025

Consolidated statement of cash flows		Current quarter A$000	Year to date (6 months) A$000
1.	**Cash flows from operating activities**		
1.1	Receipts from customers	-	-
1.2	Payments for		
	(a) exploration & evaluation	(4,048)	(5,443)
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(184)	(359)
	(e) administration and corporate costs	(154)	(347)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	80	115
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other		
	(a) business development costs	(263)	(462)
	(b) GST inflow/(outflow)	(298)	(401)
1.9	**Net cash from / (used in) operating activities**	**(4,867)**	**(6,897)**
2.	**Cash flows from investing activities**		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	-	(175)
	(c) property, plant and equipment:	(20)	(30)
	(d) exploration & evaluation	-	-
	(e) investments	-	-
	(f) other non-current assets	-	-

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Consolidated statement of cash flows		Current quarter A$000	Year to date (6 months) A$000
2.2	Proceeds from the disposal of:		-
	(a) entities	-	-
	(b) tenements	5	5
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other	-	-
2.6	**Net cash from / (used in) investing activities**	**(15)**	**(200)**
3.	**Cash flows from financing activities**		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	8,268	15,803
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(609)	(1,092)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material):	-	-
3.10	**Net cash from / (used in) financing activities**	**7,659**	**14,711**

4.	**Net increase / (decrease) in cash and cash equivalents for the period**		
4.1	Cash and cash equivalents at beginning of period	8,108	3,271
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(4,867)	(6,897)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(15)	(200)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	7,659	14,711

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Consolidated statement of cash flows		**Current quarter A$000**	**Year to date (6 months) A$000**
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	**Cash and cash equivalents at end of period**	**10,885**	**10,885**

5.	**Reconciliation of cash and cash equivalents** at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	**Current quarter A$000**	**Previous quarter A$000**
5.1	Bank balances	10,885	8,108
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	**Cash and cash equivalents at end of quarter (should equal item 4.6 above)**	**10,885**	**8,108**

6.	**Payments to related parties of the entity and their associates**	**Current quarter A$000**
6.1	Aggregate amount of payments to related parties and their associates included in item 1	(154)
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments

7.	**Financing facilities** *Note: the term 'facility' includes all forms of financing arrangements available to the entity.* *Add notes as necessary for an understanding of the sources of finance available to the entity.*	**Total facility amount at quarter end A$000**	**Amount drawn at quarter end A$000**
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other (please specify):	-	-
7.4	**Total financing facilities**	**-**	**-**
7.5	**Unused financing facilities available at quarter end**		-
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		

8.	Estimated cash available for future operating activities	A$000
8.1	Net cash from / (used in) operating activities (item 1.9)	(4,867)
8.2	(Payments for exploration & evaluation classified as investment activities) (item 2.1(d))	-
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(4,867)
8.4	Cash and cash equivalents at quarter end (item 4.6)	10,885
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	10,885
8.7	**Estimated quarters of funding available (item 8.6 divided by item 8.3)**	**2.2**

Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.

8.8 If item 8.7 is less than 2 quarters, please provide answers to the following questions:

8.8.1. Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?

Not applicable

8.8.2. Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

Not applicable

8.8.3. Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Not applicable

Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.

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Compliance statement

1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.

2 This statement gives a true and fair view of the matters disclosed.

Date: 30 January 2026

Authorised by: Company Secretary
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.

2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.

3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.

4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [*name of board committee – eg Audit and Risk Committee*]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".

5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.

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