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ASX Announcement | **27 February 2026**

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$85 MILLION INSTITUTIONAL PLACEMENT TO ADVANCE SOUTHWEST DISCOVERY

Terra Metals Limited (ASX:TM1) (Company) is pleased to announce that it has successfully secured commitments from new and existing institutional and sophisticated investors to subscribe for 229,729,730 new ordinary shares of the Company at an issue price of A$0.37 per share, to raise gross proceeds of A$85 million (**Placement**).

The Placement received strong support from existing major shareholders, Golden Energy and Resources Pte Ltd (**GEAR**), Tribeca Investment Partners (**Tribeca**), Matthew Latimore, and Martin Otway, confirming their support for the Company's 100%-owned Dante Project in Western Australia, where recent drilling at the Southwest Prospect has discovered a substantial new platinum group metal (**PGM**) sulfide system, extending over at least 850m of strike between Southwest SW5 and SW6.

Washington H. Soul Pattinson and Company Limited (**Soul Patts**) also participated as a cornerstone investor under the Placement. Soul Patts is an ASX 50 listed investment house with over 100 years of disciplined capital stewardship, and a track record of delivering above-market total shareholder returns while maintaining a conservative risk profile.

In addition, CEO and Managing Director, Thomas Line, subscribed for A$100,000 (subject to shareholder approval), and Chief Geologist, Solomon Buckman, subscribed for A$120,000 under the Placement.

CEO and Managing Director, Thomas Line, commented: *"This $85 million institutional placement represents a defining moment for Terra Metals. The scale and quality of support — including commitments from GEAR, Tribeca and Soul Patts — underscores the growing recognition that Southwest is emerging as a globally significant PGM sulfide discovery within the broader Dante Project.*

"Importantly, Southwest is just one of multiple large-scale magmatic PGE-Cu-Ni sulfide targets we have identified across our 100%-owned, district-scale landholding. This capital gives us the ability not only to aggressively advance extensional and infill drilling at Southwest toward resource definition and economic studies, but also to systematically unlock the substantial exploration upside across the wider Dante corridor. We now have the balance sheet strength to pursue scale, accelerate discovery and position Terra as a globally relevant critical minerals platform."

Proceeds from the Placement will be used to accelerate the exploration and development of the Southwest Prospect, including extensional and infill drilling, resource definition, economic studies, together with drill testing of the extensive exploration upside across the district-scale Dante Project, and for general corporate purposes.

Petra Capital Pty Limited acted as Sole Lead Manager and Bookrunner to the Placement.

The issue price of A$0.37 per share represents a 8.6% discount to the last closing price of A$0.405 per share and a 8.6% discount to the 10-day VWAP of A$0.405 per share.

The Placement will be completed in two tranches as follows:

(a) 173,409,547 new shares will be issued on or about 5 March 2026 under Listing Rules 7.1 (95,088,898 new shares) and 7.1A (78,320,649 new shares) (**Tranche One**); and

(b) 56,320,183 new shares will be issued subject to shareholder approval to be sought at a General Meeting of the Company's shareholders, including the participation of Tribeca and Thomas Line (**Tranche Two**). A notice of meeting will be sent to shareholders shortly.

For further information, please contact:

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

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Forward Looking Statements and Important Notice

Statements regarding plans with respect to the Company's project 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.

Competent Persons Statement

The information in this announcement that relates to Exploration Results and Mineral Resources is extracted from the Company's ASX announcement dated 11 August 2025, ("Original ASX Announcement"). The Original ASX Announcement is 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 Announcement; b) all material assumptions included in the Original ASX Announcement continues to apply and has not materially changed; and c) the form and context in which the relevant Competent Persons' findings are presented in this announcement have not been materially changed from the Original ASX Announcement.

This announcement has been authorised for release by the Board of Directors.

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