



CORPORATE GOVERNANCE STATEMENT 2026

Terra Metals Limited (“**Company**”) and the entities it controls believe corporate governance is important for the Company in conducting its business activities.

The Board of the Company has adopted a suite of charters and key corporate governance documents which articulate the policies and procedures followed by the Company. These documents are available in the Corporate Governance section of the Company’s website, www.terrametals.com.au. These documents are reviewed annually to address any changes in governance practices and the law.

This Corporate Governance Statement explains how the Company complies with the ASX Corporate Governance Council’s Corporate Governance Principles and Recommendations – 4th Edition in relation to the year ended 30 June 2026. This Corporate Governance Statement is current as at 30 September 2026 and was approved by the Board of Terra Metals Limited on 30 September 2026.

In addition to the ASX Principles and Recommendations, the Board has taken into account a number of important factors in determining its corporate governance policies and procedures, including the:

- relatively simple operations of the Company, which currently only undertakes mineral exploration activities;
- cost versus benefit of additional corporate governance requirements or processes;
- Board’s experience in the relevant sector;
- organisational reporting structure and limited number of reporting functions, divisions and employees;
- relatively simple financial affairs with limited complexity and quantum;
- relatively small market capitalisation and economic value of the entity; and
- direct shareholder feedback.

Principle 1: Lay solid foundations for management and oversight

RECOMMENDATION	COMPANY’S COMPLIANCE WITH RECOMMENDATIONS	RECOMMENDATION FOLLOWED IN FULL FOR WHOLE OF 2026 YEAR?
1.1 Role of Board and management	The Board has established a clear distinction between the functions and responsibilities reserved for the Board and those delegated to management, which are set out in the Company’s Board Charter. A copy of the Board Charter is available in the Corporate Governance section of the Company’s website, www.terrametals.com.au.	Yes
1.2 Information regarding election and re-election of director candidates	The Company carefully considers the character, experience, education and skillset of potential candidates for appointment to the Board and undertakes appropriate checks before appointing a Director or senior executive or putting a person forward for election as a Director. Depending on the circumstances, these checks may include the person’s character, experience, education, criminal record and bankruptcy history. The Company has procedures in place to ensure that all material information relevant to a decision to elect or re-elect a Director is disclosed in the relevant notice of meeting provided to Shareholders. Director profiles are also included in the Directors’ Report of the Company’s Annual Report.	Yes



RECOMMENDATION	COMPANY'S COMPLIANCE WITH RECOMMENDATIONS	RECOMMENDATION FOLLOWED IN FULL FOR WHOLE OF 2026 YEAR?
1.3 Written contracts of appointment	In addition to being set out in the Board Charter, the roles and responsibilities of Directors are also formalised in the letter of appointment which each Director receives and commits to on their appointment. The letters of appointment specify the term of appointment, time commitment envisaged, expectations in relations to committee work or any other special duties attaching to the position, reporting lines, remuneration arrangements, disclosure obligations in relation to personal interests, confidentiality obligations, insurance and indemnity entitlements and details of the Company's key governance policies. Each Key Management Personnel ("KMP") enters into a service contract which sets out the material terms of employment, including a description of position and duties, reporting lines, remuneration arrangement and termination rights and entitlements. Contract details of KMP are summarised in the Remuneration Report of the Company's Annual Report.	Yes
1.4 Company Secretary	The Company Secretary reports directly to the Board through the Chairman on Board matters and all Directors have access to the Company Secretary. In accordance with the Company's Constitution, the appointment or removal of the Company Secretary is a matter for the Board as a whole. Details of the Company Secretary's experience and qualifications are set out in the Directors' Report of the Company's Annual Report.	Yes
1.5 Diversity	The Company had not formally adopted a Diversity Policy or established measurable objectives for achieving gender diversity during the 2026 financial year. The Company nevertheless recognises that diversity contributes to better decision-making and organisational performance and seeks to promote a culture that embraces diversity across the Board, senior executive positions and workforce generally. As at 30 June 2026, the Board comprised three male and two female Directors, with women representing 40% of the Board. For the purposes of this disclosure, "senior executives" means executives who report directly to the Managing Director and Chief Executive Officer and who participate in the management of the Company. As at 30 June 2026: • Board: 3 male and 2 female Directors; • senior executives: 6 males; and • total workforce: 45 male and 16 females. Terra Metals was not included in the S&P/ASX 300 Index at the commencement of the reporting period. The Board intends to review the Company's diversity framework and consider adopting a formal Diversity Policy and measurable objectives appropriate to the Company's current size and stage of development.	No
1.6 Board reviews	During the 2026 financial year, the Board undertook a review of its composition, skills, experience and effectiveness. That review resulted in a substantial reconstitution of the Board, with the contribution, skills and suitability of individual Directors considered as part of that process.	Yes
1.7 Management reviews	During the 2026 financial year, the Company undertook performance reviews of established senior personnel, including senior geological staff. The Company also continued to develop and strengthen its senior management team during the year, including the appointment of a new Chief Operating Officer, General Manager - Exploration & Operations and Chief Financial Officer/Company Secretary.	Yes



RECOMMENDATION	COMPANY'S COMPLIANCE WITH RECOMMENDATIONS	RECOMMENDATION FOLLOWED IN FULL FOR WHOLE OF 2026 YEAR?
	Certain senior personnel appointed during the latter part of the financial year had not completed a full performance review cycle as at 30 June 2026 due to the short period since their appointment and will be reviewed in accordance with the Company's normal performance evaluation process.	


Principle 2: Structure the Board to add value

RECOMMENDATION	COMPANY'S COMPLIANCE WITH RECOMMENDATIONS	RECOMMENDATION FOLLOWED IN FULL FOR WHOLE OF 2026 YEAR?																		
2.1 Nominations committee	The Board has decided not to establish a separate Nominations Committee. Having regard to the size of the Board and the Company's stage of development, the Board considers that no material efficiencies or other benefits would presently be gained from establishing a separate committee. The Board as a whole performs the functions ordinarily undertaken by a Nominations Committee in accordance with the Company's Nominating Committee Charter. The Charter sets out the processes employed to address Board succession and ensure that the Board has the appropriate balance of skills, knowledge, experience, independence and diversity to discharge its responsibilities effectively. The Nominating Committee Charter is available in the Corporate Governance section of the Company's website, www.terrametals.com.au.	Yes																		
2.2 Board skills matrix	The Board seeks to maintain an appropriate mix of skills, experience and expertise having regard to the Company's activities, strategy and stage of development. The Board considers that its current membership collectively provides the following key skills and experience: <table><thead><tr><th>Skill / Experience</th><th>Board capability</th></tr></thead><tbody><tr><td>Mineral exploration and resource development</td><td>Strong</td></tr><tr><td>Resources industry leadership</td><td>Strong</td></tr><tr><td>Corporate strategy and business development</td><td>Strong</td></tr><tr><td>Capital markets and corporate finance</td><td>Strong</td></tr><tr><td>Accounting and financial management</td><td>Strong</td></tr><tr><td>ASX-listed company governance</td><td>Strong</td></tr><tr><td>Risk management</td><td>Strong</td></tr><tr><td>Stakeholder and community engagement</td><td>Strong</td></tr></tbody></table> The Board periodically reviews its collective skills and experience against the Company's strategic requirements and considers whether additional capabilities are required. Further details regarding the qualifications, skills and experience of each Director are set out in the Directors' Report of the Company's Annual Report.	Skill / Experience	Board capability	Mineral exploration and resource development	Strong	Resources industry leadership	Strong	Corporate strategy and business development	Strong	Capital markets and corporate finance	Strong	Accounting and financial management	Strong	ASX-listed company governance	Strong	Risk management	Strong	Stakeholder and community engagement	Strong	Yes
Skill / Experience	Board capability																			
Mineral exploration and resource development	Strong																			
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ASX-listed company governance	Strong																			
Risk management	Strong																			
Stakeholder and community engagement	Strong																			
2.3 Disclose independence and length of service	The Board has assessed the independence of each Director having regard to the factors set out in the ASX Principles and Recommendations and any other relevant circumstances. As at 30 June 2026, the Board considered Ms Debra Bakker, Ms Jennifer Purdie, Mr Haydn Smith and Mr Jeffrey Quartermaine to be independent Directors. Mr Thomas Line, Chief Executive Officer and Managing Director, is not considered independent by virtue of his executive role. The length of service of each Director is disclosed in the Directors' Report of the Company's 2026 Annual Report. The Board regularly assesses the independence of each Director and requires Directors to disclose any interests, positions, associations or	Yes																		



RECOMMENDATION	COMPANY'S COMPLIANCE WITH RECOMMENDATIONS	RECOMMENDATION FOLLOWED IN FULL FOR WHOLE OF 2026 YEAR?
	relationships that may affect, or could reasonably be perceived to affect, their independence.	
2.4 Majority of directors independent	A majority of the Board is comprised of independent Directors. Ms Debra Bakker, Ms Jennifer Purdie, Mr Haydn Smith and Mr Jeffrey Quartermaine are considered independent. Mr Thomas Line , Chief Executive Officer and Managing Director, is not considered independent.	Yes
2.5 Chair independent	The Chair, Ms Debra Bakker , is an independent Non-Executive Director and is not the Chief Executive Officer or Managing Director of the Company. Further details regarding the Chair and other Directors are set out in the Directors' Report of the Company's Annual Report.	Yes
2.6 Induction and professional development	New Directors are provided with an induction appropriate to their experience and the Company's operations, including information regarding the Company's business, strategy, governance framework and key policies. Each new Director also receives a letter of appointment setting out the terms of their appointment and details of the Company's key governance policies and procedures. The Board periodically considers whether Directors require additional professional development to maintain or enhance the skills and knowledge required to perform their roles effectively. Directors are also entitled to seek independent professional advice at the expense of the Company, subject to appropriate approval, where reasonably required to assist them in carrying out their duties.	Yes

Principle 3: Act ethically and responsibly

RECOMMENDATION	COMPANY'S COMPLIANCE WITH RECOMMENDATIONS	RECOMMENDATION FOLLOWED IN FULL FOR WHOLE OF 2026 YEAR?
3.1 Values	The Board has established a Code of Conduct for its Directors, executives and employees, a copy of which is available in the Corporate Governance section of the Company's website, www.terrametals.com.au . The Code of Conduct articulates its values and is provided to all employees as part of the recruitment process. The Code of Conduct forms the foundation for the behaviour expectations that the Company has for its Directors, senior executives, employees and contract personnel.	Yes
3.2 Code of conduct	The Board has established a Code of Conduct for its Directors, executives and employees, a copy of which is available in the Corporate Governance section of the Company's website, www.terrametals.com.au . The Board is informed of any material breaches of the Code of Conduct.	Yes
3.3 Whistleblower Policy	The Company has adopted a Whistleblower Policy intended to support and protect persons who speak up about any unlawful, unethical or irresponsible behaviour within the organisation, a copy of which is available in the Corporate Governance section of the Company's website, www.terrametals.com.au . The Board are informed of material incidents reported under the Company's Whistleblower Policy.	Yes
3.4 Anti-Bribery & Corruption Policy	The Company has adopted an Anti-Bribery and Corruption (ABC) Policy which links to the Code of Conduct by which the Company expects its operations and business dealings to be managed, a copy of which is available in the Corporate Governance section of the Company's website, www.terrametals.com.au .	Yes



The ABC Policy prohibits the giving of bribes or other improper payments and specifies the controls around the giving of donations and the acceptance of gifts or hospitality by officers of the Company. The Board is informed of any material breaches of the ABC Policy.


Principle 4: Safeguard integrity in corporate reporting

RECOMMENDATION	COMPANY'S COMPLIANCE WITH RECOMMENDATIONS	RECOMMENDATION FOLLOWED IN FULL FOR WHOLE OF 2026 YEAR?
4.1 Audit committee	The Board has decided not to establish a separate Audit Committee. Having regard to the size of the Board, the Company's stage of development and the nature and complexity of its activities, the Board considers it appropriate and efficient for the Board as a whole to perform the functions ordinarily undertaken by an Audit Committee. The Board has adopted an Audit Committee Charter which sets out the processes and responsibilities applying to oversight of financial reporting, external audit, internal controls and associated corporate reporting matters. The Board as a whole considers the appointment and removal of the external auditor and monitors the independence of the external auditor and rotation of the audit engagement partner in accordance with applicable requirements. The Audit Committee Charter is available in the Corporate Governance section of the Company's website, www.terrametals.com.au.	Yes
4.2 CEO and CFO certification of financial statements	Before approving the Company's full-year and half-year financial statements, the Board receives a declaration from the Chief Executive Officer and Chief Financial Officer, or their equivalents, that in their opinion: - the financial records of the Company have been properly maintained; - the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the Company; and - their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.	Yes
4.3 Verifying the Integrity of Periodic Corporate Reports	The Company has an effective system of internal control and multiple review and approval stages which it applies to public documents that are not reviewed or audited by its external auditor.	Yes


Principle 5: Make timely and balanced disclosure

RECOMMENDATION	COMPANY'S COMPLIANCE WITH RECOMMENDATIONS	RECOMMENDATION FOLLOWED IN FULL FOR WHOLE OF 2026 YEAR?
5.1 Disclosure and Communications Policy	The Company has adopted a Continuous Disclosure Policy which sets out the processes and practices that ensure its compliance with the continuous disclosure requirements under applicable Listing Rules and applicable corporation law (including the Corporations Act). A copy of the Continuous Disclosure Policy is available in the Corporate Governance section of the Company's website, www.terrametals.com.au.	Yes
5.2 Material Market Announcements	The Company ensures that Directors are provided with a copy of all material market releases either before, or promptly after lodgement.	Yes
5.3 Investor or Analyst Presentations	The Company ensures that any new substantive investor or analyst presentation is released on the Company's announcements platforms ahead of the presentation.	Yes

Principle 6: Respect the rights of security holders

RECOMMENDATION	COMPANY'S COMPLIANCE WITH RECOMMENDATIONS	RECOMMENDATION FOLLOWED IN FULL FOR WHOLE OF 2026 YEAR?
6.1 Information on website	The Company keeps investors informed of its corporate governance, financial performance and prospects via its website. Investors can access copies of ASX announcements, notices of meetings, annual reports and financial statements, investor presentations on the Company's website, www.terrametals.com.au. Investors can also access information about the Company's corporate governance practices and policies on the Company's website, www.terrametals.com.au.	Yes
6.2 Investor relations programs	The Company conducts investor briefings, roadshows, site visits and attends regional and industry specific conferences in order to facilitate effective two-way communication with investors and other financial market participants. Access to Directors and KMP is provided at these events, with separate one-on-one or group meetings offered whenever possible. The presentation material provided at these events is posted on the Company's website (www.terrametals.com.au), which also provides the opportunity for interested parties to join the mailing list to receive regular updates from the Company.	Yes
6.3 Facilitate participation at meetings of security holders	The Board encourages participation of Shareholders at its meetings of shareholders and Shareholders are provided with all notices of meeting prior to meetings, which are set at times and places to promote maximum attendance by Shareholders. Shareholders are always given the opportunity to ask questions of Directors and management, either during or after meetings. In addition, the Company's auditor is also made available for questions at the Company's Annual General Meeting of Shareholders ("AGM").	Yes
6.4 Voting by poll	The Company has adopted the process required by ASX Guidance Note 35 which stipulates that all Listing Rule resolutions be decided by poll. The Company has extended the conduct of a poll to all resolutions proposed at shareholder meetings.	Yes



RECOMMENDATION	COMPANY'S COMPLIANCE WITH RECOMMENDATIONS	RECOMMENDATION FOLLOWED IN FULL FOR WHOLE OF 2026 YEAR?
6.5 Facilitate electronic communications	The Company welcomes electronic communication from its Shareholders via its publicised email address (info@terrametals.com.au) and the Company's website (www.terrametals.com.au) provides the opportunity for interested parties to join the mailing list to receive regular electronic updates from the Company. The Company's share registry also engages with Shareholders electronically and makes available a range of relevant forms on its website. Shareholders can register with the share registry to access their personal information and shareholdings via the internet.	Yes

Principle 7: Recognize and manage risk

RECOMMENDATION	COMPANY'S COMPLIANCE WITH RECOMMENDATIONS	RECOMMENDATION FOLLOWED IN FULL FOR WHOLE OF 2026 YEAR?
7.1 Risk committee	The Board has decided not to establish a separate Risk Committee. Having regard to the size and development phase of the Company, the Board considers that no material efficiencies or other benefits would presently be gained from establishing a separate committee. The Board as a whole is ultimately responsible for identifying the principal risks of the Company's business and ensuring appropriate systems are implemented to manage those risks. Further details are contained in the Company's Risk Management Policy, available in the Corporate Governance section of the Company's website, www.terrametals.com.au.	Yes
7.2 Annual risk review	The Board reviews the Company's risk management framework at least annually to satisfy itself that it continues to be sound and that the Company is operating with due regard to the risk appetite established by the Board. The Board reviewed the Company's risk management framework during the 2026 financial year.	Yes
7.3 Internal audit	The Board has not established an internal audit function at this time. The Board as a whole oversees the effectiveness of risk management and internal control processes. Refer to the Company's Risk Management Policy for responsibilities of the Board, the Chief Executive Officer, the Chief Risk Officer, and other management in the evaluation and continual improvement of the Company's risk management and internal control processes. A copy of the Risk Management Policy is available in the Corporate Governance section of the Company's website, www.terrametals.com.au.	Yes



RECOMMENDATION	COMPANY'S COMPLIANCE WITH RECOMMENDATIONS	RECOMMENDATION FOLLOWED IN FULL FOR WHOLE OF 2026 YEAR?
7.4 Sustainability risks	The Company identifies and manages material economic, environmental and social sustainability risks in a manner consistent with its Risk Management Policy, which is available in the Corporate Governance section of the Company's website, www.terrametals.com.au. The material risks faced by the Company that could have an effect on its future prospects include exploration and development risks, availability of further funding, fluctuations in commodity prices and global financial conditions. The Company is also exposed to environmental and social risks associated with mineral exploration activities, including environmental disturbance and rehabilitation obligations, land access, community and stakeholder relations, and engagement with Traditional Owners. These risks are managed through the Company's permitting, environmental management, stakeholder engagement and risk management processes. Further details of the material risks faced by the Company and how those risks are managed or intended to be managed are set out in the Directors' Report of the Company's Annual Report.	Yes

Principle 8: Remunerate fairly and responsibly

RECOMMENDATION	COMPANY'S COMPLIANCE WITH RECOMMENDATIONS	RECOMMENDATION FOLLOWED IN FULL FOR WHOLE OF 2026 YEAR?
8.1 Remuneration committee	The Board has decided not to establish a separate Remuneration Committee. Having regard to the size of the Board and the Company's current stage of development, the Board considers that no material efficiencies or other benefits would presently be gained from establishing a separate committee. The Board as a whole performs the functions ordinarily undertaken by a Remuneration Committee in accordance with the Company's Remuneration Committee Charter. The Remuneration Committee Charter sets out the processes the Board employs for setting the level and composition of remuneration for Directors and senior executives and ensuring that such remuneration is appropriate and not excessive. The Remuneration Committee Charter is reviewed periodically and is available in the Corporate Governance section of the Company's website, www.terrametals.com.au.	Yes
8.2 Disclosure of Executive and Non-Executive Director remuneration policy	The Company seeks to attract and retain high-performing Directors and executives with appropriate skills, qualifications and experience to add value to the Company and fulfil the roles and responsibilities required. Executive remuneration reflects the responsibilities and performance of executives and may comprise fixed remuneration and performance-based remuneration components. Non-Executive Directors receive fixed fees for their services in accordance with the Company's Constitution and the aggregate fee pool approved by Shareholders. Non-Executive Director remuneration is structured separately from executive remuneration and does not include performance-based remuneration. Further details regarding the remuneration of Executive and Non-Executive Directors are set out in the Remuneration Report contained in the Company's Annual Report.	Yes



RECOMMENDATION	COMPANY'S COMPLIANCE WITH RECOMMENDATIONS	RECOMMENDATION FOLLOWED IN FULL FOR WHOLE OF 2026 YEAR?
8.3 Policy on hedging equity incentive schemes	The Company's Directors and Executives must not enter into any hedge arrangement in relation to any performance rights they may be granted or otherwise entitled to under an incentive scheme or plan, prior to exercising those rights or, once exercised, while the securities are subject to a transfer restriction. Further details regarding the Company's hedging policy are set out in the Company's Securities Trading Policy which is available on the Company's website, www.terrametals.com.au.	Yes