



FINANCIAL ASPECTS FOR INVESTORS - PER \$1,000 INVESTMENT - CLASS A

The Terra 2023 Short-Term Flow-Through LP provides attractive tax savings to individuals on their personal income or corporations on their investment income.

2023 TAX SAVINGS - PER \$1,000 INVESTMENT

Federal tax deductions and tax credits provided in 2023 include Canadian Exploration Expenses (CEE) and **two** types of federal mining tax credits: (1) 15% mineral exploration tax credit - METC; or (2) 30% critical mineral exploration tax credit - CMETC. Additional provincial mining tax credits (BC, SK, MB & ON) & mining tax deductions (QC) are provided but not included below.

	BC	AB	ON	QC
A. CEE & Other Deductions	\$940	\$940	\$940	\$940
B. Tax Rate ¹	53.5%	48.00%	53.53%	53.31%
C. Tax Savings - CEE & Other (A x B)	\$503	\$451	\$503	\$501
D. Tax Savings - 15% METC (\$450 x 15%) ²	68	68	68	68
E. Tax Savings - 30% CMETC (\$450 x 30%) ²	135	135	135	135
Tax Savings - 2023 (C + D + E)	\$705	\$654	\$706	\$704

¹ Highest marginal tax rate applies for each province. ² Assumes \$900 of CEE per \$1,000 investment is shared equally between 2 federal mining tax credits: (1) 15% federal METC is equal to \$450 x 15%; and (2) 30% federal CMETC is equal to \$450 x 30%. Tax credits are only available to individuals & taxable as income in 2024.

CASH FLOW & RATE OF RETURN

	BC	AB	ON	QC
A. Investment	(\$1,000)	(\$1,000)	(\$1,000)	(\$1,000)
B. Tax Savings - 2023	\$705	\$654	\$706	\$704
C. Tax on ITC income inclusion - 2024	(\$108)	(\$97)	(\$108)	(\$56)
D. Tax Savings - 2024 to 2027	\$79	\$71	\$79	\$79
E. Capital at-Risk (A + B + C + D)	(\$323)	(\$372)	(\$323)	(\$273)
F. NAV on Redemption ³	\$800	\$800	\$800	\$800
G. Capital Gains Tax on Redemption	(\$214)	(\$192)	(\$214)	(\$213)
H. Cumulative Return - \$ (E + F + G)	\$263	\$236	\$263	\$314
I. Rate of Return - % (H / E x -1) ⁴	81.1%	63.3%	81.3%	114.9%

³ NAV on Redemption is estimated at 80% of the Investment and taxed as a capital gain. ⁴ Rate of Return for each province is the Cumulative Return divided by the Capital at-Risk.

BREAK-EVEN

Investors recoup the majority of their investment through tax savings, which reduces their cost, similar to a repayment of capital. The "break-even value" is the amount required on redemption such that, after paying capital gains tax, the investor recoups the balance of their investment making neither a profit nor a loss.

	BC	AB	ON	QC
A. Investment	(\$1,000)	(\$1,000)	(\$1,000)	(\$1,000)
B. Cumulative Tax Savings	\$677	\$628	\$677	\$727
C. Break-even value	\$442	\$490	\$441	\$372
D. Capital gains tax on Break-even value	(\$118)	(\$118)	(\$118)	(\$99)
Profit / Loss (A + B + C + D)	\$0	\$0	\$0	\$0

Investors should refer to the Offering Memorandum for a more detailed description. Additional provincial mining tax credits (BC, SK, MB, ON) and supplementary provincial tax deductions (QC) are not included in the tables but will also be provided for qualified mining investments. Figures are for illustrative purposes only and are not intended as a forecast of future events. Actual tax deductions & tax credits may be more or less. Tax rates & capital gains inclusion are subject to change. Last update: January 30, 2023