TERRA 2024 SHORT-TERM FLOW-THROUGH LP

Tax-Smart TerraFunds

A Tax-Advantaged Investment Redeemable June 2025 or sooner

Why Terra

Terra has a successful 19-year track record, investing in more than 700 flow-through issues for over 6,000 investors. The average after-tax return is between 38% and 68% on rollover (see Table 2).

Expert Portfolio Manager

Portfolio investments are managed by Cypress Capital Management Ltd., which manages over $4.5 billion in assets. The manager has a particularly strong capability in the junior & intermediate resource sectors where the majority of flow-through investments occur.

Reasons to Invest

> **Government-endorsed** tax benefits

> **Diversification** in multiple sectors (see pie chart)

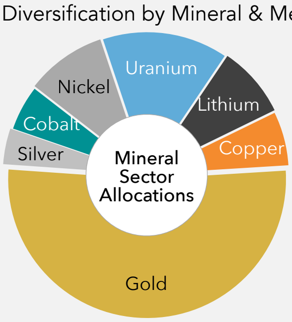
> **Strong return potential** in gold & critical mineral investments (see Table 2)

> **Actively managed** to reduce risk and increase opportunity

> **Low break-even NAV:** see Table 1

> **Early liquidity** in June 2025 or sooner

Diversification by Mineral & Metal



Additional Investor Options

> **Utilize capital losses** to eliminate capital gains on redemption & enhance returns

> **Reinvest**: re-cycle capital and compound tax savings (Table 2)

> **Retain** to defer capital gains and participate in future potential upside

> **Carry-back**: invest more this year & carry-back excess deductions to recoup 2021~2023 taxes

> **Donate** individually or through your corporation

Fundserv Codes

FE: TER 324; NL: TER 424

Minimum investment: $5,000

Investor Eligibility

Accredited - All Provinces

Eligible - BC, AB, NS

Closings

May 31, & June 30, subject to availability

Investment Overview

Investors seeking to substantially reduce taxes on 2024 personal or corporate income should consider the Terra 2024 Short-Term Flow-Through LP (Terra LP). **For a $10,000 investment, individuals can reduce their 2024 taxes by up to $7,622**, or 76% of the amount invested (Table 1).

The partnership will invest in an actively managed portfolio of 25 to 35 publicly traded mining flow-through shares, which provide federal & provincial tax benefits including: (1) Canadian exploration expenses; (2) federal 30% critical mineral exploration tax credit (CMETC) for investments in cobalt, copper, graphite, lithium, nickel & uranium or federal 15% mineral exploration tax credit (METC) for investments in gold & silver; and (3) provincial tax incentives for investments in BC, SK, MB, ON & QC. If realized capital losses are available to fully offset the capital gain, no capital gains tax is owing on redemption. The investment also has a low break-even between 35% and 49% of the invested amount (Table 1), is **redeemable June 2025** or sooner and seeks to provide investors attractive after-tax returns (Table 2).

Table 1: Tax Savings, Return & Break-even - Class F

Investors recoup the majority of their investment through tax savings (similar to a repayment of capital), which reduces their net cost. Net return is the sum of all cash flows related to the purchase and sale of the investment. Investment returns are attractive even for a redemption value less than the initial $10,000 investment due to the low net cost between $2,599 and $3,729.

			BC	AB	ON	QC	NS
	Tax rate		*53.5%*	*48%*	*53.53%*	*53.31%*	*54%*
Invest	A. Terra LP Investment		($10,000)	($10,000)	($10,000)	($10,000)	($10,000)
	B. 2024 Tax Savings [1]		**$7,622**	**$6,671**	**$7,311**	**$7,324**	**$7,252**
	C. Tax credit income inclusion - 2025 [2]		($1,307)	($972)	($1,140)	($558)	($1,094)
	D. Additional tax savings [3]		$637	$571	$637	$634	$643
	E. Net Cost	*A + B + C + D*	**($3,048)**	**($3,729)**	**($3,192)**	**($2,599)**	**($3,199)**
Sell	**F. NAV on redemption** [4]		**$8,000**	**$8,000**	**$8,000**	**$8,000**	**$8,000**
	G. Capital gains tax [5]	*F x 50% x tax rate*	($2,140)	($1,920)	($2,141)	($2,132)	($2,160)
Return	**H. Net Returns - $**	*E + F + G*	**$2,812**	**$2,351**	**$2,667**	**$3,268**	**$2,641**
	I. Net Returns - %	*H / (E x -1)*	92%	63%	84%	126%	83%
Break-even	**J. NAV to break-even** [6]		**$4,162**	**$4,907**	**$4,358**	**$3,544**	**$4,382**
	K. Capital gains tax [5]	*J x 50% x tax rate*	($1,113)	($1,178)	($1,166)	($945)	($1,183)
	L. Net Proceeds [6]	*J + K = E*	**$3,048**	**$3,729**	**$3,192**	**$2,599**	**$3,199**

[1] Assumes highest marginal tax rate and includes federal & provincial tax credits. [2] Tax credits are only available to individuals (except trusts) & taxable as income in 2025. [3] Maximum between 2025 & 2028. [4] NAV on redemption is an illustration, not guaranteed and assumes a 50% capital gains inclusion rate. [5] Capital gains inclusion rate for individuals is 50% on the first $250,000 of annual gains and 66.7% of annual gains over $250,000. If realized capital losses are available to fully offset the capital gain, no capital gains tax is owing on redemption. [6] Break-even is NAV required on redemption, such that after paying capital gains tax, the investor recoups their net cost. Tax deductions & credits are subject to alternative minimum tax (AMT), including federal 20.5% AMT. Figures are for illustration purposes only, are not guaranteed and may not be indicative of actual results, which may be more or less.

Table 2: Past Performance - per $25 investment - Class F

	Rollover	Months to	Invested	Rollover	After-Tax Return				
Terra LP	Date	Rollover	Amount	NAV	BC	AB	ON	QC	NS
2023	TBD	TBD	$25	**$20.95**	**100%**	**71%**	**90%**	**133%**	**91%**
2022	Jun 2023	6	$25	$15.39	36%	19%	30%	64%	30%
2021	Sep 2022	9	$25	$13.02	3%	-7%	-0%	7%	-0%
2020	Apr 2021	4	$25	$26.76	114%	86%	103%	125%	102%
2019	Jun 2020	6	$25	$22.25	64%	49%	61%	83%	61%
2018	Apr 2019	4	$25	$19.40	26%	23%	33%	38%	33%
2017	Jun 2018	6	$25	$17.68	15%	15%	23%	35%	24%
2016	Jun 2017	6	$25	$18.61	19%	19%	28%	26%	28%
2015	Jun 2016	6	$25	$27.42	88%	71%	98%	105%	100%
Average	**-**	**5.9**	**$25.00**	**$20.16**	**52%**	**38%**	**52%**	**68%**	**52%**

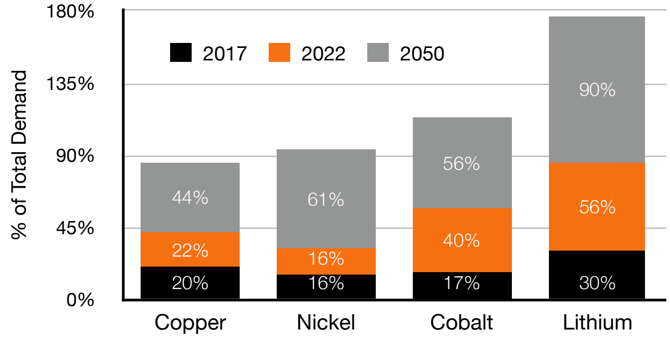
After-tax returns are for Class F units on rollover or December 31, 2023, assume the highest marginal tax rate and 50% capital gains inclusion rate for each province. Months to rollover is from first fiscal year-end. Past performance does not guarantee future results.

Why Critical Mineral & Gold Miners are Attractive

Growing Critical Mineral Demand

Transitioning to the clean energy economy will be as reliant on natural resources as our current economy. Instead of oil, coal and natural gas, we'll need lithium, nickel, cobalt and manganese for Elective Vehicle's (EV's) and battery storage… and copper for just about everything. According to the International Energy Agency (IEA), lithium is projected to see the fastest growth, followed by cobalt, nickel and copper (see graph). In 2022, the share of clean energy applications in total demand reached 56% for lithium and 40% for cobalt, up from 30% and 17% respectively in 2017. The market size of key energy transition minerals – copper, lithium, nickel, cobalt and graphite – also doubled over 5 years, reaching USD 320 billion in 2022.

Projected Demand From Clean Energy Technologies
2050 relative to 2017

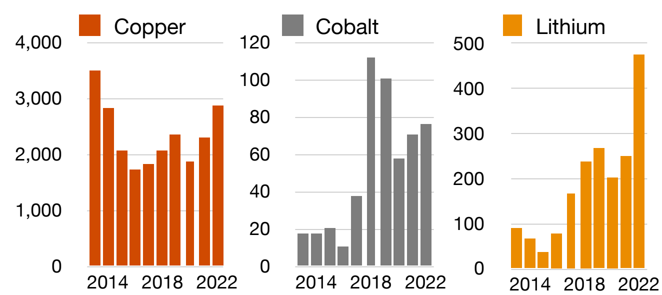


Source: IEA, July 2023

Increasing Emphasis on Discovery

Over the past decade, lower commodity prices and limited access to capital have curtailed resource exploration and development. New mines often take decades to achieve commercial production. The International Energy Agency (IEA) forecasts that soaring EV battery demand will require 50 new lithium projects, 60 nickel mines and 17 cobalt developments by 2030. Given projected supply shortfalls of critical minerals, continued investment to discover new critical mineral deposits will be essential to accelerate and sustain the energy transition. Junior companies with attractive critical mineral exploration projects will become acquisition targets as more senior miners seek to acquire these assets to power future growth.

Exploration spending on three key commodities (US $m)

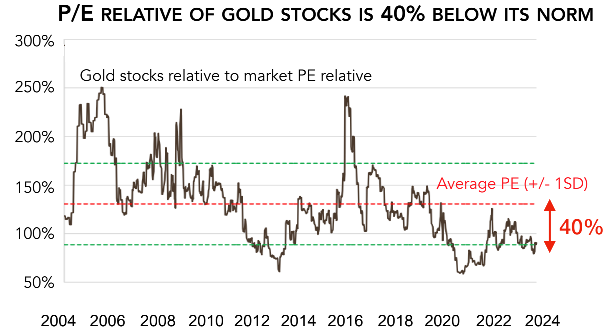


Source: S&P Capital IQ, PwC analysis, June 2023

Gold Mining Stocks are Undervalued

Gold and gold stocks are well positioned to rise further with growing geopolitical tensions, mounting global debt, declining interest rates and concerns about reserve currencies. Relative to the gold bullion price, precious metals mining stocks have underperformed. Gold mining stocks are trading on a P/E relative that is 40% below its norm and have decoupled from gold prices (see graph). Junior gold mining stocks typically outperform both senior gold miners and gold bullion after a period of consolidation. With declining reserves, senior gold miners will look to replace & add to their reserves by taking over junior miners with promising developments.

P/E relative of gold stocks is 40% below its norm

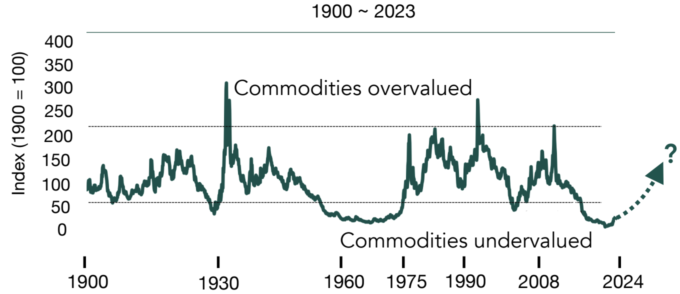


Source: UBS, Refinitive Datastream, April 2024

Commodities & Resource Equities are Cheap

Commodities and natural resource equities have never been cheaper relative to financial assets, making commodities an attractive investment opportunity (see graph). As the graph shows, the most extreme periods of commodity undervaluation took place in 1929, 1969, 1999 and 2020. Periods of commodity undervaluation usually precede the beginning of a new resource cycle and provide good entry points for resource investors.
For these and other reasons (including underinvestment in mines causing supply to lag demand), Terra believes many resource companies offer an attractive investment opportunity for investors as they currently trade below their intrinsic value.

Commodity Prices / Dow Jones Industrial Average
1900 ~ 2023



Source: Bloomberg, G&R December 2023

Tax-Smart TerraFunds

Terra Fund Management Ltd. • 51 Wolseley St. Ste 101 Toronto, ON M5T 1A4
• 1.888.449.4645 • info@terrafunds.ca • terrafunds.ca