

**FORM 51-102F3
MATERIAL CHANGE REPORT**

Item 1 Name and Address of Company

Terra Clean Energy Corp.
Suite 2200, 885 West Georgia Street
Vancouver, BC
V6C 3E8

Item 2 Date of Material Change

December 4, 2024

Item 3 News Release

The press release was issued on December 4, 2024 and was disseminated through the facilities of a recognized newswire services. A copy of the press release was subsequently filed on SEDAR+ at www.sedarplus.ca.

Item 4 Summary of Material Change

The Company announced the terms of a proposed financing on a private placement basis and the effective date of a previously announced consolidation of the Company's common shares.

Item 5: Full Description of Material Change

5.1 Full Description of Material Change

Vancouver B.C., December 4, 2024 – TERRA CLEAN ENERGY CORP. (“Terra” or the “Company”) (CSE: TCEC, OTCQB: TCEFF, FSE: T1KC), is pleased to announce that further to its November 25, 2024 press release, the Company intends to complete a private placement of units (the “Units”) and flow-through common shares in the capital of the Company (“FT Shares”), to raise aggregate gross proceeds of up to \$3,000,000 (the “Private Placement”). The non-flow through component of the Private Placement will consist of up to 12,000,000 Units at a price of \$0.125 per Unit for aggregate gross proceeds of up to \$1,500,000 (the “Non-FT Offering”). Each Unit will consist of one common share in the capital of the Company (a “Common Share”), and one whole Common Share purchase warrant (each whole warrant, a “Warrant”). Each Warrant will be exercisable at a price of \$0.20 for a period of 36 months following the closing of the Non-FT Offering.

The flow-through component of the Private Placement will consist of up to 11,111,111 FT Shares at a price of \$0.135 per FT Share, for aggregate gross proceeds of up to \$1,500,000 (the “FT Offering”). Each FT Share will qualify as a “flow-through share” as defined in subsection 66(15) of the *Income Tax Act* (Canada).

The gross proceeds of the FT Offering will be used by the Company to incur eligible “Canadian exploration expenses” that will qualify as “flow-through critical mineral mining expenditures” as such terms are defined in the *Income Tax Act* (Canada) (the “Qualifying Expenditures”) related to the Company's mineral projects including the South Falcon East uranium project on or before December 31, 2025. All Qualifying Expenditures will be renounced in favour of the subscribers effective December 31, 2024. The net proceeds from the sale of the Non-FT Offering will be used by the Company to finance exploration and development activities and for working capital and general corporate purposes.

The FT Offering and Non-FT Offering are subject to receipt of all necessary regulatory approvals including the CSE. The Common Shares and Warrants comprising the Units, as well as the FT Shares, will be subject to a hold period of four months and one day in accordance with applicable securities laws.

It is anticipated that certain insiders of the Company may participate in the Private Placement. Such participation, if any, will be considered to be a “related party transaction” within the meaning of Multilateral Instrument 61-101 *Protection of Minority Security Holders in Special Transactions* (“**MI 61-101**”). The Company intends to rely on the exemptions from the formal valuation and minority shareholder approval requirements of MI 61-101 contained in sections 5.5(a) and 5.7(1)(a) of MI 61-101 in respect of any related party participation in the Private Placement as neither the fair market value (as determined under MI 61-101) of the subject matter of, nor the fair market value of the consideration for, the transaction, insofar as it will involve interested parties, is expected to exceed 25% of the Company’s market capitalization (as determined under MI 61-101).

The Company may: (a) pay a cash finder’s fee of up to 8% of the gross proceeds of the Private Placement to certain finder’s assisting in the sale of Units and/or FT Shares; and (b) issue finder’s warrants equal in number to up to 8% of the total number of Units and/FT Shares, with each finder’s warrant exercisable at \$0.125 in the case of finders assisting with the sale of Units and exercisable at \$0.135 in the case of finders assisting with the sale of FT Shares. In either case, the finder’s warrants will be exercisable for a period of 24 months following the closing.

Consolidation

The Company also announces that it has received regulatory approval for the consolidation of its common share capital on a four-for-one basis (the “**Consolidation**”). The Consolidation was effective December 4, 2024 (and all terms of the Financing relate to post-consolidation common shares of the Company). No fractional shares were issued under the Consolidation. The holdings of any shareholder who would otherwise be entitled to receive a fractional share as a result of the Consolidation shall be rounded down to the nearest whole number and no cash consideration will be paid in respect of fractional shares. Registered shareholders looking to exchange their shares for post-consolidated shares of the Company should complete a letter of transmittal, which can be obtained by contacting the Company (with a copy also available under the Company’s profile on SEDAR+ at www.sedarplus.ca).

5.2 Disclosure for Restructuring Transactions

Not applicable.

Item 6: Reliance on subsection 7.1(2) or (3) of National Instrument 51-102

Not applicable.

Item 7: Omitted Information

Not applicable.

Item 8: Executive Officer

For further information, please contact:

Alex Klenman
Chief Executive Officer
Tel: 604-970-4330
Email: info@tcec.energy

Item 9: Date of Report

December 4, 2024