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TERRA BALCANICA CLOSES SECOND TRANCHE OF FINANCING AND STARTS PHASE II DRILLING AT BREZANI PORPHYRY TARGET IN BOSNIA

Vancouver, British Columbia – June 22nd, 2023 – Terra Balcanica Resources Corp. (“**Terra**” or the “**Company**”) (CSE:TERA; FRA:UB1) is pleased to announce closing of the 2nd tranche of the non-brokered private placement financing (the “**Offering**”) of units (the “**Units**”) and recommences drilling of the 1.2 km wide Brezani porphyry target at its flagship Viogor-Zanik project in Bosnia and Herzegovina.

Second Tranche Private Placement Financing Closed

The Company issued an aggregate of 3,620,564 Units at a price of \$0.085 per Unit for gross proceeds of \$307,748 pursuant to the Offering announced on April 4th, 2023. Each Unit consists of one common share in the capital of the Company (each, a “**Common Share**”) and one Common Share purchase warrant (each whole warrant, a “**Warrant**”). Each Warrant entitles the holder to purchase one Common Share at an exercise price of \$0.13 until June 22nd, 2026.

The Company intends to use the net proceeds of the Offering for working capital and to fund the Phase II drilling across its portfolio of properties. Finders’ fees in the amount of \$10,465 were paid.

Aleksandar Mišković, President, CEO and a director (the “**Insider**”), purchased 147,059 Units as part of the Offering. The issuance of the Units to the Insiders constitutes a "related party transaction" as this term is defined in Multilateral Instrument 61-101 - *Protection of Minority Securityholders in Special Transactions* (“**MI 61-101**”). The Company is relying on the exemption from valuation requirement and minority approval pursuant to subsection 5.5(a) and 5.7(a) of MI 61-101, respectively, as the securities do not represent more than 25% of the Company’s market capitalization, as determined in accordance with MI 61-101. The participation by an Insider in the Offering was approved by directors of the Company who are independent in connection with such transactions.

Pursuant to applicable Canadian securities laws, all securities issued and issuable in connection with the closing of the Private Placement will be subject to a four (4) month hold period ending October 22nd, 2023.

This news release does not constitute an offer to sell or a solicitation of an offer to sell any of the securities in the United States. The securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the “**U.S. Securities Act**”) or any state securities laws, and may not be offered or sold within the United States, or to or for the account or benefit of any U.S. person or any person in the United States, unless registered under the U.S. Securities Act and applicable state securities laws or an exemption from such registration is available. “**United States**” and “**U.S. Person**” are as defined in Regulation S under the U.S. Securities Act.



Shares for Debt

The Company has agreed to settle outstanding debt in the amount of CDN\$50,000 (the “**Debt**”) owing to a creditor (the “**Creditor**”) by issuing an aggregate of 588,236 common shares in the capital of the Company (the “**Common Shares**”) at a price of \$0.085 per Common Share (the “**Shares for Debt Transaction**”). The Creditor is a private company 100% owned by Aleksandar Ilic, a director and shareholder of the Company. The Board of Directors has determined it is in the best interests of the Company to settle the outstanding Debt through the issuance of the Common Shares in order to preserve the Company’s cash for ongoing operations.

The issuance of the Common Shares to the Creditor constitutes a "related party transaction" as this term is defined in Multilateral Instrument 61-101 - *Protection of Minority Securityholders in Special Transactions* (“**MI 61-101**”). The Company is relying on the exemption from valuation requirement and minority approval pursuant to subsection 5.5(a) and 5.7(a) of MI 61-101, respectively, as the securities do not represent more than 25% of the Company’s market capitalization, as determined in accordance with MI 61-101.

Closing of the Shares for Debt Transaction is subject to customary closing conditions and intended to close as soon as practicable. The Common Shares to be issued pursuant to the Shares for Debt Transaction will be subject to a hold period of four (4) months and one (1) day from the date of issuance.

Shares for Services

The Company entered into an arm's length shares for services agreement dated April 18th, 2023 (the “**Agreement**”) with a company providing drilling services at Terra’s Viogor-Zanik property (the “**Service Provider**”). For completion of services rendered under the Agreement between April 18th, 2023 and June 19th, 2023 the Company intends to issue (i) 984,378 units of the Company (“**Consideration Units**”) to the Service Provider, with each Consideration Unit consisting of one common share in the capital of the Company (a “**Share**”) and one common share purchase warrant (a “**Warrant**”). Each Warrant will entitle the holder thereof to acquire one additional Share for a period of 36 months from the date of issuance at an exercise of \$0.13. Each Consideration Unit will be issued at a deemed price of \$0.085.

Closing of the distribution of Consideration Units pursuant to the Agreement is subject to customary closing conditions and intends to close as soon as practicable. The Common Shares to be issued pursuant to the Shares for Debt Transaction will be subject to a hold period of four (4) months and one (1) day from the date of issuance.

Phase II Drilling Starts at Brezani Target

The Company is recommencing diamond core drilling of the Brezani porphyry system to test a > 600 m wide conductivity anomaly at the centre of a 1.2 km wide anomalously magnetic volume of rock overprinted by potassic alteration under a gold-bearing skarn discovered in 2022 (Figure 1). Drilling within this electrically resistive unit returned 88.0 m of 0.61 g/t AuEq from surface (see company news release dated 24th of January 2023).

Concurrently with the Phase 2 Cumavici drilling program at Viogor-Zanik Terra's geology team has expanded the strike length of calc-silicate hornfels at Brezani to over 800 m NW-SE and 275 m NE-SW thus expanding the volume of gold-bearing rock to drill test. Sulphide content and grain size increases to the south of the trend, indicating a possible proximity indicator to intrusive contact. The package of calc silicates is interpreted as a mineralized shoulder to the porphyry intrusion.

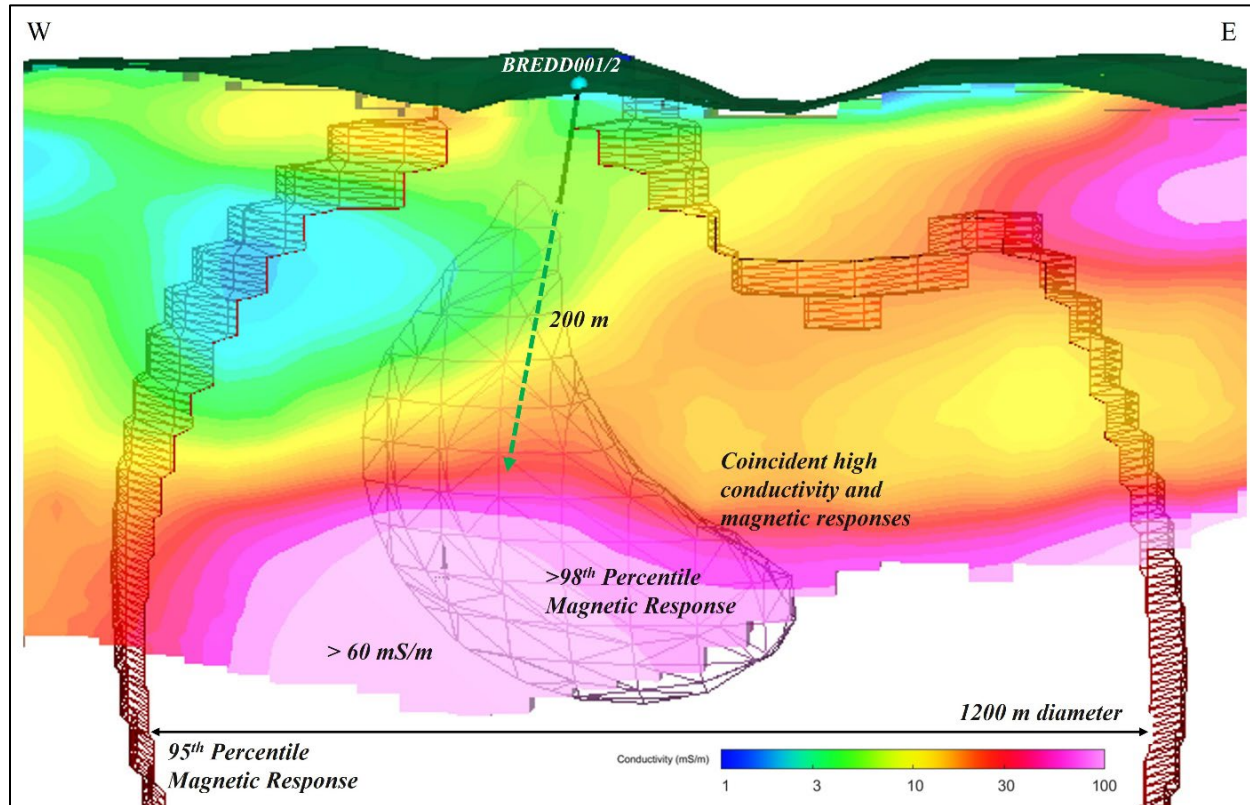


Figure 1. Conductivity profile of the Brezani target with >95th percentile magnetic anomaly. BREDD002 tested the resistive volume above an abrupt change into coincident high magnetic and elevated electrical conductivity response below 300 m depth which culminates at >60 mS/m at 450 m of depth. Dashed line represents distance from the end of BREDD002 to the top of conductor. [\(Click here to view image\)](#)

Moving 700 m NE from the centre of the calc-silicates, pervasive argillic alteration of a granodioritic unit crops out over 600 m strike length representing the shallowest part of the porphyry system. Within this argillic alteration newly recognized massive specular hematite veining is present, indicative of oxidized hydrothermal fluids, adjacent to gold-bearing hydrothermal breccias. The alteration consists of a silicified groundmass and clay or vugs present after plagioclase feldspar destruction. Secondary, euhedral quartz and arsenopyrite-pyrite-galena-sphalerite can be seen infilling these vugs, offering yet another style of mineralization at the Brezani target.



Qualified Person

Dr. Aleksandar Mišković, P.Geo, is the Company's designated Qualified Person for this news release within the meaning of National Instrument 43-101 Standards of Disclosure of Mineral Projects ("NI 43-101") and has reviewed and validated that the information contained in this news release as accurate.

About the Company

Terra Balcanica is a polymetallic exploration company targeting large-scale mineral systems in the Balkans of southeastern Europe. The Company has 90% interest in the Viogor-Zanik Project in eastern Bosnia and Herzegovina, 100% of the Kaludra and Ceovishte mineral exploration licences in southern Serbia. The Company emphasizes responsible engagement with local communities and stakeholders. It is committed to proactively implementing Good International Industry Practice (GIIP) and sustainable health, safety, and environmental management.

ON BEHALF OF THE BOARD OF DIRECTORS

Terra Balcanica Resources Corp.
"Aleksandar Mišković"

Aleksandar Mišković
President and CEO

For further information, please contact Alex Mišković at amiskovic@terrabresources.com, or visit our website at www.terrabresources.com.

Cautionary Statement

This news release contains certain forward-looking information and forward-looking statements within the meaning of applicable securities legislation (collectively "forward-looking statements"). The use of any of the words "will", "intends" and similar expressions are intended to identify forward-looking statements. These statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. Such forward-looking statements should not be unduly relied upon. Actual results achieved may vary from the information provided herein as a result of numerous known and unknown risks and uncertainties and other factors. The Company believes the expectations reflected in those forward-looking statements are reasonable, but no assurance can be given that these expectations will prove to be correct. The Company does not undertake to update these forward-looking statements, except as required by law.