



ASX ANNOUNCEMENT

3 June 2021

MAY 2021 COAL SALES UPDATE

TerraCom Limited (**TerraCom** or **Company**) is pleased to provide shareholders with the following operational results for May 2021.

May 2021 coal sales continue to be strong across both the Australia and South Africa business units.

	MANAGED TONNES ¹			EQUITY TONNES ²		
	Export (000's)	Domestic (000's)	Total (000's)	Export (000's)	Domestic (000's)	Total (000's)
Australia	173	-	173	173	-	173
South Africa	85	465 ³	550	42	228	270
Total	258	465	723	215	228	443

BLAIR ATHOL RESULT

Blair Athol (**BA**) continues to deliver superior operational results under its owner operator model and sales for the June 2021 quarter are still forecast to be 675,000 tonnes. Sales at this level represent an annualised run rate of 2.7Mpta.

The most recent fixed price sale contracted for BA (August cargo at 5500 basis) was USD\$90.5. Given the reduced cost base of approximately A\$60 per tonne at BA, this sales pricing represents a margin of over A\$50 per tonne.

SOUTH AFRICA RESULT

Eskom demand has continued at pre-covid sales levels for the South African (**SA**) Operations with delivered domestic tonnes for May 2021 being above the year-to-date monthly average of 448,000 tonnes.

The Company continues to push export sales following the implementation of the export strategy in March 2021 and is leveraging off its existing customer base at BA, given the similar quality of higher-grade energy coal at both North Block Complex and New Clydesdale Colliery to BA.

¹ The data represents total tonnes and assumes 100% ownership of the South African operations.

² The data represents equity tonnes.

³ Includes 50,000 export quality tonnes delivered to Eskom.

YTD OPERATIONAL RESULTS

The forecast total coal sales for the 2021 financial year remains at approximately 9.3 million tonnes.

	MANAGED TONNES ¹				EQUITY TONNES ²			
	Export (000's)	Domestic (000's)	Total (000's)	Annualised (Millions)	Export (000's)	Domestic (000's)	Total (000's)	Annualised (Millions)
Australia	2,158	-	2,158	2.35	2,158	-	2,158	2.35
South Africa	1,395	4,932	6,327	6.90	684	2,614	3,298	3.60
Total	3,553	4,932	8,485	9.25	2,842	2,614	5,456	5.95

This announcement has been approved by the Board for release.

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About TerraCom Limited

TerraCom Limited (ASX: TER) is an emerging company originating as a resource explorer with a large portfolio of operating assets in Australia and South Africa. We are currently enacting a growth strategy towards delivering a Mid-Tier diversified operating and trading business and have global focus on the development of a high yielding diversified asset portfolio for its investors. To learn more about TerraCom visit terracomresources.com.