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ASX ANNOUNCEMENT

TERRACOM

20 April 2022

FURTHER US$35M DEBT REDUCTION TO THE EUROCLEAR BOND

- **Coal prices and cash generation remain very strong**
- **Further payments to bondholders of US$35 million**
- **Receipt of first US$20 million received under the US$60 million Prepayment Facility[1]**
- **Euroclear Bond principal owing reduced to US$53.5 million**

TerraCom Limited (ASX: TER) (**TerraCom** or **Company**) is pleased to provide shareholders with the following update regarding further reductions to the Euroclear Bond facility.

Already this month the Company has paid a further US$35 million to bondholders in interest (including special interest), fees and principal. The principal owing on the Euroclear Bond has reduced to US$53.5 million.

The US$35 million payment made includes an initial US$20 million received as part of the US$60 million Prepayment Facility announced to the market on 28 February 2022. The Company is working with its long-standing customer to finalise and receipt the remaining US$40 million and will make an announcement as soon as the funds are received and paid to bondholders.

The Company is forecasting to repay a further US$15 million to bondholders from operating cash flow in April 2022. This means that upon receipt of the remaining US$40 million under the Prepayment Facility the Euroclear Bond facility will be fully repaid.

Commenting, Executive Chairman, Craig Ransley said:

"The receipt of the initial US$20 million under the Prepayment Facility has allowed accelerated repayment of the Euroclear Bond and the Company remains on track to declare a dividend for the period ending 30 June 2022."

This announcement has been approved by the Board for release.

Craig Ransley
Executive Chairman
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[1] *Refer ASX announcement dated 28 February 2022 "TerraCom signs US$60 million prepayment term sheet".*

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.