



TerraCom Limited
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24 December 2015

ASX Announcement

Company Update

TerraCom Limited (**TerraCom or the Company**) (**ASX:TER**) wishes to advise of a management restructure as direct outcome from the implementation of the 2015 strategic review. The Company has transitioned over 2015 from explorer to mine operator and as such is modifying the management structure to best suit the ongoing requirements of the business.

The Company has decided to modify the board composition to ensure clear separation and focus on the differing functions and requirements in the areas of effective corporate governance delineated from strategic development and associated implementation.

Michael Avery remains on the TerraCom board as an executive director with a principal focus on strategy, corporate governance, marketing and stakeholder relations. He will continue to be based in Australia.

David Stone will no longer be a Director of TerraCom board but will remain in a senior executive role reporting to the Board and focused on the strategic development and implementation of TerraCom business strategy. He will also continue to be based in Australia.

TerraCom will add an additional Australian based director to its Board in the New Year.

The Company believes that these structural changes will enhance the capacity to deliver.

The Company also advises that it has re-located its Australian corporate office to 34 Hewitts Avenue, Thirroul, NSW, as part of an ongoing rationalisation of corporate overheads. The Townsville office of TerraCom closed on 21 December, 2015.

ABOUT TERRACOM – www.terraresources.com

TerraCom has fully commissioned the Baruun Noyon Uul (BNU) coking coal mine in the South Gobi Mongolia. The Company's goal is to become one of the largest and highest quality coking coal producers in Mongolia, providing exceptional value for its steel-producing customers. TerraCom is also focused on developing two priority projects in Queensland, Australia: the large thermal coal Northern Galilee Project and the high energy prime thermal coal Springsure Project.

Please contact Tony Mooney, +61 423 841 259 for further information.

A handwritten signature in blue ink, appearing to read 'Craig Wallace', written in a cursive style.

**Honourable Craig Wallace
Chairman**