

**C L I F F O R D
C H A N C E****CLIFFORD CHANCE**

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Nathan Boom
Company Secretary
TerraCom Limited
34 Hewitts Avenue
THIRROUL NSW 2515
Facsimile: +61292870309
By facsimile transmission

2 February 2016

Company Announcement Office
ASX Limited
Exchange Centre
20 Bridge Street
SYDNEY NSW 2000
Facsimile: 1300 135 638
By facsimile transmission

Dear Sir/Madam

Substantial holding in TerraCom Limited

We enclose a Form 604 – Notice of change of interests of substantial holder for OCP Asia (Hong Kong) Limited and other entities listed in section 1 of the Form 604.

Yours faithfully



Clifford Chance
Contact: Paul Vinci
Enclosures

Form 604
Corporations Act 2001
Section 671B

Notice of change of interests of substantial holder

To Company Name/Scheme	TerraCom Limited ("TER")
ACN/ARSN	143 533 537

1. Details of substantial holder (1)

Name	OCP Asia (Hong Kong) Limited and all its related bodies corporate and associates as investment manager of OL Master Limited and Orchard Makira Master Limited investment funds (together, the "OCP Group").
ACN/ARSN (if applicable)	N/A

There was a change in the interests of the substantial holder on	29/01/2016
The previous notice was given to the company on	20/01/2016
The previous notice was dated	20/01/2016

2. Previous and present voting power

The total number of votes attached to all the voting shares in the company or voting interests in the scheme that the substantial holder or an associate (2) had a relevant interest (3) in when last required, and when now required, to give a substantial holding notice to the company or scheme, are as follows:

Class of securities (4)	Previous notice		Present notice	
	Person's votes	Voting power (5)	Person's votes	Voting power (5)
Fully paid ordinary shares	Up to 157,803,375	Up to 14.4% (subject to the terms and conditions of warrants and options described in the previous notice)	Up to 375,983,940	Up to approximately 16.1% (subject to the terms and conditions of warrants and options described in the previous notice)

3. Changes in relevant interests

Particulars of each change in, or change in the nature of, a related interest of the substantial holder or an associate in voting securities of the company or scheme, since the substantial holder was last required to give a substantial holding notice to the company or scheme are as follows:

Date of change	Person whose relevant interest changed	Nature of change (6)	Consideration given in relation to change (7)	Class and number of securities affected	Person's votes affected
29/01/2016	OCP Group	Acquisition of a relevant interest under section 608(1) and (3) of the Corporations Act 2001 as a result of OL Master Limited being issued shares as provided for by a Deed of Undertaking dated 18 January 2016 (see Annexure A).	See Annexure A	221,489,379 fully paid ordinary shares	221,489,379
29/01/2016	OCP Group	Revised number of TER Shares which OL Master Limited has the right to be transferred under the terms and conditions of the Warrant Deed Poll (accompanying the previous notice as Annexure A) and the Subscription Deed as defined in the Warrant Deed Poll as a result of a change in the exchange rate since the date of previous notice.	N/A	40,835,808 fully paid ordinary shares (based on current exchange rate)	40,835,808 (based on current exchange rate)
29/01/2016	OCP Group	Revised number of TER Shares which OL Master Limited has the right to be transferred under the terms and conditions of the Option Deed Poll (accompanying the previous notice as Annexure B) as a result of a change in the exchange rate since the date of previous notice.	N/A	Up to 106,801,345 fully paid ordinary shares (based on current exchange rate)	Up to 106,801,345 (based on current exchange rate)

4. Present relevant interests

Particulars of each relevant interest of the substantial holder in voting securities after the change are as follows:

Holder of relevant interest	Registered holder of securities	Person entitled to be registered as holder (8)	Nature of relevant interest (6)	Class and number of securities	Person's votes
OCP Group	Orchard Makira Master Limited	Orchard Makira Master Limited	Relevant interest under section 608(1) and (3) of the Corporations Act 2001.	6,847,408 fully paid ordinary shares	6,847,408
OCP Group	C1 Commodities Pte. Ltd (or its nominee)	OL Master Limited has the right (upon payment of the Exercise Price as defined in the Warrant Deed Poll accompanying the previous notice as Annexure A and in accordance with the terms and conditions of the Warrant Deed Poll) to be transferred TER shares on the terms and conditions of the Warrant Deed Poll and the Subscription Deed as defined in the Warrant Deed Poll.	Relevant interest under section 608(8) and (3) of the Corporations Act 2001 pursuant to the terms and conditions of a Warrant Deed Poll.	40,835,808 fully paid ordinary shares (based on current exchange rate)	40,835,808 (based on current exchange rate)
OCP Group	Rastas Limited (or its nominee)	OL Master Limited has the right (upon the Exercise Price and in accordance with the terms and conditions of the Option Deed Poll accompanying the previous notice as Annexure B) to be transferred TER shares on the terms and conditions in the Option Deed Poll.	Relevant interest under section 608(8) and (3) of the Corporations Act 2001 pursuant to the terms and conditions of an Option Deed Poll.	Up to 106,801,345 fully paid ordinary shares (based on current exchange rate)	Up to 106,801,345 (based on current exchange rate)
OCP Group	OL Master Limited	OL Master Limited	Relevant interest under section 608(1) and (3) of the Corporations Act 2001.	221,489,379 fully paid ordinary shares	221,489,379

5. Changes in association

The persons who have become associates (2) of, ceased to be associates of, or have changed the nature of their association (9) with, the substantial holder in relation to voting interests in the company or scheme are as follows:

Name and ACN/ARSN (if applicable)	Nature of association
N/A	N/A

6. Addresses

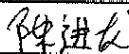
The addresses of persons named in this form are as follows:

Name	Address
OL Master Limited	34/F, Gloucester Tower, The Landmark, 15 Queen's Road, Central, Hong Kong
Orchard Makira Master Limited	34/F, Gloucester Tower, The Landmark, 15 Queen's Road, Central, Hong Kong
OCP Asia (Hong Kong) Limited	34/F, Gloucester Tower, The Landmark, 15 Queen's Road, Central, Hong Kong

Signature

print name Bobby Tan capacity Authorised Signatory

sign here



date 02/02/2016

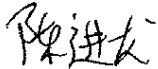
DIRECTIONS

- (1) If there are a number of substantial holders with similar or related relevant interests (eg. a corporation and its related corporations, or the manager and trustee of an equity trust), the names could be included in an annexure to the form. If the relevant interests of a group of persons are essentially similar, they may be referred to throughout the form as a specifically named group if the membership of each group, with the names and addresses of members is clearly set out in paragraph 6 of the form.
- (2) See the definition of "associate" in section 9 of the Corporations Act 2001.
- (3) See the definition of "relevant interest" in sections 608 and 671B(7) of the Corporations Act 2001.
- (4) The voting shares of a company constitute one class unless divided into separate classes.
- (5) The person's votes divided by the total votes in the body corporate or scheme multiplied by 100.
- (6) include details of:
 - (a) any relevant agreement or other circumstances because of which the change in relevant interest occurred. If subsection 671B(4) applies, a copy of any document setting out the terms of any relevant agreement, and a statement by the person giving full and accurate details of any contract, scheme or arrangement, must accompany this form, together with a written statement certifying this contract, scheme or arrangement; and
 - (b) any qualification of the power of a person to exercise, control the exercise of, or influence the exercise of, the voting powers or disposal of the securities to which the relevant interest relates (indicating clearly the particular securities to which the qualification applies).
See the definition of "relevant agreement" in section 9 of the Corporations Act 2001.
- (7) Details of the consideration must include any and all benefits, money and other, that any person from whom a relevant interest was acquired has, or may, become entitled to receive in relation to that acquisition. Details must be included even if the benefit is conditional on the happening or not of a contingency. Details must be included of any benefit paid on behalf of the substantial holder or its associate in relation to the acquisitions, even if they are not paid directly to the person from whom the relevant interest was acquired.
- (8) If the substantial holder is unable to determine the identity of the person (eg. if the relevant interest arises because of an option) write "unknown".
- (9) Give details, if appropriate, of the present association and any change in that association since the last substantial holding notice.

Annexure A

This is the Annexure of 11 pages (including this page) marked **Annexure A** referred to in Form 604 - Notice of change of interests of substantial holder.

The enclosed document is a true conformed copy of the Deed of Undertaking dated 18 January 2016 by TerraCom Limited as covenantor, Rastas Limited, Acecrest Investments Limited and Madison Pacific Trust Limited as consenting parties and Elavon Financial Services Limited UK Branch as agent in favour of OL Master Limited.



Name: Bobby Tan
Authorised Signatory
Date: 02/02/16

**C L I F F O R D
C H A N C E**

CLIFFORD CHANCE

Conformed Copy

DATED 18 January 2016

TERRACOM LIMITED
AS COVENANTOR

RASTAS LIMITED, ACECREST INVESTMENTS LIMITED AND MADISON PACIFIC
TRUST LIMITED
AS CONSENTING PARTIES

ELAVON FINANCIAL SERVICES LIMITED UK BRANCH
AS AGENT

DEED OF UNDERTAKING

THIS DEED dated 18 January 2016

BY:

- (1) **TERRACOM LIMITED**, ABN 35 143 533 537 of 34 Hewitts Avenue, Thirroul NSW 2515, Australia (the "**Covenantor**").
- (2) **RASTAS LIMITED**, a BVI business company incorporated in the British Virgin Islands with company registration number 1790626 and registered office at Jayla Place, Wickhams Cay 1, Road Town, Tortola, VG1110, British Virgin Islands ("**Rastas**");
- (3) **ACECREST INVESTMENTS LIMITED**, a BVI business company incorporated in the British Virgin Islands with company registration number 1809246 and registered office at PO Box 957, Offshore Incorporations Centre, Road Town, Tortola, British Virgin Islands ("**Acecrest**");
- (4) **ELAVON FINANCIAL SERVICES LIMITED UK BRANCH**, registered number 418442, a company registered in Ireland with the Companies Registration Office with its registered office at Block E, Cherrywood Business Park, Loughlinstown, Dublin, Ireland, acting through its UK branch ("**Elavon**"); and
- (5) **MADISON PACIFIC TRUST LIMITED**, company number 1619851 with its registered office at 1720, 17th Floor, Tower One, Admiralty Centre, 18 Harcourt Road, Hong Kong (the "**Note Trustee**").

IN FAVOUR OF:

- (6) **OL MASTER LIMITED**, an exempted company incorporated with limited liability under the laws of the Cayman Islands with company registration number 277684 and registered office at Codan Trust Company (Cayman) Limited, P.O. Box 2681, Cricket Square, Hutchins Drive, Grand Cayman KY1-1111, Cayman Islands, including its successors and assigns ("**Company**").

RECITALS

- (A) The Covenantor issued the Notes to the Company pursuant to the terms of the Note Trust Deed.
- (B) The Covenantor owes (or will in the future owe when such payments become due and payable) the Company, as holder of the Notes, the Accrued Unpaid Interest and the Deferral Fee in respect of certain deferred payments of interest in respect of the Notes.
- (C) The Company will, pursuant to the terms of the Implementation Deed, sell all of the Convertible Notes that it holds to Rastas and Acecrest by selling to Rastas all of the Rastas Sale Notes and to Acecrest all of the Acecrest Sale Notes, subject to retaining the benefit of the payment of the Accrued Unpaid Interest and Deferral Fee notwithstanding such sales.
- (D) The Covenantor wishes to issue Shares in lieu of paying the Accrued Unpaid Interest and the Deferral Fee.

- (E) The Company has requested certain assurances from the Covenantor to, among other things, ensure that:
- (i) any Shares issued to it in lieu of the Accrued Unpaid Interest and the Deferral Fee will be freely-tradable and will be issued to it notwithstanding the sales of the Rastas Sale Notes and Acecrest Sale Notes; and
 - (ii) any Shares issued on conversion of the Notes are freely-tradable.
- (F) The Covenantor and each Consenting Party have agreed to the foregoing arrangements on the terms and conditions of this Deed. Elavon acknowledges these arrangements as agent in connection with the Note Trust Deed.

NOW IT IS AGREED as follows:

1. DEFINITIONS AND INTERPRETATION

- (a) Unless the context otherwise requires, capitalised terms and expressions used herein and not otherwise defined shall have the respective meanings ascribed thereto in Part A of the Schedule to this Deed.
- (b) The rules of interpretation set out in Part B of the Schedule to this Deed shall apply to this Deed.

2. COVENANTS

The Covenantor covenants for the benefit of the Company that it will:

- (a) by the date falling four (4) Business Days after the Effective Date (the "**Issue Date**"), issue Shares to the Company (or its nominee) (the "**Deferred Consideration TER Shares**") free from all Security in lieu of and in full and final settlement of, and equivalent in value to on the date of issue thereof, the Covenantor's payment obligation to the holders of the Rastas Sale Notes and the Acecrest Sale Notes (as the case may be) in respect of the Deferral Fee and the Accrued Unpaid Interest based on a price per Share equal to the average VWAP of Shares for the twenty (20) Trading Days immediately preceding the Effective Date;
- (b) do all acts and things and execute and deliver to the Company all documents (including, if required to enable a transfer of legal title, documents which constitute a sufficient transfer of the Deferred Consideration TER Shares under Part 7.11 of the Corporations Act 2001 and the Corporations Regulations 2001 (Cwlth) or following the Singapore Listing, under the Companies Act, Chapter 50 of Singapore) as is required to enable the registration of the Company as the legal and beneficial owner of the Deferred Consideration TER Shares by the close of business on the second Business Day following the Issue Date, and to provide evidence of such registration (by way of holding statements or otherwise) to the Company;
- (c) pay all reasonable costs and expenses of the Covenantor and the Company, including all stamp, issue, registration, securities transaction or other similar

taxes or duties (if any) arising on the issue of the Deferred Consideration TER Shares and any reasonable professional advisor or legal fees in connection therewith; and

- (d) as soon as practicable after receiving a Conversion Notice and in any event by no later than four (4) Business Days' after the date of the Conversion Notice, do all such things as are necessary to ensure that all of such Rastas Sale Notes or Acecrest Sale Notes the subject of such Conversion Notice are duly converted into fully paid and freely transferable Shares in accordance with paragraph 5 (*Conversion*) of the Convertible Note Conditions provided that the custodian and legal owner in relation to all Shares issued following such conversion shall be Madison Pacific Trust Limited for and on behalf of Rastas and Acecrest respectively.

3. CONSENTS AND ACKNOWLEDGMENT

3.1 Each Consenting Party hereby:

- (a) provides its irrevocable consent and agreement to the arrangements in Clause 2 above (*Covenants*);
- (b) acknowledges that it is not entitled to any amount in respect of the Accrued Unpaid Interest or the Deferral Fee (which amounts are payable to the Company); and
- (c) directs the Covenantor to issue the Deferred Consideration TER Shares in favour of the Company in full and final satisfaction of any amounts that are or will be owing from time to time in connection with the Accrued Unpaid Interest and the Deferral Fee.

3.2 Elavon as agent in connection with the Note Trust Deed hereby acknowledges the arrangements set out in Clause 2 above (*Covenants*) and that as a result of such arrangements, it shall not receive any amount in respect of the Accrued Unpaid Interest or the Deferral Fee (which amounts are payable to the Company).

4. WARRANTIES

4.1 Representations and warranties

The Covenantor represents and warrants to the Company that:

- (a) it is a corporation, duly incorporated, validly existing under the laws of the Commonwealth of Australia;
- (b) it has full power and authority to enter into and perform its obligations under this Deed and any transactions contemplated by it;
- (c) the entry into and the performance by it of this Deed does not and will not violate, breach or result in a contravention of any law, regulation or authorisation or of its constitution or other constituent documents, or any material agreement or instrument binding upon it or any of its assets;

- (d) it will, in a timely manner obtain and/or maintain all applicable consents and approvals, and take any such other actions which are required for the performance of its obligations under this Deed;
- (e) its execution and the performance of its obligations under this Deed are for its commercial benefit and are in its commercial interests;
- (f) it has no immunity from the jurisdiction of a court, or from legal process, in any jurisdiction;
- (g) it has not entered into this Deed due to any promise, representation or information provided by any other person;
- (h) it is not on notice that its entry into this Deed:
 - (i) will breach any anti-money laundering or counter-terrorism laws or regulations in any jurisdiction; or
 - (ii) may directly or indirectly result in funds being applied for the purpose of conduct which is unlawful in any country;
- (i) to its knowledge, it is not in violation of:
 - (i) any regulation of the Office of Foreign Affairs Control (United States); or
 - (ii) the Foreign Corrupt Practices Act of 1977 (United States), as amended;
- (j) it is solvent and will not become insolvent by entering into and performing its obligations under this Deed;
- (k) no receiver or any other person who (whether or not as agent) is in possession or has control of its property for the purpose of enforcing Security, is currently appointed in relation to its property or any part thereof;
- (l) this Deed and its performance under it constitutes its legal valid and binding obligations and subject to any necessary stamping is enforceable in accordance with its terms;
- (m) each Deferred Consideration TER Share:
 - (i) prior to a Singapore Listing, will be freely-tradable on ASX and the transfer of Shares to the Company will not require a prospectus or any other form of disclosure under the Corporations Act; and
 - (ii) after a Singapore Listing, will be freely tradable on SGX and the transfer of Shares to the Company will not require a prospectus or any other form of disclosure under the Securities and Futures Act (chapter 289) of Singapore.

5. GENERAL

5.1 Governing law and jurisdiction

- (a) This Deed is governed by the law in force in Victoria, Australia.
- (b) The Covenantor irrevocably submits to the non-exclusive jurisdiction of the courts in Victoria, Australia.
- (c) The Covenantor irrevocably waives any objection to the venue of any legal process on the basis that the process has been brought in an inconvenient forum.
- (d) The Covenantor irrevocably waives any immunity in respect of its obligations under this Deed that it may acquire from the jurisdiction of any court or any legal process for any reason including the service of notice, attachment before judgment, attachment in aid of execution or execution.

5.2 Further Assurance

The Covenantor shall execute and deliver all such documents and do all such things as may be reasonably necessary to give full effect to this Deed according to its tenor, including but not limited to those things which may be required to secure the consent or approval of any person as required to comply with any applicable laws or listing rules and shall use its best endeavours to obtain any such consents or approvals.

5.3 Prohibition and enforceability

- (a) Any provision of, or the application of any provision of, this Deed which is prohibited in any jurisdiction is, in that jurisdiction, ineffective only to the extent of that prohibition.
- (b) Any provision of, or the application of any provision of, this Deed which is void, illegal or unenforceable in any jurisdiction does not affect the validity, legality or enforceability of that provision in any other jurisdiction or of the remaining provisions in that or any other jurisdiction.

5.4 Attorneys

Any attorney executing this Deed states that the attorney has no notice of the revocation of the power of attorney appointing that attorney.

5.5 Survival of obligations

Each representation or warranty in this Deed survives the execution and delivery of this Deed.

EXECUTED and unconditionally delivered as a Deed.

[Signature pages on following page.]

Signature pages incorporating execution clauses by TerraCom Limited as Covenantor, Rastas Limited, Acecrest Investments Limited and Madison Pacific Trust Limited as Consenting Parties and Elavon Financial Services Limited UK Branch as Agent omitted.

SCHEDULE

Part A

"**Accrued Unpaid Interest**" means the amount of unpaid and accrued interest payable by the Covenantor to the holder of the Rastas Sale Notes and the Acecrest Sale Notes as at the Effective Date (including all interest that is due and payable, accrued but not yet due and payable or capitalised, or the payment of which has otherwise been deferred).

"**Acecrest Sale Notes**" means the two hundred and fifty (250) Convertible Notes held by the Company as ultimate beneficial owner as at the date of this Deed (other than the Rastas Sale Notes) to be sold to Acecrest.

"**ASX**" means ASX Limited ABN 98 008 624 691 or the securities exchange operated by it, as the context requires.

"**Business Day**" means a day (other than a Saturday or Sunday) on which banks are open for general business in Sydney, Singapore, the British Virgin Islands and Hong Kong.

"**Consenting Party**" means each of Rastas, Acecrest and the Note Trustee.

"**Convertible Note Conditions**" has the meaning given to that term in the Note Trust Deed.

"**Convertible Notes**" means the convertible notes of the Covenantor due 31 January 2016 each with a face value of US\$10,000 and ISIN XS1008568328.

"**Conversion Notice**" has the meaning given to that term in the Convertible Note Conditions.

"**Deferral Fee**" means the fee (calculated as two (2) per cent. of the principal amount of the Notes) payable by the Covenantor to the holder of the Rastas Sale Notes and the Acecrest Sale Notes (whether due and payable, accrued but not yet due and payable, or the payment of which has otherwise been deferred) in consideration of the noteholders deferring the interest payment due on 8 January 2015 until 8 July 2015 pursuant to a written resolution of noteholders dated 1 December 2014 as further deferred pursuant to the letter dated 8 September 2015 between (among others) the Covenantor and the Security Trustee, being US\$50,000 in respect of the Rastas Sale Notes and US\$50,000 in respect of the Acecrest Sale Notes.

"**Effective Date**" means the date on which the Security Trustee notifies the Covenantor in writing that it has issued the "Notice" under and as defined in the Implementation Deed.

"**Implementation Deed**" means the implementation and amendment deed dated on or about the date of this Deed between Rastas, Acecrest, the Company and the Note Trustee.

"**Note Trust Deed**" means the note trust deed dated 20 December 2013 between the Covenantor and the Security Trustee (as note trustee) in respect of, *inter alia*, the Convertible Notes (as amended and restated from time to time).

"**Notes**" means the Rastas Sale Notes and the Acecrest Sale Notes.

"**Rastas Sale Notes**" means the two hundred and fifty (250) Convertible Notes held by the Company as ultimate beneficial owner as at the date of this Deed (other than the Acecrest Sale Notes) to be sold to Rastas.

"**Security Trustee**" means Madison Pacific Trust Limited.

"**SGX**" means Singapore Exchange Limited with company registration number 199904940D or the securities exchange operated by it, as the context requires.

"**Share**" means a share in the capital of the Covenantor.

"**Singapore Listing**" means completion of an initial public offering of Shares on SGX or the listing of securities of a special purpose vehicle incorporated for that purpose.

"**Spot Rate of Exchange**" means, with respect to a given day and a currency, the spot rate of exchange for that currency into USD as shown on Bloomberg at midday (Singapore time) on that day.

"**Trading Day**" means each day on which the ASX or the SGX (as applicable) or other relevant stock exchange or securities market is open for trading other than a day on which it is scheduled to or does close prior to its regular weekday closing time.

"**VWAP**" means in respect of a Share on any Trading Day, the volume-weighted average price of such Share published by or derived from Bloomberg page AQR **provided that:**

- (a) on any Trading Day on which such price is not available or cannot otherwise be determined as provided above, the VWAP of the Shares is deemed to be the VWAP determined as provided above, on the immediately preceding Trading Day on which the same can be so determined; and
- (b) if necessary, converted into US Dollars at the Spot Rate of Exchange on the relevant Trading Day.

Part B

Unless a contrary indication appears any reference to:

- (a) headings (including those in brackets at the beginning of paragraphs) are for convenience only and do not affect the interpretation of this Deed;
- (b) anything (including an amount) is a reference to the whole and each part of it;
- (c) a document includes any variation or replacement of it;
- (d) a time of day is a reference to Sydney time;
- (e) "US Dollars", "US\$", or "US\$" is a reference to the lawful currency of the United States and a reference to "A\$" is a reference to the lawful currency of Australia;
- (f) the word "**person**" includes an individual, a firm, a body corporate, an unincorporated association and an authority;
- (g) a particular person includes a reference to the person's executors, administrators, successors, substitutes (including persons taking by novation) and permitted assigns;
- (h) the words "**including**", "**for example**" or "**such as**" when introducing an example, do not limit the meaning of the words to which the example relates to that example or examples of a similar kind;
- (i) the singular includes the plural and vice versa; and
- (j) where the day on or by which any thing is to be done is not a Business Day, that thing must be done on or by the following Business Day.