



TerraCom Limited
34 Hewitts Avenue
Thirroul, New South Wales, 2515
Australia
+61 2 4268 6258
ABN: 35 143 533 537
www.terracomresources.com

1st July 2016

ASX Announcement

Bond Listed on Euroclear

TerraCom Limited (**TerraCom or the Company**) (**ASX: TER**) is pleased to announce the completion on 30 June 2016 of the new bond issue described in the ASX announcement on 23 June 2016. All conditions precedent have been satisfied and the bonds are now traded on Euroclear with ISIN Code XS1385372773.

The Bond will pay interest semi-annually in arrears (except the first payment, which will be made after 12 months) with a fixed component of 12.5% p.a. and a variable component linked to revenues. Further, the Company shall have the option, at its discretion, to capitalise 50% of each fixed interest payment to assist with cash flow management.

ABOUT TERRACOM – www.terracomresources.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. In order to support the growth and expansion of the Company and to de-risk from single mine and single country operator TerraCom continues to evaluate cash generative assets for potential acquisition.

Please contact Tony Mooney or Nathan Boom, on +61 2 4268 6258 or at info@terracomresources.com for further information.

Craig Wallace
Deputy Chairman