MARKET RELEASE

30 June 2016

TerraCom Limited

TRADING HALT

The securities of TerraCom Limited (the "Company") will be placed in Trading Halt Session State at the request of the Company, pending the release of an announcement by the Company. Unless ASX decides otherwise, the securities will remain in Trading Halt Session State until the earlier of the commencement of normal trading on Monday, 4 July 2016 when the announcement is released to the market.

Security Code: TER

Belinda Mai
SENIOR ADVISER, LISTINGS COMPLIANCE

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30 June 2016

Private and Confidential

Ms Belinda Mai
Adviser, Listings Compliance
Australian Securities Exchange
Exchange Centre
20 Bridge Street
Sydney NSW 2000

By email: Belinda.Mai@asx.com.au

Dear Belinda,

TerraCom Limited (ASX: TER) – Request for trading halt

The Directors of TerraCom Limited (TerraCom or the Company) hereby request a trading halt to be placed on the Company's securities from the commencement of trading on Thursday, 30 June 2016.

The trading halt is requested pending an announcement by the Company in relation to an acquisition. As per prior ASX announcements, the Company is in the final stages of negotiations on a strategic opportunity in Queensland Australia to acquire a mature mining operation which is currently on care and maintenance.

In accordance with Listing Rule 17.1, the Company advises that:
1. the trading halt is necessary for the Company to finalise the above;
2. the trading halt should remain in place until the earlier of the announcement to the market or the commencement of trade on Monday, 4 July 2016;
3. the Directors of TerraCom are not aware of any reason why the trading halt should not be granted; and
4. the Directors of TerraCom are not aware of any other information necessary to inform the market about the trading halt.

Yours sincerely,

Cameron McRae
Chairman