



**TerraCom Limited**  
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29th August 2016

## **ASX Announcement**

### **Foster Stockbroking Corporate Services Engagement**

TerraCom Limited (**TerraCom or the Company**) (**ASX: TER**) is pleased to announce the engagement of **Foster Stockbroking Pty Ltd (FSB)** to provide corporate advisory and capital market services.

Under this engagement FSB will immediately commence the preparation of institutional research coverage on TerraCom.

There is no cash retainer or payment to FSB for the provision of these services but the Company has agreed to issue to FSB a total of 30,000,000 unlisted options in two equal tranches as follows:

- 15,000,000 options with a strike price equal to \$0.03 and with an expiry date of 31 August 2018; and
- 15,000,000 options with a strike price equal to \$0.045 and with an expiry date of 31 August 2018.

The Company has also reached agreement with FSB for up to AU\$ 1.0 million placement which will be filled by their private and institutional clients. The Company will be utilising its existing capacity under listing rule 7.1 whilst it is available to issue these shares.

Key details of the placement are as follows:

- The issue price \$0.0215 per share which is a 2.3% discount to the closing price on the trading day being Friday the 26<sup>th</sup> August 2016; and
- The placement completion date is Thursday 1 September 2016.

This small placement should reinvigorate interest in Australia for the Company and further broadens the strong investment support base for TerraCom when combined with recent similar leading placements in Europe and Asia.

Company Chairman Mr Cameron McRae stated that “the engagement of FSB is an important part of the establishment of a strong and diverse investor base which should build on the interest in Australia and already being generated in Asia and Europe”. He went onto say that “the recent positive restructuring of the balance sheet has enabled the Company to focus and make significant progress toward becoming a global independent mining company operating in

three countries and is confident of further positive news flow on this progress shortly”.

**ABOUT TERRACOM – [www.terraresources.com](http://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.

In order to support further growth and expansion, TerraCom continues to evaluate cash generative assets for potential acquisition. In this regard, the Company recently announced that it has entered into an agreement to acquire the Blair Athol Coal Mine in Queensland, Australia from the Blair Athol Joint Venture, with production scheduled to recommence in 2016. The Company is also evaluating the acquisition of a hard coking coal mine in Kalimantan, Indonesia, a 500,000 tpa operation located in close proximity to road, barge and port infrastructure connecting it to the seaborne coal market.

***Please contact Nathan Boom, on +61 2 4268 6258 or at [info@terraresources.com](mailto:info@terraresources.com) for further information.***



**Cameron McRae**  
Executive Chairman