



TerraCom Limited
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ASX Announcement

Train Loadout Facility Update

The Board of TerraCom Limited (TerraCom or the Company) (ASX: TER) is pleased to provide further progressive update on the works towards completion and commissioning of the Blair Athol Mine (BA) Train Loadout facility and rail line:

- Long Form Contract executed for port access with Dalrymple Bay Coal Terminal
- Long Form Contract executed for rail haulage with Pacific National
- BA Train Loadout facility construction is almost complete with only minor works of trimming batters, laying of coal base and finalisation of water management infrastructure remaining
- BA rail line recommissioning planned for the 4th of April 2018 with a majority of the works completed including turnout installation, signalling and 5km of rail line installed on new sleepers. Approximately 75% of ballast has been laid with the remainder over the next few days along with re-surfacing and weighbridge installation prior to commissioning
- First train currently scheduled for 6th April 2018

Figure 1 – Ballast Train on BA Rail Line



Figure 2 – Ballast Train on BA Rail Line with BA TLO Stockpile in Background



Figure 3 – Ballast Train on BA Rail Line looking North towards connected turnout into Goonyella Main Line



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TerraCom has fully commissioned the Baruun Noyon Uul (BNU) coking coal mine in the South Gobi of Mongolia. Export shipments under a 5.5 year offtake agreement have commenced on schedule. 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 completed the acquisition of the Blair Athol Coal Mine in May 2017. The acquisition included the mining lease, related licenses, land, site infrastructure, active contracts and all mining plant & equipment, including a dragline, to deliver TerraCom's forecast production schedule and the progressive rehabilitation.

The acquisition of the Blair Athol Coal Mine is a significant milestone for TerraCom, bringing the following benefits:

- Progressive rehabilitation of one of Queensland's oldest coal mines;
- The resumption of coal mining and export sales from the Blair Athol Coal mine providing the local, state and federal economies with increased economic activity, employment, royalties and taxation; and
- Forecast positive cash flow through a low overhead structure and operational efficiencies.

TerraCom has completed over 50 hectares of site rehabilitation while bringing the mine back into production. The operation, under TerraCom management, is planned to deliver approx. 2Mtpa over 9 years¹ and ongoing progressive rehabilitation.

Additionally, TerraCom has long term exploration plans with the intent on developing two projects in Queensland, Australia: the large thermal coal Northern Galilee Project and the high energy prime thermal coal Springsure Project.

1– Refer to ASX Announcement on 13th February 2018 for further information and clarification on the Blair Athol production forecast. The material assumptions underpinning the Blair Athol production target in this ASX Announcement continues to apply and has not materially changed.

Please contact Nathan Boom, on +61 7 4983 2038 or at info@terracomresources.com for further information.



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