



## ASX Announcement

17 August 2015

### Debt Restructure Agreed with Major Shareholder

Terramin Australia Limited (ASX: TZN) announces that its subsidiary, Terramin Exploration Pty Ltd (**Terramin Exploration**) and the Asipac Group, Terramin's largest shareholder, have agreed a restructure of the existing debt facility used to develop the Bird-in-Hand Project (**Facility**). The Facility has been increased from \$2.8 million to \$4.3 million and the term has been extended to 30 September 2015 while the parties finalise the terms of long term debt refinancing.

The extended Facility will be used to repay a short term unsecured loan provided by Asipac Group for the settlement of the freehold land acquisition made by the Company in the vicinity of the Bird-in-Hand Project (see ASX announcement dated 4 August 2015).

Other than the increase in the Facility limit and extension of the term, there are no other material changes to the terms of the Facility.

The Facility will continue to be secured by a general security over the assets of Terramin Exploration. Terramin had received a waiver of Listing Rule 10.1 from the ASX to enable Terramin Exploration to grant this security without shareholder approval in respect of the new Facility limit. The ASX waiver has been granted in similar terms as the waiver granted in July 2014 and is annexed to this announcement.

The board is confident that the Company will be able to restructure its existing debt into the long term. It also expects to be in a position to repay the outstanding debt under the Facility in accordance with its terms and discharge the security thereafter.

For further information, please contact:

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## ANNEXURE – ASX WAIVER

1. *The decision made by ASX Limited (“ASX”) dated 29 July 2014, in relation to a waiver granted to Terramin Australia Limited (the “Company”) is rescinded and replaced as follows.*
2. *Based solely on the information provided, ASX grants Company a waiver from listing rule 10.1 to the extent necessary to permit the Company and its subsidiary, Terramin Exploration Pty Ltd (“TZNEX”) to grant security over their assets (“Security”) in favour of Asipac Group Pty Ltd (“Asipac”), pursuant to a short term financial facility (“Facility”) whereby Asipac may provide TZNEX up to A\$4.3 million pursuant to the Facility, without obtaining shareholder approval, on the following conditions.*
  - 2.1. *The Security includes a term that if an event of default occurs and Asipac exercises its rights under the Security, neither Asipac nor any of its associates can acquire any legal or beneficial interest in an asset of the Company or the Subsidiaries in full or part satisfaction of the Company’s or Subsidiaries’ obligations under the Security, or otherwise deal with the assets of the Company or the Subsidiaries, without the Company first having complied with any applicable listing rules, including listing rule 10.1, other than as required by law or through a receiver, or receiver or manager (or analogous person) appointed by Asipac exercising its power of sale under the Security and selling the assets to an unrelated third party on arm’s length commercial terms and conditions and distributing the cash proceeds to Asipac in accordance with its legal entitlements.*
  - 2.2. *A summary of the material terms of the Security is made in each annual report of the Company during the term of the Security.*
  - 2.3. *Any variations to the terms of the Security which is:*
    - 2.3.1. *not a minor change; or*
    - 2.3.2. *inconsistent with the terms of the waiver,**must be subject to shareholder approval.*
  - 2.4. *The Company must seek to discharge the Security when the funds advanced under the Security are repaid, or if it is not discharged, seek shareholder approval for the continuation of the Security for any further loan facility amount.*
  - 2.5. *The Company immediately releases to the market an announcement which sets out the terms of the waiver, and the Company’s plans with respect to the repayment of the funds advanced under the Security and the discharge of the Security, including the timeframe within which it expects the repayment and discharge to occur.*
3. *ASX has considered listing rule 10.1 only and makes no statement as to the Company’s compliance with other listing rules.*