



ASX ANNOUNCEMENT

12 April 2021

SOUTH AFRICAN BUSINESS OPERATIONS MANAGEMENT CONTROL

Working in consultation with its South African management team the Board of TerraCom Limited (**TerraCom** or **Company**) recently re-established operational management control over the Company's South African operations to bolster financial performance and overcome operational challenges.

TerraCom Managing Director Danny McCarthy and an advisory team have been in South Africa since late March undertaking a critical analysis of each operation. Leveraging the successful management methodologies developed and implemented at the Company's Blair Athol mine in Queensland, Australia over the previous 12 months, Mr McCarthy has already introduced a number of initiatives to improve operational management in South Africa and tighten reporting structures.

TerraCom has been buoyed by the support of the South African management team, who have already proven to be proactive in delivering the data to assist with the initial review process. The TerraCom team will remain in-country for a period of time to continue to guide the South African management team and implement the required changes to return the business to sustained profitability.

With a proven ability to rapidly introduce systems to support enhanced profitability and a newly established export path to market which will see increased export coal sales from South Africa, the Board is confident that the South African operations will soon return to delivering profitable results.

Commenting, Managing Director Danny McCarthy said:

"This financial year has had its challenges but there is a renewed focus and energy throughout the business. I am looking forward to guiding the team in South Africa to make a positive difference to the operations. There are significant improvements to be made and we will waste no time in implementing necessary changes in order to improve the Group's bottom line and in turn, returns to shareholders".

The Company will continue to keep shareholders up to date with the progress in South Africa.

This announcement has been approved by the Board for release.

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About TerraCom Limited

TerraCom Limited (ASX: TER) is an emerging company originating as a resource explorer with a large portfolio of operating assets in Australia and South Africa. We are currently enacting a growth strategy towards delivering a Mid-Tier diversified operating and trading business and have global focus on the development of a high yielding diversified asset portfolio for its investors. To learn more about TerraCom visit terracomresources.com.