



15 Oct 2019

Grant of ASX Waiver

Terramin Australia Limited (ASX: TZN) (**Terramin** or the **Company**) advises that it has sought and has been granted a waiver by ASX Limited (**ASX**) from listing rule 10.1 to the extent necessary to permit the Company to grant security over its Terramin Exploration Pty Ltd (**TZNEX**) assets (the **Security**) in favour of Asipac Group (**Asipac**).

The waiver relates to the Terramin Standby Term Facility (the **Facility**). As advised to the ASX on 30 August 2019, the Facility was increased from \$9.75 million to \$15.05 million in order to accommodate rollover of the Angas closure bond from Investec Plc to a cash backed Commonwealth Bank of Australia (**CBA**) facility. The increase included the requirement that Terramin pursue securing the Facility in favour of Asipac Group (including Asipac Capital Pty Ltd and Asipac Group Pty Ltd) up to a maximum of \$15.05 million.

The terms of the waiver are attached to this announcement. The Company expects to be in a position to repay the outstanding debt owed to Asipac under the Facility Agreement in accordance with its terms.

For further information, please contact:

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ASX WAIVER

DECISION

Based solely on the information provided, ASX grants Terramin a waiver from listing rule 10.1 to the extent necessary to permit the Company to grant security over its TZNEX assets in favour of Asipac, to secure the Company's obligations under the Facility up to a maximum of \$15.05 million without obtaining shareholder approval, on the following conditions:

- 1.1. the Security and the Facility will include a term that in the event of default, neither Asipac nor any of its associates can acquire any legal or beneficial interest in an asset of the Company or its subsidiaries in satisfaction of the Company's obligations under the Facility or the Security, or otherwise deal with the Company's assets, 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 analogous person) appointed by Asipac in exercising its power of sale under the Facility or Security and selling the assets to an unrelated third party at arm's length commercial terms and distributing the cash proceeds to Asipac in accordance with its legal entitlements;
- 1.2. a summary of the material terms of the Facility and any Security documents are made in each annual report of the Company during the term of the Facility;
- 1.3. any variations to the terms of the Facility or the Security documents, which are not minor changes or inconsistent with the terms of the waiver, must be subject to shareholder approval;
- 1.4. the Company must seek to discharge the Security when the funds advanced under the Facility are repaid, or if it is not discharged, seek shareholder approval for the continuation of the Security for any further loan amount; and
- 1.5. the Company will immediately release 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 Facility and the discharge of the Security, including the timeframe within which it expects the repayment and discharge to occur.

ASX has considered Listing Rule 10.1 only and makes no statement as to the Company's compliance with other listing rules.