



ASX ANNOUNCEMENT

7 October 2021

RELEASE OF FY21 AUDITED FINANCIAL STATEMENTS

TerraCom Limited (ASX:TER) (**TerraCom** or **Company**), is pleased to provide its FY21 Annual Report, which includes the audited consolidated financial statements.

As previously disclosed, several unexpected challenges directly impacted the ability of staff to finalise the year end audit with the Company's auditors, Ernst & Young, by the end of September 2021, and the Company apologises to shareholders for the delay to reporting.

The Company wishes to acknowledge all stakeholders at this time and thank them for their continued support.

RESULTS SUMMARY

The FY2021 audited consolidated financial statements have been lodged today, and whilst there were a number of adjustments to the consolidated statement of profit or loss and the consolidated statement of financial position, the net adjustment to loss after income tax benefit was an improvement of \$6.3 million.

The below table provides a summary of results reported in the Final Audited Report and the Preliminary Financial Report.

Consolidated Statement of Profit or Loss and Consolidated Statement of Other Comprehensive Income	Final Audited Report \$000	Preliminary Financial Report \$000	Change \$000
Revenue from ordinary activities	549,007	549,007	-
Loss after income tax (1)	(94,566)	(100,834)	6,268
Loss for the year attributable to the owners of TerraCom	(84,057)	(90,325)	6,268
Total comprehensive loss	(65,875)	(72,632)	6,757
Total comprehensive income attributable to the owners of TerraCom Limited	(59,485)	(65,508)	6,023

- (1) Net movement predominantly driven by \$3,882 increase in depreciation and amortisation, which is offset by an increase in the income tax benefit by \$13,229.

Consolidated Statement of Financial Position	Final Audited Report \$000	Preliminary Financial Report \$000	Change \$000
Current Assets	104,503	104,503	-
Non-current Assets (2)	519,488	531,502	(12,014)
Total Assets	623,991	636,005	(12,014)
Current Liabilities (3)	406,054	376,578	(29,476)
Non-current liabilities (3)	245,442	277,740	32,298
Total Liabilities	651,496	654,318	2,822
Total equity	(27,505)	(18,313)	(9,192)
Deficiency attributable to the owners of TerraCom Limited	(80,406)	(79,362)	(1,044)

- (2) Net movement predominantly driven by reduction in property, plant and equipment from finalisation of the business combination for the acquisition of Universal Coal plc (\$18,542), which is offset with an increase of \$3,882 to accumulated depreciation and amortisation.
- (3) Net movement predominantly driven by reclassification of borrowings from non-current to current, being a total of \$27,594. The largest contributor to this is the reclassification of the Convertible Bond facility (\$26,684) from non-current to current borrowings.

Consolidated Statement of Cash Flows	Final Audited Report \$000	Preliminary Financial Report \$000	Change \$000
Net cash from operating activities	5,789	2,434	3,355
Net cash from investing activities	(43,805)	(43,911)	106
Net cash from financing activities	39,273	41,623	(2,350)
Net increase/(decrease) in cash at bank	1,257	146	1,111
Opening cash and cash equivalents at end of year	10,108	10,108	-
Other	(179)	932	(1,111)
Cash and cash equivalents at end of year	11,186	11,186	-

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.