



ASX ANNOUNCEMENT

18 November 2021

ISSUE OF UNQUOTED OPTIONS

TerraCom Limited (**TerraCom** or **Company**) (ASX: TER), an emerging resources company with a large portfolio of operating assets in Australia and South Africa, is pleased to advise shareholders that it will issue 5,000,000 unquoted options (**Options**) to Evolution Capital under a lead broker agreement. The Company is looking forward to working with Evolution Capital to expand the Company's shareholder base to include additional key institutional and sophisticated investors.

Key terms of the options are as follows:

- Number of options - 5,000,000
- Exercise Price - \$0.35
- Expiry Date - 19 November 2024, being 3 years after the issue date

Further terms and conditions of the Options are set out in **Schedule 1**.

This announcement has been approved by the Board for release.

For further information contact:

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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.

SCHEDULE 1

(a) Entitlement

Each Option entitles the holder to subscribe for one fully paid ordinary share in TerraCom Limited (ASX: TER) (**Shares**) upon exercise of the Option.

(b) Exercise Price

Subject to paragraph (i), the amount payable upon exercise of each Option will be \$0.35 per Option.

(c) Expiry Date

Each Option will expire on 19 November 2024 (**Expiry Date**).

An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(d) Exercise Period

The Options are exercisable at any time on or prior to the Expiry Date (**Exercise Period**).

(e) Notice of Exercise

The Options may be exercised during the Exercise Period by notice in writing to the Company and accompanied by payment of the Exercise Price for each Option being exercised (**Notice of Exercise**).

(f) Exercise Date

A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of payment of the Exercise Price for each Option being exercised in cleared funds (**Exercise Date**).

(g) Timing of issue of Shares on exercise

Within 15 Business Days after the Exercise Date, the Company will:

- (i) issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;
- (ii) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act 2001 (Cth) (**Corporations Act**), or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act such things necessary to satisfy section 708A(II) of the Corporations Act and do all such things necessary to ensure that an offer for sale of the Shares does not require disclosure to investors; and

- (iii) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.

(h) Shares issued on exercise

Shares issued on exercise of the Options rank equally with the then issued shares of the Company.

(i) Reconstruction of capital

If at any time the issued capital of the Company is reconstructed, all rights of a holder of an Option are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.

(j) Participation in new issues

There are no participation rights or entitlements inherent in the Options therefore holders will not be entitled to participate in new issues of capital offered to Shareholders during the Exercise Period, without exercising the Options.

(k) Change in exercise price

An Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Option can be exercised.

(l) Transferability

The Options are not transferable, unless approved by the Company and in line with any restriction or escrow arrangements imposed by ASX or under applicable Australian securities laws.