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27 February 2026

H1 FY26 Results Summary

TerraCom Limited (ASX: TER) (**TerraCom** or the **Company**) is pleased to release its Interim Consolidated Financial Report for the six months ended 31 December 2025 today.

Financial and Operational Performance

TerraCom reported EBITDA of $(7.0) million and a net loss after tax attributable to owners of $(13.8) million for H1 FY26. The result was driven primarily by lower thermal benchmark coal prices, with Blair Athol's average realised price declining to A$121.94 per tonne, down 17% from A$147.23 per tonne in H1 FY25.

Despite this, the Blair Athol mine improved its realised relativity to the benchmark, achieving 74% overall of the NEWC 6000 index (H1 FY25: 70%), highlighting improved commercial outcomes and sustained demand for Blair Athol's product.

Despite the weaker pricing environment, the Blair Athol Mine delivered strong operational performance. FOB cash costs excluding royalties reduced to A$114.74 per tonne (H1 FY25: A$115.81 per tonne), reflecting continued cost discipline. Per tonne operating margins, also excluding royalties for comparability, were impacted by lower realised prices, resulting in a margin of A$7.20 per tonne (H1 FY25: A$31.43 per tonne).

Sales volumes increased **13%** to 809kt (H1 FY25: 718kt), supported by strong customer demand. ROM production was broadly in line with the prior corresponding period at 1,082kt (H1 FY25: 1,092kt).

Commenting on the result, Managing Director Danny McCarthy said:

"While the first half of FY26 was impacted by lower coal prices and logistics constraints, the underlying operational performance of Blair Athol remained strong. Sales volumes increased, and FOB cash costs were reduced, reflecting disciplined execution and a clear focus on controllable performance drivers.

Our business model remains resilient. As an owner operator, we retain flexibility to respond decisively to market conditions. At the same time, our diversified customer base and increased proportion of repeat and term contract sales provide enhanced revenue stability and stronger commercial positioning.

Blair Athol continues to produce a high quality, low ash thermal coal product with a net calorific value of approximately 5,500 kcal/kg that remains in demand across our established customer base.

Looking ahead, our priorities are clear. We will continue to maximise value from Blair Athol, progress the divestment of our South African operations, and advance the Moorlands Project. These initiatives are designed to strengthen TerraCom's financial position, sharpen our portfolio and deliver long term shareholder value."

This announcement has been approved by the Board for release.

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TerraCom Profile

TerraCom Limited (ASX: TER) is an Australian based mining and resources company with a global footprint, comprising a large portfolio of operating assets in Australia and South Africa within the coal sector. TerraCom is a low-cost producer focused on delivering strong performance and returns from its diversified asset base. The Company continues to expand through strategic partnerships and the provision of integrated mining and infrastructure services. To learn more about TerraCom visit **terracom.au**



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