

ASX ANNOUNCEMENT

23 December 2025

Entitlement Offer Cleansing Notice

TerraCom Ltd (ASX: TER) (**TerraCom** or **Company**) gives this notice under section 708AA(2)(f) of the *Corporations Act 2001* (Cth) (**Corporations Act**) in relation to its recently announced renounceable entitlement offer of new shares in the Company (each, a **New Share**) to existing eligible holders of the Company's shares (**Entitlement Offer**).

As required by section 708AA(7) of the Corporations Act, the Company states that:

- the Company will offer the New Shares the subject of the Entitlement Offer for issue to investors without disclosure under Part 6D.2 of the Corporations Act;
- this notice is being given by the Company to ASX under section 708AA(2)(f) of the Corporations Act;
- as at the date of this notice, the Company has complied with:
 - the provisions of Chapter 2M of the Corporations Act, as they apply to the Company; and
 - sections 674 and 674A of the Corporations Act;
- there is no "excluded information" (as that term is defined in and qualified by section 708AA(8) and section 708AA(9) of the Corporations Act, respectively) as at the date of this notice which would otherwise be required to be set out in this notice by section 708AA(7)(d) of the Corporations Act; and
- the effect the Entitlement Offer may have on the "control" (as that term is defined in section 50AA of the Corporations Act) of the Company and the consequences of that effect will depend on a number of factors, including demand for New Shares and the level of existing shareholdings. However, please refer below for further information.



Effect on the control of the Company and the consequences of that effect

As part of the underwriting arrangements for the Entitlement Offer, the Company understands that Gleneagle Securities (Aust) Pty Ltd (i.e. the Lead Manager for the Entitlement Offer) has procured a sub-underwriting commitment from Orbit Marketing Pte Ltd (**Orbit**), a substantial holder of the Company's shares¹, to sub-underwrite A\$40 million worth of any shortfall that may exist on completion of the Entitlement Offer.

Accordingly, if there exists a shortfall on completion of the Entitlement Offer, Orbit will be required to subscribe for up to A\$40 million worth of that shortfall (and as a result, may acquire a relevant interest in up to a total of 55.31% of the Company's shares²).

While the acquisition of a relevant interest in up to total of 55.31% of the Company's shares may allow Orbit to control the Company, the Board understands that Orbit does not have any present intention to appoint any new or remove any existing directors of the Company or to change any of the financial, operational or dividend policies of the Company.

Furthermore, the directors of the Company understand that Orbit does not have any present intention to:

- change the business of the Company;
- inject additional capital into the Company (i.e. other than that which is proposed to be injected as part of the Entitlement Offer);
- make any changes in relation to the future employment arrangements of any current employees of the Company; or
- transfer, or redeploy, any assets of the Company.

¹ As at the date of this cleansing notice, the Company understands that Orbit has a Relevant Interest in 160,000,000 Shares (i.e. equivalent to approximately 19.98% of the Company's issued Share capital).

² Investors should note that since the Entitlement Offer is structured as a renounceable entitlement offer, includes various shortfall "dispersion" mechanisms and is priced at a discount to recently observed trading prices of the Company's shares on ASX, the Company does not expect that Orbit's post-Entitlement Offer relevant interest in the Company's shares will reach 55.31%.



Further information in relation to the Entitlement Offer (including in relation to the potential effect the Entitlement Offer may have on the control of the Company and the consequences of that effect) will be included in the offer booklet for the Entitlement Offer which is expected to be sent to all eligible shareholders (and lodged with ASX) on or before 5 January 2026.

This announcement has been approved by the Board for release.

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About TerraCom Limited

TerraCom Limited (ASX: TER) is an Australian based mining resources company with a global footprint, comprising a large portfolio of operating assets in Australia and South Africa within the coal sector. We are a renowned low-cost producer focused on delivering exceptional outcomes from our high yielding diversified asset portfolio for its investors. To learn more about TerraCom visit terracom.au.