



ASX Announcement

22 September 2016

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 the ASX from listing rule 10.1 regarding the recent increase in the funding facility agreement entered into by Terramin, Terramin Exploration Pty Ltd (**TZNEX**) and Asipac Group Pty Ltd (**Asipac**) in October 2015 (**BIH Facility Agreement**).

As announced on 31 August 2016, this facility was increased from \$5 million to \$6 million and the other terms of BIH Facility Agreement are unchanged. The details of that increase of the facility was announced to the market on 31 August 2016.

The waiver from listing rule 10.1 has been granted by the ASX to the Company to the extent necessary for TZNEX to grant security over its assets to secure the repayment of debt up to \$6 million to Asipac under the BIH Facility Agreement without shareholder approval.

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 BIH Facility Agreement in accordance with its terms.

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ASX WAIVER

DECISION

Based solely on the information provided, ASX Limited grants Terramin Australia Limited (**Company**) a waiver from listing rule 10.1 to the extent necessary to permit its subsidiary, Terramin Exploration Pty Ltd (**TZNEX**), to grant security over its assets (**Security**) in favour of Asipac Group Pty Ltd (**Asipac**) pursuant to a financing facility (**BIH Facility**) under which Asipac may provide the Company up to \$6.0 million without obtaining shareholder approval, on the following conditions.

1. The Security includes a term that if an event of default occurs and Asipac exercises its rights under the Security, neither Asipac nor any of its associates can acquire any legal or beneficial interest in an asset of the Company or its subsidiaries in full or part satisfaction of the Company's and TZNEX' obligations under the Security, or otherwise deal with the assets of Terramin or any of its subsidiaries, 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 receiver or manager (or analogous person) appointed by Asipac exercising its power of sale under the Security and selling the assets to an unrelated third party on arm's length commercial terms and conditions and distributing the cash proceeds to Asipac in accordance with its legal entitlements.
2. A summary of the material terms of the Security is made in each annual report of the Company during the term of the Security.
3. Any variations to the terms of the Security which is:
 - 3.1 not a minor change; or
 - 3.2 inconsistent with the terms of the waiver,must be subject to shareholder approval.
4. The Company must seek to discharge the Security when the funds advanced under the Security are repaid, or if it is not discharged, seek shareholder approval for the continuation of the Security for any further loan facility amount.
5. The Company immediately releases 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 Security and the discharge of the Security, including the timeframe within which it expects the repayment and discharge to occur.
6. ASX has considered listing rule 10.1 only and makes no statement as to the Company's compliance with other listing rules.