

Terra Partners Asset Management Limited

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Terra Partners Asset Management Ltd. ("TPAM") presents its Second Quarter 2015 Update to shareholders regarding the activities of Terra Capital plc. ("TCA" or the "Fund") an AIM listed Investment Company investing globally in value opportunities, primarily in frontier markets.

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TCA's 2nd Quarter 2015 Return & Portfolio

The Fund's NAV rose to 0.9672 at June 30, 2015 from 0.0.9394 as of March 31, 2015, resulting in a net NAV return of 2.96% for the quarter.

The Fund's investment level (equity, fixed income and hedging) decreased from 92.08% at March 31 (including commitment to Terra Argentine Fund) to 87.80% at June 30 due to decreases in its positions in Europe, Middle East and the Americas with only slight additions to the portfolio.

Europe

The Fund's exposure to Europe declined slightly from 25.18% to 24.10%, keeping it the Fund's largest regional allocation. The Fund increased its holdings in three current positions and reduced three positions. Investments were increased in Italy and Bulgaria while its holdings in Switzerland, Germany and Serbia were reduced.

Asia

The Fund's holdings in Asia remained stable at 19.16%. The Fund's holding in China was reduced while its position in Kazakhstan was increased.

Middle East

The Fund's exposure to the Middle East declined from 16.98% to 15.04% on sales in three of the Fund's four Qatari positions, one of which was liquidated entirely. One position in Qatar was increased, while current positions in Qatar, Lebanon and Oman were increased.

Africa

The allocation to Africa remained stable at 11.77%. The Fund's two positions in Kenya were reduced, while the Fund added one new position in Nigeria.

Americas

The portfolio's allocation to the Americas decreased from 18.52% to 16.90%. The Fund sold off a portion of one Argentine position which had increased substantially during the first half of the year, while adding a new position in Jamaica.

Fund Details

The following table details the Fund's holdings, changes from the prior quarter, and the local currency performance of each company's shares over the quarter.

Country	Security	Shares	Market value	% of Fund	Change in Share Holdings	Price Return (local currency)	Total Return (local currency)
AFRICA							
Burkina Faso	Onatel BF	84,477	1,358,977	2.04%	No Change	17.94%	35.94%
Tunisia	ARTES	246,934	966,622	1.46%	No Change	6.29%	6.29%
South Africa	Onelogix Group	2,281,292	928,162	1.41%	No Change	-1.00%	-1.00%
Tunisia	One Tech Holding	248,305	919,553	1.38%	No Change	-8.41%	-5.54%
Tunisia	Tunisie Leasing	87,818	900,202	1.36%	No Change	-9.55%	-5.00%
South Africa	Holdsport	202,501	873,825	1.32%	No Change	7.56%	10.94%
Kenya	Equity Bank	1,606,000	767,996	1.16%	Decrease	-8.65%	-8.65%
Nigeria	UAC of Nigeria	2,547,886	544,078	0.82%	New	31.17%	37.35%
Uganda	Umeme	2,940,000	418,347	0.63%	No Change	-4.86%	-0.91%
Kenya	Housing Finance Kenya	457,525	125,517	0.19%	Decrease	-26.85%	-24.93%
			7,803,279	11.77%			
AMERICAS							
Argentina	Terra Argentine Fund LP - os Commitment		2,040,000	3.09%	No Change		
Argentina	IRSA	87,133	1,564,037	2.37%	Decrease	-8.93%	-8.93%
Jamaica	National Commercial Bank Jamaica	5,431,719	1,359,802	2.07%	No Change	15.33%	17.12%
Peru	Refineria La Pampilla	17,808,102	1,120,183	1.70%	No Change	21.21%	21.21%
Jamaica	Scotia Group Jamaica	5,429,031	1,088,146	1.65%	No Change	6.85%	6.85%
Peru	Ferreycorp	2,150,387	960,387	1.45%	No Change	0.71%	4.96%
Panama	Copa Holdings	11,165	922,117	1.40%	No Change	-18.20%	-17.37%
Argentina	Terra Argentine Fund LP - Series 2	510,000	613,323	0.93%	No Change	-9.11%	-9.11%
Jamaica	Jamaica Money Market Brokers	8,500,000	551,924	0.84%	New	6.23%	8.50%
Argentina	Terra Argentine Fund LP - Series 3	510,000	535,762	0.81%	No Change	-9.11%	-9.11%
Argentina	Terra Argentine Fund LP - Series 1	340,000	400,156	0.61%	No Change	-9.11%	-9.11%
			11,155,837	16.90%			
ASIA							
Bangladesh	Square Pharma	559,764	1,873,023	2.86%	No Change	-0.34%	-0.34%
Bangladesh	Brac Bank	3,592,039	1,801,520	2.75%	No Change	14.58%	14.58%
Vietnam	Imexpharm Pharmaceutical	802,158	1,671,277	2.53%	No Change	-1.73%	2.16%
China	Qingling Motors	3,042,615	1,024,483	1.55%	Decrease	-7.77%	-2.12%
Vietnam	Hung Vuong	1,115,188	995,772	1.51%	No Change	-5.34%	-5.34%
Georgia	Bank of Georgia Holdings	31,280	958,278	1.45%	No Change	12.39%	12.43%
Australia	Ardent Leisure Group	554,606	926,121	1.40%	No Change	-3.13%	-3.13%
Kazakhstan	Kcell	95,844	831,926	1.26%	Increase	-7.17%	9.23%
Korea	Lotte Chilsung beverage Preferred	749	781,379	1.19%	No Change	43.14%	43.74%
Korea	Kumho Petro Chemical Preferred	17,850	632,074	0.96%	No Change	-1.25%	-1.25%
Korea	Hyundai Motor Preferred	4,880	446,223	0.68%	No Change	-8.11%	-8.11%
Korea	Shinyoung Securities	8,370	424,692	0.64%	No Change	-10.16%	-10.16%
Vietnam	Hau Giang Pharmaceutical	75,853	255,292	0.39%	No Change	-17.88%	-14.53%
			12,622,060	19.16%			
EUROPE							
Hungary	Any Security Printing	553,679	1,876,281	2.84%	No Change	-0.10%	7.71%
Serbia	Galenika-Fitofarmacija	82,744	1,609,597	2.44%	No Change	12.05%	16.11%
Russia	JSC ACRON	308,792	1,174,954	1.78%	No Change	8.86%	14.43%
Italy	QF Polis	1,405	1,158,746	1.75%	Increase	-6.57%	-6.57%
Slovenia	Gorenje Velenje	175,399	1,133,797	1.72%	No Change	9.31%	9.31%
Switzerland	U-Blox	4,999	1,011,022	1.53%	Decrease	11.29%	12.24%
Montenegro	Crnogorski Telekom	222,624	1,002,382	1.52%	No Change	-11.20%	-1.31%
Portugal	Portucell	259,423	997,488	1.51%	No Change	-17.25%	-9.46%

Macedonia	Komercijalna Banka AD Skopje	28,845	924,486	1.40%	No Change	-4.32%	-4.32%
Ukraine	Kernel Holding	86,323	866,891	1.31%	No Change	2.39%	3.06%
Croatia	Hrvatski Telekom	36,228	821,313	1.24%	No Change	-4.80%	-0.48%
Germany	Vib Vermoegen	37,042	660,533	1.00%	Decrease	-5.74%	-5.74%
Serbia	Komercijalna Banka Serbia	29,895	553,307	0.84%	Decrease	-2.44%	3.17%
Bulgaria	Monbat	115,000	550,474	0.83%	No Change	1.33%	1.33%
Russia	X5 Retail	29,846	496,936	0.75%	No Change	8.47%	8.47%
Estonia	Silvano Fashion Group	267,000	392,794	0.59%	No Change	-3.65%	-3.65%
Italy	QF BNL Portfolio IMM	719	384,636	0.58%	Increase	-12.41%	-12.41%
Bulgaria	Speedy	16,818	301,696	0.46%	Increase	-4.61%	-1.42%

15,917,333 24.10%

MIDDLE EAST

Qatar	Ale Meera	21,218	1,472,574	2.23%	Increase	15.92%	20.05%
Lebanon	Blom Bank	144,872	1,448,720	2.19%	No Change	-0.99%	5.58%
Oman	Oman Refreshment	175,000	1,136,511	1.72%	No Change	0.00%	0.00%
Qatar	Doha Bank	77,678	1,134,951	1.72%	Decrease	5.77%	5.77%
Lebanon	Soldiere	87,753	995,997	1.51%	Increase	2.71%	2.71%
Oman	Oman Cement	720,950	988,860	1.50%	No Change	12.29%	12.29%
Oman	Bank Sohar	2,049,283	984,848	1.49%	Increase	2.37%	2.37%
Bahrain	SEEF Properties	1,313,897	703,942	1.07%	No Change	3.09%	3.09%
Qatar	Gulf Warehousing Company	32,600	678,663	1.03%	Decrease	26.76%	26.76%
Bahrain	Bahrain Commercial Facilities Company	200,000	389,889	0.59%	No Change	-3.90%	-3.90%
Qatar	Al Khaliji Bank	0	0	0.00%	Liquidated	11.49%	11.49%

9,934,955 15.04%

Total Equity Holdings 57,433,464 86.97%

Net Cash 8,075,441 12.20%

FIXED INCOME

Ukraine	City of Kiev Municipal Bonds	844,000	438,270	0.66%	No Change
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HEDGING

	XDE Put Dec 2015 @ 1.12	65	23,075	0.03%	New
	XDE Put Dec 2015 @ 1.09	75	18,300	0.03%	New
	XDE Put Dec 2015 @ 1.11	55	17,325	0.03%	New
	XDE Put March 2016 @ 1.12	40	16,320	0.02%	New
	XDE Put March 2016 @ 1.11	40	14,760	0.02%	New
	XDE Put Dec 2015 @ 1.10	50	13,900	0.02%	New
	XDE Put Mar 2016 @ 1.10	10	3,300	0.00%	New
	XDE Put Mar 2016 @ 1.09	10	2,980	0.00%	New
	XDE Put Dec 2015 @ 1.05	0	0	0.00%	Liquidated
	XDE Put Dec 2015 @ 1.06	0	0	0.00%	Liquidated

109,960 0.17%

Total Fund 66,057,135

RESPECTFULLY SUBMITTED BY:

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