



## **ASX Shareholder Report**

*Enquiries on this report  
or the Company business  
may be directed to:*

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*Terramin is a dedicated  
base metals company  
focused on early  
development of the  
Angas Zinc project and  
advanced exploration at  
Menninnie Dam zinc/lead  
and copper project.*

*The information in this report that relates  
to exploration activity is compiled by  
Dr K Moriarty PhD, M AusIMM who is  
a Competent Person as defined by the  
JORC code.*

## **ANGAS FEASIBILITY UPDATE**

- Mining design and scheduling has identified an optimum production rate of 300,000 tpa
- Scoping estimates total operating surplus of \$47M from the current indicated resource
- Drilling to increase indicated resource and mine life is to commence in February 2005
- Metallurgical test results are pending
- Preliminary feasibility study is continuing

*Background: The Angas Zinc project is located under an industrial zone and quarry, about 60 km from Adelaide. Angas has defined resources of 2.8 million tonnes grading 14.1% zinc equivalent, including substantial deposits grading 20% ZnE. Feasibility studies are underway and there is substantial potential to increase the resource.*

Metallurgical test results are expected in early February.

Mine design and schedules based on an indicated resource of 1,500,000 tonnes at Zn 11.1%, Pb 3.9%, Ag 44 g/t using a 6% cut off grade produced optimum production rates of 300,000 tpa. This production rate would produce 46,000 tonnes of zinc concentrate and 14,000 tonnes of lead/silver concentrate per annum.

The preliminary feasibility studies will now be based on the higher production rate.

A revision of the scoping study estimated a total operating surplus of \$47 million from this resource based on metal prices on 7 January 2005. Documentation for a reserve statement is currently being completed.

A 5,000m diamond drilling programme commences in February aimed at substantially increasing the indicated resource by targeting the 700,000 tonne of inferred resources and the 2 million tonne potential of the Rankine Extension zone. Positive results would extend mine life and allow for increased production rates.

**Kevin Moriarty  
Executive Chairman  
27 January 2005**

