



TERRAMIN AUSTRALIA limited

ASX Shareholder Report

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or the Company business
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Terramin is a dedicated
base metals company
focused on developing its
advanced zinc projects
into profitable mines

*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 Zinc Project

- **Drilling underway to expand resource while feasibility continues**
- **First targets are shoots with potential to add 2 years to production near surface**

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. Scoping studies have estimated net operating surpluses in excess of \$10m pa and feasibility studies are underway for a +300,000 tpa operation. There is ample potential to increase the resource.

Mining and scheduling studies on the near surface sections of the Rankine indicated resource are nearing completion. A drill programme will complement the ongoing feasibility work. The drill results will be incorporated into the final scheduling and mill design.

This drill programme will target over 5 million tonnes at Angas, starting with about 600,000 tonnes at shallow levels in the Garwood and Hanging Wall shoots. The Garwood shoot currently contains an inferred resource of 178,000t grading 17% Zn+Pb and there is scope to increase this to over 300,000t;

It will continue with infill drilling on the high grade inferred resource (430,000t @ 15% ZnE) at deeper levels of the Rankine deposit.

Later in the month a second rig will be used for infill drilling of the Rankine extension where the deposit is open at depth and has potential to double the Rankine resource.

It is also planned to drill the Jettner Deeps, an offset of the Rankine deposit associated with a large conductive EM anomaly indicating a large body of metal.

Additionally there are other old mines and prospects in the area that have not been drilled, and these would have the potential to extend mill utilisation into the future. It is planned to drill the old Strathalbyn mine in April.

Drilling commences today, February 7, into the shallow extensions of the Garwood and Hanging Wall shoots.

Kevin Moriarty
Executive Chairman

7 February 2005