



ASX Shareholder Report

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

*Kevin Moriarty
Executive Chairman
0408 173 157*

*Terramin is a dedicated
base metals company
focused on early
development of the
Angas Zinc project
and acquiring other
advanced zinc projects.*

*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.*

*Resource and reserve estimates referred to in
this release comply with recommendations in
the Australasian Code for Reporting of Mineral
Resources and Ore Reserves prepared in
1999 by the Joint Ore Reserves Committee
(JORC).*

*Mr Jonathon Trewartha, a Competent Person
as defined by the Code, prepared the reserve
estimate.*

*Mr Trewartha is a full-time employees of
Terramin and has consented to the release of
these estimates.*

Positive pre-feasibility for Angas zinc

- **Project is proceeding after a positive pre-feasibility result and ore reserve**
- **Drilling on target for 1,500,000t reserve**
- **Metallurgical testwork confirms premium zinc product**

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 extending to surface.

Pre-feasibility studies have been completed and a final report is being compiled. Terramin is moving to the next phase, which includes expansion of reserves and metallurgical optimisation. Metallurgical testwork showed 90% zinc recovery (compared with 85% in the scoping study) for a saleable concentrate containing 56% zinc.

The near surface southern section of the Rankine deposit contains ore reserves of 890,000 tonnes.

Rankine Shoot	Tonnes	Pb%	Zn%	Ag g/t
Probable Ore Reserves	890,000	3.3	10.1	35

Project financial modelling for the estimated ore reserve estimated EBITDA of \$55 million from a life of mine (LOM) capital of \$30 million. In the next six months the project is aiming for a 1,800,000 tonne reserve with EBITDA revenue of \$111 million from LOM capital of \$33 million.

The pre-feasibility highlighted that this is not a complex project with existing infrastructure, housing and a current quarry operation presenting a low environmental impact site.

The positive fundamentals of this project have caused Terramin to pursue an accelerated project schedule that would see first production of concentrates in last quarter 2006. This schedule assumes the next reserve target of 1,500,000 tonnes is achieved in three months and early completion of financing arrangements.

Substantial zinc intersections in the first three holes of the current drill programme confirm it is on target to add to resources in shoots close to the shallow Rankine ore reserve.

Terramin is negotiating financing and offtake agreements for its projects.

**Kevin Moriarty
Executive Chairman
2 March 2005**