



TERRAMIN AUSTRALIA limited

ASX Shareholder Report

May 11, 2005

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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 – both in
South Australia.*

*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.*

Deep drilling commences to extend Angas zinc mine resource

- **Jettner Shoot potentially can add millions of tonnes of resources, and mine years, to the Angas zinc project**
- **Two month drill program has commenced**
- **Assisted by SA Government's PACE plan**

The Company has commenced drilling an identified deeper mineralised shoot at its Angas project – with any successful outcome expected to radically expand production and mine life. Recent work by Terramin identified the large metal anomaly – called Jettner Shoot– as a depth extension only 150m to the west of the main Rankine shoot and coinciding with a fault repetition of the ore-bearing horizon.

Plans for production at the Angas zinc project are currently based on near surface resources and reserves of around 3 million tonnes in the Rankine shoot. In addition sparsely drilled extensions of the Rankine could add 2-3 million tonnes to resources.

As the top of the Jettner shoot is at a depth of only 200 metres, about the same as the expected depth extent of the current planned mining, it could extend the mine's depth by hundreds of metres and add millions of tonnes to the project.

Given the considerable potential of Jettner, a rig that was drilling shallow targets has been re-assigned and has commenced the first deep drill test hole. The program of 800 metre diamond holes is expected to take two months. Two diamond rigs are now drilling on site to expand resources and reserves at Angas.

PACE support welcomed

The Jettner drill program is being assisted by the second round of funds awarded to Terramin under the South Australian's PACE program to stimulate new discoveries by paying half of the drill cost to test new targets.

Terramin has previously been granted PACE funds to test large ore-body targets on its Menninnie project on SA's Eyre Peninsula and on which drilling has been underway for a month.

(picture next page)

