



TERRAMIN AUSTRALIA limited

ASX Shareholder Report

May 17, 2005

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

*Kevin Moriarty
Executive Chairman
08 8274 2190*

*Website Address:
terramin.com.au*

*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 delivers more high grade zinc

First assays from the current drill programme have confirmed high grades and widths of zinc mineralisation (*table next page*). The results come from near surface shoots that could be mined in the early stages of production expected to commence in early 2007.

Two holes in the Garwood Shoot assayed remarkably high lead-zinc grades of 35% and 48% (results attached). When tallied with earlier holes, it is clear that the Garwood has consistent high grades. A third hole, assaying 1.6m @ 8% PbZn, appears to be near the southern limit of the shoot.

Five holes intersected the Hanging Wall shoot. The best intersection was 10.2 metres at 16.5% PbZn. When matched with earlier drill holes in this area, a picture is emerging of a single coherent body of medium grade mineralisation. This is in contrast to the smaller isolated lenses in the existing model.

The holes were extended to assist with reserve definition in the Rankine. Best results were 19.7m @ 10.23% PbZn, and 6.8 metres at 40% PbZn,.

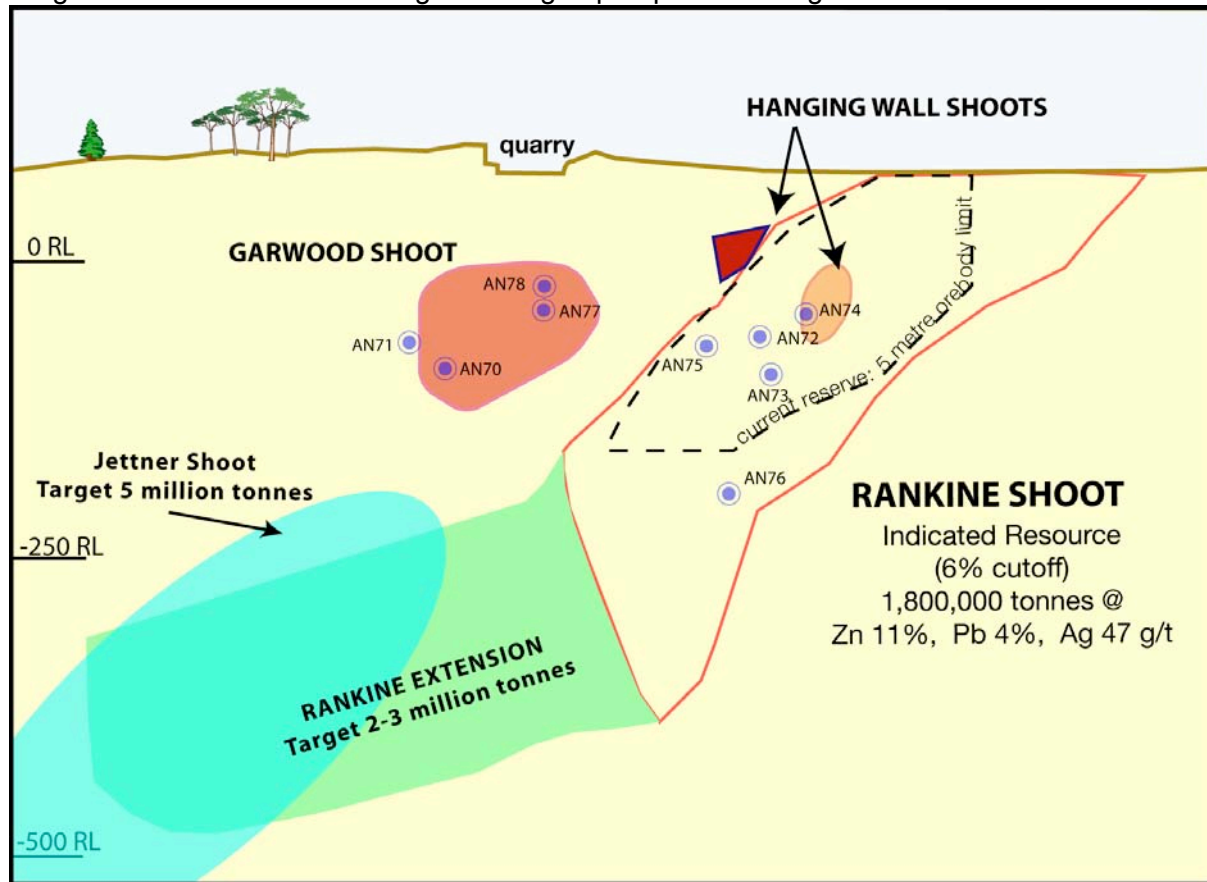
“These results show we are on track to define near surface resources and increase reserves when the programme is completed”, said Dr Kevin Moriarty, Terramin’s Executive Chairman.

(table and picture next page)

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ABN 67 062 576 238

Diagrammatic NS section through the Angas prospect showing recent drillholes



ANGAS Zinc prospect drill results -May 2005

hole	from	metres	Cu	Pb	Zn	Ag	Au	PbZn	ZnE	m x PbZn	Shoot
AN070	213.32	3.96	0.77	7.49	27.68	102	1.11	35.18	40.7	4.0m @ 35.18%	Garwood
AN071	186.53	1.61	0.11	1.19	6.99	29	0.23	8.18	9.4	1.6m @ 8.18%	Garwood
AN072	95.59	10.2	0.25	2.05	14.41	28	0.29	16.45	18.1	10.2m @ 16.5%	Hangingwall
AN072	140.0	4.43	0.15	4.79	8.16	41	1.00	12.94	15.3	4.4m @ 12.94%	Rankine
AN073	132.8	3.00	0.14	2.74	8.91	22	1.32	11.66	14.2	3.0m @ 11.66%	Hangingwall
AN073	162.36	9.69	0.15	2.61	4.58	24	0.62	7.19	8.8	9.7m @ 7.19%	Rankine
incl	166.81	4.02	0.13	4.99	8.19	42	1.20	13.18	15.8	4.0m @ 13.18%	Rankine
AN074	107.23	0.77	0.22	2.15	22.2	25	0.25	24.35	25.7	0.8m @ 24.35%	Hangingwall
AN074	114.29	1.74	0.19	0.64	3.48	13	0.19	4.12	5.2	1.7m @ 4.12%	Hangingwall
AN074	123.71	19.7	0.45	1.28	8.94	22	0.28	10.23	12.3	19.7m @ 10.2%	Rankine
incl	129.0	7.00	0.62	0.66	16.21	30	0.26	16.87	19.6	7.0m @ 16.87%	Rankine
AN075	117.06	2.29	0.03	0.01	4.08	0	0.02	4.09	4.2	2.3m @ 4.09%	Hangingwall
AN075	141.75	0.83	0.13	12.7	17.3	105	0.68	30.00	32.9	0.8m @ 30.00%	Hangingwall
AN075	165.75	0.95	1.47	4.66	6.38	52	2.99	11.04	20.2	0.9m @ 11.04%	Rankine
AN076	256.41	0.63	0.08	2.63	19.9	47	0.88	22.53	24.8	0.6m @ 22.53%	Rankine
AN076	268.29	6.84	0.30	12.01	28.15	114	1.16	40.17	44.4	6.8m @ 40.17%	Rankine
AN077	127.06	2.84	0.20	16.10	32.21	140	0.61	48.31	51.9	2.8m @ 48.3%	Garwood

(Note: AN78 assays still awaited)