



TERRAMIN AUSTRALIA limited

## **ASX Shareholder Report**

September 19, 2005

*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.*

### **Roche to provide operating and capital costs for Angas zinc mine**

One of Australia's major resources services companies, Roche Mining, has been appointed by Terramin Australia Limited to develop cost estimates for establishing and operating the proposed Angas underground zinc mine, southeast of Adelaide.

The Roche contract is the first in a raft of key contracts now expected to be let over the next 12 months to ensure the Angas project is in production by early 2007.

Under its charter to provide engineering services for Angas, Roche will design the surface layout, mill and crushing plant for the mine, and prepare cost and operating estimates based on its design work.

The work is scheduled for completion by December.

"Testwork analysed by our crushing consultant has concluded that the Angas resource is amenable to treatment by semi-autogenous grinding (SAG)," Terramin's Managing Director, Mr Kevin Moriarty, said today.

"This means Angas can be developed with one crushing plant and one SAG mill, as opposed to earlier plans requiring three crushers and a ball mill," Dr Moriarty said.

"The move to SAG milling also delivers significantly lower capital and operating costs for the project than were estimated in the pre-feasibility studies."

Mineral processing optimisation tests have confirmed that the Angas ore can produce premium zinc and lead concentrates at both good grades and recoveries.

(more)

**High grade intersection**

A wide diameter (PQ) vertical diamond hole (AN95), drilled last month to provide sufficient sample for ongoing testwork, produced one of the best zinc intersections to date from the Angas project - 20 metres grading 18.1%Zn; 8.3%Pb; and 67g/t Ag.

**Resource & reserve upgrade**

Mr Moriarty also announced today that the Company was on track to deliver a resource upgrade for the project by mid-October, with a JORC-classified reserve upgrade due by early December.

The current reserve definition drilling program is almost completed, with recent intercepts including:

| <b>Hole</b> | <b>From<br/>(m)</b> | <b>Interval<br/>(m)</b> | <b>Zn<br/>%</b> | <b>Pb<br/>%</b> | <b>Ag<br/>%</b> | <b>Au<br/>g/t</b> | <b>Shoot</b> |
|-------------|---------------------|-------------------------|-----------------|-----------------|-----------------|-------------------|--------------|
| AN90        | 200.9               | 18.6                    | 9.77            | 5.29            | 44              | 0.69              | Rankine      |
| AN91        | 254.0               | 7.2                     | 13.99           | 10.88           | 87              | 1.12              | Rankine      |
| AN92        | 78.2                | 8.1                     | 3.41            | 1.06            | 7               | 0.27              | Rankine      |
| AN95        | 46.7                | 19.9                    | 18.1            | 8.33            | 67              | n/a               | Rankine      |
| AN97        | 290.2               | 2.9                     | 6.13            | 1.62            | 44              | 0.63              | Rankine      |

Terramin has already identified a JORC-classified resource at Angas of 2.8 million tonnes grading 14.1% zinc equivalent, including about 2.1 million tonnes Indicated and 0.7 million tonnes Inferred.

| <b>Hole</b> | <b>Northing</b> | <b>Easting</b> | <b>DIP</b> | <b>AZ</b> |
|-------------|-----------------|----------------|------------|-----------|
| AN90        | 6097326         | 310507         | -80°       | 160°      |
| AN91        | 6097303         | 310555         | -81°       | 190°      |
| AN92        | 6097431         | 310478         | -62°       | 234°      |
| AN95        | 6097313         | 310438         | -90°       | -         |
| AN97        | 6097115         | 310654         | -68°       | 271°      |

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