



TERRAMIN AUSTRALIA limited

ASX Shareholder Report

December 6, 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. 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
employee of Terramin and has consented to
the release of these estimates.*

Doubling of Angas Zinc reserve brings mine start-up nearer

Terramin Australia Limited (ASX code "TZN") has more than doubled to 2.2 million tonnes, the reserve estimate for its flagship Angas zinc project in South Australia.

The 140% increase announced today is based on a cut-off grade of 4% for the project, near Strathalbyn.

Today's reserve update compares with an initial reserve estimate of 890,000 tonnes at 6% cut-off announced early in 2005.

Terramin's Executive Chairman, Dr Kevin Moriarty, said today that the Company's reserve target for a decision to mine, of 1.8 million tonnes, had been surpassed.

"The project is on track for production and on the current reserve estimate announced today, could service a seven year mine life," Dr Moriarty said.

"We can expect a profitable operation and the solid zinc grade is backed up by significant gold and silver contents."

Full feasibility sign-off on the project is expected in January with Roche Mining due this month to complete its design studies for the Angas mine. The regulatory approval process is underway for the mining lease.

"Terramin will work with Sempra Metals and Concentrates Corp, which has contracted to take all the Angas concentrates, to access appropriate smelters to maximise returns on the precious metals," Dr Moriarty said.

"Terramin is also pleased that the project's underground mining widths have increased to a 9m average, compared to 7m in the pre-feasibility estimates, with more than half of the ore reserve announced today, in the first 150m of surface. This will significantly lower mining costs."

Dr Moriarty said today's reserve figure did not include resources below 340m depth but a current drilling program could change that.

Last month, Terramin reported a lift in the Indicated Resource at Angas, to over 3 million tonnes.

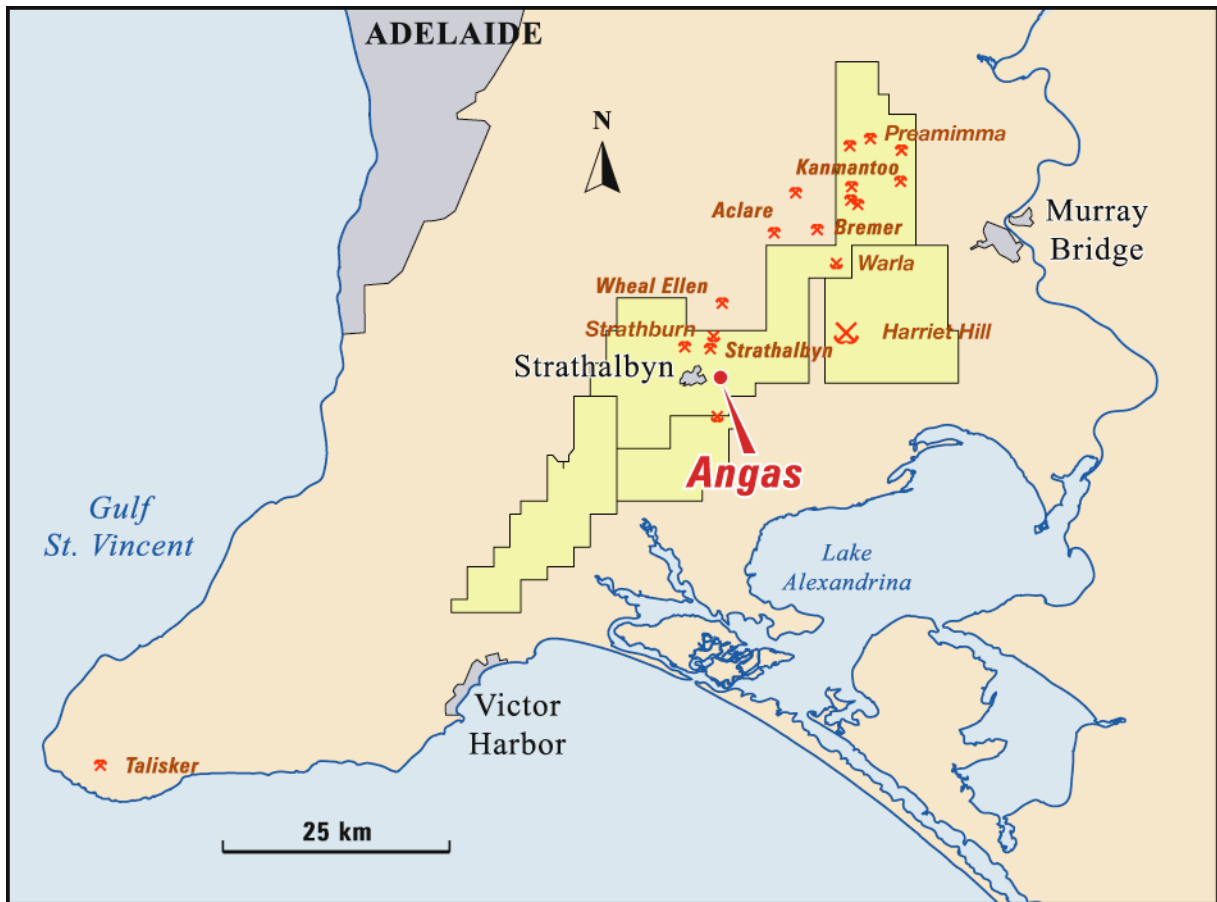
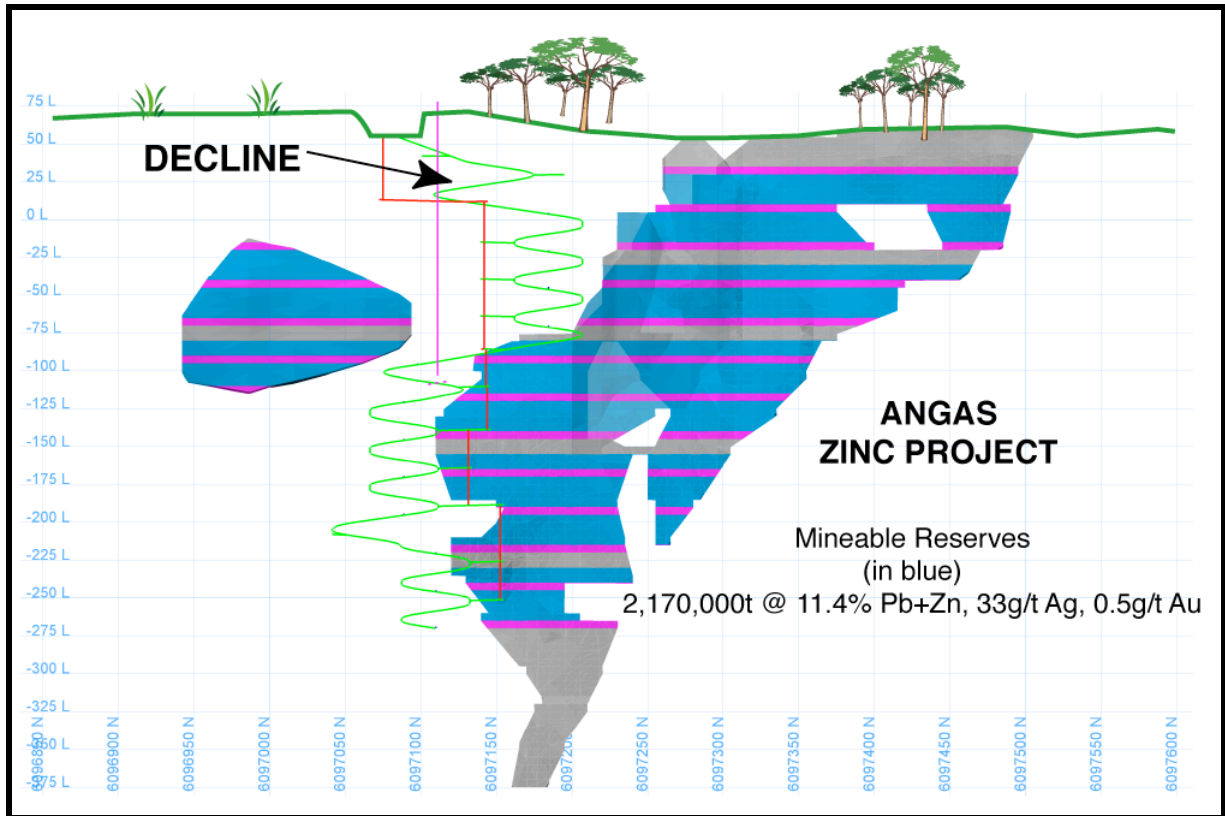
The new reserve is:

Probable Reserves <i>tonnes</i>	Zn %	Pb %	Cu %	Ag g/t	Au g/t
2,170,000	8.3	3.1	0.3	33	0.5

(more)

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Location Map – Angas Project