



ASX Shareholder Report

April 26, 2006

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 developing zinc mines close to infrastructure.

The information in this report that relates to exploration activity is compiled by Dr A. John Parker PhD who is a member of the Australian Institute of Geoscientists and who is a Competent Person defined by the JORC Code.

EXPLORATION CONFIRMS BROKEN HILL-STYLE

MINERALISATION AT S.A. LEAD-ZINC PROJECT

Significant drill results have confirmed that a large lead, silver and zinc deposit west of Port Augusta on South Australia's Eyre Peninsula, is Broken Hill-style mineralisation.

Terramin Australia Ltd (ASX code: 'TZN') – which is developing the Menninnie base metals project in joint venture with Zinifex Australia Limited – announced today that new drilling results had significantly enhanced the prospects of a large resource at the deposit.

Terramin's Exploration Manager, Dr John Parker, said the latest drilling, when combined with numerous other Pb-Zn intersections over a 400m strike length, had delineated "a substantial body of Broken Hill-style mineralisation in Menninnie Central".

"Intersections of 19 metres of high grade zinc (13.2% Pb+Zn) and 56 metres of low grade zinc underscore the potential for a substantial resource at Menninnie," Dr Parker said.

Terramin's Executive Chairman, Dr Kevin Moriarty, added: "Recent diamond drilling of our Menninnie Central zone has confirmed that the project, like Broken Hill, has a complex shape related to folding of the host rock sequence.

"Detailed structural analysis of old and recent drill core by company geologists has identified the regional structure and mapped the shape of the mineralisation envelope," he said.

"In testing this model, we have recently intersected multiple lenses of high-grade mineralisation in drill holes near other intersections with good assays.

"This is important because the mineralisation is shown to be thick, continuous and folded," DR Moriarty said.,

"The latest drill successes have raised our confidence in establishing an Inferred Resource during the current round of drilling over the 400m of strike length for Menninnie Central.

"Given that the strike length of the target magnetic anomaly is 3.5km, there is potential for a large total resource or series of individual high grade deposits," he said.

The Menninnie project is a joint venture with Zinifex Australia under which Zinifex can earn up to a 70% share in the project with an outlay of up to \$8 million by 2010. (*more*)

Hole Name	From	To	Interval	Pb %	Zn %	Ag g/t	Au g/t	Pb+Zn %
RCP16	44	52	8	3.25	0.06	2.25	0.03	3.31
RCP16	72	76	4	2.57	0.23	<1	0.02	2.8
RCP16	128	136	8	0.18	1.13	1.5	<0.01	1.31
RCP17	76	80	4	0.42	1	9	0.02	1.42
RCP17	96	100	4	0.35	0.61	23	0.08	0.95
RCP25	80	84	4	0.17	0.87	6	<0.01	1.04
RCP25	128	132	4	1.33	0.66	6.5	0.07	1.99
RCP28	76	80	4	0.14	0.91	1	0.01	1.05
RCP29	36	48	12	0.05	1.17	1.83	0.03	1.22
RCP29	88	92	4	1.61	1.11	4	0.01	2.72
RCP29	96	115	19	5.92	7.28	21.24	0.05	13.2
RCP30	128	144	16	0.87	1.23	7.38	0.04	2.1
RCP31	72	84	12	1.25	0.45	1.33	0.02	1.7
RCP31	92	96	4	1.93	1.22	6.5	0.09	3.15
RCP31	132	136	4	1.43	1.52	4	<0.01	2.95
RCP32	116	120	4	0.02	1.72	1	<0.01	1.74
RCP33	116	126	10	0.43	1.16	4.3	0.01	1.59
RCP34	84	92	8	0.04	1.31	1	<0.01	1.35
RCP34	96	132	36	0.19	1.46	1.5	<0.01	1.65
RCP34	140	152	12	0.17	2.3	0.17	<0.01	2.47
RCP36	160	172	12	0.09	1.24	2.17	0.01	1.33
RCP36	176	200	24	0.63	2.23	1.5	<0.01	2.86
RCP41	52	60	8	0.06	1.11	1.25	<0.01	1.17
RCP41	84	96	12	2.34	1.18	7.17	0.01	3.52
RCP42	96	102	6	1.88	2.43	11.83	0.03	4.31

Table 1. Menninnie: Reverse circulation assay results with greater than 1% combined lead + zinc.

Hole Name	From	To	Interval	Pb %	Zn %	Ag g/t	Au g/t	Pb+Zn %
MD33	155.8	156.3	0.5	1.93	19.9	115	0.2	21.8
MD33	340	341	1	3.28	0.43	5	<0.01	3.71
MD33	346	347	1	1.59	3.23	6	0.02	4.82
MD34	199	204	5	2.68	1.77	24.8	0.04	4.45
MD34	255.5	259.5	4	5.97	11.95	64.1	0.16	17.9
MD34	262	264	2	3.37	0.83	15	0.02	4.21
MD34	277	278	1	1.29	1.47	14	0.02	2.76
MD35	201	205	4	2.78	2.09	19.25	0.07	4.87
MD35	228	229	1	0.44	1.51	2	<0.01	1.95
MD35	300	301	1	0.69	16.3	15	0.10	16.99
MD37	213	215	2	2.11	1.92	27	0.02	4.03
MD37	256	261	5	3.22	4.31	22	0.09	7.54
MD37	270.3	282	11.7	3.54	3.54	16.9	0.03	7.08
including	270.3	272	1.7	2.59	3.33	35.3	0.11	5.92
including	278	282	4	8.41	7.91	28.9	0.03	16.32
including	279.5	280.5	1.	27.4	19.20	76	0.05	46.60

Table 2. Menninnie: Diamond core assay results with greater than 1% combined lead + zinc.

(more)

Figures: Left - Drill hole locations with inset magnetic map of Menninnie lead zinc prospect
 Right – Detail from section 6745N through Central zone with results

