



ASX Shareholder Report

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*Terramin is a
dedicated
base metals
company focused on
developing zinc
mines close to
infrastructure.*

ALGERIAN DRILL START AS TERRAMIN SETS SEPTEMBER DEADLINE FOR FIRST RESOURCE

Terramin Australia Limited today reported further progress on its Algerian zinc project, with the granting of a mining permit and the commencement of an intensive drilling program.

“Permit approval has cleared the way for a commencement to drilling, with a diamond rig already onsite to infill drill the project’s main Tala Hamza deposit,” Terramin’s Executive Chairman, Dr Kevin Moriarty, said today.

“This timetable will deliver estimation of a JORC standard Inferred Resource in September under our campaign to rapidly prove up the zinc potential within the permit,” Dr Moriarty said.

“Two additional rigs are scheduled to arrive on site in September to help deliver a complete 25 hole program by the end of the year.”

The Mining Permit covers 123 km² of the Oued Amizour zinc project in north-eastern Algeria.

The project area contains the 50 million tonne Tala Hamza deposit as well as a number of partially drilled deposits.

“Several large targets have been identified within 500m of Tala Hamza and these will have priority status so feasibility studies can include them in planning for plant expansion,” Dr Moriarty said.

Three global engineering firms experienced in Algerian conditions and language are preparing quotes for first stage mining studies, to be conducted concurrently with the drill program.

“This dual approach should ensure the full feasibility work is completed during next year,” Dr Moriarty said.

Terramin is currently negotiating financing arrangements for the feasibility study and subsequent development work.

In separate developments, Terramin also announced today that its Angas zinc project near Adelaide had completed all regulatory processes and the offer of a Mining Lease was expected this month, with approval of the mining program (MARF) expected in August. Options to purchase critical plant items for Angas had been extended to late in August with production still set for mid-2007.

(more)

