



ASX Shareholder Report

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

TERRAMIN GREEN LIGHT FOR \$60 MILLION

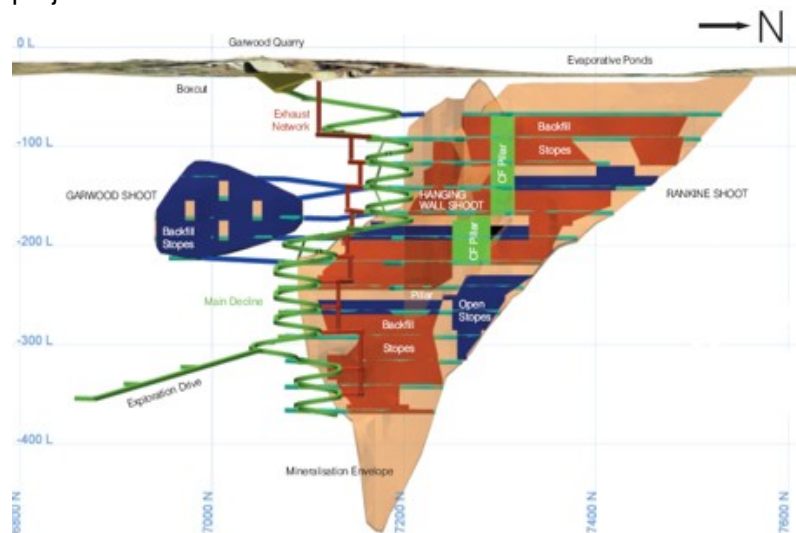
ANGAS ZINC PROJECT

Terramin Australia Limited (ASX Code 'TZN') has been awarded Mineral Lease 6229 by the South Australian Government to develop the \$63 million Angas Zinc Project, south of Adelaide.

The zinc-lead mine, scheduled to come into production in September 2007, is forecast to generate more than 100 jobs and inject \$29 million annually into the regional economy over the seven-year life of the project.

Terramin has options over critical items to equip the mine and can move quickly to development.

Terramin Executive Chairman, Dr Kevin Moriarty, said Terramin "will commence placing equipment orders and hiring staff for this exciting development as soon as the Company receives formal approval of its Mining and Rehabilitation Program (MARF), which contains the operational details for the project".



S/N long section of Angas mine layout

(more)



Surface and underground construction works are expected to commence over the next three months,” Dr Moriarty said.

A recent final feasibility study for the Angas Zinc Project confirmed capital cost estimates of \$63 million for the mine that will produce 320,000 tonnes of zinc concentrate and 125,000 tonnes of lead-copper concentrate.

Terramin’s financial model shows cash flow margins of \$55 million (in 2008) at a zinc price of \$1.00 per pound.

Terramin has also recently commenced drilling the 50 million tonne zinc-lead Oued Amizour project in Algeria, in which the Company holds a 65% stake, in a move aimed at estimating mining reserves early in the New Year.

In a joint venture with Zinifex Australia Limited, Terramin is also fast-tracking resource definition of the Menninnie project, on SA’s Eyre Peninsula, which it describes as “the largest known lead-zinc and silver deposit in South Australia”.

