



ASX Shareholder Report

November 9, 2006

Enquiries on this report or the Company's business may be directed to:

*Kevin Moriarty
Executive Chairman
08 8274 2190
or
Martin Janes
Chief Finance Officer
08 8274 2190*

*Website Address:
terramin.com.au*

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

Institutional Placement - \$11 m

Terramin Australia Limited (Terramin, ASX Code: TZN) is pleased to announce that it had successfully undertaken a placement of 6,707,317 shares at \$1.64 per share to raise \$11 million before costs.

The placement was arranged by, and made to domestic and international institutional clients of Austock Corporate Finance Limited. Settlement will occur on 14 November 2006 and the new shares will rank equally with existing shares.

On completion of the placement, Terramin will have 83,927,008 ordinary shares on issue. Participants in the placement represent a mix of current and new institutional investors from Australia and offshore which has enabled Terramin to broaden its institutional shareholder base.

The net funds raised will be used for working capital and in particular to fund:

- the rapid advancement of the drilling and pre-feasibility program underway at the Oued Amizour zinc project in Algeria.
- key mine infrastructure including the electricity substation for the Angas zinc project.

Drilling of the +50 million tonne Tala Hamza zinc deposit is accelerating to allow estimation of JORC resource. The data from 40 ORGM holes defining the deposit, as reported, is of high standard so JORC compliance should be achieved after the initial drilling programme. An infill drill programme will then proceed to close up the spacing to a 40-50metres. (refer page 10 of TZN latest quarterly report)

Tala Hamza drill hole TH003 is currently at a depth of 361.4 metres.



**ORGM Drill Rig on Tala Hamza Deposit, Oued Amizour – Drill hole TH002
September 2006**