



ASX Shareholder Report

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Terramin is a dedicated
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Further High Grade intersections at Tala Hamza Deposit

Analytical results received from four diamond drill holes confirm strong extension of the Tala Hamza deposit to the south and open up possibilities for additional high grade mineralisation west of the current infill target area. High values recorded in two holes show lead to be more widespread than previously recognised.

Recently received results for the four holes (TH012, TH013, TH014, TH015) are summarised in the Table below.

| Hole ID | Length (m) | From (m) | Pb % | Zn% | Ag (g/t) | Pb+Zn % |
|-----------------|--------------|--------------|-------------|--------------|--------------|--------------|
| TH012 | 163.1 | 370.0 | 3.05 | 7.16 | 10 | 10.21 |
| <i>includes</i> | <i>63.0</i> | <i>393.0</i> | <i>7.03</i> | <i>10.35</i> | <i>26</i> | <i>17.38</i> |
| TH013 | 215.0 | 320.0 | 0.88 | 5.79 | <5 | 6.67 |
| <i>includes</i> | <i>87.0</i> | <i>377.0</i> | <i>1.42</i> | <i>8.69</i> | <i><5</i> | <i>10.11</i> |
| <i>includes</i> | <i>29.2</i> | <i>475.9</i> | <i>1.72</i> | <i>11.08</i> | <i><5</i> | <i>12.80</i> |
| TH014 | 124.7 | 508.0 | 0.89 | 1.14 | <5 | 2.03 |
| <i>includes</i> | <i>13.2</i> | <i>573.8</i> | <i>2.84</i> | <i>2.65</i> | <i><5</i> | <i>5.49</i> |
| TH015 | 161.0 | 466.0 | 2.28 | 5.16 | <5 | 7.44 |
| <i>includes</i> | <i>36.0</i> | <i>527.0</i> | <i>3.52</i> | <i>5.71</i> | <i>5</i> | <i>9.23</i> |
| <i>includes</i> | <i>45.0</i> | <i>582.0</i> | <i>4.42</i> | <i>10.32</i> | <i>5</i> | <i>14.74</i> |

Holes TH012 and TH013 were infill holes drilled into the central part of the deposit. Hole TH015 was drilled at the southern limit of the currently known deposit and hole TH014 was an exploration step out hole further to the south.

Hole TH012 was targeted between earlier ORGM holes OA102 and OA98 in the centre of the deposit. This hole produced a better than expected wide high-grade intercept of **163.1m @ 10.2% Pb+Zn**. Elevated lead values were recorded. Within the reported higher grade zone of **63m @ 7.03% Pb and 10.35% Zn** was a spectacular intercept of **21m @ 15.4% Pb and 9.2% Zn with 70 g/t Ag** demonstrating that high lead and silver values occur over a wider area than previously recognised.

TH013 was drilled at the western limit of the initial 20Mt infill resource target area. A broad mineralised interval was intersected with higher-grade intervals such as **87m @ 10.1% Pb+Zn** and **29m @ 12.8% Pb+Zn**. This result has demonstrated excellent potential to extend high-grade mineralisation to the west, in addition to the already demonstrated extension to the south. Additional drill holes will be scheduled to further test this area.

TH014 and TH015 were drilled at and beyond the southern (currently known) limit of the Tala Hamza deposit. These holes followed up excellent results in holes TH006 and TH010 (previously reported).

TH015 was drilled approximately 50m beyond the high grade result in TH010 and has confirmed that the mineralisation continues strongly to the south and beneath the currently published resource. The overall intercept of **161m @ 7.4% Pb+Zn** is consistent with that in TH010 as is the strongly elevated lead intersected at depth in TH015.

TH014 stepped out a further 100m south from TH015 and has demonstrated that the overall zone of mineralisation and alteration continues strongly, though at a lower grade (**124.7m @ 2.0% Pb+Zn**). Higher grade intervals occur within this zone (eg 13.2m @ 5.5% Pb+Zn) however a major fault was intersected at the base of mineralisation in TH014 and may have offset the high grade mineralisation. This coupled with the results from an earlier ORGM hole (OA104 - drilled 250m further south), which intersected 42.5m @ 5.4% Pb+Zn and stopped in mineralisation, suggests there is a strong possibility of further high grade mineralisation south of the Tala Hamza deposit. Follow up drilling is planned once the current resource infill drilling programme is completed.

Core samples are now being sent to Ireland for analysis and turnaround times have significantly improved though delays are still being experienced in freighting of samples. Two rigs are currently drilling at Tala Hamza. Two additional rigs have arrived in Algeria and are expected to commence drilling in December.

Terramin Executive Chairman, Dr Kevin Moriarty, said today “new holes have confirmed that zinc and lead mineralisation extends well beyond the current limit of Tala Hamza resource. We are very pleased with these results. The deposit is getting bigger as we drill beyond and below the current resource. The holes into the main part of the deposit are also better than expected and not just in zinc grades. We have assayed over 20 metres containing over 15% lead.” He added that “this will allow us to target high lead zones at a time of historically high lead prices. We have also realised that the western part of the deposit could have significant areas of high grade mineralisation.”

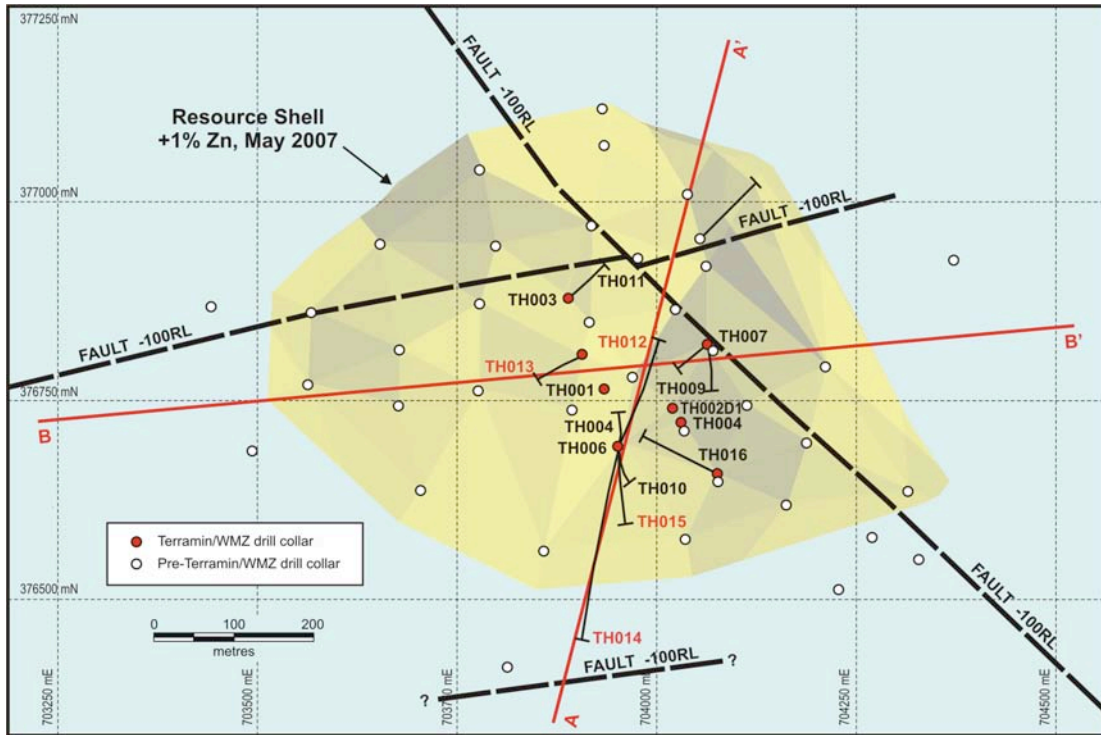


Figure 1: Drill hole locations

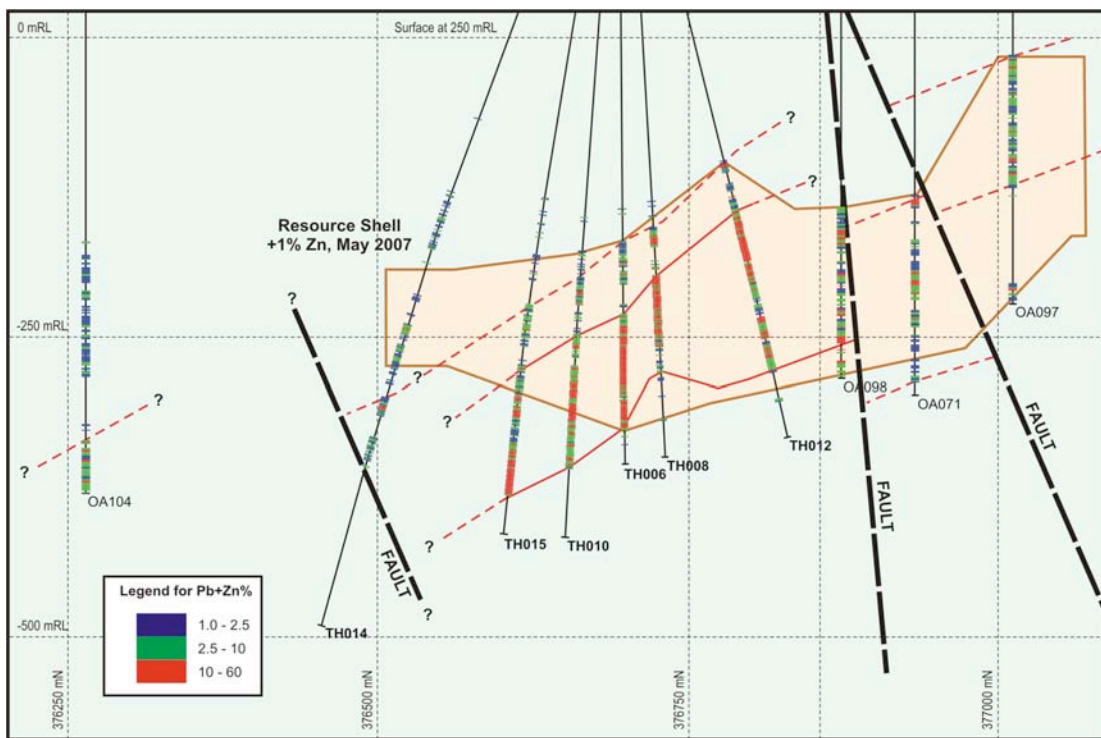


Figure 2: N-S cross section (along line A-A') through centre of deposit showing three of the four new drill holes

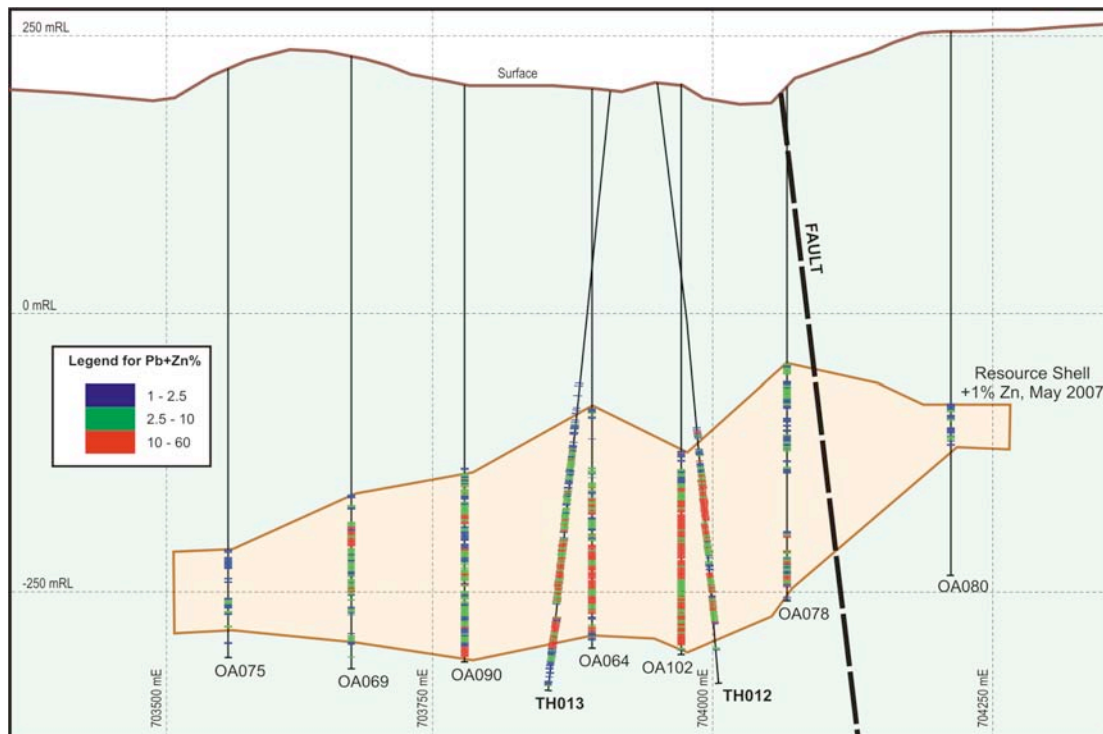


Figure 3: E-W cross section (along line B-B') through centre of deposit showing two of the four new drill holes

The information in this report that relates to exploration activity is compiled by Mr. Bob Singer, M AusIMM a Competent Person as defined by the JORC code. Mr. Singer is Chief Geologist of Terramin. Unless stated otherwise exploration results, resource and reserve estimates referred to in this release use the guidelines in the 2004 Australasian Code for Reporting of Mineral Resources and Ore Reserves prepared by the Joint Ore Reserves Committee (JORC). Mr. Singer consents to the release of the information compiled in this report in the form and context in which it appears.