



## ASX Shareholder Report

20 December 2007

Enquiries on this Report or the Company Business may be directed to:

**Kevin Moriarty**  
Chief Executive Officer

+ 61 8 8213 1415  
+ 61 (0)408 173 157

Website Address:  
[www.terramin.com.au](http://www.terramin.com.au)

**TERRAMIN  
Australia Limited**

ABN 67 062 576 238

### Address

Level 22, Westpac House  
91 King William Street  
Adelaide SA 5000  
Australia

### Telephone

+61 8 8213 1415

### Facsimile

+61 8 8213 1416

*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*

## Shallow ore find at Angas likely to increase early cash flows

A drill programme at the Angas zinc mine has intersected new high grade mineralisation near the orebody. Dr Kevin Moriarty, Terramin's Executive Chairman said this is likely to increase early cash flows.

"It is next to ore scheduled for early development, so will be available early in the mine life" he added, "This is a good time to find more high grade ore because we are about to draw down on the \$45 million bank loan and should commence mining on time in mid year."

Dr Moriarty said, "We have approved an extensive programme for 2008 to extend mine life including drilling strong indications of mineralisation below the existing Rankine resource, and testing the numerous old copper-lead-zinc mines and workings on our tenements surrounding the Angas Mine."

### Angas Infill Drilling

The Angas resource infill programme has been continuing while the mine is constructed. A total of 32 holes was completed by 17 December 2007. Drilling (shown on Figure 1) was targeted at increasing confidence ahead of mining, initially in the Garwood Zone and then in the upper part of the Rankine shoot. Results have demonstrated the continuity of the high-grade shoot making up the Garwood/Rankine zone and the parallel Hanging Wall Zone. A new resource model is being prepared for release at the end of Q1 2008. Notable results include hole AN208 (Figure 1) which has intersected 2.8m of very high grade coarse sphalerite-galena. This confirms additional high grade ore which can be accessed early in the mine life. This area will be further explored from underground.

### Near Mine Exploration

Exploration during 2007 focussed on developing deeper targets at Angas. Massive zinc lead mineralisation at Angas always occurs spatially associated with pyrrhotite conductors.

Several deep exploration drill holes have shown promising indications of base metal mineralisation associated with zones of massive pyrrhotite down plunge from the Rankine ore shoot. For example hole AN109 intersected 2.0 m @ 5.1% Zn+Pb. Recent down-hole EM surveying has confirmed the presence of a strong conductor down plunge as shown in Figure 2. This work opens up an exciting new target area comparable in size to the Rankine zone (+2 million tonnes). Exploration drilling to test this new target is scheduled for the first half of 2008 (more)

## Regional Exploration

Many metal prospects have been identified on Terramin's 1,000 sq km of tenements surrounding Angas, particularly over the Preamimma, Brinkley and Navarino historic mines, which have not been tested in modern times. A programme of mapping, geochemical sampling and geophysics has commenced to identify additional targets in this under explored area.

Figure 1. Angas long section showing 2007 infill drill holes.

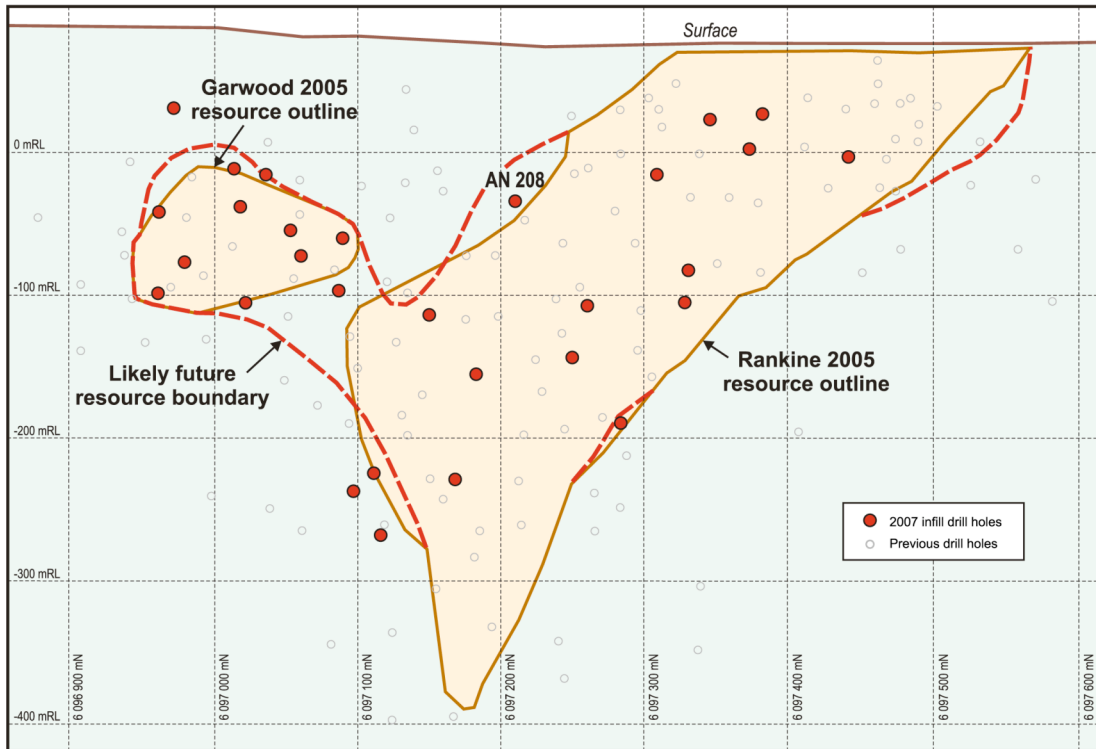


Figure 2. Angas long section showing strong down hole electromagnetic target down plunge of Rankine shoot.

