

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 1/7/96. Origin: Appendix 5. Amended 1/7/98, 1/9/99, 1/7/2000, 30/9/2001, 11/3/2002, 1/1/2003, 24/10/2005.

Name of entity

TERRAMIN AUSTRALIA LTD

ABN

67 062 576 238

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

- | | | |
|---|--|------------------------|
| 1 | +Class of +securities issued or to be issued | ORDINARY SHARES |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | 300,000 |
| 3 | Principal terms of the +securities (eg, if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | FULLY PAID |

<p>4 Do the ⁺securities rank equally in all respects from the date of allotment with an existing ⁺class of quoted ⁺securities?</p> <p>If the additional securities do not rank equally, please state:</p> <ul style="list-style-type: none"> • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment 	<p>YES</p>																																								
<p>5 Issue price or consideration</p>		<p>\$0.52 PER SHARE</p>																																							
<p>6 Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)</p>	<p>300,000 ORDINARY SHARES ISSUED UPON THE EXERCISE OF OPTIONS BY A DIRECTOR TO FUND THE WORKING CAPITAL OF THE COMPANY</p>																																								
<p>7 Dates of entering ⁺securities into uncertificated holdings or despatch of certificates</p>	<p>23 MAY 2008</p>																																								
<p>8 Number and ⁺class of all ⁺securities quoted on ASX (including the securities in clause 2 if applicable)</p>	<table border="1"> <thead> <tr> <th data-bbox="695 1144 999 1182">Number</th> <th data-bbox="999 1144 1294 1182">⁺Class</th> </tr> </thead> <tbody> <tr> <td data-bbox="695 1182 999 1323">100,327,574</td> <td data-bbox="999 1182 1294 1323">ORDINARY SHARES</td> </tr> </tbody> </table>	Number	⁺ Class	100,327,574	ORDINARY SHARES																																				
Number	⁺ Class																																								
100,327,574	ORDINARY SHARES																																								
<p>9 Number and ⁺class of all ⁺securities not quoted on ASX (including the securities in clause 2 if applicable)</p>	<table border="1"> <thead> <tr> <th data-bbox="695 1323 999 1357">Number</th> <th data-bbox="999 1323 1294 1357">⁺Class</th> </tr> </thead> <tbody> <tr><td data-bbox="695 1357 999 1391">455,000</td><td data-bbox="999 1357 1294 1391">OPTIONS (\$0.52)</td></tr> <tr><td data-bbox="695 1391 999 1424">205,000</td><td data-bbox="999 1391 1294 1424">OPTIONS (\$0.60)</td></tr> <tr><td data-bbox="695 1424 999 1458">467,000</td><td data-bbox="999 1424 1294 1458">OPTIONS (\$1.26)</td></tr> <tr><td data-bbox="695 1458 999 1491">280,000</td><td data-bbox="999 1458 1294 1491">OPTIONS (\$1.42)</td></tr> <tr><td data-bbox="695 1491 999 1525">25,000</td><td data-bbox="999 1491 1294 1525">OPTIONS (\$1.44)</td></tr> <tr><td data-bbox="695 1525 999 1559">1,500,000</td><td data-bbox="999 1525 1294 1559">OPTIONS (\$1.57)</td></tr> <tr><td data-bbox="695 1559 999 1592">1,000,000</td><td data-bbox="999 1559 1294 1592">OPTIONS (\$1.88)</td></tr> <tr><td data-bbox="695 1592 999 1626">725,000</td><td data-bbox="999 1592 1294 1626">OPTIONS (\$1.97)</td></tr> <tr><td data-bbox="695 1626 999 1659">4,629,630</td><td data-bbox="999 1626 1294 1659">OPTIONS (\$2.16)</td></tr> <tr><td data-bbox="695 1659 999 1693">1,075,000</td><td data-bbox="999 1659 1294 1693">OPTIONS (\$2.43)</td></tr> <tr><td data-bbox="695 1693 999 1727">275,000</td><td data-bbox="999 1693 1294 1727">OPTIONS (\$2.66)</td></tr> <tr><td data-bbox="695 1727 999 1760">550,000</td><td data-bbox="999 1727 1294 1760">OPTIONS (\$2.76)</td></tr> <tr><td data-bbox="695 1760 999 1794">100,000</td><td data-bbox="999 1760 1294 1794">OPTIONS (\$2.92)</td></tr> <tr><td data-bbox="695 1794 999 1827">150,000</td><td data-bbox="999 1794 1294 1827">OPTIONS (\$3.32)</td></tr> <tr><td data-bbox="695 1827 999 1861">425,000</td><td data-bbox="999 1827 1294 1861">OPTIONS (\$3.55)</td></tr> <tr><td data-bbox="695 1861 999 1895">70,000</td><td data-bbox="999 1861 1294 1895">OPTIONS (\$3.74)</td></tr> <tr><td data-bbox="695 1895 999 1928">750,000</td><td data-bbox="999 1895 1294 1928">OPTIONS (\$4.11)</td></tr> <tr><td data-bbox="695 1928 999 1962">500,000</td><td data-bbox="999 1928 1294 1962">OPTIONS (\$4.93)</td></tr> <tr><td data-bbox="695 1962 999 1995">20,050,000</td><td data-bbox="999 1962 1294 1995">Convertible Notes</td></tr> </tbody> </table>	Number	⁺ Class	455,000	OPTIONS (\$0.52)	205,000	OPTIONS (\$0.60)	467,000	OPTIONS (\$1.26)	280,000	OPTIONS (\$1.42)	25,000	OPTIONS (\$1.44)	1,500,000	OPTIONS (\$1.57)	1,000,000	OPTIONS (\$1.88)	725,000	OPTIONS (\$1.97)	4,629,630	OPTIONS (\$2.16)	1,075,000	OPTIONS (\$2.43)	275,000	OPTIONS (\$2.66)	550,000	OPTIONS (\$2.76)	100,000	OPTIONS (\$2.92)	150,000	OPTIONS (\$3.32)	425,000	OPTIONS (\$3.55)	70,000	OPTIONS (\$3.74)	750,000	OPTIONS (\$4.11)	500,000	OPTIONS (\$4.93)	20,050,000	Convertible Notes
Number	⁺ Class																																								
455,000	OPTIONS (\$0.52)																																								
205,000	OPTIONS (\$0.60)																																								
467,000	OPTIONS (\$1.26)																																								
280,000	OPTIONS (\$1.42)																																								
25,000	OPTIONS (\$1.44)																																								
1,500,000	OPTIONS (\$1.57)																																								
1,000,000	OPTIONS (\$1.88)																																								
725,000	OPTIONS (\$1.97)																																								
4,629,630	OPTIONS (\$2.16)																																								
1,075,000	OPTIONS (\$2.43)																																								
275,000	OPTIONS (\$2.66)																																								
550,000	OPTIONS (\$2.76)																																								
100,000	OPTIONS (\$2.92)																																								
150,000	OPTIONS (\$3.32)																																								
425,000	OPTIONS (\$3.55)																																								
70,000	OPTIONS (\$3.74)																																								
750,000	OPTIONS (\$4.11)																																								
500,000	OPTIONS (\$4.93)																																								
20,050,000	Convertible Notes																																								

+ See chapter 19 for defined terms.

10 Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests) **NO DIVIDEND PAYABLE IN ACCORDANCE WITH CURRENT POLICY**

Part 2 - Bonus issue or pro rata issue

11 Is security holder approval required?

12 Is the issue renounceable or non-renounceable?

13 Ratio in which the ⁺securities will be offered

14 ⁺Class of ⁺securities to which the offer relates

15 ⁺Record date to determine entitlements

16 Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?

17 Policy for deciding entitlements in relation to fractions

18 Names of countries in which the entity has ⁺security holders who will not be sent new issue documents

Note: Security holders must be told how their entitlements are to be dealt with.

Cross reference: rule 7.7.

19 Closing date for receipt of acceptances or renunciations

20 Names of any underwriters

21 Amount of any underwriting fee or commission

22 Names of any brokers to the issue

23 Fee or commission payable to the broker to the issue

- 24 Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of +security holders
- 25 If the issue is contingent on +security holders' approval, the date of the meeting
- 26 Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled
- 27 If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders
- 28 Date rights trading will begin (if applicable)
- 29 Date rights trading will end (if applicable)
- 30 How do +security holders sell their entitlements *in full* through a broker?
- 31 How do +security holders sell *part* of their entitlements through a broker and accept for the balance?
- 32 How do +security holders dispose of their entitlements (except by sale through a broker)?
- 33 +Despatch date

+ See chapter 19 for defined terms.

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

34 Type of securities
(tick one)

(a) Securities described in Part 1

(b) All other securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

35 If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders

36 If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories
1 - 1,000
1,001 - 5,000
5,001 - 10,000
10,001 - 100,000
100,001 and over

37 A copy of any trust deed for the additional +securities

Entities that have ticked box 34(b)

38 Number of securities for which +quotation is sought

39 Class of +securities for which quotation is sought

40 Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?

If the additional securities do not rank equally, please state:

- the date from which they do
- the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment
- the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment

--

41 Reason for request for quotation now

Example: In the case of restricted securities, end of restriction period

(if issued upon conversion of another security, clearly identify that other security)

--

42 Number and +class of all +securities quoted on ASX (including the securities in clause 38)

Number	+Class

+ See chapter 19 for defined terms.

Quotation agreement

- 1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.
- 2 We warrant the following to ASX.
 - The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
 - There is no reason why those +securities should not be granted +quotation.
 - An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.
Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty
 - Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
 - If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.
- 3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.
- 4 We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Sign here:



..... Date: 26 May 2008
(Company Secretary)

Print name: Kate Bitter