



ASX Shareholder Report

29 May 2008

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

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Terramin announces \$16.5 million capital raising for expansion

Terramin Australia Limited (ASX Code: TZN) is pleased to announce its intention to raise up to \$16.5 million by way of a Share Purchase Plan (SPP), to be fully underwritten by Austock Corporate Finance Pty Ltd and Commonwealth Securities Limited (CommSec) and sub-underwritten by a number of Terramin's major institutional shareholders.

Under the SPP, each eligible shareholder will be entitled to apply for up to \$5,000 of fully paid ordinary Terramin shares at a price of \$3.40 per share.

Shareholders recorded on the Company's share register as at 5.00pm (Adelaide time) 28th May 2008 and whose registered address is in either Australia or New Zealand will be eligible to participate in the SPP.

Details of the SPP, including full terms and conditions will be contained in documentation to be sent to shareholders shortly.

On completion of the SPP, Terramin will have 105 million shares on issue and all new shares will rank pari passu with existing shares.

"We encourage existing shareholders to take this opportunity to acquire additional shares as the company enters a significant growth phase," Terramin's Executive Chairman, Dr Kevin Moriarty, said today.

"The funds raised from the SPP will be used predominantly to expand Terramin's existing resource base in Australia and Algeria and to fund the acquisition of new projects" Dr Moriarty said.