



## ASX Shareholder Report

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

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## Terramin subsidiary, Menninnie Metals to form Nonning Joint Venture

The Directors of Terramin Australia Limited advise that subsidiary Menninnie Metals Limited, (80% Terramin, 20% Zinifex Australia Limited), has entered into a Heads of Agreement with Minotaur Operations Pty Ltd to establish a joint venture to explore for base and precious metals at the Nonning Project.

The joint venture will cover 312 km<sup>2</sup> of prospective ground on tenement EL 3535 (Nonning) situated approx. 70 km north of Kimba on northern Eyre Peninsula, South Australia.

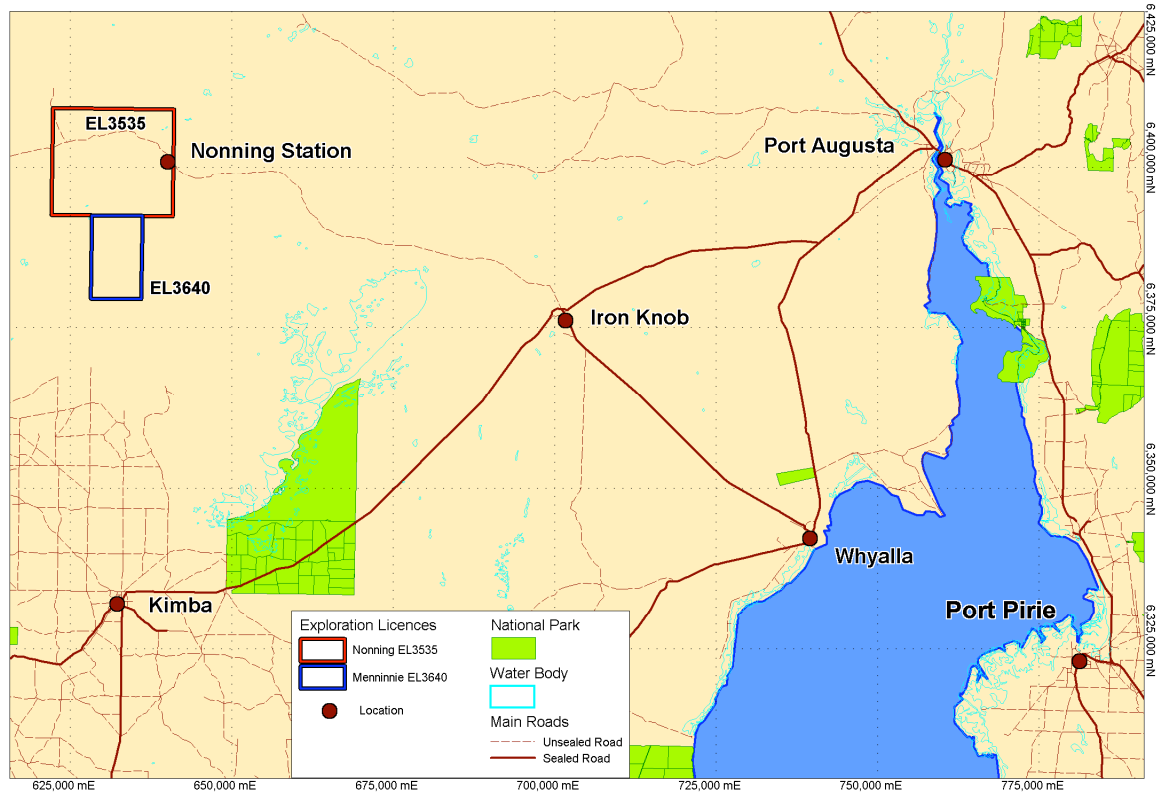
The tenement is adjacent to, and three times the size of, EL 3640 currently being explored by the Menninnie Dam JV (Zinifex - 70% interest and Menninnie Metals - 30% interest) where exploration to date has identified significant lead and zinc resources at Menninnie Central.

The Nonning Project is considered highly prospective for similar styles of lead zinc mineralisation with exploration scheduled to commence next month.

The main terms of the Heads of Agreement are:

- Menninnie may earn a 51% interest by spending \$1.0 million within three years and a further 19% by spending an additional \$1.0 million over the same period.
- Upon Menninnie earning 70%, Minotaur may elect to contribute pro rata or convert to a 10% interest free-carried to Decision to Mine.
- Menninnie has a minimum obligation to spend \$0.3 million prior to withdrawal within 12 months.
- If Menninnie withdraws before earning 51% the tenement returns unencumbered to Minotaur.

Menninnie Metals under the terms of the Menninnie Dam JV will offer participation in the Nonning Project to Zinifex Australia who can acquire 70% of Menninnie Metals' interest. Zinifex has 60 days to elect to participate.



*The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr. Robert Singer, who is a Member of The Australasian Institute of Mining and Metallurgy. Mr Singer is Chief Geologist and a full time employee of Terramin Australia Limited. Mr Singer has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting Exploration Results, Mineral Resources or Ore Reserves'. Mr. Singer consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.*