



ASX Shareholder Report

8 July 2008

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

Dr Kevin Moriarty
Executive Chairman

+ 61 8 8213 1400
+ 61 (0) 408 173 157

Bob Singer
Chief Geologist

+ 61 8 8213 1415
+ 61 (0) 400 889 775

Website Address:
www.terramin.com.au

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

**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

This is an amended version of an earlier announcement. The announcement now refers to the "55 million tonne *Inferred* resource" in accordance with clause 25 of the JORC code.

OUED AMIZOUR ZINC PROJECT – enters new exploration phase

Terramin is entering a new phase of exploration in Algeria with findings showing the potential for more zinc mines.

Previous work by ORGM had delineated a large mineralised system, of approximately 3km, enclosing Tala Hamza. Wide spaced drilling intersected zinc in many holes. Compilation and translation of regional data by Terramin has confirmed these earlier findings.

Dr Kevin Moriarty, Terramin's Executive Chairman, today said "our first hole is underway at Tala Hamza South. Other priority targets include Iheddadene, where a number of holes show promising metal intersections. At least six other prospects in the Oued Amizour area, outside of the 3km zone, show the potential for more zinc mines."

Dr Moriarty pointed out that the holes for the priority-area resource are complete allowing the allocation of two rigs to the collection of hydrogeology and geotechnical data for the pre-feasibility study. A third rig is targeting extensions of the higher-grade mineralisation to the west and northwest in the 55 million tonne Inferred resource (TH048 in progress). A fourth rig is working on regional exploration, and has commenced drilling on a hole south of the Tala Hamza resource (ROA001; see map next page)

In the interim, results continue to be received for the Tala Hamza resource upgrade programme (see table next page). Recent results include one of the widest high-grade intersections:

- TH017B – 203 metres at 9.9% Pb+Zn;
- TH031 included the highest-grade intersection of lead – 39 metres at 7.0%Pb and 10.8%Zn.
- Results for TH029 are consistent with earlier results from other holes along the eastern margin of the deposit.

Resource estimation will commence once assay results are received for the final eight holes.

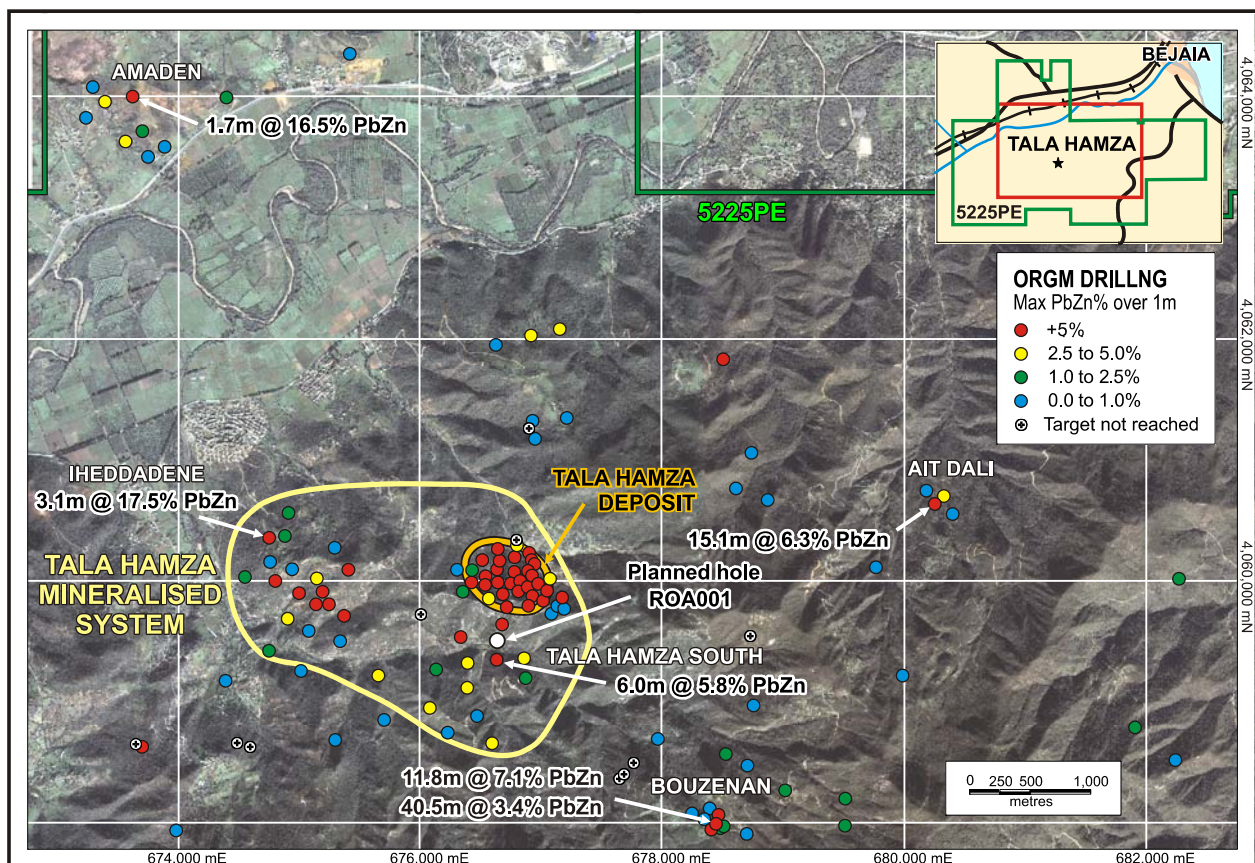
Additional rigs aimed at accelerating the regional exploration and pre-feasibility technical drill program are being sought.



| Hole ID | Total mineralised interval | | | | | Higher grade intervals | | | | |
|---------|----------------------------|-----------------|------|------|---------|------------------------|-----------------|------|-------|---------|
| | From (metres) | Length (metres) | Pb % | Zn % | Pb+Zn % | From (metres) | Length (metres) | Pb % | Zn % | Pb+Zn % |
| TH017B | 325.0 | 203.0 | 1.86 | 8.02 | 9.88 | 385.9 | 100.9 | 3.35 | 12.31 | 15.66 |
| TH029 | 308.0 | 76.6 | 0.69 | 4.62 | 5.31 | 338.0 | 13.0 | 1.74 | 10.55 | 12.29 |
| TH031 | 329.0 | 163.0 | 2.15 | 5.52 | 7.67 | 419.0 | 71.0 | 4.50 | 9.63 | 14.13 |

Notes: Total mineralized interval is quoted at 1% Pb+Zn cut-off, intercepts are down hole.

| Hole ID | Easting | Northing | RL | Azimuth | Dip | Total Depth (metres) |
|---------|---------|----------|-----|---------|-----|----------------------|
| TH017B | 703936 | 376768 | 218 | 0 | -90 | 569.4 |
| TH029 | 704114 | 376748 | 220 | 0 | -90 | 486.1 |
| TH031 | 703865 | 376746 | 223 | 125 | -83 | 601.4 |



The information in this report that relates to Exploration Results, Mineral Resources 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 that is relevant to the style of mineralisation and type of deposit under consideration and to the activity that 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.