



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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OZ Minerals to dispose of Menninnie interest following global review

Terramin Australia Limited (ASX: TZN) has been informed by OZ Minerals Limited ("OZ Minerals") that it will seek to dispose of its 76% interest in the Menninnie Dam Exploration Joint Venture ("Menninnie JV").

Terramin CFO, Mr Martin Janes, said the parties are in discussion regarding near term operation of the project. The Menninnie tenement, situated on the northern Eyre Peninsula, South Australia has an Inferred Resource of 3.8 million tonnes at 3.2% Pb, 4.0% Zn and 34g/t silver at a 3.5% Pb+Zn cut-off.

Terramin (24% interest) holds a pre-emptive right to acquire the OZ Minerals share should a third party make a bid. Terramin also operates the larger Nonning Joint Venture, adjoining the Menninnie project, with Minotaur Operations Pty Ltd.

Terramin owned 100% of, and operated, the Menninnie JV until OZ Minerals (formerly Zinifex) earned its 76% interest by spending \$8 million.

Mr Janes commented, "These projects are part of Terramin's strategic plan to be a global low-cost zinc producer. However, our immediate focus is on developing the 2 million tonne per year Tala Hamza mine through 2010, which will then expand to 4 or 5 million tonnes per year."

Mr Janes added, "Our strategy is aimed at rewarding medium and long term shareholders. Recent broker reports point to target prices three to four fold current levels for Terramin. Revenues from our Angas mine are ahead of plan and we will finish Tala Hamza studies early in 2009, so this will provide a major uplift for the Company in the short term."

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 mineralization 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.