



## ASX Shareholder Report

11 September 2009

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

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## Angas revenues increase

### HIGHLIGHTS

- **Cash flow up on strong lead metal prices**
- **Lead concentrate revenues meet site operating costs**
- **Angas mine expansion study initiated**

South Australian miner Terramin Australia (ASX: TZN) today announced an increase in sales revenue at the Angas Zinc mine on the back of strong lead prices which have climbed 35 per cent to around US\$1.00/lb since June 2009.

Executive Chairman Dr Kevin Moriarty said the benefits of Terramin's low cost mining operations were amplified during buoyant pricing conditions.

"At current commodity prices, revenues from the lead concentrate are likely to meet most of the site operating costs at the Angas Mine," Dr Moriarty said.

"The lead concentrate also contains significant levels of silver and gold, and minor copper which contribute approximately \$460 per tonne of concentrate sold to Terramin's cash flow," he said.

Terramin delivers lead concentrate daily to the Nyrstar smelter at Port Pirie 200km from Angas. Low transport costs and revenue receipts on a monthly basis deliver strong immediate cash flow from buoyant lead prices.

The recent rally in lead prices follows a curtailed supply of refined metal in an already finely balanced market.

The price outlook remains strong because mine supply is tight and expansion capacity is small. This explains why lead prices have dramatically outperformed bearish analyst forecasts.

Dr Moriarty said Angas, which recently celebrated one year of production, was investigating an expansion to capture economy of scale.

"The existing infrastructure at Angas could support an expansion at a modest cost of \$5 - 6 million because the plant was built with excess capacity in crushing, grinding and filtration," Dr Moriarty said.

"An expansion would increase leverage to strong metal prices and potentially accelerate cash generation for the development of the Tala Hamza project in Algeria," he said.

*(Continued on next page)*



## About the Angas Zinc Mine

*In its first year to August 2009, the Angas mine exceeded output expectations. The mine had a strong June 2009 quarter, achieving full production and low C1 cash costs of US\$34 cents per pound of payable zinc. The current zinc price is US\$86 cents per pound.*



*In the first year, 301,000 tonnes of ore was milled at Angas to produce 14,000 tonnes of lead-copper concentrate trucked to the Port Pirie smelter and 36,000 tonnes of zinc concentrate shipped to Asian smelters.*