



27 Apr 2023

March 2023 quarterly activities report

QUARTER 1 HIGHLIGHTS

Bird in Hand Gold Project

- Terramin was advised by the South Australian Department for Energy and Mining that its
 application for a Mining Lease and a Miscellaneous Purposes Licence in respect of the Bird in
 Hand Gold Project has been refused by the Minister for Energy and Mining.
- Terramin has not received an adequate explanation for the decision by the Minister for Energy and Mining and continues to pursue strategies to resolve the matter.

Tala Hamza Zinc Project

- Final regulatory approval of the Tala Hamza Zinc Project continues to progress.
- WMZ received approval from the Algerian Ministry of Interior of the project's risk management plan.
- Land acquisition processes have commenced.

Kapunda In Situ Copper Recovery Project

Terramin's joint venture partner, Environmental Copper Recovery Pty Ltd, has submitted further
documentation in respect of the regulatory approval for the upcoming push/pull test and the inground test work.

South Gawler Ranges Project

- Exploration activities under the agreement with Japan Organization for Metal and Energy Security (JOGMEC) are ongoing.
- Planning for an extensive drill program later in 2023 are underway following completion of extensive gravity and IP surveys.

Corporate

• The Company's total cash balance was \$0.1 million at the end of the quarter.





BIRD IN HAND GOLD PROJECT & ANGAS ZINC MINE SITE

100% owned by Terramin and its subsidiary Terramin Exploration Pty Ltd

The Bird in Hand Gold Project (BIHGP) is located approximately 30km north of Terramin's existing mining and processing facilities at the Angas Zinc Mine (Angas). The project has a high-grade Resource of 650,000 tonnes at 12.6g/t for 265,000 ounces of gold. A feasibility study showed that the BIHGP expected to generate a post-tax NPV8 of \$141 million with an IRR of 80.5% over approximately 4 years of production. The project's base case projection is to produce an average of 44,700 ounces of gold per annum at a low C1 cash cost of \$737 per ounce and an all-in sustaining cost of \$959 per ounce. It is anticipated that, subject to required regulatory approvals, the Bird in Hand ore will be processed utilising the facilities at Angas which can be modified to process gold-bearing material. The existing tailings dam at Angas has the capacity to hold Bird in Hand tailings.

During the quarter, Terramin was advised by the South Australian Department for Energy and Mining (DEM) that its application for a Mining Lease and a Miscellaneous Purposes Licence (Mining Licences) in respect of the Bird in Hand Gold Project (BIHGP) has been refused by the Minister for Energy and Mining (Minister).

Board and Management were surprised and disappointed by this decision.

Subsequent to the receipt of the refusal advice, Terramin received a copy of the assessment report prepared by DEM which indicated that DEM supported the granting of the Mining Licences in respect of the BIHGP. The conclusion by DEM in their assessment report is not a surprise as Terramin's application was supported by comprehensive studies based on science, which demonstrated that there would be no adverse environmental or socio-economic outcomes arising from Terramin's mining proposal. These studies were peer reviewed by independent and Government experts over many years. Terramin has not been made aware of any issues with the methodology or conclusions of these studies. Terramin has been seeking an explanation from the Minister for the decision.

The gold deposit is extremely high grade and would have been extracted through an unobtrusive, single keyhole entry method, with all surface activities well within the boundaries of Terramin's land, with any mine infrastructure largely hidden from view by extensive tree stands and vegetation.

To date, Terramin has not received an adequate explanation for the decision by the Minister and continues to pursue strategies to resolve the matter.

The Angas site continued to be maintained in accordance with the DEM approved Mine Care and Maintenance Plan and is operating in compliance with its lease conditions.

Expenditure on the BIHGP and Angas site during the quarter was \$0.31 million (noting that this number includes care and maintenance costs at Angas).





TALA HAMZA ZINC PROJECT

100% owned by Western Mediterranean Zinc Spa (WMZ)

Terramin holds a 49% shareholding in WMZ. The remaining 51% is held by two Algerian government-owned companies: Enterprise Nationale des Produits Miniers Non-Ferreux et des Substances Utiles Spa (ENOF) (48.5%) and Office National de Recherche Géologique et Minière (ORGM) (2.5%).

Terramin is pleased to advise that the final regulatory approval of the Tala Hamza Zinc Project (Tala Hamza) is proceeding following the formal endorsement of Tala Hamza by Terramin's Algerian joint venture partners.

In March 2022, the joint venture partners agreed to advance the project towards development ('Decision to Mine'). The 'Decision to Mine' cleared the path for the issue of the mining permit which will be issued by the Algerian mining regulator (ANAM). WMZ has subsequently lodged all required documentation with ANAM.

During the quarter, WMZ received clearance from the Minister of Interior of the project's risk management plans. This follows the receipt of environmental clearance from the federal environmental authorities and the Minister of Environment in the previous quarter. The mining permit application now requires final approval from ANAM.

The process of identifying the land required for the project is well underway and a submission has been presented to the Algerian government in regards to the infrastructure requirements required to support the project.

Expenditure on Tala Hamza during the quarter was \$0.1 million.





KAPUNDA IN SITU COPPPER RECOVERY PROJECT

25% free carried interest until completion of project thresholds

The Kapunda In Situ Copper Recovery Project is located near the township of Kapunda which is approximately 90km north of Adelaide. The project is focused on the recovery of copper and gold from a historical mining area through the use of in situ recovery. The project has a resource of 47.4 million tonnes at 0.25% copper containing 119,000 tonnes of copper.

During 2020, Terramin's joint venture partner, Environmental Copper Recovery Pty Ltd (ECR) earned a 50% interest in the project after spending \$2.0 million and has elected to earn a further 25% by spending an additional \$4.0 million. Subject to the completion of this expenditure, Terramin will retain 25% and receive a 1.5% royalty in respect of all metals extracted by the joint venture.

During the quarter, ECR has submitted further documentation to DEM in respect of the approval for the upcoming push/pull test and the in-ground test work to be carried out in conjunction with OZ Minerals Limited. Equipment for this work is being purchased and quotes have been received from several engineering groups for above ground requirements.

In addition, CSIRO has installed two Vesi™ in ground sensor systems at the Kapunda project site and they are now operational sending real time groundwater monitoring data via 5G. The Vesi™ system is a robust multi-sensor system capable of simultaneously collecting data on pH, reduction potential, temperature and conductivity.





EXPLORATION PROJECTS

100% owned by Terramin and Terramin subsidiaries Terramin Exploration Pty Ltd or Menninnie Metals Pty Ltd unless otherwise disclosed as part of a joint venture arrangement

The Adelaide Hills Project consists of eleven contiguous exploration tenements that cover 3,481km² and stretch from Lake Alexandrina to Kapunda. This project area is considered highly prospective for gold, copper, lead, zinc and rare earth elements.

Terramin's South Gawler Ranges Project is located along the southern margin of the Gawler Ranges, northern Eyre Peninsula, South Australia. The project comprises a group of eleven Exploration Licenses totaling 4,524km².

Adelaide Hills Project

No significant exploration activity has been undertaken during the quarter outside those activities detailed in this report in respect of the BIHGP and the Kapunda In Situ Copper Recovery Project.

South Gawler Ranges Project (SGRP) (Exploration Agreement with Japan Organization for Metal and Energy Security (JOGMEC))

In March 2022, Terramin entered into a \$10.5 million agreement with JOGMEC for exploration of the SGRP. The agreement was subsequently given FIRB approval in June 2022.

During the quarter, a programme of modelling of an extensive gravity and induced polarisation surveys has been largely completed. JOGMEC and Terramin are considering and prioritising drill targets arising from the modelling with an extensive drill program planned for the second half of this year.

Terramin has commenced negotiations with the local Native Title group in regards to establishing a new Native Title Mining Agreement for exploration activities. The finalsation of this agreement is well advanced.

Terramin's expenditure on the Adelaide Hills and South Gawler Ranges tenements was \$0.01 million.





TENEMENT SCHEDULE (ASX LR 5.3.3)

Unalla - South Australia

Terramin Australia Limited		
Tenement listing Title name and locations	Licence number	Interest
Angas - South Australia	ML 6229	100%
Bremer - South Australia 1	EL 5924	100%
Cambrai - South Australia 1	EL 6540	100%
Tepko - South Australia 1	EL 6267	100%
Wild Horse - South Australia	EL 5846	100%
Terramin Exploration Pty Ltd (100% Terramin)		
Tenement listing Title name and locations	Licence number	Interest
Kapunda - South Australia ¹	EL 6198	100%
Lobethal - South Australia 1	EL 6447	100%
Mount Barker - South Australia 1	EL 6154	100%
Mount Pleasant - South Australia 1	EL 6696	100%
Mount Torrens - South Australia 1	EL 6319	100%
Ulooloo – South Australia	EL 6293	100%
Western Mediterranean Zinc Spa (49% Terramin)		
Tenement listing Title name and locations	Licence number	Interest
Oued Amizour - Algeria	6911 PEM	100%
Menninnie Metals Pty Ltd (100% Terramin)		
Tenement listing Title name and locations	Licence number	Interest
Kolendo - South Australia ²	EL 6413	100%
Menninnie - South Australia ²	EL 5949	100%
Mt Ive - South Australia ²	EL 6200	100%
Mt Ive South - South Australia²	EL 6412	100%
Mulleroo - South Australia ²	EL 5855	100%
Nonning - South Australia ²	EL 5925	100%
Peltabinna – South Australia²	EL 6290	100%
Tanner - South Australia ²	EL 6414	100%
Taringa - South Australia ²	EL 6673	100%
Thurlga - South Australia²	EL 6479	100%
2		

- 1. Subject to an amalgamated expenditure arrangement with the Department for Energy and Mining (DEM) encompassing the Adelaide Hills tenements
- 2. These tenements are subject to an exploration agreement with JOGMEC, and subject to an amalgamated expenditure arrangement with the DEM encompassing the Menninnie Metals (South Gawler Ranges) tenements.

Terramin Exploration Pty Ltd Cancelled Tenement listing Title name and locations Bird-in-Hand Mineral Claim MC 4473 100%

EL 6179

100%

^{3.} The mineral claim in respect of the BIHGP (Claim number: MC 4473) was cancelled during the period as a result of the refusal by the Minister. The BIHGP mineral rights endure with the underlying Lobethal exploration licence (EL 6447).





CORPORATE AND ENVIROMENTAL PERFORMANCE

Terramin continued to pursue its safety and environmental goals during the quarter. There were no recordable injuries and no instances of non-compliance with relevant safety or environmental regulation or lease conditions.

During the quarter, no equity was issued and no unlisted options were exercised.

The Asipac Group debt facility limit is \$29.1 million¹. \$28.9 million had been drawn as at 31 March 2023.

At 31 March 2023, the Company's total cash balance was \$0.1 million.

This ASX release was approved by the Terramin Board.

For further information, please contact:

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^{1.} ASX announcement issued on 23 February 2023, "Finance Facility Update".





CORPORATE INFORMATION

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DIRECTORS AND MANAGEMENT

Feng (Bruce) Sheng Executive Chairman

Michael Kennedy Non-Executive Deputy Chairman

Kevin McGuinnessNon-Executive DirectorAngelo SicilianoNon-Executive DirectorLulu ShiNon-Executive DirectorMartin JanesExecutive Officer

André van Driel Company Secretary

CAPITAL STRUCTURE - 31 March 2023

 Shares on issue
 2,116,562,720

 Unlisted options
 5,000,000

Forward Looking Statements

This announcement includes certain 'forward looking statements'. All statements, other than statements of historical fact, are forward looking statements that involve various risks and uncertainties. There can be no assurances that such statements will prove accurate, and actual results and future events could differ materially from those anticipated in such statements. Such information contained herein represents management's best judgement as of the date hereof based on information currently available. Except for statutory liability which cannot be excluded, each of Terramin, its officers, employees and advisors expressly disclaim any responsibility for the accuracy or completeness of the material contained in this document and exclude all liability whatsoever (including in negligence) for any loss or damage which may be suffered by any person as a consequence of any information in this statement or any error or omission. The Company does not assume any obligation to update any forward-looking statement. Accordingly, no person or entity should place undue reliance on any forward looking statement.

Competent Persons Statement

The information in this report that relates to Exploration Results and Mineral Resources is based on information compiled by Mr Eric Whittaker (Tala Hamza and Exploration) and Mr Dan Brost (Bird-in-Hand), both being Competent Persons who are Member(s) of The Australasian Institute of Mining and Metallurgy (AusIMM). Mr Whittaker is employed as the Principal Resource Geologist of Terramin Australia Limited and Mr Brost is a geologist consulting to Terramin. Mr Whittaker and Mr Brost have sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as Competent Person(s) as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Whittaker and Mr Brost consent to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The information in this report that relates to Ore Reserves is based on information compiled or reviewed by Mr Luke Neesham, a Competent Person who is a Member of The Australasian Institute of Mining and Metallurgy (AusIMM). Mr Neesham is Principal Mining Engineer for GO Mining Pty Ltd a consulting firm engaged by Terramin Australia Limited to prepare mining designs and schedules for the Tala Hamza Feasibility Study. Mr Neesham has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Neesham consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

Terramin Australia Limited	
ABN Quarter ended ("current quarter")	
67 062 576 238	31 March 2023

Con	solidated statement of cash flows	Current quarter \$A'000	Year to date (3 months) \$A'000
1.	Cash flows from operating activities		
1.1	Receipts from customers	23	23
1.2	Payments for		
	(a) exploration & evaluation	(47)	(47)
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(221)	(221)
	(e) administration and corporate costs	(404)	(404)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	29	29
1.5	Interest and other costs of finance paid	(28)	(28)
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other (provide details if material)	-	-
1.9	Net cash from / (used in) operating activities	(648)	(648)

2.	Ca	sh flows from investing activities		
2.1	Pay	yments to acquire or for:		
	(a)	entities	-	
	(b)	tenements	-	
	(c)	property, plant and equipment	-	
	(d)	exploration & evaluation	(32)	(32
	(e)	investments	-	
	(f)	other non-current assets	-	

ASX Listing Rules Appendix 5B (17/07/20)

Con	solidated statement of cash flows	Current quarter \$A'000	Year to date (3 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	(32)	(32)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5	Proceeds from borrowings	625	625
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material):		-
3.10	Net cash from / (used in) financing activities	625	625

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	131	131
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(648)	(648)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(32)	(32)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	625	625

Con	solidated statement of cash flows	Current quarter \$A'000	Year to date (3 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	76	76

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	75	75
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details) Cash on hand	- 1	- 1
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	76	76

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	-
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
Note:	if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must inclu	ide a description of, and an

explanation for, such payments.

7.	Financing facilities Note: the term "facility' includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1	Loan facilities	29,109	28,884
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	Total financing facilities	29,109	28,884
7.5	Unused financing facilities available at qu	arter end	225

7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.

At 31 March 2023, Terramin and its subsidiary, Terramin Exploration Pty Ltd (TZNEX) has secured Facility Agreements with major shareholder Asipac Group Pty Ltd (Asipac) totalling \$29.11m, incorporating the Standby Term Facility \$21.18m, the Bird in Hand Facility \$6m and the unsecured Standby Term (No.2) Facility \$1.93m, of which \$28.88m was drawn at the reporting date.

Asipac continues to support Terramin and both parties are currently negotiating a revised expiry date term of the Facilities such that it will extend beyond 30 April 2023.

8.	Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	(648)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(32)
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(680)
8.4	Cash and cash equivalents at quarter end (item 4.6)	76
8.5	Unused finance facilities available at quarter end (item 7.5)	225
8.6	Total available funding (item 8.4 + item 8.5)	301
8.7	Estimated quarters of funding available (item 8.6 divided by item 8.3)	0.44
	Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3 Otherwise, a figure for the estimated quarters of funding available must be included in ite	
8.8	If item 8.7 is less than 2 quarters, please provide answers to the following	ing questions:
	8.8.1 Does the entity expect that it will continue to have the current le cash flows for the time being and, if not, why not?	evel of net operating

ASX Listing Rules Appendix 5B (17/07/20)

Answer: Yes

8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

Answer: The Company continues to seek support in the short-term from major shareholder Asipac Group Pty Ltd, a long-standing supporter of the Company, to progress its mining lease application in Algeria, and pursue strategies to resolve the decision made by the South Australian Government during the period regarding its Bird in Hand Gold Project in South Australia. Concurrently, discussions with potential financiers / investors continue with a number of financing options currently being considered.

8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: Yes, refer to item 8.8.2 above.

Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.

Compliance statement

- This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date:	27 April 2023
Authorised by:	By the Board
	(Name of body or officer authorising release – see note 4)

Notes

- This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
- 2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, AASB 6: Exploration for and Evaluation of Mineral Resources and AASB 107: Statement of Cash Flows apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
- 3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
- 4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
- 5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.