



## ASX Shareholder Report

**9 August 2010**

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

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## Management Changes

Following an agreed six month review, the Board of Terramin Australia Ltd and CEO, Mr Greg Cochran have agreed that the current role of CEO, as contemplated by the Board, is not as envisaged by Mr Cochran. The parties have therefore mutually agreed to part company effective immediately.

Terramin's Chairman, Dr Kevin Moriarty said that the Board wished Mr Cochran every success in the future and noted that Mr Cochran will make himself available to assist with outstanding matters.

## From the Chairman: Operations the key to Terramin's future

I want to assure Terramin shareholders that its operations will continue to be well managed by the team that has achieved so much over the past years. Your Board is intent on maintaining its strong operational basis for growth.

Terramin's focus is to achieve maximum performance from our producing mine, develop the major zinc deposit in Algeria and build on existing projects for strategic growth.

We have been successful in developing Angas through the financial crisis to deliver for shareholders and the community. Angas is settling into what we expect will be long-term steady production, so we are drilling at this time to extend the mine life. We are continuing to increase the processing capacity of the plant, having enhanced the flotation circuits and are evaluating other improvements. In the near term we are focusing on underground operations to increase ore production. When combined with stronger zinc prices that we are seeing now and are forecast to continue well into the future, the mine will provide a sound basis for future cash flows.

We are also fulfilling our commitment to the government owned partners in Algeria to complete the feasibility studies on the Tala Hamza zinc deposit, spending more than five times the originally agreed minimum expenditure as the potential of the great operation became clearer. Current work on the final stages of the Definitive Feasibility Study is focusing on the potential for a combined ventilation and haulage shaft to open options in future production flexibility and the development schedule.

When in production, Tala Hamza is likely to rank in the top ten of global zinc mines. Capital requirements will be low compared to other proposed zinc projects, and, when combined with low operating costs, means the operation will be sustainable and profitable. Its development coincides with a time of depleting zinc resources worldwide.

The regions around both Angas and Tala Hamza have seen very little exploration of many old mines and prospects. These are therefore prospective, not just for lead and zinc, but for gold, silver and copper deposits, offering a clear path to diversification for the company and its partners. It is, perhaps, not usually realised that Angas itself is a poly-metallic deposit, with significant production of silver and gold augmenting the base metals. The region had significant copper production in the 19<sup>th</sup> and 20<sup>th</sup> centuries.

I expect to soon announce a key operations appointment with African and Australian operating experience that is intended to see the Company through the next important phase of development and growth. Meanwhile, shareholders can continue to rely on Terramin's very experienced Board and management team.

Kevin Moriarty  
Executive Chairman