



ASX Shareholder Report

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

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Key Algerian appointment

Terramin Australia Ltd (ASX:TZN) is pleased to report that Mr Nicholas Clift has joined the Company to manage its Algerian operations. This key management appointment will be based in Bejaia and will include a major management role in WMZ, the Algerian company that owns the Tala Hamza zinc project. He will be working closely with the government joint venture partners to guide the Tala Hamza project through the permitting stage, and thereafter supporting the project managers and contractors to oversee its timely development into a major zinc mine.

Mr Clift is an engineer with considerable project management experience in Africa and Australia. His most recent positions were in Africa as director-general, setting up operations for Katanga Mining in the Congo, and running the major bauxite enterprise in Guinea for Alcan, Alcoa and the government.

In Australia he has managed processing for Mt Isa Mines and as General Manager Technology for Zinifex.

Mr Clift is a graduate of the University of Manchester, holds an MBA from the University of Queensland, and is a Fellow of the Australasian Institute of Mining and Metallurgy (FAusIMM).

Dr Kevin Moriarty, Terramin's executive Chairman, said "this appointment is timely as the Tala Hamza Definitive Feasibility Study will be completed this week. Mr Clift's experience will be invaluable as the project proceeds through the next phases of permitting and development."

He added, "Nic will work with the head office team until late in 2010, during the review of the study by our joint-venture partners. He will also assist WMZ in its negotiations with the government on tax and other issues affecting the project."

About Oued Amizour Project in Algeria -

The project consists of a 123 square km highly prospective exploration tenement situated in northern Algeria on the coast of the Mediterranean Sea, 15 km from the deep water port of Bejaia. In addition to its infrastructure advantages – roads, power, water, and labour force – the project is well positioned to supply feedstock to European smelters.

The Oued Amizour project is 100% owned by Western Mediterranean Zinc Spa (WMZ). WMZ is owned by two Algerian state owned companies, L'Entreprise Nationale des Produits Miniers Non-Ferreux et des Substances Utiles Spa (ENOF) (32.5%), L'Office National de Recherche Géologique et Minière (ORGM) (2.5%) and Terramin (65%). The project is operated as a joint venture between ENOF and Terramin under which Terramin sole funds until the completion of the feasibility study. Terramin has spent over US\$30 million on the studies and drilling to define the deposit.

Terramin and WMZ are in the final stages of completing a definitive feasibility study for the development of a large new underground zinc mine on the Tala Hamza deposit located on the tenement. The mine will have the capacity for annual production in the range of 250,000 tonnes to 400,000 tonnes of concentrate (combined zinc and lead) depending upon the final mining rate in the range of 2Mtpa to 4Mtpa. The tenement also contains several lead-zinc and other prospects with the possibility of more discoveries.

The most recent Tala Hamza Resource estimate (November 2009) gave a Measured and Indicated Resource of 51.1 million tonnes at 6.1% Pb+Zn, within a global Measured, Indicated and Inferred Resource of 68.6 million tonnes at 5.7% Pb+Zn.