



ASX Shareholder Report

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Enquiries on this Report
or the Company Business
may be directed to:

Dr Kevin Moriarty
Executive Chairman

+ 61 8 8213 1415
+ 61 408 173 157

Website Address:
www.terramin.com.au

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

TERRAMIN
Australia Limited
ABN 67 062 576 238

Address

Level 22, Westpac House
91 King William Street
Adelaide SA 5000
Australia

Telephone

+61 8 8213 1415

Facsimile

+61 8 8213 1416

Tala Hamza 2011 Update 4

Terramin Australia Limited (ASX: TZN) today announced that productive meetings have taken place between Western Mediterranean Zinc Spa (WMZ) joint venture partners over the last week in Algiers on the Tala Hamza Project. Executive Chairman Dr Kevin Moriarty and Nic Clift, Terramin General Manager Algeria, represented Terramin.

During the meetings, the government joint venture partner indicated that the review by its consultants of the definitive feasibility study (DFS) would be concluded by the end of April. They have requested some additional information to complete the report, and Terramin will provide immediate access to its consultants. Both parties agreed to meet in early May to consider a decision to mine by WMZ.

Furthermore, Dr Moriarty met with the Wali (governor) of the Bejaia province to brief him on progress of the project.

Dr Moriarty also met with WMZ staff to outline the preparation for operations. As part of the project, Terramin is to sponsor training in Australia for technical and administration personnel commencing in mid-2011 at Terramin's Angas zinc mine and other operations.

The Oued Amizour project is 100% owned by Western Mediterranean Zinc Spa (WMZ). The shareholders of WMZ are: Terramin (65%) and two Algerian state owned companies, Enterprise National des Produits Miniers Non-Ferreux et des Substances Utiles Spa (ENOF) (32.5%) and Office National de Recherche Géologique et Minière (ORGM) (2.5%). Under the joint venture agreement between Terramin and Enof, Terramin sole funds until the decision to mine. Terramin has spent over \$40 million on studies and drilling to better define the deposit.

Terramin and WMZ have completed a Definitive Feasibility Study for the development of a large new underground block cave zinc mine. The study recommended a minimum annual throughput capacity of 4Mtpa producing an average annual production of 370,000 tonnes of zinc and lead concentrates. The tenement also contains several lead-zinc and other prospects with the possibility of more discoveries.