



ASX Shareholder Report

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Terramin is a dedicated
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focused on developing
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Terramin Starts Exploration Programme at Angas Zinc Mine

Highlights

- **New exploration programme announced for Angas Zinc Mine aimed at mine life extension**
- **Stage 1 exploration approvals received, work commencing immediately targeting untested near-mine drill targets**

Terramin Managing Director, Nic Clift, today announced the commencement of the first stage of a new exploration programme at the Angas Zinc Mine, aimed at extending the existing mine life. The exploration programme follows a period of extensive modelling and detailed background work and will focus on previously untested near-mine targets.

Mr Clift said: "I am personally very enthusiastic at the potential opportunity that these previously untested targets offer. It would be a great result for us to be able to further capitalise on the tremendous improvements we have already made, in Angas performance, if, as a result, the life of mine can be significantly extended. I am also pleased that this coincides with the start of Musgrave's exploration at Menninnie." As recently announced, exploration has also started on the Menninnie Dam Joint Venture Project, with Musgrave Minerals Limited, in the Gawler Craton.

Stage 1 of the Angas near-mine exploration programme will commence immediately. The initial exploration work will target the Rowe anomaly, situated approximately 400m east of the current mine workings. Coincident geophysical anomalies and gravity surveys highlight the potential of this target (refer Figure 1). No drilling has occurred at this anomaly previously. The second untested near-mine target to be evaluated under stage 1 is based on an updated structural interpretation of the movement of the Rankine and Garwood Lodes. This is referred to as the Albyn anomaly, located south of existing workings, and positioned in the area between the Garwood and Sunter Lodes.



The Company anticipates commencement of the second stage of the exploration programme in the first quarter of 2013. Stage 2 will involve deep drilling of the Milne target, located directly beneath the Rankine Lode (refer Figures 2 and 3). There is minimal drill data directly below the known mineralisation of the Rankine Lode below -500mRL. Three deep (800m-900m) holes would be required to test the potential of the mineralisation to return to economic grades and widths below the known extents of the existing orebody. The central hole would also test the down plunge extension of the known northern mineralised zone. Based on the results of these holes, the Company will review further geophysical work (i.e. downhole EM survey), to identify targets in the vicinity of the drilling.

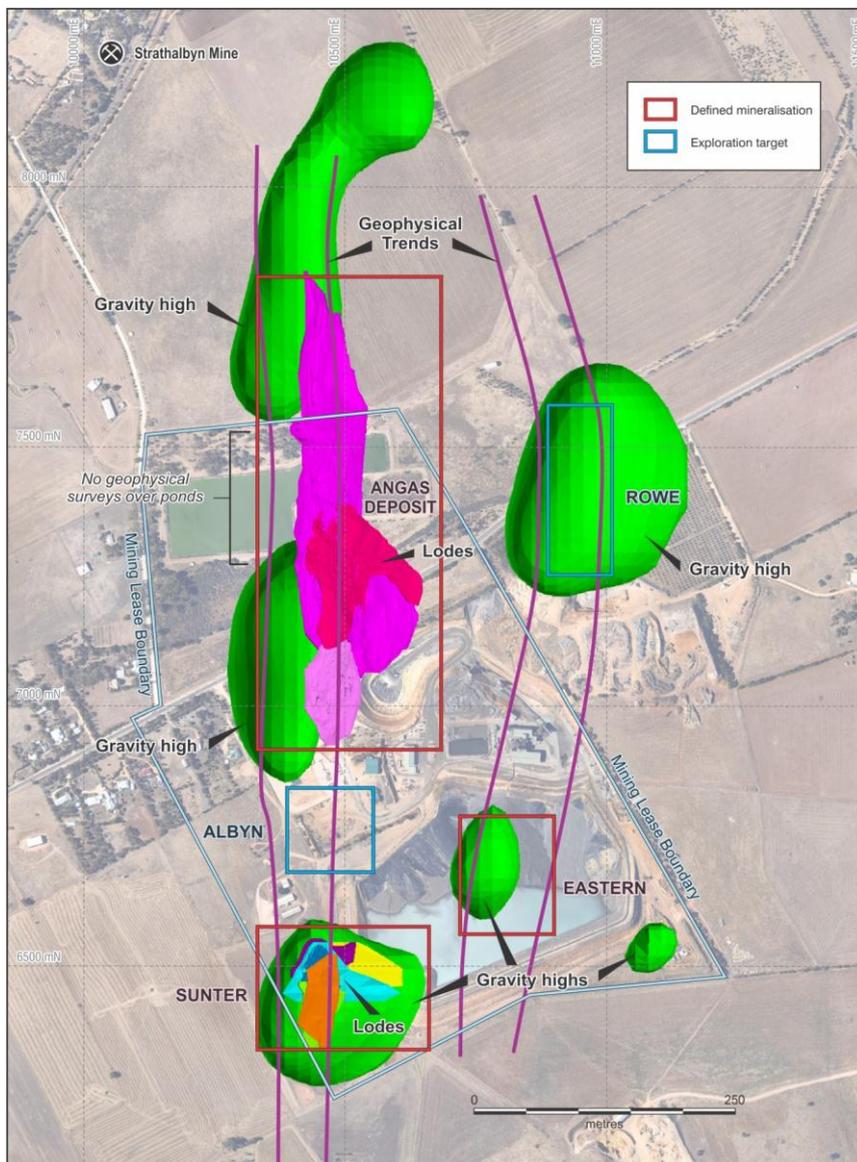


Figure 1: Angas Zinc Mine, Rowe Lode significant gravity anomaly.

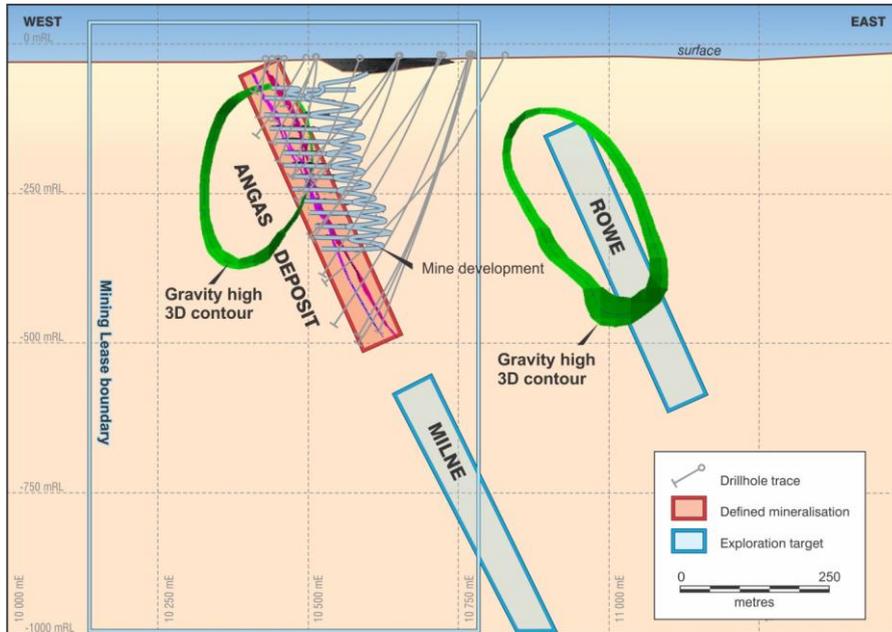


Figure 2: Cross section at 7250N looking north at the Angas deposit, Angas mine development and positions of the Rowe and Milne exploration targets.

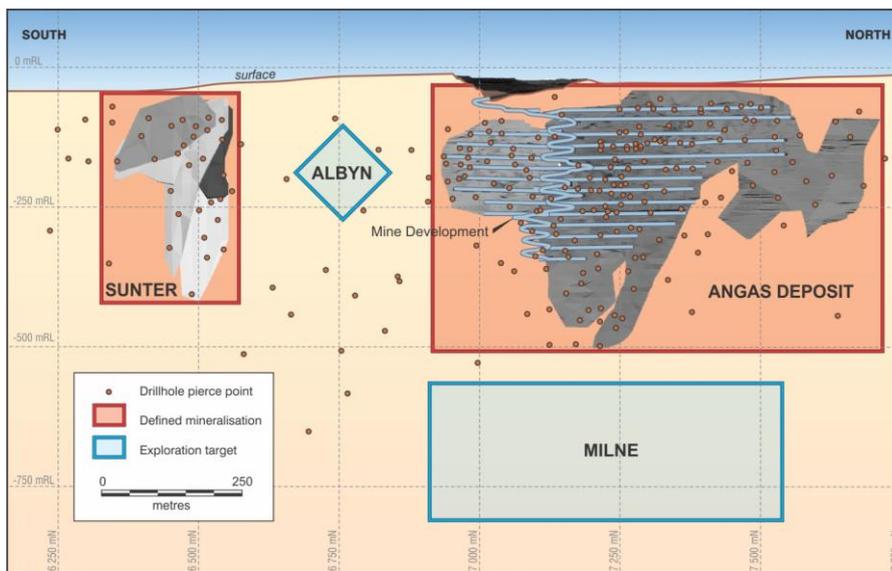


Figure 3: North-South long section through the Angas and Sunter deposits (grey) showing mine development and the Albyn and Milne exploration targets.