



ASX Shareholder Report

20 January 2011

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Terramin is a dedicated
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High Grade Mineralisation in new Sunter Shoot at Angas

Terramin Australia Ltd (ASX:TZN) is pleased to announce that a follow up diamond drill hole has confirmed the presence of a new zone of mineralisation (Sunter Shoot) on the Angas Mining Lease. This follows an ASX announcement on the 24th November 2010 reporting a potential new shoot for the Angas Mine in South Australia. The drill program is aimed at extending the Angas mine life.

The discovery hole (AN239) into the shoot intersected 4m @ 9.9% lead plus zinc and 25 g/t silver within a broader interval of 16.8m @ 3.3% lead plus zinc.

The new hole (AN245), targeted 40m below AN239, intersected two zones with significant zinc – lead assays (refer Figures 1 and 2 with results in Table 1).

Terramin's Executive Chairman, Dr Kevin Moriarty stated, "The two zones of mineralisation occur within a 107m intersection with anomalous lead and zinc. The intersections show a broadening of the zone of interest compared with AN239 and increase the potential for identifying a shallow resource in the area."

"For the next phase we will be spending over \$300,000 to further define the shoot, commencing in the next week," he said.

Highlights of AN245 included:

Upper Zone:

- 16.2m @ 3.5% lead+zinc with 9 g/t silver from 36.8m including
- **2.2m @ 19.7% lead+zinc with 54 g/t silver** from 36.8m

Main Zone:

- 40.8m @ 2.1% lead+zinc with 7 g/t silver from 81m including
- 13.0m @ 4.4% lead+zinc with 13 g/t silver from 81m or
- **3.8m @ 11.4% lead+zinc with 32 g/t silver** from 81m.

Due to the steep angle of the hole, true widths are expected to be around half of down hole widths.

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| Hole ID | From (m) | Length (m) | Pb % | Zn % | Ag g/t | Cu % | Au g/t | Pb+Zn % | |
|---------|----------|------------|------|-------|--------|------|--------|---------|------------|
| AN245 | 30.0 | 16.2 | 1.31 | 2.18 | 9 | 0.02 | 0.01 | 3.48 | Upper Zone |
| incl | 36.8 | 2.2 | 7.66 | 12.06 | 54 | 0.03 | 0.06 | 19.7 | Upper Zone |
| AN245 | 81.0 | 40.8 | 0.77 | 1.34 | 7 | 0.03 | 0.04 | 2.11 | Main Zone |
| incl | 81.0 | 13.0 | 1.62 | 2.75 | 13 | 0.04 | 0.06 | 4.37 | Main Zone |
| or | 81.0 | 3.8 | 3.60 | 7.76 | 32 | 0.08 | 0.07 | 11.36 | Main Zone |

Table 1 Significant intersections for AN245

| Hole ID | Angas East (m) | Angas North (m) | Angas RL (m) | Azimuth | Dip | Depth (m) |
|---------|----------------|-----------------|--------------|---------|------|-----------|
| AN245 | 10445 | 6497 | -62 | 090° | -85° | 156.6 |

Table 2 Collar information for AN245

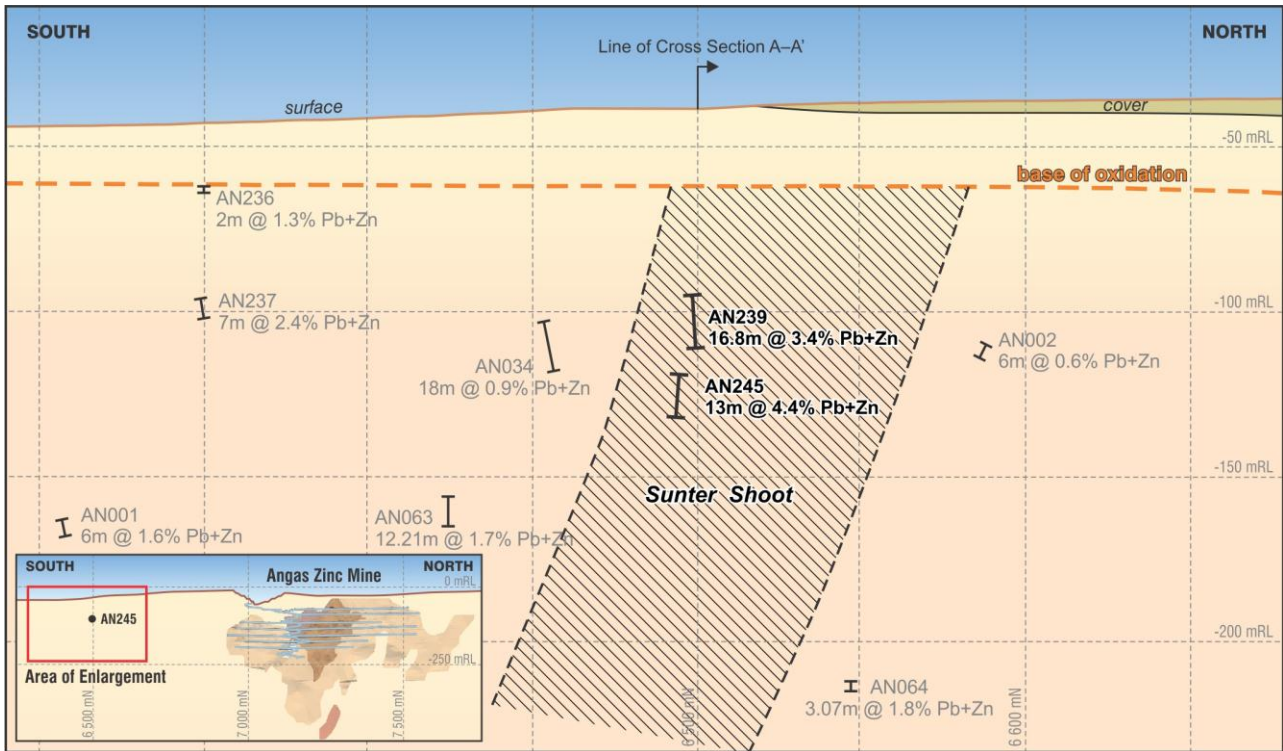


Figure 1 Long Section showing AN239 and AN245 and location of Sunter Shoot

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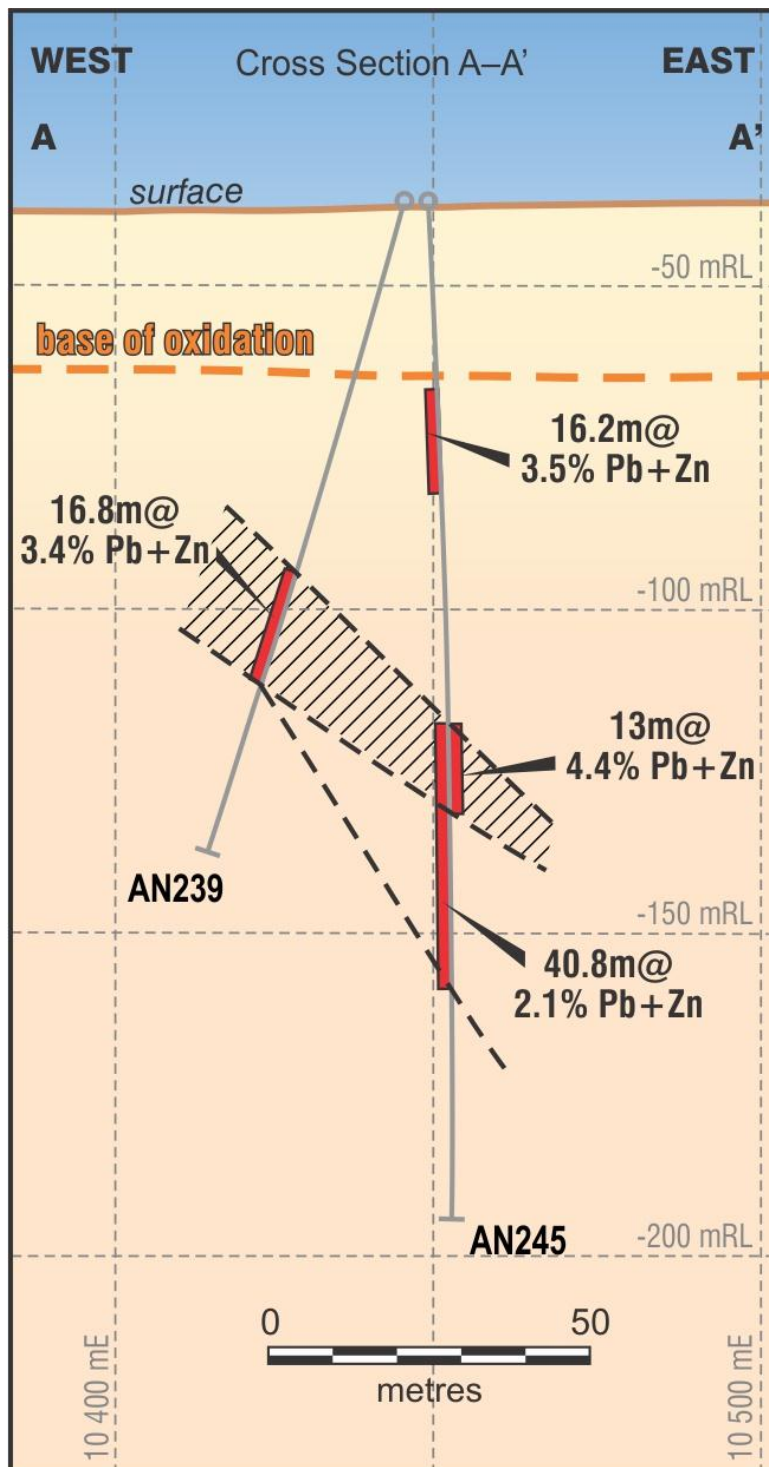


Figure 2 Cross Section through Sunter Shoot

The information in this report that relates to Exploration Results and Mineral Resources is based on information compiled by Mr Robert Singer, who is a member of The Australasian Institute of Mining and Metallurgy. Mr Singer is Chief Geologist and a full time employee of Terramin Australia Limited. Mr Singer has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity that he is undertaking to qualify as a Competent Person as defined in the 2004 edition of the 'Australasian Code for Reporting Exploration Results, Mineral Resources and Ore Reserves'. Mr Singer consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.