



ASX Shareholder Report

6 July 2009

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

Martin Janes
Chief Financial Officer

+ 61 8 8213 1415

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

More production and lower costs for Angas

Highlights

- **108 per cent production increase at Angas mine**
- **Cash flow boosted by reduced C1 cash costs, down 46 per cent to US35 cents per pound**
- **Year end production targets on track**

Terramin Australia Limited (ASX: TZN) today announced strong second quarter performance at the Angas mine which has resulted in a 108% increase in concentrate production over the first quarter.

Significantly, C1 cash costs for the quarter have nearly halved to approximately US35 cents per pound of payable zinc.

The mine produced 16,187 tonnes of lead and zinc concentrates in the quarter, an increase of 8,398 tonnes over first quarter production. The outlook is for production to comfortably meet the 2009 forecast of 58,000 – 61,000 tonnes of lead and zinc concentrate.

Dr Kevin Moriarty, Terramin's Executive Chairman, said, "This is a significant step for Angas and the Company. In the current conditions Angas will provide good cash flows, even before prices rise with economic recovery. This is a benefit of operating a polymetallic mine with significant gold, silver and lead credits."

"Continuing improvements to the process plant and mining operation are expected to increase output and we expect to meet the target production," he added.

Full results will be in the quarterly production report due later this month.