



## ASX Shareholder Report

7 March 2011

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](http://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

## First Tranche of A\$50 million to Fund Growth

Terramin Australia Limited (ASX:TZN) is pleased to announce it has received the first A\$6.2 million tranche of funding under the terms of the A\$50 million subscription agreement between China Non-Ferrous Metals Industry's Foreign Engineering & Construction Co., Ltd (NFC). 10,000,000 shares have been issued to NFC at A\$0.62 a share (an approximate 55% premium to prevailing share price).

The funds will be utilised to continue an aggressive exploration program on Terramin's 100% owned South Australian projects: the Angas zinc mine and Menninnie zinc project.

Dr Kevin Moriarty, Terramin's executive chairman said "The 55% premium demonstrates that the current share price does not reflect Terramin's leverage with 3 billion pounds of zinc in ore reserves at an average C1 cost of about 32cents/lb.

"Asian investors and corporations, such as NFC, recognise that future demand cannot be met from the very few quality projects currently in the pipeline, and as such are investing now while zinc prices are favourable."

Dr Moriarty added further, "This funding enables us to realise our objective to grow our production pipeline within the existing portfolio of exploration assets."

"The Company will push ahead with its programme of drilling to extend Angas mine-life, and drilling and mining studies at Menninnie Dam. Both projects have recently delivered encouraging results, with the discovery of the Sunter Shoot at Angas, and the doubling of Inferred Resources at Menninnie."

"There are major targets yet undrilled in both projects. The aim is continue drilling throughout 2011 to define the extent of resources so we can proceed to feasibility," he said.

*(continued next page)*



Under the A\$50 million subscription agreement, Terramin has the right, but not the obligation, to issue shares to NFC at a 30% premium to 15 day vwap at the time of subscription subject to NFC's agreement and any shareholders' approval if required. This agreement also provides that NFC's maximum shareholding is capped at 19.9%.

*The information in this report that relates to Exploration Results and Mineral Resources is based on information compiled by Mr Robert Singer. The information that relates to Ore Reserves is based on information compiled by Dr David Allison and Mr Andrew Robertson. Mr Singer and Mr Robertson are Members of The Australasian Institute of Mining and Metallurgy and Dr Allison is a Member of the Institute on Materials, Minerals and Mining. Mr Singer is Chief Geologist of Terramin Australia and Dr Allison is Senior Mining Engineer at Golder Associates (UK) Ltd. Mr Robertson was a consultant. All have sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Singer, Mr Robertson and Dr Allison consent to the inclusion in the report of the matters based on his information in the form and context in which it appears.*