

**TERRAMIN AUSTRALIA LIMITED**  
**ANNUAL GENERAL MEETING**  
**CHAIRMAN'S ADDRESS**  
**30 May 2018**

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**Welcome**

Good morning, Ladies and Gentlemen, my name is Feng Sheng and I am the Chairman of Terramin Australia Limited and I will chair today's Annual General Meeting. On behalf of the Board of Directors, I warmly welcome you all to the 2018 Terramin Annual General Meeting.

**Introduction of Directors and Management**

I would like to introduce the Board of Terramin and senior management of the Company here today. The full details of their background and experience are included in the Annual Report and on the Company website.

- Mr Michael Kennedy, the Vice Chairman of the Company and is a member of the Audit and Risk Committee and the Nomination and Remuneration Committee. Michael is an independent non-executive director;
- Mr Angelo Siciliano who is a representative of Asipac Group and is a member of the Audit and Risk Committee and of the Nomination and Remuneration Committee;
- Mr Wang Xinyu who represents China Non Ferrous Metals Industry's Engineering & Construction Co Ltd (NFC) on the Board of Terramin.

Mr Kevin McGuinness who is a Director of Terramin is unfortunately unable to attend today's meeting due to business commitments. He offers his apology.

Also attending the AGM and representing management:

- Mr Richard Taylor, the recently appointed new Chief Executive Officer of the Company whom I will ask to introduce himself in a moment;
- Mr Stéphane Gauducheau, the Legal Counsel and Company Secretary;

I would also like to welcome Justin Humphrey, the audit partner of Grant Thornton, the Company's auditors.

This Annual General Meeting will proceed in several parts:

- Firstly, I will provide a short address highlighting key points for the year 2017;
- Secondly, Michael will review the operational developments of the Company for the past year and will talk about our expectations and focus for the year ahead;
- Then shareholders will be able to ask questions about the Company, my address or Michael's presentation;
- This will be followed by the formal business of the meeting, at which time Michael will take your questions specifically regarding each of the proposed resolutions.

Without pre-empting Michael's presentation regarding Terramin's progress over the past year, the status of our assets and positive outlook for the future, I would like say a few words about the progress of the Company's projects as well as our views on the Company's prospects in the near term.

Ladies and gentlemen, the Board and management of Terramin have remained focussed on the development of the Tala Hamza Zinc Project and the Bird in Hand Gold Project. During the year, both projects have made significant advances towards their approval and construction.

Regarding the Tala Hamza Zinc Project, Terramin has continued to work very closely with its Algerian partners and Algerian government agencies to finalise the studies on the Tala Hamza Zinc Project and work towards the approval of the project.

During the year, Terramin completed all the on-ground hydrological drilling and test work which enabled finalisation of the Definitive Feasibility Study, Environmental Impact Study and a number of other documents required to support the mining lease application. This documentation is currently being reviewed by our Algerian partners and other Algerian government agencies.

The Board would like to acknowledge the continued technical assistance of NFC in advancing this project.

Terramin remains confident regarding the future of the Tala Hamza Project and is very pleased with the level of commitment and engagement from the Algerian government agencies.

Michael will talk about the Tala Hamza Zinc Project in further detail later.

The Board also notes the significant progress that has also been made in respect to the Bird

in Hand Gold Project. In December 2017, a comprehensive 4000 page draft mining lease proposal was submitted to the South Australian mining regulatory. This application is in the process of being reviewed by various South Australia government agencies and Terramin is pleased to report that it has started to receiving feedback from a number of government agencies in relation to that draft.

Also on the regulatory front we have also recently received clearance from the Federal Department of Environment and Energy that our mine proposal does not require any specific controls under the Environment Protection and Biodiversity Conservation Act 1999 (Cth) (**EPBC Act**). This means that the company's project and mitigation of any impacts to matters of national significance satisfies the requirements of the EPBC Act. This is also an important milestone.

While the government reviews the draft mining lease proposal, the company has been preparing a Managed Aquifer Recharge (**MAR**) drilling program to test, further calibrate the groundwater modelling and subsequently confirm the best locations for the water reinjection bores for the mining operation. MAR schemes are a proven and effective water management and preservation technique used in many industries, including mining. Terramin successfully managed a similar MAR scheme during the operations of the Angas Zinc Mine

The Bird in Hand Gold Project has a resource of 588,000 tonnes at 13.3g/t gold for 252,000 ounces of gold. This will make it one of the highest grade gold mines in Australia. At this stage the Bird-in-Hand deposit is expected to have a 6 year mine life. We are confident there is more ore at depth and along strike and possibly in the vicinity of the deposit which could see the operation last well beyond the proposed 6 years.

Again, Michael will provide an update on the Bird-in-Hand Gold Project.

On the corporate side, the Company welcomes new investors who participated in a placement last year raising a total of \$8 million which has been used towards the Company's projects and as working capital. In addition the company maintains a strong relationship with the Asipac Group. The Asipac group has recently loaned an additional \$1 million for the purpose of completing the work currently underway in Algeria and for working capital.

The Company has recently added a third development project to its portfolio with the establishment of the \$6.0 million joint venture to investigate of the potential extraction of in-situ copper at Kapunda. This project is advancing with the recent announcement of a Resource of 47.4Mt at 0.25% copper containing 119,000 tons of copper metal.

The Board is very pleased with the appointment of Mr Richard Taylor as the new CEO of Terramin. Richard has only started working for Terramin this week and we are excited that he is able to attend his first Terramin AGM.

Richard is a mining executive with more than 15 years' experience in senior international and resource sector roles. He was most recently Managing Director of PanAust Limited's Asia business subsidiary, Phu Bia Mining Limited, where he held responsibility for business development initiatives in Myanmar and exploration in Laos. He has held senior executive roles with Mineral Deposits Limited, Oxiana Ltd, MMG and the World Bank. Richard brings a wealth of experience delivering projects in different countries and working with governments and stakeholders to achieve project completion. Richard has a deep and practical understanding of the requirements to implement and operate a modern mining project that will ensure that Terramin delivers successfully the next phase of our development strategy.

Ladies and gentlemen, I sincerely believe that the progress made at the Bird in Hand Gold Project and the Tala Hamza Zinc Project are significant in our effort to advance the business of the Company and deliver value for shareholders. We look forward to updating you on further advances regarding the Company's projects.

I will now handover to Michael Kennedy.

I would like to thank you all for attending this year's AGM and thank shareholders for their continuing support for the Company. I would also like to thank the Board, management and employees for their continued dedication.

Feng (Bruce) Sheng  
30 May 2018