



TERRAMIN AUSTRALIA LIMITED

ANNUAL GENERAL MEETING

CHAIRMAN'S ADDRESS

30 May 2019

Welcome

Good morning, Ladies and Gentlemen, my name is Feng Sheng and I am the Chairman of Terramin Australia Limited. On behalf of the Board of Directors, I warmly welcome you all to the 2019 Terramin Annual General Meeting.

I would like to welcome the Board of Terramin and senior management of the Company here today. Mr Kennedy has already introduced the board and management team.

Without pre-empting Richard's presentation regarding Terramin's progress over the past year, the status of our assets and positive outlook for the future, I would like to 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 past 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 with discussions held in Algiers as recently as last month.

During 2018, Terramin finalised the revised Definitive Feasibility Study, Mining Lease Application and Environmental Impact Assessment for the Tala Hamza Zinc Project. We had several workshops and technical sessions with our joint venture partners and the Algerian regulators, and concluded the year in 2018 by receiving confirmation that the technical changes to the DFS, which we embarked on in 2014, including the Underhand Drift and Fill (UDF) method, dry-stack tailings management and cement paste backfill, were accepted. As a result, subsequent discussions have moved forward on commercial and financial aspects of the joint venture. During 2018, we were able to release the financial results of the DFS, as well as initial positive results from an Optimisation Study undertaken to look at utilising part of the mid-grade halo around the central ore body. The Optimisation Study points to the possibility of higher metal production in the project's early years. However, progress has been somewhat slower than expected last year due to political changes in Algeria and we look forward to the result of the Presidential elections in July this year.

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

The Board also notes the significant progress that has also been made in respect to the Bird in Hand Gold Project. I was delighted in 2018 to be able to release an updated Bird-in-Hand Scoping Study with robust financial outcomes. The Study demonstrates the benefit of pursuing the South Australian gold strategy and changing our focus to unlocking the precious metal potential in the state. Terramin completed the Managed Aquifer Recharge (MAR) test last month with the work confirming the results of the groundwater model. I am pleased to say as a result that the text of the Mining Lease Application (MLA) was completed last week and the MLA will be lodged as soon as a mandatory peer review report is complete, expected in the coming weeks.

The Bird in Hand Gold Project has a resource of 265,000 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 5 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 5 years.

On the corporate side, Asipac has continued to support the Company through extension of debt facilities as the company approaches approval of both its key projects.

Ladies and gentlemen, I sincerely believe that the progress made at the Bird in Hand Gold Project and the Tala Hamza Zinc Project is 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 2019