

4 Jul 2019

Second Earn in Agreement with Freeport-McMoRan Exploration Australia

HIGHLIGHTS

- Earn-in Agreement (EIA) signed with Freeport-McMoRan Exploration Australia Pty Ltd. (“**Freeport**”) targeting possible copper-gold deposits in the South Gawler Ranges area of South Australia
- Terramin to retain 20% or dilute to 1% NSR royalty
- Second EIA between Terramin and Freeport after Wild Horse (ASX: 7 June 2019)

Terramin Australia Limited (ASX:TZN) (“**Terramin**”) is pleased to announce that it has entered into an earn-in agreement with Freeport for exploration of the South Gawler Ranges tenements which cover approximately 4,524 square kilometres and are located 100 kilometres west of Port Augusta (Figure 1).

Past work has identified iron oxide copper gold (IOCG) targets that are defined by several large gravity anomalies modelled beneath outcropping rare earth elements (REE) and hematite rich veining and breccias (Figure 2). The REE and hematite rich veining and breccias which were identified within the 1587Ma upper Gawler Range Volcanics (GRV) are interpreted to be late stage leakage from large IOCG breccia systems hosted within and contemporaneous with the 1593Ma lower GRV.

The exploration model is based upon the knowledge that the upper levels of Gawler Craton IOCG systems such as Olympic Dam (1593Ma) are copper, gold and sulphur poor but still rich in hematite and REE and are closely associated with the lower GRV age.

Commenting on the Agreement, Terramin’s CEO Richard Taylor, said:

“This second agreement with Freeport is an important part of Terramin’s South Australia gold strategy. The farm out arrangements will see Terramin able to focus more on bringing its flagship Bird in Hand gold mine into production, while maintaining exposure to exploration upside in the Gawler region. Freeport has a strong record of copper-gold exploration and successful project development.”

The key terms of the Agreement are:

- Freeport may earn a 70% interest in the project if it chooses to spend A\$3 million on exploration over four years;
- Freeport may elect to earn an additional 10% interest in the project (total 80%) by spending a further A\$5 million over six years, after which the parties can proportionally contribute or dilute; and
- If Terramin’s interest dilutes to below 10%, this converts to a 1% NSR royalty.

Freeport’s parent company, Freeport-McMoRan Inc. (NYSE: FCX) is a leading international mining company. FCX operates large, long-lived, geographically diverse assets with significant proven and probable reserves of copper, gold and molybdenum.

For further information, please contact:

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Figure 1. Terramin's South Gawler Ranges Project tenement package

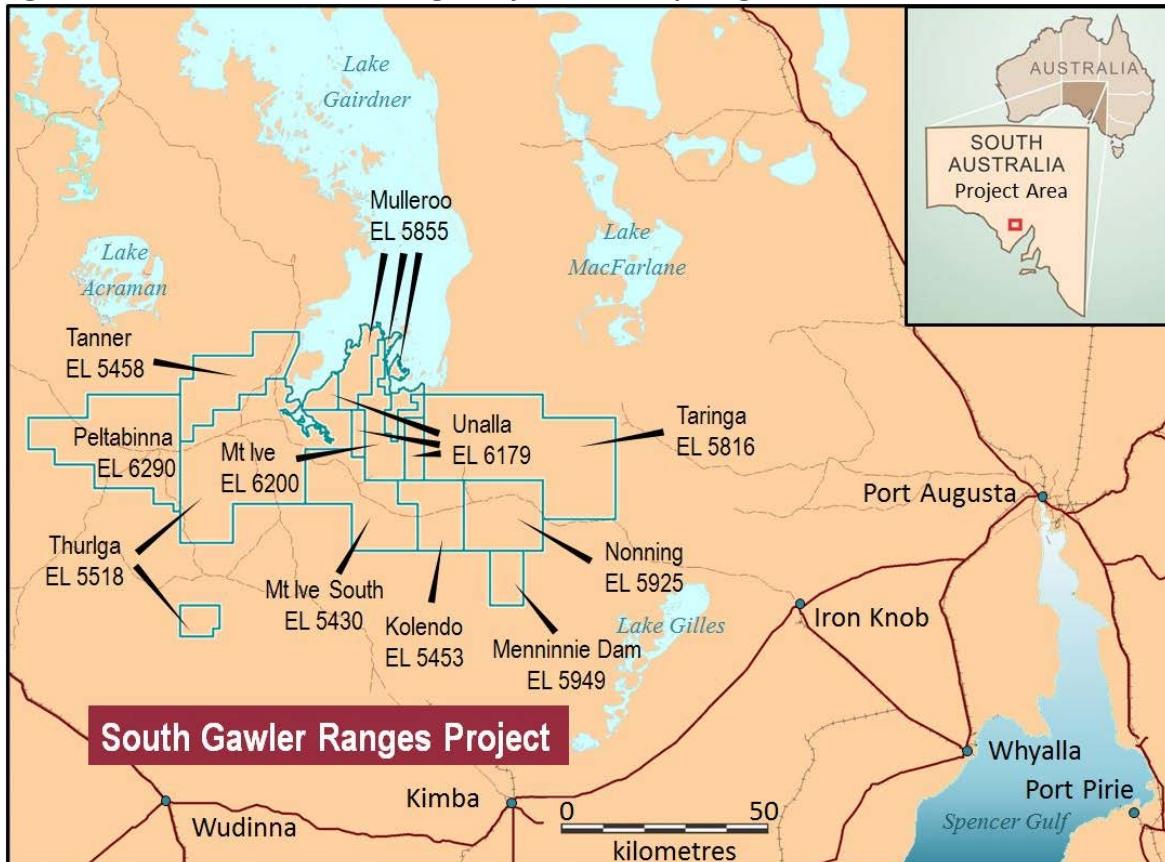


Figure 2. Olympic Dam and South Gawler Ranges hematite-rich hydrothermal breccias

