



1 Jul 2022

## JOGMEC obtains FIRB approval

### HIGHLIGHTS

- Japan Oil, Gas and Metals National Corporation (JOGMEC) has obtained FIRB approval in respect of its exploration agreement with Terramin for the South Gawler Ranges Project.
- Planning of the initial exploration programme until March 2023 is well advanced with the first field trip scheduled for July 2022.

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Terramin Australia Limited (ASX: TZN) (**Terramin or the Company**) is pleased to announce that it has been advised by JOGMEC that they have obtained FIRB approval in respect of its exploration agreement for the South Gawler Ranges Project (**SGRP or Project**). This approval enables the activities envisaged under the exploration agreement to commence.

Extensive planning of an exploration programme out to March 2023 has been undertaken by JOGMEC and Terramin with the first field trip scheduled to commence in July 2022.

### Background

On the 15 March 2022, Terramin announced that it had entered into an agreement with JOGMEC for exploration of the SGRP which covers approximately 4,524 km<sup>2</sup> and is located c.100km west of Port Augusta (Figure 1) and 185kms southwest of OZ Minerals Limited's Carrapeteena Copper-Gold Mine that hosts 950Mt at 0.75% Copper and 0.25g/t gold.

The SGRP is an underexplored, highly prospective multi-commodity asset with potential to host significant Iron Oxide Copper Gold (**IOCG**) mineralisation alongside epithermal Ag-Pb-Zn deposits, tin-tungsten and copper gold skarns along with potential porphyry systems. Hematite-rich hydrothermal breccias comparable to those in the Olympic Dam IOCG deposit crop out at several localities in the SGRP and are yet to be drill tested.

The material terms of the SGRP exploration agreement are:

- JOGMEC to fund A\$7,500,000 in exploration expenditure across a three (3) stage earn-in:
  - **Stage 1:** JOGMEC will have the option to acquire a 30% interest in the Project by sole funding A\$1,500,000 up to the period ending 31 March 2024
  - **Stage 2:** JOGMEC will have the option to acquire a further 21% interest in the Project (total 51% interest) by sole funding an additional A\$2,000,000 up to the period ending 31 March 2026

- **Stage 3:** JOGMEC will have the option to acquire a further 19% interest in the Project (total 70% interest) by sole funding an additional A\$4,000,000 up to the period ending 31 March 2028 (collectively referred to as the **JOGMEC Earn-in Option**).
- JOGMEC must sole fund A\$500,000 exploration expenditure on account of its Stage 1 Earn-in obligation by 31 March 2023 (**Minimum Expenditure Commitment**).
- Within 365 calendar days of JOGMEC completing Stage 3 of the JOGMEC Earn-In Option, JOGMEC can elect to purchase an additional 6% interest in the Project (total 76% interest), by paying A\$3,000,000 and granting a 0.5% net smelter royalty (**NSR**) to Terramin (**Purchase Option**). JOGMEC can elect to buyback the 0.5% NSR by paying Terramin A\$1,500,000 within 365 calendar days of JOGMEC exercising the Purchase Option.
- Terramin assumes Operatorship of the Project during the Stage 1 and Stage 2 Earn-in Period. The Management Committee will appoint the Operator of the Project during the Stage 3 Earn-in Period.
- If Terramin's or JOGMEC's interest in the Project dilutes to below 10%, this converts to a 1% NSR royalty.

This release has been authorised by the Terramin Australia Limited Board.

For further information, please contact:

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Figure 1. Terramin's South Gawler Ranges Project tenements.

