

INVESTOR PRESENTATION

Investor Presentation
Richard Taylor | CEO

Forward Looking & Competent Person Statements



Disclaimer

The material contained in this presentation has been prepared by Terramin Australia Limited (Terramin). It is current as at the date of this presentation. It contains information in a summary form and should be read in conjunction with Terramin's other periodic and continuous disclosure announcements to the Australian Securities Exchange (ASX) available at www.asx.com.au. An investment in Terramin shares is subject to known and unknown risks, many of which are beyond the control of Terramin. In considering an investment in Terramin shares, investors should have regard to (amongst other things) the risks outlined in this presentation and in other announcements and disclosures made by Terramin to the ASX. This presentation contains statements, opinions, forecasts and other material based on various assumptions which may or may not be correct. The information contained in this presentation does not take into account the investment objectives, financial situation or particular needs of any recipient and is not financial advice or financial product advice. To the extent permitted by law, Terramin, its directors, officers, employees, agents, advisers and persons named in its presentation:

- give no warranty or guarantee as to the accuracy or likelihood of fulfilment, any assumptions upon which any part of this presentation is based or the accuracy, completeness or reliability of the information contained in this presentation;
- accept no responsibility for any loss, claim, damages, costs or expenses arising out of, or in connection with, the information contained in this presentation.

Competent Person Statement

The information in this report that relates to Bird in Hand Exploration Results and Mineral Resources is based on information compiled by Mr Dan Brost, a Competent Person who is a Chartered Professional Member of The Australasian Institute of Mining and Metallurgy (AusIMM). Mr Brost is employed as a consultant to Terramin Australia Limited. Mr Brost has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Brost consents to the inclusion in the report of the matters based on his information in the form and context in which it appears. The information in this presentation that relates to Tala Hamza Exploration Results and Mineral Resources is based on information compiled by Mr Eric Whittaker, a Competent Person who is a Member of The Australasian Institute of Mining and Metallurgy (AusIMM). Mr Whittaker is an employee and Principal Resource Geologist of Terramin Australia Limited. Mr Whittaker has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Whittaker consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The information in this report that relates to Ore Reserves is based on information compiled or reviewed by Mr Luke Neesham, a Competent Person who is a Member of The Australasian Institute of Mining and Metallurgy (AusIMM). Mr Neesham is Principal Mining Engineer for GO Mining Pty Ltd a consulting firm engaged by Terramin Australia Limited to prepare mining designs and schedules for the Tala Hamza Feasibility Study. Mr Neesham has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Neesham consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Aspects of the information used as inputs to or generated as part of the Feasibility Study associated with the Mineral Resources and Ore Reserves Estimates rely upon information prepared by parties other than the Competent Persons and outside of their areas of expertise. The associated documentation has been reviewed and utilised by the Competent Persons in compiling the Mineral Resources and Ore Reserves Estimate and Table 1 commentary.

Terramin Australia Overview



ASX-listed developer with advanced gold and zinc projects located in Australia and Algeria

Asset Overview

	Bird-in-Hand	Tala Hamza
Ownership (%)	100%	65%
Location	SA, Australia	Algeria
Key commodities	Gold	Zinc, Lead
Resource grade	13 g/t Au	5.3% Zn, 1.3% Pb

Market statistics - \$m, unless stated otherwise

Share Price (A\$p.s.)	0.12
Fully diluted shares on issue (m)	1,870
Market Capitalisation	224
Enterprise Value ⁽¹⁾	238
Liquidity – 12 months	22.4m shares (1.2%)

Supportive shareholders

- ✓ Asipac holds 33% and have provided financing support and access to Chinese counterparties which are critical to securing the development of Tala Hamza
- ✓ NFC (China Nonferrous) have a 3.6% strategic holding and have provided technical assistance for the Tala Hamza project
- ✓ Limited liquidity to be proactively managed in the medium term

3 year share price snapshot⁽²⁾



New Management Team Bringing Renewed Focus

New management team appointed with strong motivation to deliver on Terramin's base and precious metal strategies

Key appointments in the last six months



Richard Taylor
Chief Executive Officer

Appointed: May 2018

More than 15 years' experience in senior international and resource sector roles

Most recently with Mineral Deposits (acquired by Eramet for A\$632m) and previously as Managing Director of PanAust Ltd's Asia business subsidiary, Phu Bia Mining Limited.



Simon Iacopetta
Chief Financial Officer / Company Secretary

Appointed: June 2018

Broad experience in corporate finance and financial management functions in the resources and professional services sectors

Most recently Chief Financial Officer of ASX listed gold miner Ramelius Resources Limited

Recent developments since change in management

- ✓ **Announced a strategic review** - looking at the demerger / sale of its gold assets
- ✓ **Tala Hamza DFS released** – revised mining method, lower pre-production capital, alignment with JV partner
- ✓ **Debt facility extended** - increased the size of the facility and extended maturity by 12 months
- ✓ **Reduced costs** – annual G&A costs down by \$1m to A\$2m p.a.
- ✓ **Bird-in-Hand Managed Aquifer Recharge Stage 1 completed** – aquifer is suitable for water reinjection requirements prior to submission of Mining Lease Proposal
- ✓ **Optimisation of Tala Hamza mine schedule** – potential for increase in value and project returns
- ✓ **Bird-in-Hand scoping study released** – Significant return with low capex

Bird-in-Hand – Key Highlights

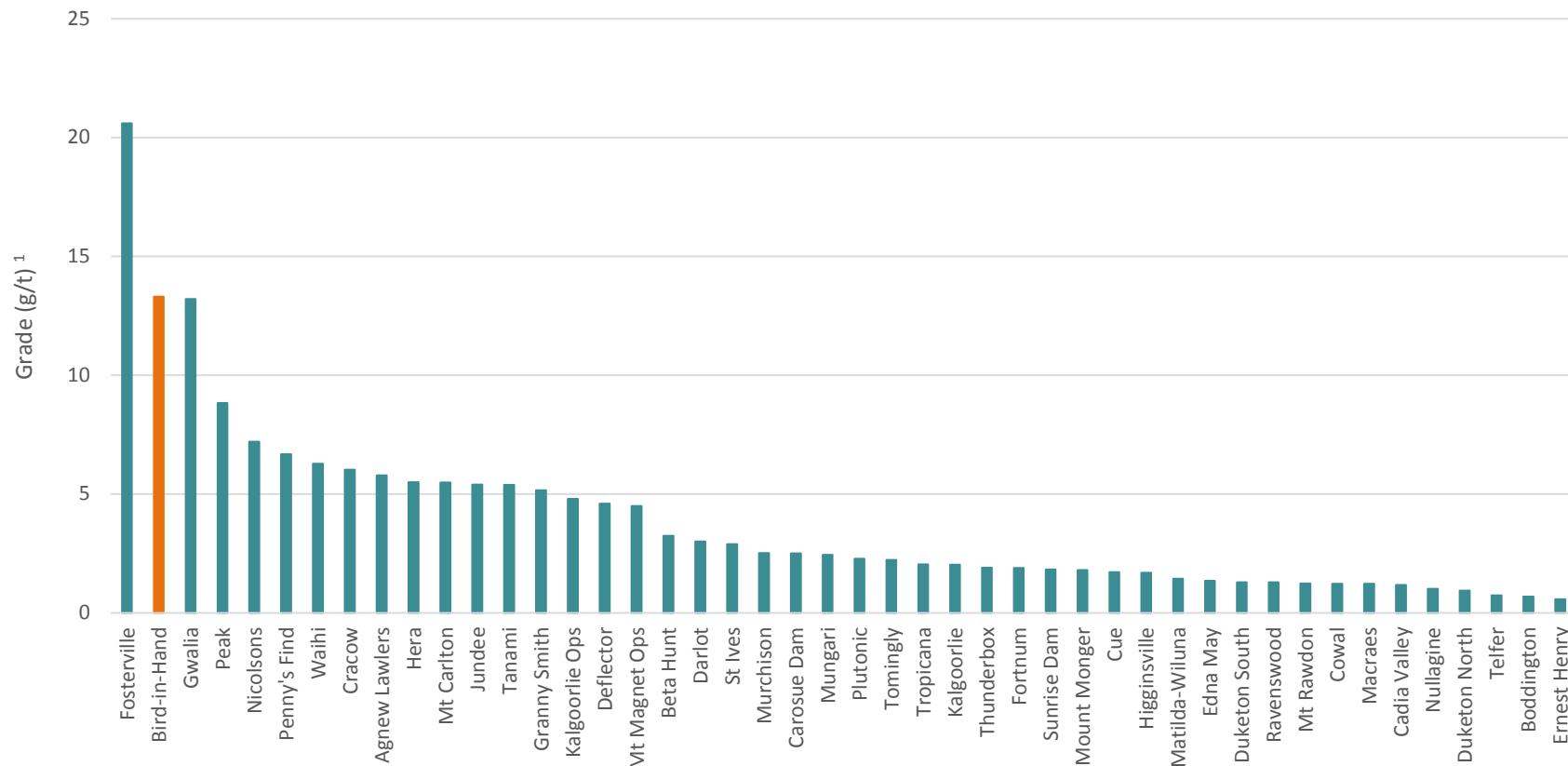


One of the highest grade gold mines in Australia, with significant regional exploration upside and low start-up capex due to existing infrastructure

High grade deposit with exploration upside	<ul style="list-style-type: none">• Mine will be one of the highest grade gold mines in Australia (13g/t Au)• Open at depth with opportunity to grow• Target of 1m Oz in resource from existing tenements and potential acquisitions• Regional exploration will focus on similar high-grade opportunities identified from historical 19th century workings
Supportive economics – low restart capex and cost	<ul style="list-style-type: none">• Scoping study released – low cost, low capex and high return project with further upside from exploration and nearby deposits<ul style="list-style-type: none">– NPV₈ of A\$101m; post-tax IRR of 96%– AISC of A\$841/oz (1st quartile of Australian gold mines)– Low pre-production capital cost of A\$34m; payback of 1 year
Simple processing and existing infrastructure	<ul style="list-style-type: none">• Existing processing plant with licensed tailings storage facility, owned by Terramin<ul style="list-style-type: none">– Tailing storage facility has capacity for current Bird in Hand Resource– Existing flotation technology with add-on capability– Option to add gravity circuit for coarse gold• Regional opportunities based around central processing hub at Angas
Strategic location	<ul style="list-style-type: none">• Located 30km east of Adelaide• Proximity to workforce, services and infrastructure• Access to reliable energy source

Bird-in-Hand – High Grade Potential

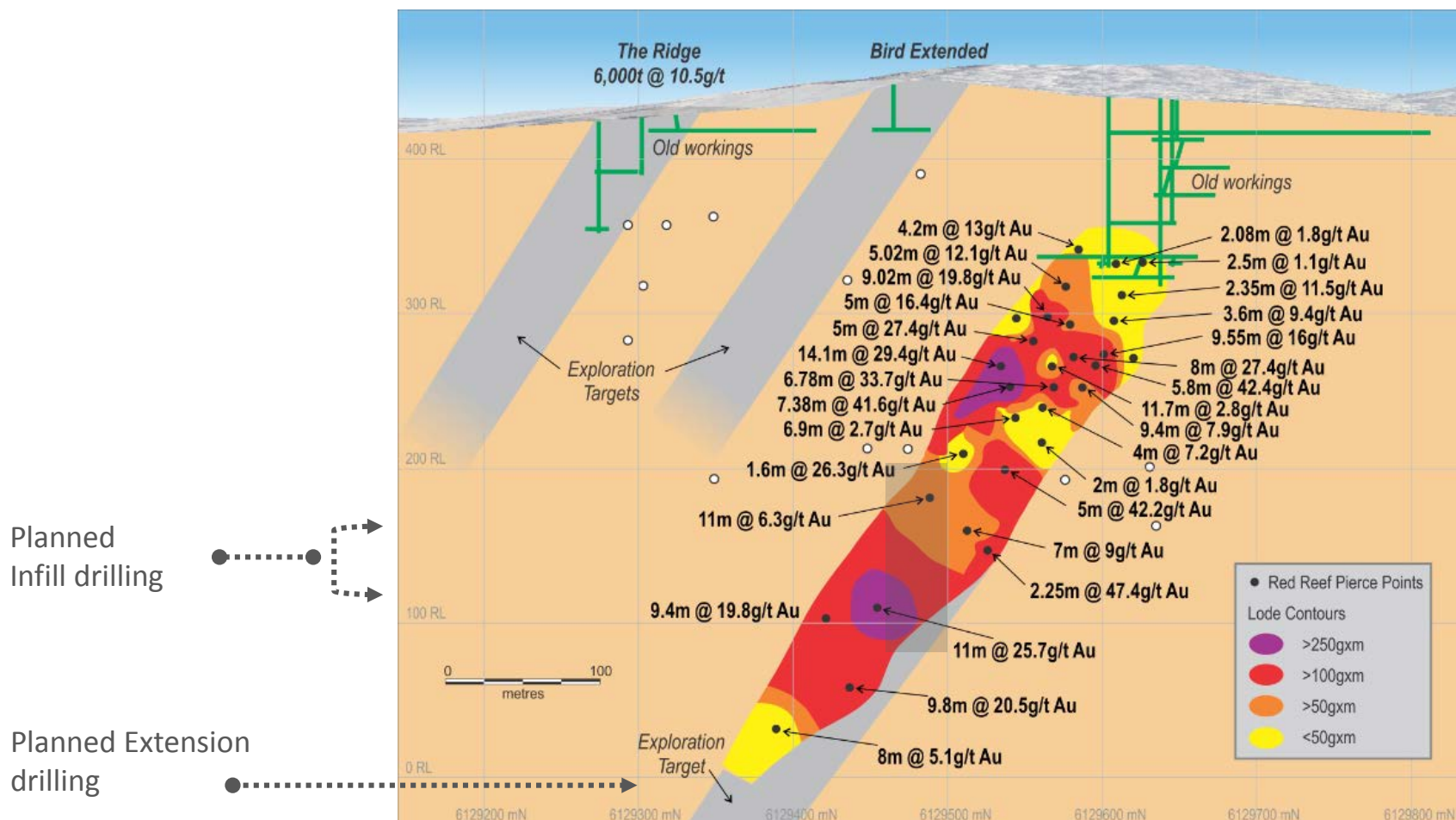
The Bird-in-Hand mine will be one of the highest grade mines in Australia. Regional exploration will focus on similar high-grade opportunities identified from historical 19th Century workings



1. Aurum Analytics June Quarter 2018 - Final Report. Bird in Hand Resource grade, remaining reflects quarterly production grade.

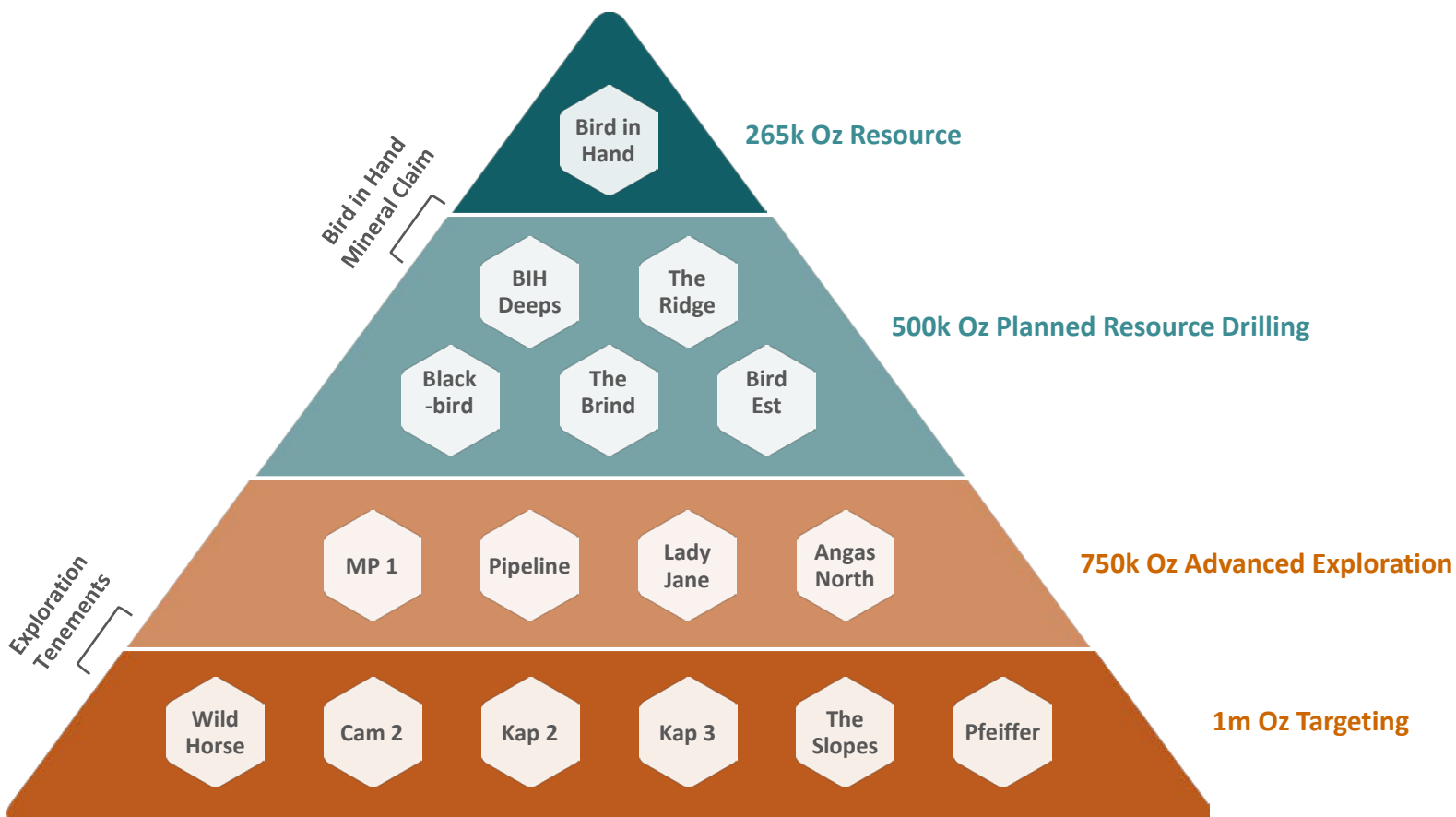
Bird-in-Hand Exploration Upside

Bird-in-Hand gold project has significant exploration upside – deposit open at depth and historic mines highlight the potential along strike. Current Bird in Hand resource stands at 265,000 ounces



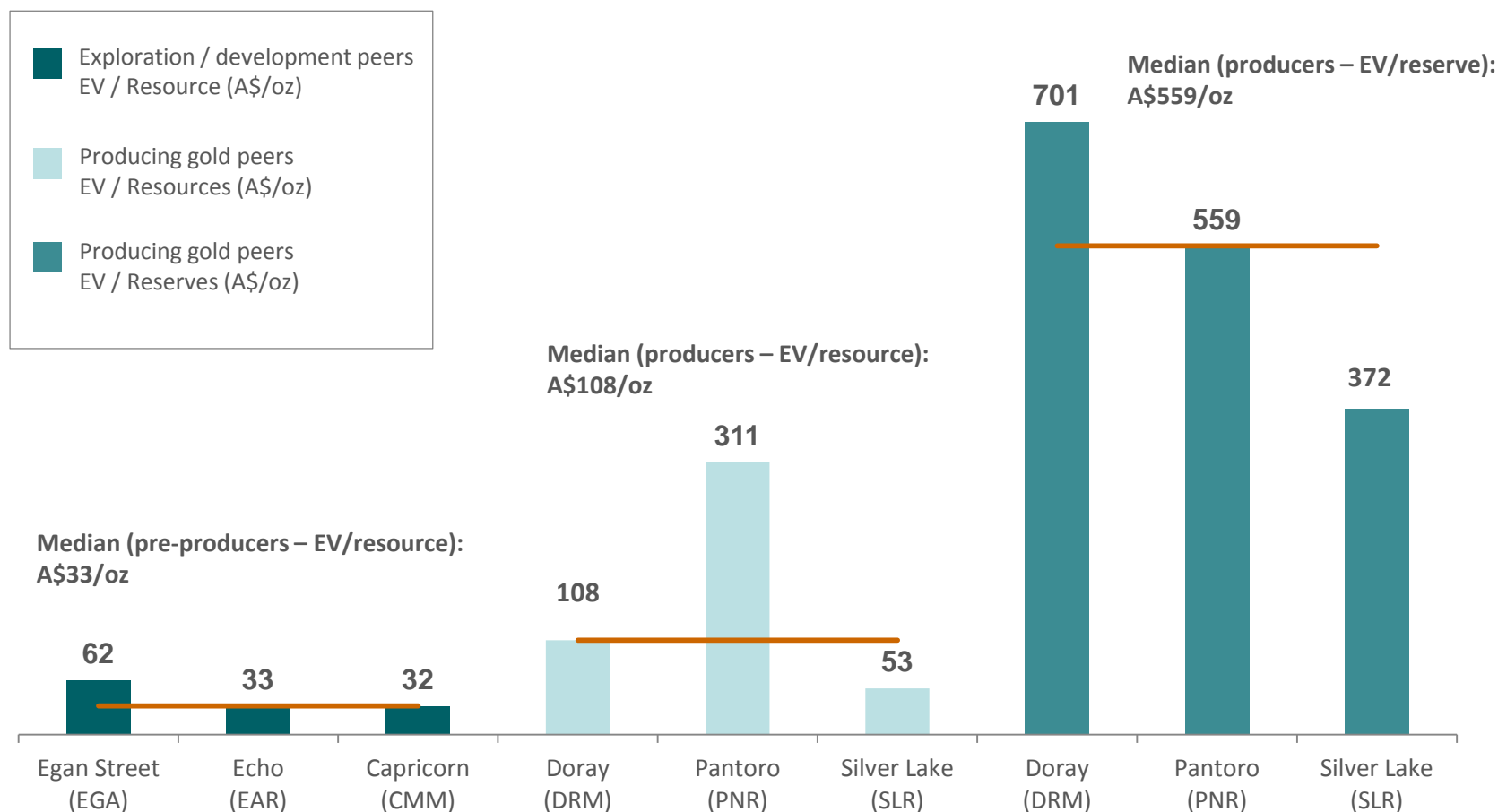
Terramin Exploration Pipeline – Pathway 1m Oz

Terramin has a pipeline of high grade potential gold targets that will form the basis of its aspirational target of 1m Oz in resource from existing tenements and potential acquisitions.



Opportunity to capture significant value

Terramin sees the opportunity to expand its resource base in South Australia driven by significant value generation potential with minimal capex



Source: Iress, Company filings, Market data as at 22 October

Resource, reserves and balance sheet data sourced from latest company announcements

Capricorn, Egan Street, Echo, Silverlake and Doray reported net debt as at 30 June 2018 and Pantoro reported net debt as at 30 September 2018

Robust economics – Scoping Study 2018

Positioned to deliver outstanding returns for investors

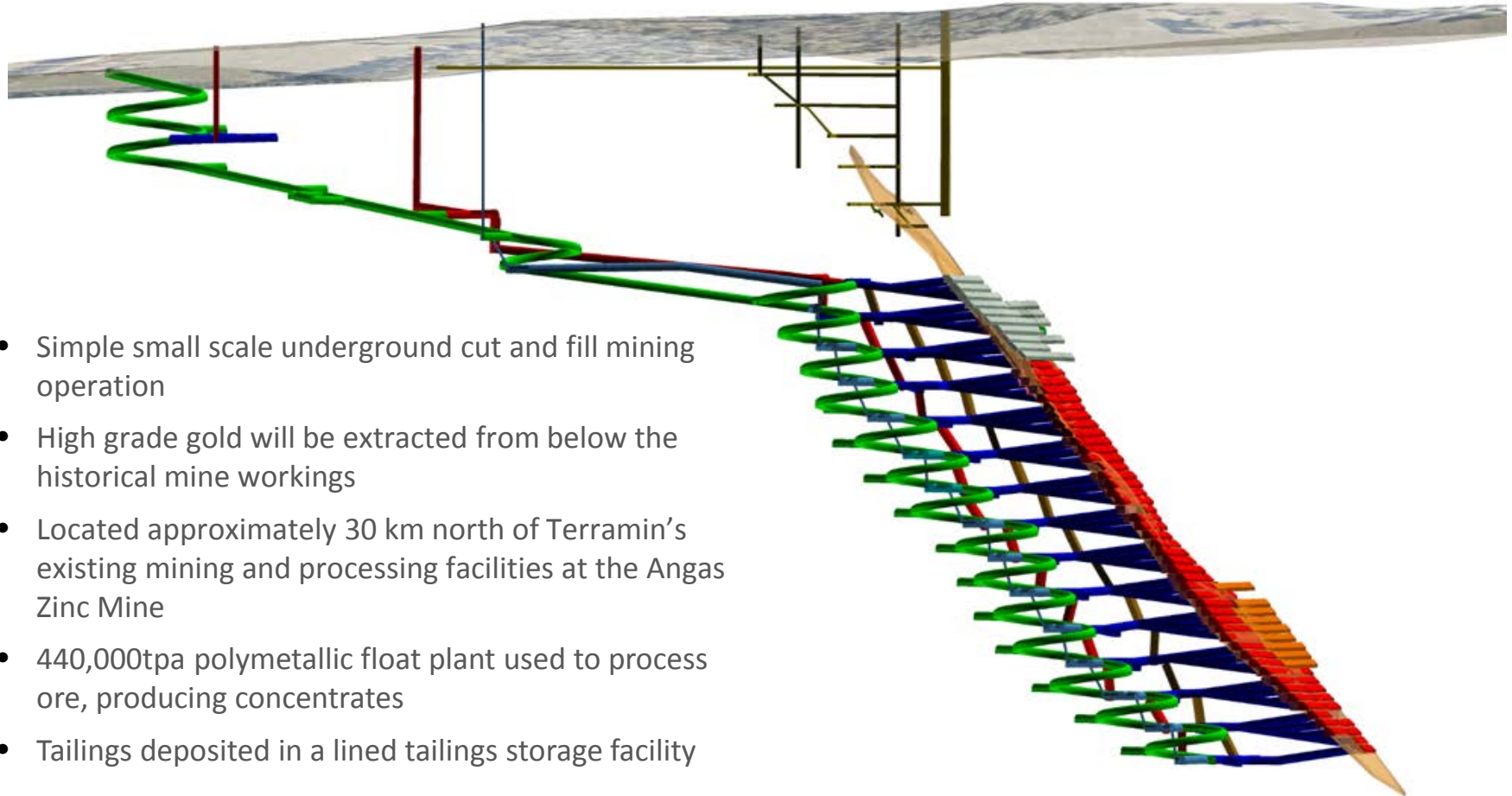
Key financial metrics	Scoping Study 2018
Commodity Price Metrics¹	
Gold price – LOM average	US\$1,225/oz (A\$1,700/oz)
Silver price – LOM average	US\$15.5/oz (A\$21.5/oz)
Schedule production	
Processed materials	595kt at 11g/t Au and 5g/t Ag
Annual production – LOM average ²	46,000 oz Au and 21,500 oz Ag
Cost Metrics	
C1 Operating Costs – LOM average	A\$629/oz
All-in Sustaining Costs (AISC) – LOM average	A\$841/oz
Financial Metrics	
Discount rate	8.0%
Start-up-capital cost ³	A\$34M
Sustaining capital cost	A\$32M
NPV ₈ Post-tax nominal ⁴	A\$101M
IRR Post-tax nominal (%) ⁴	96%
Free cash flow - Post tax nominal	A\$135M
Payback Period	1 year

- ✓ **Low costs, strong margin:** All in sustaining costs of approximately A\$840/oz, positions the project in 1st quartile of the cost curve
- ✓ **Significant return:** post-tax nominal IRR of 96%
- ✓ **Low restart capex and short payback:** Pre-production capital of A\$34m, with a 1 year payback
- ✓ **Existing infrastructure** – processing plant and associated infrastructure in place at the 100% owned Angas Zinc Mine
- ✓ **High grade resource with growth potential** – initial 5 year mine life, with potential to increase mine life through development and resource expansion

Notes: (1) Commodity price assumption is based on current spot prices US\$1,225/oz. Exchange rate assumption is AUD/USD FX 0.72 (2) Schedule Production, Mining Rate and Concentrate Grade represent the average values following initial operational ramp up period (approx. 1 year) (3) Start-up Capital Costs represents pre-production capital requirements exclusive of working capital and sustaining capital (4) NPV has been discounted using a discount rate of 8% & is a post-tax nominal calculation. NPV & IRR are discounted from ramp up of start-up capital

Simple Mining & Processing

Terramin's existing Angas processing facility at Strathalbyn will be a central hub for gold production from BIH and other regional high grade gold exploration targets

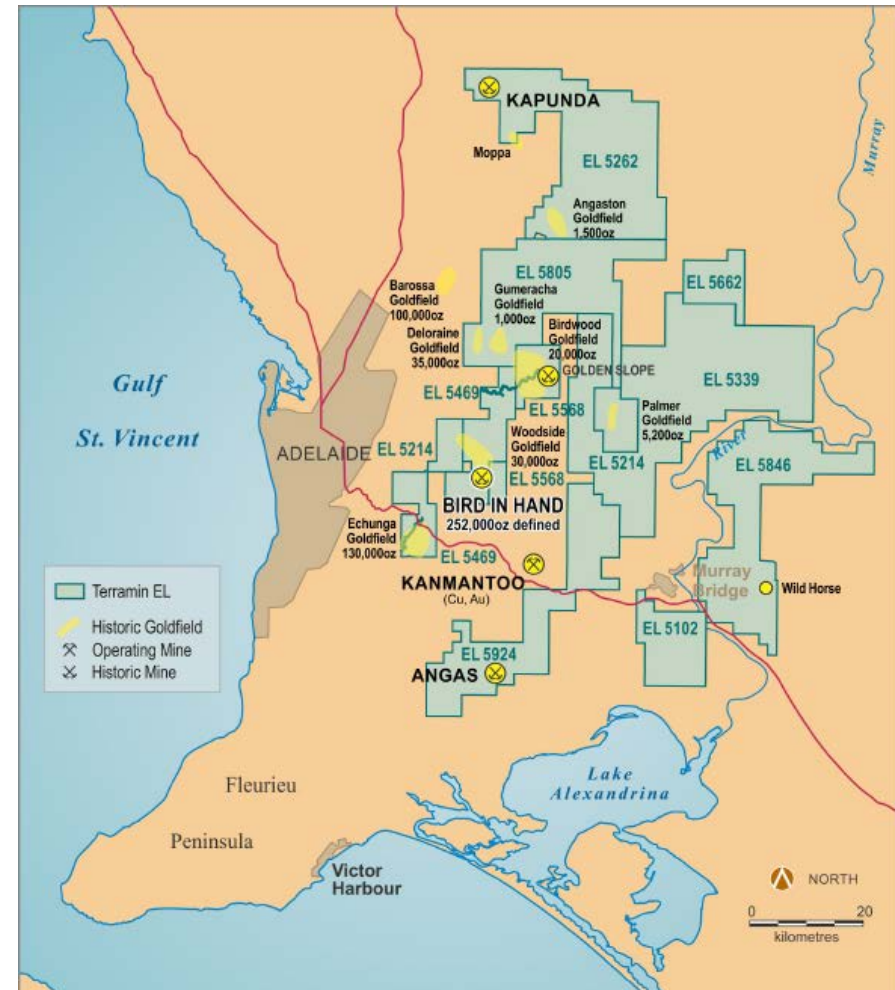


- Simple small scale underground cut and fill mining operation
- High grade gold will be extracted from below the historical mine workings
- Located approximately 30 km north of Terramin's existing mining and processing facilities at the Angas Zinc Mine
- 440,000tpa polymetallic float plant used to process ore, producing concentrates
- Tailings deposited in a lined tailings storage facility

Strategic Location

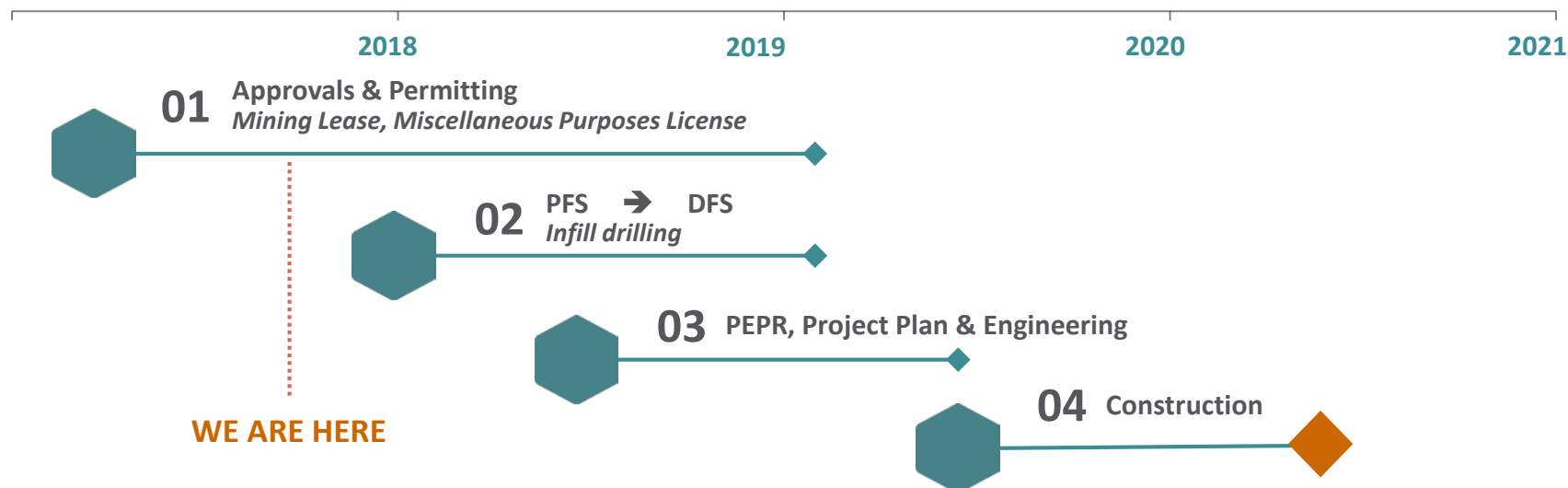
South Australia... A great place to be in gold

- SA Government Gold Commodity Strategy to follow successful launch of its 'Copper Strategy'
- Gold mineralisation widespread and occurs in almost all geological provinces in the state
- Currently eight operational or approved mines including Olympic Dam - the 4th largest gold resource in the world
- 27.5% of Australia's economic demonstrated gold resources¹
- World renowned research and collaboration
- Large well-educated workforce and large numbers of mining professionals wanting to return to SA from inter-state
- "More gold exploration is warranted to reflect South Australia's abundant gold potential"



Bird-in-Hand – Indicative Time Frames

Clear pathway to unlock value for shareholders



Bird-in-Hand – Forward looking plan

Scoping study	<ul style="list-style-type: none"> Independent review (Completed)
Land acquisitions and approvals	<ul style="list-style-type: none"> MAR re-injection test work - Stage 1 (Completed) Progressing Mining Lease Submission expected to be lodged in 2019 (Planned)
Exploration	<ul style="list-style-type: none"> Upcoming Bird-in-Hand drill program for infill and extension (Planned) Regional exploration drilling planned on advanced exploration projects (Planned)
Demerger	<ul style="list-style-type: none"> Unlock value for shareholders through potential demerger of advanced project (On-going)

Tala Hamza Key Highlights



Tala Hamza is one of the largest undeveloped zinc and lead mines in the world and an important part of the future supply required to meet a projected increase in global zinc demand over the next decade

Control & supportive project stakeholders	<ul style="list-style-type: none"> • Terramin owns 65% of the joint-venture, which owns Tala Hamza • Supportive joint venture partners in state-owned ENOF and ORGM • Strong relationship with China Non-Ferrous – long term shareholder in Terramin providing strong technical and logistical support
Strategic location	<ul style="list-style-type: none"> • Beachhead for broader regional development potential • National highway to deep water port; grid electricity; proximity to Bejaia requires no camp facility
Supportive economics with considerable upside	<ul style="list-style-type: none"> • DFS NPV of A\$260m⁽¹⁾ net to Terramin and initial project IRR of 14% • 2nd quartile cost - low labour costs and educated workforce • Upside exists through optimisation of current mine plan, expansion of the resources at the deposit, and strong regional potential in proximity to deposit
Large scale and long mine life	<ul style="list-style-type: none"> • Project will be significant in global terms • Projected mine life of 21 years, providing investors with exposure to multiple commodity cycles
Supportive industry dynamics	<ul style="list-style-type: none"> • Zinc and other base metals impacted by supply side constraints • New mines face permitting and approval delays – development timelines are getting longer • Low inventory levels and supply deficits provide positive outlook for Tala Hamza

Strategic Location

Ready access to existing infrastructure – rail, road, port and grid electricity

Location map



- Located on the north-east of Algeria, close to the Mediterranean coast and customers
- Access to major roads, rail, deep water port and international airport
 - Concentrate will be shipped from Bejaia port to smelters in the Mediterranean and other parts of Europe
- Availability of low cost power and fuel offer competitive cost advantage
- Close proximity to the township of Bejaia, requires no camp facilities and will be served by a drive-in drive-out workforce

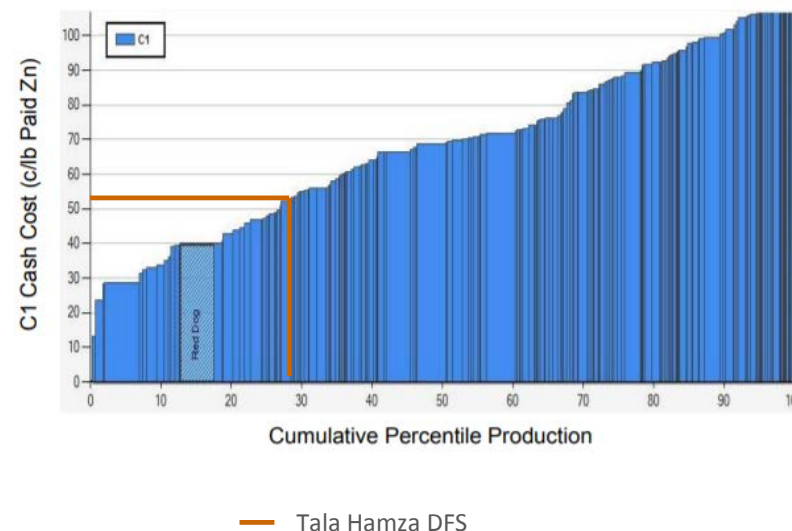
Supportive Economics with competitive cost position

Low pre-production capital and highly competitive operating costs, with optimisation potential from already identified expansion cases

Key financials and outputs – DFS 2018

Key financial metrics	DFS 2018 ³
Commodity Price Metrics	
Zinc price – LOM average	US\$1.25/lb - US\$1.50/lb
Lead price – LOM average	US\$1.05/lb - US\$1.11/lb
Cost Metrics	
C1 Operating Costs – LOM average	US\$0.53/lb - US\$0.55/lb
All-in Sustaining Costs (AISC) – LOM average	US\$0.61/lb - US\$0.64/lb
Financial Metrics	
Discount rate	8.0%
Start-up-capital cost	US\$341M (A\$449M)
Sustaining capital cost	US\$144M (A\$190M)
NPV _g Post-tax nominal ^{1 2}	US\$303M - US\$553m (A\$399M - A\$728m)
IRR Post-tax nominal (%) ¹	14% - 19%
Free cash flow – Post tax nominal ¹	US\$1.5B - US\$2.1B (A\$2.0B - A\$2.8B)
Payback Period	7 years - 9 years

2nd Quartile cost curve position⁽⁴⁾



Significant Upside remains to be delivered in the near term



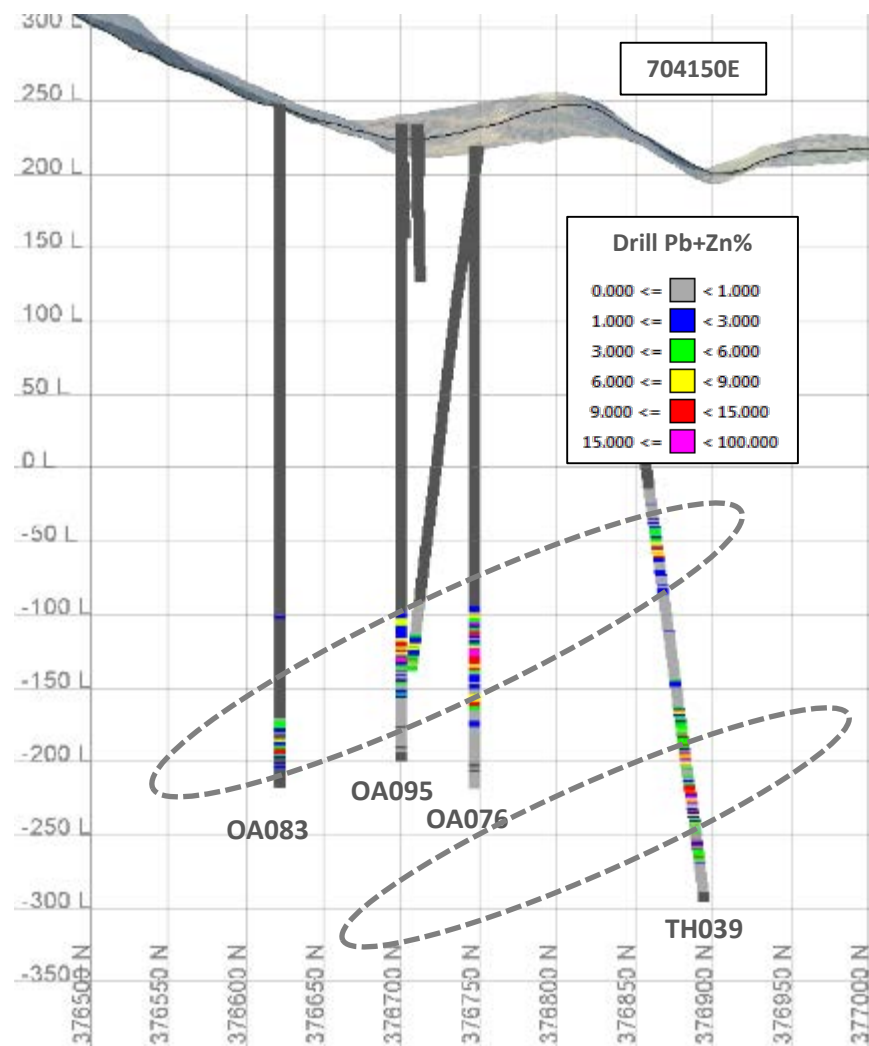
Optimisation of mine plan	<ul style="list-style-type: none">• Initial optimisation study works at target production rate of 2mtpa and slightly lower cut-off grade have been very promising<ul style="list-style-type: none">– Potential for significant scale efficiencies and unit cost reduction– Additional 8Mt of resource (c.30% of reserves) could be included in production• Further work commissioned - cost and engineering studies, option analysis for cut-off grade	A teal hexagon containing a white checkmark, indicating a positive outcome or completion.
Extension of existing deposit	<ul style="list-style-type: none">• Existing deposit mineralisation is open to the south and east• WMZ drillhole TH039, eastern most hole intercepted a deeper lode• Further drilling and test planned, which may support potential expansion of existing ore body<ul style="list-style-type: none">– Airborne EM (Electromagnetics) and modern deep search technology pioneered in Australia	A teal hexagon containing a white arrow pointing up and to the right, indicating growth or expansion.
Strong regional potential	<ul style="list-style-type: none">• Tala Hamza region is heavily mineralized, with a number of under-explored targets nearby• Potential to use Tala Hamza as a centralised processing hub	A teal hexagon containing a white arrow pointing up and to the right, indicating growth or expansion.

Potential extension of existing orebody

The Tala Hamza Deposit remains open in multiple areas. Land access achieved through the grant of the Mining Lease opens up the opportunity for a second access, maintain mine life and support expansion of the processing plant.

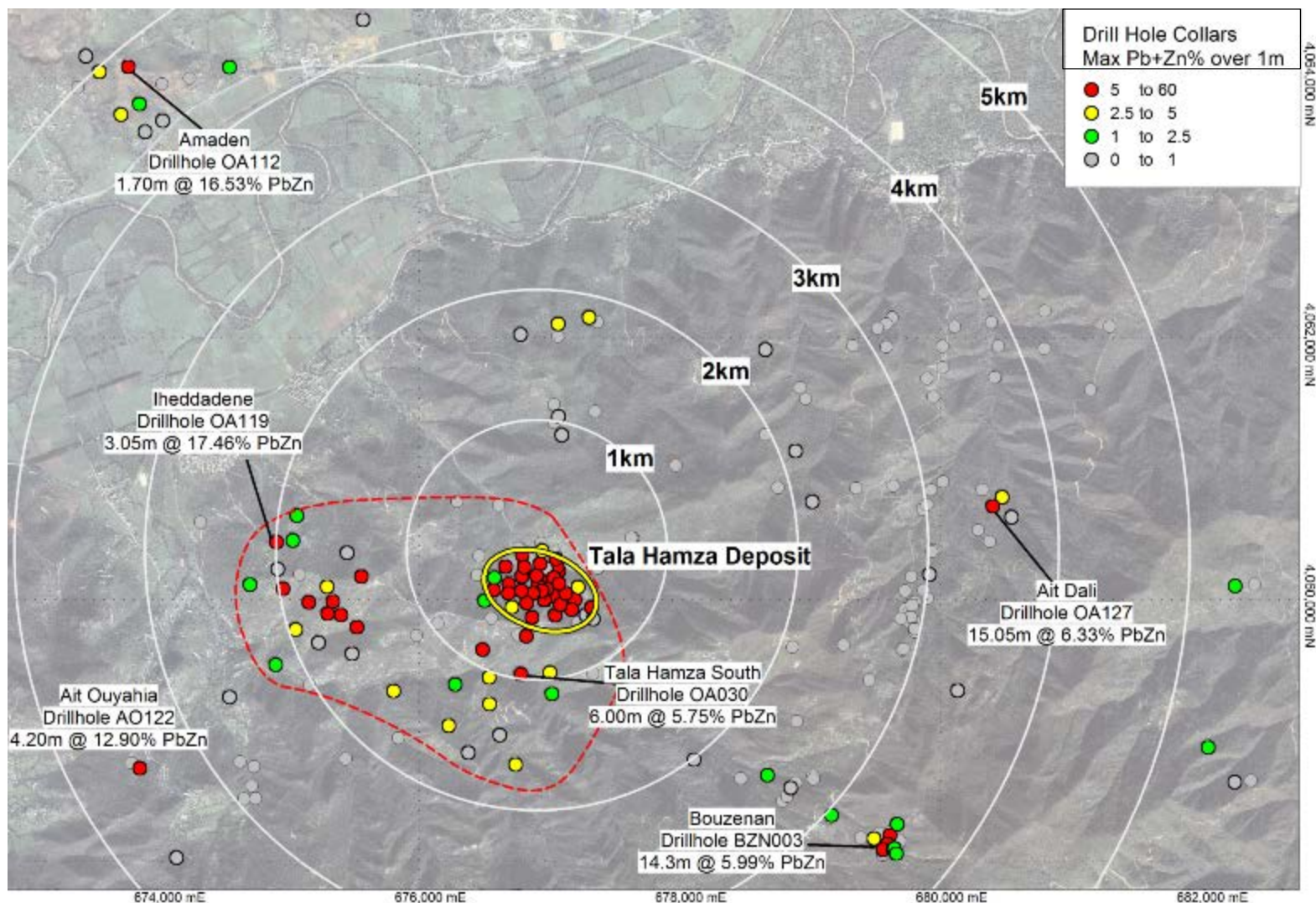
Unfinished business

- Tala Hamza mineralisation is open to the east
- Historic eastern most holes only intersected the upper lode
- WMZ drillhole TH039, eastern most hole to intercept the deeper lode
- TH039 intercepted from 381m, 106.4m @ 5.6% PbZn
- includes 413m, 5m @ 14.48% PbZn
- and from 436m 12.1m @ 11.48% PbZn



Near Mine Deposits

The Tala Hamza District is heavily mineralised. There are a number of nearby under explored zinc targets that provide the potential for conveying or haulage to a centralised processing hub at the Tala Hamza Deposit.

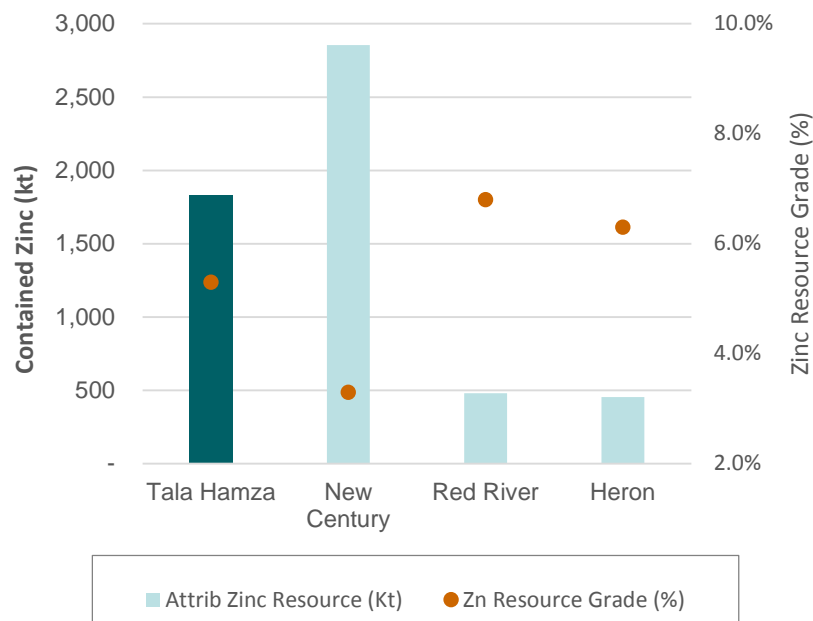


Large Scale & Long Mine life

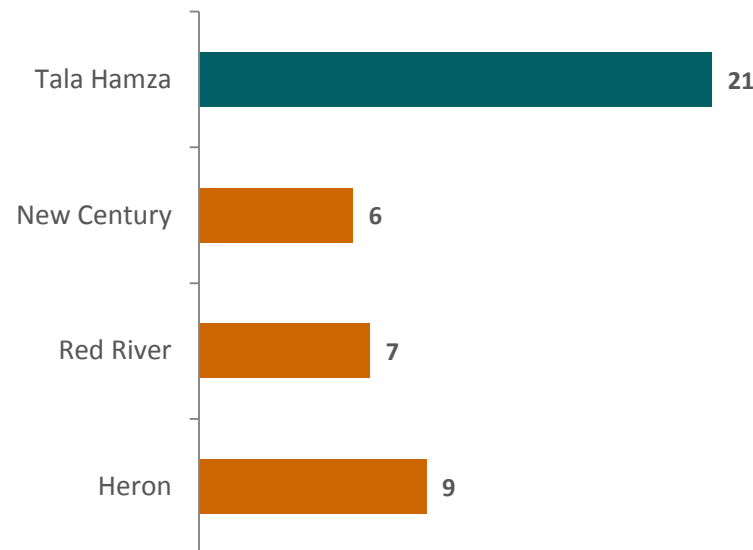
Large Scale and Long Mine life allow shareholders to get exposure across commodity cycles.

Concentrate production will be significant in global terms with projected mine life of 21 years, outlasting peer projects.

Contained zinc metal vs grade⁽¹⁾



Mine life comparison with ASX listed peers (years)⁽²⁾



Notes: (1) Displays resource attributable to 100% of the Tala Hamza Project, Terramin has a 65% interest in Tala Hamza. Peer statistics as per company announcements;

(2) Peer mine life as per respective presentations at the Diggers & Dealers Mining Forum 6-8 August 2018

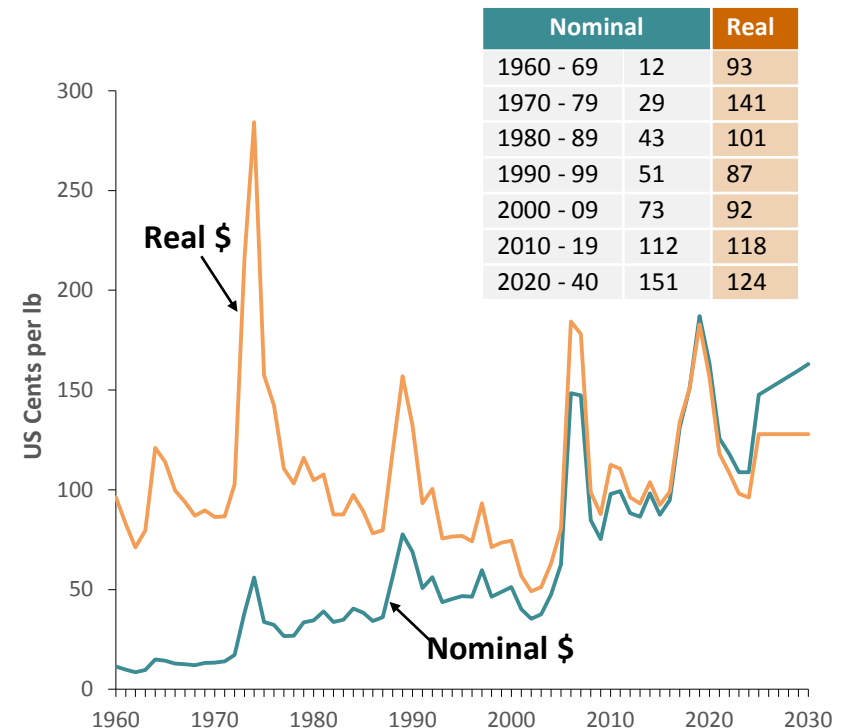
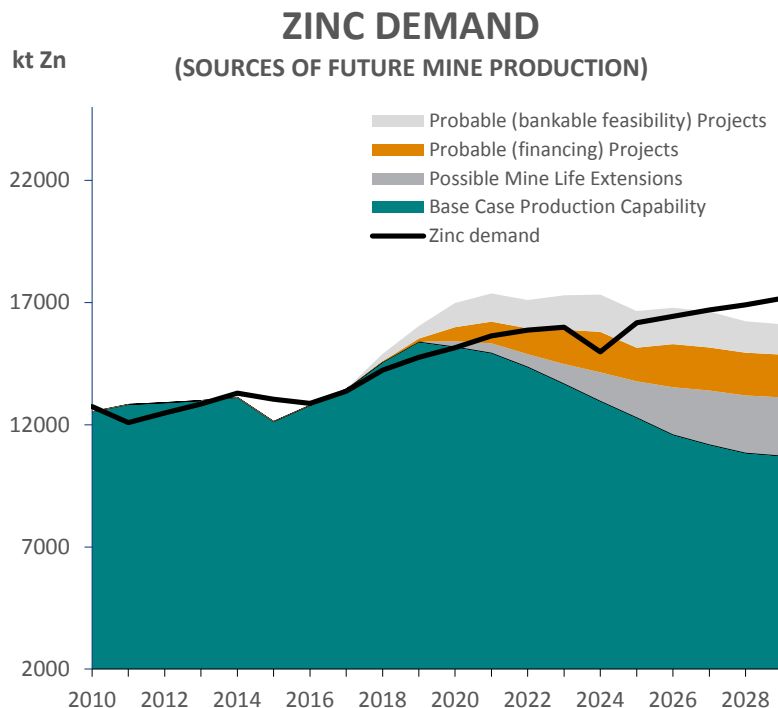
Tala Hamza expected to produce during material supply crunch period



Zinc mine production expected to peak in 2020. Additional mine production will be required to replace production from mines that are forecast to close and to meet increased demand for concentrate as the market for refined metals continues to grow

Industry recognises medium term production shortfall

LME zinc prices (US cents per lb)



Inventory levels⁽¹⁾

c. 115 days
(2010)

c. 30 days
(2018)



Source: Wood Mackenzie

Notes: (1) Refined stocks days of consumption (Wood Mackenzie)

Tala Hamza – Forward Looking Plan

New management team has been appointed with a clear pipeline of activities to deliver on Terramin's base and precious metals strategies. Current status:

01

Formal submission of the DFS to the Government of Algeria

02

Wilaya (local administration approvals)

03

Land access and acquisition of sites designated to host infrastructure

04

Optimisation and FEED (Front End Engineering and Design) works

05

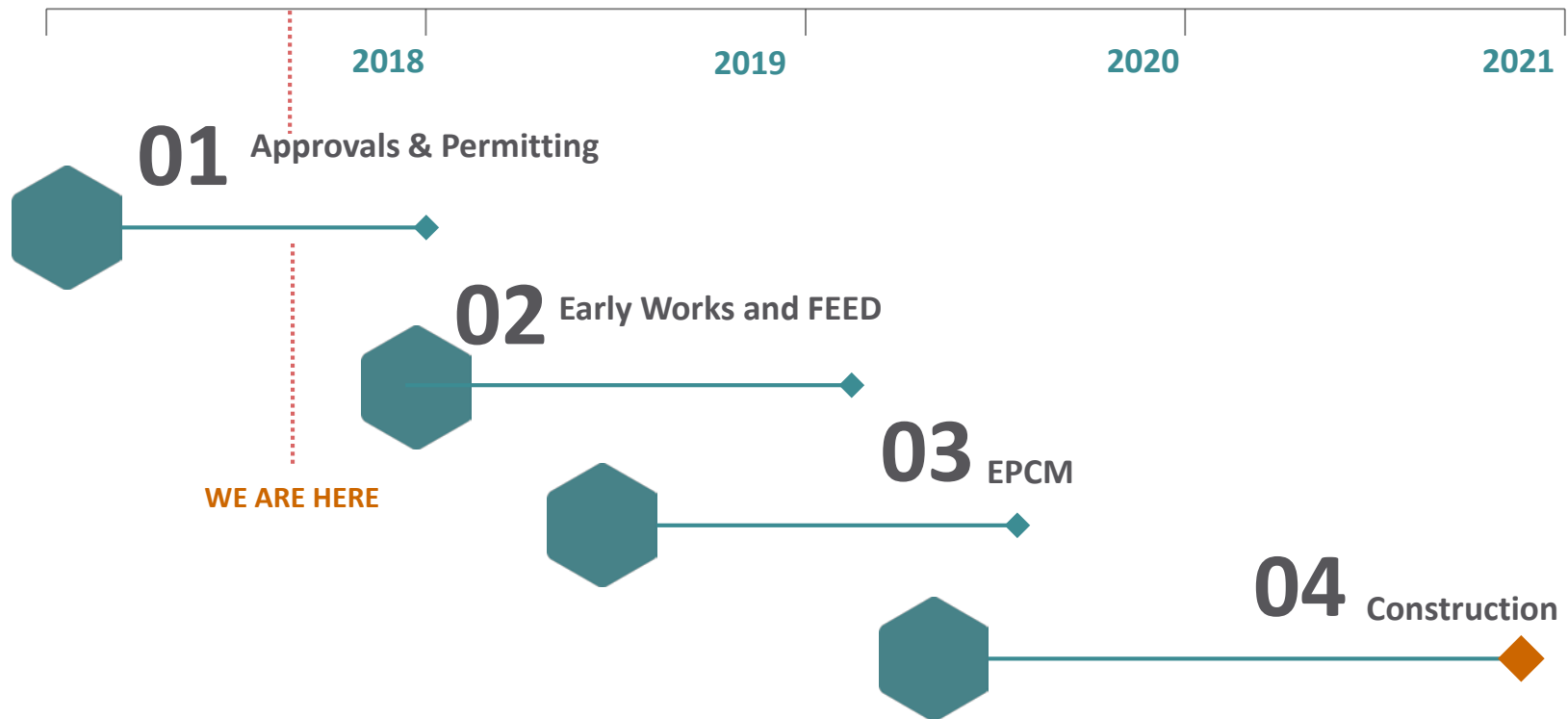
Early works road access and administration establishment

06

Establishment of owner's team and EPCM

Tala Hamza – Indicative Time Frames

Timeframes are for indicative purposes only. The project has been delayed while working with the Algerian authorities to address environmental and social aspects. Timeframes may extend.



Reasons to Invest in Terramin

Terramin is in the right place at the right time and with the right projects and people to capitalise on a strong price environment for its key commodities



Right Commodity

- Gold in AUD at record prices
- Zinc has strong fundamentals (low inventories, medium term supply deficit)



Right Assets

- High grade gold targets
- First mover advantage
- Algeria an emerging mining jurisdiction
- Long mine life with supportive initial economics
- Future growth remaining



Right People

- Significant base & precious metals experience
- Long association with the projects
- Supportive shareholders

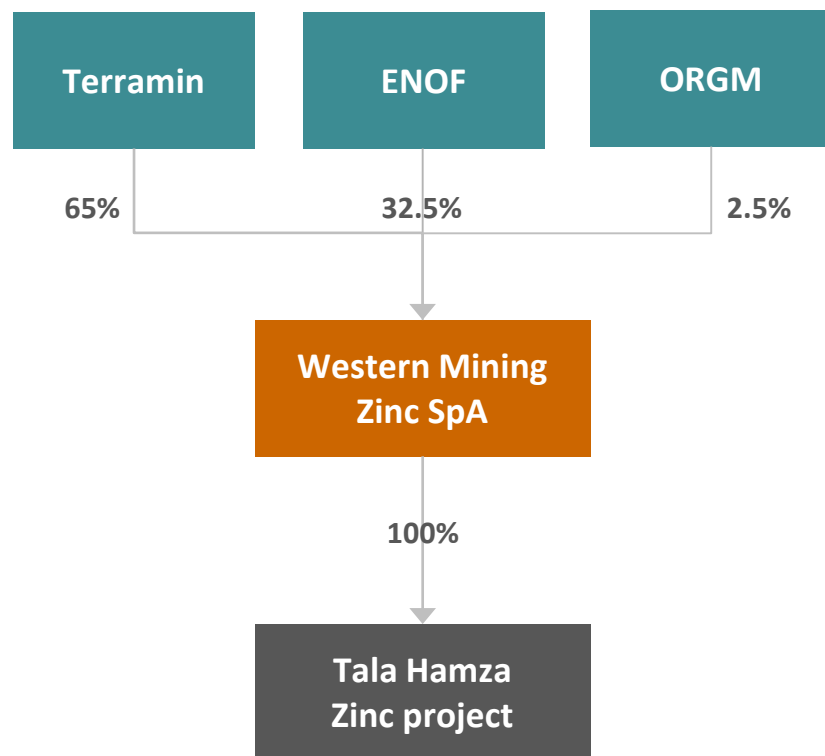


- A. JV Partners**
- B. Tala Hamza Project Evolution**
- C. Mining Method Overview**
- D. Algeria Country Overview**

A. Terramin has Control & Supportive JV Partners

Terramin is the majority owner and operator of the project, which provides it with significant flexibility around future development and funding of the project

Ownership structure for Tala Hamza JV



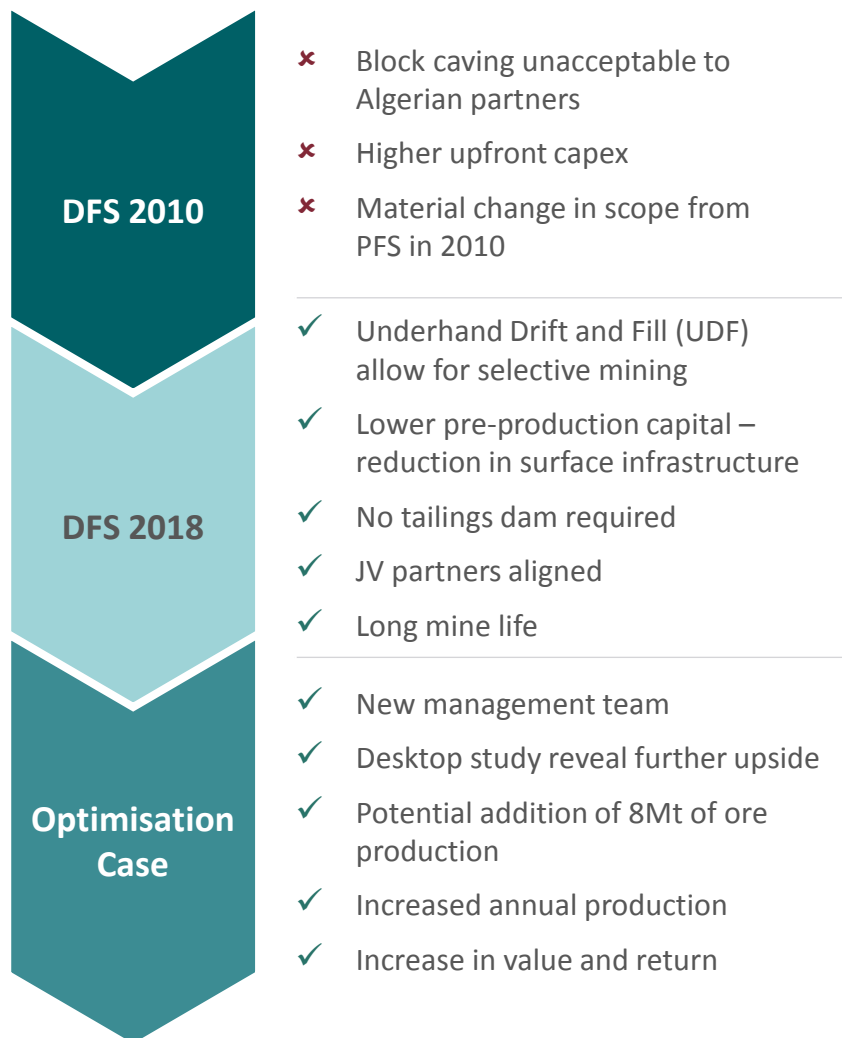
Overview of the JV partners

ENOF (32.5%)	<ul style="list-style-type: none">• One of the five Algerian state owned mining companies• Operates 18 mines and quarries, which produce non-ferrous metal mineral commodities
ORGM (2.5%)	<ul style="list-style-type: none">• Algerian government geological survey based on the French model (i.e. BRGM)• Responsible for the country's geological activities and research

Favourable terms delivered by government relationship

- ✓ Five year tax holiday
- ✓ Alignment of interest with JV partners around revised mining method
- ✓ Partners to fund their share of capex and development costs on decision to mine
- ✓ Project considered of national significance

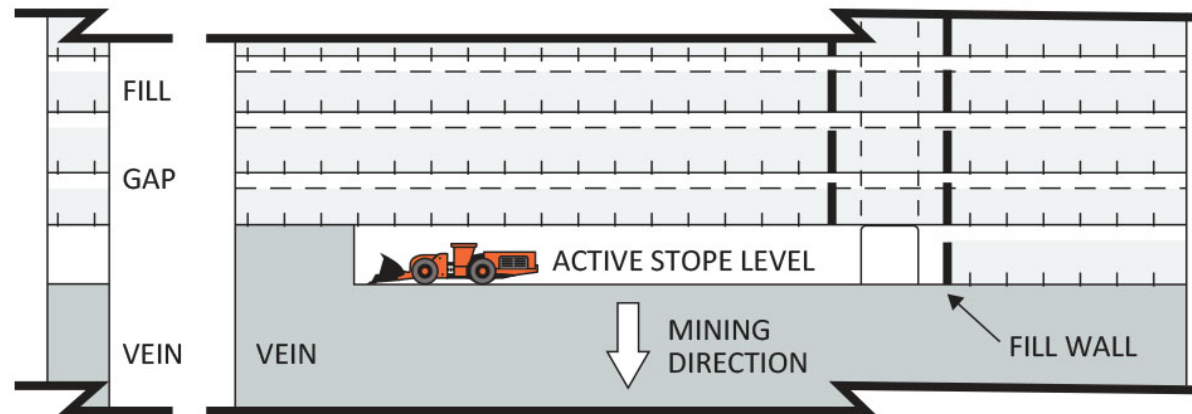
B. Tala Hamza Project Evolution



Comparison	DFS 2010	DFS 2018
Production Conc. Kt - LOM ave	425	155
Pre-Production Capex (US\$M)	\$579	\$341
Total Tonnes Mined Mt	40	26
Zinc & Lead Metal in Conc. Mt	2.0	1.8
Tonnes Treated Mtpa	4.0	1.4
Unit Ops Cost US\$/t	\$19.6	\$63.5
C1 Cash Cost US cents/lb payable zinc	32.2c	52.7c

C. Mining Method: Underhand Drift & Fill (UDF)

UDF was selected as an alternative to block caving, with JV partners supportive of the revised mining method



- Underhand drift and fill (UDF) mining is a technique similar to the cut and fill mining method often used in narrow vein deposits
- UDF permits mining in low strength or highly stressed rock types and improves control in difficult ground conditions
- The main difference to narrow-vein is that instead of cuts along the vein, a lattice of drifts, also referred to as stopes or cells are mined alongside each other across a massive ore body
- Conventional cut and fill or overhand cut and fill, is a bottom up mining method where the first level is extracted and filled and then the consecutive level is mined by working on top of the fill to progress mining
- Underhand mining is where a cemented fill is used in combination with steel reinforcing, allowing mining to occur beneath the fill

C. Mining Method: UDF: Jinchuan Nickel

Jinchuan

- Largest nickel producer in Asia
- 90% of China's domestic nickel production
- 150,000t of refined nickel metal
- Based in Gangsu Province P.R. China
- Commenced production in 1958
- Jinchuan International listed in Hong Kong
- Assets Zambia and DRC
- Centrally owned State Owned Enterprise

Processing

- Concentrator capacity 29,000t per day
- Standard comminution circuit crush and grind
- Tailings dewatered and used in cement paste backfill
- Jinchuan owned smelter capacity utilised to produce nickel metal from concentrate

Mining Method

- Underhand Drift and Fill (UDF)
- 6.5km along strike and 1km depth
- 6.0Mt contained nickel metal and 3.9Mt copper
- Three open operating areas
- Material mined from No2 Mine 4Mt and from Mines 1&2 a further 1Mt for a combined mine output of 5Mt
- Poor rock quality and highly fractured material was the primary reason for selecting UDF

Jinchuan Nickel Mine



Overview

- Located in North Africa
- Population of c. 41m (2017)
- Achieved independence from France in 1962
- Abdelaziz Bouteflika (current president) has been in power since 1999 (4th term), next election expected in 2019
- Ranks 112/180 on the Corruption Perceptions Index (2017)

Economy

- Economy still dominated by the state, although the government has undertaken a program of privatisation in recent years
- Hydrocarbons are the dominant sector, accounting for c. 30% of GDP, 60% of budget revenues and 95% of export earnings
- GDP per capita: US\$4,019 (2017)
- Credit rating: B+ (S&B); B1 (Moody's)
- External debt (% of GDP): 2.4% (September 2017)

Energy & Mining

- Strong history of energy production:
 - Leading African producer of natural gas (2.4% of world output)⁽¹⁾
 - 3rd ranked African crude oil producer (1.6% of world output)⁽¹⁾
- Passed a new mining law in February 2014, aimed at opening the country to more private investment
- Reforms passed within the new law include:
 - Guaranteed parity for all investors
 - Removes priority to state-owned companies in the issuance of mining permits

Global mining and energy companies in Algeria



Contact Details

For further information please contact:

Richard Taylor

Chief Executive Officer

Simon Iacopetta

Chief Financial Officer

Main Office

Unit 7, 202-208 Glen Osmond Road,
Fullarton, Adelaide
South Australia, 5063

T +61 (0) 8 8213 1415

F +61 (0) 8 8213 1416

info@terramin.com.au

terramin.com.au

