



TERRAMIN AUSTRALIA LIMITED



Non-deal Investor Presentation - Singapore *30 October 2014*

Important Notice and Disclaimer & Competent Person Statement



Important information

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

Risk and Assumptions

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.

No investment advice

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.

Disclaimer

To the extent permitted by law, Terramin, its directors, officers, employees, agents, advisers and person named in its presentation:

(a) 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;

(b) 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 Presentation that relates to Exploration Results and Mineral Resources is based on information compiled and thoroughly reviewed by Mr Eric Whittaker. The information that relates to Ore Reserves for Angas and Tala Hamza is based on information thoroughly reviewed by Mr Joe Ranford. Mr Whittaker and Mr Ranford are Members of The Australasian Institute of Mining and Metallurgy. At the time of their respective estimates Mr Whittaker was a Principal Resource Geologist and Mr Ranford was General Manager Operations and both were employees of Terramin Australia Limited. Both have sufficient experience relevant to the style of mineralisation and type of deposit(s) under consideration and to the activity which they are undertaking to qualify as a Competent Person as defined by the relevant 2004 or 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' as specified in the explanation notes above. Mr Whittaker and Mr Ranford consent to the inclusion in the presentation of the matters based on their information in the form and context in which it appears.

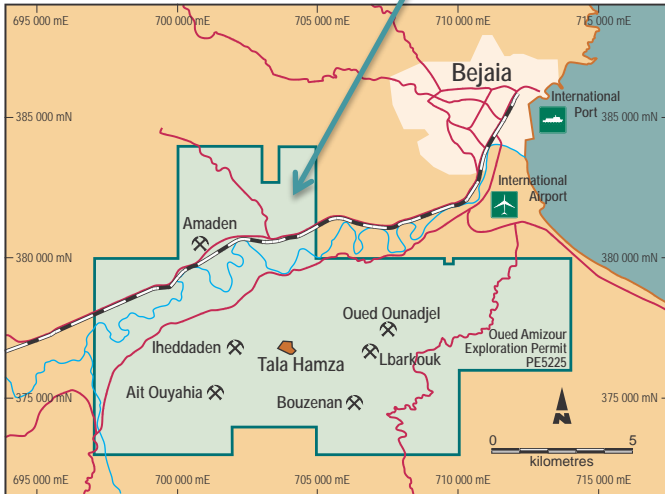
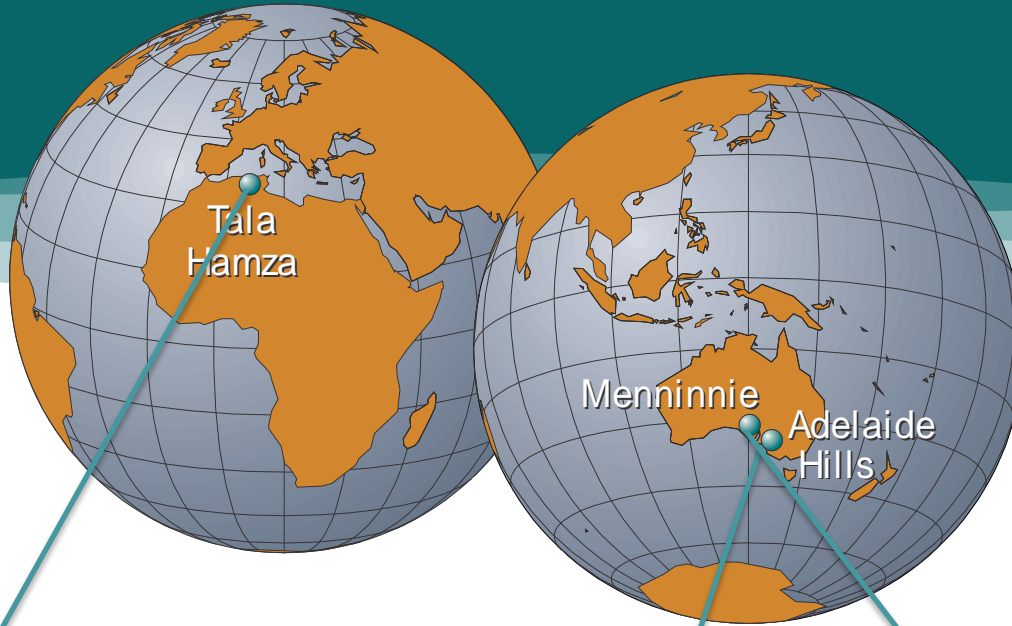
About Terramin Australia Limited



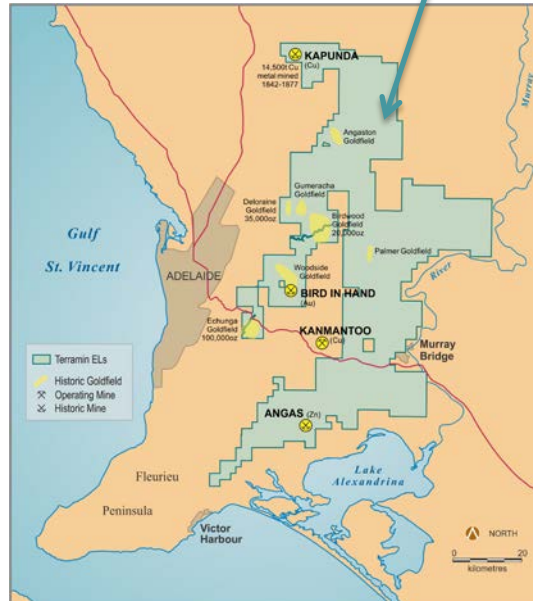
World class quality base metal project and gold portfolio

- ❑ **World Class Tala Hamza Zinc Project ready to permit**
- ❑ **Resource of 68.6 million tonnes at 4.6% Zinc, 1.1% Lead (Measured, Indicated and Inferred)**
- ❑ **Bird-in-Hand Gold Project – Inferred Resource of 235,000 ounces at 13.0gt**
- ❑ **3,750 square kilometres of exploration tenements – including over 300 historic gold, copper and base mines**
- ❑ **All projects close to infrastructure**
- ❑ **Exceptional multi-commodity exploration**
- ❑ **Management and Board with extensive practical and commercial experience in all stages of project development and mining**

Projects



Tala Hamza



Adelaide Hills Project



Menninnie Zinc Project

Fast facts



- ❑ **Australian Securities Exchange Listed (ASX:TZN)**
- ❑ **Listed in December 2003**
- ❑ **Shares on Issue: 1,318 million**
- ❑ **Market Capitalisation: approximately \$103 million**
- ❑ **Over 3400 shareholders**
- ❑ **Technical Cooperation Agreement in place with China Nonferrous Metal Industry's Foreign Engineering and Construction Co. Ltd. (NFC).**

Fast facts



□ Key Shareholders

Asipac Group

Tronic Enterprise Development

China Nonferrous Metal Industry's Foreign Engineering and Construction

Investec Bank

New Asia Wealth Investment Holdings

□ Directors and Management

Michael Kennedy (Chairman)

Feng Sheng (Director)

Kevin McGuinness (Director)

Angelo Siciliano (Director)

Xie Yaheng (Director)

Martin Janes (Chief Executive Officer)

Joe Ranford (Chief Technical Officer)

Stephane Gauducheau (Legal Counsel)

Tala Hamza Zinc Project



65% Terramin : 35% ENOF/ ORGM

- ❑ **Location**
- ❑ **Infrastructure**
 - ❑ deep water port (15 kms)
 - ❑ international airport (10 kms)
 - ❑ plentiful water on lease
- ❑ **Workforce**
 - ❑ proximity to city
 - ❑ local universities
 - ❑ iron and zinc mining history
- ❑ **Low Operating Cost**
 - ❑ power approximately 4c/kWh
 - ❑ low cost fuel – diesel – 20c/l
 - ❑ attractive labour cost
- ❑ **Excellent regional potential**
 - ❑ 125 km² prospective tenement



Tala Hamza Zinc Project



Background on Algeria

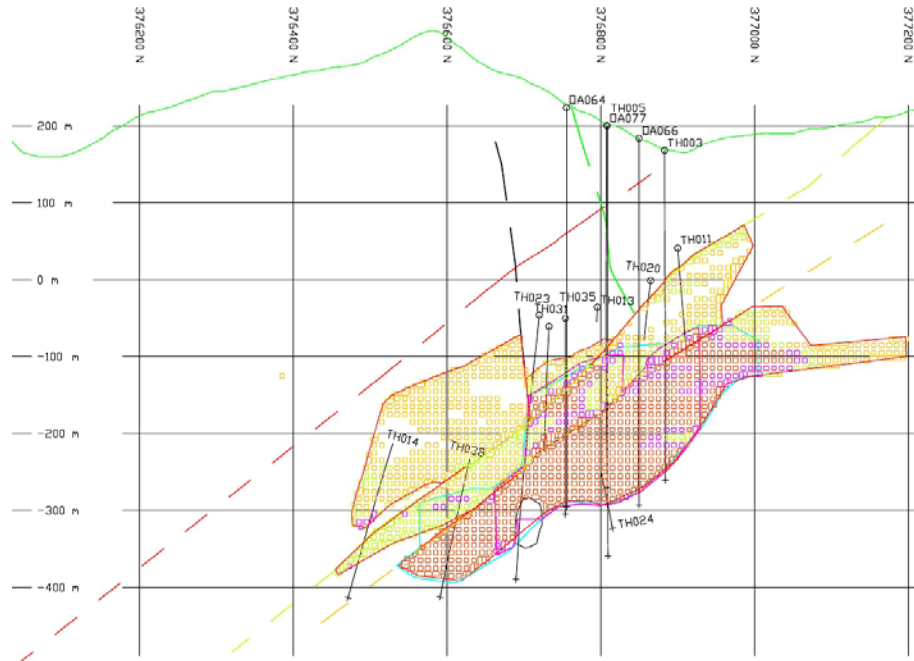
- ❑ Largest country in Africa by land mass and third largest African economy.
 - ❑ Stable economy with \$200 billion of foreign exchange reserves
 - ❑ Major export is hydrocarbons and is second largest supplier of gas to Europe.
 - ❑ Stable political system
 - ❑ Government seeking to diversify economy away from hydrocarbons
-
- ❑ New Mining Act passed by parliament in early 2014 which seeks to reinvigorate the mining industry



Tala Hamza Zinc Project



- ❑ Revised DFS recently completed by China Nonferrous Metal Industry's Foreign Engineering and Construction based on new agreed mining method.
- ❑ DFS presented to Algerian Partner, review ongoing.
- ❑ Long mine life with additional ore is available to the south.



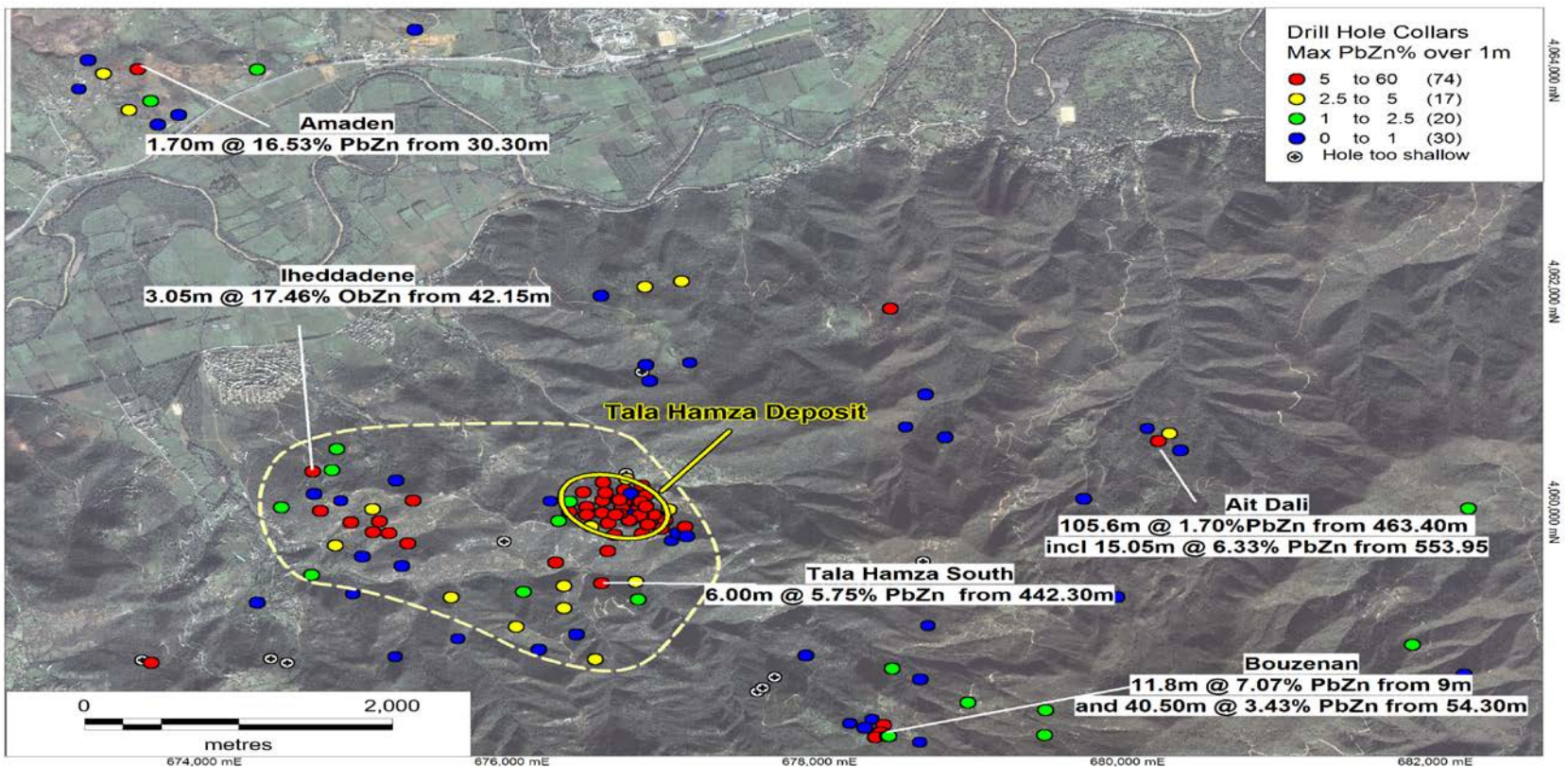
Mineral Resource of 68.6 million tonnes at 4.6% Zinc, 1.1% Lead (Measured, Indicated and Inferred)¹

1. Resource determined under JORC Code 2004 Edition.

Tala Hamza Zinc Project



□ Excellent regional potential around Tala Hamza



Tala Hamza Zinc Project



- ❑ World class project which is in the top ten biggest zinc deposits in the world
- ❑ Only large advanced zinc project owned by developing mining company

Top Zinc Deposits in the world	Ownership
Mount Isa	Xstrata
McArthur River	Xstrata
Red Dog	Teck
Rampura Agucha	Hindustan Steel
Shalkiya	Shalkiya Zinc
Tala Hamza	Terramin/ ENOF&ORGM
Century (closing 2015)	MMG
Antamina	BHP and partners

Zinc Market



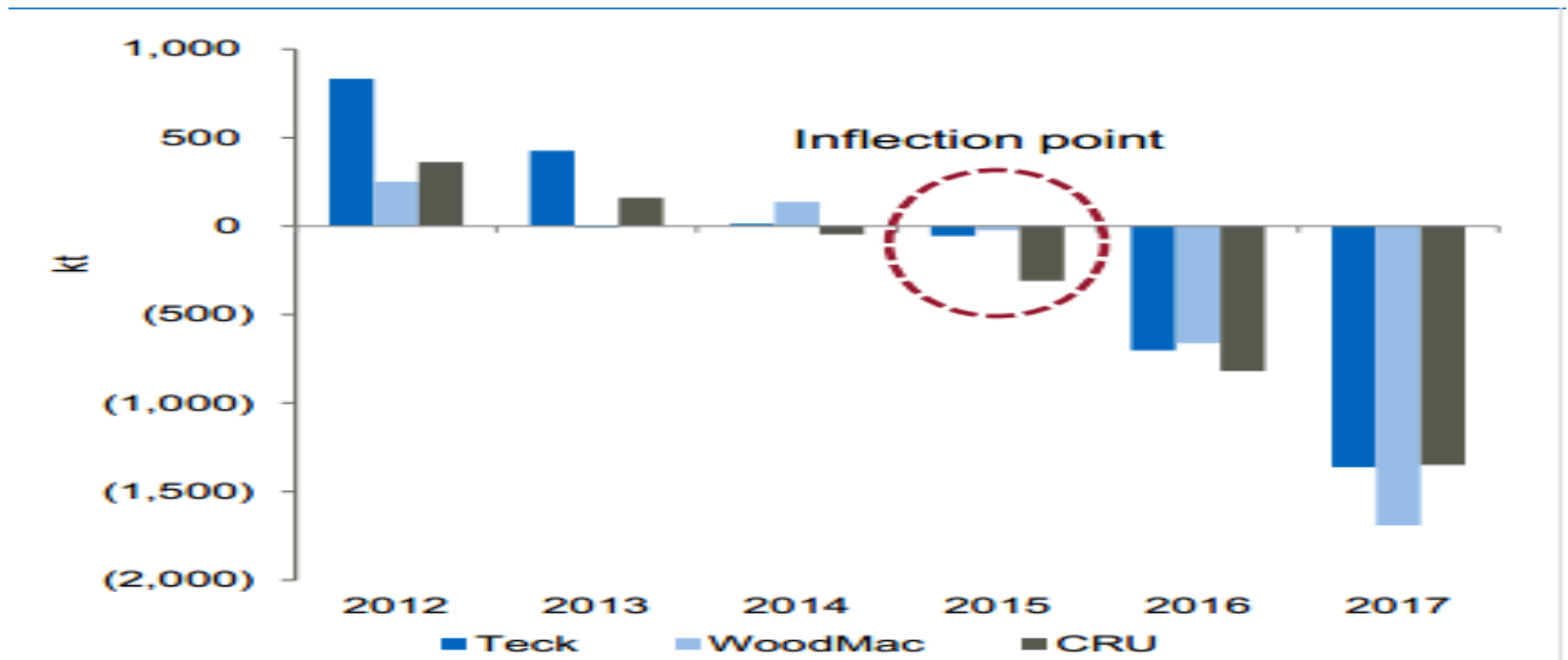
- ❑ Major zinc supply deficit expected from 2015.
- ❑ Mine closures are expected to result in fall in western world zinc production.
- ❑ New mine development constrained by lack of large economic deposits

Major Mine Closures (within 4 years)	
Mine	Zinc Production ('000t)
Century	500
Brunswick	200 (just closed)
Lisheen	167
Skorpion	162
Perserverence	128
Pomorzany-Olkusz	65
Mae Sod	45
Bairedaba Yidu	45
Others	402
Total	1,700 (11% of supply)

Tala Hamza Zinc Project



- Zinc market in deficit from 2015 with deficit widening from later in the decade.

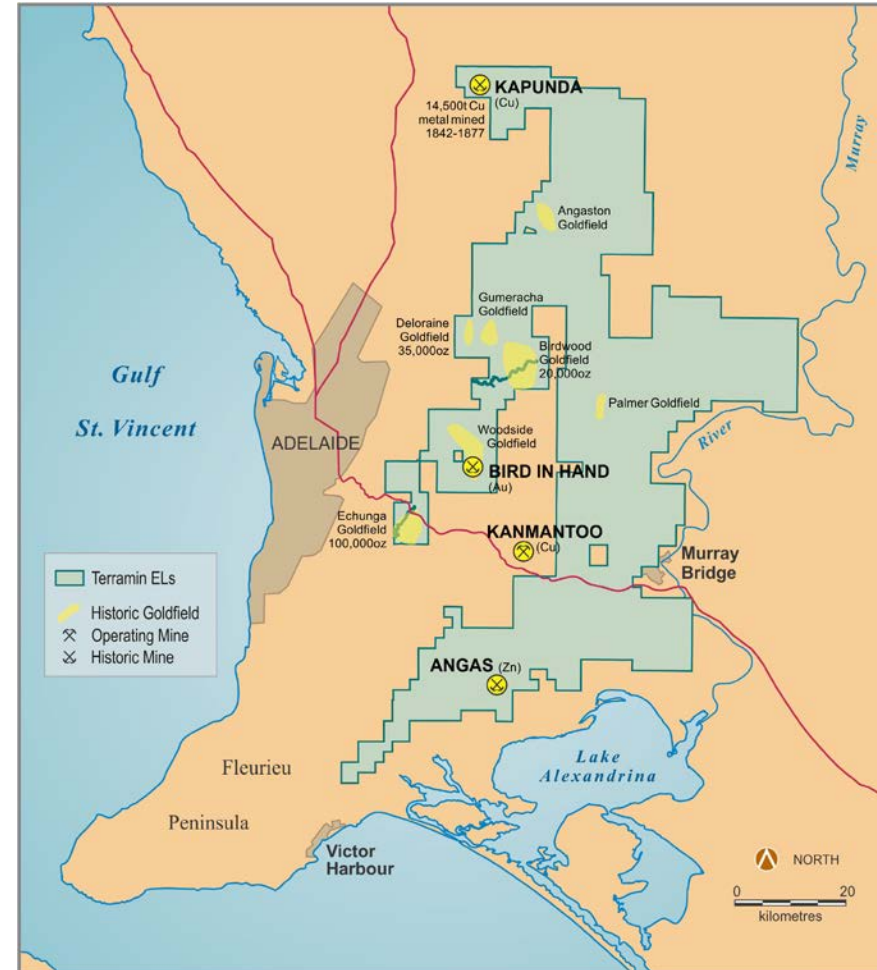


Source: Teck Resources

Adelaide Hills Project



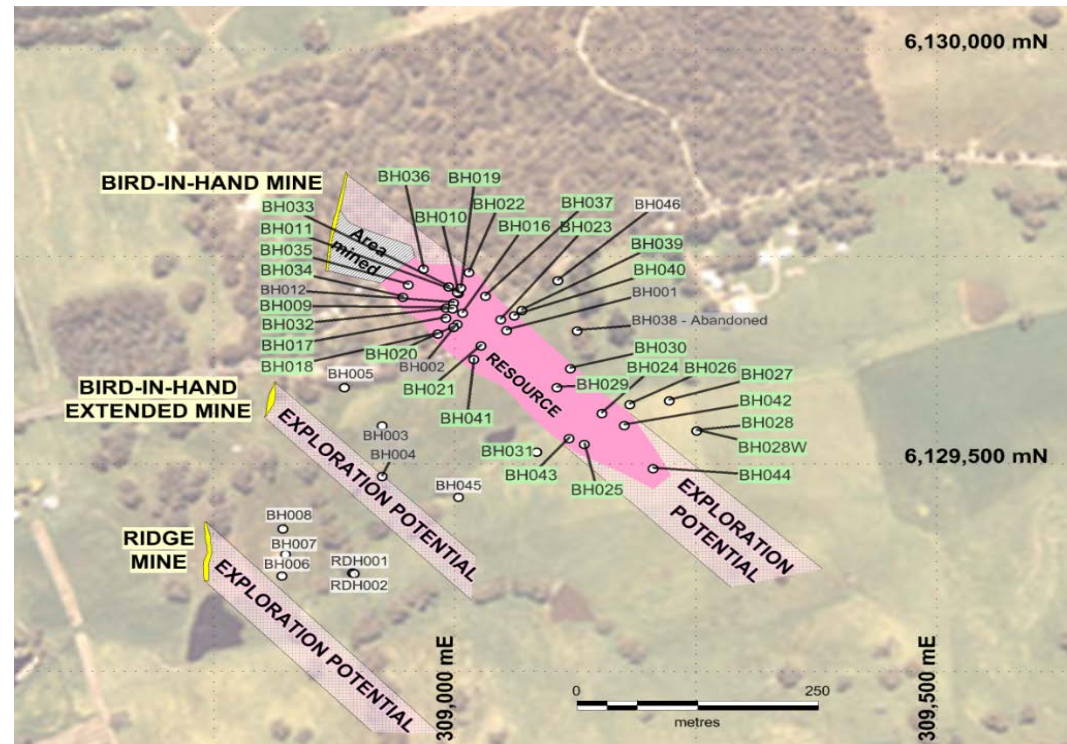
- ❑ 100% Terramin.
- ❑ Bird-in-Hand Gold Project – Inferred Resource of 235,000 ounces at 13.0gt
- ❑ Angas Zinc Mine Processing Plant – Existing 400,000 tonnes per annum base metals processing plant and tailings dam.
- ❑ 3,750 square kilometres of exploration tenements – including over 300 historic gold, copper and base mines.
- ❑ Established base metal mining province with established mining operations.
- ❑ Established infrastructure with experienced residential workforce.
- ❑ Multiple copper, zinc, lead and gold exploration targets.
- ❑ Newly identified HREE (Heavy Rare Earth) potential.



Bird-in-Hand Gold Project Exploration Potential



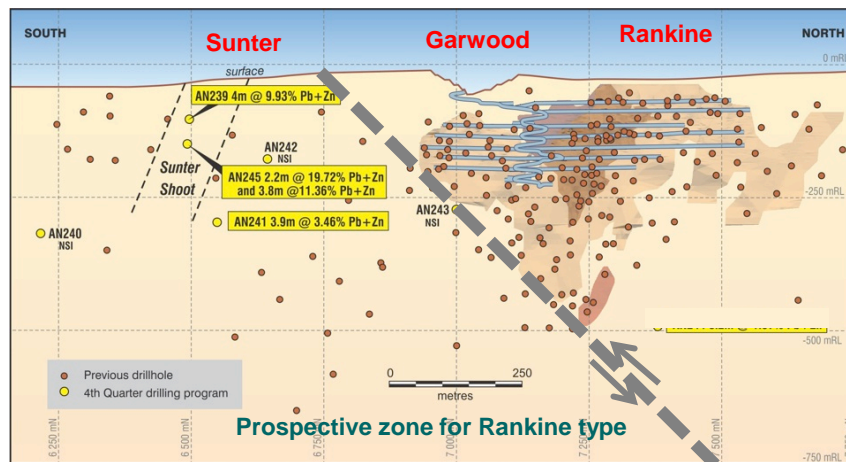
- ❑ Potential to discover additional high grade gold resources.
- ❑ Existing Bird-in-Hand ore body is open at depth.
- ❑ Bird-Extended and the Ridge recorded historical high grade production.



Angas Zinc Mine



- ❑ Recently placed on “care and maintenance” after 5 years of production
- ❑ 400,000 tonne per annum polymetallic process plant with tailings dam and extensive infrastructure
- ❑ Exploration potential near mine



Regional Exploration Potential



- ❑ **Exploration licenses over more than 300 historical base metal and gold mines.**
- ❑ **Most of the historical gold mines have not been tested by modern exploration methods.**
- ❑ **Exploration targets include:**
 - ❑ **Wheal Barton** – historic copper mine with reported grades of 20%.
 - ❑ **Golden Slope** – recorded production of 4 ounces of gold per tonne
 - ❑ **Kapunda** – historic production of 13,500 tonnes. Resource of 3.7 mt at 1.2%. REE potential recently identified
 - ❑ **Holmes Watson** – explored by Rio Tinto. Shallow Zn/Pb drill intersections.
 - ❑ **Pipeline** – large low grade copper/gold orebody identified in initial drilling.



Menninnie – Strong Foundation



- ❑ Project fully funded by JV partner, Musgrave Minerals Ltd
- ❑ Menninnie Central Zone - Inferred Resource of 7.7Mt @ 3.1% Zn and 2.6% Pb, and 27g/t Ag (March 2011)
- ❑ 1,609km² tenement holding
- ❑ 160km from Port Pirie lead smelter
- ❑ High lead/zinc ratio
- ❑ Further prospective targets identified with active exploration plan.



Capability for Further Growth



- **Tala Hamza Zinc Project – Algeria (65%)**
 - DFS completed, development decision pending - \$50 million spent to date

- **Adelaide Hill Project - South Australia (100%)**
 - 235,000 ounce high grade gold project
 - 400Ktpa processing plant
 - Exceptional exploration potential

- **Menninnie Dam Project - South Australia**
 - 7.7Mt Inferred Resource with high lead-silver content near Port Pirie smelter
 - Close to Paris Discovery
 - Targets with similar characteristics provide significant upside

Terramin and Zinc



- ❑ Terramin is an opportunity for early stage investment in significant zinc exposure
- ❑ Zinc is the base metal favoured by most analysts, due to fundamentals of demand/supply that point to substantially higher prices over the next 3-5 years
- ❑ Zinc tied to steel use via galvanising, and no strategic competitor material so long term demand growth is assured
- ❑ Mine resources limited, few new discoveries with average mine ore grades diminishing



TERRAMIN AUSTRALIA LIMITED



Non-deal Investor Presentation - Singapore *30 October 2014*