



TERRAMIN AUSTRALIA LIMITED

ASX Announcement

28 May 2015

Partners Progress Tala Hamza Project

Terramin Australia Limited (ASX: TZN) is pleased to provide the following update regarding the Tala Hamza project.

Terramin recently attended a technical workshop with its Algerian joint venture partner, Entreprise National Des Produits Miniers Non-Ferreux et des substances Utiles (**ENOF**), to discuss the outcomes and recommendations of the revised feasibility study. The revised feasibility study was prepared with China Non Ferrous Metal Industry's Foreign Engineering and Construction Co (**NFC**) on the basis a new mining method agreed by the joint venture partners.

These discussions were very constructive and valuable for the partners. It was generally agreed that the revised feasibility study, in its current form, is positive, meets the objectives and expectations of the partners and provides a strong basis to move towards a decision to mine. Some additional work as proposed in the study has been agreed to add important data before a decision to mine can be taken by the joint venture partners. The additional work which relates to the hydrology, geotechnical data, mining infrastructure and tailings is generally of a nature that is often performed at the mine design preparation stage. However, in certain jurisdictions, including Algeria, government organisations and regulators require that such work be performed at feasibility stage.

Terramin, together with NFC and its joint venture partner, is developing a work plan which will be subject to approval by the board of the joint venture company, Western Mediterranean Zinc (WMZ) at its upcoming board meeting in June 2015.

Further and with agreement of the joint venture partners, WMZ has initiated the renewal process of the exploration licence with the Algerian regulator.

The work plan will aim to complete the final aspects of the study in the coming months and proceed with a decision to mine as soon as possible thereafter.

The board is pleased to be able to work together with our partners to develop the Tala Hamza deposit on the basis of an agreed mining method to deliver a technically and economically viable mine. Given the positive outlook for zinc prices over coming years Terramin is confident the project has significant upside potential.

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