ASX Announcement

2 December 2015

Key Visit by Algerian Delegation to China

Further Validation of Tala Hamza Mining Method per Revised Feasibility Study

Terramin Australia Limited (**Terramin**) (ASX:TZN) is pleased to announce that delegates from its Algerian joint venture partner, Entreprise National Des Produits Miniers Non-Ferreux et des substances Utiles (ENOF) and the Algerian regulator, Agence Nationale des Activitiés Minières (ANAM), have recently completed a visit to China as guests of Terramin.

The purpose of this visit was to enable the joint venture partners to visit the operating Jinchuan nickel mine in North West China which utilises the mining method the subject of the revised feasibility study. This follows the agreement reached by the joint venture partners earlier this year on this method.

The delegation was able to review first-hand the operation of a large scale mine which utilises the underhand drift cut and fill mining method as recommended in the revised feasibility study. This mining method has major advantages over the previously recommended mining method for the development of Tala Hamza project as it requires significantly less pre-production capital expenditure, a shorter pre-production development period, less mining dilution, higher recovered ore grade and significantly smaller environmental footprint.

Commenting on this visit, Martin Janes, Terramin CEO said: "It was a pleasure to host the Algerian delegation in China and we are very pleased with the level of cooperation and mutual understanding we have with our partners and regulators in Algeria. We are now working towards the completion of the revised feasibility study and a decision to mine".

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