



ASX Shareholder Report

16 June 2011

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Terramin is a dedicated
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focused on developing
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Tala Hamza 2011 Update 7

Returning from his most recent visit to Algiers, Terramin Australia Ltd, Managing Director, Dr Kevin Moriarty has reported on constructive talks on the status of the Tala Hamza Project with joint venture partners ENOF and representatives from the Algerian Ministry of Mines.

The \$40m Definitive Feasibility Study prepared by Terramin and its consultants is currently under review by the Algerian joint venture partner ENOF, who are awaiting the completion and submission of expert reports.

Terramin will be working closely with ENOF to resolve any issues that might arise from the review. Dr Moriarty agreed to make Terramin's consultants available for a workshop within two weeks of receipt of the review and assured ENOF of Terramin's continuing support to conclude the review to the satisfaction of all parties.

Dr Moriarty stated, "The meetings this week with our partner and the Ministry of Mines have clarified the regulatory process and show that the confidence in Terramin is strong. The Algerian government wants to be sure that the environmental issues can be safely managed before submission of the application to mine. This would mean that, once the application is made, it could be promptly assessed by the Council for National Investments for appropriate concessions and assistance."

Dr Moriarty pointed out that Terramin had a successful track record with mining development close to urban areas, and its consultants have applied appropriate technology to ensure the optimum environmental outcome for the Tala Hamza project.

"Should any issues be identified by the review, we expect to readily provide acceptable solutions," he added.

The Oued Amizour project is 100% owned by Western Mediterranean Zinc Spa (WMZ). The shareholders of WMZ are: Terramin (65%) and two Algerian state owned companies, Enterprise National des Produits Miniers Non-Ferreux et des Substances Utiles Spa (ENOF) (32.5%) and Office National de Recherche Géologique et Minière (ORGM) (2.5%). Terramin and WMZ have completed a Definitive Feasibility Study for the development of a 4Mtpa block cave zinc mine producing an average annual production of 370,000 tonnes of zinc and lead concentrates.