



**TERRAMIN AUSTRALIA LIMITED**



**Annual General Meeting**

*30 May 2014*

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*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.*

# Overview



- 1. 2013 Highlights**
- 2. Tala Hamza**
- 3. Bird-in-Hand**
- 4. Adelaide Hills Exploration**
- 5. Growth Potential**
- 6. Funding and Balance Sheet**
- 7. Focus for 2014**

# 2013 Highlights



- ❑ Resumption of technical and commercial discussions with Tala Hamza JV partners
- ❑ Acquisition of Bird-in-Hand project and prospective exploration tenements package
- ❑ Positive BIH scoping study leading to start of BIH pre-feasibility study
- ❑ Definition of targets for exploration at Wheel Barton, Golden Slope and Kapunda (Copper, Gold and REE)
- ❑ Capital Raising of approximately \$14m assisting in:
  - retiring Investec debt and
  - fund activities at BIH and Tala Hamza
- ❑ Continuing support of Convertible Notes Holders
- ❑ Successful transition of Angas Zinc Mine to care and maintenance pending BIH commencement and further exploration

# Tala Hamza Zinc Project



- ❑ **Joint venture with Algerian government owned entity (65% Terramin)**
- ❑ **Location**
- ❑ **Infrastructure**
  - ❑ deep water port (15 kms)
  - ❑ international airport (10kms)
  - ❑ plentiful water on lease
- ❑ **Workforce**
  - ❑ proximity to city
  - ❑ local universities
  - ❑ iron and zinc mining history
- ❑ **Excellent regional potential**
  - ❑ 125 km<sup>2</sup> prospective tenement



# Tala Hamza Zinc Project



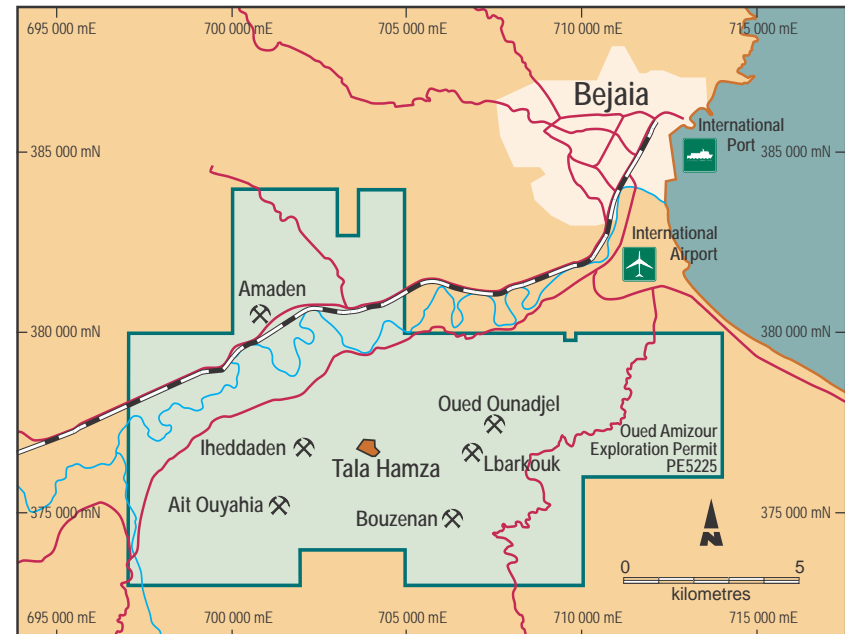
- ❑ World class project which will be in the top ten biggest zinc producers in the world
- ❑ Only large zinc project owned by an independent mining company

Top Zinc Mines in the world	Current Annual Zinc Production (Kt)	Ownership
Rampura Agucha	677	Hindustan Steel
Red Dog	529	Teck
Century (closing 2015)	515	MMG
Mount Isa	390	Xstrata
Antamina	235	BHP and partners
McArthur River	202	Xstrata
<b>Tala Hamza</b>	<b>170</b>	<b>Terramin</b>
Tara (closing 2017)	170	Boliden

# Tala Hamza Zinc Project



- ❑ On-going positive discussions with JV Partner about technical issues
- ❑ Technical cooperation agreement with NFC to assist in finding resolution to technical issues
- ❑ NFC providing technical assistance in reviewing DFS and finding acceptable solutions to the parties
- ❑ Additional studies to confirm feasibility of alternative mining method
- ❑ New Mining Act provides stronger framework for mining activity in Algeria



# Tala Hamza Zinc Project



- ❑ Economic assumptions for economic feasibility currently being discussed
- ❑ Structure of the partnership and on-going commitments of the parties also being discussed
- ❑ Expectation for additional studies to be completed in approximately 4 months
- ❑ Positive discussions between the parties increasing confidence that project will be developed

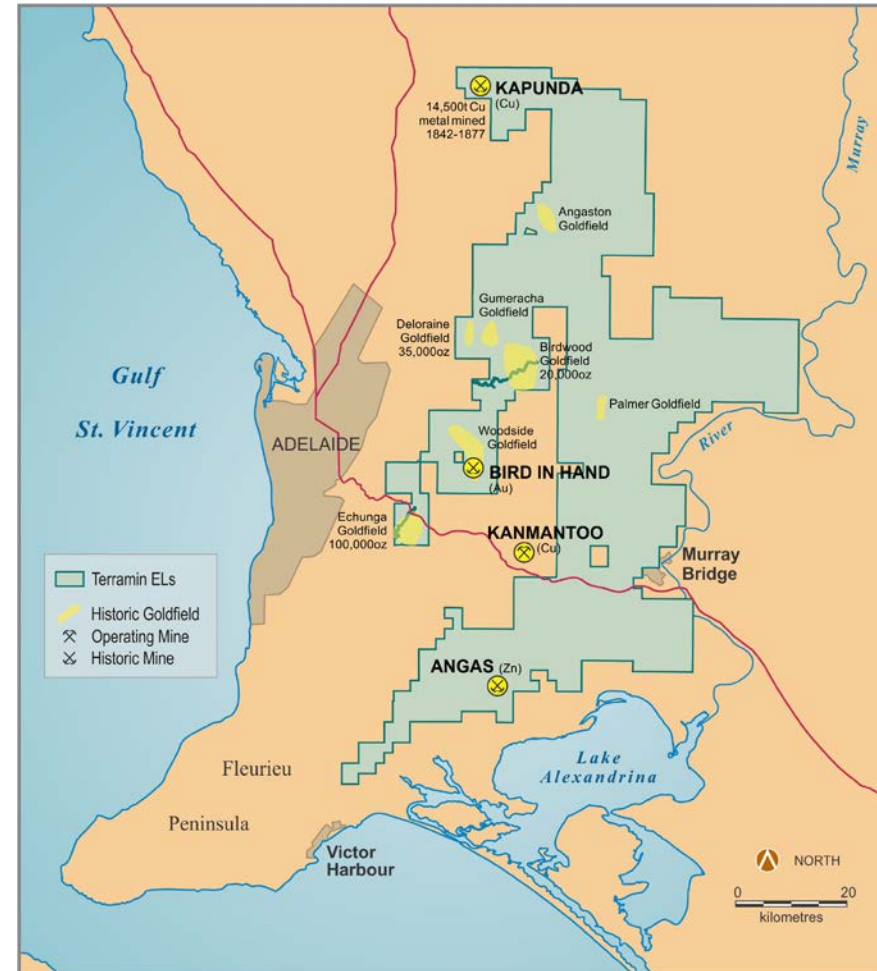




# Adelaide Hill Project



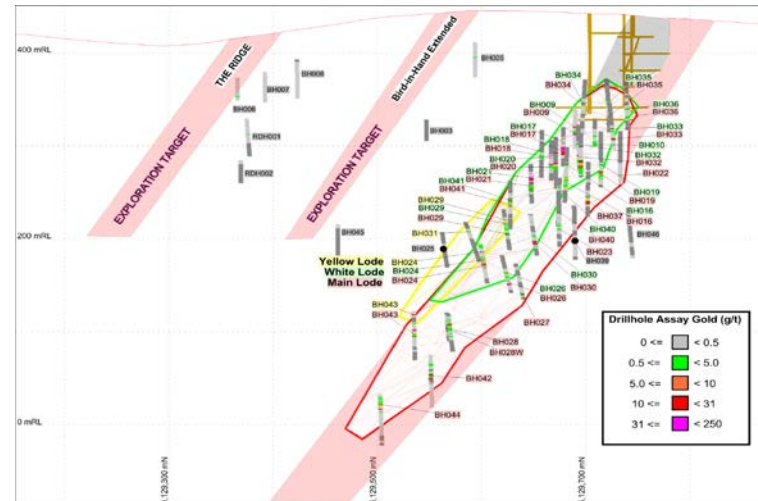
- ❑ 100% Terramin.
- ❑ Bird-in-Hand Gold Project – Mineable Resource in excess of 200,000 ounces at 13.0gt
- ❑ Angas Zinc Mine Processing Plant – Existing 400,000 tonnes per annum base metals processing plant and tailings dam.
- ❑ 3,750 square kilometres of exploration tenements – including over 300 historic gold, copper and base mines.
- ❑ Established base metal mining province with established mining operations.
- ❑ Established infrastructure at Angas
- ❑ Multiple copper, zinc, lead and gold exploration targets.
- ❑ Newly identified HREE (Heavy Rare Earth) potential.



# Bird-in-Hand Gold Project



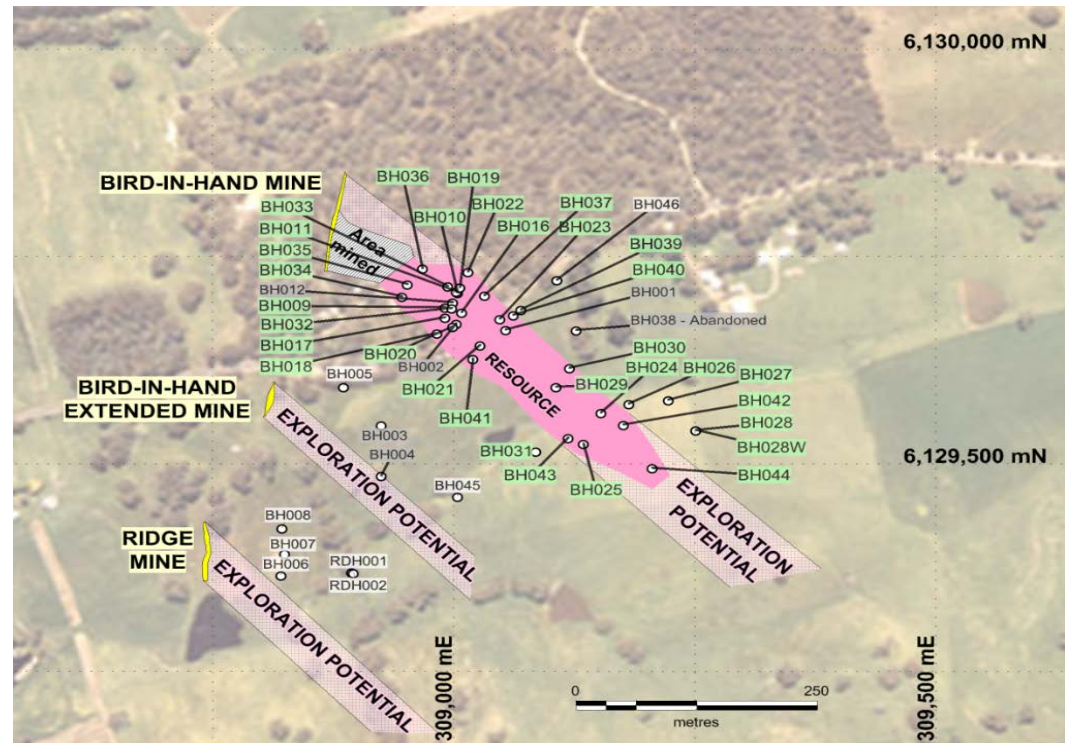
- Scoping Study highlights strong economics
- Low start up capital of AUD25.6 million.
- Processing through existing Angas Zinc Mine plant
- Pre-feasibility Study underway including water studies



# 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.



# 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. (example: REE at Kapunda)
- ❑ 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



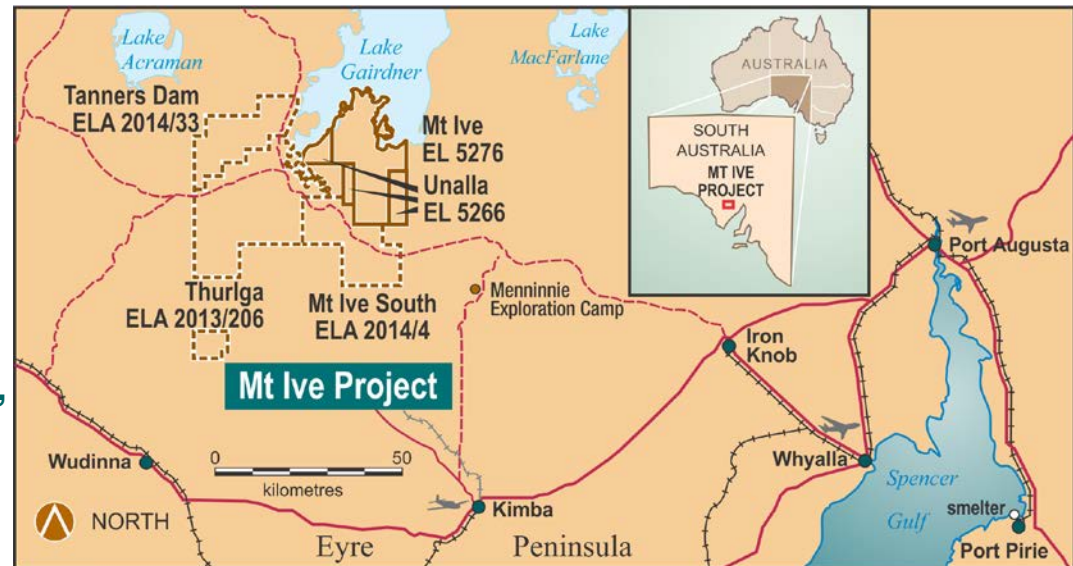
- Farmed out to Musgrave Minerals for \$6 million to be spend for 51% of interest.
- **Menninnie Central Zone - Inferred Resource of 7.7Mt @ 3.1% Zn and 2.6% Pb, and 27g/t Ag (March 2011)**
- 1,609km<sup>2</sup> tenement holding
- 160km from Port Pirie lead smelter
- High lead/zinc ratio
- Exploration fully funded by JV partner
- Further prospective targets identified with active exploration plan.
- Recent intercepts at Frakes: 10m @ 990g/t Ag, 0.3 g/t Au, 0.2% Cu, 0.4% Pb and 0.3% Zn from 43m



# New Project – Mount Ive



- 2 new tenements (Mt Ive and Unalla) and 3 tenement applications (100% Terramin) currently covering 1699Km<sup>2</sup>
- Adjacent to Menninnie Dam (but separate from the Menninnie Project)
- Close to Investigator's Paris (silver) discovery
- Prospective for gold, silver, copper, lead, zinc and tin



# Strong Growth potential



- **Tala Hamza Zinc Project – Algeria (65%)**
  - Excellent progress in rebuilding relationship and communication with JV partner
  - NFC assisting in review of DFS
  - Leading to technical and commercial discussion with Algerian partner and Government
  - New Mining Act providing framework for tax breaks and incentives
  
- **Adelaide Hill Project - South Australia (100%)**
  - 200,000 ounce high grade gold project with potential for increase in resource
  - Existing Angas 400Ktpa processing plant and associated infrastructure can be leveraged
  - Exceptional exploration potential
  
- **Menninnie Dam Project (100% - Farming out)- 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

# Funding and Balance Sheet



- **Capital Raisings in 2013 have enabled Terramin to:**
  - **Retire principle debt**
  - **Establish cash reserves for ongoing activities**
- **Convertible Notes holders remains supportive**
  - **Restructure of Notes aimed for 2014 to provide longer term stability**
- **Major shareholders supportive providing avenue for further capital raisings if required**
- **Board focussed on leveraging assets to ensure stronger cash position**



# Focus for 2014



- **Reach technical and commercial agreement with Algerian JV partner and government to develop world class Tala Hamza project**
- **Commence preliminary work leading to Feasibility Study for Bird-in-Hand**
- **Ramp up exploration activity on Adelaide Hills tenements**
- **Restructure of Convertible Notes to provide longer term stability**
- **Opportunities to leverage assets to secure value for shareholders**





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