

## JUNE 2011 QUARTERLY REPORT AND STATEMENT OF CASHFLOWS

### About TriAusMin (ASX:TRO) (TSX:TOR)

TriAusMin Limited ("TriAusMin") is an Australian development stage base and precious metals company, which is focused on near-term production and future growth.

The Company holds a significant land position at Woodlawn near Goulburn, in the Lachlan Fold Belt region of New South Wales, Australia, where its main mineral resource assets are located.

The Company also holds a portfolio of advanced and early stage exploration prospects, including the Lewis Ponds poly-metallic prospect, located near Orange in the Lachlan Fold Belt.



The Company has 11.2 million tonnes (Mt) of JORC compliant Proven and Probable Ore Reserves<sup>1</sup> at the Woodlawn Retreatment Project and a further 16.5 Mt of JORC compliant Mineral Resources<sup>1</sup> at Woodlawn (10.1 Mt) and at Lewis Ponds (6.35 Mt). The in situ metal value of the Company's resource portfolio is dominated by zinc and copper with the balance attributable to lead, gold and silver.

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## POSITIVE PROJECT RESULTS

### HIGHLIGHTS

#### Woodlawn Retreatment Project –

- Appointment of GR Engineering Services for the Front End Engineering Design (FEED)
- Metallurgical drill programme completed
- Progression of Part 3A Environmental Assessment
- Community consultation meetings

#### Exploration –

- Completion of VTEM geophysical survey at Overflow
- Processing of VTEM data at Lewis Ponds reveals additional prospective exploration targets
- New exploration strategies at Woodlawn

#### Corporate –

- Senior Management Team Strengthened:
  - New Managing Director and CEO
  - New Exploration Manager
  - New Business Development Manager
  - Senior Project Geologist engaged for Woodlawn Project
- Cash at June 30, 2011 was A\$3,074,711

## 1. WOODLAWN PROJECT

### **Woodlawn Project**

The Woodlawn Project comprises the Woodlawn Retreatment Project, the Woodlawn Underground Project and the Woodlawn Exploration Project.

The Woodlawn Retreatment Project (the “WRP”) is expected to process approximately 11 Mt of tailings remaining from previous operations at the former Woodlawn Mine to produce zinc, copper and lead concentrates containing by-product silver and gold. The WRP’s planned production rate is approximately 1.5 Mt per annum with an expected mine life of 8 years. A feasibility study completed in 2008 and NI 43-101 report in 2009 confirmed an economically attractive project at metal prices materially below current levels.

The Woodlawn Underground Project (the “WUP”) involves the evaluation of re-establishing underground mining at Woodlawn to complement the WRP and sustain production for the longer term.

TriAusMin’s Woodlawn Exploration Project is a strategic interest in contiguous tenements within 50 km of the Woodlawn Mine. Regional and near-mine exploration is aimed at the discovery and delineation of additional Mineral Resources along strike from the Woodlawn deposit that would form either satellite feed opportunities to the WRP/WUP or stand-alone projects.

The Company’s objective is to expand the current inventory of identified Mineral Resources in the Woodlawn exploration tenements and provide long life, sustainable mineral production.

### **Woodlawn Retreatment Project**

Excellent progress has been made in advancing the WRP to a development decision and in parallel advance the variety of impact studies that support the submission for statutory project approval.

GR Engineering Services (GRES) were awarded the Front End Engineering and Design (FEED) work on April 29, 2011. An initial project meeting, site visits and regular weekly meetings have ensured this work has progressed quickly and in line with the agreed schedule. Completion of this phase of work is expected in August.

Work associated with the FEED included the drilling of 52 holes on the tailings dams to collect over one tonne of fresh sample material for further metallurgical testwork. This work will assess the three fine grinding equipment options being considered and provide further confirmatory flotation performance measures for the proposed circuit configuration.



**Figure 1: Drilling on Tailing Dam South, the Woodlawn Retreatment Project.**

The GRES scope of work will include the estimation of the capital and operating costs to a nominal +/- 10% level of accuracy taking the cost estimates to the next level of detail beyond the feasibility study.

It is anticipated that the Company will receive the last of the major project inputs to finalise project modelling late in September. A development decision would be expected soon after receipt of the final project reports.

Parsons Brinckerhoff (PB) was appointed in February 2011 to assist the Company in compiling the Part 3A Environmental Assessment (EA) documentation for the WRP and WUP projects. In the quarter PB made significant advances in the drafting of the various studies and reports that make up the EA and are expected to be completed by the end of September. It is anticipated that the final EA submission will be lodged with the NSW Department of Planning and Infrastructure in November.

As part of the EA process a number of community consultation meetings were held in the local Woodlawn area. Community meetings were held in Goulburn, Bungendore and Tarago and representatives from local councils, local businesses and community interest groups were invited to attend. General community feedback was positive with good local support to see operations commence at Woodlawn. All of the feedback from these sessions has been incorporated into the EA document along with proposed strategies to be adopted to ensure the project integrates with the local community. Further community sessions will be undertaken as part of the EA process following the submission of the EA document.

## Woodlawn Underground Project

The historical operation at Woodlawn mined and treated a high grade orebody with reported production being approximately 13.8 Mt @ 9.1% Zn, 3.6% Pb, 1.6% Cu, 0.5 g/t Au, 74g /t Ag. It is the high intrinsic value of this ore that is of interest to TriAusMin. In targeting extensions and repeats of this orebody, it has been recognised that a key issue in the geological setting is the structural environment and this has shown to have a significant bearing on the continuity and offsets to the mineralization.

TriAusMin has recruited a Senior Project Geologist to initially focus on further developing the structural model of the Woodlawn orebody. It is anticipated that this work will also be applied to other known zones of mineralization such as at Currawang and Cowley Hills to assist with targeting extensions.

## 2. EXPLORATION PROJECTS

TriAusMin has undertaken a campaign to re-process geophysical datasets using new algorithms recently developed by industry and integrating this with in-house geological and mineralisation models. New discoveries in the region and the updated datasets will form the basis for a major prioritised targeting exercise that will support the future exploration programs on the Company's properties.

### Lewis Ponds (100% TriAusMin)

The Lewis Ponds tenement (EL 5583) is located near the town of Orange, 200 kilometres west of Sydney, New South Wales within a re-emerging gold district. Through earlier work, TriAusMin has discovered, delineated and reported a JORC compliant, Indicated Mineral Resource<sup>1</sup> of 6.35 Mt grading 2.4% Zn, 0.2% Cu, 1.4% Pb, 1.5 g/t Au and 68 g/t Ag. Numerous other gold and base metal occurrences have been identified on the property.

Lewis Ponds remains a priority exploration project for the Company. Additional processing of the recent VTEM data and integration with historic geophysical data has confirmed the presence of prospective exploration targets at the Icely, Mount Bulga and Lewis Ponds regions. These geophysical anomalies are currently being prioritised for further ground based geophysics surveys and drill targeting. In the immediate vicinity to the Lewis Ponds workings, a number of data gaps have been identified where revised geological and structural modelling has identified potential for resource extensions within the footwall and as structural offsets to the known mineralisation.



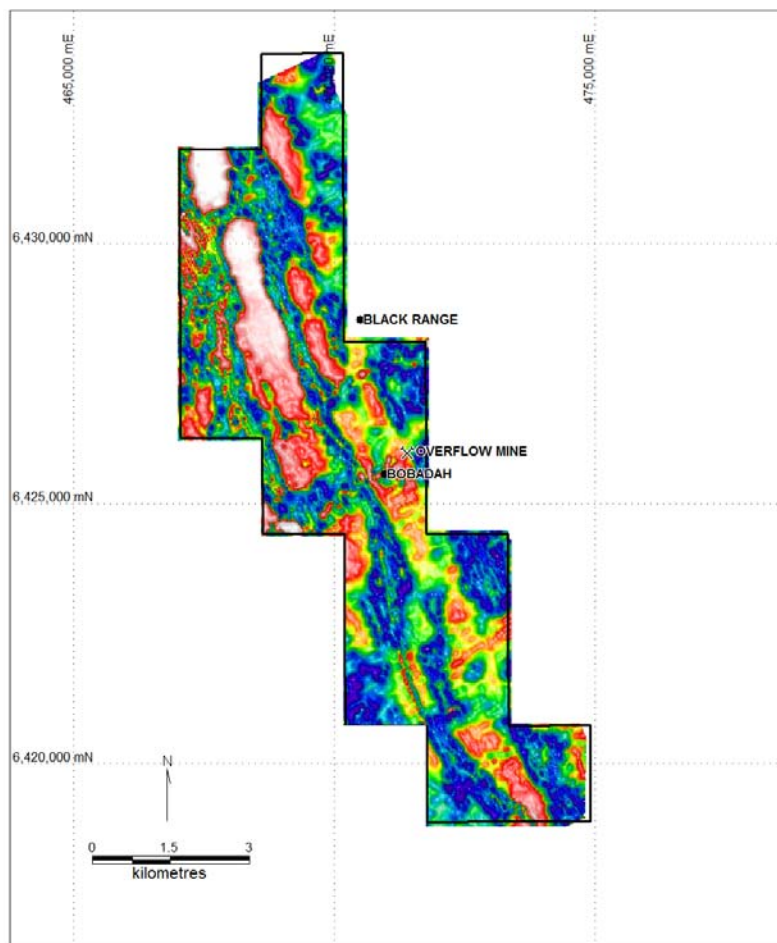


**Figure 2: Chris Spurway (Exploration Manager) and Robert Valliant (Director) discuss conceptual targets within the footwall felsic volcanics, standing in the limestone pit above the Lewis Ponds historical workings.**

### **Overflow (88.75% TriAusMin)**

A 675 line-km VTEM helicopter-borne airborne geophysical survey has successfully been completed over the Company's Overflow exploration tenement (EL 5878) located 100 km southeast of the town of Cobar and 600 km northwest of Sydney, New South Wales.

Montana GIS Pty Ltd has been commissioned to process the data for subsequent target generation. Reporting from this work will be available to the Company in the next quarter.



**Figure 3: Preliminary data from VTEM geophysical survey. Resistivity model, 400m depth slice.**



**Fig 4: Adit entrance to the historic Overflow Mine.**

**1. JORC Compliance and Declarations**

- (a) Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the 'JORC code'), 2004 Edition, JORC (of AusIMM, AIG & MC), December 2004.
- (b) In accordance with the Australian Securities Exchange Limited Listing Rules Appendix 5A, the information in this report that relates to Exploration Results and Mineral Resources relating to the Woodlawn Projects is based on information compiled by Mr Robin Rankin, a consultant geologist of GeoRes, who is a Member of The Australasian Institute of Mining and Metallurgy. Mr Rankin has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activities which they are undertaking to qualify as Competent Persons as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Rankin consents to the inclusion in the report of the matters in the form and context in which they appear based on information derived from his technical work.
- (c) The information in this report that relates to exploration results at the Company's Lewis Ponds and Woodlawn tenements is based on information compiled by Dr Robert Valliant, an employee of the Company, who is a Member of the Australian Institute of Geoscientists. Dr Valliant has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activities which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Dr Valliant consents to the inclusion in the report of the matters in the form and context in which they appear based on information derived from his technical work.



### 3. CORPORATE

#### Personnel

The quarter marked a significant step forward for the Company in terms of its human resource base. A number of personnel commenced with the Company along with key role appointments that included:

- On May 1, Mr Wayne Taylor started in his role as Chief Executive Officer and Managing Director.
- Ms Alexandra Papadakis was appointed to the position of Administration and Business Development Manager and will provide the Company with dedicated resources to locate and assess commercial opportunities.
- Mr Chris Spurway has been appointed to the position of Exploration Manager. Mr Spurway has had 20 years of industry related experience including previously working on the Company's Lewis Ponds project early in his career.
- Mr Richard Heritage has accepted a position of Senior Project Geologist with the Company and is due to commence work on 1 August. Mr Heritage has previously worked for BHP Billiton. In his role as Senior Project Geologist he will focus on the Woodlawn Project and in particular the structural setting of the known mineralisation.

#### Conversion of Options

In the quarter, 481,211 options in the Company were exercised increasing the outstanding ordinary shares to 158,995,945.

#### Cash Position

Details of TriAusMin Limited's consolidated cash flow and associated details for the March Quarter are contained in the "**Appendix 5B – Mineral Exploration Entity Quarterly Report**" which follows this activities report. At 30 June 2011, the TriAusMin Group's net cash balance amounted to \$3,074,711 compared to \$3,526,687 at the end of the previous quarter.



## 4. CORPORATE DIRECTORY

<b>Directors</b>  William Killinger, AM** <i>Chairman</i> Robert Valliant Alan Snowden** James Gill**  *Denotes Non-executive *Denotes Independent  <b>Executive Management</b> Wayne Taylor <i>Managing Director &amp; Chief Executive Officer</i>	<b>Issued Share Capital</b>  TriAusMin Limited has 158,995,945 ordinary shares and 6,623,334 options and 10,000,000 warrants to acquire ordinary shares on issue.  The options have expiry dates ranging from 10 Feb 2012 to 27 Jun 2016 and have exercise prices ranging from A\$0.11½ to A\$1.54.  TriAusMin trades on the ASX as 'TRO' and the TSX as 'TOR'.  <b>Monthly Share Price Activity</b>  <b>(A\$ per share - ASX)</b> <table><tr><th>Month</th><th>High</th><th>Low</th><th>Close</th></tr><tr><td>Mar 11</td><td>0.215</td><td>0.150</td><td>0.175</td></tr><tr><td>Apr 11</td><td>0.175</td><td>0.120</td><td>0.125</td></tr><tr><td>May 11</td><td>0.160</td><td>0.105</td><td>0.140</td></tr><tr><td>Jun 11</td><td>0.145</td><td>0.110</td><td>0.115</td></tr></table> <b>(CA\$ per share - TSX)</b> <table><tr><th>Month</th><th>High</th><th>Low</th><th>Close</th></tr><tr><td>Mar 11</td><td>0.220</td><td>0.125</td><td>0.180</td></tr><tr><td>Apr 11</td><td>0.180</td><td>0.145</td><td>0.150</td></tr><tr><td>May 11</td><td>0.180</td><td>0.110</td><td>0.180</td></tr><tr><td>Jun 11</td><td>0.175</td><td>0.120</td><td>0.140</td></tr></table>	Month	High	Low	Close	Mar 11	0.215	0.150	0.175	Apr 11	0.175	0.120	0.125	May 11	0.160	0.105	0.140	Jun 11	0.145	0.110	0.115	Month	High	Low	Close	Mar 11	0.220	0.125	0.180	Apr 11	0.180	0.145	0.150	May 11	0.180	0.110	0.180	Jun 11	0.175	0.120	0.140	<b>Registered Office and Address for Correspondence</b> Suite 702, 191 Clarence Street Sydney NSW 2000  Telephone (02) 9299 7800 International +61 2 9299 7800 Facsimile (02) 9299 7500 Email inquire@triausmin.com Website <a href="http://www.triausmin.com">www.triausmin.com</a>  In Canada; Telephone +1 905 727 8688 Email info@triausmin.com Website <a href="http://www.triausmin.com">www.triausmin.com</a>  <b>Share Registry (Australia)</b> BoardRoom Limited Level 7, 207 Kent Street Sydney NSW 2000 Telephone (02) 9290 9600 Email: <a href="mailto:callcentre@boardroomlimited.com.au">callcentre@boardroomlimited.com.au</a>  Please direct enquiries regarding Australian shareholdings to the Share Registrar.  <b>Transfer Agent (Canada)</b> Equity Financial Trust Company 200 University Avenue, Suite 400 Toronto ON M5H 4H1 Toll Free: 1 (866) 393-4891 Tel: (416) 361-0152 Email: <a href="mailto:Investor@equityfinancialtrust.com">Investor@equityfinancialtrust.com</a>  Please direct enquiries regarding North American shareholdings to the Transfer Agent.
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<b>For Clarification of this Announcement</b> visit our Website: <a href="http://www.triausmin.com">www.triausmin.com</a> Or Contact: <b>Mr. Wayne Taylor</b> , CEO & MD <a href="mailto:inquire@triausmin.com">inquire@triausmin.com</a> +61 (0)2 9299 7800 (Sydney)																																										

# Appendix 5B

## Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98.

Name of entity

TriAusMin Limited

ABN

22 062 002 475

Quarter ended ("current quarter")

30 JUNE 2011

### Consolidated statement of cash flows

		Current quarter \$A'000	Year to date (9 months) \$A'000
	<b>Cash flows related to operating activities</b>		
1.1	Receipts from product sales and related debtors	-	-
1.2	Payments for (a) exploration and evaluation	(333)	(529)
	(b) development	-	-
	(c) production	-	-
	(d) administration	(298)	(1,170)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	59	89
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes (paid) / rebated	-	-
1.7	Other (provide details if material)	-	-
	<b>Net operating cash flows</b>	<b>(572)</b>	<b>(1,610)</b>
	<b>Cash flows related to investing activities</b>		
1.8	Payment for purchases of:		
	(a) prospects	-	-
	(b) equity investments	-	-
	(c) other fixed assets	(8)	(9)
1.9	Proceeds from sale of:		
	(a) prospects	-	-
	(b) equity investments	-	-
	(c) other fixed assets	-	-
1.10	Loans to other entities	-	-
1.11	Loans repaid by other entities	-	-
1.12	Other (provide details if material)	-	-
	<b>Net investing cash flows</b>	<b>-</b>	<b>-</b>
1.13	Total operating and investing cash flows (carried forward)	<b>(580)</b>	<b>(1,619)</b>

1.13	Total operating and investing cash flows (carried forward)	(580)	(1,619)
	<b>Cash flows related to financing activities</b>		
1.14	Proceeds from issues of shares, options, etc.	197	4,594
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other - Share issue costs	(69)	(334)
	<b>Net financing cash flows</b>	128	4,260
	<b>Net increase (decrease) in cash held</b>	<b>(452)</b>	<b>2,641</b>
1.20	Cash at beginning of quarter/year to date	3,527	434
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	Cash at end of quarter	3,075	3,075

**Payments to directors of the entity and associates of the directors**  
**Payments to related entities of the entity and associates of the related entities**

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	165
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

- Non Executive Directors' fees \$32,550
- Managing Director salary and superannuation \$67,083
- Executive Directors' salary \$27,000
- Consulting Fees \$14,975
- Re-reimbursable travel expenses \$22,997

**Non-cash financing and investing activities**

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

N/A

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

N/A

## Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	Nil	N/A
3.2 Credit standby arrangements	Nil	N/A

## Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	1100
4.2 Development	-
4.3 Production	-
4.4 Administration	400
<b>Total</b>	<b>1,500</b>

## Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.

	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	43	57
5.2 Deposits at call	3,032	3,470
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
<b>Total: cash at end of quarter (item 1.22)</b>	<b>3,075</b>	<b>3,527</b>



## Changes in interests in mining tenements

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1	Interests in mining tenements relinquished, reduced or lapsed	N/A		
6.2	Interests in mining tenements acquired or increased	N/A		

## Issued and quoted securities at end of current quarter

*Description includes rate of interest and any redemption or conversion rights together with prices and dates.*

		Total number	Number quoted	Issue price per security (cents) (see note 3)	Amount paid up per security (cents) (see note 3)
7.1	<b>Preference *securities</b> <i>(description)</i>	Nil	N/A	N/A	N/A
7.2	Changes during quarter				
	(a) Increases through issues	N/A	N/A	N/A	N/A
	(b) Decreases through returns of capital, buy-backs, redemptions	N/A	N/A	N/A	N/A
7.3	<b>*Ordinary securities</b>	158,995,945	158,995,945	N/A	N/A
7.4	Changes during quarter				
	(a) Increases through issues	481,211	481,211	Nil	Nil
	(b) Decreases through returns of capital, buy-backs	Nil	N/A	N/A	N/A
7.5	<b>*Convertible debt securities</b> <b>- Performance Share</b>	Nil	N/A	N/A	N/A
7.6	Changes during quarter				
	(a) Increases through issues	Nil	N/A	N/A	N/A
	(b) Decreases through securities matured, converted	Nil	N/A	N/A	N/A
7.7	<b>*Unlisted Convertible equity securities</b> <b>- Special Warrants</b>	Nil	Nil	N/A	N/A
7.8	Changes during quarter				
	(a) Increases through issues	Nil	N/A	N/A	N/A
	(b) Decreases through securities matured, converted	Nil	Nil	Nil	Nil

7.9	Options			Exercise price	Expiry date
	Listed	Nil	Nil	N/A	N/A
	Unlisted				
	TROAU: 1 share for 1 option	600,000	Nil	AU 121 cents	10/02/12
	TROAW: 1 share for 1 option	940,000	Nil	AU 136 cents	22/06/12
	TROAK: 1 share for 1 option	800,000	Nil	AU 154 cents	11/08/12
	TROAK: 1 share for 1 option	200,000	Nil	AU 154 cents	26/09/12
	TROAB: 1 share for 1 option	666,667	Nil	AU 107 cents	01/12/12
	TROAC: 1 share for 1 option	333,334	Nil	AU 73 cents	18/03/13
	TROAZ: 1 share for 1 option	2,963,333	Nil	AU 25 cents	24/06/14
	TROAK: 1 share for 1 option	50,000	Nil	AU 25 cents	23/06/15
	TROAK: 1 share for 1 option	100,000	Nil	AU 11 ½ cents	27/06/016
7.10	Exercised during quarter	481,211	Nil	CA 11 cents	N/A
7.11	Issued during quarter	Nil	Nil	N/A	N/A
7.12	Expired/Lapsed during quarter	Nil	Nil	N/A	N/A
7.13	Debentures	Nil	N/A		
7.14	Unsecured notes	Nil	N/A		

## Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 4).
- 2 This statement does give a true and fair view of the matters disclosed.

Sign here:   
**Chief Executive Officer**

Date: 28 July 2011

Print name: **Wayne Taylor**

## Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.

- 2 The “Nature of interest” (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities.** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.
- 5 Accounting Standards ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.