



ASX Shareholder Report

5 July 2013

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or the Company Business
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Terramin is a dedicated
base metals company
focused on developing
zinc mines close to
infrastructure.

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Market Update

Angas Zinc Mine

Terramin today announced that the Company will cease production at the Angas zinc mine on 30 September 2013 and will place the mine site on care and maintenance pending the resumption of exploration at depth and near mine. As foreshadowed in previous announcements, the Angas zinc mine will reach the end of its economic life at current metal prices at the end of September. Regrettably, the completion of the mine means redundancies are inevitable. A total of 115 employees will be made redundant and will be assisted in the transition over the August to December 2013 period.

The Company is considering a number of options for the use of the mine site, the plant and associated equipment. As stated at the Company's last AGM, the Board believes that the availability of mining infrastructure and treatment plant place the Company in a good position to take advantage of opportunities that present themselves as a result of the current market conditions. The Company continues to identify, review and develop these opportunities.

Terramin recently completed a deep exploration programme under the main ore body which did not encounter significant mineralisation that could be mined commercially at current commodity prices. The Company plans to continue exploring under and in the proximity of the mine.

Terramin continues its discussions with the South Australian mine regulator to define the closure plan and mine rehabilitation and will continue to engage with the community during that process.

Tala Hamza Project

As announced to the market in early May, Terramin has made a request for arbitration with the International Chamber of Commerce in Paris to resolve its disagreement with its Algerian partner ENOF. The procedure is on-going and the arbitration tribunal is expected to be constituted by the September quarter and the terms of reference to be agreed thereafter.



Menninnie

Musgrave Minerals Ltd has advised of the identification of new anomalies resulting from the airborne geophysical survey (VTEM) undertaken for the joint venture. Musgrave has recently flown a 398 line km airborne VTEM (versatile time domain electromagnetic) survey at Menninnie Dam. The survey has identified seven high priority targets co-incident with surface silver geochemical anomalism. Mineralised rock-chip samples up to 13.3g/t Ag have been identified within a strongly altered epithermal zone at the Erebus target. The Erebus geochemical anomaly, where there has been no drilling to date is approximately 1.5km in diameter and is co-incident with high quality VTEM anomalies. A follow-up drilling program of six reverse circulation (RC) drill holes and a single diamond hole at Tank Hill has returned encouraging assay results. Drill hole MDRC44 intersected 2m @ 4.2% Zn, 0.9% Pb, 267g/t Ag, 0.44g/t Au from 138m down hole in fresh rock within a broader zone of 22m @ 0.7% Zn, 0.4% Pb, 44g/t Ag, 0.09g/t Au, from 126m down hole. Please refer to Musgrave's recent announcement dated 28 June 2013 for additional information.