



TERRAMIN AUSTRALIA limited

ASX Shareholder Report

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or the Company business
may be directed to:*

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*Terramin is a dedicated
base metals company
focused on early
development of the
Angas Zinc project and
advanced exploration
at Menninnie Dam
zinc/lead deposit.*

*The information in this report that relates to
exploration activity is compiled by
Dr K Moriarty PhD, M AusIMM who is a
Competent Person as defined by the JORC
code*

Gold and copper-gold projects

Terramin Australia Limited is progressing exploration for copper and gold deposits on four Gawler Craton tenements with affinities to the Prominent Hill project.

These tenements were joint ventured to AXG Mining Ltd who were required to incur minimum expenditure of \$425,000 on exploration. AXG defaulted by withdrawing before incurring this expenditure, and by failing to provide Terramin with the records of work performed. In consequence, Terramin has been severely hampered in its ability to fund exploration of the projects and attract new joint venturers.

An experienced geological consultant has reviewed the projects drawing on available data from public and internal sources. Although working from incomplete data, he confirmed the prospectivity of the tenements as joint ventured, highlighting gold calcrete anomalies and copper-gold targets associated with magnetite destruction adjacent to major structures.

Terramin has filed a claim in the amount of \$1,800,375 plus interest and costs, against AXG Mining Limited in the District Court of South Australia on 8 April 2004.

Terramin claims that AXG did not incur the minimum exploration expenditure it was required to, and is claiming loss and damage as a result from AXG. This is in addition to its claim in the amount of \$335,375 against WRF Securities Limited (as guarantor of AXG) dated 25 March 2002 as noted in the November 2003 prospectus.

The exploration programme includes infill sampling on gold calcrete anomalies and gravity surveys to detect dense iron-copper-gold deposits.

*Kevin Moriarty
Executive Chairman*

15 April 2004