



ASX Shareholder Report

19 July 2013

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Terramin is a dedicated
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focused on developing
zinc mines close to
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Terramin to Acquire High Grade Bird-in-Hand Gold Project

Terramin Australia Limited (ASX: TZN) is pleased to announce that it has entered into a binding agreement to acquire 100% of the high grade Bird-in-Hand Gold Project and a portfolio of highly prospective Adelaide Hills exploration tenements from Maximus Resources Limited (ASX: MXR).

The Bird-in-Hand Gold Project is located approximately 30 km north of Terramin's existing mining and processing facilities at the Angas Zinc Mine. The project has a high grade Resource¹ of 598,000 tonnes at 12.3 grams per tonne for 237,000 ounces which is amenable to underground mining.

It is anticipated that, subject to the required regulatory approvals, the Bird-in-Hand ore will be processed utilising the facilities at Angas which can be modified to process gold ore. The existing tailings dam at Angas has the capacity to hold all the Bird-in-Hand tailings.

Terramin believes that processing of Bird-in-Hand's high grade ore utilising the existing Angas facilities will create a low capital and low cost gold operation.

Terramin has already commenced a scoping study and due to the advanced status of the Bird-in-Hand Gold Project the results of this study are expected to be released in the coming months.

Terramin CEO, Martin Janes, said today: "Terramin's experience operating in the Adelaide Hills places it in a good position to successfully operate the Bird-in-Hand Gold Project. It is our intention to work with the local community to ensure the best outcome to promote regional benefit with minimal impact. Our focus will be on working with the various government agencies and local stakeholders to obtain approval and generate local employment opportunities".

¹ Resource estimated by Maximus in 2008 in accordance with the JORC 2004 Code.



Terramin has agreed to pay Maximus \$3,500,000 in upfront and staged payments conditional on the satisfaction of certain project milestones and 25 million ordinary Terramin shares. Terramin has also agreed to pay Maximus a royalty in respect of gold production from the Bird-in-Hand Gold Project.

The completion of the transaction is subject to the normal conditions for this type of transaction and Terramin finalising its financing arrangements by 7 August 2013.

The Bird-in-Hand Gold Project and Exploration Potential

The Adelaide Hills exploration tenements acquired from Maximus cover 1,510 square kilometres, immediately north of Terramin's Fleurieu tenements and upon granting of application ELA2012/00315 will form a contiguous block of exploration tenements covering 3,750 square kilometres (Figure 1). DMITRE records show over 250 historic gold mines and diggings on these tenements. These were mostly worked during the late 1800's, but several (including Bird-In-Hand) were intermittently operated to the mid 1900's. The majority of these workings can be grouped together into six main goldfields (Figure 1) that form the central part of the Adelaide Hills Gold Province.

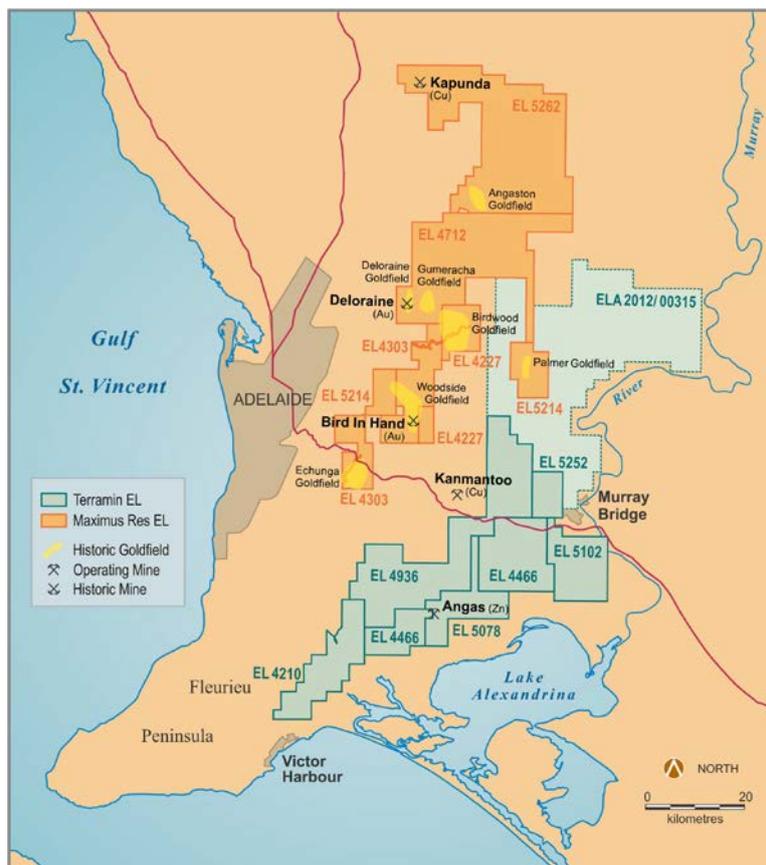


Figure 1. Terramin's current Fleurieu tenements and Maximus' Adelaide Hills tenements to be purchased.



Bird-In-Hand was one of the four larger gold mines of the Woodside Goldfield, discovered in 1869. Total hardrock gold production from the field 1881 to 1889 was 30,000 ounces of gold with Bird-In-Hand contributing 10,500 ounces from 22,760 tonnes at 12.9g/t gold.

Maximus commenced exploration drilling beneath the historic Bird-In-Hand workings in 2005 and by 2008 had defined a combined Indicated and Inferred Resource containing 237,000 ounces of gold. The Bird-In-Hand deposit, hosted within Neoproterozoic Brighton Limestone, consists of two reefs: Main Reef and White Reef (Figure 2).

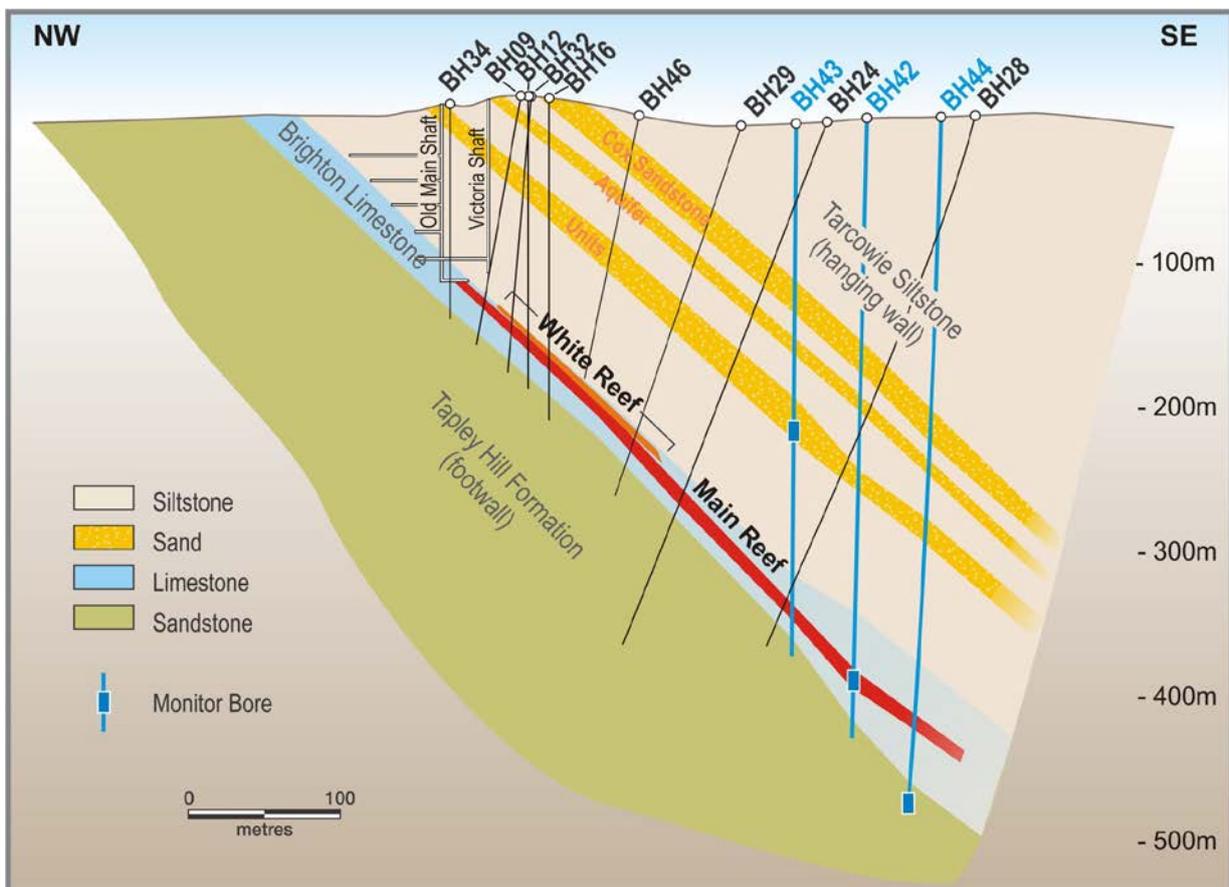


Figure 2. Summary cross-section of the Bird-In-Hand deposit looking northeast.

Main Reef is 80m wide, 600m long, typically 4 to 8m thick and dips 50 degrees to the southeast. White Reef splays off Main Reef and is typically 1.5 to 3.5m thick (Figure 3). To the south, where the two reefs join, thickness of the mineralisation ranges up to 14m (true width).

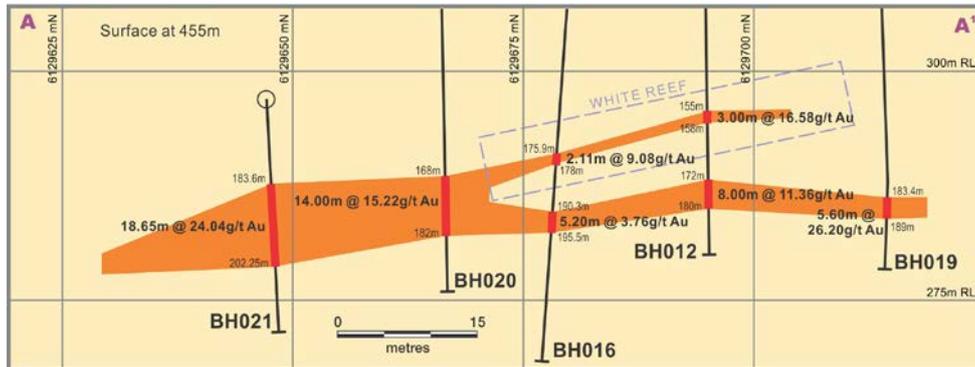


Figure 3. Cross section 309000E (10m window; true widths are approx. 75% of the downhole widths).

The Resource is well defined and has consistently high grade gold drill intersections, (Figure 4). Terramin considers that there is good potential to increase the Resource though depth extension of the orebody and drill testing along strike for additional high grade shoots.

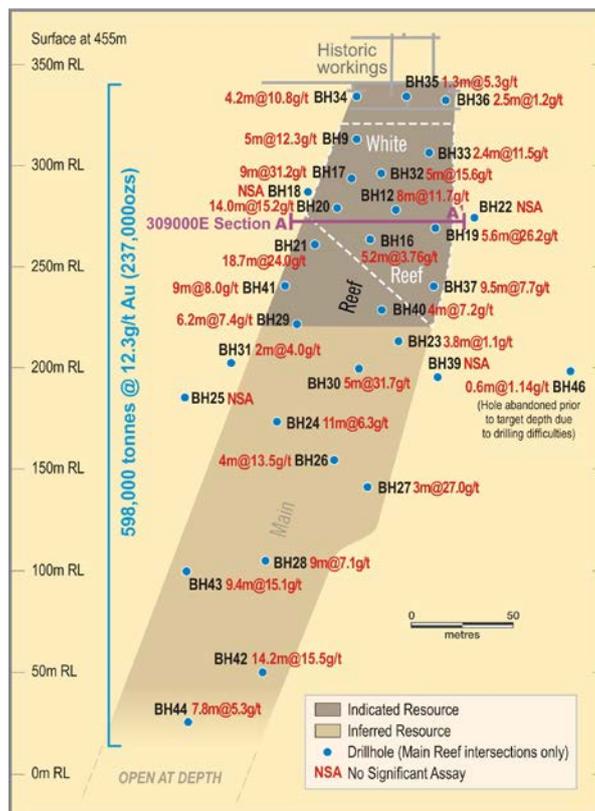


Figure 4. Bird-In-Hand longitudinal section (looking west) showing Resource Classification and summary drill intersections for gold.



* JORC 2004 compliant Indicated and Inferred Resource for the Bird-In-Hand deposit was reported by Maximus on 8th August 2008

Classification	Bulk Density ¹	Average Width ²	Tonnes	Grade (g/t gold)	Contained Gold (ounces)
Indicated Main Reef	2.78	6.65	160,000	13.6	70,000
Inferred Main Reef	2.78	7.48	406,000	11.7	153,000
Inferred White Reef ³	2.78	2.44	32,000	13.6	14,000
Total⁴			598,000	12.3	237,000

Table of Mineral Resources, 100 to 430 metres vertical depth, Bird-in-Hand Gold Mine, Woodside, South Australia. As at 1 August 2008.

1. Density value is based on average measurements of the mineralised zone.
2. Horizon width based on lode dipping approximately 50 degrees to east.
3. Resource limited to 125 to 220 metres below surface.
4. Totals rounded to nearest thousand (tonnage/contained ounces) or first decimal place (grade).

Competent Person's Statement

The information that relates to Mineral Resources for Bird-In-Hand is based on information compiled by Mr Douglas McLean. Mr McLean is a member of the Australasian Institute of Mining and Metallurgy (AusIMM). Mr McLean was a consultant to Maximus Resources Limited at the time of his estimate. Mr McLean has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity 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'. Mr McLean consents to the inclusion in the report of the matters based on their information in the form and context in which it appears.

Competent Person's Statement

The information in this report that relates to Exploration Results and Mineral Resources is based on information compiled and thoroughly reviewed by Mr Eric Whittaker. Mr Whittaker is a member of the Australasian Institute of Mining and Metallurgy (AusIMM). Mr Whittaker is a consultant geologist for Terramin Australia Limited. Mr Whittaker has sufficient industry experience relevant to the style of mineralisation and type of deposit under consideration and activity undertaken 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'. Mr Whittaker consents to the inclusion in the report of the matters based on the information in the form and context in which it appears.