

22 Jan 2024

## Exploration Drilling commenced at the SGRP

### HIGHLIGHTS

Terramin Australia Limited and Japan Organization for Metals and Energy Security have commenced exploration drilling at the South Gawler Ranges Project.

Terramin Australia Limited (ASX: TZN) (Terramin or the Company) is pleased to advise that exploration drilling has commenced at the South Gawler Ranges Project (SGRP or Project).

These exploration activities are being operated under Terramin's exploration agreement with Japan Organization for Metals and Energy Security (JOGMEC).

The exploration drilling consists of the following two programmes:

1. Menninnie Dam

A series of three diamond drillholes to be drilled on EL 5949 (Menninnie Dam) by GMP Exploration Drilling (GMP) along a north-south trend stretching from approximately 1km to 2kms south-southeast of the Menninnie Central Ag-Pb-Zn deposit, near the eastern margin of the Viper Ag-Pb-Zn lodes. The drillholes are expected to be drilled to depths ranging from 550 metres to 800 metres. One drillhole is targeting skarn hosted Cu/Au mineralisation and the other two are targeting Ag-Pb-Zn mineralisation. Targeting is based on magnetic, gravity and IP responses, and existing soil and drilling geochemistry.



Figure 1: GMP drilling the first of three RC pre-collars for diamond drillholes on EL 5949

## 2. Nonning

A series of twenty-five slimline reverse circulation drillholes over 5 separate traverses situated on EL 5925 approximately 8 to 16kms north west and south west of Nonning Station homestead. These drillholes will test a large east-west oriented alteration zone that is considered prospective for intrusion-related Au-Cu-Mo and/or Ag-Pb-Zn deposits

These activities are expected to be completed by late February 2024.

### Background

On the 15 March 2022, Terramin announced that it had entered into an agreement with JOGMEC for exploration of the SGRP which covers approximately 4,524 km<sup>2</sup> and is located c.100kms west of Port Augusta and 185kms southwest of BHP Limited's Carrapateena Copper-Gold Mine. The Carrapateena deposit hosts 950Mt at 0.75% Copper and 0.25g/t gold.

JOGMEC is a Japanese government Independent Administration Institution tasked to ensure a stable supply of mineral resources for Japan. JOGMEC has a demonstrated track record of participating in the Australian mineral exploration industry. Further details about JOGMEC can be found on its website: <http://www.jogmec.go.jp/english/index.html>.

The SGRP is an underexplored, highly prospective multi-commodity asset with potential to host significant Iron Oxide Copper Gold (IOCG) mineralisation alongside epithermal Ag-Pb-Zn deposits, tin-tungsten and copper gold skarns along with potential porphyry systems. Hematite-rich hydrothermal breccias comparable to those in the Olympic Dam IOCG deposit crop out at several localities in the SGRP. Terramin-JOGMEC plans to drill test several of these IOCG targets later in 2024.

The material terms of the SGRP exploration agreement are:

- JOGMEC to fund A\$7,500,000 in exploration expenditure across a three (3) stage earn-in:
  - **Stage 1:** JOGMEC will have the option to acquire a 30% interest in the Project by sole funding A\$1,500,000 up to the period ending 31 March 2024
  - **Stage 2:** JOGMEC will have the option to acquire a further 21% interest in the Project (total 51% interest) by sole funding an additional A\$2,000,000 up to the period ending 31 March 2026
  - **Stage 3:** JOGMEC will have the option to acquire a further 19% interest in the Project (total 70% interest) by sole funding an additional A\$4,000,000 up to the period ending 31 March 2028  
(collectively referred to as the JOGMEC Earn-in Option).
- JOGMEC must sole fund A\$500,000 exploration expenditure on account of its Stage 1 Earn-in obligation by 31 March 2023 (Minimum Expenditure Commitment). This has been satisfied.
- Within 365 calendar days of JOGMEC completing Stage 3 of the JOGMEC Earn-In Option, JOGMEC can elect to purchase an additional 6% interest in the Project (total 76% interest), by paying A\$3,000,000 and granting a 0.5% net smelter royalty (NSR) to Terramin (Purchase Option). JOGMEC can elect to buyback

the 0.5% NSR by paying Terramin A\$1,500,000 within 365 calendar days of JOGMEC exercising the Purchase Option.

- Terramin assumes Operatorship of the Project during the Stage 1 and Stage 2 Earn-in Period. The Management Committee will appoint the Operator of the Project during the Stage 3 Earn-in Period.
- If Terramin's or JOGMEC's interest in the Project dilutes to below 10%, this converts to a 1% NSR royalty.

This release has been authorised by the Terramin Australia Limited Board.

For further information, please contact:

**Investor Relations**

**Martin Janes**

Executive Officer  
Terramin Australia Limited  
+61 8 8536 5950  
[info@terramin.com.au](mailto:info@terramin.com.au)

**Media Enquiries**

**Mike O'Reilly**

Media and Government Consulting  
O'Reilly Consulting  
+61 414 882 505