

Terramin Australia

06/02/2019 FAT-MIN-656

TZN

AUD \$0.095

Spec.

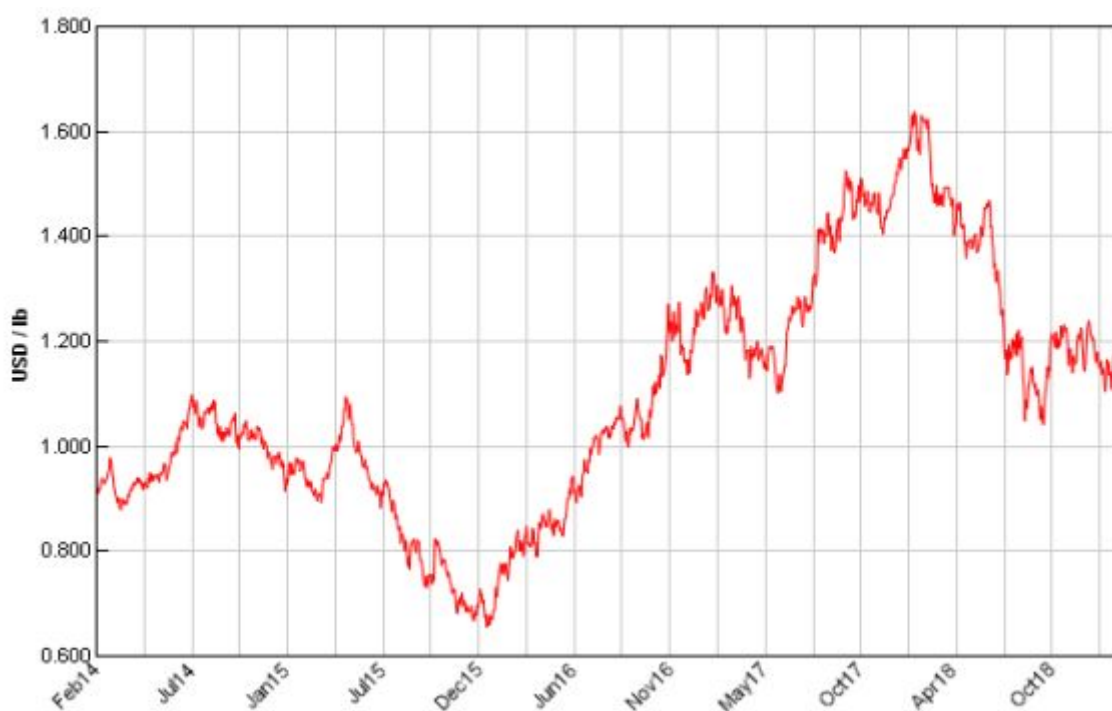
HIGH**S**

Moving on

It has been a long road for Terramin Australia, as the company hit one particularly significant road bump in the development of its Tala Hamza zinc project in Algeria. We expected the project would be well down the development road and are disappointed that Tala Hamza remains undeveloped.

We are aware that the ground work to develop the Tala Hamza project is progressing toward commercialisation. We will however take advantage of this fact and the higher zinc price to exit the stock.

The following chart shows the medium-term zinc price:



Source: Kitco

We believe the company is driving in the right direction to commercialise Tala Hamza and has endured the vagaries of its Algerian partner and authorities. It is this action that warranted, at the time, our ongoing hold recommendation on the stock.

TERRAMIN AUSTRALIA LIMITED - TZN (ASX) - 1 Day CandleStick Chart - AUD



Our entry into Terramin was premised on the quality, we saw, in the Tala Hamza zinc project and the potential for future shareholder value to be generated through commercialising the project. The anticipated timely development horizon did not materialise, despite the time given. The prolonged time has severely dented, we believe, the value equation.

TERRAMIN AUSTRALIA LIMITED - TZN (ASX) - 1 Month CandleStick Chart - AUD



We will use the progress to date to bring Tala Hamza to commercialisation and a higher zinc price as an opportunity to exit the stock. **We recommend Members who hold Terramin Australia sell their holding at the current market price.** Fat Prophets will cease coverage of Terramin Australia immediately.

DISCLAIMER

Fat Prophets has made every effort to ensure the reliability of the views and recommendations expressed in the reports published on its websites. Fat Prophets research is based upon information known to us or which was obtained from sources which we believed to be reliable and accurate at time of publication. However, like the markets, we are not perfect. This report is prepared for general information only, and as such, the specific needs, investment objectives or financial situation of any particular user have not been taken into consideration. Individuals should therefore discuss, with their financial planner or advisor, the merits of each recommendation for their own specific circumstances and realise that not all investments will be appropriate for all subscribers. To the extent permitted by law, Fat Prophets and its employees, agents and authorised representatives exclude all liability for any loss or damage (including indirect, special or consequential loss or damage) arising from the use of, or reliance on, any information within the report whether or not caused by any negligent act or omission. If the law prohibits the exclusion of such liability, Fat Prophets hereby limits its liability, to the extent permitted by law, to the resupply of the said information or the cost of the said resupply. As at the date at the top of this page, Directors and/or associates of the Fat Prophets Group of Companies currently hold positions in: ASX-listed Australian stocks: AAC, AGO, AJA, ALG, AMC, ANZ, APA, APG, AVG, AWC, BCI, BHP, BKN, BOQ, BPT, BRL, BRU, BTR, BWP, CBA, CDD, CFE, CGL, CKF, CNQ, COL, CVO, CZL, DHG, DLS, DNX, DUE, ELD, ENV, EVN, FID, FMG, FPP, GJT, GMG, GOR, GPT, GXL, HUB, IAU, IFL, IGO, ILU, IMF, IPL, JHX, MAI, MFG, MGR, MHI, MML, MMS, MND, NAB, NCM, NEC, NECN, NMG, NUF, OBS, ORE, OSH, OVH, OZL, PAN, POS, PPS, PRG, PXG, QBE, RIO, RXL, RRS, S32, SAR, SDG, SFR, SGP, SHL, SLR, SPK, STO, SUN, SYD, TAM, TLS, TME, TPM, VOC, WBC, WFD, WES, WHC, WOW, WPL, WSA. International stocks: Activision Blizzard, Alibaba Group, Amadeus IT, Apple, Arcos Dorados, Bank of China, Barrick Gold, Baidu, BNP Paribas, BP, Caixabank, China Life Insurance, China Mobile, China Overseas Land & Investment, China Taiping, China Vanke, Cisco Systems, Citigroup, Coeur, Corning Inc., Country Garden, Credit Agricole, Credit Suisse, D.R. Horton, Dai-ichi Life Holdings, Daikin Industries, Danone, Dr. Reddys Laboratories, ENAV, Euronext, Fanuc, FedEx, Fresnillo, Fukuoka Financial Group, Glanbia, Google (Alphabet), Heidelberg Cement, Heineken, ICICI Bank, Inpex Corporation, James Hardie, KONE Corp., Lennar Corp., LVMH, MGM China, Mitsubishi Corp., Mitsubishi UFJ, Mitsui Fudosan, Mizuho Financial Group, Nintendo, Nippon Telegraph and Telephone, Nissha Printing Co., Nomura Holdings, Panasonic, PICC Property & Casualty, Powerhouse Energy, PPHE Hotel Group, Randgold Resources, Reliance Industries, Resona Holdings, Riverstone, Royal Dutch Shell, Sands China, Societe Generale, Sony Corporation, SPDR Gold Trust ETF, Square Enix, Sumitomo Chemical, Sumitomo Mitsui Financial Group, Tata Motors, TE Connectivity, Telepizza, Tencent, THK Co., Toyota Motor, VanEck Vectors Junior Gold Miners ETF, Volkswagen, Walt Disney, Wynn Macau, Wynn Resorts, XTD, Yaskawa Electric, Zillow. These may change without notice and should not be taken as recommendations.

Snapshot TZN

Terramin Australia

Terramin is an emerging base metal producer through the development of its three lead and zinc projects. Its advanced projects total more than 58 million tonnes of resources that contain nearly 4 million tonnes of lead and zinc. All of its projects are distinguished by high grades in proximity to quality infrastructure such as ports, roads, water and power. Its projects in Australia and Algeria are on track to produce more than 300,000 tonnes of zinc and lead metal in concentrate annually. The first, Angas, in South Australia commenced production in late 2008 and ramped up to full production in February 2009, whilst the much larger Tala Hamza project in Algeria will produce ten times as much metal beginning in 2011.

Market Capitalisation:\$177.6m

Copyright © 2000 - 2016 Fat Prophets. All rights reserved. No portion of this website may be reproduced, copied, or in anyway reused without written permission from Fat Prophets.