



Territory Resources Limited

23 Ventnor Avenue,
West Perth WA 6005
Telephone: +61 8 9483 5100
Facsimile : +61 8 9483 5111

2 May 2008

Manager Announcements
Company Announcements Office
ASX Limited
Level 4, 20 Bridge Street
SYDNEY NSW 2000

Dear Sir/Madam

General Meeting Chairman's Address

Attached is a copy of the Chairman's address to the General Meeting of shareholders to be held at 1.00pm today.

Yours faithfully

Patrick McCole
Company Secretary



An Australian Resources Group

Post Office Box 158, West Perth, Western Australia 6872
admin@territoryresources.com.au www.territoryresources.com.au
A.B.N. 53 100 552 118



Territory Resources Limited

23 Ventnor Avenue,
West Perth WA 6005
Telephone: +61 8 9483 5100
Facsimile : +61 8 9483 5111

TERRITORY RESOURCES LIMITED

CHAIRMAN'S ADDRESS

GENERAL MEETING

2 MAY 2008 AT 1.00 P.M.

Corporate

- Territory has built a strong reputation with the Chinese as a reliable supplier of quality Iron Ore lumps and fines.
- The Company is well positioned for expansion into the mineral sands industry (particularly Zircon) with significant holdings in Olympia Resources Limited and Matilda Minerals Limited.
- With the increasing Chinese urbanization, Zircon will continue to be in strong demand and is projected that demand will increase together with rising commodity prices.
- Territory's future growth together with increased iron ore interests will include mineral sands, copper and gold.
- Company executives will conduct road shows to update the market on our business and outline our future growth strategy during May and June.
- The Board is pleased that the Austrian trading group DCM DECOMetal GmbH have become a substantial shareholder (just under 11%). DCM DECOMetal was previously a substantial shareholder in Consolidated Minerals Limited.
- The four top shareholders of the Company hold just under 53% of the issued capital and the Top 20 hold just under 60%.

Production

- Production for the quarter was disappointing due to an out of balance mine plan. This issue is currently being addressed and will be rectified during the current quarter to ensure production is back on track.
- Shipments for the 6 months to June should be around 500,000 tonnes making a total for the year of 840,000 tonnes for the full year.
- Production is incrementally being increased with a target by December 2008 of an annualized rate of 2.4 million tones and by June 2009 of 3.0 million tones.
- Production cash costs are projected to be in the order of AUD\$55 per tonne for the 2nd half of this calendar year. The current FOB prices are in the vicinity of USD\$100 per tonne.
- During the current quarter a 3rd mining fleet will be engaged to increase production.



An Australian Resources Group

Post Office Box 158, West Perth, Western Australia 6872
admin@territoryresources.com.au www.territoryresources.com.au
A.B.N. 53 100 552 118



Territory Resources Limited

23 Ventnor Avenue,
West Perth WA 6005
Telephone: +61 8 9483 5100
Facsimile : +61 8 9483 5111

- A wet processing plant will be installed during the next 3 to 4 months to eliminate wet ore difficulties and enable a cleaner, higher grade ore to be produced. The plant will be funded out of working capital.
- \$8 million will be spent on port development over the next 6 months to increase our stock pile area to 450,000 tonnes, improve material handling and thereby reduce costs together with maintaining ore quality.

Exploration

- Currently the Company has approximately 10 million tonnes of indicated and inferred resources which includes approximately 6 million tonnes of probable reserves.
- As announced the Company intends to commit a minimum of \$12.5 million each year for the next 2 years with the target to double resources.
- The Directors believe that due to the previous limited exploration efforts this target is achievable.

Michael Kiernan
Chairman
Territory Resources Limited



An Australian Resources Group

Post Office Box 158, West Perth, Western Australia 6872
admin@territoryresources.com.au www.territoryresources.com.au
A.B.N. 53 100 552 118