



**ASX RELEASE**

ABN: 45 116 153 514

**3 April 2020**

ASX: TMX

## **Option to Purchase Great Western Gold Project Exercised by RED5 Limited**

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**Terrain Minerals Limited (ASX: TMX)** is pleased to announce that it has received official notification from RED5 Limited (ASX:RED) that it has exercised its option to purchase Great Western gold project, which expires on the 8<sup>th</sup> April 2020.

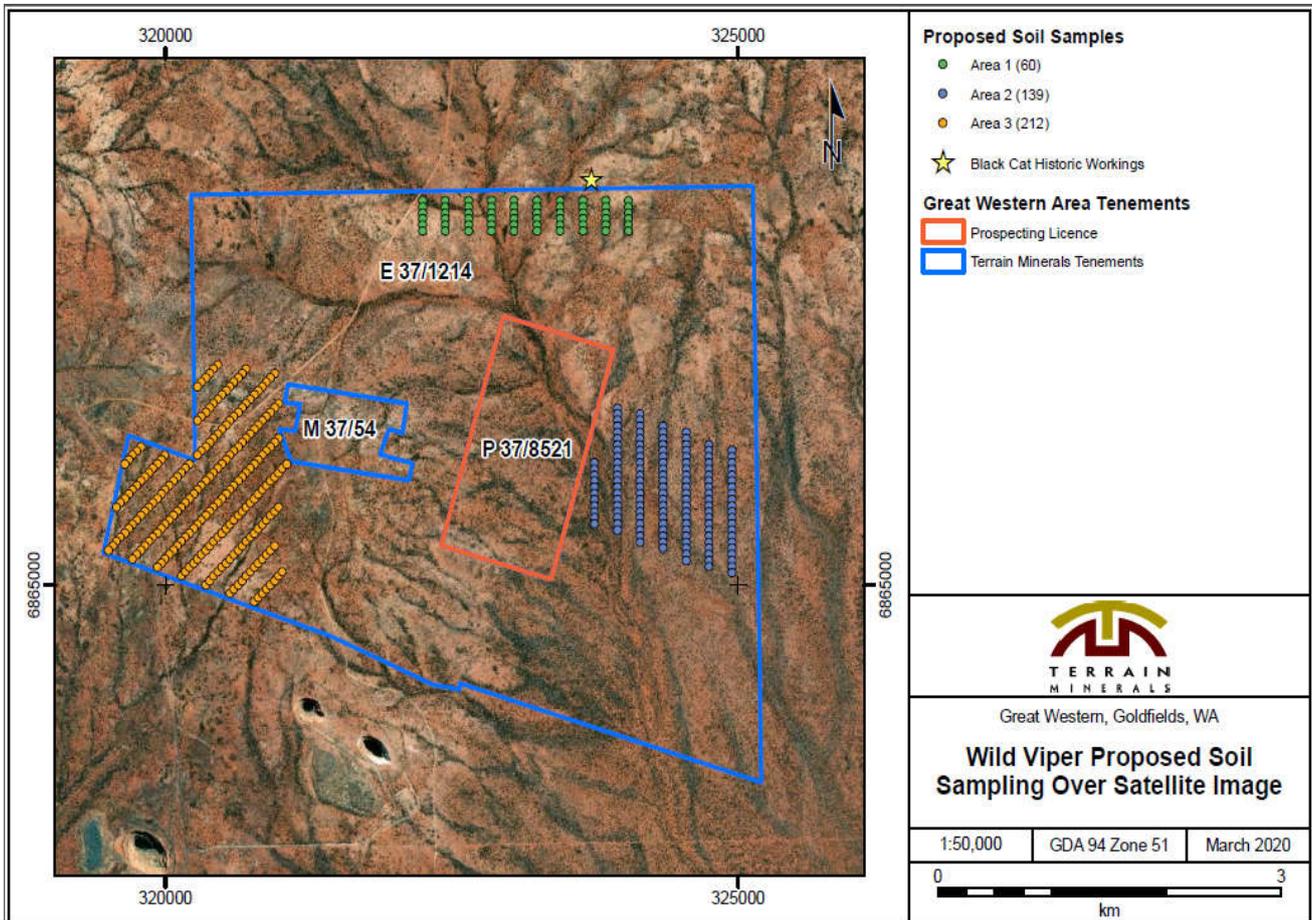
The option agreement, which was announced on the 11<sup>th</sup> November 2019, required RED to make payments totalling \$2,500,000 which include a \$300,000 cash payment to purchase the option (already received) and a further payment of \$2,200,000 to exercise the option and whereby the exercise price will be paid in tradable shares in RED calculated on a 5 day VWAP for the 5 trading days prior to the completion date as set out in the formal sale and purchase agreement.

The Board is pleased with the outcome and funds will be used to advance works at both Wild-viper and Smokebush Gold project here in WA as well as being used for new project generation.

**Wild-viper Gold Project;** which encompasses all the land area around Great Western. As announced on the ASX on the 30 March 2020 Terrain intends to shortly commence a large soil sampling program over three highly prospective areas (Refer to Diagram 1 & 2).

**Smoke Bush Gold Project;** Funds will also be used to expediate exploration and drilling over five advanced targets at the Company's new Smokebush gold project (refer Diagram 3 & 4).

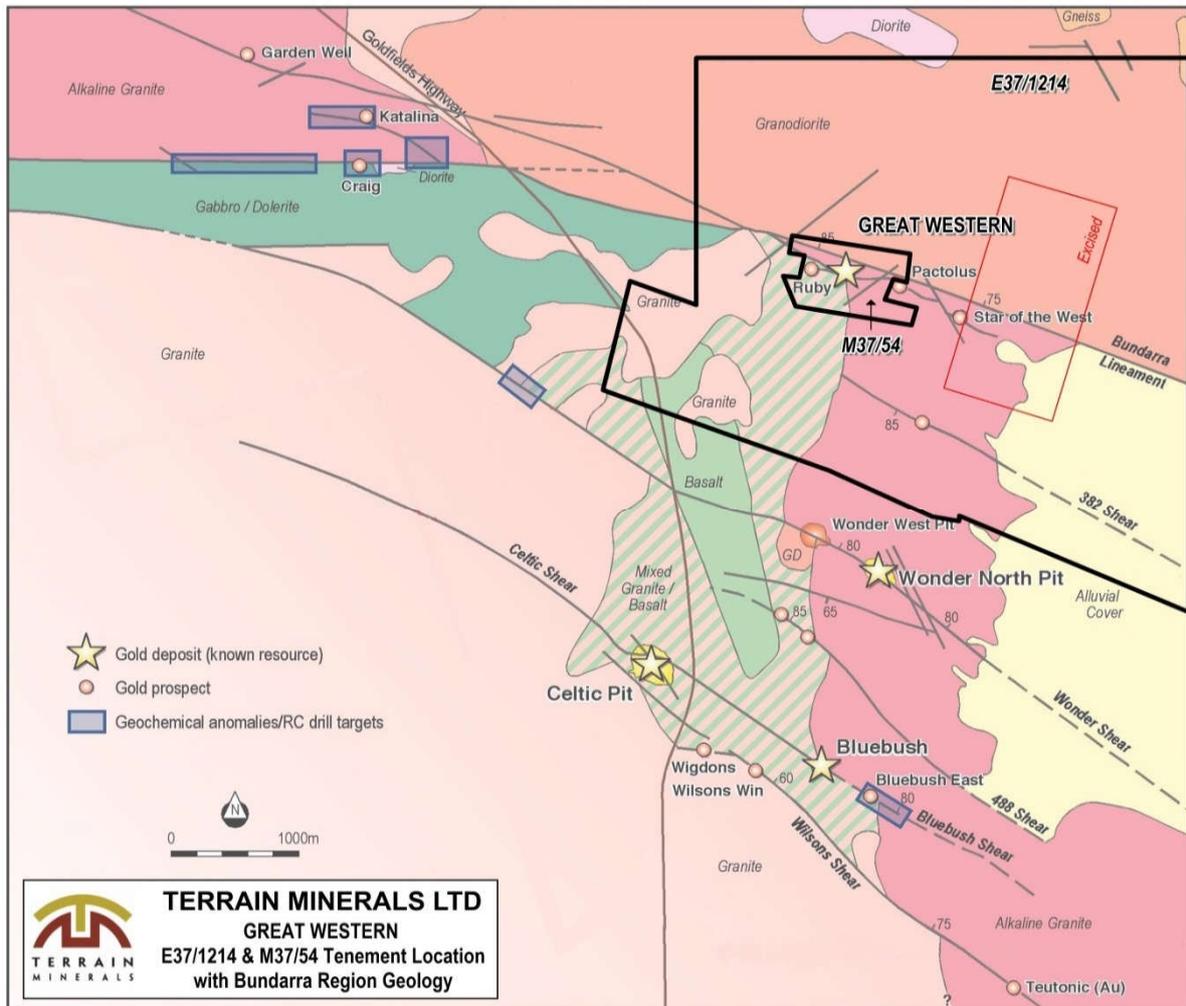
**Note:** For additional information refer to ASX announcement: 11 November 2019 - Execution of Option Agreement for the Sale of Great Western Gold Project.



**Diagram 1.** Proposed soils program over Wild-viper. Due to ground condition some of the proposed grid lines may not be receptive to soil sampling, the geologist will make that call during the program. Terrain estimates between the three target areas that up to ~500 sample could be collected and tested.

The three key target areas have been identified from past studies and field observations conducted during the last two work programs (drilling and trenching program's) at Wild-viper. The soil sample program will be taken over grid lines of 200m by 50m over each area and subject to the geologist discretion according to local ground conditions.

The aim of the program is to identify possible in-soil gold anomalies, what highlight potential drill targets. If successful Terrain intends to fast track the works over these targets, with an aim of conducting a first pass drill campaign later this year (Refer to Diagrams 1).



**Diagram 2.** Great Western Tenements M37/54 and Wild-Viper E37/1214 and other adjacent deposits within this highly prospective area.

**Note:** For additional information refer to ASX announcement: **27/03/2017** - JORC 2012 Resource Upgrade at Great Western



## **Smokebush Exceptional Historic Drilling Results Identified During Project Due Diligence**

The data review has identified extensive untested surface gold geochemical anomalies as well as highlighting significant RC and RAB gold drilling intersections from sparse first pass drilling.

The best historical results include:

### **Monza:**

- **2m @ 11.3g/t Au from 70m (MMRC162 - RC)**
- **2m @ 9.2g/t Au from 24m (MMRC154 - RC)**

### **Hurley & T17:**

- **10m @ 1.4g/t Au from 15m (MM084 - RAB)**
- **2m @ 2.5g/t Au from 51m (MMRC074 - RC)**

### **Wildflower:**

- **15m @ 1.4g/t Au from 10m (MM110 - RAB)**

The historic drilling is considered sparse and requires follow up exploration activities to properly test these significant results. Terrain is now planning a site visit to gain a better understanding of the possible controls of mineralisation before designing the next stage of exploration activities.

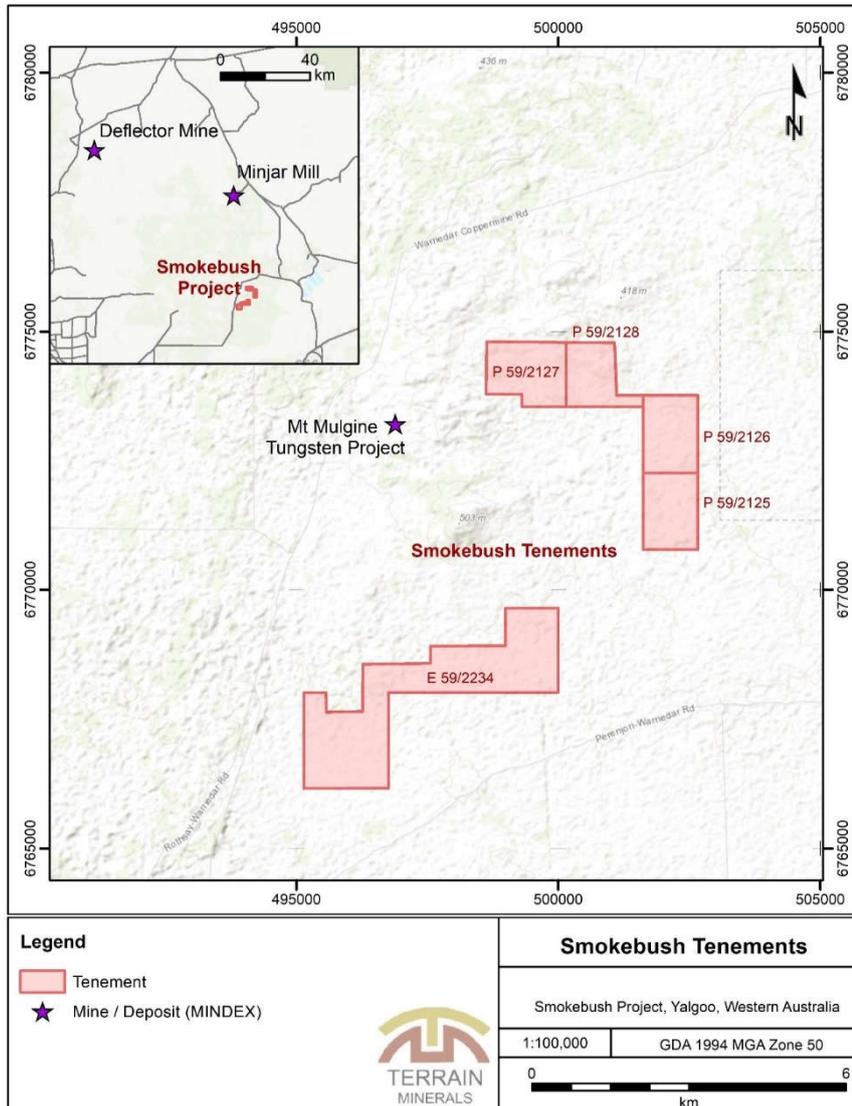
## **Location & Access**

The Smokebush Project Area is located approximately 85 kilometres east northeast of the Perenjori township and 65 kilometres west of Paynes Find within the Yalgoo Mineral Field.

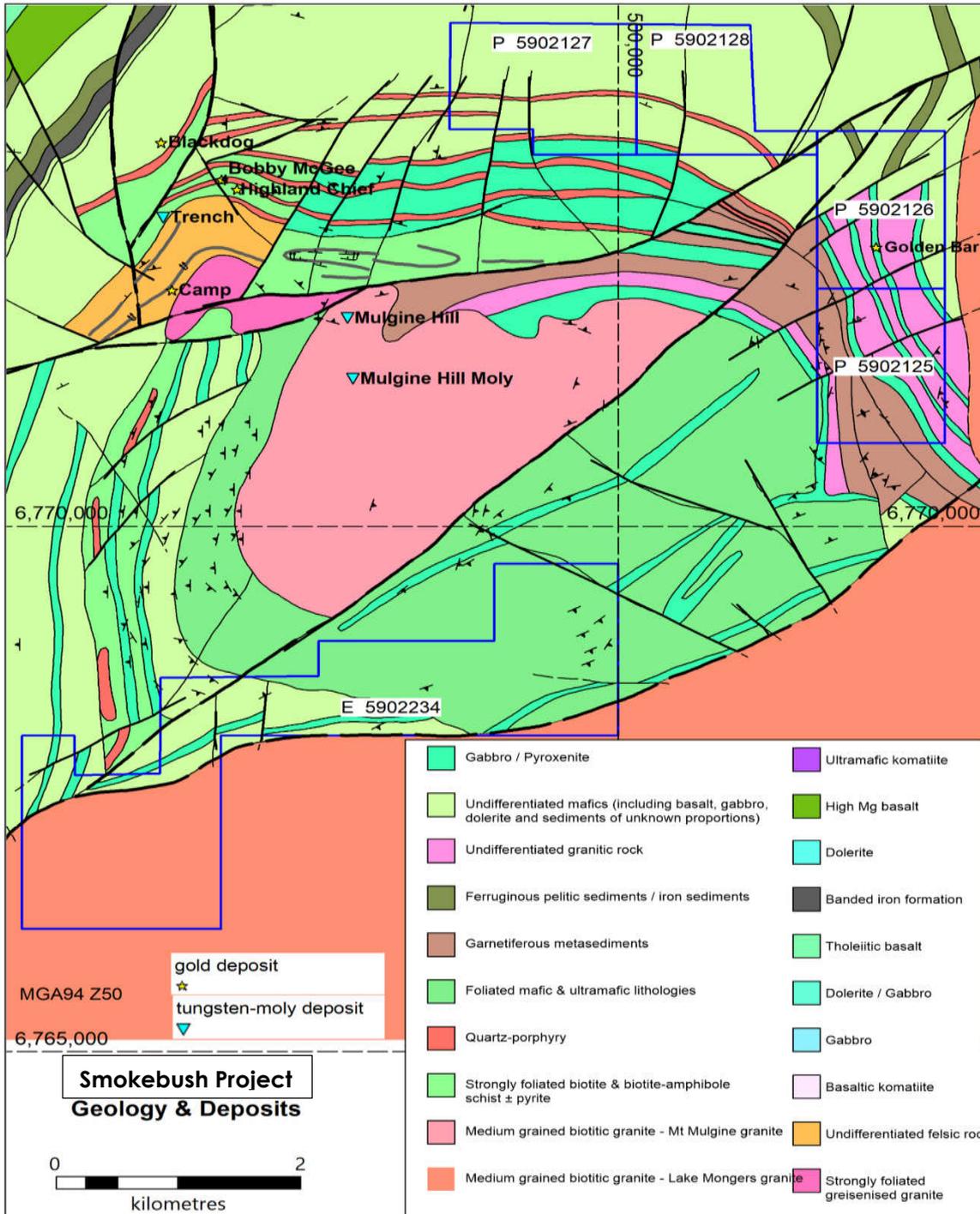
The project is contained within four contiguous Prospecting Licenses (P59/2125, P59/2126, P59/2127 & P59/2128) and one Exploration Licence (E59/2234) enclosing a total area of approximately 1,254 hectares (Figure 1).



The tenements can be accessed via the unsealed Perenjori - Warriadar Road, and thence via extensive historical exploration grid lines, station tracks and fences lines.



**Diagram 3:** SmokeBush Project Location (Tenements outlines in Red)



**Diagram 4:** Interpreted Geology Mt Mulgine with the Smokebush tenements in blue outlines



**Refer to ASX release:**

**02 December 2018** - Farm-in Agreement for the Smokebush Gold Project at Mt Mulgine, 65km West of Paynes Find WA.

**18 December 2019** - Smokebush Exceptional Historic Drilling Results Identified During Project Due Diligence

Justin Virgin

Executive Director

**For further information, please contact:**

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**ABOUT TERRAIN MINERALS LIMITED:**

Terrain Minerals Limited (ASX:TMX) is a minerals exploration company with a Western Australian based asset portfolio consisting of:

- **Great Western** – Option Agreement executed with Red5 Limited (ASX:RED) (includes a \$300,000 non-refundable option fee). Refer to the first page of this announcement for further details.
- **Wild-Viper** Exploration continues to increase Terrain knowledge of this highly prospective gold exploration property. Terrain will shortly commence a large soil sampling program over three key areas with the aim of identifying further drill targets, if successful Terrain intends to drill test them later this year.
- **Red Mulga** Project has areas have been relinquished after rehabilitation was completed.
- **Project Review:** Terrain Minerals is currently searching and has been assessing potential projects: Gold, Copper, Nickel and industrial minerals in Australia, Africa, North & South America and Asia, other regions are also being considered. Several jurisdictions of interest have now been identified. All economic commodities are being considered as indicated in previous Quarterly reports.

**Compliance Statement:**

The Company notes that within the announcement all the information is referenced directly to the relevant original ASX market releases of that technical data.

Terrain would like to confirm to readers that it is not aware of any new information or data that materially affects the information included in the relevant market announcement and, in the case of the estimates of mineral resources, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed.



## **Disclaimer:**

Information included in this release constitutes forward looking statements. Often, but not always, forward looking statements can generally be identified by the use of forward looking words such as "may", "will", "expect", "intend", "plan", "estimate", "anticipate", "continue" and "guidance" or other similar words, and may include, without limitation, statements regarding plans, strategies and objectives of management, anticipated production or construction commencement dates and expected costs or production outputs.

Forward looking statements inherently involve known and unknown risks, uncertainties and other factors that may cause the company's actual results, performance and achievements to differ materially from any future results, performance or achievements. Relevant factors may include, but are not limited to, changes in commodity prices, foreign exchange fluctuations and general economic conditions, increased costs and demand for production inputs, the speculative nature of exploration and project development, including the risks of obtaining necessary licences and permits and diminishing quantities or grades of reserves, political and social risks, changes to the regulatory framework within which the company operates or may in the future operate environmental conditions including extreme weather conditions, staffing and litigation.

Forward looking statements are based on the company and its management's assumptions made in good faith relating to the financial, market, regulatory and other relevant environments that exist and effect the company's business operations in the future. Readers are cautioned not to place undue reliance on forward looking statements.

Forward looking statements are only current and relevant for the date of issue. Subject to any continuing obligations under applicable law or any relevant stock exchange listing rules, in providing this information the company does not undertake any obligation to publicly update or revise any of the forward-looking statements or advise of any change in events, conditions or circumstances on which such statement is based.

## **Competent Person Statement:**

### **Smokebush & Wild-viper:**

The information in this report that relating to the exploration activities are based on information compiled by Mr. S Nicholls, who is a Member of the Australian Institute of Geoscientists and full time employee of Apex Geoscience Australia Pty Ltd. Mr Nicholls 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 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr. Nicholls consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

### **Great Western:**

The information in this report that relates to Exploration Results is based on information compiled by Mr. T Bradley, who is a Member of the Australian Institute of Geoscientists and a Non-Executive Director of Terrain Minerals Limited. Mr Bradley 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 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr. Bradley consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

End.