



ASX ANNOUNCEMENT

ASX CODE: TMX, TMXOA

CAPITAL STRUCTURE

TMX - Shares on Issue 217.98m
TMXOA - Options on Issue 18.24m
- Unlisted Options 56.81m

DIRECTORS & KEY MANAGEMENT

Dick Sandner Non-Exec Chairman
Jonathan Lim Non-Exec Vice Chairman
Chris Tomich Managing Director
Paul Dickson Non-Exec Director
Ian Hobson Company Secretary

PRINCIPAL REGISTERED OFFICE

Terrain Minerals Ltd
ABN: 45 116 153 514

Suite 4, Level 1
230 Rokeby Road
Subiaco 6008
Western Australia

Postal Address
PO Box 1702
Subiaco WA 6904

CONTACT

Chris Tomich
Terrain Minerals Ltd
PH: +61 8 9381 5558
Fax: +61 8 9381 5551
WEB: www.terrainminerals.com.au
EMAIL: terrain@terrainminerals.com.au

Friday 15 April 2011
Company Announcement

BUNDARRA RESOURCE UPDATE

HIGHLIGHTS

- Great Western Deposit resource, in the Bundarra region of Western Australia, has been upgraded by approximately 50% to greater than 60,000 ounces.
- New resource interpretation undertaken at 0.5 g/t gold lower cut-off allows for more continuous definition of mineralised lodes.
- New JORC compliant resource is now –
 - 686,000 tonnes at 2.9 g/t gold for 63,100 ounces (at a 0.5 g/t lower cut-off), or
 - 566,000 tonnes at 3.3 g/t gold for 60,200 ounces (at a 1 g/t gold lower cut-off).
- Mineralisation remains open at depth and down plunge to the east.
- New JORC compliant resource for the nearby Bluebush Deposit is 640,000 tonnes at 1.8 g/t gold for 38,100 ounces.
- Bundarra region JORC compliant resources now stand at 333,200 ounces.
- Strong interest received for divestment of the Bundarra and Dodgers Well gold assets.

On behalf of the Board:

Chris Tomich,
Managing Director

Terrain Minerals Ltd ABN: 45 116 153 514

Contact
Telephone: +61 8 9381 5558
Facsimile: +61 8 9381 5551
Email: terrain@terrainminerals.com.au



Great Western Deposit

A new interpretation of the mineralised units, using a 0.5 g/t gold lower cut-off (previous interpretation at 1g/t), has resulted in a more continuous better definition of the quartz veins hosting the highly varied gold mineralisation at the Great Western Deposit. A new JORC compliant mineral resource has been defined at a 0.5 g/t gold and 1 g/t gold lower cut-off grade, resulting in a significant improvement in the contained gold to over 60,000 ounces, as summarised below –

Cut-off	Resources	Measured	Indicated	Inferred	Totals
1 g/t Au	Tonnes	88,000	224,000	254,000	566,000
	Grade g/t	2.5	3.2	3.7	3.3
	Ounces	7,200	23,000	30,000	60,200

Cut-off	Resources	Measured	Indicated	Inferred	Totals
0.5 g/t Au	Tonnes	96,000	263,000	327,000	686,000
	Grade g/t	2.4	2.8	3.0	2.9
	Ounces	7,500	23,900	31,700	63,100

The previously reported 2008 JORC compliant resource was 473,000 tonnes at 2.7 g/t gold for 40,900 ounces at a 1 g/t gold lower cut-off.

Using the same drilling database to a maximum vertical depth of approximately 150m, the new JORC compliant resource has an increase of approximately 50% on the 2008 resource. The “nugget effect” is calculated to be 50-60%. The new resource was calculated by Ordinary Kriging using a block model with parent cell dimensions of 10mE X 5mN X 5mRL. Top cuts of 6 g/t, 30 g/t and 50 g/t were applied to various mineralised lodes.

Mineralisation remains open at depth and down plunge to the east.

Historically, the Great Western deposit has recorded production of 27,095 tonnes at 13.85 g/t gold for approximately 12,000 ounces. The Mineral Resource reported above excludes this production.

Other Bundarra Resources

A new JORC compliant resource has been calculated for the Bluebush Deposit, incorporating the results of 2010 RC infill drilling. The new resource, at a 1 g/t gold lower cut-off, contains 38,100 ounces and is summarised below –

Cut-off	Resources	Measured	Indicated	Inferred	Totals
1 g/t Au	Tonnes		200,000	440,000	640,000
	Grade g/t		1.9	1.8	1.8
	Ounces		12,200	25,900	38,100

The new resource was estimated using Inverse Distance to the power of 3 into a block model aligned to the mineralisation strike orientation with parent cell dimensions of 5mE X 25mN X 5mRL. A top cut of 15 g/t was applied to the mineralised lodes.

The resource category has been improved to include some “indicated” mineral resources – previously all 2008 resources were “inferred”. This new resource has lower tonnes and a higher grade, but slightly lower ounces than the previous 2008 JORC figure of 726,000t @ 1.7g/t Au (38,900oz).



Following a review of historic resource data for the Celtic Deposit a revised resource of 891,000 tonnes at 1.8 g/t gold for 51,700 ounces (at a lower cut-off grade of 1 g/t) is considered valid.

The overall effect of these new resource upgrades and reviews is that the Bundarra region JORC compliant resources have been increased to 333,200 ounces from 321,200 ounces previously.

There has been strong interest received for divestment of the Company's gold assets at Bundarra and Dodgers Well.

About Terrain Minerals Ltd (ASX: TMX & TMXOA)

TMX is a Perth based exploration company with a number of gold and nickel projects in the Eastern Goldfields of Western Australia, including the advanced gold project at Bundarra.

Bundarra (60 kms north of Leonora)

TMX has outlined JORC compliant resources of 333,000 oz of gold in a closely related cluster of deposits including: Wonder North, Celtic, Great Western, Bluebush and Black Cat (see resource tables). All the deposits remain open down dip and down plunge. Mining scoping studies, including metallurgical test work, pit optimisations, pit designs and mine scheduling have indicated favourable mining economics with potential cash surpluses of >\$30 million (at a gold price of A\$1,350/oz). The company has also identified a potential for larger mining operations and drill programs are planned to test for extensions to the known deposits as well a number of new drilling targets.

Black Cat Joint Venture with St Barbara (TMX at 60%, earning to 75%) contains a series of prospective gold drill targets, including an untested strong soil anomaly, 1km long X 160m wide.

East Kambalda (15 kms east of Kambalda)

The Aztec Dome is believed to be an analogue of the nearby Kambalda Dome which hosts a series of high grade nickel sulphide deposits. At the Aztec Dome drilling in December 2009 confirmed the existence of ultramafic rocks with anomalous nickel values associated with high MgO rocks. Trace amounts of nickel sulphide minerals were detected in several drill holes. Two distinct and strong EM conductors have been defined on the eastern edge of the Aztec Dome and further deep drilling is planned to test these encouraging targets as well as several other geological and geophysical targets.

The Coogee gold deposit contains a JORC compliant resource of 277,500t @ 3.9 g/t gold (35,000 oz). A pit optimisation and pit design have been completed and indicate that the resource would support a profitable mining operation. The Coogee deposit has been put up for sale.

Dodgers Well (30 kms north of Leonora)

The Dodgers Well Mining Centre contains a series of historic gold workings, some with historic production up to 2 oz/t gold. Previous rock chip sampling returned results up to 210 g/t gold. Drilling underneath several workings in mid-2010 returned very encouraging results including 4m @ 36.10 g/t Au (including 1m @ 115.7 g/t gold which re-assayed at 1m @ 220.5 g/t gold) and 3m @ 9.67 g/t gold, both in areas not previously drilled. Followup drilling is planned to further evaluate these encouraging mineralised targets.

Competent Persons Statements

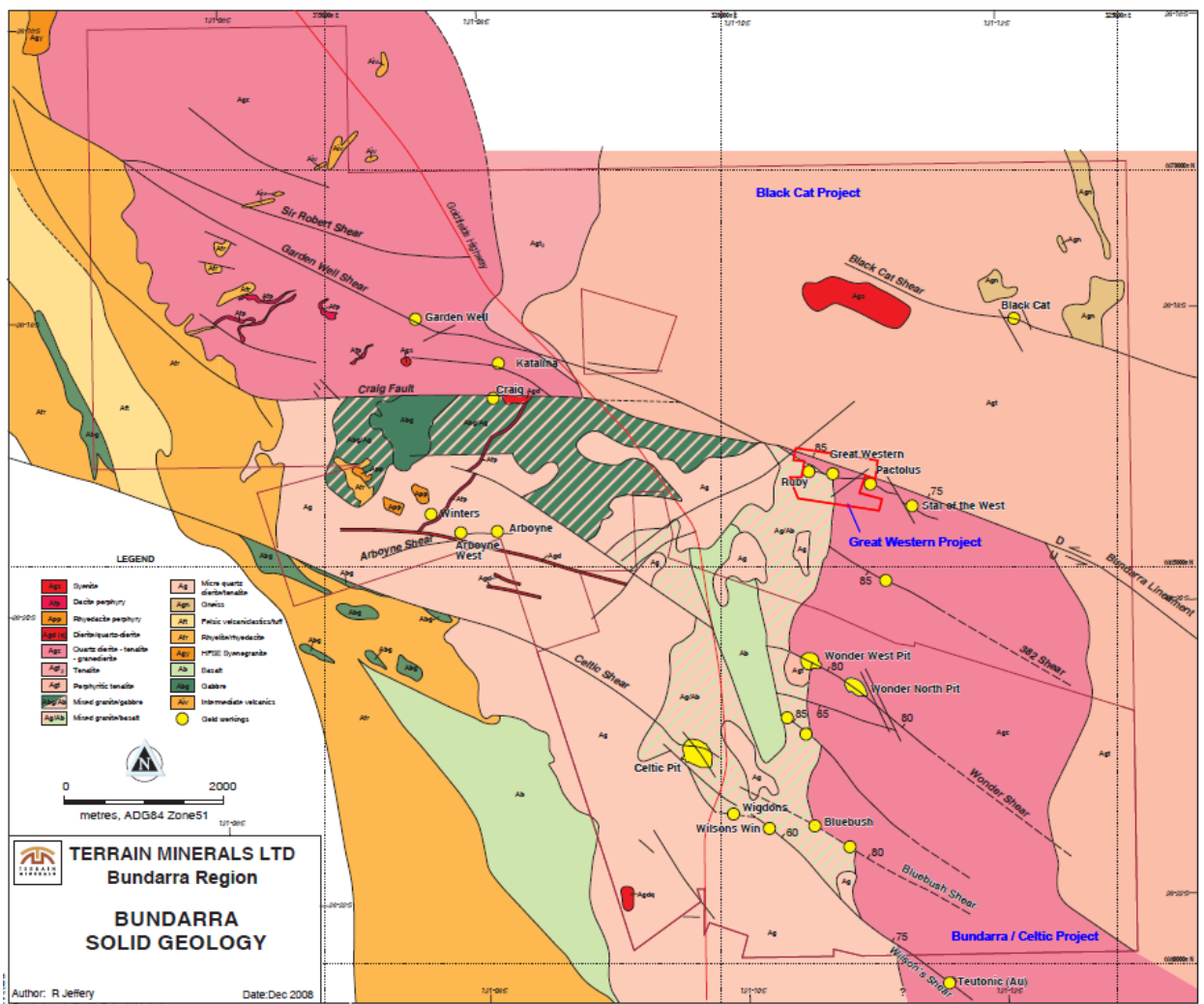
The information in this report that relates to Exploration Results is based on information compiled by Mr Chris Tomich, who is a full time employee of Terrain Minerals Ltd. Mr Tomich is a member of the Australian Institute of Geoscientists (MAIG) and has sufficient experience which is relevant to the 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 Tomich consents to the inclusion in the report of the matters based on information in the form and context in which it appears.

The Mineral Resource estimates (at 1g/t gold cut-off) for the Wonder North and Black Cat deposits at Bundarra were completed by consultant Mr. Shane Fieldgate of CSA Global Pty Ltd, who is a Member of the Australian Institute of Geoscientists (MAIG) and is a Competent Person as defined by the Australasian Code for the Reporting of Exploration Result Mineral Resources and Ore Reserves (JORC Code) 2004 Edition and who consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

The Mineral Resource estimate (at +3g/t gold cut-off) for the Wonder North deposit at Bundarra was completed by consultant Mr. Steve Le Brun of LBC Resources Pty Ltd, who is a Member of the Australasian Institute of Mining and Metallurgy (MAusIMM) and is a Competent Person as defined by the Australasian Code for the Reporting of Exploration Result Mineral Resources and Ore Reserves (JORC Code) 2004 Edition and who consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

The Mineral Resource estimates (reported at both 0.5 and 1g/t gold cut-off) for the Bluebush and Great Western deposits at Bundarra were completed by consultant Mr. Peter Ball of DataGeo Geological Consultants, who is a Member of the Australasian Institute of Mining and Metallurgy (AusIMM) and is a Competent Person as defined by the Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code) 2004 Edition and who consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

The Mineral Resource estimate for the Coogee deposit was reviewed by consultant Mr. Malcolm Castle, who is a Member of the Australian Institute of Mining & Metallurgy (MAusIMM) and is a Competent Person as defined by the Australasian Code for the Reporting of Exploration Results Mineral Resources and Ore Reserves (JORC Code) 2004 Edition and who consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.



JORC Compliant Resource Table (at 1 g/t gold lower cut-off)

Deposit	Resources	Measured	Indicated	Inferred	Totals
Bundarra Project					
Wonder North	Tonnes	354,000	872,000	1,314,000	2,540,000
	Grade g/t	2.3	2.4	1.9	2.1
	Ounces	26,000	66,500	80,200	172,600
Bluebush	Tonnes		200,000	440,000	640,000
	Grade g/t		1.9	1.8	1.8
	Ounces		12,200	25,900	38,100
Black Cat	Tonnes			134,000	134,000
	Grade g/t			2.5	2.5
	Ounces			10,600	10,600
Great Western	Tonnes	88,000	224,000	254,000	566,000
	Grade g/t	2.5	3.2	3.7	3.3
	Ounces	7,200	23,000	30,000	60,200
Sub-Total	Tonnes	442,000	1,296,000	2,142,000	3,880,000
	Grade g/t	2.3	2.5	2.1	2.2
	Ounces	33,200	101,700	146,700	281,500
Celtic	Tonnes	578,000	152,000	161,000	891,000
	Grade g/t	1.9	1.6	1.6	1.8
	Ounces	35,500	7,900	8,300	51,700
Bundarra Totals	Tonnes	1,020,000	1,448,000	2,303,000	4,771,000
	Grade g/t	2.1	2.4	2.1	2.2
	Ounces	68,700	109,600	155,000	333,200
East Kambalda Project					
Coogee	Tonnes		138,000	140,000	278,000
	Grade g/t		4.1	3.7	3.9
	Ounces		18,200	16,600	34,800
TOTAL RESOURCES					
All Deposits	Tonnes	1,020,000	1,586,000	2,443,000	5,049,000
	Grade g/t	2.1	2.5	2.2	2.3
	Ounces	68,700	127,800	171,600	368,000

**Wonder North JORC Compliant Resource Table
(at 3 g/t gold lower cut-off)**

Cut-off	Resources	Measured	Indicated	Inferred	Totals
3 g/t Au	Tonnes	0	494,000	127,000	621,000
	Grade g/t	0	4.9	4.4	4.8
	Ounces	0	78,100	18,000	96,100

**Great Western JORC Compliant Resource Table
(at 0.5 g/t gold lower cut-off)**

Cut-off	Resources	Measured	Indicated	Inferred	Totals
0.5 g/t Au	Tonnes	96,000	263,000	327,000	686,000
	Grade g/t	2.4	2.8	3.0	2.9
	Ounces	7,500	23,900	31,700	63,100

Note: Rounding errors may occur. The numbers shown in the above tables have been rounded (tonnes to nearest 1,000, grade to 0.1 g/t, and ounces to 100) and thus the totals may not reflect the sum of the individual numbers.