



ASX ANNOUNCEMENT

ASX CODE: TMX, TMXOA

CAPITAL STRUCTURE

TMX - Shares on Issue 231.02m
TMXOA - Options on Issue 18.24m
- Unlisted Options 72.18m

DIRECTORS & KEY MANAGEMENT

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

PRINCIPAL REGISTERED OFFICE

Terrain Minerals Ltd
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CONTACT

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25 October 2011
Company Announcement

SETTLEMENT OF THE SALE OF BUNDARRA GOLD ASSETS – TMX DEBT FREE

TMX is pleased to announce that settlement of the sale of the Bundarra Gold Assets to SR Mining has completed.

An initial payment of \$1.3m was received with \$1.2m used to repay the outstanding Zulu Capital convertible note leaving TMX debt free.

The SR Mining agreement has a total value of \$8.0m made up of:

- ◆ \$1.3m cash received yesterday
- ◆ \$0.7m cash when first gold produced or 1 year after receipt of initial payment
- ◆ 1.0g per ounce produced up to a total value of \$6m with a minimum payment of \$600,000 per year.

This will ensure TMX has a minimum cash receipt for the next 10 years. The \$8m proceeds equates to 3.4 cents per share.

FUTURE DIRECTION

The significant focus for TMX will be for nickel at Aztec Dome in the East Kambalda area of WA. A diamond drill program aiming to prove a repeat of the stratigraphy of Kambalda is planned to commence November this year.

TMX will continue to explore at the Black Cat JV for gold and is continuing discussions on a possible JV at Dodgers Well.

On behalf of the Board:

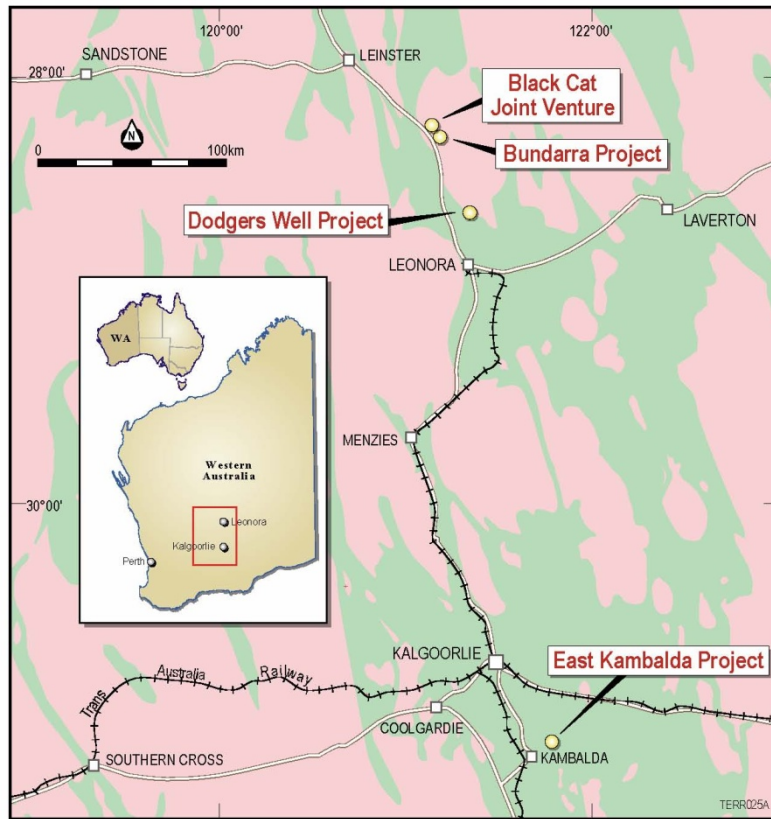
Alan Coles
Managing Director

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Project Location Map



Bundarra Sale Area

