



ASX RELEASE

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ASX: TMX

New Geological Interpretation (Monza) & Exploration Update Smokebush Gold Project

Terrain Minerals Limited (ASX: TMX) (Terrain) has completed a new internal Geological Interpretation and drill planning at the Smokebush Gold Project. Smokebush is located at Mt Mulgine, approximately 85 kilometres east northeast of the Perenjori township and 65 kilometres west of Paynes Find within the Yalgoo Mineral Field.

New Geological Interpretation at Monza

The Monza area of the project is still at a comparatively early stage of exploration. The drilling campaign conducted by Terrain in October 2020, confirmed the results from historic drilling and expanded known mineralisation down dip and along strike. In this drilling campaign, the northern most line of drillholes, intersected the hanging wall and the mineralised structure sat to the east of the drillholes.

In the follow up drilling campaign which commenced in April 2021 (Refer to results page 7), Terrains geological team repositioned and reoriented the target and consequently picked up the mineralisation again, adding a further 400m to the now 700m long mineralised zone.

The Monza structure appears structurally complex, with sigmoidal trend and variation in orientation, thickness and fabric intensity (refer to diagram 3).

At the northern end, drilling appears to have identified a new mineralised zone "Monza North" which may be separate from Monza (refer to diagrams 4 & 5) and on a different orientation.

Terrain's geological team is planning next stages of exploration, including more field work to define and possibly conduct a regional drill program over Monza North, Wildflower and Hurley.

Monza RC Drill Planning

Mineralisation at Monza, sits within a N-S trending moderately steeply east dipping zone of foliation-alteration-sulphides (pyrite-arsenopyrite). This zone has a strike extent of 280m and contains approximately 120kT of mineralised material (assuming S.G of 2.6).

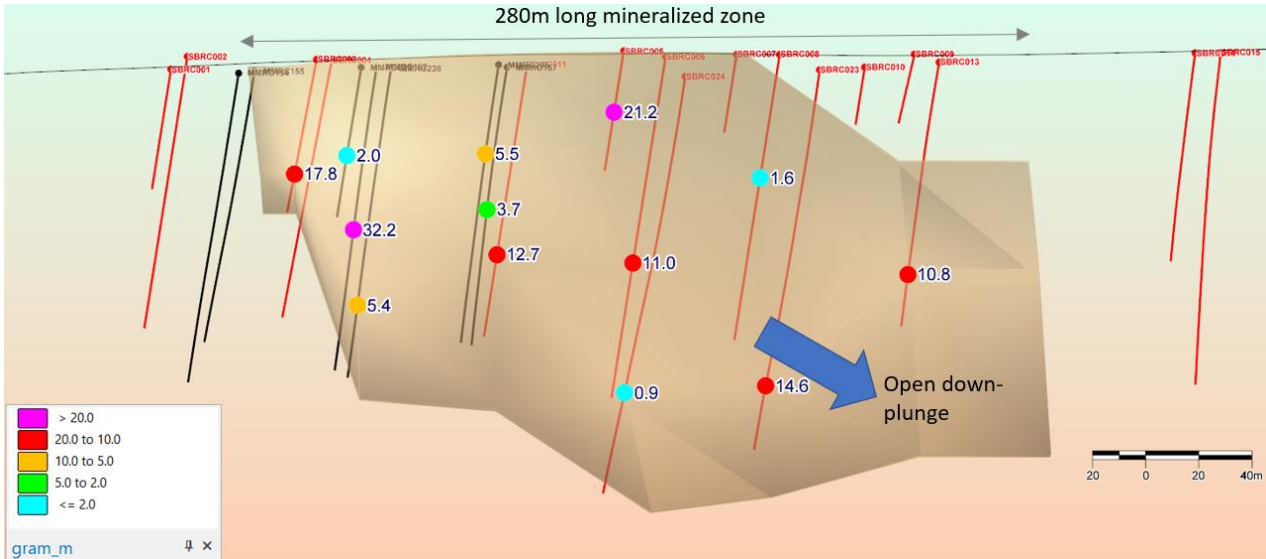


Diagram 1: Long section (looking West) displays the interpreted mineralised envelope with intercept positions and weighted grade (grams * meters) of intercepts within the interpreted shape.

The interpreted mineralised zone may be significantly expanded to the north where sparse drilling (100m x 50m) has identified numerous significant intercepts.

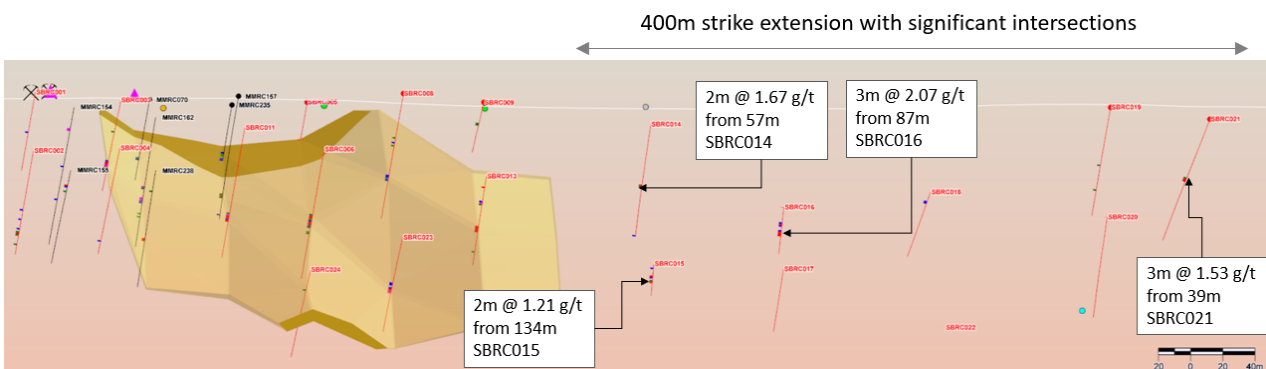


Diagram 2: Long section (looking West), Interpreted shape with significant intercepts outside of shape.

The Monza North mineralised zone that includes significant intersection of 3m @ 1.53 g/t Au, has a different orientation to the main zone. The mineralised structure at Monza North trends NW-SE and dips moderate-shallowly to the Northeast. This rotation of mineralisation orientation could be explained by fault-tip damage at a termination, or a relay in a step-over zone (see Diagram 3). Either of these scenarios indicate a structural complexity in this region (Monza North) of the mineralising system that may correspond to increased fluid flux.

Northern Zone Model

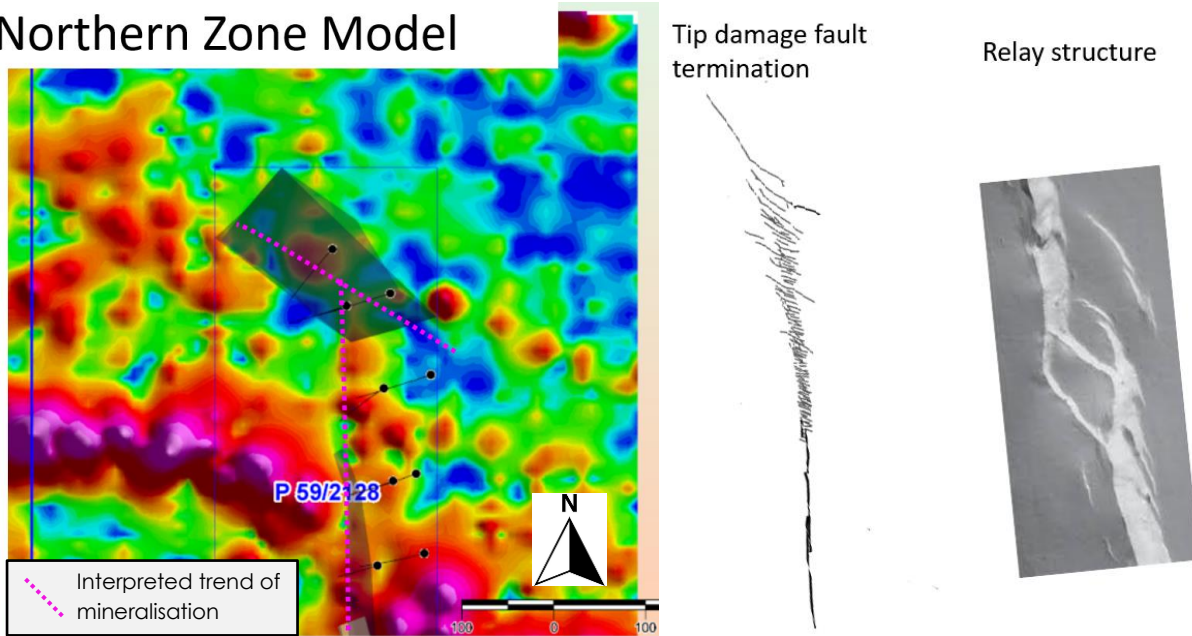


Diagram 3: Plan view of the Monza North area with surface trend of mineralisation compared with examples of fault terminations and relays. (base map is magnetic TMI-AS)

The next phase of work at Monza is to evaluate the open extensions of the mineralising system to determine the orientation and extent of the entire mineralising system. There are three main zones where potential mineralisation extensions remain open;

- A. Down plunge extension of the main zone into magnetic host rock.
- B. Footwall of northern portion of the Main Zone.
- C. Strike extensions and potential repetitions of the Monza North structure.

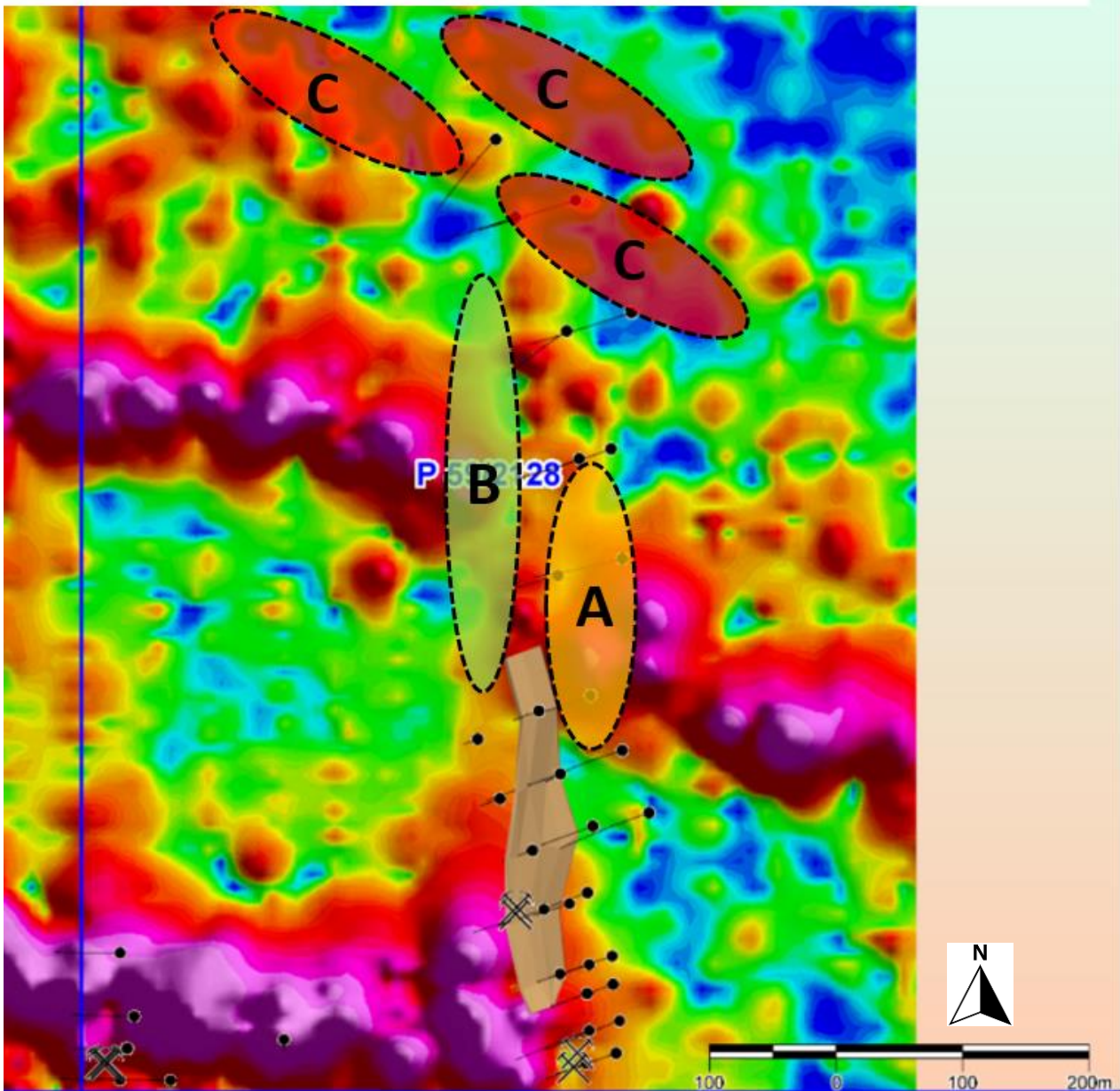


Diagram 4: Plan view of Monza and Monza North with target areas A, B & C highlighted (underlain by magnetic analytical signal image).

An RC program has been planned to follow up the potential mineralisation extensions referred to above. The planned drilling consists of 3,610 meters of RC drilling within the Monza and Monza North areas.

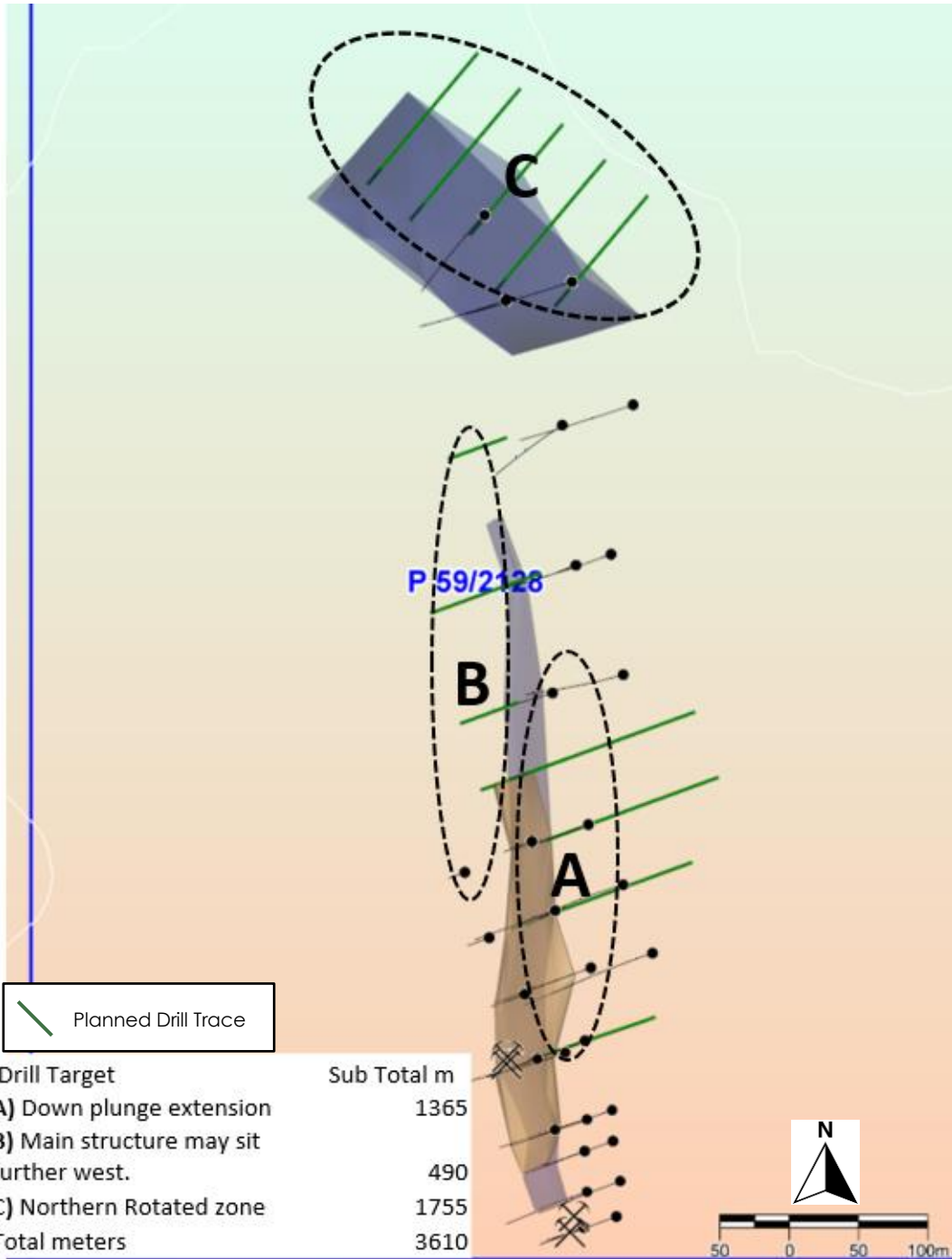


Diagram 5: Plan view of Monza and Monza North with planned RC drill hole traces.

Regional Drill Planning

Terrain Minerals have planned a regional program of 3000m of AC drilling to test gold mineralisation within regional prospects of the Smokebush Project. Target include T17, Wildflower and T16 West.

Multi element work on 121 samples from the recent RC drilling at Smokebush has identified a moderate correlation between gold and arsenic values. T16 West is a large untested arsenic anomaly (+141ppm As) that sits within E 59/2234. This arsenic anomaly coincides with a smaller +20ppb Au gold anomaly from historic soil sampling. A single AC line is proposed to attempt to locate the basement source of the coincident As/Au anomaly (T16 West).

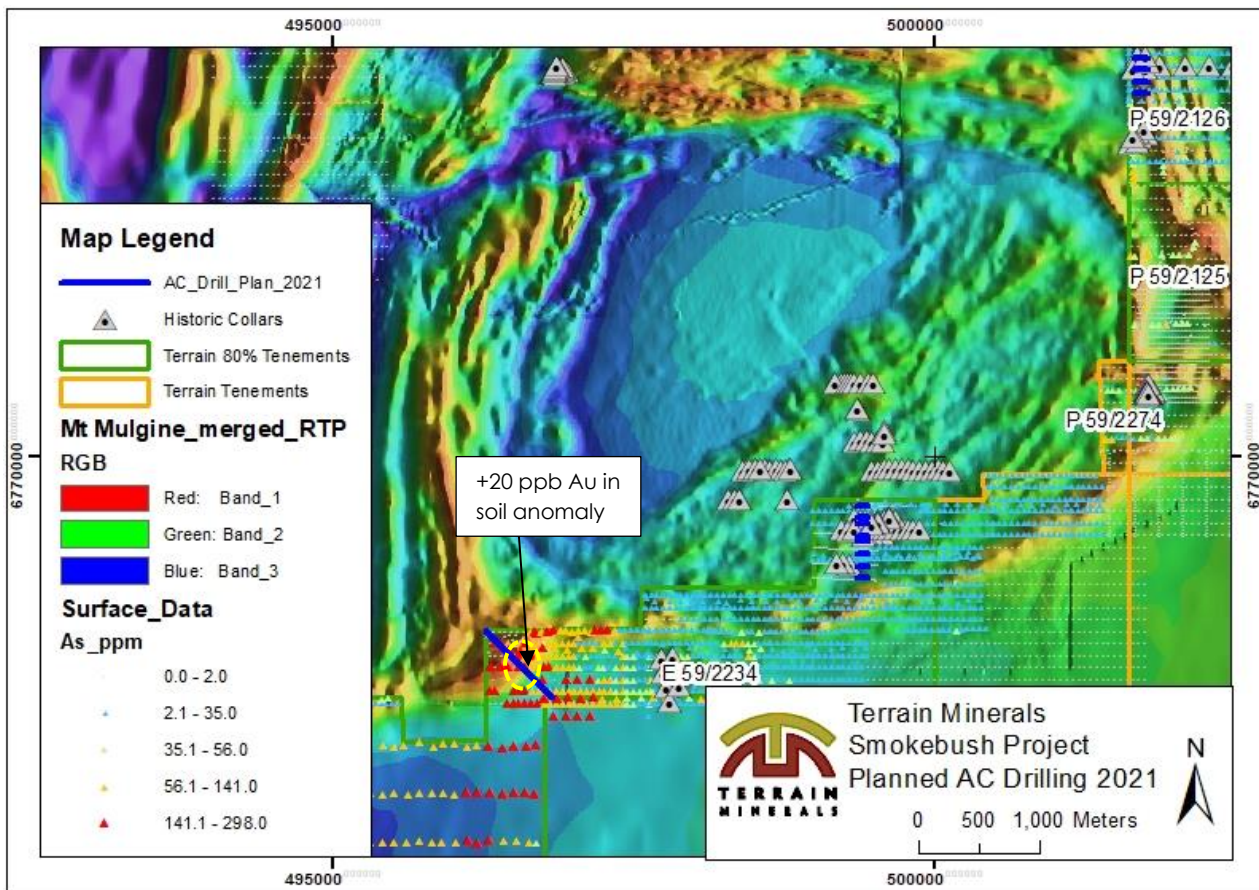


Diagram 7: Plan view of historic arsenic in soil values and planned regional AC lines.



Project Summary & Historic Results.

Terrain Minerals have been aggressively exploring the Smokebush project since entering into a farm-in agreement in December 2019. This has involved numerous phases of ground exploration (field mapping, ground magnetics, chip and soil sampling) followed up with two successful RC drilling programs. The highlights from these drilling programs and historic results from Smokebush projects are included below;

Monza Prospect (80% TMX):

Historic Results:

- **2m at 11.3g/t Gold** from 70m (MMRC162 - RC, 1m samples)
- **2m at 9.2g/t Gold** from 24m (MMRC154 - RC, 1m samples)

Terrain 2020 Drilling:

- **4m at 4.46 g/t Gold** from 51m (SBRC003 - RC, 1m samples)
- **7m at 2.72 g/t Gold** from 25 m (SBRC005 - RC, 1m samples)
- **6m at 2.12 g/t Gold** from 80 m (SBRC011 - RC, 1m samples)
- **8m at 1.37 g/t Gold** from 85 m (SBRC006 - RC, 1m samples)

Terrain 2021 Drilling:

- **3m at 3.62 g/t Gold** from 73m, AND **4m at 2.71 g/t Gold** from 89m (SBRC013 - RC, 1m samples)
- **3m at 4.86 g/t Gold** from 135m (SBRC023 - RC, 1m samples)
- **3m at 2.07 g/t Gold** from 87m (SBRC016 - RC, 1m samples)

Monza North Prospect (80% TMX):

- **3m at 1.53 g/t Gold** from 39m (SBRC021 - RC, 1m samples)

Hurley & T17 (80% TMX):

- **10m at 1.4g/t Gold** from 15m (MM084 – RAB, 5m composites)
- **2m at 2.5g/t Gold** from 51m (MMRC074 – RC, 1m samples)

Wildflower (80% TMX):

- **15m at 1.4g/t Gold** from 10m (MM110 – RAB, 5m composites, includes 5m internal waste)

Paradise City Prospect (100% TMX):

- **3m at 2.17 g/t Gold** from 10m (PCRC001– RC, 1m samples)
- **5m at 1.35 g/t Gold** from 13m (PCRC002– RC, 1m samples)
- **2m at 3.61 g/t Gold** from 15m (PCRC007– RC, 1m samples)
- **3m at 1.94 g/t Gold** from 19m (PCRC008– RC, 1m samples)

Results are from previous Terrain minerals announcements:

- **18 December 2019** - Smokebush Exceptional Historic Drilling Results Identified During Project Due Diligence.
- **12 October 2020** - Exciting Drilling Results at Smokebush Gold Project.
- **19 July 2021** - Positive First Pass Drilling Results Smokebush Gold Project.
- **03 December 2020** - New Application Granted with Exciting Historic Results at the Paradise City Gold Prospect - Smokebush Gold Project.

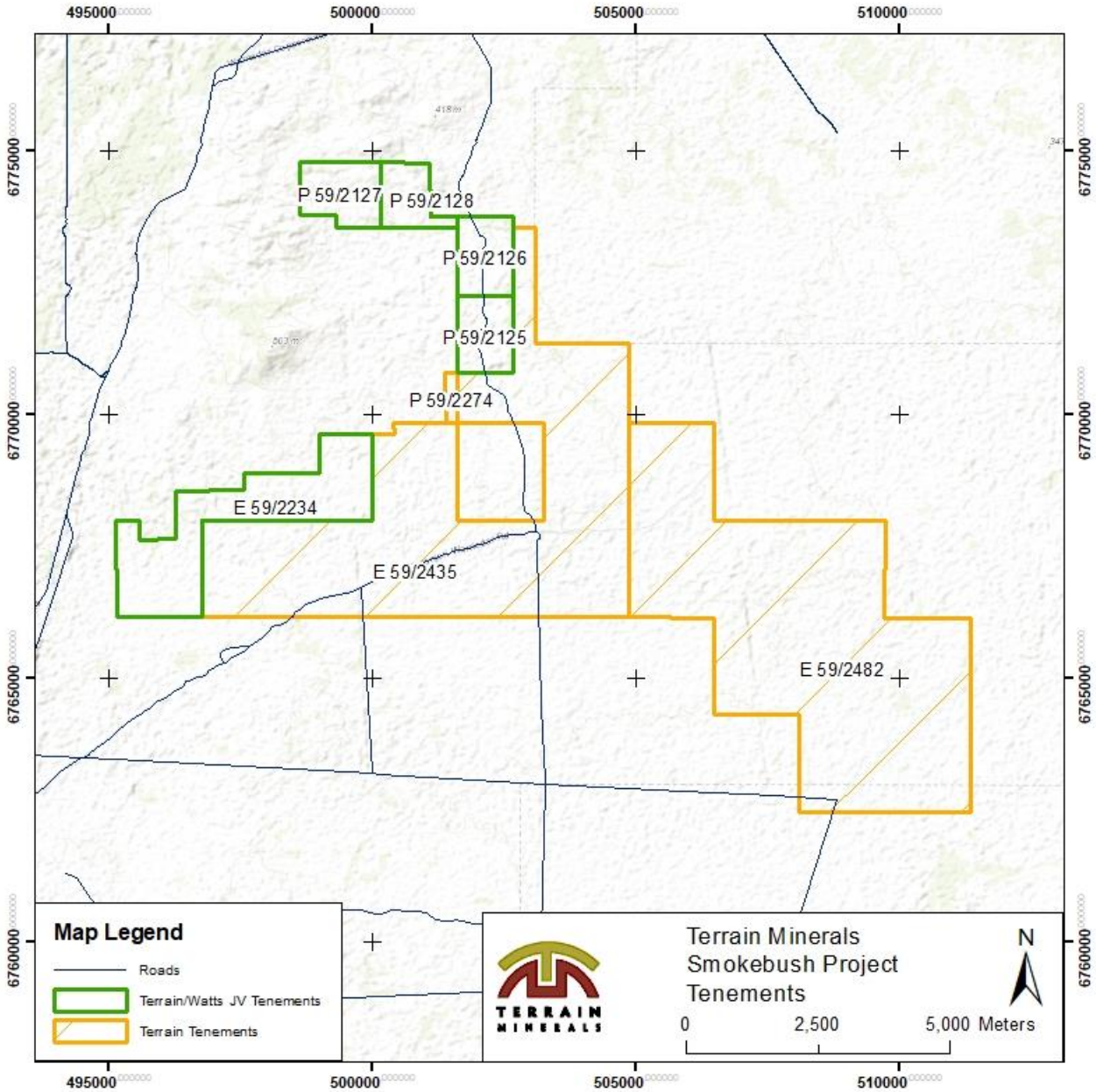


Diagram 8: Smokebush Project Location (tenement outlines in Green-JV tenements and Orange-Terrain 100%).



Note: For additional information refer to ASX announcement:

- **2 December 2019** - 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.
- **3 March 2020** - Exciting Results from Smokebush Gold Project.
- **08 October 2020** - High Grade Rock Chips at Smokebush Gold Project.
- **12 October 2020** - Exciting Drilling Results at Smokebush Gold Project.
- **3 December 2020** - New Application Granted with Exciting Historic Results at the Paradise City Gold Prospect - Smokebush Gold Project.
- **12 February 2021** - Ground Geophysics & Mapping Refines Targeting Matrix at Smokebush Gold Project.
- **17 March 2021** - Drilling & Project Update - Smokebush Gold Project.
- **22 April 2021** - 2,100m RC Drilling Program Commenced at the Smokebush Gold Project.
- **27 May 2021** - New Rock Chip Samples & Drilling Update Smokebush Gold Project.
- **19 July 2021** - Positive First Pass Drilling Results Smokebush Gold Project.

Justin Virgin
Executive Director

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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:

- **Investments:** As of the date of this announcement Terrain held 2 million Red 5 Limited shares (ASX: RED) from the GW sale. Issued at 19c - value at 22c = \$440,000 AUD.
- **Smokebush** - WA gold exploration Project JV (80% TMX) – Terrain has identified multiple drill targets along with several other prospective areas. Terrain executed its highly successful maiden RC drill program in August 2020, following up on historic drilling. The second phase of drilling has extended minerals a further 400m to 700m long and has also identified a new zone Monza Norths that appears to be on a different orientation. Further follow up work is also required over Paradise City (100% TMX), Wildflower and Hurley prospects. Please refer to the above release for further information.
- **Wild-viper** - WA gold exploration Project 100% owned – which incorporates the strategic land holding known as Wilson Patch (WP). Wild-viper tenement package is strategically located and surrounds Red5 Ltd - Great Western Project (GW) as well as being adjacent to Saracen's (ASX: SAR) Bundarra gold deposits. Terrain's geologist recently visited site and has completed a new in-house interpretation which is being assessed.
- **Project Review** - Terrain Minerals continues to investigate potential projects across various commodities including Gold, Copper, Nickel, and other industrial minerals, REE and the platinumid groups of metals in Australia and again in other jurisdictions like Africa, Continental Europe, and the Americas. Terrain is currently advancing conversations and investigating several opportunities offshore. There are signs that the current COVID-19 travel restrictions, appear to be easing globally and foreign travel may become more readily available in the near term.



Authority:

This announcement has been authorised for release by Justin Virgin, Executive Director of Terrain Minerals Limited.

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:

The information in this report that relates to the exploration activities are based on information compiled by Mr. D Mizen, who is a Member of the Australian Institute of Geoscientists and full time employee of Apex Geoscience Australia Pty Ltd. Mr Mizen 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. Mizen consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.