



**TERRAIN MINERALS LIMITED**

**ANNUAL REPORT**

**30 JUNE 2023**

**ABN: 45 116 153 514**

# **TERRAIN MINERALS LIMITED**

## **TABLE OF CONTENTS**

### **FOR THE YEAR ENDED 30 JUNE 2023**

<b>Corporate Directory</b>	<b>2</b>
<b>Directors' Report</b>	<b>3</b>
<b>Auditors' Independence Declaration</b>	<b>40</b>
<b>Statement of Profit or Loss and Other Comprehensive Income</b>	<b>41</b>
<b>Statement of Financial Position</b>	<b>42</b>
<b>Statement of Changes in Equity</b>	<b>43</b>
<b>Statement of Cash Flows</b>	<b>44</b>
<b>Notes to the Financial Statements</b>	<b>45</b>
<b>Directors' Declaration</b>	<b>68</b>
<b>Independent Audit Report</b>	<b>69</b>
<b>Corporate Governance Statement</b>	<b>73</b>
<b>Additional ASX information</b>	<b>74</b>

## TERRAIN MINERALS LIMITED

### CORPORATE DIRECTORY

#### Directors

Justin Virgin

**Executive Director**

Xavier Braud

**Non-Executive Director**

Johannes Lin

**Non-Executive Director**

#### Company Secretary

Melissa Chapman and Catherine Grant-Edwards

#### Share Register

Computershare Investor Services Pty Ltd

Level 17

221 St Georges Terrace

Perth WA 6000

Telephone 1300 787 272

Facsimile +61 8 9323 2033

#### Auditor

BDO Audit (WA) Pty Ltd

Level 9, Mia Yellagonga Tower 2

5 Spring Street

Perth WA 6000

#### Solicitors

Steinepreis Paganin

Level 4, The Read Building

16 Milligan Street

Perth WA 6000

#### Banker

National Australia Bank

Level 12, 100 St Georges Terrace

Perth WA 6000

#### Stock Exchange

Terrain Minerals Ltd shares are

listed on the Australian Securities Exchange

Ordinary fully paid shares (ASX code TMX)

#### Principal and Registered office in Australia

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# TERRAIN MINERALS LIMITED

## DIRECTORS' REPORT

### FOR THE YEAR ENDED 30 JUNE 2023

Your Directors present the financial report of Terrain Minerals Limited (**Terrain** or the **Company**) for the financial year ended 30 June 2023. To order to comply with the provisions of the Corporations Act 2001, the Directors' report as follows:

#### DIRECTORS

The following persons were Directors of the Company and were in office for the entire year, and up to the date of this report, unless otherwise stated:

##### Current Directors

Mr Justin Virgin	Executive Director
Mr Xavier Braud	Non-Executive Director – appointed 22 February 2023
Mr Johannes Lin	Non-Executive Director

Mr Trevor Bradley	Non-Executive Director – resigned 22 February 2023
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#### COMPANY SECRETARIES

##### Melissa Chapman and Catherine Grant-Edwards

Ms Melissa Chapman (*Certified Practising Accountant (CPA), AGIA/ACIS, GAICD*) and Ms Catherine Grant-Edwards (*Chartered Accountant (CA)*) are directors of Bellatrix Corporate Pty Ltd (**Bellatrix**), a company that provides company secretarial and accounting services to a number of ASX listed companies. Between them, Ms Chapman and Ms Grant-Edwards have over 30 years' experience in the provision of accounting, finance and company secretarial services to public listed resource and private companies in Australia and the UK, and in the field of public practice external audit.

#### PRINCIPAL ACTIVITIES

The principal activities of Terrain consisted of exploration for gold, base metals as well as other mineral resources. There has been no significant change in activities during the year.

#### OPERATING RESULTS

The loss of the company for the year ended 30 June 2023 from ordinary activities after providing for income tax amounted to a loss of \$1,024,291 (30 June 2022: loss of \$578,458).

## TERRAIN MINERALS LIMITED

### DIRECTORS' REPORT (CONTINUED)

#### FOR THE YEAR ENDED 30 JUNE 2023

##### REVIEW OF OPERATIONS

Terrain Minerals Limited (**Terrain** or the **Company**) has had another busy year on the exploration front, including successful project consolidation and managing multiple exploration programs concurrently. The board is pleased to report that during the year no lost time injuries (LTI) or reportable environmental incidents occurred at any of our projects.

The Smokebush accelerated three stage exploration strategy was rolled out as planned during the year, with the aim of achieving a company-defining discovery. A total of 2,581 meters RC drilling was completed at Smokebush over 23 holes targeting gold, copper/nickel, lithium and gallium. Drilling was designed to test a total of 22 targets. Terrain generated six (6) hidden targets by conducting a large, induced polarisation (IP) survey over the northern parts of the tenement package. The Company also executed two large mobile metal ion (MMI) soil programs at Smokebush and collected 1,734 sample over the Larin's Lane (SB) area, which identified two hidden anomalies, Gold and Copper/Nickel.

The geological team also identified and pegged three new and exciting exploration packages comprising:

1. Mukka - Rare Earths Minerals (REE) In Mukinbudin, Western Australia,
2. Carlindie – Lithium/Iron ore East Pilbara also located in Western Australia, and
3. Biloela - copper/gold located in Queensland.

##### The main activities this year have been on advancing:

Smokebush (100%) – Gold, Copper/Nickel, Lithium & Gallium. The main exploration activities carried out this year have been concentrated over multiple commodities at three key areas at Smokebush. The Project is located approximately ~350km from Perth Western Australia and 85 kilometres east northeast of the Perenjori township and 65 kilometres west of Payne's Find.

Lort River (100%) – Rare Earth Minerals (REE). Activities have been around desk top studies and gaining access to the ground, with heritage groups and freehold landowners, with both being advancing successfully after the end of the financial year. The exploration project comprising of three tenements, located ~50km Northwest of town of Esperance WA. Covering 320km<sup>2</sup> of prospective exploration acreage for REE within the now tightly held and emerging hosted REE province. Data review has highlighted REE in historic gold auger sampling.

The board has continued to maintain a hands-on approach to achieve a low-cost base as well as being focused on asset rationalisation and advancement towards a meaningful discovery from shareholders. Terrain secured the services of a full-time senior geologist in October 2022. This key appointment has increased the Company's technical capacity and ability to generate opportunities and successfully execute field programs. Management is maintaining its focus on a cost-conscious mindset, which continues to be part of the Company's culture.

The board also saw changes during the year with the appointment of a new Non Executive Director, Mr Xavier Braud. Mr Braud is a senior exploration geologist with corporate experience and replaced Mr Trevor Bradley who resigned from the board.

The board is very excited with the exploration advancements over the Company's exploration projects this year. The board aims to continue the exploration momentum as it advances projects and assess new opportunities with the sole aim of adding value and increasing shareholder wealth, by making a discovery.

##### Exploration Funding - Placement & Share Purchase Plan (SPP)

On 19 December 2022 the Company successfully completed a placement to raise funds of \$800,000 from institutional and sophisticated investors through the issue of 133,333,333 fully paid ordinary shares at a price of \$0.006 per share (**Placement**).

## TERRAIN MINERALS LIMITED

### DIRECTORS' REPORT (CONTINUED)

#### FOR THE YEAR ENDED 30 JUNE 2023

The Placement was well supported by a small number of long-term shareholders and supporters of the Company who are high net wealth investors. ASFL holders were paid a fee of 6% of the amount raised (refer to ASX release 14 December 2022).

In January 2023 Terrain offered all eligible shareholders the opportunity to participate in a Share Purchase Plan (SPP) on the same terms as the Placement (refer to ASX release 10 January 2023).

Terrain was targeting to raise \$800,000 from the SPP and was very pleased to have received applications for \$1,066,059 (being 33% or \$266,059 oversubscribed). On 6 February 2023, a total of 177,676,394 fully paid ordinary shares were issued pursuant to the SPP.

In total, Terrain has raised \$1,866,059 from the SPP and Placement which has allowed it to progress its exploration program as outlined in this Review of Operations. Included in this total is \$120,000 representing Director participation in the SPP and Placement.

#### Board Changers

**New Non-Executive Director Appointed on 22 February 2023:** Mr Xavier Braud is an experienced Geologist and mining analyst with over 18 years' experience in a broad range of deposits and commodities. His geological experience spans the whole spectrum of geology from greenfield exploration to resource definition and extension.

Up until January 2023, Mr Braud was the CEO of ASX listed Benz Mining Corp, spearheading the discovery of multiple new high grade gold zones at the Eastmain project in Quebec. During the same period, he also served on the board of another ASX listed company where he actively participated in Riversgold's transition.

For the three years prior, Mr Braud was a Resources/Mining Analyst at Patersons Securities and at Canaccord Genuity covering ASX Listed junior resources companies. This role involved researching companies at both technical and financial level with an emphasis on identifying companies with true discovery potential.

Mr Braud is a member of the Australian Institute of Geoscientists.

**Director Resignation:** At the same time, Mr Trever Bradley resigned as Non-Executive Director of the Company to concentrate on building his consulting business, Bradley Geo Science Pty Ltd (Mobile 0481 458 180).

Mr Bradley intends to continue to consult to Terrain going forward and is considered a key consultant to the Company.

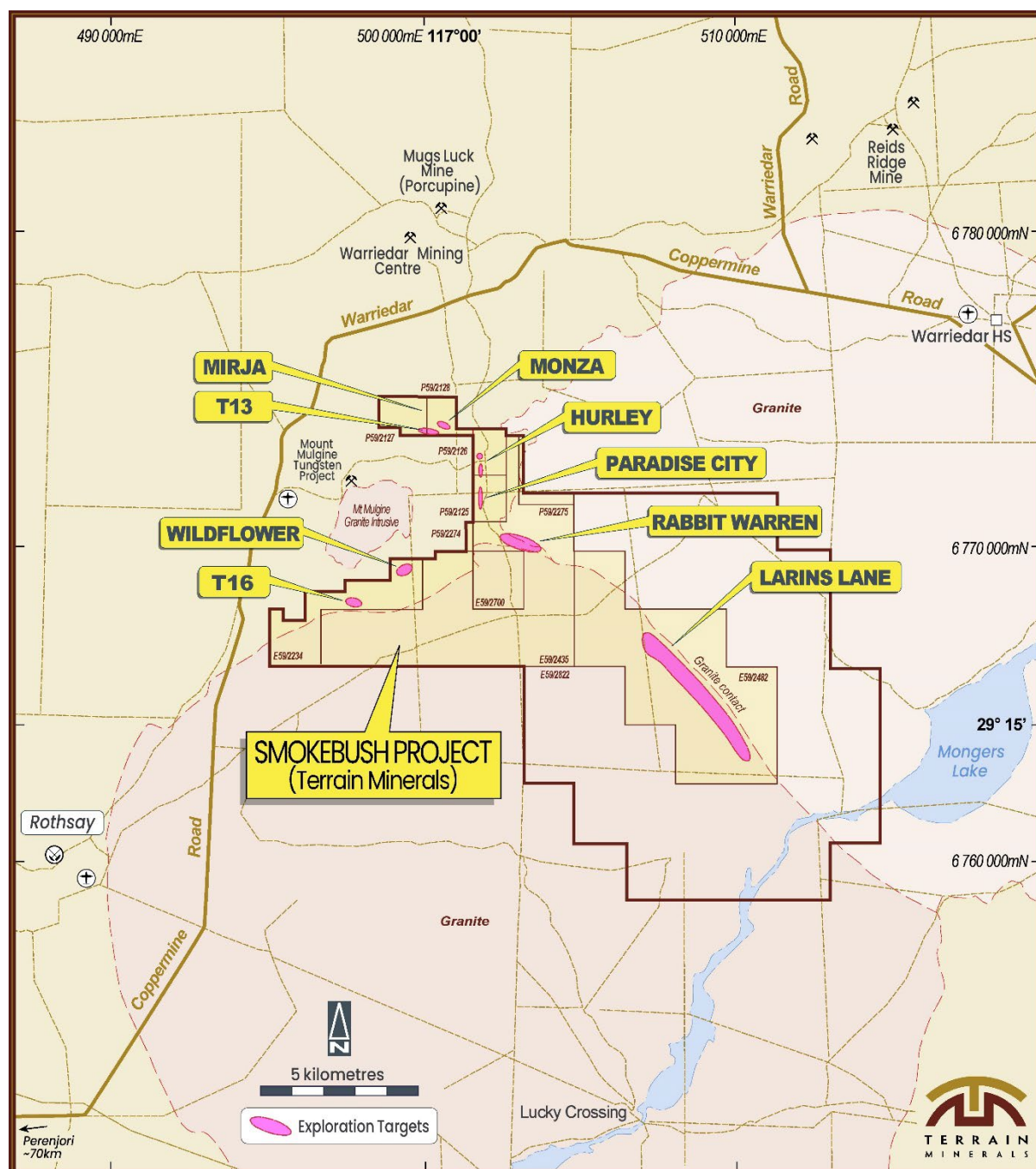
#### Smokebush Tenement Consolidation

During the year Terrain acquired the remaining 20% of the Smokebush joint venture (JV) tenements (being the prospecting and exploration licenses P59/2125, P59/2126, P59/2127, P59/2128 & E59/2234) and as such now owns 100% of the project, with a limited and capped royalty.

#### The purchase price and terms of the acquisition was:

- Terrain issued to the vendor on 6 December 2022 a total of 10,000,000 fully paid ordinary shares at a deemed issue price of \$0.007 per share
- 1% Net Smelter Royalty (NSR; standard royalty definitions) on the first 100,000 ounces of gold or to the equivalent value on other minerals.
- Full transaction details can be found in the ASX release 2 December 2022.

On 6 December 2022, Terrain also completed the acquisition of E59/2700 which is strategically situated inside the project area and along a prospective trend at the Smokebush Project. Terrain also added an additional tenement by applying for E59/2822, an area that surrounds the highly prospective Larins Lane, gold and copper nickel targets on E59/2482 (refer to diagram 1).



**Diagram 1:** Indicative location of the gold and lithium prospects within Terrain Mineral’s 100% owned Smokebush tenement area.

**Smokebush Exploration Advancement activities**

With the appointment of its new senior geologist, Terrain spent the last quarter of 2022 conducting an extensive project review aimed at preparing a new exploration strategy. The revised strategy was approved and commenced in January 2023. The Company begun to implement the strategic review by conducting four

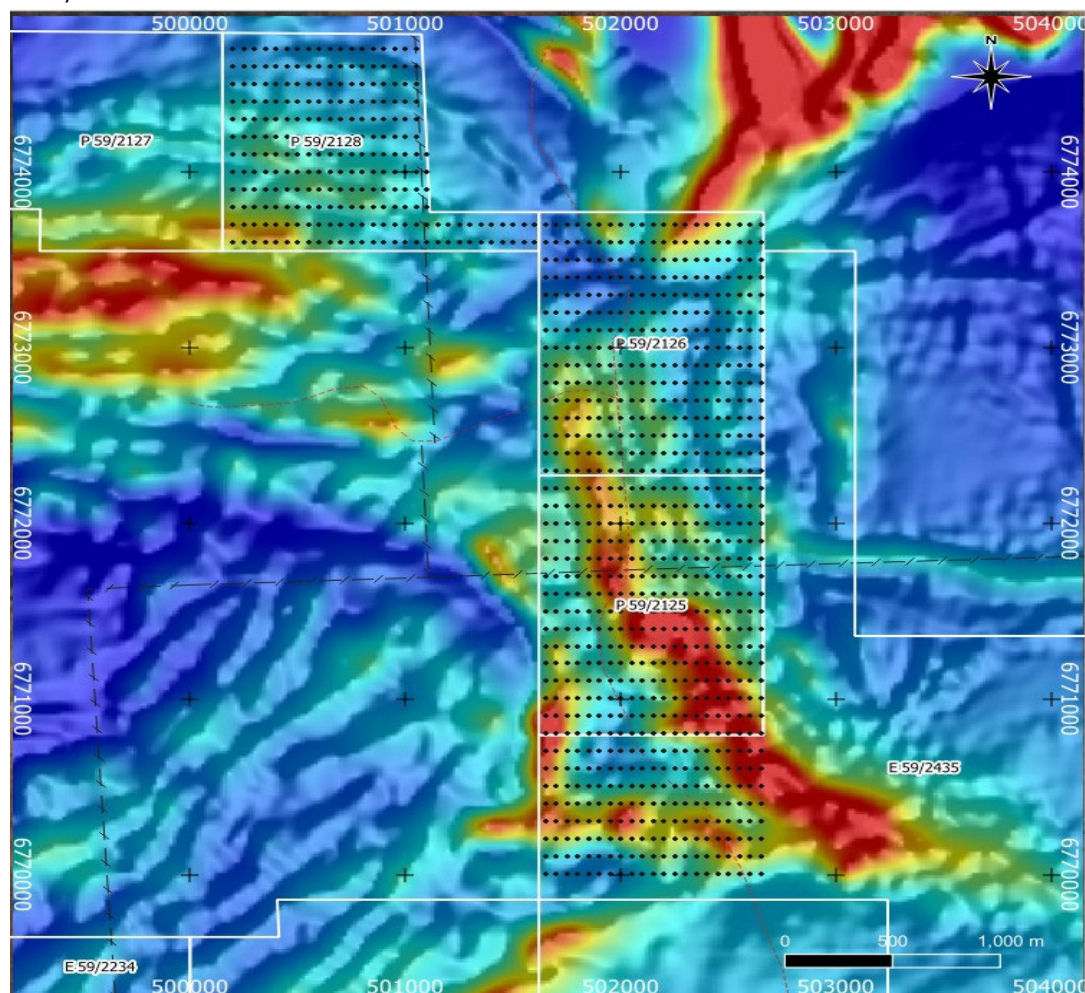


(4) consecutively running exploration field programs over multiple target areas at its 100% owned Smokebush Project and Calytrix (now relinquished).

**Induced Polarisation (IP) Survey over Monza, Hurley and Paradise City**

Terrain worked closely with a leading geophysical consultants Newexco Exploration who supervised a high-resolution induced polarisation (IP) survey (refer to diagram 2) across the company's priority targets over Monza, Hurley, and Paradise City areas (tenements P59/2128, P59/2126, P59/2125 and E59/2425).

The IP survey was designed to detect and map the location of any sulphides present within the underlying bedrock, which is potentially associated with the high-grade gold mineralisation. This exploration technique for discovering gold mineralisation has proven successful in the Western Australian gold fields, (refer to ASX release 7 February 2023 for additional references). With previous drilling by Terrain at Monza, gold target appears to have established a possible positive relationship between the increased occurrence of sulphide mineralisation and higher recorded gold grades (refer to Terrain's ASX releases 12 October 2020 and 19 July 2021).



**Diagram 2:** The above plan shows the survey points for the current Induced Polarisation (IP) survey. The specifications and details of the IP survey include 200 metre line spacing (with infill 100 metre line spacing order any anomaly).



## TERRAIN MINERALS LIMITED

### DIRECTORS' REPORT (CONTINUED)

#### FOR THE YEAR ENDED 30 JUNE 2023

Previous drilling from three (3) previous drill programs intersected gold within the “Halo Zone” of the hidden IP targets within 50m to 300m away. Terrain’s current theory is that the IP anomalies may be the main source of gold that was intersected in the historic drilling (refer to Terrain’s ASX releases 12 October 2020 and 19 July 2021 for additional information and JORC tables).

#### The Best Historical Drilling Results in the “Halo Zone”:

Monza Prospect:

- 2m @ 11.3g/t Au from 70m (MMRC162 - RC)
- 2m @ 9.2g/t Au from 24m (MMRC154 - RC)
- 4m at 4.46 g/t Au (incl 1m at 10.3 g/t) from 51 metres SBRC003
- 7m at 2.72 g/t Au (incl 1m at 11.1 g/t) from 25 metres and 1m at 0.85g/t from 43m SBRC005
- 6m at 2.12 g/t Au (incl 1m at 7.2 g/t) from 80 metres SBRC011
- 8m at 1.37 g/t Au from 85 metres and 2m at 0.8 g/t from 96m SBRC006

Hurley & T17:

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

Paradise City Prospect:

- 3m @ 2.17 g/t Au from 10m (PCRC001)
- 5m @ 1.35 g/t Au from 13m (PCRC002)
- 2m @ 3.61 g/t Au from 15m (PCRC007)
- 3m @ 1.94 g/t Au from 19m (PCRC008)

#### Induced Polarisation (IP) New Drill Targets Identified

The IP survey successfully identified multiple new drill targets, all hidden under cover and within the Halo zone of historic gold drilling intersections. Two gold anomalies have been identified, the first being ~400 metres long located near Hurley with the second ~600 metres long located near Paradise City and both previously unknown (refer to Diagram 3 & 4) (refer to ASX release 17 March 2023 for JORC tables).

The Monza IP survey was extended over two newly identified targets being at Monza and Mirja locations. The current data helps guide the following stage of the survey being dipole-dipole IP to enable a 3D modelling for targeting purposes for which drilling permits (POW) have already been granted over (refer to ASX releases 2 May 2023 and 22 May 2023 for JORC tables).

#### IP Survey Highlights:

- North to northeast trending shear zones is the interpreted control of gold mineralisation across the Smokebush region of the Yalgoo Mineral Field (Foot note (fn1)).
- Four (4) north to northeast-trending shear zones have been mapped within the Company’s Smokebush Project (fn2).
- Induced polarisation (IP) geophysical surveys across three of these shear zones at Smokebush returned encouraging chargeability anomalies (fn3).
- Gold mineralisation within neighbouring historic mining pits were successfully mapped using IP geophysics (fn4).

## TERRAIN MINERALS LIMITED

### DIRECTORS' REPORT (CONTINUED)

#### FOR THE YEAR ENDED 30 JUNE 2023

- 600-metre-long IP anomaly interpreted at Monza gold prospect (fn5) Refer to diagram 4 & 5).
- Previous drilling by Terrain, whilst intersecting gold mineralisation, now appears to have missed the interpreted main mineralisation zone (refer to diagram 5).
- RC Drill program of 6 holes for ~700m RC drilling was commenced in July 2023, design to test the Northern IP targets.

#### Footnotes:

1. Warriedar Resources Limited's (ASX: WA8) ASX announcement dated 28 November 2022.
2. Terrain Mineral Limited's Annual Report for the period ended 30 June 2020, released 23 September 2021.
3. Terrain Minerals Limited's ASX announcements dated 17 March 2023 and 2 May 2023.
4. Warriedar Resources Limited's (ASX: WA8) ASX announcement dated 9 March 2023.
5. Detailed further within, with associated JORC tables in ASX release 22 May 2023.

#### IP Drilling campaign - Phase 2 campaign

The phase 2 RC drilling campaign targets the newly identified IP targets, the area required extensive clearing as there were no access tracks into these areas, that sits within dense vegetation, which impeded the progress of the IP survey team during the survey.

- Six (6) holes for ~700m targeted the newly generated IP anomalies for Gold:
  - All six (6) holes successfully intercepted sulphides (pyrite) spatially related to the modelled geophysics.
  - One (1) pegmatite hole unexpectedly intersected sulphide (pyrite) in mafic volcanics.
  - Sample results are pending and will be releases in the new financial reporting period.
  - Refer to ASX releases on the 5 July 2023 and 26 July 2023 for further information and JORC tables.

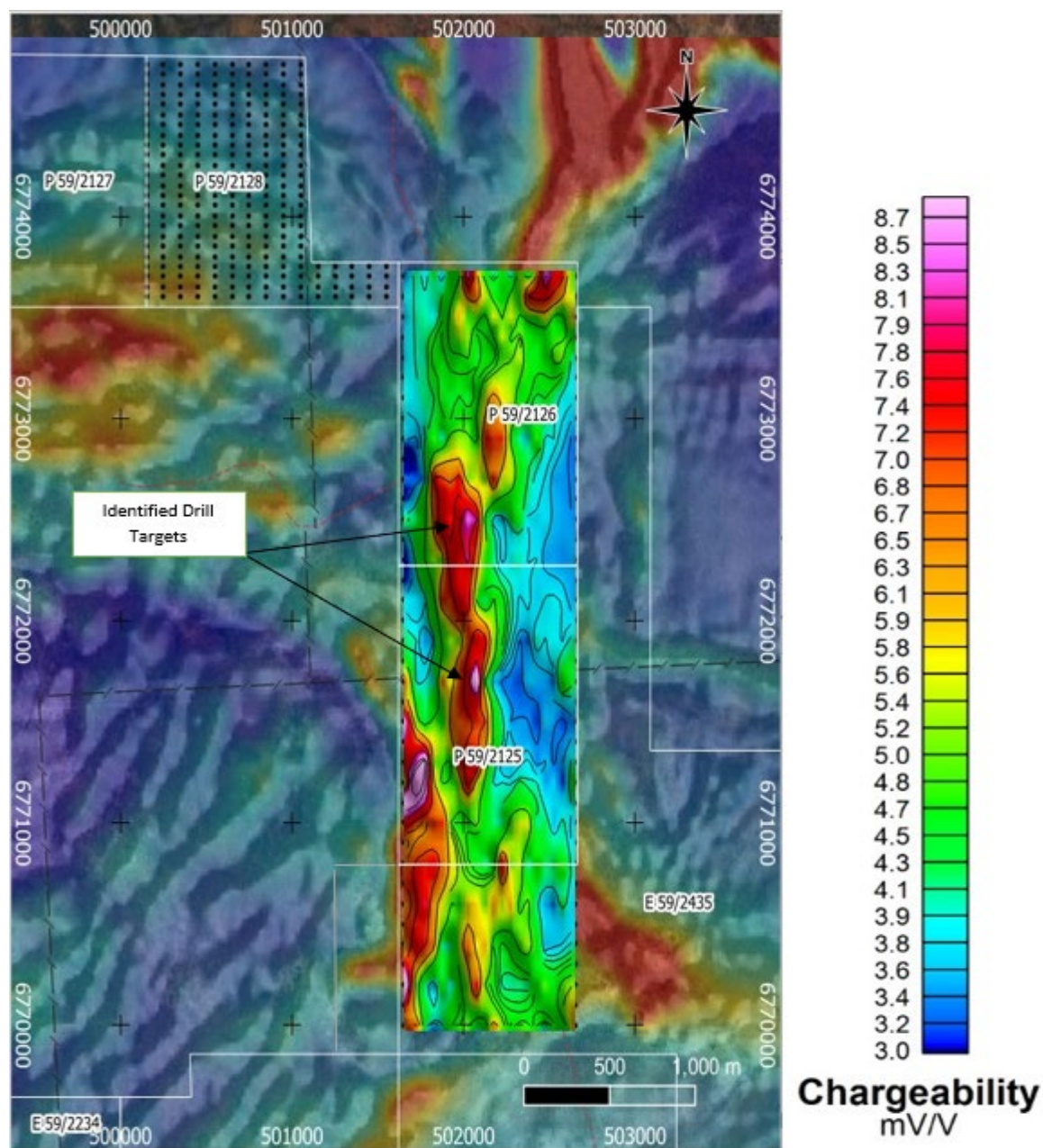


Diagram 3. Smokebush Gradient Array IP Resistivity with Contours & Legend.



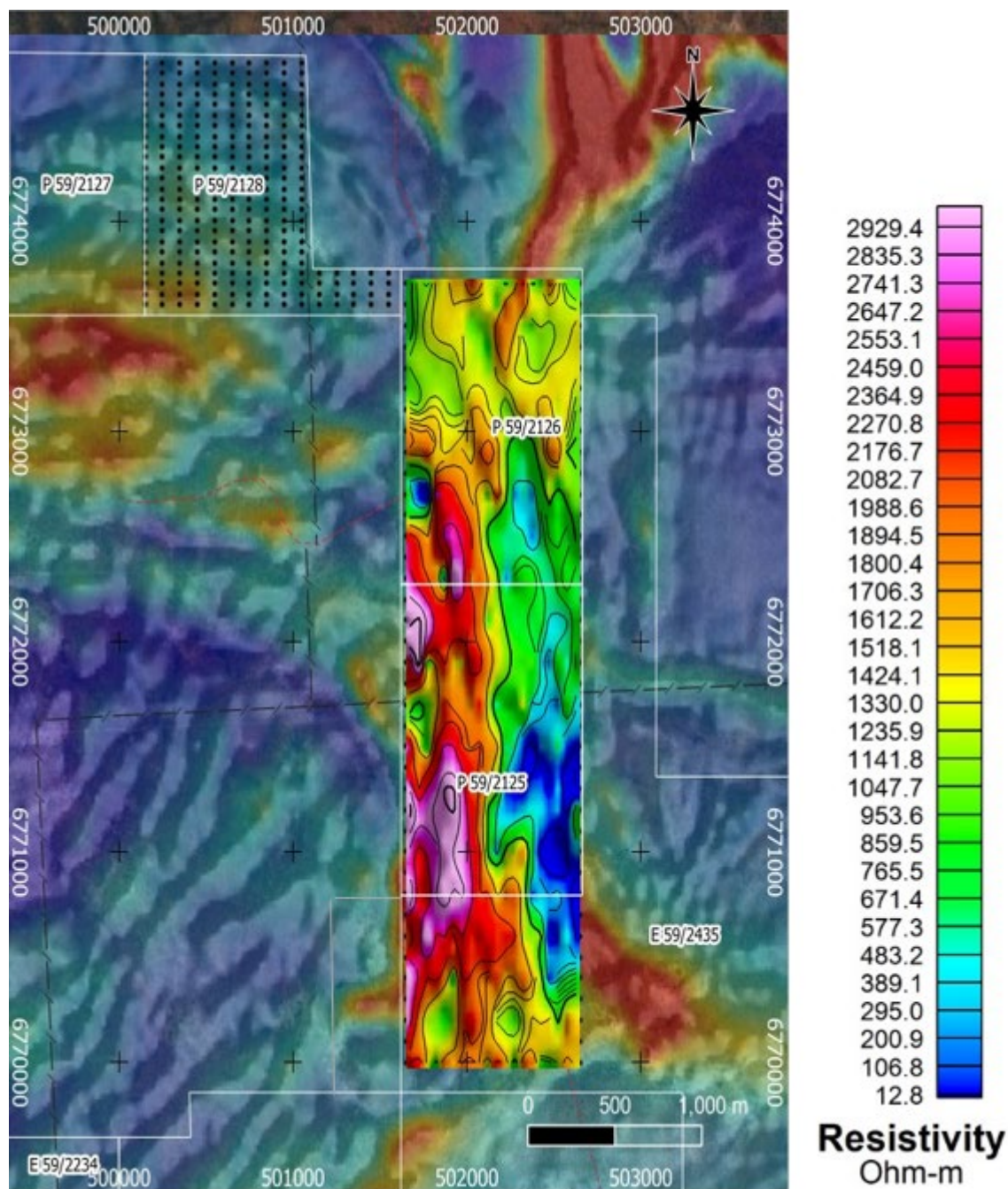
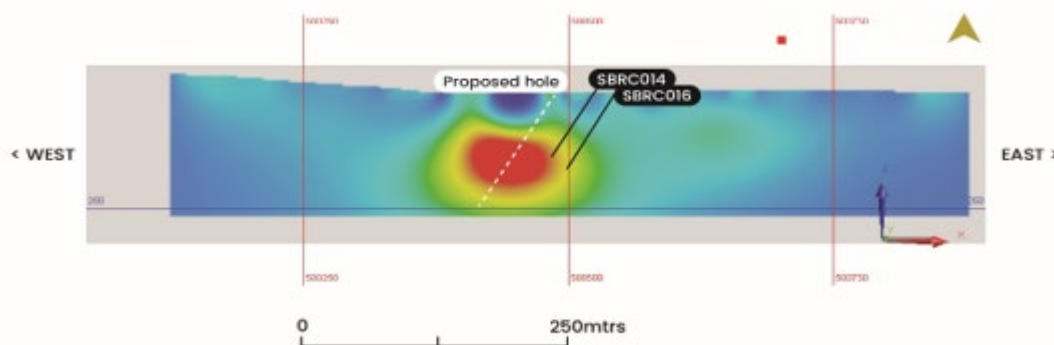
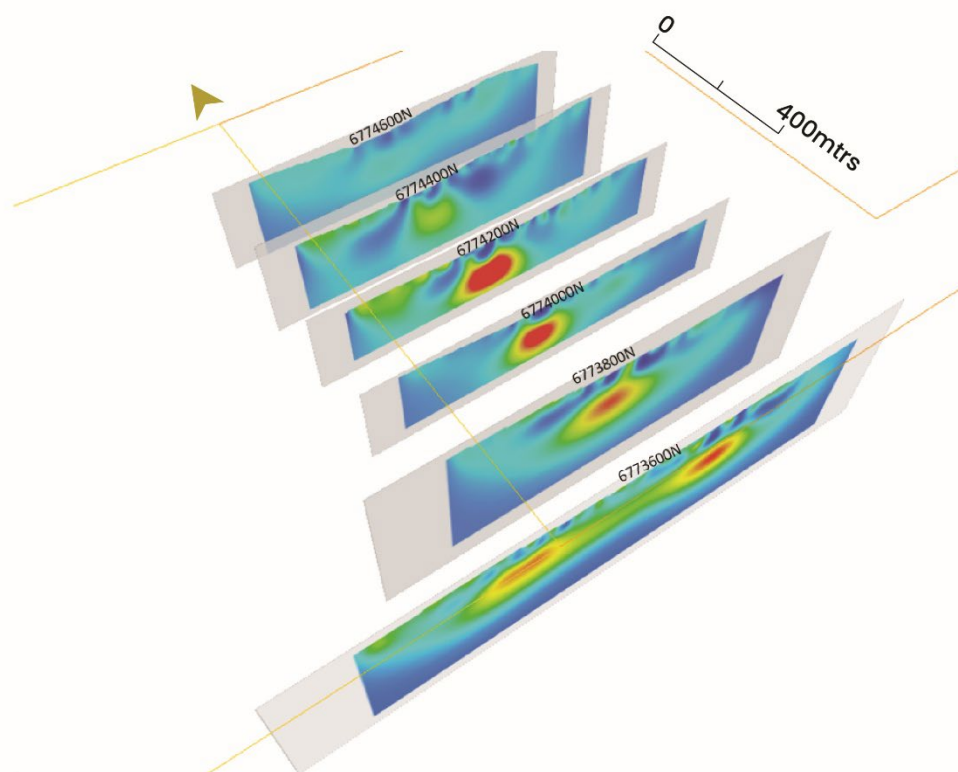


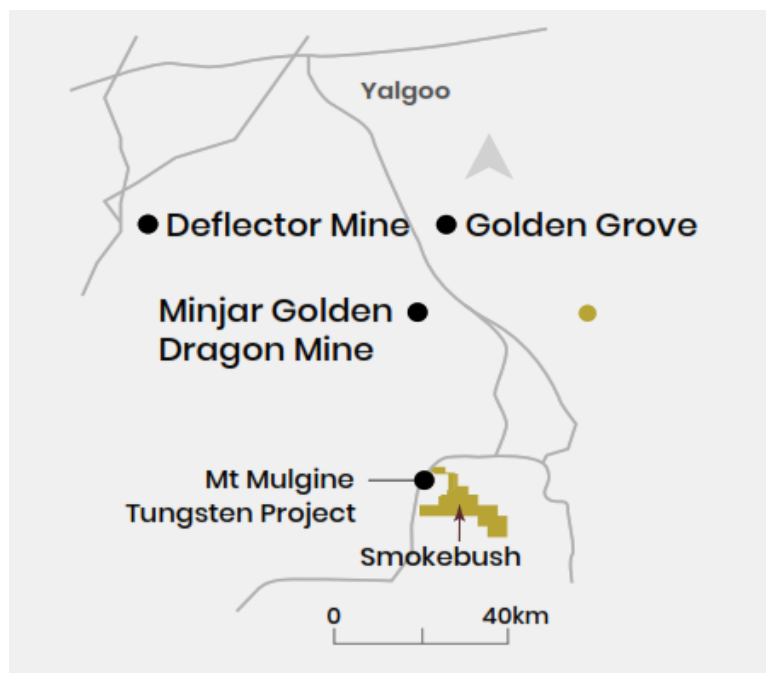
Diagram 4. Smokebush Gradient Array IP Chargeability with Contours.



**Diagram 5:** Two-dimensional (2D) inversion chargeability sections on 6774000N looking north with Terrain's 2020/21. Monza drill holes superimposed, which appear to have been drilled 50m away from the newly defined IP anomaly. Proposed drillhole shown in white.



**Diagram 6:** Dipole-dipole induced polarisation (DDIP) two-dimensional (2D) inversion sections for the Monza gold prospect (within Prospecting Licence 59/2128). Pseudo-colour shading scheme/spread is as per ASX release on the 2 May 2023.



**Diagram 7:** Smokebush project location in relation to major discoveries in the area.

#### **Soil Sampling Program – Larin’s Lane**

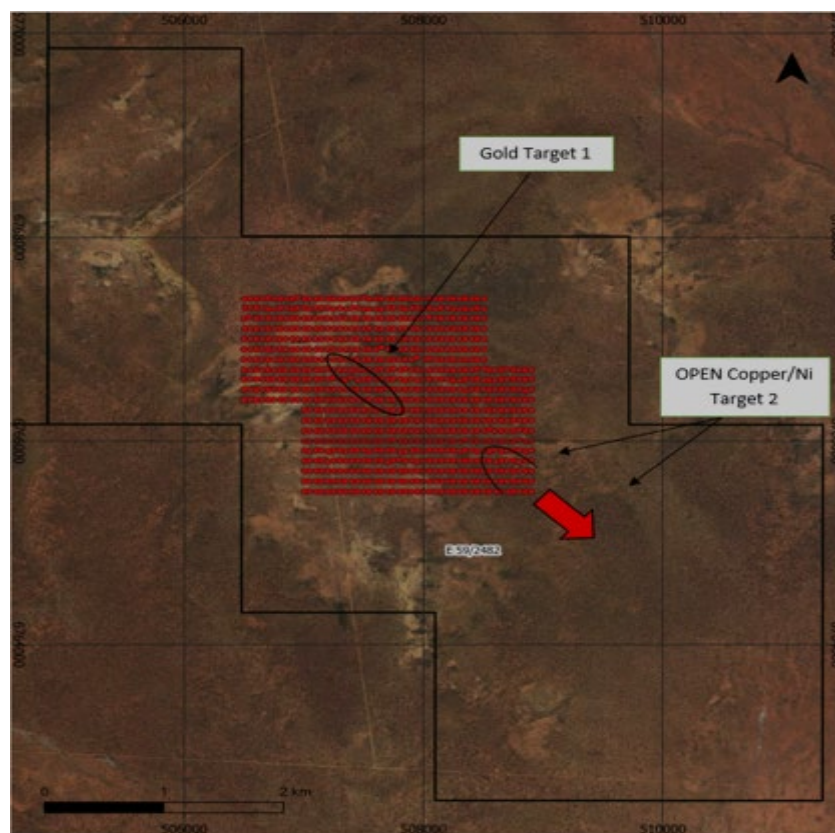
Terrain conducted a large and close spaced soil sampling program over Larin’s Lane target (refer to diagram 1 & 8) which is located in the eastern section of the Smokebush project. The soil sampling program utilises the mobile metal ion (**MMI**) soil sampling technique that has been used with much success across the region, including at the nearby exploration project at Yidby gold owned by Surefire Res Ltd (refer to ASX release 7 February 2023 for additional references).

The MMI soils program was highly successful and uncovered two (2) drill targets:

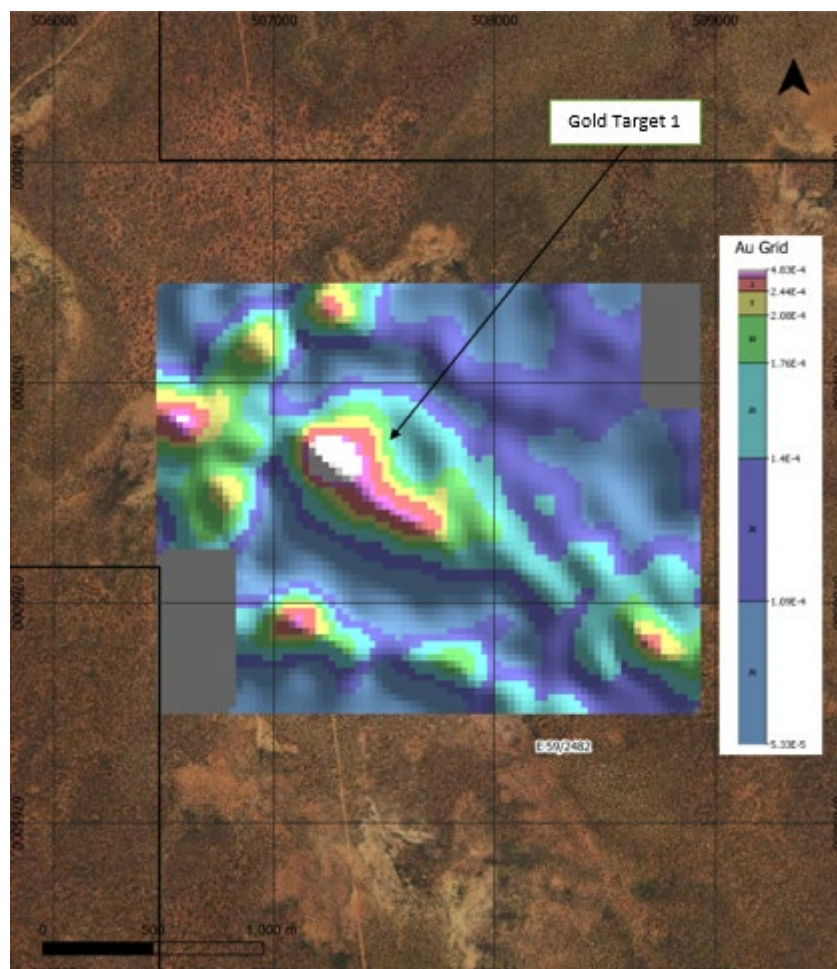
- Large New Gold Anomaly - ~700m by ~250m (Diagram 8 & 9).
- “Open” Copper with associated Nickel Anomaly - ~600m by ~350m open towards the South/East (Diagram 8 & 10).
- 9km<sup>2</sup> MMI EXTENSION program to define Copper/Ni anomaly, was completed. – results expected in next year’s reporting period.
- New anomalies sit within similar geological setting to the Golden Grove mine.
- Planning for drill testing of Gold and Copper/Ni targets once boundaries have been defined.
- Program of works (POW) applications are already approved for drill testing.
- Refer to ASX release on 16 May 2023 for further information including JORC information.

Terrain’s maiden exploration program over Larin’s Lane has been a highly successful field program and was designed to test zones of archean greenstones interpreted from regional magnetics pinched between late monzogranites units. A total of 834 soil samples were collected on a 100m by 50m grid pattern with lines orientated E-W crossing the geological features interpreted to be orientated NW-SE. The 9km<sup>2</sup> MMI extension program was completed after the years end with a total of 900 samples taken for analysis.



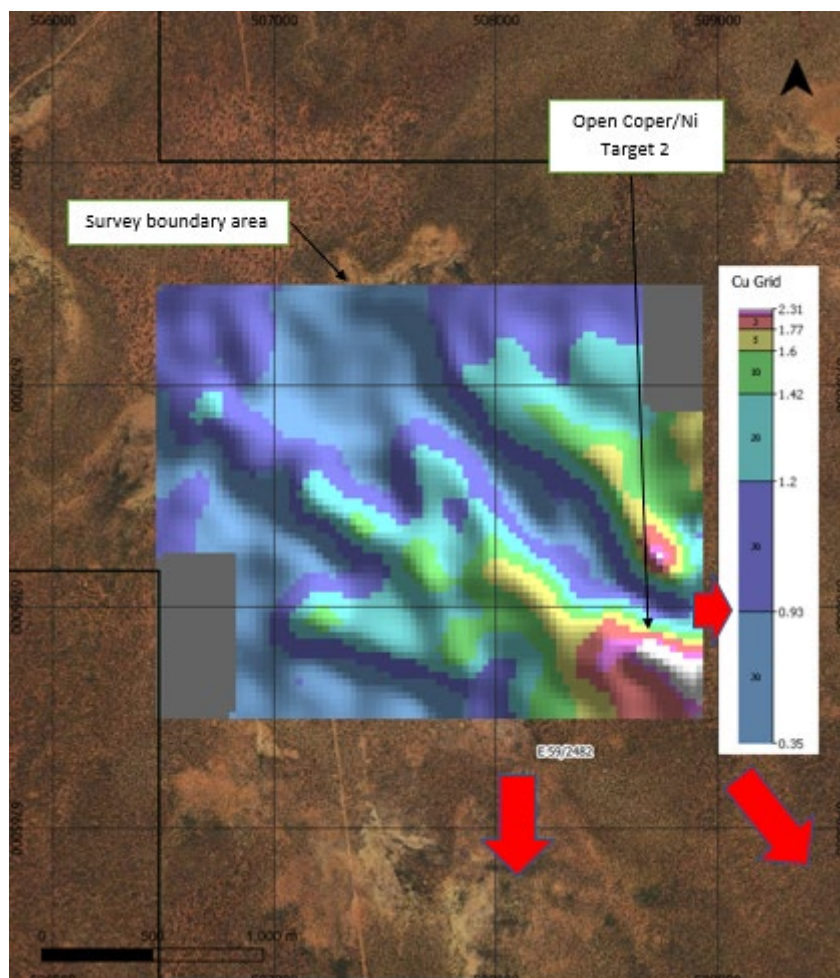


**Diagram 8.** Approximate locations of Target one Gold Anomaly (Refer to diagram 9) and Target two's open Copper with associated Nickel "OPEN" anomaly and red arrow indicating interpreted extension of the anomaly and approximate location of the new extension MMI sampling program which will test a nine square kilometre to define the boundaries of target 2 (Refer to Diagram 10).



**Diagram 9.** MMI Gold anomaly circular 700m by 250m which is now ready for air core drill testing.

Anomalous gold values were detected in the central-northern portion of Target 1 (Diagram 8 & 9). Minor, isolated anomalies can also be observed along the southwestern flank within the monzogranite domain. The north-eastern flank, which has been classified as a genetically different monzogranite compared to its southern counterpart, exhibits uniformly low Au values.



**Diagram 10.** Copper with associated nickel anomaly Target 2 (also refer to diagram 8). Red arrows are indicative of schedules and priority MMI extension program.

#### **Pegmatite Swarms Identified, at Smokebush**

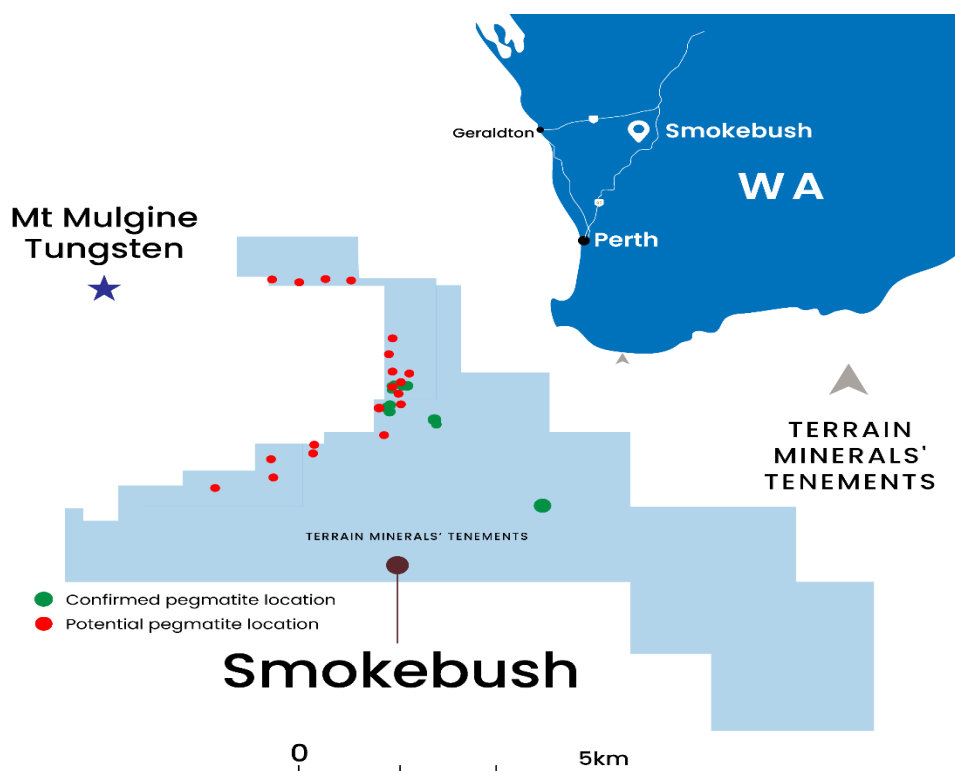
Terrain identifying up to +20 pegmatites (refer to diagram 11) at Smokebush that are located within the so-called “goldilocks zone” being the distance between two and six kilometres from a granite intrusive (in this case, the Mt Mulgine granite intrusive (immediately west of the Smokebush tenements), which is interpreted as being the most prospective zone within a pegmatite for lithium mineralisation (for reference and further details refer to ASX release on the 6 December 2022 Smokebush).

Terrain commissioned consultants with extensive experience in lithium exploration who sampled the pegmatites ranging ~10m to 20m wide & ~200m long, before going undercover over a ~4 km long area. Sampling identified that K/Rb Ratios <40 & 200ppm Li<sub>2</sub>O in multiple rock chip samples which is considered a prospective indicator for lithium formed deeper in pegmatites (refer to ASX release 6 June 2023 & 19 June 2023).

Phase one (1) drilling campaign around the Paradise City area intersected pegmatites in 10 of the 11 holes drilled for a total of 1,198m RC, but did not return any economic lithium grades (refer to ASX releases 5 July 2023 and 14 August 2023). Refer to the following section for other findings from the Phase one (1) drilling campaign.

Phase two (2) pegmatite drilling was completed subsequent to the year end in July 2023 and targeted

pegmatites in the north areas around the Monza and Hurley gold IP targets. Six (6) RC drill holes for ~700m tested and intersecting five (5) pegmatite at the northern lithium targets located around the Monza and Hurley area. These were considered the most prospective lithium targets as identified by Terrain's consultants, however, were initially discounted due to being narrow. As the access tracks were pushed through to enable drill rig access to the IP gold targets, the additional clearing activities exposed large parts of the pegmatites that were hidden undercover, with some being +20m and therefore better targets. These drill results have not been processed before the years end (refer to ASX release 14 August 2023).



**Diagram 11:** Smokebush Project Location. Red and Green indicate location of known pegmatites.

#### Lort River Rare Earths (REE)

The Lort River 100% REE project tenements covering a total area of 320km<sup>2</sup> of highly prospective exploration acreage for REE within the now tightly held and emerging southern Esperance clay hosted REE province of Western Australia (Lort River Project) (refer to diagram 13 & 14).

High-Grade Rare Earths Soil Anomalies Identified in historic 1m deep roadside auger sampling assays show a high percentage of valuable magnet rare earth elements (up to 35% of the total grade).

The shallow auger samples returned Total Rare Earth Oxide (TREO) grades of:

- 580 ppm TREO in VKU28733 (25% Magnet REO of total grade).

## TERRAIN MINERALS LIMITED

### DIRECTORS' REPORT (CONTINUED)

#### FOR THE YEAR ENDED 30 JUNE 2023

- 525 ppm TREO in VKU28802 (27% Magnet REO of total grade).
- 513 ppm TREO in VKU28806 (28% Magnet REO of total grade).
- 505 ppm TREO in VKU28712 (35% Magnet REO of total grade).
- 504 ppm TREO in VKU28729 (29% Magnet REO of total grade).

The tenure also covers the Kateup Creek, Helms, Bishops Hat and Lauriana Shear Zones and is prospective for gold and base metals, in addition to the shallow rare earth mineralisation already identified (refer to diagram 17 and 18). This large tenement package is directly adjacent to emerging clay hosted rare earth discoveries in the region. Refer to ASX release 30 May 2022 for additional information including JORC tables.

These exciting results are from historic shallow auger samples taken ~1m below surface and appear to have been taken along road reserves relating to early-stage gold exploration activities. Terrain will target the more prospective underlying clay horizon where grades are hoped to improve within larger zones.

The soil results span Terrains two western tenements (E63/2208 and E63/2209), over 300km<sup>2</sup>. The Company's eastern tenement (E63/2207) has never been explored for rare earth mineralisation and is also considered prospective for further REE soil anomalies (refer to diagram 14).

Companies operating within the region are having success with identifying clay hosted rare earth mineralisation within this newly potential rare earth mineral province. These include Meeka Gold Ltd (ASX:MEK) at the Cascade Project (which is located to the east of Terrain's Lort River Project) with grades up to 4,029ppm TREO reported. In addition, Odette Six Metals Ltd have also reported clay hosted REE.

#### **Lort River project advancement activities:**

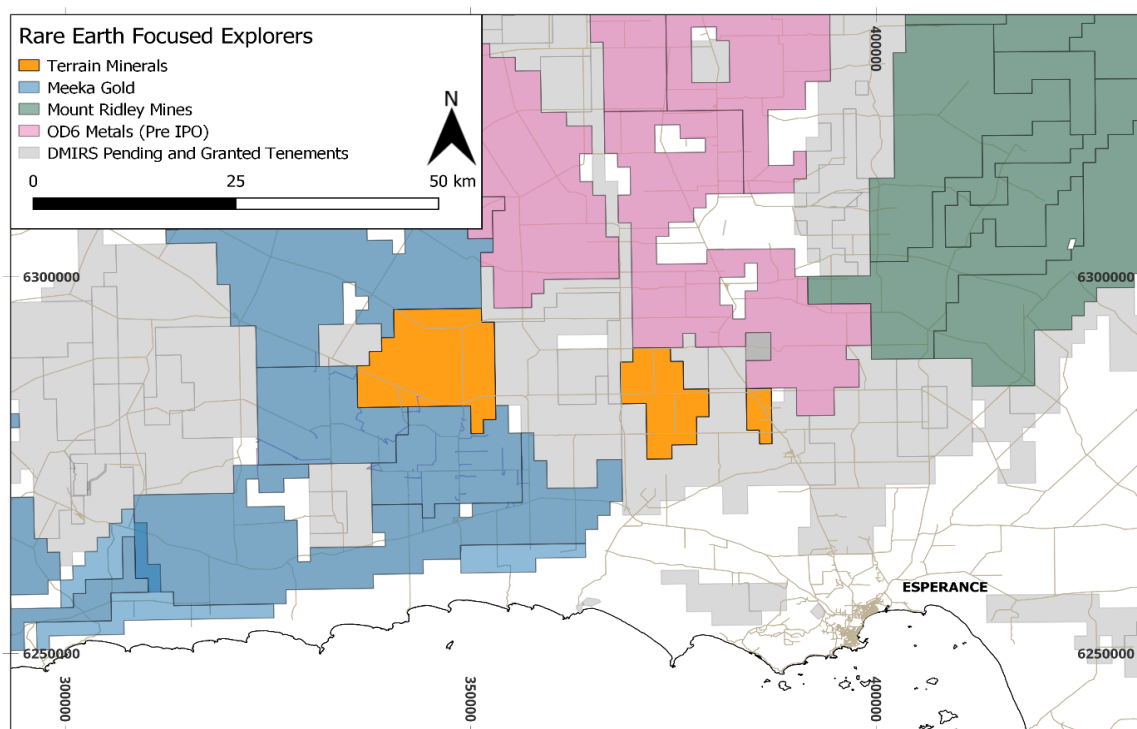
Terrain has commissioned Cube Consulting Pty Ltd (**Cube**) who have extensive experience with REE projects.

Cube's scope of work includes:

- Plan first pass drill program across Terrain tenements to support reporting of an Exploration Target.
- Provide recommendations on processes and procedures for drilling to ensure information is collected at a standard to support future Mineral Resource Estimates in line with the requirements of the JORC Code.
- Preparation of maps for a Program or works (POW) application.

Due to delays in land access from a heritage perspective, which has now progressed forward and requests from freehold landowners, Terrain has experienced considerable delays in the commencement of drilling. Approvals are now in place for the first pass proof of concept air core drilling which commenced subsequent to the year end on 21 August 2023 (refer to ASX release 22 August 2023).





**Diagram 13:** Location of Lort River Project (TMX 100%) where surface REE clay type anomaly has been identified.

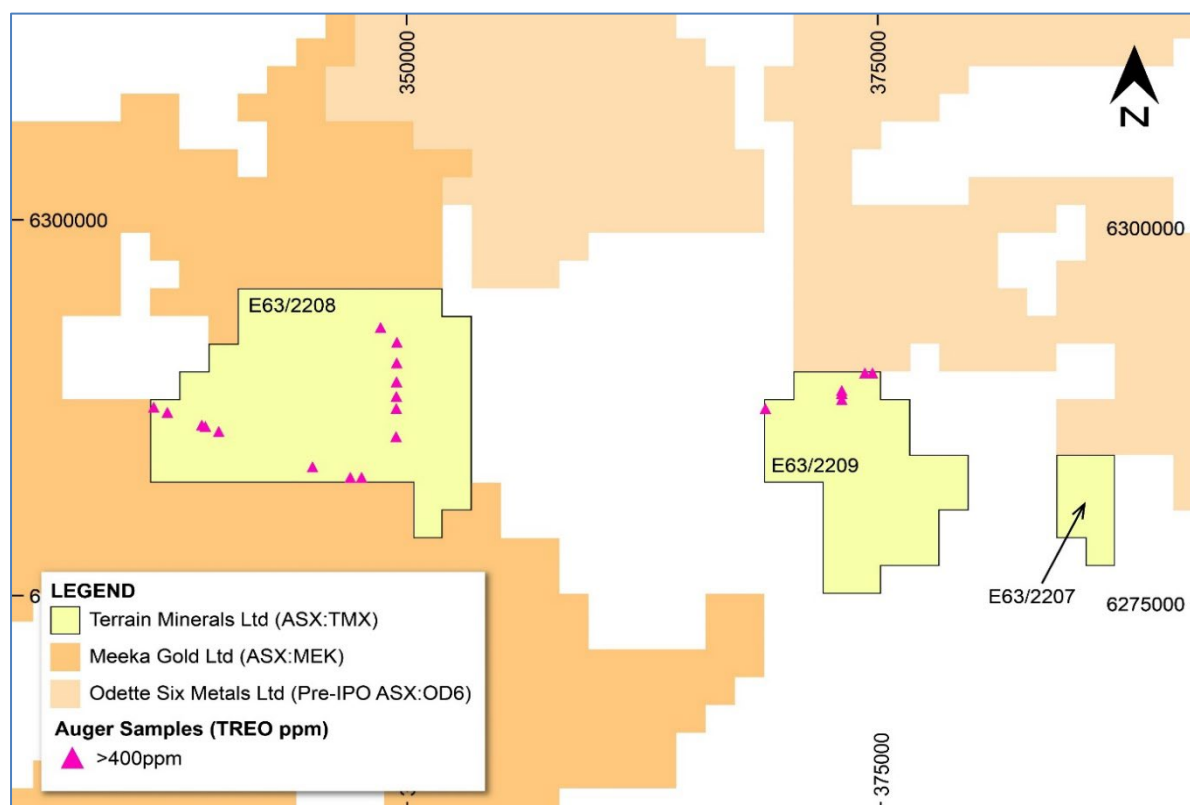




Diagram 14: Higher-grade rare earth surface sample locations.

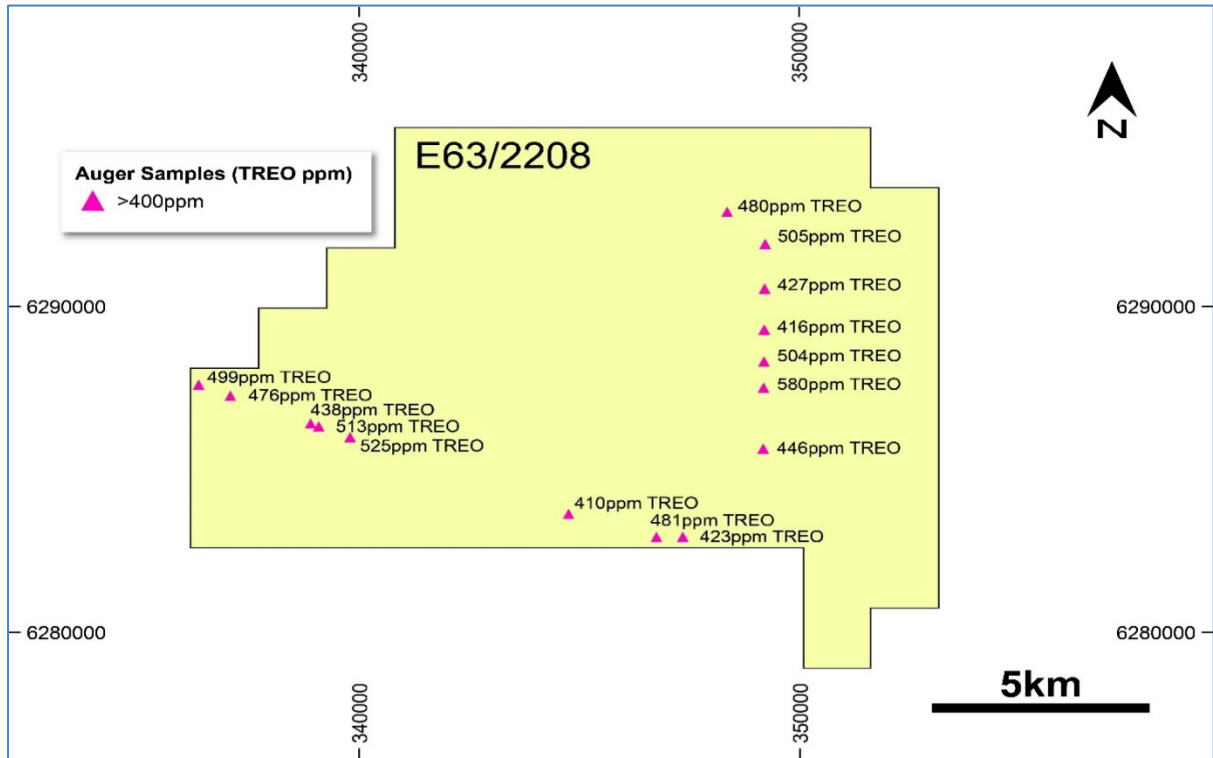


Diagram 15: Some of the rare earth surface assays within this large tenement E63/2208.

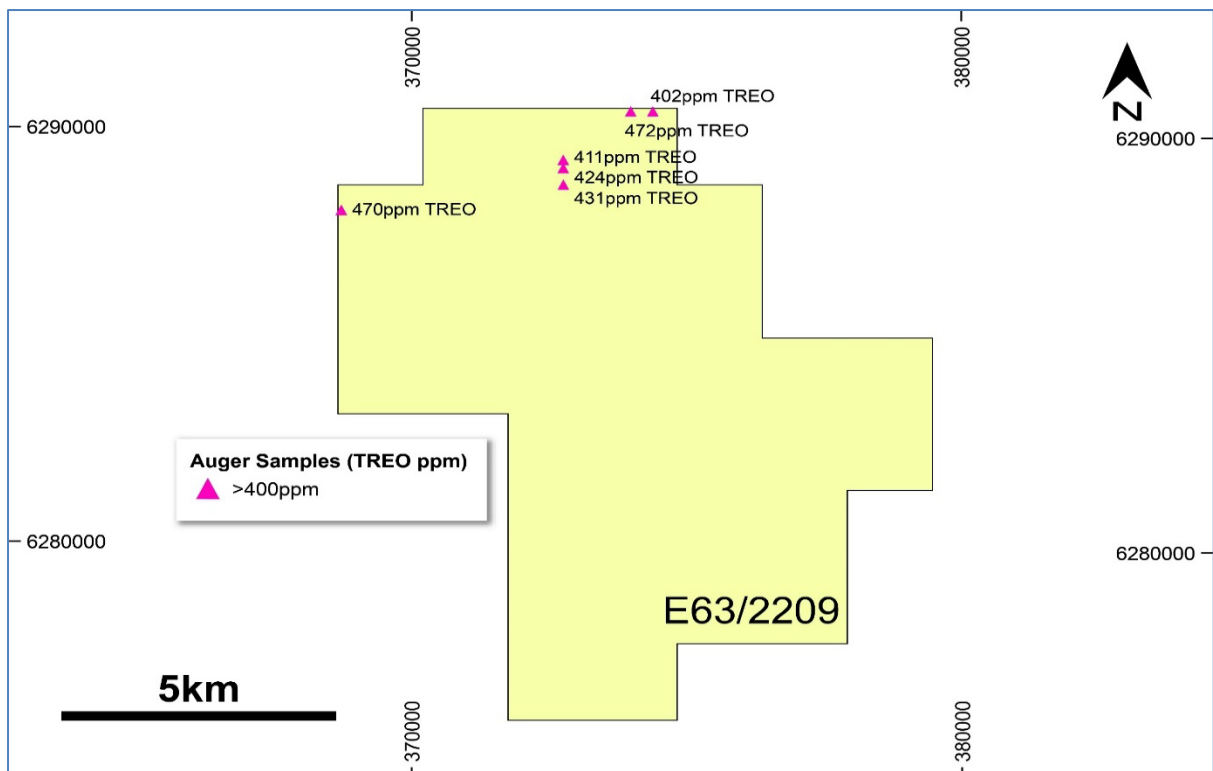


Diagram 16: Rare earth surface assays within E63/2209.

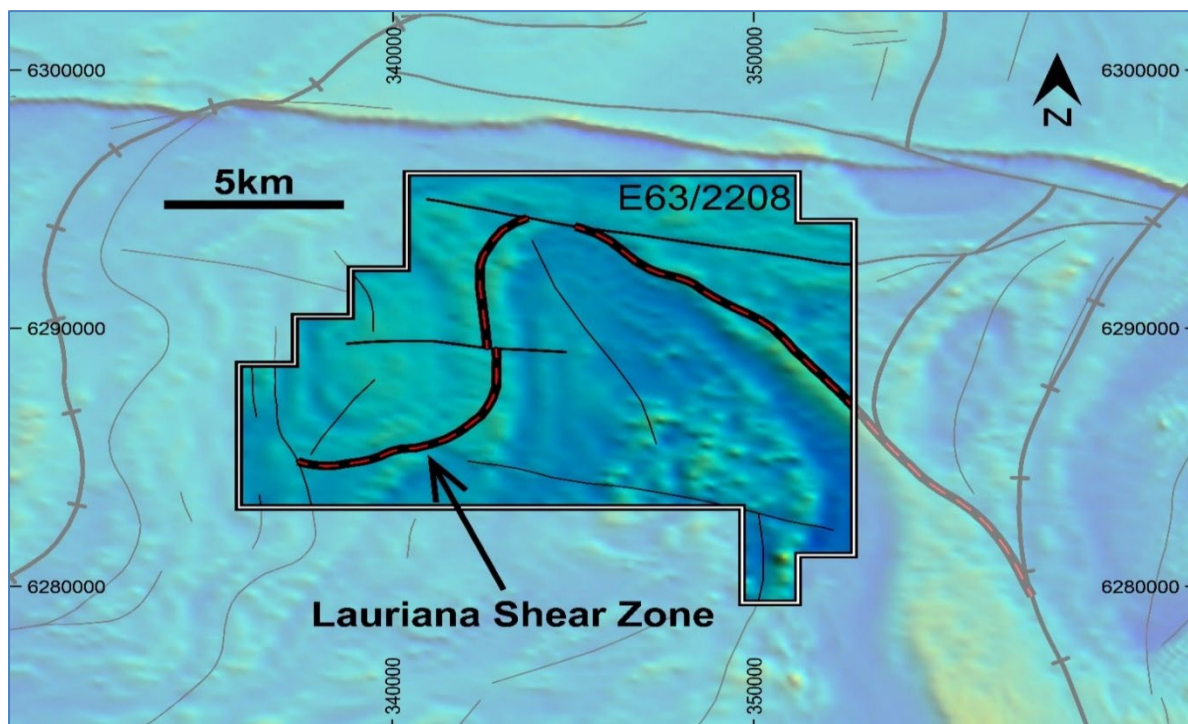
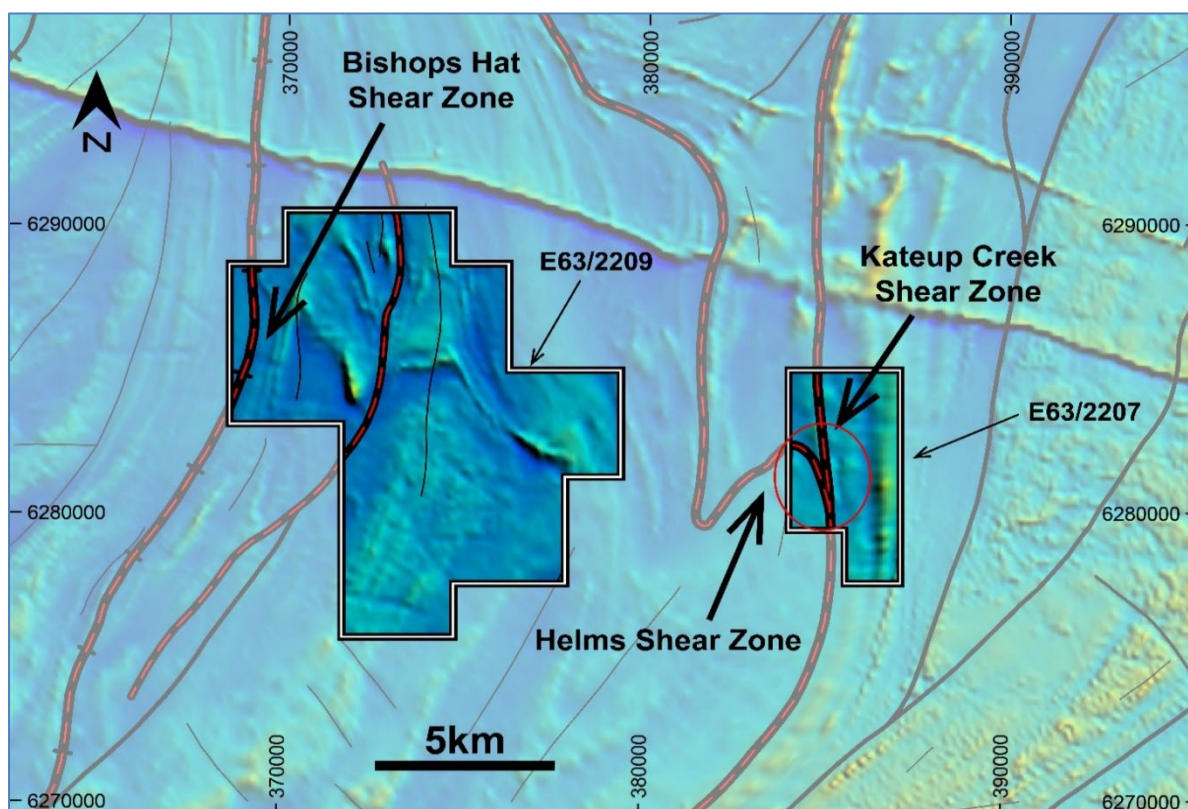


Diagram 17: E63/2208 tenement boundary (TMX 100%) overlaid on regional magnetics showing prospective Lauriana Shear Zone and second order structures.



## TERRAIN MINERALS LIMITED

### DIRECTORS' REPORT (CONTINUED)

#### FOR THE YEAR ENDED 30 JUNE 2023

**Diagram 18:** E63/2207 and E63/2209 tenement boundaries (TMX 100%) overlaid on regional magnetics showing prospective regional shear zones and second order structures.

#### Lort River - Location & Access

The project areas are predominately situated over free hold agricultural land and located within 50km (northwest) radius of the town and port of Esperance and easily accessed by an extensive network of gazetted agricultural service roads.

**Note:** For additional information refer to ASX announcement on **Lort River:**

- **5 May 2022** - Lort River (320km<sup>2</sup>) Rare Earth Project Highly Prospective Tenements Granted.
- **30 May 2022** - High-Grade Clay Type Rare Earths (REE) Soil Anomaly Identified at Lort River Project.
- **21 November 2022** - Rare Earths (REE) Exploration Planning for 2023 has Commenced at Lort River.
- **12 August 2023** - Heritage approval received for maiden REE drilling at Lort River & Smokebush Exploration Update.
- **22 August 2023** - Lort River 'REE' proof of concept maiden drilling campaign

#### Wild-viper Gold Exploration Project

During the year, Terrain continued to advance the Wild-viper project with Terrain's new geologist carrying out several site visits. Planning continues to advance this highly strategic tenement.

Terrain is current planning is to conduct the next drill program between the old Bundarra homestead area and the currently shallow excavated pit located at Great Western deposit.

**Note:** Terrain recently won another special prospecting licence (SPL) application from an opportunistic prospector at the warden's court. Terrain intends to continue to defend its mineral rights within its granted tenement area, which has been systematically exploring and meeting all its expenditure obligations.

#### About Wild-viper Gold Project

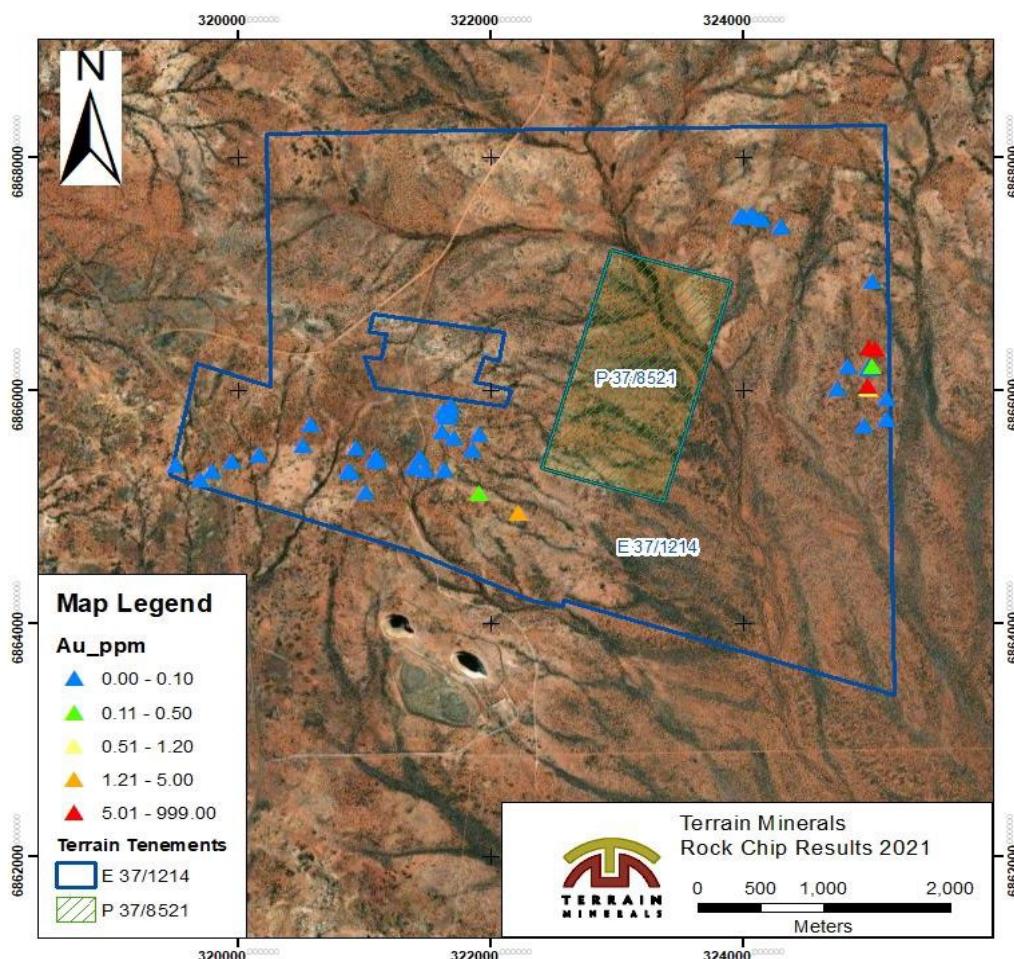
The 100% owned Gold exploration project is Located 68 km north of Leonora and adjacent to the Goldfields Highway and is situated on the Weebo pastoral leases and forms part of the historic Wilsons Patch mining area. Terrain considers this project an exciting exploration opportunity that has seen limited modern exploration. This Strategically located package is surrounded by the Great Western Gold Project (now 100% owned & being mined by Red5 Ltd - ASX: RED) and is also adjacent to Northern Star Resources (ASX: NST) Bundarra gold deposits as well the historic Black Cat workings. The newly secured Wilson Patch tenement is also under explored and is highly prospective due to being held in private hands for several decades.

**Note:** For additional information refer to ASX announcement:

- **22 June 2020** - Wild-viper & Smokebush Gold Projects Update.
- **29 June 2020** - Strategic Acquisition at Wild-viper Gold Project "The Missing Piece of the Puzzle" & New Targets.
- **07 October 2020** – Wild-viper Gold Exploration Project Update.
- **05 November 2020** - Commencement of 2,650m drill program at Wild-viper Gold Project & Smokebush Gold update.



- **02 February 2022** - High Grade Rock Chips from New Areas at Wild Viper Gold Project.
- **23 August 2022** - New Project Calytrix & Smokebush & Wild-viper Gold Project Updates.



**Diagram 19:** Wild Viper Project, P37/8521 Terrain has the right. Other Blue cut of is RED 5 Ltd Great Western gold mine.

**Project Generation**

Throughout the year the Terrain Board and geological team has continued to search, assess new and potential company making opportunities. These have come from a variety of sources and industry networks that have been established and continue to be developed. Terrain continues to negotiate potential new opportunities that unlock and delivers value to shareholders, from discovery, mining and or asset sales.

Commodities that have been pursued include Gold, Copper, Nickel and industrial minerals in multiple jurisdictions including Australia, Europe and other regions.

Terrain has several pending tenement (packages) applications across Western Australian and now Queensland. These applications include:

## TERRAIN MINERALS LIMITED

### DIRECTORS' REPORT (CONTINUED)

#### FOR THE YEAR ENDED 30 JUNE 2023

- **Biloela Copper & Gold Project** located along strike of the Cracow Gold Mine in Qld (ASX release 21 June 2023);
- **Carlindie Lithium Project** located near Lithium Power International's Tabba Tabba Lithium Project in the Pilbara WA (refer to Appendix 1 in ASX presentation 29 May 2023);
- **Mukinbudin (WA) Rare Earths and Lithium Project** which neighbours Rio Tinto's landholding in the region (refer to Appendix 2 in ASX presentation 29 May 2023),

The Company does not incur any holding or ongoing costs in relation to pending applications. It should be noted that there is no guarantee that pending application will be granted.

#### **MATERIAL BUSINESS RISK**

The Company makes every effort to identify material risks and to manage these effectively. This section does not attempt to provide an exhaustive list of risks faced by the Company or by investors in the Company, nor are they in order of significance. Actual events may be different to those described.

The Board aims to manage these risks by carefully planning its activities and implementing risk control measures. Some of the risks can be highly unpredictable and the extent to which the Board can effectively manage them is limited,

##### ***(a) Tenure and access risk***

###### *Applications*

While the Company does not anticipate there to be any issues with the grant of its tenement applications, there can be no assurance that the application (or any future applications) will be granted. While the Company considers the risk to be low, there can be no assurance that when the relevant tenement is granted, it will be granted in its entirety. Some of the tenement areas for may be excluded.

###### *Renewal*

Mining and exploration tenements are subject to periodic renewal. The renewal of the term of granted tenements is subject to the discretion of the relevant authority. Renewal conditions may include increased expenditure and work commitments or compulsory relinquishment of areas of the tenements. The imposition of new conditions or the inability to meet those conditions may adversely affect the operations, financial position and/or performance of the Company.

*Access*

A number of the tenements overlap certain third party interests that may limit the Company's ability to conduct exploration and mining activities, including private land, Crown Reserves, area on which native title is yet to be determined and other forms of tenure for railways, pipelines and similar third party interest.

Where the Project overlaps private land, exploration and mining activity on the Project may require authorisation or consent from the owners of that land. The Company is not required to enter into land access agreements to undertake its proposed exploitation program on the Tenements. However, the Company intends to carry out heritage clearances surveys before implementing its proposed exploitation program. The Company's current proposed exploitation program is not impacted by the known sites of registered exploitation aboriginal heritage significance.

***(b) Exploration Risk***

Potential investors should understand that mineral exploration and development are high risk undertakings. There can be no assurance that exploration of the Project, or any other tenements that may be acquired in the future, will result in the discovery of an economic ore deposit. Even if an apparently viable deposit is identified, there is no guarantee that it can be economically exploited.

The success of the Company will also depend on the Company having access to sufficient development capital, being able to maintain title to its projects and obtaining all required approval for its activities. In the event that exploration programmes prove to be unsuccessful this could lead to a diminution in the value of the Tenements, a reduction in the cash reserves of the Company and possible relinquishment of its projects.

***(c) Climate Change***

The operations and activities of the Company are subject to change to local or international compliance regulations related to climate change mitigation efforts, specific taxation or penalties for carbon emissions or environmental damage and other possible restraints on industry that may further impact the Company. While the Company will endeavour to manage these risks and limit any consequential impacts, there can be no guarantee that the Company will not be impacted by these occurrences.

Climate change may also cause certain physical and environmental risks that cannot be predicted by the Company, including events such as increased severity of weather patterns, incidence of extreme weather events and longer term physical risks such as shifting climate patterns. All these risks associated with climate change may significantly change the industry in which the Company operates.

***(d) Reliance on Key Personnel***

The Company's future depends, in part, on its ability to attract and retain key personnel. It may not be able to hire and retain such personnel at compensation levels consistent with its existing compensation and salary structure. Its future also depends on the continual contributions of its key management and technical personnel, the loss of whose services would be difficult to replace. In addition, the inability to continue to attract appropriately qualified personnel could have a material adverse effect on the Company's business.

***(e) Environmental***

The operations and proposed activities of the Company are subject to Australian laws and regulations concerning the environment. As with most exploration projects the Company's activities are expected to have an impact on the environment, particularly if advance exploration proceeds. It is the Company's intention to conduct its activities to the highest standard of environmental obligation, including compliance with all environmental laws.



## TERRAIN MINERALS LIMITED

### DIRECTORS' REPORT (CONTINUED)

#### FOR THE YEAR ENDED 30 JUNE 2023

##### *(f) Native Title*

The Native Title Act recognises the rights and interests in Australia of Aboriginal and Torres Strait Islander people in land and waters, according to their traditional laws and customs. There is significant uncertainty associated with Native Title in Australia and this may impact on the Company's operations and future plans.

The Company is not required to enter into land access agreements to undertake its proposed exploration program on the Tenements. However, the Company intends to carry out heritage clearance surveys before implementing its proposed exploration program. The Company's current proposed exploration program is not impacted by the known sites of registered aboriginal heritage significance.

##### *(g) Economic*

General economic conditions, introduction of tax reform, new legislation, movements in interest and inflation rates and currency exchange rates may have an adverse effect on the Company, as well as its ability to fund its operations.

##### ***Additional requirements for capital***

The Company's capital requirements depend upon numerous factors. The Company may require further financing in addition to amounts raised under an offer. Any additional equity financing will dilute shareholding, and debt financing, if available, may involve restrictions on financing and operating activities. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations. There is however no guarantee that the Company will be able to secure any additional funding or be able to secure funding on terms favourable to the Company.

##### **DIVIDENDS PAID OR RECOMMENDED**

No dividends were paid or declared since the start of the financial year. No recommendation for payment of dividends has been made.

##### **FINANCIAL POSITION**

The net assets of Terrain Minerals Limited have increased from \$2,768,619 at 30 June 2022 to \$3,568,632 at 30 June 2023 year end.

##### **SIGNIFICANT CHANGES IN STATE OF AFFAIRS**

Other than as mentioned in the Review of Operations, no significant changes in the state of affairs of the Company occurred during the financial period.

## TERRAIN MINERALS LIMITED

### DIRECTORS' REPORT (CONTINUED)

#### FOR THE YEAR ENDED 30 JUNE 2023

##### EVENTS SUBSEQUENT TO REPORTING DATE

On 13 September 2023 the Company announced a placement to institutional and sophisticated investors to raise \$785,000 (before costs) through the issue of 174,444,451 shares at an issue price of \$0.0045 each, together with one free-attaching option for every two (2) Placement Shares subscribed for and issued, split between 50% of the options exercisable at \$0.009 and expiring 20 January 2024 and 50% of the options exercisable at \$0.015 and expiring 20 May 2024. The Placement Shares and Options are expected to be issued on or around 20 September 2023.

In conjunction with the Placement, the Company is undertaking a pro-rata non-renounceable entitlement issue of one share for every eight shares held by eligible shareholders at an issue price of \$0.005 each to raise up to \$786,027, together with one free-attaching option for every two (2) New Shares subscribed for and issued, split between 50% of the options exercisable at \$0.009 and expiring 20 January 2024 and 50% of the options exercisable at \$0.015 and expiring 20 May 2024 and one free-attaching share for every nine (9) New Shares subscribe for and issued.

Other than matters disclosed above there are no matters or circumstances have arisen since the end of the financial year which significantly affected or could significantly affect the operations of the company, the results of those operations or the state of affairs of the Company in future financial years.

##### LIKELY DEVELOPMENTS AND EXPECTED RESULTS OF OPERATIONS

The management team and Board of Directors continue to review opportunities available to the Company, which includes the exploration of the Company's existing tenements and assessment of new opportunities.

##### ENVIRONMENTAL REGULATIONS

The Company is subject to the reporting requirements of both the Energy Efficiency Opportunities Act 2006 and the National Greenhouse and Energy Reporting Act 2007. The Energy Efficiency Opportunities Act 2006 requires the Company to assess its energy usage, including the identification, investigation and evaluation of energy saving opportunities, and to report publicly on the assessments undertaken, including what action the company intends to take as a result. The Company continues to meet its obligations under this Act.

The National Greenhouse and Energy Reporting Act 2007, requires the Company to report its annual greenhouse gas emissions and energy use. The Company has implemented systems and processes for the collection and calculation of the data required and submitted its 2010/11 report to the Greenhouse and Energy Data Officer on 24 October 2011. Other than the above, the company's operations are not regulated by any significant environmental regulations under a law of the Commonwealth or of a state or territory.

## TERRAIN MINERALS LIMITED

### DIRECTORS' REPORT (CONTINUED)

#### FOR THE YEAR ENDED 30 JUNE 2023

##### INFORMATION ON DIRECTORS' AND DIRECTORS' INTERESTS IN SECURITIES OF TERRAIN

The names and particulars of the Directors of the Company during or since the end of the financial year are:

###### INFORMATION ON DIRECTORS

<b>Mr Justin Virgin</b>	Executive Director – Appointed 31 July 2012
Experience	Mr Virgin has over 12 years' experience as a ASX Director of listed exploration companies as well as Sixteen years of experience in the financial services and Securities industry with expertise in providing a wide range of financial services which includes capital raisings, promotion, providing general corporate advice listed small-cap companies and other investment advice involved in negotiations, mergers, acquisitions and valuations. Mr Virgin also has over ten years of onsite mining experience operating in remote and isolated sites throughout WA and NT on site. His experience covers project acquisition and sale negotiations, mine closures and rehabilitation work as well as extensive preventative maintenance planning and execution on onsite mobile fleet and of exploration program.
Interest in Shares and Options	18,000,000 options over ordinary shares and 54,500,000 shares.
Special Responsibilities	Nil
Directorships held in other listed entities during the three years prior to the current year	Mr Virgin held no other directorships of ASX listed companies during the last 3 years
<b>Mr Xavier Braud</b>	Non-Executive Director – Appointed 22 February 2023
Experience	Xavier Braud MSc., Bsc.(Hons), MAIG  Mr Braud is an experienced geologist, executive and mining analyst with 20 years of professional experience. His geological experience spans a broad range of deposits styles and commodities and covers the whole spectrum of exploration geology from greenfields exploration to resources definition and extension. Up until January 2023, Mr Braud was the CEO of TSXV and ASX dual-listed Benz Mining, spearheading the discovery of multiple new high grade gold zones at the Eastmain Project in Quebec, which led to the delineation of 1Moz at 6.1g/t gold resource. During the same period, he also served on the board of ASX-listed Riversgold Limited where he contributed to the restructure of the company into a successful explorer. For the three years prior, Mr Braud a Resources/Mining analyst at Patersons Securities and Canaccord Genuity covering ASX listed junior resources companies. This role involved research at both technical and financial level with an emphasis on identifying small capitalisation companies with technical merit and discovery potential. Mr Braud is a member of the Australian Institute of Geoscientists.
Interest in Shares and Options	4,000,000 options over ordinary shares and 6,500,000 shares
Special Responsibilities	Nil
Directorships held in other listed entities during the three years prior to the current year	Mr Braud was Director of Riversgold Limited (ASX: RGL) from 10 June 2020 to 23 November 2022

## TERRAIN MINERALS LIMITED

### DIRECTORS' REPORT (CONTINUED)

#### FOR THE YEAR ENDED 30 JUNE 2023

##### **Mr Johannes Lin**

Non-Executive Director – 1 May 2017

##### Experience

Mr Lin has over 12 years of management experience as an entrepreneur and presently manages as Finance Director of Windsor Capital Pte Ltd, and Managing Director of both Windsor F&B Pte Ltd and Oprian Investments Pte Ltd which collectively owns and manages a diversified portfolio in Commercial Leasing in Manila, Philippines, a duo of Japanese Restaurants in Sentosa, Singapore, a Confectionery chain with franchisees and Automated Central Kitchen in Nanjing, China, a joint-development project for Hotel Development in Boracay, Philippines and a software development company in Singapore.

Past experience includes serving as a member of advisory team in the restructuring of a Singapore SGX listed Enzer Holdings Limited where series of debt negotiations, debt buy-out, capital raising by placements, right issues, debt to equity conversion and eventual takeover by a marine Company successfully. He has also overseen the development of Pasir Ria Apartments in Singapore, and a key investment team member in the development of Monarch Parksuites Condominium Manila, Philippines.

Mr Lin holds a Bachelor of Commerce, Accounting and Finance from the University of Western Australia.

Interest in Shares and Options 4,000,000 options over ordinary shares and 48,862,771 shares.

Special Responsibilities Nil

Directorships held in other listed entities during the three years prior to the current year Mr Lin held no other directorships of ASX listed companies during the last three years.

## TERRAIN MINERALS LIMITED

### DIRECTORS' REPORT (CONTINUED)

#### FOR THE YEAR ENDED 30 JUNE 2023

**Mr Trevor Bradley** Non-Executive Director – Appointed 1 May 2017, Resigned 22 February 2023  
Experience Trevor Bradley B(App) Sc. Hons, LL.M (*Distinction*), Grad Dip (GIS), M.A.I.G.

Trevor is a geologist with over thirty years' experience in key technical, operational, and managerial aspects of exploration, development, and operation of both underground and open pit mineral projects in Australia, South East Asia, Central Asia and the Caribbean. His Qualifications include an Applied Science Degree with Honors (Geology) from UTS Sydney, a Masters of Law Degree with Distinction (Natural Resource Law and Policy) from the Centre for Energy, Petroleum, Mineral Law and Policy (CEPMLP) at the University of Dundee in the UK and a Graduate Diploma (Geographic Information Science) from Curtin University, Perth W.A. Prior to entering private practice Trevor held senior technical and management positions with several large Australian and Canadian mining companies as well as Principal Consultant and managerial roles with two of Australia's leading multi-national mineral industry consulting companies.

Currently Trevor practices as an independent consultant who specializes in the provision of exploration targeting, mineral asset valuation, independent technical reports, and due diligence studies across a range of commodities for the purposes of investment decision, project finance and exchange listing requirements. Trevor also specializes in assisting clients in his capacity as an Independent Expert in court matters, mediation, and arbitration proceedings.

Interest in Shares and Options 9,000,000 options over ordinary shares

Special Responsibilities Nil

Directorships held in other listed entities during the three years prior to the current year Mr Bradley held no other directorships of ASX listed companies during the last three years.

#### MEETINGS OF DIRECTORS

During the financial year, five meetings of Directors were held. Attendances by each Director were as follows:

	DIRECTORS' MEETINGS	
	NUMBER ELIGIBLE TO ATTEND	NUMBER ATTENDED
Mr Justin Virgin	6	6
Mr Xavier Braud	2	2
Mr Johannes Lin	6	4
Mr Trevor Bradley	4	4

#### INDEMNIFYING OFFICERS OR AUDITORS

Terrain has paid premiums to insure Directors against liabilities for costs and expenses incurred by them in defending legal proceedings arising from their conduct while acting in the capacity of director of Terrain, other than conduct involving a wilful breach of duty in relation to Terrain.

**TERRAIN MINERALS LIMITED**  
**DIRECTORS' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 30 JUNE 2023**

**INFORMATION ON DIRECTORS (CONTINUED)**

**OPTIONS**

At the date of this report, the unissued ordinary shares of Terrain under option, to the date of this report, are as follows:

**OPTIONS**

<b>GRANT DATE</b>	<b>DATE OF EXPIRY</b>	<b>EXERCISE PRICE</b>	<b>NUMBER UNDER OPTION</b>
22 November 2018	22 November 2023	0.0085	3,000,000
20 November 2019	20 November 2024	0.0065	6,000,000
25 November 2020	25 November 2025	0.0214	16,000,000
7 December 2021	7 December 2026	0.0150	6,000,000
22 February 2023	24 February 2028	0.0180	4,000,000
			<u>35,000,000</u>

For details of options issued to Directors and executives as remuneration, refer to the remuneration report.

**PROCEEDINGS ON BEHALF OF COMPANY**

No person has applied for leave of Court to bring proceedings on behalf of Terrain or intervene in any proceedings to which Terrain is a party for the purpose of taking responsibility on behalf of Terrain or all or any part of those proceedings.

Terrain was not a party to any such proceedings during the year.

**AUDITOR'S INDEPENDENCE DECLARATION**

The auditor's independence declaration for the year ended 30 June 2023 has been received and can be found on page 37 of the financial report.

The auditor did not provide any non-audit services for the year ended 30 June 2023 (30 June 2022: Nil).



**REMUNERATION REPORT (AUDITED)**

**REMUNERATION POLICY**

The objective of the Company's executive reward framework is to ensure reward for performance is competitive and appropriate for the results delivered. The framework aligns executive reward with achievement of strategic objectives and the creation of value for shareholders and conforms to market best practice for delivery of reward. The Board ensures that executive reward satisfies the following key criteria for good reward governance practices:

- competitiveness and reasonableness
- acceptability to shareholders
- performance linkage / alignment of executive compensation
- transparency
- capital management.

The Company has structured an executive remuneration framework that is market competitive and complimentary to the reward strategy of the organisation.

Assessing performance:

The Board is responsible for assessing performance against KPIs and determining the STI and LTI to be paid.

Alignment to shareholders' interests:

- focuses on exploration success as the creation of shareholder value and returns
- attracts and retains high calibre executives.

Alignment to program participants' interests:

- rewards capability and experience
- reflects competitive reward for contribution to growth in shareholder wealth
- provides a clear structure for earning rewards
- provides recognition for contribution.

The framework currently consists of fixed salaries and options.

The Company did not engage external remuneration consultants to advise the Board on remuneration matters during the year.

***Non-executive Directors***

Fees and payments to non-executive Directors reflect the demands which are made on, and the responsibilities of, the Directors. Non-executive Directors' fees and payments are reviewed annually by the Board to ensure non-executive Directors' fees and payments are appropriate and in line with the market. A Director is not present at any discussions relating to determination of his own remuneration.

**REMUNERATION REPORT (CONTINUED) (AUDITED)**

**REMUNERATION POLICY (CONTINUED)**

Non-executive Directors' fees are determined within an aggregate Directors' fee pool limit, which is periodically recommended for approval by shareholders. The total maximum currently stands at \$600,000.

***Executive Pay***

The overall level of executive reward considers the performance of the company. The Company is involved in mineral exploration and did not derive a profit and therefore growth in earnings is not considered relevant. Shareholder wealth is dependent upon exploration success and has fluctuated accordingly.

The executive pays and reward framework has three components:

- i. base pay and benefits
- ii. long-term incentives through participation in the Employee Share Option Scheme
- iii. other remuneration such as superannuation.

The combination of these comprises the executive's total remuneration;

- i. Base pay

Structured as a total employment cost package which may be delivered as a combination of cash and prescribed non-financial benefits at the executives' discretion.

Executives are offered a competitive base pay that comprises the fixed component of pay and rewards. Base pay for senior executives is reviewed annually to ensure the executive's pay is competitive with the market. An executive's pay is also reviewed on promotion.

There are no guaranteed base pay increases included in any senior executives' contracts.

Executives may receive benefits including memberships, car allowances and reasonable entertainment.

- ii. Incentives

Through participation in the Employee Share Option Scheme as and when determined by the Board. Individual performance reviews are carried out annually. Any allotment of options to executives are considered by the Board depending on individual performance. Performance remuneration is not related to company performance. The Company is still in exploration and development phase.

- iii. Other

Directors and employees are permitted to nominate a superannuation fund of their choice to receive superannuation contribution.

## TERRAIN MINERALS LIMITED

### DIRECTORS' REPORT (CONTINUED)

#### FOR THE YEAR ENDED 30 JUNE 2023

##### REMUNERATION REPORT (CONTINUED) (AUDITED)

###### EMPLOYMENT DETAILS OF MEMBERS OF KEY MANAGEMENT PERSONNEL AND OTHER EXECUTIVES

The following table provides employment details of persons who were, during the financial year, members of key management personnel of Terrain.

KEY MANAGEMENT PERSONNEL	POSITION HELD AS AT 30 JUNE 2023	CONTRACT DETAILS (DURATION & TERMINATION)
Mr Justin Virgin	Executive Director	Executive agreement effective 1 December 2015
Mr Xavier Braud	Non-Executive Director	Appointed 22 February 2023 and is on-going basis with no termination benefits
Mr Johannes Lin	Non-Executive Director	On-going basis with no termination benefits
Mr Trevor Bradley	Non-Executive Director	Resigned 22 February 2023

The employment terms and conditions of key management personnel are formalised in contracts of employment.

On 1 December 2015 the Company entered into an Executive Service Agreement with Director Justin Virgin. Under the terms of the contract:

- Mr Virgin's Executive Service Agreement minimum remuneration package has been increased to a base salary of \$180,000 plus superannuation effective 1 September 2020.
- The Company may terminate this agreement in writing if the Executive becomes incapacitated by illness or accident for an accumulated period of two months or a period aggregating more than three months in any twelve month period.
- The Company may terminate the contract at any time without notice if serious misconduct has occurred. On termination with cause, the Executive is not entitled to any payment.
- If the Company terminates the agreement for any reason other than the above, the Company must pay the Executive an amount equal to six month's salary.
- If Mr Virgin terminates the agreement, he must provide the Company with 60 days' notice period.

## TERRAIN MINERALS LIMITED

### DIRECTORS' REPORT (CONTINUED)

#### FOR THE YEAR ENDED 30 JUNE 2023

##### REMUNERATION REPORT (CONTINUED) (AUDITED)

###### REMUNERATION DETAILS

Details of the nature and amount of each element of the emoluments of each member of the key management personnel of Terrain Minerals for the year ended 30 June 2023 and 30 June 2022 is set out in the following tables:

###### For the year ended 30 June 2023

KEY MANAGEMENT PERSONNEL	SHORT-TERM BENEFITS		POST-	EQUITY-SETTLED		TOTAL	REMUNERATION
	SALARY, FEES AND LEAVE	OTHER	EMPLOYMENT BENEFITS	SHARE-BASED PAYMENTS			CONSISTING OF
			SUPERANNUATION	SHARES	OPTIONS		OPTIONS
\$	\$	\$	\$	\$	\$	%	
Mr Justin Virgin	180,000	-	18,900	-	-	198,900	-
Mr Xavier Braud <sup>1</sup>	13,333	-	1,400	-	-	14,733	-
Mr Johannes Lin	30,000	-	3,150	-	-	33,150	-
Mr Trevor Bradley <sup>2</sup>	26,667	-	2,800	-	-	29,467	-
<b>TOTAL</b>	<b>250,000</b>	<b>-</b>	<b>26,250</b>	<b>-</b>	<b>-</b>	<b>276,250</b>	<b>-</b>

###### For the year ended 30 June 2022

KEY MANAGEMENT PERSONNEL	SHORT-TERM BENEFITS		POST-	EQUITY-SETTLED		TOTAL	REMUNERATION
	SALARY, FEES AND LEAVE	OTHER	EMPLOYMENT BENEFITS	SHARE-BASED PAYMENTS			CONSISTING OF
			SUPERANNUATION	SHARES	OPTIONS		OPTIONS
\$	\$	\$	\$	\$	\$	%	
Mr Justin Virgin	180,000	-	18,000	-	35,564	233,564	15
Mr Trevor Bradley	40,000	-	4,000	-	-	44,000	-
Mr Johannes Lin	30,000	-	3,000	-	-	33,000	-
<b>TOTAL</b>	<b>250,000</b>	<b>-</b>	<b>25,000</b>	<b>-</b>	<b>35,564</b>	<b>310,564</b>	<b>11</b>

1. Xavier Braud appointed 22 February 2023

2. Trevor Bradley resigned 22 February 2023

## TERRAIN MINERALS LIMITED

### DIRECTORS' REPORT (CONTINUED)

#### FOR THE YEAR ENDED 30 JUNE 2023

##### REMUNERATION REPORT (CONTINUED) (AUDITED)

###### Other Key Management Personnel Transactions

	2023	2022
	\$	\$
Payments to director-related parties:		
Bradley Geoscience Pty Ltd (i)	26,250	6,000

- (i) The payments were made to Bradley Geoscience Pty Ltd, a company of which Trevor Bradley is a director. The payments were for geological services is on an arm's length basis. Trevor Bradley resigned as a Director on 22 February 2023 and there was no outstanding amount owing.

##### SHARE-BASED PAYMENTS

During the year ended 30 June 2023 nil (30 June 2022: 6,000,000) options were issued to the directors.

KEY MANAGEMENT PERSONNEL	REMUNERATION TYPE	GRANT DATE	NUMBER OF OPTIONS	GRANT VALUE \$	PERCENTAGE	PERCENTAGE	PERCENTAGE
					VESTED/PAID DURING THE YEAR	FORFEITED DURING YEAR	REMAINING AS UNVESTED
					%	%	%
Mr Justin Virgin	Options	7 December 2021	6,000,000	35,564	100	-	-

##### DESCRIPTION OF OPTIONS/RIGHTS ISSUED AS REMUNERATION

###### 2023

No options were granted to Directors in the year 30 June 2023

###### 2022

The options granted to Directors, in the year 30 June 2022 were for nil consideration as remuneration, exercisable at \$0.0150 options with an expiry date of on or before 7 December 2026. They vested immediately. The value per option was \$0.0059.

They were valued using Black Scholes with the below assumptions:

Number of options in series	6,000,000
Grant date share price	\$0.008
Exercise price	\$0.015
Expected volatility	115%
Option life	5 years
Dividend yield	0.00%
Interest rate	1.35%

## TERRAIN MINERALS LIMITED

### DIRECTORS' REPORT (CONTINUED)

### FOR THE YEAR ENDED 30 JUNE 2023

#### REMUNERATION REPORT (CONTINUED) (AUDITED)

#### KEY MANAGEMENT PERSONNEL OPTIONS AND RIGHTS HOLDINGS

The number of options over ordinary shares held by each key management person of Terrain during the financial year is as follows:

30 JUNE 2023	BALANCE AT BEGINNING OF YEAR	GRANTED AS REMUNERATION DURING THE YEAR	EXERCISED DURING THE YEAR	PRICE PAID FOR EXERCISED OPTIONS \$	OTHER CHANGES DURING THE YEAR	BALANCE AT END OF YEAR	VESTED DURING THE YEAR	VESTED AND EXERCISABLE	VALUE OF OPTIONS GRANTED AS REMUNERATION \$
Mr Justin Virgin	18,000,000	-	-	-	-	18,000,000	-	18,000,000	-
Mr Xavier Braud <sup>1</sup>	-	-	-	-	4,000,000	4,000,000	-	4,000,000	-
Mr Johannes Lin	6,000,000	-	-	-	(2,000,000) <sup>3</sup>	4,000,000	-	4,000,000	-
Mr Trevor Bradley <sup>2</sup>	13,000,000	-	-	-	(4,000,000)	9,000,000	-	9,000,000	-
	37,000,000	-	-	-	(2,000,000)	35,000,000	-	35,000,000	-

1. Xavier Braud appointed 22 January 2023 with a holding of 4,000,000 options
2. Trevor Bradley resigned 22 January 2023 – 4,000,000 options expired 18 December 2022
3. Options expired 18 December 2022

**TERRAIN MINERALS LIMITED**  
**DIRECTORS' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 30 JUNE 2023**

**REMUNERATION REPORT (CONTINUED) (AUDITED)**

**KEY MANAGEMENT PERSONNEL SHAREHOLDINGS**

The number of ordinary shares in Terrain held by each key management person of Terrain during the financial year is as follows:

	<b>BALANCE AT BEGINNING OF YEAR</b>	<b>GRANTED AS REMUNERATION DURING THE YEAR</b>	<b>ISSUED ON EXERCISE OF OPTIONS DURING THE YEAR</b>	<b>OTHER CHANGES DURING THE YEAR</b>	<b>BALANCE AT END OF YEAR</b>
<b>30 June 2023</b>					
Mr Justin Virgin	36,000,000	-	-	18,500,000 <sup>4</sup>	54,500,000
Mr Xavier Braud	-	-	-	6,500,000 <sup>5</sup>	6,500,000
Mr Johannes Lin	43,862,771	-	-	5,000,000 <sup>6</sup>	48,862,771
Mr Trevor Bradley <sup>7</sup>	-	-	-	-	-
	<u>79,862,771</u>	<u>-</u>	<u>-</u>	<u>30,000,000</u>	<u>109,862,771</u>

4. Justin Virgin purchased shares in an on market transfers and acquired in Share Purchase Plan in February 2023

5. Xavier Braud appointed 22 February 2023 with a holding of 6,500,000 shares

6. Johannes Lin acquired shares in the Share Purchase Plan in February 2023

7. Trevor Bradley resigned 22 February 2023



**TERRAIN MINERALS LIMITED**  
**DIRECTORS' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 30 JUNE 2023**

**VOTING AND COMMENTS MADE AT THE COMPANY'S 2022 ANNUAL GENERAL MEETING**

The Company's remuneration report for the 2022 financial year was approved at the Annual General Meeting held on 17 November 2022. The Company did not receive any feedback at the AGM on its Remuneration Report.

During the year ended 30 June 2023, the Company did not have a separately established nomination or remuneration committee. Considering the size of the Company and number of directors, the Board is of the view that these functions would be efficiently performed with full Board participation.

**END OF AUDITED REMUNERATION REPORT**

The directors' report incorporating the remuneration reports is signed in accordance with a resolution of the Board of Directors made pursuant to s298(2) of the Corporations Act 2001.



Justin Virgin  
Executive Director  
Dated: 20 September 2023

**DECLARATION OF INDEPENDENCE BY JARRAD PRUE TO THE DIRECTORS OF TERRAIN MINERALS LIMITED**

As lead auditor of Terrain Minerals Limited for the year ended 30 June 2023, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
2. No contraventions of any applicable code of professional conduct in relation to the audit.



**Jarrad Prue**  
**Director**

**BDO Audit (WA) Pty Ltd**  
Perth  
20 September 2023

## TERRAIN MINERALS LIMITED

### STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

#### FOR THE YEAR ENDED 30 JUNE 2023

		2023	2022
	NOTE	\$	\$
Other income		5,793	309
Net income	2	5,793	309
Administrative expenses		(163,881)	(145,906)
Share based payments	10	(20,273)	(35,564)
Exploration expenditure write off	7	(361,432)	(32,280)
Employee benefits expenses		(276,250)	(275,000)
Depreciation		(1,914)	(11,481)
Other expenses		(206,334)	(78,536)
<b>(Loss)/profit before income taxes</b>		<b>(1,024,291)</b>	<b>(578,458)</b>
Income tax expense	3	-	-
<b>(Loss)/profit after income tax for the year</b>		<b>(1,024,291)</b>	<b>(578,458)</b>
<b>Other comprehensive income</b>			
<i>Items that will not be classified to profit or loss</i>			
Changes in the fair value of Financial assets through other comprehensive income	8	(34,125)	252,750
<b>Total comprehensive (loss)/profit for the year attributable to owners of Terrain Minerals Limited</b>		<b>(1,058,416)</b>	<b>(325,708)</b>
<b>(Loss)/profit from continuing operations attributable to owners of Terrain Minerals Limited</b>		<b>(1,058,416)</b>	<b>(325,708)</b>
<b>(Loss)/profit per share attributable to owners of TMX</b>			
From continuing operations:			
Basic (loss)/profit per share (cents)	12	(0.12)	(0.08)
Diluted (loss)/profit per share (cents)	12	(0.12)	(0.08)

The above Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes

# TERRAIN MINERALS LIMITED

## STATEMENT OF FINANCIAL POSITION

As At 30 June 2023

	NOTE	2023 \$	2022 \$
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	4	1,309,307	1,084,926
Trade and other receivables	5	80,640	30,851
Prepayments	6	10,095	10,473
<b>TOTAL CURRENT ASSETS</b>		<b>1,400,042</b>	<b>1,126,250</b>
<b>NON-CURRENT ASSETS</b>			
Other receivables	5	20,000	20,000
Exploration expenditure	7	2,638,236	1,437,459
Right of use asset		-	872
Financial assets at fair value through other comprehensive income	8	-	250,000
<b>TOTAL NON-CURRENT ASSETS</b>		<b>2,658,236</b>	<b>1,708,331</b>
<b>TOTAL ASSETS</b>		<b>4,058,278</b>	<b>2,834,581</b>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Trade and other payables	9	489,642	65,012
Lease liability		-	950
<b>TOTAL CURRENT LIABILITIES</b>		<b>489,642</b>	<b>65,962</b>
<b>TOTAL LIABILITIES</b>		<b>489,643</b>	<b>65,962</b>
<b>NET ASSETS</b>		<b>3,568,632</b>	<b>2,768,619</b>
<b>EQUITY</b>			
Issued capital	10	23,123,664	21,285,504
Reserves	11(A)	1,844,588	2,447,970
Accumulated losses	11(B)	(21,399,616)	(20,964,855)
<b>TOTAL EQUITY</b>		<b>3,568,636</b>	<b>2,768,619</b>

The above statement of financial position should be read in conjunction with the accompanying notes

## TERRAIN MINERALS LIMITED

### STATEMENT OF CHANGES IN EQUITY

#### FOR THE YEAR ENDED 30 JUNE 2023

	ORDINARY SHARES \$	OPTIONS RESERVE \$	FAIR VALUE OTHER COMPREHENSIVE INCOME ("FVOCI") RESERVE	ACCUMULATED LOSSES \$	TOTAL \$
<b>Balance at 1 July 2022</b>	<b>21,285,504</b>	<b>1,824,315</b>	<b>623,655</b>	<b>(20,964,855)</b>	<b>2,768,619</b>
(Loss) attributable to members of the parent entity	-	-	-	(1,024,291)	(1,024,291)
Other comprehensive income for the year	-	-	(34,125)	-	(34,125)
<b>Total comprehensive profit/(loss) for the year</b>	<b>-</b>	<b>-</b>	<b>(34,125)</b>	<b>(1,024,291)</b>	<b>(1,058,416)</b>
<b>Transfer of reserve</b>	<b>-</b>	<b>-</b>	<b>(589,530)</b>	<b>589,530</b>	<b>-</b>
<b>Transactions with owners, in their capacity as owners, and other transfers</b>					
Contributions of equity, net of transaction costs	1,838,160	-	-	-	1,838,160
Issue of options	-	20,273	-	-	20,273
<b>Balance at 30 June 2023</b>	<b>23,123,664</b>	<b>1,844,588</b>	<b>-</b>	<b>(21,399,616)</b>	<b>3,568,636</b>
<b>Balance at 1 July 2021</b>	<b>21,087,791</b>	<b>1,788,751</b>	<b>370,905</b>	<b>(20,386,397)</b>	<b>2,861,050</b>
Profit attributable to members of the parent entity	-	-	-	(578,458)	(578,458)
Other comprehensive income for the year	-	-	252,750	-	252,750
<b>Total comprehensive profit/(loss) for the year</b>	<b>-</b>	<b>-</b>	<b>252,750</b>	<b>(578,458)</b>	<b>(325,708)</b>
<b>Transactions with owners, in their capacity as owners, and other transfers</b>					
Contributions of equity, net of transaction costs	197,713	-	-	-	197,713
Options based payments	-	35,564	-	-	35,564
<b>Balance at 30 June 2022</b>	<b>21,285,504</b>	<b>1,824,315</b>	<b>623,655</b>	<b>(20,964,855)</b>	<b>2,768,619</b>

The above statement of changes in equity should be read in conjunction with the accompanying notes.

## TERRAIN MINERALS LIMITED

### STATEMENT OF CASH FLOWS

#### FOR THE YEAR ENDED 30 JUNE 2023

	NOTE	2023 \$	2022 \$
<b>CASH FROM OPERATING ACTIVITIES:</b>			
Payments to suppliers and employees		(481,432)	(466,777)
Interest received		5,794	309
Net cash used in operating activities	20(a)	<u>(475,638)</u>	<u>(466,468)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>			
Payments for Exploration and evaluation expenditure		(1,274,016)	(258,505)
Proceeds from sale of investment		215,875	667,750
Net cash from/(used in) in investing activities		<u>(1,058,141)</u>	<u>409,245</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>			
Proceeds from issue of shares		1,866,059	-
Payment of share issue costs		(107,899)	(2,287)
Net cash from/(used in) financing activities		<u>1,758,160</u>	<u>(2,287)</u>
<b>OTHER ACTIVITIES:</b>			
Net cash increase/(decrease) in cash and cash equivalents		224,381	(59,510)
Cash and cash equivalents at beginning of year		1,084,926	1,144,436
Cash and cash equivalents at end of the year	4	<u>1,309,307</u>	<u>1,084,926</u>

The above statement of cash flows should be read in conjunction with the accompanying notes



**NOTE 1: BASIS OF PREPARATION**

This financial report includes the financial statements and notes of Terrain (the company) and was approved for issue on 20 September 2023 by the Board of directors of the Company.

Terrain is a for-profit company limited by shares, incorporated and domiciled in Australia. The financial report is a general purpose financial statement that has been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board (AASB) and the *Corporations Act 2001*. Terrain is a for-profit entity for the purpose of preparing the financial statements.

The financial statements of Terrain also comply with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB). Australian Accounting Standards set out accounting policies that the AASB has concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions. Material accounting policies adopted in the preparation of this financial report are presented below and have been consistently applied unless otherwise stated.

*Historical cost convention*

The financial report has been prepared on an accruals basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. These financial statements are presented in Australian dollars, rounded to the nearest dollar.

*Critical accounting estimates*

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the company's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements as disclosed in Note 22.

*Going Concern*

The financial report has been prepared on a going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and the settlement of liabilities in the normal course of business.

The Company incurred a net loss of (\$1,024,291) for the year ended 30 June 2023 and had cash outflows from operations activities of \$475,638 for the year. Notwithstanding this, the financial report has been prepared on a going concern basis which the Directors consider to be appropriate based upon the available cash assets of \$1,309,307 as at 30 June 2023.

The ability of the Company to continue as a going concern is dependent on the Company being able to raise additional funds as required to meet ongoing exploration commitments and for working capital. These conditions indicate a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern and, therefore, it may be unable to realise its assets and discharge its liabilities in the normal course of business.

As a result, the financial report has been prepared on a going concern basis, which contemplates the continuity of normal business activity, realization of assets and settlement of liabilities in the normal course of business for the following reasons:

- The Directors are confident in the Company's ability to raise the capital mentioned above due to historical experience in securing funding for ongoing operational requirements, ongoing communications with funding providers and major shareholders; and
- The Directors are also confident they are able to manage discretionary spending to endure that cash is available to meet debts as and when they fall due.

However, should the Company be unsuccessful in undertaking additional raisings, the Company may not be able to continue as a going concern. No adjustments have been made relating to the recoverability and classification of liabilities that might be necessary should the Company not continue as a going concern.

Should the going concern basis not be appropriate, the entity may have to realise its assets and extinguish its liabilities other than in the ordinary course of business and at amounts different from those stated in the financial report. No allowance for such circumstances has been made in the financial report.

## TERRAIN MINERALS LIMITED

### NOTES TO THE FINANCIAL STATEMENTS

#### FOR THE YEAR ENDED 30 JUNE 2023

##### NOTE 2: REVENUE AND SIGNIFICANT EXPENSES ITEMS

	2023	2022
	\$	\$
<b>Revenue from continuing operations:</b>		
Interest income	5,793	309
	<u>5,793</u>	<u>309</u>

##### *Accounting policy*

Interest revenue is recognised using the effective interest rate method, which, for floating rate financial assets, is the rate inherent in the instrument. All revenue is stated net of the amount of goods and services tax (GST).

##### NOTE 3: INCOME TAX

###### THE COMPONENTS OF TAX EXPENSE COMPRISE

	2023	2022
	\$	\$
Current tax	-	-
Deferred tax	-	-
Income tax attributable to entity	<u>-</u>	<u>-</u>

###### THE PRIMA FACIE TAX ON PROFIT/(LOSS) FROM ORDINARY ACTIVITIES BEFORE INCOME TAX IS RECONCILED TO THE INCOME TAX:

Prima facie tax benefit on profit/(loss) from continuing activities before income tax at 30% (2022: 30%)	(307,287)	(173,537)
<b>Add/(less) tax effect of:</b>		
- Revenue losses not recognised	284,111	162,529
- Other assessable items	-	-
- Share based payments	-	10,669
- Other non-deductible expenses	7,975	2,571
- Other non-assessable items	-	-
- Recoupment of prior year tax losses not previously brought to account	(1,077)	75,103
- Deferred tax balances not recognised	16,278	(77,335)
	<u>-</u>	<u>-</u>

**NOTE 3: INCOME TAX (CONTINUED)**

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
<b>Deferred tax recognised at 30% (2022:30%) (1):</b>		
Deferred tax liabilities:		
- Exploration expenditure	(727,336)	(365,315)
- Financial assets	-	(17,820)
- Prepayments	-	(66)
	<u>(727,336)</u>	<u>(383,201)</u>
Deferred tax assets:		
- Carry forward revenue losses	727,336	383,201
<b>Net deferred tax</b>	<u>-</u>	<u>-</u>
<b>Unrecognised deferred tax assets at 30% (2019: 30%) (1):</b>		
Carry forward revenue losses	4,915,099	4,607,166
Carry forward capital losses	958,225	965,114
Other	30,657	6,246
	<u>5,903,981</u>	<u>5,578,526</u>

The tax benefits of the above deferred tax assets will only be obtained if:

- (a) the company derives future assessable income of a nature and of an amount sufficient to enable the benefits to be utilised;
  - (b) the company continues to comply with the conditions for deductibility imposed by law; and
  - (c) no changes in income tax legislation adversely affect the company in utilising the benefits.
- (1) the corporate tax rate for eligible companies is 25% providing certain turnover thresholds and other criteria are met. All other companies are taxed at 30%. Deferred tax assets and liabilities are required to be measured at the tax rate that is expected to apply in the future income year when the asset is realised or the liability is settled. The Directors have determined that the deferred tax balances be measured at the tax rates stated.

*Accounting policy*

The income tax expense (revenue) for the year comprises current income tax expense (income) and deferred tax expense (income). Current income tax expense charged to the profit or loss is the tax payable on taxable income calculated using applicable income tax rates enacted, or substantially enacted, as at the end of the reporting period. Current tax liabilities (assets) are therefore measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the year as well as unused tax losses. Current and deferred tax expense (income) is charged or credited directly to equity instead of the profit or loss when the tax relates to items that are credited or charged directly to equity.

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 JUNE 2023**

**NOTE 3: INCOME TAX (CONTINUED)**

*Accounting policy (continued)*

Deferred tax assets and liabilities are ascertained based on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets also result where amounts have been fully expensed but future tax deductions are available. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates enacted or substantively enacted at the end of the reporting period. Their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability.

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised.

Where temporary differences exist in relation to investments in subsidiaries, branches, associates, and joint ventures, deferred tax assets and liabilities are not recognised where the timing of the reversal of the temporary difference can be controlled and it is not probable that the reversal will occur in the foreseeable future.

Current assets and liabilities are offset where a legally enforceable right of set-off exists and it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur. Deferred tax assets and liabilities are offset where a legally enforceable right of set-off exists, the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur in future periods in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

**NOTE 4: CASH AND CASH EQUIVALENTS**

	<b>2023</b>	<b>2022</b>
	\$	\$
Cash at bank	<b>1,306,743</b>	1,082,362
Petty cash	<b>2,564</b>	2,564
	<b><u>1,309,307</u></b>	<u>1,084,926</u>

The company's exposure to interest rate risk is disclosed in note 15. The maximum exposure to credit risk at the end of the reporting year is the carrying amount of each class of cash and cash equivalents.

*Accounting policy*

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities in the statement of financial position.

**NOTE 5: TRADE AND OTHER RECEIVABLES**

CURRENT	2023	2022
	\$	\$
Other receivables	2,723	23,091
GST paid	77,917	7,760
	<u>80,640</u>	<u>30,851</u>
NON-CURRENT		
Other receivables	<u>20,000</u>	<u>20,000</u>

Trade and other receivables are non-trade receivables, non-interest bearing and have an average term of 3 months and for GST generally received from the ATO in that time. The carrying amount is equivalent to their face value. No trade and other receivables and other receivables were impaired during the current year. The Company's exposure to risks arising from trade and other receivables is disclosed in Note 14.

*Accounting policy*

Trade and other receivables are recognised at fair value initially and subsequently measured at amortised cost using the effective interest method, less any provision for impairment. The classification is based on two criteria: The Company's business model for managing the assets; and whether the instruments' contractual cash flows represent 'solely payments of principal and interest' on the principal amount outstanding (the 'SPPI criteria'). Trade and other receivables met both criteria.

Trade receivables are generally due for settlement within 30 days.

*Impairment – Trade receivables*

The Company assesses on a forward-looking basis the expected credit loss associated with its trade and other receivables carried and other receivables carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade and other receivables, the Company applies the simplified approach permitted by AASB 9 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

**NOTE 6: OTHER ASSETS**

	2023	2022
	\$	\$
<b>Current</b>		
Prepayments	10,095	10,473
	<u>10,095</u>	<u>10,473</u>

**NOTE 7: EXPLORATION EXPENDITURE**

Balance at beginning of the year	1,437,459	1,052,883
Expenditure during the year	1,472,208	216,856
Shares issued for acquisition of projects(i)	90,000	-
Share issue for Lort River project	-	200,000
Written off exploration expenditure (ii)	(361,432)	(32,280)
	<u>2,638,236</u>	<u>1,437,459</u>

- (i) On 6 December 2022 Terrain issued 10,000,000 shares valued at \$70,000 for the successful acquisition of the outstanding 20% of the Smokebush project and Terrain also issued 1,428,571 shares and paid \$10,000 cash for the acquisition of Tenement E27/2700. In measuring the fair value of the exploration tenements acquired, management considers general accepted technical valuation methodologies and comparable transactions in determining the fair value. Due to the subjective nature of valuation with respect to the exploration tenements with limited exploration results, management have determined the consideration paid to be indicative of its value.
- (ii) The recoverability of the carrying amount of the exploration and evaluation assets is dependent upon the successful development and commercial exploitation, or alternatively, sale of the respective areas of interest. During the current and prior period, the Company has identified that there were assets where no exploration program can be justified, and the tenements should be relinquished and therefore capitalised expenditure allocated to these tenements was written off in accordance with AASB 6 'Exploration for and Evaluation of Mineral Resources'. The Board has approved the write down of \$361,431 due to tenement expiring and tenement pending (June 2022: \$32,280) during the financial period in the Statement of Profit or Loss and other Comprehensive Income.

*Accounting policy*

Exploration and evaluation expenditures in relation to each separate area of interest are recognised as an exploration and evaluation asset in the year in which they are incurred where the following conditions are satisfied:

- i) the rights to tenure of the area of interest are current; and
- ii) substantive expenditure on further exploration for and evaluation of mineral resources in the specific area is budgeted or planned; and
- iii) at least one of the following conditions is also met:



**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 JUNE 2023**

**NOTE 7: EXPLORATION EXPENDITURE (CONTINUED)**

*Accounting policy (continued)*

- (a) the exploration and evaluation expenditures are expected to be recouped through successful development and exploration of the area of interest, or alternatively, by its sale; or
- (b) exploration and evaluation activities in the area of interest have not, at the reporting date, reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves, and active and significant operations in, or in relation to, the area of interest are occurring.

Exploration and evaluation assets are initially measured at cost and include acquisition of rights to explore, studies, exploratory drilling, trenching and sampling and associated activities. General and administrative costs are only included in the measurement of exploration and evaluation costs where they are related directly to operational activities in a particular area of interest.

Exploration and evaluation assets are assessed for impairment when facts and circumstances suggest that the carrying amount of an exploration and evaluation asset may exceed its recoverable amount. The recoverable amount of the exploration and evaluation asset is estimated to determine the extent of the impairment loss (if any). Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in previous years.

*KEY JUDGEMENTS - EXPLORATION AND EVALUATION EXPENDITURE*

The company capitalises expenditure relating to exploration and evaluation where it is considered likely to be recoverable or where the activities have not reached a stage which permits a reasonable assessment of the existence of reserves. While there are certain areas of interest from which no reserves have been extracted, the directors are of the continued belief that such expenditure should not be written off since feasibility studies in such areas have not yet concluded.

**NOTE 8 FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME**

*(i) Classification of financial assets at fair value through other comprehensive income*

Financial assets at fair value through other comprehensive income (FVOCI) comprise of equity securities which are not held for trading, and which the Company has irrevocably elected at initial recognition to recognise in this category.

*(ii) Financial assets at fair value through other comprehensive income*

Financial assets at FVOCI comprise the following individual investments:

<b>Non-current</b>	<b>2023</b>	<b>2022</b>
	\$	\$
<b>Financial assets at fair value through other comprehensive income</b>		
<i>Opening balance</i>		
Red 5 Limited	<b>250,000</b>	665,000
<b>Financial assets at fair value through other comprehensive income</b>		
<i>Movement during the period</i>		
Proceeds from sale of financial assets at fair value	<b>(215,875)</b>	(667,750)
Gain/(loss) recognised in other comprehensive income	<b>(34,125)</b>	252,750
<b>Balance for the year ended 30 June 2023</b>	<b>-</b>	<b>250,000</b>

## TERRAIN MINERALS LIMITED

### NOTES TO THE FINANCIAL STATEMENTS

#### FOR THE YEAR ENDED 30 JUNE 2023

##### NOTE 8 FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME (CONTINUED)

- (i) On 6 April 2020, 11,542,498 Red 5 Limited ("Red 5") shares were issued to Terrain for the exercise of the option to purchase Great Western gold project at cost of \$2,200,000. The Red 5 shares have been disposed as follows:

	Gain on disposal for the financial year ended 30 Jun 2023		
	Net proceeds \$	Carrying value at 30 June 2023 \$	Loss \$
Sold in the full year ended 30 June 2023	215,875	(134,280)	(10,390)
	<b>215,875</b>	<b>(134,280)</b>	<b>(10,390)</b>

The loss recognised of \$10,390 for the financial year ended 30 June 2023 (30 June 2022: \$191,250) was disclosed as other comprehensive income as per AASB 9.

As the Company no longer hold and investment in Red 5 Ltd the balance as at 30 June 2023 is nil.

*(ii) Amounts recognised in other comprehensive income*

During the year, the following gains/(losses) were recognised in other comprehensive income.

	30 June 2023 \$	30 June 2022 \$
Gain/(loss) recognised in other comprehensive income	<b>(34,125)</b>	252,750

**NOTE 9: TRADE AND OTHER PAYABLES**

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
CURRENT		
Trade payables – unsecured	<b>480,602</b>	55,972
Other payables – unsecured	<b>9,040</b>	9,040
	<b>489,642</b>	65,012

All trade payables are non-interest bearing and are normally settled on 30-day terms. The Company's exposure to risks arising from trade and other payables is disclosed in Note 15. The carrying amounts of trade and other payables approximate the fair values.

*Accounting policy*

Trade and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the Company during the reporting period which remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

Provision is made for the Company's obligation for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service, including wages, salaries and sick leave. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

The Company's obligations for short-term employee benefits such as wages, salaries and sick leave are recognised as a part of current trade and other payables in the statement of financial position. The Company's obligations for employees' annual leave and long service leave entitlements are recognised as provisions in the statement of financial position.

# TERRAIN MINERALS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 30 JUNE 2023

#### NOTE 10: ISSUED CAPITAL

	2023 Number	2023 \$	2022 Number	2022 \$
Fully paid ordinary shares	1,083,199,307	23,123,664	760,761,009	21,285,504

Description	Date	Number of shares	Issue Price	\$
<b>2023</b>				
<b>Opening balance</b>	1 July 2022	<b>760,761,009</b>		<b>21,285,504</b>
Issued for tenements acquisition (i)	6 December 2022	10,000,000	\$0.007	70,000
Issued for tenements acquisition (ii)	6 December 2022	1,428,571	\$0.007	10,000
Placement	14 December 2022	133,333,333	\$0.006	800,000
Share Purchase Plan	6 February 2023	177,676,394	\$0.006	1,066,058
Less: transaction costs				(107,898)
<b>Closing balance</b>	30 June 2023	<b>1,083,199,307</b>		<b>23,123,664</b>

Description	Date	Number of shares	Issue Price	\$
<b>2022</b>				
<b>Opening balance</b>	1 July 2021	<b>735,761,009</b>		<b>21,087,791</b>
Issued for data on application of tenements	9 May 2022	25,000,000	\$0.008	200,000
Less: transaction costs				(2,287)
<b>Closing balance</b>	30 June 2022	<b>760,761,009</b>		<b>21,285,504</b>

- (i) On 6 December 2022 Terrain issued 10,000,000 shares valued at \$70,000 for the successful acquisition of the outstanding 20% of the Smokebush project.
- (ii) On 6 December Terrain issued 1,428,571 shares and paid \$10,000 cash for the acquisition of Tenement E27/2700.

#### Accounting policy

Ordinary shares are classified as equity. Mandatorily redeemable preference shares are classified as liabilities. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

## TERRAIN MINERALS LIMITED

### NOTES TO THE FINANCIAL STATEMENTS

#### FOR THE YEAR ENDED 30 JUNE 2023

##### NOTE 10: ISSUED CAPITAL (CONTINUED)

###### OPTIONS

As at reporting date, the Company has the following options on issue:

<b>2023</b>			
<b>Number</b>	<b>Exercise Price</b>	<b>Grant</b>	<b>Expiry</b>
3,000,000	\$0.0085	22 November 2018	22 November 2023
6,000,000	\$0.0065	20 November 2019	20 November 2024
16,000,000	\$0.0214	25 November 2020	25 November 2025
6,000,000	\$0.0150	7 December 2021	7 December 2026
4,000,000	\$0.0108	22 February 2023	24 February 2028
<b>35,000,000</b>			

Movements in the number of options on issue during the year are as follows:

<b>Description</b>	<b>2023</b>	<b>Weighted</b>	<b>2022</b>	<b>Weighted</b>
	<b>Number</b>	<b>Average</b>	<b>Number</b>	<b>Average</b>
		<b>Exercise Price</b>		<b>Exercise Price</b>
Options				
Opening balance	37,000,000	0.2439	43,000,000	0.2477
Issued during the year (i)	4,000,000	0.0108	6,000,000	0.015
Exercised during the year	-	-	-	-
Expired during the year	(6,000,000)	(0.0175)	(12,000,000)	(0.0188)
Balance at 30 June	35,000,000	0.2444	37,000,000	0.2439



**NOTE 10: ISSUED CAPITAL (CONTINUED)**

Options (valued at \$0.0051) were issued to a consultant were valued using Black Scholes with the below assumptions. The fair value of the services received was unable to be reliably measured and as such the value of services received was deemed to equal the value of equity instruments granted.

(i) :

<b>2023</b>	<b>Unlisted options</b>
Number of options in series	4,000,000
Grant date share price	\$0.0060
Exercise price	\$0.0108
Expected volatility	136%
Option life	5 years
Dividend yield	0.00%
Interest rate	3.96%
Total value	\$20,273

(i) Options (valued at \$0.0059) were issued to the Directors were valued using Black Scholes with the below assumptions:

<b>2022</b>	<b>Unlisted options</b>
Number of options in series	6,000,000
Grant date share price	\$0.008
Exercise price	\$0.015
Expected volatility	115%
Option life	5 years
Dividend yield	0.00%
Interest rate	1.35%
Total value	\$35,564

*Accounting policy*

The Company operates an employee share and option plan. Share-based payments to employees are measured at the fair value of the instruments issued and amortised over the vesting periods. Share-based payments to non-employees are measured at the fair value of goods or services received or the fair value of the equity instruments issued, if it is determined the fair value of the goods or services cannot be reliably measured and are recorded at the date the goods or services are received. The corresponding amount is recorded to the option reserve. The fair value of options is determined using the Black-Scholes pricing model. The number of shares and options expected to vest is reviewed and adjusted at the end of each reporting period such that the amount recognised for services received as consideration for the equity instruments granted is based on the number of equity instruments that eventually vest.

**NOTE 10: ISSUED CAPITAL (CONTINUED)****CAPITAL RISK MANAGEMENT**

The board controls the capital of the company in order to maintain a good debt to equity ratio, ensure the Company can fund its operations and continue as a going concern. The company's debt and capital include ordinary shares and financial liabilities.

Due to the nature of the Company's activities, being mineral exploration, the Company does not have ready access to credit facilities, with the primary source of funding being equity raisings. Therefore, the focus of the Company's capital risk management is the current working capital position against the requirements of the Company to meet exploration programmes and corporate overheads. The Company's strategy is to ensure appropriate liquidity is maintained to meet anticipated operating requirements, with a view to initiating appropriate capital raisings as required. The working capital position of the Company at 30 June 2023 and 30 June 2022 are as follows:

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
Cash and cash equivalents	<b>1,309,307</b>	1,084,926
Trade and other receivables	<b>90,735</b>	41,324
Trade and other payables	<b>(489,642)</b>	(65,012)
Working capital position	<b>910,400</b>	1,061,238

There are no externally imposed capital requirements. The board effectively manages the Company's capital by assessing the financial risks and adjusting its capital structure in response to changes in risks and in the market. These responses include the management of debt levels, distributions to shareholders and share issues.

**NOTE 11: RESERVES AND ACCUMULATED LOSSES**

**(A) RESERVE**

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
<b>Option Reserve</b>		
Opening balance	1,824,315	1,788,751
Option expenses (refer Note 12)	20,273	35,564
Closing balance	<u>1,844,588</u>	<u>1,824,315</u>
<b>Fair value other comprehensive income Reserve</b>		
Opening balance	623,655	370,905
Fair value of sale of Red 5 shares (refer Note 8)	(34,125)	252,750
Transfer of reserve	(589,530)	-
Closing balance	<u>-</u>	<u>623,655</u>
	<u>1,844,588</u>	<u>2,447,970</u>

**(B) ACCUMULATED LOSSES**

Opening balance	(20,964,855)	(20,386,397)
Net loss for the year	(1,024,291)	(578,458)
Transfer of reserve	589,530	-
Closing balance	<u>(21,399,616)</u>	<u>(20,964,855)</u>

**(C) NATURE AND PURPOSE OF OTHER RESERVES**

**SHARE - BASED PAYMENTS**

The share-based payments reserve is used to recognise:

- the grant date fair value of options issued to employees but not exercised
- the grant date fair value of shares issued to employees

**FAIR VALUE OTHER COMPREHENSIVE INCOME RESERVE (FVOCI)**

The FVOCI reserve is used to recognise:

- the gain/loss on sale of fair values assets
- the valuation of fair value assets at balance date

## TERRAIN MINERALS LIMITED

### NOTES TO THE FINANCIAL STATEMENTS

#### FOR THE YEAR ENDED 30 JUNE 2023

##### NOTE 12: EARNINGS PER SHARE

	2023	2022
	\$	\$
(Loss)/profit used to calculate basic EPS	<b>(1,024,291)</b>	(578,458)
(Loss)/profit used in calculation of dilutive EPS	<b>(1,024,291)</b>	(578,458)
Weighted average number of ordinary shares outstanding during the year used in calculating basic EPS		
	NUMBER	NUMBER
Weighted average number of ordinary shares outstanding during the year - No. used in calculating basic EPS	<b>861,363,894</b>	712,488,041
Weighted average number of ordinary shares outstanding during the year - No. used in calculating diluted EPS	<b>861,363,894</b>	712,488,041
	<b>2023</b>	2022
	\$	\$
Total basic (loss)/profit per share attributable to the ordinary equity holders of the Company (cents)	<b>(0.12)</b>	(0.08)
Total diluted (loss)/profit per share attributable to the ordinary equity holders of the Company (cents)	<b>(0.12)</b>	(0.08)

##### Accounting policy

Basic earnings per share is calculated by dividing the profit attributable to owners of the company, excluding any costs of servicing equity other than ordinary shares by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the year and excluding treasury shares. Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares, and the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.

##### NOTE 13: CAPITAL AND LEASING COMMITMENTS

###### CAPITAL EXPENDITURE COMMITMENTS

	2023	2022
	\$	\$
Payable:		
- not later than 12 months	<b>136,600</b>	142,440
- between 12 months and 5 years	<b>1,626,900</b>	1,495,760
- greater than 5 years	-	-
	<b>1,763,500</b>	1,638,200

**NOTE 14: FINANCIAL RISK MANAGEMENT**

Financial instruments consist mainly of deposits with banks, trade and other receivables, trade and other payables.

The totals for each category of financial instruments, measured in accordance with AASB 9 as detailed in the accounting policies to these financial statements, are as follows:

	NOTE	2023 \$	2022 \$
<b>FINANCIAL ASSETS</b>			
Cash and cash equivalents	4	<b>1,309,307</b>	1,084,926
<b>TOTAL FINANCIAL ASSETS</b>		<b>1,309,307</b>	1,084,926
<b>FINANCIAL LIABILITIES</b>			
Trade and other payables	9	<b>489,641</b>	65,012
Lease liability		-	950
<b>TOTAL FINANCIAL LIABILITIES</b>		<b>489,641</b>	65,962

The carrying amounts of these financial instruments approximate their fair values.

**FINANCIAL RISK MANAGEMENT POLICIES**

Exposure to key financial risks is managed in accordance with the Company's risk management policy with the objective to ensure that the financial risks inherent in mineral exploration activities are identified and then managed or kept as low as reasonably practicable.

The main financial risks that arise in the normal course of business are market risk (including currency risk, interest rate risk and price risk), credit risk and liquidity risk. Different methods are used to measure and manage these risk exposures. Liquidity risk is monitored through the ongoing review of available cash and future commitments for exploration expenditure. Exposure to liquidity risk is limited by anticipating liquidity shortages and ensures capital can be raised in advance of shortages. Interest rate risk is managed by limiting the amount interest bearing loans entered into by the Company. It is the Board's policy that no speculative trading in financial instruments be undertaken so as to limit exposure to price risk.

Primary responsibility for identification and control of financial risks rests with the Board. The Board is apprised of these risks from time to time and agrees any policies that may be undertaken to manage any of the risks identified.

The carrying values less the impairment allowance for receivables and payables are assumed to approximate fair values due to their short-term nature. Cash and cash equivalents are subject to variable interest rates.

**NOTE 14: FINANCIAL RISK MANAGEMENT (CONTINUED)**

**SPECIFIC FINANCIAL RISK EXPOSURES AND MANAGEMENT**

**(A) CREDIT RISK**

Exposure to credit risk relating to financial assets arises from the potential non-performance by counter parties of contract obligations that could lead to a financial loss to the Company.

The Company has no customers and consequently no significant exposure to bad debts or other credit risks.

With respect to credit risk arising from financial assets, which comprise cash and cash equivalents and receivables, the exposure to credit risk arises from default of the counter party, with a maximum exposure equal to the carrying amount of these instruments. At reporting date cash and deposits were held with National Australia Banking Corporation, which has a AA- credit rating.

**(B) LIQUIDITY RISK**

Liquidity risk arises from the possibility that the Company might encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities.

Prudent liquidity risk management implies maintaining sufficient cash reserves to meet the ongoing operational requirements of the business. It is the Company's policy to maintain sufficient funds in cash and cash equivalents. Furthermore, the Company monitors its ongoing research and development cash requirements and raises equity funding as and when appropriate to meet such planned requirements. The Company has no undrawn financing facilities. Trade and other payables, the only financial liability of the Company, are due within 3 months.

The tables below reflect an undiscounted contractual maturity analysis for financial liabilities.

Cash flows realised from financial assets reflect management's expectation as to the timing of realisation. Actual timing may therefore differ from that disclosed. The timing of cash flows presented in the table to settle financial liabilities reflects the earliest contractual settlement dates and does not reflect management's expectations that banking facilities will be rolled forward.



NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2023

NOTE 14: FINANCIAL RISK MANAGEMENT (CONTINUED)

FINANCIAL LIABILITY AND FINANCIAL ASSET MATURITY ANALYSIS	WITHIN 1 YEAR		1 TO 5 YEARS		TOTAL CONTRACTUAL CASH FLOW	
	2023	2022	2023	2022	2023	2022
	\$	\$	\$	\$	\$	\$
<b>FINANCIAL LIABILITIES</b>						
<b>DUE FOR PAYMENT</b>						
Trade and other payables	489,641	65,012	-	-	489,641	65,012
Lease liability	489,641	950	-	-	489,641	950
Total contractual outflows	489,641	65,962	-	-	489,641	65,962
Total expected outflows	489,641	65,962	-	-	489,641	65,962
<b>FINANCIAL ASSETS - CASH FLOWS REALISABLE</b>						
Trade and other receivables	80,640	30,851	-	-	80,640	30,851
Total anticipated inflows	80,640	30,851	-	-	80,640	30,851

(c) MARKET RISK

*i. Interest rate risk*

The company's cash-flow interest rate risk primarily arises from cash at bank and deposits subject to market bank rates. At reporting date, the company does not have any borrowings. The Company does not enter into hedges. An increase/ (decrease) in interest rates by 1% during the whole of the respective periods would have led to an increase/ (decrease) in both equity and losses of less than \$10,000. 1% was thought to be appropriate because it represents four 0.25 basis point rate rises/falls, which is appropriate in the recent economic climate.

*ii. Price risk*

Price risk relates to the risk that the commodity price of the underlying resource being targeted by the Company's exploration activities could fluctuate. Management does not currently hedge nor participate in diversification of the type of minerals explored for in an attempt to mitigate the price risk.

Price risk also relates to the risk that share price can fluctuate and where assets are held in shares, as tradeable on a recognisable exchange, then the price of these shares and therefore the value of the assets can fluctuate.

NOTE 15: OPERATING SEGMENTS

Terrain has determined that the Company has one reportable segment, being mineral exploration. As the Company is focused on mineral exploration, the Board monitors the Company based on actual versus budgeted revenues and expenditure incurred by area of interest. This internal reporting framework is the most relevant to assist the Board with making decisions regarding the Company and its ongoing exploration activities, while also taking into consideration the results of exploration work that has been performed to date.

*Accounting policy*

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the strategic steering committee.

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 JUNE 2023**

**NOTE 16: INTERESTS OF KEY MANAGEMENT PERSONNEL/RELATED PARTIES**

Refer to the Remuneration Report contained in the Directors' Report for details of the remuneration paid or payable to each member of Terrain key management personnel for the year ended 30 June 2023.

The totals of remuneration paid to key management personnel of the Company during the year are as follows:

	<b>2023</b>	<b>2022</b>
	\$	\$
Short-term employee benefits	<b>250,000</b>	250,000
Post-employment benefits	<b>26,250</b>	25,000
Share-based payments	-	35,564
	<b>276,250</b>	<b>310,564</b>

**OTHER KEY MANAGEMENT PERSONNEL TRANSACTIONS**

<b>Other Key Management Personnel Transactions</b>	<b>2023</b>	<b>2022</b>
	\$	\$
Payments to director-related parties:		
Bradley Geoscience Pty Ltd (i)	<b>26,250</b>	6,000

- (i) The payments were made to Bradley Geoscience Pty Ltd, a company of which Trevor Bradley is a director. The payments were for geological services is on an arm's length basis. Trevor Bradley resigned as a Director on 22 February 2023 and there was no outstanding amount owing.

**NOTE 17: AUDITOR'S REMUNERATION**

	<b>2023</b>	<b>2022</b>
	\$	\$
Remuneration of the auditor of the company for:		
BDO Audit (WA) Pty Ltd - auditing or reviewing the financial report	<b>39,113</b>	<b>38,001</b>
	<b>39,113</b>	<b>38,001</b>

**NOTE 18: CONTINGENT LIABILITIES AND CONTINGENT ASSETS**

- Wilsons Patch (P37/8521).** On 2 December 2019 Terrain entered into an agreement with the owners of Wilson Patch that gives Terrain the rights to all minerals (including gold) as well as the right to explore and mine. Terrain paid no upfront payment, as the vendors will only receive a payment from production of \$1.92c per tonne of ore milled, and vendors maintain prospecting rights over the top two meters. The Wilsons Patch Tenement was amalgamated into E37/1214 during 2023 and the same agreement is still valid over the P37/8521 area only.
- Smokebush JV Tenements (P59/2125, 2126, 2127, 2128 and E59/2234).** Terrain executed a purchase agreement to secure the outstanding 20% not already owned and also cancelled the existing royalties. Terrain has secured 100% ownership of the JV areas, which have a new 1% Net Smelter Royalty (NSR; standard royalty definitions) on the first 100,000 ounces of gold or to the equivalent value on other minerals. **Refer to ASX announcement:** 2 December 2022 Acquisition Smokebush JV Tenement now 100% owned.  
As at reporting date, there are no other contingent liabilities or known contingent assets.

## TERRAIN MINERALS LIMITED

### NOTES TO THE FINANCIAL STATEMENTS

#### FOR THE YEAR ENDED 30 JUNE 2023

##### NOTE 19 CASH FLOW INFORMATION

###### (A) RECONCILIATION OF CASH FLOW FROM OPERATIONS WITH LOSS AFTER INCOME TAX

	2023	2022
	\$	\$
Net (loss)/profit for the year	(1,024,291)	(578,458)
Other income		
Non-cash items in profit/(loss)		
Share based payments	20,273	35,564
Exploration written off	361,432	32,280
Depreciation	1,914	11,481
Changes in assets and liabilities		
(Increase)/decrease in trade and term receivables	(48,036)	21,918
(Increase)/decrease in prepayments	378	(118)
Increase/(decrease) in trade payables and accruals	230,692	10,865
<b>Net cash used in operating activities</b>	<b>(475,638)</b>	<b>(466,468)</b>

###### (B) NON-CASH INVESTING AND FINANCING ACTIVITIES

During the year ended 30 June 2023 the following non-cash investing activities (30 June 2022: \$200,000):

- (i) The Company issued 10,000,000 shares valued at \$70,000 for the successful acquisition of the outstanding 20% of the Smokebush project; and
- (ii) Issued 1,428,571 shares for the acquisition of Tenement E27/2700.

##### NOTE 20: EVENTS AFTER THE END OF THE REPORTING DATE

On 13 September 2023 the Company announced a placement to institutional and sophisticated investors to raise \$785,000 (before costs) through the issue of 174,444,451 shares at an issue price of \$0.0045 each, together with one free-attaching option for every two (2) Placement Shares subscribed for and issued, split between 50% of the options exercisable at \$0.009 and expiring 20 January 2024 and 50% of the options exercisable at \$0.015 and expiring 20 May 2024. The Placement Shares and Options are expected to be issued on or around 20 September 2023.

In conjunction with the Placement, the Company is undertaking a pro-rata non-renounceable entitlement issue of one share for every eight shares held by eligible shareholders at an issue price of \$0.005 each to raise up to \$786,027, together with one free-attaching option for every two (2) New Shares subscribed for and issued, split between 50% of the options exercisable at \$0.009 and expiring 20 January 2024 and 50% of the options exercisable at \$0.015 and expiring 20 May 2024 and one free-attaching share for every nine (9) New Shares subscribe for and issued.

Other than matters disclosed above there are no matters or circumstances have arisen since the end of the financial year which significantly affected or could significantly affect the operations of the company, the results of those operations or the state of affairs of the Company in future financial years.

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 JUNE 2023**

**NOTE 21: OTHER ACCOUNTING POLICIES**

**(A) GOODS AND SERVICES TAX (GST)**

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the taxation authority, are presented as operating cash flows

**(B) CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS**

The directors evaluate estimates and judgments incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the company.

*KEY ESTIMATES – IMPAIRMENT*

The future recoverability of capitalised exploration and evaluation expenditure is dependent on a number of factors, including whether the Company decides to exploit the related lease itself or, if not, whether it successfully recovers the related exploration and evaluation asset through sale.

Factors that could impact the future recoverability include the level of Ore Reserves and Mineral Resources, future technological changes, costs of drilling and production, production rates, future legal changes (including changes to environmental restoration obligations) and changes to commodity prices. As at 30 June 2022, the carrying value of capitalised exploration and evaluation is \$2,638,236 (2022: \$1,437,459)

*KEY JUDGEMENTS - SHARE-BASED PAYMENT TRANSACTIONS*

The Company has made the judgement to recognise the payable or contingent liability relating royalties' payable on certain tenements. A judgment was made that these agreements did not meet the liability recognition criteria and should therefore be recognised as a contingent liability.

*KEY JUDGEMENTS – CONTINGENT LIABILITIES*

The Company has made the judgement to not recognise the payable or contingent liability relating royalties' payable on certain tenements. A judgment was made that these agreements did not meet the contingent liability recognition criteria.

*KEY JUDGEMENTS – TAXATION*

Balances disclosed in the financial statements and the notes thereto, related to taxation, and are based on the best estimates of Directors. These estimates take into account both the financial performance and position of the Company as they pertain to current income taxation legislation, and the Directors understanding thereof. No adjustment has been made for pending or future taxation legislation. The current income tax position represents the Directors' best estimate, pending an assessment by tax authorities in relevant jurisdictions.

**NOTE 21: OTHER ACCOUNTING POLICIES (CONTINUED)**

**B) CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS (CONTINUED)**

*KEY JUDGEMENTS – LEASES*

Where the interest rate implicit in a lease cannot be readily determined, an incremental borrowing rate is estimated to discount future lease payments to measure the present value of the lease liability at the lease commencement date. Such a rate is based on what the entity estimates it would have to pay a third party to borrow the funds necessary to obtain an asset of a similar value to the right-of-use asset, with similar terms, security and economic environment.

**(C) ADOPTION OF NEW AND REVISED STANDARDS AND CHANGE IN ACCOUNTING STANDARDS**

**Early adoption of accounting standards**

The Company has not elected to apply any pronouncements before their operative date in the annual reporting year beginning 1 July 2023.

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2022 reporting periods and have not been early adopted by the Company. The Company's assessment of the impact of these new standards is that they are not expected to have a material impact on the Group in the current or future periods.

**New and amended standards adopted by the Company**

The Company has adopted no new or amended standards became applicable for the current reporting period.

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 JUNE 2023**

**NOTE 22: FAIR VALUE MEASUREMENT**

This note provides an update on the judgements and estimates in determining the fair values of the financial instruments since the last annual financial report.

**Fair Value Hierarchy**

To provide an indication about the reliability of the inputs used in determining fair value. The Group classifies its financial instruments into the three levels prescribed under accounting standards. An explanation of each level follows underneath the table.

The following table presents the Group's financial assets and financial liabilities measured and recognised at fair value.

	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
<b>As at 30 June 2023</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Financial assets as FVOCI – Equity Securities</b>	-	-	-	-
<b>As at 30 June 2022</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Financial assets as FVOCI – Equity Securities</b>	250,000	-	-	250,000

There were no transfers between levels during the year. The Group's policy is to recognise transfers into and out of the fair value hierarchy levels at balance date.

The fair value of the financial assets and liabilities held by the Group must be estimated for recognition, measurement and /or disclosure purposes. The Group measures fair value by level, per the following fair value measurement hierarchy:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2: inputs other than quoted prices included within level 1 that are observable for the asset or the liability, either directly (as prices) or indirectly (derived from prices); and
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).



**TERRAIN MINERALS LIMITED**

**DIRECTORS' DECLARATION**

**FOR THE YEAR ENDED 30 JUNE 2023**

The Directors declare that:

- (a) in the Directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable;
- (b) the financial statements and accompanying notes are prepared in compliance with International Financial Reporting Standards and interpretations adopted by the International Accounting Standards Board;
- (c) in the Directors' opinion, the attached financial statements and notes thereto are in accordance with the Corporations Act 2001, other mandatory professional reporting requirements including compliance with accounting standards and giving a true and fair view of the financial position and performance of the Company; and
- (d) the Directors have been given the declarations required by s.295A of the Corporations Act 2001.

Signed in accordance with a resolution of the Directors made pursuant to s.295(5) of the Corporations Act 2001.



Justin Virgin  
Executive Director  
Dated: 20 September 2023

## INDEPENDENT AUDITOR'S REPORT

To the members of Terrain Minerals Limited

### Report on the Audit of the Financial Report

#### Opinion

We have audited the financial report of Terrain Minerals Limited (the Company), which comprises the statement of financial position as at 30 June 2023, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial report, including a summary of significant accounting policies, and the directors' declaration.

In our opinion the accompanying financial report of Terrain Minerals Limited, is in accordance with the *Corporations Act 2001*, including:

- (i) Giving a true and fair view of the Company's financial position as at 30 June 2023 and of its financial performance for the year ended on that date; and
- (ii) Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

#### Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report. We are independent of the Company in accordance with the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's *APES 110 Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Material uncertainty related to going concern

We draw attention to Note 1 in the financial report which describes the events and/or conditions which give rise to the existence of a material uncertainty that may cast significant doubt about the entity's ability to continue as a going concern and therefore the entity may be unable to realise its assets and discharge its liabilities in the normal course of business. Our opinion is not modified in respect of this matter.

## Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the *Material uncertainty related to going concern* section, we have determined the matters described below to be the key audit matters to be communicated in our report.

### Carrying value of exploration and evaluation expenditure

<i>Key audit matter</i>	<i>How the matter was addressed in our audit</i>
<p>As disclosed in Note 7 to the financial report, the carrying value of capitalised exploration and evaluation expenditure represents a significant asset of the Company.</p> <p>In accordance with AASB 6 Exploration for and Evaluation of Mineral Resources (AASB 6), the recoverability of exploration and evaluation expenditure requires significant judgment by management in determining whether there are any facts or circumstances that exist to suggest that the carrying amount of this asset may exceed its recoverable amount. As a result, this is considered a key audit matter.</p>	<p>Our procedures included, but were not limited to:</p> <ul style="list-style-type: none"> <li>• Obtaining a schedule of the areas of interest held by the Company and assessing whether the rights to tenure of those areas of interest remained current at balance date;</li> <li>• Considering the status of the ongoing exploration programmes in the respective areas of interest by holding discussions with management, and reviewing the Company’s exploration budgets, ASX announcements and directors’ minutes;</li> <li>• Considering whether any such areas of interest had reached a stage where a reasonable assessment of economically recoverable reserves existed;</li> <li>• Considering whether any facts or circumstances existed to suggest impairment testing was required; and</li> <li>• Assessing the adequacy of the related disclosures in Note 7 to the Financial Report.</li> </ul>



### **Other information**

The directors are responsible for the other information. The other information comprises the information in the Company's annual report for the year ended 30 June 2023, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Responsibilities of the directors for the Financial Report**

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the Financial Report**

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website (<http://www.auasb.gov.au/Home.aspx>) at:

[https://www.auasb.gov.au/admin/file/content102/c3/ar2\\_2020.pdf](https://www.auasb.gov.au/admin/file/content102/c3/ar2_2020.pdf)

This description forms part of our auditor's report.



## **Report on the Remuneration Report**

### **Opinion on the Remuneration Report**

We have audited the Remuneration Report included in pages 32 to 39 of the directors' report for the year ended 30 June 2023.

In our opinion, the Remuneration Report of Terrain Minerals Limited, for the year ended 30 June 2023, complies with section 300A of the *Corporations Act 2001*.

### **Responsibilities**

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

**BDO Audit (WA) Pty Ltd**

BDO  


**Jarrad Prue**

**Director**

Perth

20 September 2023

**Corporate Governance**

The Company's 2023 Corporate Governance Statement is contained in the 'Corporate Governance' section of the Company's website at [www.terrainminerals.com.au](http://www.terrainminerals.com.au)

**ADDITIONAL ASX INFORMATION**

**FOR THE YEAR ENDED 30 JUNE 2023**

The shareholder information set out below was applicable as at 23 August 2023.

**1. Quotation**

Listed securities in Terrain Minerals Limited are quoted on the Australian Securities Exchange under ASX code TMX (Fully Paid Ordinary Shares).

**2. Voting Rights**

All issued ordinary shares carry one vote per share. There are no voting rights attached to options on issue.

**3. Distribution of Shareholders**

**(i) Fully Paid Ordinary Shares**

Range	Holders	Units	%
1 – 1,000	50	11,551	0.00
1,001 – 5,000	22	74,408	0.01
5,001 – 10,000	36	333,060	0.03
10,001 – 100,000	397	22,485,210	2.08
100,001 Over	632	1,060,295,078	97.89
<b>Total</b>	<b>1,137</b>	<b>1,083,199,307</b>	<b>100.00</b>

On 23 August 2023, there were 436 holders of unmarketable parcels of less than 90,910 ordinary shares (based on the closing share price of \$0.0055).

**(ii) Unlisted Securities**

At 23 August 2023, the Company has on issue 35,000,000 unlisted options over ordinary shares. The names of security holders holding more than 20% of an unlisted class of security are listed below.

Holder	Unlisted Options \$0.0085 22/11/2023	Unlisted Options \$0.0065 20/11/2024	Unlisted Options \$0.0214 25/11/2025	Unlisted Options \$0.015 7/12/2026	Unlisted Options \$0.0108 24/2/2028
Mr Justin Anthony Virgin <J Virgin T/A Stockfeed A/C>	-	4,000,000	8,000,000	6,000,000	-
Mr Benjamin Bell	3,000,000	2,000,000	-	-	4,000,000
Mr Xavier Braud	-	-	4,000,000	-	-
Mr Johannes Lin	-	-	4,000,000	-	-
<b>Total</b>	<b>3,000,000</b>	<b>6,000,000</b>	<b>16,000,000</b>	<b>6,000,000</b>	<b>4,000,000</b>



**ADDITIONAL ASX INFORMATION**

**FOR THE YEAR ENDED 30 JUNE 2023**

**4. Substantial Shareholders**

The Company has received the following substantial shareholders notices at 23 August 2023:

Name: Mr Jonathan Lim  
 Holder of: 67,648,712 fully paid ordinary shares, representing 6.25%  
 Notice Received: 1 September 2020

Name: Gerard C Toscan Management Pty Limited & Ringwood Management Pty Limited  
 Holder of: 93,100,000 fully paid ordinary shares, representing 8.59%  
 Notice Received: 20 July 2023

Name: Mr Justin Antony Virgin <J Virgin T/A Stockfeed A/C>, Virgin Pty Ltd <VL S/F A/C>, Virgin Pty Ltd  
 Holder of: 54,500,000 fully paid ordinary shares, representing 5.03%  
 Notice Received: 13 April 2023

**5. Restricted Securities**

At 23 August 2022, there was no ordinary fully paid shares subject to escrow.

**6. On market buy-back**

There is currently no on market buy back in place.

**7. Twenty Largest Shareholders**

The twenty largest shareholders of the Company's quoted securities as at 23 August 2023 are as follows:

Holder	Units	%
GERARD C TOSCAN MANAGEMENT PTY LIMITED <GERARD C TOSCAN FAM NO 2 A/C>	65,100,000	6.01
JOHN WARDMAN & ASSOCIATES PTY LTD <WARDMAN SUPER FUND A/C>	40,150,000	3.71
MR JOHANNES LIN	33,411,223	3.08
MR KENG HOCK JONATHAN LIM	33,001,781	3.05
MR JUSTIN ANTHONY VIRGIN <J VIRGIN T/A STOCKFEED A/C>	31,000,000	2.86
DRYCA PTY LTD <DRYCA EMPLOYEES RET/F A/C>	28,500,000	2.63
RINGWOOD MANAGEMENT PTY LIMITED <RINGWOOD SUPER FUND A/C>	28,000,000	2.58
MR JONATHAN KENG HOCK LIM	26,564,081	2.45
MR KYLE DOUGLAS SHIELDS <SHIELDS CHILDREN FAMILY A/C>	23,000,000	2.12
MR MARK ANDREW TKOCZ	21,250,000	1.96
VIRGIN PTY LTD <VL S/F A/C>	16,500,000	1.52
ARMCO BARRIERS PTY LTD	16,000,000	1.48
MR JOHANNES Y LIN	15,451,548	1.43
MS DENISE ELAINE {WATTS-BUTLER}	15,000,000	1.38
SAFEHANDZ PTY LTD <AURUM NOMINEES A/C>	14,500,000	1.34
VAN AM MARKETING PTY LTD	14,285,740	1.32
CITICORP NOMINEES PTY LIMITED	11,912,596	1.10
MRS JENNIFER MAY BASSETT + MR STUART WENDELL BASSETT <NABIACP/L S&JBASSETT S/F A/C>	10,000,000	0.92
MR JOHN WARDMAN	9,100,000	0.84
MR GEOFFREY GUILD HILL	9,000,000	0.83
<b>Total</b>	<b>461,726,969</b>	<b>42.63</b>

**8. Tenement Listing**

The Company has an interest in the following tenements:

<b>Project</b>	<b>Tenement</b>	<b>Status</b>	<b>Interest</b>
Wild Viper	E37/1214	Granted	100%
Smokebush	E59/2435	Granted	100%
Smokebush	E59/2482	Granted	100%
Smokebush	E59/2274	Granted	100%
Smokebush	E59/2234	Granted	100%
Smokebush	P59/2125	Granted	100%
Smokebush	P59/2126	Granted	100%
Smokebush	P59/2127	Granted	100%
Smokebush	P59/2128	Granted	100%
Smokebush	E59/2700	Granted	100%
Smokebush	P59/2275	Application	100%
Smokebush	P59/2822	Granted	100%
Lort River	E63/2007	Granted	100%
Lort River	E63/2008	Granted	100%
Lort River	E63/2009	Granted	100%
Mukka	E70/6352	Application	100%
Mukka	E70/6380	Application	100%
Mukka	E70/6381	Application	100%
Mukka	E70/6382	Application	100%
Mukka	E70/6383	Application	100%
Mukka	E70/6384	Application	100%
Mukka	E77/3043	Application	100%
Biloela	EPM/28717	Application	100%
Biloela	EPM/28718	Application	100%
Biloela	EPM/28719	Application	100%
Biloela	EPM/28720	Application	100%
Biloela	EPM/28721	Application	100%
Biloela	EPM/28722	Application	100%
Biloela	EPM/28723	Application	100%
Biloela	EPM/28835	Application	100%
Biloela	EPM/28836	Application	100%
Biloela	EPM/28837	Application	100%
Biloela	EPM/28839	Application	100%
Bassit Bore	E09/2765	Application	100%
Bassit Bore	E09/2766	Application	100%
Carlindie	E45/6522	Application	100%
Carlindie	E45/6523	Application	100%
Carlindie	E45/6524	Application	100%
Carlindie	E45/6525	Application	100%

**Competent Person's Statements**

The information in this report that relates to Exploration Results are based on information compiled by Mr. B. Bell, who is a Member of the Australian Institute of Geoscientists and is a consultant retained by Terrain Minerals Ltd. Mr Bell is a shareholder and options holder of Terrain Minerals Ltd. Mr Bell 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. Bell consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The information in this report that relates to Exploration Results are based on information compiled by Mr. Xavier Braud, who is a Member of the Australian Institute of Geoscientists and is a member of the board of Terrain Minerals Ltd. Mr Braud is a shareholder and options holder of Terrain Minerals Ltd. Mr Braud 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. Braud consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.