ASX RELEASE

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ASX: TMX

JORC 2012 Resource Upgrade at Great Western

Terrain Minerals Ltd (ASX: TMX) is pleased to announce an updated mineral resource estimate for the Great Western (GW) gold deposit. This update includes the most recent drilling results and provides additional confidence in the resource.

Reverse Circulation (RC) drilling completed in December 2016 has been added to the new model with the results providing support to the continuity of the mineralised zones in the upper levels as well as the eastern end of the Deposit. Also, the nearer to surface drilling was used in conjunction with a review of previous logging to enable a defensible interpretation of the position of the underground stopes. As a result, the GW model is now even more robust than before. The mineral resource, adjusted to the recent mining scoping studies, is shown in the following Table.

Reportable Mineral Resource

Great Western Deposit Reportable in situ Mineral Resource depleted for mining						
	Open Cut (0.5g/t)		**Underground (1.5g/t)**		**Combined**	
Class	Tonnes	Au g/t	Tonnes	Au g/t	Tonnes	Au g/t
Measured	131,000	2.58			131,000	2.58
Indicated	332,000	**3.15**	17,000	4.03	349,000	3.19
Inferred	128,000	1.45	101,000	2.89	229,000	2.08
TOTAL	**591,000**	**2.65**	**118,000**	**3.05**	**709,000**	**2.72**

The tonnes have been rounded to the nearest 1000 - See resource details in Appendix 1

In comparison to the previous reported mineral resource (ASX Release 24 August 2015) at the same cut-offs there is a significant increase in the amount of material which has the potential to be included in an open cut mining scenario. There is also a significant increase in the Measured and Indicated component of the reportable resource.

In the above table under open cut there was an increase of 41,000 tons in the Measured category with the grade lifting from 2.35g/t to 2.58g/t and an increase of 166,000 tons in the Indicated category with grade lifting from 2.63 g/t to 3.15g/t.

In the first table the mineral resource is reported above and below 120m from surface to reflect respectively areas within the model with potential for open cut and underground mining, additional economic studies are required to demonstrate economic viability.

The reporting of the depth of open cut potential (20m more than previously reported) is the result of a preliminary mining scope study based on the previous 2015 mineral resource. This study on all material within the 2015 model used industry costs for transport, mining and processing and appropriate processing parameters related to similar styles of mineralisation. The mining depletion utilised the aforementioned stope model which equates to the previous production tonnage.

Previous JORC 2012 Table: ASX Release 24 August 2015

Great Western Deposit Reportable in situ Mineral Resource depleted for mining						
	Open Cut (0.5g/t)		**Underground (1.5g/t)**		**Combined**	
Class	Tonnes	Au g/t	Tonnes	Au g/t	Tonnes	Au g/t
Measured	90,000	2.35			90,000	2.35
Indicated	166,000	2.63	77,000	3.15	243,000	2.80
Inferred	183,000	1.86	153,000	4.72	336,000	3.16
TOTAL	**439,000**	**2.25**	**230,000**	**4.20**	**669,000**	**2.92**

The tonnes have been rounded to the nearest 1000

What Now for Great Western:

The new data will be added to the ongoing prefeasibility study, and completed by CSA Global. After the successful drilling program and JORC 2012 update which have added significant value, Terrain will look at all development options, including:

- Proceeding to develop and mine GW in its own right & continue regional exploration for similar style deposits on Terrain's highly prospective tenement package
- Joint venture mining proposals – various models have been proposed
- The full or partial sale of GW

Terrain will discuss these options with all ASX listed parties whom have signed confidentiality agreements with before deciding on the best pathway forwards.

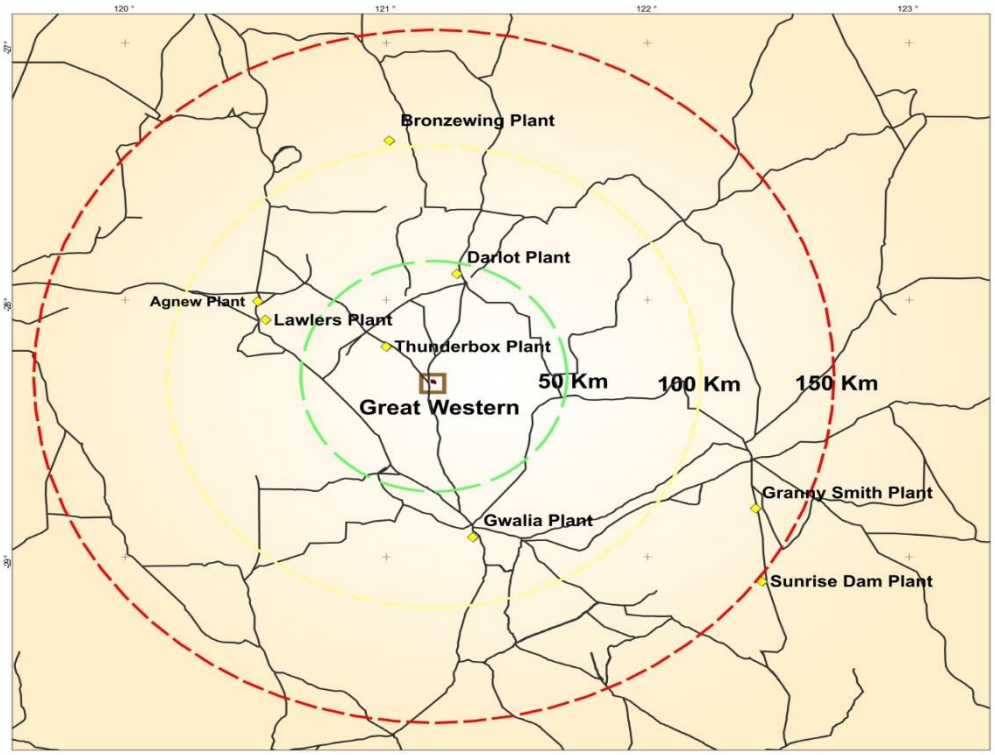

Diagram 1. Great Western location and processing facilities in the area.

About Great Western:

The 100% owned project is Located 68 km north of Leonora and 1km from the Goldfields Highway on Weebo pastoral leases and forms part of the historic Wilsons Patch mining area. Terrain has previously held this project and considers it as an advanced opportunity which is possibly still open at depth. Further regional exploration has the potential to expand the mine life of the current mining plan. Terrain has started to examine historic data along the east west cutting sheer zones as seen in Diagram 3.

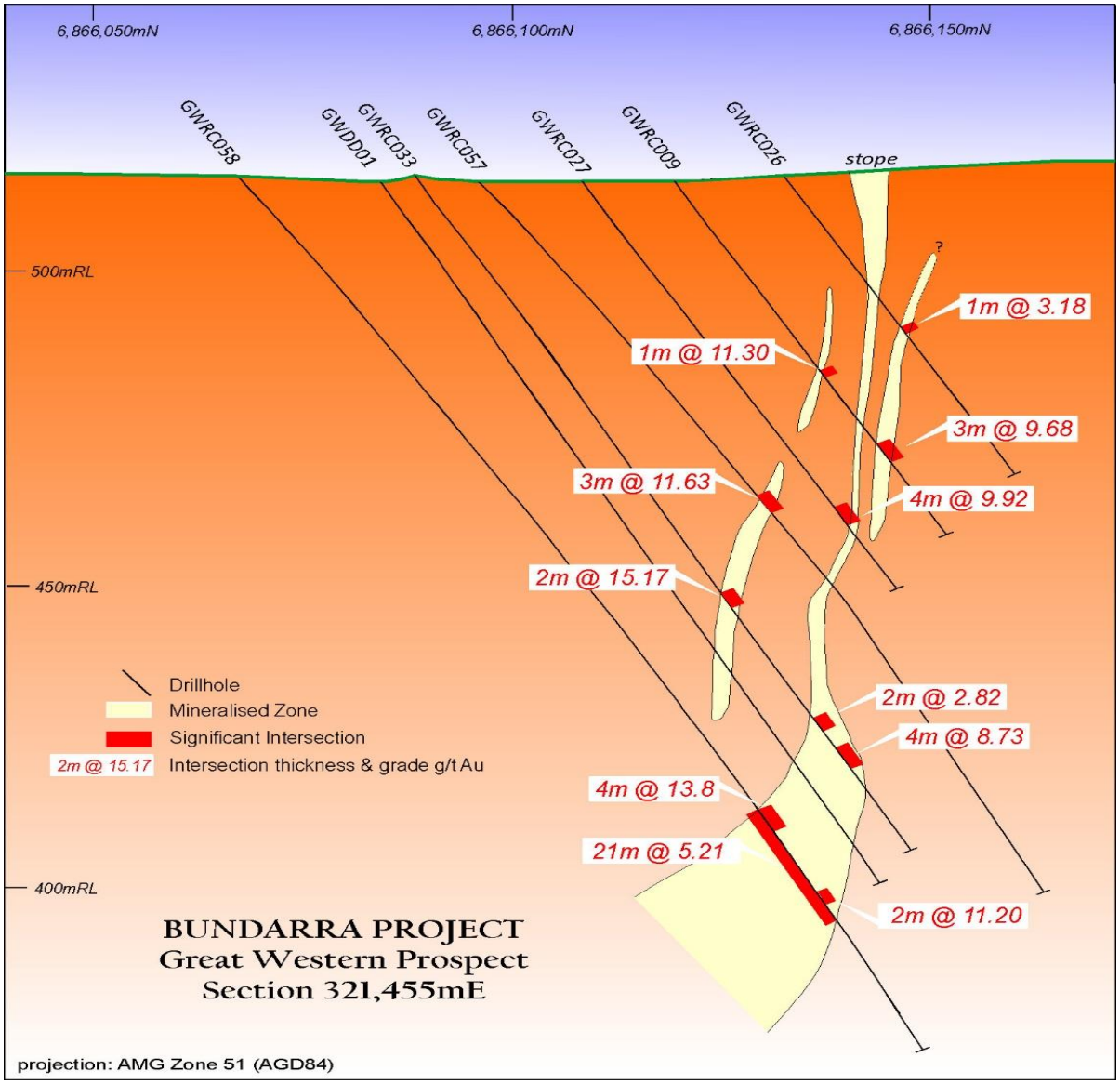

Diagram 2. Cross section which is situated around the centre of the current resource.

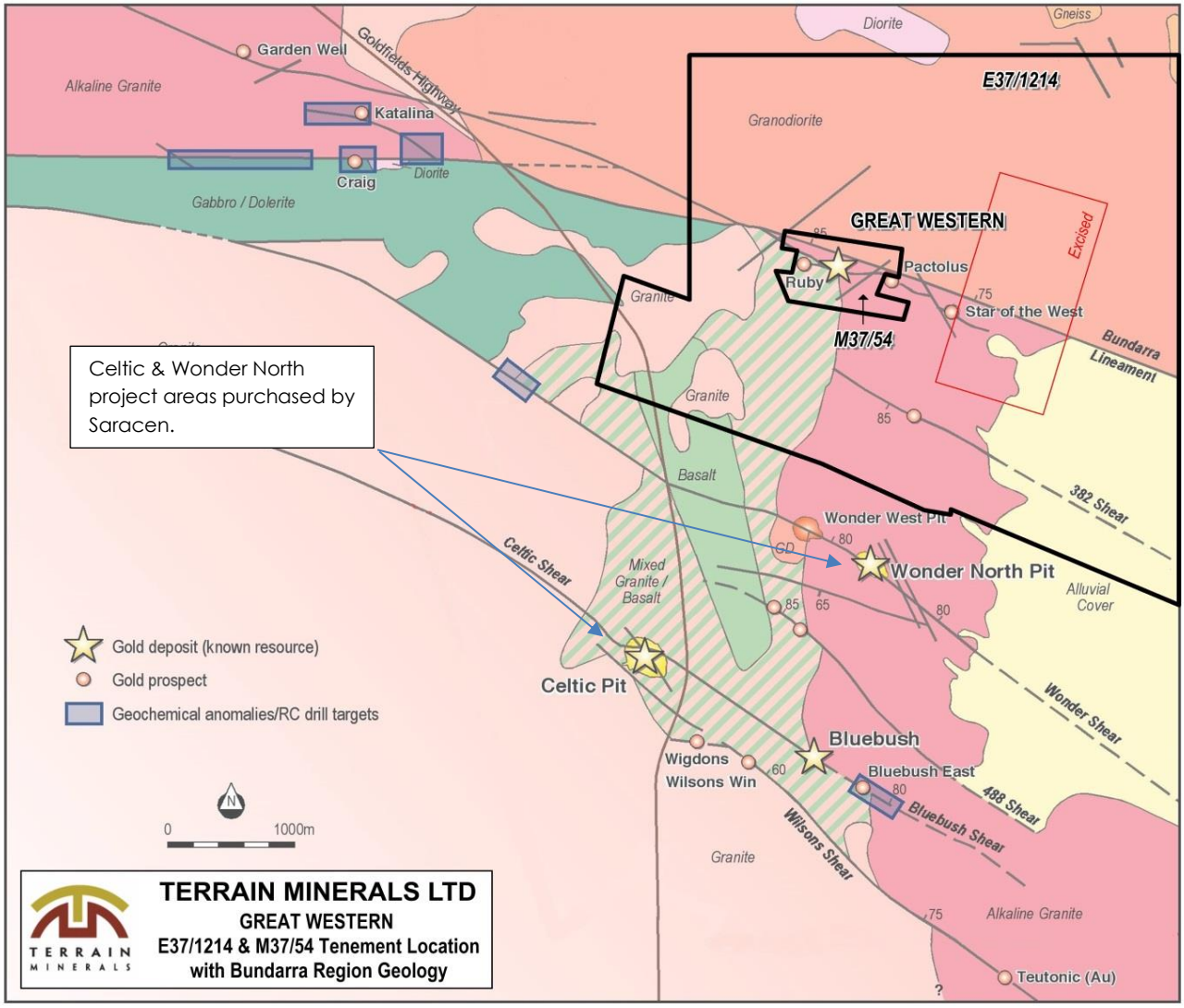

Diagram 3. Great Western Project & Surrounding Geology. Wonder North and Celtic project areas have recently been purchased by Saracen Minerals (ASX: SAR) Refer to SAR ASX Announcement 14 Feb 2017. The diagram also highlights the multiple east & west cross cutting structures that hold multiple workings including Great Western, which show these is potential further along strike.

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ABOUT TERRAIN MINERALS LIMITED:

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

- **Great Western 100% TMX** (Au)- near term development opportunity, resource estimation (update underway) and economic study have shown positive outcomes. Work is now underway to prepare data and work towards getting all mining approvals;

- **Gimlet 100% TMX** (Gold & Ni-Cu)- exploration licence located in the Fraser Range Province. Identified untested Gold auger soil drill target to be tested First Quarter 2017; and

Disclaimer:

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

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

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

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

Competent Person's Statement;

The information in this announcement that relates to the Mineral Resource estimate is based on information compiled by Peter Ball, a Competent Person who is a Member of The Australasian Institute of Mining and Metallurgy, membership number 109775.
Mr Ball is employed by and is a Director of DataGeo Geological Consultants and was contracted by Terrain Minerals Ltd to estimate the mineral resource stated within this announcement.
Mr Ball has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken 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 Ball consents to the use of the information within this report in the form and context in which it appears.

Appendix 1

The information is this appendix is taken from the mineral resource report prepared by DataGeo.

Mineral Resource Reporting Criteria

The data and interpretation utilised and the resultant mineral resource estimate for the Great Western Deposit is summarised as follows: -

- Geology and Mineralisation Interpretation
  - The deposit consists of a steeply southerly to vertical dipping east-west striking shear zone which contains anomalous gold. There is evidence of numerous similarly orientated lodes within this zone. The system is mineralised over a strike length of 650m, a depth of 200m and a true width which varies between 3 and 40m narrowing with depth. The Deposit remains open at depth but appears closed along strike.
  - The lodes are represented by wireframe solids with a boundary condition of 0.5g/t Au.
  - The weathering profile is represented by wireframed surfaces.
- Drill Information and Sampling
  - The deposit has been drilled from surface and underground primarily by reverse circulation (RC) and diamond coring. A total of 150 RC and diamond holes containing 15,662m has been used in the resource estimate. In addition 15 RAB holes (411m) assisted in locating lodes and underground workings.
  - The core recovery is unknown whilst the RC sample recovery from the most recent program is described as good (thought to be >80% recovery) in the almost exclusively dry conditions
  - Recent hole collar locations have been located using DGPS and some older holes checked randomly using the same method. The hole orientation and inclination at collar is set out using compass and clinometer. Down hole survey technique varies from single shot camera, to multi-shoot camera to gyroscopic measurement.
  - The drilling and sample collection techniques consisted of RC chips collected at 1m intervals via the cyclone and split (manually or by rig mounted cone splitter) into sample bags with some duplicates collected. Areas of little obvious mineralisation potential had 4 consecutive 1m samples composited by spear or scoop. Samples were sent to a commercial laboratory for preparation and analysis. If the 4m composites returned an assay above a threshold then the retained large samples were re-speared or the rotary splitter sample was taken and submitted individually. The RC chips are logged for mineral content and geology. No core has been observed but logging information indicated that it was stored in core boxes labelled with the hole number and

length contained. The core was logged geologically and intervals for analysis had the core ½ed at site to be sent for preparation and analysis. Some programs had Standards and Blanks included with the samples despatched for analysis.

- Sample Preparation and Analysis
  - Drill samples have been prepared and analysed at commercial accredited laboratories in Western Australia
  - the preparation is by drying, crushing, riffling and pulverising.
  - gold content is determined FA techniques with atomic absorption or ICP finish. Some SFA comparison analysis work has been carried out.
  - When utilised QAQC protocols included standards and blanks at a rate of 2 to 4% of the total routine samples submitted to the laboratory.
  - For the 2016 drill program additional pulp re-submission and re-sample programs were undertaken and an Umpire Laboratory was used in support of the initial QAQC included.
- Estimation Methodology
  - The drill hole information is composited within the mineralisation interpretation to the most common sample length within the dataset – 1m down hole
  - Grade is estimated by ordinary kriging for the largest lodes with demonstrated continuity and sufficient composite information from composite data top-cut if required, ranging from 50 to 10g/t. Other lodes are estimated by inverse distance to the power of 3 techniques or when there is < 10 composites by assigning a grade of the average of the composites. The estimation is constrained by a hard boundaries representing the extent of the mineralisation and in lodes with distorted population statistics (even after top-cutting) grade restrictions on the higher grade. The grade is estimated into a block model with a cell size of 10mE x 2mN x 5mRL.
  - Stoped material was identified and excluded from the lode interpretation.
  - Specific gravity is assigned to the block model using a default according to weathering profile position.
- Validation and Classification
  - The block grade estimates are validated against the composites both globally (for all lodes) and spatially for the largest lodes
  - The block estimates are classified according to geological confidence, length of search, number of composites, number of holes, quality of the input data and proximity to old workings.
- Reporting
  - Reporting cut-off has been determined to include all material which may be by grade and position suitable for open cut mining to produce a head grade of +2g/t Au to a depth of 120m below surface, taken as 0.5g/t. The depth has been taken from the deepest optimal shell generated in studies on the 2015

estimate. Below 120m the cut-off was raised to identify material which may be suitable for underground mining, a cut-off of 1.5g/t was used.
    - Previous mining has been allowed for by exclusion of the stoped areas as currently identified.
- Mining and metallurgy
    - There is no known metallurgical test work however the Deposit has similar geological and mineralisation characteristics to nearby Deposits which have been successfully processed using industry standards techniques.
    - A 2016 study based on the 2015 resource estimate identified open cut potential to a depth of 120m from surface. The Deposit was mined previously (pre 1940) from underground.

Tables 1 and 2 summarise the assessment and reporting criteria for this estimate and refers only to the data used for such.

Table 23: Sampling Techniques and Data		
Criteria	**Explanation**	**Comments**
Sampling techniques	• ***Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.***	**The deposit has been drilled and sampled by diamond coring and reverse circulation methods with holes on spacings varying from 50mE x 20mN to 10m x 10m over the main 450m strike length of the deposit and another 200m to the west on 100m spacing. In total the 150 RC and diamond holes used in mineral resource estimation contained 15,662m. The holes are drilled mostly to the north to intersect the very steeply south dipping east-west orientated mineralisation.**

	• *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.*	**The RC and diamond drilling targeted the areas of old workings, along strike and below. Some diamond holes have been drilled from a development level but most holes are from the surface within the Great Western Shear zone. The RC samples are collected from the more recent drilling program using face sampling bit from the rig mounted cone splitter with an approximate 3Kg sample collected for each metre drilled, sample recovery was 80 to 100% and the ground was mostly dry. Previous RC programs utilised similar methods with holes drilled using open face bit from holes up to 120mm in diameter, sample recovery was observed as good with overall RC sample representivity considered good given the ground conditions and lack of water. The limited diamond core is thought to be NQ2, no core was observed at site. The recent drilling and some older holes were located using DPGS, the remainder by GPS. Holes orientated using a compass and inclinometer.**
	• *Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m*	**The diamond core was thought to be NQ2 diameter. Report evidence indicated that the core was halved with 1/2 sent for sample preparation by crushing, pulverising and splitting to produce either a 30gm or 40gm charge size for FA analysis. RC drilling collected samples at 1m intervals down hole. These 1m samples were either composited to 4m intervals by spear sampling or**

	samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.	**submitted as 1m samples each of approximately 2.5 to 3Kg. Selected samples (based on mineral and geology content) were sent to a commercial laboratory where they were dried, crushed and pulverised and either a 30gm, 40gm ort 50gm sub-sample (dependant on laboratory) selected for FA assay.**
Drilling techniques	• ***Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).***	**Diamond drilling (4 surface, 6 underground and 1 tail to an RC) is mostly NQ2 sized through the mineralised zone and totalled 595m. The core was not orientated. The RC holes from the latest programs were all between 120 and 135mm diameter and drilled with a face or open sampling bit. The total number of RC holes is 150 and the totalled 15,662m.**
Drill sample recovery	• ***Method of recording and assessing core and chip sample recoveries and results assessed.***	**The core recovery is unknown. The RC sample recovery for the GWRC series holes is considered to be good. For the most recent holes, by weight, the recovery is stated as being between 80 and 100%.**
	• ***Measures taken to maximise sample recovery and ensure representative nature of the samples.***	**For RC drilling the collar was sealed and air pressure was used to maximise return. The cyclone was cleaned between samples.**

	• *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.*	**No assessment has been made of grade v RC sample recovery but based on the descriptive assessment the majority of mineralisation was returned dry and thus usually with good recovery. No observations were made regarding the core.**
Logging	• *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.*	**Core and chips have been geologically logged for holes GWRC001 onwards; recording lithology, mineralisation, veining, alteration and weathering. The geological logging is appropriate to the style of the Deposit.**
	• *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography*	**the geological logging for these holes is detailed by interval for the information listed above.**
	• *The total length and percentage of the relevant intersections logged.*	**for these holes the entire length of all diamond and RC holes, apart from surface casing, has been logged.**
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.*	**all core to be sampled was halved using a mechanical saw. It is not known if the core was consistently taken from one side of the stick.**
	• *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.*	**The most recent drilling collected sample from the rig mounted cone splitter into calico bags of size appropriate for despatch to the laboratory. The most recent program RC samples (GWRC series) were collected from the cyclone into a**

		plastic bucket and then transferred to a large sample bag. If the interval was to be sent for analysis it was reduced in volume using a 1 to 4 ratio splitter with the 1/4 sample placed in a labelled calico bag. . The cyclone and splitter equipment was regularly cleaned with air and any loose material scraped off between samples. Sometimes 4 adjacent samples were composited with sub-samples of the larger samples are taken with a scoop or pipe. For holes prior to the GWRC series there is no information.
	• ***For all sample types, the nature, quality and appropriateness of the sample preparation technique.***	**All samples (approx 2.5 to 3Kg for the RC samples and 1/2 NQ core up to 1.2m long) are provided to a commercial accredited laboratory facility for the preparation of samples using industry standard practises of drying, crushing and pulverising to allow sub-sampling by riffle or rotary splitter to a 30 to 50gm charge size.**
	• ***Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.***	**Standards and/or Blanks were included with the routine samples submitted to the Laboratory for the GWRC series holes. The results are considered in line with expectations. For the most recent drilling Standards and Duplicates were included at the rate of 2 and 4% respectively compared to the number of sample submitted, results were acceptable. In the 2016 program pulp re-submissions, bulk re-sampling and the use of an Umpire Laboratory also provided support for the assay results.**

		Previous programs compared SFA and FA results which also supported the FA results.
	• ***Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.***	**Duplicate RC sampling results provided acceptable comparison to the original results.**
	• ***Whether sample sizes are appropriate to the grain size of the material being sampled.***	**Whilst there is coarse gold in the system the outlier grades returned are not excessive as such the sampling appears to be representative and thus the global grade is being fairly represented.**
Quality of assay data and laboratory tests	• ***The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.***	**The assay techniques applied for the measurement of gold content is appropriate for the determination of the level of gold in the sample. Comparison between charge sizes provided acceptable results. Comparison between SFA and FA methods are reasonable this indicating that the analytical methods adopted report total gold content.**
	• ***For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model,***	**none conducted**

	reading times, calibrations factors applied and their derivation, etc.	
	• ***Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.***	**Standards, Blanks and Duplicates and SFA comparison were included with all of the previous RC drilling in the GWRC series up to hole GWRC0105. The most detail related to hole GWRC051 to 105 in which Standards and Blanks were included at a rate of 2% and 1% of the total samples submitted to the laboratory. The results whilst mixed were generally acceptable. 6% of the samples submitted were Duplicates and the results were poor with the Duplicates having approximately 30% less grade. A SFA v FA comparisons using 3% of the samples was poor with the original samples higher grade on average than the Duplicates. The 2015 drilling contained Standards, Duplicates and an SFA v FA40 comparison which was basically supportive but a very small program. The 2016 program initially had very few Standards and Duplicates which while supportive were insufficient in numbers to provided total support. Pulp re-submissions, re-sampling and the use of an Umpire laboratory provided the required support for this program**

Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.*	**mineralisation intercepts have been determined by previous and current company personnel and appear correct**
	• *The use of twinned holes.*	**No specific twinning program has been conducted.**
	• *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols*	**primary field data was recorded onto hard copy and then entered into electronic spread sheets and validated against expected codes. Assay information in electronic form from the laboratories was merged with sample interval data on sample number**
	• *Discuss any adjustment to assay data.*	**none applied**
Location of data points	• *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.*	**It is not known how the collar positions were surveyed for the pre 2015 drilling. These holes have been located against the AMG 84 Zone 51 Datum and the AHD. Random checks indicated that the positions are accurate. For the 2015 drilling the location was recorded on a handheld GPS with an accuracy of +/- 3m, it was recorded on MGA94 Zone 51 Datum. For the 2016 holes the collars were surveyed by DPGS on GDA coordinates. At the same time the topography was picked up and some older hole collars as well. The orientation and dip at the start of all holes was set out using compass and inclinometer and recorded on the logs. Down hole information for the earliest drilling was recorded using an Eastman single shot**

		camera that measured dip only, for the GWRC series holes drilled from 2007 it was recorded using gyroscopic techniques with a very high accuracy of 0.15° in azimuth and 0.2° in dip. For the 2015 drilling a digital Reflex multi shot tool was used. For the 2016 a gyroscopic device was used.
	• ***Specification of the grid system used.***	**The regional grid is MGA94 Zone 51 and the Deposit is now laid out on this grid.**
	• ***Quality and adequacy of topographic control.***	**Topographic control is taken a project wide survey using a DPGS carried out in 2016. Older drill holes not able to be located were registered to this surface.**
Data spacing and distribution	• ***Data spacing for reporting of Exploration Results.***	**Drill spacing varies with position in the deposit from 10mN x 10mE to in excess of 50m.**
	• ***Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.***	**Successive drilling programs have in filled and extended (at depth) the previous drilling and on the majority of occasions drilling has returned mineralisation in the expected locations. This provides a high degree of confidence in the geological continuity of the overall Shear. Closer spaced drilling provides good support for positioning of the mineralisation by zone with the 2016 drilling providing**

		defensible locations for (some?) the underground workings.
	• ***Whether sample compositing has been applied.***	**The sampling reflects the geological conditions. For mineral resource estimation a 1m composite length was chosen given that this is the dominant sample length.**
Orientation of data in relation to geological structure	• ***Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.***	**The drilling is oriented as best as possible to perpendicular to the structure/geology containing or controlling the mineralisation.**
	• ***If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.***	**No sampling bias is considered to have been introduced.**
Sample security	• ***The measures taken to ensure sample security.***	**The chain of custody adopted by operators of the project appears appropriate and is based on responsibility and documentation.**
Audits or reviews	• ***The results of any audits or reviews of sampling techniques and data.***	**A brief audit of assay records revealed no data errors.**

Table 24: Estimation and Reporting of Mineral Resources		
Criteria	**Explanation**	**Comments**
Database integrity	• ***Measures taken to ensure that data has not been corrupted by, for example, transcription or keying errors, between its initial collection and its use for Mineral Resource estimation purposes.***	**There is a data storage system in place in the form of an Access Database however there is limited metadata and the fields are not exhaustive in terms of requirements. Data from logging, sample submission and the assay laboratory is entered into spreadsheets which are checked against hard copy prior to loading. Previous audits have revealed no transcription errors and a very brief review of the 2015 and 2016 data did not find any errors. There is confidence that the data to be utilised is accurate with respect to the supporting information. However the data now appears to reside in numerous spreadsheets which is not ideal.**
	• ***Data validation procedures used.***	**Data is validated when combined from the various sources described above. The small audit described above provided sufficient confidence in the data contents to state that it most likely accurately represents the drill information.**
Site visits	• ***Comment on any site visits undertaken by the Competent Person and the outcome of those visits.***	**DataGeo visited the site on June 30th 2015 and was able to establish at that time the drill holes were correctly positioned and the old working and the overall location of the mineralisation was appropriate; the topography was generally flat**

		with the exception of the leach pads on the strike of the old workings. Also RC chips (in the bulk bags) from the 2015 drilling supported the logged observations.
	• *If no site visits have been undertaken indicate why this is the case.*	not applicable
Geological interpretation	• *Confidence in (or conversely, the uncertainty of) the geological interpretation of the mineral deposit.*	The confidence in the geological interpretation is considered good as it is supported by surface exposures of old workings with corroboration of the surface positions with the closer spaced drilling.
	• *Nature of the data used and of any assumptions made.*	Only physical data obtained in the field was utilised.
	• *The effect, if any, of alternative interpretations on Mineral Resource estimation.*	The application of hard boundaries to reflect the position of the zones which host the mineralisation is supported by the field and drilling observations and appropriate in a global sense. No other interpretation is thought to be appropriate.
	• *The use of geology in guiding and controlling Mineral Resource estimation.*	The presence or absence of gold and quartz in an appropriate orientation both in and around the old workings provides the geological control to constrain the interpretation.
	• *The factors affecting continuity both of grade and geology.*	The higher-grade gold zones appears to plunge to the east and occur in repeated lodes as supported by the interpretation of the stoped out areas. The position and style of mineralisation impacts the grade continuity.

Dimensions	• ***The extent and variability of the Mineral Resource expressed as length (along strike or otherwise), plan width, and depth below surface to the upper and lower limits of the Mineral Resource.***	**The main mineralisation within the Deposit occurs over a 450m strike length and extends some 200m down dip and the combined width of the lodes varies between 3 and 40m in width, noticeably thinning at depth. The main deposit remains open at depth but appears closed off along strike to the east. There is a narrow extension to the west.**
Estimation	• ***The nature and appropriateness of the estimation technique(s) applied and key assumptions, including treatment of extreme grade values, domaining, interpolation parameters and maximum distance of extrapolation from data points. If a computer assisted estimation method was chosen include a description of computer software and parameters used.***	**The largest lodes contained sufficient composites to enable assessment of a reasonable continuity model which supported the use of ordinary kriging. The 1m composites were top-cut and search restricted. Lodes with fewer composites which demonstrated no continuity had grade estimated using inverse distance to the power of 3 to reflect the relatively high nugget within the Deposit. If there were < 10 composites the grade was assigned as the average of the composites. In all cases if appropriate composites were top-cut. Grade estimation was carried out in Vulcan™ application. Density was assigned as a default based on position within the weathering profile using values from similar deposits within the general area. 1m composites were created within each lode and input to the grade estimation (or assigning) was restricted to those composites which were within the lode being assessed. Estimated blocks were informed in a three step strategy with orientation set to the orientation**

		of the lode being estimated. The initial (primary) search was 30m x 20m x 5m in strike, dip and across dip-strike plane. This search range was expanded by double the length for blocks were not informed in the primary search and again in the final search strategy. This strategy informed on average 95% of the blocks within the lodes to be estimated in the primary and secondary search.
and modelling techniques	• ***The availability of check estimates, previous estimates and/or mine production records and whether the Mineral Resource estimate takes appropriate account of such data.***	**There is an underground mining history from pre 1940 with overall production tonnes and grade known which was allowed for the reporting. Previous models exist with similar outcomes therefore check estimates for this model were not considered necessary.**
	• ***The assumptions made regarding recovery of by-products.***	**No assumptions made.**

	• *Estimation of deleterious elements or other non-grade variables of economic significance (eg sulphur for acid mine drainage characterisation).*	**No assessment of deleterious elements has been made.**
	• *In the case of block model interpolation, the block size in relation to the average sample spacing and the search employed.*	**The block model was constructed using blocks which were 10mE x 2mN x 5mRL with sub-celling to 1/2 the block size in each direction adopted to ensure accurate volume representation. Grade estimation was to the parent block size.**
	• *Any assumptions behind modelling of selective mining units.*	**not applicable**
Estimation	• *Any assumptions about correlation between variables.*	**no assessment undertaken**
and modelling techniques (continued)	• *Description of how the geological interpretation was used to control the resource estimates.*	**Hard boundaries were applied to the lodes. Grade was estimated within these boundaries.**
	• *Discussion of basis for using or not using grade cutting or capping.*	**Statistical analysis indicated that some zones in particular the largest ones had elevated coefficients of variation and thus to minimise the influence of outlier grades top-cuts were applied, high-grade influence was restricted in some circumstances**
	• *The process of validation, the checking process used, the comparison of model data to drill hole data, and use of*	**Volume validation was carried out by comparison of the solids representing the mineralisation to the block model. Grade validation was carried by both global comparison of the average estimated grade to the average**

	reconciliation data if available.	**input grade and spatially by comparison of the estimated grades to the input grades by position. Also visual comparison was used.**
Moisture	• ***Whether the tonnages are estimated on a dry basis or with natural moisture, and the method of determination of the moisture content.***	**The tonnages were determined using default specific gravity according to position relative to the weathering profile.**
Cut-off parameters	• ***The basis of the adopted cut-off grade(s) or quality parameters applied.***	**The margin of the mineralisation is a combination of grade and lithology. Anomalous gold is considered to be the 0.5g/t and above.**
Mining factors or assumption s	• ***Assumptions made regarding possible mining methods, minimum mining dimensions and internal (or, if applicable, external) mining dilution. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential mining methods, but the assumptions made regarding mining methods and parameters when***	**In 2016 a mining optimisation study based on the 2015 estimate and using current industry costs for mining, processing and transport was conducted which indicated that open cut mining to a depth of 120m may be economic. Higher grade material below this may/could be mined using underground methods.**

	estimating Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the mining assumptions made.	
Metallurgical factors or assumptions	• ***The basis for assumptions or predictions regarding metallurgical amenability. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential metallurgical methods, but the assumptions regarding metallurgical treatment processes and parameters made when reporting Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of***	**DataGeo is unware of any metallurgical test work conducted on samples from the Deposit. It is likely given the lack of obvious sulphides that gold recovery using industry standard methods would be sufficient to support an economic processing operation.**

	the basis of the metallurgical assumptions made.	
Environmental factors or assumptions	• ***Assumptions made regarding possible waste and process residue disposal options. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider the potential environmental impacts of the mining and processing operation. While at this stage the determination of potential environmental impacts, particularly for a greenfields project, may not always be well advanced, the status of early consideration of***	**The Deposit is located on a granted mining license. DataGeo is unaware of any studies relating to environmental impacts of a potential mining and processing operation in the location. These are numerous mining and processing operations within 50Km of the site thus it is considered likely that environmental impacts would be manageable.**

	these potential environmental impacts should be reported. Where these aspects have not been considered this should be reported with an explanation of the environmental assumptions made.	
Bulk density	• ***Whether assumed or determined. If assumed, the basis for the assumptions. If determined, the method used, whether wet or dry, the frequency of the measurements, the nature, size and representativeness of the samples.***	**Density has been assumed based on other nearby deposits and applied to the model according to position within the weathered profile.**
	• ***The bulk density for bulk material must have been measured by methods that adequately account for void spaces (vugs, porosity, etc), moisture and differences between rock and alteration zones within the deposit.***	**No measurement have been taken.**
	• ***Discuss assumptions for bulk density estimates used in the evaluation process of the different materials.***	**Whilst the assumed default values appear reasonable, support by sampling needs to occur.**

Classification	• ***The basis for the classification of the Mineral Resources into varying confidence categories.***	**The classification is based on the quality and amount of input data; the spatial arrangement of the drill data and its supported position; the position relative to known underground workings, the grade continuity for the largest zone and confidence in the geological interpretation which is supported by field observation and drilling. What QAQC information is available is mostly supportive of the assay information. Higher confidence areas have more supporting data, areas of lower geological support reflect a lower classification.**
	• ***Whether appropriate account has been taken of all relevant factors (ie relative confidence in tonnage/grade estimations, reliability of input data, confidence in continuity of geology and metal values, quality, quantity and distribution of the data).***	**The input data particularly the more recent is consistent and closely spaced enough to support the projection of the geological interpretation at depth which in terms of style of mineralisation is consistent with other deposits within the same or similar geological setting. Later drilling programs have successfully in filled earlier programs in mineralised locations predicted by the initial program. The estimated grade correlates reasonably well with the input data given the nature of the mineralisation.**
	• ***Whether the result appropriately reflects the Competent Person's view of the deposit.***	**The Mineral Resource estimate reflects the Competent Persons understanding of the Deposit.**

Audits or reviews.	• ***The results of any audits or reviews of Mineral Resource estimates.***	**None undertaken**
Discussion of relative accuracy/ confidence	• ***Where appropriate a statement of the relative accuracy and confidence level in the Mineral Resource estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the resource within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors that could affect the relative accuracy and confidence of the estimate.***	**The mineral resource is volume constrained by the geological interpretation thus in a global sense there is no sensitivity. As would be expected there is sensitivity to the estimated resource grade related to be the top-cut applied with indication that grade could be influenced by 10 to 15% in the main mineralised zone. Whilst DataGeo is comfortable the top-cut strategy applied is appropriate (based on what appears to be a distinct change in population statistics) the influence of the higher-grade needs additional review. The confidence in the mineral resource is defined by the classification adopted as per the guidelines of the 2012 JORC code.**
	• ***The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should***	**The statement relates to global estimates of tonnes and grade.**

	include assumptions made and the procedures used.	
	• ***These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.***	**the previous production is according to a different data set and thus comparison at the estimate level is not appropriate.**

The information in this report that relates to Exploration Results is based on information compiled by Mr. G. Purcell, who is a Member of the Australian Institute of Geoscientists and a consultant to Terrain Minerals Limited. Mr Purcell 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. Purcell consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Section 2 Reporting of Exploration Results		
Mineral Tenement and Land Tenure Status	Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings. The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.	The Great Western Project tenure comprises one granted Mining Licence M37/54 and held 100% by Terrain Minerals Limited. There are no royalties or conditions attached to the tenement.
Exploration Done by Other Parties	Acknowledgment and appraisal of exploration by other parties.	Historical production from the main-reef line commenced in 1896 and ceased in 1940, during which time 12,121 ounces of gold was produced from 27,095 tons at an average grade of 13.7g/t. Since 1980 exploration has been undertaken by various companies and individuals, including BF Anderson and C R Young, Balmoral Resources NL, V Taylor, Stonyfell Mining NL, P D Green, Kanowna Lights Ltd. More recently Terrain Minerals Ltd undertook exploration from 2007-2011 and Bligh Resources from 2011-2014 before the projected was returned to Terrain Minerals.
Geology	Deposit type, geological setting and style of mineralisation.	The Great Western Project is interpreted to comprise structurally controlled mesothermal quartz veining related to a shear zone at the contact of basalts and granites.
Drill Hole Information	A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes: • easting and northing of the drill hole collar • elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar • dip and azimuth of the hole • down hole length and interception depth • hole length • If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.	No new results are being reported in this release. For the most recently completed drilling and results refer to tables in ASX release of 11 January 2017. For historical drilling by Terrain refer to previous ASX releases.

Data Aggregation Methods	In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated. Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail. The assumptions used for any reporting of metal equivalent values should be clearly stated.	Significant RC result intersections have been reported using a 1.0g/t Au lower cut-off with a maximum of 2m internal dilution, with assays weighted by their composite sample length. No upper cut off grade has been used. Only intercepts with values greater than 1.0g/t Au are shown in Table 1 of ASX release of 11 January 2017.
Relationship Between Mineralisation Widths and Intercept Lengths	These relationships are particularly important in the reporting of Exploration Results If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported. If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').	Mineralised intervals are down-hole lengths only. Drill holes were angled to the north, which is approximately perpendicular to the orientation of mineralisation and well defined from historic drilling. The true width of mineralisation varies from approximately 60-80% of downhole intersection.
Diagrams	Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.	Relevant diagrams are included in the main body of text and previous ASX releases.
Balanced Reporting	Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.	No new results have been reported in this release.
Other Substantive Exploration Data	Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.	All interpretations are consistent with observations made with historic exploration and mining at the Project.
Further Work	The nature and scale of planned further work (eg tests for lateral extensions or large scale step out drilling. Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.	No further drilling is immediately planned at this stage. A review of this updated resource will be undertaken to assess potential economics of the Great Western Project. Following this additional drilling may be warranted.