



ASX RELEASE

ABN: 45 116 153 514

17th September 2018

ASX: TMX

Excellent Metallurgical Recovery Results & Update on Priority Drilling at Great Western Gold Project

Terrain Minerals Limited (ASX: TMX) is pleased to announce that it has received an excellent set of metallurgical recovery results from the metallurgical recovery test work program recently undertaken on the mineralisation at Great Western.

Great Western Project Gold Recovery by oxidation (weathering) state:

- **Oxide** (completely weathered) mineralisation **96.6% Au Recovery**
- **Transition** (partially weathered) mineralisation **95.8% Au Recovery**
- **Fresh** (unweathered) mineralisation **96.4% Au Recovery**

"A total of 66 - 1 meter RC drill intervals were designated into 20 composites, of which 10 were used for these studies. Each one-meter interval had a sub sample split for assay. Both Oxide and Transition result were from 4 samples each and from representative grades within each zone. The Fresh materials average was made up from 2 sample groups both being of representative grades." (Bureau Veritas Minerals Pty Ltd, Project No. 4193 – Terrain Minerals Limited Gold Ore Test-work. August 2018).

Priority Gold Drilling Update

Wild-viper (E37/1214)

- Program of Works (POW) application submitted and pending approval
- Priority RC drill program expected to commence in 4th Quarter 2018
- Targeting newly interpreted potentially favourable site for mineralisation (refer to diagram 1)

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Refer to ASX announcement: 17 August 2018 - Great Western Gold Project New Structural Interpretation at Wild-viper.

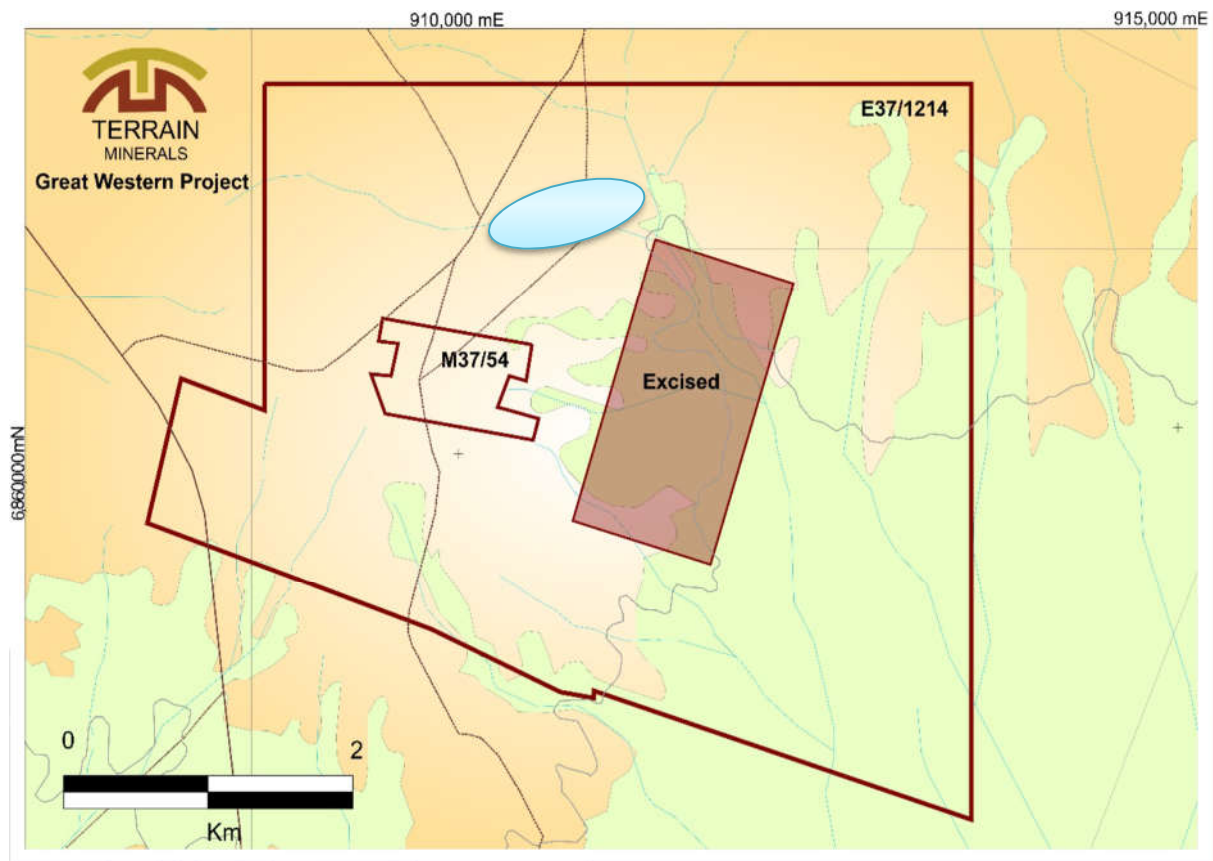


Diagram 1. Great Western Tenements M37/54 and Wild-viper E37/1214. The blue ellipse is situated over the first area of interest within the Wild-viper Tenement.

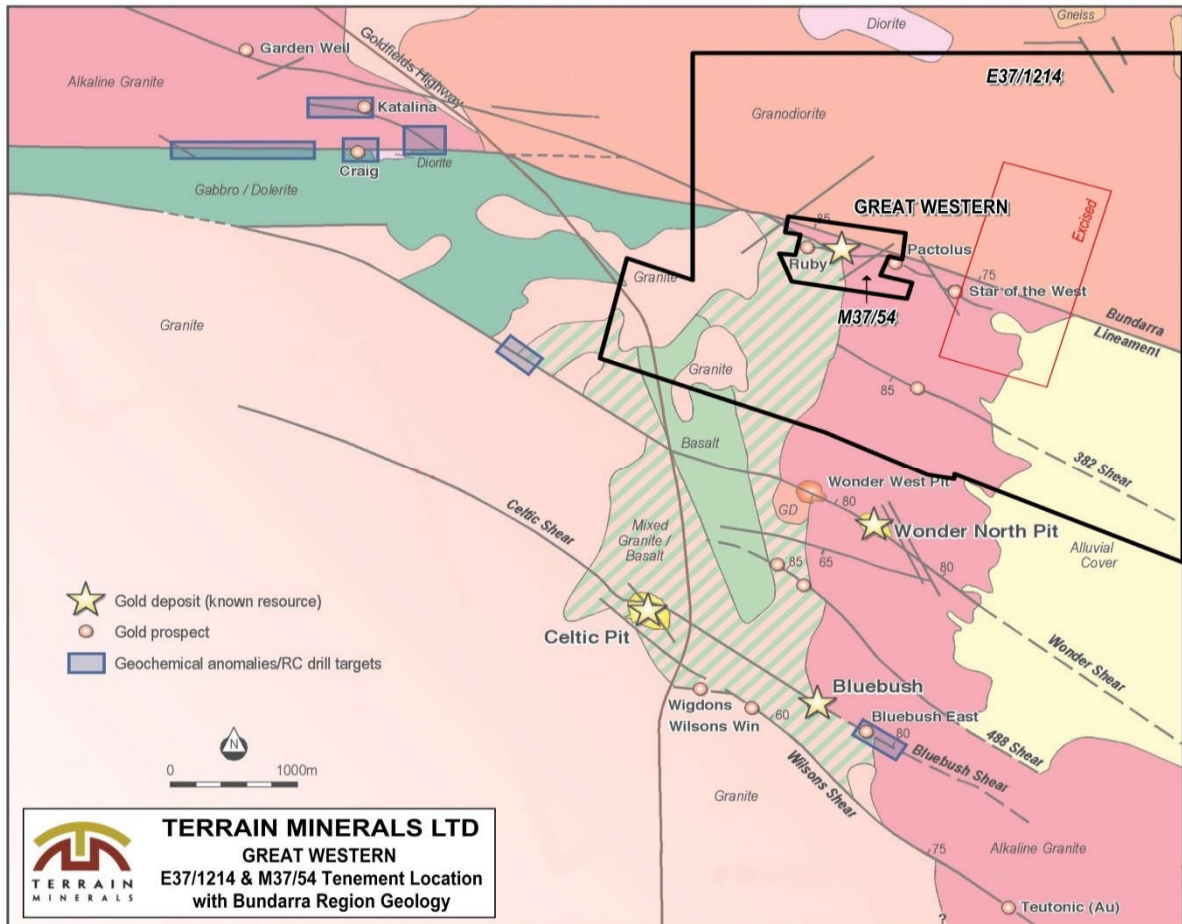


Figure 2. Great Western Project Location Map Highlighted in Black. Regional geological map highlights other known gold deposits in the region. These occurrences have been taken into consideration in the structural interpretation underlying the identification of a new suite of targets.

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Executive Director

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ABOUT TERRAIN MINERALS LIMITED:

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

- **Great Western** 100% TMX (Au)- near term development opportunity, resource estimation and economic study has shown positive outcomes. Work is now underway to prepare data and work towards getting all mining approvals;
- **Great Western advancement process** is underway with multiple groups who have registered interest in Great Western. These groups have indicated various agendas that included full or partial sale, joint venture and funding arrangements. The board will consider all proposals and has not ruled out mining Great Western itself and continuing regional exploration to add to its gold inventory.
- **Red Mulga** Red Mulga project is situated ~170km NNE of Geraldton in the Yilgarn Craton, Western Australia's Murchison region located on Yallalong station. Several filed trips of mapping, rock chip and soil sampling confirmed that the model of mineralisation established from the initial field evaluation and sampling in October 2017 is valid and this under explored area has the potential for base metals. Drilling on identified targets is now completed with several mineralised zones identified warranting further exploration.
- **Project Review:** Terrain Minerals is currently searching and has been assessing potential projects: Gold, Cobalt/copper Lithium and industrial minerals in Australia, Africa, North America and Asia also including other regions. Several jurisdictions of interest have now been identified. All economic commodities are being considered as indicated in previous Quarterly reports. Exploration activities in WA will continue as normal see above bullet points.

Compliance Statement:

The Company notes that within the announcement all the information is referenced directly to the relevant original ASX market releases of that technical data.

Terrain would like to confirm to readers that it is not aware of any new information or data that materially affects the information included in the relevant market announcement and, in the case of the estimates of mineral resources, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed.

Disclaimer:

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

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

Forward looking statements are based on the company and its management's assumptions made in good faith relating to the financial, market, regulatory and other relevant environments that exist and effect the company's

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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.

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