



11<sup>th</sup> February 2009

Company Announcements Officer  
Australian Stock Exchange

Dear Sir,

Re: Sale of Coogee Gold Deposit

On 12 December 2008 Terrain announced the completion of an agreement to sell the Coogee Gold Deposit to the Argonaut Mining Group NL for a series of staged payments.

Argonaut failed to meet the initial payment schedule and it was announced in the December 2008 Quarterly Report that the payment schedule was being re-negotiated. Those negotiations have been ongoing; but today, 11 February 2009 Argonaut has informed Terrain that the necessary finance cannot be confirmed. As a result the sale agreement has now been terminated.

Other parties have indicated interest in the Coogee Gold Deposit and discussions regarding a future sale will continue.

Terrain recently (9 February 2009) completed a rights issue and raised \$553,000. Terrain's cash position as at 11 February 2009, is in excess of \$650,000, plus bonds of \$334,000; a total approaching \$1 million.

Yours faithfully,

**Keith Wells**  
Managing Director