



ASX ANNOUNCEMENT

ASX CODE: TMX, TMXOA

CAPITAL STRUCTURE

TMX - Shares on Issue 171.74m
TMXOA - Options on Issue 18.24m
- Unlisted Options 10.57m

DIRECTORS & KEY MANAGEMENT

Dick Sandner Non-Exec Chairman
Jonathan Lim Non-Exec Vice Chairman
Chris Tomich Managing Director
Paul Dickson Non-Exec Director
Ian Hobson Company Secretary

PRINCIPAL REGISTERED OFFICE

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Friday 3 December 2010 Company Announcement

AGREEMENT TO SELL COOGEE GOLD DEPOSIT FOR A\$1.17m

Terrain Minerals Ltd ("TMX") has signed a new agreement with New Global Mining Ltd ("NGM") to sell the Coogee Gold Deposit for A\$1.17m in cash and script.

The Coogee Gold Deposit is located 20 km northeast of Kambalda, WA (Figure 1), and has a JORC compliant indicated and inferred resource totalling 277,500 tonnes @ 3.91 g/t gold for 34,870 ounces.

NGM is preparing an IPO and expects to list on the Australian Stock Exchange ("ASX") in early 2011.

The agreement involves sale of M26/477, which hosts the Coogee Gold Deposit, and the grant of rights to explore for minerals in relation to two adjoining sub-blocks of E26/97 (Figure 2), which TMX will continue to own and deal with subject only to the NGM mineral exploration rights over the two sub-blocks.

The sale agreement involves payment of A\$420,000 cash and 3,000,000 NGM shares at A\$0.25 and is subject to NGM obtaining conditional approval to be admitted to the ASX by 29 April 2011.

A\$100,000 cash payment was previously received as part of an earlier agreement and another A\$20,000 deposit has been received on signing of this new agreement. The balance of the cash and 3,000,000 shares are due when NGM lists on the ASX.

The proceeds of the sale will be used to test a large number of attractive gold targets at the Bundarra and Dodgers Well Projects and nickel targets at Aztec Dome in the East Kambalda Project.

On behalf of the Board:

Chris Tomich,
Managing Director

Terrain Minerals Ltd ABN: 45 116 153 514

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Figure 1: Project Location Plan

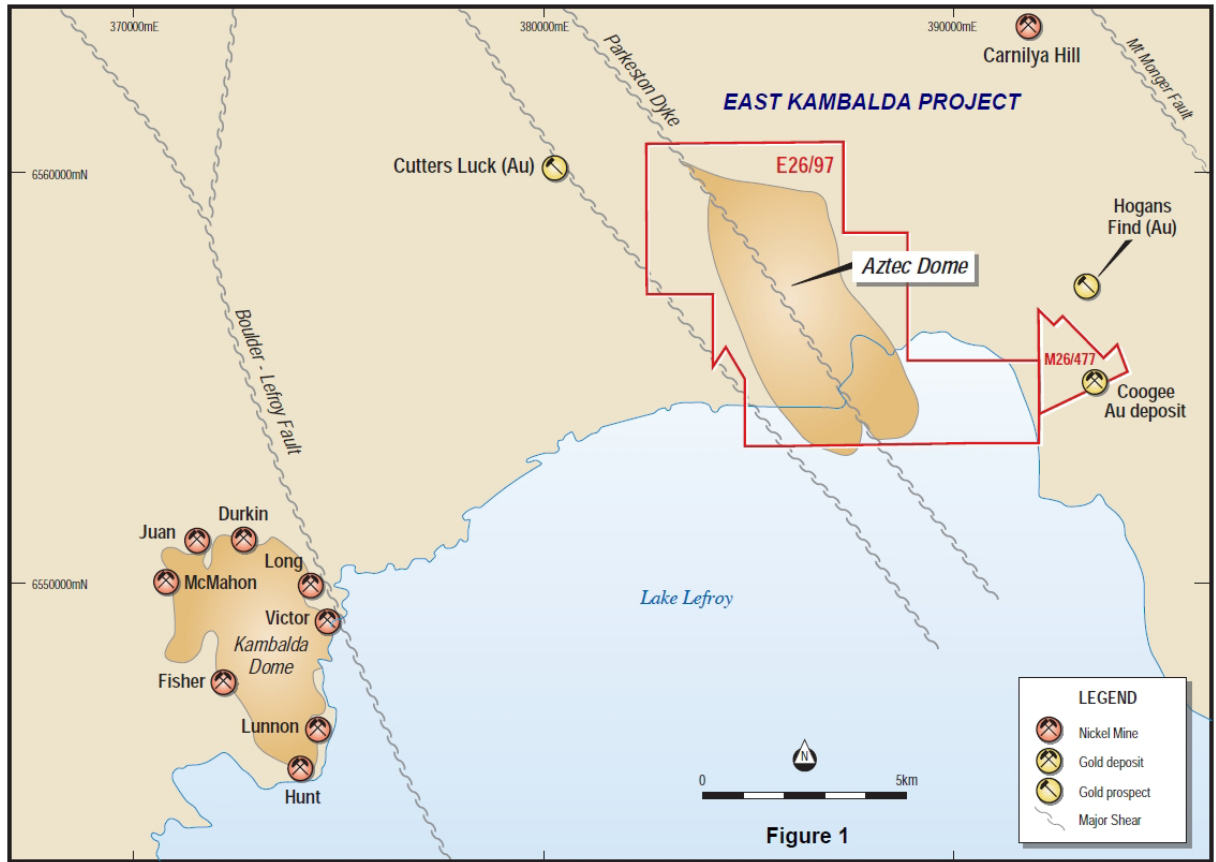
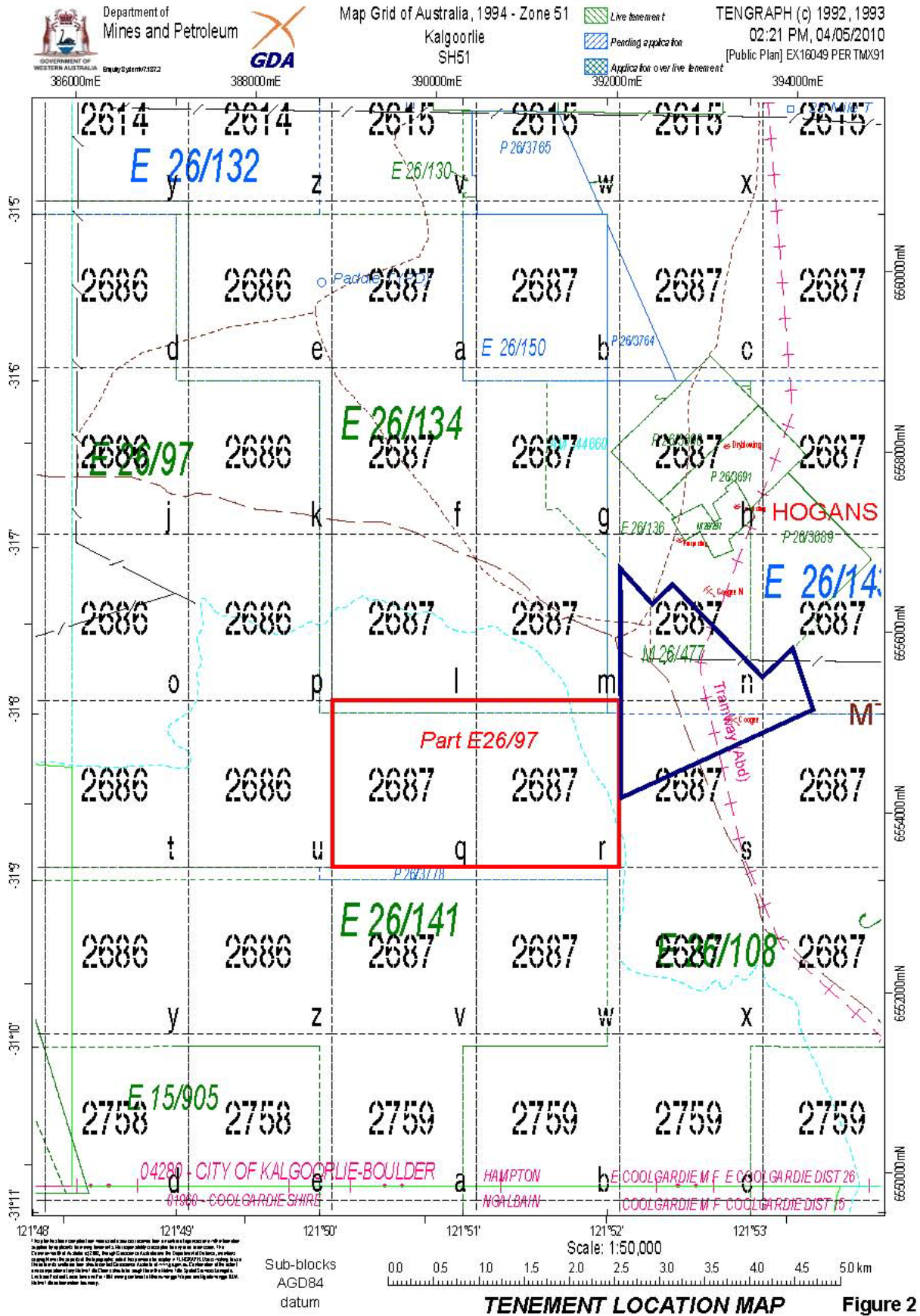




Figure 2: Tenement Location Map





About Terrain Minerals Ltd (ASX: TMX & TMXOA)

TMX is a Perth based exploration company with a number of gold and nickel projects in the Eastern Goldfields of Western Australia, including the advanced gold project at Bundarra.

Bundarra (60 kms north of Leonora)

TMX has outlined JORC compliant resources of 321,000 oz of gold in a closely related cluster of deposits including: Wonder North, Celtic, Great Western, Bluebush and Black Cat (see resource tables). All the deposits remain open down dip and down plunge. Mining scoping studies, including metallurgical test work, pit optimisations, pit designs and mine scheduling have indicated favourable mining economics with potential cash surpluses of >\$30 million (at a gold price of A\$1,350/oz). The company has also identified a potential for larger mining operations and drill programs are planned to test for extensions to the known deposits as well a number of new drilling targets.

The Celtic Pit has been dewatered and cleaned up in preparation for open pit mining. Approximately 60,000t @ 3.5 g/t gold (undiluted) is to be treated at the Gold Fields Agnew Gold Mine some 90km away. Toll treatment costs are to be deducted from gold sales.

East Kambalda (15 kms east of Kambalda)

The Aztec Dome is believed to be an analogue of the nearby Kambalda Dome which hosts a series of high grade nickel sulphide deposits. At the Aztec Dome drilling in December 2009 confirmed the existence of ultramafic rocks with anomalous nickel values associated with high MgO rocks. Trace amounts of nickel sulphide minerals were detected in several drill holes. Two distinct and strong EM conductors have been defined on the eastern edge of the Aztec Dome and further deep drilling is planned to test these encouraging targets as well as several other geological and geophysical targets.

The Coogee gold deposit contains a JORC compliant resource of 277,500t @ 3.9 g/t gold (35,000 oz). A pit optimisation and pit design have been completed and indicate that the resource would support a profitable mining operation. Mining development is currently focused on the Bundarra project and the Coogee deposit has been sold.

Dodgers Well (30 kms north of Leonora)

The Dodgers Well Mining Centre contains a series of historic gold workings, some with historic production up to 2 oz/t gold. Previous rock chip sampling returned results up to 210 g/t gold. Drilling underneath several workings in mid-2010 returned very encouraging results including 4m @ 36.10 g/t Au (including 1m @ 115.7 g/t gold which re-assayed at 1m @ 220.5 g/t gold) and 3m @ 9.67 g/t gold, both in areas not previously drilled. Followup drilling is planned to further evaluate these encouraging mineralised targets.

Competent Persons Statements

The information in this report that relates to Exploration Results is based on information compiled by Mr Chris Tomich, who is a full time employee of Terrain Minerals Ltd. Mr Tomich is a member of the Australian Institute of Geoscientists (MAIG) and 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 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' Mr Tomich consents to the inclusion in the report of the matters based on information in the form and context in which it appears.

The Mineral Resource estimates (at 1g/t gold cut-off) for the Wonder North, Bluebush, Great Western and Black Cat deposits at Bundarra were completed by consultant Mr. Shane Fieldgate of CSA Global Pty Ltd, who is a Member of the Australian Institute of Geoscientists (MAIG) and is a Competent Person as defined by the Australasian Code for the Reporting of Exploration Result Mineral Resources and Ore Reserves (JORC Code) 2004 Edition and who consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

The Mineral Resource estimate (at +3g/t gold cut-off) for the Wonder North deposit at Bundarra was completed by consultant Mr. Steve Le Brun of LBC Resources Pty Ltd, who is a Member of the Australasian Institute of Mining and Metallurgy (MAusIMM) and is a Competent Person as defined by the Australasian Code for the Reporting of Exploration Result Mineral Resources and Ore Reserves (JORC Code) 2004 Edition and who consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

The Mineral Resource estimate for the Coogee deposit was reviewed by consultant Mr. Malcolm Castle, who is a Member of the Australian Institute of Mining & Metallurgy (MAusIMM) and is a Competent Person as defined by the Australasian Code for the Reporting of Exploration Results Mineral Resources and Ore Reserves (JORC Code) 2004 Edition and who consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.



JORC Compliant Resource Table (at 1 g/t gold lower cut-off)

Deposit	Resources	Measured	Indicated	Inferred	Totals
Bundarra Project					
Wonder North	Tonnes	354,000	872,000	1,314,000	2,540,000
	Grade g/t	2.3	2.4	1.9	2.1
	Ounces	26,000	66,500	80,200	172,600
Bluebush	Tonnes			726,000	726,000
	Grade			1.7	1.7
	Ounces			38,900	38,900
Black Cat	Tonnes			134,000	134,000
	Grade			2.5	2.5
	Ounces			10,600	10,600
Great Western	Tonnes	58,000	284,000	131,000	473,000
	Grade	3.0	2.8	2.3	2.7
	Ounces	5,600	25,800	9,500	40,900
Totals	Tonnes	412,000	1,156,000	2,305,000	3,873,00
	Grade	2.4	2.5	1.9	2.1
	Ounces	31,600	92,300	139,200	263,100
Celtic	Tonnes	683,900	199,400	204,400	1,087,700
	Grade	1.8	1.5	1.5	1.7
	Ounces	39,300	9,300	9,500	58,100
TOTALS	Tonnes	1,095,900	1,355,400	2,509,400	4,960,700
	Grade	2.0	2.4	1.9	2.0
	Ounces	70,900	101,600	148,700	321,200
East Kambalda Project					
Coogee	Tonnes		137,800	139,700	277,500
	Grade g/t		4.12	3.70	3.91
	Ounces		18,250	16,620	34,870
Total Resources					
All Deposits	Tonnes	1,095,900	1,493,200	2,649,100	5,238,200
	Grade	2.00	2.56	1.99	2.10
	Ounces	70,900	119,850	165,320	356,070

Wonder North JORC Compliant Resource Table (at 3 g/t gold lower cut-off)

CLASSIFICATION	TONNES	GRADE g/t GOLD	GOLD OUNCES
Measured	0	0	0
Indicated	494,450	4.9	78,080
Inferred	127,150	4.4	18,000
TOTAL	621,600	4.8	96,080