ASX Announcement

3 December 2013

ABN: 45 116 153 514

ASX: TMX

East Kambalda (Aztec Dome) Review & IM (Sale Document)

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As part of Terrain Minerals Ltd (TMX) current ongoing strategic realignment initiative's, aimed at resetting TMX's future direction which also involves the adoption of a new corporate methodology to project generation and other initiatives aimed at increasing shareholder value, the Board is conducting a comprehensive project review analysis which is being carried out by MMWC consultants. MMWC have complied the attached Information Memorandum.

Terrain is exploring all divestment options for its East Kambalda project (Aztec Dome) including Joint Venture or Full Divestment.

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AZTEC DOME PROJECT- KAMBALDA, WESTERN AUSTRALIA

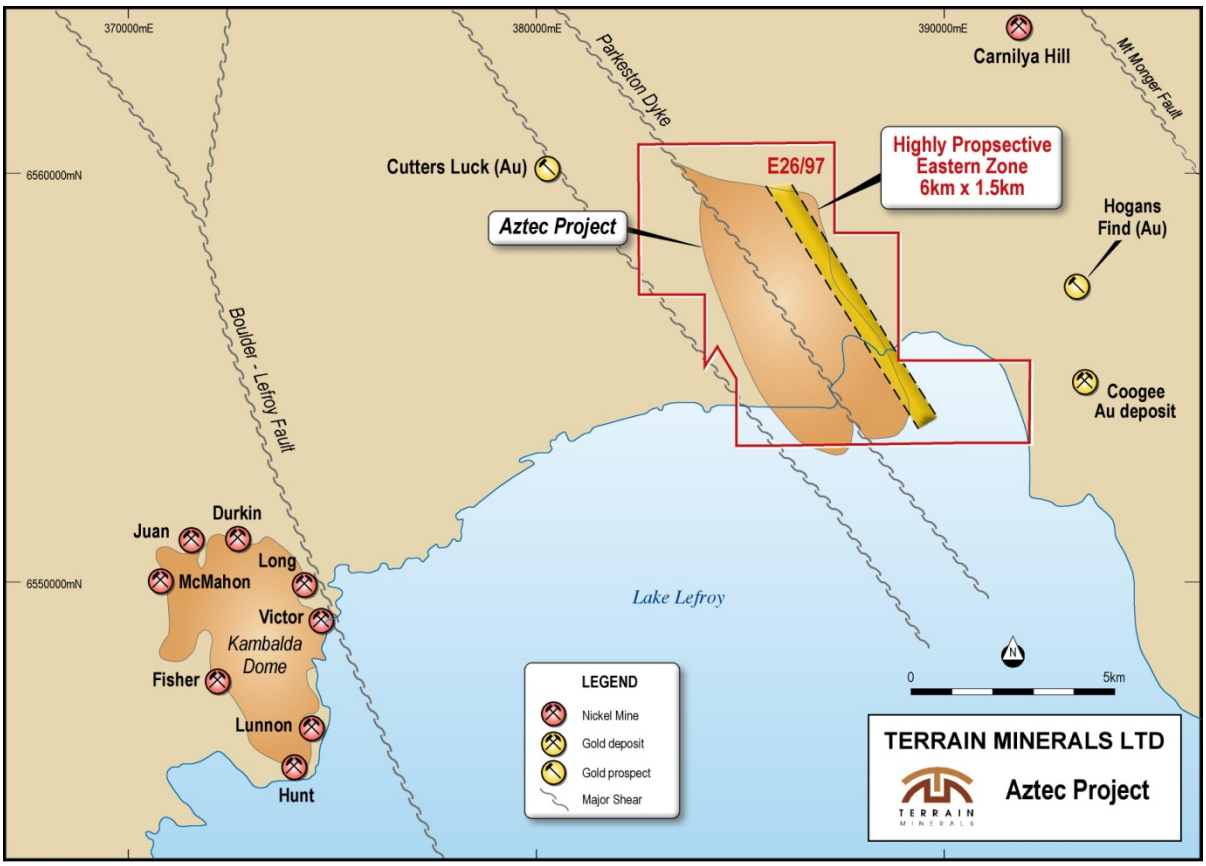

FIGURE 1: REGIONAL PROSPECTIVITY

OVERVIEW:

Aztec Dome Project is highly prospective for hosting nickel and gold mineralisation in a variety of mineralisation styles. The project bares parallels to that of blind Kambalda style nickel mineralisation. The eastern sheared margin of the Aztec Dome project contains mixed mafic and ultramafic sequences containing anomalous nickel geochemistry. The project area is substantially underexplored and requires a combination of modern electromagnetic geophysical techniques and targeted drilling to determine the potential of hosting economic nickel mineralisation within the project area. In addition the potential of hosting gold mineralisation within the tenure has only received a cursory level of exploration efforts and warrants further investigation.

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LOCATION:

The Aztec Dome Project covers an area of 42.45km^2 and is located in the East Coolgardie District of the Coolgardie Mineral Field of Western Australia. Access to the Project is via the well-formed Carnilya Hill to Kambalda unsealed haul road to the north of the project area. Within the project area the Mount Monger South Road provides adequate access.

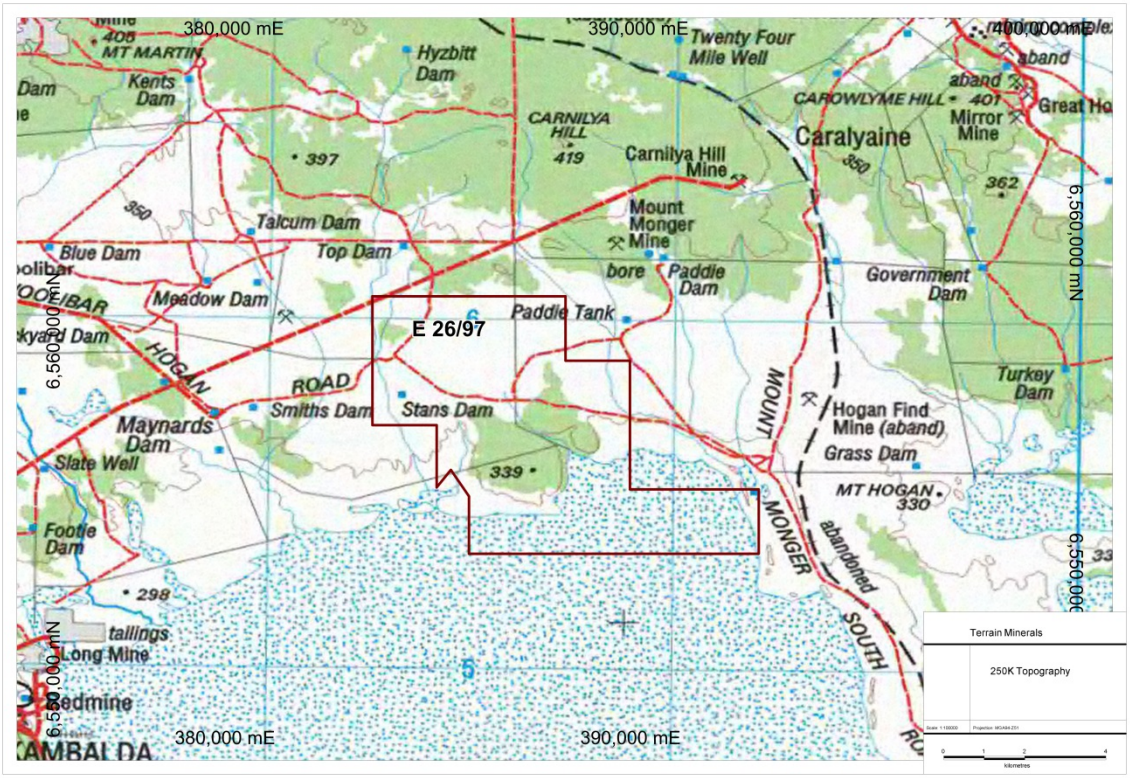

FIGURE 2:AZTEC DOME PROJECT 250K TOPOGRAPHY

TENURE:

TABLE 1: TENEMENT SCHEDULE

Tenement	Grant Date	Expiry Date	Area (km^2)
E26/97	13/04/2005	12/04/2014	42.45

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REGIONAL GEOLOGY:

The Aztec Dome Project lies within the Kalgoorlie Terrane in the southern part of the Eastern Goldfields Region of The Archaean Yilgarn Craton. The terrane is separated from other greenstones in adjacent terranes by either major faults or granitoid intrusions. The Kalgoorlie Terrane is conventionally divided into four major and two smaller domains which despite being separated by shear zones and structural breaks have common deformation histories and similar regional litho-stratigraphic successions. The project lies within the north confines of one of these smaller divisions; the Parker Domain.

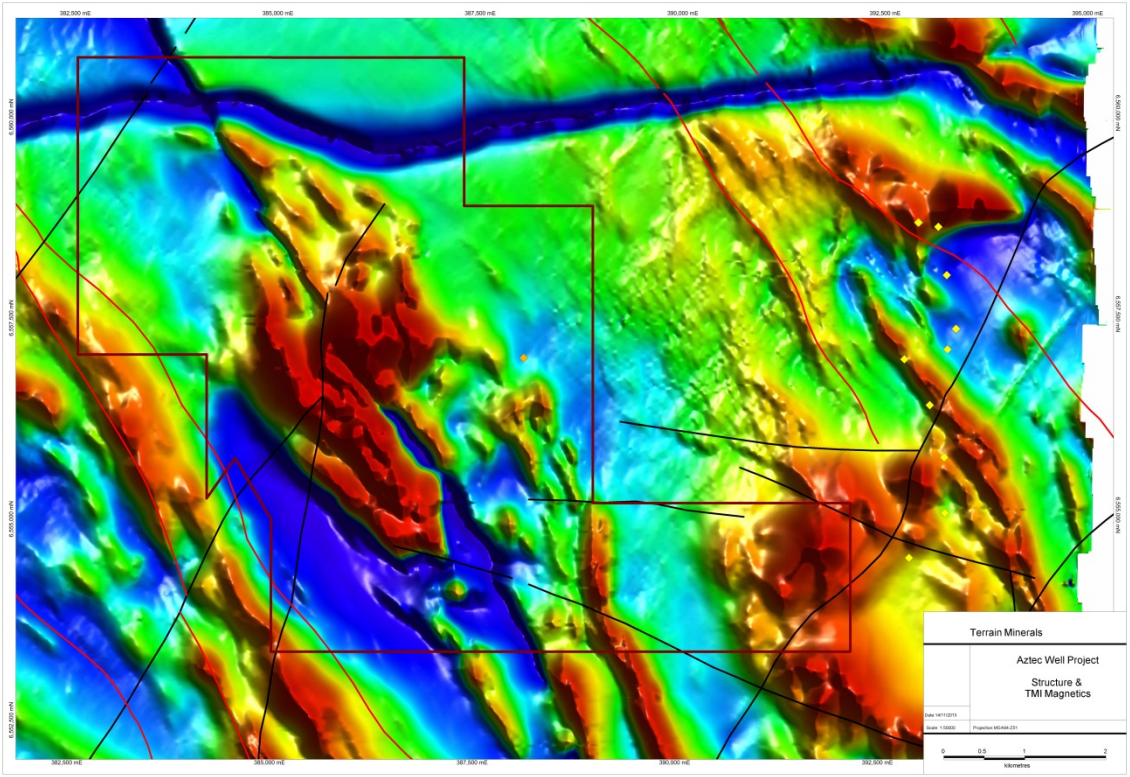

FIGURE 3: AZTEC DOME PROJECT TMI MAGNETICS & STRUCTURE

PARKER DOMAIN:

The Parker Domain is bounded in the east and west respectively by two major regional north trending structures, the Mount Monger and Lefroy Faults. To the north, the domain limits terminate south of the Carnilya Anticline at the east trending Talcum Fault, a major thrust that separates the Parker Domain from its northern neighbour, the Boorara Domain. One hundred and twenty kilometres to the south-southeast granitoids of the Norseman Terrane close out the Parker Domain's southward continuation.

The structural trend is northwest. Northwest trending isoclinal folds, with some overturning of the east limbs, are cross folded into a series of elongate domes, the largest of which is the Aztec Dome. These folds are dislocated by north trending faults that are truncated by major regional shears sub-parallel to the geological strike. Late north-northeast trending faults affect all earlier structures.

The regionally significant Parkeston Dyke, which cuts the Aztec Dome in to two geophysically distinct portions, is possibly an early structure which has been reactivated by later tectonic activity, and also intruded by dolerite.

The weathering profile is a truncated laterite profile where upper saprolite is overlain by thin (<10m) of Cainozoic transported cover. Rocks are relatively fresh in the areas of outcrop. Lithologies and structure are largely concealed beneath the shallow Cainozoic cover north of Lake Lefroy. The saline clays and muds of Lake Lefroy are of unknown depth as all exploration to date has been limited to the "onshore" area of the exploration licence.

PROJECT GEOLOGY:

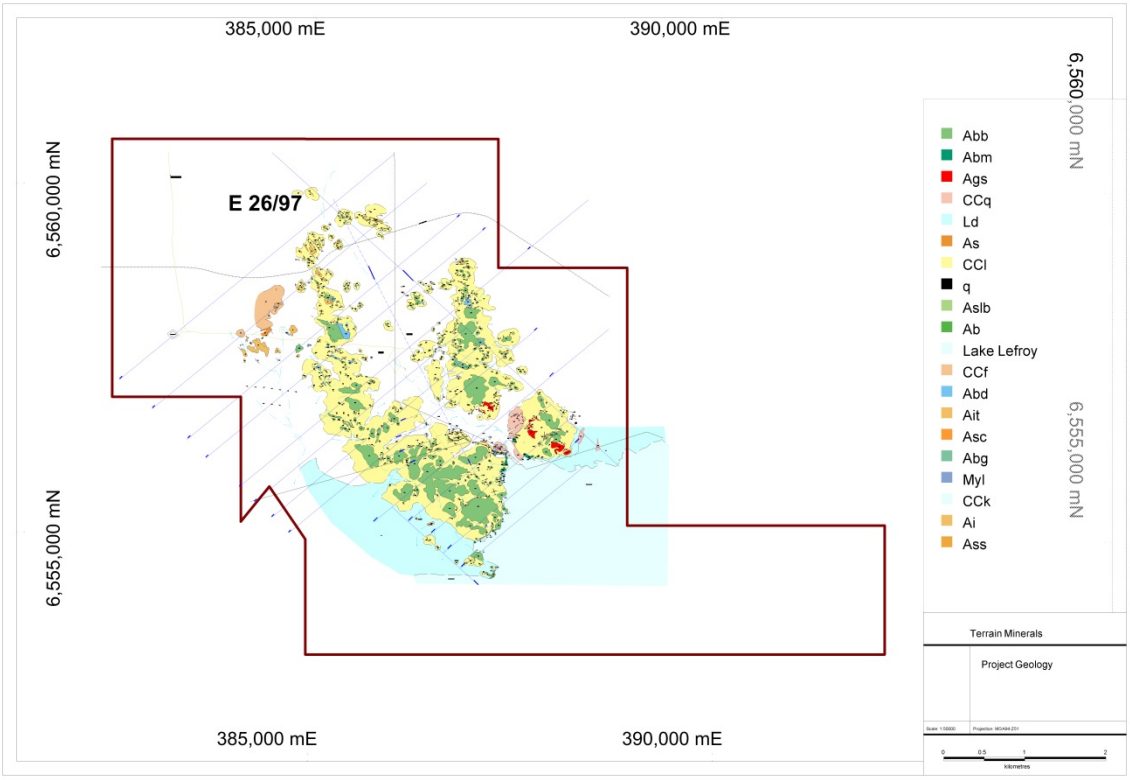

FIGURE 4: AZTEC DOME PROJECT FACT GEOLOGY

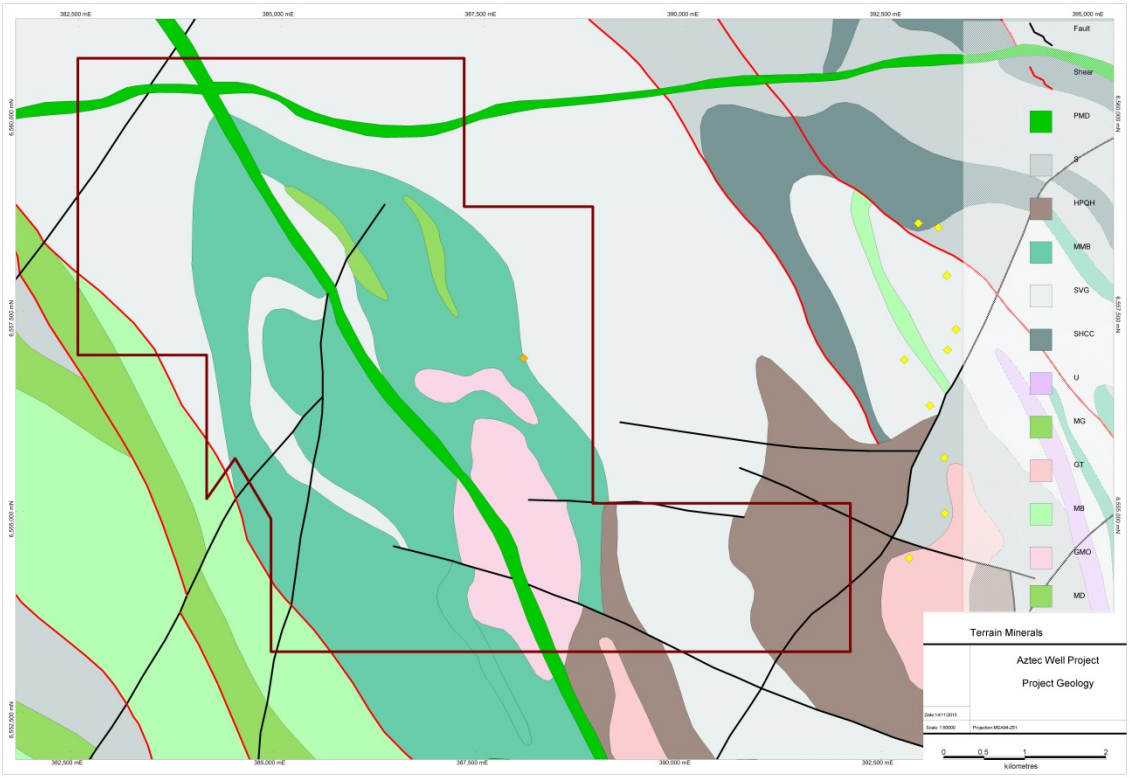

FIGURE 5: AZTEC DOME PROJECT INTERPRETED GEOLOGY

HISTORICAL EXPLORATION & MINING:

Late 1890's:

Alluvial gold was first discovered to the east of the project area at Hogan's Find in the late 1890's and recorded production to 1906 was 894oz Au.

BHP Company Ltd (1966-1973:

Following the Kambalda nickel discovery by WMC, an extensive exploration program for nickel in the Mt Monger District was, initiated by WMC. Targets generated by IP, ground magnetics, mapping, rock chip sampling and soil sampling. Targets were tested via auger and subsequent diamond drilling.

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RECENT EXPLORATION:

GEOPHYSICS:

An induced polarisation survey (IP) and electromagnetic survey (EM) was conducted across the project area. The surveys covered a portion of the southern Aztec Dome. The IP survey was designed to locate volumes of massive sulphide mineralisation surrounded by appreciable volumes of disseminated sulphide mineralisation of the Kambalda style of nickel deposit, as well as any type of disseminated and/or massive sulphide mineralisation hosted by mafics or ultramafics, sediments or volcanics.

The Kambalda Komatiite hosted nickel mineralisation styles are typically small in size but high in grade. The nickel mineralisation occurs at the contacts between the host serpentinized komatiites (Kambalda Komatiite unit) and the footwall basalts (Lunnon Basalt Unit). The sulphide ore zones are usually less than 6m in true width. Some of the mineralisation is massive, but there are larger volumes of disseminated mineralisation. The mineralisation can be traced for kilometres and is of variable width. The economic ore zones in the region have dimensions of 100 to 150m.

In the Aztec Dome the thickness of the outcropping basalt cover sequence- equivalent to the hanging wall Devon Consols Basalt and the thickness of the underlying potential host ultramafic sequence- equivalent to the Kambalda Komatiite are not accurately known.

Four IP anomalies were identified:

- Zone A: located along the north eastern margin of the survey area. Low grade nickel mineralisation was intersected in historical drill core of ASD001 and is associated with a weak IP response
- Zone B: associated with the Parkeston Dyke. The Parkeston Dyke has most likely intruded along a major structural feature. The IP response with the Paarkeston Dyke is discrete. The IP response is associated with a resistive zone and is rated a high priority gold target
- Zone C: located further west on the western flank of a magnetic unit in a structurally complex area. The IP response is associated with a resistive response. The target is ranked as a medium to high priority gold target
- Zone D: located on the western margin of the Aztec Dome magnetic feature and on the flank of a magnetic unit. The IP response is associated with a change of resistivity (slightly more conductive). This target is ranked as a moderate to high gold and/or nickel target.

DRILLING:

A drilling program was conducted in 2009 to target these IP anomalies for nickel and/or gold mineralisation associated with sulphide alteration in the southern portion of the Aztec Dome. A total of 2,691m of RC drilling was conducted. Disseminated pyrite was intersected in all RC holes, and is most likely to be attributable to being the source of the IP anomalism; it is unclear if the quantities and distribution of sulphide mineralisation in every hole explains all anomalies. Most of the IP anomalies occur in the overlying mafic cover sequence (Devon Consols Basalt equivalent) and are unrelated to a deeper source in interpreted high density rocks. This may not be the case for IP anomaly A.

Hole AZRC009 into Anomaly A unexpectedly intersected a mixed ultramafic-mafic sequence on the eastern sheared edge of the Aztec Dome. Some weakly disseminated and vein pyrite intervals are associated with

wide zones of quartz veining and carbonate alteration and veining occurs within the interpreted target zone. The IP anomaly remains open at depth with only narrow zones of pyrite logged between 142-232m.

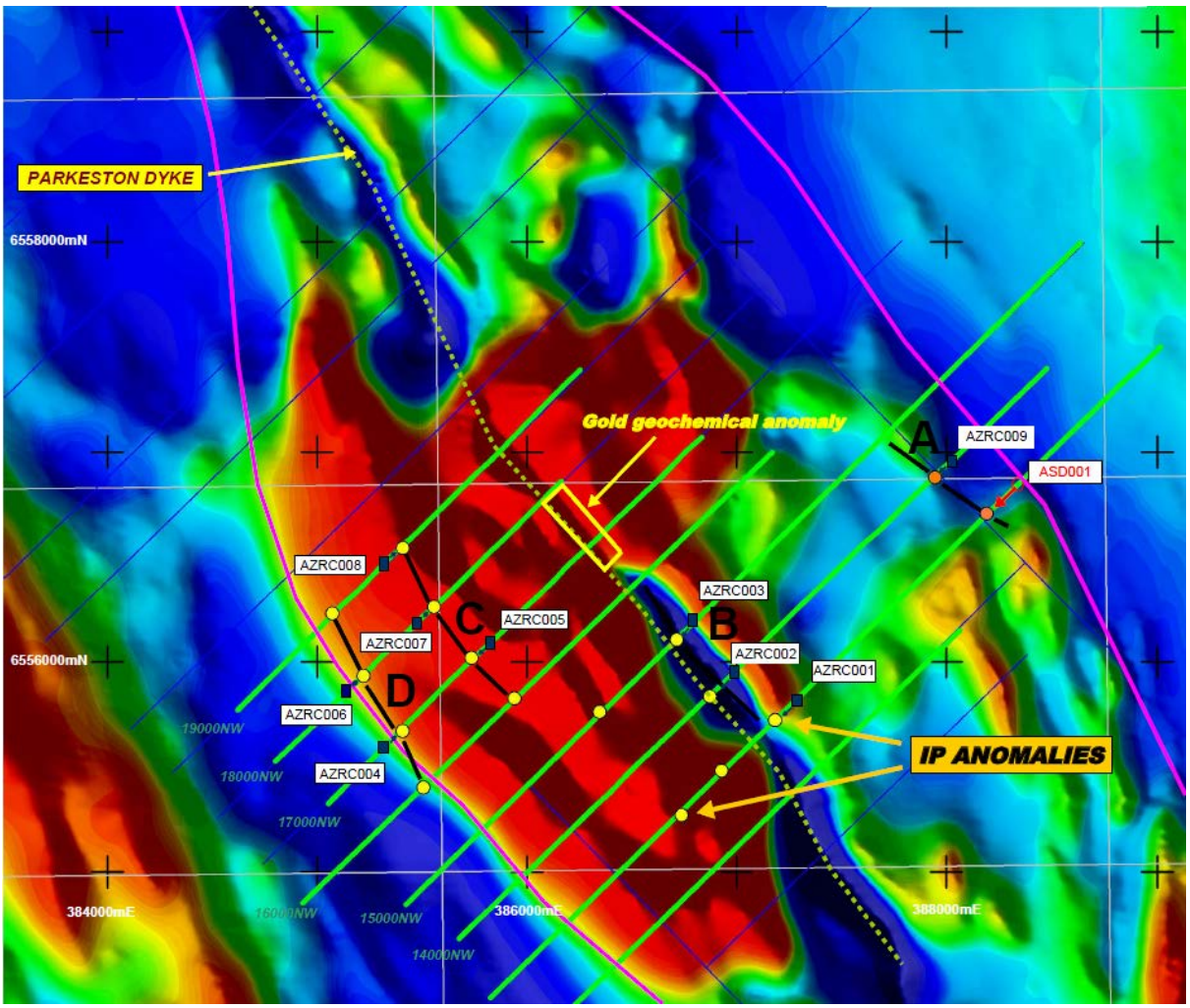

FIGURE 6: AZTEC DOME TMI RTP WITH IP ANOMALIES AND 08-09 DRILLING

Areas surrounding ASD001 and AZRC009 have been identified as a priority area based on geology, geochemistry and geophysics. It has been interpreted that the anomalous Ni, Cr, S geochemistry in this area may reflect remobilisation of nickel sulphides at depth and hydrothermal alteration associated with the intrusion of the lithologically and geophysically distinct granitoid (syenite) intrusive plug near the sheared eastern margin of the Aztec Dome.

In 2012 a total of 4 RC holes and 4 diamond drill holes for 2,940m were drilled. AZRCDD011, located on the eastern extent of the dome intersected a series of differentiated flows with a width of 2-10m. Nickel sulphides in the form of millerite and pentlandite are present throughout the sequence and assayed up to 0.25% Ni.

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Technical information in this report has been prepared under the supervision of Mr Jonathan King, a member of the Australian Institute of Geoscientist (AIG). Mr King is the Principal of Weston Consultancy Group Pty Ltd, a boutique geological consultancy, and has sufficient experience which is relevant to the styles of mineralisation 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" (the JORC Code). Mr King consents to the inclusion in this report of the Information, in the form and context in which it appears.