

# ASX Announcement



29 July 2016

ABN: 45 116 153 514

ASX: TMX

## Quarterly Activities Report: June 2016

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### HIGHLIGHTS

- **Great Western – Advancement – 100% & No Royalties**
  - Trevor Bradley Senior Geologist appointed (casual basis). Trevor has been tasked with reviewing the existing data and designing a strategy to advance the Great Western gold project to the mine approval stage
  - 655m drill program developed. Designed to lift current inferred material to indicated category. Program to be finalised following the Bradley review and to commence as soon as possible
  - Great Western Scoping Study Progress Update
- **Gimlet – Southern Fraser Range – 100% & No Royalties**
  - Review of the historic data has identified one untested gold in soil auger anomaly. “Anomaly A”
  - Board has approved a small Rab/Aircore program to test “Anomaly A”
  - Planning for drilling has commenced, POW & land access (private property) underway
  - Tenement area has been reduced and is now 100% held by Terrain with no royalties payable
- **Rembrandt Gold Project – Monet**
  - Project divestment activities continue
- **Corporate Update**

**Terrain Minerals Limited (ASX: TMX)**, is pleased to provide the following updates on its activities for the June quarter,

## **Great Western Project**

### **Project advancement activities:**

Terrain is pleased to have secured the services of Senior Geologist Trevor Bradley (on a casual basis). Trevor has been tasked with reviewing the existing data and designing a strategy aimed at advancing the Great Western gold project to the mine approval stage.

Refer to the professional summary within the ASX release dated 11<sup>th</sup> July 2016.

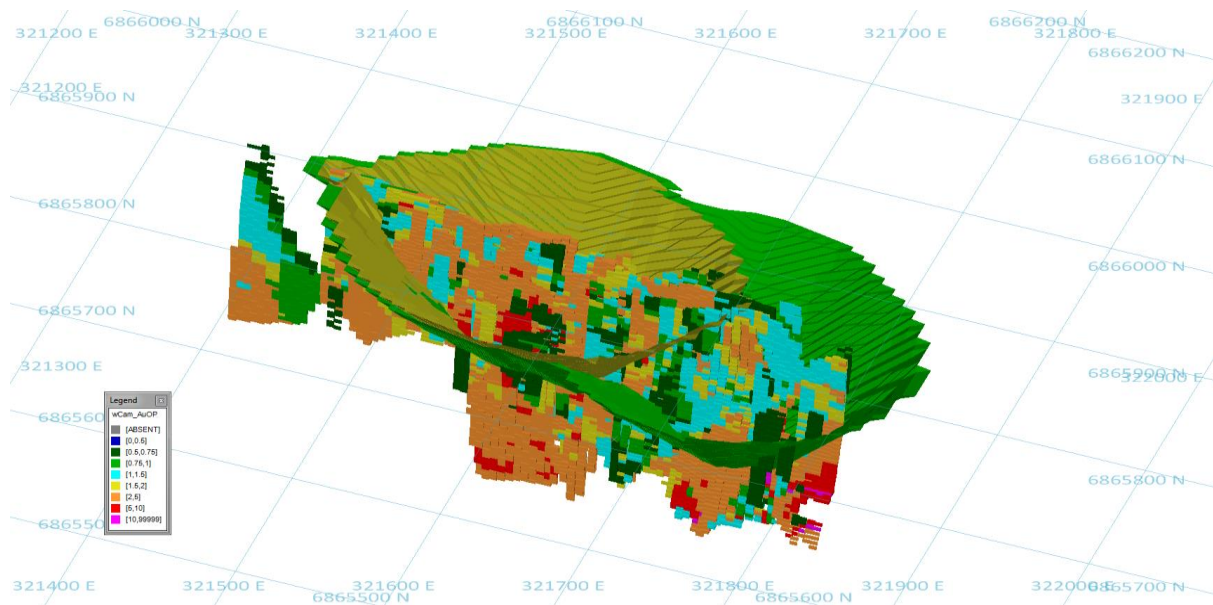
### **Great Western Scoping Study Progress Update**

The Great Western scoping study findings to date are encouraging. Due to the new reporting regime on announcing results at scoping study level Terrain has been examining what additional information is required to lift the scoping study to pre-feasibility level. Terrain has been working with mining consultants CSA Global Limited to complete the scoping study.

Additional works identified for Great Western for a single open pit operation study:

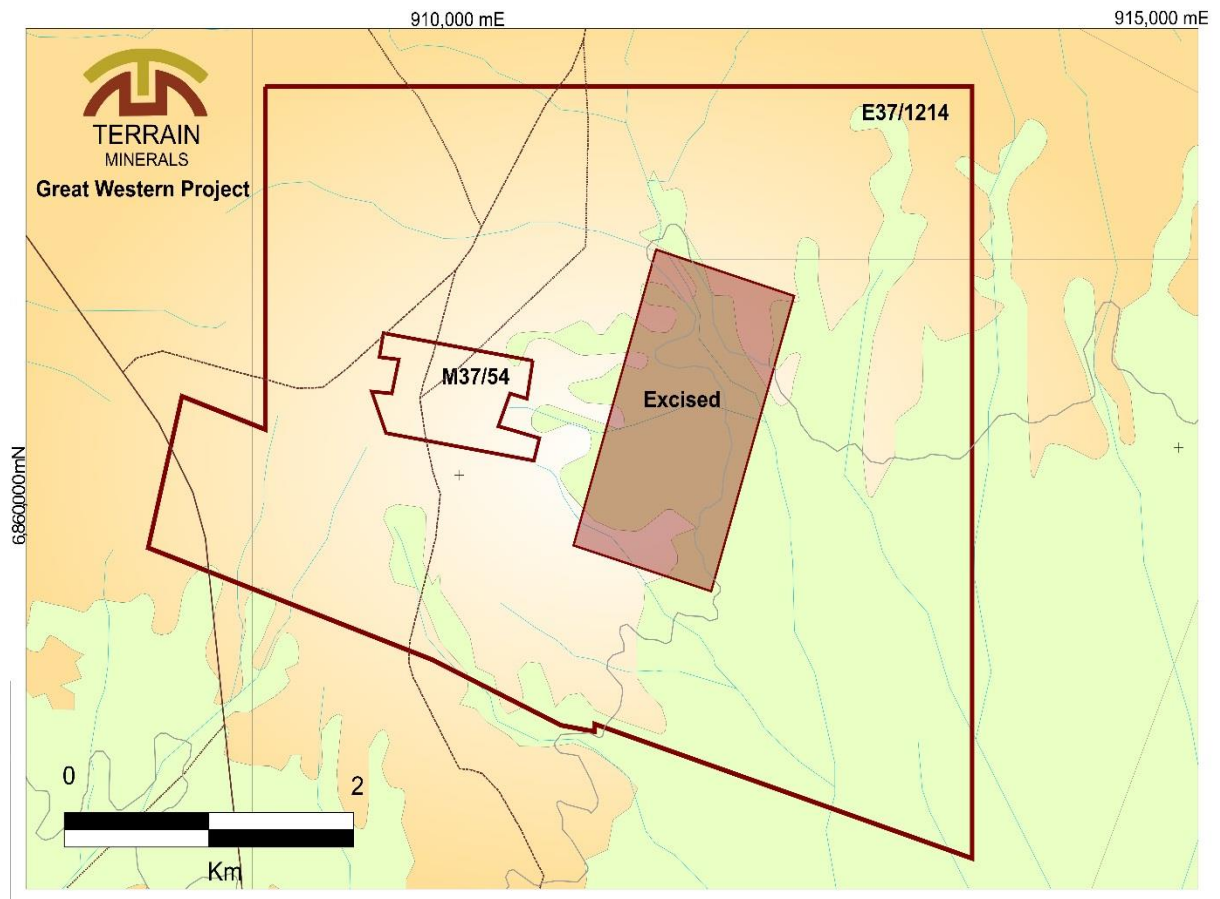
- 42% of the JORC 2012 compliant model is classified as Inferred and the majority of this sits at the eastern end of the current block model. Refer to Diagram 1 for further explanation.
- An RC drilling program is warranted to infill the current gaps in the eastern portion of the inferred resource. Assuming positive drilling results the current JORC 2012 model will be updated so to reclassify the eastern portion from Inferred to Indicated status and for inclusion in the pre-feasibility model.
- The scoping study has identified that an onsite process study is also warranted:
  - Work is underway to better defining mining, transport and toll treating costs.
  - A metallurgist is currently designing a ~250,000 ton per annum onsite crushing and gravity circuit. Using available used components and budgets for installation and operational costs.
  - Previous Abdel metallurgical test work indicated a high gravity recovery was achieved.

Terrain intends to update the market accordingly with findings on project economics once the additional work is done. Terrain feels that this additional work is so far warranted and Great Western has the potential to be advanced as a standalone operation using either of the above proposed processing methods.



**Diagram: 1** Two of the proposed pit shells from Scoping study

Diagram 1 - The above smaller inner pit shell on the right hand side predominately contains the Measured and Indicated classified material. The larger dark green outer pit shell on the right contains the eastern 42% inferred material. As this 42% Inferred represents a large percentage of metal, and now due to the new reporting standards internal confidence in this resource needs to be confirmed before being able to report the findings publicly, a drill program is currently being designed. It is estimated that around ~655m of additional RC drilling will be required.



**Diagram: 2** Great Western Project 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 considers it as an advanced project and ready to mine opportunity which is possibly still open down plunge and along strike. Further exploration has the potential to expand the mine life of the current mining plan of 322,500 tonnes @ 5.14 grams per tonne.

## **Gimlet - Gold Target - Anomaly "A"**

The recently completed historic review of data over Terrain's Gimlet project has identified an untested gold soil Anomaly "A". This represents a 'walk up' untested Gold target. Planning for a small Rab/Aircore drilling program is underway, including POW and land access as it is on privately owned land which may be presently under cultivation.

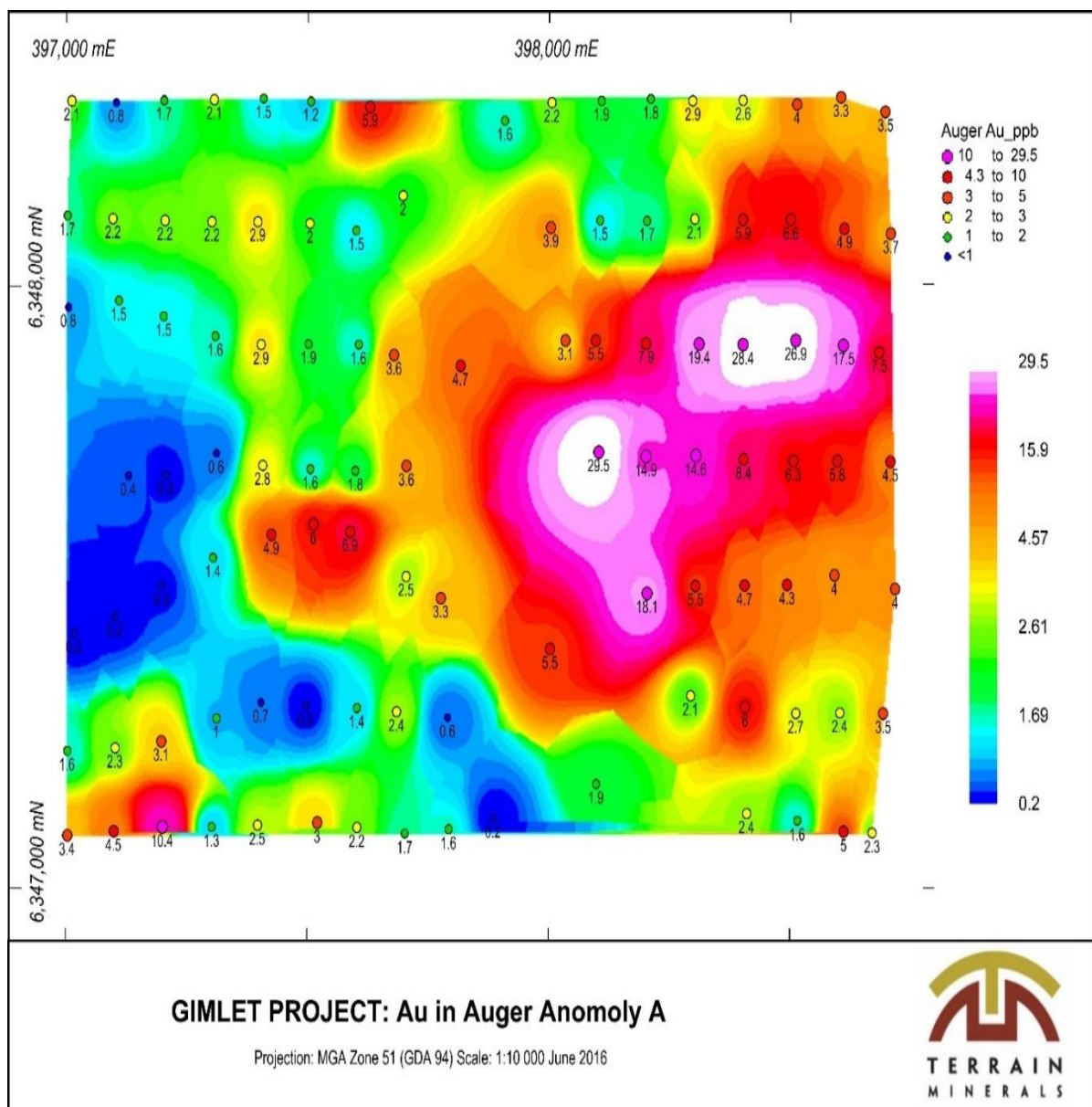
### **Highlights from the historic data review include:**

- Greater than 600m by 200m auger anomaly (Gold target);
- Drilling just to the west encountered low 2 to 3 metres overburden;
- Drill program (aircore/rab) has been Board approved with planning underway; and
- Project area 100% held by Terrain all situated on freehold acreage
- Total area now consists of 26 blocks and 146 blocks have been relinquished.
- Land now 100% Terrain with spotter fee agreement and related royalties cancelled for no consideration.

Anomaly A is a discrete east-west trending 600x200m gold in soil anomaly, defined by a historic 200x100m spaced auger sampling. The low level 15-30ppb anomaly is located on private arable land.

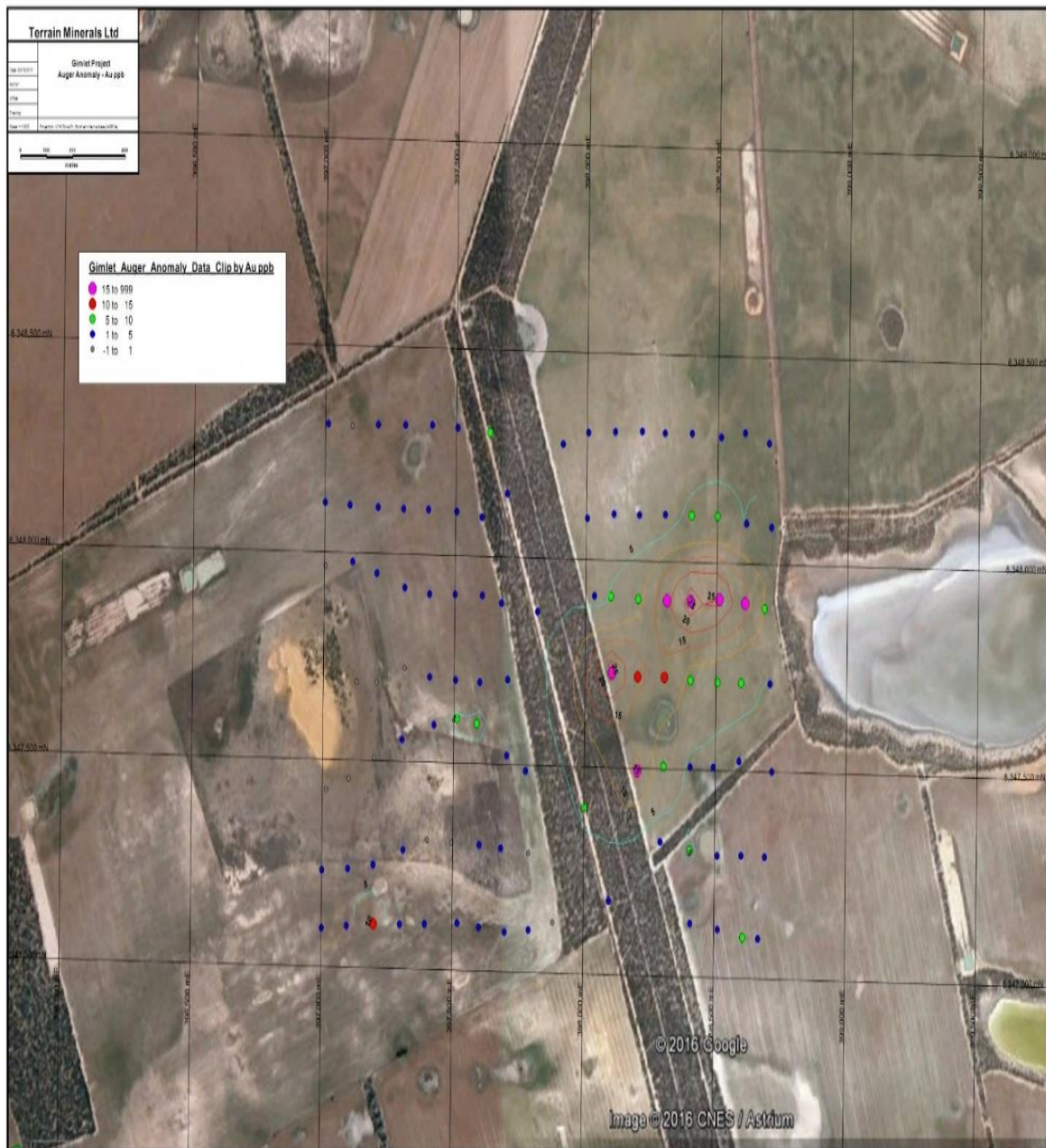
Magnetic testing displays complex underlying bedrock geology. Three shallow aircore drill holes drilled 200m to the west of the anomaly intersected quartz-feldspathic gneisses, and while no anomalism was identified, the holes show transported cover to be thin (<3m), suggesting the anomaly is not part the extensive palaeo-channel system transecting the area, and potentially reflects a bedrock source.

The anomaly represents a modest lithostructural and geochemical target. The Company plans to test the structure with a small rab/aircore program in due course.

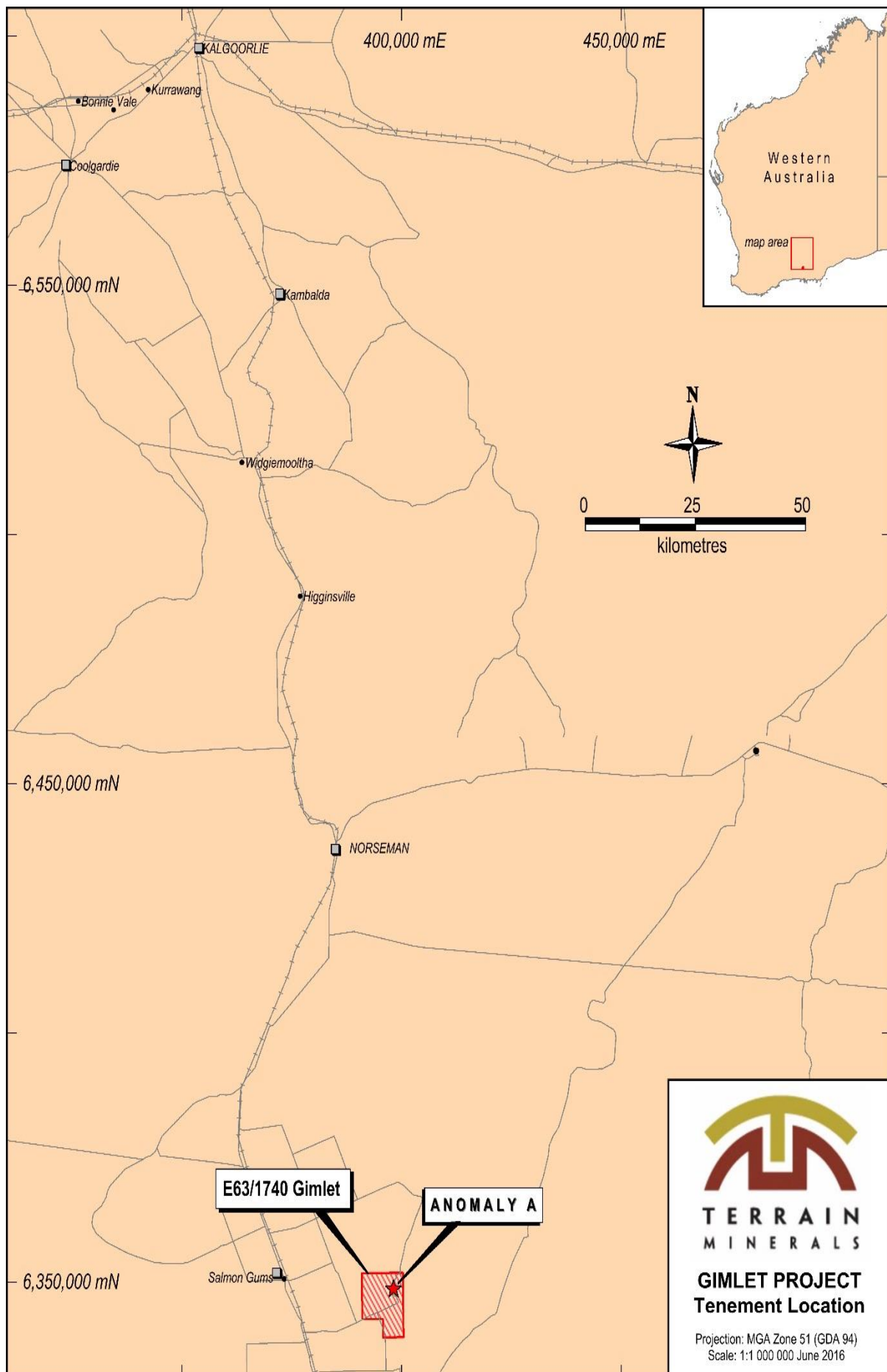


**Diagram: 3** Untested Auger Soil Anomaly



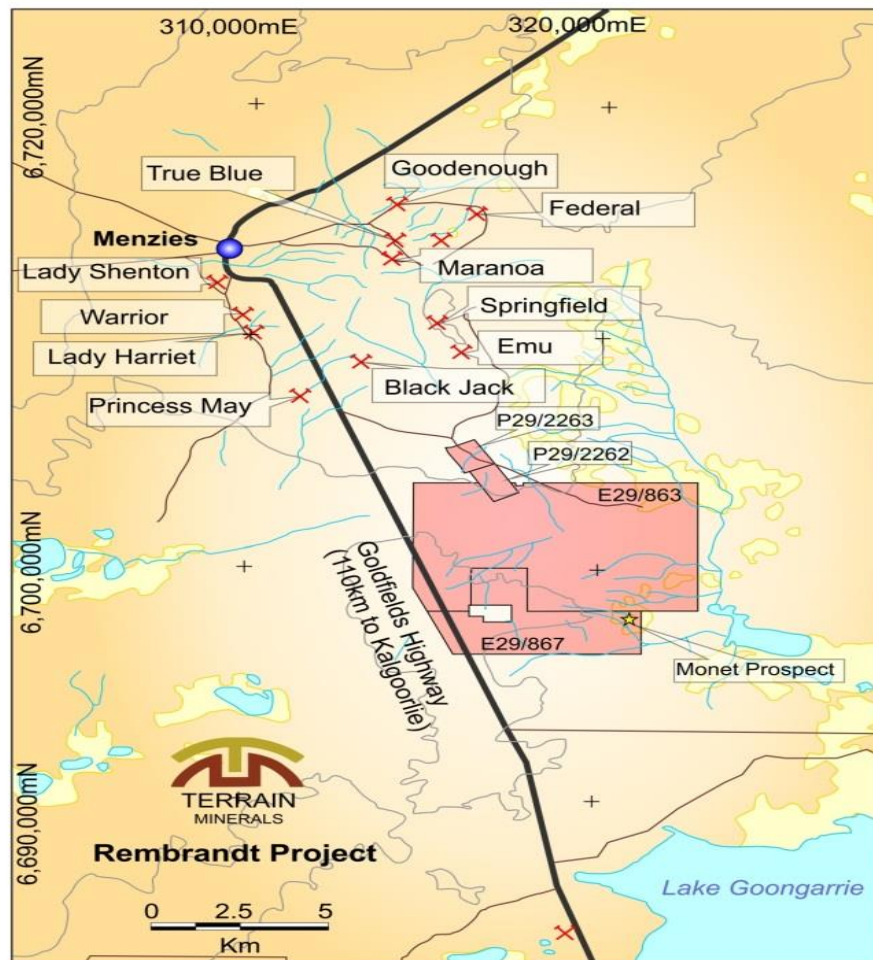


**Diagram: 4** Anomaly "A" is located over free hold agricultural land. Permission to access and first pass drill test this the area is underway



**Diagram: 5** Gimlet project location

# Rembrandt Gold Project



**Diagram 6:** Rembrandt Project Location Plan

## High grade gold intercepted in drilling at Monet Prospect

- Multiple high grade drill results including:
  - TMXMRC016: 1m @ 17.9g/t Au from 26m & 2m @ 1.9g/t Au from 30m
  - TMXMRC018: 1m @ 6.5g/t Au from 46m
  - TMXMRC030: 1m @ 80.4g/t Au from 43m
  - TMXMRC039: 1m @ 18.85g/t Au from 11m
  - TMXMRC041: 1m @ 2.7g/t Au from 32m & 3m @ 1.7g/t Au from 39m
  - TMXMRC063: 1m @ 20g/t Au from 16m
  - TMXMRC064: 1m @ 10.3g/t Au from 28m
  - TMXMRC065: 2m @ 3.54 g/t Au from 36m
  - TMXMRC066: 2m @ 1.8g/t Au from 46m
- Mineralisation open at depth
- Confirms presence of high grade near surface gold mineralisation



# Corporate

Terrain continues to explore ways to realise cash flow or value from Great Western and has continued to receive interest from several groups, and these discussions continue. The continued strength of the Gold price and the access to toll treat ore is assisting greatly with this process.

## Other Business

Terrain Minerals is currently searching and assessing potential projects: Gold in Australia, several Lithium & gold opportunities in Africa, (and other regions). Several areas of interest have now been identified with work on these ongoing. All economic commodities and jurisdictions are being considered as indicated in previous Quarterly reports.

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## Competent Person Disclosures

### *Rembrandt Gold Project*

The information relating to Rembrandt Gold Project has been extracted from the Company's ASX announcements dated 4 December 2015 and 2 March 2016 and is available to view on <http://terrainminerals.com.au/investor-relations/asx-releases-reports>. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements. The Company further confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

### *Great Western*

The information relating to Great Western was prepared and first disclosed under the JORC Code 2004 (refer to ASX announcements dated 16 February 2010 and 22 September 2010), and was subsequently updated to comply with the JORC Code 2012 on 24 August 2015. Information contained within this announcement has been extracted from the Company's ASX announcement dated 24 August 2015 and is available to view on <http://terrainminerals.com.au/investor-relations/asx-releases-reports>. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and, in the case of estimates of Mineral Resources or Ore Reserves, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.