ASX RELEASE

27 May 2021

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ASX: TMX

New Rock Chip Samples & Drilling Update

Smokebush Gold Project

Terrain Minerals Limited (ASX: TMX) (Terrain) is very excited to update the market regarding the recently completed drilling, field observations and rock chip sample results taken during recent mapping programs.

Mapping activities identified a new series of historic shallow workings between the Monza drill area and the northern extension working 500m away that reported rock chip results up to 100g/t Gold, from historic workings (Refer to ASX announcement 07/10/2020 - High Grade Rock Chips at Smokebush Gold Project).

Rock Chips Samples (taken from two separate spoil piles):

- **0.58 g/t Au**
- **4.78 g/t Au**

The new samples were taken from spoil rock piles adjacent to the shallow workings (refer to Diagram 1). These results provide further evidence of gold mineralisation between the two areas and provides further confidence for the recent drilling program (now completed) which was aimed at defining a broad northern extension of gold mineralisation in this area.

Note: A new area located closer to Paradise City returned a rock chip sample of **0.42 g/t Au.** A single unplanned 59m deep RC hole was added to the end of the program to test the newly identified structure, which appears to extend under cover on both ends.

Drilling Up-date Smokebush: RC Drilling at Smokebush was completed on 17/05/2021. A total of 12 RC holes for 1,669m were completed north of Monza and 3 RC holes for 351m were completed at Paradise City & 1 RC hole 59m into the new wildcat target, for a total of 16 RC holes and 2,079m of drilling. The samples have where sent to the laboratory in several batches and the market will be updated as soon as possible. The testing laboratories are currently experiencing high demand and delays are expected.

Wild-viper Update: Geologist are current on-site investigating several areas identified from recent data review work.

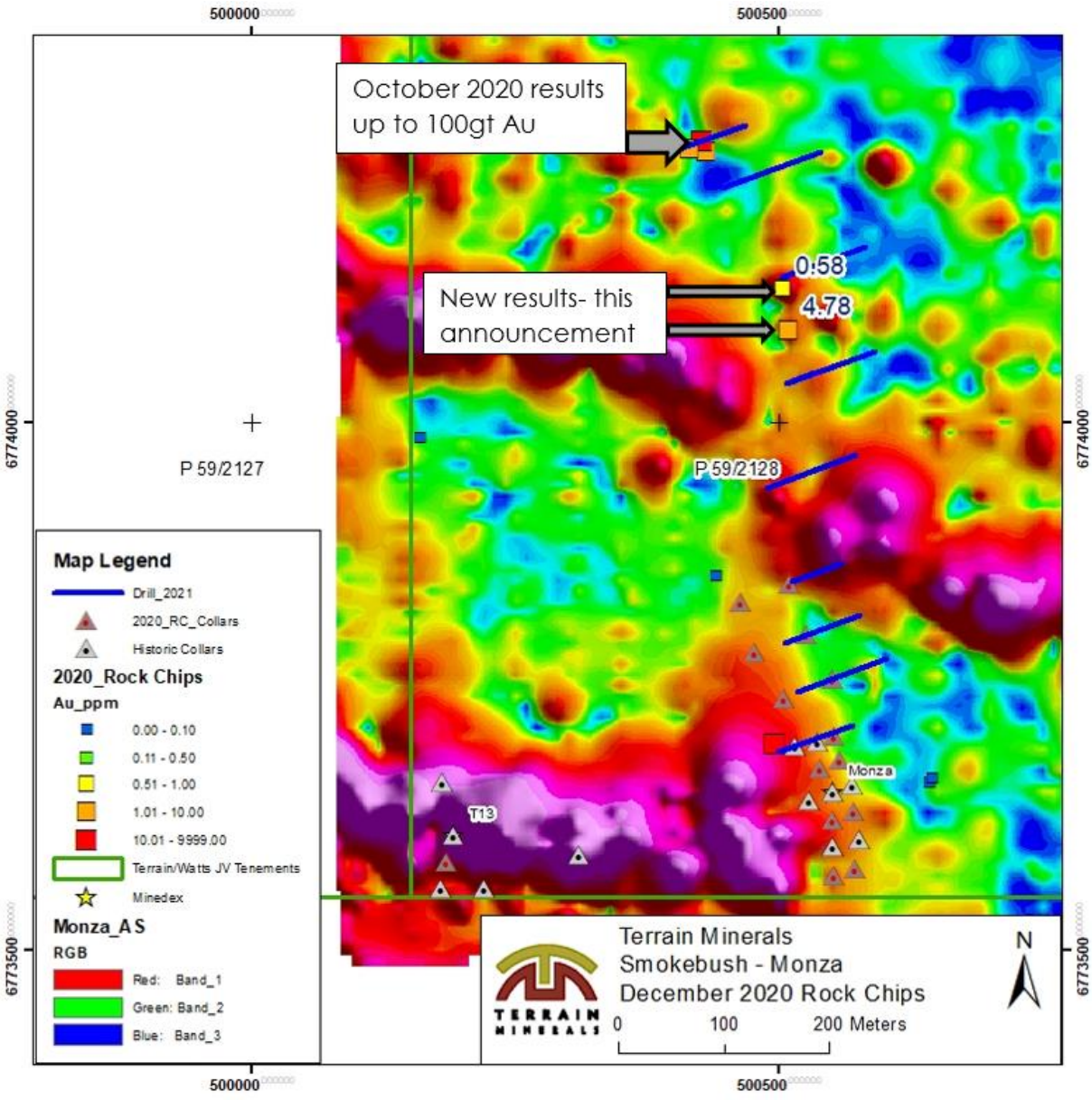

Diagram1: Rock Chip Gold results from historic workings relative to 2021 planned drilling. Blue lines are approximate drill hole traces of 12 recently drilled RC holes (results pending).

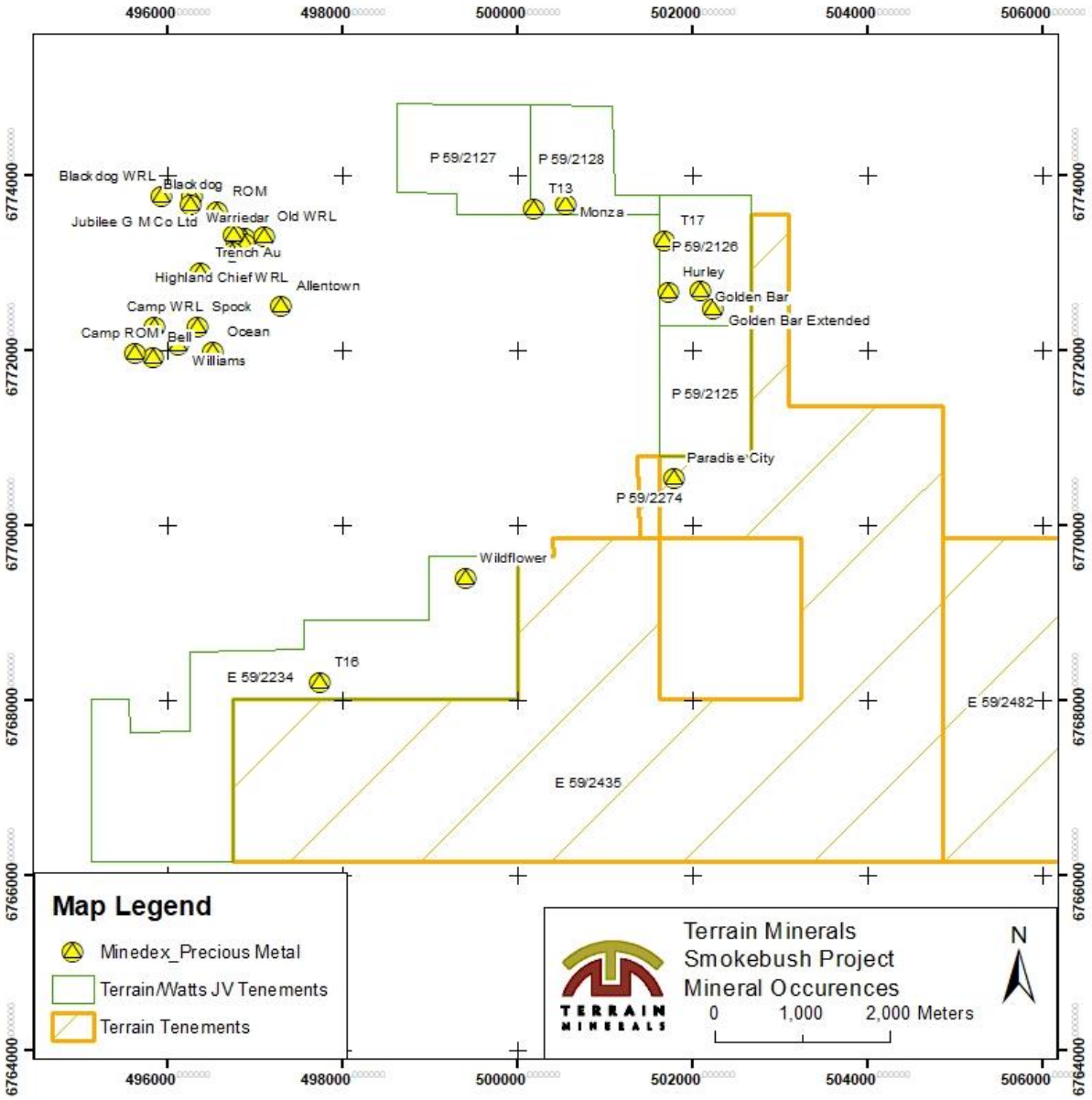

Diagram 2: Map of Terrain Minerals Smokebush tenements. Tenements in bold are 100% Terrain.

Rock Chip Samples (refer to Table 1):

Sample No.	Easting	Northing	Rock Type	Comments	As (ppm)	Au (ppm)
SBGS0033	501464	6770590	Regolith	Narrow vein in volcanoclastics. Extends approx. 50m	<5	0.42
SBGS0034	500509	6774087	Felsic	Diggings on N-S shear in felsic unit N of drilling area	4700	4.78
SBGS0035	500503	6774127	Greisen		1230	0.58

Note: For additional information refer to ASX announcement:

- **2 December 2019 -** Farm-in Agreement for the Smokebush Gold Project at Mt Mulgine, 65km West of Paynes Find WA.
- **18 December 2019 -** Smokebush Exceptional Historic Drilling Results Identified During Project Due Diligence.
- **3 March 2020 -** Exciting Results from Smokebush Gold Project.
- **08 October 2020 -** High Grade Rock Chips at Smokebush Gold Project.
- **12 October 2020** - Exciting Drilling Results at Smokebush Gold Project.
- **3 December 2020 -** New Application Granted with Exciting Historic Results at the Paradise City Gold Prospect - Smokebush Gold Project.
- **12 February 2021** - Ground Geophysics & Mapping Refines Targeting Matrix at Smokebush Gold Project.
- **17 March 2021** - Drilling & Project Update - Smokebush Gold Project.
- **22 April 2021** - 2,100m RC Drilling Program Commenced at the Smokebush Gold Project.

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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:

- **Smokebush** - WA gold exploration Project JV (80% TMX) – Terrain has identified multiple drill targets along with several other prospective areas that require additional work. Terrain executed its highly successful maiden RC drill program in August 2020, which followed up on historic drilling. Terrain is excited about the results following completion of the second phase of ground based geophysical survey and detailed mapping program over the new areas around Monza, Paradise City (100% TMX) and Wildflower prospects. The second phase of RC drilling has been completed for a total of 2,079m. Terrain also drilled one extra target/hole at the end of the program. The results are currently pending.

- **Wild-viper -** WA gold exploration Project 100% owned – which incorporates the strategic land holding known as Wilson Patch (WP). Wild-viper tenement package is strategically located and surrounds Red5 Ltd - Great Western Project (GW) as well as being adjacent to Saracen's (ASX: SAR) Bundarra gold deposits. As of the date of this announcement Terrain held 3.5 million Red5 shares (ASX: RED) from the GW sale. Terrain's geologist is currently on site (week starting 24th May 2021) following up new opportunities identified from recent data reviews.

- **Project Review -** Terrain Minerals continues to search potential projects across various commodities including Gold, Copper, Nickle, and industrial minerals in WA. Due to COVID-19 travel restrictions, all regions outside of WA, including foreign jurisdictions, are still being considered however are becoming more difficult to operate in.

- **Due to the COVID-19 Situation -** Terrain has been concentrating on WA based opportunities, due to the current travel restrictions that are in place. The board will continue to monitor advice from the relevant authorities (WHO and Australian Government) about the virus and the factors effecting the health and safety of all Terrain's stake holders.

Authority:

This announcement has been authorised for release by Justin Virgin, Executive Director of Terrain Minerals Limited.

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 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 ono which such statement is based.

Competent Person Statement:

The information in this report that relates to the exploration activities are based on information compiled by Mr. S Nicholls, who is a Member of the Australian Institute of Geoscientists and full time employee of Apex Geoscience Australia Pty Ltd. Mr Nicholls 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 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr. Nicholls consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Rock Chip Sampling and RC Drilling – September 2020

Smokebush Project

Appendix 1: JORC Code, 2012 Edition - Table 1

JORC Code, 2012 Edition – Table 1 report template

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	• *Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.* • *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* • *Aspects of the determination of mineralization that are Material to the Public Report.* • *In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m*	• Rock samples were collected from visibly mineralized outcropping, subcropping or localised float from areas of interest on the project. The rock chip and soil sample weights were approximately 1-3 kg. • Rock chip samples were collected by independent geologist. • Rock samples and soil samples were submitted to ALS Laboratories in Perth, WA for sample preparation and analysis. • Drilling was conducted on the Smokebush Project, WA. Drilling was supervised and samples collected by geologists from Apex Geoscience Australia Pty Ltd which is an independent geological consultancy. • Drill sample results are not part of this announcement.

Criteria	JORC Code explanation	Commentary
	samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralization types (eg submarine nodules) may warrant disclosure of detailed information.	
Drilling techniques	• *Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diametre, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).*	• The drilling was conducted by Red Dog Drilling using a Schramm t450. This drill uses a modern face sampling hammer with inner-tube and sample hose delivery to cyclone-cone splitter sample assembly. RC drilling used a face sampling hammer.
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise sample recovery and ensure representative nature of the samples.* • *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.*	• Drill sample results are not part of this announcement.
Logging	• *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.* • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* • *The total length and percentage of the relevant intersections logged.*	• Rock samples and sample locations were qualitatively logged for lithology and regolith type, and registered by independent geologist. • RC drill holes were logged for various geological attributes, including colour, lithology, oxidation, alteration, mineralization and veining. All holes were logged in full by geologists from Apex Geoscience Australia Pty Ltd.
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.* • *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* • *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* • *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* • *Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.*	• Rock samples were collected between 1-3 kg and were of sufficient size to represent the outcrop area of interest. • The sample sizes and analysis size are considered appropriate to correctly represent the mineralization based on the style of mineralization, sampling methodology and assay value ranges for the commodities of interest. • Samples were submitted to ALS in Perth for analysis. • The samples have been sorted and dried. Primary preparation has been by crushing the whole sample. The whole sample has then been pulverised in a vibrating disc

Criteria	JORC Code explanation	Commentary
	• *Whether sample sizes are appropriate to the grain size of the material being sampled.*	pulveriser to 85% passing 75um. • Drill sample results are not part of this announcement.
Quality of assay data and laboratory tests	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* • *For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.* • *Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.*	• The prepared rock chip samples were analysed by 50-gram Fire Assay with atomic absorption spectrometer (AAS) finish (Au-AA26). A 33 multi-element suite was sampled independently from the same pulp using 4 acid digest with ICP-AES finish (ME-ICP61). • The assay method and laboratory procedures were appropriate for this style of mineralization. • The ALS lab inserts its own standards and blanks at set frequencies and monitors the precision of the analyses. As well, the lab performs repeat analyses at random intervals, which return acceptably similar values to the original samples. • Laboratory procedures are within industry standards and are appropriate for the commodities of interest.
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* • *Discuss any adjustment to assay data.*	• All samples were collected by independent field geologists. • The sample sizes are considered to be appropriate for the type, style and consistency of mineralisation encountered. • The assay results of rock samples are comparable with the observed mineralogy. • The assay method and laboratory procedures were appropriate for this style of mineralization. • Data was reported by the laboratory and no adjustment of data was undertaken. • All assay results were verified by alternative company personnel and the Qualified Person before release. • Drill sample results are not part of this announcement.
Location of data points	• *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	• Rock sample locations and RC drill collars were determined by handheld Garmin GPS, which is considered to be accurate to ± 5 m. • Drill results are not part of this announcement. • All coordinates were recorded in MGA Zone 50 datum GDA94. • Topographic elevations were generated using the hand held GPS,

Criteria	JORC Code explanation	Commentary
		which is considered to be accurate to ± 10 m.
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.* • *Whether sample compositing has been applied.*	• The reported rock sampling is of a reconnaissance nature, and thus, only visibly mineralised rocks were targeted for sampling. • The reported surface sampling data are insufficient to support or establish any resource estimation. • The Smokebush RC drill holes were planned on 50 m or 100m line spacing and 50 m between holes. There was typically one or two holes per drill line. • Drill sample results are not part of this announcement.
Orientation of data in relation to geological structure	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* • *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	• Rock sampling was reconnaissance based and targeted areas of possible outcrop mineralisation. • No orientation bias has been identified in the data. • Drill sample results are not part of this announcement.
Sample security	• *The measures taken to ensure sample security.*	• The sample security consisted of the rock and RC samples being collected from the field into numbered calico bags and loaded into polyweave bags for transport to the laboratory. The chain of custody for samples from collection to delivery at the laboratory was handled by independent geological professionals. • The sample submission was submitted by email to the lab, where the sample counts and numbers were checked by laboratory staff.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• No formal audits or reviews have been performed on the project, to date. • The work was carried out by reputable companies and laboratories using industry best practice.

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	• *Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.* • *The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.*	• The reported results are from Prospecting Licences P59/2128 and P59/2274. • P59/2128 is part of an earn in Joint Venture agreement with Terrain Minerals Limited. See ASX announcement, "Farm-in Agreement for the Smokebush Gold Project" 02/12/2019. • P59/2274, that is 100% held and operated by Terrain Minerals Limited. • The tenements are in good standing.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• Significant historic work has been completed over the tenements in question, including historic small-scale mining operations, drilling, geophysical surveys and abundant surface sampling. Previous operators of the tenement areas include; Westfield Minerals (1965), Minefields Exploration (1970-1982), ANZECO (1970-1982), Golconda (1983), General Gold Resources NL (1991-1993), Renison Goldfields Consolidated (1993-1996), Normandy Exploration (1997-1999), Gindalbie Gold NL (1999-2006), Vital Metals Ltd (2005-2009), Minjar Gold Pty Ltd. (1999-2017), Hazelwood Resources Ltd. (2010-2015), and Tungsten Mining NL (2015-2017).
Geology	• *Deposit type, geological setting and style of mineralization.*	• The Smokebush Project covers a region in the Archaean Yalgoo-Singleton Granite-Greenstone Terrane including mafic and felsic volcanic rocks, banded iron formation (BIF), granitoids and clastic sedimentary rocks. Mineralisation targeted is Archaean orogenic gold style.
Drill hole Information	• *A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:* ○ *easting and northing of the drill hole collar*	• All sample results have been included in Table 1 of the release. • Drill sample results are not part of this announcement.

Criteria	JORC Code explanation	Commentary
	○ *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar* ○ *dip and azimuth of the hole* ○ *down hole length and interception depth* ○ *hole length.* • *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.*	
Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.* • *Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.* • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	• Drill sample results are not part of this announcement. • No high cuts have been applied. • Metal equivalent values are not being reported.
Relationship between mineralization widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results.* • *If the geometry of the mineralization with respect to the drill hole angle is known, its nature should be reported.* • *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').*	• Drill sample results are not part of this announcement.
Diagrams	• *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	• An appropriate exploration map has been included in the release.
Balanced reporting	• *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	• All Rock Chip sample results over current tenements are included in table 1. • Drill sample results are not part of this announcement.

Criteria	JORC Code explanation	Commentary
Other substantive exploration data	• *Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	• An exploration plan of the RC drilling has been included in the release.
Further work	• *The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).* • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	• Future work may include follow up RC drilling to define the strike and dip extensions to mineralisation. Planning for this work can only be finalised after the full drilling results are received.