



ASX ANNOUNCEMENT

Wednesday, 23 July 2008

ASX CODE

TMX, TMXO

DIRECTORS & KEY MANAGEMENT

Ross Gillon	- Non-Exec Chairman
Keith Wells	- Executive Director
David Zohar	- Non-Exec Director
William Bannister	- Non-Exec Director
Ian Hobson	- Company Secretary

PRINCIPAL REGISTERED OFFICE

Terrain Minerals Ltd
Suite 5
1327 Hay Street
West Perth WA 6005
PO Box 1170
West Perth WA 6872

CONTACT

Keith Wells
Managing Director

Terrain Minerals Ltd
ACN: 116 153 514
PH: +618 9481 2455
WEB: www.terrainminerals.com.au
EMAIL: terrain@terrainminerals.com.au

QUARTERLY REPORT

For period ending 30 June 2008

HIGHLIGHTS

Bundarra

- An eight month, 16,000m drilling program to define additional resources was completed in May 2008.
- Resources were outlined in several deposits, all of which remain open down dip and down plunge.
- Further economically attractive drill intercepts were received from the Wonder North deposit; including:

WNRCD266: **67m @ 2.1g/t gold; including
21m @ 3.1g/t gold**

WNRCD 267: **14.9m @ 4.7g/t gold; including
4.0m @ 9.2g/t gold**

- New resources estimates are expected in August 2008.

East Kambalda

- A detailed gravity survey has outlined a strong anomaly coincident with a strong magnetic anomaly over the Aztec Dome.
- The Aztec Dome located 12 kms NE of Kambalda, displays geological features similar to the Kambalda Dome, including komatiites and nickel sulphides.
- Drill testing of the anomalies is planned for the second half of 2008.

Redcastle

- A 4000m RAB drilling program has commenced to test an unexposed 4kms long shear zone. A single RAB traverse at the western end of the shear in 2007 intersected **3m @ 3.1g/t gold** and **2m @ 5.4g/t gold**.

Corporate

- The entire board of directors was replaced in May 2008, following the acquisition of 19.7% of Terrain's issued capital by Uranium Oil & Gas Ltd



Introduction

Terrain continues to focus on generating significant exploration results to advance the Company towards being a producer. Encouraging results have been received from three projects.

Bundarra Project

In May 2008 Terrain completed an eight month, 16,085m drilling program, including 3,383m of diamond and 12,702m of RC drilling.

The program was aimed at significantly increasing the current Bundarra resource estimate of 195,000 oz of gold. Additional resources have been defined in a number of deposits within the Bundarra project, including Wonder North, Great Western, Bluebush and Black Cat.

Economically attractive drill intercepts continued to be generated at Wonder North. Significant intercepts during the quarter included:

WNRCD 266: **67m @ 2.1g/t gold; including
21m @ 3.1g/t gold**

WNRCD 267: **14.9m @ 4.7g/t gold; including
4.0m @ 9.2g/t gold**

All the deposits, including Wonder North, remain open down dip and down plunge (Figure 1).

The drilling data has now been provided to consultants, CSA Global Pty Ltd to undertake new resource estimates. These estimates are expected to be available in August 2008.

In addition to the drilling and resource upgrade programs; ongoing geological mapping and geophysical interpretations have identified a number of other similar targets which will require drill testing.

East Kambalda

A detailed gravity survey has been completed over an area 6kms x 3.5kms covering the Aztec Dome. The Aztec Dome, located 12 kms NE of Kambalda (Figure 2), exhibits geological features similar to the Kambalda Dome: A previous 300m diamond hole drilled marginal to the dome intersected wide zones (up to 40m) of disseminated sulphides, with nickel values up to 0.35%. The hole terminated in spinifex textured, carbonate altered ultramafic.

Preliminary imaging of both the gravity and detailed magnetic data (Figures 3 & 4) displays a very positive correlation between strong gravity and magnetic anomalies. The images also reveal the presence of a large number of cross cutting structures, some of which host historic gold workings.



The area of strong coincident magnetic and gravity anomalies has never been drill tested. Terrain plans to undertake further geological mapping to assist in the final geophysical interpretation ahead of a drilling program to be undertaken in the second half of 2008.

Redcastle

A 4,000m RAB drilling program commenced on 19 July 2008 to test a 4 kms long shear zone: The shear zone only outcrops at the western extremity, where it hosts a number of historical workings; the past production was 2,400t @ 23g/t gold (1,800 oz).

One RAB drilling traverse undertaken in 2007 to test the shear zone, under cover, immediately east of the old workings intersected **3m @ 3.1g/t gold** and **2m @ 5.4g/t gold**. The majority of the shear zone remains untested. A successful RAB program will lead to an RC drilling program later in the year.

Corporate

In May 2008 Uranium Oil & Gas Ltd (UOG) acquired 15.3m shares, 19.73% of the issued capital of Terrain; after reviewing shares acquired by ANZ following the failure of Opes Prime Stockbroking Ltd.

Subsequent to the acquisition UOG requested a Special Shareholders meeting to replace some of the existing directors. As a result of this request all the directors resigned from the board and were replaced by:

Mr Ross Gillon – Chairman (non executive)
Mr Keith Wells – Managing Director
Mr David Zohar – Director (non executive)
Mr William Bannister - Director (non executive)

Mr. Gillon is a lawyer with extensive corporate and mining industry experience; he holds directorships with a number of junior resource companies.

Mr. Wells is a geologist and was previously Managing Director of Terrain from listing on the ASX in March 2006 to February 2008.

Mr. Zohar is on the boards of a number of junior resource companies including UOG.

Mr Bannister is a geologist and currently the Managing Director of UOG.

Expenditure

Exploration expenditure in the June quarter amounted to \$350,600. Cash reserves at 30 June 2008 were \$1,480,000.



Further information regarding Terrain's projects and exploration programs can be found on the Company's website, www.terrainminerals.com.au.

A handwritten signature in black ink, appearing to read 'Keith Wells'.

Keith Wells
Managing Director

Terrain Minerals Ltd

ACN: 116 153 514

Telephone: +61 (0) 8 9481 2455

The information in this report that relates to Exploration Results is based on information compiled by Mr. Keith Wells, who is a full-time employee of Terrain Minerals Ltd. Mr. Wells is a member of The Australian Institute of Geoscientists 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. Wells consents to the inclusion in the report of the matters based on information in the form and context in which it appears



Figure 1: Wonder North Deposit – Longitudinal Section

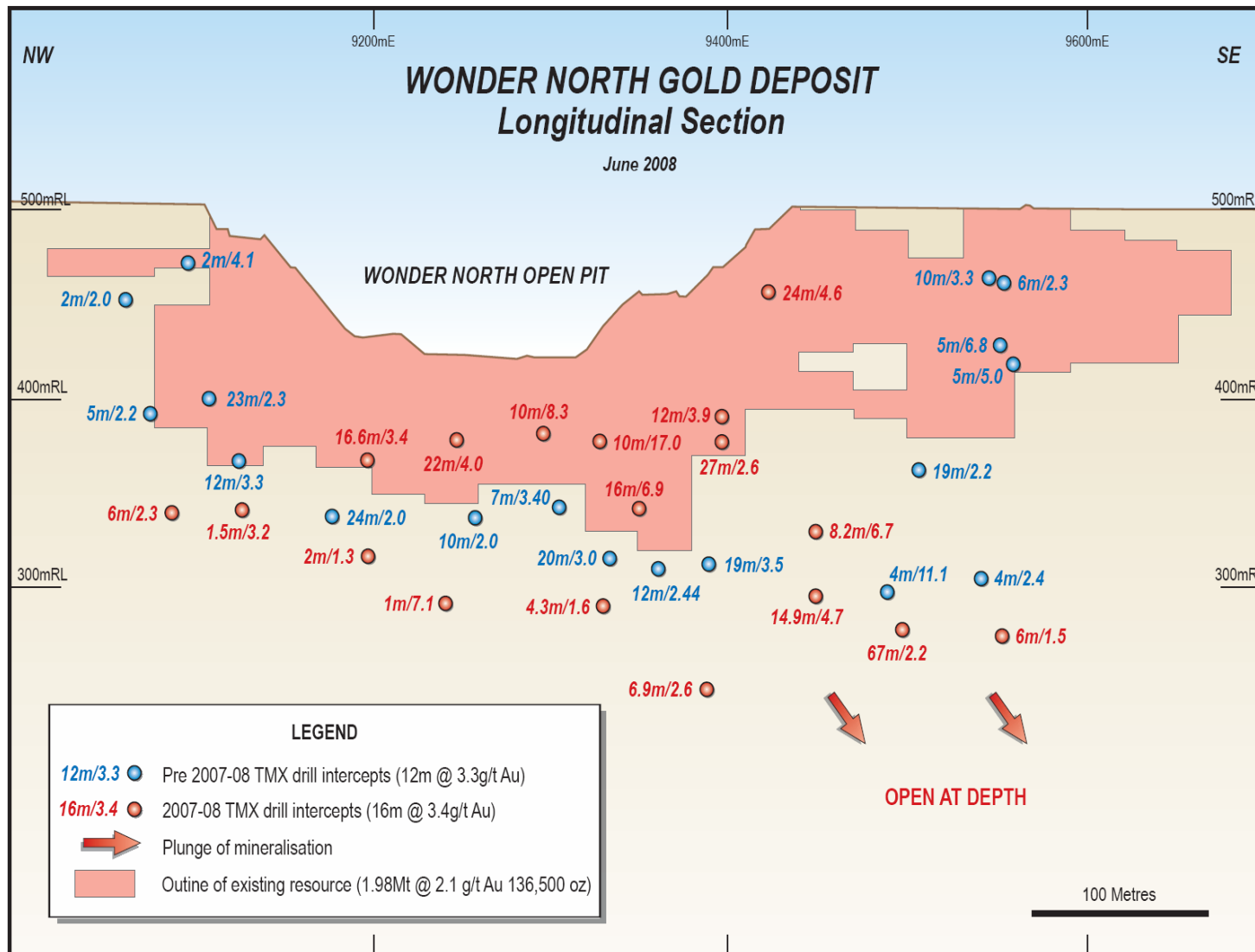


Figure 2: Aztec Dome (East Kambalda) – Location Plan

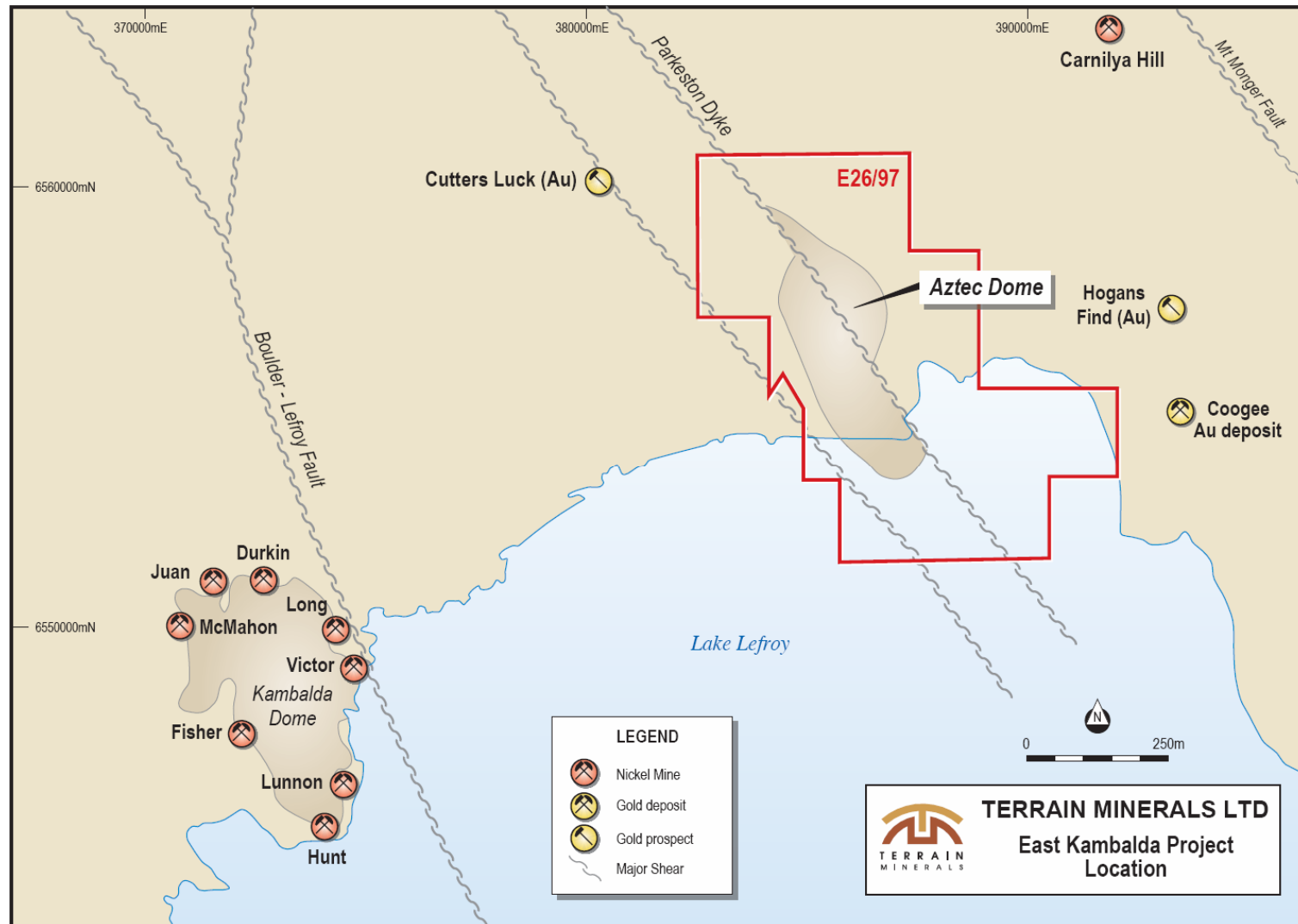




Figure 3: Gravity Map – Aztec Dome
(Residual Bouguer Gravity (80m – 320m) with Vertical Illumination)

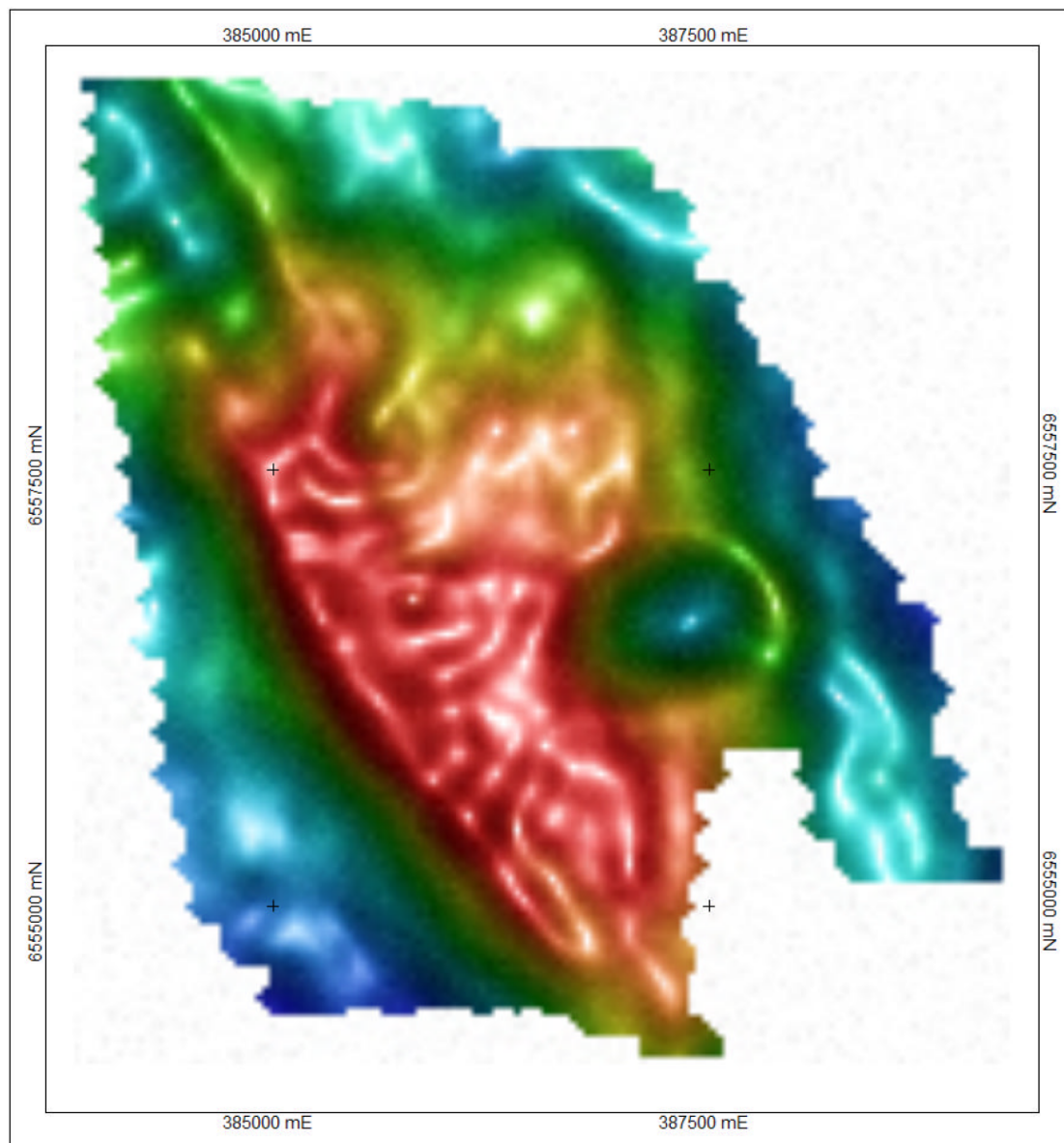




Figure 4: Magnetic Map – Aztec Dome
(Reduced to the Pole Magnetics with Vertical Illumination)

