



ASX ANNOUNCEMENT

Thursday, 30 October 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

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QUARTERLY REPORT

For Period Ending 30 September 2008

HIGHLIGHTS

Bundarra

- Bundarra resource increased by 60% to 4.96mt @ 2.0g/t gold (321,000 oz).
- Resource grade cut off 1.0g/t gold.
- New resources have been outlined at the Wonder North, Bluebush, Great Western and Black Cat deposits.
- Terrain on track to define interim target of 400,000 – 600,000 oz of gold

East Kambalda

- A 3D interpretation of the detailed gravity and magnetic data has increased the potential for the Aztec Dome to be a repeat of the Kambalda Dome

Bundarra Project

- Following the completion of a 16,000m RC and Diamond drilling program in May 2008 geological consultants CSA Global Pty Ltd have undertaken resource estimates on a cluster of deposits within the Bundarra project area. These deposits include: Wonder North, Bluebush, Great Western and Black Cat (Figure 1).
- Additional resources have previously been defined at the Celtic deposit.



- At a grade cut off of 1g/t gold the resources total **4.96mt @ 2.0g/t gold (321,000 oz)** (Figure 2).
- All the deposits remain open down dip and down plunge.
- In addition there are a number of other prospects: Garden Well, Katalina, Craig and Wilson's Win, with drill intercepts up to **37.8g/t gold**. All these prospects require further drilling.
- With deposit extensions and a number of other attractive targets to be tested, the directors are confident that the new resource estimate demonstrates significant progress towards the interim target of **400 – 600,000 oz of gold**. #
- Planning for follow up programs is well advanced

the target is conceptual in nature and there has been insufficient exploration to define a Mineral Resource and that it is uncertain that further exploration will result in a Mineral Resource

East Kambalda Project

- A 3D computer interpretation of the detailed magnetic and gravity data has outlined the shape and depth of the rock unit producing the geophysical responses (Figure 3)
- The rock unit outlined is folded into a dome, 3 – 4kms wide and striking at least 6kms from northwest to southeast, where it extends further beneath Lake Lefroy. A previous and only deep drill hole in the area, located on the east side of the dome, intersected ultramafic rocks at the position and depth predicted by the geophysical interpretation.
- The deep drill hole also intersected wide (up to 40m) zones of disseminated sulphides with nickel values up to 0.35%.
- A combined IP/EM survey over the Aztec Dome will be completed in October/November 2008.
- Drill testing of anomalies outlined by the IP/EM survey will commence in early 2009.
- A review of exploration results from M26/478 and 485, completed during the quarter, concluded that no further work could be justified and the two tenements have been relinquished (Figure 4).



Redcastle Project

- A review of all the data generated from this project concluded that no target had been identified that would be of interest to the Company. Accordingly Terrain withdrew from the project on 1 October 2008.

Expenditure

- Exploration expenditure in the September quarter amounted to \$339,536. Cash reserves at 30 September 2008 were \$599,000, plus bonds of \$334,000; a total of \$933,000. Anticipated exploration expenditure in the December quarter amounts to \$238,500.

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

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The Mineral Resource estimates for the Wonder North, Bluebush, Great Western and Black Cat deposits were completed by 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 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

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: Bundarra Project: Geology and Gold Deposits

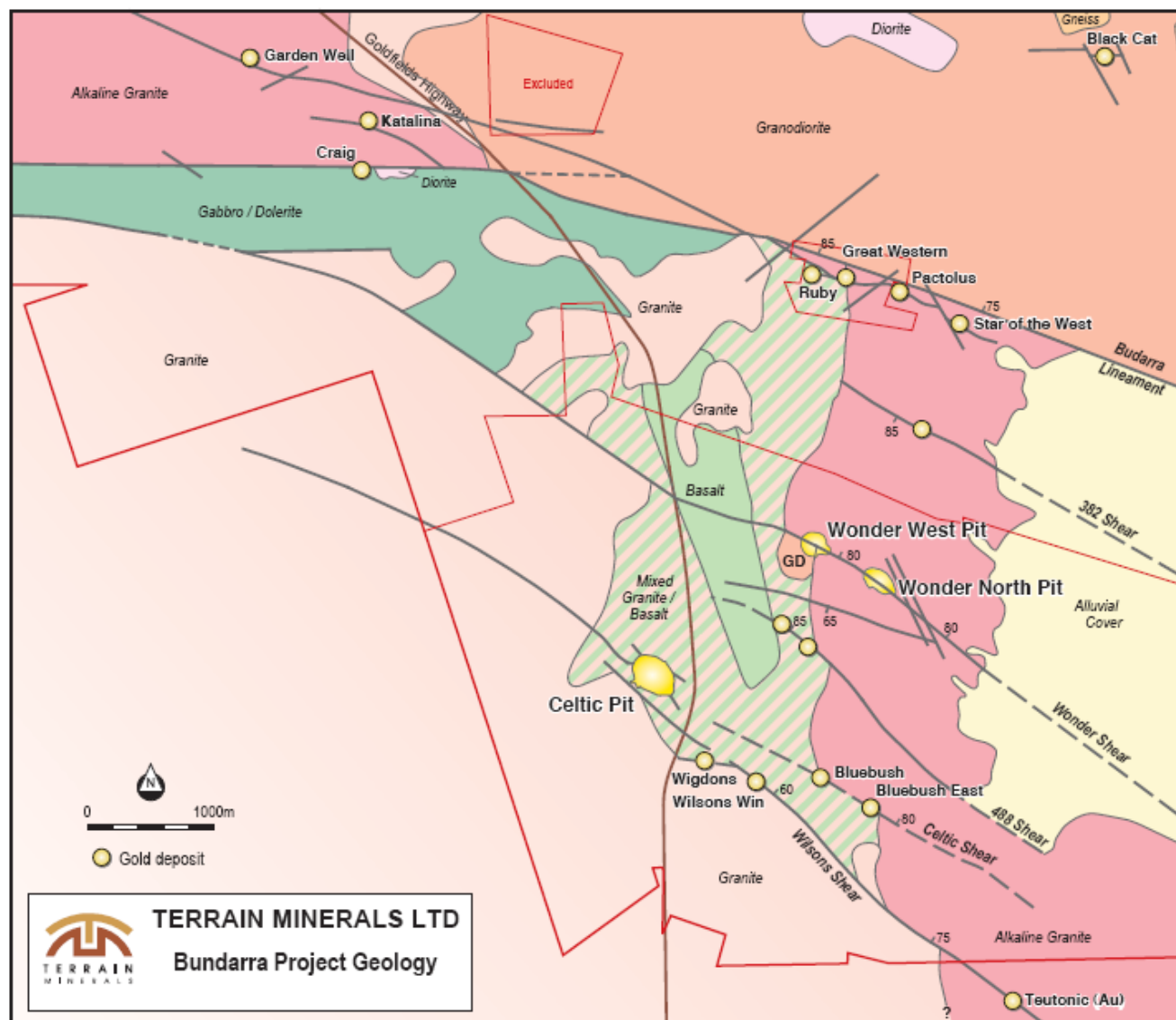


Figure 2: Bundarra Resources (at 1 g/t gold cut off)

Deposit	Resources	Measured	Indicated	Inferred	Totals
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

* - Celtic Resource previously published in Terrain Prospectus dated March 2006

Figure 3: Aztec Dome – 3D Interpretation of Ultramafic Rock Unit

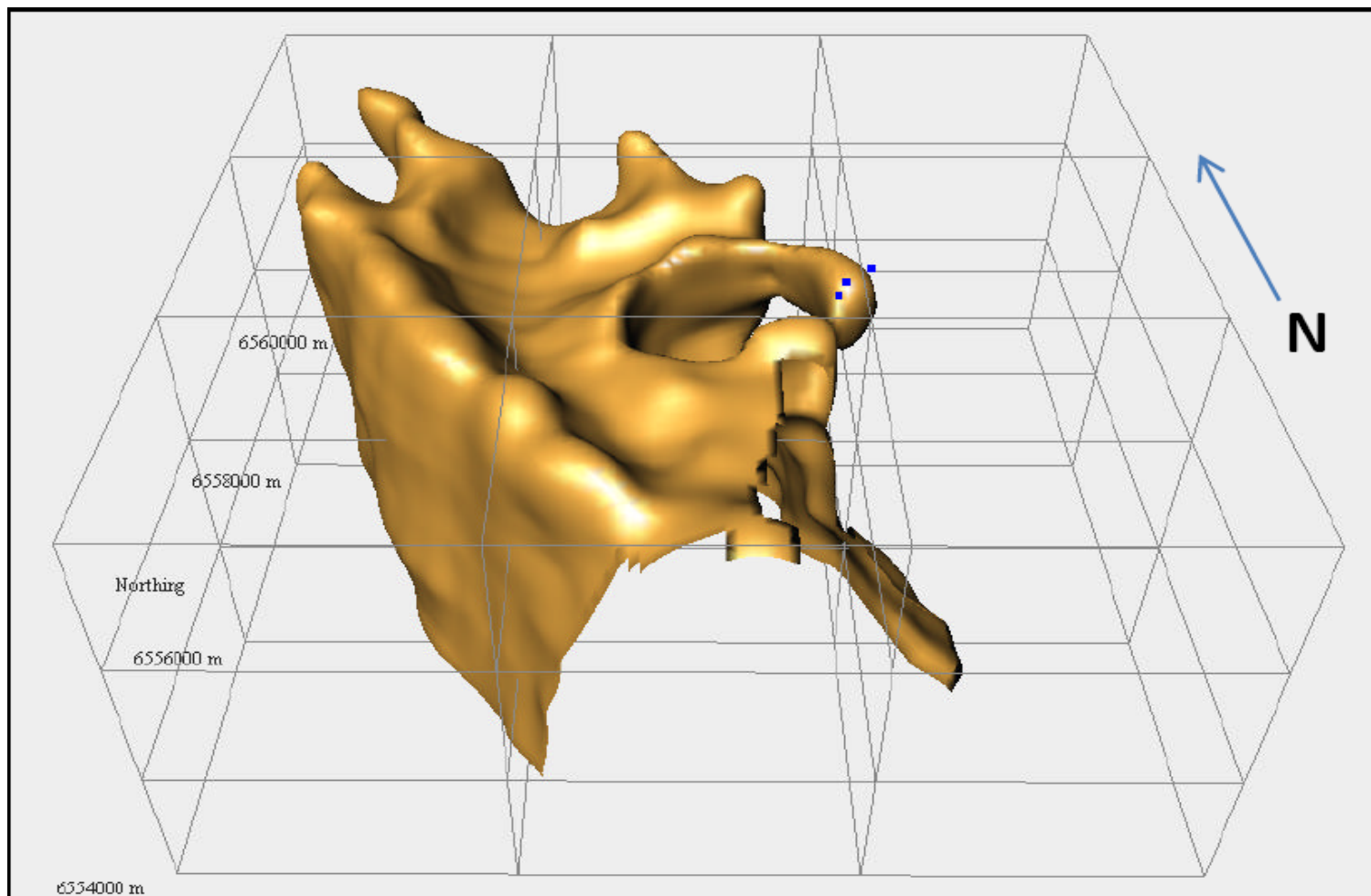


Figure 4: East Kambalda Project: Tenements and Prospects

