



## ASX RELEASE

2 December 2022

ABN: 45 116 153 514

ASX: TMX

## Acquisition Smokebush JV Tenement

### Now 100% owned

**Terrain Minerals Limited (ASX: TMX) (Terrain)** is pleased to announce two tenement acquisitions associated with the Company's Smokebush Project, which is located approximately 350 kilometres north of Perth, Western Australia.

#### First Acquisition:

Terrain has successfully acquired the outstanding 20% of the Smokebush joint venture (JV) tenements (being the prospecting and exploration licenses P59/2125, P59/2126, P59/2127, P59/2128 & E59/2234) and, as such now owns 100% of the highly prospective Smokebush Project (refer to diagram 1).

#### The purchase price and terms of this first acquisition are as follows:

- Terrain to issue the vendor ten million (10,000,000) fully paid ordinary shares ASX:TMX (equating to approximately \$70,000 at \$0.007 per share) to be issued under the Company's existing placement capacity under Listing Rule 7.1.
- 1% Net Smelter Royalty (NSR; standard royalty definitions) on the first 100,000 ounces of gold or to the equivalent value on other minerals.

#### New agreement cancels out the existing JV and all outstanding liabilities:

- Future Payments of up to \$500,000 in cash or shares based on milestone – **Cancelled.**
- Vendor's previous 20% free carry interest until completion of feasibility study – **Cancelled.**
- Vendor's previous 20% free carried interest will convert to a 1% NSR – **Cancelled and replaced**

Refer to ASX release for the original farm in agreement: 2 December 2019 - Farm-in Agreement for the Smokebush Gold Project at Mt Mulgine, 65km West of Paynes Find WA.

#### Second Acquisition:

Terrain also acquires 100% interest of a small exploration tenement E59/2700 which is surrounded by Terrain's existing Smokebush tenements. The corner of E59/2700 divided the structure that runs between the Rabbit Warren target and the Larin's Lane structure, which Terrain is planning to explore further as part of its 2023 air core drilling campaign (refer to diagrams 1 & 2).

E27/2700 was acquired for a total of \$20,000 made up of \$10,000 cash and \$10,000 of fully paid ordinary shares in Terrain (equating to 1,428,571 shares at \$0.007 per share) to be issued under the Company's existing placement capacity under Listing Rule 7.1.

The board is excited to have consolidated ownership over the total package and more importantly cancel the JV agreement, replacing it with a more beneficial set of terms for all shareholders (refer to page 2 for an overview of historic gold drilling results).

**| Terrain Minerals Limited | ASX:TMX | ABN 45 116 153 514 |**

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## **Project Summary & Historic Results.**

Terrain have been systematically exploring the Smokebush Project since entering into a farm-in and joint venture agreement in December 2019. This has involved numerous phases of ground exploration (field mapping, ground magnetics, chip and soil sampling) followed up with two successful reverse circulation (RC) drilling programs. The highlights from these drilling programs and historic results from Smokebush projects are included below:

### **Monza Prospect:**

#### **Historic Results:**

- **2m at 11.3g/t Gold** from 70m (MMRC162 - RC, 1m samples)
- **2m at 9.2g/t Gold** from 24m (MMRC154 - RC, 1m samples)

#### **Terrain 2020 Drilling:**

- **4m at 4.46 g/t Gold** from 51m (SBRC003 - RC, 1m samples)
- **7m at 2.72 g/t Gold** from 25 m (SBRC005 - RC, 1m samples)
- **6m at 2.12 g/t Gold** from 80 m (SBRC011 - RC, 1m samples)
- **8m at 1.37 g/t Gold** from 85 m (SBRC006 - RC, 1m samples)

#### **Terrain 2021 Drilling:**

- **3m at 3.62 g/t Gold** from 73m, AND **4m at 2.71 g/t Gold** from 89m (SBRC013 - RC, 1m samples)
- **3m at 4.86 g/t Gold** from 135m (SBRC023 - RC, 1m samples)
- **3m at 2.07 g/t Gold** from 87m (SBRC016 - RC, 1m samples)

#### **Monza North Prospect:**

- **3m at 1.53 g/t Gold** from 39m (SBRC021 - RC, 1m samples)

#### **Hurley & T17:**

- **10m at 1.4g/t Gold** from 15m (MM084 - RAB, 5m composites)
- **2m at 2.5g/t Gold** from 51m (MMRC074 - RC, 1m samples)

#### **Wildflower:**

- **15m at 1.4g/t Gold** from 10m (MM110 - RAB, 5m composites, includes 5m internal waste)

#### **Paradise City Prospect:**

- **3m at 2.17 g/t Gold** from 10m (PCRC001- RC, 1m samples)
- **5m at 1.35 g/t Gold** from 13m (PCRC002- RC, 1m samples)
- **2m at 3.61 g/t Gold** from 15m (PCRC007- RC, 1m samples)
- **3m at 1.94 g/t Gold** from 19m (PCRC008- RC, 1m samples)

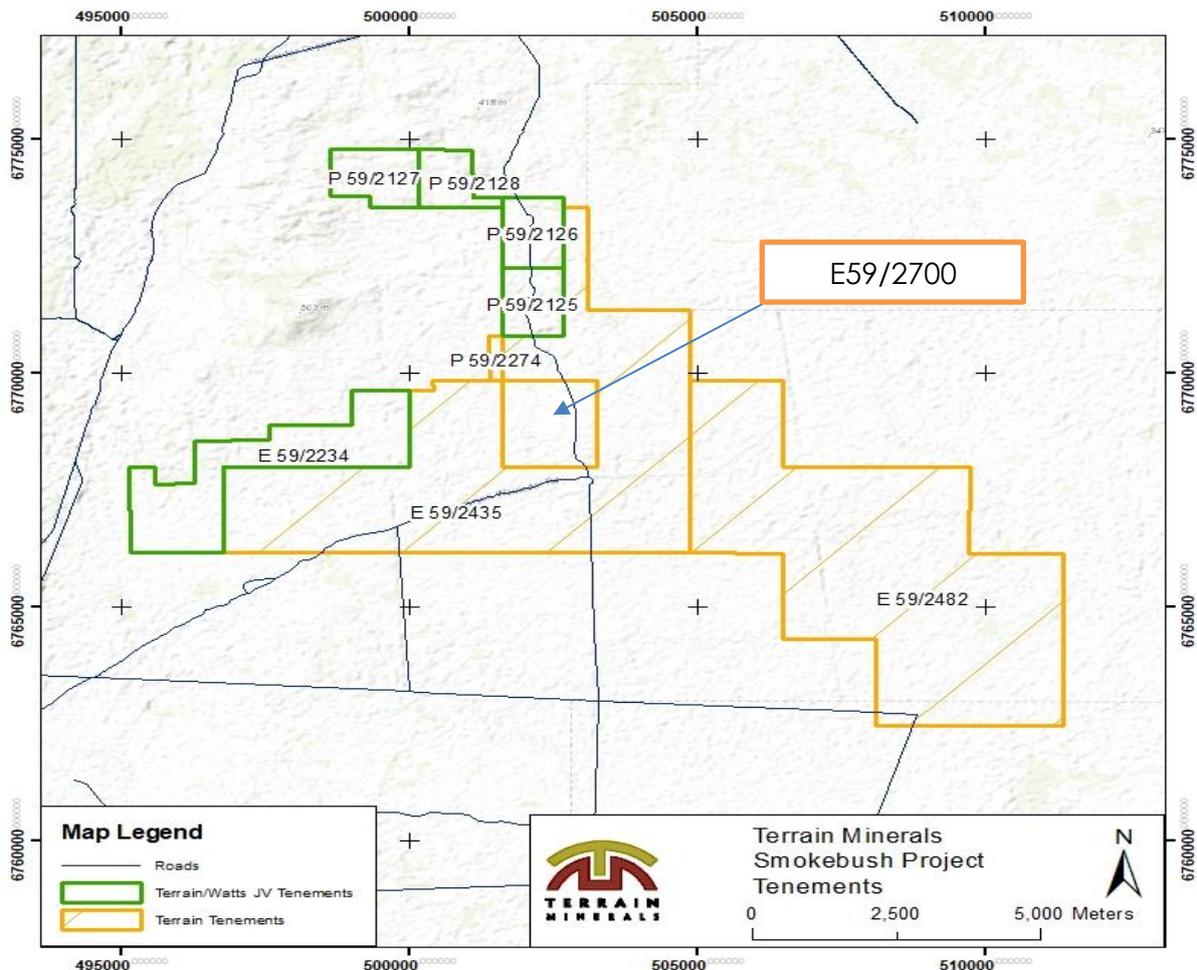


## Location & Access

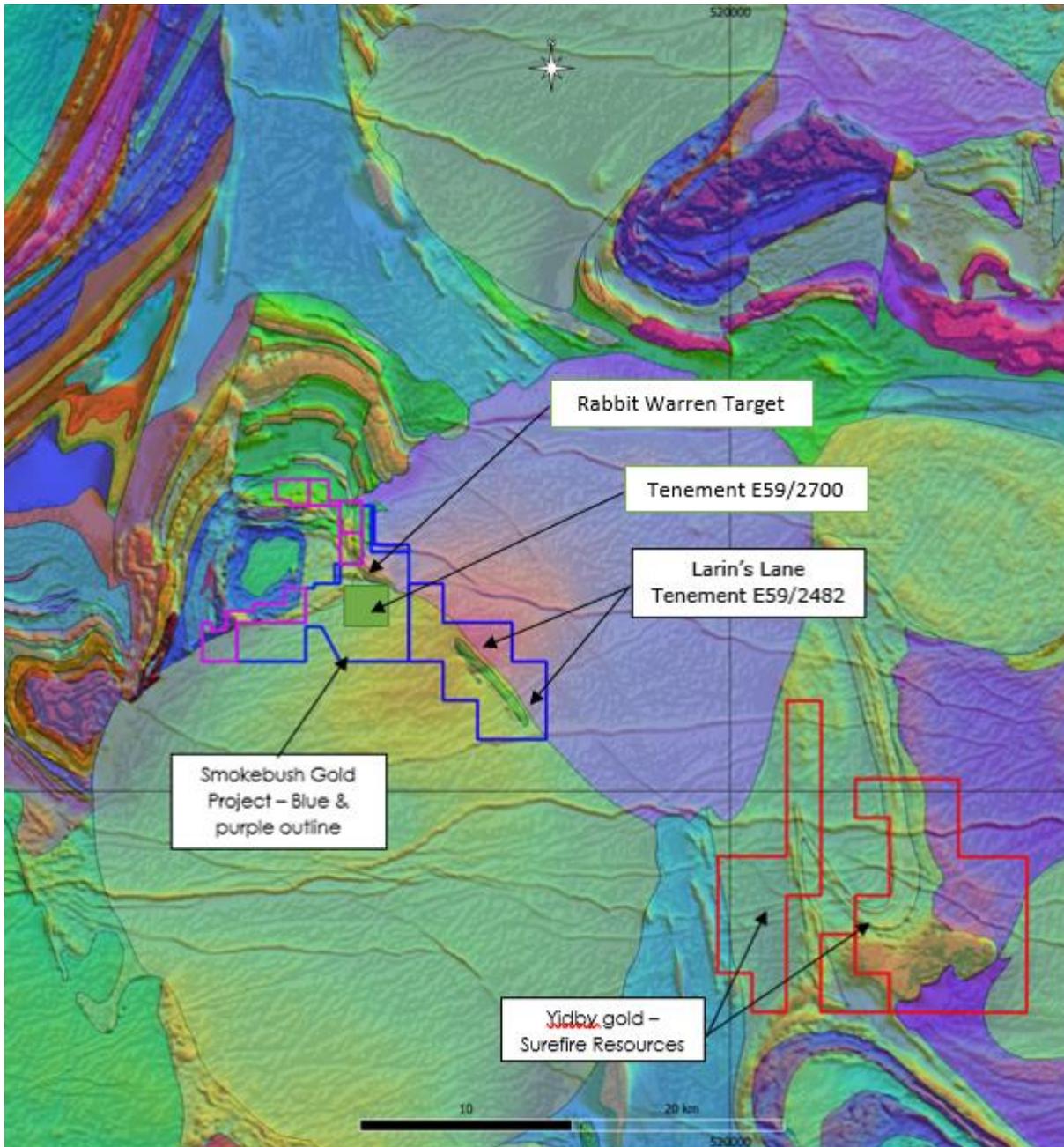
The Smokebush Project is located approximately 85 kilometres east northeast of the Perenjori township and 65 kilometres west of Paynes Find within the Yalgoo Mineral Field. The tenements can be accessed via the unsealed Perenjori - Warriedar Road, and thence via extensive historical exploration grid lines, station tracks and fences lines.

The now 100% owned project consist of Prospecting Licenses (P59/2125, 2126, 2127, 2128 & 2774) and Exploration Licence E59/2234, 2435, 2482 & 2700 (refer to diagram 1).

The geology of the area consists predominantly of a folded, regionally metamorphosed Archaean greenstone sequence at the southern end of the Yalgoo Singleton Greenstone Belt that has been subjected to multi-phase granitoid intrusion. Located adjacent to a large tungsten resource at Mt Mulgine (Tungsten Mining NL) and a number of recently developed gold open pit mines (Minjar Gold Pty Ltd).



**Diagram 1:** Smokebush Project Location (tenement outlines in Green-JV 80% now 100% tenements and Orange Terrain 100%). E59/2700 was previously not owned by Terrain and is strategically situated along the structure that runs between Rabbit Warrens and down to Larin’s Lane (refer to Diagram 2).



**Diagram 2:** Smokebush Project Location and new target area Larin's Lane and E59/2700 tenement now 100%.



**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.
- **27 May 2021** - New Rock Chip Samples & Drilling Update Smokebush Gold Project.
- **19 July 2021** - Positive First Pass Drilling Results Smokebush Gold Project.
- **13 September 2021** - New Geological Interpretation (Monza) & Exploration Update, Smokebush Gold Project.
- **23 August 2022** - New Project Calytrix & Smokebush & Wild-viper Gold Project Updates.

Justin Virgin  
Executive Director

**For further information, please contact:**

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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:

- **Investments:** As of the date of this announcement Terrain held 650,000 Red 5 Limited shares (ASX: RED) from the GW sale.
- **Lort River** – WA Rare Earth Elements exploration project – 100% owned. Covering 320km<sup>2</sup> of highly prospective exploration acreage for rare earth elements (REE) within the now tightly held and emerging southern Esperance clay hosted REE province of Western Australia (refer to the Company's 21 November 2020 announcement for more information). Cube Consulting has been appointed to ensure that all exploration drilling is compliant with JORC code.
- **Smokebush** – Western Australian gold exploration project now held 100%. Terrain has identified multiple drill targets along with several other prospective areas. Terrain executed its extraordinarily successful maiden RC drill program in August 2020, following up on historic drilling. The second phase of drilling has extended minerals a further 400m to 700m long and has also identified a new zone Monza North that appears to be on a different orientation. Further follow up work is also required over the 100% Rabbit Warren and Larin's Lane areas which will be the focus of the next exploration campaign. Paradise City & Wildflower is also of interest.
- **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. RC Drilling is currently being planned for the 2023 field season.

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- **Calytrix Exploration Project** – Base metals and gold Exploration project, first pass field exploration program was conducted, and results are currently being assessed.
- **Project Review** - Terrain Minerals continues to investigate potential projects across various commodities including Gold, Copper, Nickel, and other industrial minerals, REE and the platinoids groups of metals in Australia and in other jurisdictions like Africa, Continental Europe, and the Americas.

### **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 on 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.

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