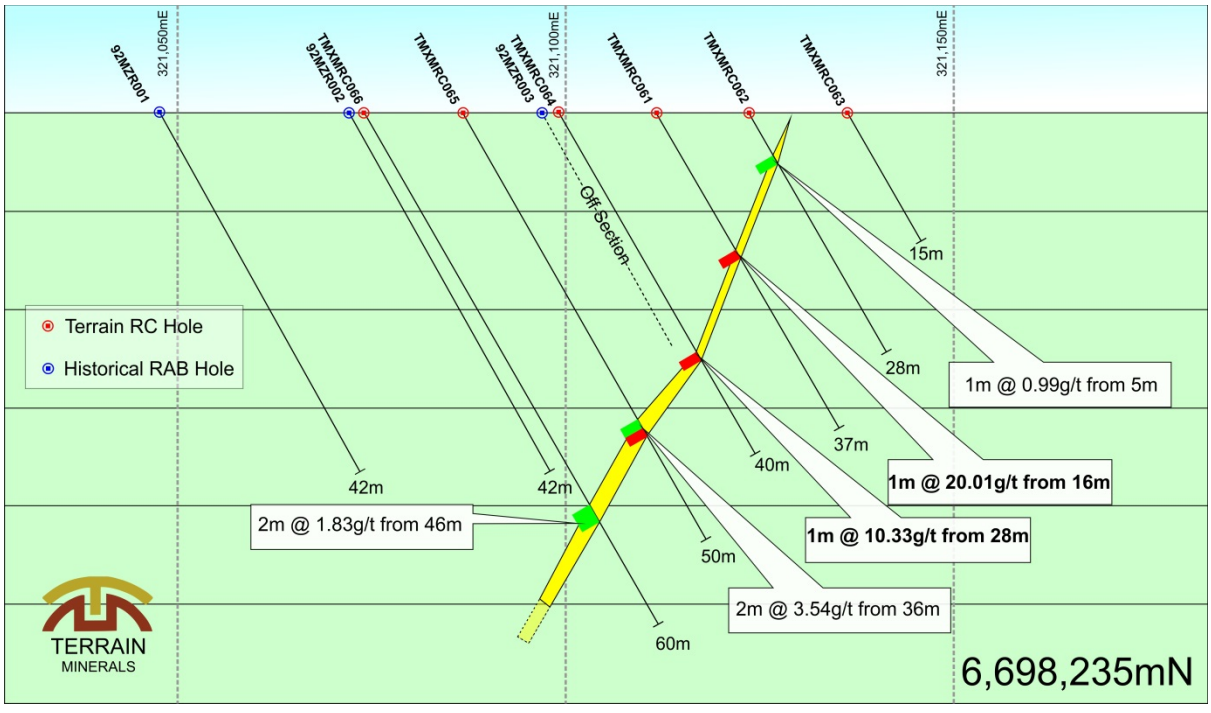
ASX Release 4th December 2015

High grade gold intercepted in drilling at Monet Prospect, Rembrandt Project

HIGHLIGHTS

- **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**



Terrain Minerals Ltd (ASX: TMX)("Terrain" or "the Company") is pleased to announce the results of the recently completed drilling campaign across the Monet Prospect of the Rembrandt Project in Western Australia. A total of five aircore (AC) drill holes for 214m and thirty reverse circulation (RC) drill holes for 1,104m were completed. The drilling was to determine the extent, continuity and tenor of mineralisation at Monet Prospect.

Multiple high grade shallow intercepts were returned and an evaluation of the next phase of the work program to be conducted across the Rembrandt Project is underway.

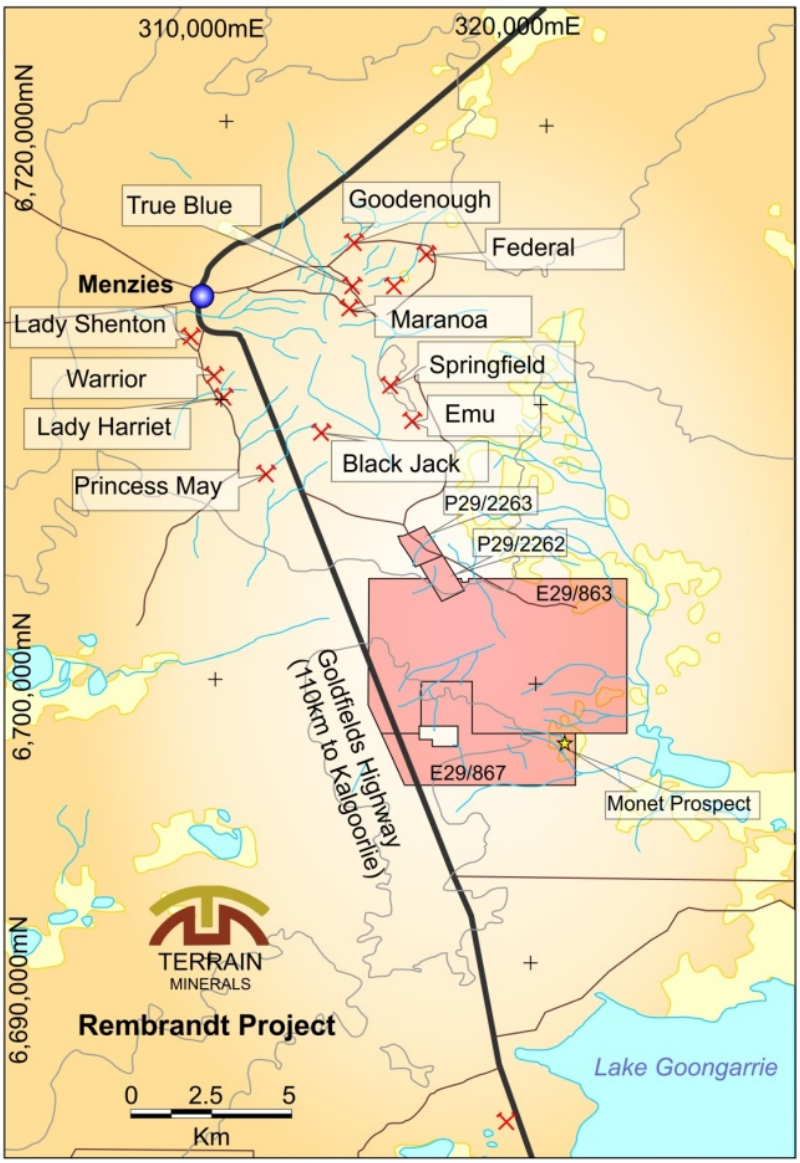


Figure 1: Rembrandt Project Location Plan

Exploration Summary:

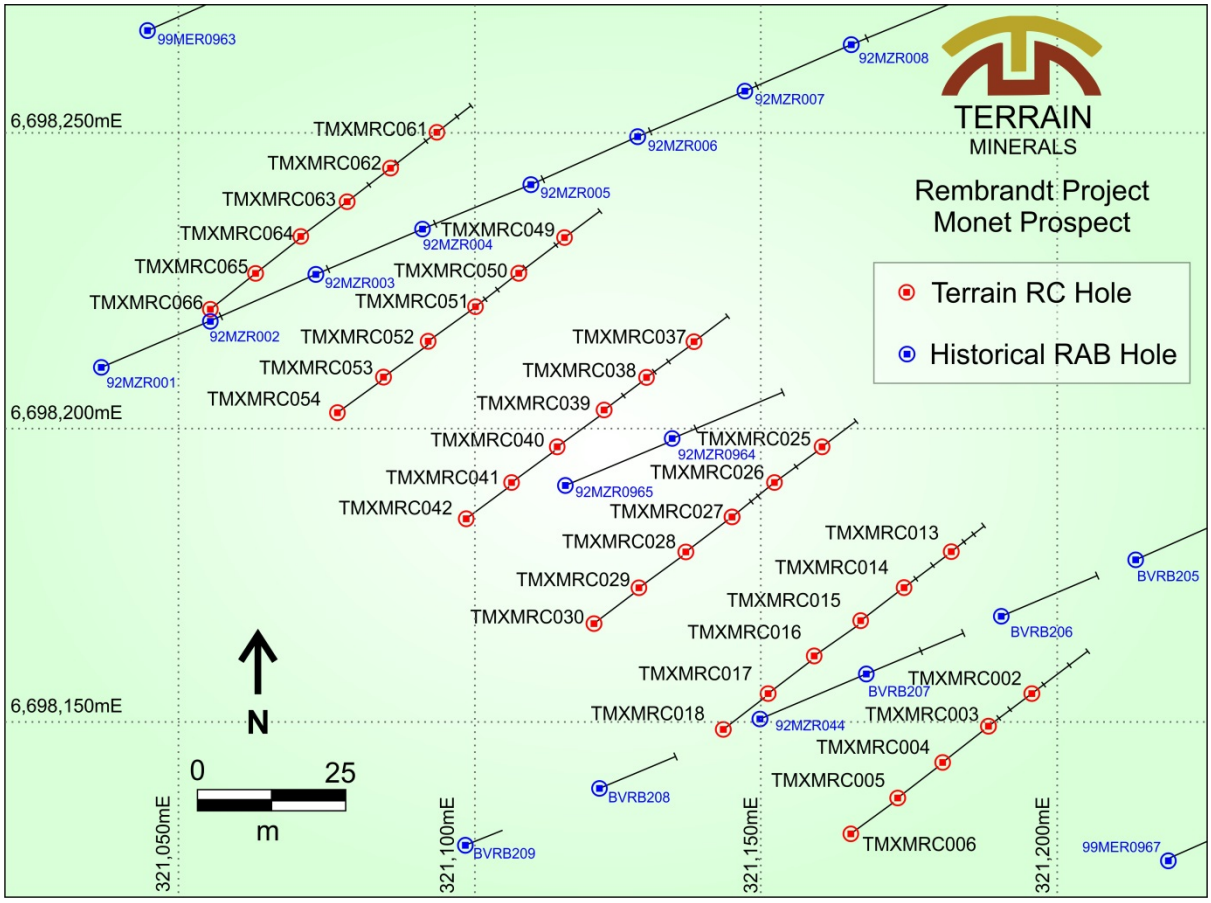


Figure 2: Monet Prospect Drill Collar Plan

A total of five aircore (AC) drill holes for 214m and thirty reverse circulation (RC) drill holes for 1,104m were completed across the Monet Prospect. Drilling intersected high grade shallow gold mineralisation similar to that intersected in historical RAB drilling (further details available within ASX Announcement *Option Agreement on High Grade Gold Asset*, 16/09/2015).

Mineralisation is hosted within a shear zone in a fine grained Mafic (Basalt) unit. The mineralised zone is defined by sericite (+minor fuchsite) alteration and associated pyrite. The mineralised shear zone is overlain by a very shallow weathering zone with fresh rock generally encountered in drilling <5m from the surface.

A review of the results received is currently underway to determine any further exploration required across the Monet Prospect as well as the definition of additional targets within the Rembrandt Project.

FOR FURTHER INFORMATION 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:

- Rembrandt (Au)- high grade gold project under option, planning drilling program to determine extent and tenor of mineralisation at high Monet Prospect;
- Gimlet (Ni-Cu)- 469km^2 exploration licence located in the Fraser Range Province. Geophysical targets delineated, ground reconnaissance planned;
- Great Western (Au)- near term development opportunity, resource estimation and economic study process currently being conducted;

COMPETENT PERSONS STATEMENT:

The information in this Announcement that relates to Exploration Results was compiled by Mr Robert Jewson, who is a member of the Australian Institute of Geoscientists, and a consultant to Terrain Minerals limited. Mr Jewson has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Minerals Resources and Ore Reserves'. Mr Jewson consents to the inclusion in the Report of the matters based on his information in the form and context in which it appears. Mr Jewson is a shareholder and a director of Rembrandt Mining Pty Ltd.

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.

Table 1: >0.5g/t Drilling Intercepts

Hole	Easting	Northing	Azimuth	Dip	Total Depth	Type	From	To	Interval	Au g/t
TMXMRAC002	321,195	6,698,154	52	-60	24	AC	0	1	1	1.43
TMXMRAC003	321,188	6,698,149	52	-60	33	AC	12	15	3	1.15
TMXMRAC004	321,180	6,698,143	52	-60	43	AC	24	25	1	0.59
TMXMRAC005	321,172	6,698,136	52	-60	51	AC	48	49	1	0.55
TMXMRAC006	321,164	6,698,130	52	-60	63	AC	*No Significant Intercept*			
TMXMRC013	321,181	6,698,179	52	-60	15	RC	*No Significant Intercept*			
TMXMRC014	321,173	6,698,172	52	-60	20	RC	*No Significant Intercept*			
TMXMRC015	321,166	6,698,167	52	-60	30	RC	14	15	1	1.06
TMXMRC016	321,158	6,698,161	52	-60	40	RC	25	27	2	9.23
							Including		1	17.86
							30	32	2	1.95
TMXMRC017	321,150	6,698,154	52	-60	50	RC	*No Significant Intercept*			
TMXMRC018	321,142	6,698,148	52	-60	60	RC	46	47	1	6.49
TMXMRC025	321,159	6,698,197	52	-60	15	RC	*No Significant Intercept*			
TMXMRC026	321,151	6,698,190	52	-60	20	RC	*No Significant Intercept*			
TMXMRC027	321,144	6,698,185	52	-60	30	RC	*No Significant Intercept*			
TMXMRC028	321,136	6,698,179	52	-60	40	RC	25	26	1	1.13
TMXMRC029	321,128	6,698,172	52	-60	50	RC	*No Significant Intercept*			
TMXMRC030	321,120	6,698,166	52	-60	66	RC	43	44	1	80.44
TMXMRC037	321,137	6,698,215	52	-60	15	RC	*No Significant Intercept*			
TMXMRC038	321,129	6,698,208	52	-60	20	RC	*No Significant Intercept*			
TMXMRC039	321,122	6,698,203	52	-60	30	RC	1	12	1	18.85
TMXMRC040	321,114	6,698,197	52	-60	40	RC	*No Significant Intercept*			
TMXMRC041	321106.2	6698190	52	-60	50	RC	32	34	2	1.79
							35	36	1	1
							38	42	4	1.4
TMXMRC042	321098.4	6698184	52	-60	60	RC	42	43	1	0.95
TMXMRC049	321115.4	6698233	52	-60	15	RC	*No Significant Intercept*			
TMXMRC050	321107.4	6698226	52	-60	20	RC	*No Significant Intercept*			
TMXMRC051	321100	6698221	52	-60	34	RC	*No Significant Intercept*			
TMXMRC052	321092	6698215	52	-60	40	RC	20	21	1	0.7
							22	23	1	0.54
TMXMRC053	321084.2	6698208	52	-60	52	RC	34	35	1	1.37
TMXMRC054	321076.4	6698202	52	-60	62	RC	*No Significant Intercept*			
TMXMRC061	321093.4	6698251	52	-60	15	RC	*No Significant Intercept*			
TMXMRC062	321085.4	6698244	52	-60	28	RC	5	6	1	1

Hole	Easting	Northing	Azimuth	Dip	Total Depth	Type	From	To	Interval	Au g/t
TMXMRC063	321078	6698239	52	-60	37	RC	16	17	1	20.02
TMXMRC064	321070	6698233	52	-60	40	RC	28	29	1	10.33
TMXMRC065	321062.2	6698226	52	-60	50	RC	36	38	2	3.54
							Including		1	5.19
TMXMRC066	321054.4	6698220	52	-60	60	RC	46	48	2	1.83

Notes: *All eastings and northings surveyed by differential GPS and are in MGA94-Z51 Coordinates. All drill holes including those without significant intercepts have been reported.*

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JORC Code, 2012 Edition – Table 1

Section 1 Sampling Techniques and Data

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

Criteria	JORC Code explanation	Comments
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.*	Air core samples were spear sampled at 1m intervals. RC samples were passed through a riffle splitter to generate a <3kg sample for laboratory assay over each 1m drilled, with the surplus sample laid out next to the drill collar. No XRF analysis was conducted during drilling and no downhole geophysical surveys were conducted.
	Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.	All drill hole locations were pegged using a contract surveyor using an DGPS system. Due to the shallow depths of the drill holes only collar surveys were taken.
	Aspects of the determination of mineralisation 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 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 mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.	AC Holes were drilled with a 3.5 inch face sampling bit, use an AC blade was attempted in the first AC holes but proved ineffective (and changed to AC hammer) given the shallow weathering horizon and hardness on the mafic unit. RC Holes were drilled with a 5.25 inch face sampling bit, 1m samples collected through a cyclone and riffle splitter to form a 2-3 kg sample. Sampling was conducted at 1m intervals with no compositing conducted. All samples were fully pulverised at the lab to -75um, to produce a 50g charge for lead collection fire assay with Inductively Coupled Plasma Optical (Atomic) Emission (ICP-OES).
Drilling techniques	*Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, 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).*	Both AC drilling and RC drilling results are reported. AC drilling utilised a face sampling bit of 3.5 inch diameter. RC drilling utilised a face sampling bit of 5.25 inch diameter.
	Method of recording and assessing core and chip sample recoveries and results assessed.	All samples were dry with no ground water encountered during drilling and no water egress into holes occurred.
Drill Sample Recovery	*Measures taken to maximise sample recovery and ensure representative nature of the samples.*	AC and RC face sampling bits and dust suppression were used to minimise sample loss. AC samples were taken using spear sampling. RC samples were collected through a cyclone and riffle splitter, the rejects were deposited into plastic bag and the lab samples up to 3kg collected, to provide a representative sample.
	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.	All AC and RC samples were dry with no water encountered. No sample bias or material loss was observed to have taken place during drilling activities.
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.*	All drill chips were logged using industry standard practices and procedures in line with the requirements for utilisation within a mineral resource estimation.
	Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.	Logging of RC and AC chips included lithology, mineralogy, mineralisation, weathering, colour and other features of the samples. All samples were wet sieved and stored in chip trays tray.
	The total length and percentage of the relevant intersections logged.	All holes were logged in full.

Criteria	JORC Code explanation	Comments
Sub-sampling techniques and sample preparation	*If core, whether cut or sawn and whether quarter, half or all core taken.*	No core collected
	If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.	AC chips were sampled via spear sampling to a sample weight of 3kg. RC chip samples were collected from the cyclone of the drill rig and passed through a riffle splitter to obtain a 2-3kg sample. All samples were dry.
	For all sample types, the nature, quality and appropriateness of the sample preparation techniques	Samples were prepared at the Intertek Laboratory in Kalgoorlie. Samples were dried, the whole sample was pulverised to 85% passing 75um, and a sub sample of approximately 200g retained. A nominal 50g was used for the analysis. This procedure is industry standard for the mineralisation style.
	Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.	No Duplicate samples were submitted in the original assay submissions. Duplicate field samples are intended to be resampled through a riffle spitter at a rate of approximately 1 in 20 samples through the mineralised zones. At the laboratory regular repeats and lab check samples were assayed.
	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.	AC sampling involved collection of spear samples from multiple slices at several angles of the spoil pile to ensure a representative sample is taken. A minimum of 3kg of sample was collected via this method. RC sampling involved using a cyclone and passing the sample through a riffle splitter to obtain a 3kg sample for submission.
	Whether sample sizes are appropriate to the grain size of the material being sampled.	The 3kg sample sizes are considered to be appropriate for the type, style thickness and consistency of mineralisation. The sample size is also appropriate for the sampling methodology employed and the grades returned
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.*	The analytical method was a 50g Fire Assay with ICP finish for gold only, which is considered to be appropriate for the material and mineralisation style. The method provides a near total digestion of the gold within the sample.
	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.	Not used for grade reporting or interpretation
	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.	No Duplicate samples were submitted in the original assay submissions. Duplicate field samples are intended to be resampled through a riffle spitter at a rate of approximately 1 in 20 samples through the mineralised zones. A standard was utilised at a rate of approximately 1 in 20 samples. Sample blanks were similarly utilised at a rate of 1 in 50 samples. All standards reported within the acceptable limits and blank samples only reported below detection limits.
Verification	*The verification of significant intersections by*	Significant intercepts were reviewed by both Terrain

Criteria	JORC Code explanation	Comments
of sampling and assaying	*either independent or alternative company personnel.*	personnel and external consultants.
	The use of twinned holes.	No twinned holes were completed.
	Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.	All field logging was conducted utilising Toughbooks and captured in excel. The logging data was imported into an access database and validated.
	Discuss any adjustment to assay data.	No adjustments were made to assay data presented in this report. The lab's primary Au field is the one utilised for plotting and reporting. No averaging is employed.
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.*	AC and RC drill hole collar locations were pegged using a contract surveyor which utilised a DGPS system.
	Specification of the grid system used.	Grid projection is MGA-95 Z51
	Quality and adequacy of topographic control.	The drill hole database currently has nominal collar RL heights assigned with no DTM control. Given the surface over the project is generally flat and has little influence from historical workings, the influence of a terrain model is expected to be minimal.
Data spacing and distribution	*Data spacing for reporting of Exploration Results.*	Nominal drill spacing was 30m lines with 10m spacing along lines.
	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.	This is not considered relevant at this early stage of exploration.
	Whether sample compositing has been applied.	No sample compositing has been applied.
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.*	Drilling is orientated North-West, perpendicular to the strike of mineralisation intersected in historical RAB drilling.
	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.	It is considered that the drill holes completed in the recent program have been drilled perpendicular to the mineralisation, and therefore the widths intercepted are expected to be a close approximation of the true thickness of mineralisation.
Sample security	*The measures taken to ensure sample security.*	Pre-numbered calico sample bags were collected, sealed and transported by the supervising geologist to the Intertek Laboratory in Kalgoorlie for assaying.
Audits or reviews	*The results of any audits or reviews of sampling techniques and data.*	Sampling and assaying techniques are industry standard. No specific audits or reviews have been undertaken.

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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.*	E 29/0863, E29/867, P29/2262 & P29/2263 are mineral exploration licences and prospecting licences respectively, wholly held by Rembrandt Mining Pty Ltd. Terrain Minerals Ltd has entered into a binding option agreement to potentially acquire the Rembrandt Mining Pty Ltd holder of the Rembrandt Gold Project. Terrain is required to complete a minimum of $25,000 exploration program across the Project prior to electing to proceed with the transaction. Terrain has three months from the date of signing the option agreement to elect to proceed with the acquisition. Rembrandt Mining Pty Ltd and/or its nominee is to receive a free carried profit share from any mining operations across the Project area. Profit share structure: i. 15% Free carried profit share to Rembrandt from $0-1M ii. 25% Free carried profit share to Rembrandt from $1-3M iii. 30% Free carried profit share to Rembrandt for greater than $3M
	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.	E 29/863, E29/867, P29/2262 & P29/2263 are granted and free from encumbrances. At this time the tenement is believed to be in good standing. There are no known impediments to obtaining a licence to operate, other than those set out by statutory requirements which have not yet been applied for.
Exploration	*Acknowledgment and appraisal of exploration by other parties.*	Exploration by previous operators include Golden State Resources, Helix Resources and CRA The historical data and database has been appraised and is of acceptable quality.
Geology	*Deposit type, geological setting and style of mineralisation.*	The Rembrandt project is in the North West margin of the Comet Vale Monzogranite. The greenstone package comprises a steeply east-dipping north-west to north-north-west striking sequence of ultramafics overlying komatiite flows, gabbros and basalts. This is a relatively sediment-poor package and is reasonably consistent over many kilometres of strike. A thin ductile ultramafic is believed to form the east margin of the mafic-ultramafic package. This unit does not outcrop but is interpreted from Aeromagnetics. In parts of the mine sequence, metabasalt and sedimentary rocks are commonly interlayered with sheared slivers of the thin ultramafic. To the North the conglomerates may be represented by much thinner units in the basalt-sediment package of the mine sequence and/or adjoining rocks, however if so, they have thinned dramatically due possibly to facies changes or tectonic interleaving.
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:*	The drill holes reported in this announcement have the following parameters applied. All drill holes completed, including holes with no significant gold intersections are reported in this announcement.
	o *easting and northing of the drill hole collar*	Easting and northings are in MGA94- Zone 51.
	o *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar*	RL is AHD (A nominal 500m RL has been applied).
	o *dip and azimuth of the hole*	Dip is the inclination of the hole from the horizontal (i.e. a vertically down drilled hole from the surface is -90º) . Azimuth is reported in degrees as the direction towards which the hole is drilled. The relevant surveying method is quoted in the collar table of announcement.
	o *down hole length and interception depth*	Down hole length of the hole is the distance from the surface to the end of the hole, as measured along the drill trace. Interception depth is the distance down from the surface to the end of the hole, as measured along the drill trace. Interception depth is the distance down the hole as measured along the drill trace. Intersection with is the downhole distance of an intersection as

Criteria	JORC Code explanation	Commentary
		measured along the drill trace,
	o *hole length.*	Hole length is the distance from the surface to the end of the hole, as measured along the drill trace.
	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.	All results relating to the drill sections provided have been stated including "not significant intercepts".
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.*	No weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades have been applied.
	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.	No aggregate intercepts have been applied to the data quoted
	The assumptions used for any reporting of metal equivalent values should be clearly stated.	No metal equivalents are reported.
Relationship between mineralisation widths and intercept lengths	*These relationships are particularly important in the reporting of Exploration Results.*	The intersection width is measured down the hole trace, it is not usually the true width. Cross sections provided in the announcement allow the relationship between true and down hole width to be viewed.
	If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.	The geometry of the mineralisation is perpendicular to the azimuth of the drilling
	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').	All drill results within this announcement are downhole intervals, based on the information at present it is interpreted that drilling has been conducted perpendicular to the strike of mineralisation.
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.*	A plan view and drill sections have been provided in this announcement.
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 results including those with no significant interceptions have been reported.
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.*	No other exploration data is considered meaningful and material to this announcement
Further Work	*The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).*	Further analysis of the results is presently underway and the results of this analysis will determine what further exploration activities will be conducted.
	Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.	Upon finalisation of any future exploration programs, further releases will be provided to market.