HIGHLIGHTS

• Great Western
  o 1,612m RC drill program completed – results released (23/07/2015)
  o JORC 2004 Resource being updated to comply with 2012 standards
  o Mine Scoping Studies to be re-examined and updated
  o Interest to mine the asset, via a Joint venture arrangement, has been received and is currently being considered and talks continue with several groups

• Gimlet E63/1740 - Southern Fraser Range - Granted
  o The Gimlet Project area covers a total land area of 469km² directly adjacent to Mt Ridley Mines (ASX:MRD)
  o Historical exploration conducted by BHP confirms Proterozoic lithologies underlie Gimlet Project
  o The exploration conducted to date has not tested the potential of hosting magmatic nickel sulphides deposits, recently been discovered in the Fraser Range
  o Reprocessing of available geophysical data being conducted
  o Geophysical Reprocessing & Data Review underway

• $200,000 Convertible Note
  o Converts to cash 28th November 2015

• Professional Company Sec & Accounting Group appointed & Office Relocation

• Dodgers Well
  o Relinquished after internal data review

• Corporate Update

On behalf of the Board
Justin Virgin
Executive Director
Great Western

Great Western Project:

Located 68km north of Leonora and 1km from the Goldfields Highway on Weebo pastoral leases and forms part of the historic Wilsons Patch mining area. Terrain has recently finalised the process of transferring this project back as part of a royalty settlement with SR mining and Bligh Resources Ltd. Great Western is owned 100% and free of any royalties.

Terrain has previously held this project and considers it as an advanced and ready to mine opportunity, which is possibly still open down plunge and along strike. Further exploration has the potential to expand the mine life of the current mining plan of 322,500 tonnes @ 5.14 grams per tonne (Refer to Mining study released on 16/02/2010. The resource utilised for this can be found in the 2010 Annual report release 22/09/2010). This information was prepared and first disclosed under the JORC Code 2004. It has not been updated since to comply with the JORC Code 2012 on the basis that the information has not materially changed since it was last reported.

Work to be updated & reviewed:
- Mine Scoping Studies Completed – to be reviewed after JORC update
- Great Western Open Pit & Underground
- Potential Mine Extensions – Historic underground area to be examined to see if it can be incorporated into a larger pit
- Discussions with various groups in regards to moving towards production are underway

What’s next for Great Western:
- Continue to look at mining options with JV partners and toll milling in the area
- Geotechnical Drilling
- Resource Expansion Drilling
- Permitting to be obtained – drilling/mining
- Update JORC to be compliant with 2012 standards

Great Western Proposed Mine Plan – “Proposed Pit & Decline Do Not Exist”

“Proposed Pit & Decline Do Not Exist”
**Gimlet E63/1740 - Southern Fraser Range - Granted**

**TERRAIN MINERALS GAINS SIGNIFICANT EXPOSURE TO THE FRASER RANGE PROVINCE**

- Gimlet (E63/1740) Project recently granted covering a total of 469km²
- Located adjacent to Mt Ridley Mines (ASX:MRD) in the Fraser Range Province
- Terrain is reviewing extensive historical exploration activities including geochemistry & drilling, to devise a systematic exploration program targeting magmatic nickel sulphide mineralisation deposits, which have recently been discovered in the Fraser range
- Reprocessing of available geophysical data being conducted by Southern Geoscience
- Work program to commence upon completion of data review and targeting
- Major international mining houses including BHPB, AngloGold and Teck Cominco previously looked for Broken Hill type base metals and structurally controlled gold mineralisation
- Review of historical geochemistry and drilling underway
- Historical exploration conducted by BHP confirms Proterozoic lithologies underlie Gimlet Project

![Figure 2: Regional Gravity and Gimlet Project Location](image-url)
Predecessors have targeted Broken Hill Type base metals and structurally controlled gold mineralisation. The exploration conducted to date has not tested the potential of hosting magmatic nickel sulphides deposits which have been found in the Fraser Range.

**Geophysical Reprocessing & Data Review**

Geophysical reprocessing of available surveys across the Gimlet Project has commenced by Southern Geoscience Consultants. Further information will be provided upon the completion of the historical data review and geophysical reprocessing.

**$200,000 Convertible Note Converting to Cash - November 2015**

The outstanding $200,000 convertible note with Bligh Resources Limited (ASX:BGH) which was part of the SR Mining royalty settlement agreement is still in effect until the note has been fully exercised or paid out in full. No conversions have taken place and the note defaults to cash at the redemption date being 28th November 2015 (See below explanation).

**Background: Settlement for the SR Mining Royalty with Terrain & Bligh**

SR Mining (SRM) which is 71.9% owned by ASX listed Bligh Resources Limited (Bligh) have signed a legal agreement with Terrain to remove and fully indemnify Terrain from any further claims relating to the Tenement Sales Agreements (TSA) and Inter Creditors Deed (ICD). Terrain will release all parties from their obligations once all contractual obligations have been fulfilled.

**Background:** Terrain sold this tenement group to SRM and have received $2,000,000 in cash to date, not including the new royalty settlement. Terrain had the relevant transfer forms to transfer Great Western (GW) back in any default situation with SRM, which has occurred and the transfer is now complete.
Terrain would also like to point out that in a default situation under the agreements, Terrain would have been entitled to GW and the $600,000 in unpaid royalty, but the royalty would rank as second class creditor behind $1,000,000~ of first ranking debt. It was the Board’s opinion after looking closely at the quality of the SRM tenements (including environmental liabilities) after excluding GW that Terrain would be in a better position by renegotiating and being removed from the TSA and ICD agreements.

Terrain has always viewed GW as the most valuable holding of the package sold to SRM.

All parties agreed to a change in the Binding Term sheet relating to the issue of 4,000,000 fully paid ordinary Bligh shares with a 14 month PUT option at a strike of 5c. The additional 400,000 shares were in lieu of interest on the PUT option which has a value of $200,000 at 5 cents. This change was requested by Bligh due to possible legal issue relating to achieving shareholder approval to have a PUT option in place. All parties have agreed to have a Convertible note instead that achieves the same outcome.

Conditions of the Convertible note:

- $200,000 face value
- Issue date 28th November 2014
- **Redemption date 28th November 2015 to cash**
- **Expiry date 28th January 2016 – automatically converts to cash**
- The note may be converted by Terrain, in whole or in part, at any time from the Issue Date to the Expiry Date, into Bligh shares at 0.05 cents (4,000,000 shares in total)
- No interest - but 400,000 Fully Paid Ordinary shares have been issued up front in lieu, with no restrictions

This was a default settlement and has been agreed to by all parties to avoid SRM being put into administration.

SRM and Bligh have settled their Royalty obligations with Terrain for the following;

- Immediate Return of Tenement M37/54 Great Western and all relating data - **completed**
- Cash consideration of $165,000 plus GST at settlement – **received**
- 400,000 Fully Paid Ordinary Bligh shares with no escrow – **received**
- Convertible note details above - $200,000 face value or convertible a 0.05 cents per share
- All parties release each other of all contractual obligations and any future claims relating to the TSA, ICD and/or other related agreements to this transaction once all obligations have been fulfilled.

The remaining outstanding obligation which will cancel the SR Mining TSA and ICD agreements is the final payment of $200,000 plus GST to Terrain from Bligh Resources Ltd (Due Date 28th November 2015). **Terrain reserves all its legal rights under the TSA and ICD agreements until this final payment has been made.**

**Dodgers Well**

A comprehensive data review was conducted over the area and it was decided to relinquish the project area.

**Professional Company Sec & Accountant Appointed & Office Relocation**

Terrain has appointed a professional organisation, DSBC CONSULTING, headed by Mr Damian Delaney. They have taken over the Chief Financial Officer and Company Secretarial roles including all accounting and bookkeeping. The office was also relocated at the same time.
Corporate
Terrain Minerals is currently searching and assessing potential company making projects in Australia, Africa and other regions, looking at all economic commodities including but not limited to Gold, Copper and Nickel. Terrain has recently been examining small high grade near term cash flow opportunities in WA to assist with future funding.

**Gimlet E63/1740** project was introduced under a finder’s fee arrangement by Mr A Taylor and Mr P Gianni under the following joint venture terms: 10% free carry until the completion of preliminary feasibility study over any area within the tenement. Terrain to issue a total of six million unlisted options to the joint venture partners at a cost of 0.001c per option. Options expire in 3 years from date of issue with a three cents (3c) strike price.

**Competent Person Statements**

**Gimlet E36/1740:** 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.

**Great Western M37/54:** The information in this report/release which relates to Mineral Resources for the Great Western Deposit is based on and accurately reflect a report prepared by Peter Ball 2011. Mr Ball has the necessary experience relevant to the style of mineralisation, the type of deposit and the activity undertaken to qualify as a ‘Competent Person’ under the JORC Code for Reporting of Mineral Resources and Ore Reserves (2004 Edition). Mr Ball has given his consent to the inclusion of the information from his Report. Mr Ball is Principal of DataGeo Geological Consultants (an independent geological consultancy) and a member of the Australasian Institute of Mining and Metallurgy.

**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.