



ASX ANNOUNCEMENT

Wednesday, 29 April 2009

CAPITAL STRUCTURE

TMX	- Shares on Issue	88.5 M
TMXO	- Options on Issue	55.1 M

BOARD AND KEY MANAGEMENT

Richard Sandner	- Non-Exec Chairman
Keith Wells	- Managing Director
William Bannister	- Non-Exec Director
Paul Dickson	- Non-Exec Director
Ian Hobson	- Company Secretary

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QUARTERLY REPORT: MARCH 2009

HIGHLIGHTS

MARCH QUARTER

- \$550,000 raised through fully underwritten, rights issue supported by a substantial Singapore based investment group.
- Board changes add to TMX corporate, capital raising and mine development expertise.
- Acquisition of the Dodgers Well project: rock chip sampling located high grade values including: 136g/t, 92g/t, 37.8g/t and 21.8g/t gold.
- At East Kambalda the interpretation of the geophysical survey has identified attractive gold and nickel targets.

FUTURE PROGRAMS

Funding

- On 22 April 2009 TMX announced capital raising plans including a \$500,000 placement and a Standby Facility of \$5m over 3 years. A rights issue to raise a further \$500,000 at a similar price to the placement is also planned.

Development Plans

- A Letter of Intent has been signed to mine 240,000t @ 2.03g/t gold (14,300 oz) from the Celtic Deposit at Bundarra, in partnership with a mining contractor. Production is planned for the second half of 2009.
- Pit Optimisation Studies are planned for the Great Western and Wonder North deposits at Bundarra, ahead of proposed mine production in 2010.
- Negotiations to sell the Coogee deposit continue, but development options are also being considered.

TAKEOVER BID

- A hostile, unsolicited, off market, all script bid for TMX was announced on 10 March 2009 by Iron Mountain Ltd (IRM).
- IRM is a company associated with a previous director of TMX. The director resigned from the TMX board one week before the bid was announced.
- TMX has recommended no action until the formal bid has been considered. IRM's Bidder's Statement was only released to ASIC on 24 April 2009.



CORPORATE

Capital Raising

- A rights issue raised ~\$550,000 in February 2009. 11,064,250 shares were issued at a price of 5c per share. The Rights Issue was fully underwritten by a Singapore based supporter group.
- To fund ongoing mine development studies, further exploration, working capital and the increased costs associated with the evaluation of the IRM takeover bid; the TMX board has announced additional capital raising plans including a ~\$500,000 placement and a Standby Facility of \$3m over 5 years.
- The company plans to raise a further ~\$500,000 through a rights issue to shareholders on similar terms to the placement.

Board of Directors

- The chairman, Ross Gillon; together with non-executive director, David Zohar, resigned from the board on 4 March, 2009.
- Paul Dickson was appointed non-executive director on 27 February, 2009 and Dick Sandner accepted the position of chairman of the board of directors on 24 March, 2009.

Mr Dickson has wide experience as a stockbroker and with capital raising. He is currently a director of Bligh Capital (Melbourne) Pty Ltd, which provides a range of services including capital raisings And general corporate advice for small-cap companies. Mr Sandner is a lawyer with thirty years senior management, corporate and mine development experience. He is the past president of the Minerals Council of Australia – Victorian Division.

Takeover Bid by Iron Mountain Ltd

- On 10 March 2009 Iron Mountain Ltd (IRM) announced to the ASX a hostile, unsolicited, all scrip takeover bid for all the shares of TMX. The terms of the bid are; one IRM share for two TMX shares.
- IRM is a company associated with Mr Zohar, a previous director of TMX. Mr Zohar resigned from the TMX board one week before the bid was announced.
- TMX has recommended no action until the formal bid has been considered. IRM's Bidder's Statement was not released to ASIC and the company until 24 April, 2009. At that date the respective share prices were:

TMX: 5.4c
IRM: 7.1c



BUNDARRA PROJECT

- An Aboriginal Heritage clearance survey has been completed over the known drill target areas (Figure 3).
- A final report is expected before the end of April 2009.
- A Letter of Intent has been signed **to mine 240,000t @ 2.03g/t gold (14,300 oz)** from the Celtic deposit in partnership with a mining contractor. Subject to final agreements, including toll treatment arrangements, **production is planned for the second half of 2009.**
- **Pit Optimisation Studies** are planned for the Great Western (**473,000t @ 2.7g/t gold (40,900 oz)**) and Wonder North (**2,540,000t @ 2.1g/t gold (172,600 oz)**) deposits (Figure 1), ahead of **proposed mine production in 2010.**

EAST KAMBALDA PROJECT

- The consultant's interpretation and final report has been received for the orientation IP and EM geophysical surveys completed over the Aztec Dome in late 2008 (Figure 3).
- **Five IP and/or EM anomalies** have been located at the southern end of the Aztec Dome (Figure 5). Three of the anomalies (A, D, & C) are coincident with interpreted gravity/magnetic targets prospective for Kambalda style nickel deposits. Historic drilling of one of these target zones (A) intersected **wide (up to 40m) zones of disseminated sulphides with nickel values up to 0.3%.** A fourth anomaly (B) is adjacent to a major regional structure, the Parkeston Dyke, and is considered to be prospective for gold mineralisation.
- It is planned to complete the IP and EM coverage of the Aztec Dome area ahead of drill planning.
- The proposed sale of the Coogee gold deposit was terminated in March 2009 following the failure of the purchaser's funding arrangements.
- Since the termination of the Coogee sale agreement the company has received a number of approaches regarding the gold deposit. TMX is currently reviewing the various development options including a sale of the deposit and developing a mining operation.



DODGERS WELL PROJECT

- TMX has entered into an Option to Purchase Agreement over P37/6950, covering the majority of the historic Dodgers Well mining centre. The company can acquire 100% interest in the tenement through the payment of \$50,000 in cash or shares by December 2009.
- Additional ground (PLA37/7741 & 7742) has been applied for by TMX covering the balance of historic workings at Dodgers Well (Figure 6).
- Dodger's Well is located 30 kms from TMX's major Bundarra gold project (JORC Resource 4.96mt @ 2.0g/t gold (321,000 oz) (Figure 1). Both projects occur on the western margin of the Bundarra batholith (Figure 2).
- Historic production from the Dodger's Well mining centre is 1,395t @ 44.5g/t gold (1,994 oz). The results of recent rock chip sampling by TMX along the Sheffield/Junction/Champion line located anomalous samples over a distance >1 km, including **21.8g/t gold, 19.1g/t gold, 4.8g/t gold and 3.94g/t gold.**
- Initial rock chip sampling, at the Myrtle/Glen Lyon group of workings, by TMX revealed values up to 22.8g/t gold. The gold is associated with a zone of brecciation and **detailed investigations of breccia samples have identified epithermal textures.** The results of further sampling of the breccia zone included **92.0g/t gold and 37.8g/t gold.**
- A geological consultant has recently completed a structural mapping program over the area. Northern extensions to the Myrtle/Glen Lyon line of workings were identified with rock chip assays up to 2g/t gold and further sampling at the Sheffield workings confirmed the existence of high grades with **rock chip samples up to 136 g/t gold.**
- The project has the potential to **host high grade gold mineralisation** and be developed with TMX's Bundarra project. More detailed mapping and sampling programs are planned ahead of drilling programs.



EXPENDITURE

- Exploration expenditure in the March quarter amounted to \$128,500. Cash reserves at 31 March 2009 were \$400,000, plus bonds of \$334,000; a total of \$734,000.
- Anticipated exploration expenditure in the June quarter amounts to \$55,500.

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, reading 'Keith Wells'.

Keith Wells
Managing Director

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 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

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.

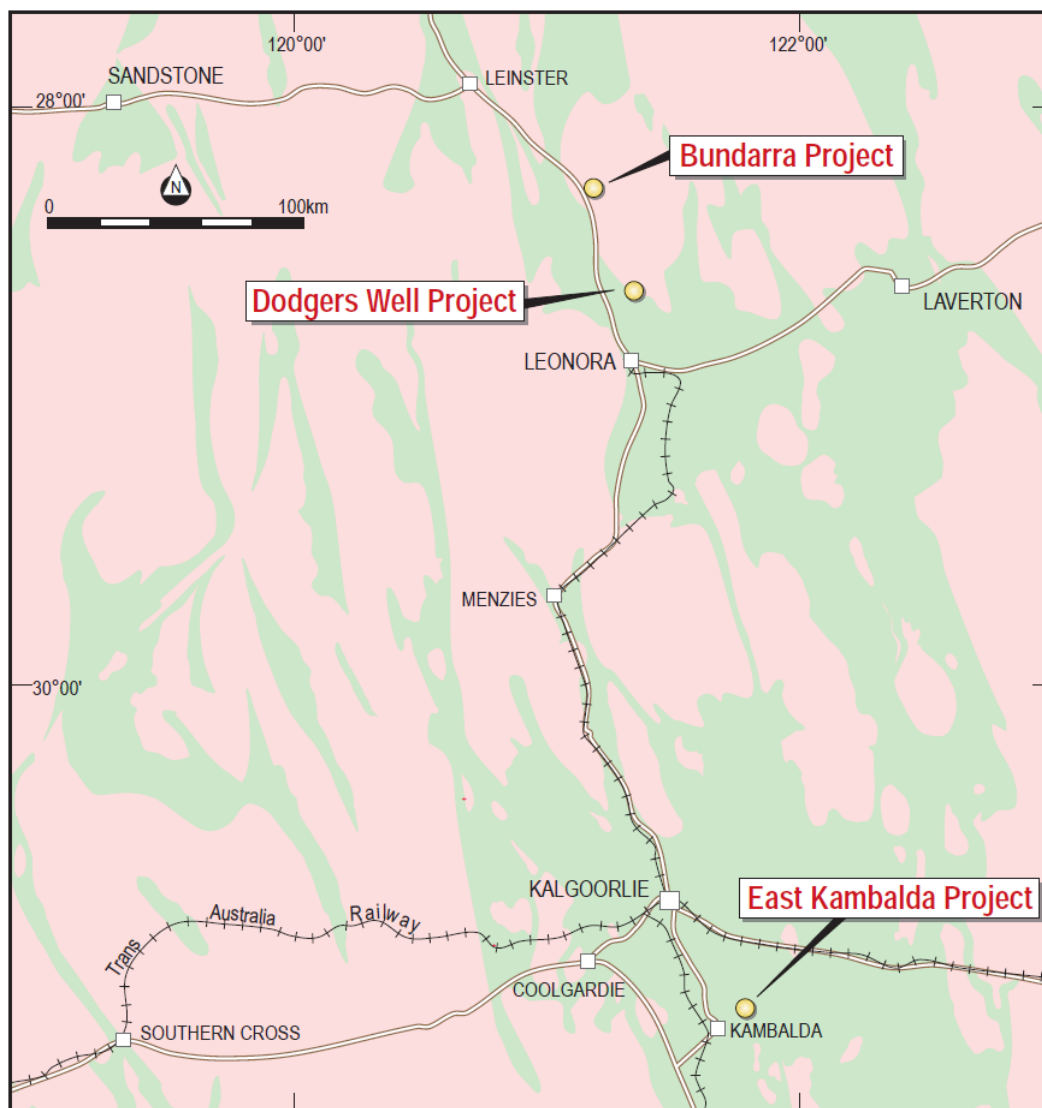
**Figure 2: Project Locations**



Figure 3: Bundarra Project – Gold Prospects & Drill Targets

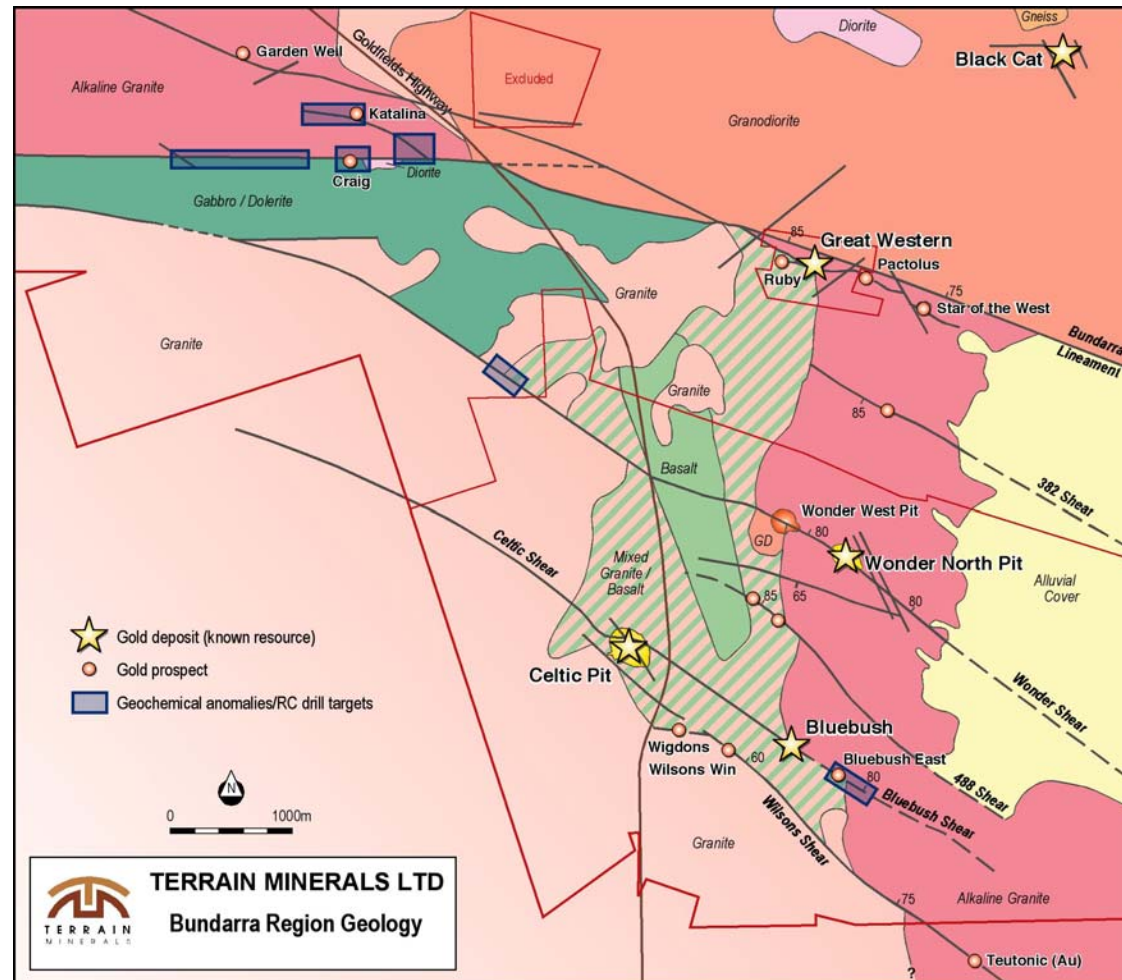




Figure 4: East Kambalda Project

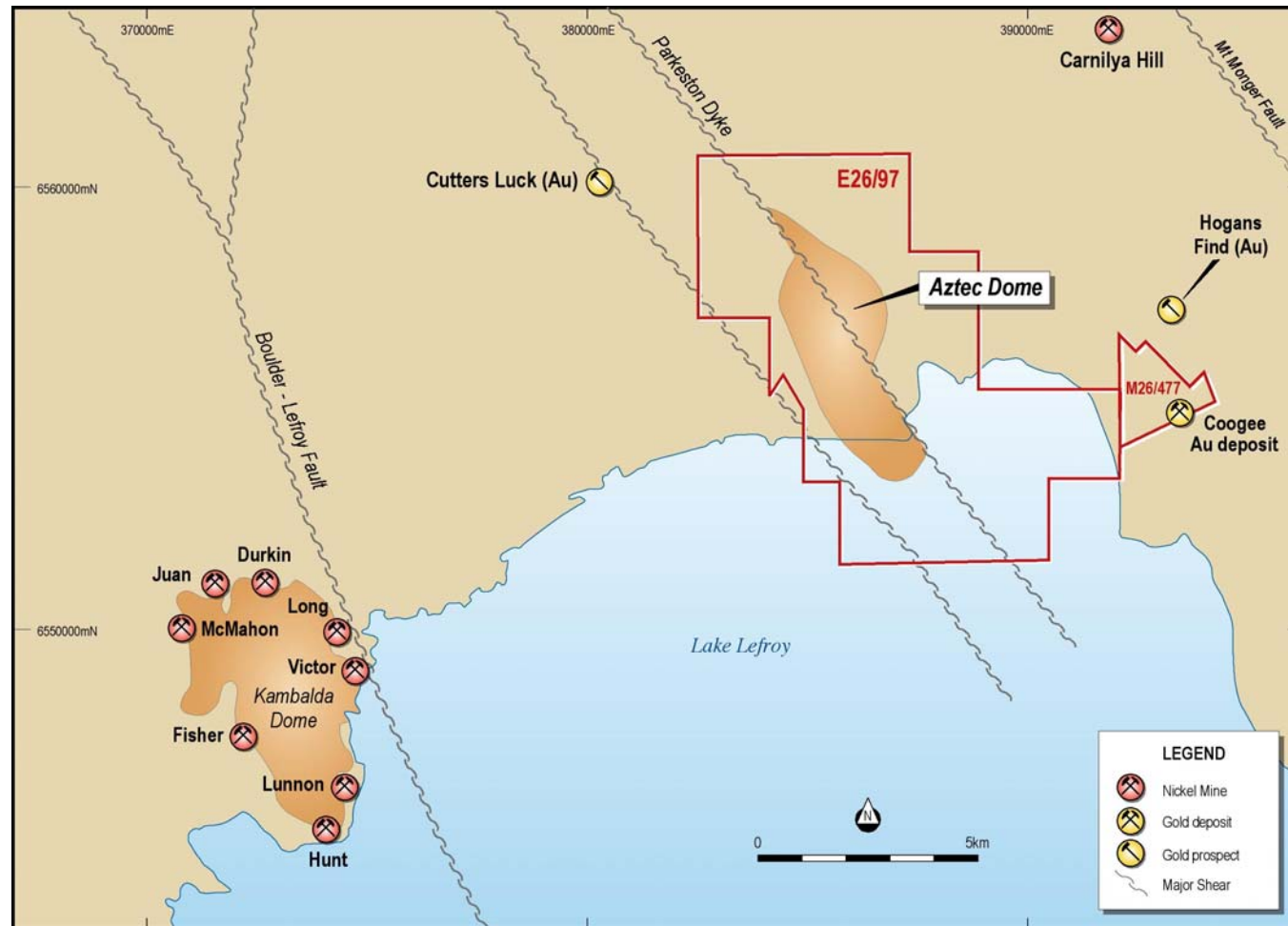




Figure 5: Aztec Dome – Traverse 13000mN: IP/EM Anomalies

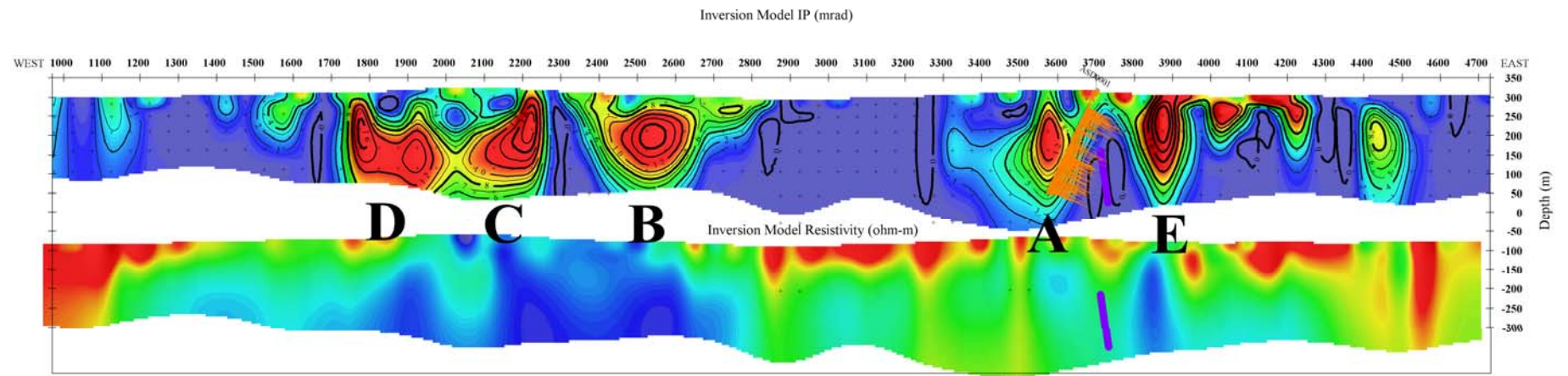




Figure 6: Dodgers Well Project

