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Company Announcements Officer
Australian Stock Exchange
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SYDNEY NSW 2000

DRILLING CONFIRMS EXTENSIONS TO WONDER NORTH GOLD RESOURCE

HIGHLIGHTS

- Drill intersections confirm extensions to the wide zone of gold mineralisation open along strike and down dip of the Wonder North gold resource.
- Significant drill intercepts include **24m@ 2.15g/t gold, 54m@ 1.26g/t gold and 12m @ 2.78 g/t gold.** The latter 2 holes ended in mineralisation.
- Existing gold resources at Wonder North and Celtic deposits total **3 million tonnes at 2g/t containing 200,000 ounces.**
- Larger 5,000m follow up drilling program currently being planned.

The Directors of Terrain Minerals Ltd (ASX:TMX) are pleased to announce results from the company's first drilling program, which commenced in late March 2006, immediately after listing on the Australian Stock Exchange.

The **Celtic Gold Project**, 100% owned by Terrain Minerals Ltd is located 25 kilometres south of the Thunderbox mine (Fig 1). The project currently comprises two gold deposits at Celtic and Wonder North totalling 3 million tonnes at 2g/t totalling 200,000 ounces of contained gold. Terrain's initial 2,000m drilling program at this project was designed to test for postulated extensions to previously identified mineralisation along strike and down dip.

Due to incomplete data and constraints on drill sites only one hole was completed at Celtic. Eleven holes were targeted at the Wonder North deposit, where the results have confirmed that a wide zone of mineralisation extends along strike for 1.5 kilometres and from near surface to a vertical depth of 200m (Fig 2). Plus 1g/t gold mineralisation was intersected in 10 of the 12 holes drilled. The mineralised zones at both deposits remain open both at depth and along strike to the northwest and southeast.

Significant intercepts include:

24m @ 2.15g/t gold from 163m, including 4m @ 4.29g/t gold from 181m
54m @ 1.26g/t gold from 162m, including 5m @ 3.51g/t gold from 162m
12m @ 2.78g/t gold from 150m
19m @ 2.43g/t gold from 150m, including 2m @ 5.28g/t gold from 165m

Four holes were terminated in mineralisation due to either insufficient drill rig capacity and/or drilling difficulties.

A full list of significant (>1g/t gold) intercepts are reported in Table 1.

“These are excellent results and confirm our belief that previous drilling work at Wonder North did not explore the full potential of the project,” Terrain’s Managing Director Keith Wells said.

The drilling data is currently being integrated with previous drilling results, to enable both zones to be comprehensively modelled prior to planning the next phase of drilling. The structures hosting both the Celtic and Wonder North deposits extend across the full extent of the tenement block, 5 kilometres and 7 kilometres respectively.

A 5,000m drilling program will be undertaken targeting further extensions to the mineralisation as well as high grade ore shoots known to exist within the mineralised zones.

Further information regarding Terrain’s projects and exploration programs can be found on the Company’s website, www.terrainminerals.com.au.

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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.

Table 1
SIGNIFICANT DRILL RESULTS – CELTIC/WONDER NORTH PROJECT

Hole No	East	North	Length (m)	From # (m)	To (m)	Interval (m)	Grade (g/t Au)	Lode
Celtic CERC 045	319500	62685	180	137	140	3	3.16	Zone A
Wonder N WNRC 198 including	32165	63600	204	163 181	187 185	24 4	2.15 4.29	Main Lode
WNRC 199* including	321825	63500	216	162 162	216 167	54 5	1.26 3.51	Main Lode
WNRC 200**	321850	63478	162	150	162	12	2.78	Main Lode
WNRC 201*	321875	63408	180	134 143	136 180	2 37	1.40 1.00	HW Lode Main Lode
WNRC 202	321925	63359	202	110	112	2	1.42	HW Lode
WNRC 204 including	321900	63408	186	136 150 165 174	139 169 167 176	3 19 2 2	1.01 2.43 5.28 2.13	HW Lode Main Lode FW Lode
WNRC 205**	321575	63640	138	130	138	5	1.05	Main Lode
WNRC 206	321550	63635	140	118	124	6	1.66	Main Lode
WNRC 208	321400	63710	168	146	147	1	1.12	Main Lode?

Notes to Table:

1. All holes drilled by RC.
2. Celtic hole drilled towards 90°magnetic, Wonder N holes drilled towards 180°magnetic. Inclinations -60°.
3. All intercepts are quoted using a 1.00 g/t gold lower cut off, no high cut off.
4. Holes designated * or ** terminated in mineralization due to either rig capacity (*) and/or drilling difficulties (**).
5. # Hole Depth X 0.86 = Vertical Depth.

Figure 1: Location Celtic Project

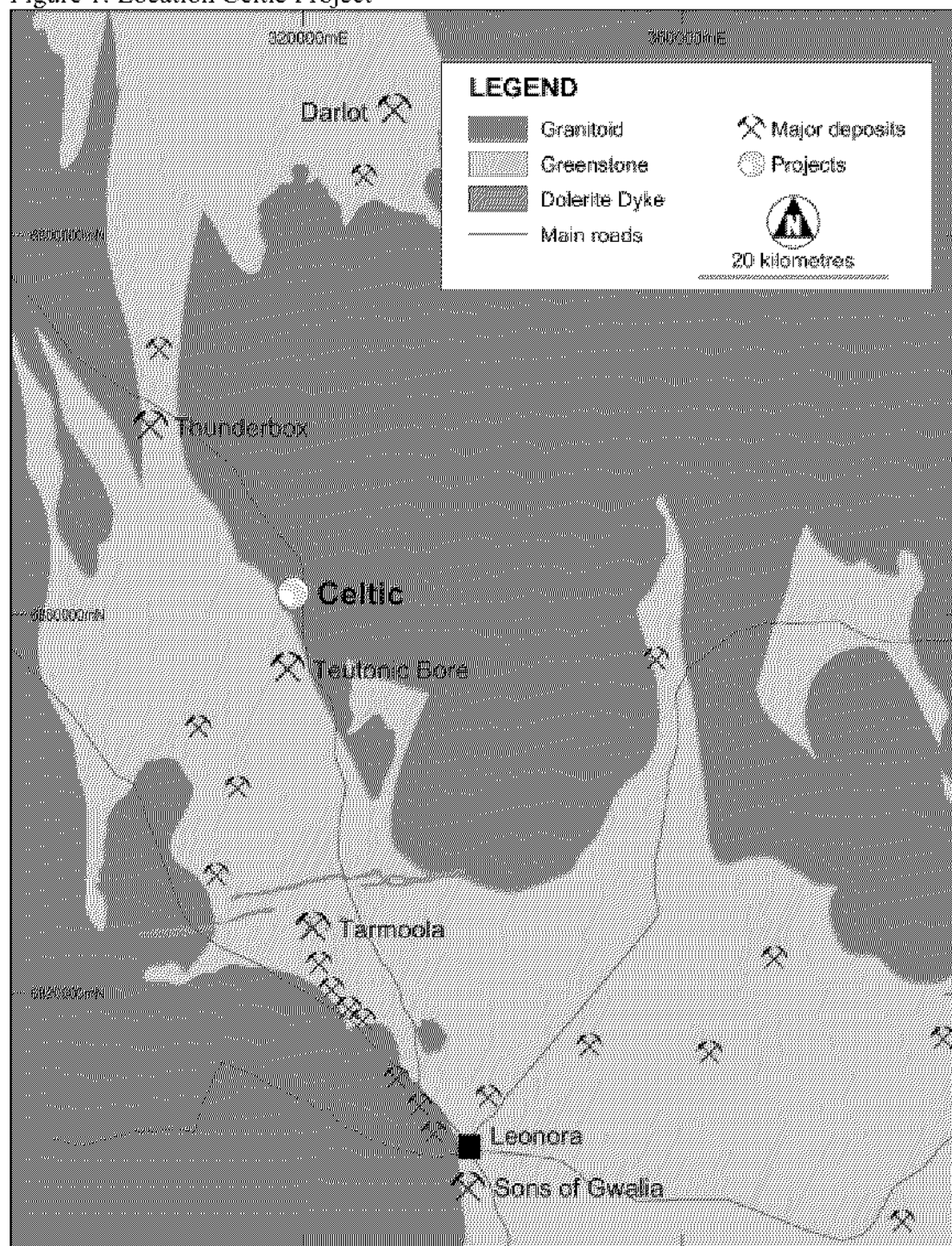


Figure 2: Wonder North-Drilling Results

