



19 January 2007

Company Announcements Officer
Australian Stock Exchange
Level 4
20 Bridge Street
SYDNEY NSW 2000

ENCOURAGING RESULTS FROM FIRST DRILL TESTING OF NEW BLACK CAT JOINT VENTURE AREA

HIGHLIGHTS

Assay results from the first RC drill testing of prospects on the new Black Cat JV area include:

Black Cat Prospect

- 3m @ 10.00g/t gold, from 91m
- 6m @ 5.65g/t gold, from 127m; including
2m @ 13.70g/t gold, from 131m
- 6m @ 3.69g/t gold, from 126m; including
1m @ 10.3g/t gold, from 130m

Garden Well

- 1m @ 8.49g/t gold, from 78m
- 1m @ 12.30g/t gold, from 92m

The mineralisation at both prospects remains open and they, together with a number of other prospects, also with existing ore grade intercepts remain to be followed up.

Further drill results from the Wonder North Deposit include:

- 2m @ 5.69g/t gold, from 116m
- 8m @ 3.23g/t gold, from 171m; including
2m @ 5.54g/t gold

The strike length of the Wonder North deposit now extended to 0.5 kilometres.

The Directors of Terrain Minerals Ltd are pleased to announce results from the initial drill testing of the newly acquired Black Cat and Garden Well prospects on the new Black Cat JV area, together with further intersections from the Wonder North deposit, on the adjoining 100% owned Bundarra area.

The Bundarra/Black Cat projects are located, 65 kilometres north of Leonora, adjacent to the Goldfields Highway.

Black Cat Prospect

Five of the eight holes drilled intersected ore grade mineralisation. The other three holes included narrow and/or low grade intercepts. A mixture of high grade and low grade intersections is typical of high grade quartz veins; due to the nugget effect. The mineralisation remains open and the grade appears to be improving with depth. Data plotting is being undertaken in preparation for the next round of drilling, scheduled for March 2007.

Garden Well Prospect

Quartz veining up to 3 metres wide can be traced over a distance of 400 metres; within a major shear zone up to 20 metres wide. The shear zone extends for several kilometres across the full width of the tenement block and the mineralisation is open down dip and along strike. Follow up drilling will be undertaken after further testing at the Black Cat prospect, extensions to the Wonder North deposit and at the more recently acquired Great Western Project.

Wonder North Deposit

Drilling has closed off the deposit to the south east. The deposit now extends over a strike length of 500 metres before it breaks up into a series of narrower zones extending north west towards the Wonder West mineralisation. Drilling beneath Wonder North has been constrained by RC drill capacity/ ground conditions and a number of holes have had to be terminated short of the target. Planning is underway to add diamond drill "tails" to a number of holes, in addition to deeper testing by diamond drilling. This drilling is scheduled for March 2007.

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 – BLACK CAT PROSPECT

Hole No	East	North	Length (m)	Dip	From # (m)	To (m)	Interval (m)	Grade (g/t Au)
BRC 001	4420	10352	90	-70	48	50	2	4.74
BRC 002	4420	10382	114	-60	70	93	23	0.68
BRC 004	4450	10381	110	-60	91	94	3	10.00
BRC 005	4420	10407	144	-60	118	121	3	3.26
including					127	133	6	5.65
					131	133	2	13.7
BRC 006	4450	10406	150	-60	126	132	6	3.69
including					130	131	1	10.3

1. All holes drilled by RC.
2. Drill collar co-ordinates on local grid.
3. All holes drilled towards Grid South: Azimuth 180° magnetic
4. Hole Depth X 0.86 = Vertical Depth (-60° holes).

Table 2
SIGNIFICANT DRILL RESULTS – GARDEN WELL PROSPECT

Hole No	East	North	Length (m)	Dip	From # (m)	To (m)	Interval (m)	Grade (g/t Au)
GWRC 016	316246	686164	120	-60	78	79	1	8.49
GWRC 017	316254	686183	120	-60	92	93	1	12.30

1. All holes drilled by RC.
2. Drill collar co-ordinates on local grid.
3. All holes drilled towards Grid South: Azimuth 219.5° magnetic
4. Hole Depth X 0.86 = Vertical Depth.

Table 3
SIGNIFICANT DRILL RESULTS – WONDER NORTH DEPOSIT

Hole No	East	North	Length (m)	Dip	From # (m)	To (m)	Interval (m)	Grade (g/t Au)
Wonder West WNRC 222	9650	42060	180	-60	145	149	4	2.03
WNRC 224	9700	42060	216	-57	176	177	1	1.17
Wonder North WNRC 225	8625	41969	240	-60	105	107	2	1.89
					191	192	1	2.50
WNRC 226	8725	41955	186	-60	112	113	1	2.77
					116	118	2	5.69
WNRC 227	8800	41959		-60	89	92	3	1.74
WNRC 228	9440	42082	198	-60	171	179	8	3.23
including					171	173	2	5.54

Notes to Table:

1. All holes drilled by RC.
2. Drill collar co-ordinates on local grid.
3. All holes drilled towards Grid South: Azimuth 219.5° magnetic
4. All intercepts are quoted using a 1.00 g/t gold lower cut off, no high cut off.
5. Hole Depth X 0.86 = Vertical Depth (-60° holes).

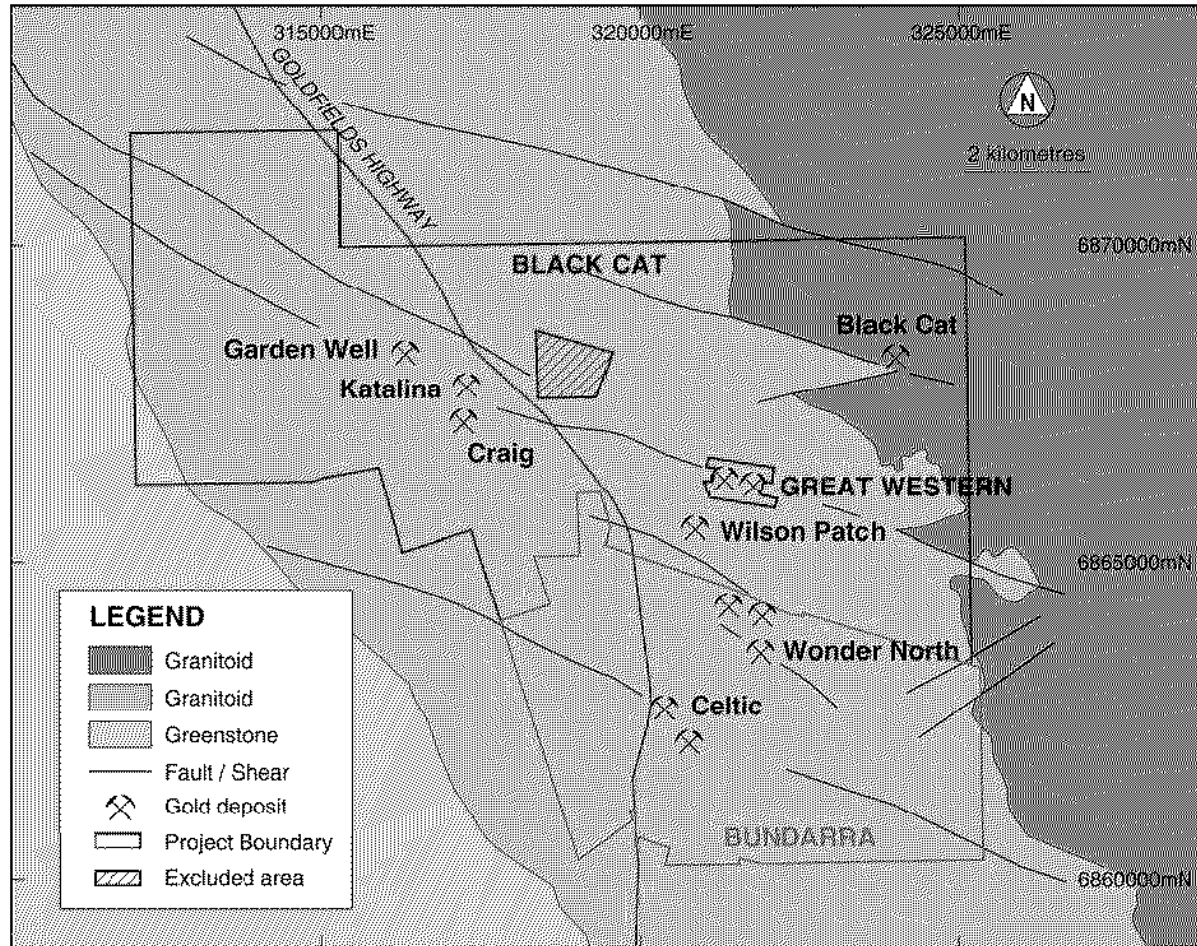
ABOUT TERRAIN MINERALS LTD

Terrain Minerals Ltd (ASX: TMX) is a focused gold explorer with four projects in the Eastern Goldfields of Western Australia: Bundarra, East Kambalda, Redcastle and Euro; all include immediate drilling targets. More recent ground acquisitions have also been undertaken at Black Cat and Great Western, both adjacent to the Bundarra project. Both these new projects also include immediate drill targets.

Resources include:

Bundarra – Celtic:	1,087,700t @ 1.66g/t gold (58,100 oz)
Wonder North	<u>1,978,300t @ 2.13g/t gold (136,500 oz)</u>
	3,066,000t @ 1.96g/t gold (194,600 oz)
East Kambalda – Coogee	<u>277,400t @ 3.91g/t gold (34,870 oz)</u>
	Total: 3,342,500t @ 2.12g/t gold (229,500 oz)

Terrain listed on the ASX in March 2006; raising \$5 million. A vigorous exploration program has been underway since listing and encouraging results have been received from all the projects, particularly Bundarra and Redcastle. The details of all exploration results are on the Company's website, www.terrainminerals.com.au.



Black Cat – Bundarra – Great Western Project