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Terrain Minerals

Metals and mining

27 July 2026

Maiden mineral resource estimate

Today, Terrain announced a maiden mineral resource estimate (MRE) at its Lightning prospect within its 100%-owned Smokebush project in Western Australia. The initial magnitude of the resource is 54koz gold (all in the inferred category), contained within 677kt of mineralised material at 2.5g/t Au plus 156.5koz Ag. This puts Terrain on a resource multiple of US$118.57/oz in-situ gold, which is a 22.7% discount to the average (Edison calculated) value of inferred resources listed in Australia and alone implies a valuation for the prospect of US$8.3m (A$11.8m), excluding Terrain's other assets (Biloela, Lort River and Carlindie) and cash (A$1.4m at end-June). This is despite Lightning's grade of 2.5g/t being at a 54% premium to the average of other Australian-listed gold assets (of 1.62g/t) and at a 150% premium to the average grade of inferred ounces specifically. Importantly, this maiden MRE represents an initial base rather than the full extent of the project's mineral endowment, which remains open both along strike and at depth. As such, this could prove to be an inflection point for Terrain's shares. The company's next 5–6km reverse circulation (RC) drill campaign will aim to include all mineralised intersections that currently sit outside the model as well as simultaneously lifting the resources into the higher-confidence indicated category. Lookalike targets are also being advanced with the result that Lightning could emerge as a multiple camp-style opportunity with resources potentially becoming much larger before being capped off.

Lightning lies within the Murchison Gold region of Western Australia, which is a famous Archean granite-greenstone terrane on the ancient Yilgarn Craton that hosts many significant gold deposits characterised by narrow-vein, high-grade gold hosted within dolerite sills – a setting that Terrain's drilling has consistently confirmed. As well as the Lightning and Monza lenses, down-hole assays indicate the potential existence of a third structure. Significantly, several of the highest grade intercepts historically are located outside the current model footprint and Terrain's next RC campaign is designed to bring these into the resource as well as promoting it into the higher-confidence indicated category. Owing to its location in a known gold-producing region, Smokebush is within 150km of at least four mines and five mills, of which up to four are within trucking distance and/or operating below capacity. Terrain's strategy is therefore to delineate a substantial mineral resource and then to pursue the goal of generating positive cash flow by sending ore to a nearby mill for toll treatment (a low-cost development option), potentially within as little as 12–18 months (note that Terrain is already in possession of a mining lease at Lightning). This MRE follows an earlier 5,309m campaign that successfully unlocked not only Lightning geologically but also additional prospects, such as Wildflower, where the mineralising fluid system is interpreted to be the same and where Terrain has already identified four targets based on similar gold-in-soil and IP anomalies.

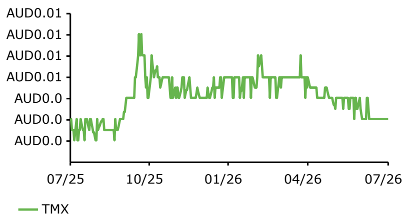
Historical results

Year end	Revenue (AUDm)	PBT (AUDm)	EPS (AUD)	DPS (AUD)	P/E (x)	Yield (%)
6/22	0.0	(0.6)	(0.08)	0.00	N/A	N/A
6/23	0.0	(1.0)	(0.12)	0.00	N/A	N/A
6/24	0.0	(1.5)	(0.14)	0.00	N/A	N/A
6/25	0.0	(1.7)	(0.09)	0.00	N/A	N/A

Source: Company data. Note: Revenue, PBT and EPS are 'as reported'.

Price	AUD0.003
Market cap	AUD11m

Share price performance



Share details

Code	TMX
Listing	ASX
Shares in issue	3,711.7m
Net cash as at end-December	AUD2.0m

Business description

Terrain Minerals is a diversified exploration company on a mission to discover the next generation of technology-critical minerals. Based in Western Australia, its strategy provides investors with early exposure to high-potential flagship projects in addition to advancing a pipeline of large-scale opportunities in key commodities critical to the global energy transition, including gold, gallium, rare earths, copper and lithium.

Bull points

- Located in a known gold-producing region of Western Australia.
- Raised A$1.5m in May.
- Potentially rapid developmental timelines.

Bear points

- Absence of a track record as an operator.
- Low market cap currently puts it out of reach of bulge-bracket institutional investors.
- Recent gold price declines.

Analyst

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