



Company Announcements Officer  
ASX Ltd

29 May 2009

Dear Sir,

### **CAPITAL RAISING**

Following a successful EGM of shareholders on Monday 25 May 2009; the board of Terrain Minerals Ltd is pleased to announce the receipt of \$665,000 from the placement of 14 million shares @ 4.75cents per share to an institution and sophisticated investors of Bligh Capital.

This placement was strongly supported at the EGM; the votes cast represented 66% of the total shares on issue, with 46% of the total shares on issue voting for the placement.

The placement monies will be used to:

1. Initiate mining studies on the Coogee and Wonder North gold deposits held 100% by Terrain. The outcome of these studies will provide information on development options, through either appropriate mine developments or sales.
2. Complete negotiations with a mining contractor to mine the Celtic and Great Western gold deposits at Terrain's 100% owned Bundarra Project.
3. Close up the drill spacing on the Bluebush deposit at Bundarra, to enable mining studies to commence.
4. Undertake pre-mining Environmental, Heritage/Native Title and Rehabilitation assessments, to enable mining operations to commence.
5. Progress selective exploration programs over high quality targets at East Kambalda and Bundarra, including completion of the expenditure to acquire 60% of the Black Cat Joint Venture with St Barbara Mines Ltd.
6. Provide working Capital.

The funds raised by the placement, will be augmented by the \$700,600.00 being raised by a rights issue. The rights issue prospectus, outlining similar terms to the placement, was sent to shareholders on the 28 May 2009. Directors are confident of placing any shortfall on similar conditions.

Yours faithfully

Keith Wells  
Managing Director