



TERRAIN MINERALS LTD
ABN 45 116 153 514
ASX: TMX

**ANNUAL FINANCIAL REPORT
30 JUNE 2024**

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TERRAIN MINERALS LIMITED CORPORATE DIRECTORY

Terrain Minerals Limited Board

Justin Virgin

Executive Director

Jason MacDonald – Appointed 1 July 2024

Non-Executive Director

Johannes Lin

Non-Executive Director

Xavier Braud - Resigned 1 July 2024

Non-Executive Director

Melissa Chapman and Catherine Grant-Edwards

Company Secretaries

Share Register

Computershare Investor Services Pty Ltd

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Perth WA 6000

Telephone: +61 8 9323 2000

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Auditor

BDO Audit (WA) Pty Ltd

Level 9, Mia Yellagonga Tower 2

5 Spring Street

Perth WA 6000

Solicitors

Steinepreis Paganin

Level 4, The Read Building

16 Milligan Street

Perth WA 6000

House Legal

86 First Avenue

Mt Lawley WA 6050

Banker

NAB

100 St Georges Terrace

Perth WA 6000

Stock Exchange

Terrain Minerals Ltd shares are

listed on the Australian Securities Exchange

Ordinary fully paid shares (ASX code TMX)

Principal and Registered office in Australia

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TERRAIN MINERALS LIMITED

LETTER TO SHAREHOLDERS

Dear Shareholders,

It is with pleasure that I present the Annual Report of Terrain Minerals Limited (**ASX: TMX**, or ‘**the Company**’) for the 12 months ending 30 June 2024.

2023/24 fiscal has been challenging for the commodities sector, particularly within the junior exploration sector, where we have seen continued negative investor sentiment. Unfortunately, Terrain has not been immune to these market conditions. Nevertheless, despite resource constraints, we have persistently advanced our projects over the year across our 100% owned exploration tenure and upcoming project pipeline. The Board maintains confidence that our ongoing and promising exploration activities have enabled the Company to secure funding in a constrained financial environment.

During the year, the Company has been diligently advancing its newly discovered Larin’s Lane Gallium project, with the objective of establishing of a JORC-compliant exploration target this year. The JORC target will be generated from Terrain’s successful 102-hole drilling campaign, encompassing approximately ~6,500m.

In our gold exploration endeavours, Terrain is advancing the Wildflower gold package, with a 41-hole air core program scheduled to commence in late September 2024. A subsequent Reverse Circulation (RC) drilling program is planned to follow up at the Wildflower, Monza and Lightning gold prospects, involving a targeted campaign to test orientation and depth extensions.

At Lort River, the Terrain team made significant advancements this year by identifying and securing a potential mafic intrusive unit “Eye” feature (which can be characterised as a subterranean volcanic structure with the potential to bring up components of the earth’s mantle). Following the identification of an existing sulphide conductor on the “Eye” feature from a government water survey, we commissioned an aerial Vtem max survey over the tenement. This survey has uncovered five bedrock conductors, with two within the “Eye” feature now classified as a potential mafic or ultramafic intrusive feature by leading geophysical consulting firm Southern Geoscience Consultants. It is noteworthy that this geological feature shares similarities with the Nova Bollinger mine, also situated within the Albany Fraser Belt. Terrain is progressing towards drilling these magmatic sulphide targets in December 2024.

Regarding our project pipeline, the Board has recognised the necessity of securing promising opportunities at an early stage, given the increasing regulatory complexities that continue to extend tenement grant and land access permit timelines, often beyond reasonable expectations.

In terms of asset rationalisation, the Wildviper gold tenure was divested to ASX-listed Northern Star Resources (ASX: NST), for \$300,000 in cash, continuing our strategy of monetising assets. Terrain is currently engaged in discussions regarding joint venture (JV) and sale opportunities for its current assets, viewing this ongoing rationalisation as an effective means to fund the company and to advance Terrain’s main projects.

I am proud to report that all exploration work has been carried out safely without lost time, injuries or environment incidents, an achievement for which I commend our team, including our many consultants. Terrain currently operates with a lean team. However, as the Company’s exploration efforts intensify, my time commitment and workload have grown significantly. This is primarily due to increased travel for promotional activities and stakeholder engagement, which has risen notably since August 2024. I remain fully committed to Terrain and I am excited about the Company’s future, as we advance the exploration strategy across the new portfolio of projects, that offer both scale and potential reward across multiple commodities.

TERRAIN MINERALS LIMITED

LETTER TO SHAREHOLDERS

Terrain's team remains committed to advancing projects that offer substantial potential returns to our loyal shareholders. While the nature of our business entails high-risk exploration, our campaigns are grounded in scientific principles, with the aim of delivering a "company making" discovery in 2024 to enhance shareholder value.

The entire Terrain team, including our contractors, has worked diligently to deliver innovative exploration advancements within tight budgets and challenging market conditions for junior exploration. This continued commitment is yielding more effective and successful target generation, as well as a pipeline of strong growth opportunities. On behalf of the Board, I would like to extend my gratitude for their dedication to the Company's success.

More importantly, I would also like to thank our loyal shareholders for their strong support as we have established solid foundations for an exciting twenty-four months ahead, with high-impact exploration programs that offer both significant scale and growth potential.

Yours sincerely,



Justin Virgin

Executive Director

Dated this 20th day of September 2024

TERRAIN MINERALS LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 JUNE 2024

The Directors present the financial report of Terrain Minerals Limited (**Terrain** or the **Company**) for the financial year ended 30 June 2024. To comply with the provisions of the Corporations Act 2001, the Directors' Report is as follows:

DIRECTORS

The following persons were Directors of the Company and were in office for the entire year, and up to the date of this report, unless otherwise stated:

Current Directors

Mr Justin Virgin	Executive Director
Mr Jason MacDonald	Non-Executive Director (appointed 1 July 2024)
Mr Johannes Lin	Non-Executive Director
Mr Xavier Braud	Non-Executive Director (resigned 1 July 2024)

COMPANY SECRETARIES

Ms Melissa Chapman (*Certified Practising Accountant (CPA), AGIA/ACIS, GAICD*) and Ms Catherine Grant-Edwards (*Chartered Accountant (CA)*) are directors of Bellatrix Corporate Pty Ltd (**Bellatrix**), a company that provides company secretarial and accounting services to a number of ASX listed companies. Between them, Ms Chapman and Ms Grant-Edwards have over 30 years' experience in the provision of accounting, finance and company secretarial services to public listed resource and private companies in Australia and the UK, and in the field of public practice external audit.

PRINCIPAL ACTIVITIES

The principal activities of Terrain consisted of exploration for economic commodities, including gold, gallium, and base metals, as well as other mineral resources. Current projects are domiciled in Western Australia and Queensland, though other jurisdictions around the world may also be considered. There has been no significant change in activities during the year.

OPERATING RESULTS

The loss of the company for the year ended 30 June 2024 from ordinary activities after providing for income tax amounted to a loss of \$1,515,601 (30 June 2023: loss of \$1,024,291).

REVIEW OF OPERATIONS

Terrain Minerals Limited (**Terrain** or the **Company**) is an exploration company focused on the discovery and delineation of gallium, gold, copper nickel and other economic metal commodities across Australia. The Company has demonstrated significant activity and progress towards this goal throughout the financial year and remains strongly committed to its strategy of seeking to create significant additional wealth for its shareholders through the successful discovery of potential mineral ore bodies.

TERRAIN MINERALS LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 JUNE 2024

REVIEW OF OPERATIONS (Continued)

Smokebush Gold Project (100% owned) The Smokebush Gold Project is located ~350km north of Perth Western Australia and within the same interpreted geological setting as the historic Golden Dragon and Minjar gold mining operations. Previously drilling announced by the Company has confirmed the presence of structurally controlled gold mineralisation within the Smokebush project area. A targeted reverse circulation (RC) drilling over the Monza and Lightning prospects within Smokebush during the financial year continued to intersect gold mineralisation, further validating the project's potential. Preliminary modelling of the drilling data suggests the possibility of a modest gold Mineral Resource being calculated within Smokebush, with the view of potentially toll-treating any such gold deposit should one be established. Terrain acknowledges that further drilling, metallurgical and processing / extraction test work is required before the Company can move down the path toward seeking to establish a Mineral Resource Estimate and the Company cautions shareholders that there is no guarantee that a Mineral Resource Estimate will be established within its Smokebush Gold Project. Likewise, the Company is yet to commence any discussions with third parties in relation to potentially toll-treating any eventual ore from Smokebush. However, Terrain is encouraged by the results received to date and is committed to advancing the Smokebush Project over the course of the coming year.

Larin's Lane Gallium Project (100% owned) The Larin's Lane Gallium and Rare Earths Project is located within the Company's 100% Smokebush tenement package. The Company completed a comprehensive soil sampling campaign and subsequent air core drilling program over the Larin's Lane tenement area during the financial year, which returned encouraging gallium and rare earth element (REE) grades. Encouraged by these results, Terrain commissioned a leading consulting house to determine a preliminary JORC compliant *Exploration Target* for the Larin's Lane Project as the first step towards understanding the potential scale of the gallium and REE mineralisation within the project area. Given the large, interpreted strike length of the gallium and REE mineralisation, additional drilling is required before a comprehensive understanding of the mineral potential of the Larin's Lane Project may be reached. The Company, therefore, proposes to undertake further drilling across the Larin's Lane project area during the 2025 financial year with the objective of releasing an updated JORC compliant *Exploration Target* prior to the end of that financial year. This updated *Exploration Target* will play a pivotal role in progressing any on-going partnership discussions with international end-users.

Lort River Nickel-Copper Project (100% Owned) The Lort River Project is located within the Albany-Fraser Belt of Western Australia, which is home to the Nova-Bollinger Nickel-Copper mine (IGO Limited). During the year, Terrain announced that the Company's high-resolution airborne electromagnetic (AEM or VTEM) survey had successfully identified five high-priority bedrock conductors whose source is potentially zones rich in sulphide mineralisation. Significantly, two of the conductors are strategically located on the western edge of the Company's Lort River "Eye" feature, mirroring the placement of Nova-Bollinger's ore bodies. Terrain is committed to fast-

tracking exploration of these potential Nova-style magmatic nickel-copper targets and will be seeking to drill a series of stratigraphic holes across the project area in the coming months, which are designed to confirm the presence of favourable bedrock geology. Ground-based and/or downhole electromagnetic (EM) surveys over the AEM conductors are currently proposed to follow the stratigraphic drilling campaign. The results from these EM surveys will enable Terrain to drill test the heart of the conductor at each location. The Company notes that the majority of the AEM conductors are located within freehold land and, as such, the exploration across the Lort River Project will continue to be undertaken in close consultation with the relevant landowners.

Wildviper Gold Project (100% Owned) Exploration at the Wildviper site was relatively limited over the year, leading Terrain to make the strategic decision to divest the asset. The sale of the tenement to Northern Star Pty Ltd for \$300,000 highlights Terrain's capability to generate value through well-timed, strategic divestment.

TERRAIN MINERALS LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 JUNE 2024

REVIEW OF OPERATIONS (Continued)

Pending Applications & New Opportunities Terrain actively pursues exploration opportunities across Australia which are aligned to the Company's stated goal of seeking to create significant additional wealth for its shareholders through the successful discovery of potential mineral ore bodies. Consistent with this objective, Terrain has submitted tenement applications over a number of areas in both Western Australia and Queensland, which have the promise of hosting potential 'company making' discoveries. These applications include: the Biloela, Copper & Gold Project in Central Queensland where previous drilling by Newcrest has confirmed the presence of copper and gold mineralisation within Terrain's tenement package, the Carlindie Lithium Project in the East Pilbara which neighbours Sociedad Química y Minera de Chile (SQM) Dom Hill lithium project and Wildcat Resources Bolt Cutter lithium project and appears prospective for Goulamina -style lithium mineralisation.

Capital Raising Over the course of the year, Terrain successfully raised a total of \$1.5 million (before costs) through share placements and a non-renounceable rights issue, providing the company with the capital required to support its exploration programs.

Overall, Terrain has demonstrated a strong track record of exploration success and strategic decision-making. The Company's active exploration programs, coupled with its focus on high-potential projects, position it well for future growth and value creation for its shareholders.

Exploration Funding - Placement & Non-renounceable rights issue (Entitlement Offer)

On 20 September 2023, the Company issued 174,444,451 shares at an issue price of \$0.0045 per share, together with 43,611,124 unlisted options (exercisable at \$0.009 each and expiring 20 January 2024) and 43,611,107 unlisted options (exercisable at \$0.015 each and expiring 20 May 2024) to raise proceeds of \$785,000 (before expenses).

On 30 October 2023, the Company issued 86,205,574 shares at an issue price of \$0.005 per share, together with 9,578,484 free attaching shares, 21,551,363 unlisted options (exercisable at \$0.009 each and expiring 20 January 2024) and 21,551,425 unlisted options (exercisable at \$0.015 each and expiring 20 May 2024) to raise proceeds of \$431,028 (before expenses).

On 24 January 2024, the Company raised funds of \$352,000 (before costs) from the issue of 70,400,000 shortfall shares at an issue price of \$0.005 per share under the shortfall facility of the non-renounceable rights issue (Entitlement Offer). In addition, and in accordance with the terms of the Entitlement Offer, the Company has issued 7,822,225 free attaching shares and granted 17,600,000 unlisted options exercisable at \$0.015 and expiring 20 May 2024. This allotment of shares and granting of options represents the final tranche of shares available under the Entitlement Offer in the Prospectus dated 20 September 2023.

The rights issue and placement were well supported by sophisticated investors from two leading brokers, Melbourne Capital Pty Ltd and Novas Capital Ltd (Sydney). Board members, along with many long-term shareholders, also participated in the rights issue and placement. AFSL holders were paid a fee of 6% of the amount raised.

Terrain has raised a total of \$1,568,028 from the Placement, enabling the company to advance its exploration program as detailed in this Review of Operations. This total includes \$20,833 contributed by Directors through participation in the Placement.

TERRAIN MINERALS LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 JUNE 2024

REVIEW OF OPERATIONS (Continued)

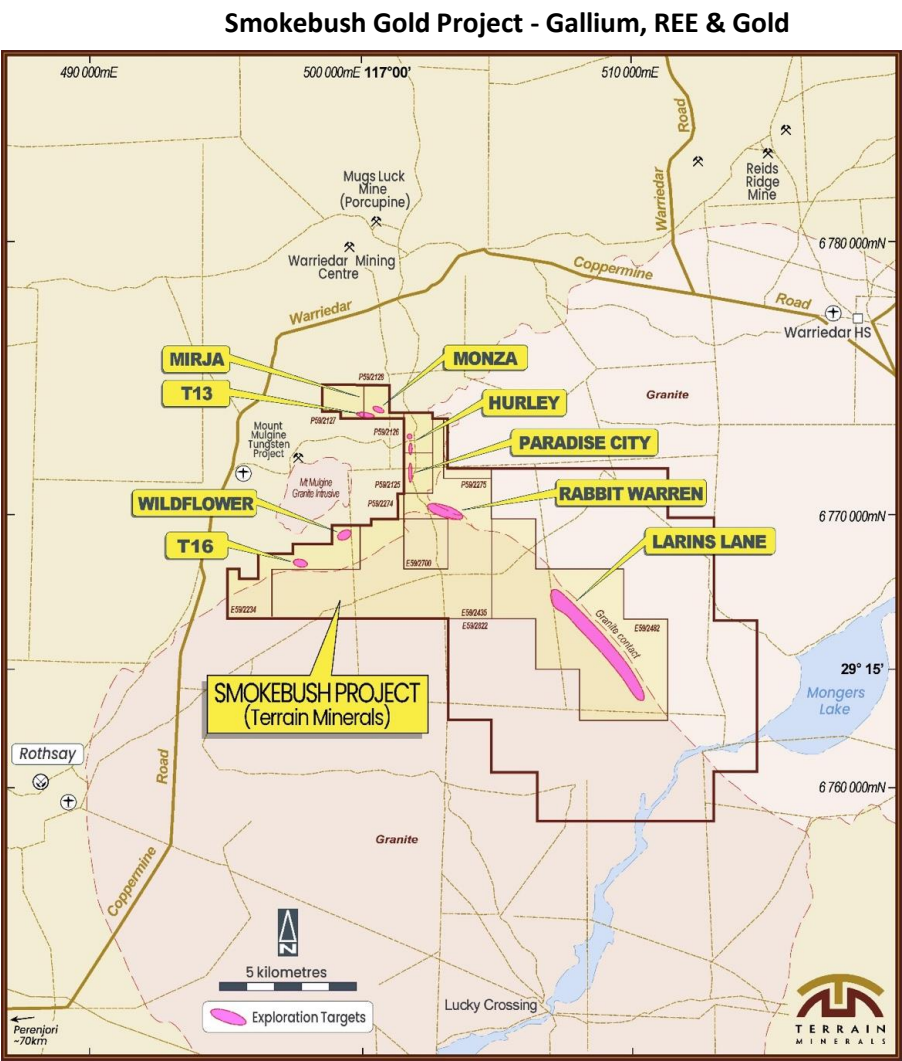


Figure 1: Prospects map of Terrain’s 100% owned Smokebush project

Ownership: 100% Terrain Minerals Limited

Location: 350 kilometres north of Perth, within the Murchison Gold Province of Western Australia

Background: Terrain’s Smokebush Gold Project is positioned within the same geological corridor that hosts the historic Golden Dragon and Minjar gold mining operations. Exploration by the Company across this prospective gold tenements over previous years have been successful in delineating an interpreted mineralised trend (since named “Monza”), which has returned some highly encouraging intersections (*refer to ASX release 12 October 2020*). These intersections include, but are limited to,

- 4 metres @ 4.46 grams per tonne gold from 51 metres (hole SBRC003)
- 7 metres @ 2.72 grams per tonne gold from 25 metres (hole SBRC005)
- 8 metres @ 1.37 grams per tonne gold from 85 metres (hole SBRC006) and
- 6 metres @ 2.12 grams per tonne gold from 80 metres (hole SBRC011)

TERRAIN MINERALS LIMITED
DIRECTORS' REPORT
FOR THE YEAR ENDED 30 JUNE 2024
REVIEW OF OPERATIONS (Continued)

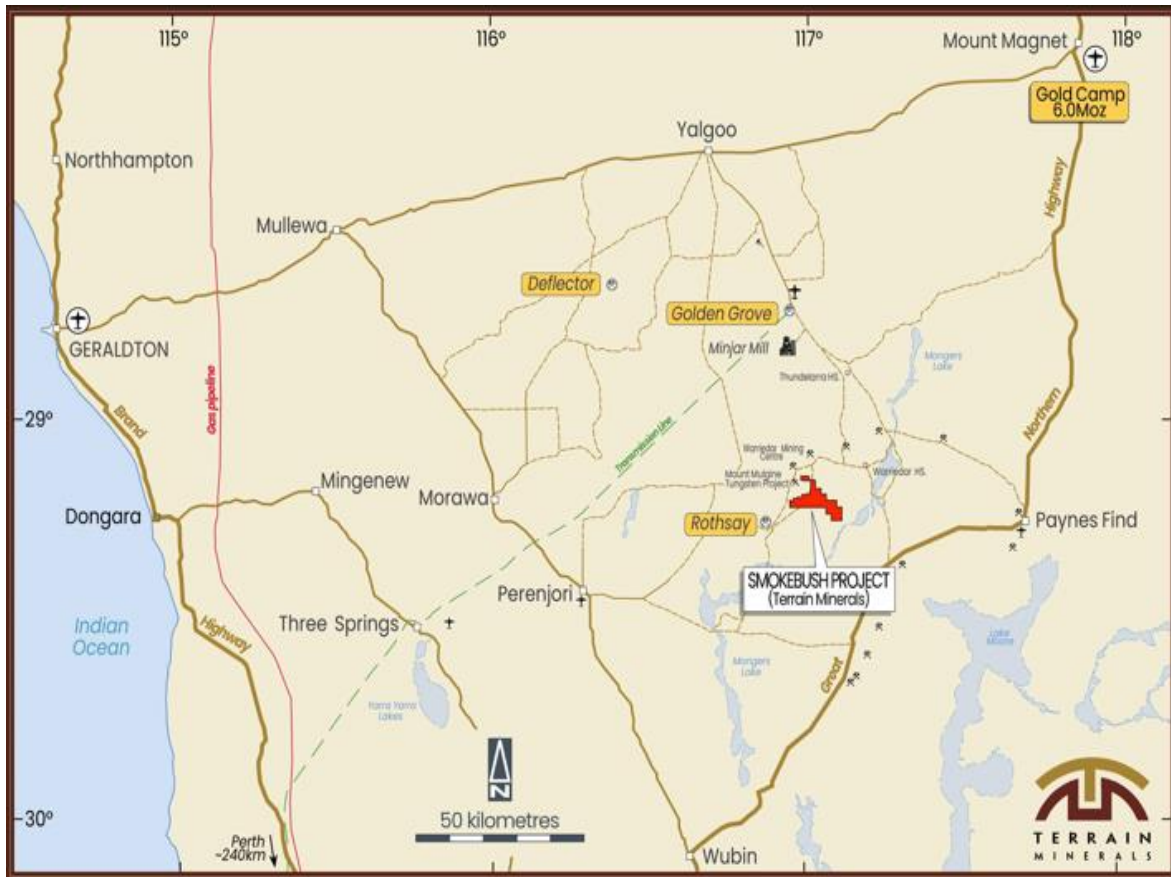


Figure 2: Smokebush project location in relation to discoveries in the area.

Modelling of the mineralisation within the Monza trend suggests that there may be a plunge component to this gold system. The project would, therefore, benefit from additional drilling to enable the Company to understand the full potential of this auriferous system and, in turn, allow Terrain to consider progressing towards estimating a maiden Mineral Resource for the Monza trend.

projects have a history of gold production, indicated that a ground-based geophysical technique

Exploration in 2024 financial year: Public releases by neighbouring resource companies, whose known as 'induce polarisation' (IP) has had some success in mapping gold mineralisation within the Murchison Gold Province. Consequently, during the reporting period, Terrain conducted a number of trial survey lines across the Smokebush Gold Project, with a particular focus around the Monza gold trend. These IP survey lines were successful in mapping the Monza gold corridor in addition to identifying a parallel trend, which was yet to have been drill tested by Terrain. Known as "Lightning", this interpreted trend is located directly east (and paralleling) the Monza gold system.

A two-hole reconnaissance drill program over the newly identified trend at Lightning during the 2024 financial year successfully intersected gold mineralisation (2 metres @ 6.22 grams per tonne gold from 61 metres at hole 23SBRC012 and 1 metres @ 5.94 grams per tonne gold from 82 metres at hole 23SBRC023) (refer to ASX release 14 November 2023). That both reconnaissance holes at Lightning intersected gold mineralisation and, more importantly, that these holes were located 400 metres apart, gives Terrain confidence that the Lightning trend may represent a potential newly discovered gold system within the Smokebush project area.

TERRAIN MINERALS LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 JUNE 2024

REVIEW OF OPERATIONS (Continued)

Forward program for 2025 financial year: The gold price has continued to strengthen over the past year, with the price above US\$2,400 at the time of writing. Investor interest in gold appears to mirror the strengthening gold price, as evident by the growing number of “M & A” (mergers and acquisitions) occurring within the gold exploration and production space. Recognising this, Terrain is currently finalising planning of a follow-up reverse circulation (RC) drilling campaign at the Monza and Lightning gold trends. The objective of this program is to confirm the depth continuity as well as the strike extent of the gold mineralisation of both mineralised systems. Further information regarding the specifications of the proposed drilling campaign, such as the number of holes and total metres, will be released prior to the commencement of the program.

The sustained increase in investor appetite for supporting gold exploration has also resulted in Terrain commissioning an air core drill program over its Wildflower Gold Prospect located in the south of the Smokebush project area. Historic drilling at Wildflower, according to WAMEX, returned 15 metres @ 1.47 grams per tonne gold from 10 metres at hole MM110 (*refer to ASX release 18 December 2019*). There is insufficient geological information available at this time to fully understand the nature of the gold mineralisation at Wildflower. Thus, the Company will initially undertake a two-fence program, with the holes spaced approximately 25 metres apart in a so-called “top-to-tail” drill pattern. Subject to the outcome of this program, Terrain will then seek to undertake a second round of (air core) drilling which will better define the footprint of any gold mineralisation at Wildflower.

It is the Company’s current intention to have completed both air core programs at Wildflower before the Christmas break, which would then allow the Company to substantially ramp up its exploration in the 2025 field season.

Larin’s Lane Gallium and Rare Earths Project

Ownership: 100% Terrain Minerals Limited

Location: Forms part of the Company’s Smokebush Project

Background: Since initially encountering gallium mineralisation within its Lort River Project in the southwest of Western Australia, Terrain has maintained a vigilant eye out for regions potentially hosting zones of thick, laterally continuous horizons of gallium mineralisation. This interest is driven in large part from dialogue the Company has had with a range of participants within the defence and semiconductor sectors, all of whom expressed a need for a globally diversified supply chain of gallium.

Exploration in 2024 financial year: Field mapping and the interpretation of remote sensing datasets by Terrain during this period suggested that the lithological contact zone between two granitoids may be perspective for gallium and, separately, rare earth element (REE) mineralisation. A detailed soil sampling campaign over the Larin’s Lane tenement area by the Company subsequently reinforced this view, with elevated assays returned (for multiple commodities) across the area of interest.

Drill testing of these soil anomalies via a maiden 102-hole (for 6,611 metres) air core program intersected wide zones of gallium within the oxide layer. These intersections can be seen in figure 3 and 4 (*refer to ASX release 27 May 2024*). The successful drilling campaign has provided Terrain with the encouragement to continue advancing the exploration of this little known, but critical important commodity at Larin’s Lane.

TERRAIN MINERALS LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 JUNE 2024

REVIEW OF OPERATIONS (Continued)

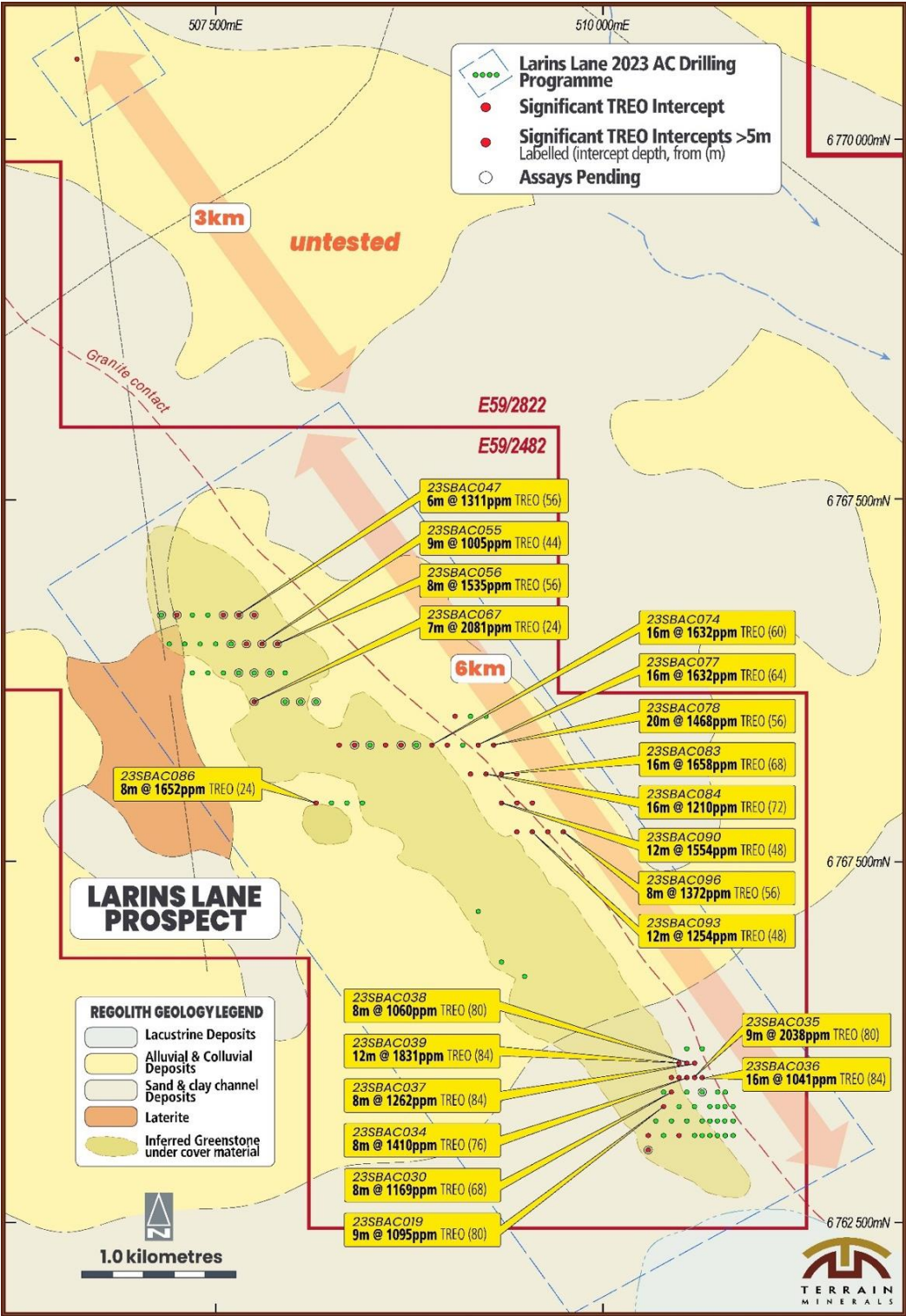


Figure 3: Drill hole location of Terrain’s 2023 AC drill program at the Larin’s Lane Project with selected total rare earth oxide (TREO) grades highlighted. Intercepts are based on 1,000ppm TREO lower cut and up to four metres internal dilution. A significant TREO intercept, as referred to is this diagram, is an interval returning greater than 1,000ppm TREO over a minimum of one composite sample (generally being three or four metres).

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TERRAIN MINERALS LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 JUNE 2024

REVIEW OF OPERATIONS (Continued)

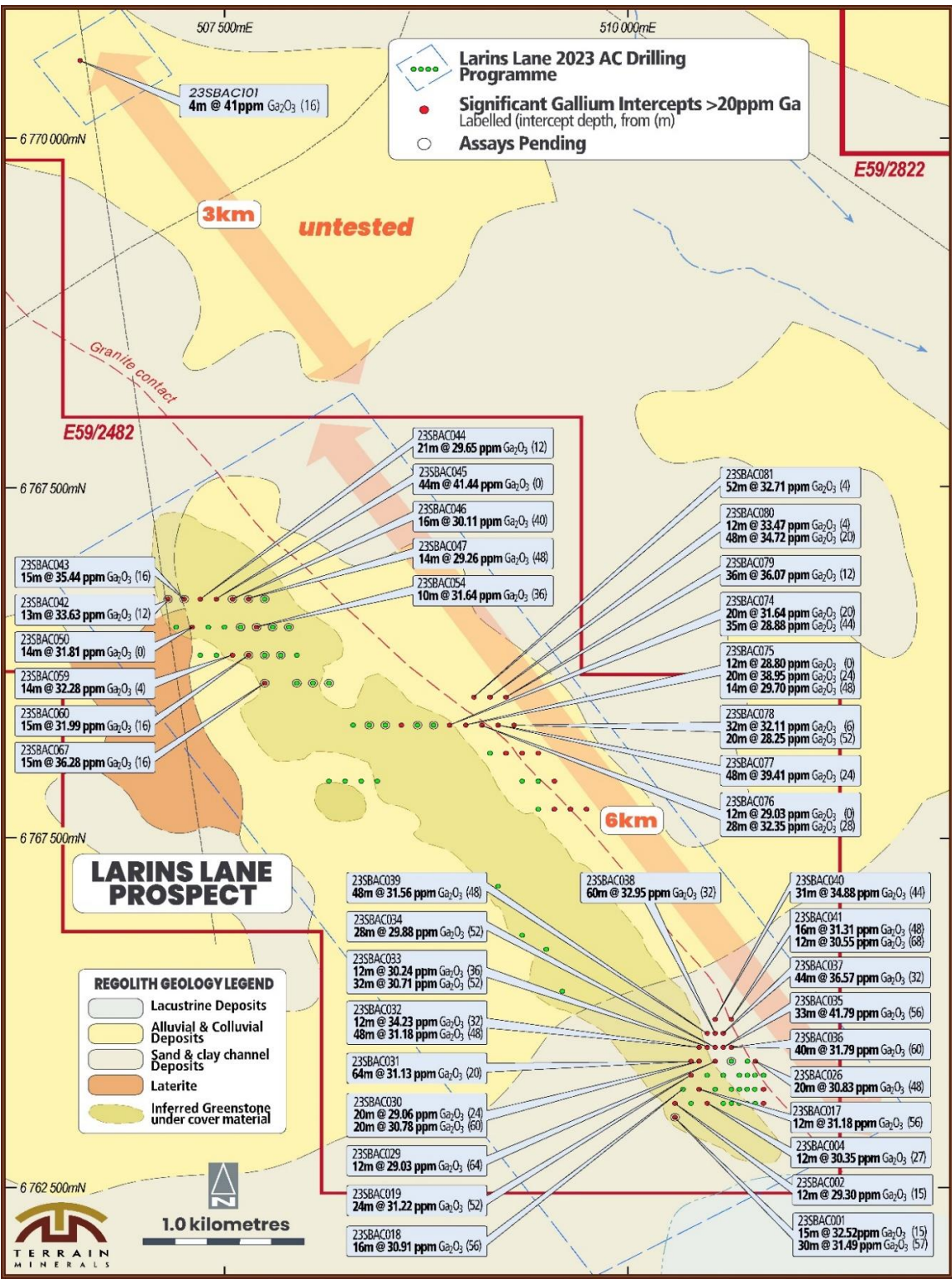


Figure 4: Drill hole location (Not possible to show all) of Terrain's 2023 air core drill program at the Larin's Lane Project with selected gallium oxide grades highlighted. Intercepts are based on 20ppm gallium (26.88ppm Ga₂O₃) lower cut and up to four metres internal dilution. A significant gallium oxide intercept, as referred to in this diagram, is an interval returning greater than 20ppm gallium (26.88ppm Ga₂O₃) lower cut over a minimum of one composite sample (generally being three or four metres).

TERRAIN MINERALS LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 JUNE 2024

REVIEW OF OPERATIONS (Continued)

Forward program for 2025 financial year: Like gold, the price of gallium metal has appreciated significantly over the past year. Also, like gold, the suggestion is that the commodity price for gallium will remain robust for the period ahead. With gallium remaining a cornerstone of the Company’s exploration program for the 2025 financial year (and potentially beyond), Terrain is moving to finalise a preliminary JORC compliant *Exploration Target* for the Larin’s Lane Gallium and REE Project. The establishment of a preliminary *Exploration Target* represents the first step toward understanding the potential scale of the gallium and REE mineralisation within the project area. The Company is on track to release the *Exploration Target* before the end of the 2024 calendar year. It should be noted that this *Exploration Target* may not reflect the global gallium potential of the Larin’s Lane Project given that the initial drilling program only focused on three areas of what is potentially a nine-kilometre-long strike length. Thus, additional drilling is required before a comprehensive understanding of the mineral potential of the Larin’s Lane Project may be reached. For that reason, the Company is proposing to undertake further drilling across the Larin’s Lane project area during the 2025 financial year with the objective of releasing an updated JORC compliant *Exploration Target* prior to the end of that financial year. The importance of this updated *Exploration Target* cannot be overstated as it may act as a pivotal document for progressing any on-going partnership discussions.

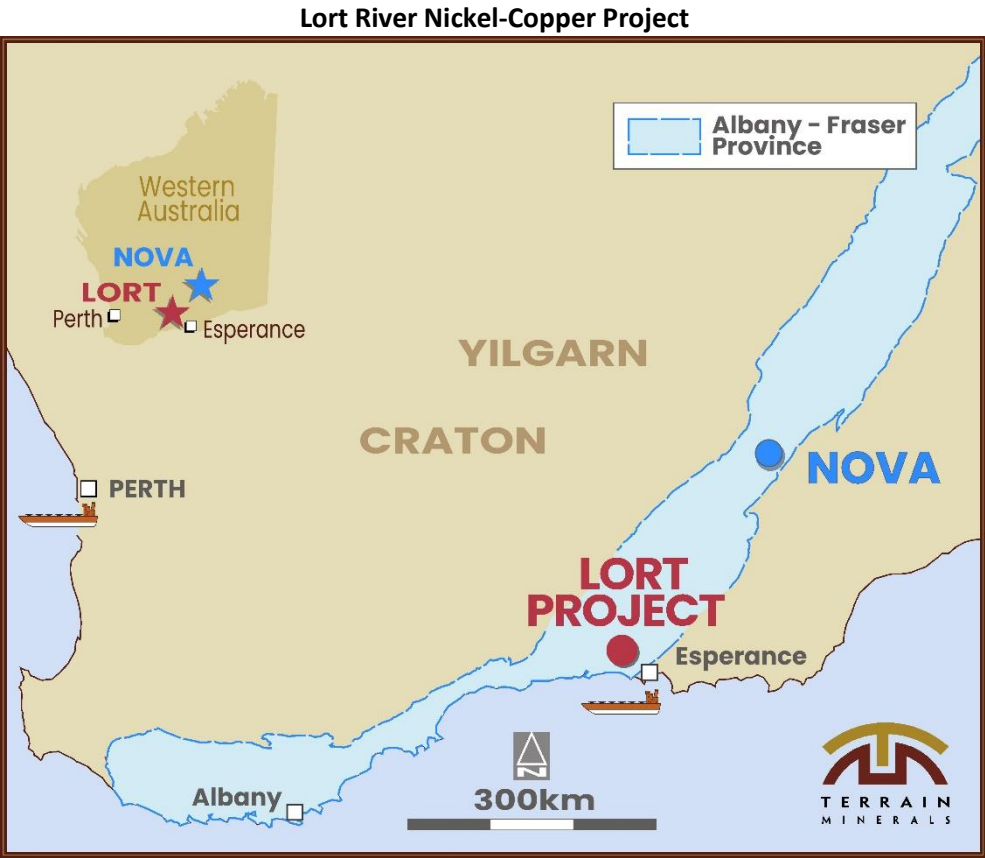


Figure 5. Terrain’s 100% owned Lort Rover Project is located approximately 50 kilometres northwest of Esperance, and within the highly prospective Albany-Fraser Belt, being home to Nova-Bollinger nickel-copper ore bodies.

Ownership: 100% Terrain Minerals Limited

Location: 650 kilometres southeast Perth (or 50 kilometres northwest of Esperance) within the Albany-Fraser Belt of Western Australia.

TERRAIN MINERALS LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 JUNE 2024

REVIEW OF OPERATIONS (Continued)

Background: The Albany-Fraser Belt of Western Australia plays home to two important mining operations; namely AngloGold Ashanti's Tropicana Gold Mine and IGO's Nova-Bollinger Nickel-Copper Mine. Following the discovery of the Tropicana gold deposit in the early part of the 2000's, the entire length of the Belt appeared to be subject to first-pass gold exploration. The rationale appeared to be that the entire Belt may be equally prospective for gold mineralisation. In contrast, following the later discovery of the Nova nickel-copper ore body some ten years later, exploration activities appeared to be constrained to the northern section of the Belt. Whilst some may seek to provide a rationale for limiting exploration to a sub-section of the Belt, IGO (owner and operator of the Nova-Bollinger Nickel-Copper Mine) have concluded that, based on their extensive exploration work (and a cost of tens of millions of dollars) that the entire Albany-Fraser Belt is prospective for Nova-style magmatic nickel-copper mineralisation. It is this publicly stated position from IGO that Terrain initiated its search for repetition of the Nova ore bodies in the southern section of the Belt.

Exploration in 2024 financial year: The host geology of the nickel-copper at Nova has a characteristic "eye-like" appearance in aeromagnetic data. Thus, Terrain's first pass exploration activities for Nova-style deposits during the 2024 financial year was to review open-file government aeromagnetic datasets for "eye-like" features with similar dimensions to that noted at Nova. Having identified a number of such features, the Company then prioritised and ranked each feature based on a number of other criteria such as the structural and tectonic setting and other controls considered key to the genesis of magmatic sulphide deposits. Through this work, Terrain noted that a wide-spaced government-funded airborne electromagnetic (AEM) survey has recorded an apparent conductor within one of these eye features. This AEM conductor was subsequently confirmed by an independent geophysical consulting house during the course of the reporting period.



Figure 6: Helicopter with VTEM survey sensor array over the Lort River Project.

Encouraged by the results being returned from the developing geological model of the eye feature within terrain's tenement E 63/2447, the Company commissioned its own semi-detailed AEM survey of the tenement area in May 2024. The results of this survey were considered highly significant and extremely promising with five priority conductors being identified, with two such conductors located within the eye feature itself.

TERRAIN MINERALS LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 JUNE 2024

REVIEW OF OPERATIONS (Continued)

As such, each step of Terrain’s exploration activities at Lort River only appears to further strengthen the attractiveness of this project as a potential host of Nova-style nickel-copper mineralisation.

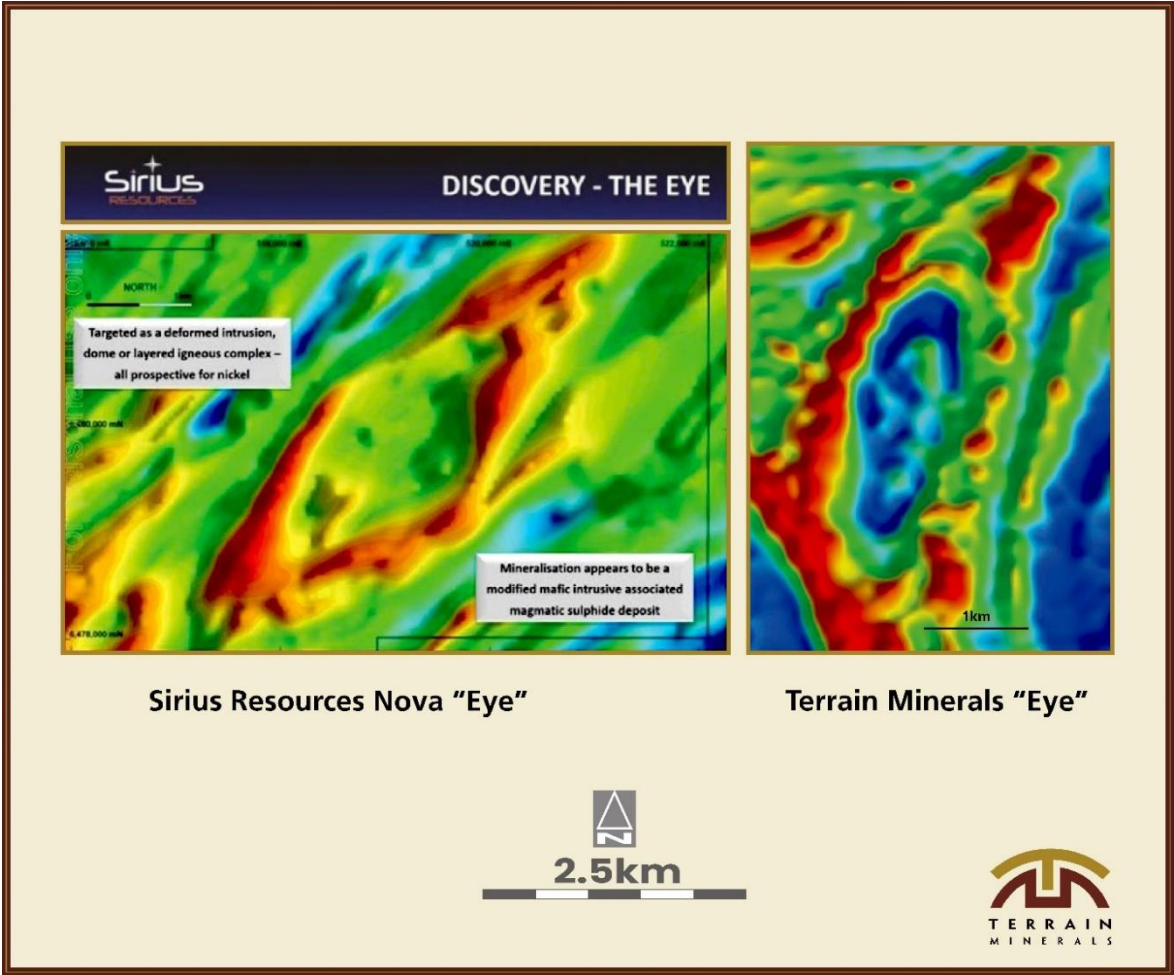


Figure 7: Host geology of the Nova-Bollinger nickel-copper orebody appears as a very distinctive “Eye” in the aeromagnetic data (left image). Terrain has identified a similar “Eye” feature within its granted tenement E 63/2447, which forms parts of the Company’s Lort River Project (right image). Please note that the difference between the appearance (smoothness) of the Nova Eye feature and that of the Lort River Eye feature may be easily explained due to the difference in the flight line spacing of the aeromagnetic surveys from which these images were generated. Specifically, the Terrain’s “Eye” feature appears less smooth in this image as the image is based on wider spaced flight lines compared to Sirius Resources’ Nova “Eye” feature. Source: Sirius Resources’ ASX announcement dated 4 October 2012.

Forward program for 2025 financial year: With modelling of the AEM conductors complete (and released to the market), the Company has now started the process of seeking land access approval to undertake a series of stratigraphic holes across the project area in the coming months. These holes will serve two functions, in addition to enabling the Company to confirm the presence of favourable bedrock geology, these holes may also potentially allow Terrain to undertake a downhole electromagnetic (DHEM) survey to test for additional conductors at depth within the project area. Further details on the design and timing of any program at Lort River will be announced prior to their commencement. It should be noted that much of the Company’s Lort River project is freehold land and, as such, all exploration activities will be undertaken in close consultation with the relevant landowners.

TERRAIN MINERALS LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 JUNE 2024

MATERIAL BUSINESS RISK

The Company makes every effort to identify material risks and to manage these effectively. This section does not attempt to provide an exhaustive list of risks faced by the Company or by investors in the Company, nor are they in order of significance. Actual events may be different to those described.

The Board aims to manage these risks by carefully planning its activities and implementing risk control measures. Some of the risks can be highly unpredictable and the extent to which the Board can effectively manage them is limited,

(a) Tenure and access risk

Applications

While the Company does not anticipate there to be any issues with the grant of its tenement applications, there can be no assurance that the application (or any future applications) will be granted. While the Company considers the risk to be low, there can be no assurance that when the relevant tenement is granted, it will be granted in its entirety. Some of the tenement areas applied for may be excluded.

Renewal

Mining and exploration tenements are subject to periodic renewal. The renewal of the term of granted tenements is subject to the discretion of the relevant authority. Renewal conditions may include increased expenditure and work commitments or compulsory relinquishment of areas of the tenements. The imposition of new conditions or the inability to meet those conditions may adversely affect the operations, financial position and/or performance of the Company.

Access

A number of the tenements overlap certain third party interests that may limit the Company's ability to conduct exploration and mining activities, including private land, Crown Reserves, areas on which native title is yet to be determined and other forms of tenure for railways, pipelines and similar third party interest.

Where the Project overlaps private land, exploration and mining activity on the Project may require authorisation or consent from the owners of that land. The Company is not required to enter into land access agreements to undertake its proposed exploitation program on the Tenements. However, the Company intends to carry out heritage clearance surveys before implementing its proposed exploration program. The Company's current proposed exploration program is not impacted by the known sites of registered exploitation aboriginal heritage significance.

(b) Exploration Risk

Potential investors should understand that mineral exploration and development are high-risk undertakings. There can be no assurance that exploration of the Project, or any other tenements that may be acquired in the future, will result in the discovery of an economic ore deposit. Even if an apparently viable deposit is identified, there is no guarantee that it can be economically exploited.

The success of the Company will also depend on the Company having access to sufficient development capital, being able to maintain title to its projects and obtaining all required approval for its activities. In the event that exploration programmes prove to be unsuccessful this could lead to a diminution in the value of the Tenements, a reduction in the cash reserves of the Company and possible relinquishment of its projects.

TERRAIN MINERALS LIMITED**DIRECTORS' REPORT****FOR THE YEAR ENDED 30 JUNE 2024****MATERIAL BUSINESS RISK (Continued)****(c) Climate Change**

The operations and activities of the Company are subject to change to local or international compliance regulations related to climate change mitigation efforts, specific taxation or penalties for carbon emissions or environmental damage and other possible restraints on industry that may further impact the Company. While the Company will endeavour to manage these risks and limit any consequential impacts, there can be no guarantee that the Company will not be impacted by these occurrences.

Climate change may also cause certain physical and environmental risks that cannot be predicted by the Company, including events such as increased severity of weather patterns, incidence of extreme weather events and longer term physical risks such as shifting climate patterns. All these risks associated with climate change may significantly change the industry in which the Company operates.

(d) Reliance on Key Personnel

The Company's future depends, in part, on its ability to attract and retain key personnel. It may not be able to hire and retain such personnel at compensation levels consistent with its existing compensation and salary structure. Its future also depends on the continual contributions of its key management and technical personnel, the loss of whose services would be difficult to replace. In addition, the inability to continue to attract appropriately qualified personnel could have a material adverse effect on the Company's business.

(e) Environmental

The operations and proposed activities of the Company are subject to Australian laws and regulations concerning the environment. As with most exploration projects the Company's activities are expected to have an impact on the environment, particularly if advance exploration proceeds. It is the Company's intention to conduct its activities to the highest standard of environmental obligation, including compliance with all environmental laws.

(f) Native Title

The Native Title Act recognises the rights and interests in Australia of Aboriginal and Torres Strait Islander people in land and waters, according to their traditional laws and customs. There is significant uncertainty associated with Native Title in Australia and this may impact on the Company's operations and future plans.

The Company is not required to enter into land access agreements to undertake its proposed exploration program on the Tenements. However, the Company intends to carry out heritage clearance surveys before implementing its proposed exploration program. The Company's current proposed exploration program is not impacted by the known sites of registered aboriginal heritage significance.

(g) Economic

General economic conditions, introduction of tax reform, new legislation, movements in interest and inflation rates and currency exchange rates may have an adverse effect on the Company, as well as its ability to fund its operations.

TERRAIN MINERALS LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 JUNE 2024

MATERIAL BUSINESS RISK (Continued)

(h) Additional requirements for capital

The Company's capital requirements depend upon numerous factors. The Company may require further financing in addition to amounts raised under an offer. Any additional equity financing will dilute shareholding, and debt financing, if available, may involve restrictions on financing and operating activities. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations. There is however no guarantee that the Company will be able to secure any additional funding or be able to secure funding on terms favourable to the Company.

DIVIDENDS PAID OR RECOMMENDED

No dividends were paid or declared since the start of the financial year. No recommendation for payment of dividends has been made.

FINANCIAL POSITION

The net assets of Terrain Minerals Limited decreased to \$3,519,536 at 30 June 2024 from \$3,568,636 at 30 June 2023.

SIGNIFICANT CHANGES IN STATE OF AFFAIRS

Other than as mentioned in the Review of Operations, no significant changes in the state of affairs of the Company occurred during the financial period.

EVENTS SUBSEQUENT TO THE REPORTING DATE

Board Changes - New Non-Executive Director Appointed on 1 July 2024: Mr Jason MacDonald is a qualified legal practitioner, holding a Bachelor of Laws and a Bachelor of Commerce, with a double major in Accounting and Finance from the University of Western Australia. He has practiced in both mining corporate/commercial and commercial litigation areas. Mr MacDonald has been a director of several public and private resource companies. He has a diverse range of corporate, equity capital market and mining related experience. This appointment comes at an exciting time for Terrain as key projects advance forward and gain interest from credible third parties. Mr MacDonald's extensive experience in legal, corporate and international networks comes at a key time for the Company.

Board Changes - Non-Executive Director Resignation: At the same time, Mr Xavier Braud resigned as Non-Executive Director of the Company

Capital Raising After Reporting Date: On 17 July 2024, the Company announced a placement to institutional and sophisticated investors to raise \$1,045,000 (before costs) via a placement of 348,333,332 ordinary shares at an issue price of \$0.003 per share (Placement Shares) (Placement). The Company was originally targeting a capital raising of \$750,000 and received strong bids for \$1,045,000 representing 39% over the original target amount. This Placement has been supported by a commitment from Executive Director Mr Justin Virgin who has subscribed for \$102,000. Securities to be issued to Mr Virgin is subject to shareholder approval as required by the ASX Listing Rules.

TERRAIN MINERALS LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 JUNE 2024

EVENTS SUBSEQUENT TO THE REPORTING DATE (Continued)

Related Party Transaction: Echeneis Capital Pty Ltd, as Trustee for the Braud Family Trust of which Xavier Braud is a director of the Trustee company and a beneficiary of the Trust, provided geological services valued at \$11,800 plus GST to the company for the period ending 30 June 2024. This amount was invoiced, and payment was made after 30 June 2024, on an arm's length basis.

Other than matters disclosed above, there are no matters or circumstances have arisen since the end of the financial year which significantly affected or could significantly affect the operations of the Company, the results of those operations, or the state of affairs of the Company in future financial years.

LIKELY DEVELOPMENTS AND EXPECTED RESULTS OF OPERATIONS

The management team and Board of Directors continue to review opportunities available to the Company, which includes the exploration of the Company's existing tenements and assessment of new opportunities.

ENVIRONMENTAL REGULATIONS

The Company is subject to the reporting requirements of both the Energy Efficiency Opportunities Act 2006 and the National Greenhouse and Energy Reporting Act 2007. The Energy Efficiency Opportunities Act 2006 requires the Company to assess its energy usage, including the identification, investigation and evaluation of energy saving opportunities, and to report publicly on the assessments undertaken, including what action the company intends to take as a result. The Company continues to meet its obligations under this Act.

The National Greenhouse and Energy Reporting Act 2007, requires the Company to report its annual greenhouse gas emissions and energy use. The Company has implemented systems and processes for the collection and calculation of the data required and submitted its 2010/11 report to the Greenhouse and Energy Data Officer on 24 October 2011. Other than the above, the company's operations are not regulated by any significant environmental regulations under a law of the Commonwealth or of a state or territory.

TERRAIN MINERALS LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 JUNE 2024

INFORMATION ON DIRECTORS' AND DIRECTORS' INTERESTS IN SECURITIES OF TERRAIN

The names and particulars of the Directors of the Company during or since the end of the financial year are:

Mr Justin Virgin	Executive Director – Appointed 31 July 2012
Experience	Mr. Virgin has over 14 years of experience as an ASX Director of listed exploration companies, as well as 16 years of experience in the financial services and securities industry. His expertise includes providing a wide range of financial services, such as capital raisings, promotion, general corporate advice to listed small-cap companies, and other investment advice. He has been involved in negotiations, mergers, acquisitions, and valuations. Additionally, Mr. Virgin has over 10 years of onsite mining experience, operating in remote and isolated sites throughout Western Australia and the Northern Territory. His experience covers marketing and promotional activities, project acquisition and sale negotiations, mine closures and rehabilitation work, as well as extensive preventative maintenance planning and execution for onsite mobile fleets and exploration programs.
Interest in Shares and Options	28,000,000 options over ordinary shares and 57,763,890 shares.
Special Responsibilities	Nil
Directorships held in other listed entities during the three years prior to the current year	Mr Virgin held no other directorships of ASX listed companies during the last 3 years.
Mr Johannes Lin	Non-Executive Director – Appointed 1 May 2017
Experience	Mr Lin has over 12 years of management experience as an entrepreneur and presently manages as Finance Director of Windsor Capital Pte Ltd, and Managing Director of both Windsor F&B Pte Ltd and Oprian Investments Pte Ltd which collectively owns and manages a diversified portfolio in Commercial Leasing in Manila, Philippines, a duo of Japanese Restaurants in Sentosa, Singapore, a Confectionery chain with franchisees and Automated Central Kitchen in Nanjing, China, a joint-development project for Hotel Development in Boracay, Philippines and a software development company in Singapore. Past experience includes serving as a member of advisory team in the restructuring of a Singapore SGX listed Enzer Holdings Limited where series of debt negotiations, debt buy-out, capital raising by placements, right issues, debt to equity conversion and eventual takeover by a marine Company successfully. He has also overseen the development of Pasir Ria Apartments in Singapore, and a key investment team member in the development of Monarch Parksuites Condominium Manila, Philippines. Mr Lin holds a Bachelor of Commerce, Accounting and Finance from the University of Western Australia.
Interest in Shares and Options	4,000,000 options over ordinary shares and 48,862,771 shares.
Special Responsibilities	Nil
Directorships held in other listed entities during the three years prior to the current year	Mr Lin held no other directorships of ASX listed companies during the last three years.

TERRAIN MINERALS LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 JUNE 2024

INFORMATION ON DIRECTORS' AND DIRECTORS' INTERESTS IN SECURITIES OF TERRAIN (Continued)

Mr Xavier Braud	Non-Executive Director – Appointed 22 February 2023 and resigned 1 July 2024.
Experience	Mr Braud is an experienced geologist, with 20 years of professional experience. Mr Braud is a member of the Australian Institute of Geoscientists.
	Mr Braud holds a MSc., Bsc.(Hons), MAIG
Interest in Shares and Options	9,000,000 options over ordinary shares and 7,402,778 shares
Special Responsibilities	Nil
Directorships held in other listed entities during the three years prior to the current year	He was appointed as a non-executive director of First Au Limited (ASX:FAU) on 20 March 2024. Mr Braud was Director of Riversgold Limited (ASX: RGL) from 10 June 2020 to 23 November 2022.
Mr Jason MacDonald	Non-Executive Director – Appointed 01 July 2024
Experience	Mr Jason MacDonald is a qualified legal practitioner, holding a Bachelor of Laws and a Bachelor of Commerce, with a double major in Accounting and Finance from the University of Western Australia. He has practiced in both mining corporate/commercial and commercial litigation areas. Mr MacDonald has been a director of several public and private resource companies. He has a diverse range of corporate, equity capital market and mining-related experience. This appointment comes at an exciting time for Terrain as key projects advance forward and gain interest from credible third parties. Mr MacDonald's extensive experience in legal, corporate and international networks comes at a key time for the Company.
Interest in Shares and Options	2,000,000 options over Ordinary Shares 2,500,000 shares
Special Responsibilities	Nil
Directorships held in other listed entities during the three years prior to the current year	Mr MacDonald was a Non-Executive Director of Helix Resources Ltd (ASX: HLX) from 10 March 2014 to 12 May 2022

MEETINGS OF DIRECTORS

During the financial year, eight (5) meetings of Directors were held. Attendances by each Director were as follows:

	NUMBER ELIGIBLE TO ATTEND	NUMBER ATTENDED
Mr Justin Virgin	5	5
Mr Xavier Braud	5	5
Mr Johannes Lin	5	5

TERRAIN MINERALS LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 JUNE 2024

INDEMNIFYING OFFICERS OR AUDITORS

Terrain has paid premiums to insure Directors against liabilities for costs and expenses incurred by them in defending legal proceedings arising from their conduct while acting in the capacity of director of Terrain, other than conduct involving a wilful breach of duty in relation to Terrain.

The company has not, during or since the end of the financial year, indemnified or agreed to indemnify the auditor of the company or any related entity against a liability incurred by the auditor. During the financial year, the company has not paid a premium in respect of a contract to insure the auditor of the company or any related entity.

OPTIONS

At the date of this report, the unissued ordinary shares of Terrain under option, to the date of this report, are as follows:

GRANT DATE	DATE OF EXPIRY	EXERCISE PRICE	NO. UNDER OPTION
20 November 2019	20 November 2024	0.0065	6,000,000
25 November 2020	25 November 2025	0.0214	16,000,000
7 December 2021	7 December 2026	0.0150	6,000,000
22 February 2023	24 February 2028	0.0180	4,000,000
30 November 2023	30 November 2028	0.0056	20,000,000
			<u>52,000,000</u>

For details of options granted to Directors and executives as remuneration, refer to the remuneration report.

PROCEEDINGS ON BEHALF OF COMPANY

No person has applied for leave of Court to bring proceedings on behalf of Terrain or intervene in any proceedings to which Terrain is a party for the purpose of taking responsibility on behalf of Terrain or all or any part of those proceedings.

Terrain was not a party to any such proceedings during the year.

AUDITOR'S INDEPENDENCE DECLARATION

The auditor's independence declaration for the year ended 30 June 2024 has been received and can be found on page 30 of the financial report.

The auditor did not provide any non-audit services for the year ended 30 June 2024 (30 June 2023: Nil).

TERRAIN MINERALS LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 JUNE 2024

REMUNERATION POLICY (Continued)

The objective of the Company’s executive reward framework is to ensure reward for performance is competitive and appropriate for the results delivered. The framework aligns executive reward with achievement of strategic objectives and the creation of value for shareholders and conforms to market best practice for delivery of reward. The Board ensures that executive reward satisfies the following key criteria for good reward governance practices:

- competitiveness and reasonableness
- acceptability to shareholders
- performance linkage / alignment of executive compensation
- transparency
- capital management.

The Company has structured an executive remuneration framework that is market competitive and complimentary to the reward strategy of the organisation.

Assessing performance:

The Board is responsible for assessing performance against KPIs and determining the STI and LTI to be paid.

Alignment to shareholders’ interests:

- focuses on exploration success as the creation of shareholder value and returns
- attracts and retains high calibre executives.

Alignment to program participants’ interests:

- rewards capability and experience
- reflects competitive reward for contribution to growth in shareholder wealth
- provides a clear structure for earning rewards
- provides recognition for contribution.

The framework currently consists of fixed salaries and options.

The Company did not engage external remuneration consultants to advise the Board on remuneration matters during the year.

Non-executive Directors

Fees and payments to non-executive Directors reflect the demands which are made on, and the responsibilities of, the Directors. Non-executive Directors’ fees and payments are reviewed annually by the Board to ensure non-executive Directors’ fees and payments are appropriate and in line with the market. A Director is not present at any discussions relating to determination of his own remuneration.

Non-executive Directors’ fees are determined within an aggregate Directors’ fee pool limit, which is periodically recommended for approval by shareholders. The total maximum currently stands at \$600,000.

TERRAIN MINERALS LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 JUNE 2024

REMUNERATION POLICY (Continued)

Executive Pay

The overall level of executive compensation takes into account the company's performance. Since the Company is engaged in mineral exploration and did not generate a profit, growth in earnings is not considered a relevant factor. Shareholder wealth depends on exploration success, and it has fluctuated accordingly.

The executive pays and reward framework has three components:

- i. base pay and benefits
- ii. long-term incentives through participation in the Employee Share Option Scheme
- iii. other remuneration such as superannuation.

The combination of these comprises the executive's total remuneration;

- i. **Base pay**
Structured as a total employment cost package which may be delivered as a combination of cash and prescribed non-financial benefits at the executives' discretion.

Executives are offered a competitive base pay that comprises the fixed component of pay and rewards. Base pay for senior executives is reviewed annually to ensure the executive's pay is competitive with the market. An executive's pay is also reviewed on promotion.

There are no guaranteed base pay increases included in any senior executives' contracts.

Executives may receive benefits including memberships, car allowances and reasonable entertainment.
- ii. **Incentives**
Through participation in the Employee Share Option Scheme as and when determined by the Board. Individual performance reviews are carried out annually. Any allotment of options to executives are considered by the Board depending on individual performance. Performance remuneration is not related to company performance. The Company is still in exploration and development phase.
- iii. **Other**
Directors and employees are permitted to nominate a superannuation fund of their choice to receive superannuation contribution.

TERRAIN MINERALS LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 JUNE 2024

REMUNERATION POLICY (Continued)

EMPLOYMENT DETAILS OF MEMBERS OF KEY MANAGEMENT PERSONNEL AND OTHER EXECUTIVES

The following table provides employment details of persons who were, during the financial year, members of key management personnel of Terrain.

KEY MANAGEMENT PERSONNEL	POSITION HELD AS AT 30 JUNE 2024	CONTRACT DETAILS (DURATION & TERMINATION)
Mr Justin Virgin	Executive Director	Executive agreement effective 1 December 2015
Mr Xavier Braud	Non-Executive Director	On-going basis with no termination benefits Resigned 1 July 2024
Mr Johannes Lin	Non-Executive Director	On-going basis with no termination benefits

The employment terms and conditions of key management personnel are formalised in contracts of employment.

On 1 December 2015 the Company entered into an Executive Service Agreement with Director Justin Virgin. Under the terms of the contract:

- Mr Virgin’s Executive Service Agreement minimum remuneration package has been increased to a base salary of \$180,000 plus superannuation effective 1 September 2020.
- The Company may terminate this agreement in writing if the Executive becomes incapacitated by illness or accident for an accumulated period of two months or a period aggregating more than three months in any twelve month period.
- The Company may terminate the contract at any time without notice if serious misconduct has occurred. On termination with cause, the Executive is not entitled to any payment.
- If the Company terminates the agreement for any reason other than the above, the Company must pay the Executive an amount equal to six month's salary.
- If Mr Virgin terminates the agreement, he must provide the Company with 60 days’ notice period.

TERRAIN MINERALS LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 JUNE 2024

REMUNERATION POLICY (Continued)

REMUNERATION DETAILS

Details of the nature and amount of each element of the emoluments of each member of the key management personnel of Terrain Minerals for the year ended 30 June 2024 and 30 June 2023 are set out in the following tables:

For the year ended 30 June 2024

KEY MANAGEMENT PERSONNEL	SHORT-TERM BENEFITS		POST-EMPLOYMENT BENEFITS	EQUITY-SETTLED SHARE-BASED PAYMENTS		TOTAL REMUNERATION	REMUNERATION CONSISTING OF OPTIONS
	SALARY, FEES AND LEAVE	OTHER	SUPERANNUATION	SHARES	OPTIONS		
	\$	\$	\$	\$	\$	\$	%
Mr Justin Virgin	180,000	-	19,800	-	39,689	239,489	16.57
Mr Johannes Lin	30,000	-	3,300	-	-	33,300	-
Mr Xavier Braud ¹	40,000	-	4,400	-	19,844	64,244	30.89
TOTAL	250,000	-	27,500	-	59,533	337,033	47.46

1. Xavier Braud resigned 1 July 2024

For the year ended 30 June 2023

KEY MANAGEMENT PERSONNEL	SHORT-TERM BENEFITS		POST-EMPLOYMENT BENEFITS	EQUITY-SETTLED SHARE-BASED PAYMENTS		TOTAL REMUNERATION	REMUNERATION CONSISTING OF OPTIONS
	SALARY, FEES AND LEAVE	OTHER	SUPERANNUATION	SHARES	OPTIONS		
	\$	\$	\$	\$	\$	\$	%
Mr Justin Virgin	180,000	-	18,900	-	-	198,900	-
Mr Johannes Lin	30,000	-	3,150	-	-	33,150	-
Mr Xavier Braud	13,333	-	1,400	-	-	14,733	-
Mr Trevor Bradley	26,667	-	2,800	-	-	29,467	-
TOTAL	250,000	-	26,250	-	-	276,250	-

TERRAIN MINERALS LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 JUNE 2024

REMUNERATION POLICY (Continued)

SHARE-BASED PAYMENTS

During the year ended 30 June 2024 15,000,000 (30 June 2023: Nil) options were granted to the directors.

KEY MANAGEMENT PERSONNEL	REMUNERATION TYPE	GRANT DATE	NO OF OPTIONS	GRANT VALUE \$	PERCENTAGE VESTED/PAID DURING THE YEAR %	PERCENTAGE FORFEITED DURING YEAR %	PERCENTAGE REMAINING AS UNVESTED %
Mr Justin Virgin	Options	30 November 2023	10,000,000	39,689	100	-	-
Mr Xavier Braud	Options	30 November 2023	5,000,000	19,844	100	-	-

DESCRIPTION OF OPTIONS/RIGHTS GRANTED AS REMUNERATION

2024

The options granted to Directors in the year 30 June 2024 were for nil consideration as remuneration. Each of the options are exercisable at \$0.0056 on or before 30 November 2028 and vested immediately on the date of grant, being 30 November 2023.

The weighted average fair value of those equity instruments, determined by reference to market price, was \$0.0045. The assumptions used for the options, prepared by using the Black and Scholes valuation, are as follows:

Number of options in series	15,000,000
Grant date share price	\$0.0045
Exercise price	\$0.0056
Expected volatility	140.30%
Option life	5 years
Dividend yield	0.00%
Interest rate	3.86%

2023

No options were granted to Directors in the year 30 June 2023.

TERRAIN MINERALS LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 JUNE 2024

REMUNERATION POLICY (Continued)

KEY MANAGEMENT PERSONNEL SHAREHOLDINGS

The number of ordinary shares in Terrain held by each key management person of Terrain during the financial year is as follows:

30 JUNE 2024	BALANCE AT BEGINNING OF YEAR	GRANTED AS REMUNERATION DURING THE YEAR	ISSUED ON EXERCISE OF OPTIONS DURING THE YEAR	OTHER CHANGES DURING THE YEAR	BALANCE AT END OF YEAR
Mr Justin Virgin	54,500,000	-	-	3,263,890 ¹	57,763,890
Mr Xavier Braud	6,500,000	-	-	902,778 ²	7,402,778
Mr Johannes Lin	48,862,771	-	-	-	48,862,771
	109,862,771	-	-	4,166,668	114,029,439

1. Justin Virgin acquired non-renounceable pro-rata rights issue as per the Prospectus dated 22 September 2023
2. Xavier Braud acquired non-renounceable pro-rata rights issue as per the Prospectus dated 22 September 2023

KEY MANAGEMENT PERSONNEL OPTIONS AND RIGHTS HOLDINGS

The number of options over ordinary shares held by each key management person of Terrain during the financial year is as follows:

30 JUNE 2024	BALANCE AT BEGINNING OF YEAR	GRANTED AS REMUNERATION DURING THE YEAR	EXERCISED DURING THE YEAR	PRICE PAID FOR EXERCISED OPTIONS \$	OTHER CHANGES DURING THE YEAR	BALANCE AT END OF YEAR	VESTED DURING THE YEAR	VESTED AND EXERCISABLE	VALUE OF OPTIONS GRANTED AS REMUNERATION \$
Mr Justin Virgin	18,000,000	10,000,000	-	-	-	28,000,000	10,000,000	28,000,000	39,689
Mr Xavier Braud	4,000,000	5,000,000	-	-	-	9,000,000	5,000,000	9,000,000	19,844
Mr Johannes Lin	4,000,000	-	-	-	-	4,000,000	-	4,000,000	-
	26,000,000	15,000,000	-	-	-	41,000,000	15,000,000	41,000,000	59,533

TERRAIN MINERALS LIMITED
DIRECTORS' REPORT
FOR THE YEAR ENDED 30 JUNE 2024

REMUNERATION POLICY (Continued)

OTHER KEY MANAGEMENT PERSONNEL TRANSACTIONS

Other Key Management Personnel Transactions

	2024	2023
	\$	\$
Payments to director-related parties:		
Bradley Geoscience Pty Ltd	-	26,250
Justin Virgin (i)	3,899	-
Sophia Virgin (ii)	1,053	-
	4,952	26,250

- (i) The payment was made to Justin Virgin, the Executive Director of the Company, for mining-related supplies and was conducted on an arm's length basis.
- (ii) The payment was made to the spouse of Justin Virgin, the Executive Director of the Company, for vehicle hire services and was conducted on an arm's length basis.

VOTING AND COMMENTS MADE AT THE COMPANY'S 2023 ANNUAL GENERAL MEETING

The Company's remuneration report for the 2023 financial year was approved at the Annual General Meeting held on 30 November 2023. The Company did not receive any feedback at the AGM on its Remuneration Report. During the year ended 30 June 2024, the Company did not have a separately established nomination or remuneration committee. Considering the size of the Company and number of directors, the Board is of the view that these functions would be efficiently performed with full Board participation.

END OF AUDITED REMUNERATION REPORT

The directors' report incorporating the remuneration reports is signed in accordance with a resolution of the Board of Directors made pursuant to s298(2) of the Corporations Act 2001.


Justin Virgin
Executive Director
Dated: 20 September 2024



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DECLARATION OF INDEPENDENCE BY JARRAD PRUE TO THE DIRECTORS OF TERRAIN MINERALS LIMITED

As lead auditor of Terrain Minerals Limited for the year ended 30 June 2024, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
2. No contraventions of any applicable code of professional conduct in relation to the audit.

Jarrad Prue
Director

BDO Audit Pty Ltd
Perth
20 September 2024

TERRAIN MINERALS LIMITED

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2024

	Note	2024 \$	2023 \$
INCOME			
Other income		5,461	5,793
Net income	2	5,461	5,793
EXPENSE			
Administrative expenses		(244,031)	(163,881)
Depreciation		(13)	(1,914)
Employee benefits expenses		(376,789)	(276,250)
Exploration expenditure write off	8	(386,825)	(361,432)
Share-based payments	11(i)	(79,378)	(20,273)
Loss on sale of exploration asset	7	(230,126)	-
Other expenses		(203,899)	(206,334)
(Loss) before income taxes		(1,515,601)	(1,024,291)
Less Income tax expense	3	-	-
(Loss) after income tax for the year		(1,515,601)	(1,024,291)
Other comprehensive income/(loss)			
Changes in the fair value of Financial Assets through other comprehensive (loss)	9	-	(34,125)
Total comprehensive (loss) for the year attributable to owners of Terrain Minerals Limited		(1,515,601)	(1,058,416)
(Loss) from continuing operations attributable to owners of Terrain Minerals Limited		(1,515,601)	(1,058,416)
(Loss) per share attributable to owners of Terrain Minerals Ltd			
From continuing operations:			
Basic (loss) per share (cents)	13	(0.14)	(0.12)
Diluted (loss) per share (cents)	13	(0.14)	(0.12)

The above Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes

TERRAIN MINERALS LIMITED

STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2024

	NOTE	2024 \$	2023 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	4	449,506	1,309,307
Other receivables	5	12,407	80,640
Other	6	9,453	10,095
TOTAL CURRENT ASSETS		471,366	1,400,042
NON-CURRENT ASSETS			
Other receivables	5	-	20,000
Exploration expenditure	8	3,206,648	2,638,236
Property, plant and equipment		463	-
Financial assets at fair value through other comprehensive income	9	-	-
TOTAL NON-CURRENT ASSETS		3,207,111	2,658,236
TOTAL ASSETS		3,678,477	4,058,278
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	10	59,652	489,642
Provisions		99,289	-
TOTAL CURRENT LIABILITIES		158,941	489,642
TOTAL LIABILITIES		158,941	489,643
NET ASSETS		3,519,536	3,568,636
EQUITY			
Issued capital	11	24,510,500	23,123,664
Reserves	12(A)	1,924,253	1,844,588
Accumulated losses	12(B)	(22,915,217)	(21,399,616)
TOTAL EQUITY		3,519,536	3,568,636

The above statement of financial position should be read in conjunction with the accompanying notes

TERRAIN MINERALS LIMITED

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2024

	ORDINARY SHARES	OPTIONS RESERVE	FAIR VALUE OTHER COMPREHENSIVE INCOME ("FVOCI") RESERVE	ACCUMULATED LOSSES	TOTAL
	\$	\$		\$	\$
Balance at 1 July 2023	23,123,664	1,844,588	-	(21,399,616)	3,568,636
(Loss) attributable to members of the parent entity	-	-	-	(1,515,601)	(1,515,601)
Other comprehensive (loss) for the year	-	-	-	-	-
Total comprehensive (loss) for the year	-	-	-	(1,515,601)	(1,515,601)
Transfer of reserve	-	-	-	-	-
Transactions with owners, in their capacity as owners, and other transfers					
Contributions of equity, net of transaction costs	1,386,836	-	-	-	1,386,836
Option-based payment	-	79,665	-	-	79,665
Balance at 30 June 2024	24,510,500	1,924,253	-	(22,915,217)	3,519,536
Balance at 1 July 2022	21,285,504	1,824,315	623,655	(20,964,855)	2,768,619
(Loss) attributable to members of the parent entity	-	-	-	(1,024,291)	(1,024,291)
Other comprehensive (loss) for the year	-	-	(34,125)	-	(34,125)
Total comprehensive (loss) for the year	-	-	(34,125)	(1,024,291)	(1,058,416)
Transfer of reserve	-	-	(589,530)	589,530	-
Transactions with owners, in their capacity as owners, and other transfers					
Contributions of equity, net of transaction costs	1,838,160	-	-	-	1,838,160
Option-based payment	-	20,273	-	-	20,273
Balance at 30 June 2023	23,123,664	1,844,588	-	(21,399,616)	3,568,636

The above statement of changes in equity should be read in conjunction with the accompanying notes.

TERRAIN MINERALS LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2024

	NOTE	2024 \$	2023 \$
CASH FROM OPERATING ACTIVITIES:			
Payments to suppliers and employees		(688,181)	(481,432)
Interest received		5,461	5,794
Net cash (used) in operating activities	20	(682,720)	(475,638)
CASH FLOWS FROM INVESTING ACTIVITIES:			
Payments for Exploration and evaluation expenditure		(1,864,204)	(1,274,016)
Proceeds from sale of investment		-	215,875
Proceeds from sale of tenement	7	300,000	-
Net cash (used) in investing activities		(1,564,204)	(1,058,141)
CASH FLOWS FROM FINANCING ACTIVITIES:			
Proceeds from issue of shares		1,568,028	1,866,059
Proceeds from exercise of options		186	-
Payment of share issue costs		(181,091)	(107,899)
Net cash from financing activities		1,387,123	1,758,160
Net cash (decrease) in cash and cash equivalents		(859,801)	224,381
Cash and cash equivalents at beginning of year		1,309,307	1,084,926
Cash and cash equivalents at end of the year	4	449,506	1,309,307

The above statement of cash flows should be read in conjunction with the accompanying notes

TERRAIN MINERALS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

BASIS OF PREPARATION

This financial report includes the financial statements and notes of Terrain (the company) and was approved for issue on 20 September 2024 by the Board of directors of the Company.

Terrain is a for-profit company limited by shares, incorporated and domiciled in Australia. The financial report is a general purpose financial statement that has been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board (AASB) and the *Corporations Act 2001*. Terrain is a for-profit entity for the purpose of preparing the financial statements.

The financial statements of Terrain also comply with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB). Australian Accounting Standards set out accounting policies that the AASB has concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions. Material accounting policies adopted in the preparation of this financial report are presented below and have been consistently applied unless otherwise stated.

Going Concern

The financial report has been prepared on a going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and the settlement of liabilities in the normal course of business.

The Company incurred a net loss of \$1,515,601 for the year ended 30 June 2024 and had cash outflows from operations activities of \$682,720 for the year. Notwithstanding this, the financial report has been prepared on a going concern basis which the Directors consider to be appropriate based upon the available cash assets of \$449,506 as at 30 June 2024.

The ability of the Company to continue as a going concern is dependent on the Company being able to raise additional funds as required to meet ongoing exploration commitments and for working capital. These conditions indicate a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern and, therefore, it may be unable to realise its assets and discharge its liabilities in the normal course of business.

As a result, the financial report has been prepared on a going concern basis, which contemplates the continuity of normal business activity, realization of assets and settlement of liabilities in the normal course of business for the following reasons:

- The Directors are confident in the Company's ability to raise the capital mentioned above due to historical experience in securing funding for ongoing operational requirements, ongoing communications with funding providers and major shareholders; and
- The Directors are also confident they are able to manage discretionary spending to endure that cash is available to meet debts as and when they fall due.

However, should the Company be unsuccessful in undertaking additional raisings, the Company may not be able to continue as a going concern. No adjustments have been made relating to the recoverability and classification of liabilities that might be necessary should the Company not continue as a going concern.

Should the going concern basis not be appropriate, the entity may have to realise its assets and extinguish its liabilities other than in the ordinary course of business and at amounts different from those stated in the financial report. No allowance for such circumstances has been made in the financial report.

TERRAIN MINERALS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

NOTE 2: REVENUE AND SIGNIFICANT EXPENSES ITEMS

	2024	2023
	\$	\$
Revenue from continuing operations:		
Interest income	5,461	5,793
	5,461	5,793

NOTE 3: INCOME TAX

THE COMPONENTS OF TAX EXPENSE COMPRISE

	2024	2023
	\$	\$
Current tax	-	-
Deferred tax	-	-
Income tax attributable to entity	-	-
RECONCILIATION OF INCOME TAX EXPENSE TO THE PRIMA FACIE TAX ON PROFIT/(LOSS) FROM ORDINARY ACTIVITIES BEFORE INCOME TAX:		
Prima facie tax benefit on profit/(loss) from continuing activities before income tax at 30% (2023: 30%)	(454,680)	(307,287)
Add/(less) tax effect of:		
Revenue losses not recognized	313,650	284,111
Share based payments	23,813	-
Other non-deductible expenses	727	7,975
Recoupment of prior year tax losses not previously brought to account	-	(1,077)
Deferred tax balances not recognized	116,490	16,278
Income tax expense	-	-

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TERRAIN MINERALS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

NOTE 3: INCOME TAX (Continued)

Deferred tax recognised at 30% (2023:30%):

	2024	2023
	\$	\$
Deferred tax liabilities:		
- Exploration expenditure	881,763	727,336
- Prepayments	2,470	-
- Property, plant and equipment	139	-
Unrecognised deferred tax liabilities	884,372	727,336
Deferred tax assets:		
- Other deferred tax assets:		
• Accruals and provisions	35,487	4,050
• Blackholes expenditure	62,883	26,607
- Total unrecognised other deferred tax assets	98,370	30,657
- Carry forward revenue losses	6,230,553	4,915,099
- Carry forward capital losses	958,255	958,225
	7,188,808	5,873,324
Unrecognised deferred tax assets	7,287,178	5,903,981

The tax benefits of the above deferred tax assets will only be obtained if:

- the company derives future assessable income of a nature and of an amount sufficient to enable the benefits to be utilised;
- the company continues to comply with the conditions for deductibility imposed by law; and
- no changes in income tax legislation adversely affect the company in utilising the benefits

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TERRAIN MINERALS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

NOTE 4: CASH AND CASH EQUIVALENTS

	2024	2023
	\$	\$
Cash at bank	447,564	1,306,743
Petty cash	1,942	2,564
	449,506	1,309,307

The company's exposure to interest rate risk is disclosed in note 15. The maximum exposure to credit risk at the end of the reporting year is the carrying amount of each class of cash and cash equivalents.

NOTE 5: OTHER RECEIVABLES

	2024	2023
	\$	\$
CURRENT		
Other receivables	-	2,723
GST paid	12,407	77,917
	12,407	80,640
NON-CURRENT		
Other receivables	-	20,000
	-	20,000

Trade and other receivables are non-trade receivables, non-interest bearing and have an average term of 3 months and for GST generally received from the ATO in that time. The carrying amount is equivalent to their face value. No trade and other receivables and other receivables were impaired during the current year. The Company's exposure to risks arising from trade and other receivables is disclosed in Note 15.

Impairment – Trade receivables

The Company assesses on a forward-looking basis the expected credit loss associated with its trade and other receivables carried and other receivables carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade and other receivables, the Company applies the simplified approach permitted by AASB 9 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

TERRAIN MINERALS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

NOTE 6: OTHER

Current

Prepayments
Bond and deposits

2024 \$	2023 \$
8,233	8,890
1,220	1,205
9,453	10,095

NOTE 7: DISPOSAL OF WILD VIPER PROJECT

On 14 May 2024, the Company entered into a Sale & Purchase Agreement with Northern Star (SR Mining) Pty Ltd ("Northern Star") to sell 100% of its interest and mining information in the Wild Viper Tenement. Under the Agreement, Northern Star paid Terrain \$300,000 plus GST. Details of the sale of the Wild Viper Tenement are as follows:

Consideration received from disposal of Wild Viper

Less:

Carrying amount of exploration asset sold

Loss on disposal of exploration asset

2024 \$	2023 \$
300,000	-
(530,126)	-
(230,126)	-

NOTE 8: EXPLORATION EXPENDITURE

Balance at beginning of the year

Expenditure during the year

Options fee write-off (i)

Shares issued for acquisition of projects

Carrying value of exploration assets disposed of (Note 7)

Written off exploration expenditure (ii)

2024 \$	2023 \$
2,638,235	1,437,459
1,465,364	1,472,208
20,000	-
-	90,000
(530,126)	-
(386,825)	(361,432)
3,206,648	2,638,235

- (i) On 27 December 2023, the Company paid a \$20,000 non-refundable option fee to Meeka Metals Ltd for the right to purchase the Cascade Project, for the Company Shares to the value of \$400,000, contingent on satisfactory due diligence. The Company forfeited the option to buy the project, and the Directors approved the write-off of the \$20,000 option fee.
- (ii) The recoverability of the carrying amount of the exploration and evaluation assets is dependent upon the successful development and commercial exploitation, or alternatively, sale of the respective areas of interest. During the current and prior period, the Company has identified that there were assets where no exploration program can be justified, and the tenements should be relinquished and therefore capitalised expenditure allocated to these tenements was written off in accordance with AASB 6 'Exploration for and Evaluation of Mineral Resources'. The Board has approved the write down of \$386,825 due to tenement expiring and tenement pending (June 2023: \$361,432) during the financial period in the Statement of Profit or Loss and other Comprehensive Income.

TERRAIN MINERALS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

NOTE 8: EXPLORATION EXPENDITURE (Continued)

Accounting policy

Exploration and evaluation expenditures in relation to each separate area of interest are recognised as an exploration and evaluation asset in the year in which they are incurred where the following conditions are satisfied:

- i. the rights to tenure of the area of interest are current; and
- ii. substantive expenditure on further exploration for and evaluation of mineral resources in the specific area is budgeted or planned; and
- iii. at least one of the following conditions is also met:
 - a) the exploration and evaluation expenditures are expected to be recouped through successful development and exploration of the area of interest, or alternatively, by its sale; or
 - b) exploration and evaluation activities in the area of interest have not, at the reporting date, reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves, and active and significant operations in, or in relation to, the area of interest are occurring.

Exploration and evaluation assets are initially measured at cost and include acquisition of rights to explore, studies, exploratory drilling, trenching and sampling and associated activities. General and administrative costs are only included in the measurement of exploration and evaluation costs where they are related directly to operational activities in a particular area of interest.

Exploration and evaluation assets are assessed for impairment when facts and circumstances suggest that the carrying amount of an exploration and evaluation asset may exceed its recoverable amount. The recoverable amount of the exploration and evaluation asset is estimated to determine the extent of the impairment loss (if any). Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in previous years.

Key Judgements - Exploration and Evaluation Expenditure

The company capitalises expenditure relating to exploration and evaluation where it is considered likely to be recoverable or where the activities have not reached a stage which permits a reasonable assessment of the existence of reserves. While there are certain areas of interest from which no reserves have been extracted, the directors are of the continued belief that such expenditure should not be written off since feasibility studies in such areas have not yet concluded.

NOTE 9: FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

(i) Classification of financial assets at fair value through other comprehensive income

Financial assets at fair value through other comprehensive income (FVOCI) comprise of equity securities which are not held for trading, and which the Company has irrevocably elected at initial recognition to recognise in this category.

(ii) Financial assets at fair value through other comprehensive income

TERRAIN MINERALS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

NOTE 9: FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME (Continued)

Financial assets at FVOCI comprise the following individual investments:

Non-current	2024	2023
	\$	\$
Financial assets at fair value through other comprehensive income		
<i>Opening balance</i>		
Red 5 Limited	-	250,000
Financial assets at fair value through other comprehensive income		
<i>Movement during the period</i>		
Proceeds from sale of financial assets at fair value	-	(215,875)
Gain/(loss) recognised in other comprehensive income	-	(34,125)
Balance for the year ended 30 June 2024	-	-

(i) Amounts recognised in other comprehensive income

During the year, the following gains/(losses) were recognised in other comprehensive income.

	2024	2023
	\$	\$
Gain/(loss) recognised in other comprehensive income	-	(34,125)

NOTE 10: TRADE AND OTHER PAYABLES

	2024	2023
	\$	\$
CURRENT		
Trade payables – unsecured	50,036	480,602
Other payables – unsecured	9,616	9,040
	59,652	489,642

All trade payables are non-interest bearing and are normally settled on 30-day terms. The Company's exposure to risks arising from trade and other payables is disclosed in Note 15. The carrying amounts of trade and other payables approximate the fair values.

TERRAIN MINERALS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

NOTE 11: ISSUED CAPITAL

(a) Issued Capital	2024 No.	2024 \$	2023 No.	2023 \$
Fully paid ordinary shares	1,431,670,672	24,510,500	1,083,199,307	23,123,664

(b) Ordinary Shares

	Issue Date	No. of Shares	Issue Price	Total (\$)
2024				
Balance at 1 July 2023		1,083,199,307		23,123,664
Placement	20 September 2023	108,319,930	0.0045	487,440
Placement	20 September 2023	66,124,521	0.0045	297,560
Placement	30 October 2023	86,205,574	0.0050	431,028
Right Issue - Free attaching share	30 October 2023	9,578,484	-	-
Option exercised	24 January 2024	20,631	0.0090	186
Placement of shortfall	24 January 2024	70,400,000	0.0050	352,000
Shortfall - Free attaching share	24 January 2024	7,822,225	-	-
Less: Equity raising transaction costs				(181,378)
Balance at 30 June 2024		1,431,670,672		24,510,500
2023				
Balance at 1 July 2022		760,761,009		21,285,504
Acquisition of Tenements	06 December 2022	10,000,000	0.0070	70,000
Acquisition of Tenement	06 December 2022	1,428,571	0.0070	10,000
Placement	14 December 2022	133,333,333	0.0060	800,000
Share Purchase Plan	06 February 2023	177,676,394	0.0060	1,066,058
Less: Equity raising transaction costs				(107,898)
Balance at 30 June 2023		1,083,199,307		23,123,664

Accounting policy

Ordinary shares are classified as equity. Mandatorily redeemable preference shares are classified as liabilities. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

TERRAIN MINERALS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

NOTE 11: ISSUED CAPITAL (Continued)

OPTIONS

As at reporting date, the Company has the following unlisted options:

2024

Grant	No.	Exercise Price	Expiry
20 November 2019	6,000,000	\$0.0065	20 November 2024
25 November 2020	16,000,000	\$0.0214	25 November 2025
7 December 2021	6,000,000	\$0.0150	7 December 2026
22 February 2023	4,000,000	\$0.0108	24 February 2028
30 November 2023	20,000,000	\$0.0056	30 November 2028
	<u>52,000,000</u>		

2023

Grant	No.	Exercise Price	Expiry
22 November 2018	3,000,000	\$0.0085	22 November 2023
20 November 2019	6,000,000	\$0.0065	20 November 2024
25 November 2020	16,000,000	\$0.0214	25 November 2025
7 December 2021	6,000,000	\$0.0150	7 December 2026
22 February 2023	4,000,000	\$0.0108	24 February 2028
	<u>35,000,000</u>		

Movements in the number of options granted during the year are as follows:

Description	2024 No.	Weighted Average Exercise Price	2023 No.	Weighted Average Exercise Price
Balance at 1 July	35,000,000	0.0154	37,000,000	0.0163
Granted during the year (i)	20,000,000	0.0056	4,000,000	0.0108
Granted during the year (ii)	5,000,000	0.0120	-	-
Granted during the year	147,925,019 ¹	0.0135	-	-
Exercised during the year	(20,631)	(0.0090)	-	-
Expired during the year	(155,904,388) ¹	(0.0120)	(6,000,000)	(0.0175)
Balance at 30 June	52,000,000	0.0121	35,000,000	0.0154

¹ Free attaching options on capital raising activities undertaken during the year.

TERRAIN MINERALS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

NOTE 11: ISSUED CAPITAL (Continued)

- (i) Options valued at \$0.00397 (2023: Options valued at \$0.00507 granted only to a consultant) granted to directors and a consultant were valued using Black Scholes with the below assumptions. The fair value of the services received was unable to be reliably measured and as such the value of services received was deemed to equal the value of equity instruments granted.

2024	Unlisted options
Number of options in series	20,000,000
Grant date share price	\$0.0045
Exercise price	\$0.0056
Expected volatility	140.30%
Option life	5 years
Dividend yield	0.00%
Interest rate	3.86%
Total value	\$79,378

2023	Unlisted options
Number of options in series	4,000,000
Grant date share price	\$0.0060
Exercise price	\$0.0108
Expected volatility	136%
Option life	5 years
Dividend yield	0.00%
Interest rate	3.96%
Total value	\$20,273

- (ii) Options valued at \$0.00006 (2023: Nil) were granted to Novus Capital Ltd as share-based payments for acting as broker to the placement on 20 September 2023 split between 50% of the options exercisable at \$0.009 expiring on 20 January 2024 and 50% of the options exercisable at \$0.015 expiring on 20 May 2024. These options were later ratified by shareholders at the AGM on 30 November 2023.

2024	Unlisted options	
Grant Date	20/09/2023	20/09/2023
Expiry Date	20/01/2024	20/05/2024
Number of options in series	2,500,000	2,500,000
Grant date share price	\$0.005	\$0.005
Exercise price	\$0.009	\$0.015
Expected volatility	53.76%	76.30%
Option life	0.33 of a year	0.67 of a year
Dividend yield	0.00%	0.00%
Interest rate	4.00%	4.00%
Total value	\$65	\$222

TERRAIN MINERALS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

NOTE 11: ISSUED CAPITAL (Continued)

Accounting policy

The Company operates an employee share and option plan. Share-based payments to employees are measured at the fair value of the instruments issued and amortised over the vesting periods. Share-based payments to non-employees are measured at the fair value of goods or services received or the fair value of the equity instruments issued, if it is determined the fair value of the goods or services cannot be reliably measured and are recorded at the date the goods or services are received. The corresponding amount is recorded to the option reserve. The fair value of options is determined using the Black-Scholes pricing model. The number of shares and options expected to vest is reviewed and adjusted at the end of each reporting period such that the amount recognised for services received as consideration for the equity instruments granted is based on the number of equity instruments that eventually vest.

CAPITAL RISK MANAGEMENT

The board controls the capital of the company in order to maintain a good debt to equity ratio, ensure the Company can fund its operations and continue as a going concern. The company's debt and capital include ordinary shares and financial liabilities.

Due to the nature of the Company's activities, being mineral exploration, the Company does not have ready access to credit facilities, with the primary source of funding being equity raisings. Therefore, the focus of the Company's capital risk management is the current working capital position against the requirements of the Company to meet exploration programmes and corporate overheads. The Company's strategy is to ensure appropriate liquidity is maintained to meet anticipated operating requirements, with a view to initiating appropriate capital raisings as required. The working capital position of the Company at 30 June 2024 and 30 June 2023 are as follows:

	2024	2023
	\$	\$
Cash and cash equivalents	449,506	1,309,307
Trade and other receivables	21,860	90,735
Trade and other payables	(59,652)	(489,642)
Working capital position	411,714	910,400

There are no externally imposed capital requirements. The board effectively manages the Company's capital by assessing the financial risks and adjusting its capital structure in response to changes in risks and in the market. These responses include the management of debt levels, distributions to shareholders and share issues.

TERRAIN MINERALS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

NOTE 12: RESERVES AND ACCUMULATED LOSSES

(a) Reserve

	2024	2023
	\$	\$
Option Reserve		
Opening balance	1,844,588	1,824,315
Option-based payment (Note 11(i))	79,665	20,273
Closing balance Option Reserve	1,924,253	1,844,588
Fair value other comprehensive income Reserve		
Opening balance	-	623,655
Fair value of sale of Red 5 shares	-	(34,125)
Transfer to accumulated losses	-	(589,530)
Closing balance Fair Value Reserve	-	-
Total Reserve balances at 30 June	1,924,253	1,844,588
(b) Accumulated losses		
Opening balance	(21,399,616)	(20,964,855)
Net loss for the year	(1,515,601)	(1,024,291)
Transfer from Fair Value Reserve	-	589,530
Closing balance at 30 June	(22,915,217)	(21,399,616)

SHARE - BASED PAYMENTS

The share-based payments reserve is used to recognise:

- the grant date fair value of options granted to employees and contractors but not exercised
- the grant date fair value of shares issued to employees and contractors

FAIR VALUE OTHER COMPREHENSIVE INCOME RESERVE (FVOCI)

The FVOCI reserve is used to recognise:

- the gain/(loss) on sale of fair values assets
- the valuation of fair value assets at balance date

TERRAIN MINERALS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

NOTE 13: EARNINGS PER SHARE

	2024	2023
	\$	\$
(Loss) used to calculate basic EPS	(1,515,601)	(1,024,291)
(Loss) used in calculation of dilutive EPS	(1,515,601)	(1,024,291)
	Number	Number
Weighted average number of ordinary shares outstanding during the year used in calculating basic EPS	1,094,815,348	861,363,894
Weighted average number of ordinary shares outstanding during the year used in calculating diluted EPS	1,094,815,348	861,363,894
	2024	2023
	\$	\$
Total basic (loss) per share attributable to the ordinary equity holders of the Company (cents)	(0.14)	(0.12)
Total diluted (loss) per share attributable to the ordinary equity holders of the Company (cents)	(0.14)	(0.12)

NOTE 14: CAPITAL AND LEASING COMMITMENTS

CAPITAL EXPENDITURE COMMITMENTS	2024	2023
	\$	\$
Payable:		
- not later than 12 months	380,600	136,600
- between 12 months and 5 years	2,160,400	1,626,900
- greater than 5 years	-	-
	2,541,000	1,763,500

TERRAIN MINERALS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

NOTE 15: FINANCIAL RISK MANAGEMENT

Financial instruments consist mainly of deposits with banks, trade and other receivables, trade and other payables.

The totals for each category of financial instruments, measured in accordance with AASB 9 as detailed in the accounting policies to these financial statements, are as follows:

	Note	2024 \$	2023 \$
Financial Assets			
Cash and cash equivalents	4	449,506	1,309,307
Total Financial Assets		449,506	1,309,307
Financial Liabilities			
Trade and other payables	10	59,652	489,642
Lease liability		-	-
Total Financial Liabilities		59,652	489,642

The carrying amounts of these financial instruments approximate their fair values.

FINANCIAL RISK MANAGEMENT POLICIES

Exposure to key financial risks is managed in accordance with the Company's risk management policy with the objective to ensure that the financial risks inherent in mineral exploration activities are identified and then managed or kept as low as reasonably practicable.

The main financial risks that arise in the normal course of business are market risk (including currency risk, interest rate risk and price risk), credit risk and liquidity risk. Different methods are used to measure and manage these risk exposures. Liquidity risk is monitored through the ongoing review of available cash and future commitments for exploration expenditure. Exposure to liquidity risk is limited by anticipating liquidity shortages and ensures capital can be raised in advance of shortages. Interest rate risk is managed by limiting the amount interest bearing loans entered into by the Company. It is the Board's policy that no speculative trading in financial instruments be undertaken so as to limit exposure to price risk.

Primary responsibility for identification and control of financial risks rests with the Board. The Board is apprised of these risks from time to time and agrees any policies that may be undertaken to manage any of the risks identified.

The carrying values less the impairment allowance for receivables and payables are assumed to approximate fair values due to their short-term nature. Cash and cash equivalents are subject to variable interest rates.

TERRAIN MINERALS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

NOTE 15: FINANCIAL RISK MANAGEMENT (Continued)

Specific Financial Risk Exposures and Management

(A) CREDIT RISK

Exposure to credit risk relating to financial assets arises from the potential non-performance by counter parties of contract obligations that could lead to a financial loss to the Company.

The Company has no customers and consequently no significant exposure to bad debts or other credit risks.

With respect to credit risk arising from financial assets, which comprise cash and cash equivalents and receivables, the exposure to credit risk arises from default of the counter party, with a maximum exposure equal to the carrying amount of these instruments. At reporting date cash and deposits were held with National Australia Banking Corporation, which has a AA- credit rating.

(B) LIQUIDITY RISK

Liquidity risk arises from the possibility that the Company might encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities.

Prudent liquidity risk management implies maintaining sufficient cash reserves to meet the ongoing operational requirements of the business. It is the Company's policy to maintain sufficient funds in cash and cash equivalents. Furthermore, the Company monitors its ongoing research and development cash requirements and raises equity funding as and when appropriate to meet such planned requirements. The Company has no undrawn financing facilities. Trade and other payables, the only financial liability of the Company, are due within 3 months.

The tables below reflect an undiscounted contractual maturity analysis for financial liabilities. Cash flows realised from financial assets reflect management's expectation as to the timing of realisation. Actual timing may therefore differ from that disclosed. The timing of cash flows presented in the table to settle financial liabilities reflects the earliest contractual settlement dates and does not reflect management's expectations that banking facilities will be rolled forward.

Financial liability and financial asset maturity analysis	Within 1 Year		1 to 5 Years		Total Contractual Cash Flow	
	2024 \$	2023 \$	2024 \$	2023 \$	2024 \$	2023 \$
Financial liabilities due for payment						
Trade and other payables	59,652	489,642	-	-	59,652	489,642
Lease liability	-	-	-	-	-	-
Total contractual outflows	59,652	489,642	-	-	59,652	489,642
Total expected outflows	59,652	489,642	-	-	59,652	489,642
Financial assets – cash flows realisable						
Trade and other receivables	12,407	80,640	-	-	12,407	80,640
Total anticipated inflows	12,407	80,640	-	-	12,407	80,640

TERRAIN MINERALS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

NOTE 15: FINANCIAL RISK MANAGEMENT (Continued)

i. Interest rate risk

The company's cash-flow interest rate risk primarily arises from cash at bank and deposits subject to market bank rates. At reporting date, the company does not have any borrowings. The Company does not enter into hedges. An increase/ (decrease) in interest rates by 1% during the whole of the respective periods would have led to an increase/ (decrease) in both equity and losses of less than \$10,000. 1% was thought to be appropriate because it represents four 0.25 basis point rate rises/falls, which is appropriate in the recent economic climate.

ii. Price risk

Price risk relates to the risk that the commodity price of the underlying resource being targeted by the Company's exploration activities could fluctuate. Management does not currently hedge nor participate in diversification of the type of minerals explored for in an attempt to mitigate the price risk.

Price risk also relates to the risk that share price can fluctuate and where assets are held in shares, as tradeable on a recognisable exchange, then the price of these shares and therefore the value of the assets can fluctuate.

NOTE 16: OPERATING SEGMENTS

Terrain has determined that the Company has one reportable segment, being mineral exploration. As the Company is focused on mineral exploration, the Board monitors the Company based on actual versus budgeted revenues and expenditure incurred by area of interest. This internal reporting framework is the most relevant to assist the Board with making decisions regarding the Company and its ongoing exploration activities, while also taking into consideration the results of exploration work that has been performed to date.

NOTE 17: INTERESTS OF KEY MANAGEMENT PERSONNEL/RELATED PARTIES

Refer to the Remuneration Report contained in the Directors' Report for details of the remuneration paid or payable to each member of Terrain key management personnel for the year ended 30 June 2024.

The totals of remuneration paid to key management personnel of the Company during the year are as follows:

	2024	2023
	\$	\$
Short-term employee benefits	250,000	250,000
Post-employment benefits	27,500	26,250
Share-based payments	59,533	-
	337,033	276,250

TERRAIN MINERALS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

NOTE 17: INTERESTS OF KEY MANAGEMENT PERSONNEL/RELATED PARTIES (Continued)

OTHER KEY MANAGEMENT PERSONNEL TRANSACTIONS

	2024	2023
	\$	\$
Payments to director-related parties:		
Bradley Geoscience Pty Ltd	-	26,250
Justin Virgin (i)	3,899	-
Sophia Virgin (ii)	1,053	-
	4,952	26,250

- (iii) The payment was made to Justin Virgin, the Executive Director of the Company, for mining-related supplies and was conducted on an arm's length basis.
- (iv) The payment was made to the spouse of Justin Virgin, the Executive Director of the Company, for vehicle hire services and was conducted on an arm's length basis.

NOTE 18: AUDITOR'S REMUNERATION

Remuneration of the auditor of the company for:

	2024	2023
	\$	\$
BDO Audit Pty Ltd - auditing or reviewing the financial report	47,131	39,113
	47,131	39,113

Note to name change: The BDO entity performing the audit of the group transitioned from BDO Audit (WA) to BDO Audit Pty Ltd on 30 April 2024. The disclosures include amounts received or due and receivable by BDO Audit (WA) Pty Ltd, BDO Audit Pty Ltd and their respective related entities.

NOTE 19: CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Terrain now holds 100% ownership of P59/2125, 2126, 2127, 2128 and E59/2234, which are subject to a new 1% Net Smelter Royalty (NSR) on the first 100,000 ounces of gold or to the equivalent value in other minerals. Refer to ASX announcement: 2 December 2022 Acquisition Smokebush JV Tenement now 100% owned.

As at reporting date, there are no other contingent liabilities or known contingent assets.

TERRAIN MINERALS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

NOTE 20: CASH FLOW INFORMATION

RECONCILIATION OF CASH OUTFLOWS FROM OPERATIONS WITH LOSS AFTER INCOME TAX

	2024	2023
	\$	\$
Net (loss) for the year	(1,515,601)	(1,024,291)
Other income	-	-
Non-cash items in (loss)		
Share based payments	79,378	20,273
Exploration written off	386,825	361,432
Depreciation	13	1,914
Loss on sale of exploration asset	230,126	-
Changes in assets and liabilities		
(Increase)/decrease in office equipment	(477)	-
(Increase)/decrease in trade and term receivables	88,809	(49,789)
(Increase)/decrease in prepayments	642	378
Increase/(decrease) in trade payables and accruals	(51,724)	214,444
Increase/(decrease) in provision	99,289	-
Net cash used in operating activities	(682,720)	(475,638)

NOTE 21: EVENTS AFTER THE END OF THE REPORTING DATE

Board Changes - New Non-Executive Director Appointed on 1 July 2024: Mr Jason MacDonald is a qualified legal practitioner, holding a Bachelor of Laws and a Bachelor of Commerce, with a double major in Accounting and Finance from the University of Western Australia. He has practiced in both mining corporate/commercial and commercial litigation areas. Mr MacDonald has been a director of several public and private resource companies. He has a diverse range of corporate, equity capital market and mining related experience. This appointment comes at an exciting time for Terrain as key projects advance forward and gain interest from credible third parties. Mr MacDonald's extensive experience in legal, corporate and international networks comes at a key time for the Company.

Board Changes - Non-Executive Director Resignation: At the same time, Mr Xavier Braud resigned as Non-Executive Director of the Company

Capital Raising After Reporting Date: On 17 July 2024, the Company announced a placement to institutional and sophisticated investors to raise \$1,045,000 (before costs) via a placement of 348,333,332 ordinary shares at an issue price of \$0.003 per share (Placement Shares) (Placement). The Company was originally targeting a capital raising of \$750,000 and received strong bids for \$1,045,000 representing 39% over the original target amount. This Placement has been supported by a commitment from Executive Director Mr Justin Virgin who has subscribed for \$102,000. Securities to be issued to Mr Virgin is subject to shareholder approval as required by the ASX Listing Rules.

TERRAIN MINERALS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

NOTE 21: EVENTS AFTER THE END OF THE REPORTING DATE (Continued)

Related Party Transaction: Echeneis Capital Pty Ltd, as Trustee for the Braud Family Trust of which Xavier Braud is a director of the Trustee company and a beneficiary of the Trust, provided geological services valued at \$11,800 plus GST to the company for the period ending 30 June 2024. This amount was invoiced, and payment was made after 30 June 2024, on an arm's length basis.

Other than matters disclosed above, there are no matters or circumstances have arisen since the end of the financial year which significantly affected or could significantly affect the operations of the Company, the results of those operations, or the state of affairs of the Company in future financial years.

NOTE 22: OTHER MATERIAL ACCOUNTING POLICIES

(A) GOODS AND SERVICES TAX (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the taxation authority, are presented as operating cash flows.

(B) CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The directors evaluate estimates and judgements incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the company.

KEY ESTIMATES – IMPAIRMENT

The future recoverability of capitalised exploration and evaluation expenditure is dependent on a number of factors, including whether the Company decides to exploit the related lease itself or, if not, whether it successfully recovers the related exploration and evaluation asset through sale.

Factors that could impact the future recoverability include the level of Ore Reserves and Mineral Resources, future technological changes, costs of drilling and production, production rates, future legal changes (including changes to environmental restoration obligations) and changes to commodity prices. As at 30 June 2024, the carrying value of capitalised exploration and evaluation is \$3,206,647 (2023: \$2,638,236).

KEY JUDGEMENTS - SHARE-BASED PAYMENT TRANSACTIONS

The Company has made the judgement to recognise the payable or contingent liability relating royalties' payable on certain tenements. A judgement was made that these agreements did not meet the liability recognition criteria and should therefore be recognised as a contingent liability.

TERRAIN MINERALS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

NOTE 22: OTHER MATERIAL ACCOUNTING POLICIES (Continued)

KEY JUDGEMENTS – CONTINGENT LIABILITIES

The Company has made the judgement to not recognise the payable or contingent liability relating royalties' payable on certain tenements. A judgement was made that these agreements did not meet the contingent liability recognition criteria.

(C) ADOPTION OF NEW AND REVISED STANDARDS AND CHANGE IN ACCOUNTING STANDARDS

Early adoption of accounting standards

The Company has not elected to apply any pronouncements before their operative date in the annual reporting year beginning 1 July 2023.

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2024 reporting periods and have not been early adopted by the Company. The Company's assessment of the impact of these new standards is that they are not expected to have a material impact on the Company in the current or future periods.

New and amended standards adopted by the Company

The Company has adopted no new or amended standards became applicable for the current reporting period.

TERRAIN MINERALS LIMITED
CONSOLIDATED ENTITY DISCLOSURE STATEMENT
FOR THE YEAR ENDED 30 JUNE 2024

Terrains Minerals Limited has no controlled entities and, therefore, is not required by the Australian Accounting Standards to prepare consolidated financial statements. As a result, section 295(3A)(a) of the *Corporations Act 2001* does not apply to the entity.

TERRAIN MINERALS LIMITED
DIRECTORS' DECLARATION
FOR THE YEAR ENDED 30 JUNE 2024

The Directors declare that:

- (a) in the Directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable;
- (b) the financial statements and accompanying notes are prepared in compliance with International Financial Reporting Standards and interpretations adopted by the International Accounting Standards Board;
- (c) in the Directors' opinion, the attached financial statements and notes thereto are in accordance with the Corporations Act 2001, other mandatory professional reporting requirements including compliance with accounting standards and giving a true and fair view of the financial position and performance of the Company;
- (d) the consolidated entity disclosure statement is true and correct; and
- (e) the Directors have been given the declarations required by s.295A of the Corporations Act 2001.

Signed in accordance with a resolution of the Directors made pursuant to s.295(5) of the Corporations Act 2001.



Justin Virgin
Executive Director
Dated: 20 September 2024

INDEPENDENT AUDITOR'S REPORT

To the members of Terrain Minerals Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Terrain Minerals Limited (the Company), which comprises the statement of financial position as at 30 June 2024, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial report, including material accounting policy information, the consolidated entity disclosure statement and the directors' declaration.

In our opinion the accompanying financial report of Terrain Minerals Limited, is in accordance with the *Corporations Act 2001*, including:

- (i) Giving a true and fair view of the Company's financial position as at 30 June 2024 and of its financial performance for the year ended on that date; and
- (ii) Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report. We are independent of the Company in accordance with the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty related to going concern

We draw attention to Note 1 in the financial report which describes the events and/or conditions which give rise to the existence of a material uncertainty that may cast significant doubt about the entity's ability to continue as a going concern and therefore the entity may be unable to realise its assets and discharge its liabilities in the normal course of business. Our opinion is not modified in respect of this matter.

discharge its liabilities in the normal course of business. Our opinion is not modified in respect of this matter.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the *Material uncertainty related to going concern* section, we have determined the matters described below to be the key audit matters to be communicated in our report.

Recoverability of Exploration and Evaluation Expenditure

Key audit matter	How the matter was addressed in our audit
<p>As disclosed in Note 8 of the financial report, the carrying value of capitalised exploration and evaluation expenditure represents a significant asset of the Company.</p> <p>Refer to Note 22 of the financial report for a description of the accounting policy and significant judgements applied to capitalised exploration and evaluation expenditure.</p> <p>In accordance with AASB 6 <i>Exploration for and Evaluation of Mineral Resources</i> ("AASB 6"), the recoverability of exploration and evaluation expenditure requires significant judgement by management in determining whether there are any facts or circumstances that exist to suggest that the carrying amount of this asset may exceed its recoverable amount.</p> <p>During the year, the Company undertook an impairment assessment and recognised an impairment charge as disclosed in Note 8. As a result, this is considered a key audit matter.</p>	<p>Our procedures included, but were not limited to:</p> <ul style="list-style-type: none"> • Obtaining a schedule of the areas of interest held by the Company and assessing whether the rights to tenure of those areas of interest remained current at balance date; • Considering the status of the ongoing exploration programmes in the respective areas of interest by holding discussions with management, and reviewing the Company's exploration budgets, ASX announcements and directors' minutes; • Considering whether any areas of interest had reached a stage where a reasonable assessment of economically recoverable reserves existed; • Evaluating and assessing the accuracy of the Group's calculation of the impairment and divestment recognised for the year ended 30 June 2024; and • Assessing the adequacy of the related disclosures in Notes 8 and 22 to the Financial Report.

Other information

The directors are responsible for the other information. The other information comprises the information in the Company's annual report for the year ended 30 June 2024, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the Financial Report

The directors of the Company are responsible for the preparation of:

- a) the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and
- b) the consolidated entity disclosure statement that is true and correct in accordance with the Corporations Act 2001, and

for such internal control as the directors determine is necessary to enable the preparation of:

- i) the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and
- ii) the consolidated entity disclosure statement that is true and correct and is free of misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website (<http://www.auasb.gov.au/Home.aspx>) at:

https://www.auasb.gov.au/admin/file/content102/c3/ar2_2020.pdf

This description forms part of our auditor's report.



Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 23 to 29 of the directors' report for the year ended 30 June 2024.

In our opinion, the Remuneration Report of Terrain Minerals Limited, for the year ended 30 June 2024, complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

BDO Audit Pty Ltd

BDO


Jarrad Prue

Director

Perth, 20 September 2024

For personal use only

TERRAIN MINERALS LIMITED
CORPORATE GOVERNANCE STATEMENT
FOR THE YEAR ENDED 30 JUNE 2024

The Company’s 2023 Corporate Governance Statement is contained in the ‘Corporate Governance’ section of the Company’s website at www.terrainminerals.com.au .

TERRAIN MINERALS LIMITED

ADDITIONAL ASX INFORMATION

FOR THE YEAR ENDED 30 JUNE 2024

The shareholder information set out below was applicable as at 31 August 2024.

1. Quotation

Listed securities in Terrain Minerals Limited are quoted on the Australian Securities Exchange under ASX code TMX (Fully Paid Ordinary Shares).

2. Voting Rights

All issued ordinary shares carry one vote per share. There are no voting rights attached to options on issue.

3. Distribution of Shareholders

(i) Fully Paid Ordinary Shares

Range	Holders	Units	%
1 – 1,000	47	8,602	0.00
1,001 – 5,000	20	64,252	0.00
5,001 – 10,000	38	347,660	0.02
10,001 – 100,000	351	19,668,527	1.11
100,001 Over	761	1,745,939,761	98.86
Total	1,217	1,766,028,802	100.00

On 31 August 2024, there were 567 holders of unmarketable parcels of less than 166,667 ordinary shares (based on the closing share price of \$0.003).

(ii) Unlisted Securities

At 31 August 2024, the Company has on issue 52,000,000 unlisted options over ordinary shares. The names of security holders holding more than 20% of an unlisted class of security are listed below.

Holder	Unlisted Options \$0.0065 20/11/2024	Unlisted Options \$0.0214 25/11/2025	Unlisted Options \$0.015 7/12/2026	Unlisted Options \$0.0108 24/2/2028	Unlisted Options \$0.0056 30/11/2028
Mr Justin Anthony Virgin <J Virgin T/A Stockfeed A/C>	4,000,000	8,000,000	6,000,000	-	10,000,000
Mr Benjamin Bell	2,000,000	-	-	4,000,000	6,000,000
Mr Johannes Lin	-	4,000,000	-	-	-
Holders < 20%	-	4,000,000	-	-	4,000,000
Total	6,000,000	16,000,000	6,000,000	4,000,000	20,000,000

TERRAIN MINERALS LIMITED

ADDITIONAL ASX INFORMATION

FOR THE YEAR ENDED 30 JUNE 2024

4. Substantial Shareholders

The Company has received the following substantial shareholders notices at 31 August 2024:

Name: Gerard C Toscan Management Pty Limited & Ringwood Management Pty Limited
Holder of: 101,811,112 fully paid ordinary shares, representing 5.78%
Notice Received: 23 August 2024

5. Restricted Securities

At 31 August 2024, there was no ordinary fully paid shares subject to escrow.

6. On market buy-back

There is currently no on market buy back in place.

7. Top 20 Shareholders

The twenty largest shareholders of the Company's quoted securities as at 31 August 2024 are as follows:

Holder	Units	%
GERARD C TOSCAN MANAGEMENT PTY LIMITED <GERARD C TOSCAN FAM NO 2 A/C>	70,477,778	3.99
MR MARK ANDREW TKOCZ	64,148,993	3.63
NETWEALTH INVESTMENTS LIMITED <SUPER SERVICES A/C>	42,117,534	2.38
JOHN WARDMAN & ASSOCIATES PTY LTD <WARDMAN SUPER FUND A/C>	40,000,000	2.26
MR JUSTIN ANTHONY VIRGIN <J VIRGIN T/A STOCKFEED A/C>	38,504,572	2.18
MUNGALA INVESTMENTS PTY LIMITED	35,000,000	1.98
MR JOHANNES LIN	33,411,223	1.89
BERKELEY CONSULTANTS PTY LTD <THE BERKELEY A/C>	33,333,333	1.89
MR MARK GREGORY KERR + MRS LINDA MARIE KERR <LINDMARK INV STAFF S/F A/C>	33,333,333	1.89
MR KENG HOCK JONATHAN LIM	33,001,781	1.87
NETWEALTH INVESTMENTS LIMITED <WRAP SERVICES A/C>	32,611,112	1.85
RINGWOOD MANAGEMENT PTY LIMITED <RINGWOOD SUPER FUND A/C>	31,333,334	1.77
VAN AM MARKETING PTY LTD	31,285,740	1.77
MIKADO CORPORATION PTY LTD <JFC SUPERANNUATION A/C>	30,000,000	1.70
DRYCA PTY LTD <DRYCA EMPLOYEES RET/F A/C>	28,500,000	1.61
MR JONATHAN KENG HOCK LIM	26,564,081	1.50
SWEET SNACKS SUPERANNUATION FUND PTY LTD <SWEET SNACKS SUPER FUND A/C>	23,000,000	1.30
VIRGIN PTY LTD <VL S/F A/C>	18,791,667	1.06
MR MICHAEL PETER HETRELEZIS <MIKE'S INVESTMENT A/C>	18,274,797	1.03
CITICORP NOMINEES PTY LIMITED	16,754,213	0.95
Total	680,443,491	38.53

TERRAIN MINERALS LIMITED

ADDITIONAL ASX INFORMATION

FOR THE YEAR ENDED 30 JUNE 2024

8. Tenement Listing

The Company has an interest in the following tenements:

Project	Tenement	Status	Interest
Smokebush	E59/2434	Granted	100%
Smokebush	E59/2435	Granted	100%
Smokebush	E59/2482	Granted	100%
Smokebush	E59/2700	Granted	100%
Smokebush	P59/2822	Granted	100%
Smokebush	P59/2274	Granted	100%
Smokebush	P59/2275	Application	100%
Smokebush	P59/2125	Granted	100%
Smokebush	E59/2126	Granted	100%
Smokebush	P59/2127	Granted	100%
Smokebush	P59/2128	Granted	100%
Lort River	E63/2208	Granted	100%
Lort River	E63/2209	Granted	100%
Lort River	E63/2447	Granted	100%
Lort River	E63/2448	Granted	100%
Mukka	E70/6352	Application	100%
Mukka	E70/6380	Application	100%
Mukka	E70/6381	Application	100%
Mukka	E70/6382	Application	100%
Mukka	E70/6383	Application	100%
Mukka	E70/6384	Application	100%
Mukka	E77/3043	Application	100%
Biloela	EPM/28717	Application	100%
Biloela	EPM/28718	Application	100%
Biloela	EPM/28719	Application	100%
Biloela	EPM/28720	Application	100%
Biloela	EPM/28721	Application	100%
Biloela	EPM/28722	Application	100%
Biloela	EPM/28723	Application	100%
Biloela	EPM/28835	Application	100%
Biloela	EPM/28836	Application	100%
Biloela	EPM/28837	Application	100%
Biloela	EPM/28839	Application	100%
Bassit Bore	E09/2765	Application	100%
Bassit Bore	E09/2766	Application	100%
Carlindie	E45/6522	Application	100%

TERRAIN MINERALS LIMITED

ADDITIONAL ASX INFORMATION

FOR THE YEAR ENDED 30 JUNE 2024

8. Tenement Listing (continued)

Carlindie	E45/6523	Application	100%
Carlindie	E45/6524	Application	100%
Carlindie	E45/6525	Application	100%
Carlindie	E45/6894	Application	100%
Carlindie	E45/6951	Application	100%
Carlindie	E45/6552	Application	100%

9. Competent Person’s Statements

The information in this report that relates to Exploration Results are based on information compiled by **Mr Ben Bell**. Mr Bell is a Member of the Australian Institute of Geoscientists and a consultant retained by Terrain Minerals Ltd. Mr Bell is a shareholder and options holder of Terrain Minerals Ltd. Mr Bell 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 2012 Edition of the ‘Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves’. Mr Bell consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

AND

The information in this report that relates to Exploration Results for the Lort River Nickel-Copper Project are based on information compiled by **Ms Karen Gilgallon**. Ms Gilgallon is a Member of the Australian Institute of Geoscientists. Ms Gilgallon has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which they are undertaking to qualify as a Competent Person as defined in the 2012 Edition of the ‘Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves’. Ms Gilgallon consents to the inclusion in this report of the matters based on their information in the form and context in which it appears.