

Terrain Minerals

Using Lightning to build a mine

This week, Terrain announced assay results from its reverse circulation drill programme conducted between November 2025 and February 2026 on the Lightning prospect within its Smokebush gold project in Western Australia. The campaign comprised 5,309m over 29 holes (average 183m per hole, ie shallow) and successfully tested both the strike extension and depth continuation of gold zones previously identified by induced polarisation (IP) and partially drilled in 2025. Highlights of the assays included 8m at 6.87g/t Au (including 5m at 10.06g/t Au), 7m at 7.08g/t Au (including 1m at 21.80g/t Au), 5m at 3.26g/t Au (including 1m at 11.81g/t Au) and 11m at 2.61g/t Au (including 1m at 12.29g/t Au). The success of the programme unlocks not only Lightning geologically but also additional prospects at Smokebush, such as Wildflower (to the south), where the mineralising fluid system is the same and where Terrain has already identified four targets based on similar gold-in-soil and IP anomalies.

Lightning is part of Terrain's Smokebush project 350km north of Perth and within the Murchison Gold region of Western Australia, which is a famous Archean granite-greenstone terrane on the ancient Yilgarn craton that hosts many significant gold deposits. These are typically characterised by narrow-vein, high-grade gold hosted within dolerite sills and, to date, Terrain's geological model of Lightning is entirely consistent with this precedent, with holes reported to be hitting mineralisation within one metre of that expected. As well as the Lightning and Monza lenses, down-hole assays also indicate the potential existence of a third structure. Owing to its location in a known gold producing region, Smokebush is within 150km of at least four mines (including Capricorn Metals' Mt Gibson mine) and five mills (of which 3–4 are within trucking distance), some of which are operating noticeably below capacity. As such, Terrain's strategy is to delineate a maiden mineral resource estimate as early as July and then to pursue the goal of generating positive cash flow by sending ore to a nearby mill under a toll treatment agreement within as little as 12–18 months (note that Terrain is already in possession of a mining lease at Lightning). Recently, Edison calculated an average value of in-situ gold ounces listed in Australia of US\$56.46/oz (at an average grade of 1.62g/t, ie generally less than Lightning's), including evidence that ounces in the inferred category of resources command a premium valuation as the market demands new resources at a time when the gold price is appreciating rapidly. Terrain's market capitalisation of A\$20m translates into an enterprise value of A\$18m, or US\$13m. Attributing zero value to its other properties (Biloela, Lort River and Carlindie), this alone would be justified by its declaring a maiden JORC resource in July of just 229koz (and potentially as low as 84koz if the inferred premium continues to prevail). A JORC resource in excess of either of these (and/or attributing value to Terrain's other three assets) could put its shares at a critical inflection point.

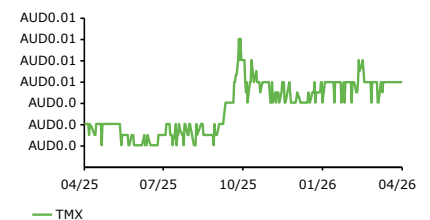
Historical results

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

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

Metals and mining
16 April 2026
Price **AUD0.006**
Market cap **AUD20m**

Share price performance



Share details

Code	TMX
Listing	ASX
Shares in issue	3,335.8m
Net cash/(debt) as at end-December	AUD2.0m

Business description

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

Bull points

- Located in a known gold producing region of Western Australia.
- Undemanding valuation.
- Potentially rapid developmental timelines.

Bear points

- Absence of a track record as an operator.
- Low current valuation puts it out of reach of bulge-bracket institutional investors.
- Currently 'pre-resource'.

Analyst

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