

TERRANE

M E T A L S C O R P .

TRX-TSX.V

volcaniclastic rocks of the Witch Lake Formation. The highest copper-gold grades are related to chalcopyrite adjacent to the MBX and Southern Star Stocks.

During the Barrick Gold takeover of Placer Dome in early 2006, all of Placer's Canadian assets were sold to Goldcorp. Terrane then acquired Mt. Milligan, the other three properties noted above, and the first rights on three additional properties in Canada from Goldcorp.

President Pease noted that present market conditions including gold holding above \$600 per ounce and copper near \$3.40 per pound are favourable but definitely not needed for Mt. Milligan. These current market prices make a lot of projects attractive, yet Terrane is looking at Mt. Milligan to be economic at much lower metal prices. No huge investment in infrastructure will be required as power and roads already exist close to the property and nearby communities are capable of providing personnel and equipment support.

Terrane is moving ahead to complete a full feasibility study by the third quarter 2007 and is preparing to file an Environmental Assessment (EA) document during the second quarter 2007. Terrane is also conducting pro-active work in advance of filing the EA document. Although no set schedule for approval of the EA document can be set, Terrane estimates it should take approximately one year, once the EA is filed.

If that schedule is accomplished, Terrane will have required permits in hand by second quarter 2008 and the start-up of construction should take place by mid-2008 with the onset of actual production anticipated by mid-2010. Although Mt. Milligan is the present focus of attention, Terrane's other projects hold great promise as well.

The Berg Project is located in the Tahtsa Ranges of central B.C. and is held as a joint venture between Terrane

(51%) and Kennecott Canada Exploration Ltd. (49%). Previous owners first recognized the potential for porphyry copper mineralization at Berg in the 1960's and drilling of that era delineated two main mineralized zones. An affiliate of Placer Dome then took over exploration work at Berg and by 1980,

project is optioned to Pacific Resources. Terrane has assembled an unusually experienced and able management team under the leadership of President and CEO Rob Pease which includes CFO Edward Farrauto, VP Exploration Darren O'Brien and VP Project Development Peter Marshall.

Terrane recently announced the acquisition of four properties from Goldcorp Canada Ltd. (GCL) including "Mt. Milligan" the most timely and important of these projects.

146 diamond drill holes covering 18,593 metres had been completed.

Information from this work allowed Placer Dome to create a (pre-NI 43-101) geologic resource estimate of 238,000,000 tonnes containing 2.1 billion pounds of copper along with substantial resources of molybdenum and silver.

Terrane now believes the project holds enhanced prospects, in part due to recent improvements in the regions infrastructure as well the potential for the development of additional near-surface resources. Terrane will quickly advance the Berg to pre-feasibility stage by late 2007.

Maze Lake is a relatively undeveloped prospect which appears to have potential due to a 6 km wide gold grain till anomaly which has been defined at the property. Placer Dome staked the property in 2003, and work has included the collection of water and rock samples, reconnaissance mapping, completion of a high-resolution airborne magnetic survey, and initial drilling. A gold bearing shear zone has been defined and Terrane will now focus drilling on this target.

Howard Pass was explored between 1972 and 1982 by Placer Dome and US Steel and they identified the potential for a world-class zinc resource. The

Given the advanced status of the Mt. Milligan project and the potential inherent in Terrane's portfolio of other properties, this is one junior company which merits serious attention.

Management Team

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