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885763

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M E T A L S C O R P .

**Developing the
Mt MILLIGAN Gold-Copper Project
and
BERG Copper-Molybdenum Project**

**Rob Pease
President & CEO**

Peter Marshall
Keith Ferguson
Glen Wonders

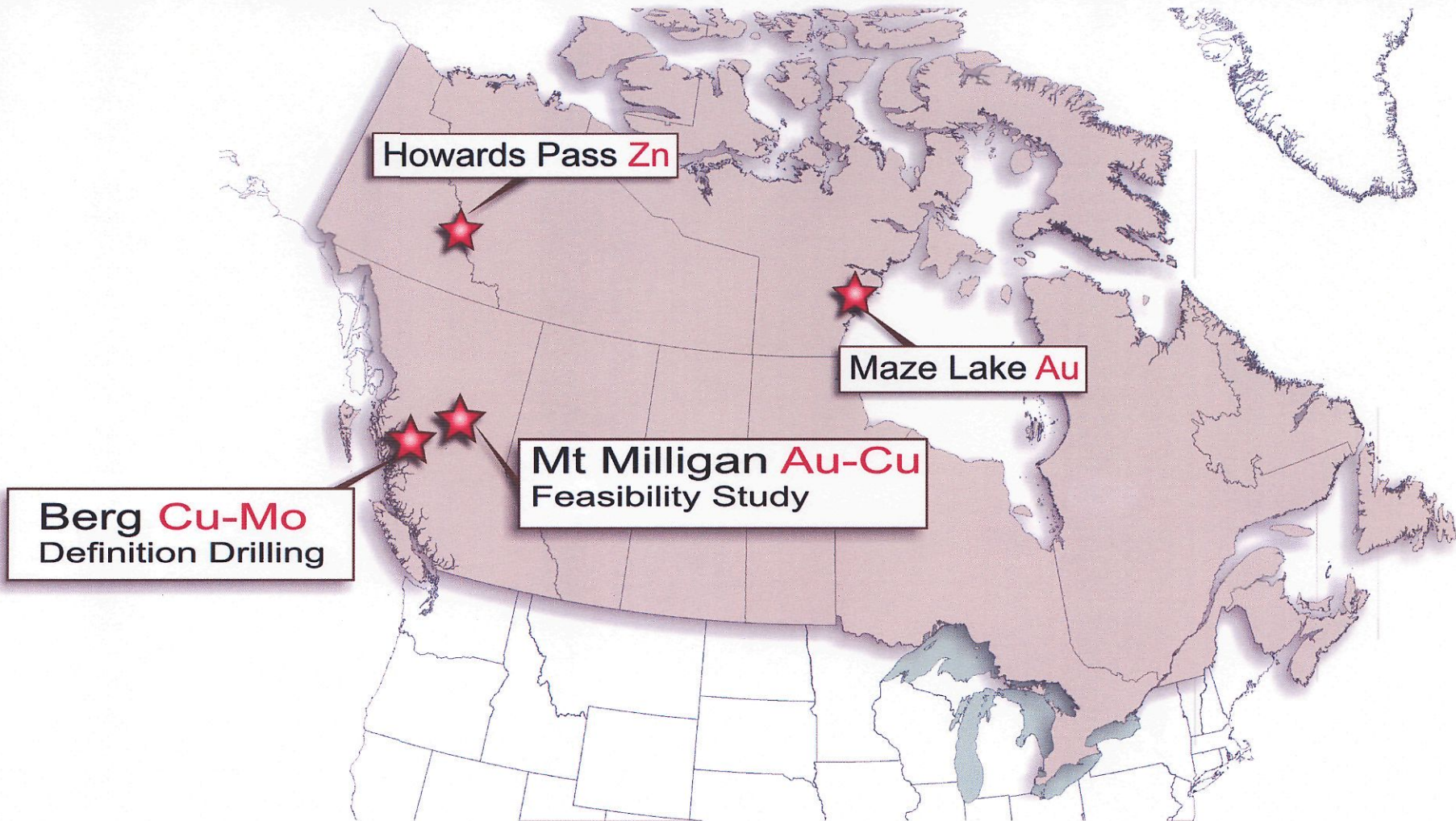
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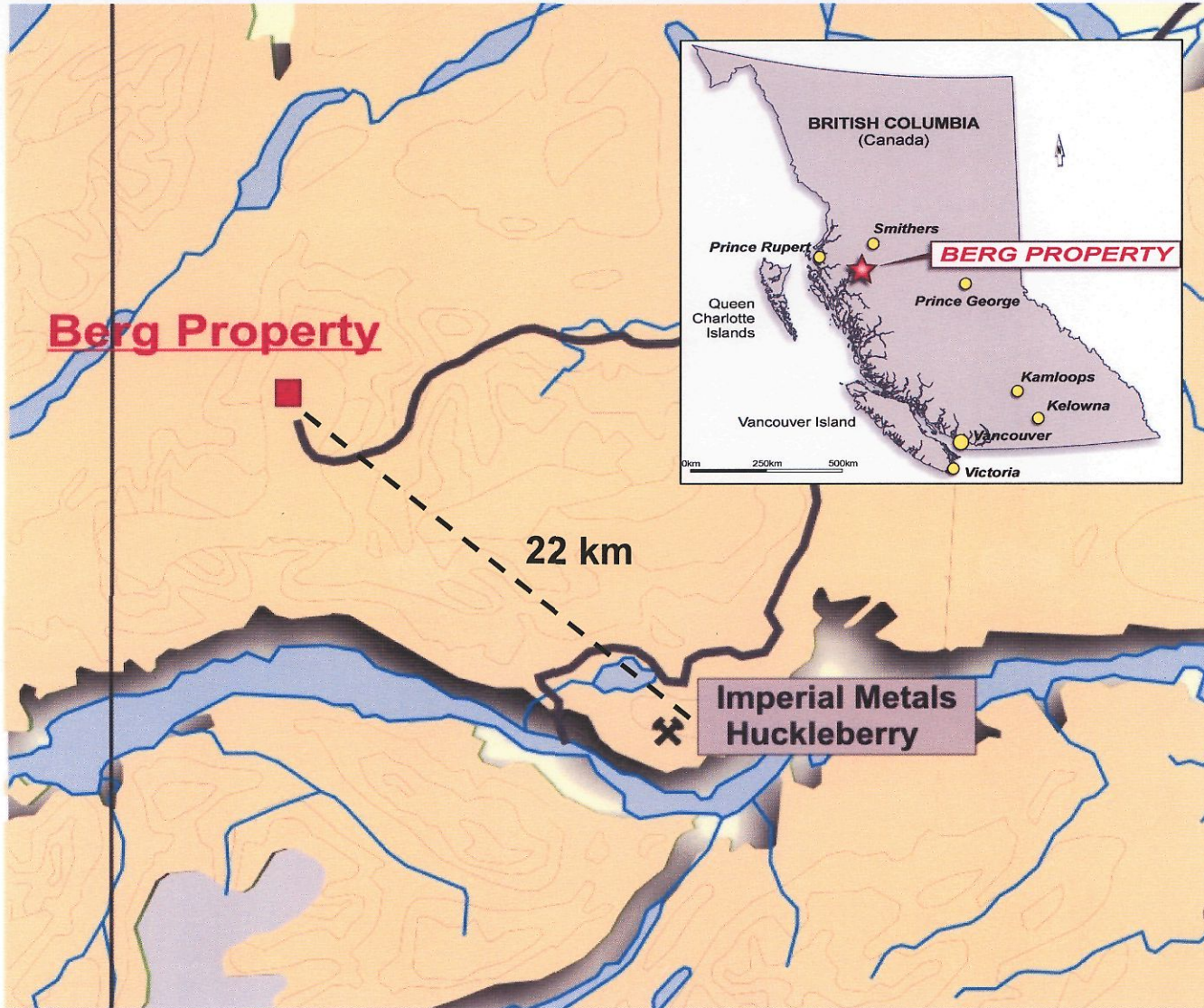
- **Mt MILLIGAN Au-Cu Feasibility Study**
- **264,000 Oz/y At LOM Cash Cost of \$140/Oz***
- **BERG Cu-Mo-Ag Development Project**
- **74 Million Annual lbs Cu at Cash Cost of \$0.80/lb****

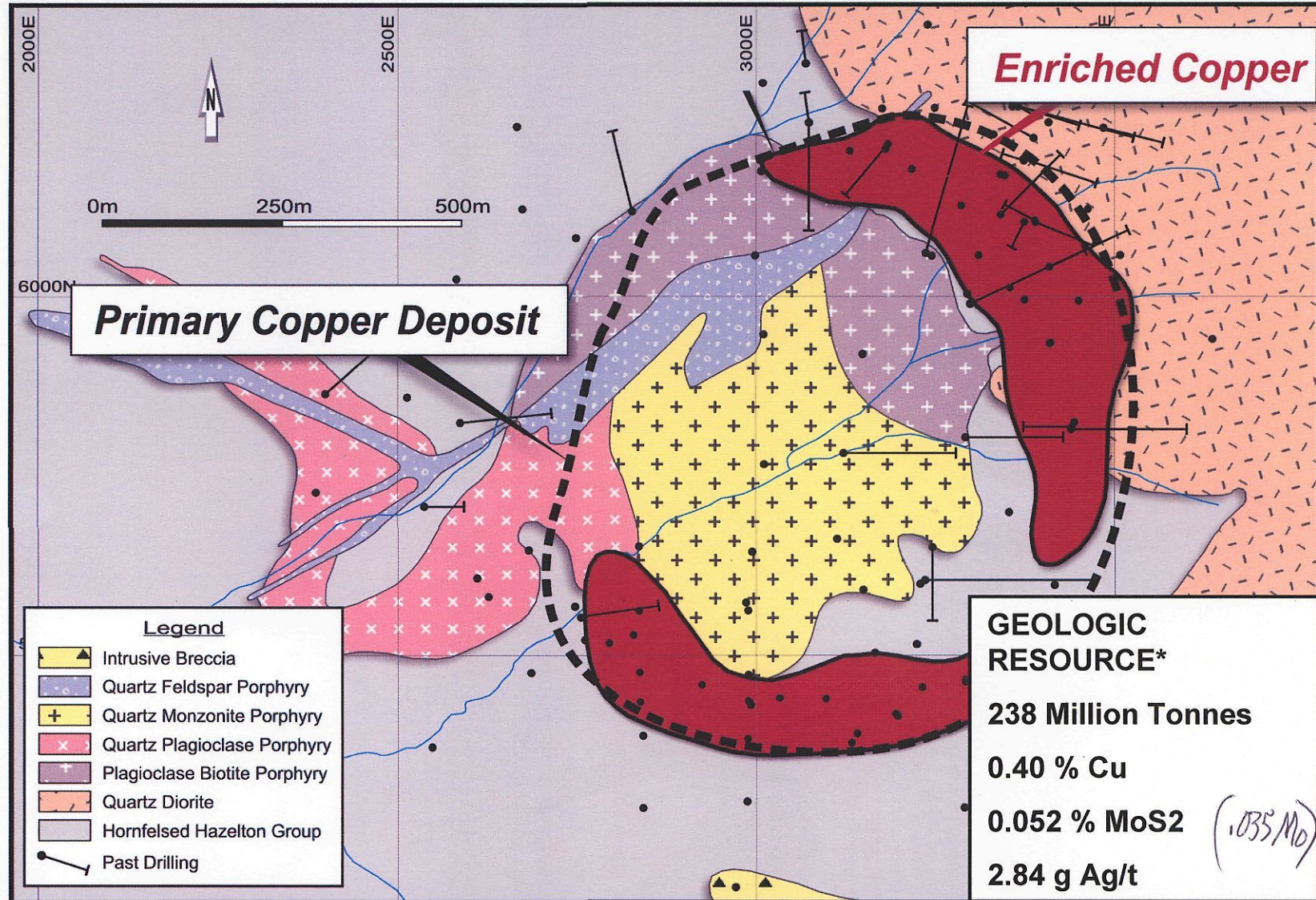
*Estimates subject to the Mt. Milligan feasibility study completion expected for year end 2007, $\$1.75/\text{lb Cu}$

**Based on historic resources and development study estimates, $\$10/\text{lb Mo}$

~15 yr mine life

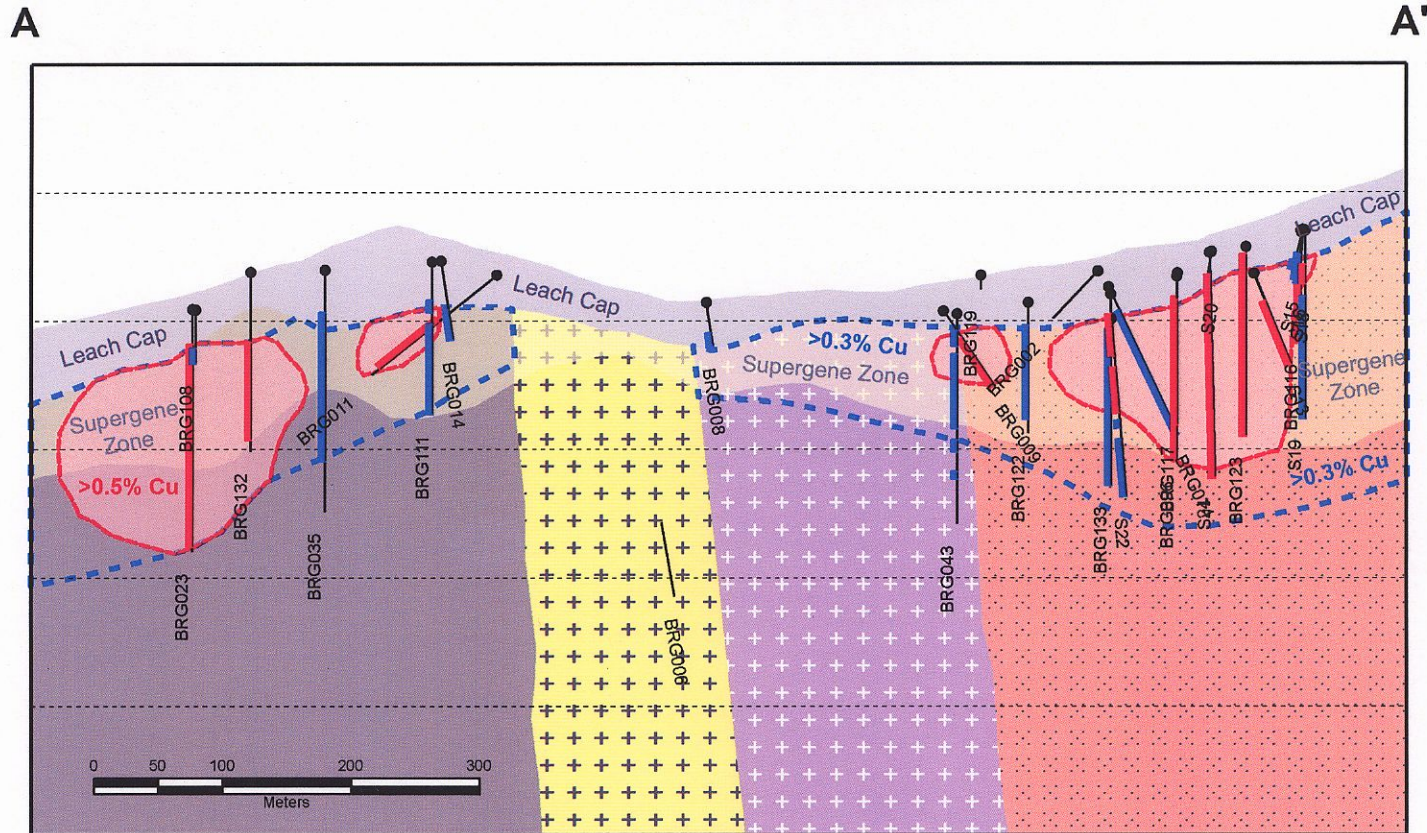






*Estimates subject to a Historic Resource see news release April 19th 2006 for further details

Berg Copper-Molybdenum Deposit



Hole-ID	From	To	Length (m)	Cu%	MoS ₂ %
BRG009	36.6	230.1	190.5	0.565	0.083
BRG023	30.5	189.0	158.5	0.516	0.042
BRG036	39.6	182.9	143.3	0.561	0.062
BRG074	24.4	231.6	203.9	0.480	0.035
BRG117	24.4	121.9	97.5	0.984	0.096
BRG123	9.1	150.9	141.7	0.567	0.042
S24	21.3	182.0	160.6	0.536	0.025

Legend		
Drill Holes	Copper Zone	Lithology
● Diamond Drill Hole	■ >0.5% Copper	■ Leach Cap
— >0.5% Copper	■ >0.3% Copper	■ Quartz Monzonite Porphyry
— >0.3% Copper		■ Plagioclase Biotite Porphyry
		■ Quartz Diorite
		■ Hornfelsed Hazelton Group

- 12,000 metre drill program commencing in June 2007
- Drill program will up-date resource to 43-101 standard, and test mineralization to depth
- \$2.00/lb Cu and \$25.00 Mo generates equal revenue from Copper and Molybdenum
- Mo equivalent grade at Berg is **0.063%**
- In comparison, the grade at Blue Pearl's Endako mine is **0.063%**

75Mlb Cu/yr

US\$0.80 Cu-prod.

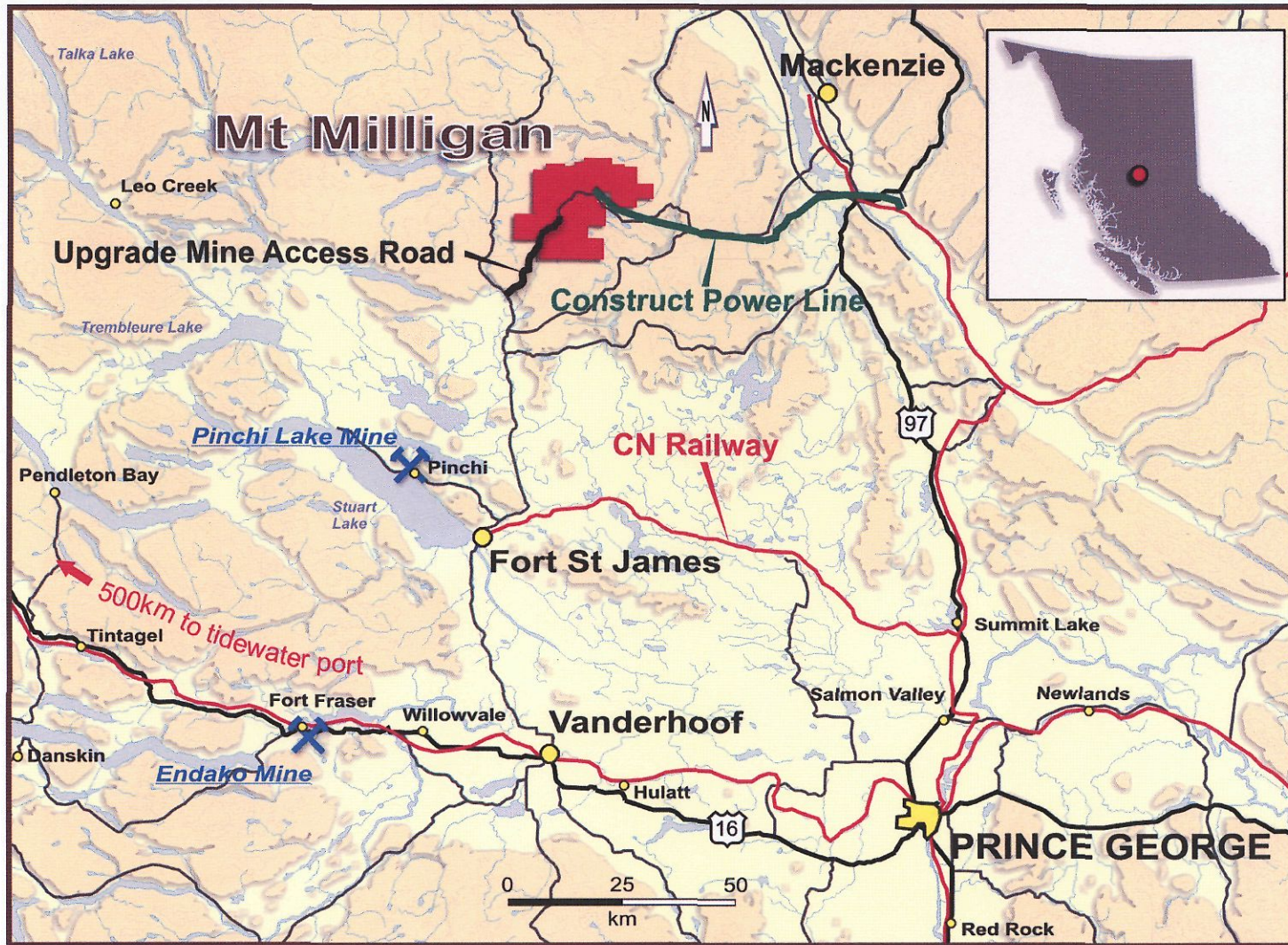
Synergy with Hackleberry mine

12,000 m drill
start in June

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Mt Milligan - Excellent Infrastructure

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83 km power line from Kennedy substation (Mackenzie)

\$400M cap cost

~100 people currently working on project (~70 permanent staff)

Mt Milligan

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- Placer Dome purchased Mt Milligan in 1990 for \$270 million and in 1993 obtained permits required to place the project into commercial production at a rate of 60,000 tonnes per day.
- Low metal prices put project on standby and permit expired in 2003
- Metallurgical test work program in 2005 improved both copper concentrate grade and gold recovery
- Terrane acquired project from Goldcorp in 2006 following Barrick-Placer Dome transaction
- Feasibility and extensive environmental work programs in progress.

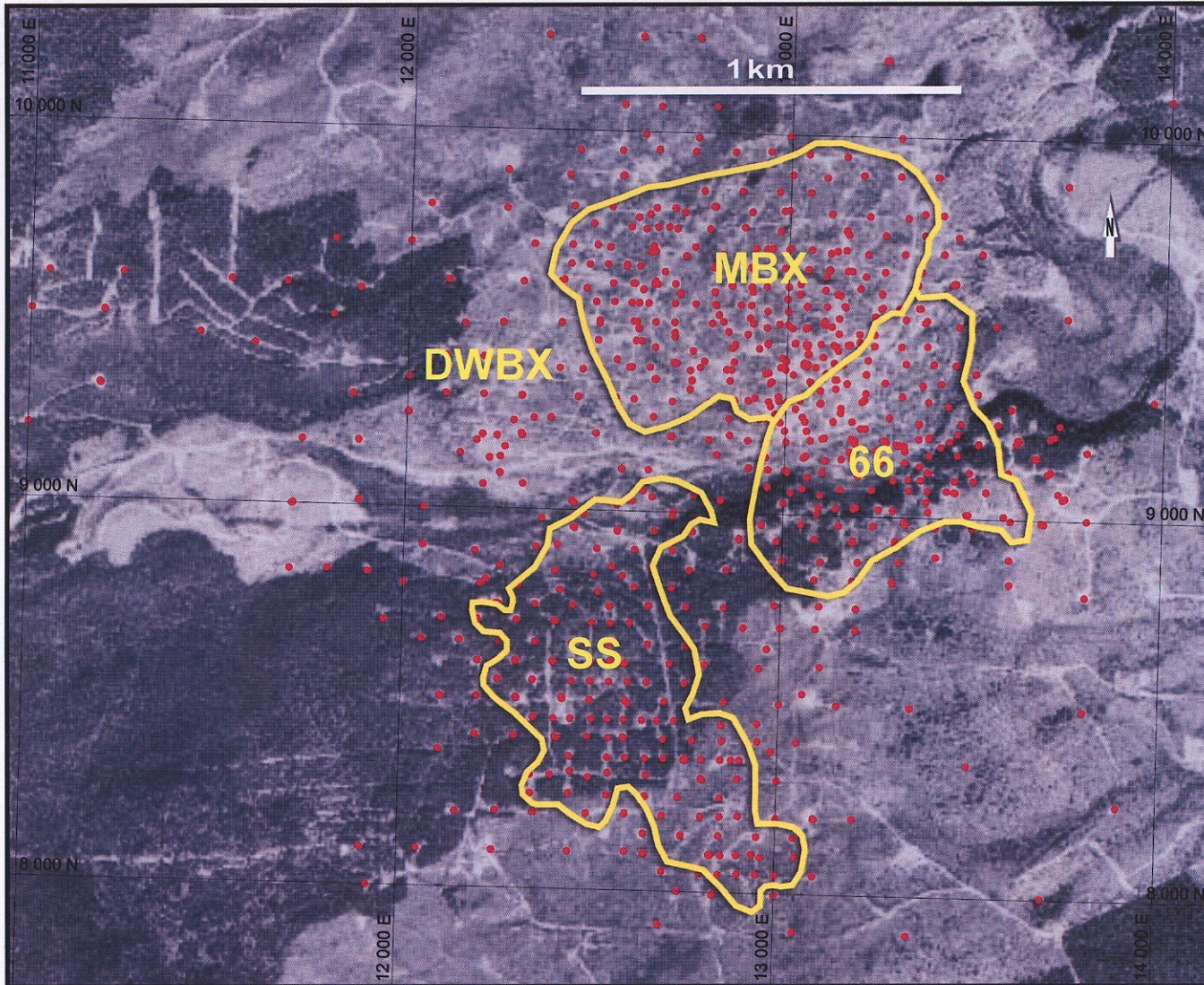


Mt Milligan

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Extensive Database

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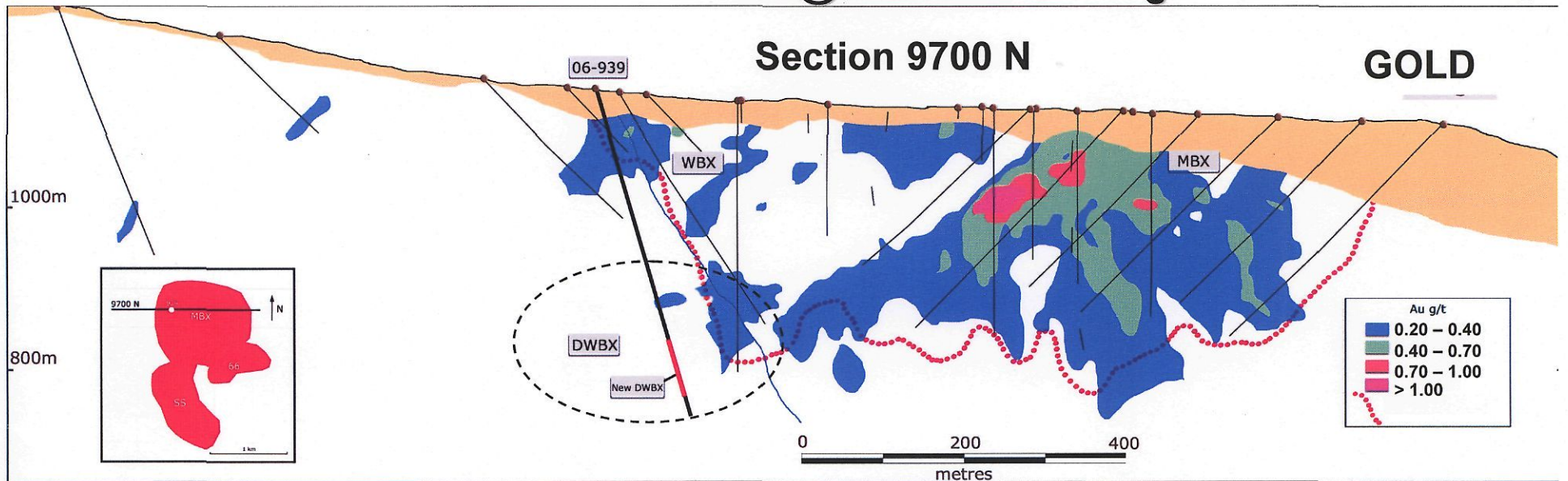
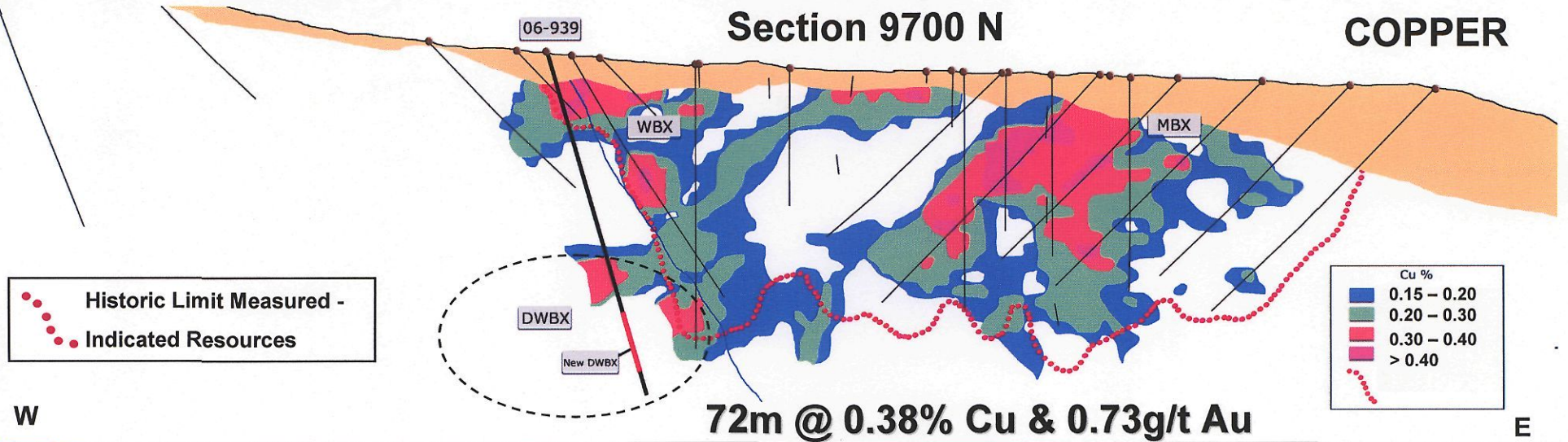


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Mt Milligan

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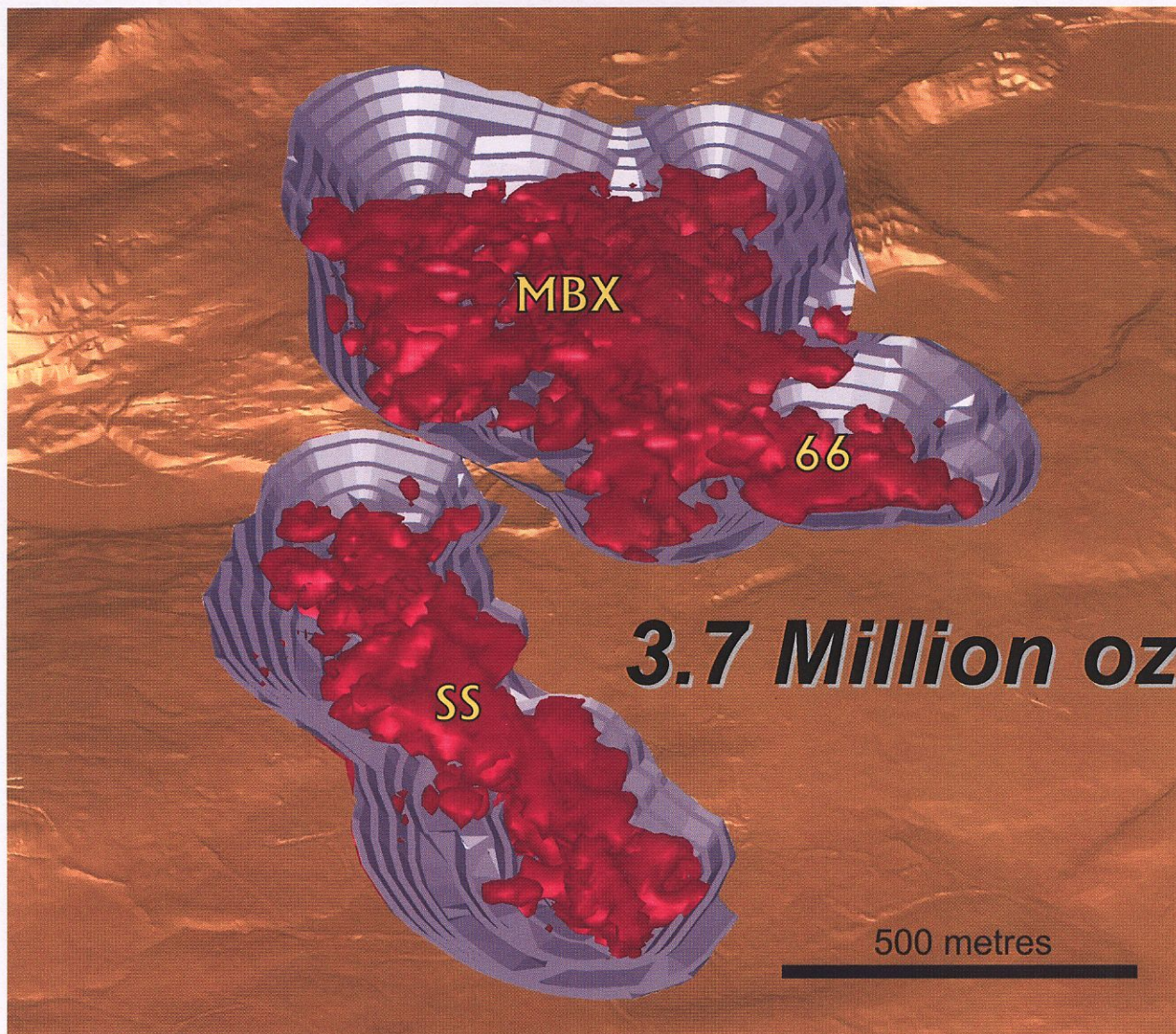
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Measured and Indicated Resources



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Adjacent Inferred Resources



1 Million oz*

500 metres

Mt Milligan

*Estimates subject to the Mt. Milligan feasibility study completion expected for year end 2007

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- Full feasibility study underway
- 17,000 metre drill program 99% completed
- Phase I is in-fill for metallurgical samples, all holes completed
- Phase II is resource expansion, encouraging results in DWBX zone reported
- Permitting process well underway

350 full-time jobs
(+ ~100 contractors)

30-month delivery
for big mill
(\$28M)

Training

Mt Milligan - "key" area
of study

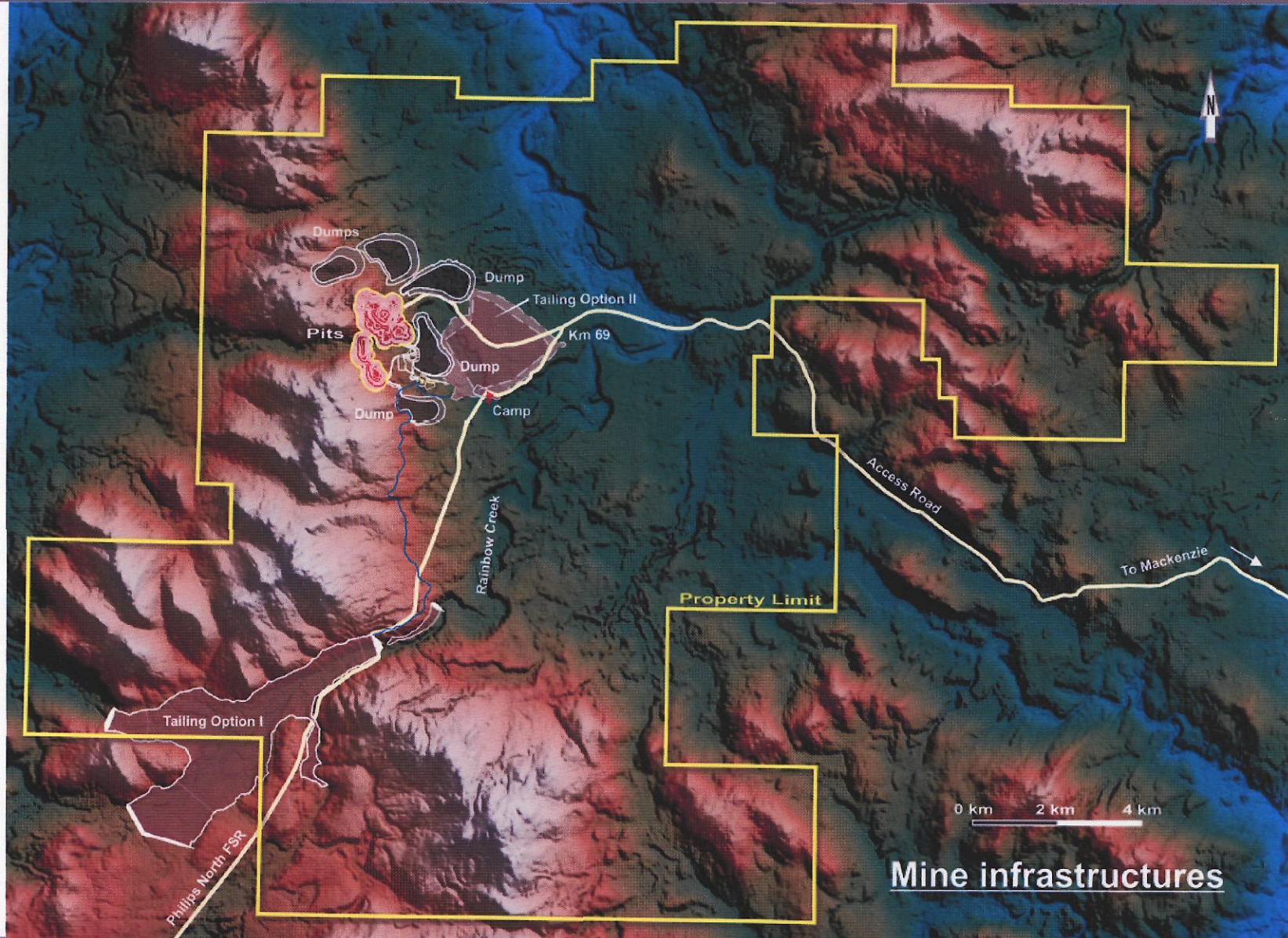
Other Proj:
Christina Jean
will start

2) Paper mill

sq. looking @ 'secondary'
(cyanide leach) processing

5 Moz Au B 165 Cu

1) Stuart Lake logging (Fort St. Vrain) - pending 1-yr
shut down - trades training



- Terrane has commenced comprehensive feasibility and environmental studies on Mt Milligan and surrounding areas.
- Large near surface copper-gold resource, amenable to open pit mining
- Mine development is generally supported by local communities.
- Mt Milligan provides an opportunity for local economic diversification.
- Terrane Metals Corp will endeavor to develop positive relationships with First Nations and local communities.



Chief
 (275-300 people) - openly supported at mine (fully engaged in EA process)
 1) McLeod Lk. Indian Band (incl. Treaty 8 + mine site)
 2) Nak'azdli (affiliate of Carrier-Sikani) - not in treaty process
 (~1500) [Fort St. James] - don't believe in EA process
 800 st Fort St. Jan (Chief Leonard Thomas)

PROJECT	2006	2007	2008	2009	2010
Mt Milligan					
Feasibility Study	█				
Environmental Assessment	█				
Construction			█		
Berg					
Definition Drilling		█			
Feasibility Study			█		
Environmental Assessment			█		
Maze Lake					
Exploration Drilling		█			
Definition Drilling			□		

mid-2011 - prod

- One Feasibility stage project, and One Advanced Stage project, both with excellent infrastructure in a North American jurisdiction
- Near surface copper-gold, and copper-molybdenum resources that are well-suited to large-scale open pit development
- Environmental permitting and mine development are generally supported by local communities
- Opportunity for near term and low unit cost production of copper and gold from a 5 million ounce gold resource base

Nov. 07 File EA (→ "180-day clock" + concurrent mines Act permit)
(draft filed in June) - Project leader (govt) = Graeme McLaren

ISSUES: 1) Roads (incl. Mackenzie / Fort St. James)
2) Port of Prince Rupert

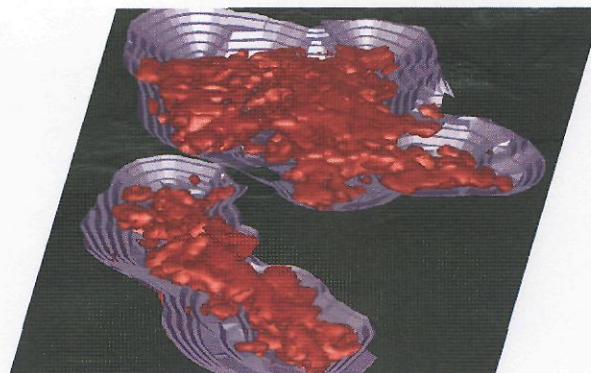
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Discovery

**Adding to 3.7
M oz Au and
3.3 B lb Cu**



Delineation

**Converting
Resources to
Reserves**



Development

**Mt Milligan in
Feasibility, Berg
close behind**

oper. costs ~\$60M/yr (est. \$80M stays in regional area)