

TERRENO RESOURCES CORP.

TERRENO RESOURCES IS PREPARING A DRILLING PLAN FOR THE FALL AT THE LAS CUCHARAS GOLD AND SILVER PROJECT IN NAYARIT, MEXICO

TORONTO, CANADA – July 15, 2021 - Terreno Resources Corp. (TSXV: TNO.H) (“**Terreno**” or the “**Company**”) is pleased to announce that, subject to financing, the Company is preparing a drilling program for the Fall at the Las Cucharas Gold and Silver Project in Nayarit, Mexico. Find below an overview of the very successful exploration season. Our drill planning is taking place during the traditional rainy season of July and August during which time access to the property is restricted.

Very high gold and silver assay values were returned from samples of selected vein material, which were typically grab samples from local informal miners’ stockpiles and mine dumps. This style of sampling is helpful in highlighting the gold and silver potential of some oreshoots. A summary table with some of these results follows below. (Please see Map 1 for reference to the sampling areas.)

SAMPLE #	ZONE	WIDTH	Au (g/t)	Ag (g/t)
40160	La Union	Grab - Stockpile	22.8	1901.0
40178	El Zapotillo	Grab - Mine Dump	10.7	1581.0
40194	Los Cuervos	Grab - Mine Dump	0.13	635.0
40326	Los Gallos	0.60	16.40	262.0
40327	Los Gallos	0.90	5.10	406.0
40329	Los Gallos	Grab - Mine Dump	22.80	1056.0

Newly discovered and sampled vein and disseminated mineralization zones were found at the El Zapotillo, El Carrizo, El Troze, Los Cuervos, Arroyo el Jocuixtle, La Planta, Arroyo del Tiro, and Potrero de Don Teodulo Zones. A summary table with some of these results is shown below.

SAMPLE #	ZONE	WIDTH (m)	Au (g/t)	Ag (g/t)	Cu (%)	Pb (%)	Zn (%)
40263	El Zapotillo	0.65	1.97	3.3	-	-	-
40278	El Zapotillo	1.10	0.31	119.0	-	-	-
40308	El Carrizo	1.50	0.11	3.7	-	-	-
40325	Las Palomas	0.90	0.54	93.1	-	-	-
40330	Las Palomas	0.60	0.82	110.2	-	-	-
40193	El Troze	1.80	0.49	23.1	-	-	-
40255	Arroyo El Jocuixtle	0.40	0.25	246.0	1.05	-	-
40259	Arroyo El Jocuixtle	1.40	1.20	88.9	0.21	-	-
40322	Arroyo El Jocuixtle	Grab - Float	-	44.4	-	-	-
40284	Los Cuervos	1.50	0.11	208.0	0.33	-	-
40288	Los Cuervos	1.50	-	38.4	0.60	0.10	0.78
40289	Los Cuervos	1.00	-	112.3	1.24	0.13	0.31
40203-40205	La Planta	5.30	-	19.0	0.60	1.14	2.13
40206-40217	La Planta	18.20	-	17.9	0.24	0.66	1.42
40218-40221	La Planta	6.00	-	22.6	0.11	0.58	0.48
40222-40226	La Planta	6.60	-	19.4	-	0.44	0.40
40229-40232	La Planta	5.80	-	21.8	0.36	0.90	0.88
40236	Arroyo del Tiro	0.80	-	22.5	-	-	-
40237	Arroyo del Tiro	1.50	-	22.5	-	-	-
40247	Potrero de Don Teo.	1.50	-	26.3	-	-	-

Most of these new zones are extensions of previously mapped and sampled showings, and help to connect individual zones into much larger targets. A significant discovery this year were wider zones of disseminated base metal-rich mineralization at the La Planta and Los Cuervos Zones. These may provide bulk tonnage targets, with strongly mineralized silver-lead-zinc-copper zones sampled up to 18.2 metres in width at the La Planta. Exposure is often limited, so the true potential of these zones will only be properly tested by drilling.

Fieldwork to date in 2021 has focused on defining the extents of the property-wide Las Cucharas precious metal system, which has been traced over 6 kilometres in strike length. New mineralized zones and splays of the vein system have been discovered and defined in intermediate locations between known showings and past producing small-scale mines. Two new base-metal rich zones have been discovered at the La Planta and the Los Cuervos. Our observations and technical work to date confirm the size and magnitude of this large hydrothermal system.

Terreno geologists believe that the project hosts two distinct styles of mineralization with a continuous transition between them. These are:

- 1.) Discrete, gold and silver rich low-sulfidation epithermal style quartz veins, which form lenses, ore shoots, breccias, and stockworks controlled by the main NW trending regional structures. Historic underground production areas such as the La Union Zone represent this style of mineralization. It is important to note that production from these workings was limited more by the level of the water table than by a lack of mineralization.
- 2.) Base-metal rich polymetallic vein and disseminated lead-zinc-copper-silver zones. This style of mineralization outcrops in the La Planta, Los Cuervos, La Taverna, and La Raizura Zones. This style of target has the potential for considerably more tonnage, with broadly disseminated lead, zinc, and/or copper sulfides in alteration zone halos around the vein structures. Polymetallic mineralization typically occurs below precious metal-rich zones, lower in the hydrothermal system. A compelling example of this type of deposit is the San Acacio Project of Defiance Silver Corporation in nearby Zacatecas state. Recent deeper drilling below historically mined areas has discovered significant lead-zinc-silver mineralization.

Over the next few months, Terreno staff will focus on updating the geological and geochemical databases, interpreting results, and planning for a drill program later this year, subject to financing. Terreno management is very pleased with this year's exploration results and look forward to further advancing the Las Cucharas Project.

The Las Cucharas Project represents a historic gold and silver mining area with well documented small-scale production from 1903 through 1961 of 3,000 kilograms of gold (96,450 oz) and 30,000 kilograms of silver (964,500 oz) (Vargas, COREMI Pub M-12e, 1994; this is an historic figure, non-NI 43-101 compliant, and should not be relied on). The Las Cucharas Project is classified as a volcanic-hosted low-sulfidation epithermal precious metal system with significant mineralization occurring along a six-kilometer northwest-trending structural zone. Gold and silver are hosted in vein and shear structures, stockwork zones, and breccias, sometimes with associated sulfide mineralization. Classic low-sulfidation epithermal style textures are common, including banded quartz veins and breccias, as well as drusy, bladed, and chalcedonic quartz, as well as local minor zinc, lead, and copper sulfide minerals. Las Cucharas is interpreted to be located at the very edge of the regional Caldera de Nayar volcanic center, which is 100-150 kilometers in diameter. The significance of the project's location is that strong faulting typically occurs at caldera margins, which provide abundant conduits for mineralizing systems.

It is located in the southern extreme of the mid-Tertiary Sierra Madre Occidental (SMO) volcanic belt, which is a prolific mining terrain host to many world-class multi-million ounce gold and silver deposits. Some examples include the El Sauzal Mine with production from 2004 to 2014 of over 1.7 million ounces of gold (Newmont-Goldcorp, June 3, 2016; this is an historic production figure, is a non-NI 43-101 compliant, and should not be relied on), the Pinos Altos Mine of Agnico Eagle Mines Ltd. at 3.5 million ounces of gold and 100 million ounces of silver (Pinos Altos Gold-Silver Mining Project, Chihuahua State

Mexico, Technical Report on the Mineral Resources and Reserves as of December 31st, 2008, prepared by Dyane Duquette P.Geol; Louise Grondin, P.Eng; Pierre Matte, Eng.; Camil Prince, Eng. Mar 20, 2009, NI 43-101 probable reserves), the Metates Project of Chesapeake Gold Corp. at 18.5 million ounces of gold and 526 million ounces of silver (Metates Gold Silver Project, NI 43-101 Technical Report, 2016 Updated Preliminary Feasibility Study Durango, Mexico, Sinaloa, Mexico, Prepared for Chesapeake Gold Corp. M3 Engineering and Technology NI 43-101, Qualified Persons Douglas C.J. Austin, PE, Art. S. Ibrado, PhD, PE, Gary A. Parkinson, MSc, CPG, Michael G. Hester, FAusIMM, Deepak Malhotra, PhD, SME-RM, Grenvil Dunn, PrEng, Deng, Richard K. Zimmerman, MSc, RG, SME-RM, PFS, proven and probable reserves, April 29, 2016), and the San Dimas Mine of First Majestic Silver Corp. with 753,000 ounces of gold and 62.6 million ounces of silver (First Majestic Silver Corp, San Dimas Silver/Gold Mine, Durango and Sinaloa States, Mexico, NI 43-101 Technical Report on Mineral Resource and Mineral Reserve Estimates, Ramon Mendoza-Reyes, P.Eng., Juquin Merino, P.Geol., Maria Elena Vasquez, P.Geol., Persio P. Rosario, P.Eng., Report Prepared for First Majestic Silver Corp., December 31, 2020. measured and indicated resources). (Please see Map 2 for the Las Cucharas Project location in relation to neighbouring projects).

Mr. Cary Pothorin, P.Geol., Vice President of Exploration for Terreno Resources Corporation, is a Qualified Person as defined in Nation Instrument 43-101, and has prepared and approved the scientific and technical disclosure contained in this news release.

Quality Control and Assays

Rock samples were collected using industry standard documentation including sample location, type, width, and description. Samples were delivered to Bureau Veritas Laboratories in Durango, Mexico for preliminary sample preparation consisting of crushing, pulverizing, and splitting, and then forwarded to Hermosillo, Mexico, and/or Vancouver, Canada for analysis. Analyses are done for gold (30 gram fire assay with an ICP finish); and 35-element ICP analyses. Samples with values over 10 g/t gold and 100 g/t silver are reanalyzed by fire assay with a gravimetric finish. Bureau Veritas is an ISO 9001 certified laboratory facility.

Additional information on the Company can be viewed at www.sedar.com

For additional information, contact: Tel: (905) 467-1109

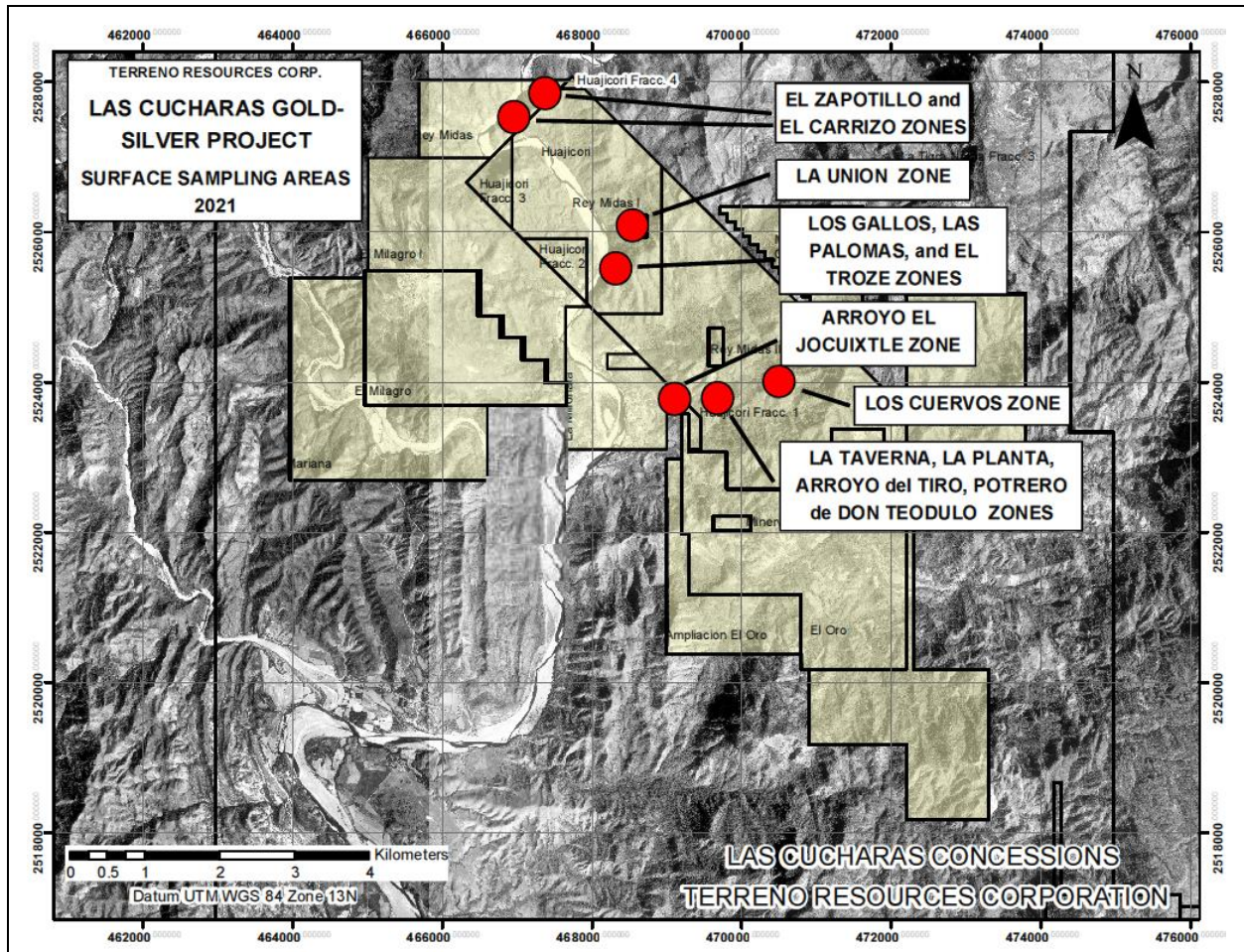
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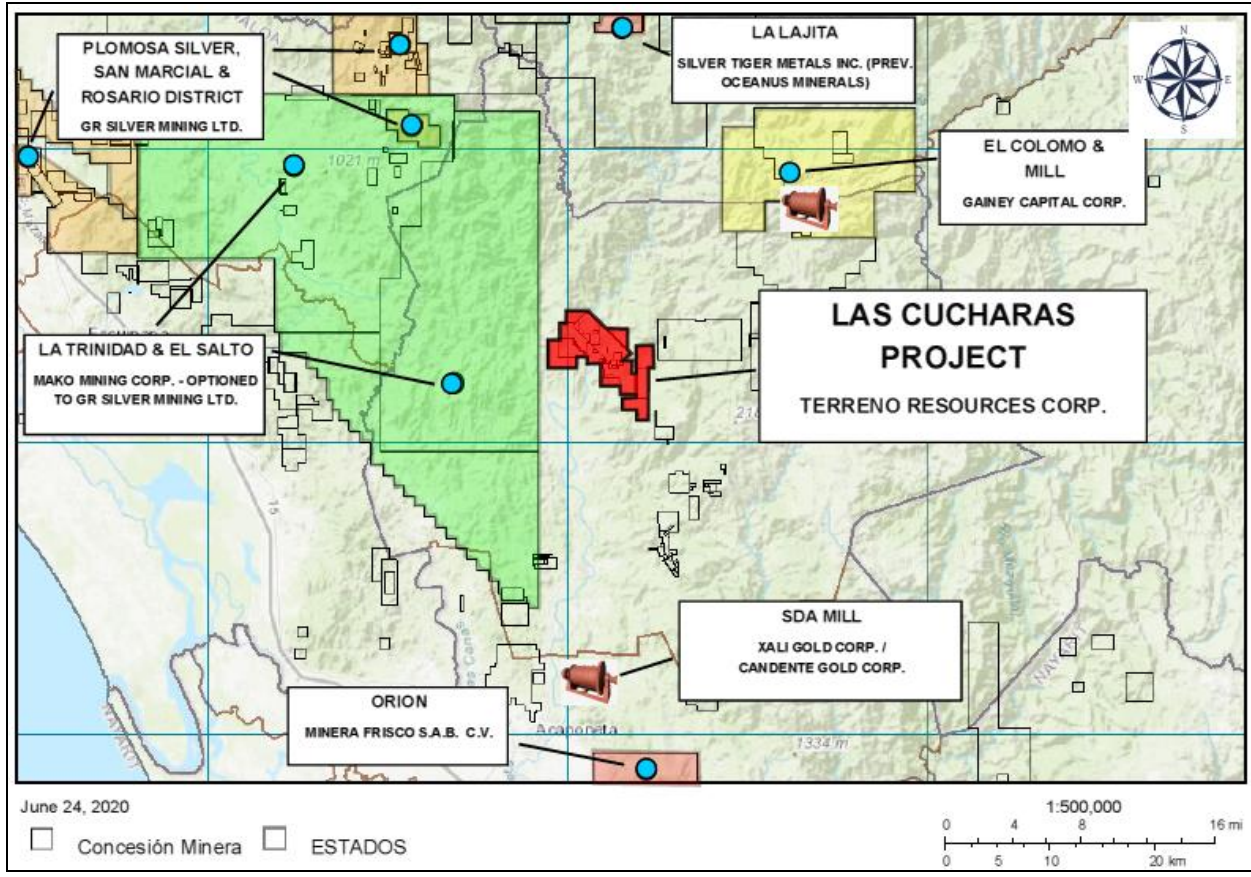
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This news release does not constitute an offer to sell or a solicitation of an offer to buy any of Terreno's securities in the United States. None of the securities have been and will not be registered under the United States Securities Act of 1933, as amended (the "1933 Act"), or any state securities laws and may not be offered or sold within the United States or to U.S. persons unless registered under the 1933 Act and applicable state securities laws, or an exemption from such registration is available. Any public offering of securities in the United States must be made by means of a prospectus that contains detailed information about Terreno and its management, as well as financial statements.

This release may contain certain "forward looking statements" and certain "forward-looking information" as defined under applicable Canadian and U.S. securities laws. Forward-looking statements and information can generally be identified by the use of forward-looking terminology such as "may", "will", "expect", "intend", "estimate", "anticipate", "believe", "continue", "plans" or similar terminology. Forward-looking statements and information include, but are not limited to, statements with respect to the transactions contemplated, any requisite regulatory approvals in respect thereof and proposed future transactions Terreno may undertake and their expected timing. Forward-looking statements and information are based on forecasts of future results, estimates of amounts not yet determinable and assumptions that, while believed by management to be reasonable, are inherently subject to significant business, economic and competitive uncertainties and contingencies. Forward-looking statements and information are subject to various known and unknown risks and uncertainties, many of which are beyond the ability of Terreno to control or predict. Terreno undertakes no obligation to update forward-looking information except as required by applicable law. Such forward-looking information represents management's best judgment based on information currently available. No forward-looking statement can be guaranteed and actual future results may vary materially. Accordingly readers are advised not to place undue reliance on forward-looking statements.



Map 1. Concession map of the Las Cucharas Gold and Silver Project showing locations of 2021 sampling areas.



Map 2. Location of Las Cucharas Gold-Silver Project in Nayarit state showing nearby exploration projects, mills, and mines.