

TERRENO RESOURCES CORP.

NEWS RELEASE 2021-02

TERRENO REPORTS PRECIOUS METAL VALUES UP TO 22.8 G/T GOLD AND 1,901 G/T SILVER FROM THE LAS CUCHARAS GOLD AND SILVER PROJECT IN MEXICO

TORONTO, CANADA – March 11, 2021 - Terreno Resources Corp. (TSXV: TNO.H) (“**Terreno**” or the “**Company**”) is very pleased to provide an update on exploration activities at the Las Cucharas Gold and Silver Project in Nayarit, Mexico.

Ongoing fieldwork began in mid-December of 2020. Our team is focused on tracing the extent of mineralized structures as well as prospecting between known showings to show continuity of the structures. Various new splays and extensions of major structures have been traced and sampled. We are also testing regional targets that have not been previously evaluated. A total of 89 samples have been collected and submitted for analysis. Additional results are pending on 55 of these samples.

Most of the December and January sampling was done between two major underground workings on the property at the La Taverna and Los Gallos Zones, in a zone named El Troze. Sampling in February was conducted on a new showing now called La Planta. A strong hurricane in late 2018 exposed a new outcrop at La Planta. Field crews further exposed this outcrop to reveal previously unknown small-scale workings which were developed on mineralized structures. (see Map 1)

A summary table of the significant values from this sampling campaign follows:

| Sample Number | Sample Width (m) | Au (g/t) | Ag (g/t) |
|---------------|------------------------|----------|----------|
| 40160 | Grab - Hand Select Ore | 22.8 | 1,901.0 |
| 40178 | Grab - Mine Dump | 10.7 | 1,581.0 |
| 40179 | Grab - Mine Dump | 3.2 | 25.9 |

Sample 40160 was a grab sample collected from the La Union zone, where local informal miners (gambusinos) produce small amounts of hand-selected ore, hand crush, and process it. This sample was typical of the material local miners collect from exposed oreshoots within the vein system. (see Photo 1)

Most samples collected from the El Troze zone returned low but anomalous gold (sub 10 ppm) and silver (sub 5 g/t Ag) values. In low-sulfidation epithermal gold-silver systems ore tends to form as oreshoots and lenses within the structure itself in optimum structural and depositional locations. Weakly mineralized sections of these structures are still important in order to follow the surface trace of the fault system, which controls deposition of precious metals. This structure was traced out over 550 metres in strike length. (see Photo 2)

Samples 40178 and 40179 were collected as part of a regional evaluation where Terreno geologists are visiting and assessing areas that haven't previously been tested. These samples were grab type from small mine dumps as the small workings have collapsed. Notably, local informal miners have already reprocessed much of this mine dump material, which suggests high precious metal content in vein material.

The new exposure at the La Planta zone shows a fault breccia which strikes northwest and dips steeply to the northeast. It has an apparent thickness of up to 5.1 metres. The breccia matrix locally has trace amounts of remnant galena, sphalerite, chalcocopyrite, and bornite sulfide mineralization in quartz veinlets. More oxidized areas have azurite and malachite along with abundant iron oxides. The structure has been traced along 80 metres of strike length and appears open. One exploration adit along this structure appears to be at least 20 metres long. (see Photo 3)

Field crews continue with sampling and mapping projects with the objectives of modeling the property-wide Las Cucharas Gold and Silver Project, locating the strongest mineralized zones, defining drill targets for future testing, and evaluating potential new targets in the area. Terreno's exploration advances at Las Cucharas, and those of other operators on neighboring projects, highlight the excellent precious metal potential of this belt. Some notable recent advances in the area are described below.

Significant recent investment and activity in exploration, development, and property acquisition is underway at nearby projects by groups such as GR Silver Mining Ltd., Xali Gold Corp./Candente Gold Corp., and McEwen Mining Inc. These projects are very similar in geology and mineralization style to Las Cucharas. (See Map 2)

GR Silver Mining Ltd. is actively exploring the Plomosas Silver Project, San Marcial Silver-Lead-Zinc Project, and Rosario Gold-Silver projects, which are located 20 and 60 kilometers to the northwest and west of Las Cucharas respectively. In February 2021, GR Silver also completed an agreement with Mako Mining Corp. to acquire the La Trinidad mine facilities and 104,094.5 hectare land holdings in the area. These concessions are adjacent and immediately to the west of Las Cucharas. GR Silver began a 11,900 meter exploration drilling program at Plomosas, and surface geophysics at San Marcial in 2021.

Xali Gold Corp. (previously Candente Gold Corp.) has recently acquired both the SDA mill in Acaponeta, Nayarit, and the El Dorado Gold-Silver Project near Ruiz, Nayarit. The SDA mill is a sulfide flotation plant with a precious metals leach circuit, and was previously owned and operated by Minerales Vane S.A. de C.V. from 2007 to 2017. The El Dorado Project is a past-producing silver and base-metal rich vein system locally known as La Frazada. Underground mining was carried out along a very small section of the potentially 3.5 kilometer long vein system, as outlined in surface mapping. The El Dorado project is located roughly 100 km SSE of our Las Cucharas

In February 2021, McEwen Mining Inc. published a positive feasibility study on the reactivation of the El Gallo mine in the state of Sinaloa, under the name of the Fenix Project. The study projects a 9.5 year mine life based on a resource calculation of 208,000 ounces of gold and 19.5 million ounces of silver at the El Gallo Complex (Willis et al, 2020). El Gallo is located roughly 400 kilometres to the northwest of our Las Cucharas.

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, 1994). This figure represents historic documented mine production and is not an indication of NI 43-101 compliant resources. Las Cucharas 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 El Sauzal, Pinos Altos, Metates, and San Dimas.

The Las Cucharas Project is classified as a volcanic-hosted low-sulfidation epithermal precious metal system with significant mineralization occurring along a six kilometre 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.

Mr. Cary Pothorin, P.Geo., 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.

References

Vargas, J.C. – Coordinacion, 1994, Monografia Geologico-Minera Del Estado de Nayarit: Consejo de Recursos Minerales, Publicacion M-12e, 171 p.

Willis, L., B. Mulvihill, N. Fung, J. Carrasco, Dec. 2020. NI43-101 Feasibility Study for the Fenix Project at McEwen Mining Inc.'s Operations in Sinaloa, Mexico. Prepared for McEwen Mining Inc. GR Engineering Services Ltd. p 4.

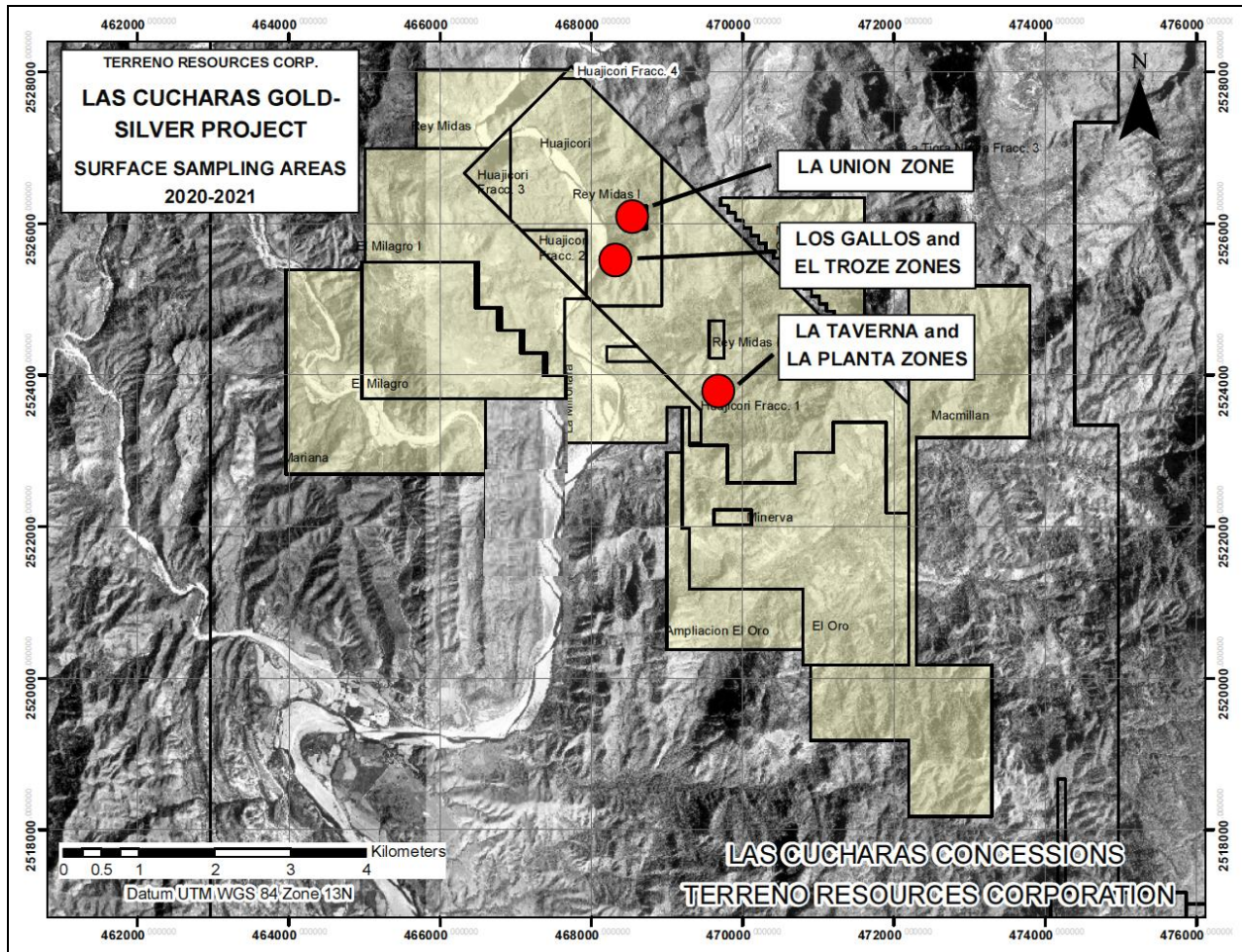
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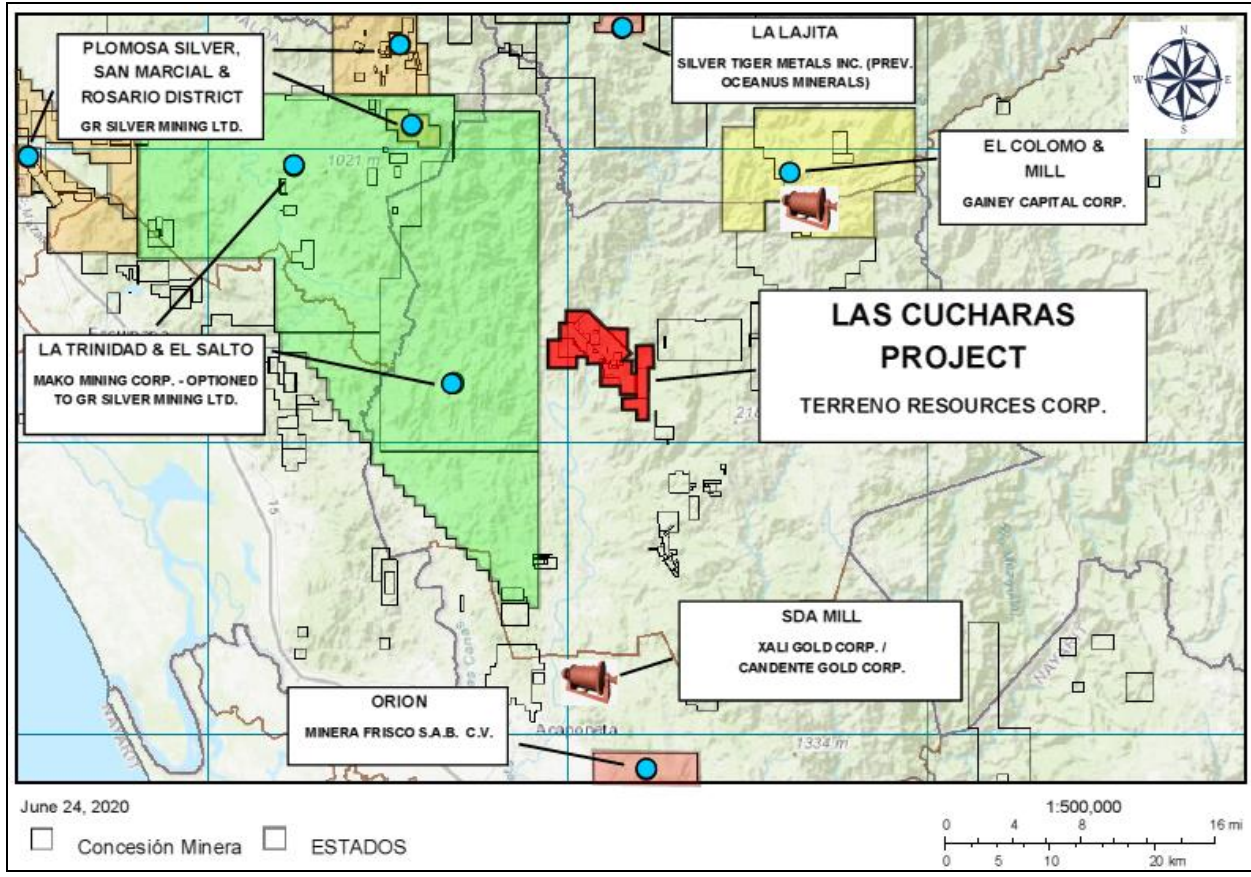
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Map 1 - Concession map of the Las Cucharas Gold and Silver Project showing locations of 2020-2021 sampling areas.



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



Photo 1. La Union Zone small-scale mining. Hand-sorted ore pile to lower right of photo.



Photo 2. El Troze vein exposure.



Photo 3. Mineralized breccia body in the La Planta Zone, including old adit of 20m length.