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TSX-V: TXR
Frankfurt: TX0
OTC Pink: TRXXF

News Release

TerraX drills 129.35 m @ 0.52 g/t Au (includes 32.13 m @ 1.24 g/t Au) at Sam Otto and 2.40 m @ 9.89 g/t Au at new Dave's Pond Zone, Yellowknife.

Vancouver, B.C. – TerraX Minerals Inc. (TSX-V: TXR; Frankfurt: TX0; OTC Pink: TRXXF) is pleased to announce assay results from the remaining 23 holes (6,422.6 meters) from the 2016, drill program at multiple zones on the Yellowknife City Gold Project ("YCG"), immediately north of Yellowknife in the Northwest Territories. Holes reported today are focused on the exploration drilling in the Sam Otto area (14 holes), but also reports three holes each on the Mispickel zone and Walsh Lake reconnaissance north of Mispickel.

Joseph Campbell, the CEO of TerraX, stated "TerraX has envisaged the Sam Otto area as a potential bulk tonnage target that could take advantage of the excellent infrastructure in the Yellowknife area and supplement the potential mine development of our previously reported high grade gold zones. These drill results certainly confirm the bulk tonnage potential with the Main/Hanging Wall Zones, extending gold mineralization for at least 350 meters of strike and 250 meters of depth, with 30-50 meter wide zones of greater than 1 g/t Au. These zones remain open in all directions. Additionally, the higher grade multi-gram intersections reported here are indicating that the area may also host classic high grade lode gold targets common to Archean gold systems in Canada. This large mineralizing system will be tested along strike, dip and plunge directions when drilling resumes in January 2017."

SAM OTTO – Main Zone

Drilling at Sam Otto Main Zone (2 holes totaling 728.6 meters) intersected 100-130 meter wide zones of +/- 0.50 g/t Au within broad zones of lower grade gold mineralization. Highlights include:

- **129.35 m @ 0.52 g/t Au**, including **32.13 m @ 1.24 g/t Au**, including **3.42 m @ 4.77 g/t Au** in hole TSO16-010
- **102.00 m @ 0.53 g/t Au**, including **38.00 m @ 1.04 g/t Au**, including **6.15 m @ 2.89 g/t Au** in hole TSO16-013

Hole TSO16-010 intersected the heart of the Main Zone approximately 220 meters below surface and extends this zone 100 meters deeper than previous drilling. Hole TSO16-013 extends the zone 50 meters further north of previous drilling by TerraX.

SAM OTTO – Hanging Wall

The drilling on the Hanging Wall Zone (4 holes totaling 572.3 meters) was the first drilling by TerraX into this zone leading to the discovery of 85-125 meter wide zones of +/-0.50 g/t Au within broad zones of lower grade gold mineralization similar to the Main Zone. The drilling tested 100 meters of strike on the zone, which is approximately 50-75 meters east and 100 meters north of the Main Zone drilling. Hole TSO16-007 intersected the zone under hole TSO16-006 and tested down to a vertical depth of 100 meters below surface. Highlights include:

- **85.00 m @ 0.53 g/t Au**, including **25.60 m @ 1.13 g/t Au**, including **4.00 m @ 3.82 g/t Au** in hole TSO16-006
- **100.25 m @ 0.51 g/t Au** including **30.75 m @ 1.29 g/t Au**, including **6.50 m @ 3.79 g/t Au** in hole TSO16-007
- **126.23 m @ 0.46 g/t Au** including **13.40 m @ 1.14 g/t Au** and **21.05 m @ 1.16 g/t Au** in hole TSO16-009

SAM OTTO – Dave's Pond

The drilling on the Dave's Pond Zone (4 holes totaling 584 meters) was the first drilling by TerraX into this zone. The first hole, TSO16-005, led to the discovery of a quartz vein shear system with a high grade core. This hole is approximately 150 meters west and 400 meters north of the Sam Otto Main Zone drilling. Hole TSO16-011 also

intersected a quartz vein shear zone 600 meters south and interpreted to be along strike from TSO16-005, generating a long strike potential for this zone. Highlights include:

- **11.50 m @ 2.42 g/t Au** including **2.40 m @ 9.89 g/t Au** in hole TSO16-005
- **2.00 m @ 2.43 g/t Au** in hole TSO16-011

A map and cross sections showing the location of the drill holes reported above from the Sam Otto target area are available on our website under "[Sam Otto 2016 Field Exploration](#)" under "Northbelt" projects section.

MISPICKEL

The last three holes drilled in the fall of 2016 at Mispickel (921.9 meters) were to the north of previously reported drilling. The holes did not target the Mispickel Main Zone which strikes under Walsh Lake. In spite of this the drilling continued to intersect wide low grade zones, including 25.00 meters @ 0.45 g/t Au and 33.00 meters at 0.30 g/t Au in hole TWL16-034. Drilling on the Mispickel Main Zone will continue in January 2017 on ice based drill collars.

MISPICKEL – Northern Extension Reconnaissance

Three holes (1196.7 meters) spaced 200 meters apart targeted the projected extension of the Mispickel Hanging Wall structure over a total of 600 meters of strike length. All holes confirmed the structure continues north beyond the Mispickel area. Results show a wide zone of gold mineralization, including 72.50 meters @ 0.37 g/t Au in hole TWL16-032, with a significant gold zone of 8.58 meters @ 1.10 g/t Au. Drilling on this target area will continue in January 2017 on ice based drill collars.

A map and cross sections showing the location of the drill holes reported above from the Mispickel target area are available on our website under "[Mispickel 2016 Field Exploration](#)" under "Northbelt" projects section.

Drilling on the Northbelt property in 2017 will focus on the prospective Townsite target which is the extension of known ore bearing zones from the Giant Mine.

Sam Otto - Main Zone									
Drill Hole	Dip	Azimuth	UTM Location		From (m)	To (m)	Interval (m)	Au g/t	
			Easting	Northing					
TSO16-010	-60	270	639856	6944595		124.65	254.00	129.35	0.52
					incl.	212.92	245.05	32.13	1.24
					and incl.	226.65	244.05	17.40	2.03
					and incl.	235.23	238.65	3.42	4.77
TSO16-013	-50	270	639841	6944639		103.00	205.00	102.00	0.53
					incl.	122.40	191.35	68.95	0.71
					and incl.	124.40	162.40	38.00	1.04
					and incl.	155.25	161.40	6.15	2.89
Sam Otto - Hanging Wall Zone									
Drill Hole	Dip	Azimuth	UTM Location		From (m)	To (m)	Interval (m)	Au g/t	
			Easting	Northing					
TSO16-006	-45	270	639810	6944845		18.00	103.00	85.00	0.53
					incl.	18.00	43.60	25.60	1.13
					and incl.	19.00	23.00	4.00	3.82
					and incl.	81.68	87.48	5.80	1.51
TSO16-007	-57	270	639810	6944845		19.75	120.00	100.25	0.51
					incl.	19.75	50.50	30.75	1.29
					and incl.	44.00	50.50	6.50	3.79

TSO16-008	-56	270	639808	6944795		8.80	134.00	125.20	0.27
					incl.	50.70	96.90	46.20	0.49
TSO16-009	-55	270	639807	6944750		9.27	135.50	126.23	0.46
					incl.	13.70	27.10	13.40	1.14
					and incl.	52.55	73.60	21.05	1.16
					and incl.	53.25	58.00	4.75	2.52
					and incl.	69.50	73.60	4.10	2.08
Sam Otto - Dave's Pond Zone									
Drill Hole	Dip	Azimuth	UTM Location			From (m)	To (m)	Interval (m)	Au g/t
			Easting	Northing					
TSO16-005	-49	270	639548	6945047		89.00	100.50	11.50	2.42
					incl.	95.60	98.00	2.40	9.89
TWL16-011	-47	90	639193	6944579		106.00	112.63	6.63	0.76
TWL16-012	-47	270	639289	6944574		59.00	61.00	2.00	2.43
					and	68.80	72.30	3.50	0.81
Mispickel									
Drill Hole	Dip	Azimuth	UTM Location			From (m)	To (m)	Interval (m)	Au g/t
			Easting	Northing					
TWL16-034	-43	250	640319	6945942		52.00	77.00	25.00	0.45
					incl.	57.25	62.00	4.75	0.90
					and incl.	65.00	71.10	6.10	0.83
					and	199.00	232.00	33.00	0.30
					incl.	204.00	208.00	4.00	1.11
Mispickel North									
Drill Hole	Dip	Azimuth	UTM Location			From (m)	To (m)	Interval (m)	Au g/t
			Easting	Northing					
TWL16-032	-51	270	640700	6946106		250.50	323.00	72.50	0.37
					incl.	250.50	253.50	3.00	1.59
					and incl.	269.00	273.50	4.50	1.07
					and incl.	299.42	308.00	8.58	1.10

TerraX collected 3589 samples for assay from the drilling reported here. Results ranged from below detection to 24.40 g/t Au. Drill hole collar locations were surveyed to sub-meter accuracy. Down hole surveying (Reflex Gyro) was completed on all holes. TerraX inserts certified standards and blanks into the sample stream as a check on laboratory QC. Drill core samples are cut by diamond saw at TerraX's core facilities in Yellowknife. A halved core sample is left in the core box. The other half core is sampled and transported by TerraX personnel in securely sealed bags to ALS Chemex's (ALS) preparation laboratory in Yellowknife. After sample preparation, samples are shipped to ALS's Vancouver facility for gold and ICP analysis. Gold assays of >3 g/t are re-assayed on a 30 gm split by fire assay with a gravimetric finish. ALS is a certified and accredited laboratory service. ALS routinely inserts certified gold standards, blanks and pulp duplicates, and results of all QC samples are reported.

The technical information contained in this news release has been approved by Joseph Campbell, the Chief Executive Officer of TerraX, who is a Qualified Person as defined in "National Instrument 43-101, Standards of Disclosure for Mineral Projects."

About the Yellowknife City Gold Project

Yellowknife City Gold ("YCG") encompasses 129 sq km of contiguous land immediately north and south of the City of Yellowknife in the Northwest Territories. Through a series of acquisitions, TerraX now controls one of the six major high-grade gold camps in Canada. Being within 15 km of the City of Yellowknife, the YCG is close to vital infrastructure, including transportation, service providers, hydro-electric power and skilled tradespeople.

The YCG lies on the prolific Yellowknife greenstone belt, covering 23 km of strike length on the southern and northern extensions of the shear system that hosted the high-grade Con and Giant gold mines. The project area contains multiple shears that are the recognized hosts for gold deposits in the Yellowknife gold district, with innumerable gold showings and recent high grade drill results that serve to indicate the project's potential as a world-class gold district.

For more information on the YCG project, please visit our web site at www.terraxminerals.com.

On behalf of the Board of Directors

"JOSEPH CAMPBELL"

Joe Campbell
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