



TSX Venture Exchange Symbol: TGC
Frankfurt Stock Exchange Symbol: GLT
Berlin Stock Exchange Symbol: GLT
August 18, 2004

News Release

VANCOUVER (August 18, 2004) - Harvey Keats, President of Terra Nova Gold Corp. announces that results have been received from the diamond drill program on the South Quinn Gold Property, central Newfoundland. Exploration was carried out by Bayswater Ventures Corp., pursuant to an option and joint venture agreement, whereby Bayswater can earn a 95% interest in the South Quinn Property from the Company by incurring an aggregate of \$344,029 of work expenditures on the property on or before May 23, 2005.

The program included approximately 376 metres of drilling in 5 holes. Drill holes were designed to test moderate to strong induced polarization anomalies coincident with anomalous gold soil geochemical values and mineralized quartz-arsenopyrite boulders assaying between 1.2 and 30.8 grams gold per tonne.

The drilling encountered fine grained sediments interbedded with fine grained re-worked felsic tuffs and fine grained mafic tuffs and flows. Quartz-carbonate veining was abundant within the sediments, showing that this area has potential to host gold mineralization.

SQ04-01 and SQ04-02 were collared to test the IP anomaly furthest to the west, line 2100E and 2200E respectively. These holes cut predominately fine grained argillites and siltstones, with minor mafic intrusions. The IP anomaly was explained as graphitic shales with minor amounts of pyrite and pyrrhotite.

SQ04-03 was collared on line 2200E to test an IP anomaly coincident with soil anomalies and favorable geology uncovered by a trenching program completed by Noranda in 1990. The hole also encountered fine grained sediments. A 1.1 meter quartz breccia zone was encountered, but gold assays are insignificant.

SQ04-04 was collared on line 2600E to test the strongest part of the IP anomaly. The hole cut a small quartz-arsenopyrite vein (10cm) which ran 9133 ppb gold. The IP anomaly was explained by nine metres of mafic metavolcanic containing 3-5% pyrrhotite and pyrite.

SQ04-05 was collared on line 2900E to intersect favorable geology and an arsenopyrite vein encountered in a trench completed by Noranda in 1990. The drill hole encountered fine grained mafic metavolcanics but no quartz vein was encountered.

All of the assays have been received, but other than the one significant result in SQ-04-04, all results were insignificant.

The drilling has determined that indications of a major quartz vein structure on surface is only intermittent at depth.

The Company is pleased to acknowledge financial support from the Government of Newfoundland & Labrador in the form a grant totaling \$35,888 under its Junior Company Exploration Assistance Program. The grant will partially reimburse expenditures on the South Quinn Property drill program.

Kerry Sparkes, Director of the Company, is the designated Qualified Person responsible for the technical information in this news release.

On behalf of the Board of Directors,
TERRA NOVA GOLD CORP.

"Harvey Keats"
President

TERRA NOVA GOLD CORP.
3rd Floor, 157 Alexander Street, Vancouver, B.C. Canada V6A 1B8
Tel: (604) 684-0561 □ Fax: (604) 602-9311 □ Toll Free: 1-800-565-5336
Web: www.terranovagold.com □ E-Mail: terranova@bed-rock.com

No regulatory authority has approved or disapproved the information contained in this news release.