

MORE HIGH GRADE RESULTS FROM CAPE RAY GOLD PROJECT

VANCOUVER (September 30, 2004) - Harvey Keats, President of Terra Nova Gold Corp. announces that initial results have been received from the ongoing 2004 diamond drill program on the 04 deposit of the Cape Ray Gold Project, located in southwest Newfoundland.

Work on the 04 deposit by Terra Nova and others, including approximately 18,500 metres of drilling in seventy-seven drill holes, has outlined a multi-vein gold system. The system has two primary veins, known as the A vein and the B Vein, as well as smaller ancillary veins. The 2,500 metre 2004 program was designed to establish the continuity and grade between existing intersections of known mineralization, to test for extensions of known mineralization, and to test for additional mineralization between the 04 and 41 deposits.

Approximately 2,000 metres of drilling has been completed to date, consisting of seven diamond drill holes. The first two holes of the 2004 program, CR-04-10 and CR-04-11 intersected a post-mineralization fault zone and therefore did not test the mineralized zone. CR-04-13 was abandoned due to deviation problems and did not reach its target.

CR-04-12, 14, 15 and 16, all intersected multiple zones of significant gold mineralization, as outlined in the table below. These four holes tested gaps in known mineralization and were drilled from 12.5 to 30 metres away from previously drilled holes. The results provide greater confidence in the continuity and grade of known mineralization.

Hole	From (m)	To (m)	Interval (m)	Grade (g/t Au)	Vein
CR-04-12	170.38	171.91	1.53	2.80	
	220.10	221.63	1.53	3.92	
	224.00	231.95	7.95	10.10	A
	incl. 224.00	225.53	1.53	17.48	
	incl. 228.00	230.44	2.44	17.27	
	incl. 238.70	245.40	6.70	3.30	B
	incl. 244.49	245.40	0.91	16.01	
	251.16	252.07	0.91	1.32	
CR-04-14	162.77	164.30	1.53	6.85	
	223.40	226.46	3.06	32.35	A
	incl. 223.40	224.93	1.53	53.00	
	240.20	241.11	0.91	2.80	
	247.81	250.87	3.06	6.30	B
CR-04-15	193.60	194.51	0.91	1.37	
	201.80	202.71	0.91	10.37	A
	211.50	212.41	0.91	1.66	
	213.36	214.89	1.53	7.31	B
CR-04-16	210.30	211.83	1.53	1.45	
	235.00	242.32	7.32	6.45	A
	incl. 239.57	241.40	1.83	19.28	A

Drilling is ongoing and additional assays for the final three holes of the program will be reported in due course.

The Cape Ray Gold Project is an advanced stage exploration project with four known deposits related to the Cape Ray Fault Zone. The Project has three separate claim groups: 1) the Cape Ray claim group, which contains the 04 and 41 deposits; 2) the Big Pond claim group, which contains the Big Pond deposit; 3) the Isle aux Morts claim group, which contains the Isle aux Morts deposit.

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

This release includes certain statements that may be deemed "forward-looking statements". All statements in this release, other than statements of historical facts, that address future production, reserve potential, exploration drilling, exploitation activities and events or developments that the Company expects are forward-looking statements. Although the Company believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results or developments may differ materially from those in the forward-looking statements. Factors that could cause actual results to differ materially from those in forward-looking statements include market prices, exploitation and exploration successes, continued availability of capital and financing, and general economic, market or business conditions. Investors are cautioned that any such statements are not guarantees of future performance and that actual results or developments may differ materially from those projected in the forward-looking statements. For more information on the Company, Investors should review the Company's registration statement on Form 20-F filing with the United States Securities and its home jurisdiction filings that are available at www.sedar.com.

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