



December 2021 Quarterly Activities Report

Follow-up drilling completed at Valley of the Gossans VMS prospect with assays awaited; EM survey delivers 10 new high-priority targets at Pincunah; \$5.6M capital raising completed to fast-track exploration in 2022

HIGHLIGHTS

Pincunah Project, WA

- New phase of drilling completed at the Valley of the Gossans VMS prospect to test the recently defined mineralised stratigraphy, as well as a chargeability anomaly detected in a recent Induced Polarisation survey – *assays awaited*.
- Soil sampling programme completed to define the extents of the mineralised system – *assays awaited*.
- Maiden helicopter EM survey completed over the Pincunah Project, with 517-line-km flown.
- Multiple high-priority conductive zones defined for follow-up, including:
 - Five hosted in volcanic rocks identified as high-priority Cu-Zn-Pb sulphide VMS drill targets, including one along strike from Valley of the Gossans;
 - Five targets identified in mafic-ultramafic intrusive rocks as Ni-Cu sulphide targets plus a further two targets identified as Cu-Au targets.

Corporate

- \$5.55 million capital raising completed to fast-track the next phase of exploration across the Company's highly prospective Pilbara portfolio, comprising:
 - \$3.5 million raised through an oversubscribed share placement to strategic investors at \$0.115 per share.
 - Share Purchase Plan to eligible investors, which raised \$2.049 million.
- Trek continues to review other potential acquisitions and investments in the resource sector.
- Cash position at 31 December 2021 of \$7.3 million.

OVERVIEW

Trek Metals' CEO Derek Marshall said the December Quarter had been a busy and productive period for the Company, with a second phase of drilling completed at the emerging Valley of the Gossans VMS discovery together with an extensive soil sampling programme, down-hole EM survey and a helicopter-based EM survey which delivered a suite of new high-priority base metals targets across the Pincunah Project area.

“We’ve maintained an active schedule across the final months of the 2021 calendar year, with a fast-tracked drilling program completed at the high-priority Valley of the Gossans target, which is continuing to emerge as a compelling VMS discovery.

“The RC drilling program completed during the Quarter will provide an initial test of an Induced Polarisation anomaly, as well as a number of additional high-priority targets within the extensive footprint at Valley of the Gossans, which extends over 2km.

“We have also been very encouraged by the results of our maiden EM survey over the Pincunah Project area, with preliminary results and interpretation indicating a number of compelling base metal targets.

“One cluster of EM anomalies is located directly along strike from Valley of the Gossans, while the second group comprises a series of strong bedrock responses extending over a strike length of 600m.

“EM surveys have been shown to be an effective tool for defining massive sulphide mineralisation and we are very much looking forward to drilling these newly-defined targets.

“Our ongoing drilling and exploration programs will be underpinned by the strongly supported \$5.55 million capital raising completed during the Quarter, which has put Trek in an exceptionally strong position to continue to unlock the outstanding potential within our Pilbara asset portfolio.”

Pincunah Project

During the Quarter, Trek continued drilling and exploration programs across its 100%-owned Pincunah Gold and Copper Project (E45/4909, E45/4917 & E45/6113), located 100km south of Port Hedland and just 5km south of Kairos Minerals’ (ASX: KAI) 873,500oz Mt York Gold Project in the Pilbara region of Western Australia.

Given the encouraging results to date, Trek progressed multiple exploration activities to further evaluate both the emerging base metal discovery at Valley of the Gossans (VOG) and the broader Pincunah Project.

Valley of the Gossans (VOG)

Trek’s maiden drilling program completed earlier in 2021 delivered highly encouraging results at VOG, highlighting the potential for a large-scale VMS base metal system (*refer ASX: TKM 13th October 2021*). The drilling targeted an extensive >2km long multi-element geochemical anomaly defined by Trek earlier in the year (*refer ASX: TKM 16th February 2021*).

A second round of Reverse Circulation (RC) drilling at VOG was completed during the Quarter comprising 816 metres of RC drilling in three holes (Table 1 & Figure 1) to further test the recently defined base metal mineralised stratigraphy, as well as a chargeability anomaly detected in a recent Induced Polarisation survey (*refer ASX: TKM 22nd April 2021 & Figure 1*).

Given the success of Trek’s previous soil sampling program in defining the significant multi-element anomaly which has since been shown to be related to a large VMS system, the Company extended the soils coverage along strike to define the extent of the system (Figure 2). This work was completed during the Quarter, with geochemical assay results currently pending.

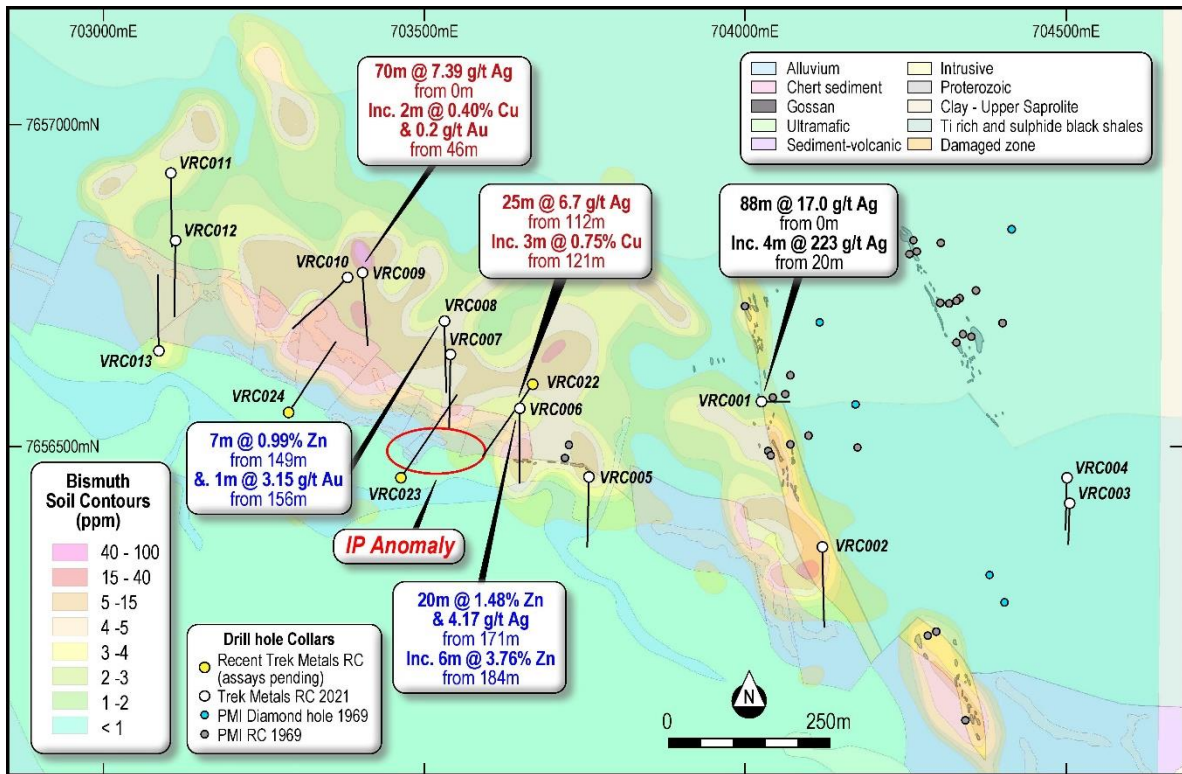


Figure 1: Valley of the Gossans maiden RC collar locations with selected significant intercepts over Bi soil contours, with drill collars from the reporting period in yellow (assays pending).

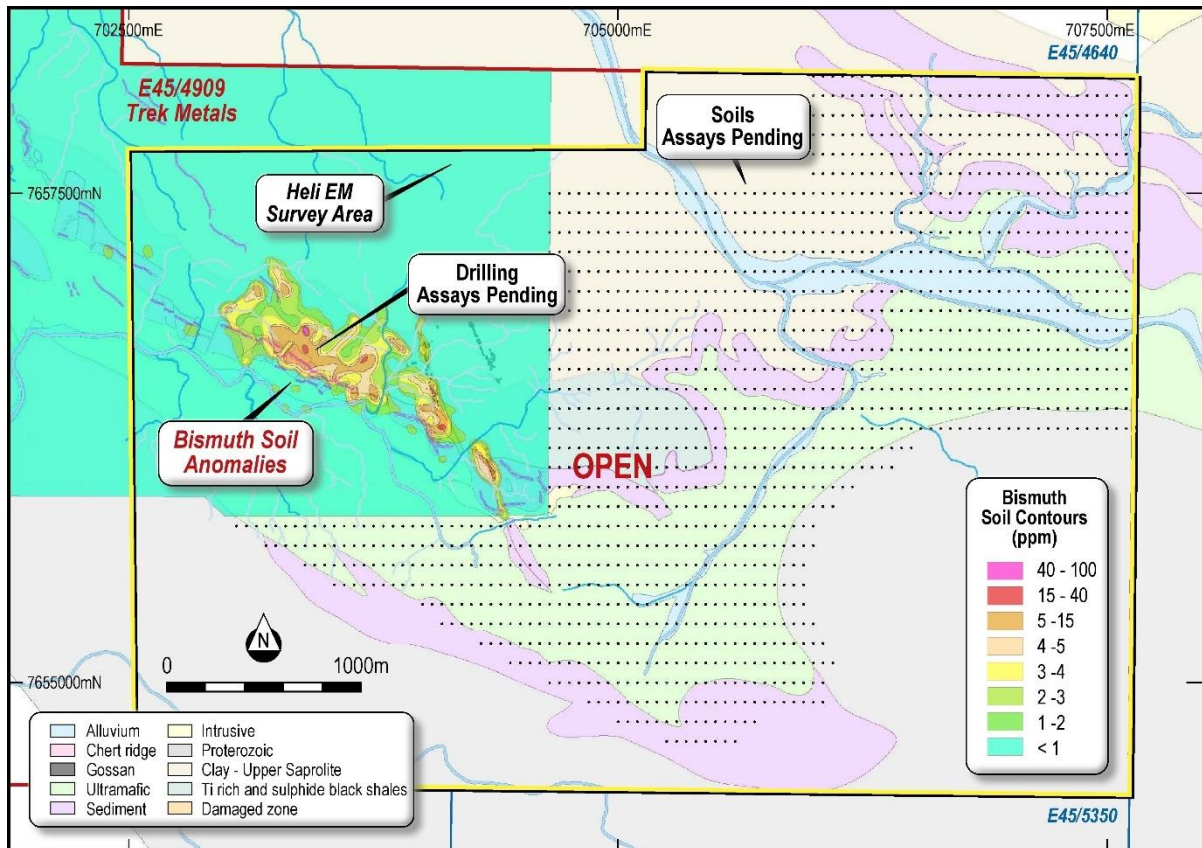


Figure 2: Recently completed work programs at the Valley of the Gossans prospect, showing soil sample locations as black dots (assays pending), helicopter EM survey outline in the yellow box (completed – see below) and location of the follow-up drilling (assays pending) at the emerging discovery below the significant >2km long multi-element soil anomaly.

Table 1 – RC Collar Locations

Hole ID	Easting (m)	Northing (m)	RL (m)	Depth (m)	Azimuth	Dip	Prospect
VRC022	703,668	7,656,594	236	274	215	-60	VOG
VRC023	703,463	7,656,449	222	274	35	-55	VOG
VRC024	703,286	7,656,551	221	268	35	-60	VOG

Four drill-holes from at VOG were cased and subsequently surveyed with down-hole EM. No significant conductors were defined during the survey, however given the extent of the surface geochemical anomaly and the encouraging results from drilling, the prospect is still considered to be a high priority for Trek. The Company is actively pursuing alternative targeting options, as well as planning for deeper diamond drilling during 2022.

Pincunah Helicopter EM Survey

Trek completed a highly successful maiden helicopter-borne electromagnetic (EM) survey over the Pincunah Project during the December Quarter, identifying multiple high-priority base metal targets.

The preliminary data and results interpreted from the high-resolution Xcite™ EM and magnetic survey have further reinforced the prospectivity of the Pincunah Project for significant new discoveries, particularly in light of recent encouragement from the emerging Valley of the Gossans VMS system.

The survey has defined 10 high priority zones (see Table 2 & Figure 3) with anomalous conductive responses that represent compelling volcanogenic massive sulphide (VMS) copper-zinc-lead (Cu-Zn-Pb), magmatic nickel-copper (Ni-Cu) and intrusive-related copper-gold (Cu-Au) targets.

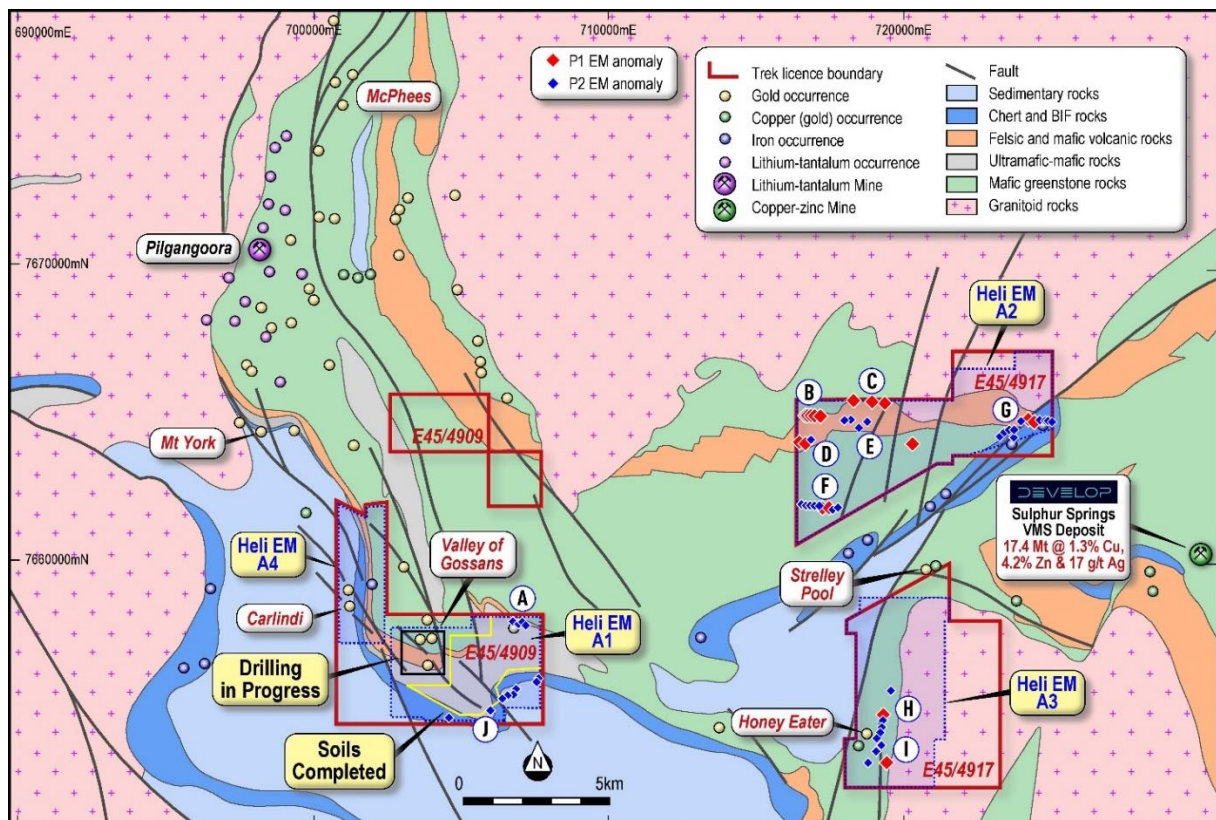


Figure 3: Helicopter electromagnetic conductive anomalies representing base metal VMS & Ni-Cu targets at Trek's 100%-owned Pincunah Project. Late time conductors in red diamonds and mid-time in blue diamonds.

Table 2: Summary of preliminary Xcite™ conductors at Trek’s 100%-owned Pincunah Project, with the anomalies assigned alphabetical names (see Figure 2 for location), number of individual profile line picks (P1 = priority 1 & P2 = priority 2), target mineralisation style & brief commentary.

Anomaly	Block	P1 Picks	P2 Picks	Target	Comment
A	A1		4	Cu-Zn-Pb	Multi-line conductive response, interpreted to occur within the same stratigraphic horizon as the recently discovered Valley of the Gossans - high priority target .
B	A2	4	1	Cu-Zn-Pb	Consecutive response over 600m strike. Strong late time response across multiple lines - high priority target . Lower contact of the Coucal volcanic package
C	A2	3		Cu-Zn-Pb	Same stratigraphic location as anomaly B. Discrete late time responses across three lines spread over 1km of strike
D	A2	2	1	Cu-Zn-Pb	Two consecutive strong late time responses. Coucal / Double Bar volcanic package contact – geological context upgrades target
E	A2		4	Cu-Zn-Pb & Ni-Cu	Coucal / Double Bar volcanic package contact & two picks within cross-cutting ultramafic unit
F	A2	2	7	Ni-Cu & Cu-Au	Consecutive response over 1.2km of strike within Euro Basalt. Possibly stratigraphic, but strong double peak, increasing at centre of anomaly upgrades target - high priority target
G	A2	2	11	Fe	Cleaverville Formation; stratigraphic banded iron
H	A3	1	8	Cu-Au & Ni-Cu	Consecutive response over 1.2km of strike within Euro Basalt. Possibly stratigraphic or Cu-Au related. Single late time conductor may be related to Dalton Suite ultramafic
I	A3	1		Ni-Cu	Single strong late time conductor at contact of Dalton Suite ultramafic
J	A1		1	Ni-Cu	Single conductor at contact of Dalton Suite ultramafic, possibly stratigraphic

The helicopter-borne EM program was designed to cover both the Valley of the Gossans and the greater Pincunah Project area (Figure 3) in order to define significant conductive bodies related to massive sulphide mineralisation.

The highest priority targets defined are:

- Anomaly A (Table 2 & Figure 3), which is interpreted to sit within the same stratigraphic horizon along strike from the recently discovered VMS base metal system at Valley of the Gossans.
- Anomaly B (Table 2 & Figures 3 & 4), which occurs as a cohesive multi-line conductive zone over 600m strike length sitting at the base of the mapped volcanic Coucal Formation (<https://asud.ga.gov.au/search-stratigraphic-units/results/32211>).

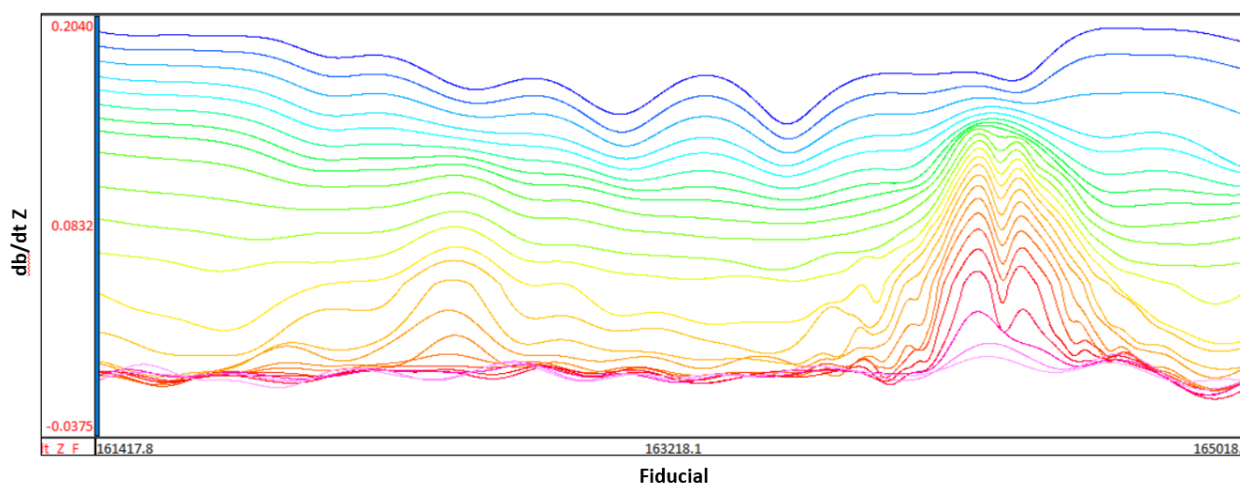


Figure 4: Preliminary Xcite profile line data showing strong conductive anomalism into late time (red-pink) channels from anomaly “B” at Honeyeater North, indicative of a strong bedrock source, representing a priority VMS target.

- Anomaly F (Table 2 & Figure 3), which has a consecutive response over 1.2km of strike within Euro Basalt. This anomaly is possibly stratigraphic, however the strong double peak anomalism increasing in amplitude towards the centre of anomaly makes this a high priority target.

Tambourah Project

The Tambourah Project (E45/5484 & E45/5839) is considered highly prospective for gold deposits with at least 13 known gold occurrences and old mining workings located on the project. The Project encompasses the central portion of the 15km long Western Shaw Greenstone Belt, which occurs on the eastern limb of an anticline folded around the Tambourah Dome. The greenstone rocks comprise Archean-aged metavolcanic, metasedimentary, and various granitoids that occur as large plutons and smaller intrusives.

Trek previously reported exceptional high-grade results of up to **178g/t Au** from rock chip samples taken preliminary reconnaissance fieldwork on E45/5484 in 2021. The prospectivity of the area is supported by other high-grade results from nearby samples including 13.0g/t Au and 5.79g/t Au (refer ASX: TKM 2nd August 2021).

No field activities were conducted during the December Quarter. A detailed assessment of historical data is ongoing for the greater Tambourah region. Field work to follow up the highly encouraging rock chip results is planned for Q1 2022.

Jimblebar Project

The Jimblebar Project (E52/3605, E52/3672 & E52/3983) has encouraging Ni-Cu sulphide targets remaining from historic exploration. A reconnaissance trip during the quarter successfully located historic drill collars, allowing for accurate drill-hole design for planned drilling during 2022.

Other Projects

Trek continues to review other potential acquisitions and investments in the resource sector. As part of ongoing evaluation of new opportunities during the quarter, the Company created a new subsidiary (Anaheim Pty Ltd) and applied for five new mineral tenement applications.

The Company holds four pending mineral title applications in the Northern Territory which are progressing through the Northern Land Council Negotiating Period.

The Kroussou Project (G4-569) is subject to a Earn-in Agreement (EIA) with Apollo Minerals Limited (ASX: AON, Apollo). Apollo Minerals are the Manager of the Project and are actively exploring (<https://apollominerals.com/kroussou/>). The key terms of the EIA with Apollo Minerals are described in the ASX Release of 4 September 2019.

CORPORATE

Capital Raising

Trek completed a \$5.55 million capital raising during the December Quarter to fast-track the next phase of exploration across its highly prospective Pilbara portfolio, including the emerging VMS discovery at the Valley of the Gossans prospect.

The capital raising comprised a share placement of 30.43 million shares at an issue price of \$0.115 per share to existing and new professional, sophisticated and other institutional investors to raise a total of \$3.5 million (Placement).

In addition, the Company also undertook a Share Purchase Plan (SPP or Plan) to eligible shareholders on the same terms as the placement which raised an additional \$2.049 million, increasing the total raising to ~\$5.55 million. Trek's Directors took up their full entitlement in the SPP.

Cash Position/Expenditure

The Company held cash reserves of approximately \$7.3 million at the end of the quarter (Refer Appendix 5B). During the quarter key expenditure items included:

- Exploration and Evaluation – \$651k
- Staffing Costs – \$120k

During the quarter, the company made payments of: -

- Normal executive directors' consulting fees of \$45k to Mr John Young;
- Normal non-executive directors' fees of \$34k;
- Additional executive services for the capital raising of \$22k paid to Kalonda Pty Ltd/Leibowitz Corporate, a company controlled by Mr Tony Leibowitz.

Payment of office and administration costs of \$9k were made to Bardoc Gold Limited, a related party of the Company (refer Appendix 5B).

Authorised by the Board of Directors

MORE INFORMATION

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Competent Persons Statement

The information in this report relating to Exploration Results is based on information compiled by the Company's Chief Executive Officer, Mr Derek Marshall, a Competent Person, and Member of the Australian Institute of Geoscientists (AIG). Mr Marshall has sufficient experience relevant to the style of mineralisation and to the type of activity described to qualify as a competent person as defined in the 2012 Edition of the

“Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves.” Mr Marshall has disclosed that he holds Performance Rights in the Company. Mr Marshall consents to the inclusion in this announcement of the matters based on his information in the form and content in which it appears.

Tenement Schedule/Movements

Tenement	Holder	Last Qtr Interest	Current Qtr Interest
E45/4909 (Western Australia)	ACME Pilbara Pty Ltd (100% owned subsidiary)	100%	100%
E45/4917 (Western Australia)	ACME Pilbara Pty Ltd (100% owned subsidiary)	100%	100%
E52/3605 (Western Australia)	ACME Pilbara Pty Ltd (100% owned subsidiary)	100%	100%
E52/3672 (Western Australia)	ACME Pilbara Pty Ltd (100% owned subsidiary)	100%	100%
E45/5484 (Western Australia)	ACME Pilbara Pty Ltd (100% owned subsidiary)	100%	100%
E45/5839 (Western Australia)	ACME Pilbara Pty Ltd (100% owned subsidiary)	100%	100%
E45/6113 (appl.) (Western Australia)	ACME Pilbara Pty Ltd (100% owned subsidiary)	0%	100%
E52/3983 (appl.) (Western Australia)	ACME Pilbara Pty Ltd (100% owned subsidiary)	100%	100%
E70/6000 (appl.) (Western Australia)	ANAHEIM Pty Ltd (100% owned subsidiary)	0%	100%
E70/6001 (appl.) (Western Australia)	ANAHEIM Pty Ltd (100% owned subsidiary)	0%	100%
E70/6002 (appl.) (Western Australia)	ANAHEIM Pty Ltd (100% owned subsidiary)	0%	100%
E70/6003 (appl.) (Western Australia)	ANAHEIM Pty Ltd (100% owned subsidiary)	0%	100%
E70/6004 (appl.) (Western Australia)	ANAHEIM Pty Ltd (100% owned subsidiary)	0%	100%
G4-569 (Gabon)	Select Explorations Gabon SA (Wholly owned subsidiary of Trek Metals Limited) (Subject to EIA with Apollo Minerals Limited)	100%	100%
EL31260 (appl.) (Northern Territory)	TM Resources Pty Ltd (100% owned subsidiary)	100%	100%
EL31261 (appl.) (Northern Territory)	TM Resources Pty Ltd (100% owned subsidiary)	100%	100%
EL31751 (appl.) (Northern Territory)	TM Resources Pty Ltd (100% owned subsidiary)	100%	100%
EL31752 (appl.) (Northern Territory)	TM Resources Pty Ltd (100% owned subsidiary)	100%	100%

REGISTERED OFFICES – TREK METALS LIMITED ARBN 124 462 826

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Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

TREK METALS LIMITED

ARBN

124 462 826

Quarter ended ("current quarter")

31 DECEMBER 2021

Consolidated statement of cash flows	Current quarter \$AUD'000	Year to date (6 months) \$AUD'000
1. Cash flows from operating activities		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation	-	-
(b) development	-	-
(c) production	-	-
(d) staff costs	(120)	(280)
(e) administration and corporate costs	(117)	(392)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	7	17
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other (provide details if material)	-	-
1.9 Net cash from / (used in) operating activities	(230)	(655)

2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) tenements	(8)	(8)
(c) property, plant and equipment	(6)	(211)
(d) exploration & evaluation	(651)	(1,861)
(e) investments	-	-
(f) other non-current assets	-	-

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$AUD'000	Year to date (6 months) \$AUD'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	(665)	(2,080)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	5,536	5,536
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	28
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(239)	(239)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	5,297	5,325

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	2,910	4,722
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(230)	(655)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(665)	(2,080)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	5,297	5,325

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$AUD'000	Year to date (6 months) \$AUD'000
4.5	Effect of movement in exchange rates on cash held	3	3
4.6	Cash and cash equivalents at end of period	7,315	7,315

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$AUD'000	Previous quarter \$AUD'000
5.1	Bank balances	7,293	2,889
5.2	Call deposits	22	21
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	7,315	2,910

6.	Payments to related parties of the entity and their associates	Current quarter \$AUD'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	55
6.2	Aggregate amount of payments to related parties and their associates included in item 2	34
Note: Payment of Directors & Consulting Fees and office expenses (Refer Activities report)		

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

7. Financing facilities	Total facility amount at quarter end \$AUD'000	Amount drawn at quarter end \$AUD'000
<i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i>		
<i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>		
7.1	-	-
7.2	-	-
7.3	-	-
7.4	-	-
7.5	Unused financing facilities available at quarter end	
		-
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.	

8. Estimated cash available for future operating activities	\$AUD'000
8.1	(230)
8.2	(651)
8.3	(881)
8.4	7,315
8.5	-
8.6	7,315
8.7	8.30
<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>	
8.8	If item 8.7 is less than 2 quarters, please provide answers to the following questions:
8.8.1	Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?
	Answer: N/A
8.8.2	Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?
	Answer: N/A

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: N/A

Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 27 January 2022

Authorised by: By the Board of Directors

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.