

TRAKA RESOURCES LIMITED
ACN 103 323 173

SUPPLEMENTARY PROSPECTUS

1. IMPORTANT INFORMATION

This is a supplementary prospectus (**Supplementary Prospectus**) which supplements and is intended to be read with the prospectus dated 15 December 2023 (**Prospectus**) issued by Traka Resources Limited (ACN 103 323 173) (**TKL** or **Company**).

This Supplementary Prospectus is dated 22 December 2023 and was lodged with the ASIC on that date.

The ASIC, the ASX and their respective officers take no responsibility for the contents of this Supplementary Prospectus.

This Supplementary Prospectus should be read together with the Prospectus. Other than as set out below, all details in relation to the Prospectus remain unchanged. Terms and abbreviations defined in the Prospectus have the same meaning in this Supplementary Prospectus. If there is a conflict between the Prospectus and this Supplementary Prospectus, this Supplementary Prospectus will prevail.

This Supplementary Prospectus will be issued with the Prospectus as an electronic prospectus, copies of which can be downloaded from the website of the Company at <https://www.trakaresources.com.au/>.

This is an important document and should be read in its entirety. If you do not understand it, you should consult your professional advisers without delay.

The Directors believe that the changes in this Supplementary Prospectus are not materially adverse from the point of view of an investor. Accordingly, no action needs to be taken if you have already subscribed for New Shares under the Prospectus.

2. PURPOSE OF THIS DOCUMENT

The purpose of this Supplementary Prospectus is to provide Shareholders with additional disclosure with respect to Joshua Gordon's agreement to sub-underwrite the Offer (see section 3 of this Supplementary Prospectus).

The Company considers the information in this Supplementary Prospectus to be information which is material to the prospects of TKL for the purposes of section 711(4) of the Corporations Act.

3. AMENDMENTS TO THE PROSPECTUS

The following additional information or amendments are made to the Prospectus.

3.1 Chairman's Letter

Section 1 (Chairman's Letter) of the Prospectus is amended by inclusion and insertion of the following:

The Company's financial report for the year ended 30 June 2023 (Financial Report) includes a note on the financial condition of the Company and the

possible existence of a material uncertainty about the Company's ability to continue as a going concern. Notwithstanding the 'going concern' paragraph included in the Financial Report, the Directors believe that upon the successful completion of the Offer, the Company will have sufficient funds to adequately meet the Company's current exploration commitments and short term working capital requirements. However, it is highly likely that further funding will be required to meet the medium to long term working capital costs of the Company.

As detailed in section 2.6 of the Prospectus, the Underwriter does not currently own any shares in the Company, however, it is noted that, dependent on the level of any Shortfall, the Underwriter may end up becoming a substantial shareholder in the Company. In the highly unlikely scenario that no New Shares are taken up by any Eligible Shareholder, sub-underwriter or any other eligible party, this would result in the Underwriter holding a 50% interest in the Company.

While the Company is busy advancing its existing projects, ongoing efforts to identify new project opportunities remains an important objective (June 2023 Quarterly Report).

3.2 Sub-underwriting

Section 2.5 of the Prospectus is amended by inclusion and insertion of the following:

Joshua Gordon ("**Sub-Underwriter**" or "**Joshua Gordon**") (who it is proposed to be a director of the Company upon completion of the Offer and is therefore a related party), has agreed to sub-underwrite a portion of the Underwritten Amount, being \$50,000 representing 25,000,000 Shares (**Sub-Underwritten Amount**).

Joshua Gordon will not be paid a fee for services provided in relation to the Sub-Underwritten Amount.

3.3 Effect of control

Joshua Gordon Sub-Underwriting

Section 2.6 of the Prospectus is amended by inclusion and insertion of the following:

As at the date of this Prospectus, the Sub-Underwriter does not hold any Shares in the Company (0%). The maximum number of Shares the Sub-Underwriter will have a relevant interest in post completion of the Offer assuming he subscribes for his full Sub-Underwritten amount is 25,000,000 equating to a voting power of 1.43% in the Company.

It is proposed that Joshua Gordon be appointed as a Non-Executive Director upon completion of the Offer. It is additionally proposed that Joshua Gordon's remuneration include a director fee of A\$50,000 per annum plus statutory superannuation. It is noted that while Joshua Gordon does not currently own any shares in the Company, he may receive further compensation for work performed above and beyond the duties of a Non-Executive Director and/or certain performance incentives subject to shareholder approval.

It is noted that subject to the Shortfall Offer allocation policy for the Shortfall Offer as set out in Section 3.6 of the Prospectus, up to 25,000,000 New Shares may be allocated to the Sub-Underwriter in accordance with its sub-underwriting arrangement.

The intention of the sub-underwriting commitment of the Sub-Underwriter is to ensure that the Company has sufficient funds for its ongoing operations. There is no potential effect on control, with the pricing of the Offer at an attractive level and each Eligible Shareholder having the ability to apply for additional Shortfall as part of the dispersion strategy for the Company.

3.4 Purpose of Offer

The "Notes" of Section 4.1 of the Prospectus is amended by inclusion and insertion of the following additional "Notes":

3. \$220,000 short-term working capital facility provided by a company associated with director, Mr Joshua Pitt, bearing no interest and with no fixed repayment terms. The Company notes that the agreed short-term working capital facility amount was \$200,000 at 30 June 2023 but has since been increased to \$220,000.

4. the Administration amount of \$541,112 consists of the following items:

- a. Current trade creditors including invoices for lab analysis from earlier drilling programs;
- b. Expenses of the offer as detailed in section 7.8 of the Prospectus;
- c. Director salaries and superannuation as disclosed in the above 'Note 2';
- d. Office rent and related costs;
- e. Company secretary fees;
- f. Audit and tax expenses; and
- g. Share registry expenses.

3.5 Effect on Statement of Financial Position:

Section 4.4 of the Prospectus is amended by inclusion and insertion of the following "Notes":

1. We note the increase in "Trade and other payables" since the 30 June 2023 Annual Report is due to the receipt of invoices for laboratory analysis of assays from the drill programs completed during the March 2023 quarter, received subsequent to year end.

4. CONSENTS

The Company confirms that as at the date of this Supplementary Prospectus, each of the parties that have been named as having consented to being named in the Prospectus have not withdrawn that consent.

5. DIRECTORS' AUTHORISATION

The Board confirms that this Supplementary Prospectus is issued by the Company and its issue has been authorised by the Directors.

In accordance with section 720 of the Corporations Act, each Director has consented to the lodgement of this Supplementary Prospectus the ASIC.