

31 October 2024

## SEPTEMBER 2024 QUARTERLY ACTIVITIES REPORT

### HIGHLIGHTS

#### THE GORGE CREEK PROJECT

- Permit applications to enable land access currently are ongoing. Priority drill program for Typhoon and Hercules SEDEX Targets planned, as well as an exploration program targeting REE and uranium.

#### THE CRANBROOK PROJECT

- Land access permits for priority targets now completed.
- Maiden drill program targeting REE currently being planned subject to requisite Government approvals.

#### THE MAVAGO AND MEPONDA PROJECTS

- After Quarter end, Traka has concluded due diligence and subsequently withdrawn from the Mavago and Meponda Projects.

### CORPORATE

- Appointment of Mr Steve Lynn as Chief Executive Officer and Mr Jay Stephenson as Non-Executive Director and Joint Company Secretary.
- Capital raising of \$390,000 (before costs) in a placement of shares to professional and sophisticated investors.

The July to September 2024 quarter was a productive period for Traka Resources Limited ("Traka" or "the Company") (ASX:TXL), with steady progress across its exploration portfolio and significant leadership renewal. A focus on exploration at Gorge Creek and Cranbrook, coupled with ongoing assessments at Mt Cattlin, has positioned the Company well to unlock further value from its Australian assets. The Company remains focused on pursuing new investment and growth opportunities. Following a thorough evaluation of the Mozambique Project, completed after the Quarter's end, Traka has strategically decided to withdraw from the project, allowing it to allocate resources toward more promising ventures.

Leadership transitions during this quarter, including the appointment of Steve Lynn as CEO, demonstrate a revitalized focus on operational excellence and strategic development. With solid financial backing, a strong exploration pipeline and commitment to transformative project acquisition, Traka is poised for an exciting finish to 2024, ready to deliver long-term value to shareholders and stakeholders alike.

## GORGE CREEK PROJECT

Gorge Creek remains our flagship project where we are targeting SEDEX-style lead and zinc deposits along the Fish River Fault Zone. Upcoming exploration will also assess radiometric uranium anomalies along the Fish River Formation and investigate rare earth element (REE) mineralization within the phosphate-rich Peters Creek Volcanic unit.

Work this quarter concentrated on acquiring the requisite land access agreements with local Heritage groups. Work is progressing well, and we anticipate resolution in the near term.

Preparatory work to recommence exploration activity work, once land access agreements are in place, is underway. A diamond drill program is being prepared for the Typhoon and Hercules Prospects, which are exciting large-scale and flat-lying lead and zinc metal dominant targets of the Sedimentary Exhalative type (SEDEX). The RC pre-collars at these targets have already been completed, which will facilitate rapid exploration progress and assessment once regulatory approvals are in place.

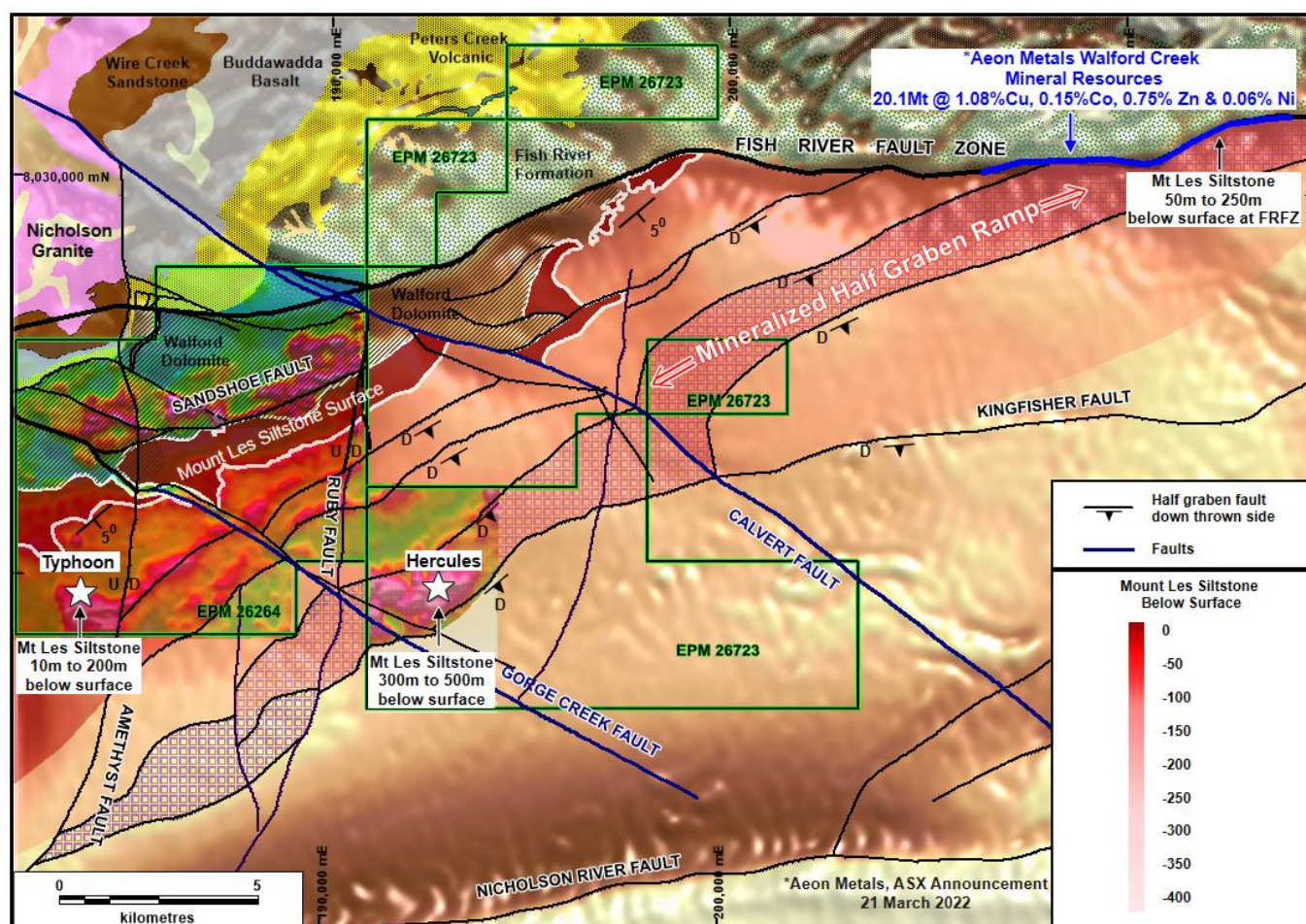


Figure 1. An aeromagnetic image showing geology and structures highlighting the key position of the Typhoon and Hercules SEDEX drill targets.



Traka is targeting strong unconformity, structural and dyke related radiometric uranium anomalies in a geological setting similar to that which hosts mineralisation at the nearby Westmorland Uranium Project. In addition, Traka is also targeting potential REE mineralisation at Gorge Creek. Here REE prospectivity is associated with geological unconformities and within the Nicholson Granite. The combined strike length of the unconformities at Gorge Creek is approximately 30 kms.

Preparatory and planning work to commence exploration to assess the uranium and REE potential is underway and is also subject to the necessary regulatory approvals being in place.

## CRANBROOK PROJECT

The Cranbrook Project comprises 3 Exploration Licences that covers an area of 900 sq km and overlies the Albany Fraser Orogen Zone. The Project is being explored for clay and rock hosted REE mineralisation.

Work this Quarter resulted in securing land access agreements over priority geophysical and geochemical targets. Subject to requisite Government approvals, a maiden drill program to evaluate these targets is planned to commence in the near term.

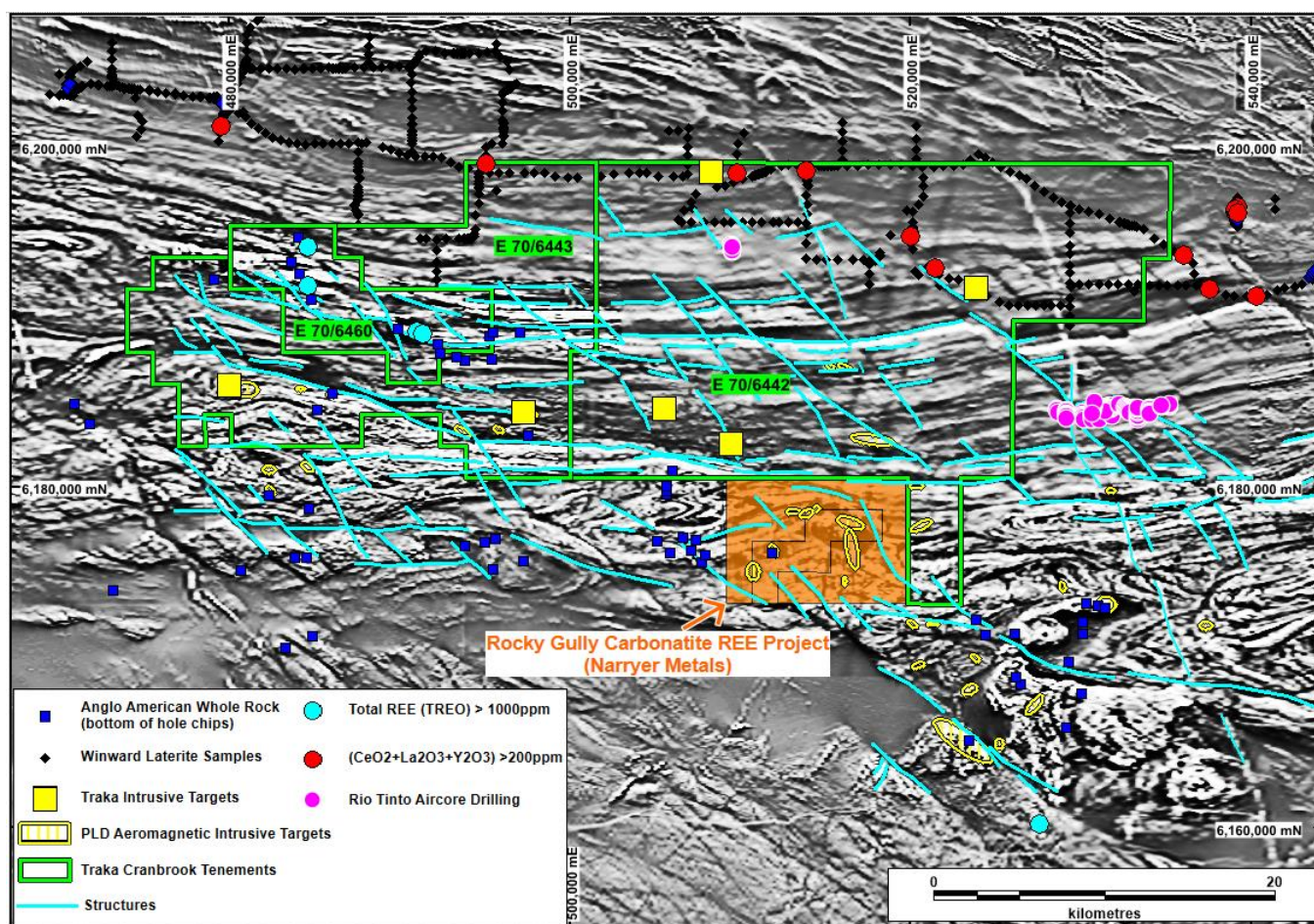


Figure 2. The Cranbrook Project over an aeromagnetic showing the location of historic sampling results and the position of targeted aeromagnetic anomalies.

## **THE MAVAGO AND MEPONDA PROJECTS**

On 27 June 2024 the Company announced that it has entered into an exclusive 3-month Option Agreement to acquire an 80% interest in the Mavago and Meponda Rare Earth Element (REE) and Niobium (Nb) Projects in the Niassa Province of north-western Mozambique<sup>(1)</sup>. The agreement is subject to completion of a positive outcome to a due diligence investigation and the Company obtaining all necessary regulatory, shareholder and third-party approvals.

Traka announced, at post Quarter end, on 11 October 2024<sup>(2)</sup>, that it had withdrawn from the option agreement for this project. Following due diligence, the project was deemed misaligned with the Company's strategic objectives. With no further payments required beyond the initial option fee, Traka will focus on reviewing high-potential base, battery, and precious metal projects while continuing to advance its existing assets at Gorge Creek and Cranbrook.

## **MT CATTLIN GOLD-COPPER-REE PROJECT**

There has no reportable activity on this project during this quarter.

## **NEW PROJECTS**

The Company continues to identify and review new complementary projects which can potentially add value for shareholders via acquisition

## **CORPORATE**

The quarter saw key leadership transitions, marking an important step in the Company's evolution:

- Steve Lynn officially took on the role of Chief Executive Officer on 22 July 2024.
- Long-serving directors Patrick Verbeek and Joshua Pitt stepped down on 31 August 2024, after making significant contributions to the Company's growth over many years.
- On 2 September 2024, Jay Stephenson joined the board as a Non-Executive Director and Joint Company Secretary.

These changes reflect Traka's commitment to strengthening leadership as it embarks on the next phase of exploration and development.

Announced on 28 June and concluding on 18 July, the Company raised \$390,000 (before costs) in a placement of shares to professional and sophisticated investors, issuing 195,000,000 shares at \$0.002 per share with 2 for 1 attaching unlisted options. The additional funds from Tranche 2 of the placement remain outstanding and the shares are yet to issued.

The capital structure of the Company, following the placement, at quarter end, is:

Ordinary Fully Paid Shares	1,945,658,554
TKLAW Options expiring 15 Dec 2026 at \$0.005	622,697,559
Director Options expiring on 29 Nov 2024 at \$0.0163	2,000,000
Director Options expiring on 24 Nov 2025 at \$0.008	2,000,000
Staff Options expiring 24 May 2025 at \$0.013	650,000

## PAYMENTS TO RELATED PARTIES

As reported in Section 6 of the Appendix 5B Quarterly Cash Flow Report, payments to related parties include:

	\$
Remuneration of Executive Director for consulting services	39,730
Director fees and superannuation	49,132
Reimbursement of director expenses	504
Rent of storage space paid to entity associated with a director	<u>1,029</u>
Total	<u>90,395</u>

## ASX Additional Information

1. ASX Listing Rule 5.3.1 – Mining exploration activities and investment activity expenditure during the quarter was \$130,000. Full details of the activity during the quarter are set out in this report.
2. ASX Listing Rule 5.3.2 – Mining production and development activity expenditure for the quarter was Nil and there were no substantive mining exploration activities for the quarter.

Authorised by the Board

Steve Lynn

**Chief Executive Officer**

- (1) Traka ASX Announcement 27 June 2024 – Acquisition of potentially transformative REE and Niobium projects.
- (2) Traka ASX Announcement 11 October 2024 – Withdrawal from the Mavago and Meponda Option Agreement.

## COMPETENT PERSON'S STATEMENT

The information in this report that relates to Exploration Targets, Exploration Results, Mineral Resources or Ore Reserves is based on and fairly represents information compiled and reviewed by Mr Steve Lynn, a Competent Person who is a Member of the Australian Institute of Geoscientists (AIG) and Chief Executive Officer of Traka Resources Limited. Mr Lynn has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which he has undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Lynn consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Where reference is made to previous releases of exploration results in this announcement, the Company confirms that it is not aware of any new information or data that materially affects the information included in those announcements and all material assumptions and technical parameters underpinning the exploration results included in those announcements continue to apply and have not materially changed.

The information in this report that relates to previous Exploration Results was prepared and first disclosed under the JORC Code 2012 and has been properly and extensively cross-referenced in the text to the date of the original announcement to the ASX.

## FORWARD-LOOKING STATEMENT

This document may include forward-looking statements. Forward-looking statements include, but are not limited to, statements concerning Traka Resources Limited planned exploration program(s) and other statements that are not historical facts. When used in this document, the words such as "could," "plan," "estimate," "expect," "intend," "may", "potential," "should," and similar expressions are forward looking statements.

**TRAKA RESOURCES LIMITED**  
**MINERAL TENEMENT INFORMATION (ASX Listing Rule 5.3.3)**  
**For the quarter ended 30 June 2024**

Type	Tenement	Location	Registered Holding	Beneficial Interest
E	69/2749	Musgrave, WA	0%	Note 1
E	69/3156	Musgrave, WA	0%	Note 1
E	69/3157	Musgrave, WA	0%	Note 1
E	69/3490	Musgrave, WA	0%	Note 1
E	69/3569	Musgrave, WA	0%	Note 1
P	74/0370	Ravensthorpe, WA	0%	Note 2
P	74/0373	Ravensthorpe, WA	0%	Note 2
E	74/0401	Ravensthorpe, WA	0%	Note 2
E	74/0636	Ravensthorpe, WA	0%	20%
EPM	26264	Gorge Creek, QLD	100%	100%
EPM	26723	Gorge Creek, QLD	100%	100%
EPM	28762	Gorge Creek, QLD	100%	100%
E	70/6442	Cranbrook, WA	100%	100%
E	70/6443	Cranbrook, WA	100%	100%
E	70/6460	Cranbrook, WA	100%	100%
E	11177	Meponda, Mozambique	0%	Note 3
E	11411	Mavago, Mozambique	0%	Note 3

**Mining tenements and beneficial interests acquired during the quarter, and their location:**

Type	Tenement	Location	Registered Holding		Beneficial Interest	
			From	To	From	To
E	11177	Meponda, Mozambique	0%	0%	0%	0%
E	11411	Mavago, Mozambique	0%	0%	0%	0%

**Mining tenements and beneficial interests disposed of during the quarter, and their location:**

None

Note 1: the Company retains a 2% net smelter return royalty on all minerals produced from these tenements.

Note 2: the Company holds a 100% interest in the gold and other minerals excluding pegmatite minerals.

Note 3: the Company has an Exclusive Option, subject to positive outcome to due diligence, to acquire 80% interest in the Meponda and Mavago Projects in Mozambique.

Key:

E: Exploration licence

EA: Exploration licence application

P: Prospecting licence

EPM: Exploration permit mineral

## Appendix 5B

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

Name of entity

Traka Resources Limited

ABN

63 103 323 173

Quarter ended ("current quarter")

30 September 2024

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
<b>1.</b>	<b>Cash flows from operating activities</b>		
1.1	Receipts from customers	-	-
1.2	Payments for		
	(a) exploration & evaluation	(130)	(130)
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(77)	(77)
	(e) administration and corporate costs	(92)	(92)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	2	2
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other	1	1
<b>1.9</b>	<b>Net cash from / (used in) operating activities</b>	<b>(296)</b>	<b>(296)</b>

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



<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (3 months) \$A'000</b>
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)	-	-
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	<b>-</b>	<b>-</b>

<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	300	300
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(35)	(35)
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 – received in advance of shares issued	-	-
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>265</b>	<b>265</b>

<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of period	691	691
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(296)	(296)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	-
4.4	Net cash from / (used in) financing activities (item 3.10 above)	265	265

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

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	<b>Cash and cash equivalents at end of period</b>	<b>660</b>	<b>660</b>

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 \$A'000	Previous quarter \$A'000
5.1	Bank balances	660	660
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details) Term Deposits	-	-
5.5	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>660</b>	<b>660</b>

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	90
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
<i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i>		

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

7.	<b>Financing facilities</b>	<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</b>
	<i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>		
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	**	-
7.4	<b>Total financing facilities</b>	-	-
7.5	<b>Unused financing facilities available at quarter end</b>		**
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.		
	<p><b>** Note to Items 7.3:</b></p> <p>The Company established an "At-The-Market" (ATM) facility with Dolphin Corporate Investments (DCI) announced to the market on 5 January 2023. The facility is equity based and limited to \$3m. The actual facility is a function of share price and available capacity over a request and option exercise period. The actual facility capacity will change up or down over time. The Company may not sell shares through the facility to DCI above the maximum of \$3m which operates as a cap on the facility. The Company cannot request DCI to exercise its option to buy shares at or above the Company's nominated floor price (the Company has discretion). DCI has the right to decline an option request or may only partially exercise its option to buy shares (it is DCI's decision to buy once Traka has made the request).</p> <p>Whilst an ATM is a "facility" it is also a "sold contingent option", contingent on the Company activating the option and DCI exercising that option, and the Appendix 5B does not properly cater for the cashflow from options, or potential future placements that are subject to prevailing placement capacity that may or may not require shareholder approval which may not be obtained.</p> <p>In keeping with Australian Accounting Standards and the intent of App 5B reporting, the Company has chosen to not report any ATM facility amount in item 7.3, to ensure it is giving a true and fair view of facility positions that have conditions precedent for the funding to be attained.</p>		

8.	<b>Estimated cash available for future operating activities</b>	<b>\$A'000</b>
8.1	Net cash from / (used in) operating activities (item 1.9)	(296)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	-
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(296)
8.4	Cash and cash equivalents at quarter end (item 4.6)	660
8.5	Unused finance facilities available at quarter end (item 7.5)	**
8.6	Total available funding (item 8.4 + item 8.5)	660
8.7	<b>Estimated quarters of funding available (item 8.6 divided by item 8.3)</b>	2.2
	<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>	

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

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?

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?

N/a

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?

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: 31 October 2024 .....

Authorised by: The Board.....  
(Name of body or officer authorising release – see note 4)



**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.