



TREK METALS LIMITED

Company No. (Bermuda) 35116

ARBN 124 462 826

NOTICE OF ANNUAL GENERAL MEETING

and

EXPLANATORY MEMORANDUM TO SHAREHOLDERS

Date of Meeting

Monday, 31 July 2017

Time of Meeting

9:00 am Perth WST / (10:00 pm Bermuda ADT (Atlantic Daylight Time) previous day)

Place of Meeting

The Boardroom
Bentleys (WA) Pty Ltd
Level 3
216 St Georges Terrace
Perth, Western Australia

Please read this Notice and Explanatory Memorandum carefully.

If you are unable to attend the Meeting, please complete and return the enclosed CDI Form of Instruction (as applicable) in accordance with the specified instructions.

Trek Metals Limited
Company No. (Bermuda) 35116
ARBN 124 462 826

NOTICE IS HEREBY GIVEN that the Annual General Meeting of the Shareholders of Trek Metals Limited ("**Company**") will be held at The Boardroom, Bentleys (WA) Pty Ltd, Level 3, 216 St Georges Terrace, Perth, Western Australia on Monday, 31 July 2017 at 9:00 am (WST), for the purpose of transacting the following business referred to in this Notice of Annual General Meeting.

An Explanatory Memorandum containing information in relation to the following Resolutions accompanies this Notice of Meeting.

AGENDA

ORDINARY BUSINESS

2017 Accounts

To receive and consider the financial report of the Company for the year ended 31 March 2017, and the reports by the Directors and Independent Auditors.

RESOLUTIONS

Resolution 1 – Appointment of Auditor

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That, Bentleys Audit & Corporate (WA) Pty Ltd be and is hereby appointed as Auditors of the Company until the conclusion of the next annual general meeting at a fee to be agreed by the Directors."

Resolution 2 – Election of Ms Sonja Neame as a Director

To consider and, if thought fit, to pass with or without amendment, the following resolution as an **ordinary resolution**:

"That, for the purposes of By-law 77 of the Company and for all other purposes, Ms Sonja Neame who was appointed as a Director on 17 January 2017 to fill a casual vacancy, retires and, being eligible, is elected as a director of the Company for a term of three years."

Resolution 3 – Election of Mr Michael Phillip Bowen as a Director

To consider and, if thought fit, to pass with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purposes of By-law 77 of the Company and for all other purposes, Mr Michael Phillip Bowen who was appointed as a Director on 22 February 2017 to fill a casual vacancy, retires and, being eligible, is elected as a director of the Company for a term of three years.”

Resolution 4 – Subsequent Approval under ASX Listing Rule 7.4 of Securities Issued under ASX Listing Rules 7.1 & 7.1A

To consider and, if thought fit, to pass with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purpose of ASX Listing Rule 7.4 and for all other purposes, approval is given to ratify the prior issue of 16,666,667 fully paid ordinary shares without Shareholder approval under ASX Listing Rule 7.1 on 9 February 2017, outlined in the Explanatory Memorandum.”

For the purpose of ASX Listing Rule 7.5, the Company will disregard any votes cast on this Resolution by any person who participated in the issue, and any associates of those persons. However, the Company will not disregard a vote if it is cast by:

- (a) a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or
- (b) it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

Resolution 5 – Approval of Issue of Capital Raising Securities

To consider and, if thought fit, to pass with or without amendment, the following resolution as an **ordinary resolution**:

“For the purpose of ASX Listing Rule 7.1, and for all other purposes, approval is given for the issue of up to 80,000,000 Capital Raising Shares at an issue price of \$0.025 per Capital Raising Share to raise up to \$2,000,000.00 on the terms and conditions in the Explanatory Memorandum.”

For the purpose of ASX Listing Rule 7.3, the Company will disregard any votes cast on this Resolution by any person who may participate in the proposed issue, a person who might obtain a benefit, except a benefit solely in the capacity of the holder of ordinary securities if the Resolution is passed, and any associates of those persons. However, the Company will not disregard a vote if it is cast by:

- (a) a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or
- (b) it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

Resolution 6 – Participation in Capital Raising by Mr Brad Drabsch

To consider and, if thought fit, to pass with or without amendment, the following resolution as an **ordinary resolution**:

"Subject to and conditional on the passing of Resolution 6, for the purpose of ASX Listing Rule 10.11 and for all other purposes, approval is given for the issue of up to 1,200,000 Capital Raising Shares to Mr Brad Drabsch (or his nominee) to raise up to \$30,000 on the terms and conditions in the Explanatory Memorandum."

For the purpose of ASX Listing Rule 10.13, the Company will disregard any votes cast on this Resolution by Mr Brad Drabsch and any of his associates. However, the Company will not disregard a vote if it is cast by:

- (a) a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or
- (b) it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

Resolution 7 – Participation in Capital Raising by Mr Michael Phillip Bowen

To consider and, if thought fit, to pass with or without amendment, the following resolution as an **ordinary resolution**:

"Subject to and conditional on the passing of Resolution 6, for the purpose of ASX Listing Rule 10.11 and for all other purposes, approval is given for the issue of up to 800,000 Capital Raising Shares to Mr Michael Phillip Bowen (or his nominee) to raise up to \$20,000 on the terms and conditions in the Explanatory Memorandum."

For the purpose of ASX Listing Rule 10.13, the Company will disregard any votes cast on this Resolution by Mr Michael Phillip Bowen and any of his associates. However, the Company will not disregard a vote if it is cast by:

- (a) a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or
- (b) it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

Resolution 8 – Participation in Capital Raising by Perpetual Corporate Trust Limited in its capacity as custodian of the Auctus Resources Fund

To consider and, if thought fit, to pass with or without amendment, the following resolution as an **ordinary resolution**:

"Subject to and conditional on the passing of Resolution 6, for the purpose of ASX Listing Rule 10.11 and for all other purposes, approval is given for the issue of up to 16,000,000 Capital Raising Shares to ARF to raise up to \$400,000 on the terms and conditions in the Explanatory Memorandum."

For the purpose of ASX Listing Rule 10.13, the Company will disregard any votes cast on this Resolution by Perpetual Corporate Trust Limited and any of its associates. However, the Company will not disregard a vote if it is cast by:

- (a) a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or
- (b) it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

Resolution 9 – Approval of 10% Placement Capacity

To consider and, if thought fit, to pass with or without amendment, the following resolution as a **special resolution**:

“That, for the purpose of ASX Listing Rule 7.1A and for all other purposes, approval is given for the issue of Equity Securities of up to 10% of the issued capital of the Company (at the time of issue) calculated in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 and on the terms and conditions in the Explanatory Memorandum.”

For the purpose of ASX Listing Rule 7.3A, the Company will disregard any votes cast on this Resolution by a person (and any associates of such a person) who may participate in the 10% Placement Capacity and a person who might obtain a benefit if this Resolution is passed, except a benefit solely in the capacity of a holder of Shares, and any associate of that person (or those persons). However, the Company will not disregard a vote if it is cast by:

- (a) a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or
- (b) it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

BY ORDER OF THE BOARD

Bradley Drabsch

Managing Director

Dated: 20 July 2017

Proxies

Registered Shareholders for the Company only can vote at the Meeting personally or by proxy, attorney or representative. A Shareholder entitled to attend and vote at the Meeting may appoint not more than two proxies to attend and vote at the Meeting. Where more than one proxy is appointed, each proxy must be appointed to represent a specified proportion of the Shareholder's voting rights. A proxy may but need not be a Shareholder of the Company. The instrument of proxy (and the power of attorney or other authority, if any, under which it is signed) must be lodged by person, post, courier or email and reach the respective offices of the Company, for Australian holders not later than 9.00am Western Standard Time on Saturday, 29th July 2017. For the convenience of Shareholders, a Proxy Form is enclosed with Notices sent to Shareholders.

A Shareholder that is a corporation may elect to appoint a representative in accordance with the Articles of Association in which case the Company will require written proof of the representative's appointment which must be lodged with, or presented to, the Company not later than 9.00 am Western Standard Time on Saturday, 29th July 2017.

CHESS Depositary Interests

Holders of CHESS Depositary Interests ("**CDI**") are invited to attend the Meeting but are not entitled to vote at the Meeting. In order to have votes cast at the Meeting on their behalf, CDI holders must complete, sign and return the CDI Form of Instruction enclosed with the Notice sent to them to the Company at Suite 5, 56 Kings Park Road, West Perth WA 6005, PO Box 1796, West Perth WA 6872 or alternatively you can email your form to nerida@trekmetals.com.au, so that CDI holders can direct CHESS Depositary Nominees Pty Ltd ("**CDN**") to vote the underlying Shares on their behalf. The CDI Form of Instruction needs to be received by not later than 9.00 am Western Standard Time on Friday, 28th July 2017.

Trek Metals Limited
Company No. (Bermuda) 35116
ARBN 124 462 826

EXPLANATORY MEMORANDUM

This Explanatory Memorandum has been prepared for the information of Shareholders of Trek Metals Limited (“**Trek**” or “**Company**”) in connection with the business to be conducted at the Annual General Meeting of the Company to be held at The Boardroom, Bentleys (WA) Pty Ltd, Level 3, 216 St Georges Terrace, Perth, Western Australia on **Monday, 31 July 2017 commencing at 9:00 am Perth WST / (10:00 pm Bermuda ADT (Atlantic Daylight Time) previous day).**

This Explanatory Memorandum should be read in conjunction with the accompanying Notice of Annual General Meeting. The purpose of this Explanatory Memorandum is to provide information to Shareholders in deciding whether or not to pass the Resolutions in the Notice of Annual General Meeting.

1 RESOLUTION 1 – APPOINTMENT OF AUDITOR

Section 89(1) of the Companies Act 1981 of Bermuda provides that members of a company at each annual general meeting shall appoint one or more auditors to hold office until the close of the next annual general meeting. In addition, section 89(6) provides that the remuneration of an auditor appointed by the members shall be fixed by the members or by the Directors, if they are authorized to do so by the members.

Therefore, pursuant to Resolution 1, Bentley’s Audit & Corporate (WA) Pty Ltd will be appointed as the Company’s auditors until the close of the next annual general meeting at a fee to be agreed by the Directors.

Directors’ recommendation

The Directors unanimously recommend that Shareholders vote in favour of Resolution 1.

2 RESOLUTION 2 – ELECTION OF MS SONJA NEAME

Ms Sonja Neame was appointed as a Director on 17 January 2017 to fill a casual vacancy.

By-law 77 permits a Director to serve such term as the Company by resolution may determine, or in the absence of such determination, until the termination of the next annual general meeting following their appointment. Accordingly, Ms Sonja Neame submits herself for election.

The Company is required, pursuant to ASX Listing Rule 14.5, to hold an election of Directors each year.

Resolution 2 seeks approval for the election of Ms Sonja Neame as a Director with effect from the end of the meeting.

Ms Neame has 23 years' mining industry experience and significant international experience in Africa, South America, Asia and the Pacific. She has a keen interest in corporate governance and provides consulting services to clients establishing themselves overseas. Ms Neame is Managing Director of mining and exploration consultants Ravensgate and serves as Chairman of a Perth-based school. Ms Neame was Administration Manager for mining consultants RSG/RSG Global where she played a major role in the group's international expansion. Ms Neame is a member of the Australian Institute of Company Directors and Governance Institute of Australia and has a Graduate Diploma of Business Management from the University of Western Australia.

Directors' recommendation

Ms Sonja Neame declined to make a recommendation about the proposed Resolution because she has an interest in its outcome. Mr Gregory Bittar, Mr Bradley Drabsch and Mr Michael Bowen recommend that Ms Sonja Neame be elected to the Board.

3 RESOLUTION 3 – ELECTION OF MR MICHAEL BOWEN

Mr Michael Bowen was appointed as a Director on 22 February 2017 to fill a casual vacancy.

By-law 77 permits a Director to serve such term as the Company by resolution may determine, or in the absence of such determination, until the termination of the next annual general meeting following their appointment. Accordingly, Mr Michael Bowen submits himself for election.

The Company is required, pursuant to ASX Listing Rule 14.5, to hold an election of Directors each year.

Resolution 3 seeks approval for the election of Mr Michael Bowen as a Director with effect from the end of the meeting.

Mr Bowen graduated from the University of Western Australia with Bachelors of Law, Jurisprudence and Commerce. He has been admitted as a barrister and solicitor of the Supreme Court of Western Australia and is an Associate and Certified Practicing Accountant of the Australian Society of Accountants. Mr Bowen is a partner of the law firm DLA Piper (formerly of Hardy Bowen which merged with DLA Piper on 1 July 2015) practicing primarily corporate, commercial and securities law with an emphasis on mergers, acquisitions, capital raisings and resources. Mr Bowen also serves as a Non-Executive Director of IMF Bentham Limited.

Directors' recommendation

Mr Michael Bowen declined to make a recommendation about the proposed Resolution because he has an interest in its outcome. Mr Gregory Bittar, Mr Bradley Drabsch and Ms Sonja Neame recommend that Mr Michael Bowen be elected to the Board.

4 **RESOLUTION 4 – SUBSEQUENT APPROVAL UNDER ASX LISTING RULE 7.4 OF SECURITIES ISSUED UNDER ASX LISTING RULES 7.1 AND 7.1A**

ASX Listing Rule 7.1A provides that an Eligible Entity may seek Shareholder approval at its annual general meeting to allow it to issue Equity Securities up to 10% of its issued capital (**10% Placement Capacity**).

ASX Listing Rule 7.1 provides that a listed company may only issue or agree to issue up to 15% of the company's ordinary issued capital in any 12-month period, unless Shareholder approval is obtained (subject to certain exceptions).

ASX Listing Rule 7.1A enables certain eligible entities to seek Shareholder approval to issue equity securities up to 10% of its issued share capital over a 12-month period after the annual general meeting at which a resolution regarding ASX Listing Rule 7.1A is passed by special resolution. At the Company's last AGM on 17 August 2016, the Company obtained approval from Shareholders to issue equity securities under ASX Listing Rule 7.1A.

ASX Listing Rule 7.4 allows a company in a general meeting to subsequently approve an issue of securities under ASX Listing Rule 7.1, provided the company did not breach the 15% capacity, and also approve an issue of securities under ASX Listing Rule 7.1A, provided the company did not breach the 10% capacity.

Resolution 4 seeks subsequent Shareholder approval of the securities issued during the period since 17 August 2016 as described below, pursuant to ASX Listing Rule 7.4. These securities were issued without Shareholder approval under ASX Listing Rule 7.1. If such approval is given, the Company will be entitled under ASX Listing Rule 7.1 to issue up to 15% of its ordinary issued capital, if required, in the next 12 months without shareholder approval. In addition, the approval of Resolution 9 would fully reinstate the Company's placement capacity under ASX Listing Rule 7.1A.

ASX Listing Rule 7.5 requires the following information to be provided to Shareholders for the purposes of obtaining Shareholder approval pursuant to ASX Listing Rule 7.4:

Date of Issue	No. Issued	Class	Recipient of Security	Issue price and details of any discount to market price	Consideration and use of funds other than cash
9.02.17	16,666,667	Fully paid ordinary shares	Various sophisticated investors	\$0.03	Working capital

A voting exclusion statement is set out in the Notice of Meeting.

Directors' recommendation

The Directors unanimously recommend that Shareholders vote in favour of Resolution 4.

The Chairman intends to vote available undirected proxies in favour of Resolution 4.

5 RESOLUTION 5 – APPROVAL OF ISSUE OF CAPITAL RAISING SECURITIES

5.1 General

Resolution 5 seeks Shareholder approval for the issue of up to 80,000,000 Capital Raising Shares at an issue price of \$0.025 per Capital Raising Share, to raise up to \$2,000,000.00 (**Capital Raising**).

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more equity securities during any 12-month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12-month period.

The effect of Resolution 5 will be to allow the Company to issue Capital Raising Shares under the Capital Raising during the period of 3 months after the Meeting (or a longer period, if allowed by ASX), without using the Company's 15% annual placement capacity under ASX Listing Rule 7.1.

5.2 Effect on Share Capital

	Number of Shares
Number of Shares on issue at 20 July 2017	155,990,250
Maximum number of Shares to be issued under the Capital Raising	80,000,000
Total	235,990,250

There are currently 55,500,000 unlisted options to subscribe for Shares currently on issue. If any of these options are exercised prior to the date of issue of the Capital Raising Shares this will also impact the maximum number of Shares on issue following the Offer.

5.3 Technical information required by ASX Listing Rule 7.1

Pursuant to and in accordance with ASX Listing Rule 7.3, the following information is provided in relation to Resolution 5:

- (a) the Company will issue a maximum number of 80,000,000 Capital Raising Shares to raise up to \$2,000,000.00;
- (b) the Capital Raising Shares will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules);
- (c) the Capital Raising Shares will be issued at the Capital Raising Issue Price of \$0.025 per Capital Raising Share and will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;

- (d) the Capital Raising Shares are proposed to be issued to the applicants under the Capital Raising;
 - (e) the Company intends to use the funds raised for:
 - Payment to ASX:BAT to exercise the Kroussou Option (USD\$240,000)
 - Continuation of surface sampling programme at Kroussou
 - Completion of geophysical programme at Kroussou
 - Access clearing and drill site preparation at Kroussou
 - First pass drilling of new targets at Kroussou
 - Aboriginal Heritage Negotiations for the Lawnhill Project
 - Evaluation of new project opportunities
 - General working capital
 - (f) the allotment and issue of the Capital Raising Shares will occur as soon as practicable after the Meeting; and
 - (g) a voting exclusion statement is set out in the Notice of Meeting.
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6 RESOLUTION 6 – PARTICIPATION IN CAPITAL RAISING BY MR BRAD DRABSCH

6.1 General

Pursuant to Resolution 5 the Company is seeking Shareholder approval for the Capital Raising.

Resolution 6 seeks Shareholder approval for the issue of up to 1,200,000 Capital Raising Shares to Mr Brad Drabsch, a Director (or his nominee) to raise up to \$30,000 (“**Participation**”).

Resolution 6 is subject to and conditional on the passing of Resolution 5.

6.2 ASX Listing Rule 10.11

ASX Listing Rule 10.11 requires Shareholder approval to be obtained where an entity issues, or agrees to issue, securities to a related party, or a person whose relationship with the entity or a related party is, in ASX’s opinion, such that approval should be obtained unless an exception in ASX Listing Rule 10.12 applies.

As Resolution 6 involves the issue of securities to a related party of the Company, Shareholder approval pursuant to ASX Listing Rule 10.11 is required unless an exception applies. It is the view of the Directors that the exceptions set out in ASX Listing Rule 10.12 do not apply in the current circumstances.

6.3 Technical Information required by ASX Listing Rule 10.13

Pursuant to and in accordance with ASX Listing Rule 10.13, the following information is provided in relation to the Participation:

- (a) the Capital Raising Shares will be issued to Mr Brad Drabsch (or his nominee) who is a related party by virtue of being a Director;
- (b) Mr Brad Drabsch will be issued up to a maximum of 1,200,000 Capital Raising Shares to raise up to \$30,000;
- (c) the Capital Raising Shares will be issued no later than 1 month after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules);
- (d) the Capital Raising Shares will be issued at the Capital Raising Issue Price per Capital Raising Share being \$0.025 per Capital Raising Share;
- (e) the Capital Raising Shares issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (f) the funds raised will be used for the same purposes as all other funds raised under the Capital Raising as set out in Section 5.3(e) of this Explanatory Statement; and
- (g) a voting exclusion statement is set out in the Notice of Meeting.

Approval pursuant to ASX Listing Rule 7.1 is not required for the Participation as approval is being obtained under ASX Listing Rule 10.11. Accordingly, the issue of Capital Raising Shares to Mr Brad Drabsch (or his nominee) will not be included in the use of the Company's 15% annual placement capacity pursuant to ASX Listing Rule 7.1.

7 RESOLUTION 7 – PARTICIPATION IN CAPITAL RAISING BY MR MICHAEL PHILLIP BOWEN

7.1 General

Pursuant to Resolution 5 the Company is seeking Shareholder approval for the Capital Raising.

Resolution 7 seeks Shareholder approval for the issue of up to 800,000 Capital Raising Shares to Mr Michael Phillip Bowen, a Director (or his nominee) to raise up to \$20,000 ("**Participation**").

Resolution 7 is subject to and conditional on the passing of Resolution 5.

7.2 **ASX Listing Rule 10.11**

ASX Listing Rule 10.11 requires Shareholder approval to be obtained where an entity issues, or agrees to issue, securities to a related party, or a person whose relationship with the entity or a related party is, in ASX's opinion, such that approval should be obtained unless an exception in ASX Listing Rule 10.12 applies.

As Resolution 7 involves the issue of securities to a related party of the Company, Shareholder approval pursuant to ASX Listing Rule 10.11 is required unless an exception applies. It is the view of the Directors that the exceptions set out in ASX Listing Rule 10.12 do not apply in the current circumstances.

7.3 **Technical Information required by ASX Listing Rule 10.13**

Pursuant to and in accordance with ASX Listing Rule 10.13, the following information is provided in relation to the Participation:

- (a) the Capital Raising Shares will be issued to Mr Michael Phillip Bowen (or his nominee) who is a related party by virtue of being a Director;
- (b) Mr Michael Phillip Bowen will be issued up to a maximum of 800,000 Capital Raising Shares to raise up to \$20,000;
- (c) the Capital Raising Shares will be issued no later than 1 month after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules);
- (d) the Capital Raising Shares will be issued at the Capital Raising Issue Price per Capital Raising Share being \$0.025 per Capital Raising Share;
- (e) the Capital Raising Shares issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (f) the funds raised will be used for the same purposes as all other funds raised under the Capital Raising as set out in Section 5.3(e) of this Explanatory Statement;
- (g) a voting exclusion statement is set out in the Notice of Meeting.

Approval pursuant to ASX Listing Rule 7.1 is not required for the Participation as approval is being obtained under ASX Listing Rule 10.11. Accordingly, the issue of Capital Raising Shares to Mr Michael Phillip Bowen (or his nominee) will not be included in the use of the Company's 15% annual placement capacity pursuant to ASX Listing Rule 7.1.

8 RESOLUTION 8 – PARTICIPATION IN CAPITAL RAISING BY PERPETUAL CORPORATE TRUST LIMITED IN ITS CAPACITY AS CUSTODIAN OF THE AUCTUS RESOURCES FUND

8.1 General

Pursuant to Resolution 5 the Company is seeking Shareholder approval for the Capital Raising.

Resolution 8 seeks Shareholder approval for the issue of up to 16,000,000 Capital Raising Shares to ARF, a related party of the Company, to raise up to \$400,000 (“**Participation**”).

Resolution 8 is subject to and conditional on the passing of Resolution 5.

8.2 ASX Listing Rule 10.11

ASX Listing Rule 10.11 requires Shareholder approval to be obtained where an entity issues, or agrees to issue, securities to a related party, or a person whose relationship with the entity or a related party is, in ASX’s opinion, such that approval should be obtained unless an exception in ASX Listing Rule 10.12 applies.

As Resolution 8 involves the issue of securities to a related party of the Company, Shareholder approval pursuant to ASX Listing Rule 10.11 is required unless an exception applies. It is the view of the Directors that the exceptions set out in ASX Listing Rule 10.12 do not apply in the current circumstances.

8.3 Effect on ARF Shareholding

	Number of Shares	Approximate Percentage of the Shares on issue
Number of Shares on issue at 20 July 2017	155,990,250	
ARF Shareholding at 20 July 2017	76,177,260	48.83%
Maximum number of Shares to be issued under the Capital Raising	80,000,000	
Maximum number of Shares to be issued to ARF under the Capital Raising	16,000,000	39.06% ⁽¹⁾

Note 1: Assumes maximum number of Shares are issued under Capital Raising. In the event that no other Shares are issued under the Capital Raising except those Shares to ARF, ARF’s percentage Shareholding in the company will be 53.59%.

8.4 Technical Information required by ASX Listing Rule 10.13

Pursuant to and in accordance with ASX Listing Rule 10.13, the following information is provided in relation to the Participation:

- (a) the Capital Raising Shares will be issued to ARF which is a related party by virtue of holding approximately 48.83% of the Shares on issue;
- (b) ARF will be issued up to a maximum of 80,000,000 Capital Raising Shares to raise up to \$400,000;
- (c) the Capital Raising Shares will be issued no later than 1 month after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules);
- (d) the Capital Raising Shares will be issued at the Capital Raising Issue Price per Capital Raising Share being \$0.025 per Capital Raising Share;
- (e) the Capital Raising Shares issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (f) the funds raised will be used for the same purposes as all other funds raised under the Capital Raising as set out in Section 5.3(e) of this Explanatory Statement; and
- (g) a voting exclusion statement is set out in the Notice of Meeting.

Approval pursuant to ASX Listing Rule 7.1 is not required for the Participation as approval is being obtained under ASX Listing Rule 10.11. Accordingly, the issue of Capital Raising Shares to ARF will not be included in the use of the Company's 15% annual placement capacity pursuant to ASX Listing Rule 7.1

RESOLUTION 9 – APPROVAL OF 10% PLACEMENT CAPACITY

9.1 General

ASX Listing Rule 7.1 A provides that an Eligible Entity may seek Shareholder approval at its annual general meeting to allow it to issue Equity Securities up to 10% of its issued capital (**10% Placement Capacity**).

The Company is an Eligible Entity.

If Shareholders approve Resolution 9, the number of Equity Securities the Eligible Entity may issue under the 10% Placement Capacity will be determined in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 (as set out in Section 9.2 below).

The effect of Resolution 9 will be to allow the Directors to issue Equity Securities up to 10% of the Company's fully paid ordinary securities on issue under the 10% Placement Capacity during the period up to 12 months after the Meeting, without subsequent Shareholder approval and without using the Company's 15% annual placement capacity granted under ASX Listing Rule 7.1.

Resolution 9 is a special resolution. Accordingly, at least 75% of votes cast by Shareholders present (in person or by proxy) and eligible to vote at the Meeting must be in favour of Resolution 9 for it to be passed.

9.2 ASX Listing Rule 7.1A

ASX Listing Rule 7.1A came into effect on 1 August 2012 and enables an Eligible Entity to seek shareholder approval at its annual general meeting to issue Equity Securities up to 10% of its issued capital in addition to those under the Eligible Entity's 15% annual placement capacity.

An Eligible Entity is one that, as at the date of the relevant annual general meeting:

- (a) is not included in the S&P/ASX 300 Index; and
- (b) has a maximum market capitalisation (excluding restricted securities and securities quoted on a deferred settlement basis) of A\$300,000,000.

The Company is an Eligible Entity as it is not included in the S&P/ASX 300 Index and has a current market capitalisation of A\$4,679,000 as at 20 July 2017.

Any Equity Securities issued must be in the same class as an existing class of quoted Equity Security. The Company currently has one class of quoted Equity Security on issue, being the Shares (ASX Code: TKM).

The exact number of Equity Securities that the Company may issue under an approval under ASX Listing Rule 7.1 A will be calculated according to the following formula:

$$(A \times D) - E$$

Where:

- A** is the number of Shares on issue 12 months before the date of issue or agreement:
- (a) plus the number of Shares issued in the previous 12 months under an exception in ASX Listing Rule 7.2;
 - (b) plus the number of partly paid Shares that became fully paid in the previous 12 months;
 - (c) plus the number of Shares issued in the previous 12 months with approval of holders of Shares under ASX Listing Rules 7.1 and 7.4; and
 - (d) less the number of Shares cancelled in the previous 12 months.
- D** is 10%.
- E** is the number of Equity Securities issued or agreed to be issued under ASX Listing Rule 7.1A.2 in the 12 months before the date of issue or agreement to issue that are not issued with the approval of holders of Ordinary Securities under ASX Listing Rule 7.1 or 7.4

9.3 Technical information required by ASX Listing Rule 7.1A

Pursuant to and in accordance with ASX Listing Rule 7.3A, the information below is provided in relation to this Resolution 9.

(a) **Minimum Price**

The minimum price at which the Equity Securities may be issued is 75% of the volume weighted average price of Equity Securities in that class, calculated over the 15 ASX trading days on which trades in that class were recorded immediately before:

- (i) the date on which the price at which the Equity Securities are to be issued is agreed; or
- (ii) if the Equity Securities are not issued within 5 ASX trading days of the date in paragraph 9.3(a)(i), the date on which the Equity Securities are issued.

(b) **Date of Issue**

The Equity Securities may be issued under the 10% Placement Capacity commencing on the date of the Meeting and expiring on the first to occur of the following:

- (i) 12 months after the date of this Meeting; and
- (ii) the date of approval by Shareholders of any transaction under ASX Listing Rules 11.1.2 (a significant change to the nature or scale of the Company's activities) or 11.2 (disposal of the Company's main undertaking) (after which date, an approval under ASX Listing Rule 7.1 A ceases to be valid), **(10% Placement Capacity Period)**.

(c) **Risk of voting dilution**

Any issue of Equity Securities under the 10% Placement Capacity will dilute the interests of Shareholders who do not receive any Shares under the issue.

If Resolution 9 is approved by Shareholders and the Company issues the maximum number of Equity Securities available under the 10% Placement Capacity, the economic and voting dilution of existing Shares would be as shown in the table below.

The table below shows the dilution of existing Shareholders calculated in accordance with the formula outlined in ASX Listing Rule 7.1 A(2), on the basis of the current market price of Shares and the current number of Equity Securities on issue as at the date of this Notice.

The table also shows the voting dilution impact where the number of Shares on issue (variable A in the formula) changes and the economic dilution where there are changes in the issue price of Shares issued under the 10% Placement Capacity.

Number of Shares on Issue (Variable 'A' in ASX Listing Rule 7.1A.2)	Dilution			
	Issue Price (per Share)	A\$0.015 50% decrease in Issue Price	A\$0.03 Issue Price	A\$0.06 100% increase in Issue Price
155,990,250 (Current Variable A)	Shares issued - 10% voting dilution	15,599,025 Shares	15,599,025 Shares	15,599,025 Shares
	Funds raised	A\$ 233,985	A\$ 467,971	A\$ 935,942
233,985,375 (50% increase in Variable A)	Shares issued - 10% voting dilution	23,398,538 Shares	23,398,538 Shares	23,398,538 Shares
	Funds raised	A\$ 350,978	A\$ 701,956	A\$ 1,403,912
311,980,500 (100% increase in Variable A)	Shares issued - 10% voting dilution	31,198,050 Shares	31,198,050 Shares	31,198,050 Shares
	Funds raised	A\$ 467,971	A\$ 935,942	A\$ 1,871,883

**The number of Shares on issue (variable A in the formula) could increase as a result of:
(a) the issue of Shares that do not require Shareholder approval (such as under a pro-rata rights issue or scrip issued under a takeover offer) or that are issued with Shareholder approval under ASX Listing Rule 7.1.*

The table above uses the following assumptions:

1. Current Variable A refers to current maximum issued capital after the general meeting and assumes all proposed issues of securities contemplated by the Resolutions in this Notice are made.
2. The issue price set out above is the closing price of the Shares on the ASX on 20 July 2017.
3. The Company issues the maximum possible number of Equity Securities under the 10% Placement Capacity.

4. The Company has not issued any Equity Securities in the 12 months prior to the Meeting that were not issued under an exception in ASX Listing Rule 7.2 or with approval under ASX Listing Rule 7.1.
5. The calculations above do not show the dilution that any one particular Shareholder will be subject to. All Shareholders should consider the dilution caused to their own shareholding depending on their specific circumstances.
6. This table does not set out any dilution pursuant to approvals under ASX Listing Rule 7.1.
7. None of the 27,500,000 Options exercisable at \$0.03 and expiring on 30/6/19, 1,250,000 Options exercisable at \$0.16 and expiring on 31/12/20 or 26,750,000 Options exercisable at \$0.06 and expiring on 2/11/21 are exercised prior to the meeting.

Shareholders should note that there is a risk that:

- (i) the market price for the Company's Shares may be significantly lower on the issue date than on the date of the Meeting; and
- (ii) the Shares may be issued at a price that is at a discount to the market price for those Shares on the date of issue;

(d) Purpose of issue under 10% Placement Capacity

The Company may issue Equity Securities under the 10% Placement Capacity for the following purposes:

- (i) as cash consideration in which case the Company intends to use funds raised for the continuation and acceleration of exploration on the Company's Kroussou Project in Gabon and general working capital; or
- (ii) as non-cash consideration for the same purposes as above but in which circumstances the Company will provide a valuation of the non-cash consideration as required by ASX Listing Rule 7.1A.3.

(e) Allocation under the 10% Placement Capacity

The allottees of the Equity Securities to be issued under the 10% Placement Capacity have not yet been determined. However, the allottees of Equity Securities could consist of current Shareholders or new investors (or both), none of whom will be related parties of the Company.

The Company will determine the allottees at the time of the issue under the 10% Placement Capacity, having regard to the following factors:

- (i) the purpose of the issue;
- (ii) alternative methods for raising funds available to the Company at that time, including, but not limited to, an entitlement issue or other offer where existing Shareholders may participate;
- (iii) the effect of the issue of the Equity Securities on the control of the Company;
- (iv) the circumstances of the Company, including, but not limited to, the financial position and solvency of the Company;
- (v) prevailing market conditions; and
- (vi) advice from corporate, financial and broking advisers (if applicable).

(f) **Previous Approval under ASX Listing Rule 7.1A**

The Company previously obtained Shareholder approval under ASX Listing Rule 7.1A at its annual general meeting held on 17 August 2016. In the period since 17 August 2016, the Company has not issued any securities under ASX Listing Rule 7.1A. In the period since 17 August 2016 the Company has issued pursuant to ASX Listing Rule 7.1 16,666,667 fully paid ordinary shares.

Following the consolidation of capital performed in August 2016 the total equity securities on issue were 11,572,697 (see below table). The total number of equity securities issued since 17 August 2016 is 199,917,553, giving a percentage that these represent of the total number of equity securities on issue at 17 August 2016 of 1727.5%. The resulting percentage is so high because of the low base number of securities on issue at 17 August 2016 (post consolidation) and the large number of issues of securities undertaken throughout the intervening period, all of which the Company has had shareholder approval or subsequent ratification for.

A full listing of all equity securities issued in the period since 17 August 2016 is as follows:

Date of Issue	No. Issued	Class	Recipient of Security	Issue price and details of any discount to market price	Consideration and use of funds other than cash
Opening Balance 17.08.16	10,322,697 Fully paid ordinary shares 1,250,000 Unlisted options expiring 31/12/20 exercisable at \$0.16				
7.09.16	69,000,886 5,000,000	Fully paid ordinary shares Unlisted \$0.03 options expiring 30/6/19	Perpetual Corporate Trust Limited in its capacity as custodian of the Auctus Resource Fund	\$0.035 Deemed issue price.	Deemed consideration \$2,415,000 for the repayment of the Facility Agreement ¹
8.09.16	22,500,000 22,500,000	Fully paid ordinary shares Unlisted \$0.03 options expiring 30/6/19	Various sophisticated investors	\$0.02	\$450,000 used for working capital purposes
8.11.16	37,500,000	Fully paid ordinary shares	Various sophisticated investors	\$0.02	\$750,000 used for working capital purposes
18.1.17	17,750,000	Unlisted \$0.06 options expiring 2/11/21	Directors and employees pursuant to the Employee Share Option Scheme as approved by shareholders on 30 September 2016	Nil	N/A
9.02.17	16,666,667	Fully paid ordinary shares	Various sophisticated investors	\$0.03	\$500,000 used or to be used for Kroussou Project and working capital

Date of Issue	No. Issued	Class	Recipient of Security	Issue price and details of any discount to market price	Consideration and use of funds other than cash
23.2.17	9,000,000	Unlisted \$0.06 options expiring 2/11/21	Directors, consultants and advisors pursuant to the Employee Share Option Scheme as approved by shareholders on 30 September 2016, or otherwise	Nil	N/A

Note 1: Facility Agreement refers to the agreement dated 20 August 2012 as amended from time to time between the Company and Perpetual Corporate Trust Limited in its capacity as custodian of the Auctus Resource Fund with a balance of \$2.36m at the time of repayment.

(g) Compliance with ASX Listing Rules 7.1A.4 and 3.10.5A

When the Company issues Equity Securities pursuant to the 10% Placement Capacity, it will give to ASX:

- (i) a list of the allottees of the Equity Securities and the number of Equity Securities allotted to each (not for release to the market), in accordance with ASX Listing Rule 7.1A.4; and
- (ii) the information required by ASX Listing Rule 3.10.5A for release to the market.

10.4 Voting Exclusion

A voting exclusion statement is included in this Notice. As at the date of this Notice, the Company has not invited any existing Shareholder to participate in an issue of Equity Securities under ASX Listing Rule 7.1A. Therefore, no existing Shareholders will be excluded from voting on Resolution 9.

Directors' recommendation

The Directors unanimously recommend that Shareholders vote in favour of Resolution 9.

The Chairman intends to vote available undirected proxies in favour of Resolution 9.

GLOSSARY OF TERMS

In this Explanatory Memorandum and Notice of Meeting, in addition to the terms defined in the body of the Explanatory Memorandum, the following expressions have the following meanings:

“ARF” means Perpetual Corporate Trust Limited in its capacity as custodian of the Auctus Resources Fund.

“AUD\$” or **“A\$”** means Australian dollars.

“ASX” means the ASX Limited ABN 98 008 624 691 and where the context permits the Australia Securities Exchange operated by ASX Limited.

“ASX Listing Rules” means the listing rules of the Australian Securities Exchange operated by ASX Limited ABN 98 008 624 691.

“Board” means the board of Directors.

“Business Day” means a day (not being a Saturday or Sunday) on which banks are open for general banking business in Perth, Western Australia.

“By-laws” means the by-laws of the Company.

“Capital Raising” means the issue of up to 80,000,000 Capital Raising Shares at the Capital Raising Issue Price to raise up to \$2,000,000.

“Capital Raising Issue Price” means \$0.025.

“Capital Raising Shares” means the Shares in the Company issued pursuant to the Capital Raising at an issue price of \$0.025.

“CDI” means a CHESS Depository Interest representing a unit of beneficial ownership in a Share registered in the name of CHESS Depository Nominees Pty Ltd.

“Chairman” means the person appointed to chair the Meeting of the company convened by the Notice.

“Company” or **“Trek”** or **“TKM”** means Trek Metals Limited ARBN 124 462 826.

“Companies Act” means the Bermuda Companies Act 1981, as amended.

“Corporations Act” means the *Corporations Act 2001* (Cth).

“Directors” mean the directors of Trek.

“Eligible Entity” means an entity that, at the date of the relevant general meeting:

- (a) is not included in the S&P ASX 300 Index; and
- (b) has a market capitalization (excluding restricted securities and securities quoted on a deferred settlement basis) equal to or less than \$300,000,000.

“Equity Securities” has the same meaning as in the ASX Listing Rules.

“Explanatory Memorandum” means this Explanatory Memorandum.

“Meeting” means the annual general meeting of shareholders of Trek convened by the Notice.

“Notice” or **“Notice of Meeting”** means the notice of annual general meeting that accompanies this Explanatory Memorandum.

“Option” means an option to acquire a Share.

“Optionholder” means a holder of an Option.

“Proxy Form” means the proxy form accompanying the Notice of Meeting.

“Resolution” means a resolution referred to in the Notice of Meeting.

“Shareholder” means a registered holder of Shares.

“Share” means a fully paid ordinary share in the capital of the Company.

“WST” means Western Standard Time as observed in Perth, Western Australia.

PROXY FORM

The Company Secretary
Trek Metals Limited

By delivery:

Suite 5, 56 Kings Park Road
West Perth WA 6005

By post:

PO Box 1796
West Perth WA 6872

By email:

nerida@trekmetals.com.au

Step 1 – CHESS Depositary Nominees Pty Ltd will vote as directed

I/We¹ _____
of _____

Voting Instructions to CHESS Depositary Nominees Pty Ltd

I/We being a holder of CHESS Depositary Interests of Trek Metals Limited hereby direct CHESS Depositary Nominees Pty Ltd to vote the shares underlying my/our holding at the Annual General Meeting of Trek Metals Limited to be held at The Boardroom, Bentleys (WA) Pty Ltd, Level 3, 216 St Georges Terrace, Perth, Western Australia on Monday, 31 July 2017 at 9:00 am Perth WST / (10:00 pm Bermuda ADT (Atlantic Daylight Time) previous day). and at any adjournment or postponement of that meeting.

By execution of this CDI Voting Form the undersigned hereby authorises CHESS Depositary Nominees Pty Ltd to appoint such proxies or their substitutes to vote in their discretion on such business as may properly come before the meeting.

Voting Instructions will only be valid and accepted by the Company if they are made and received no later than 48 hours before the meeting. Please read the voting instructions overleaf before marking any boxes with an X.

Step 2 – Instructions as to Voting on Resolutions

INSTRUCTIONS AS TO VOTING ON RESOLUTIONS

The proxy is to vote for or against the Resolution referred to in the Notice as follows:

		For	Against	Abstain
Resolution 1	Appointment of Auditor	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Election of Director – Ms Sonja Neame	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Election of Director – Mr Michael Bowen	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Subsequent Approval under ASX Listing Rule 7.4	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5	Approval of Issue of Capital Raising Securities	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6	Participation in Capital Raising by Mr Brad Drabsch	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 7	Participation in Capital Raising by Mr Michael Phillip Bowen	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 8	Participation in Capital Raising by Perpetual Corporate Trust Limited in its Capacity as custodian of the Auctus Resources Fund	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 9	Approval of 10% Placement Facility	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business. In exceptional circumstances, the Chairman of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

Authorised signature/s

This section **must** be signed in accordance with the instructions below to enable your voting instructions to be implemented.

* If you mark the Abstain box for a particular Resolution, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

Contact Name

Contact Daytime Telephone

Date

¹Insert name and address of Shareholder**Voting Instruction Notes:**

Each CHESS Depositary Interest (CDI) is equivalent to one share of Company Common Stock, so that every 1 (one) CDI registered in your name at 29 July 2017 entitles you to one vote. You can vote by completing, signing and returning your CDI Voting Instruction Form. This form gives your voting instructions to CHESS Depositary Nominees Pty Ltd, which will vote the underlying shares on your behalf. You need to return the form no later than the time and date shown above to give CHESS Depositary Nominees Pty Ltd enough time to tabulate all CHESS Depositary Interest votes and to vote on the underlying shares.

You must sign this form as follows in the spaces provided:

Joint Holding: where the holding is in more than one name all of the holders must sign.
Power of Attorney: if signed under a Power of Attorney, you must have already lodged it with the registry, or alternatively, attach a certified photocopy of the Power of Attorney to this Proxy Form when you return it.
Companies: a Director can sign jointly with another Director or a Company Secretary. A sole Director who is also a sole Company Secretary can also sign. Please indicate the office held by signing in the appropriate space.

Voting Instruction forms (and the power of attorney or other authority, if any, under which the Proxy Form is signed) or a copy or facsimile which appears on its face to be an authentic copy of the Voting Instruction form (and the power of attorney or other authority) must be deposited at or received by email at the address below no later than 72 hours prior to the time of commencement of the Annual General Meeting (WST).

Hand deliveries: Suite 5, 56 Kings Park Road, West Perth WA 6005

Postal address: PO Box 1796, West Perth WA 6872

Email: nerida@trekmetals.com.au