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ASX Announcement

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INTENTION TO EXERCISE OPTION AND ENTER INTO JOINT VENTURE AGREEMENT EXTENSION OF PERIOD TO FINALISE JV AGREEMENT

Trek Metals Limited (ASX: TKM, "Trek") is pleased to advise that a variation to the Kroussou Term Sheet has been agreed in order to allow Battery Minerals Limited (ASX:BAT) and Trek an addition month to finalise a Joint Venture Agreement ("JV Agreement") in relation to the zinc-lead Kroussou Project in Gabon. The JV Agreement is now anticipated to be entered into by 31 August 2017.

The variation is only as to the structure of payments and date by which the JV Agreement is to be finalized. The total amount to be paid has not been varied.

The changes are summarized as follows:

- Trek to make an initial cash payment, to Battery of 50% of the option fee (US\$120,000) on 31 July 2017 (this payment has been made);
- Trek to make a further payment of US\$120,000 upon the finalization of the JV Agreement, by 31 August 2017; and
- The initial payment is fully refundable should a JV Agreement not be agreed

The general terms of the farm in agreement remain in place as follows:

- Drill Option – Trek to fund an initial drilling programme at Kroussou up to US\$250,000 (any expenditure above US\$250,000 during this period to be attributed, pro-rata to the first expenditure hurdle). This has been completed;
- Trek to earn 30% of the Kroussou Project through the expenditure of US\$1M within 12 months of the signing of a formal JV Agreement, which is now expected to be signed by 31 August 2017;
- Trek can then earn a further 40% of the Project through the expenditure of US\$3M in the subsequent 24 months; and
- Trek will then have earned 70% of the Kroussou Project and agrees to free carry BAT through to the completion of a PFS (Pre-Feasibility Study, as defined in JORC 2012). At that point BAT will have the option to contribute to the delivery of a DFS (Definitive Feasibility Study as defined in JORC 2012) or dilute, via standard industry formulae to 5%, whereby below that, its interest will convert to a 2.5% Net Smelter Royalty (NSR). TKM will have the option to buy back 1% of this royalty through the payment of US\$1M to BAT.

Bradley Drabsch
Managing Director