



ASX Shareholders Report

Enquiries regarding this announcement and company business may be directed to:

Patrick Verbeek
Managing Director

Ground Floor
43 Ventnor Avenue
West Perth 6005
Western Australia
Tel: (+61) 8 9322 1655
Fax: (+61) 8 9322 9144

www.trakaresources.com.au

Investor Enquiries:
traka@trakaresources.com.au



ASX

AUSTRALIAN SECURITIES EXCHANGE

ASX Code: "TKL"

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Company Announcements
ASX Limited
Level 10, 20 Bond Street
Sydney NSW 2000

Gorge Creek JV – Zn, Pb, Cu and Co project

The Company is pleased to announce that an agreement has been reached with a private company, Cobalt QLD Pty Ltd (Cobalt), on the Gorge Creek Project located 30 kilometres west of Aeon Metals Ltd's emerging Walford Creek Cu, Pb, Zn, Ag and Co deposit in the highly prospective Mt Isa Inlier and Carpentaria Province, host to a number of Tier 1 base metal mines (Figure 1).

Traka has been attracted to the project because no systematic modern drilling has been undertaken to test a number of large structures, despite abundant historic exploration work, including geochemistry and drilling, demonstrating that they are mineralised. Most of the historic work is more than 20 years old and was carried out without the benefit of new discoveries like Walford Creek or new exploration techniques. The lack of sampling or assessment for cobalt on the project offers a particularly exciting objective to pursue.

The mineralised faults at Gorge Creek are deeply seated steeply dipping features passing through gently south-dipping sedimentary rock sequences. The regional scale Fish River Fault Zone extends from Walford Creek itself through the project area with a number of other faults branching from it (Figure 2). Traka will target these faults for high grade mineralisation as grades are likely to diminish laterally away from them. Geochemical anomalism highlighted in historic surveys and follow up drilling on them was peripheral to the faults in the gently dipping sedimentary rock sequence without testing the expected high grade source in the faults themselves (Figure 3).

Other than the focus on the faults, Traka will also evaluate untested induced polarisation (IP) geophysical anomalies and areas of rock-chip anomalism and gossan so that the project as a whole is fully appraised.

The application of modern geophysical techniques like IP or Electromagnetics (EM) along the faults will be used to define drill targets on these features. There are 30 kilometres of untested faults at Gorge Creek. Key areas will initially be selected for testing and work will expand on merit as drill results are received. Exploration work is expected to start in April 2018 at the end of the wet season.

Historic data is set out in Table 1 supported by JORC Table 1 information in the Annexure.

The key terms of the Agreement with Cobalt comprise payment within 7 days of a \$40,000 Option Fee giving Traka an exclusive 8 week period to elect to earn up to a 51% interest in Cobalt's' Gorge Creek tenement on the following key terms:

1. Traka to commit to \$300,000 expenditure within the first year;
2. Upon expending \$300,000, Traka may withdraw with no interest or proceed to earn 51% joint venture equity by the additional expenditure of \$700,000 in the following 2 year period;
3. Upon Traka earning 51% equity, an unincorporated joint venture to be formed with Cobalt and all joint venture expenditure subsequently met by pro-rata contributions 51% Traka and 49% Cobalt.

Patrick Verbeek
Managing Director

COMPLIANCE STATEMENT

The information in this report that relates to Exploration Targets, Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr P Verbeek, a Competent Person who is a Member of the Australasian Institute of Mining and Metallurgy and is engaged full time by the Company. Mr Verbeek has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken 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 Verbeek consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.



Figure 1: Gorge Creek location plan

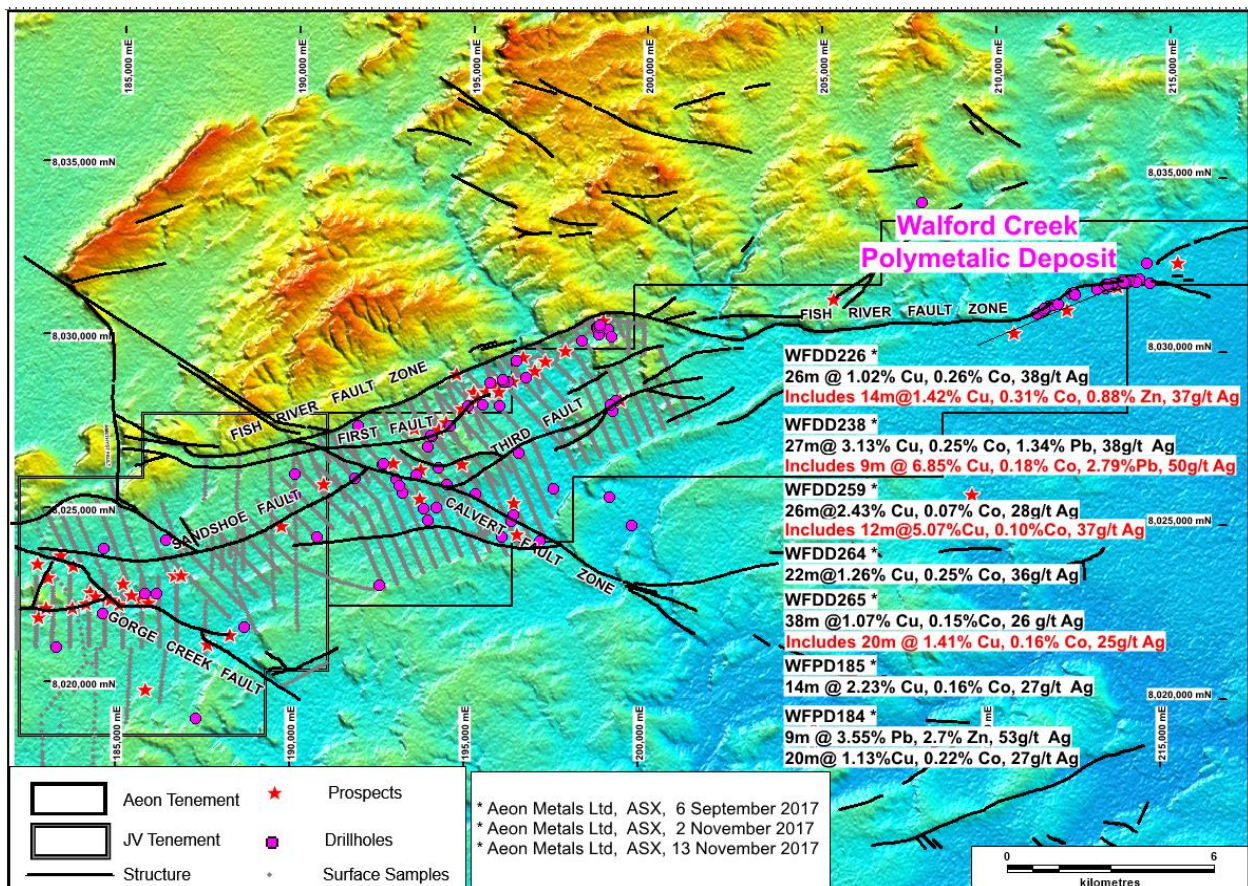


Figure 2: Regional plan showing Gorge Creek and Walford Creek linking faults and historic data

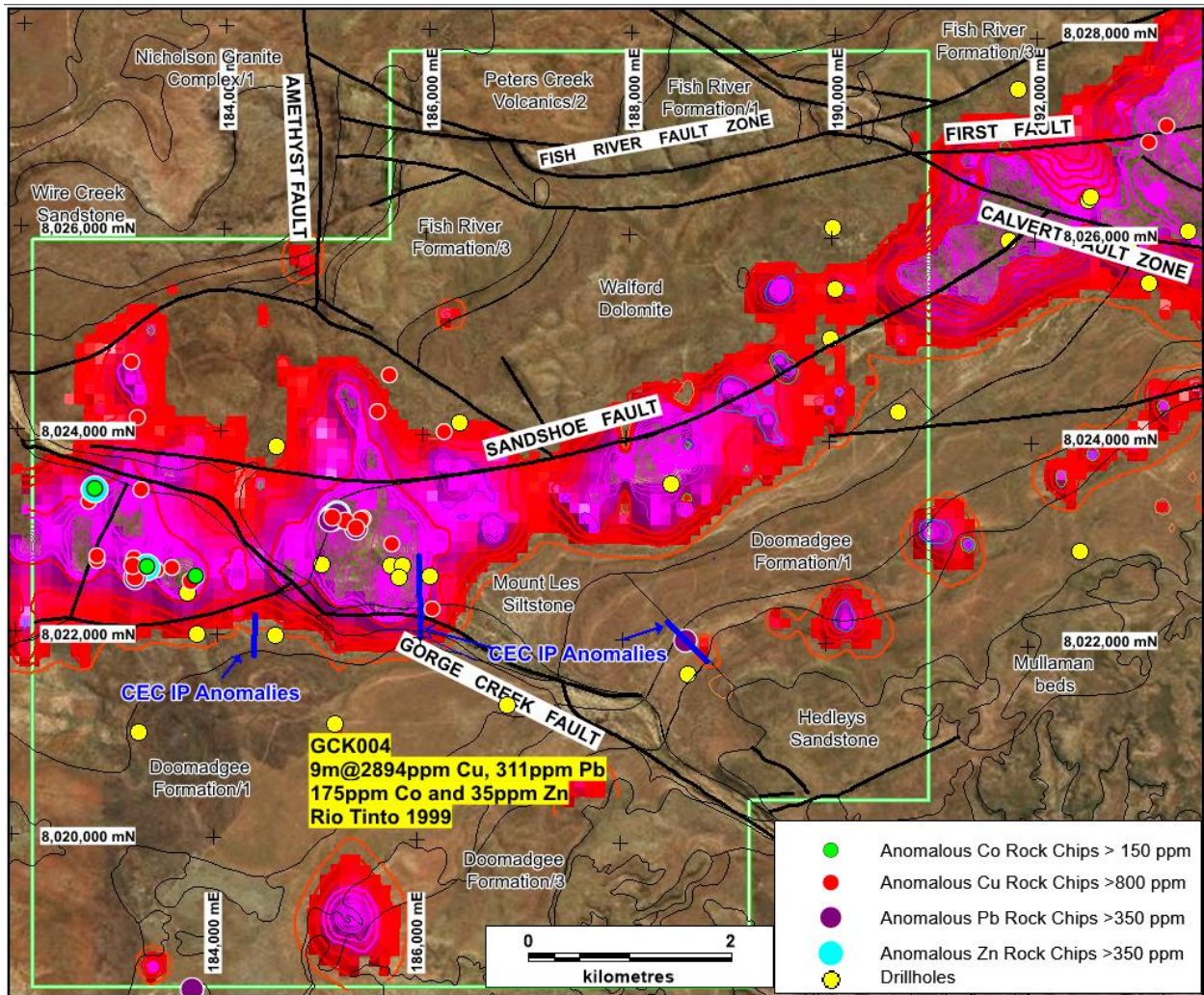


Figure 3: Gorge Creek showing the position of historic surface Pb+ Zn +Cu geochemical anomalism, rock chip anomalism, IP Lines and major faults

Table 1: Drillhole Summary

Gorge Creek Historic Drillhole Summary-MGA94, Zone 54						
Company	Hole_Id	Easting m	Northing m	Azimuth degree	Dip degree	Total Depth m
Carpentaria	CEC1	185780	8022590	0	-90	32.9
Carpentaria	CEC2	186090	8022600	0	-90	91.5
Carpentaria	CEC3	190680	8024300	0	-90	92.4
Carpentaria	CEC4	195400	8028160	0	-90	123.6
Carpentaria	CEC5	196610	8028980	0	-90	170.1
Carpentaria	CEC6	193520	8026130	0	-90	90.4
Carpentaria	CEC7	196440	8026810	0	-90	63.1
Carpentaria	CEC9	198950	8030390	0	-90	48
Carpentaria	CEC10	184570	8022000	0	-90	359.6
ESSO	ESSOGCD1	197470	8025780	0	-90	395
ESSO	ESSOGCD2A	188650	8021680	0	-90	309.9
ESSO	ESSOGCD3	183240	8021020	0	-90	262.4
ESSO	ESSOGCD4	187290	8019020	0	-90	387.4
Pasminco	GCP33	186356	8024128	26.5	-60	100
Pasminco	GCP34	184554	8023868	203.5	-60	104
CRA	RC/DD88HC1	190042	8025497	0	90	196
CRA	RC/DD88HC2	190010	8026100	0	90	154
Cobalt QLD	GC117	183297	8022090	354.5	-60	220
Cobalt QLD	GC118	182842	8023107	84.5	-70	217
Cobalt QLD	GC119	183303	8022080	174	-70	193
Cobalt QLD	GC120	183302	8022712	201	-60	181
Cobalt QLD	GC121	183293	8022721	264.5	-60	181
Rio Tinto	GCK001	196978.7	8028049.6	315	-70	210
Rio Tinto	GCK002	193755.6	8024129.8	315	-70	303.2
Rio Tinto	GCK003	186744.5	8021176.6	315	-70	207.2
Rio Tinto	GCK004	185050	8020957.6	315	-70	228.8
Rio Tinto	GCK005	196944	8023854.6	315	-70	419.1
Rio Tinto	GCK006	199088	8028946.5	315	-70	183.8
Rio Tinto	GCK007	194343.3	8026814.5	250	-70	108.4

Annexure: JORC Table 1

Section 1: Sampling Techniques and Data for the Gorge Creek Project

Criteria	JORC Code explanation	Commentary
Sampling Techniques	<ul style="list-style-type: none"> Nature and quality of sampling 	<p>The geochemical data presented has been sourced from reports in the Queensland Department of Mines public data base.</p> <p>The reports referenced were:</p> <p>Geochemistry: 1993 Pasminco. Annual Report soil sampling survey. 2017 Cobalt QLD Pty Ltd Annual Report - rock chip soil and sampling</p> <p>Geophysics: 1969 CEC IP Survey</p> <p>Drilling: 1970 CEC Annual Report (CR3998) 1980 Esso Exploration & Production Australia. Relinquishment Report (CR91819) CRA 1988 Annual Report (Cr18824) 1999 Rio Tinto Annual Report (CR32294) 2017 Cobalt QLD Pty Ltd Annual Report</p>
Quality of assay data and laboratory tests	<ul style="list-style-type: none"> The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total. For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc. Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established. 	<p>Geochemical data: 1993 Pasminco. Soil samples were collected at a nominal depth of 0.1m-0.2m and sieved to -20 # in the field, and later dried and sieved to -80# by Analabs. Assay was for Cu, Pb, Zn, and Ag by method GA107. Cobalt QLD. ALS samples were assayed using ME-MS61R technique.</p> <p>Geophysical data: 1969 CEC. 17.7 miles of IP traversing, covering 10 cleared lines and two short traverses across line 2, mainly on 400 feet and 800 feet spacing, at 100 intervals along the survey lines. 3 chargeability anomalies</p> <p>Drilling data: 1970 CEC. Drill core were split, generally in 5 feet intervals. After fine crushing, representative samples passing -80 # were assayed for Pb, Zn, Cu, Ni, and Co. 1980 Esso. Analysis code used was C1 and C2. CRA1988. ALS, Using method IC580 for Cu, Pb, Zn and Fire assay for Au (ALS method PM208). 1999 Rio Tinto. Core was cut and sampled at two metres intervals or to geological breaks. These samples were submitted to AMDEL laboratories, dried, crushed and pulverised to -75mm then digested using mixed acid digest. ICP-OES and ICP-MS were used to determine element values. 2016-2017 Cobalt QLD Ltd Each metre sample was analysed using a Niton XRF</p>

Criteria	JORC Code explanation	Commentary
		analyser as it was recovered. 23 selected one metre samples with anomalous copper or lead were split and send to ALS Laboratories for assay. Five metre composite samples were also retained for further analysis of the hydrothermal alteration chemistry if required.
Verification of sampling and assaying	<ul style="list-style-type: none"> • The verification of significant intersections by either independent or alternative company personnel. • The use of twinned holes. • Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols. • Discuss any adjustment to assay data. 	<ul style="list-style-type: none"> • Compilation of project data was primarily based on detailed professional geological review within the company of reports lodged with the Queensland Mines Department. To a lesser extent the project details provided by Cobalt QLD Pty Ltd were used as a cross reference. • All data has been digitally downloaded and/or manually down-entered into Traka's relational database. Full cross reference with historic data compilations has been undertaken to verify data validity. A common position datum has been applied to standardise all project data.
Location of data points	<ul style="list-style-type: none"> • Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation. • Specification of the grid system used. 	<ul style="list-style-type: none"> • Calibration and cross reference to orthophotos, topographic and geological maps were used to verify the position of historic data. The datum GDA94 Zone 54 is now used to present all data positions.
Data spacing and distribution	<ul style="list-style-type: none"> • Data spacing for reporting of Exploration Results. • Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resources and Ore Reserve estimation procedure(s) and classifications applied. • Whether sample compositing has been applied. 	<ul style="list-style-type: none"> • Sample spacing is variable and reflects decades of changing practice in the exploration industry. No data has been used or presented that is not seen as valid. • Drill spacing is highly variable and reflects reconnaissance level work by a number of different parties over 40 years of time. • Drillhole positions shown have been corrected to GDA94 Zone and listed in the Table 1 drillhole summary.
Orientation of data in relation to geological structure	<ul style="list-style-type: none"> • Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type. • If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, 	<ul style="list-style-type: none"> • The geochemical sampling, both soil and rock-chip, undertaken on the project as a whole is considered to be valid. • New geological models applied to the project suggests prime target zones in large fault zones have not been tested.

Criteria	JORC Code explanation	Commentary
	this should be assessed and reported if material.	
Sample security	<ul style="list-style-type: none"> The measure taken to ensure sample security. 	<ul style="list-style-type: none"> Sampling protocols adopted by previous explorers are highly variable nevertheless they are all considered to be valid.
Audits or reviews	<ul style="list-style-type: none"> The results of any audits or reviews of sampling techniques and data. 	<ul style="list-style-type: none"> Data is validated when loading into the database. No formal external audit has been conducted.

Section 2 – Reporting of Exploration Results for the Gorge Creek Project

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	<ul style="list-style-type: none"> Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings. The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area. 	<ul style="list-style-type: none"> The Gorge Creek tenement (EMP26264) is held by Traka joint venture partner Cobalt QLD Pty Ltd. The validity of the title has been verified by Mines Department search and reviewed by Traka's Tenement Managers Ardent Group Pty Ltd. EPM26264 is on a Convertible Lease and wholly on Bowthorn Station. Cobalt QLD Pty Ltd has undertaken Heritage Surveys with the Waanyi Native Title claimants in the area to cover the work they completed and it is expected Traka will do the same for future activity.
Exploration done by other parties	<ul style="list-style-type: none"> Acknowledgement and appraisal of exploration by other parties. 	<ul style="list-style-type: none"> All the data, sample positions and geological maps generated have been collated by Traka personnel.
Geology	<ul style="list-style-type: none"> Deposit type, geological setting and style of mineralisation. 	<ul style="list-style-type: none"> The Gorge Creek is considered prospective for fault controlled and strata bound sedimentary host rock mineralisation. Cu, Pb, Zn and Co are the prime commodities although there are also indications of rare earth elements (REE). An evaluation of the REE potential on the project will be undertaken while the prime objectives are being pursued.
Diagrams	<ul style="list-style-type: none"> Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views. 	<ul style="list-style-type: none"> The nearby Walford Creek discovery by Aeon Metals Ltd, 30 kms west of Gorge Creek, is a good reference with respect to the style of mineralisation to be explored for at Gorge Creek. The same stratigraphy and host rocks exist on each project and the dominant controlling structure to mineralisation, the Fish River Fault Zone, is common to both projects.
Balanced	<ul style="list-style-type: none"> Where comprehensive reporting of all 	<ul style="list-style-type: none"> All relevant information is reported for a

Criteria	JORC Code explanation	Commentary
reporting	Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of exploration results.	project at an early exploration level of evaluation.
Other substantive exploration data	<ul style="list-style-type: none"> Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances. 	
Further work	<ul style="list-style-type: none"> The nature and scale of planned further work (e.g. test for lateral extensions or depth extensions or large-scale step-out drilling). Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive. 	<ul style="list-style-type: none"> Future work will include geological reconnaissance and geochemical sampling where appropriate. However, it is most likely that the bulk of early work will comprise IP and/or EM surveys. A staged program of work initially to prove the effectiveness of chosen technique will be adopted followed by drilling.