



Traka Resources Limited

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ASX Shareholders Report

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AUSTRALIAN SECURITIES EXCHANGE

ASX Code: "TKL"

Market Announcements
ASX Limited
20 Bridge Street
Sydney NSW 2000

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Drillhole intersection to be followed up at Mt Short

A diamond drillhole targeted to intersect an IP (Induced Polarization) target at the Mt Short base metals prospect intersected lead (Pb) and zinc (Zn) mineralisation at 39.5 metres downhole depth.

The intersection was of oxidized rock and comprised 8.59 metres @ 1.7% Zn and 0.95% Pb including 0.75 metres @ 5.7% Zn, 2.6% Pb and 1.9 metres @ 3.9% Zn and 1.57% Pb (Table 1 and Figure 1).

HOLE ID	EASTING	NORTHING	DIP (degrees)	AZIMUTH (degrees)	DOWNHOLE DEPTH (m)	FROM (m)	TO (m)	Zn (%)	Pb (%)
RMSD24	773530	6310992	-60	235	8.59	39.5	48.09	1.7	0.95
Includes					0.75	42.85	43.6	5.76	2.62
Includes					1.9	44.3	46.2	3.9	1.57

*Map Grid of Australia 1994 (GDA94), Zone 50

Table 1: Details of drillhole RMSD24

Previous work on this target, which is entirely under regolith cover in wheat paddocks, showed the presence of lead, zinc and copper mineralisation within a sedimentary rock sequence extending over a 13 kilometre distance (Figure 2) (1). A 2 kilometre section of this zone with coincident near surface supergene and IP anomalism is being evaluated in this instance (Figure 3).

Further sampling of the drill core and a re-appraisal of the geophysics modelling for the IP and former EM (electromagnetic) data is underway. The IP target was expected below 100 metres depth whereas the intercept quoted above is at much shallower depths. In addition a 20 metre section in the pre-collar of the drill hole above the intersection quoted appears to be mineralised too, but the sample quality was too poor to provide meaningful results. (Refer JORC Table 1 in the Annexure)

Further sampling of the disseminated sulphide copper zone and iron rich metasedimentary unit which is in the position of the IP anomaly 100 metres down the hole is currently underway. Receipt of this additional assay data and completion of a review of the previous geophysical surveys will guide the follow-up work program.

(1) Traka ASX announcement Exploration Program Update 19 Sept 2017

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 as the Managing Director of 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.

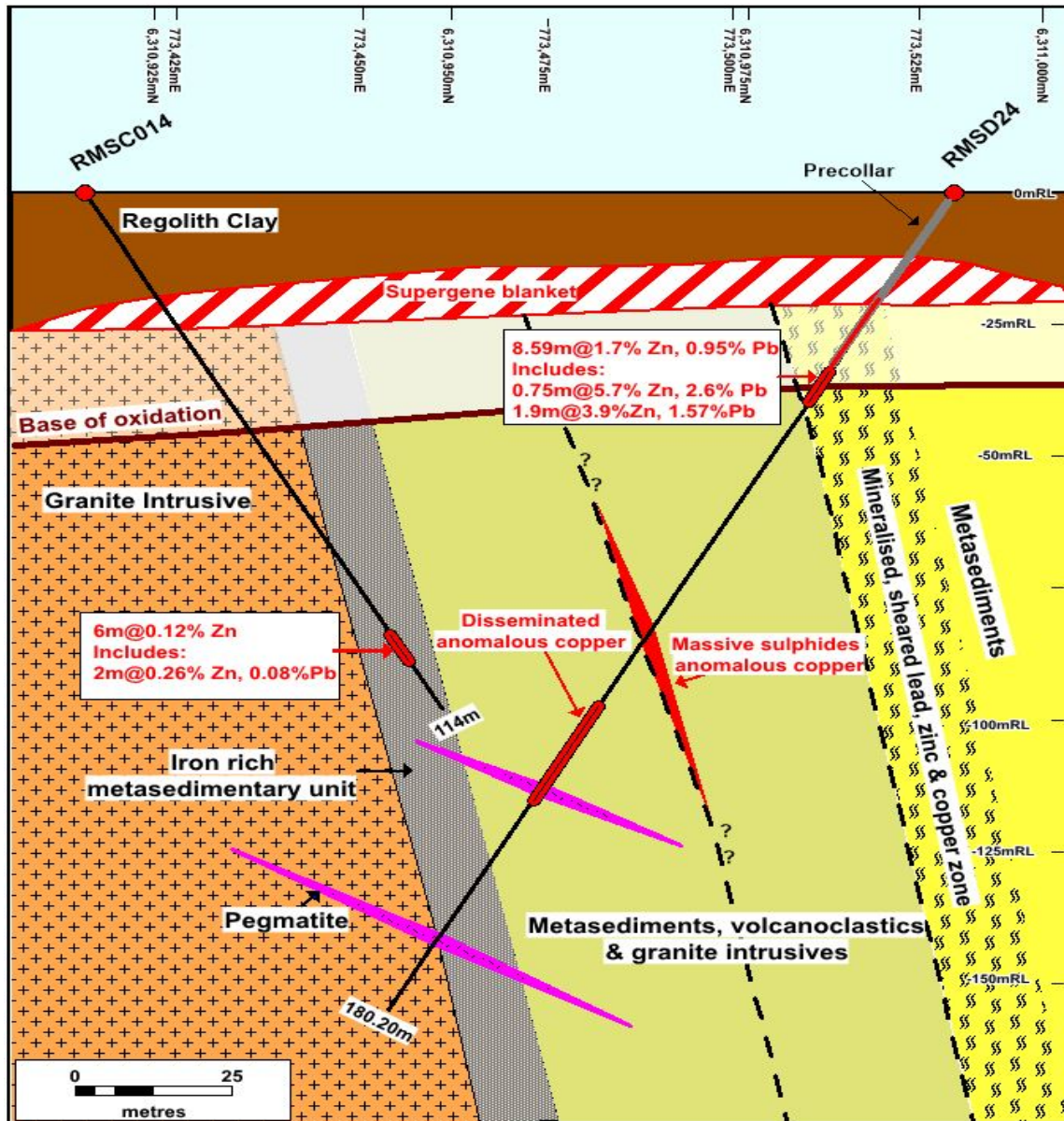


Figure 1: Schematic cross-section showing drillhole RMSD24

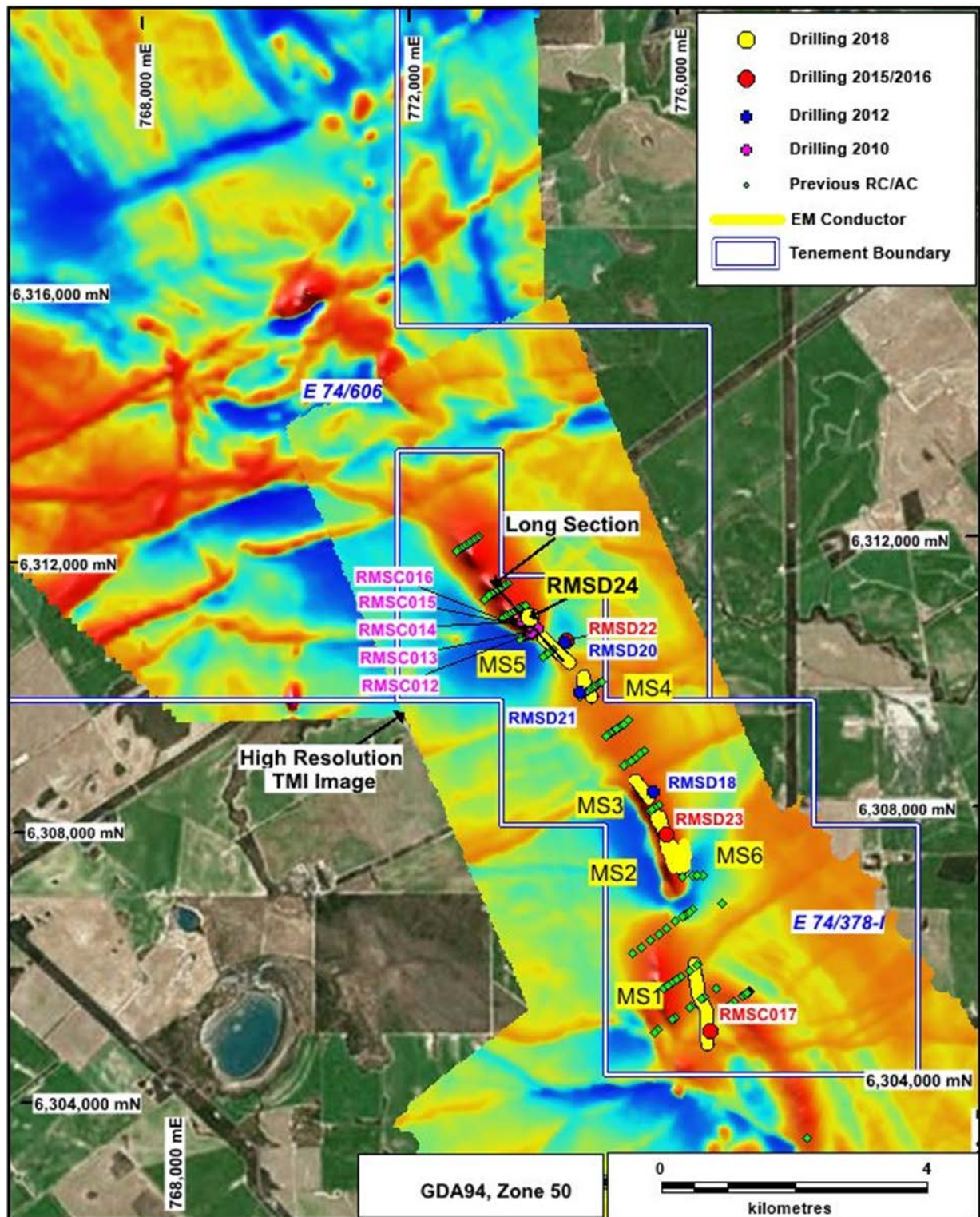


Figure 2: An aeromagnetic image showing drill hole positions and the trend of mineralisation coincident with magnetic high ridge

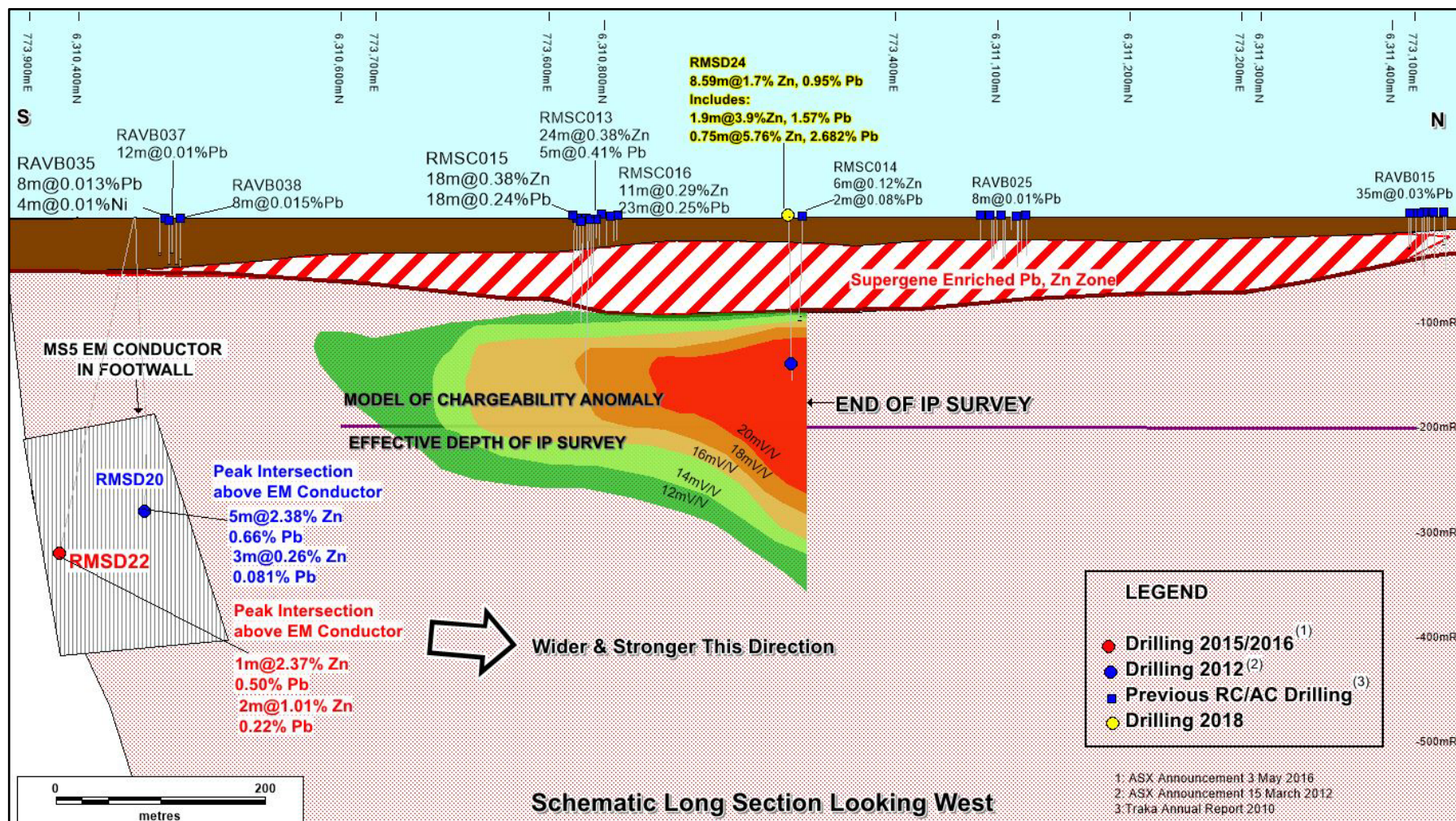


Figure 3: Schematic long section showing the position of drillhole RMSD24 in relation to the IP anomaly and near surface supergene mineralisation.

Annexure: JORC Table 1

- Section 1: Sampling Techniques and Data for the Mt Short Base Metals Project

Criteria	JORC Code explanation	Commentary
Sampling Techniques	<ul style="list-style-type: none"> Nature and quality of sampling 	<ul style="list-style-type: none"> RC drill samples are at 1 metre intervals down hole. Each sample is separately bagged and representative splits taken from each sample for analysis. The whole sample is retained until all assay and checks have been completed. Diamond core samples are half-core in size collected over variable widths determined by the geologist to best reflect the beginning and end of discrete geological features.
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 of 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. 	<ul style="list-style-type: none"> LabWest Minerals Analysis was used for assays of the RC and diamond drill core samples. Sample preparation and analysis are considered appropriate for the style of base metals mineralisation encountered. The RC samples were about 2kg in weight - this was wholly crushed to 80% passing 75micron. A 4 acid digest and assay by ICP-MS and ICP-OES provided the assay results. The diamond drill core samples were of various weights between 0.5 and 3.0kg in weight. Sample preparation and analysis was the same as used for the RC samples. A representative split of the fines (< 1mm fraction) for all the RC samples were analysed by a handheld Olympus XRF Analyser. Visual indicators and the XRF results assist in selection of the samples to be submitted to the laboratory. A comparison of the XRF and laboratory data is routinely made. On diamond core the XRF machine is used as required by the geologist to verify logged observations in addition a reading every 20cm is taken along the core. The QA/QC data includes laboratory standards, duplicates and checks.
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 	<ul style="list-style-type: none"> Independent field inspection and sampling was undertaken and data presented checked for accuracy of location and true to description. Electronic copies of all the data are kept and backed up daily in Traka's

Criteria	JORC Code explanation	Commentary
	<p>procedures, data verification, data storage (physical and electronic) protocols.</p> <ul style="list-style-type: none"> Discuss any adjustment to assay data. 	<p>office.</p> <ul style="list-style-type: none"> No adjustments of assay data are considered necessary.
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"> Hand-held GPS is used to locate all the drill hole sample positions. Calibration and cross reference to orthophotos, topographic and geological maps are used as a cross reference to the GPS calculated position. The GDA94 Zone 50 datum is used for the co-ordinate system. .
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 appropriate to the early reconnaissance level of work undertaken to date. Drill spacing is at exploration stage and not of sufficient density for Mineral Resource estimation.
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, this should be assessed and reported if material. 	<ul style="list-style-type: none"> Drill orientation is as close to right-angles to the strike of the target as possible. Sampling in the RC component is at 1m intervals and systematic and in diamond stopped and started at contacts and geological features so that the controls to mineralisation and the geological setting are understood. The drill holes are surveyed at regular intervals with a downhole tool so that all core can be orientated and any significant drill hole deviation is recognised.
Sample security	<ul style="list-style-type: none"> The measure taken to ensure sample security. 	<ul style="list-style-type: none"> Samples are uniquely numbered and individually bagged for submission to the Laboratory. The downhole depth of each sample is recorded on a note book in addition to a digital log sheet. All data is entered and loaded into a secure relational data base with full QA/QC protocols observed.
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 Mount Short Base Metals 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 Mt Short Base Metals Project is located on EL74/378 a wholly owned tenement of Traka Resources Limited. The tenements are in good standing and no known impediments exist. Access Agreements have been entered into with the relevant land owners and all work is done with their permission.
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, samples position, drilling and geological compilation has been undertaken by Traka.
Geology	<ul style="list-style-type: none"> Deposit type, geological setting and style of mineralisation. 	<ul style="list-style-type: none"> The Mt Short Base Metals Project is located on the northern margin of the Ravensthorpe Greenstone Belt. The host rock to zinc, lead and copper mineralisation are a highly metamorphosed sequence of mafic volcanoclastic and sedimentary rocks. The sequence is bounded by late phase granites intruded post the peak metamorphic event. There is some analogy for the style of mineralisation being encountered with VMS or SEDEX style mineralised bodies
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"> Refer to Figures in the body of the text.
Balanced reporting	<ul style="list-style-type: none"> Where comprehensive reporting of all 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. 	<ul style="list-style-type: none"> All relevant information is reported for a 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. 	<ul style="list-style-type: none"> All relevant exploration data has been presented accompanied by diagrams and commentary designed to provide a balanced readily understood summation of results.

Criteria	JORC Code explanation	Commentary
Further work	<ul style="list-style-type: none"> • The nature and scale of planned further work (eg test for lateral extensions or depth extensions or large-scale step-out drilling). • Diagrams clearly highlighting the areas <i>of possible extensions, including the</i> main geological interpretations and future drilling areas, provided this information is not commercially sensitive. 	<ul style="list-style-type: none"> • Future work will include further drilling for base metals in addition to the evaluation of the numerous granitic and pegmatitic bodies for their lithium and tantalum potential. Refer to the Figures in the body of the report