

ASX ANNOUNCEMENT

31 October 2019

September 2019 Quarterly Operations Report

HIGHLIGHTS

Kroussou Project

- The Company entered into an Earn-in Agreement with Apollo Minerals Limited (**Apollo Minerals, ASX: AON**) for Apollo Minerals to earn-in an interest of up to 80% in the Kroussou zinc-lead project in western Gabon

Lawn Hill Project

- Meeting scheduled to discuss the grant of the Lawn Hill Project tenure with Traditional Owners re-scheduled for early November 2019

Corporate

- Changes to Board and management to ensure the Company is well placed to source and execute on future resource project opportunities including the appointment of Mr John Young, a highly experienced geologist who has worked on exploration and production projects encompassing gold, uranium and specialty metals, including tungsten, molybdenum, tantalum and lithium
- Consolidation of the number of shares and options on issue on an eight (8) for one (1) basis
- Placement completed (post quarter end) to new and existing sophisticated and professional investors to raise A\$2.4 million (before costs) at a post consolidation issue price of \$0.02 per share
- Cash position at 30 September 2019 of approximately A\$586K / (US\$396K), including A\$270K / (US\$185K) received pursuant to capital raising completed in October. The balance of funds (A\$2.13m) was received in October 2019

Kroussou Project

As announced on 4 September 2019, the Company entered into an Earn-in Agreement (**EIA**) with Apollo Minerals Limited (**Apollo Minerals, ASX: AON**) for Apollo Minerals to earn-in an interest of up to 80% in the Kroussou zinc-lead project (**Kroussou Project** or **Project**) in western Gabon.

Since acquiring an interest in the Kroussou Project, Trek has validated significant, large scale, near surface zinc-lead potential.

However, given the location and size of the Kroussou Project, Trek determined that the introduction of an earn-in partner was the optimal way to continue to fund the exploration required in order to assess the potential and prospect for future development of the Kroussou Project.

The EIA provides Trek with flexibility as to whether it maintains a direct interest or converts its residual interest to a royalty. Trek will not incur any further expenditure in relation to the Kroussou Project until Apollo Minerals completes its earn-in obligations when a separate decision will be made by Trek as to whether it participates to maintain a 20% interest, dilutes its interest or converts its interest into a 1% net smelter royalty.

The key terms of the EIA with Apollo Minerals were described in the announcement of 9 September 2019 as well as contained in the announcement released by Apollo Minerals on the same date.

The Agreement was dated 2 September 2019. Completion of the acquisition of the Project must occur within three months of signing the EIA ("**End Date**") and is subject to the following conditions precedent:

1. Required approvals for the indirect change in control in the Project;
2. Government of Gabon issuing a Mining (Exploration) Convention;
3. No material adverse event; and
4. No material breach of the EIA.

As at this date, the EIA remains conditional on the above.

Lawn Hill Project

Trek owns 100% of TM Resources Pty Ltd which holds two exploration tenement applications in the Northern Territory, known as the Lawn Hill Project.

The tenements contain highly prospective geology with the potential to host large scale sediment hosted zinc-lead deposits similar in style to the world class Century deposit (> 150Mt @ 8.2% Zn + 1.2 % Pb + 33g/t Ag) with anomalies along strike and in the same corridor that hosts the Walford Creek (Copper-Cobalt) Project (owned by Aeon Metals Limited, ASX: AML).

The Company continues to pursue a meeting with the Traditional Owners of the region to negotiate the grant of the tenements and this is currently scheduled for early November 2019.

Edjudina Project Option

As announced on 10 September 2019, the Company no longer intended to exercise the option to acquire a gold project in the Laverton district of Western Australia which required, among other things, a minimum of \$100,000 of exploration expenditure to be undertaken by Trek, and has now terminated this agreement.

Corporate

Management and Board

The Company announced on 4 September 2019 that as a result of the Trek / Apollo Minerals EIA for the Kroussou Project, it had undertaken a number of changes to its Board and management to ensure it was well placed to source and execute on future resource project opportunities.

- Managing Director Mr Brad Drabsch and Non-Executive Director Ms Sonja Neame resigned from the Board effective 2 September 2019; and
- Mr John Young was appointed as a Non-Executive Director effective 2 September 2019.

Mr Young is a highly experienced geologist who has worked on exploration and production projects encompassing gold, uranium and specialty metals, including tungsten, molybdenum, tantalum and lithium. Mr Young's corporate experience includes appointments as CEO of Marenica Energy Limited and CEO and Director of Thor Mining PLC. Mr Young was Exploration Manager at Pilbara

Minerals Limited from June 2014 until August 2015, appointed Technical Director in September 2015 and transitioned to Non-Executive Director in July 2017 until his resignation in April 2018.

Mr Young has been a director of Bardoc Gold Limited (formerly Spitfire Materials Limited) since June 2017. During this time, in his tenure as Managing Director he co-ordinated the merger with former small-scale north Kalgoorlie producer Excelsior Gold Limited and stalled developer Aphrodite Gold Limited to bring together a large, high-quality gold resource inventory in the Kalgoorlie district (the Bardoc Gold Project). He remains on the Bardoc Gold Limited board as a Non-Executive Director.

Consolidation and Reduction of Share Capital

At the 2019 Annual General Meeting of the Company held on 3 October 2019 (**2019 AGM**), the Company received Shareholder approval to consolidate the number of shares and options on issue on an eight (8) for one (1) basis (**Consolidation**), reduce the par value of the share capital and increase authorized capital. The Consolidation was completed on 9 October 2019.

The Company's capital structure post the Consolidation is as follows:

	Fully Paid Ordinary Shares	Unlisted Options exercisable at \$1.28 by 31/12/20	Unlisted Options exercisable at \$0.48 by 2/11/21	Unlisted Options exercisable at \$0.80 by 27/4/21	Unlisted Options exercisable at \$0.184 by 8/10/21	Unlisted Options exercisable at \$0.056 by 30/9/23
Securities on issue 31/10/19	174,782,262	156,250	10,765,121	660,415	5,625,000	11,250,000

Capital Raising

Following shareholder approval at the 2019 AGM, The Company completed a placement to new and existing sophisticated and professional investors to raise A\$2.4 million (before costs) at a post consolidation issue price of \$0.02 per share (**Placement**).

The Placement significantly strengthened Trek's balance sheet and will be used to continue progressing an exploration strategy at the Company's Lawn Hill Project, monitor its carried interest in the Kroussou Project in Gabon and identify new project opportunities.

The Placement was supported by existing shareholders and Directors and attracted significant interest from new shareholders looking to support the Company's growth ambitions.

The Directors of the Company, Gregory Bittar, Michael Bowen and John Young, each participated in the Placement.

Change of Registered Office Address and Principal Place of Business in Australia

The Company also wishes to advise that effective 31 October 2019 the registered office and principal place of business in Australia and telephone number for the Company will change to as follows:

Suite 3
9 Hampden Road
Nedlands WA 6009
Ph: 1300 206 978

The Company's postal address remains PO Box 1796, West Perth WA 6872

Tenements

Tenement	Holder	Last Qtr Interest	Current Qtr Interest
G4-5679 (Gabon)	Select Explorations Gabon SA (Wholly owned subsidiary of Trek Metals Limited) (subject to JV with Apollo Minerals Limited)	100%	100%
EL31260 (appl.) (Northern Territory)	TM Resources Pty Ltd (100% owned subsidiary)	100%	100%
EL31261 (appl.) (Northern Territory)	TM Resources Pty Ltd (100% owned subsidiary)	100%	100%
EL31751 (appl.) (Northern Territory)	TM Resources Pty Ltd (100% owned subsidiary)	100%	100%
EL31752 (appl.) (Northern Territory)	TM Resources Pty Ltd (100% owned subsidiary)	100%	100%
13170-HQ-LPL (Zambia)	Cheowa Resources (Incorporated JV- 51% Glencore 49% TKM)	49%	49%
13171-HQ-LPL (Zambia)	Cheowa Resources (Incorporated JV- 51% Glencore 49% TKM)	49%	49%
8573-HQ-LPL (Zambia)	Cheowa Resources (Incorporated JV- 51% Glencore 49% TKM)	49%	49%

Gregory Bittar

CHAIRMAN

ABOUT TREK METALS LIMITED

Trek Metals Limited is an Australian listed (ASX:TKM) base metals explorer focused on delivering World Class discovery opportunities from parts of the world that have seen limited exploration. The Company's flagship project is the Kroussou Zinc-Lead Project located in Gabon in West Africa. The Kroussou Project was acquired in 2016 and has been largely unexplored since the late 1970's when the Bureau de Recherches Géologiques et Minières (BRGM) discovered significant, near surface mineralisation there. Trek is determined to deliver to shareholders the best possible outcome by leveraging itself to genuine opportunities for discovery.

REGISTERED OFFICES

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