TREK

METALS LIMITED

Consolidated Financial Report

For the half-year ended 30 September 2017

Contents

Corporate Directory

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Sonja Neame	*Non-Executive Director*

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Directors' & Operations Review

The Directors present the Directors' and Operations Report for Trek Metals Limited ("TKM", "Trek" or the "Company") for the half-year ended 30 September 2017.

KROUSSOU PROJECT - GABON

Trek Metals Limited ("TKM", "Trek" or the "Company") announced on 2 November 2016 that it had entered into an option agreement with Battery Minerals Limited (ASX:BAT, formerly Metals of Africa Limited) to farm into the highly prospective Kroussou Zinc-Lead Project in Gabon (Figure 1). Intermittent historic exploration, conducted from 1962 to 1980 by the French Geological Society (BRGM), identified significant near-surface base metal mineralisation with drill testing limited to a small portion of the target areas.

Project details can be found in the TKM ASX announcement dated 2 November 2016.

The key terms of the agreement are:

- Drill Option – TKM to fund an initial drilling programme at Kroussou up to US$250,000.
- Should TKM elect to exercise this option (prior to 31st July 2017), TKM will pay BAT US$240,000 in cash and/or shares as a reimbursement of costs and to secure the right to earn 30% of the Kroussou Project through the expenditure of US$1M within 12 months of the exercise date.
- TKM can then earn a further 40% of the Project through the expenditure of US$3M in the subsequent 24 months.
- TKM will then have earnt 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.

On 1 September 2017, TKM announced that it had exercised its option to earn 30% of the Kroussou Project. Both BAT and TKM agreed to an extension to the Option date to 31 August 2017.

About the Project

Zinc and lead mineralisation is hosted in Cretaceous sediments exposed on the margin of the Cotier (Coastal) Basin within preserved channels and onlapping unconformable Archaean and Paleoproterzoic basement rocks (Figures 1 and 2). Base metal occurrences are mapped along the length of the Kroussou Project License (84km strike for ~1,500km^2 of tenure). Only a limited number

(2 of 18) of the exposed channels were drill tested by the Bureau de Recherches Géologiques et Minières (BRGM) historically, with both channels containing significant base metal mineralisation. Trek believes there is scope for the discovery of significant base metal mineralisation.

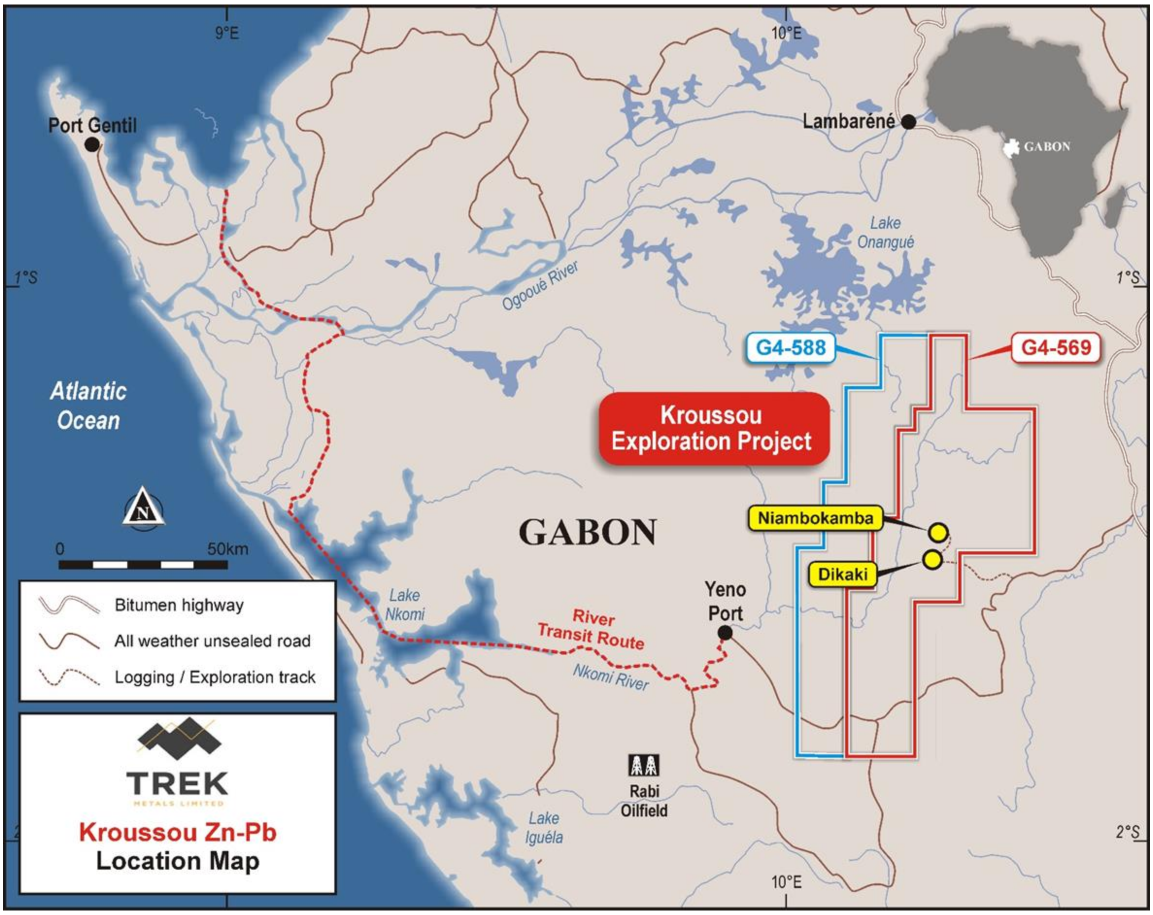


FIGURE 1: LOCATION PLAN OF THE KROUSSOU PROJECT IN GABON

The Dikaki Prospect, the area with the most historic drilling (small diameter diamond core) returned numerous shallow intersections of ore grade and width zinc plus lead mineralisation. Some of the better intersections reported included **2.3m @ 21.2% Zn+Pb from 0.9m**, **8.3m @ 7.8% Zn+Pb from 13.6m and 7.0m @ 8.2% from 9.4m**. These holes were drilled by the BRGM in 1979-1980 (for further details refer to TKM's ASX Announcement from 2 November 2016).

Assaying of core by the BRGM was highly selective due to the high cost of analysis and transport back to France at the time. Only obviously mineralised (clearly visible galena – lead sulphide) core was sent for analysis, limiting defined and quantified mineralisation to these intersections. Sphalerite (zinc sulphide) is not always easy to identify in hand specimen and zinc rich core may not have been sent for assay. Further, BRGM limited their drill program to shallow holes (average depth of 16m) with numerous holes ending in mineralisation.

The BRGM drill holes confirm multiple horizons of flat lying mineralisation. Numerous intersections of massive sulphide were reported in drill logs adding to the potential for significant zinc and lead mineralisation at the Kroussou project. The style of mineralisation is likely Mississippi Valley Type, however some Sedex Type characteristics are also observed. Petrology undertaken by BAT indicates relatively equal proportions of zinc and lead minerals and the sphalerite appears to have low iron content, making it more attractive for beneficiation.

Drilling

As announced by the Company on the 11 May 2017 the drilling programme within the Dikaki Prospect at the Kroussou Project in Gabon highlighted Kroussou's immense zinc-lead potential and provided Trek with confidence that the historic drilling information is reliable and can be used to assist future targeting.

The drilling programme was designed to confirm the presence of near-surface zinc-lead mineralisation originally identified by the French Geological Survey (BRGM) as early as the 1960's and provide Trek with the confidence that the broader basin was a viable exploration target.

Assays returned from the drilling programme include (Table 1):

- 24.7m @ 2.9% Zn eq from 2.0m (DKDD003)
  Incl. 2.8m @ 20.1% Zn eq from 7.7m
- 37.1m @ 2.0% Zn eq from 2.3m (DKDD001)
  Incl. 1.3m @ 8.6% Zn eq from 11m
  and 12.5m @ 4.0% Zn eq from 14.5m

The twin of S1 (DKDD005), a hole drilled historically for which assaying was not undertaken, returned several broad, low-grade intersections. This is pivotal because it shows the mineralisation may be present within the broader Cotier Basin, meaning the entire basin is now a target for exploration. This materially extends the target area for the project and demonstrates the prospectivity of the basin.

A zone along the northern edge of the Dikaki Channel (Figure 3) has, in historical drilling, and now as part of the recently completed programme, yielded stratabound bands of high grade zinc and lead within a broad halo of lower grade mineralisation (Figures 4 and 5).

The work conducted by the French Geological Survey (BRGM) did not highlight the broader lower grade, zinc rich zone, as their assaying was lead focussed and restricted to visually obvious lead mineralisation (galena, the main lead ore sulphide mineral is very easy to see in hand specimen whereas sphalerite, the main zinc sulphide ore mineral is more difficult to identify).

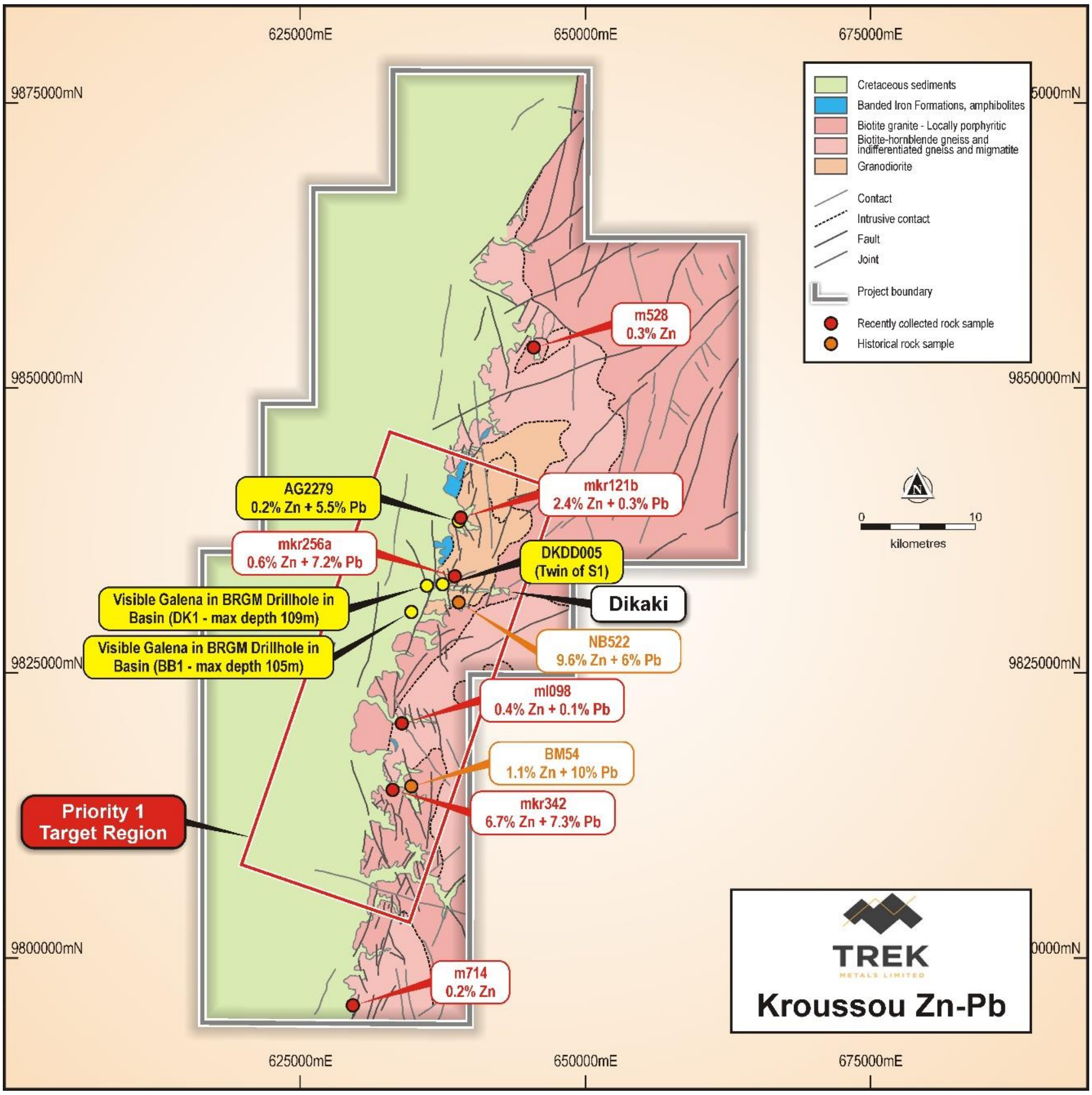


FIGURE 2: KROUSSOU PROJECT REGIONAL GEOLOGY WITH ROCK CHIP RESULTS SHOWING EXTENT OF SURFACE MINERALIZATION

Trek engaged Perth based consultancy CSA Global to evaluate the drill core from Dikaki. CSA commented in their report, specifically referring to Dikaki that:

"The recent results show that the mineralisation at Dikaki reaches potentially economic grade and thickness, and also highlights that the limited BRGM sampling has not adequately outlined the extent of mineralisation. As a result, the channel target at Dikaki is far from fully tested, while the scale of the target zone is substantial. Considering the low strip ratio, there may still be potential for a substantial body of low to moderate grade economic mineralisation at Dikaki…"

Hole ID	Easting (WGS84 32S)*	Northing (WGS84 32S)*	RL	Dip/Azimuth	Max Depth	From (m)	To (m)	Interval	Zn eq (%)	Zn (%)	Pb (%)
DKDD001	640,275	9,832,165	91	-90/000	39.4	2.3	39.4	**37.1**	**2.1**	**1.1**	**1.2**
	Including					11.0	12.3	**1.3**	**8.6**	**4.9**	**4.5**
	and					14.5	27	**12.5**	**4.0**	**2.1**	**2.4**
DKDD002	639,467	9,832,559	90	-90/000	47	2.0	29.8	27.8	1.0	0.6	0.4
	Including					5.5	6.4	**0.9**	**5.0**	**1.2**	**4.6**
DKDD003	639,704	9,832,495	102	-90/000	42.2	2.0	26.7	**24.7**	**2.9**	**0.9**	**2.5**
	Including					7.7	10.5	**2.8**	**20.1**	**4.3**	**20.2**
DKDD004	638,206	9,832,501	71	-90/000	49.87	2.0	27.9	25.9	0.6	0.5	0.1
DKDD005	637,305	9,832,491	64	-90/000	137.85	17	30	**13**	**0.8**	**0.7**	**0.1**
	and					72.4	120	**47.7**	**0.3 ǂ**	**0.2**	**0.1**
DKDD006	639,782	9,832,466	94	-90/000	25.75	2.2	25.8	23.6	0.7	0.5	0.2
	Including					16.2	18.6	**2.4**	**3.6**	**2.3**	**1.5**
DKDD007	640,075	9,832,349	93	-90/000	27.7	2.9	26.3	23.4	0.9	0.7	0.1
	Including					5.4	10.7	5.3	1.9	1.7	0.3
DKDD008	640,330	9,832,164	77	-90/000	39.55	3.0	36.8	33.8	1.6	0.8	1.0
	Including					19	30.5	**11.5**	**3.8**	**1.6**	**2.6**
DKDD009	639,782	9,832,471	94	-90/000	41.45	7.1	31.5	24.4	0.8	0.6	0.2
	Including					15.2	18.2	**3.0**	**2.1**	**1.2**	**1.0**

Table 1: Significant assays from the recently completed drilling by Trek at the Dikaki Prospect

Intervals reported using a minimum assay of 0.2% Zn eq and a maximum of 2m internal dilution except as indicated
ǂ - Internal dilution up to 4m included in this intersection
* - Some co-ordinates differ slightly from previous reporting due to better GPS coverage

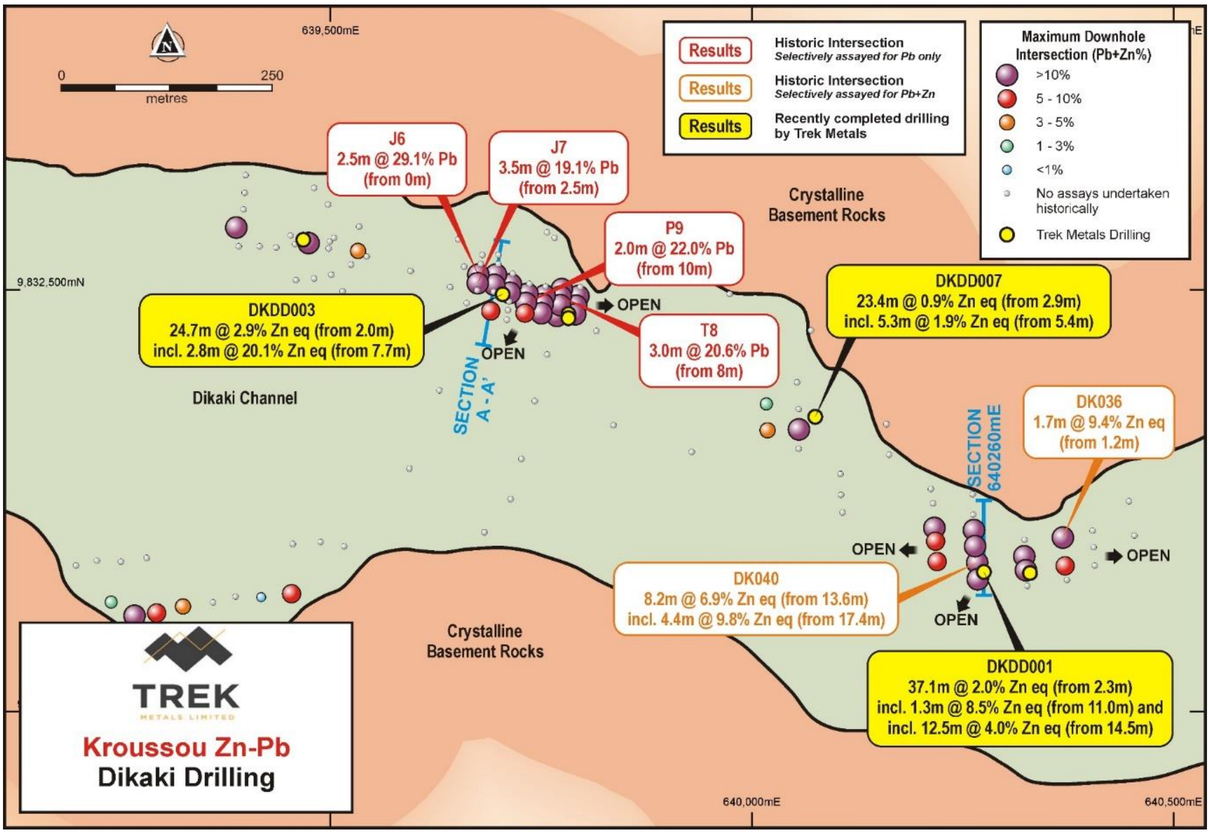


FIGURE 3: DRILLING WITHIN THE DIKAKI CHANNEL

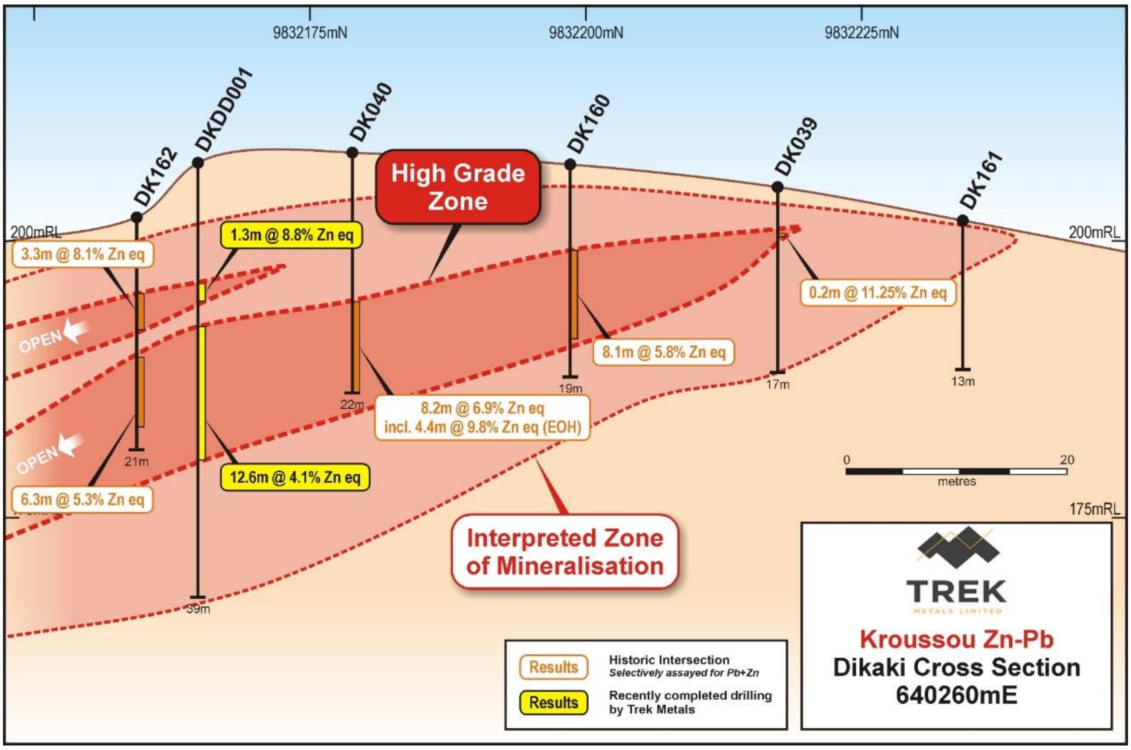


FIGURE 4: SECTION 640260ME ACROSS A ZONE OF HIGH-GRADE MINERALIZATION WITHIN THE DIKAKI CHANNEL

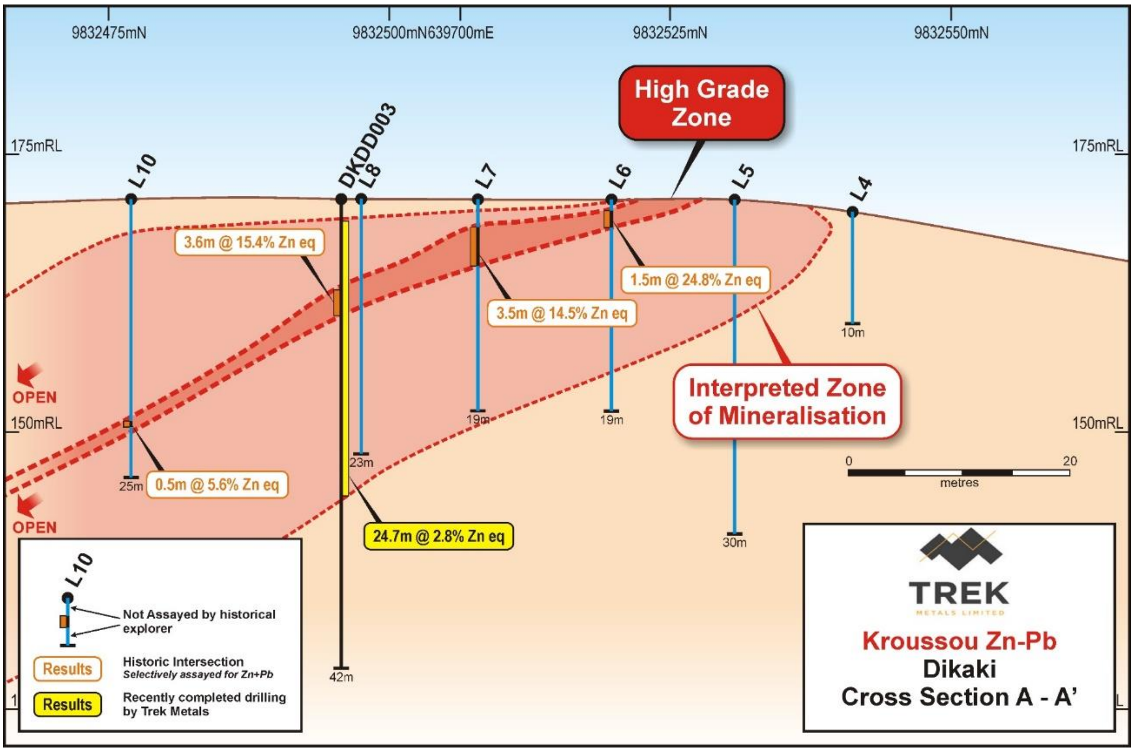


FIGURE 5: DIKAKI CROSS SECTION A -A' ACROSS A ZONE OF HIGH-GRADE MINERALIZATION WITHIN THE DIKAKI CHANNEL

"Mineralisation at Kroussou shows great lateral extent along the Cretaceous unconformity, over 30 kilometres in the project area, indicating that the basin was productive for zinc-lead-silver mineralising fluids and experienced a major focused fluid flow event of uncertain timing and trigger. The location of Kroussou coincides with a major right-step relay and transform zone that would have acted to focus fluid flow out of the basin onto the rift-shoulder basin high, with additional focus provided by pinch out of basin aquifer units.

High-grade mineralisation is hosted in coarse clean high-energy clastic sediments deposited in palaeochannels in the embayments, as well as replacing lacustrine carbonate rocks. Low-grade halo mineralisation extends through the clastic stratigraphy with zinc more widely distributed than lead. Mineralisation is characterised by replacement of carbonate cement-and open-space fill in clean clastic units and subsidiary replacement of dolostone horizons. Chemistry and mineralogy are simple, characterised by Zn-Pb-Ag with anomalous Cu, with generally low-iron sphalerite and associated with marcasite. The gangue is calcite and locally barite with no dolomite."

An ongoing review of historical drilling results continues to highlight the open pit potential of both the Niambokamba and Dikaki Prospects.

Historical intersections from Niambokamba include:

- **5.0m @ 6.3% Zn eq from 2.1m (NK82)**
- **6.8m @ 4.5% Zn eq from 9.9m (NK63)**
- **5.6m @ 4.0% Zn eq from 5.4m (NK74)**

The Niambokamba mineralisation appears to be of a very similar nature to that seen in Dikaki during the recently completed drilling program (Figures 6, 7 and 8). Historical logs from the Niambokamba Prospect indicate the presence of the same, shallow dipping, relatively zinc-rich finer grained units interspersed with more lead-rich sandstone units, all either from or very close to the surface at both locations.

As indicated in figure 6, the drilling at Niambokamba is located within a large soil anomaly that extends far beyond the coverage of the historically completed holes. This suggests that the target here at Niambokamba may be far larger than the extent of the drilling.

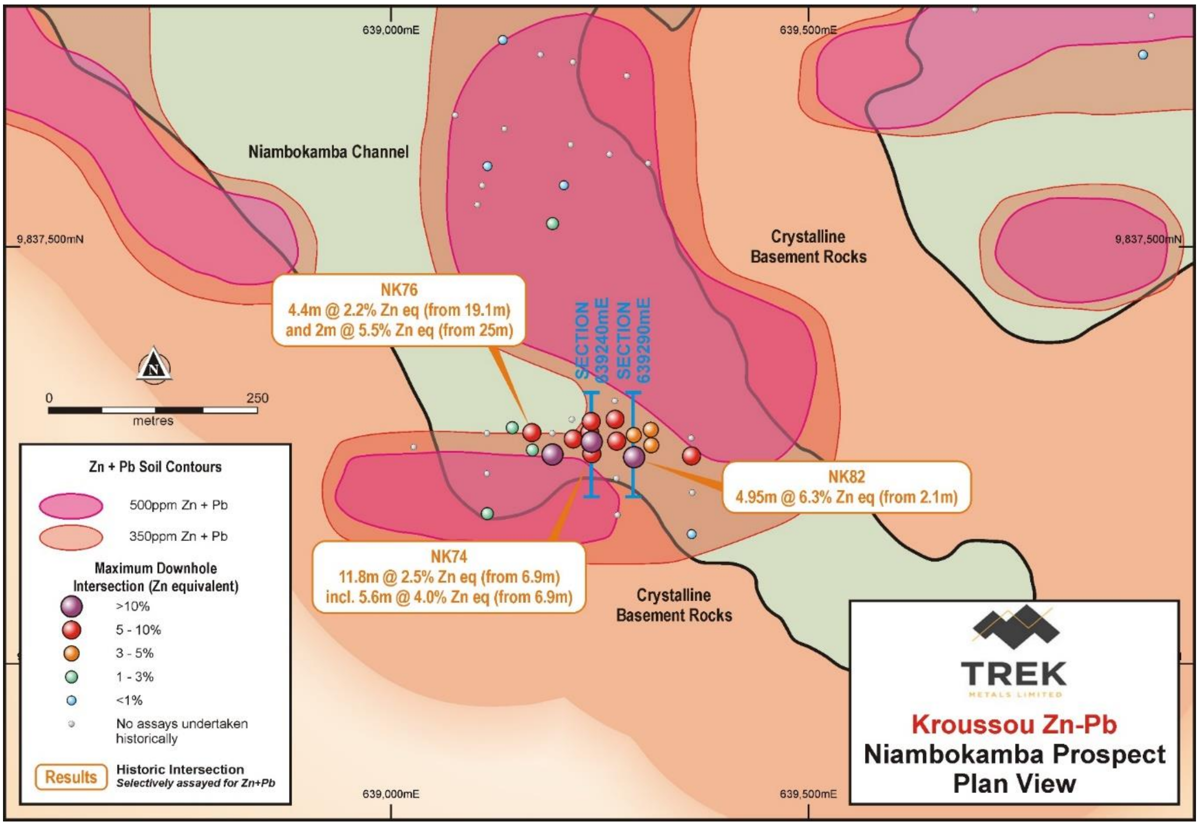


FIGURE 6: DRILLHOLE COLLAR PLAN FOR THE NIAMBOKAMBA PROSPECT

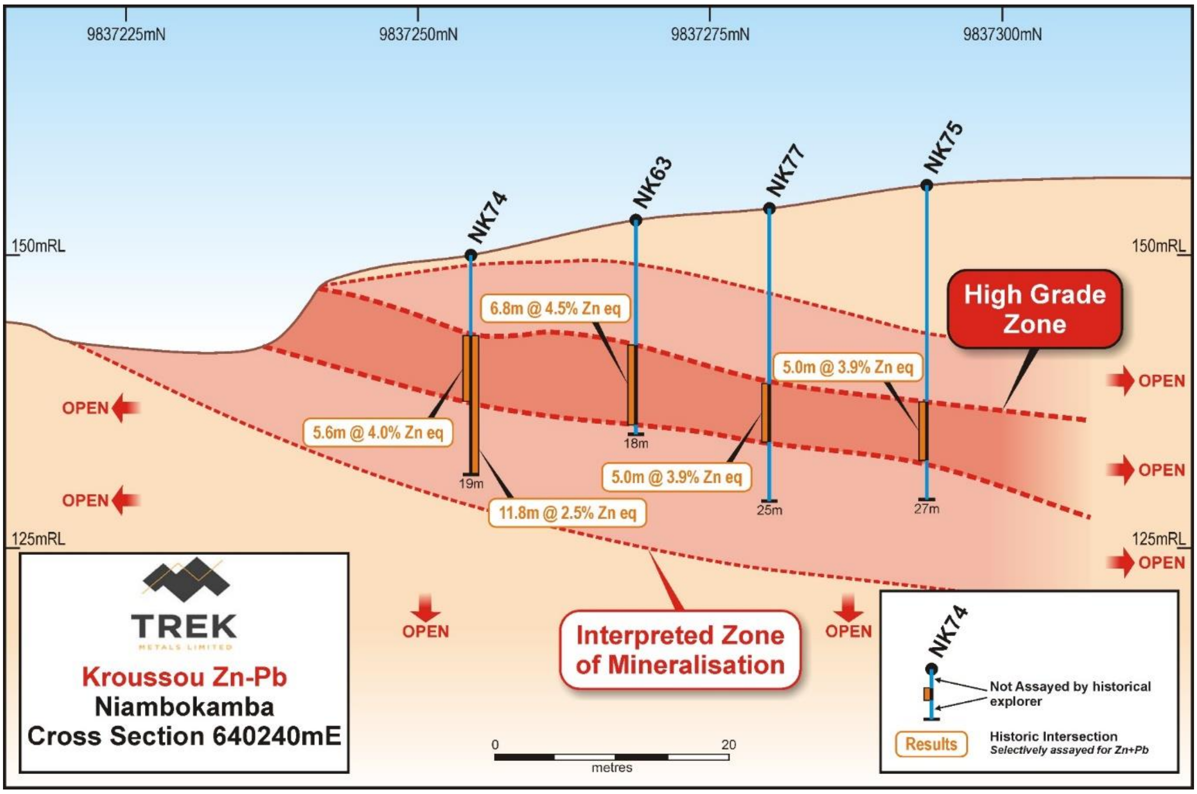


FIGURE 7: NIAMBOKAMBA CROSS SECTION 640,240mE

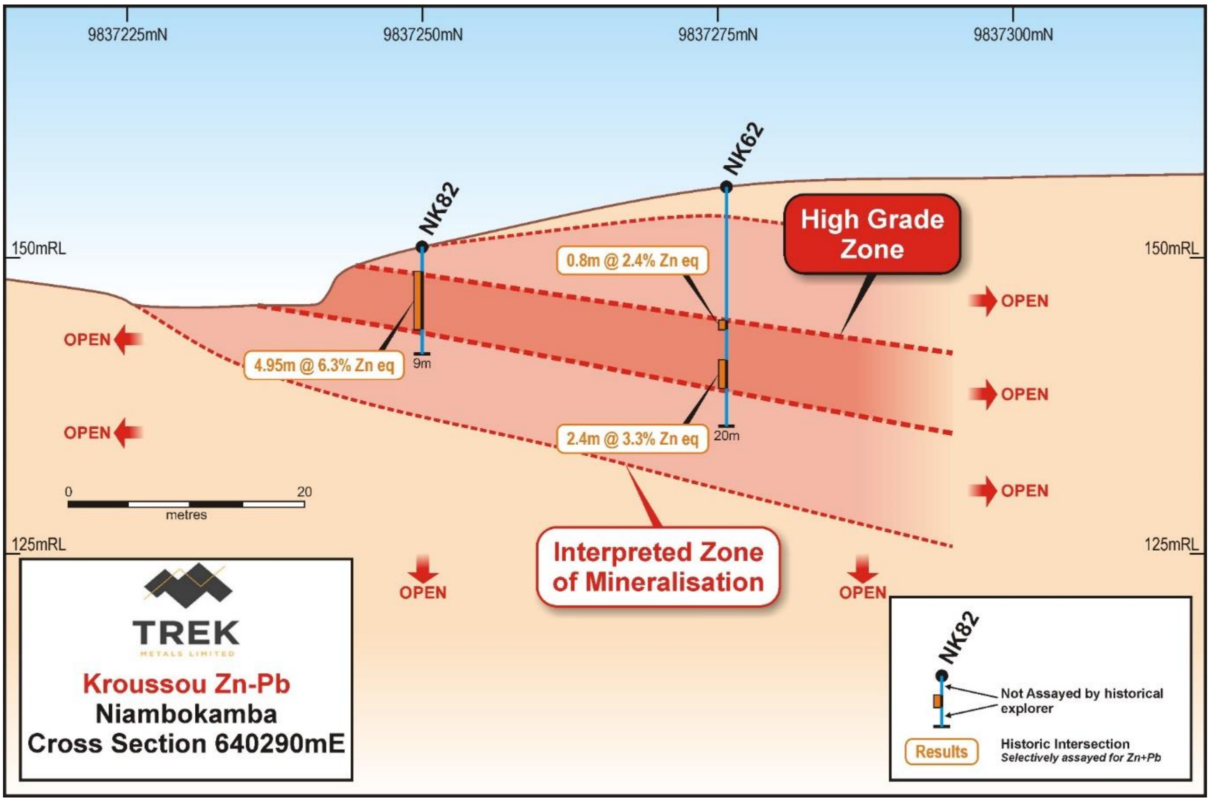


FIGURE 8: NIAMBOKAMBA CROSS SECTION 640,290ME

Soil Sampling

Soil sampling at Kroussou has highlighted several high priority target areas and also strengthened the potential at the Dikaki Prospect. Significant anomalies up to 1.5km long have been identified outside of the Dikaki Prospect. Approximately 20 strike-kilometres of anomalism at greater than 500ppm Zinc (Zn) + Lead (Pb) have been identified. Peak soil results of 3,156ppm Zn and 2,410ppm Pb with >10% of samples >500ppm Zn + Pb.

The results returned have confirmed the presence of, and upgraded the tenor of the soil anomalies from the first pass work completed (refer ASX announcement – 28 August 2017). A total of 7,177 samples were collected during the two programmes with the infill completed at 50m x 50m spacing.

Several, highly significant, high-order and large-scale anomalies across the three priority prospect areas have been defined with coherent zinc and lead anomalies peaking at 3,156ppm and 2,410ppm respectively forming the basis upon which an ongoing surface geophysical programme is being undertaken (Figures 9 and 10).

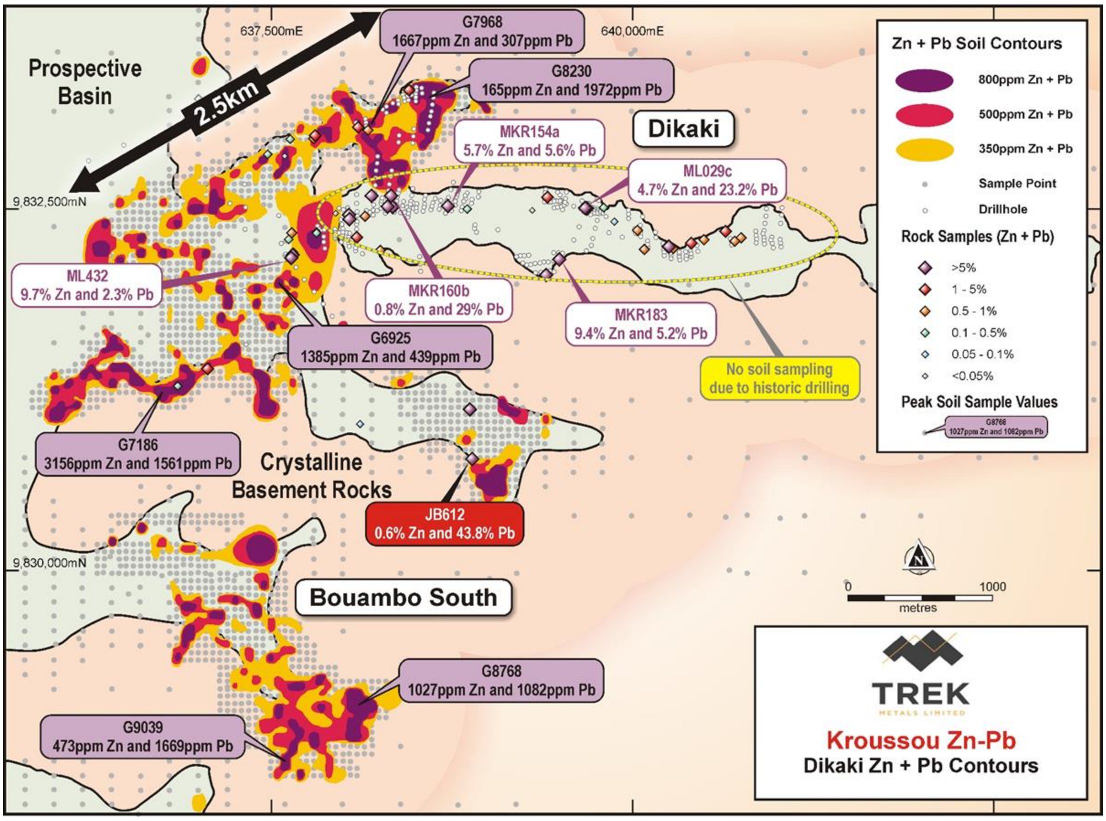


FIGURE 9: SOIL ANOMALIES WITHIN THE DIKAKI AND BOUAMBO SOUTH PROSPECTS

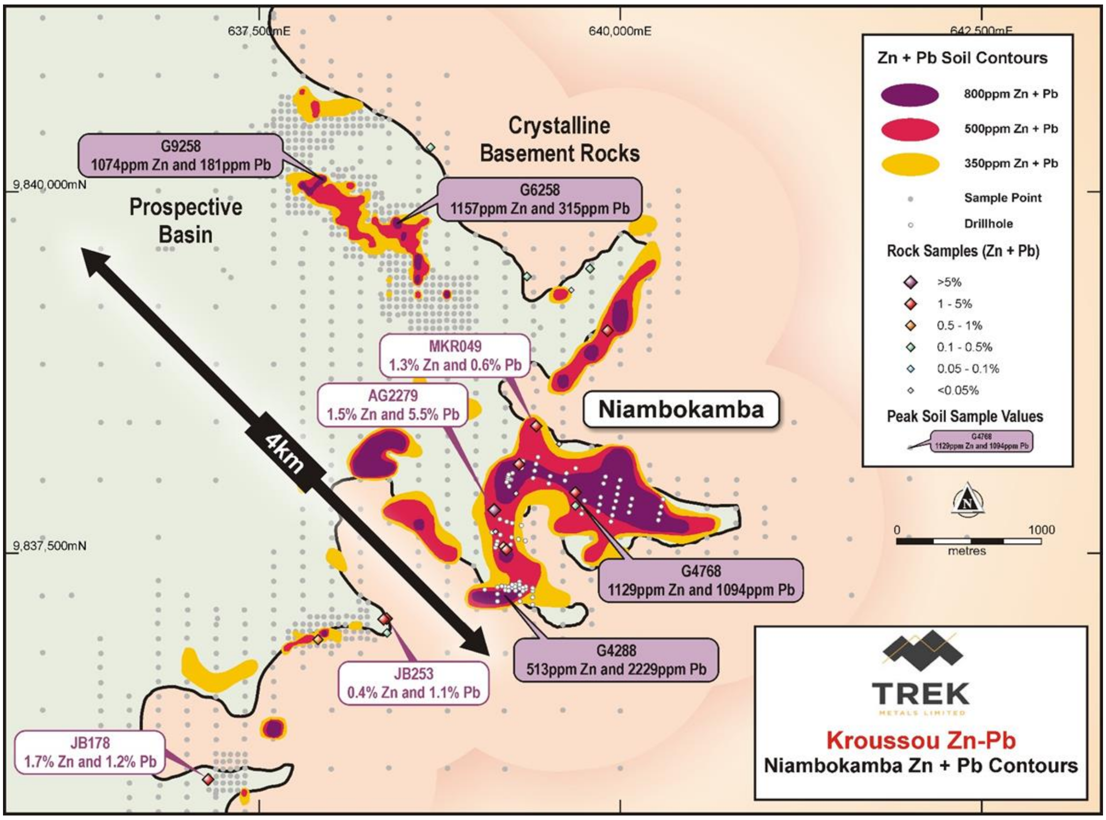


FIGURE 10: SOIL ANOMALIES WITHIN THE NIAMBOKAMBA PROSPECT

Ground Based Geophysics

A recently commenced ground geophysical programme at Kroussou is indicating large anomalies corresponding with potential down-dip and along strike positions to known mineralisation within the Dikaki Channel.

This programme, consisting of both IP and NSAMT methods (Induced Polarisation and Natural Source Audio Magneto Tellurics) has presented several significant anomalies to assist with drill targeting in its initial stages. A metal factor processed image (Chargeability / Resistivity) is presented in figure 11 with anomalies indicated, potentially representing sulphide mineralisation. Inversion modelling orientation lines across some of the known mineralisation at Dikaki has indicated that a substantial semi-continuous conductive body persists from surface (associated with known mineralisation) to approximately 100m below surface (Figure 12).

Approximately 200 line km will be surveyed across the three highest priority prospect areas of Dikaki, Niambokamba and Boumbo South. The programme has been hampered by wet weather in the region and will now not be completed until Q1 2018.

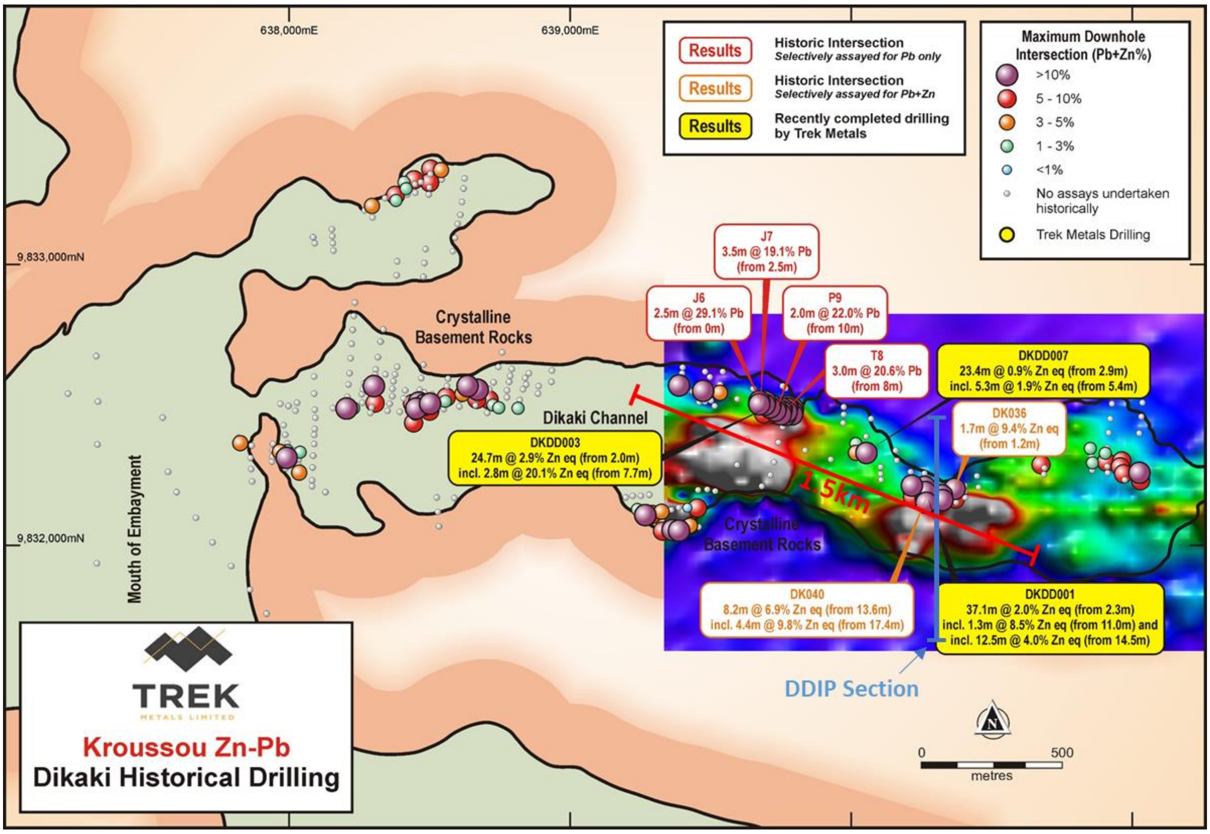


FIGURE 11: GEOPHYSICAL IMAGE (METAL FACTOR – CHARGEABILITY/RESISTIVITY) OVER PART OF THE DIKAKI CHANNEL. THE ANOMALIES MAY REPRESENT DOWN DIP AND ALONG STRIKE EXTENSIONS TO THE KNOWN MINERALIZATION

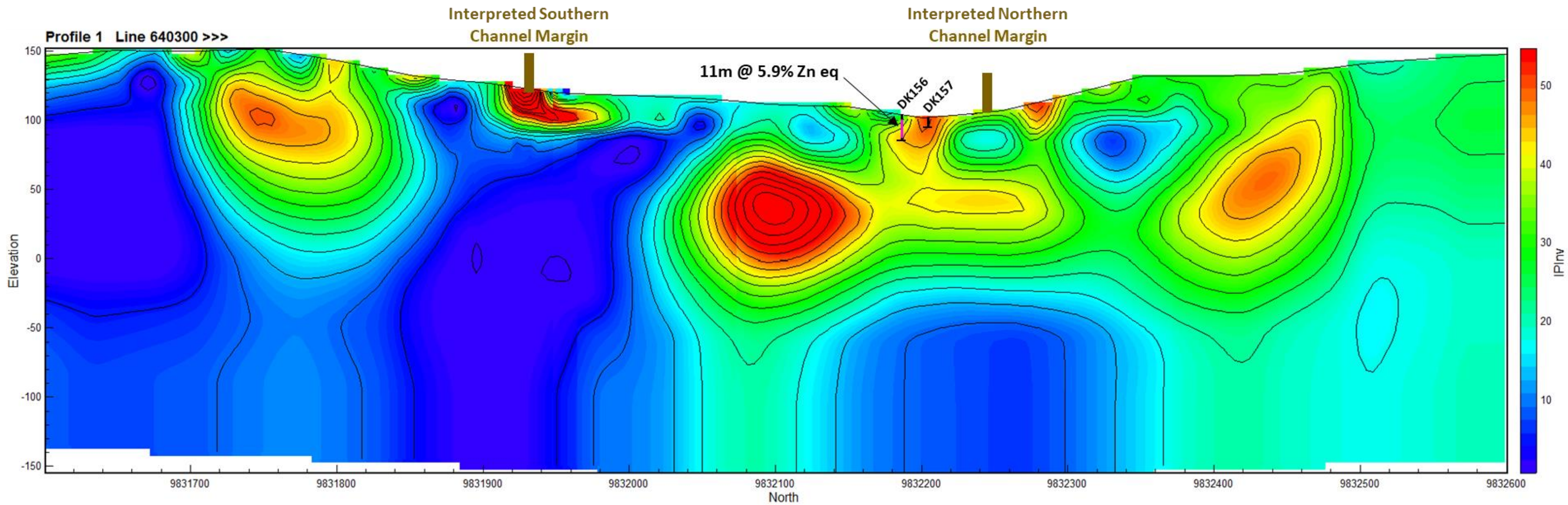


FIGURE 12: DDIP INVERSION MODEL ALONG SECTION LINE 640300MN INDICATING A CHARGEABLE BODY THAT APPROXIMATELY COINCIDES WITH KNOWN MINERALIZATION AT SURFACE AND A MUCH LARGER ANOMALOUS REGION DEEPER DOWN

Access to Infrastructure

Access into the Kroussou project area has been greatly enhanced in recent times by the presence of several logging companies operating in the area. New, high quality roads and tracks have been established that allow for easy passage into the project from the bitumen highway that runs south from the capital city of Libreville.

A river port at Yeno (Figure 1), approximately 65km, by vehicle, to the west of the project area along a good quality road, is used by the timber and the oil industries to barge equipment and product to Gabon's main commercial shipping base at Port Gentil. This barge system presents an ideal, relatively cheap logistical solution for operations within the project to and from the main export facilities at Port Gentil.

Zinc Equivalent Calculation

The zinc equivalent (ZnEq) calculation represents the total metal value for each metal, multiplied by the conversion factor, summed and expressed in equivalent zinc percentage. Grades have not been adjusted for metallurgical or refining recoveries and the zinc equivalent grades are of an exploration nature only and intended for summarising grade. The zinc equivalent calculation is intended as an indicative value only. The following zinc equivalent conversion factors and long- term price assumptions have been adopted: Zinc Equivalent Formula (ZnEq) = Zn% + (Pb x 0.76) based upon a zinc (Zn) price of US$3,150 / tonne and a lead (Pb) price of US$2,400 / tonne.

LAWN HILL PROJECT – NORTHERN TERRITORY

As announced on 16 September 2016, Trek entered into a share sale agreement to purchase 100% of TM Resources Pty Ltd ("TM Resources") 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).

Rocks of the Lawn Hill Platform, hosting the Century Zinc Deposit to the south-east of the tenement applications in Queensland (Figure 13) are mapped across much of the tenement applications that form the Lawn Hill Project. In addition to being correlated with the rocks hosting Century, the Fickling Group sediments within the Lawn Hill Project can also be correlated with those of the McArthur Group which contain one of the World's largest sediment hosted base metal deposits at McArthur River (HYC Deposit, > 200Mt @ 13% Zn+Pb).

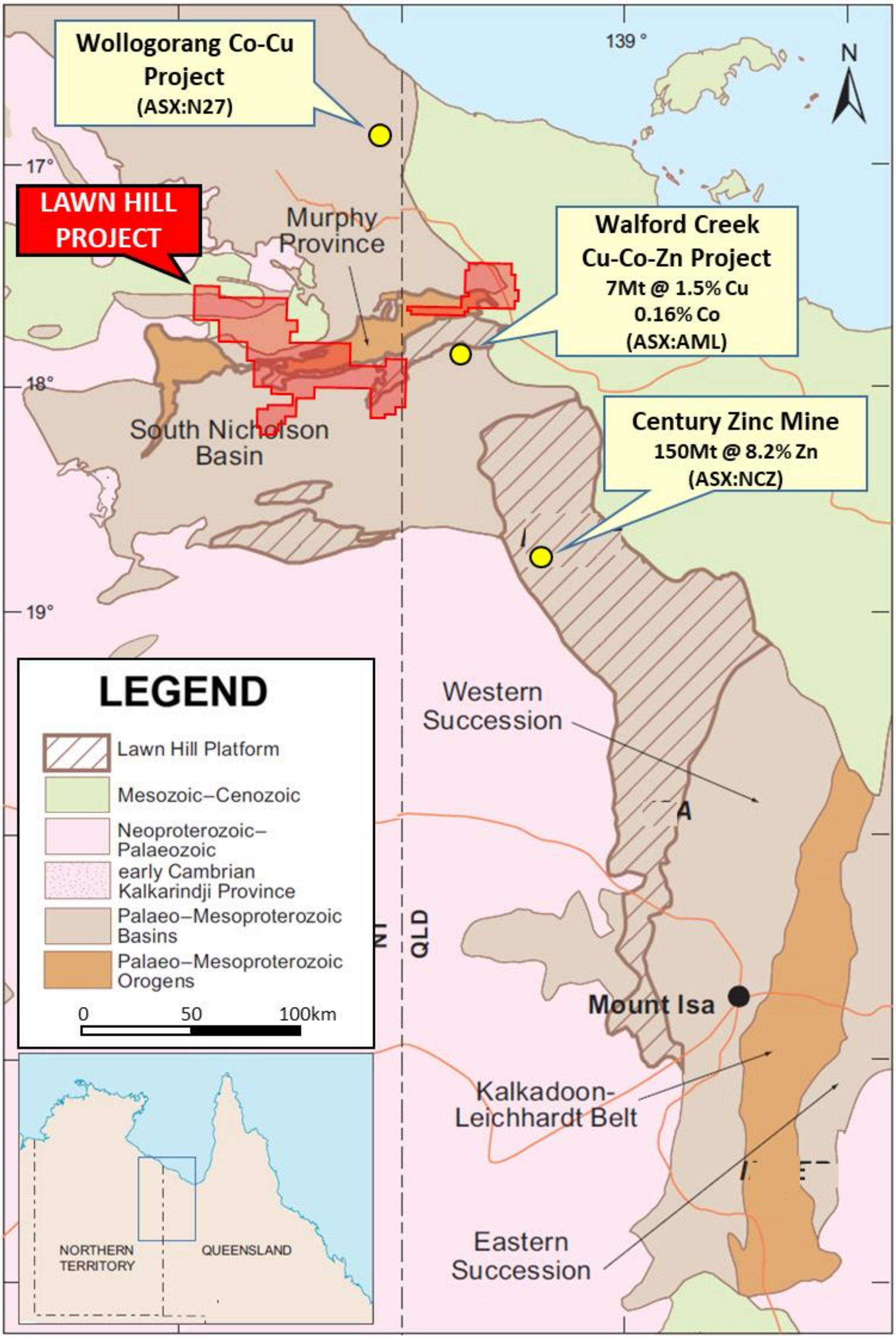


FIGURE 13: LOCATION PLAN OF THE LAWN HILL PROJECT

Little Previous Exploration

Previous exploration has been sparse across the tenement applications with only one major phase of work being completed during the 1980's. This work was very broad-brushed and resulted in only two drillholes being completed.

Numerous Zn, Cu and Pb occurrences are described on the Queensland side of the border (Figure 14), including the Walford Creek Project (73 Mt @ 1.4% Cu eq) currently being explored by Aeon Metals Limited, with nothing on the Northern Territory side, due, simply, to a lack of exploration.

ESSO conducted first pass surface exploration during 1979 – 1981, which mostly included stream sediment sampling, rock chip sampling, a gravity survey and the completion of two stratigraphic diamond drillholes (stratigraphic drillholes are completed to provide an understanding of the sub-surface geology and are not necessarily specifically targeted at mineralisation). Stream sediment sampling was also undertaken by the BMR (Bureau of Mineral Resources). Details of this programme are unknown.

A compilation of the stream sediment sampling results is provided in figures 14-17 below. Elemental concentrations have been levelled to geology and concentrations represented as percentile groups to indicate anomalism. Values at the 98th percentile could be considered as highly anomalous.

Two drillholes, ND-1 and ND-2, were drilled vertically to a depth of 101.0m and 143.5m respectively. The sequence hosting the Walford Creek Deposit was encountered in both drillholes along with weakly anomalous base metal mineralisation. Further compilation of this historic data is ongoing.

Key Deal Terms

- AUD $10,000 cash payment up-front
- AUD $50,000 in TKM shares to be issued upon the grant of the tenements
- AUD $1,000,000 upon the public release of a JORC 2012 Compliant Resource in respect of the Lawn Hill Project of between 550Kt Zn eq – 1.1Mt Zn eq
- AUD $3,000,000 upon the public release of a JORC 2012 Compliant Resource in respect of the Lawn Hill Project of between 1.1Mt Zn eq – 2.2Mt Zn eq

TKM anticipates the grant process may take between 12 – 24 months and looks forward to then progressing an aggressive exploration strategy at the Lawn Hill Project. The process involves negotiations with the Native Title holders in the area, the Waanyi/Garawa Aboriginal Land Trust. TM Resources commenced discussions with the Waanyi/Garawa Aboriginal Land Trust to facilitate the granting process and TKM looks forward to continuing these negotiations.

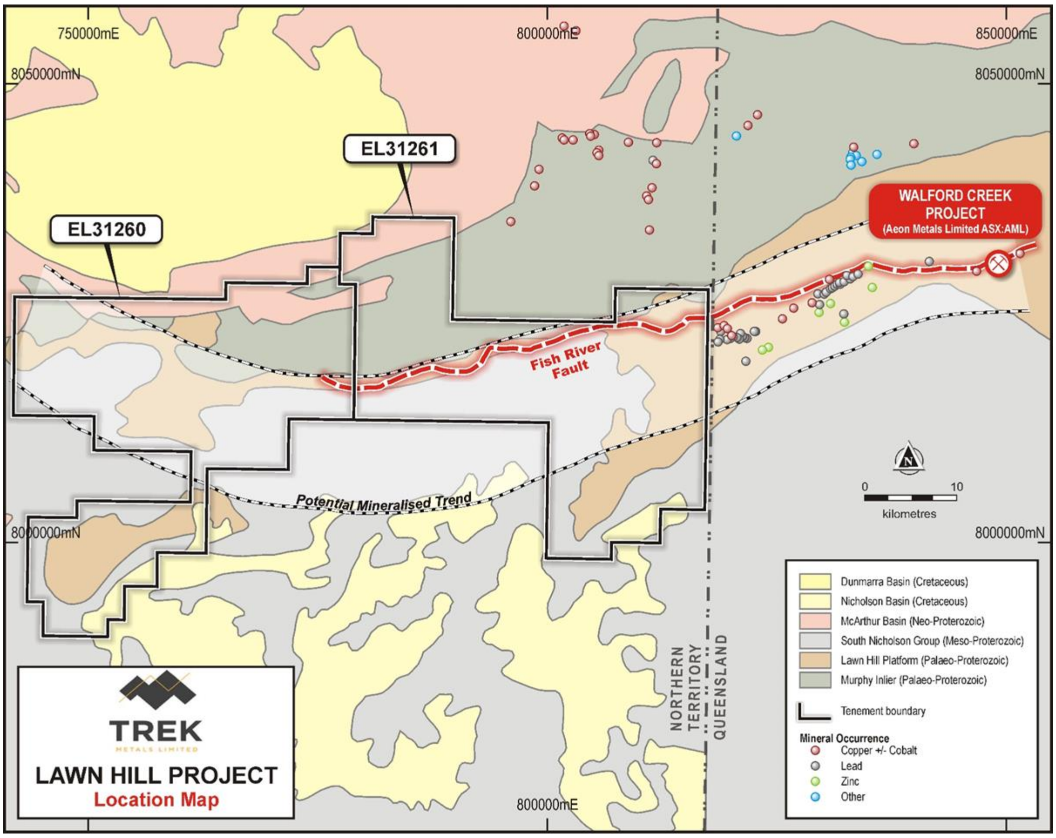


Figure 14: Lawn Hill Project Location Plan

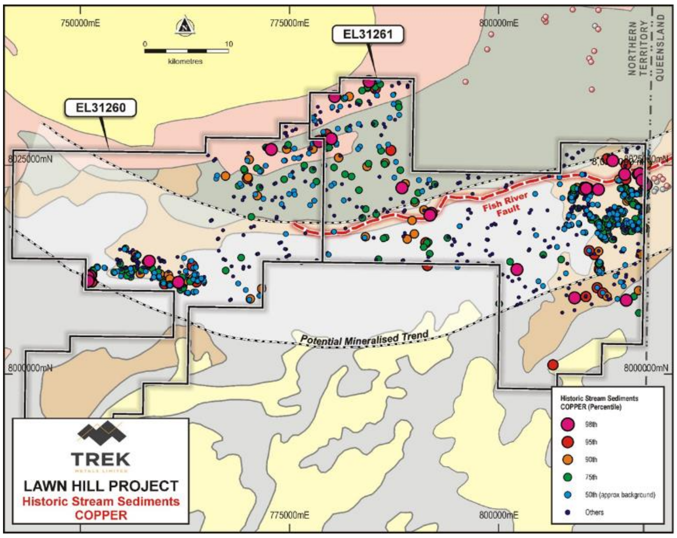


Figure 15: Historic Stream Sed. Geochem. - Copper

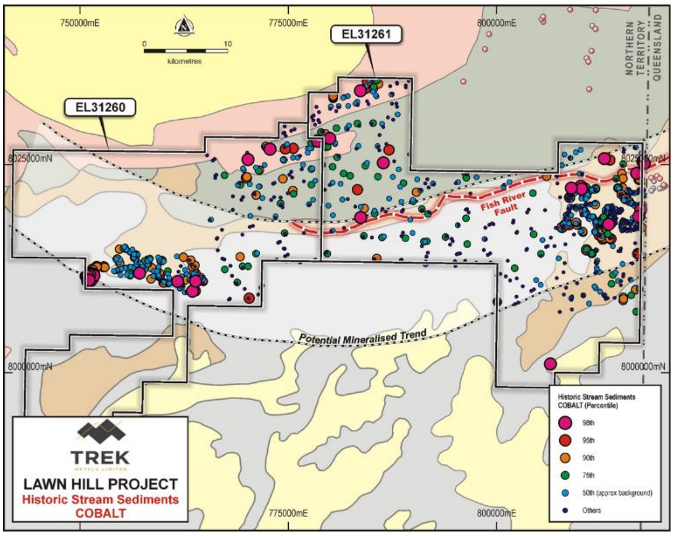
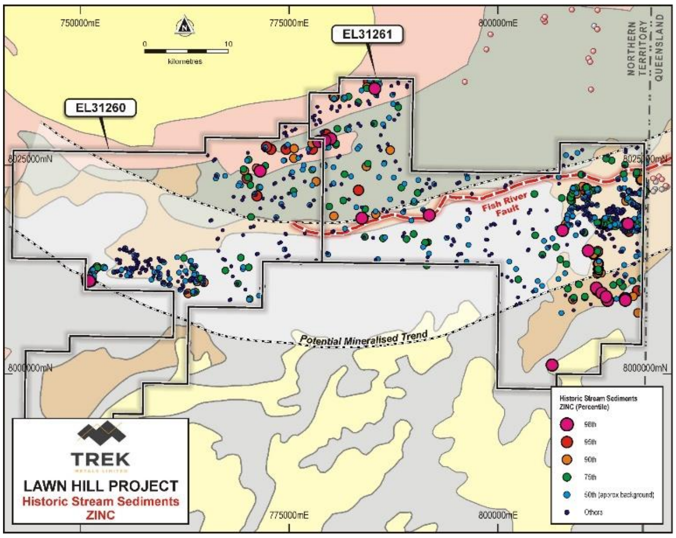


Figure 16: Historic Stream Sed. Geochem. - Cobalt

TREK METALS LIMITED



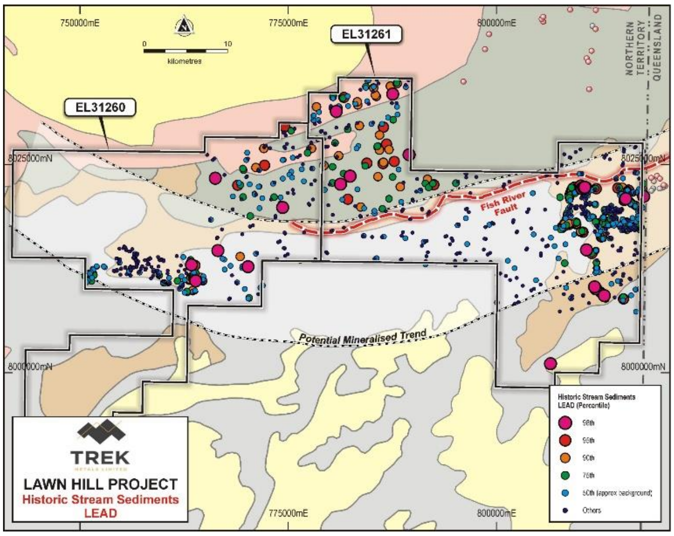


FIGURE 17: HISTORIC STREAM SED GEOCHEM. - ZINC

FIGURE 18: HISTORIC STREAM SEDIMENT GEOCHEM. - LEAD

Tenement Applications

TKM is currently in the process of negotiating access arrangements to allow for the grant of the Lawn Hill Project Tenements. This process is expected to continue for the remainder of 2017. Additional tenements have been added since the end of the half.

ARUNTA Li-Co PROJECT – NORTHERN TERRITORY

On 15 November 2017 Trek announced the acquisition of 100% of Elm Resources Pty Ltd which holds a prospective lithium and cobalt project located in Northern Territory (Figures 19, 20 and 21). The project includes 7 exploration licence applications with historical rock chips up to 1,500ppm Li_2O (Lithium), 0.12% Co (Cobalt). Trek has secured the outright purchase of the Arunta Li-Co Project for a consideration of $300,000 comprising an issue of 8,571,429 Trek shares at $0.035 per Trek share. Fifty percent of the shares issued as consideration will be escrowed for 6 months.

Reconnaissance field work on lithium and cobalt prospects will commence in November 2017.

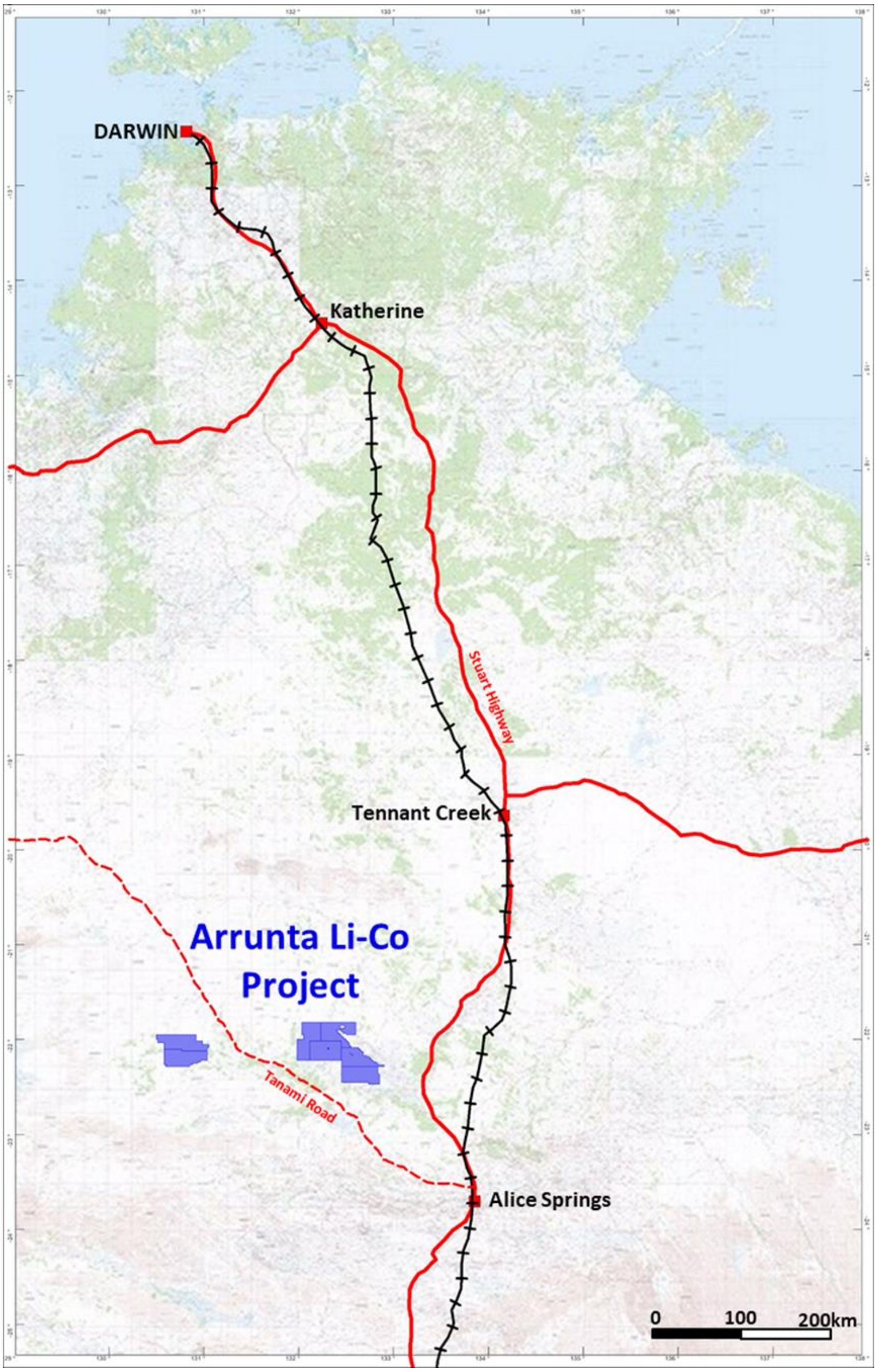


FIGURE 19: REGIONAL LOCATION PLAN – ARUNTA LI – CO PROJECT

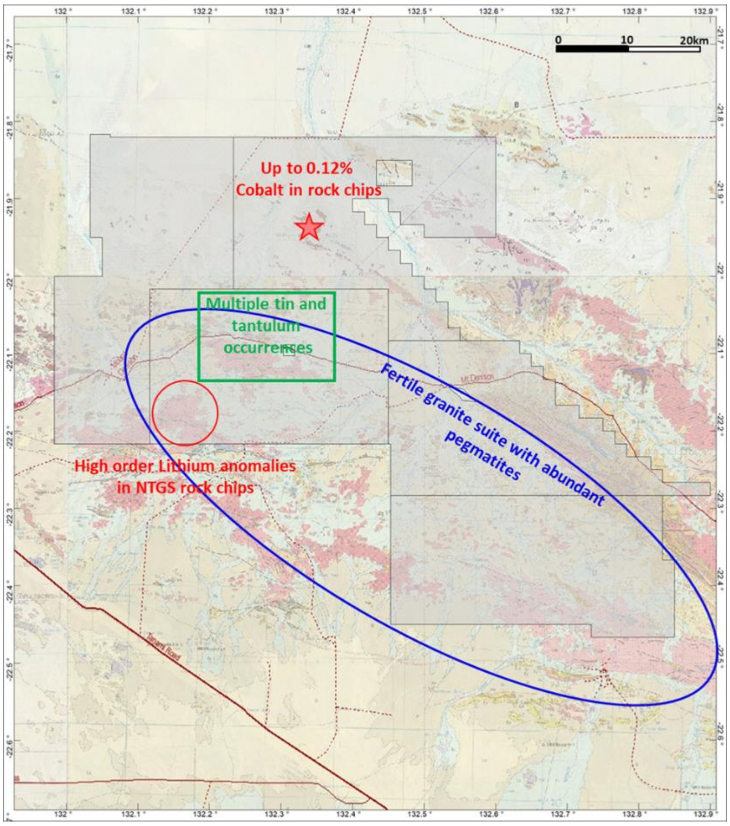


FIGURE 20: ANOMALIES WITHIN THE NAPPERBY REGION ON 1:250,000 GOVERNMENT GEOLOGY

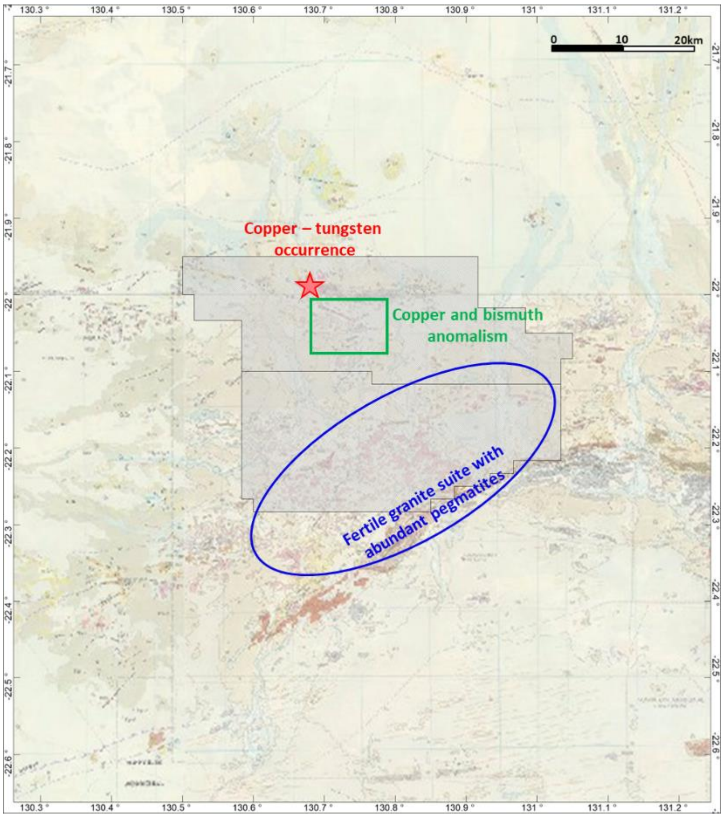


FIGURE 21: ANOMALIES WITHIN THE MT SINGLETON REGION ON 1:250,000 GOVERNMENT GEOLOGY

KANGALUWI COPPER PROJECT - ZAMBIA

Court Case

The Company is awaiting written judgement by the Judge of the Lusaka High Court on the appeal lodged by organisations associated with the conservation movement in Zambia on 17 January 2014 against the decision of the Minister of Lands, Natural Resources and Environment Protection to approve the Company's 100% owned Kangaluwi Copper Project. The stay of execution remains in place pending the outcome of the appeal against the Minister's decision.

TKM continues to lobby to have the decision handed down, however, the Board has determined that it is unlikely that this situation will be resolved in the near term and has taken the conservative accounting decision to impair the capitalised exploration and evaluation expenditure for this asset to $Nil.

CORPORATE

Fund Raising & Acquisitions

On 24 October 2017, Trek completed the issue of 4,000,000 new fully paid ordinary shares to raise A$100,000 (before costs) pursuant to the approval granted at the Annual General Meeting of Shareholders for the issue of up to 80,000,000 new fully paid ordinary shares at an issue price of A$0.025 per share, and the prior raising in August 2017 of A$1,900,000 (before costs, facilitated by Longreach Capital) through the issue of 76,000,000 new fully paid ordinary shares. Trek also issued 1,500,000 unlisted options to the consultants under the Employee Share Option Plan with an expiry date of 2 November 2021 and an exercise price of A$0.06, vesting immediately.

On 15 November 2017, Trek announced an agreement to acquire 100% of Elm Resources Pty Ltd, which owns seven applications in the Northern Territory comprising the Arunta Li-Co Project. Following shareholder approval at a General Meeting held on 4 December 2017, the Acquisition was completed via the issue of 8,571,429 Trek shares at A$0.035 per share (A$300,000). Fifty percent of the shares issued as consideration were escrowed for 6 months.

On 22 November 2017, Trek completed the issue of 58,997,562 new shares at A$0.031 (Tranche 1) to new and existing sophisticated and professional investors to raise A$1,828,924 before costs.

Following shareholder approval at a General Meeting held on 4 December 2017, the Company:

- issued a further 8,744,373 new shares at A$0.031 (Tranche 2) raising a further A$271,076;
- issued 33,870,967 free attaching unlisted options exercisable at A$0.06 before 2 November 2021 (Placement Options) to recipients of both Tranche 1 and Tranche 2 shares on the basis of 1 Placement Option for every 2 shares issued;

- issued 4,000,000 Facilitator Options on the same terms as the Placement Options;
- issued 21,000,000 unlisted options to the Directors under the Employee Share Option Plan with an expiry date of 2 November 2021 and an exercise price of A$0.06 (full terms disclosed in the Explanatory Memorandum to Shareholders).

On 4 December 2017, the Company also issued 1,000,000 unlisted options to consultants under the Employee Share Option Plan with an expiry date of 2 November 2021 and an exercise price of A$0.06, vesting immediately.

TENEMENTS

Tenement	Location	Holder	Current Interest
G4-569 [1]	Gabon	Select Explorations Gabon SA (Wholly owned subsidiary of Battery Minerals Limited)	0%
G4-588 [1]	Gabon	Select Explorations Gabon SA (Wholly owned subsidiary of Battery Minerals Limited)	0%
EL31260 (appl.)	Northern Territory	TM Resources (100% owned subsidiary)	100%
EL31261 (appl.)	Northern Territory	TM Resources (100% owned subsidiary)	100%
EL31753 (appl.)	Northern Territory	TM Resources (100% owned subsidiary)	100%
EL31752 (appl.)	Northern Territory	TM Resources (100% owned subsidiary)	100%
EL31751 (appl.)	Northern Territory	TM Resources (100% owned subsidiary)	100%
EPM26707 (appl.)	Northern Territory	Trek Metals Limited	100%
EPM26708 (appl.)	Northern Territory	Trek Metals Limited	100%
15547-HQ-LML	Zambia	Mwembeshi Resources Limited (100% owned subsidiary)	100%
13170-HQ-LPL	Zambia	Cheowa Resources Limited (Incorporated JV- 51% Glencore 49% TKM)	49%
13171-HQ-LPL	Zambia	Cheowa Resources Limited (Incorporated JV- 51% Glencore 49% TKM)	49%
8573-HQ-LPL	Zambia	Cheowa Resources Limited (Incorporated JV- 51% Glencore 49% TKM)	49%

[1] Option agreement to enter into JV to earn up to 70%

COMPETENT PERSONS STATEMENT

The information in this report that relates to exploration results is based on information compiled by Mr Bradley Drabsch, Member of the Australian Institute of Geoscientists ("AIG") and Managing Director of Trek Metals Limited. Mr Drabsch has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity that is being undertaken to qualify as a competent person as defined in the JORC Code 2012. Mr Drabsch consents to the inclusion in the report of the matters based on the information in the form and context in which it appears.

Signed on behalf of the Board.

Gregory Bittar
Chairman
Dated: 5 December 2017

Bentleys
THINKING AHEAD

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Independent Auditor's Review Report

To the Members of Trek Metals Limited

We have reviewed the accompanying half-year financial report of Trek Metals Limited, which comprises the condensed consolidated statement of financial position as at 30 September 2017, the condensed consolidated statement of profit or loss and other comprehensive income, the condensed consolidated statement of cash flows and the condensed consolidated statement of changes in equity for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information and the directors' declaration. The consolidated entity comprises the company Trek Metals Limited and the entities it controlled at the end of the half-year or from time to time during the half-year.

Directors Responsibility for the Half-Year Financial Report

The directors of the Company are responsible for the preparation and fair presentation of the half-year financial report in accordance with IAS 134 Interim Financial Reporting and for such internal control as the directors determine is necessary for the preparation and fair presentation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 Review of a Financial Report Performed by the Independent Auditor of the Entity, in order to state whether, on the basis of the procedures described, anything has come to our attention that causes us to believe that the half- year financial report is not presented fairly, in all material respects, in accordance with IAS 134 Interim Financial Reporting. As the auditor of Trek Metals Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, which is not an audit, nothing has come to our attention that causes us to believe that the half- year financial report of Trek Metals Limited does not present fairly, in all material respects the consolidated entity's financial position as at 30 September 2017 and of its financial performance for the half-year ended on that date in accordance with IAS 134 Interim Financial Reporting as described in Note 1.

BENTLEYS	**MARK DELAURENTIS** CA
Chartered Accountants	**Director**

Dated at Perth this 5th day of December 2017

Condensed Consolidated Statement of Profit or Loss and other Comprehensive Income for the Half-Year Ended 30 September 2017

	NOTES	HALF-YEAR ENDED 30 SEPTEMBER 2017 US$	HALF-YEAR ENDED 30 SEPTEMBER 2016 US$
Continuing Operations			
Investment revenue	4	2,908	32
Other income	4	114,458	5,038,459
Finance cost	4	-	(117,308)
Share based payment expense	11	(45,605)	-
Exploration expenses		(394,944)	(14,637)
Foreign exchange loss		-	(31,993)
Other operating expenses	4	(224,809)	(238,006)
Loss before tax		(547,992)	4,636,547
Income tax expense		-	-
Loss from continuing operations		(547,992)	4,636,547
Loss from discontinued operation	13	-	(556,625)
(Loss)/profit for the year		(547,992)	4,079,922
Attributable to:			
Equity holders of the Parent		(547,992)	4,079,922
(Loss)/earnings per share for loss from continuing operations attributable to the ordinary equity holders of the Parent:		**Cents/share**	**Cents/share**
Basic (loss)/earnings per share	5	(0.24)	0.14
Diluted (loss)/earnings per share	5	(0.24)	0.13
(Loss)/earnings per share for (loss)/profit attributable to the ordinary equity holders of the Parent:			
Basic (loss)/earnings per share	5	(0.24)	0.13
Diluted (loss)/earnings per share	5	(0.24)	0.12

Notes forming part of these financial statements are included on pages 32 to 47.

Condensed Consolidated Statement of Profit or Loss and other Comprehensive Income for the Half-Year Ended 30 September 2017

	NOTES	HALF-YEAR ENDED 30 SEPTEMBER 2017 US$	HALF-YEAR ENDED 30 SEPTEMBER 2016 US$
(Loss)/profit for the year		(547,992)	4,079,922
Other comprehensive income			
Items that may be reclassified to profit or loss			
Exchange differences arising on translation of foreign operations		(5,152)	24,646
Exchange differences realised on disposal of foreign operations		-	(555,577)
Total Comprehensive (Loss)/Income for the Year Attributable to Owners of the Company		(553,144)	3,548,991

Notes forming part of these financial statements are included on pages 32 to 47.

Condensed Consolidated Statement of Financial Position
As at 30 September 2017

	NOTES	30 SEPTEMBER 2017 US$	31 MARCH 2017 US$	31 MARCH 2016 US$
ASSETS				
Current Assets				
Cash and cash equivalents	7	1,014,514	447,402	129,056
Trade and other receivables		4,557	6,410	14,182
Other current assets		15,207	8,131	-
Total current assets		**1,034,278**	**461,943**	**143,238**
Non-current Assets				
Exploration and evaluation expenditure	6	312,590	7,517	10,789,204
Total non-current assets		**312,590**	**7,517**	**10,789,204**
Total Assets		**1,346,868**	**469,460**	**10,932,442**
LIABILITIES				
Current Liabilities				
Borrowings		-	-	6,668,373
Trade and other payables		125,398	144,268	171,156
Total current liabilities		**125,398**	**144,268**	**6,839,529**
Total Liabilities		**125,398**	**144,268**	**6,839,529**
NET ASSETS		**1,221,470**	**325,192**	**4,092,913**
Equity				
Capital and reserves				
Issued capital	8	23,022,315	21,618,498	19,439,666
Reserves		34,201,282	34,160,829	31,822,944
Accumulated loss		(56,002,127)	(55,454,135)	(47,169,697)
Total Equity		**1,221,470**	**325,192**	**4,092,913**

Notes forming part of these financial statements are included on pages 32 to 47.

Condensed Consolidated Statement of Changes in Equity for the Half-Year Ended 30 September 2017

	NOTES	HALF-YEAR ENDED 30 SEP 2017 US$	HALF-YEAR ENDED 30 SEP 2016 US$
Issued Capital			
Opening balance		21,618,498	19,439,666
Issued during the year		1,502,689	1,272,032
Share issue costs		(98,872)	-
Closing Balance	8	**23,022,315**	**20,711,698**
Share Premium Reserve			
Opening balance		33,535,853	32,569,362
Issued during the year		-	966,491
Closing Balance	8	**33,535,853**	**33,535,853**
Options & Warrants Reserve			
Opening balance		26,890	26,890
Issued during the year		-	-
Closing Balance		**26,890**	**26,890**
Share Based Payment Reserve			
Opening balance		415,068	-
Options issued during the year		45,605	-
Closing Balance		**460,673**	**-**
Accumulated Losses			
Opening balance		(55,454,135)	(47,169,697)
Options expired		-	-
(Loss)/profit for the year		(547,992)	4,079,922
Closing Balance		**(56,002,127)**	**(43,089,775)**
Foreign Currency Translation Reserve			
Opening balance		183,018	(773,308)
Other comprehensive (loss)/ income for the year		(5,152)	530,931
Closing Balance		**177,866**	**(242,377)**
TOTAL EQUITY		**1,221,470**	**10,942,289**

Notes forming part of these financial statements are included on pages 32 to 47.

Condensed Consolidated Statement of Cash Flows for the Half-Year Ended 30 September 2017

	NOTES	HALF-YEAR ENDED 30 SEP 2017 US$	HALF-YEAR ENDED 30 SEP 2016 US$
Cash flows from operating activities			
Payments to suppliers and employees		(254,797)	(290,966)
Other income received		113,445	-
Net cash used by operating activities		**(141,352)**	**(290,966)**
Cash flows from investing activities			
Payments for exploration and evaluation		(699,273)	(14,637)
Cash disposed on subsidiary deconsolidation		-	(366)
Interest paid		-	(21)
Interest received		2,908	32
Net cash used by investing activities		**(696,365)**	**(14,992)**
Cash flows from financing activities			
Proceeds from borrowings		316,531	69,875
Proceeds from issue of share capital		1,186,157	384,808
Payments for share issue costs		(98,872)	-
Net cash generated by financing activities		**1,403,816**	**454,683**
Net increase in cash and cash equivalents		566,099	148,725
Cash and cash equivalents at beginning of the year		447,402	129,056
Effects of exchange rate changes on the balance of cash held in foreign currencies		1,013	18,000
Cash and cash equivalents at the end of year	7	**1,014,514**	**295,781**

Notes forming part of these financial statements are included on pages 32 to 47.

Notes to the Condensed Consolidated Financial Statements for the Half-Year Ended 30 September 2017

Note 1: Statement of Compliance

The Half-Year report of Trek Metals Limited ("the Company") is a general purpose financial report prepared in accordance with International Financial Accounting Standard IAS 34 'Interim Financial Reporting'. The Half-Year financial report does not include notes of the type normally included in an annual financial report and should be read in conjunction with the most recent annual financial report.

Basis of Preparation

The financial report has been prepared on the going concern basis, which assumes continuity of normal business activities and realisation of assets and settlement of liabilities in the ordinary course of business.

Change of Reporting Currency

On 1 April 2017, the Company changed its reporting (presentation) currency from British Pounds (GBP or £) to US dollars (US$). The Company believes that the change in reporting currency will provide shareholders with a more accurate reflection of the Company's underlying performance and enhance the comparability of Trek's financial information.

The change in reporting currency represents a voluntary change in accounting policy which is accounted for retrospectively. Comparative information included in this financial report, previously reported in GBP and the statement of financial position at the opening of the comparative period (1 April 2016) has been restated into US$ as follows:

- The Income Statement has been translated into US$ using the average foreign currency rates prevailing for the relevant period. The average rate of the comparative period presented was as follows:
    - 6 months to 30 September 2016 GBP:US$ 0.72985
- Assets and Liabilities in the Statement of Financial Position have been translated into US$ at the closing foreign exchange rates at the relevant balance sheet dates. The exchange rates at each comparative reporting date presented were as follows:
    - 31 March 2016 GBP:US$ 0.69500
    - 31 March 2017 GBP:US$ 0.79735
- The Equity section of the Statement of Financial Position has been translated into US$ using historical exchange rates.
- Cashflows from operating and investing activities in the Statement of Cash Flows have been translated into US$ using the average foreign currency rates prevailing for the relevant period.

- Cashflows from financing activities in the Statement of Cash Flows have been translated into US$ using the foreign currency rate prevailing at the date of each transaction.

Going Concern

This financial report has been prepared on the going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and settlement of liabilities in the normal course of business.

During the period ended 30 September 2017, the Group incurred a net loss after tax of US$547,992 (2016: profit of US$4,079,922) and cash outflows from operating activities of US$141,352 (2016: US$290,966). At 30 September 2017, the Group had cash and cash equivalents of US$1,014,514 (2016: US$447,402), net assets of US$1,221,470 (2016: US$325,192) and a net working capital surplus of US$908,880 (2016: US$317,675).

Since the end of the half-year, the Company has issued shares to raise A$2.2m up to the date of this report (refer note 14).

The Company has prepared a cash flow forecast, which indicates that the Group will have sufficient cash flows to meet all commitments and working capital requirements or the 12 month period from the date of signing this report.

Note 2: Significant accounting policies

Trek Metals Limited is a company registered and domiciled in Bermuda. The condensed financial statements have been prepared under the historical cost convention.

The same accounting policies and methods of computation are followed in these condensed financial statements as compared with the most recent annual financial statements for the year ended 31 March 2017. These accounting policies are consistent with the International Financial Reporting Standards.

In the current period, the Consolidated Entity has adopted all of the new and revised accounting Standards and Interpretations issued by the International Accounting Standards Board (ISAB) and the International Financial Reporting Interpretations Committee (IFRIC) that are relevant to its operations and effective for the current reporting period. There has been no material impact on the financial statements of the Consolidated Entity.

Note 3: Segment Information

Identification of reportable segments

The Group operates predominantly in the mining industry. This comprises exploration and evaluation activities related to pursuing the Kroussou zinc-lead project in Gabon and maintenance of the greater Kangaluwi Copper Project. Due to the difficulties encountered in continuing to develop the Kangaluwi Project, the Group has fully impaired the capitalised exploration expenditure associated with the Kangaluwi project, and has focussed on assessing other commercially and economically viable exploration projects such as the Kroussou project.

The Group has identified its operating segments based on the internal reports that are provided to the Board of Directors (chief operating decision makers) on a monthly basis to assess performance and determine the allocation of resources. Management has identified the operating segments based on the principal location of its projects, being Africa, and its ASX listing and management location of Australia.

Basis of accounting for purposes of reporting by operating segments

(a) *Accounting policies adopted*

Unless stated otherwise, all amounts reported to the Board of Directors are determined in accordance with accounting policies that are consistent to those adopted in the annual financial statements of the Group;

(b) *Inter-segment transactions*

Inter-segment loans payable and receivable are initially recognised at the consideration received/to be received net of transaction costs. If inter-segment loans receivable and payable are generally on commercial terms.

(c) *Segment assets*

Where an asset is used across multiple segments, the asset is allocated to that segment that receives majority economic value from that asset. In the majority of instances, segment assets are clearly identifiable on the basis of their nature and physical location.

(d) *Segment liabilities*

Liabilities are allocated to segments where there is a direct nexus between the incurrence of the liability and the operations of the segment. Borrowings and tax liabilities are generally considered to relate to the Group as a whole and are not allocated. Segment liabilities include trade and other payables and certain direct borrowings.

The following is an analysis of the Group's results by reportable operating segment for the period:

	SEGMENT LOSS	
	HALF-YEAR 30 SEP 2017 US$	**HALF-YEAR 30 SEP 2016 US$**
Continuing operations		
Exploration and evaluation	(394,944)	(14,637)
Corporate	(153,048)	4,651,184
Consolidated segment loss for the year	**(547,992)**	**4,636,547**

The following is an analysis of the Group's assets by reportable operating segment:

	SEGMENT ASSETS	
	HALF-YEAR 30 SEP 2017 US$	**YEAR ENDED 31 MAR 2017 US$**
Continuing operations		
Exploration and evaluation	312,590	7,517
Unallocated corporate assets	1,034,278	461,943
Consolidated segment assets	**1,346,868**	**469,460**

The following is an analysis of the Group's liabilities by reportable operating segment:

	SEGMENT LIABILITIES	
	HALF-YEAR 30 SEP 2017 US$	**YEAR ENDED 31 MAR 2017 US$**
Continuing operations		
Exploration and evaluation	77,008	71,112
Unallocated corporate liabilities	48,390	73,156
Consolidated segment liabilities	**125,398**	**144,268**

Note 4: Reconciliation of Loss

The loss before tax from continuing operations after charging expenses and receiving income was as follows:

	NOTES	HALF-YEAR 30 SEP 2017 US$	HALF-YEAR 30 SEP 2016 US$
Investment Revenue			
Interest revenue		2,908	32
Total Investment Revenue		**2,908**	**32**
Other Income			
Net Gain on borrowings repayment/modification	12	-	5,038,459
Foreign exchange gains		1,013	-
GST refund related to prior periods		113,445	-
Total Other Income		**114,458**	**5,038,459**
Finance costs			
Interest on borrowings		-	(117,308)
Total Finance Costs		-	**(117,308)**
Other Operating Expenses			
Auditor's remuneration		(8,667)	(33,883)
Communications costs		(3,460)	(4,306)
Consultants		(36,977)	(37,654)
Contract accounting		(34,149)	(23,307)
Directors' fees and consultant fees		(70,588)	(14,320)
Insurance		(8,048)	(1,483)
Lease costs		(5,488)	(7,711)
Legal		(17,112)	(21,476)
Other costs		(5,328)	(20,069)
Corporate & statutory costs		(14,571)	(51,566)
Travel		(15,447)	(16,163)
Software expenses		(4,974)	(6,068)
Total Other Operating Expenses		**(224,809)**	**(238,006)**

Note 5: Earnings Per Share

The calculation of the basic and diluted (loss) /earnings per share is based on the following information:

	HALF-YEAR 30 SEP 2017	HALF-YEAR 30 SEP 2016
EARNINGS		
(Loss)/profit attributable to the ordinary equity holders of the Company used in calculating basic and diluted (loss)/earnings per share:	**US$**	**US$**
From continuing operations	(547,992)	4,636,547
From discontinued operation	-	(556,625)
	(547,992)	4,079,922
SHARES		
Weighted average number of ordinary shares used as the denominator in calculating basic (loss)/earnings per share	224,822,522	32,533,414
Adjustment for calculation of diluted earnings per share:		
Options	-	2,594,013
Weighted average number of ordinary shares and potential ordinary shares used as the denominator in calculating diluted (loss)/earnings per share	224,822,522	35,127,427
BASIC (LOSS)/EARNINGS PER SHARE	**Cents/share**	**Cents/share**
From continuing operations attributable to the ordinary equity holders of the Company	(0.24)	0.14
From discontinued operation	-	(0.01)
Total basic (loss)/earnings per share attributable to the ordinary equity holders of the Company	(0.24)	0.13
From continuing operations attributable to the ordinary equity holders of the Company	(0.24)	0.13
From discontinued operation	-	(0.01)
DILUTED (LOSS)/EARNINGS PER SHARE	(0.24)	0.12

The following number of potential ordinary shares are not dilutive and are therefore excluded from the weighted average number of ordinary shares in the period ended 30 September 2017:

SHARES	**30 SEP 2017**	**30 SEP 2016**
Unlisted Options	56,500,000	1,250,000
	56,500,000	**1,250,000**

Note 6: Exploration and Evaluation Expenditure

	30 SEP 2017 US$	31 MAR 2017 US$
Costs	312,590	7,517
Movement during the period:		
Opening balance	7,517	10,789,204
Additions for the period	305,073	7,517
Impairment of exploration and evaluation expenditure	-	(11,181,550)
Foreign exchange translation	-	392,346
Closing balance at balance date	**312,590**	**7,517**

The Company policy is to charge exploration expenditure to specific areas of interest. Exploration expenditure that cannot be attributed to specific areas of interest is written off.

Recoverability of the Group's carrying value of interests in mineral projects is subject to the successful development and exploitation of the exploration properties or alternatively, the sale of these tenements at amounts at least equal to the book values.

The current period reflects the carried forward expenditure in the Kroussou Project including the Option fee of US$240,000 which was exercised on 31 August 2017. The Group has capitalised farm-in expenditures incurred subsequent to this date.

The comparative period reflects the carried forward expenditure in the Kangaluwi Copper Project. The Company is awaiting written judgement by the Judge of the Lusaka High Court on the appeal lodged by organisations associated with the conservation movement in Zambia on 17 January 2014 against the decision of the Minister of Lands, Natural Resources and Environment Protection to approve the Company's 100% owned Kangaluwi Copper Project. The stay of execution remains in place pending the outcome of the appeal against the Minister's decision. TKM continues to lobby to have the decision handed down, however, the Board has determined that it is unlikely that this situation will be resolved in the near term and fully impaired the value of the Kangaluwi Copper Project as at 31 March 2017.

Note 7: Cash and Cash Equivalents

	30 SEP 2017 US$	31 MAR 2017 US$
Bank balances	998,662	431,456
Term deposit [1]	15,852	15,946
	1,014,514	447,402

[1] A$20,000 of the cash and cash equivalents is restricted and set aside to offset credit card limits.

Note 8: Issued Capital

Authorised ordinary shares of par US$0.01 each, carrying one vote per share and rights to dividends.

	NUMBER OF SHARES	ISSUED CAPITAL US$	SHARE PREMIUM US$
Issued and fully paid ordinary shares			
As at 1 April 2017	155,990,250	21,618,498	33,535,853
Allotments			
07/08/2017	76,000,000	1,502,689	-
Share Issue costs		(98,872)	-
Balances as at 30 September 2017	**231,990,250**	**23,022,315**	**33,535,853**

	NUMBER OF SHARES	ISSUED CAPITAL US$	SHARE PREMIUM US$
Issued and fully paid ordinary shares			
As at 1 April 2016	41,290,103	19,439,666	32,569,362
Effect of consolidation on 1:4 basis[1]	(30,967,406)	-	-
Revised number issued capital	10,322,697	19,439,666	32,569,362
Allotments			
07/09/2016[2]	69,000, 886	927,058	928,169
08/09/2016[3]	22,500,000	299,880	38,322
08/11/2016	37,500,000	579,822	-
09/02/2017	16,666,667	380,318	-
Share Issue costs	-	(8,246)	-
Balances as at 31 March 2017	**155,990,250**	**21,618,498**	**33,535,853**

[1] Effective 30 August 2016 the Company enacted a 1:4 reverse share split. The total adjustment includes rounding-up.

[2] These shares were issued as consideration for the repayment of borrowings.

[3] These shares were issued as full and final settlement for fees and costs owed by the Group.

Note 9: Capital Commitments

The Group has no capital commitments for the coming 2018 financial year.

Note 10: Commitments and Contingencies

(a) Operating leases

Operating leases: non-cancellable lease rentals are payable as follows:

	30 SEP 2017 US$	31 MAR 2017 US$
Not later than 1 year	4,245	4,138
Later than 1 year and not later than 5 years	2,123	4,138
Later than 5 years	-	-
	6,368	8,276

The Group has a non-cancellable operating lease for an item of office equipment expiring within two years, with rent payable monthly. The item is subject to a per unit charge, but there are no provisions for escalation or renewal within the lease agreement.

(b) Contingencies

i. Kangaluwi Royalty

On 9 May 2016 the Company and Perpetual Corporate Trust Limited in its capacity as custodian of the Auctus Resources Fund (ARF) entered into an agreement which resulted in the extinguishment of the convertible note liability which existed of A$6,637,824. In consideration for this ARF will be entitled to receive the following:

1. A royalty of 3% calculated on any gross revenue generated from the Kangaluwi Copper Project (KCP) up to a maximum total Royalty payment of A$12m.
2. In the event KCP is sold 80% of the sale proceeds shall be utilised to satisfy the Royalty obligation.

ii. TM Resources Acquisition

On 16 September 2016 the Company and the shareholders of TM Resources Pty Ltd (TM) entered into a Share Sale Agreement which resulted in the Company acquiring all the shares on issue in TM. The Company paid US$7,516 (A$10,000) on execution of the Share Sale Agreement.
The Company also agreed to pay a contingent consideration:

1. Trek Metals Limited (TML) shares to the value of A$50,000 within 7 days of the grant of the tenements that TM has applied for.
2. A$1,000,000 upon the public release by TML of Mineral Resource Estimate in respect of the Lawn Hill Project of between 550Kt Zn eq - 1.1Mt Zn eq; and
3. A$3,000,000 upon the public release by TML of a Mineral Resource Estimate in respect of the Lawn Hill Project of greater than 1.1Mt Zn eq.

Note 11: Share Based Payments

	30 SEP 2017 US$	30 SEP 2016 US$
Share based payment expense	45,605	-

In the period ended 30 September 2017 the following options were granted:

- 1,000,000 options with an exercise price of AUD$0.06 and expiry date of 2 November 2021 issued under the ESOP.

Options granted carry no dividend or voting rights. When exercisable, each option is convertible into one ordinary share of the Company with full dividend and voting rights.

The movements in options during the periods were as follows:

PERIOD ENDED 30 SEPTEMBER 2017	No of options	Weighted average exercise price (US$)	Grant date	Expiry	Vested #	FV @ grant date (US$/ unit)
Options at 1 April 2017	**55,500,000**	0.033			40,800,000	
Options issued during period to:						
Employees Share Option Scheme	1,000,000	0.048	30/08/17	02/11/21	1,000,000	0.016
	1,000,000				41,800,000	
Options lapsed during period:						
	-	-	-	-	-	-
	-	-	-	-	-	-
Options outstanding and exercisable at 30 September 2017	**56,500,000**	**0.03**	**-**	**-**	**41,800,000**	**-**

YEAR ENDED 31 MARCH 2017	No of options	Weighted average exercise price (US$)	Grant date	Expiry	Vested #	FV @ grant date (US$/ unit)
Options at 1 April 2016 [1]	**1,250,000**	0.029			**1,250,000**	
Options issued during period to:						
Shareholders	5,000,000	0.023	07/09/16	30/06/19	5,000,000	0.004
Shareholders	22,500,000	0.023	08/09/16	30/06/19	22,500,000	-
Employees Share Option Scheme	17,750,000	0.043	18/01/17	02/11/21	6,300,000	0.019
Advisors	3,000,000	0.046	23/02/17	02/11/21	3,000,000	0.033
Employees Share Option Scheme	6,000,000	0.045	23/02/17	02/11/21	2,750,000	0.016
	54,250,000	-			39,550,000	
Options lapsed during period:						
	-	-	-	-	-	-
	-	-	-	-	-	-
Options outstanding and exercisable at 31 March 2017	**55,500,000**	**0.033**	**-**	**-**	**40,800,000**	-

[1] Post-consolidation

Share options pricing model

The fair value of the equity-settled share options granted during the half-year is estimated as at the date of grant using a Black Scholes Option Pricing model. The following table lists the inputs to the models used for the valuation of options as at 30 September 2017:

	ESOP Options
Number of Options	1,000,000
Fair values at measurement date – US$/share	0.016
Grant date share price – US$/share	0.025
Exercise price – US$/share	0.048
Expected volatility	100%
Options life	4.2 years
Dividend yield	-
Risk-free interest rate	1.5%

The expected life of the share options is based on historical data and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility over a period similar to the life of the options is indicative of future trends, which may not necessarily be the actual outcome.

Note 12: Borrowings

	30 SEP 2017 US$	30 SEP 2016 US$
Current		
Convertible notes	-	-
Other loans	-	-
	-	-

Convertible Notes – 30 September 2016

The key terms of the Facility were as follows:

- Issue of two Tranches of convertible notes of A$5 million each.
- Each Tranche had a term of 24 months from draw down date and the notes carry a coupon of 10% p.a. Tranche A is convertible into ordinary shares at a 20% premium to the Rights Issue price and Tranche B at a 20% premium to the volume-weighted average price of Trek shares over the 5 trading days preceding the delivery by ARF of a conversion notice.
- Tranche B Facility has been terminated upon execution of the ARF Term Sheet on 4 November 2013. The Company had not drawn on Tranche B of the Facility.
- Tranche A can at the election of ARF be converted into a 12.5% joint venture interest in the Projects, or to convert part of Tranche A into shares and part into a pro rata joint venture interest in the Projects.

- If ARF elects to take up a joint venture interest in the Projects, then Trek and ARF will form a joint venture for the development of the Projects in the relevant proportions. Trek will be the Operator of the joint venture and will govern the operating committee as majority interest holder. ARF will be able to elect to contribute, sell or dilute its interest during the term of the joint venture.
- If ARF elects to take up a joint venture interest in the Projects, then Trek and ARF will form a joint venture for the development of the Projects in the relevant proportions. Trek will be the Operator of the joint venture and will govern the operating committee as majority interest holder. ARF will be able to elect to contribute, sell or dilute its interest during the term of the joint venture.
- At 31 March 2015, the maturity date of the convertible note was 31 December 2015.
- Interest on the convertible note was 10% with 5% penalty interest up to 30 June 2014.
- On 3 June 2014, interest on the facility was suspended.

On 12 June 2015, the Company executed a binding Term Sheet with ARF. Pursuant to the Term Sheet ARF agreed:

- to further extend the termination date of the Amended Facility Agreement to 31 December 2016;
- to extend the repayment date of Tranche A of the Convertible Note Deed dated 13 September 2011 ("Convertible Note Deed") from 31 December 2015 to 31 December 2016; and
- to further suspend the interest charged under the Amended Facility Agreement and the Convertible Note Deed for a period of 12 months commencing on 31 December 2015 ("Suspension Period"). Interest will resume should TKM receive a cash inflow of at least AUD$5 million within the Suspension Period.

On 16 May 2016, the Company executed a binding Term Sheet with ARF. Pursuant to the Term Sheet, the terms of which were approved by shareholders in a general meeting of the company held on 18 August 2016, ARF agreed:

- in consideration for the outstanding balance of A$6,637,824 owing by the Company to ARF pursuant to the Convertible Note, the Company agreed to grant to ARF a royalty of 3% calculated on any gross revenue from its Kangaluwi Copper Project ("KCP") in Zambia up to a maximum of A$12m plus a Farm-In-Right;
- The Farm-In-Rights gives ARF the right to earn a Farm-In-Interest in KCP of up to 75% upon investing A$1m in the project; and
- Subject to ARF not having exercised the Farm-In-Right, the Farm-In-Interest will reduce on a sliding scale to a minimum of 30% when ZRL has invested A$15m in KCP. For example, if ZRL invests A$6m in KCP the Farm-In-Interest of ARF will reduce to 50%.
- Upon settlement of the above transaction on 7 September 2016, the Group has recognised a gain of US$5,114,708 (£4,312,499) in profit or loss on the repayment of the Convertible Note.

Other Loans – 30 September 2016

On 4 November 2013 the Company had drawn down A$1.9 million of the Bridging Facility.

The key terms of the Bridging Facility were:

- Up to A$1.9 million.
- 12% p.a. capitalizing on a monthly basis from date of drawdown until the Maturity Date with interest payable quarterly in arrears. 5% penalty interest is also accruing as interest has not been paid during the year.

- Fully secured Facility ranking pari passu with the Notes under the Convertible Note Deed.
- At 31 March 2015, the maturity date was 31 December 2015.

On 12 June 2015, the Company executed a binding Term Sheet with ARF. Pursuant to the Term Sheet ARF agreed:

- to increase its commitment under the existing Facility Agreement between ARF, the Company and others by AUD$200,000 taking the aggregate principal outstanding to AUD$2.8 million ("Amended Facility Agreement"). Drawdown under the Amended Facility Agreement will be subject to TKM and/or its Directors raising an additional AUD$130,000 from the June 2015 Rights Issue; to extend the termination date of the Amended Facility Agreement to 31 December 2016. Interest was further suspended to 31 December 2016.

On 16 May 2016, the Company executed a binding Term Sheet with ARF. Pursuant to the Term Sheet, the terms of which were approved by shareholders in a general meeting of the company held on 18 August 2016, ARF agreed:

- To increase its commitment under the existing Facility Agreement between ARF, the Company and others by AUD$100,000 taking the aggregate principal outstanding to AUD$2.4 million ("Amended Facility Agreement").
- To subscribe for 69,000,886 fully paid ordinary shares in ZRL at a deemed issue price of A$0.035 with 5,000,000 free attaching options ("Placement Securities"). ARF's obligation to provide the subscription monies for the Placement Securities will be set-off against the outstanding debt owed under the Facility Agreement with the result of no cash being raised.
- Upon modification of the terms of the Facility Agreement for the additional drawdown, the Group recognised a loss of US$76,249 in profit or loss. Upon settlement of the above transaction on 7 September 2016, the balance of the Facility Agreement of US$1,855,227 was converted to equity and recognised in Issued Capital and Share Premium Reserve.

Net Gain on borrowings repayment/modification recognised

The following is the makeup of the net gain on borrowings repayment/modification recognised during the period.

	30 SEP 2017 US$	30 SEP 2016 US$
Convertible Note	-	5,114,708
Other Loan	-	(76,249)
Net Gain on borrowings repayment/modification recognised	-	5,038,459

Note 13. Discontinued Operation

(a) Zambezi Resources (Australia) Pty Ltd

Zambezi Resources (Australia) Pty Ltd ("ZRA") was deconsolidated from the Group effective 1 April 2016. ZRA was a wholly owned subsidiary of the parent entity, previously utilised for management services within the Group. ZRA has been classified in these financial statements as a discontinued operation resulting in a loss for the prior period of $556,625.

Financial Performance and Cash Flow Information

The financial performance and cash flow information presented are for period 1 April 2016 to 30 September 2016:

	30 SEP 2016 US$
Revenue	-
Expenses	-
Loss before income tax	-
Income tax	-
Loss after income tax of discontinued operation	-
Loss on disposal of subsidiary after income tax	(556,625)
Loss from discontinued operation	**(556,625)**
Net cash outflow from ordinary activities	-
Net cash outflow from investing activities	(366)
Net cash flow from financing activities	-
Net decrease in cash generated by the subsidiary	**(366)**

Details of the deconsolidation of ZRA

	30 SEP 2016 US$
Total consideration received	-
Carrying amount of net assets deconsolidated	(1,048)
Loss on deconsolidation before income tax and reclassification of foreign currency translation reserve	(1,048)
Reclassification of foreign currency translation reserve	(555,577)
Income tax expense	-
Loss on deconsolidation after income tax	**(556,625)**

The carrying amounts of assets (nil liabilities) as at the date of deconsolidation (1 April 2016) was:

	30 SEP 2016
	US$
Cash and cash equivalents	366
Trade and other receivables	682
Total Assets	1,048
Net Assets	1,048

Note 14: Post-Balance Sheet Events

On 24 October 2017, Trek completed the issue of 4,000,000 new fully paid ordinary shares to raise A$100,000 (before costs) pursuant to the approval granted at the Annual General Meeting of Shareholders for the issue of up to 80,000,000 new fully paid ordinary shares at an issue price of A$0.025 per share, and the prior raising in August 2017 of A$1,900,000 (before costs, facilitated by Longreach Capital) through the issue of 76,000,000 new fully paid ordinary shares. Trek also issued 1,500,000 unlisted options to the consultants under the Employee Share Option Plan with an expiry date of 2 November 2021 and an exercise price of A$0.06 which vest immediately.

On 15 November 2017, Trek announced an agreement to acquire 100% of Elm Resources Pty Ltd, which owns seven applications in the Northern Territory comprising the Arunta Li-Co Project. Following shareholder approval at a General Meeting held on 4 December 2017, the Acquisition was completed via the issue of 8,571,429 Trek shares at A$0.035 per share (A$300,000). Fifty percent of the shares issued as consideration were escrowed for 6 months.

On 22 November 2017, Trek completed the issue of 58,997,562 new shares at A$0.031 (Tranche 1) to new and existing sophisticated and professional investors to raise A$1,828,924 before costs.

Following shareholder approval at a General Meeting held on 4 December 2017, the Company:

- issued a further 8,744,373 new shares at A$0.031 (Tranche 2) raising a further A$271,076;
- issued 33,870,967 free attaching unlisted options exercisable at A$0.06 before 2 November 2021 (Placement Options) to recipients of both Tranche 1 and Tranche 2 shares on the basis of 1 Placement Option for every 2 shares issued;
- issued 4,000,000 Facilitator Options on the same terms as the Placement Options;
- issued 21,000,000 unlisted options to the Directors under the Employee Share Option Plan with an expiry date of 2 November 2021 and an exercise price of A$0.06 (full terms disclosed in the Explanatory Memorandum to Shareholders).

On 4 December 2017, the Company also issued 1,000,000 unlisted options to consultants under the Employee Share Option Plan with an expiry date of 2 November 2021 and an exercise price of A$0.06, vesting immediately.

No other matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in subsequent financial years.

Note 15: Approval of Financial Statements

The interim financial statements were approved by the board of directors and authorised for issue on 4 December 2017.

Directors' Declaration

The Directors declare that:

a) in the directors' opinion, there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable;

b) in the directors' opinion, the attached financial statements are in compliance with International Financial Reporting Standards, as stated in Note 1 to the financial statements; and

c) in the directors' opinion, the attached financial statements and notes thereto are in compliance with accounting standards and giving a true and fair view of the financial position and performance of the consolidated entity.

On behalf of the Board

Greg Bittar
Chairman
5 December 2017