

# ASX ANNOUNCEMENT

31 January 2019

## Enormous Potential of Kroussou Zinc-Lead Project Confirmed by Significant Maiden Exploration Targets

**Dikaki Channel Exploration Targets indicates potential for very large, open-pit Zinc-Lead mineralisation - remains open along strike**

### HIGHLIGHTS

- Exploration Targets\* defined solely within the portion of Dikaki with Trek drilling – consisting of only ~1.5km of the >4.2km of known mineralised strike
- Significant blue-sky potential from at least four other defined target areas at Bimbome, Bouambo South, Bouambo East and Niambokamba along with the remainder of the Dikaki Channel. All prospects remain open and under-explored with broader, deeper parts of the basin completely untested and open
- Potential to convert all or part of the Exploration Target into a JORC 2012 compliant Mineral Resource with minimal additional drilling
- First pass metallurgical testwork produced separate very high-grade, very high-quality zinc and lead concentrates

\* An Exploration Target is a statement or estimate of the exploration potential of a mineral deposit in a defined geological setting where the statement or estimate, quoted as a range of tonnes and a range of grade, relates to mineralisation for which there has been insufficient exploration to estimate a Mineral Resource. The potential quantity and grade of the Exploration Target is conceptual in nature. There has been insufficient exploration to estimate an additional Mineral Resource and it is uncertain if further exploration will result in the estimation of an additional Mineral Resource.

Zone	Tonnage Range (Mt)	Combined Grade Range (%)	Zinc Grade Range (%)	Lead Grade Range (%)	Zinc Contained Metal (t)	Lead Contained Metal (t)
High Grade Target	3 – 5	2.8 – 5.2	1.0 – 1.8	1.8 – 3.4	30,000 – 90,000	54,000 – 170,000
Moderate Grade Target	10 – 20	1.8 – 3.4	0.8 – 1.5	1.0 – 1.9	80,000 – 300,000	100,000 – 380,000
Low Grade Target	40 – 80	0.9 – 1.6	0.5 – 0.8	0.4 – 0.8	200,000 – 640,000	160,000 – 640,000

Table 1. Exploration Targets

Note: The upper and lower grades of the Exploration Target do not necessarily correspond to the upper and lower tonnages

Trek Metals Limited (“Trek” or “Company”) is pleased to announce the maiden Exploration Targets within part of the Dikaki Channel, at its flagship Kroussou Zinc-Lead Project in Gabon (“Kroussou” or “Project”). The Exploration Targets are detailed in Table 1 above.

Importantly, the estimate is solely within the area of the Dikaki Channel that has been the subject of drilling by Trek, representing only ~1.5km of Dikaki’s >4.2km of known mineralised strike. The remainder of the channel, subject only to historic drilling or minimal drilling by TKM, has not been included in the estimate due to the historic drilling not being able to conform to JORC 2012 requirements.

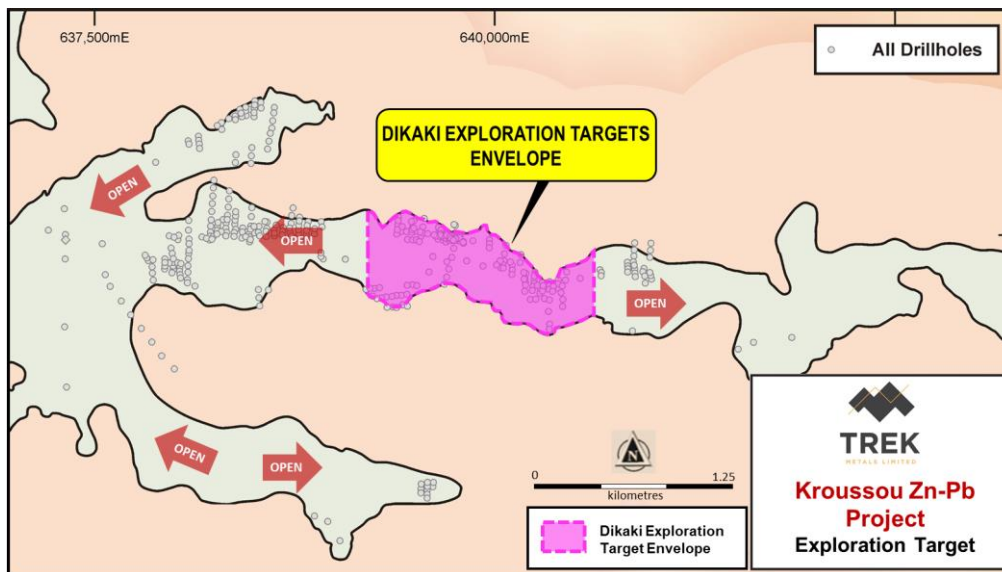


Figure 1. Kroussou Project showing Exploration Target

The large scale of the maiden Exploration Target, which represents the first major base metals target to be defined in Gabon, firmly establishes a new, under-explored zinc-lead province in West Africa.

The Company has taken a conservative approach and the estimation only covers the portion of the Dikaki Channel that has been adequately drill tested by Trek. Even with this conservative approach, Trek has been able to deliver a highly significant target with scope for substantial growth and potential for conversion of all, or part of the Exploration Target to a JORC 2012 compliant Mineral Resource with minimal additional drilling.

Encouragingly, this Exploration Target represents only a portion of the Dikaki Channel, yet Trek has already confirmed the existence of promising zinc-lead mineralisation along almost the entire length of Dikaki, and in addition, within another four channels that it has drilled (Niambokamba, Bouambo South, Bouambo East, and Bimbome). There are also a number of other lookalike prospects identified, using a combination of soil sampling, rock sampling and mapping, along the basin margin (see Figure 4 below).

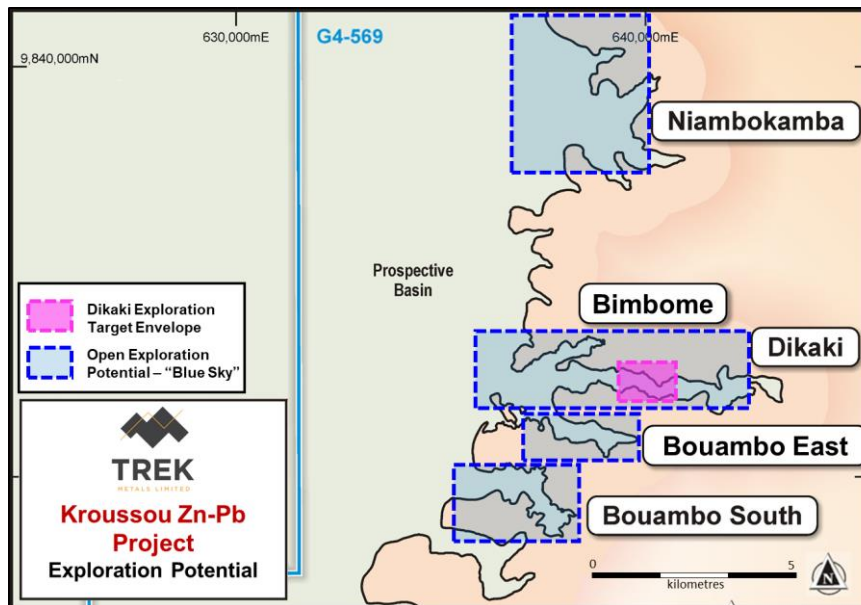


Figure 2. Kroussou Project showing Exploration Potential

The Company has also completed first pass, non-refined metallurgical testwork (see ASX Announcement 08 Nov 2018) that produced separate, very high-grade, very high-quality zinc and lead concentrates. The testwork predicted relatively low-energy costs due to low grind times to achieve target sizing. The independent testwork, undertaken by METS Engineering in Perth, Western Australia, resulted in the production of:

- Lead concentrate up to 79% Pb (overall un-optimised lead concentrate graded >70% Pb with > 90% recovery); and
- Zinc concentrate up to 58% Zn (overall zinc concentrate graded 53% Zn at 65% recovery, with the majority of the zinc losses reporting to the lead rougher concentrate. Of the zinc reporting to the zinc rougher, 90% was recovered. Further optimisation on zinc depression in the lead rougher is expected to significantly improve the overall zinc recovery.

### Next Steps

Trek anticipates commencing further drilling at closer spaced intervals and infilling along strike to begin bringing the Exploration Target closer to Inferred Resource status during the next dry season – H2 2019.

Commenting on the maiden Exploration Target at Dikaki, Trek’s Managing Director, Bradley Drabsch, said:

*“The Exploration Target that we have been able to deliver, while only relating to a very small part of the total Project, demonstrates the enormous potential we have at Kroussou and provides the basis for the Company to build into a significant African player in the base metals market. Our team on the ground has worked tirelessly to enable us to present this significant achievement and they are to be congratulated for that. We now believe that with the scope of the potential for Kroussou encapsulated in a substantial target, we can continue to grow the project and ultimately realise it’s significant potential.”*



**Bradley Drabsch**

MANAGING DIRECTOR

## 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.

The information in this report that relates to an Exploration Target is based on information compiled by Mr Toby Wellman who is a consultant to Trek Metals Ltd and is a Member of the Australian Institute of Mining and Metallurgy (“AusIMM”). Mr Wellman 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 Wellman consents to the inclusion in the report of the matters based on the information in the form and context in which it appears.

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## 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

### Australia

Suite 5/56 Kings Park Rd  
WEST PERTH WA 6005

### Bermuda

Trinity Hall  
43 Cedar Avenue  
HAMILTON HM12

### Postal Address

P.O. Box 1796  
WEST PERTH WA 6872

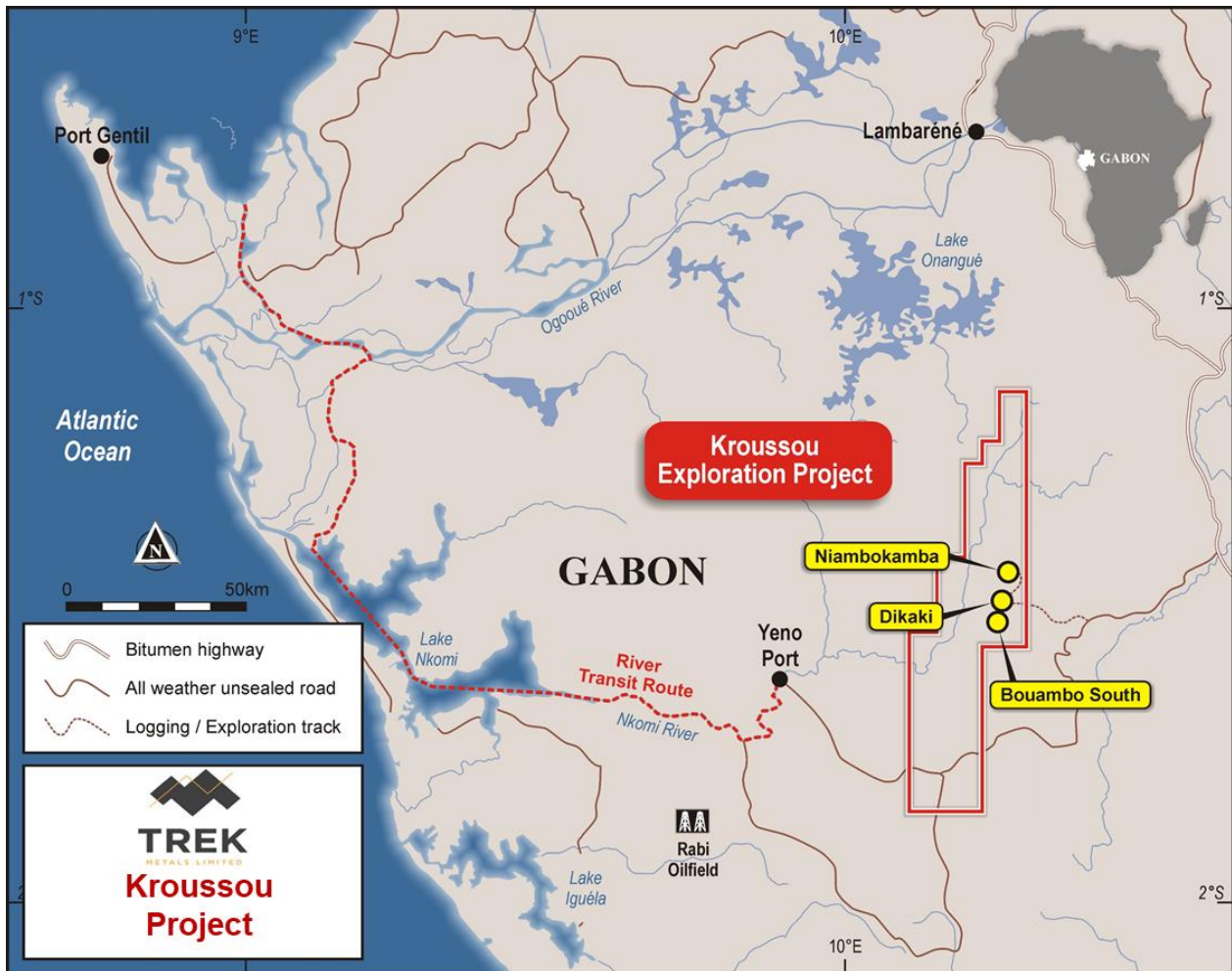


Figure 3: The Kroussou Zinc – Lead Project



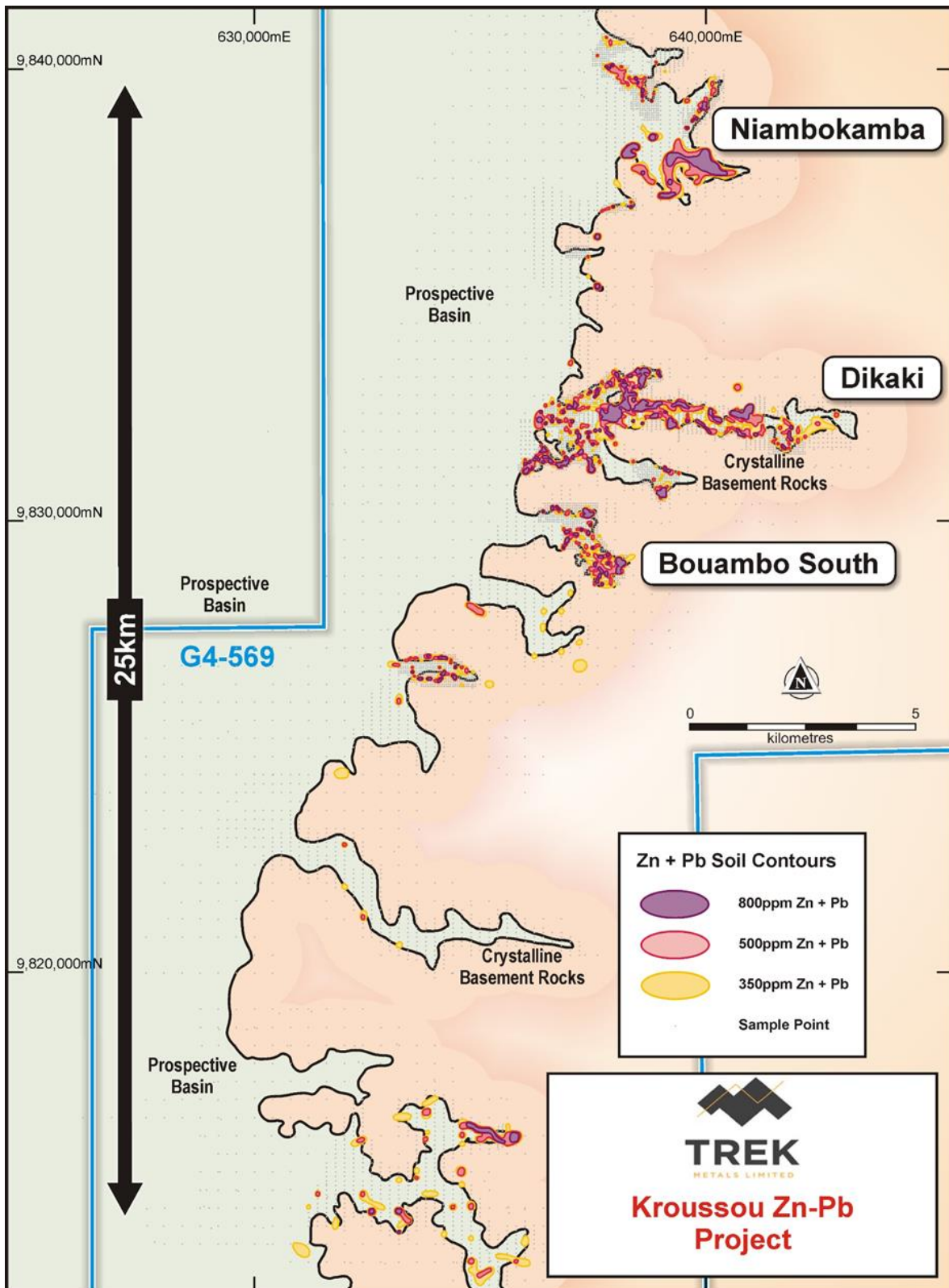


Figure 4: The Kroussou Zinc – Lead Project

## APPENDIX A

### Exploration Target Methodology

The process utilized to generate the grade and tonnage ranges for the Exploration Targets has been based upon the same process used to generate an Inferred Resource with the clear understanding that Trek is not in possession of enough information to quote a JORC 2012 compliant Resource and the Exploration Targets presented are conceptual in nature as explained on page 1 of this announcement. Details are as follows:

- The Exploration Target has been estimated using assay results, in Dikaki, from two drill campaigns completed by Trek Metals (30 DD holes for 1,452.01m), as well as historical BRGM drillholes (122 DD holes for 2,916.97).
    - Note: The location accuracy of the BRGM holes cannot be confirmed due to the age of the holes and the surveying practices completed at the time of drilling. In addition, BRGM sampling practice selectively assayed through areas of significant visual mineralisation hence zinc and lead tenor outside of these sampled intervals is unknown and has been assigned a “null” value within the database.
  - Wireframes were created based upon these data with allowances for extensions in strike and dip directions.
  - These wireframes were filled with blocks that were assigned a grade.
  - These wireframes were given an average SG to generate a tonnage (2.7g/cm<sup>3</sup>)
  - Upper and lower range values used for grade and tonnage are provided +/- 30% from average estimates.
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## JORC Code, 2012 Edition – Table 1

### Section 1 Sampling Techniques and Data

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
<b>Sampling techniques</b>	<ul style="list-style-type: none"> <li>• <i>Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.</i></li> <li>• <i>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</i></li> <li>• <i>Aspects of the determination of mineralisation that are Material to the Public Report.</i></li> <li>• <i>In cases where ‘industry standard’ work has been done this would be relatively simple (eg ‘reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30g charge for fire assay’). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.</i></li> </ul>	<p><b>Trek Drilling</b></p> <ul style="list-style-type: none"> <li>• Drill core has been cut in half using a coresaw.</li> <li>• Sampling is being and has been conducted to industry standard with samples taken either at metre or geological boundaries as appropriate with a minimum sample length of 0.3m (some minor exceptions due to core loss in some intervals).</li> <li>• Core has been cut to ensure that both sides approximate one another to ensure representivity of each length.</li> </ul> <p><b>Metallurgical Sample</b></p> <ul style="list-style-type: none"> <li>• The Metallurgical sample was an ~50Kg composite sample from the following drillholes – DKDD001, 002 and 003 and are considered to fairly represent an approximate ore sample from the Dikaki Channel. These were HQ diamond drillholes and quarter core was submitted for testwork.</li> </ul> <p><b>Historic Drilling</b></p> <ul style="list-style-type: none"> <li>• Due to the historic nature of the drilling results reported herein, it is not possible to comment on the quality of the sampling used to produce the results described. It is known from the historic reports that the drillcore was sawn. TKM continues to try to locate any remnant core from the drilling but as yet as been unsuccessful. It is highly likely that, due to the passage of time, the core from the BRGM work in the 1960’s and 1970’s has been lost or destroyed. Results were obtained from historic reports produced by the Bureau de Recherches Géologiques et Minières (BRGM, French Geological Survey) during the 1960’s and 1970’s.</li> </ul>



Criteria	JORC Code explanation	Commentary
<b>Drilling techniques</b>	<ul style="list-style-type: none"> <li>• Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).</li> </ul>	<p><b>Trek Drilling</b></p> <ul style="list-style-type: none"> <li>• Drilling is either HQ diamond (63.5mm diameter core) or NQ diamond (47.6mm diameter core) standard tube.</li> </ul> <p><b>Historic Drilling</b></p> <ul style="list-style-type: none"> <li>• Drilling was completed using a Winkie style diamond drill rig producing drill core of approximately 25mm diameter.</li> </ul>
<b>Drill sample recovery</b>	<ul style="list-style-type: none"> <li>• Method of recording and assessing core and chip sample recoveries and results assessed.</li> <li>• Measures taken to maximise sample recovery and ensure representative nature of the samples.</li> <li>• Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.</li> </ul>	<p><b>Trek Drilling</b></p> <ul style="list-style-type: none"> <li>• Core recoveries are measured using industry standard methods for each run of core drilled.</li> <li>• The use of HQ and NQ diamond core ensures the best recovery under the conditions experienced in the project area.</li> <li>• No relationship between recovery and grade has been established.</li> </ul> <p><b>Historic Drilling</b></p> <ul style="list-style-type: none"> <li>• Due to the historic nature of the drilling results reported herein, it is not possible to comment on the recoveries achieved at the time. Only sporadic reference to recovery was made in historic logs.</li> </ul>
<b>Logging</b>	<ul style="list-style-type: none"> <li>• Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.</li> <li>• Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</li> <li>• The total length and percentage of the relevant intersections logged.</li> </ul>	<p><b>Trek Drilling</b></p> <ul style="list-style-type: none"> <li>• Field logging to industry standard has been conducted on the drill core in its full condition. The core will be re-logged once cut. All observations are logged in Microsoft Excel before being uploaded into the company database. This method will allow the logging to support Mineral Resource Estimations if/when required.</li> <li>• Geological observations such as lithology, alteration, mineralisation etc are qualitative whereas recovery, RQD etc are quantitative.</li> <li>• 100% of the drill core has been fully logged and photographed (dry and wet).</li> <li>• 100% of the non-sampled core has been retained and stored for future reference.</li> </ul>

Criteria	JORC Code explanation	Commentary
		<p><b>Historic Drilling</b></p> <ul style="list-style-type: none"> <li>All drill core was logged in detail, however, due to the age of the drilling and the inability to check-log the core due to its destruction, these logs can be used as a guide only and will not be suitable for use in a Mineral Resource estimation.</li> <li>Qualitative: Lithology, alteration, mineralisation etc.</li> <li>All holes for their entire length appear to have been logged, however, some logs are missing from the historic dataset).</li> </ul>
<p><b>Sub-sampling techniques and sample preparation</b></p>	<ul style="list-style-type: none"> <li>If core, whether cut or sawn and whether quarter, half or all core taken.</li> <li>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</li> <li>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</li> <li>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</li> <li>Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.</li> <li>Whether sample sizes are appropriate to the grain size of the material being sampled.</li> </ul>	<p><b>Trek Drilling</b></p> <ul style="list-style-type: none"> <li>The drill core has been cut in half using a standard petrol-powered core saw.</li> <li>Sampling half core is industry standard.</li> <li>Core has been cut to ensure that both sides approximate one another to ensure representivity of each length.</li> <li>The sample size collected is appropriate for this stage of exploration.</li> </ul> <p><b>Metallurgical Sample</b></p> <ul style="list-style-type: none"> <li>The Metallurgical sample was an ~50Kg composite sample from the following drillholes – DKDD001, 002 and 003 and are considered to fairly represent an approximate ore sample from the Dikaki Channel. These were HQ diamond drillholes and quarter core was submitted for testwork.</li> <li>The samples were taken from three different zones along the Dikaki Channel and represent a reasonable composite of the mineralisation styles present and at a composite grade equivalent to an approximation of a targeted high grade ore for the Project.</li> </ul> <p><b>Historic Drilling</b></p> <ul style="list-style-type: none"> <li>Due to the historic nature of the drilling results reported herein, it is not possible to comment on the method of sampling, sampling techniques and</li> </ul>

Criteria	JORC Code explanation	Commentary
<p><b>Quality of assay data and laboratory tests</b></p>	<ul style="list-style-type: none"> <li>• <i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i></li> <li>• <i>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.</i></li> <li>• <i>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.</i></li> </ul>	<p>sample preparation methodology.</p> <p><b>Trek Drilling</b></p> <ul style="list-style-type: none"> <li>• Samples from the first phase of drilling (Hole DKDD001 – 009) were processed in Gabon by Setpoint laboratories. Samples were: <ul style="list-style-type: none"> <li>○ Weighed</li> <li>○ Dried</li> <li>○ Crushed to 80% passing 2mm</li> <li>○ Pulverised to 80% passing 80 microns</li> <li>○ Packaged and sent to Intertek Genalysis in Perth for assay</li> </ul> </li> <li>• Samples from the second phase of drilling (all other holes) were processed in Ghana by Intertek Genalysis laboratories. Samples were: <ul style="list-style-type: none"> <li>○ Dried</li> <li>○ Crushed to 2mm</li> <li>○ Pulverised to 85% passing 75 microns</li> <li>○ Packaged and sent to Intertek Genalysis in Perth for assay</li> </ul> </li> <li>• All Samples are assayed by Intertek Genalysis in Perth using a 4 acid digest (considered a total digest) with an ICP-OES or ICP-MS (element dependant) finish for a suite of ore and indicator elements</li> <li>• Laboratory and Trek submitted QAQC samples returned results within acceptable limits to date.</li> </ul> <p><b>Metallurgical Sample</b></p> <ul style="list-style-type: none"> <li>• The Metallurgical sample was dispatched to ALS Laboratories in Perth under the guidance and supervision of METS Engineering in Perth. ALS conducted Mineral characterisation using QEMSCAN, tested Gravity Separation using TBE, conducted flotation testwork at various grind sizes and applied depressant in flotation in order to attempt to refine the process. Assays were taken at various steps in the process.</li> </ul>

Criteria	JORC Code explanation	Commentary
		<p><b>Historic Drilling</b></p> <ul style="list-style-type: none"> <li>• Due to the historic nature of the drilling results reported herein, it is not possible to confirm the method of assay or analytical technique however historical reports indicate the drill samples were analysed using atomic absorption methods but the digestion method is not clear.</li> <li>• No description of QAQC protocols are provided in the historic reports.</li> </ul>
<p><b>Verification of sampling and assaying</b></p>	<ul style="list-style-type: none"> <li>• <i>The verification of significant intersections by either independent or alternative company personnel.</i></li> <li>• <i>The use of twinned holes.</i></li> <li>• <i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i></li> <li>• <i>Discuss any adjustment to assay data.</i></li> </ul>	<p><b>Trek Drilling</b></p> <ul style="list-style-type: none"> <li>• All logging observations are handwritten or entered into a field laptop using MS Excel before being uploaded into the company database.</li> </ul> <p><b>Historic Drilling</b></p> <ul style="list-style-type: none"> <li>• Due to the historic nature of the drilling results reported herein, it is not possible to verify any of the results. TKM has drilled a number of holes in an effort to twin historic holes. This process has resulted in confirmation that the assay results published in historic reports are valid and can be used to guide modern exploration. Due, however, to numerous uncertainties, these historic results cannot be used for the estimation of mineral resources.</li> </ul>
<p><b>Location of data points</b></p>	<ul style="list-style-type: none"> <li>• <i>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.</i></li> <li>• <i>Specification of the grid system used.</i></li> <li>• <i>Quality and adequacy of topographic control.</i></li> </ul>	<p><b>Trek Drilling</b></p> <ul style="list-style-type: none"> <li>• Holes have been surveyed accurately to +/- 0.1m utilizing DGPS technology.</li> <li>• Sample locations are provided as UTM co-ordinates within Zone 32, southern hemisphere using WGS 84 datum.</li> </ul> <p><b>Historic Drilling</b></p> <ul style="list-style-type: none"> <li>• Drillholes were located according to topography on maps produced at the time of drilling. A process is underway to attempt to accurately locate these; however, this process is incomplete at this stage. Location accuracies are approximately +/- 10m but may be less accurate in certain areas due to difficulty in locating mapped features.</li> </ul>

Criteria	JORC Code explanation	Commentary
<b>Data spacing and distribution</b>	<ul style="list-style-type: none"> <li>• <i>Data spacing for reporting of Exploration Results.</i></li> <li>• <i>Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.</i></li> <li>• <i>Whether sample compositing has been applied.</i></li> </ul>	<p><b>Trek Drilling</b></p> <ul style="list-style-type: none"> <li>• Samples have been collected at regular 1m intervals unless a specific geological boundary of significance is within an interval. Samples are then adjusted to reflect that boundary to a minimum length of 0.3m (some minor exceptions due to core loss in some intervals).</li> <li>• Whilst no Mineral Resources are discussed in this announcement, logging, sampling, assaying and associated data collection is being conducted to industry standard levels for future use in Resource/Reserve calculations if/when required.</li> </ul> <p><b>Historic Drilling</b></p> <ul style="list-style-type: none"> <li>• Drillhole collars described in historical reports are spaced at various intervals including random locations and on grids of 50m x 100m and 25m x 50m.</li> <li>• Due to the historic nature of the drilling results reported herein, they will not be suitable for use in a Mineral Resource estimation.</li> </ul>
<b>Orientation of data in relation to geological structure</b>	<ul style="list-style-type: none"> <li>• <i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</i></li> <li>• <i>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.</i></li> </ul>	<p><b>Trek Drilling and Historic Drilling</b></p> <ul style="list-style-type: none"> <li>• Drillholes are vertical (one hole only has been drilled at -60°). Due to the shallow dipping nature of the known geology in the project area, this orientation is considered appropriate.</li> </ul>
<b>Sample security</b>	<ul style="list-style-type: none"> <li>• <i>The measures taken to ensure sample security.</i></li> </ul>	<p><b>Trek Drilling</b></p> <ul style="list-style-type: none"> <li>• Samples were transported from the field by company field personnel and then to the preparatory and assaying laboratory via DHL.</li> </ul> <p><b>Historic Drilling</b></p> <ul style="list-style-type: none"> <li>• Due to the historic nature of the drilling results reported herein, it is not possible to comment on sample security.</li> </ul>

Criteria	JORC Code explanation	Commentary
<p><b>Audits or reviews</b></p>	<ul style="list-style-type: none"> <li>The results of any audits or reviews of sampling techniques and data.</li> </ul>	<p><b>Trek Drilling</b></p> <ul style="list-style-type: none"> <li>No reviews or audits have been undertaken at this stage.</li> </ul> <p><b>Historic Drilling</b></p> <ul style="list-style-type: none"> <li>No audits are possible on the results but a full review of the historic data package is underway.</li> <li>TKM has drilled a number of holes in an effort to twin historic holes. This process has resulted in confirmation that the assay results published in historic reports are valid and can be used to for targeting purposes and approximate modern findings. The historic results, however, will be unsuitable for use in Mineral Resource estimation.</li> </ul>



## Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
<b>Mineral tenement and land tenure status</b>	<ul style="list-style-type: none"> <li>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.</li> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li>TKM owns the Kroussou Project in Gabon 100%.</li> <li>Havilah Consolidated Resources (HCR) holds a 0.75% NSR. This royalty may be bought back from HCR by TKM for US\$250,000.</li> <li>ASX:BAT holds a 2.5% NSR with 1% subject to buy back by TKM for US\$1.5M.</li> <li>The Kroussou tenure is an Exploration License (G4-569) renewable each year for a further 3-year period beginning the 2<sup>nd</sup> July 2015. The renewal process for the second 3-year period is currently underway.</li> <li>The Company is not aware of any impediments relating to the licenses or area.</li> </ul>
<b>Exploration done by other parties</b>	<ul style="list-style-type: none"> <li>Acknowledgment and appraisal of exploration by other parties.</li> </ul>	<ul style="list-style-type: none"> <li>Intermittent historical exploration as conducted by French Bureau de Recherches Géologiques et Minières (BRGM) at Kroussou from 1962 - 1963, the project was then later re-examined in 1979-1981 by the BRGM in joint venture with Comilog which is a Gabonese government owned mining company.</li> <li>BRGM discovered the Kroussou Pb-Zn-(Ag) mineral occurrences as well as others along various river systems on the Kroussou license.</li> <li>BRGM conducted drilling on the project in 1962, 1977-1980.</li> <li>ASX:BAT obtained historical reports and drill logs relating to BRGM's field program and completed cursory rock chip and mapping work in 2015 and 2016.</li> </ul>
<b>Geology</b>	<ul style="list-style-type: none"> <li>Deposit type, geological setting and style of mineralisation.</li> </ul>	<ul style="list-style-type: none"> <li>The deposit style reported in BRGM historical files is Mississippi Valley Type (MVT) sedimentary mineralisation of Pb-Zn-(Ag) where mineralisation is similar to the Laisville (Sweden) style with deposition within siliciclastic horizons in a reducing environment.</li> <li>On a regional scale, the Pb-Zn mineral concentrations are distributed at the edge of the continental shelf which was being eroded during Lower Cretaceous time.</li> <li>Mineralisation is located within the Gamba Formation part of the N'Zeme</li> </ul>

Criteria	JORC Code explanation	Commentary
		<p>Asso Series and was deposited during the Cretaceous as part of the Cocobeach Complex deposited during formation of the Cotier Basin.</p> <ul style="list-style-type: none"> <li>Mineralisation is hosted by conglomerates, sandstones and siltstones deposited in laguno-deltaic reducing conditions at the boundary of the Cotier Basin onlapping continental basement rocks.</li> <li>Large scale regional structures are believed to have influenced mineralisation deposition.</li> </ul>
<b>Drill hole Information</b>	<ul style="list-style-type: none"> <li>A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes: <ul style="list-style-type: none"> <li>easting and northing of the drill hole collar</li> <li>elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</li> <li>dip and azimuth of the hole</li> <li>down hole length and interception depth</li> <li>hole length.</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>N/A</li> </ul>
<b>Data aggregation methods</b>	<ul style="list-style-type: none"> <li>In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.</li> <li>Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.</li> <li>The assumptions used for any reporting of metal equivalent values should be clearly stated.</li> </ul>	<p><b>Trek Drilling</b></p> <ul style="list-style-type: none"> <li>Intervals reported using a minimum width of 1m and a minimum assay of 1.0% Zn + Pb and a maximum of 3m internal dilution</li> </ul>
<b>Relationship between mineralisation widths and intercept lengths</b>	<ul style="list-style-type: none"> <li>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</li> <li>If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg ‘down hole length, true width not known’).</li> </ul>	<p><b>Trek Drilling and Historic Drilling</b></p> <ul style="list-style-type: none"> <li>Mineralisation is understood to be within shallowly dipping horizons and therefore vertical drillholes should intersect zones at approximately right angles and approximate true widths.</li> </ul>

Criteria	JORC Code explanation	Commentary
<b>Diagrams</b>	<ul style="list-style-type: none"> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li>Refer to figures and tables in report.</li> </ul>
<b>Balanced reporting</b>	<ul style="list-style-type: none"> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li>See table 1 within the document.</li> </ul>
<b>Other substantive exploration data</b>	<ul style="list-style-type: none"> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li>All meaningful and material information is reported.</li> </ul>
<b>Further work</b>	<ul style="list-style-type: none"> <li>The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</li> <li>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</li> </ul>	<ul style="list-style-type: none"> <li>Continued drilling is planned for all target areas as appropriate.</li> <li>Further, more targeted Metallurgical Testwork will be undertaken following the definition of a resource at Kroussou.</li> </ul>