



December 2020 Quarterly Activities Report

HIGHLIGHTS

Pilbara Gold Project, WA

- Soil sampling program comprising 923 samples completed at the Pincunah Gold and Copper Project covering the Valley of Gossans Prospect.
- Reconnaissance rock sampling program comprising 103 samples also completed to revisit and assess areas of elevated gold previously reported at Carlindi and Valley of Gossans.
- Results from these programs expected in early 2021.
- Program of Work (POW) for drilling approved at Pincunah (E45/4909).
- Pincunah license E45/4917 granted during the quarter.
- Induced Polarisation (IP) survey and drilling programs planned for early 2021.
- An initial program of reconnaissance rock chip sampling program and field investigation has been completed on newly-acquired tenement E45/5484 (see Corporate Section below), with results expected in early 2021.

Corporate

- Further expansion of the Company's Pilbara exploration portfolio with acquisition and option agreements secured over the large Tambourah Project tenement package subsequent to Quarter-end, further strengthening Trek's pipeline of exploration opportunities.
- Trek continues to review other potential acquisitions and investments in the mineral resource sector.
- Entitlement Offer announced on 23 October 2020 withdrawn as a result of current market conditions.
- Cash position at 31 December 2020 of US\$1.7 million (A\$2.2 million).

OVERVIEW

Trek Executive Director John Young said the Company had continued to lay the foundations for a substantial exploration push across its key Pilbara exploration projects in early 2021, with the completion of initial fieldwork programs during the December Quarter.

"We're eagerly awaiting results from the reconnaissance exploration program at our flagship Pincunah Project completed during the quarter, which will provide vital data to assist with prioritising targets and optimising techniques for our upcoming maiden drill program.

"Assays are expected shortly and we're also gearing up to commence Induced Polarisation surveys across key tenement areas, with our maiden drilling program expected to commence in March subject to the receipt of all the necessary approvals."

“We are also very pleased to have recently secured acquisition and option agreements over the large Tambourah Project tenement package, which lies just 50km south of Pincunah.

“These agreements provide an exciting low-cost, low-risk opportunity for Trek to further enhance our pipeline of gold exploration targets in the Pilbara, together with a highly prospective iron ore opportunity.

“We’re currently awaiting results from initial reconnaissance fieldwork on one of these tenements, E45/5484, with results to assist with planning the next phase of exploration activities.”

Pilbara Gold Project

During the Quarter, Trek completed a major program of soil and rock chip sampling at its 100%-owned **Pincunah Gold and Copper Project** (E45/4909), located 100km south of Port Hedland and just 5km south of Kairos Minerals’ (ASX: KAI) 870,000oz Mt York Gold Project in the Pilbara region of Western Australia.

Pincunah Project Geochemistry Programs

Trek completed a program of 923 soil samples and 103 rock chip samples at the Pincunah Gold and Copper Project.

The soil program covered the “Valley of Gossans” (“VOG”) Prospect area, where extensive evidence of hydrothermal alteration has been observed over an area of 2.2km by 0.9km. The north-west trending gossans are poorly exposed at surface and occur as isolated outcrops in a low-lying valley.

Recent mapping identified stockwork quartz veinlets and silicification that occurs in close proximity to the main gossans, with the soil program specifically targeting this area (see Figure 1).

The fine fraction soils were sampled on a minimum 50m by 100m grid, with tighter spacing in areas of extensive gossans and quartz veining. Samples have now been submitted for “ultra-trace” gold and multi-element analysis at the ALS Laboratory.

Previous assessment of the reprocessed airborne magnetics and radiometrics by Trek revealed that the gossans occur on several prominent linear demagnetised zones that are coincident with mapped felsic volcanics.

Previous drilling by PMI in 1969 identified gold mineralisation over significant widths downhole in pyrite-altered felsic porphyry rocks (**see Trek ASX release dated 5 August 2020**), with a best historical intersection of **38.1m at 1.2g/t Au from surface**.

In addition to the soil program, 103 rock chip samples were also taken from the Pincunah Project. The focus of these reconnaissance samples was to acquire further geological information from areas at VOG, Carlindi and Carlindi North where previous rock chip sampling by Trek returned encouraging results (**see Trek ASX Release dated 30 September 2020**).

At VOG, more detailed work was conducted in the outcrop areas directly above the significant historical gold intersections. One important observation from recent reconnaissance work was the identification of stockwork quartz veinlets and silicification that occurs in close proximity to the main gossans (Photo 1).

Various areas of this quartz veining and silicification were sampled in order to identify the primary source of the gold intersected in the drilling. The dominant orientation of the quartz veins is steeply dipping and trending to the north-northwest (Photo 1).

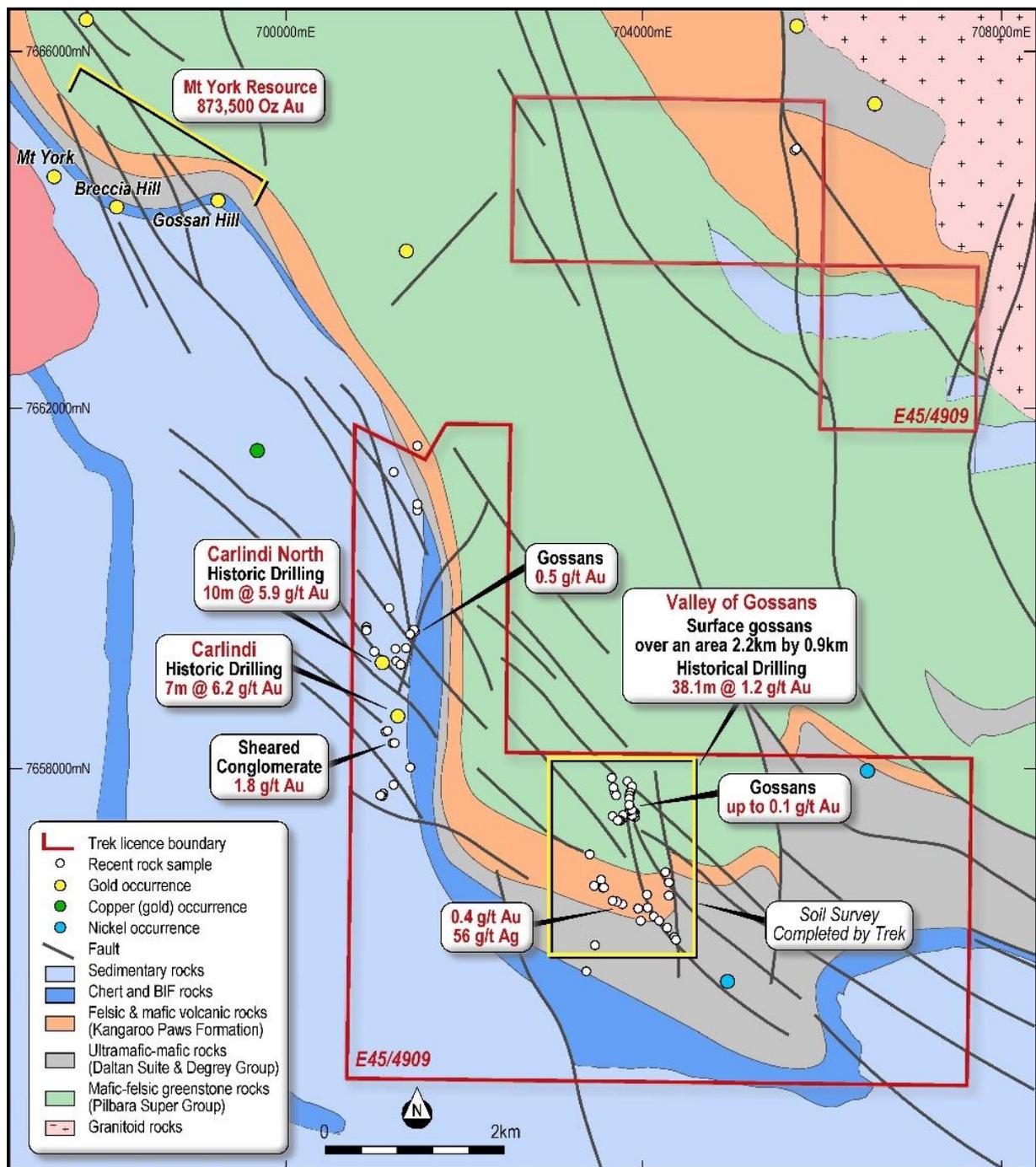


Figure 1: Interpreted simplified bedrock geology map at Pincunah showing the sample locations, new structural interpretation from airborne magnetics and assay highlights from recent reconnaissance work. The location and geological setting of the Mt York Resource area (Kairos Minerals) is shown along strike to the northwest. Location of the recent soil survey by Trek outlined in yellow.



Photo 1: (Left) Photograph of outcropping banded chalcidonic quartz veins (white outline) trending northwest (to the left of photo) that occur close to the main gossan outcrops. (Right) Close up of a vein.

Fieldwork was also conducted at the Carlindi Prospect to inspect areas of elevated gold previously identified by Trek (see **Trek ASX Release dated 30 September 2020**), including one standout assay of **1.8g/t gold** returned from gossanous quartz veins located 300m south of the area of previous drilling.

Recent fieldwork indicates extensive variably gossanous quartz veins identified at surface that extend several hundred metres to the north and south of the current drilling that have never been drilled.

Next Steps on the Pincunah Project

Assay results for the soil and rock samples are pending and are due in early 2021. Results from the soil sampling at VOG are expected to provide a comprehensive geochemical dataset, which will greatly assist in the identification of drill targets.

The reconnaissance rock results will assist in ranking the identified drill targets, as well as providing critical data regarding the orientation of the gold-bearing quartz veins to help determine the most effective drilling direction and methodology.

Trek plans to conduct a trial IP survey across areas of known gold mineralisation at VOG and Carlindi in early 2021 to help identify extensive silica and pyrite alteration at depth that may represent high-priority deep drill targets for gold.

A drilling program is also planned to commence at the end of the first quarter 2021 once the current and proposed programs have been completed and interpretation finalised.

Pincunah Project Licence Approvals and Native Title

The Pincunah East tenement E45/4917 was granted during the quarter. The Pincunah tenement (E45/4909) was granted in 2019 with no objections in regard to native title, and Trek Metals has proposed that a Native Title Agreement over E45/4917 be expanded to also include E45/4909 to the west.

A Program of Work (POW) was submitted in late September to secure approvals for drilling on E45/4909, with the POW approved on the 12th of November. However, drilling will not commence until a Native Title Agreement has been signed for E45/4909 and a heritage survey completed (if required).

CORPORATE

Tambourah Project Acquisition

Subsequent to the end of the Quarter, Trek Metals entered into three separate agreements to expand its exploration portfolio in the Pilbara region of Western Australia through the acquisition of highly prospective gold, base metal and iron ore opportunities.

The Tambourah tenement package, located in close proximity to the Company's existing Pincunah Gold Project in the Pilbara region of Western Australia (Figure 2), offers strong prospectivity for new gold and base metals discoveries and substantially enhances the Company's exploration pipeline in this world-class mining region.

The large tenement package covers a total area of 290 square kilometres in the highly prospective Western Shaw Greenstone Belt.

Tambourah Project

The Tambourah Project is considered highly prospective for gold deposits with at least 13 known gold occurrences and old mining workings located on the project.

The area is renowned historically for a large number of small-scale gold mines where miners have targeted narrow, high-grade, north-trending quartz veins in the past. Total historical production at the Tambourah Mines to the end of 1977 has been recorded by the Geological Survey as 5,247 ounces at an average grade of 30g/t Au (Hickman, 1983).

The Project encompasses the central portion of the 15km long Western Shaw Greenstone Belt, which occurs on the eastern limb of an anticline folded around the Tambourah Dome. The greenstone rocks comprise Archean-aged metavolcanic, metasedimentary and various granitoids that occur as large plutons and smaller intrusives.

Structural deformation in the area is characterised by classic left lateral strike-slip movement on various north- and northwest-trending shear zones. Gold occurrences and mine workings are scattered throughout the greenstone belt, associated with a shear zone complex extending over a strike length of at least 30km.

Surprisingly, few companies have conducted systematic exploration on the Tambourah Project licences. Some regional exploration work for base metals and gold was conducted including stream sediment sampling by Fortescue in 2014, rock sampling by Cazaly in 2012 and rock sampling by De Grey in 2008 which produced highly encouraging gold results. This work is currently being compiled and reviewed.

There has been very little drilling or trenching on the Project licences, with just a handful of historical programs conducted near the known gold workings.

Exploration to date, including work by De Grey, has focused largely on copper and base metal exploration associated with felsic volcanic stratigraphic horizons, similar to the host rocks at the Sulphur Springs deposit to the north (Figure 1). The possibility of bulk tonnage gold deposits comprising multiple stacked, narrow high-grade quartz veins has not been properly tested.

A Trek geologist has conducted field reconnaissance work on E45/5484 as part of the due diligence process for the Tambourah Project acquisition and collected 41 rock samples with a number of outcropping highly gossanous quartz veins identified together with highly gossanous and often pyrite-bearing mafic and chert host rocks. The results are pending.

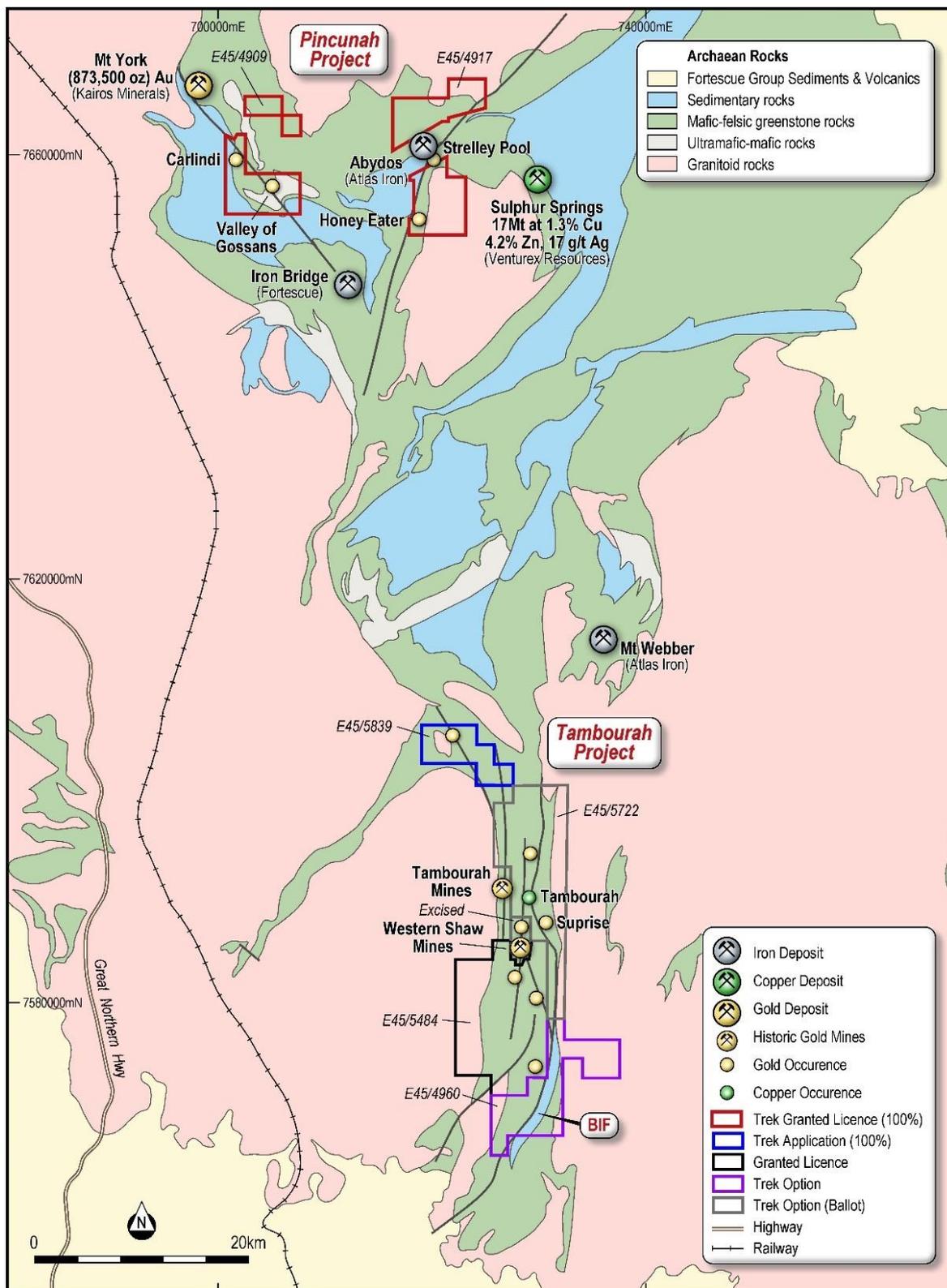


Figure 2: Location of the Tambourah Gold-Iron Ore Project licences to the south of the Pincunah Gold-Copper Project

In addition to gold, one licence in particular, E45/4960, is considered to be highly prospective for iron ore, with an 11km strike length of banded iron formation (BIF) identified on the licence that has been poorly explored. Trek has secured an option to acquire E45/4960.

Atlas Iron completed reconnaissance exploration for iron ore across the BIF in 2009 including rock sampling and limited drilling, which produced highly encouraging results. Several geophysical anomalies were identified and have not yet been followed up.

The iron ore option is considered to be a highly valuable addition to the project given its strategic position located 220km south-east of Port Hedland, 10km north-east of the Fortescue and Roy Hill railway and 25km north-east of the BHP railway.

Key Terms of Agreements for the Tambourah Projects

Acquisition of E45/5484

- 1.) Consideration payable by Trek for the Acquisition is:
 - a) The issue of 750,000 fully-paid ordinary shares in Trek, pursuant to the Company's existing Listing Rule 7.1 placement capacity;
 - b) Payment of \$50,000; and
 - c) A one percent (1%) net smelter return royalty (NSR)
- 2.) Shares issued will be subject to a voluntary 6-month escrow from the date of issue;
- 3.) The vendor is Redstone Metals Pty Ltd (50%) & Territory Prospecting Pty Ltd (50%).

Option over E45/4960

- 1.) Trek to conduct due diligence and meet the minimum expenditure obligation of \$30,000.
- 2.) Option is exercisable up to 30 June 2021.
- 3.) Consideration payable by Trek if the option is exercised is the issue of 3,000,000 fully-paid ordinary shares in Trek.
- 4.) In addition, a one point five percent (1.5%) free-on-board (FOB) Iron Ore revenue royalty and 1% NSR on all other minerals is payable.
- 5.) Any shares issued will be subject to a voluntary 6-month escrow from the date of issue.
- 6.) Option Agreement contains usual clauses and warranties and provides for an exclusive option period.
- 7.) The vendor is Redstone Metals Pty Ltd.

Option over ELA 45/5722

- 1.) Acquisition is conditional on tenement being granted to the vendor (currently subject to a ballot between three parties).
- 2.) Consideration payable by Trek if the vendor is successful in the ballot and the option is exercised is the issue of 3,000,000 fully-paid ordinary shares in Trek.
- 3.) Any shares issued will be to subject a voluntary 6-month escrow from the date of issue.
- 4.) In addition, a one-point five percent (1.5%) free-on-board (FOB) Iron Ore revenue royalty and 1% NSR on all other minerals is payable.
- 5.) Option Agreement contains usual clauses and warranties and provides for an exclusive option period.
- 6.) The vendor is Resource Gold Pty Ltd.

Capital Raising

As a result of current market conditions, during the Quarter the Board resolved, with the mutual agreement of the underwriter, to withdraw the Entitlement Offer first announced on 23 October 2020 and the subject of a prospectus released on 30 October 2020.

Cash Position/Expenditure

The Company held cash reserves of approximately US\$1.7million / (A\$2.2million) at the end of the quarter (Refer Appendix 5B). During the quarter key expenditure items included:

- Exploration and Evaluation – US\$63k / (A\$86k)
- Staffing Costs – US\$59k / A\$81k

Payment of normal directors' salaries and consulting fees of US\$52k / A\$71k and office costs of US\$3k / A\$4k were made to related parties during the quarter (Refer Appendix 5B).

MORE INFORMATION

INVESTORS:

John Young Executive Director
 Email: john@trekmetals.com.au
 Phone: +61 8 6215 0371

MEDIA:

Nicholas Read Read Corporate
 Phone: (08) 9388 1474

Competent Persons Statement

Information in this report relating to Exploration Results is based on and fairly represents information reviewed by Leo Horn, who is a Member of the Australian Institute of Geoscientists and a consultant to Trek Metals. Mr. Horn has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined by the 2012 Edition of the Australasian Code for reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr. Horn consents to the inclusion of the data in the form and context in which it appears.

Tenement Schedule/Movements

Tenement	Holder	Last Qtr Interest	Current Qtr Interest
E45/4909 (Western Australia)	ACME Pilbara Pty Ltd (100% owned subsidiary)	100%	100%
E45/4917 (Western Australia)	ACME Pilbara Pty Ltd (100% owned subsidiary) Granted during the quarter	100%	100%
EL45/5839 (appl) (Western Australia)	ACME Pilbara Pty Ltd (100% owned subsidiary) Application during the quarter	0%	100%
E52/3605 (Western Australia)	ACME Pilbara Pty Ltd (100% owned subsidiary)	100%	100%
EL 52/3672 (appl) (Western Australia)	ACME Pilbara Pty Ltd (100% owned subsidiary)	100%	100%
G4-5679 (Gabon)	Select Explorations Gabon SA (Wholly owned subsidiary of Trek Metals Limited) (subject to EIA with Apollo Minerals Limited)	100%	100%
EL31260 (appl.) (Northern Territory)	TM Resources Pty Ltd (100% owned subsidiary)	100%	100%
EL31261 (appl.) (Northern Territory)	TM Resources Pty Ltd (100% owned subsidiary)	100%	100%
EL31751 (appl.) (Northern Territory)	TM Resources Pty Ltd (100% owned subsidiary)	100%	100%
EL31752 (appl.) (Northern Territory)	TM Resources Pty Ltd (100% owned subsidiary)	100%	100%

REGISTERED OFFICES – TREK METALS LIMITED ARBN 124 462 826

Australia	Bermuda	Postal Address
130 Stirling Highway North Fremantle WA 6159	Trinity Hall 43 Cedar Avenue HAMILTON HM12	Locked Bag 4 NORTH FREMANTLE WA 6159