Announcement Summary

Entity name

TREK METALS LIMITED

Announcement Type

New announcement

Date of this announcement

Friday October 23, 2020

The Proposed issue is:

☑ A standard pro rata issue (including non-renounceable or renounceable)

Total number of +securities proposed to be issued for a standard pro rata issue (including non-renounceable or renounceable)

ASX +security code	+Security description	Maximum Number of +securities to be issued
TKM	CHESS DEPOSITARY INTEREST	42,004,072

Ex date

Wednesday November 4, 2020

+Record date

Thursday November 5, 2020

Offer closing date

Thursday November 26, 2020

Issue date

Thursday December 3, 2020

Refer to next page for full details of the announcement

Part 1 - Entity and announcement details

1.1 Name of +Entity

TREK METALS LIMITED

We (the entity named above) give ASX the following information about a proposed issue of +securities and, if ASX agrees to +quote any of the +securities (including any rights) on a +deferred settlement basis, we agree to the matters set out in Appendix 3B of the ASX Listing Rules.

1.2 Registered Number Type	**Registration Number**
ARBN	124462826

1.3 ASX issuer code

TKM

1.4 The announcement is
New announcement

1.5 Date of this announcement

Friday October 23, 2020

1.6 The Proposed issue is:
A standard +pro rata issue (non-renounceable or renounceable)

1.6a The proposed standard +pro rata issue is:
+ Non-renounceable

Part 3 - Details of proposed entitlement offer issue

Part 3A - Conditions

3A.1 - Are any of the following approvals required for the entitlement offer to be unconditional?
- **+Security holder approval**
- **Court approval**
- **Lodgement of court order with +ASIC**
- **ACCC approval**
- **FIRB approval**
- **Another approval/condition external to the entity**

☑ No

Part 3B - Offer details

Class or classes of +securities that will participate in the proposed issue and class or classes of +securities proposed to be issued

ASX +security code and description

TKM : CHESS DEPOSITARY INTEREST

Is the proposed security a 'New class' (+securities in a class that is not yet quoted or recorded by ASX) or an 'Existing class' (additional securities in a class that is already quoted or recorded by ASX)?
☑ Existing class

Will the proposed issue of this +security include an offer of attaching +securities?
☑ No

If the entity has quoted company options, do the terms entitle option holders to participate on exercise?
☑ No

Details of +securities proposed to be issued

ASX +security code and description

TKM : CHESS DEPOSITARY INTEREST

ISIN Code (if Issuer is a foreign company and +securities are non CDIs)

ISIN Code for the entitlement or right to participate in a non-renounceable issue (if Issuer is foreign company and +securities are non CDIs)

Offer ratio (ratio to existing holdings at which the proposed +securities will be issued)

The quantity of additional +securities to be issued	For a given quantity of +securities held
1	5

What will be done with fractional entitlements?	Maximum number of +securities proposed to be issued (subject to rounding)
Fractions rounded up to the next whole number	42,004,072

Offer price details for retail security holders

In what currency will the offer be made?	What is the offer price per +security for the retail offer?
AUD - Australian Dollar	AUD 0.07000

Oversubscription & Scale back details

Will individual +security holders be permitted to apply for more than their entitlement (i.e. to over-subscribe)?
No

Will a scale back be applied if the offer is over-subscribed?
No

Will these +securities rank equally in all respects from their issue date with the existing issued +securities in that class?
Yes

Part 3C - Timetable

3C.1 +Record date

Thursday November 5, 2020

3C.2 Ex date

Wednesday November 4, 2020

3C.4 Record date

Thursday November 5, 2020

3C.5 Date on which offer documents will be sent to +security holders entitled to participate in the +pro rata issue

Tuesday November 10, 2020

3C.6 Offer closing date

Thursday November 26, 2020

3C.7 Last day to extend the offer closing date

Monday November 23, 2020

3C.9 Trading in new +securities commences on a deferred settlement basis

Friday November 27, 2020

3C.10 Last day for entity to announce the results of the offer to ASX, including the number and percentage of +securities taken up by existing +security holders and any shortfall taken up by underwriters or other investors

Tuesday December 1, 2020

3C.11 +Issue date

Thursday December 3, 2020

3C.12 Date trading starts on a normal T+2 basis

Friday December 4, 2020

3C.13 First settlement date of trades conducted on a +deferred settlement basis and on a normal T+2 basis

Tuesday December 8, 2020

Part 3E - Fees and expenses

3E.1 Will there be a lead manager or broker to the proposed offer?
No

3E.2 Is the proposed offer to be underwritten?
Yes

3E.2a Who are the underwriter(s)?

Westar Capital Limited

3E.2b What is the extent of the underwriting (ie the amount or proportion of the offer that is underwritten)?

Offer is fully underwritten

3E.2c What fees, commissions or other consideration are payable to them for acting as underwriter(s)?

5% of the total offer plus the issue of 1,500,000 share options exercisable at 14c per share expiring 18 months from the date of issue

3E.2d Please provide a summary of the significant events that could lead to the underwriting being terminated

Full details will be included in the Entitlements Issue Prospectus and include
- Indices fall): the S&P ASX 200 Index is at any time after the date of this Agreement 10% or more below its respective level as at the close of business on the Business Day prior to the date of this Agreement;
(No Official Quotation): ASX has advised the Company that it will or may not grant official quotation to the Underwritten Securities on or prior to the Shortfall Notice Deadline Date;
(Restriction on issue): the Company is prevented from issuing the Underwritten Securities
(ASIC or other prosecution): ASIC gives notice of any deficiency in the Rights Issue Documentation or related documents or ASIC gives notice of an intention to hold a hearing, examination or investigation, or it requires information to be disclosed in connection with the Offer of the Company

3E.2e Is a party referred to in listing rule 10.11 underwriting or sub-underwriting the proposed offer?
☑ Yes

3E.2e (i) What is the name of that party?

Kalonda Pty Ltd
Biddle Partners Pty Ltd

3E.2e (ii) What is the extent of their underwriting or sub-underwriting (ie the amount or proportion of the offer they have underwritten or sub-underwritten)?

40% for each sub-underwriter - 16,801,629 CDI's

3E.2e (iii) What fee, commission or other consideration is payable to them for acting as underwriter or sub-underwriter?

3.5% of the sub-underwritten amount

3E.3 Will brokers who lodge acceptances or renunciations on behalf of eligible +security holders be paid a handling fee or commission?
☑ No

3E.4 Details of any other material fees or costs to be incurred by the entity in connection with the proposed offer

Legal fees, Share registry fees and ASX Fees

Part 3F - Further Information

3F.1 The purpose(s) for which the entity intends to use the cash raised by the proposed issue

Funds raised will primarily be used for to advance exploration at the recently acquired Jimblebar and Pincunah Projects including mapping, ground-truthing, soil programs and IP geophysical targets to refine targets for initial drill programs

3F.2 Will holdings on different registers or subregisters be aggregated for the purposes of determining entitlements to the issue?
☑ No

3F.3 Will the entity be changing its dividend/distribution policy if the proposed issue is successful?
☑ No

3F.4 Countries in which the entity has +security holders who will not be eligible to participate in the proposed issue

Offer is not being extended Holders with a registered address outside Australia or New Zealand. Countries in which ineligible security holders are
AUSTRIA
HONG KONG
ISRAEL
MALAYSIA
NETHERLANDS
NEW ZEALAND
PORTUGAL
SINGAPORE
UNITED KINGDOM
ZAMBIA

3F.5 Will the offer be made to eligible beneficiaries on whose behalf eligible nominees or custodians hold existing +securities

☑ Yes

3F.5a Please provide further details of the offer to eligible beneficiaries

Eligible Shareholders (including nominees and custodians) may not submit an Entitlement and Acceptance Form on behalf of any CDI Holder resident outside Australia and New Zealand without the prior consent of the Company, taking into account relevant securities law restrictions and should seek independent professional advice.

3F.6 URL on the entity's website where investors can download information about the proposed issue

Prospectus will be lodged with ASX and also available at www.trekmetals.com.au

3F.7 Any other information the entity wishes to provide about the proposed issue

3F.8 Will the offer of rights under the rights issue be made under a disclosure document or product disclosure statement under Chapter 6D or Part 7.9 of the Corporations Act (as applicable)?

☑ No