



ASX Shareholders Report

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ASX

AUSTRALIAN SECURITIES EXCHANGE

ASX Code: "TKL"

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Company Announcements
ASX Limited
20 Bridge Street
Sydney NSW 2000

Mt Cattlin North – Traka Free Carried 20% Exploration Update

Galaxy Resources Limited (Galaxy), the manager of the Mt Cattlin North Joint Venture, has released new information relating to exploration activity underway and planned on Traka's joint venture tenements abutting Galaxy's Mt Cattlin lithium mining operation. Traka retains a 20% interest free carried to commencement of production in these tenements ⁽¹⁾.

The announcement of further plans to accelerate exploration work and drilling, including work on the Mt Cattlin North Joint Venture tenements, is a very positive development for Traka. Early results have already identified lithium bearing pegmatites on the tenements with assays pending. The area is now increasingly being subjected to systematic evaluation.

Extracts of Galaxy's announcement relevant to Traka's joint venture interests follow:

"---The Company will also commence an expansive regional greenfield exploration campaign (of up to 60,000m) over the next two years, subject to regulatory approvals. This does not include ongoing RC drilling directed at normal course of business grade control and resource development around the Mt Cattlin site. A number of prospective targets in close proximity to the existing operations have already been identified. This campaign will provide Galaxy with a comprehensive understanding of the regional geology and the lithium mineralogy of previously underexplored regions---."

"--- Galaxy has been active in exploring the local region with exploration having been largely focused on undercover geophysical methods with follow proof-of-concept RC drilling."

Galaxy currently holds the Mt Cattlin Mining Lease (M 74/244), two exploration licenses, E74-400 and E74-401 (Traka Resources 20%) and four prospecting licenses in the immediate vicinity of the Mt Cattlin operation (P74-370, 371, 372, 373). These comprise approximately 4,200 Ha (~42 km²) of granted tenements---- "

“--- The Company has undertaken several trials of ground penetrating radar as a targeting tool to identify shallow (0-30m) sub-cropping under sub-regolith cover using a 5.5Kv, 25MHZ system (Figure 4). This non-ground disturbing exploration technique was completed due to its capacity for rapid deployment with minimal approvals required. Over 40km of traverse (Figures 4 & 5) were completed in December 2017 and January 2018 and initial results are encouraging... .”

“--- The trials to date demonstrate ground penetrating radar as a rapid, inexpensive target generating tool that can be used to generate targets for drilling follow up. Follow up drilling (~4,000m) has been completed on tenements E74/400 and E74/401 north of Mt Cattlin and Galaxy is now awaiting assays and validation---”.

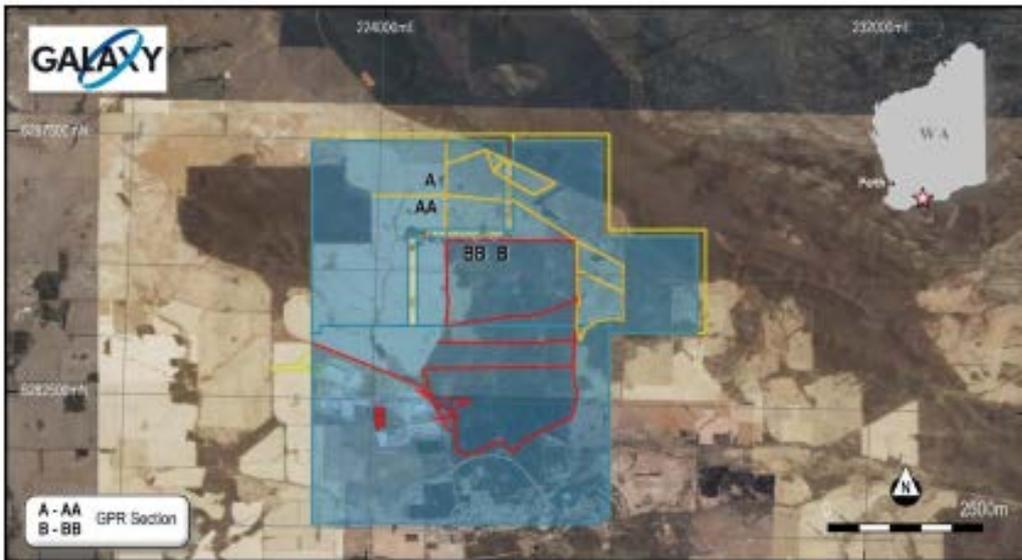


Figure 4: Schematic of GPR traverses completed December 2017 (red) and January 2018 (orange)



Figure 5 Ground penetrating radar survey underway



RC drilling traverse on Traka joint venture tenement

The drill hole details plus the receipt and interpretation of assay results for the drilling already completed on the Mt. Cattlin North Joint Venture tenements is now awaited. As is usual the results received will guide the nature and details of ongoing Ground Penetrating Radar and drill programs.

Patrick Verbeek
Managing Director

(1) Galaxy ASX Announcement 23 March 2018 Mt Cattlin resource, reserve and exploration update