



TRAKA RESOURCES LIMITED

ABN 63 103 323 173

Quarterly Activities Report for the three months ended 30 September 2014

Introduction

Traka Resources Limited (ASX: TKL) is a Perth based exploration company with its exploration assets held in Western Australia (Figure 1).



Figure 1: Location plan of Traka's Projects in Western Australia

The Musgrave Project

Traka's principal focus over recent years has been in the Musgrave region where it has established an extensive tenement holding comprising exploration licences and applications covering 9,000 square kilometres. Some of this portfolio includes tenements which are the

subject of joint ventures where Traka has farmed in with third parties and, in these instances, Traka has earned 90% equity.

The Company's exploration activity in the Musgraves commenced in 2008 and, over the last 6 years, funding has been met by a combination of Traka expenditure and third party joint ventures. Anglo American Exploration (Australia) Pty Ltd ("AAE") retains joint venture interests in the Bell Rock area and Western Areas Limited ("WSA") had recent joint venture interests in the Jameson area (Figure 2). WSA recently withdrew from their joint venture and surrendered the 30% equity they had earned for a 1% Net Smelter Royalty.

The Musgraves region is highly prospective for copper and nickel mineralisation associated with the mafic and ultramafic sequences of the Giles Intrusive complex. Some very significant discoveries have been made within the Giles Complex which encourages ongoing exploration activity.

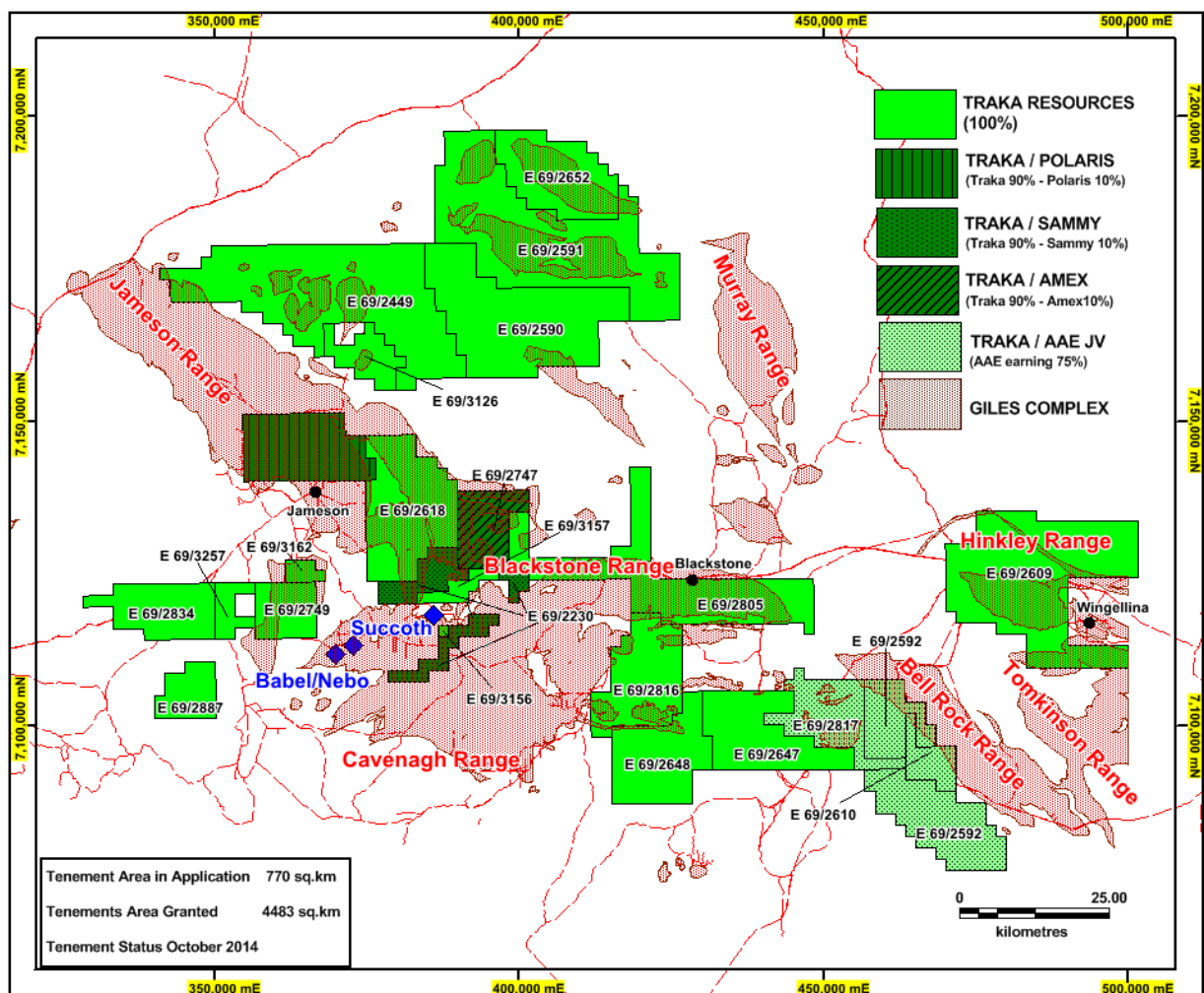


Figure 2: Musgrave Project tenement location plan

In the Jameson area Traka's tenements are near the very significant copper and nickel resources of Babel and Nebo and the relatively new discovery at Succoth (Figure 3). Cassini Resources Limited recently purchased the tenements from BHP Billiton and they are currently undertaking a major drill program to define resources on these targets.

These prospects typically comprise large low grade disseminated nickel and copper sulphide mineralisation extending for many kilometres of strike length in addition to being of very

substantial width. They occur within large structural features and the feeder pipes to Giles intrusive bodies. Traka has interpreted a large northeast trending structural corridor as hosting the Babel, Nebo and Succoth discoveries and that this extends eastwards into Traka tenements. While some work has already been done to test this potential, considerably more work is yet to be completed to fully evaluate this prospective structural zone. The work to be completed comprises detailed modern ground electromagnetic (“EM”) surveys of a similar nature to those which have already proved a successful exploration tool in the region.

Parts of Traka’s holding in the mineralised trend lie within tenements still awaiting finalisation of permitting and grants and have therefore not been subject to any of the new generation of EM surveys being proposed.

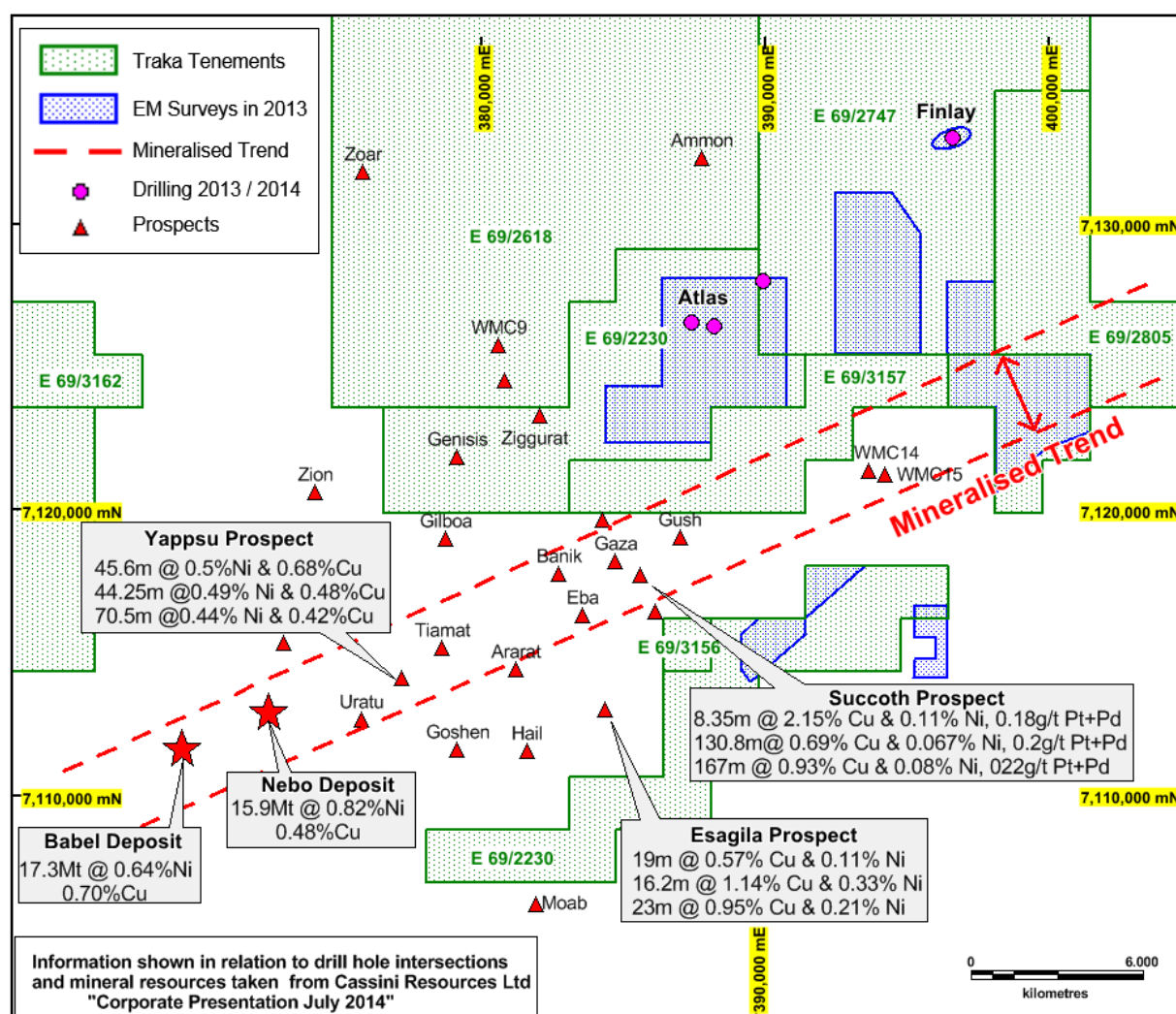


Figure 3: Tenement location plan in the Jameson area showing prospect locations and a selective number of drillhole intersections

Outside the Jameson area, Traka’s holdings, including those in joint venture with AAE, are still in the application stage.

In the Bell Rock area, previous airborne EM (“Spectrem”) surveys by AAE highlighted five drill targets. These Spectrem anomalies are thought to reflect the presence of electrical conductors generated by massive sulphides.

In the tenements south of Blackstone Range, Traka’s own work has identified a 15 kilometre zone of copper, nickel and platinum anomalism in soil samples coincident with the basal

contact zone of a very large layered mafic intrusive body called Saturn. This geological setting is particularly prospective for mineralisation of the same style as the layered South African Bushveld Complex. The basal zone of the layered intrusive, where it is in contact with the country rocks, is the favoured horizon for concentrations of economic levels of copper and nickel sulphides in addition to platinum and chrome.

In the Wingellina area, Traka's holdings surround the major nickel laterite resource held by MetalsX Limited. The same mafic and ultramafic host rocks that host the Wingellina deposit extend into Traka's tenements in coincidence with the very large regional scale Mann Fault.

Finally, in the northern Murray Range area, Traka has key tenement holdings in areas of known Giles Intrusive rocks and large deep seated structures. No exploration has ever occurred in most of this region despite the widely accepted prospectivity of the area.

Traka is continuing with access negotiations and permitting to expand its exploration activities into new areas currently held under application.

The Ravensthorpe Project

Traka's interests in the Ravensthorpe Project are entirely farmed-out to Silver Lake Resources Limited, subject to the terms of 4 separate Option Agreements, each relating to a separate part of the Project. SLR has an initial 12 month Option Period after which time they may choose to retain an interest and/or return separate option areas subject to various terms (Figure 4).

There was no updated exploration information available from SLR for this joint venture at the time of writing this report.

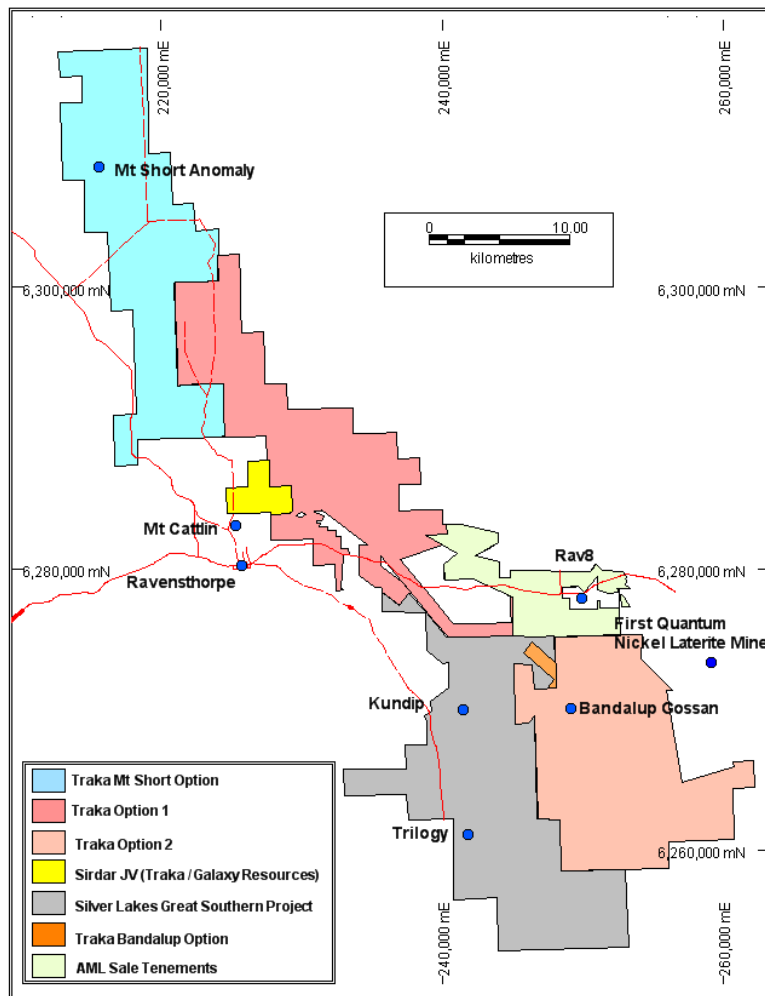


Figure 4: Location plan of the Ravensthorpe Project

Sirdar Joint Venture

(Galaxy 80%; Traka free carried)

No updated information is available for this joint venture.

The Ashburton River Project

A portfolio of tenements has been applied for within the catchment area of the Ashburton River and the rocks of the Proterozoic aged Bangemall Basin (Figure 5). There is growing industry recognition that this region has unexplored potential particularly for copper and gold mineralisation. Recent large discoveries like DeGrussa (11mt @ 4% Cu and 1.5g/t Au) and Thaduna (2.95mt @ 3.27% Cu and 3.7g/t Ag) in similar geological settings give cause for a re-assessment of the area.

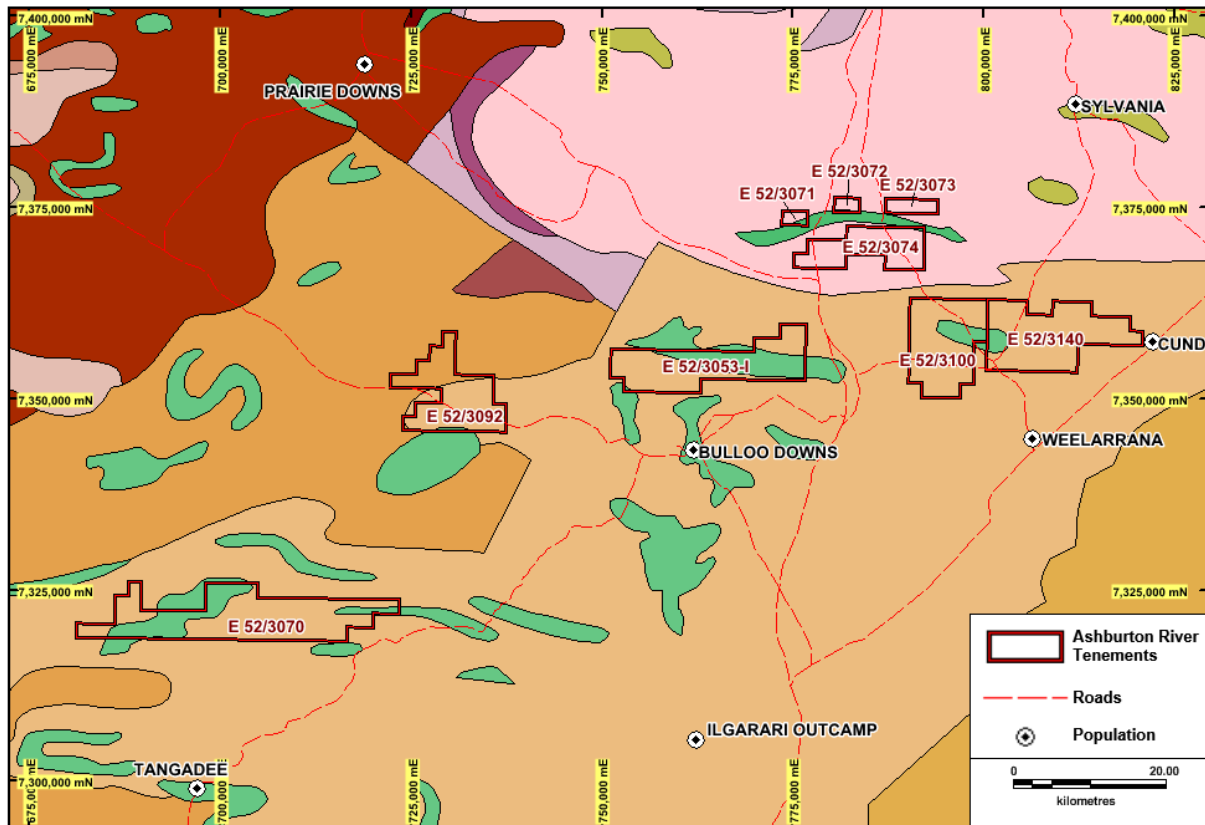


Figure 5: Location plan of the Ashburton River Project tenements

Permitting for access and data compilation is currently underway in preparation for follow up field programs.

The Dalgarganga Project

Traka's interest in the Dalgarganga Greenstone Belt and project area stems from the excellent gold and base metal prospectivity evident in this area. Traka has one tenement application in the northern part of the Belt but other applications and discussions with third party interests may allow further consolidation over time. The base metal potential of the area is modelled on the Golden Grove copper, lead, zinc discovery in a similar greenstone about 100km to the south. The gold potential relates to a northerly trending structure, evident in the aeromagnetic image (Figure 6), and the north trending Cuddingwarra Shear Zone. The Cuddingwarra Shear Zone is a major regional feature that hosts the very large Big Bell mine to the north east.

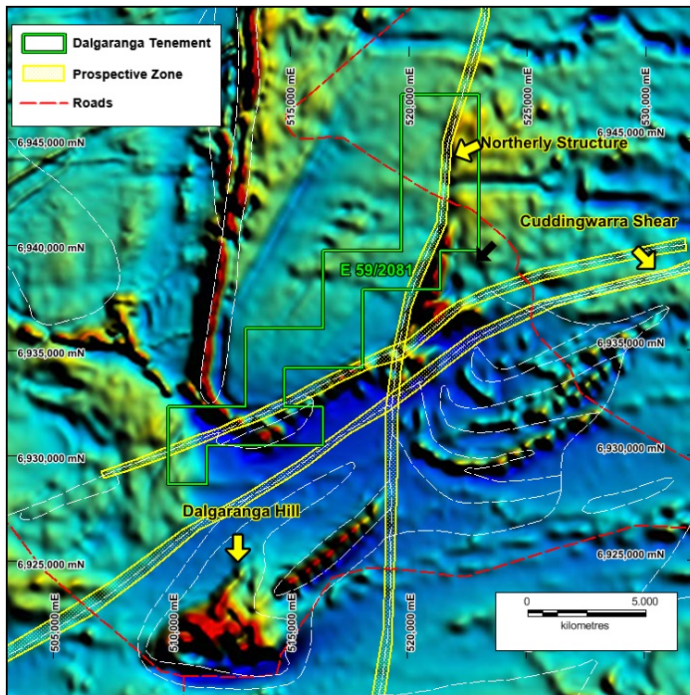


Figure 6: Aeromagnetic image of Dalgaranga area showing tenement location

New Project Development

Whilst the Company is advancing its existing exploration projects as effectively as possible, the primary focus of current activity still remains new project acquisition. The present period of depressed market conditions is a good opportunity to do this while at the same time, allowing for the existing project tenements to be granted.

Patrick Verbeek
Managing Director

29 October 2014

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/13

Name of entity

TRAKA RESOURCES LTD

ABN

63 103 323 173

Quarter ended ("current quarter")

30 September 2014

Consolidated statement of cash flows

		Current quarter \$A'000	Year to date (3 months) \$A'000
Cash flows related to operating activities			
1.1	Receipts from product sales and related debtors	-	-
1.2	Payments for (a) exploration & evaluation	(89)	(89)
	(b) development	-	-
	(c) production	-	-
	(d) administration	(159)	(159)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	15	15
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Other (provide details if material) Receipt	-	-
	Payment	-	-
Net Operating Cash Flows		(233)	(233)
Cash flows related to investing activities			
1.8	Payment for purchases of: (a) prospects	-	-
	(b) equity investments	-	-
	(c) other fixed assets	-	-
1.9	Proceeds from sale of: (a) prospects	-	-
	(b) equity investments	-	-
	(c) other fixed assets	-	-
1.10	Loans to other entities	-	-
1.11	Loans repaid by other entities	-	-
1.12	Other (provide details if material)	-	-
Net investing cash flows		-	-
1.13	Total operating and investing cash flows (carried forward)	(233)	(233)

+ See chapter 19 for defined terms.

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(233)	(233)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	-	-
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other (provide details if material)	-	-
	Net financing cash flows	-	-
	Net increase (decrease) in cash held	(233)	(233)
1.20	Cash at beginning of quarter/year to date	900	900
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	Cash at end of quarter	667	667

Payments to directors of the entity, associates of the directors, related entities of the entity and associates of the related entities

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	86
1.24	Aggregate amount of loans to the parties included in item 1.10	-
1.25	Explanation necessary for an understanding of the transactions	

Non-cash financing and investing activities

- 2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

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+ See chapter 19 for defined terms.

- 2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

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Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	-	-
3.2 Credit standby arrangements	-	-

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	168
4.2 Development	-
4.3 Production	-
4.4 Administration	108
Total	276

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	10	43
5.2 Deposits at call	-	-
5.3 Bank overdraft	-	-
5.4 Term Deposit	657	857
5.5 Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)	667	900

+ See chapter 19 for defined terms.

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Changes in interests in mining tenements and petroleum tenements

		Tenement reference and location	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1	Interests in mining tenements and petroleum tenements relinquished, reduced or lapsed	E69/2253 E52/3052	Tenement surrendered Application withdrawn	0% 100%	0% 0%
6.2	Interests in mining tenements and petroleum tenements acquired or increased	E69/2230 E59/2081 E59/2085 E52/3140	Tenement transferred Application Application Application	0% 0% 0% 0%	90% 100% 100% 100%

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

		Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1	Preference securities (description)				
7.2	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3	+Ordinary securities	111,848,198	111,848,198		Fully Paid
7.4	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs				
7.5	+Convertible debt securities (description)				

+ See chapter 19 for defined terms.

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7	Options (description and conversion factor)	1,100,000 2,000,000 450,000		<i>Exercise price</i> 20.625 cents 8.75 cents 8.75 cents	<i>Expiry date</i> 15 November 2014 17 November 2016 17 November 2016
7.8	Issued during quarter				
7.9	Exercised during quarter				
7.10	Expired during quarter				
7.11	Debentures (totals only)				
7.12	Unsecured notes (totals only)				

Compliance Statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 5).
- 2 This statement does give a true and fair view of the matters disclosed.

Sign here: Peter Rutledge
Company Secretary

Date: 29 October 2014

Print name: Peter Rutledge

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+ See chapter 19 for defined terms.

Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements and petroleum tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement or petroleum tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Financial Reporting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

+ See chapter 19 for defined terms.

TRAKA RESOURCES LIMITED
MINERAL TENEMENT INFORMATION (ASX Listing Rule 5.3.3)
For the quarter ended 30 September 2014

Mining tenements and beneficial interests held at quarter end and their location:

Tenement	Location	Registered Holding	Beneficial Interest
E69/2032	Musgrave, WA	90%	63%
E69/2230	Musgrave, WA	90%	63%
EA69/2449	Musgrave, WA	100%	100%
EA69/2590	Musgrave, WA	100%	100%
EA69/2591	Musgrave, WA	100%	100%
EA69/2592	Musgrave, WA	100%	49%
EA69/2609	Musgrave, WA	100%	100%
EA69/2610	Musgrave, WA	100%	49%
E69/2618	Musgrave, WA	100%	70%
EA69/2647	Musgrave, WA	100%	100%
EA69/2648	Musgrave, WA	100%	100%
EA69/2652	Musgrave, WA	100%	100%
E69/2747	Musgrave, WA	90%	63%
EA69/2749	Musgrave, WA	100%	100%
EA69/2805	Musgrave, WA	100%	100%
EA69/2816	Musgrave, WA	100%	100%
EA69/2817	Musgrave, WA	100%	49%
EA69/2834	Musgrave, WA	100%	100%
EA69/2887	Musgrave, WA	100%	100%
EA69/3126	Musgrave, WA	100%	100%
EA69/3156	Musgrave, WA	100%	70%
EA69/3157	Musgrave, WA	100%	70%
EA69/3159	Musgrave, WA	0%	30%
EA69/3257	Musgrave, WA	100%	100%
E74/0332	Ravensthorpe, WA	100%	100%
E74/0378	Ravensthorpe, WA	100%	100%
E74/0379	Ravensthorpe, WA	100%	100%
E74/0401	Ravensthorpe, WA	20%	20%
E74/0448	Ravensthorpe, WA	100%	100%
E74/0489	Ravensthorpe, WA	100%	100%
E74/0522	Ravensthorpe, WA	100%	100%
M74/0083	Ravensthorpe, WA	100%	100%
P74/0262	Ravensthorpe, WA	100%	100%
P74/0263	Ravensthorpe, WA	100%	100%
P74/0264	Ravensthorpe, WA	100%	100%
P74/0265	Ravensthorpe, WA	100%	100%

TRAKA RESOURCES LIMITED
MINERAL TENEMENT INFORMATION (ASX Listing Rule 5.3.3)
For the quarter ended 30 September 2014

Mining tenements and beneficial interests held at quarter end and their location (cont'd):

Tenement	Location	Registered Holding	Beneficial Interest
P74/0266	Ravensthorpe, WA	100%	100%
P74/0267	Ravensthorpe, WA	100%	100%
P74/0268	Ravensthorpe, WA	100%	100%
P74/0269	Ravensthorpe, WA	100%	100%
P74/0270	Ravensthorpe, WA	100%	100%
P74/0271	Ravensthorpe, WA	100%	100%
P74/0272	Ravensthorpe, WA	100%	100%
P74/0273	Ravensthorpe, WA	100%	100%
P74/0274	Ravensthorpe, WA	100%	100%
P74/0275	Ravensthorpe, WA	100%	100%
P74/0280	Ravensthorpe, WA	100%	100%
P74/0281	Ravensthorpe, WA	90%	90%
P74/0295	Ravensthorpe, WA	90%	90%
P74/0296	Ravensthorpe, WA	90%	90%
P74/0297	Ravensthorpe, WA	90%	90%
P74/0298	Ravensthorpe, WA	90%	90%
P74/0309	Ravensthorpe, WA	20%	20%
P74/0310	Ravensthorpe, WA	20%	20%
EA52/3053	Ashburton River, WA	100%	100%
EA52/3070	Ashburton River, WA	100%	100%
EA52/3071	Ashburton River, WA	100%	100%
EA52/3072	Ashburton River, WA	100%	100%
EA52/3073	Ashburton River, WA	100%	100%
EA52/3074	Ashburton River, WA	100%	100%
EA52/3092	Ashburton River, WA	100%	100%
EA52/3100	Ashburton River, WA	100%	100%
EA52/3140	Ashburton River, WA	100%	100%
EA59/2081	Dalgaranga, WA	100%	100%
EA59/2085	Dalgaranga, WA	100%	100%
EA69/3162	Musgrave, WA	100%	100%

TRAKA RESOURCES LIMITED
MINERAL TENEMENT INFORMATION (ASX Listing Rule 5.3.3)
For the quarter ended 30 September 2014

Mining tenements and beneficial interests acquired during the quarter, and their location:

Tenement	Location	Registered Holding		Beneficial Interest	
		From	To	From	To
EA59/2081	Dalgaranga, WA	0%	100%	0%	100%
EA59/2085	Dalgaranga, WA	0%	100%	0%	100%
EA52/3140	Ashburton River, WA	0%	100%	0%	100%

Registered holding increased:

E69/2230	Musgrave, WA	0%	90%	63%	63%
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Mining tenements and beneficial interests disposed of during the quarter, and their location:

Tenement	Location	Registered Holding		Beneficial Interest	
		From	To	From	To
E69/2253	Musgrave, WA	0%	0%	Note 1	0%
EA52/3052	Ashburton River, WA	100%	0%	100%	0%

Note 1: Traka earning 70%-80%

Key:

E : Exploration licence
M: Mining lease
P: Prospecting licence
EA: Exploration licence application