

30 October 2014

September 2014 Quarterly Activities Report

Krakatoa Resources Limited (ASX: **KTA**) ("**Krakatoa**" or **the Company**") is pleased to provide the following summary of activities conducted in the September 2014 quarter.

Corporate

During the September 2014 quarter, Krakatoa completed a placement, issuing 1,000,000 ordinary shares with a 1:2 free attaching option exercisable at \$0.20 on or before 30 June 2015 to raise \$100,000.

Project Generation

The Company has continued to evaluate additional tenements of strategic importance to expand the land area held. This work is ongoing as Krakatoa seeks to acquire further value accretive assets.

BCS Tenement (Iron-Ore)

No work was completed on the BCS Tenement during the September 2014 quarter.

Donggala Tenement (Gold)

No work was completed on the Donggala Tenement during the September 2014 quarter.

Rio Jaya Tenements (Gold)

Krakatoa, via its wholly owned Indonesian subsidiary PT. Bumi Pratama, is party to a Memorandum of Understanding ("MOU") for the acquisition of 80% of the Shares in PT. Rio Jaya Persada ("PT. Rio Jaya"). PT Rio Jaya holds two granted and highly prospective gold exploration licenses, being:

- IUP 188.45/0517/DESDM/2013 covering an area of 9,000 ha and with validity through June 30, 2016; and
- IUP 188.45/0581/DESDM/2013 covering an area of 5,627 ha and with validity through June 30, 2016.

No work was completed on the Rio Jaya Tenements during the September 2014 quarter.

ASX Listing Rule 5.3.3 - Details of Tenements Held at 30 September 2014

Project	Tenement Licence	Interest held at 30 June 2014	Interest acquired/ disposed	Interest held at 30 September 2014
Donggala	IUP No.188.45/0465/DESDM	80%	-	80%
BCS	IUP No.540/23/IUP/DESDM/BUP-2010	99.8%	-	99.8%

Yours faithfully,

Aryo Bimo
Executive Director