

1 July 2015

EXPIRY OF OPTIONS

Krakatoa Resources Limited (the "Company") hereby notifies the Australian Stock Exchange that 14,495,002 listed options (ASX: KTAO) and 8,568,000 unlisted options, both with an exercise price of 20 cents per option and final date for exercise being 30 June 2015, have expired.

Yours sincerely,

Aryo Bimo Executive Director