



TRAKA RESOURCES LIMITED

ABN 63 103 323 173

Quarterly Activities Report for the quarter ended 30 September 2015

Summary

The Company's exploration activities are all located in Western Australia (Figure 1).

- Soil sampling and project appraisal work was carried out at the Yallalong Antimony Project in preparation for planned drilling in November
- Planning was completed for drilling at the Ravensthorpe situated Mt Short Base Metal Project that will follow the program at Yallalong
- The recommencement of mining at the Mt Cattlin Lithium/Tantalum Mine revitalises Traka's opportunity to benefit through its retained interests in the abutting Sirdar Project
- Discussions continued with a view to revitalizing the Musgrave Base Metal Project and several other exploration opportunities were evaluated
- A successful entitlement offer and shortfall placement has raised approximately \$1.6 million.



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

Corporate

On 22 July, the Company announced a 1:1 entitlement offer at a price of 1.5 cents per share. The offer closed with 62,757,733 shares applied for, representing a 56% take-up of the offer. The total capital raised from this issue was \$941,366 before costs.

Subsequent to the quarter end, on 20 October, the Company announced the placement of 46,999,998 shares from the offer shortfall at 1.5 cents per share, raising an additional \$705,000 before costs.

This successful and well supported entitlement offer and shortfall placement has provided the Company with sufficient working capital to undertake all its planned exploration in the medium term.

The Yallalong Antimony Project (Traka earning 80% from a private syndicate)

Exploration activity on the Yallalong Antimony project has progressed on schedule and is now leading to the start of a reverse circulation (RC) drill program next month. This drill program will be the first ever undertaken in this area and is expected to comprise 9 holes for between 600 to 1,000 metres targeting a strong coherent soil geochemical anomaly striking over about 300 metres (Figure 2). This will be the first opportunity to establish the geological controls to mineralisation and will assist with the ranking of the numerous other geological and geochemical targets that have been identified.

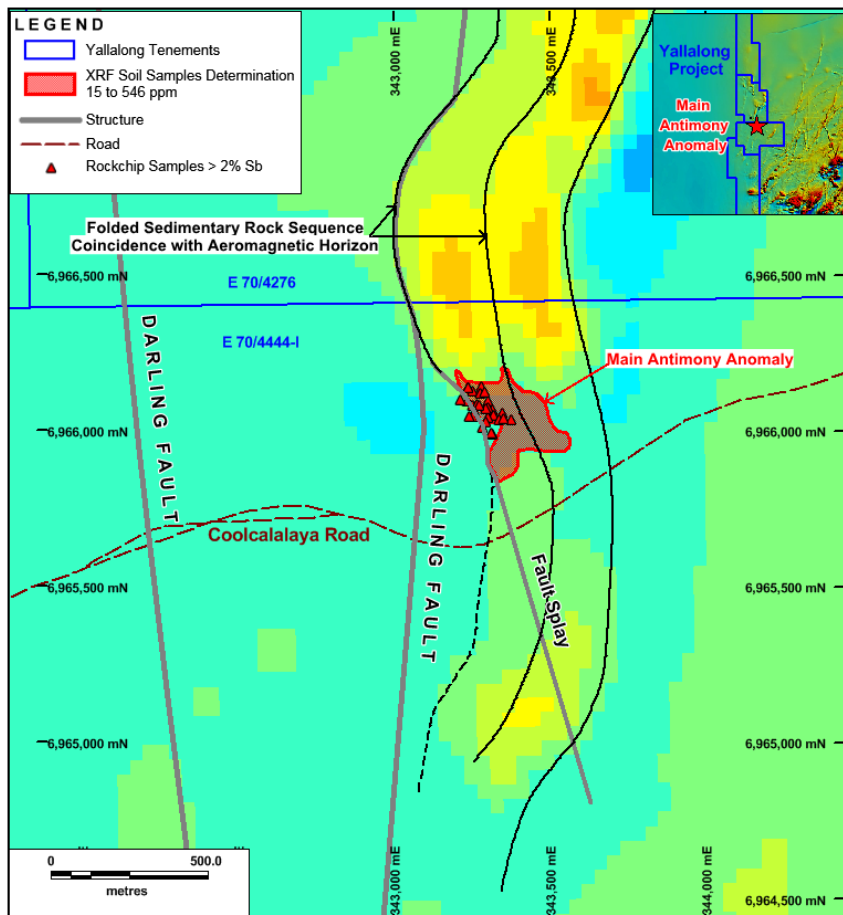


Figure 2: An aeromagnetic image showing the position of the main antimony anomaly

The hydrothermal fluid source to the known mineralisation at Yallalong indicates that a number of different orientations and controls to mineralisation are possible. Structural sites related to the north trending Darling Fault system are one control and favourable stratigraphic horizons in the folded sedimentary rock sequence are another. The mixture of opportunities for mineralisation to occur in both conformable and unconformable positions is a very favourable characteristic of the Yallalong Project as a whole. The large scale of the project with over 40 kilometres in strike length presents many opportunities for repeats of mineralisation like that found at the original discovery area.

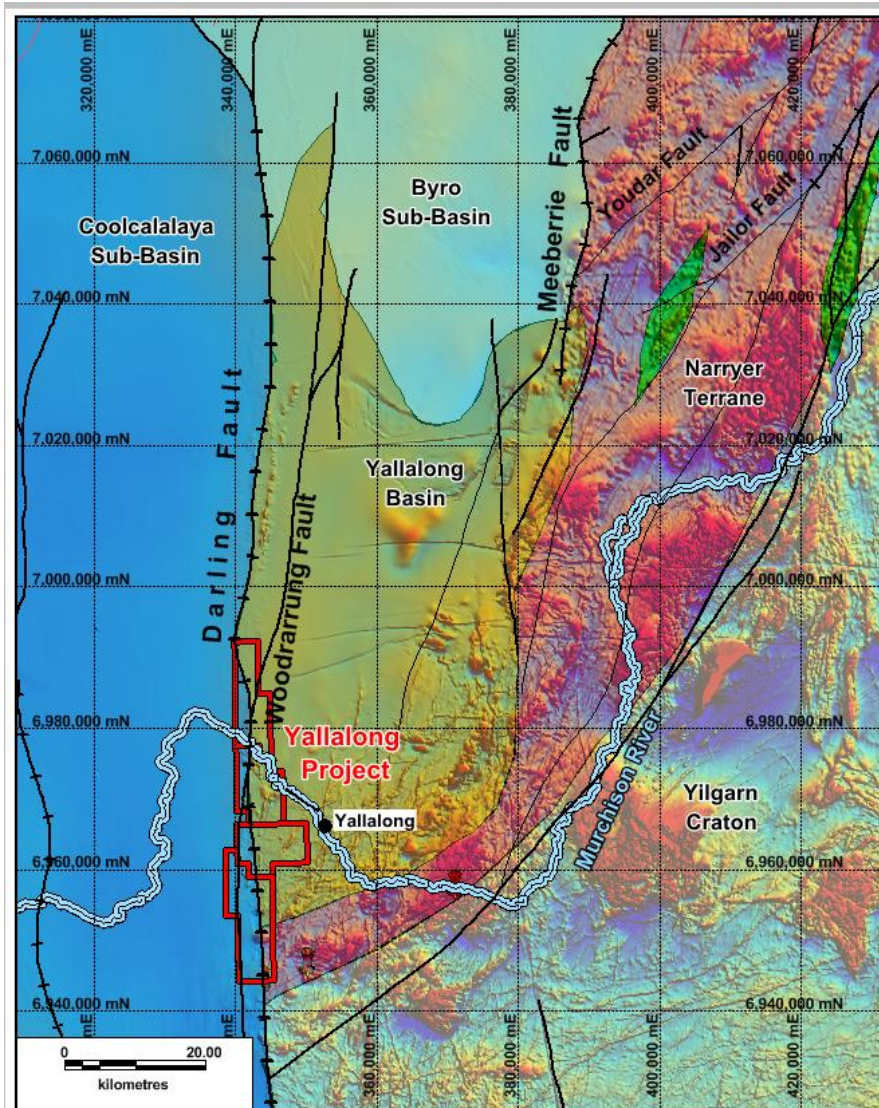


Figure 3: An aeromagnetic image showing the position of the Yallalong Sedimentary Basin and Darling Fault.

The Ravensthorpe Area Projects

Traka has three project interests in the Ravensthorpe area: a 100% equity in the prospective drill-ready Mt Short Base-Metal Project, the Sirdar Project in which it holds a 20% free carried interest with Galaxy Resources Limited (Galaxy), and the Bandalup Project in which it holds a 20% free carried interest with Silver Lake Resources Limited (SLR). (Figure 4).

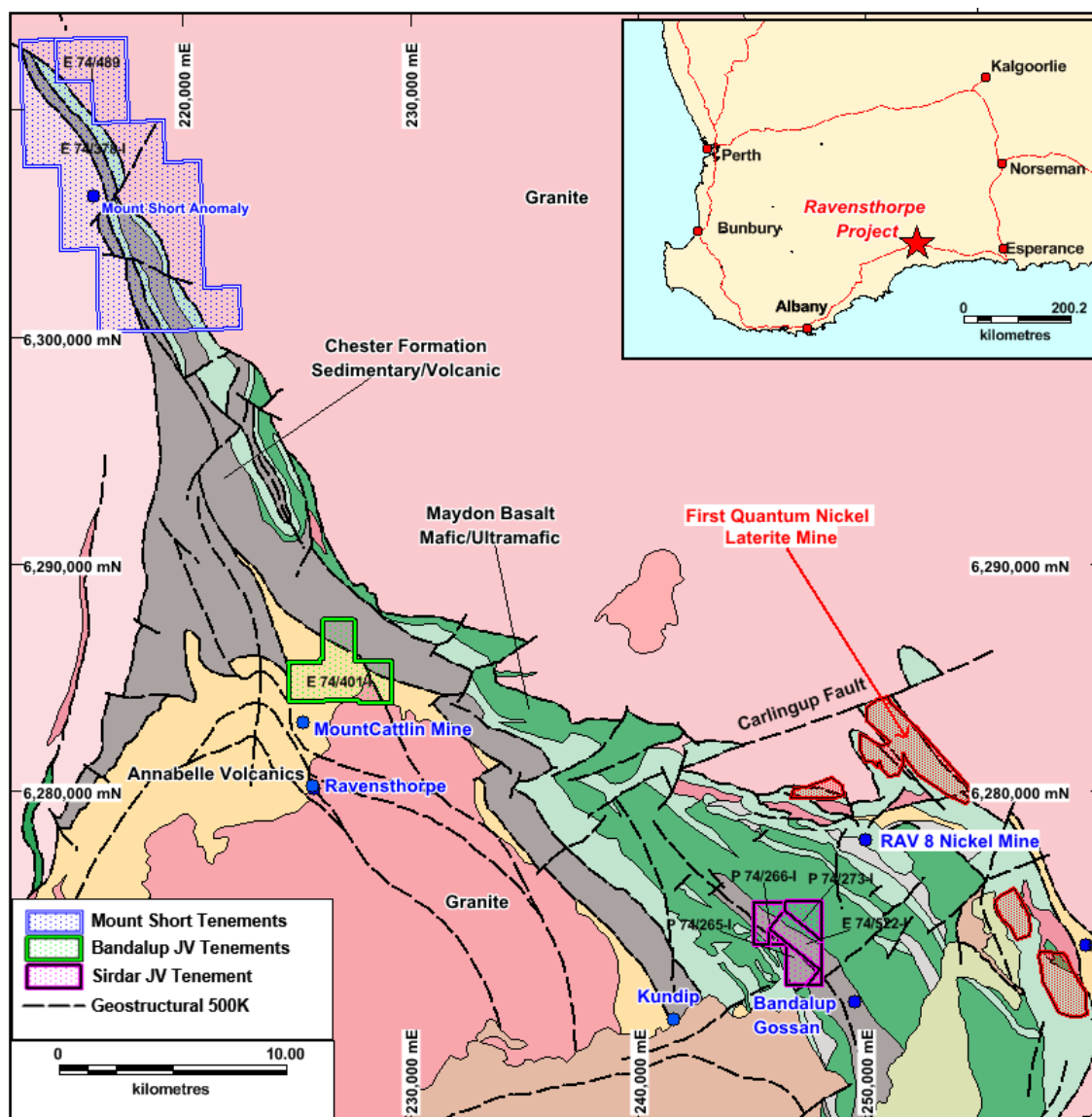


Figure 4: Location plan of the Ravensthorpe Projects

The Mt Short Base Metal Project (100% owned)

A drill program to test three electromagnetic (EM) targets (MS5, MS1 and MS2) is scheduled for commencement in December. This program adds to the previous work completed on an 8 kilometre long prospective zone on the northern margin of the Ravensthorpe Greenstone Belt. Three drill holes for about 750 metres in total are contemplated. These holes will comprise RC pre-collars followed-up and deepened by diamond drillhole tails.

The EM targets may reflect the presence of massive and/or stringer sulphides with lead, zinc, copper and nickel potential (Figure 5). The previous work has already established that this style of mineralisation exists within a 50 metre wide stratigraphic horizon at the MS5 target.

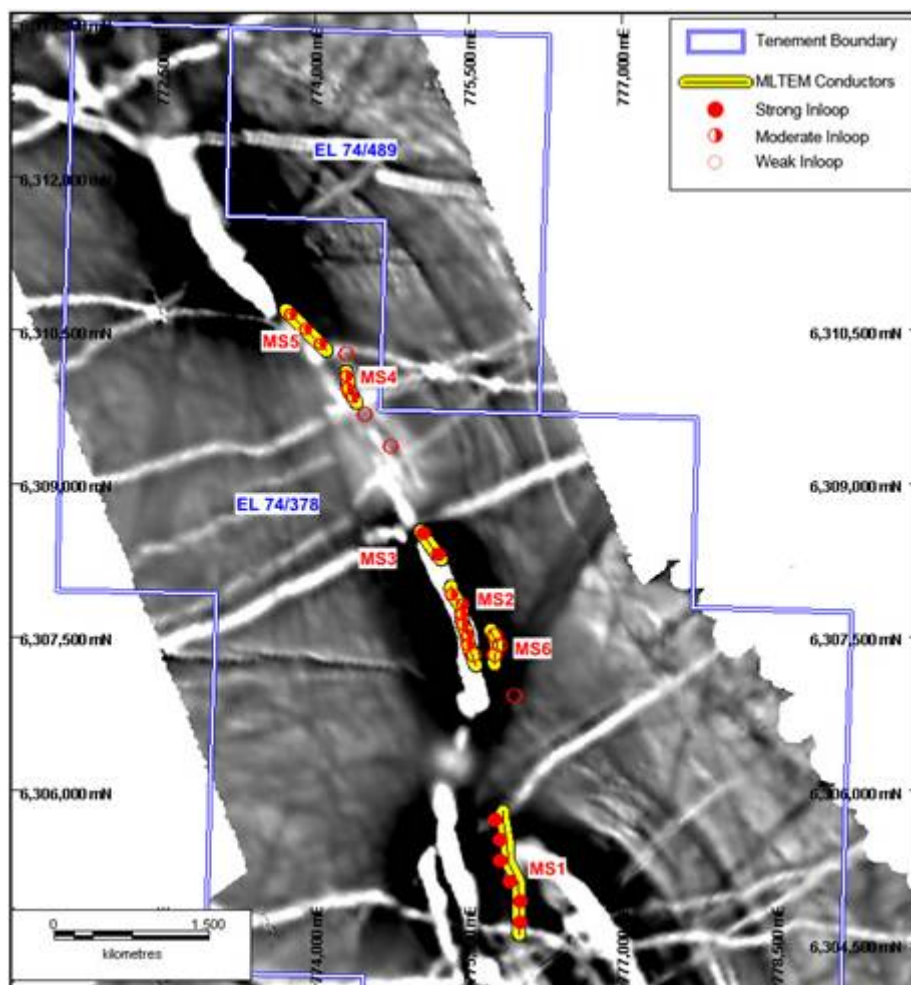


Figure 5. Grey scale aeromagnetic image showing the EM anomaly positions

The Sirdar Project

(free carried with Galaxy owning 80%)

The Sirdar Project, which abuts the Mt Cattlin Lithium and Tantalum Mine, may now become a more significant asset of the Company following the recent announcement by Galaxy and General Mining Corporation Limited that they plan to reopen the mine at Mt Cattlin. Lithium, tantalum and gold mineralization are known to occur on the Sirdar tenements and there is now some renewed possibility that neighboring mining activity may expand into the joint venture tenements.

Traka has a 20% free carried interest through to production on any lithium and tantalum mined and a 20% free carried interest through to completion of a Feasibility Study on all other commodities including gold.

The last joint venture exploration work reported by Galaxy was presented in Traka's September 2009 Quarterly Report. At that time Galaxy highlighted the presence of lithium and tantalum bearing pegmatites in a few locations with lithium grades ranging between 0.70% Li_2O and 2.04% Li_2O . It was recognized further exploration work was merited to follow-up this potential (Figure 6).

Prior to the formation of the joint venture with Galaxy, Traka had highlighted the presence of other pegmatite bodies on the Sirdar tenement area. In some cases these were seen to occur within gold bearing structures. The Sirdar Project tenements also cover a series of small gold mines historically called the Western Group of mines where Traka, drilling in 2009, returned

some very good drill intersections (e.g. 15 metres @ 5.31grams per tonne). At that time, these opportunities were considered too small to warrant further evaluation.

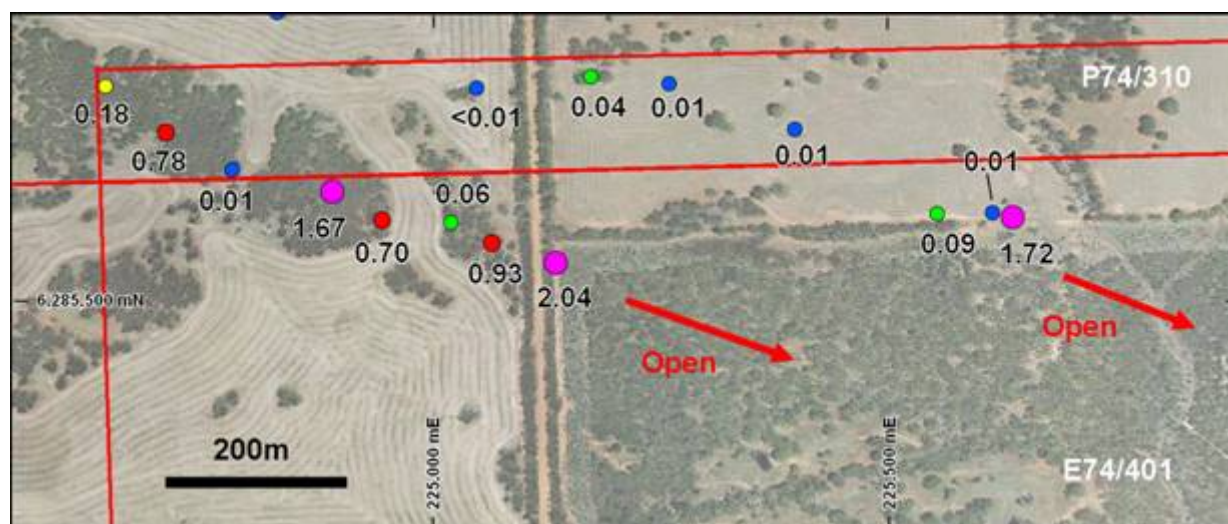


Figure 6: Aerial photo showing Galaxy's rock-chip sample locations and results on pegmatite veins within the Sirdar Project tenements.

The Bandalup Project:

(free carried with Silver Lake Resources Limited owning 80%)

No information about work carried out during the quarter has been provided for this project by SLR, the project manager.

The Musgrave Project

The Musgrave Project is prospective for copper and nickel mineralisation associated with the mafic and ultramafic sequences of the Giles Intrusive Complex (Figure 7). The major Nebo/Babel and Succoth base metal discoveries, now owned by Cassini Resources Limited, occur on adjacent tenements and highlight the region's potential.

Traka has not undertaken any exploration work in the field during the quarter but has been actively seeking a rationalisation of the ownership of those tenements held in joint venture with Anglo American Exploration (Australia) Pty Ltd and new funding arrangements to advance the project.

Further exploration work on the Musgrave Project relies on obtaining new access agreements to Traka's other exploration tenements. Traka's holdings in the Musgrave region remain very significant and a number of targets have already been identified that would allow walk-up drilling opportunities. Ongoing efforts are underway to obtain access to these targets for the 2016 field season.

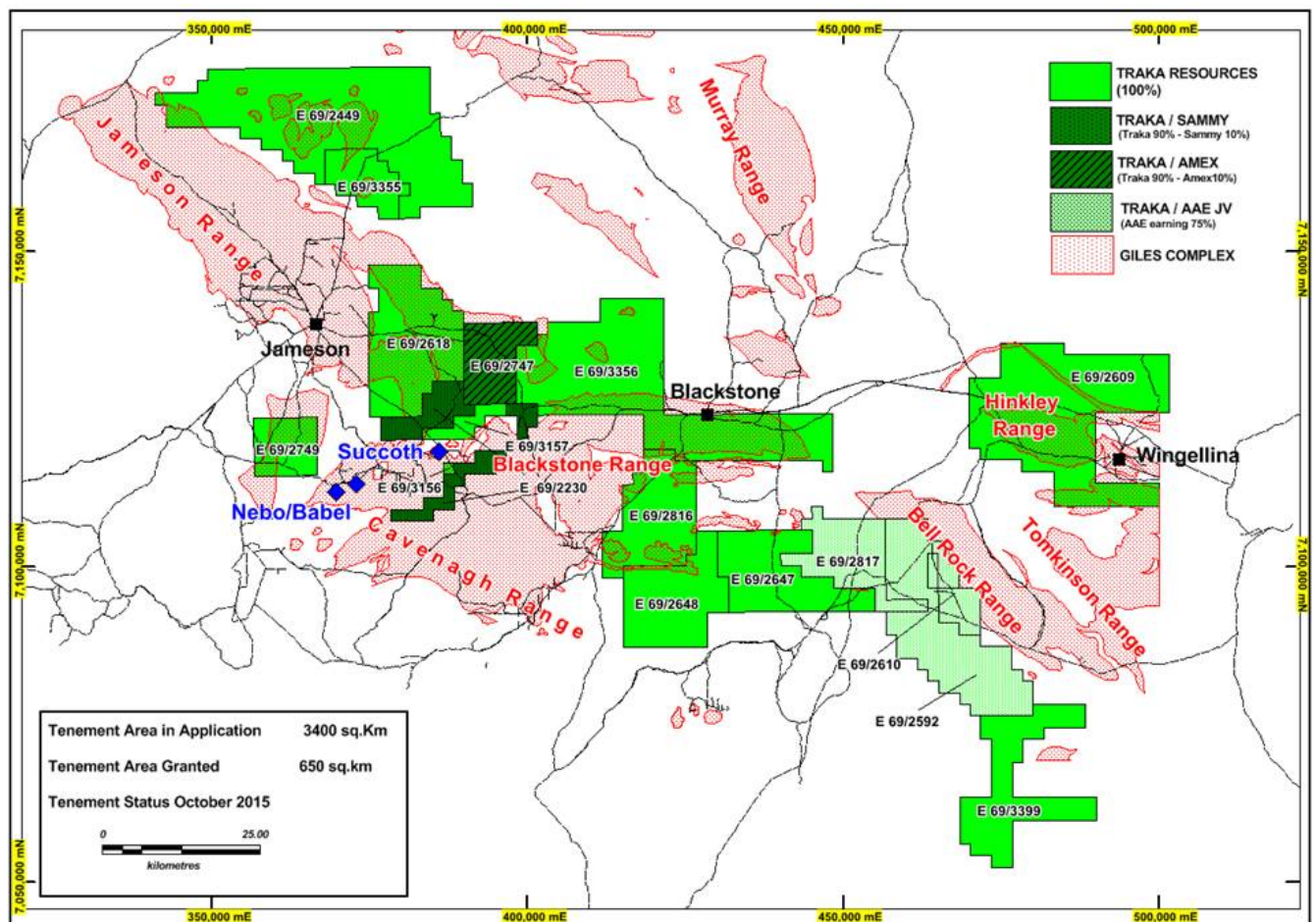


Figure 7: Musgrave Project tenement location plan

New Project Development

Whilst the Company was busy on several existing projects it continued to evaluate opportunities to expand its exploration portfolio. The present period of depressed market conditions provides good opportunities for leveraged entry into new projects to form part of the Company's longer term future.

Patrick Verbeek
Managing Director

27 October 2015

COMPLIANCE STATEMENT

The information in this report that relates to Exploration Targets, Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr P Verbeek, a Competent Person who is a Member of the Australasian Institute of Mining and Metallurgy and is engaged full-time as the Managing Director of the Company. Mr Verbeek has sufficient experience that is relevant to the style of mineralization and type of deposit under consideration and to the activity being undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Verbeek consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

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 2015

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	(105)	(105)
	(b) development	-	-
	(c) production	-	-
	(d) administration	(161)	(161)
1.3	Dividends received	-	-
1.4	Interest & other items of a similar nature received	2	2
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Other (provide details if material) Receipt		209
	Payment	-	-
Net Operating Cash Flows		(264)	(264)
Cash flows related to investing activities			
1.8	Payment for purchases of: (a) prospects	-	-
	(b) equity investments	-	-
	(c) other fixed assets	(2)	(2)
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		(2)	(2)
1.13	Total operating and investing cash flows (carried forward)	(266)	(266)

+ 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)	(266)	(266)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	926	926
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	926	926
	Net increase (decrease) in cash held	660	660
1.20	Cash at beginning of quarter/year to date	146	146
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	Cash at end of quarter	806	806

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	
	N/A	

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

N/A

+ 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

N/A

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	258
4.2 Development	-
4.3 Production	-
4.4 Administration	96
Total	354

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	206	46
5.2 Deposits at call	-	-
5.3 Bank overdraft	-	-
5.4 Term Deposit	600	100
5.5 Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)	806	146

+ 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	69/2032 69/2591 69/2652 52/3053 52/3071 52/3072 52/3073 52/3074 52/3092 52/3100 52/3140	Tenement surrendered Application withdrawn Application withdrawn Application withdrawn Application withdrawn Application withdrawn Application withdrawn Application withdrawn Application withdrawn Application withdrawn Application withdrawn	90% 100% 100% 100% 100% 100% 100% 100% 100% 100% 100%	0% 0% 0% 0% 0% 0% 0% 0% 0% 0% 0%
6.2	Interests in mining tenements and petroleum tenements acquired or increased	69/3399 70/4276 70/4444 09/2130 70/4653	Application Execution of JV Agreement Execution of JV Agreement Execution of JV Agreement Execution of JV Agreement	0% 0% 0% 0% 0%	100% *0% *0% *0% *0%

*Earning up to 80%

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 <i>(description)</i>				
7.2	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions	62,757,733	62,757,733	1.5 cents	1.5 cents
7.3	+Ordinary securities	174,605,931	174,605,931		Fully Paid
7.4	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs				

+ See chapter 19 for defined terms.

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

7.5	+Convertible debt securities (description)				
7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7	Options (description and conversion factor)	2,000,000 450,000 2,000,000 450,000		Exercise price 8.75 cents 8.75 cents 2.56 cents 3.10 cents	Expiry date 17 November 2016 17 November 2016 9 March 2018 6 January 2018
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: **27 October 2015**

Print name: Peter Rutledge

+ 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 2015

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

Type	Tenement	Location	Registered Holding	Beneficial Interest
E	69/2230	Musgrave, WA	90%	90%
EA	69/2449	Musgrave, WA	100%	100%
EA	69/2592	Musgrave, WA	100%	49%
EA	69/2609	Musgrave, WA	100%	100%
EA	69/2610	Musgrave, WA	100%	49%
E	69/2618	Musgrave, WA	100%	100%
EA	69/2647	Musgrave, WA	100%	100%
EA	69/2648	Musgrave, WA	100%	100%
E	69/2747	Musgrave, WA	90%	90%
EA	69/2749	Musgrave, WA	100%	100%
EA	69/2816	Musgrave, WA	100%	100%
EA	69/2817	Musgrave, WA	100%	49%
EA	69/3156	Musgrave, WA	100%	100%
EA	69/3157	Musgrave, WA	100%	100%
EA	69/3355	Musgrave, WA	100%	100%
EA	69/3356	Musgrave, WA	100%	100%
EA	69/3399	Musgrave, WA	100%	100%
E	74/0378	Ravensthorpe, WA	100%	100%
E	74/0401	Ravensthorpe, WA	20%	20%
E	74/0489	Ravensthorpe, WA	100%	100%
E	74/0522	Ravensthorpe, WA	20%	20%
P	74/0309	Ravensthorpe, WA	20%	20%
P	74/0310	Ravensthorpe, WA	20%	20%
E	52/3070	Ashburton River, WA	100%	100%
E	70/4276	Yallalong, WA	0%	*0%
E	70/4444	Yallalong, WA	0%	*0%
EA	09/2130	Yallalong, WA	0%	*0%
EA	70/4653	Yallalong, WA	0%	*0%

TRAKA RESOURCES LIMITED
MINERAL TENEMENT INFORMATION (ASX Listing Rule 5.3.3)
For the quarter ended 30 September 2015

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

	Tenement	Location	Registered Holding		Beneficial Interest	
			From	To	From	To
EA	69/3399	Musgrave, WA	0%	100%	0%	100%
E	70/4276	Yallalong, WA	0%	0%	0%	0%
E	70/4444	Yallalong, WA	0%	0%	0%	0%
EA	09/2130	Yallalong, WA	0%	0%	0%	*0%
EA	70/4653	Yallalong, WA	0%	0%	0%	*0%

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

	Tenement	Location	Registered Holding		Beneficial Interest	
			From	To	From	To
E	69/2032	Musgrave, WA	90%	0%	90%	0%
EA	69/2591	Musgrave, WA	100%	0%	100%	0%
EA	69/2652	Musgrave, WA	100%	0%	100%	0%
EA	52/3053	Ashburton River, WA	100%	0%	100%	0%
EA	52/3071	Ashburton River, WA	100%	0%	100%	0%
EA	52/3072	Ashburton River, WA	100%	0%	100%	0%
EA	52/3073	Ashburton River, WA	100%	0%	100%	0%
EA	52/3074	Ashburton River, WA	100%	0%	100%	0%
EA	52/3092	Ashburton River, WA	100%	0%	100%	0%
EA	52/3100	Ashburton River, WA	100%	0%	100%	0%
EA	52/3140	Ashburton River, WA	100%	0%	100%	0%

Key:

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

* Earning up to 80%