

MARKET RELEASE

29 February 2016

Krakatoa Resources Limited

TRADING HALT

The securities of Krakatoa Resources Limited (the "Company") will be placed in Trading Halt Session State at the request of the Company, pending the release of an announcement by the Company. Unless ASX decides otherwise, the securities will remain in Trading Halt Session State until the earlier of the commencement of normal trading on Wednesday, 2 March, 2016 or when the announcement is released to the market.

Security Code: KTA

Jill Hewitt

SENIOR ADVISER, LISTINGS COMPLIANCE (PERTH)

Phone:08 9224 0000 Email: jill.hewitt@asx.com.au



29 February 2016

Jeremy Newman Adviser, Listings Compliance ASX Compliance Pty Limited Level 40, Central Park 152-158 St George Terrace PERTH WA 6000

Dear Jeremy

Krakatoa Resources Limited - Request for Trading Halt

Krakatoa Resources Limited ("Krakatoa") hereby requests a trading halt from ASX effective immediately, pending the release of an announcement to the market relating to an acquisition and capital raising.

Krakatoa requests the trading halt last from receipt of the request until the release of the announcement, in any case no later than the commencement of trading Wednesday 2 March 2016.

Krakatoa is not aware of any reason why the trading halt should not be granted.

Krakatoa is not aware of any other information necessary to inform the market about the trading halt.

Should you have any queries regarding the above I will be happy to discuss such matters with you.

Yours sincerely

Colin Locke

Executive Chairman