



Traka Resources Limited

ABN: 63 103 323 173

3 March 2016

Company Announcements Office

ASX Limited

PO Box H224 Australia Square

SYDNEY NSW 2000

Dear Sir / Madam

Interim Financial Report for the half-year ended 31 December 2015

Attached is the Traka Resources Limited Interim Financial Report for the half-year ended 31 December 2015.

Yours faithfully

Peter Ruttledge

Company Secretary

TRAKA RESOURCES LIMITED

ABN 63 103 323 173

INTERIM FINANCIAL REPORT

FOR THE HALF YEAR ENDED 31 DECEMBER 2015

The interim financial statements do not include all the notes of the type normally included in an annual financial statement. Accordingly, this report is to be read in conjunction with the annual report for the year ended 30 June 2015 and any public announcements made by Traka Resources Limited during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

TRAKA RESOURCES LIMITED

**INTERIM FINANCIAL REPORT
FOR THE HALF YEAR ENDED 31 DECEMBER 2015**

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TRAKA RESOURCES LIMITED

DIRECTORS' REPORT FOR THE HALF YEAR ENDED 31 DECEMBER 2015

Your Directors present their report on Traka Resources Limited (Traka or the Company) for the half year ended 31 December 2015.

DIRECTORS

The following persons were directors of the Company during the half year and up to the date of this report. Directors were in office for the entire period unless otherwise stated.

Neil Tomkinson	Chairman - Non executive
Patrick Verbeek	Managing director
George Petersons	Director - Non executive
Joshua Pitt	Director - Non executive

REVIEW OF OPERATIONS AND LIKELY DEVELOPMENTS

The Company is active in its three exploration projects, all within Western Australia, as well as accessing new project opportunities. A brief description of each of the projects follows:

The Yallalong Antimony Project

The Company entered into an Option Agreement on the Yallalong Antimony Project in July 2015 and immediately embarked on exploration programs. A drilling program on one target intersected narrow but high grade antimony mineralisation leading to a decision to undertake further drilling. This next drill program will commence in the next few weeks but meanwhile a geochemical sampling program on other nearby targets is underway. Upon completion of the next drill program the Company can elect to exercise the Option or withdraw with no interest. A decision to proceed will give Traka the right to earn 80% equity in the project.

The Musgrave Project

The Company continues to maintain a very substantial exploration portfolio in the Musgrave area, although only 2 tenements are granted. In January 2016, an inactive joint venture with Anglo American (Australia) Pty Ltd (Anglo) was dissolved and all Anglo's former interests and exploration data was passed to Traka. Anglo retains a 1.5% Royalty interest on the former JV tenements but is otherwise no longer involved in exploration. Previous work identified 7 airborne EM targets (Spectrem targets) on the Latitude Hill area and on these Anglo and Traka had been successful in obtaining three West Australian Government Exploration Incentive Grants to a total value of \$432,000 to assist with drill funding of the targets. Discussions with potential third party joint venture partners are underway to provide the additional funding required to test these targets.

TRAKA RESOURCES LIMITED

DIRECTORS' REPORT FOR THE HALF YEAR ENDED 31 DECEMBER 2015

REVIEW OF OPERATIONS AND LIKELY DEVELOPMENTS (cont'd)

The Ravensthorpe Project

Traka's current holding at Ravensthorpe now comprises the wholly owned Mt Short Base Metal Project, a 20% free carried interest in the Bandalup Gossan area and a 20% free carried interest in the Sirdar Joint Venture area with Galaxy Resources Limited (Galaxy). The joint venture interests with Galaxy involve an area which is adjacent to the Mount Cattlin Lithium Tantalum Mine.

The Mt Short Base Metal Project is prospective for copper, lead, and zinc mineralisation. A drilling program is currently underway to test targets on this prospect. Previous exploration activity by Traka highlighted an 8 kilometre long copper, lead, and zinc geochemical anomaly coincident with a distinct linear aeromagnetic trend.

Project Generation

The Company is maintaining an active program of project generation in addition to advancing its existing exploration projects. The depressed equity market conditions that continue to prevail are expected to present new opportunities.


EVENTS OCCURRING AFTER BALANCE DATE

There have been no matters or circumstances which have arisen since the end of the half year which have significantly affected the operations of the Company nor are there any such matters or circumstances or any likely developments which, in the opinion of the directors, may affect the future results of those operations or the state of affairs of the Company

AUDITOR'S INDEPENDENCE DECLARATION

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out in this Interim Financial Report.

This report is made in accordance with a resolution of the directors.



NEIL TOMKINSON
Chairman

Perth, 3 March 2016

TRAKA RESOURCES LIMITED

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE HALF YEAR ENDED 31 DECEMBER 2015**

	Note	31 December 2015 \$	31 December 2014 \$
Revenue from continuing operations	2	8,300	10,246
Other income	2	-	125,000
Exploration and evaluation expenses		(414,573)	(240,378)
Administration expenses	3	(275,995)	(228,794)
Loss before income tax		(682,268)	(333,926)
Income tax expense		-	-
Loss for the half year		(682,268)	(333,926)
Total comprehensive loss for the half year attributable to ordinary equity holders of the Company		(682,268)	(333,926)
		Cents	Cents
Basic and diluted loss per share for loss attributable to the ordinary equity holders of the Company		(0.39)	(0.30)

The above Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.

TRAKA RESOURCES LIMITED

**STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2015**

	Note	31 December 2015 \$	30 June 2015 \$
Current assets			
Cash and cash equivalents		1,229,715	146,100
Trade and other receivables		39,037	16,790
Total current assets		1,268,752	162,890
Non-current assets			
Property, plant and equipment		47,877	54,547
Total non-current assets		47,877	54,547
Total assets		1,316,629	217,437
Current liabilities			
Trade and other payables	4	193,725	60,459
Total current liabilities		193,725	60,459
Non-current liabilities			
Provisions		4,000	2,900
Total non-current liabilities		4,000	2,900
Total liabilities		197,725	63,359
Net assets		1,118,904	154,078
Equity			
Issued capital	5	14,219,306	12,572,212
Reserves	6	739,830	739,830
Accumulated losses		(13,840,232)	(13,157,964)
Total equity		1,118,904	154,078

The above Statement of Financial Position should be read in conjunction with the accompanying notes.

TRAKA RESOURCES LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE HALF YEAR ENDED 31 DECEMBER 2015**

	Contributed Equity	Share Based Payments Reserve	Exercised Option Reserve	Accumulated Losses	Total Equity
	\$	\$	\$	\$	\$
As at 1 July 2015	12,572,212	675,030	64,800	(13,157,964)	154,078
Loss for the half year	-	-	-	(682,268)	(682,268)
Total comprehensive loss for the half year	-	-	-	(682,268)	(682,268)
Transactions with equity holders in their capacity as equity holders:					
Issue of ordinary fully paid shares net of transaction costs	1,647,094	-	-	-	1,647,094
As at 31 December 2015	14,219,306	675,030	64,800	(13,840,232)	1,118,904
As at 1 July 2014	12,572,212	649,980	64,800	(12,343,808)	943,184
Loss for the half year	-	-	-	(333,926)	(333,926)
Total comprehensive loss for the half year	-	-	-	(333,926)	(333,926)
Transactions with equity holders in their capacity as equity holders:	-	-	-	-	-
As at 31 December 2014	12,572,212	649,980	64,800	(12,677,734)	609,258

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes.

TRAKA RESOURCES LIMITED

**STATEMENT OF CASH FLOWS
FOR THE HALF YEAR ENDED 31 DECEMBER 2015**

	31 December 2015	31 December 2014
	\$	\$
Cash flows from operating activities		
Interest receipts	6,547	13,874
Receipts of option fees	-	125,000
Payments to suppliers and employees	(294,364)	(244,360)
Payments for exploration activities	(223,097)	(226,473)
Receipt of exploration expense recoveries	-	13,020
Net cash outflow from operating activities	(510,914)	(318,939)
Cash flows from investing activities		
Payments for plant and equipment	(3,765)	(2,589)
Proceeds from sale of plant and equipment	1,200	-
Net cash outflow from investing activities	(2,565)	(2,589)
Cash flows from financing activities		
Proceeds from share issues	1,646,366	-
Payment for share issue costs	(49,272)	-
Net cash inflow from financing activities	1,597,094	-
Net increase/(decrease) in cash and cash equivalents	1,083,615	(321,528)
Cash and cash equivalents at the beginning of the half year	146,100	899,899
Cash and cash equivalents at the end of the half year	1,229,715	578,371

The above Statement of Cash Flows should be read in conjunction with the accompanying notes.

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 31 DECEMBER 2015

NOTE 1 SEGMENT INFORMATION

The Directors of Traka Resources Limited, who, collectively as the Board are the chief operating decision makers, have determined that the Company has one reportable operating segment, being mineral exploration within Western Australia. The Board monitors the Company based on actual versus budgeted exploration expenditure. This internal reporting framework is the most relevant to assist the Board to make decisions regarding its ongoing exploration activities.

	31 December 2015	30 June 2015
	\$	\$
Reportable segment assets	47,877	54,547
Reportable segment liabilities	144,057	25,912
Reconciliation of reportable segment liabilities:		
Reportable segment liabilities	144,057	25,912
Unallocated corporate liabilities	53,668	37,447
Total liabilities	197,725	63,359
	31 December 2015	31 December 2014
	\$	\$
Reportable segment loss	(414,573)	(240,378)
Reconciliation of reportable segment loss:		
Reportable segment loss	(414,573)	(240,378)
Other profit	8,300	135,246
Unallocated corporate expenses	(275,995)	(228,794)
Loss before income tax	(682,268)	(333,926)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31 DECEMBER 2015**

	31 December 2015 \$	31 December 2014 \$
NOTE 2 REVENUE		
Revenue from continuing operations		
Interest received	8,300	10,246
Other income	-	125,000

Other income constitutes income from option monies received in respect of option agreements.

NOTE 3 ADMINISTRATION EXPENSES

Loss before income tax includes the following administration expenses:

Personnel expenses:

Salaries, management fees and associated expenses	184,238	128,494
less recharged to exploration expenditure	(61,479)	(31,901)
	122,759	96,593
Depreciation	8,068	7,903
Other expenses:		
Rental and rates	37,257	31,313
Company secretarial and accounting	32,421	32,421
Audit and tax	13,244	8,926
Communications	11,523	9,820
Listing fees	12,812	15,776
Loss on sale of assets	1,171	-
Other	36,740	26,042
	275,995	228,794

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31 DECEMBER 2015**

	31 December 2015	30 June 2015
	\$	\$
NOTE 4 TRADE AND OTHER PAYABLES		
Trade creditors and accruals	178,817	48,009
Employee entitlements	14,908	12,450
	193,725	60,459

NOTE 5 ISSUED CAPITAL

	31 December 2015	31 December 2014	31 December 2015	31 December 2014
	No of Shares	No of Shares	\$	\$
a) Ordinary Shares – fully paid				
At 1 July	111,848,198	111,848,198	12,572,212	12,572,212
Issue of shares	113,603,885	-	1,696,366	-
Less cost of share issue	-	-	(49,272)	-
At 31 December	225,452,083	111,848,198	14,219,306	12,572,212
	No of Options	No of Options	\$	\$
b) Options - unlisted				
At 1 July	4,900,000	3,550,000	675,030	649,980
Issue of options	-	-	-	-
Expired options	-	(1,100,000)	-	-
At 31 December	4,900,000	2,450,000	675,030	649,980

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 31 DECEMBER 2015

	31 December 2015 \$	30 June 2015 \$
NOTE 6 RESERVES		
Share based payments reserve	675,030	675,030
Exercised option reserve	64,800	64,800
	739,830	739,830

Nature and purpose of reserves

The share based payments reserve is used to recognise the fair value of options issued.

The exercised option reserve arises on the exercise of options when the share based payments reserve attributable to the options being exercised is transferred to this reserve.

NOTE 7 SHARED BASED PAYMENTS

The Company from time to time issues options to the Managing Director and other staff members as an incentive.

During the half year ended 31 December 2015, no options were issued to the Managing Director or to other staff members and no options expired.

NOTE 8 COMMITMENTS FOR EXPENDITURE

In order to maintain the mineral tenements in which the Company and other parties are involved, the Company is committed to fulfil the minimum annual expenditure conditions under which the tenements are granted. The minimum estimated expenditure in accordance with the requirements of the Western Australian Department of Mines and Petroleum for the next financial year is set out below.

	31 December 2015 \$	30 June 2015 \$
Minimum estimated expenditure requirements	438,146	647,000

The estimated expenditure represents potential expenditure which may be avoided by relinquishment of tenure. Any such requirements are expected to be fulfilled in the normal course of operations and may be varied from time to time subject to approval by the grantor of titles. Exploration expenditure commitments beyond twelve months cannot be reliably determined.

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 31 DECEMBER 2015

NOTE 9 RELATED PARTIES

Arrangements with related parties as set out in the financial statements for the year ended 30 June 2015 continue to be in place. During the period under review, the Company entered into a lease agreement with an entity associated with the Managing Director for the lease of a storage shed on normal commercial terms and conditions on an arm's length basis.

NOTE 10 EVENTS OCCURRING AFTER BALANCE DATE

There have been no matters or circumstances which have arisen since the end of the half year which have significantly affected the operations of the Company nor are there any such matters or circumstances or any likely developments which, in the opinion of the directors, may affect the future results of those operations or the state of affairs of the Company

NOTE 11 CONTINGENT LIABILITIES

There are no contingent liabilities or assets and since the last annual statements date there has been no material change of any contingent liabilities or contingent assets.

NOTE 12 BASIS OF PREPARATION

The half year financial statements do not include all notes of the type normally included within the annual financial statements and therefore cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of the Company as the full financial statements.

The half year financial statements should be read in conjunction with the annual financial statements of Traka Resources Limited as at 30 June 2015 and considered together with any public announcements made by Traka Resources Limited during the half year ended 31 December 2015 in accordance with the continuous disclosure obligations arising under the *Corporations Act 2001*.

Basis of accounting

The half year financial statements are general-purpose financial statements, which have been prepared in accordance with the requirements of the *Corporations Act 2001*, applicable Accounting Standards including AASB 134 *"Interim Financial Reporting"* and other mandatory professional reporting requirements.

The half year financial statements have been prepared on the accruals basis and are based on historical cost.

For the purpose of preparing the half year financial statements, the half year has been treated as a discrete reporting period.

Significant accounting policies

The accounting policies and methods of computation adopted in the preparation of the half year financial statements are consistent with those adopted and disclosed in the Company's annual Financial Statements for the year ended 30 June 2015 and corresponding interim reporting period.

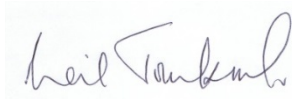
TRAKA RESOURCES LIMITED

**DIRECTORS' DECLARATION
FOR HALF YEAR ENDED 31 DECEMBER 2015**

The directors of the Company declare that:

1. the financial statements and notes, as set out on this Interim Financial Statement, are in accordance with the Corporations Act 2001 and:
 - (a) comply with Accounting Standard AASB 134 *Interim Financial Reporting* and the Corporations Regulations 2001; and
 - (b) give a true and fair view of the company's financial position as at 31 December 2015 and of the performance for the half year ended on that date.
2. there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.



NEIL TOMKINSON

Chairman

Perth, 3 March 2016

DECLARATION OF INDEPENDENCE BY PHILLIP MURDOCH TO THE DIRECTORS OF TRAKA RESOURCES LIMITED

As lead auditor for the review of Traka Resources Limited for the half-year ended 31 December 2015, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
2. No contraventions of any applicable code of professional conduct in relation to the review.



Phillip Murdoch
Director

BDO Audit (WA) Pty Ltd
Perth, 3 March 2016

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Traka Resources Limited

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Traka Resources Limited, which comprises the statement of financial position as at 31 December 2015, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the half-year ended on that date, notes comprising a statement of significant accounting policies and other explanatory information, and the directors' declaration.

Directors' Responsibility for the Half-Year Financial Report

The directors of the company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the company's financial position as at 31 December 2015 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of Traka Resources Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of Traka Resources Limited, would be in the same terms if given to the directors as at the time of this auditor's review report.



Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Traka Resources Limited is not in accordance with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the company's financial position as at 31 December 2015 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and *Corporations Regulations 2001*.

BDO Audit (WA) Pty Ltd

BDO

A handwritten signature in black ink, appearing to read 'P. Murdoch', written over a horizontal line.

Phillip Murdoch
Director

Perth, 3 March 2016