Traka Resources Limited

ACN 103 323 173

9 March 2004 12 pages

The Manager
Company Announcements Office
Australian Stock Exchange Limited (ASX)
Electronic Lodgment

Dear Sir/Madam,

Please find attached the December 2003 Half Yearly information required under Listing Rule 4.2A.

This information should be read in conjunction with the June 2003 annual financial report and the Company's prospectus dated 14 October 2003.

Yours truly

Desmond J Kelly
Company Secretary

Level 1, 43 Ventnor Avenue, West Perth, Western Australia 6005
PO Box 1911, West Perth, Western Australia, 6872
Tel: +61 8 9322 1655 Fax: +61 8 9322 9144

TRAKA RESOURCES LIMITED

ACN 103 323 173

HALF-YEAR REPORT
31 DECEMBER 2003

CONTENTS

Directors' Report	2
Statement of Financial Performance	3
Statement of Financial Position	4
Statement of Cash Flows	5
Notes to the Financial Statements	6
Directors' Declaration	9
Independent Review Report	10

Directors' Report

Your Directors present their report on the company Traka Resources Limited for the half-year ended 31 December 2003.

Directors

The following persons were directors of the Company during the whole of the half year and up to the date of this report unless otherwise stated:

Mr N Tomkinson – Appointed 4 September 2003

Mr P Verbeek

Mr J Pitt

Mr G Petersons

Review of Operations

CORPORATE ACTIVITIES

The Company was incorporated on the 8 January 2003 and successfully listed on the Australian Stock Exchange on the Thursday 20 November 2003. The Company raised $4 million in the IPO (Initial Public Offering) by the issue of 20 million shares at 20 cents per share. Total shares on issue following the IPO and listing are 31,700,000 fully paid ordinary shares and 2,000,000 unlisted executive options.

EXPLORATION ACTIVITIES

Ravensthorpe Nickel Project (100% Traka)

Following the successful capital raising for Traka's Listing on the ASX , the Red 5 option was exercised by the payment of $350,000 in cash to procure Red 5's interests in the Ravensthorpe tenements.

Following listing Traka immediately commenced exploration on its two projects.

Reverse Circulation (RC) and diamond drilling was conducted on 3 prospects at Ravensthorpe with assay results still being processed for the bulk of the drilling program.

Detailed geological mapping was conducted on the project during the half year.

Capricorn Joint Venture (Traka earning 60%)

An RC drilling program was used to test two electromagnetic anomalies and these intersected strongly anomalous nickel and copper mineralisation at one of these anomalies (the Millipede Prospect).

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

N Tomkinson
Chairman

9th Day of March 2004

TRAKA RESOURCES LIMITED (ACN 103 323 173)

STATEMENT OF FINANCIAL PERFORMANCE
FOR THE HALF-YEAR ENDED 31 DECEMBER 2003

	Note	31/12/03 $
REVENUE		
Revenues from ordinary activities	2	21,839
Total revenue		**21,839**
EXPENSES FROM ORDINARY ACTIVITIES		
Depreciation expense		1,138
Employee benefits expense		24,644
Other expenses from ordinary activities		607,247
Total expenses from ordinary activities	3	**633,029**
Loss from ordinary activities before income tax expense		**611,190**
Income tax expense relating to ordinary activities		-
Loss from ordinary activities after income tax expense		**611,190**
Net loss		**611,190**
Total changes in equity other than those resulting from transactions with owners as owners		**611,190**
Basic earnings per share	6	(4.12 cents)
Diluted earnings per share		(4.12 cents)

As the Company was incorporated on the 8 January 2003 there is no comparative December 2002 figures.

The statement of financial performance is to be read in conjunction with the accompanying notes to the financial statements.

TRAKA RESOURCES LIMITED (ACN 103 323 173)

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2003

	Note	31/12/03	30/6/03
		$	$
CURRENT ASSETS			
Cash assets		**3,339,701**	64,541
Receivables		**94,936**	11,052
Other		**776**	683
TOTAL CURRENT ASSETS		**3,435,413**	76,276
NON-CURRENT ASSETS			
Property, plant and equipment		**18,018**	4,521
TOTAL NON-CURRENT ASSETS		**18,018**	4,521
TOTAL ASSETS		**3,453,431**	80,797
CURRENT LIABILITIES			
Payables		**102,958**	55,756
TOTAL LIABILITIES		**102,958**	55,756
NET ASSETS		**3,350,473**	25,041
EQUITY			
Contributed equity		**4,137,032**	200,410
Accumulated losses		**(786,559)**	(175,369)
TOTAL EQUITY		**3,350,473**	25,041

The statement of financial position is to be read in conjunction with the accompanying notes to the financial statements.

TRAKA RESOURCES LIMITED (ACN 103 323 173)

STATEMENT OF CASH FLOWS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2003

	Note	31/12/03 $
CASH FLOWS FROM OPERATING ACTIVITIES		
Interest received		21,839
Cash payments in the course of operations		(91,122)
Net cash used in operating activities		(69,283)
CASH FLOWS FROM INVESTING ACTIVITIES		
Payments for property, plant & equipment		(13,498)
Payments for exploration, evaluation & development		(578,682)
Net cash used in investing activities		**(592,180)**
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from share issues		4,360,000
Cost of share issue		(423,377)
Net cash provided from financing activities		**3,936,623**
NET INCREASE IN CASH HELD		**3,275,160**
Cash at the beginning of the half-year		**64,541**
CASH AT THE END OF THE HALF-YEAR		**3,339,701**

As the Company was incorporated on the 8 January 2003 there is no comparative December 2002 figures.

The statement of cash flows is to be read in conjunction with the accompanying notes to the financial statements.

1. BASIS OF PREPARATION

This general-purpose financial report for the interim half-year reporting period ended 31 December 2003 has been prepared in accordance with Accounting Standard AASB 1029 Interim Financial Reporting, other mandatory professional reporting requirements (Urgent Issues Group Consensus Views), other authoritative announcements of the Australian Accounting Standards Board and the Corporations Act 2001.

This interim financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the Company's Prospectus dated 14 October 2003 and any public announcements made by Traka Resources Limited during the interim period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

As the Company was incorporated on the 8 January 2003 there are no comparative December 2002 figures.

This Interim Financial Report has been prepared on the basis of historical costs and except where stated, does not take into account changing money values or fair values of non-current assets.

Unless otherwise stated, policies adopted in the preparation of the interim financial report are consistent with those of the previous accounting period.

2. REVENUE FROM ORDINARY ACTIVITIES

	2003 $
Revenue from outside the operating activities	
Interest income	21,839
Total Revenue from Ordinary Activities	21,839

3. LOSS FROM ORDINARY ACTIVITIES BEFORE INCOME TAX EXPENSE

	2003 $
Loss from ordinary activities before income tax has been arrived at after charging the following items:	
Consultant fees	2,214
Directors fees	7,167
Exploration written off	578,682
Depreciation:	
- Plant and equipment	1,137

3. LOSS FROM ORDINARY ACTIVITIES BEFORE INCOME TAX EXPENSE (CONTINUED)

	2003 $
Net expenses from movements in provision for:	
Employee entitlements	17,477
Office rent and outgoings	1,087
Printing and stationery	954
Subscriptions	180
Travel and accommodation	3,946
Other	20,184
	633,028

4. DIVIDENDS

No dividends were paid or declared payable during or since the half-year.

5. EQUITY SECURITIES ISSUED

	Half-year **2003** **Shares**	Half-year **2003** **$**
Issues of ordinary shares during the half-year		
Ordinary shares issued at 20 cents per share	20,000,000	4,000,000
Ordinary shares issued at 10 cents per share	3,600,000	360,000

At a general meeting held on 10 October 2003 the shareholders of Traka approved the issue of 2,000,000 options with an exercise price of $0.35 and an expiry date of 10 October 2008 to the Managing Director.

6. EARNINGS PER SHARE

	2003 Number
Weighted average number of ordinary shares used in the calculation of basic earnings per share	14,835,164
Weighted average number of ordinary shares Used in the calculation of diluted earnings per share	14,835,164

7. EVENTS SUBSEQUENT TO BALANCE DATE

No significant events have occurred subsequent to balance date that would have a material affect on the interim financial report.

8. SEGMENT INFORMATION

(a) Business segments

Company operates predominantly in one industry. Its principal activities are those of prospecting and mineral exploration.

(b) Geographical segments

The Company operates only in Australia.

TRAKA RESOURCES LIMITED (ACN 103 323 173)

DIRECTORS' DECLARATION

The directors declare that the financial statements and notes set out on pages 3 to 8:

(a) comply with Accounting Standards, the Corporations Regulations (2001) and other mandatory professional reporting requirements, and

(b) give a true and fair view of the entity's financial position as at 31 December 2003 and of its performance, as represented by the results of its operations and its cash flows, for the half-year ended on that date.

In the directors' opinion:

(a) the financial statements and notes are in accordance with the Corporations Act (2001); and

(b) there are reasonable grounds to believe that Traka Resources Limited 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 directors.

N Tomkinson
Chairman

Perth, Western Australia
9th March 2004

Horwath Perth
ABN 13 412 308 092
Chartered Accountants
A member of Horwath International
128 Hay Street Subiaco WA 6008
PO Box 700 West Perth WA 6872
Email horwath@perth.horwath.com.au
Telephone (08) 9380 8400
Facsimile (08) 9380 8499

Independent review report to the members of Traka Resources Limited

Scope

The financial report and directors' responsibility

The financial report comprises the statement of financial performance, statement of financial position, statement of cash flows, accompanying notes to the financial statements, and the directors' declaration for Traka Resources Limited, for the half-year ended 31 December 2003.

The directors of the company are responsible for the preparation and true and fair presentation of the financial report in accordance with the Corporations Act 2001. This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the financial report.

Review approach

We conducted an independent review in order to state whether, on the basis of the procedures described, anything has come to our attention that would indicate that the financial report is not presented fairly in accordance with Accounting Standard AASB 1029 "Interim Financial Reporting" and other mandatory financial reporting requirements in Australia and the Corporations Act 2001, so as to present a view which is consistent with our understanding of the company's financial position, and performance as represented by the results of its operations and its cash flows, and in order for the company to lodge the financial report with the Australian Securities and Investments Commission.

Our review was conducted in accordance with Australian Auditing and Assurance Standards applicable to review engagements. A review is limited primarily to inquiries of the company's personnel and analytical procedures applied to the financial data. These procedures do not provide all the evidence that would be required in an audit, thus the level of assurance provided is less than that given in an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.

Independence

In conducting our review, we followed applicable independence requirements of Australian professional ethical pronouncements and the Corporations Act 2001.

Statement

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:

(a) the Corporations Act 2001, including:

 (i) giving a true and fair view of the company's financial position as at 31 December 2003 and of its performance for the half-year ended on that date; and

 (ii) complying with Accounting Standard AASB 1029 "Interim Financial Reporting" and the Corporations Regulations 2001; and

(b) other mandatory financial reporting requirements in Australia.

Dated the 9th day of March 2004.

HORWATH PERTH
Chartered Accountants

Horwath Perth

Glyn O'Brien

GLYN O"BRIEN
Partner