Traka Resources Limited

ABN: 63 103 323 173

15 September 2011

Company Announcements
ASX Limited
Level 10, 20 Bond Street
Sydney NSW 2000

Dear Sir / Madam

TRAKA ENTERS INTO CAESAR HILL JOINT VENTURE AT WARBURTON WITH RUBICON RESOURCES LIMITED

Traka Resources Limited ("Traka") is pleased to announce that it has signed a letter agreement with Rubicon Resources Ltd ("Rubicon") providing for Traka to enter into a joint venture with Rubicon on Exploration License 69/2253 (the Caesar Hill tenement) which will become part of Traka's Musgrave Project. The Caesar Hill tenement is located approximately 60 kilometres northeast of the Warburton community in Western Australia (Figure 1) and is complementary to Traka's tenements in the area.

The terms of the joint venture agreement are as follows:

- Traka has the right to earn a 70% interest in the Caesar Hill tenement (E69/2253) through expenditure of $800,000 over a five year period, commencing from, and contingent on, gaining Native Title access to explore electromagnetic anomalies defined in a recent survey.

- Traka will spend a minimum of $150,000 (net of most Land Access Agreement costs) within 12 months from the commencement date (Minimum Commitment).

- Once Traka has met the Minimum Commitment, Traka may elect to contribute a further $650,000 in exploration expenditure following which it will have earned a 70% interest.

- Once Traka has earned a 70% interest the parties may elect to contribute at their respective interest, or dilute using an industry standard dilution formula.

- Traka will be the manager whilst it is earning its interest and whilst it continues to expend in accordance with approved programmes and budgets.

Rubicon and previous joint venture partner Vale S.A. flew a VTEM (airborne Versatile Time Domain Electromagnetic (EM) Survey) over the eastern half of the Caesar Hill tenement in late 2010. The survey identified four high priority EM targets located in the northwest of the tenement, all associated with prospective Giles Complex rock types in potential "feeder dyke" positions as inferred for the nearby Babel-Nebo nickel (Ni) – copper (Cu) - Platinum Group Elements (PGE) deposit of BHP Billiton, located 16 km to the southeast.

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Anomaly 14 is particularly interesting, as geophysical modeling indicates that it has a high conductance consistent with massive Ni-Cu-PGE mineralisation and models as a steeply dipping tabular body. The anomaly occurs over four lines, giving a potential 800m strike length. Anomalies 1 and 5 along strike to the north of anomaly 14 each extend over a strike length of 600m.

The conductors identified have potential for the discovery of massive sulphide deposits, associated with significant amounts of disseminated Ni-Cu-PGE mineralisation and remain highly attractive targets. This target style has many similarities to the Babel-Nebo deposit.

Traka is an active explorer in the Musgrave block with a large tenement portfolio. Caesar Hill is a valuable addition to Traka's Jameson prospect where the Company is testing outcropping titaniferous magnetite rocks, containing vanadium, titanium and precious metals (gold, platinum and palladium).

The current Agreement provides an exciting addition to Traka’s significant Musgrave exploration effort.

Yours faithfully,

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Neil Tomkinson
Chairman