



# TRAKA RESOURCES LIMITED

ABN 63 103 323 173

## Quarterly Activities Report for the three months ended 31 March 2014

### Introduction

Traka Resources Ltd (ASX: TKL) is a Perth based exploration company with its primary exploration assets held in the Musgrave and Ravensthorpe Project areas of Western Australia (Figure 1).

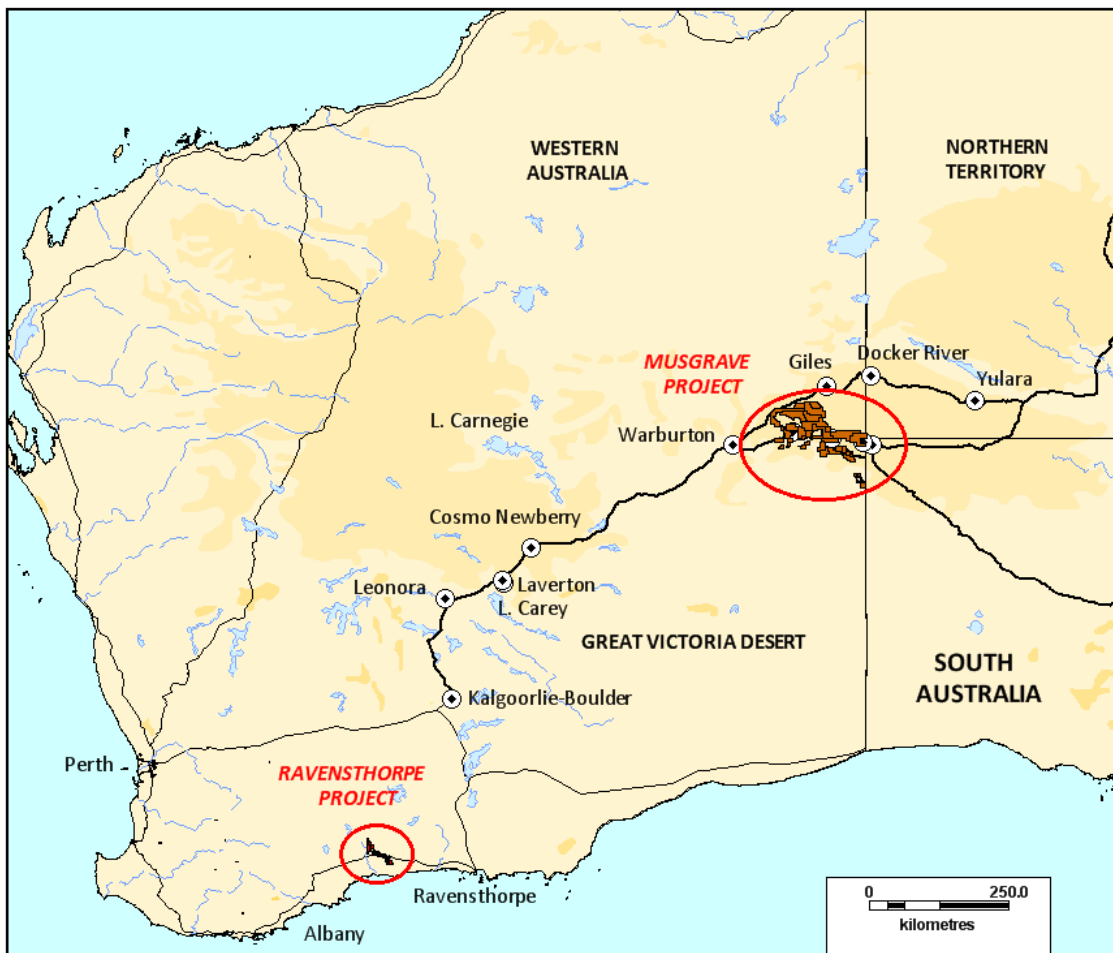


Figure 1: Location plan of Traka's Projects in Western Australia

## The Musgrave Project

The Company has focused over the past few years on its Musgrave Project. Traka has a large position in the Musgraves with interests in 30 exploration licences, of which 5 are granted, extending over about 9,000 square kilometres (Figure 2). The Company's wholly owned interests extend over 22 exploration licences. A further 5 tenements are the subject of a joint venture with Western Areas Limited ("WSA") and 3 others are subject to a joint venture with Anglo American Exploration (Australia) Pty Ltd ("AAE").

WSA and AAE manage their respective joint ventures and each can earn a majority equity position of between 70% and 80% by meeting expenditure commitments and free-carrying Traka's retained equity of between 20% and 30% through to completion of a Bankable Feasibility Study.

Traka's planned exploration program for 2014 necessitated additional successful negotiation of access into the new tenement areas around Latitude Hill and Tollu. Heritage surveys have been undertaken and negotiations are underway but at this point in time no agreement has been reached.

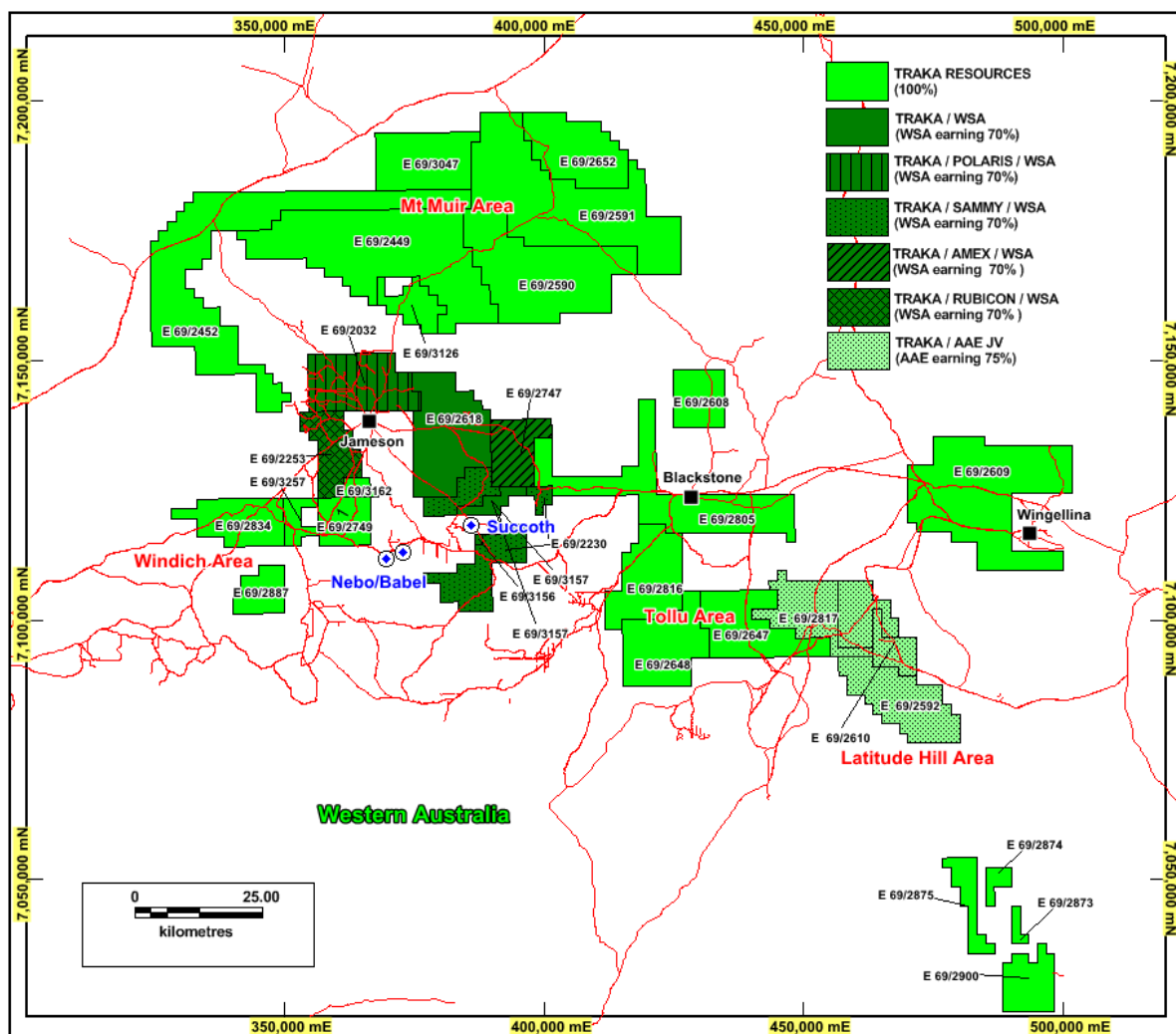


Figure 2: A tenement plan of the Musgrave Project

### **Western Areas Limited Joint Venture:**

Exploration work completed in the March Quarter period is summarised in the following extract provided by WSA:-

*Exploration activities during the March quarter included the completion of the RC drilling program (8 holes for a total of 1,842m) and subsequent down-hole electro-magnetic (DHEM) and fixed loop electro-magnetic (FLEM) surveys. Single holes were completed to test the higher priority EM targets identified from the previous ground EM surveys (Figure 3). The DHEM was used to confirm the effectiveness of the drilling, and a number of small FLEM surveys were completed to better constrain the geophysical modelling.*

*Four holes were completed at the Samaria Prospect, testing a cluster of MLEM conductors in the SW of the prospect where a number of magnetic anomalies were interpreted to surround the central Samaria intrusion. Despite all drill holes encountering favourable geology (intrusive gabbro and gabbro-noritic lithologies), the drilling failed to intersect any high-grade, massive nickel and copper mineralisation.*

*Drilling at the Atlas prospect tested a series of highly conductive EM anomalies that were interpreted to lie conformably at the base of an interpreted troctolite, as well as within the layered intrusive pile of the Jameson intrusion. No high-grade, massive nickel and copper mineralisation was returned from the drilling, however chalcopyrite mineralisation (+/- magnetite) was returned from a number of holes including 6m @ 0.16% Cu from 52m in WMRC0004. Initial indications are that this mineralisation is similar in style and metal tenor to that of the Succoth deposit within the adjacent BHPB tenements. Further work, including petrology, is now underway to confirm this association.*

*Whilst the drilling effectively tested the EM targets and confirmed that no high-grade, massive sulphide bodies exist in the surveyed areas, the presence of significant volumes of copper sulphide mineralisation has implications for the discovery of further low-grade, Succoth style deposits within the tenement package. Further work is currently being undertaken to assess the prospectivity of the areas with the project tenure outside of the recently completed ground EM surveys.*

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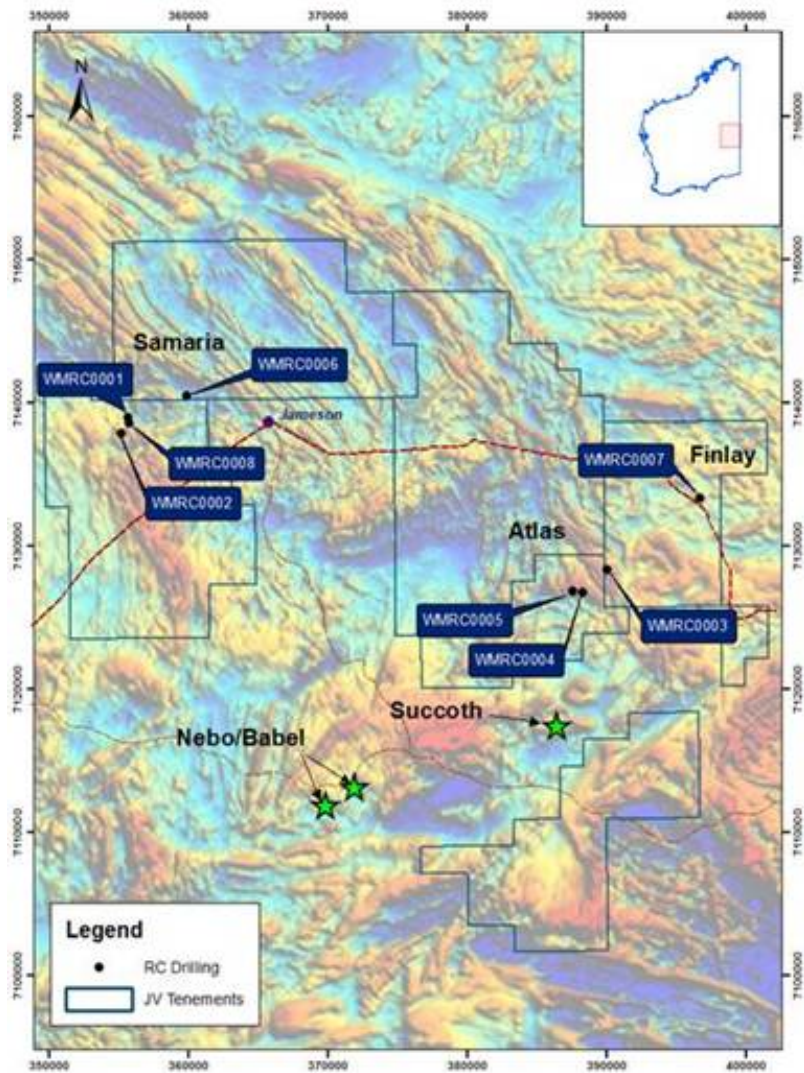


Figure 3. An aeromagnetic image showing JV tenure, prospect location and drillhole positions.

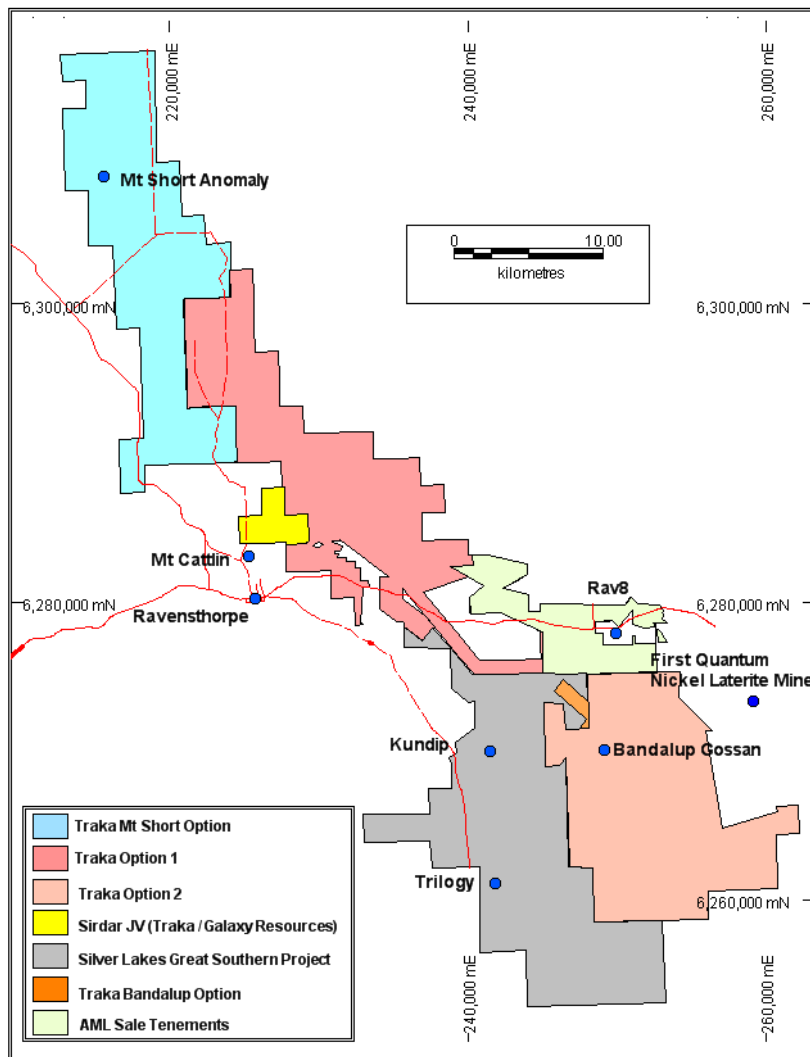
### *Anglo American Exploration (Australia) Pty Ltd Joint Venture*

AAE's remaining interests in the Musgraves are now concentrated in the south-eastern Latitude Hill area (Figure 2). A number of strong Spectrem EM targets have been identified in this area.

### **The Ravensthorpe Project**

Traka's interests in the Ravensthorpe Project are entirely farmed-out to Silver Lake Resources Limited, subject to the terms of 4 separate Option Agreements, each relating to a separate part of the Project. SLR have an initial 12 month Option Period after which time they may choose to retain an interest and/or return separate option areas subject to various terms (Figure 4).

There was no updated exploration information available from SLR for this joint venture at the time of writing this report.



**Figure 4: Location plan of the Ravensthorpe Project**

***Sirdar Joint Venture***

(Galaxy 80%; Traka free carried)

No updated information is available for this joint venture.

## **Corporate**

Traka has embarked on a project acquisition program to expand the Company's exploration interests into new areas. All of the Company's active existing interests are currently funded and managed by our joint venture partners. Although this shields Traka from expenditure commitments in a period of very depressed market conditions, the Company also believes that opportunities exist to acquire a new project and increase the level of exploration activity within the company.

Mr Patrick Verbeek  
**Managing Director**

30 April 2014

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TRAKA RESOURCES LIMITED  
SCHEDULE OF TENEMENTS  
31 March 2014

Tenement Type	Tenement Number	Project	Registered Holder	Traka % Interest
E	69/2032	Mt Blyth (Polaris Option)	Traka Resources Ltd (90%) & Polaris Metals NL (10%)	90
E	69/2230	Mt Blyth (Sammy Option)	Sammy Resources Pty Ltd (100%)	Option for 90
E	69/2253	Mt Blyth (Caesar Hill JV)	Rubicon Resources Ltd (100%)	Option for 75
EA	69/2449	Mt Blyth	Traka Resources Ltd (100%)	100
EA	69/2452	Mt Blyth	Traka Resources Ltd (100%)	100
EA	69/2590	Mt Blyth	Traka Resources Ltd (100%)	100
EA	69/2591	Mt Blyth	Traka Resources Ltd (100%)	100
EA	69/2592	AAE Western Musgraves Expanded Farm-In JVA	Traka Resources Ltd (100%)	100
EA	69/2608	AAE Western Musgraves Expanded Farm-In JVA	Traka Resources Ltd (100%)	100
EA	69/2609	Mt Blyth	Traka Resources Ltd (100%)	100
EA	69/2610	AAE Western Musgraves Expanded Farm-In JVA	Traka Resources Ltd (100%)	100
E	69/2618	Mt Blyth	Traka Resources Ltd (100%)	100
EA	69/2647	Mt Blyth	Traka Resources Ltd (100%)	100
EA	69/2648	Mt Blyth	Traka Resources Ltd (100%)	100
EA	69/2652	Mt Blyth	Traka Resources Ltd (100%)	100
E	69/2747	Mt Blyth (Amex JV)	Traka Resources Ltd (90%) & Amex Resources Ltd (10%)	90
EA	69/2749	Mt Blyth	Traka Resources Ltd (100%)	100
EA	69/2805	AAE Western Musgraves Expanded Farm-In JVA	Traka Resources Ltd (100%)	100
EA	69/2816	Mt Blyth	Traka Resources Ltd (100%)	100
EA	69/2817	AAE Western Musgraves Expanded Farm-In JVA	Traka Resources Ltd (100%)	100
EA	69/2834	Mt Blyth	Traka Resources Ltd (100%)	100
EA	69/2873	Mt Blyth	Traka Resources Ltd (100%)	100
EA	69/2874	Mt Blyth	Traka Resources Ltd (100%)	100
EA	69/2875	Mt Blyth	Traka Resources Ltd (100%)	100
EA	69/2887	Mt Blyth	Traka Resources Ltd (100%)	100
EA	69/2900	Mt Blyth	Traka Resources Ltd (100%)	100
EA	69/3047	Mt Blyth	Traka Resources Ltd (100%)	100

TRAKA RESOURCES LIMITED  
SCHEDULE OF TENEMENTS  
31 March 2014

Tenement Type	Tenement Number	Project	Registered Holder	Traka % Interest
EA	69/3126	Mt Blyth	Traka Resources Ltd (100%)	100
EA	69/3156	Mt Blyth	Traka Resources Ltd (100%)	100
EA	69/3157	Mt Blyth	Traka Resources Ltd (100%)	100
EA	69/3161	Mt Blyth	Traka Resources Ltd (100%)	100
E	74/0332	Ravensthorpe (Silver Lake Mt Short Option)	Traka Resources Ltd (100%)	100
E	74/0378	Ravensthorpe (Silver Lake Mt Short Option)	Traka Resources Ltd (100%)	100
E	74/0379	Ravensthorpe (Silver Lake Phillips River Option)	Traka Resources Ltd (100%)	100
E	74/0401	Ravensthorpe (Galaxy JV)	Galaxy Lithium Australia Ltd (80%) & Traka Resources Ltd (20%)	20
E	74/0448	Ravensthorpe (Silver Lake Phillips River JV Option)	Traka Resources Ltd (100%)	100
E	74/0489	Ravensthorpe (Silver Lake Mt Short Option)	Traka Resources Ltd (100%)	100
E	74/0522	Ravensthorpe (Silver Lake Bandalup Gossan Option)	Traka Resources Ltd (100%)	100
M	74/0083	Ravensthorpe (Silver Lake Phillips River Option)	Traka Resources Ltd (100%)	100
P	74/0262	Ravensthorpe (Silver Lake Phillips River Option)	Traka Resources Ltd (100%)	100
P	74/0263	Ravensthorpe (Silver Lake Phillips River Option)	Traka Resources Ltd (100%)	100
P	74/0264	Ravensthorpe (Silver Lake Phillips River Option)	Traka Resources Ltd (100%)	100
P	74/0265	Ravensthorpe (Silver Lake Phillips River JV Option)	Traka Resources Ltd (100%)	100
P	74/0266	Ravensthorpe (Silver Lake Phillips River JV Option)	Traka Resources Ltd (100%)	100
P	74/0267	Ravensthorpe (Silver Lake Phillips River JV Option)	Traka Resources Ltd (100%)	100
P	74/0268	Ravensthorpe (Silver Lake Phillips River JV Option)	Traka Resources Ltd (100%)	100
P	74/0269	Ravensthorpe (Silver Lake Phillips River Option)	Traka Resources Ltd (100%)	100
P	74/0270	Ravensthorpe (Silver Lake Phillips River Option)	Traka Resources Ltd (100%)	100
P	74/0271	Ravensthorpe (Silver Lake Phillips River JV Option)	Traka Resources Ltd (100%)	100
P	74/0272	Ravensthorpe (Silver Lake Phillips River Option)	Traka Resources Ltd (100%)	100

TRAKA RESOURCES LIMITED  
SCHEDULE OF TENEMENTS  
31 March 2014

Tenement Type	Tenement Number	Project	Registered Holder	Traka % Interest
P	74/0273	Ravensthorpe (Silver Lake Phillips River JV Option)	Traka Resources Ltd (100%)	100
P	74/0274	Ravensthorpe (Silver Lake Phillips River Option)	Traka Resources Ltd (100%)	100
P	74/0275	Ravensthorpe (Silver Lake Phillips River Option)	Traka Resources Ltd (100%)	100
P	74/0280	Ravensthorpe (Silver Lake Phillips River Option)	Traka Resources Ltd (100%)	100
P	74/0281	Ravensthorpe (Silver Lake Phillips River Option)	Traka Resources Ltd (90%) & KH Piper (10%)	90
P	74/0295	Ravensthorpe (Silver Lake Phillips River Option)	Traka Resources Ltd (90%) & KH Piper (10%)	90
P	74/0296	Ravensthorpe (Silver Lake Phillips River Option)	Traka Resources Ltd (90%) & J H Kelly (10%)	90
P	74/0297	Ravensthorpe (Silver Lake Phillips River Option)	Traka Resources Ltd (90%) & J H Kelly (10%)	90
P	74/0298	Ravensthorpe (Silver Lake Phillips River Option)	Traka Resources Ltd (90%) & KH Piper (10%)	90
P	74/0309	Ravensthorpe (Galaxy JV)	Galaxy Lithium Australia Ltd (80%) & Traka Resources Ltd (20%)	20
P	74/0310	Ravensthorpe (Galaxy JV)	Galaxy Lithium Australia Ltd (80%) & Traka Resources Ltd (20%)	20

E	Exploration Licence	EA	Exploration Licence Application
M	Mining Licence	AAE	Anglo American Exploration
P	Prospecting Licence	Mt Blyth	Musgrave Region

All tenements are located in Western Australia

## 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")

31 March 2014

#### Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (9 months) \$A'000
1.1 Receipts from product sales and related debtors	-	-
1.2 Payments for (a) exploration & evaluation	(133)	33
(b) development	-	-
(c) production	-	-
(d) administration	(46)	(402)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	2	6
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other (provide details if material)	125	313
<b>Net Operating Cash Flows</b>	<b>(52)</b>	<b>(50)</b>
<b>Cash flows related to investing activities</b>		
1.8 Payment for purchases of: (a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	-	(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)	-	-
<b>Net investing cash flows</b>	<b>-</b>	<b>(2)</b>
1.13 Total operating and investing cash flows (carried forward)	<b>(52)</b>	<b>(52)</b>

+ 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)	(52)	(52)
	<b>Cash flows related to financing activities</b>		
1.14	Proceeds from issues of shares, options, etc.	(14)	1,068
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)	-	-
	<b>Net financing cash flows</b>	(14)	1,068
	<b>Net increase (decrease) in cash held</b>	(66)	1,016
1.20	Cash at beginning of quarter/year to date	1,129	47
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	<b>Cash at end of quarter</b>	1,063	1,063

### 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

1.2	The net cash inflows YTD in respect of Exploration arise as a result of receipts of expenditure recovered from JV partners of approximately \$336,000 of which \$4,400 was recovered in Quarter 3.
1.7	Other Receipts YTD principally consist of option payments received.
1.8	During Qtr 1 the Company paid \$250,000 to acquire an exploration tenement and the payment was recovered from a JV partner – resulting in no net cash outlay on investments YTD.
1.14	Current quarter cash outflow relates to balance of costs of prior quarter Share Purchase Plan.

### 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

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+ 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

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**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	60
4.2 Development	-
4.3 Production	-
4.4 Administration	95
<b>Total</b>	<b>155</b>

**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	213	1,129
5.2 Deposits at call	-	-
5.3 Bank overdraft	-	-
5.4 Term Deposit	850	-
5.5 Other (provide details)	-	-
<b>Total: cash at end of quarter</b> (item 1.22)	<b>1,063</b>	<b>1,129</b>

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+ 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	E69/2804 E74/0408 Tenement relinquished Tenement relinquished	100% 100%	0% 0%
6.2	Interests in mining tenements and petroleum tenements acquired or increased			

#### 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	<b>Preference securities</b>			
7.2	<i>(description)</i> Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions			
7.3	<b>+Ordinary securities</b>	111,848,198	111,848,198	Fully Paid
7.4	<i>(description)</i> Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs			
7.5	<b>+Convertible debt securities</b>			
	<i>(description)</i>			

+ See chapter 19 for defined terms.

**Appendix 5B**

**Mining exploration entity and oil and gas exploration entity quarterly report**

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7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7	<b>Options</b> <i>(description and conversion factor)</i>	1,100,000 2,000,000 450,000		<i>Exercise price</i> 20.625 cents 8.75 cents 8.75 cents	<i>Expiry date</i> 15 November 2014 17 November 2016 17 November 2016
7.8	Issued during quarter	450,000		8.75 cents	17 November 2016
7.9	Exercised during quarter				
7.10	Expired during quarter				
7.11	<b>Debentures</b> <i>(totals only)</i>				
7.12	<b>Unsecured notes</b> <i>(totals only)</i>				

## 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: 30 April 2014

Print name: Peter Rutledge

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+ 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.

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+ See chapter 19 for defined terms.