

ASX: BAR



# BARRA RESOURCES

Annual General Meeting  
**1 November 2019**

Sean Gregory | Managing Director & CEO

The Barra Resources Limited logo is located in the bottom right corner. It features a blue pickaxe icon to the left of the text 'BARRA RESOURCES LIMITED'. The text is in a bold, sans-serif font. The entire logo is enclosed in a blue, stylized shape that resembles a splash or a ribbon.

**BARRA  
RESOURCES**  
LIMITED

# KEY MESSAGES



## Mt Thirsty Cobalt-Nickel Project

- PFS at full pace to be ready for expected rebound in cobalt pricing
- Strategic interest from tier-one firms seeking to secure supply

## Dual commodity strategy in play with Coolgardie gold projects

- Burbanks – historical underground mines
- Phillips Find – available for farm-in
- RC drilling underway at Burbanks

**Projects all located in WA's stable and ethical goldfields.**

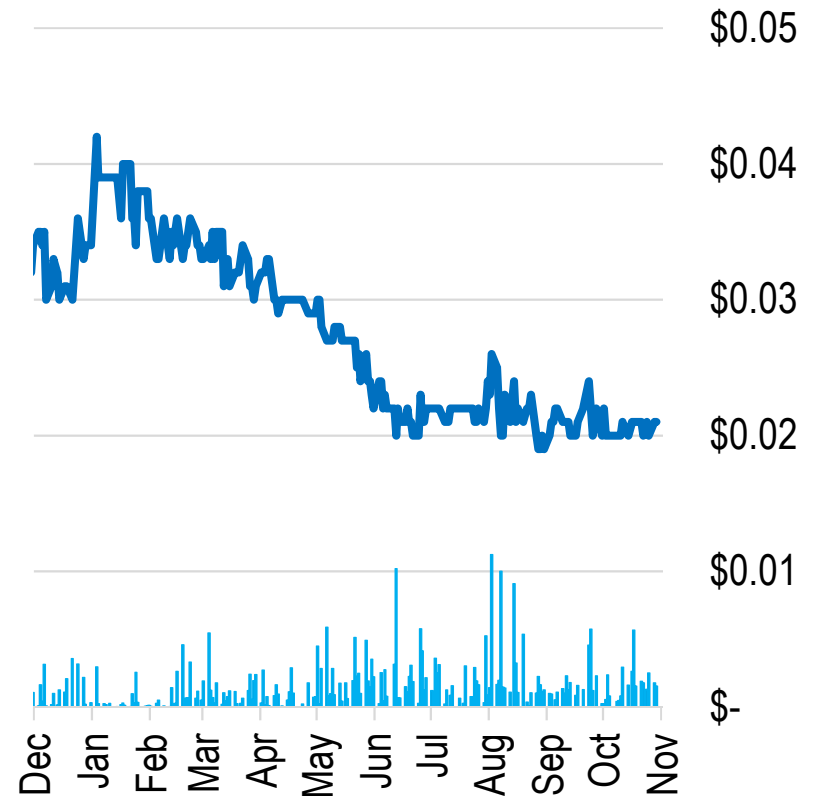


# CORPORATE OVERVIEW



- 596.5M shares after capital raising
- Market cap \$12.5m @ 2.1c
- Cash
  - \$928,000 30 September 2019
  - \$103,205 R&D refund due
  - \$1,152,500 capital raising complete
- Shareholders
  - FMR Investments Pty Ltd 14.7%
  - Mineral Resources Ltd 9.6%
  - >3000 other shareholders
- Up to \$500k loan to Conico agreed to fund their 50% share of PFS completion costs
- Experienced board and management
  - Sean Gregory, MD & CEO
  - Gary Berrell, Chairman
  - Grant Mooney, NED & Co Sec
  - Jon Young, NED
  - Gary Harvey, Exploration Manager

## ASX:BAR

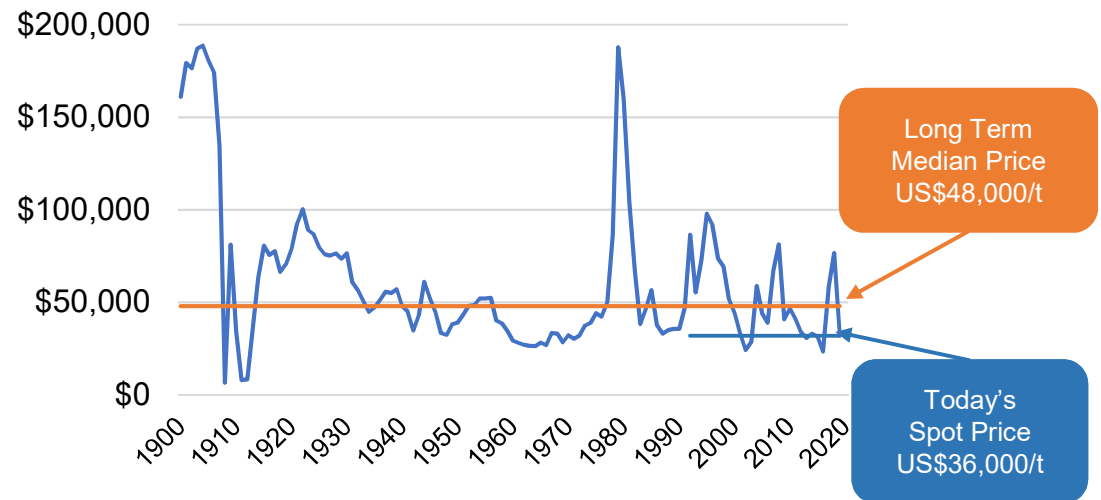




# DUAL COMMODITY STRATEGY

- Cobalt prices at historical low in real terms
- Nickel warehouse levels have fallen 75%
- Gold bull market

100 Year Cobalt Price<sup>1</sup>  
(2019 US\$/t real)



10 Year Gold Price<sup>2</sup> (A\$/t nominal)



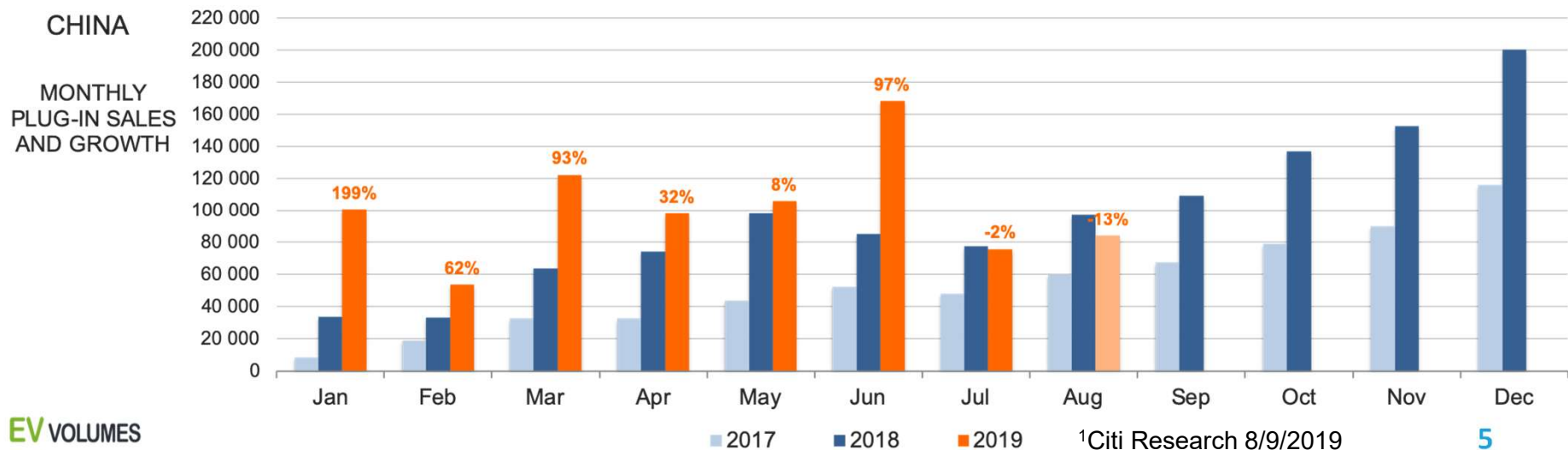
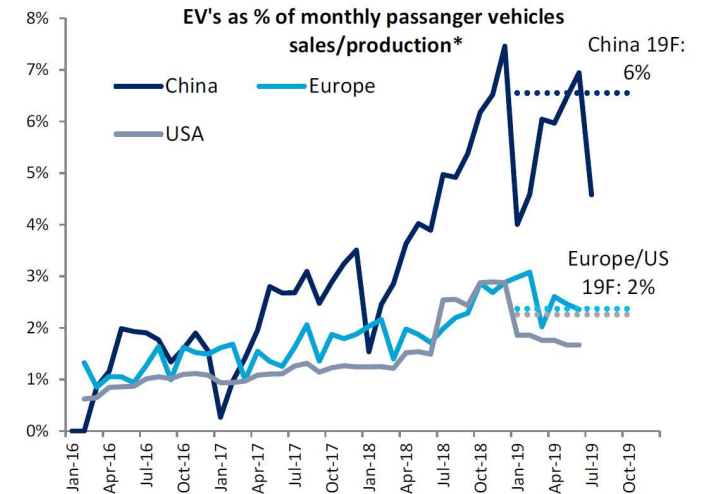
<sup>1</sup> US Geological Survey; escalated by US CPI

<sup>2</sup> Trading Economics

# CHINESE ELECTRIC VEHICLE SALES



- China is world's largest and fastest growing market
- Chinese EV penetration
  - 2018 4% actual
  - 2019 6% forecast
  - 2020 12% mandate
  - 2040 100% target
- Reduction in Chinese subsidies brought sales forward

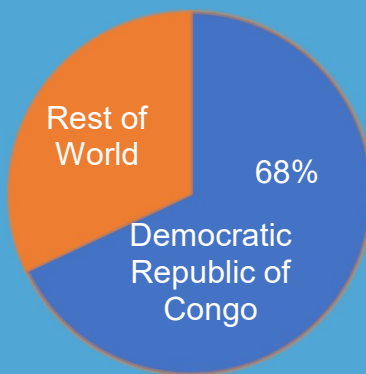




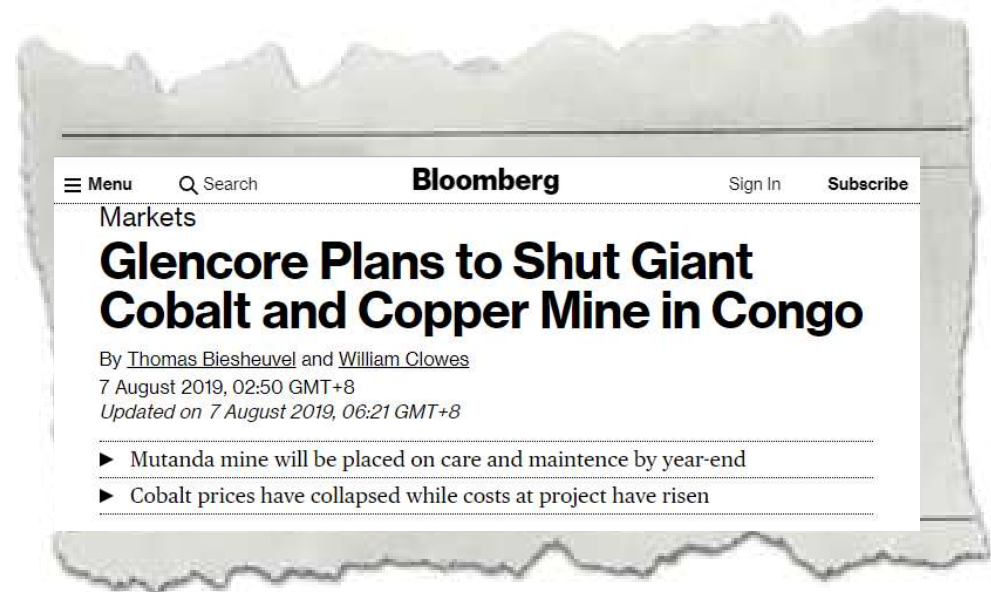


# DRC SUPPLY DISRUPTIONS

- Mutunda, world's largest cobalt mine, to close in December 2019
- Katanga halves 2019 production guidance
- DRC 10% royalty and 50% super-profits tax now law



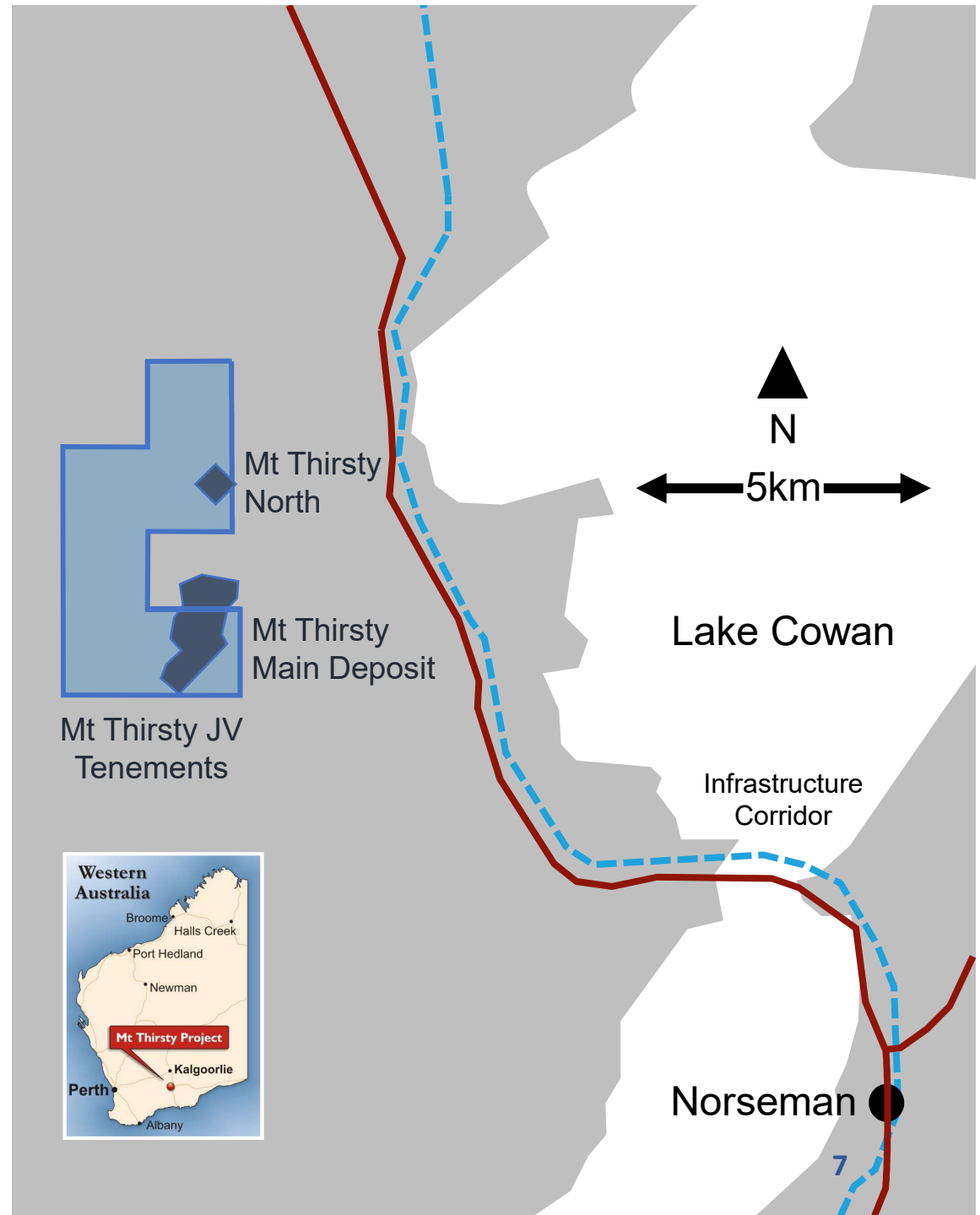
2018 Cobalt Production



# MT THIRSTY

## COBALT-NICKEL PROJECT

- Project is only 16km NW from Norseman town
- Infrastructure all available locally
  - Road
  - Rail
  - Gas
  - Water
  - Town
  - Workforce
  - Fibre Optics
- 50/50 JV with Conico Ltd





# MT THIRSTY MINERAL RESOURCE UPGRADE

0.06% Co Cutoff	Mineral Resource	Dry Tonnes (Mdt)	Co (%)	Ni (%)
Mt Thirsty Main	Indicated	22.8	0.121	0.53
	Inferred	2.5	0.103	0.45
Mt Thirsty North	Inferred	1.5	0.092	0.55
Total	Ind. & Inf.	26.9	0.117	0.52

- Indicated Mineral Resource now represents 85% of the total Mineral Resource<sup>1</sup>
- Indicated classification eligible for a JORC 2012 Ore Reserve estimate at the completion of a successful PFS
- Cobalt grade is double that of most nickel laterites
- Flat lying and low strip ratio

<sup>1</sup>Refer to ASX Announcement 9/9/19 for full details





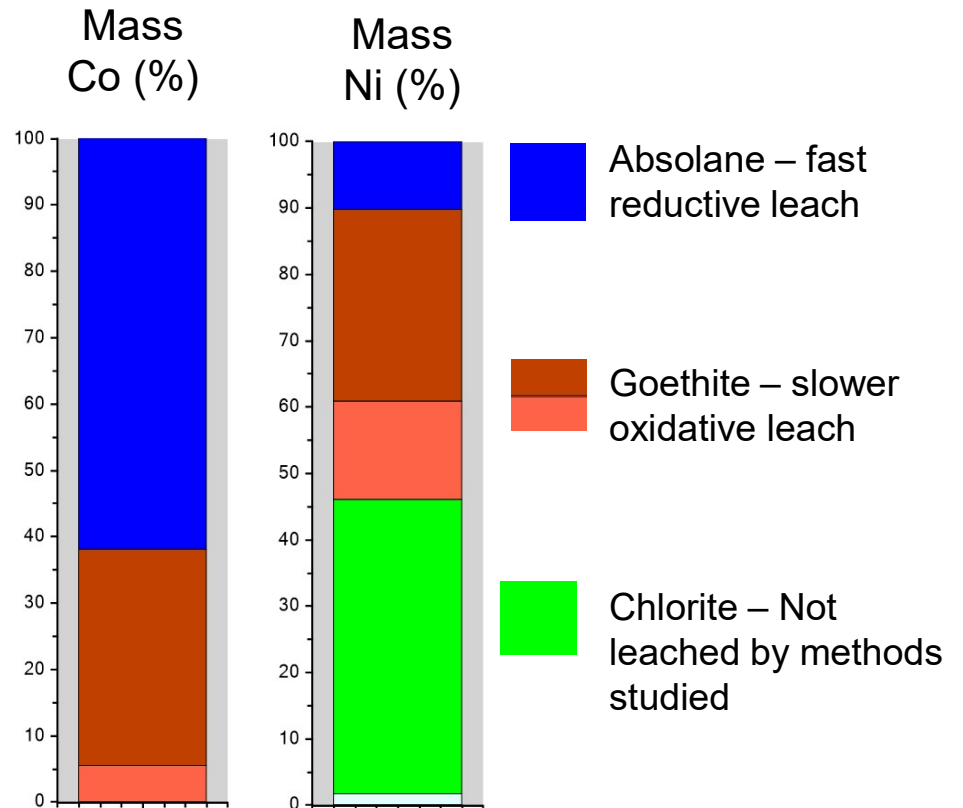
# MT THIRSTY ATMOSPHERIC LEACHING

**Master Comp. Leach Extractions**

	Co (%)	Ni(%)
2019 PFS <sup>1</sup>	84%	31%
2017 SS <sup>2</sup>	79%	26%

- Extractions achieved using dilute SO<sub>2</sub> without adding expensive acid
- 55 remarkably consistent leaches, give confidence in the process
- Low capex flowsheet (A\$212M)<sup>2</sup>
- Results demonstrated at the semi-continuous bulk scale

**QEMSCAN Mineral Department**



<sup>1</sup>Refer to ASX Quarterly 30/10/19 for full details

<sup>2</sup>As reported in 2017 Scoping Study 5/10/17

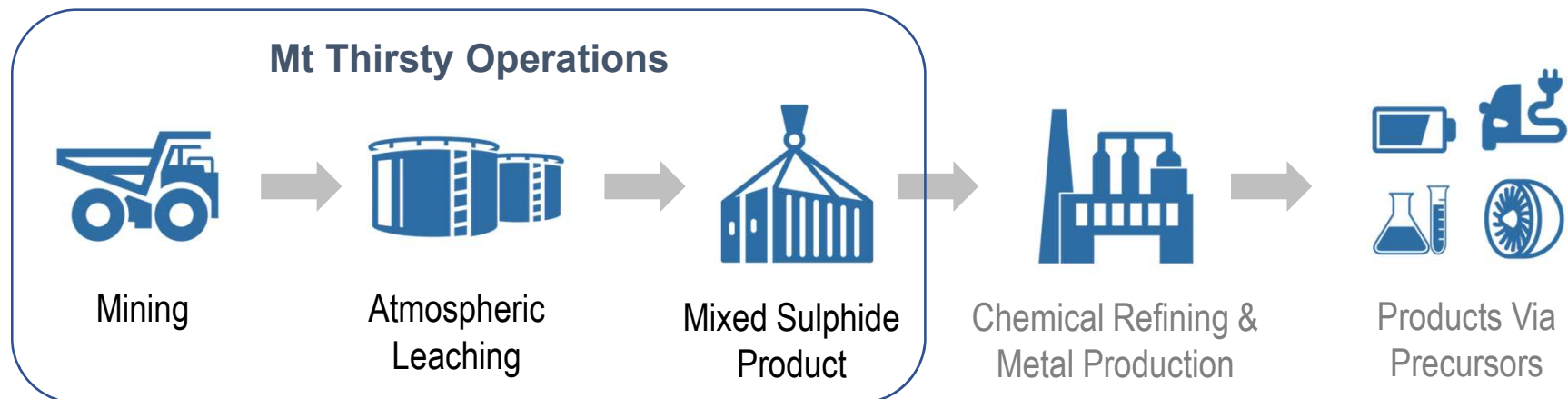
# PRODUCT VALUE CHAIN



- Mixed Sulphide Product (MSP) selected
- Suitable for metal, chemical and battery markets
- Product of strategic interest to many multinationals

**Mt Thirsty Commodity Mix**

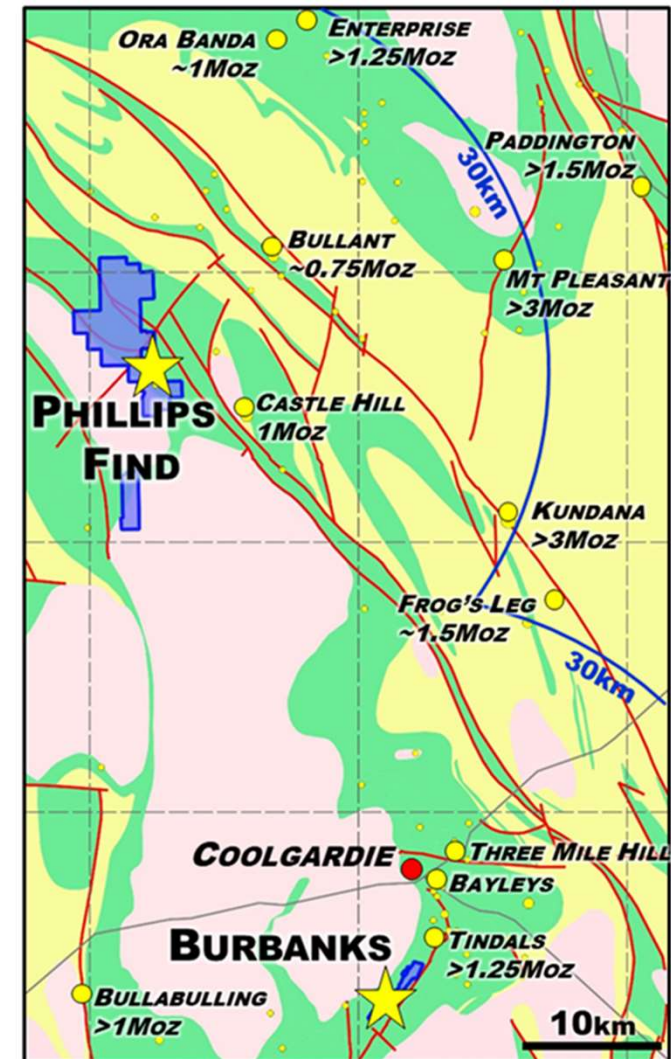
Approx.	Co (%)	Ni(%)
By Volume	50	50
By Value	80	20



# COOLGARDIE GOLD PROJECTS



- Burbanks – historical high grade underground
- Phillips Find – available for farm-in
- Multi-million ounce gold camps within 30km
- Regional consolidation occurring (e.g. ASX: NST-WGX, HRZ-FML)





# BURBANKS – SCOPING STUDY



- Potentially economic mining identified<sup>1</sup>
- Fast track approvals available
- Leverages existing infrastructure
- Barra assessing risk/reward balance
- Recent discoveries are in unmined areas

Burbanks Global Mineral  
Resources considered

**145** kOz

Indicated and Inferred<sup>1</sup>

<sup>1</sup> Refer to Appendix and ASX Announcements 23/09/19 for full details; Inferred Resources have a low level of geological confidence; mining quantities and financial metrics not published in line with regulatory requirements.

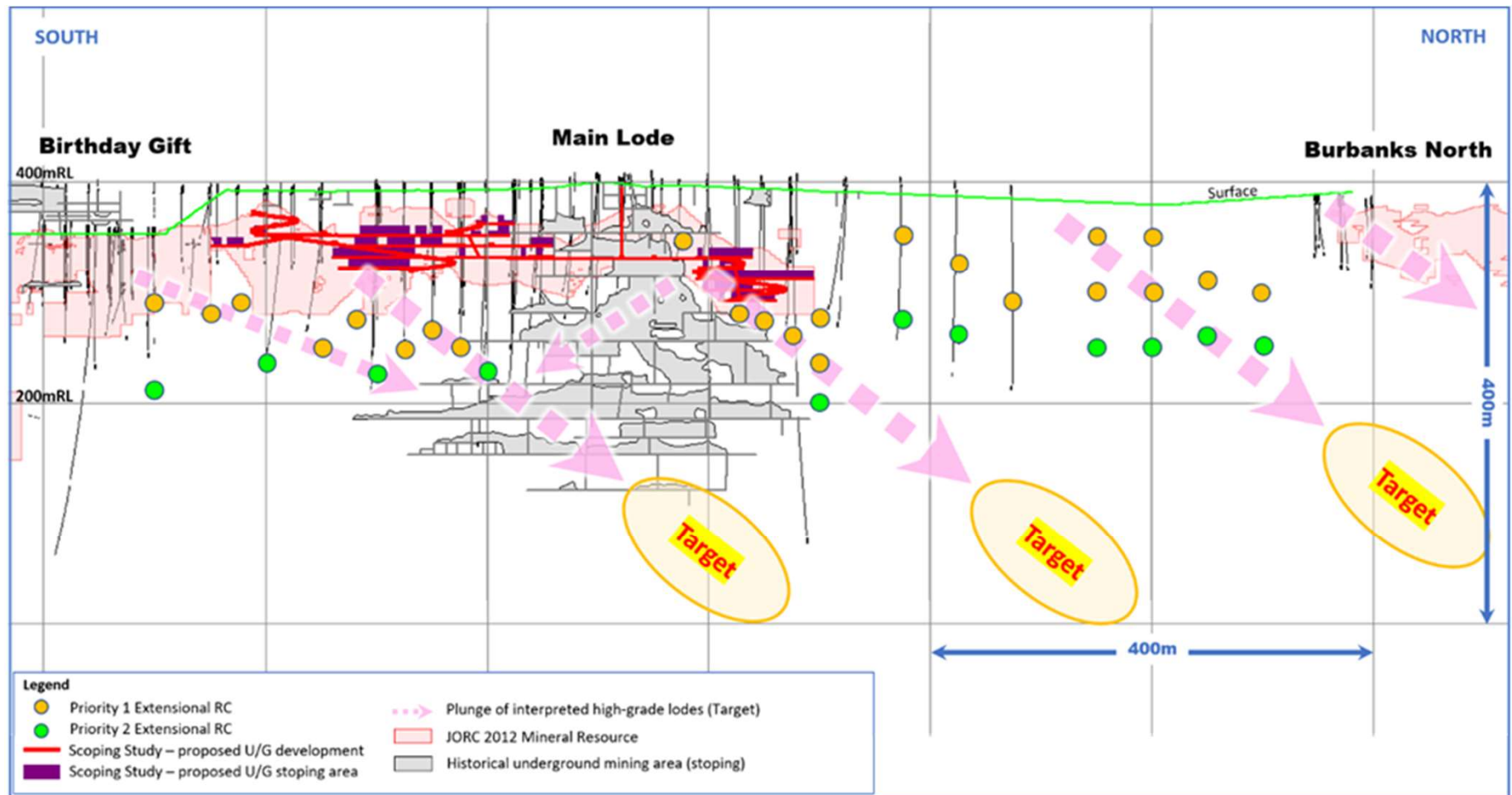
# BURBANKS – DRILLING UNDERWAY



- Aggressive 5,000m RC Program underway
- Aims to extend resources from 100m to 200m below surface
- Aims to close the gap to Burbanks North, confirming a 2km long mineralised gold system
- Interim results in December



# BURBANKS – DRILLING UNDERWAY





# MT THIRSTY PRE-FEASIBILITY STUDY

- Conico loan and Barra funding in place
- 3<sup>rd</sup> and final phase of the PFS at full pace
  - Mine planning
  - Tailings design
  - PFS level engineering; and
  - Ore Reserve reporting
- PFS publication planned in Q1 to align with anticipated rising cobalt and nickel prices
- Ongoing discussions with potential development partners who all identify PFS as investment catalyst





[www.barraresources.com.au](http://www.barraresources.com.au)



# THANK YOU

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# APPENDIX - BURBANKS RESOURCE



Deposit	Cut-Off g/t Au	Indicated			Inferred			Total		
		kt	Grade g/t Au	Ounces	kt	Grade g/t Au	Ounces	kt	Grade g/t Au	Ounces
Christmas Open Pit	1.0	5.7	6.2	1,100	4.0	7.8	1,050	9.7	6.9	2,150
Birthday Gift Underground Mine	2.5	180	6.0	34,750	325	5.6	58,500	505	5.7	93,250
Main Lode Deposit	1.0	106	2.8	9,700	254	2.5	20,200	360	2.6	29,900
Burbanks North	1.0				360	1.8	20,400	360	1.8	20,400
<b>Total</b>	1.0/2.5	291	4.9	45,550	943	3.3	100,150	1235	3.7	145,700
All tonnages reported are dry metric tonnes. Minor discrepancies may occur due to rounding to appropriate figures. For full details of the Birthday Gift and Christmas Pit Mineral Resources, refer to ASX:BAR release 23/9/19. For full details of the Main Lode Mineral Resource, refer to ASX:BAR Release dated 30/10/18. For full details of the Burbanks North Mineral Resource 2/08/19.										



# DISCLAIMER & COMPETENT PERSONS STATEMENTS



## **Competent Persons' Statements**

The information in this report which relates to Exploration Targets, Exploration Results and Mineral Resources for the Phillips Find and Burbanks Gold Projects is based on and fairly represents information compiled by Mr Gary Harvey who is a Member of the Australian Institute of Geoscientists and a full-time employee of Barra Resources Ltd. Mr Harvey consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The information in this report which relates to Mineral Resources at Main Lode and Burbanks North is based on information compiled by Mr Andrew Bewsher full-time employee of BM Geological Services Pty Ltd who is a Member of the Australian Institute of Geoscientists.

The information in this report which relates to Mineral Resources at Birthday Gift and Christmas Pit is based on information compiled by Mr Richard Buerger, a full-time employee of Mining Plus Pty Ltd who is a Member of the Australian Institute of Geoscientists.

The information in this report that relates to Exploration Results for the Mt Thirsty Cobalt-Nickel Project is based on and fairly represents information compiled by Michael J Glasson, a Competent Person who is a member of the Australian Institute of Geoscientists. Mr Glasson is an employee of Tasman Resources Ltd and in this capacity acts as part time consultant to Conico Ltd and the MTJV.

The information in this report which relates to the metallurgical test-work for Exploration Results for the Mt Thirsty Cobalt-Nickel Project is based on and fairly represents information compiled by Mr Dean David who is a Member of the Australian Institute of Mining and Metallurgy and a full-time employee of Wood.

The information in this report which relates to Mineral Resources at Mt Thirsty Cobalt-Nickel Project is based on information provided to and compiled by Mr David Reid, a Competent Person who is a full-time employee of Golder Associates Pty Ltd, and a Member of the Australasian Institute of Mining and Metallurgy.

Messer's Harvey, Bewsher, Buerger, Glasson, David, and Reid have sufficient relevant experience to the style of mineralisation and type of deposits under consideration and to the activity for which they are undertaking to qualify as a Competent Person as defined in the JORC Code (2012 Edition).

The company is not aware of any new information or data that materially affects the information presented and that the material assumptions and technical parameters underpinning the estimates continue to apply and have not materially changed. The company confirms that the form and context in which the Competent Persons' findings are presented have not been materially modified from the original market announcements.

## **Forward Looking Statements Disclaimer**

The interpretations and conclusions reached in this report are based on current geological theory and the best evidence available to the authors at the time of writing. It is the nature of all scientific conclusions that they are founded on an assessment of probabilities and, however high these probabilities might be, they make no claim for complete certainty. Any economic decisions that might be taken based on interpretations or conclusions contained in this report will therefore carry an element of risk.

This report contains forward-looking statements that involve a number of risks and uncertainties. These forward-looking statements are expressed in good faith and believed to have a reasonable basis. These statements reflect current expectations, intentions or strategies regarding the future and assumptions based on currently available information. Should one or more of the risks or uncertainties materialise, or should underlying assumptions prove incorrect, actual results may vary from the expectations, intentions and strategies described in this report. No obligation is assumed to update forward-looking statements if these beliefs, opinions and estimates should change or to reflect other future developments.