

Activity Report for the Quarter Ended 31 December 2014



OVERVIEW

BURBANKS PROJECT

- ❖ Blue Tiger Mines (BTM) produced 1294.5oz from Birthday Gift for the quarter.
- ❖ BTM gold production from Birthday Gift totals 4,735oz.
- ❖ \$400,000 of instalments received from sale of Birthday Gift Mine with a further \$950,000 due over the coming 6 months.

PHILLIPS FIND PROJECT

- ❖ Update of the Newminster resource model, re-optimisation and mine design for resumption of mining continues.

MT THIRSTY PROJECT

- ❖ JV parties continued discussions over project ownership consolidation.

CORPORATE

- ❖ Appointment of Mr Jon Young as a Non-Executive Director.
- ❖ Resignation of Mr Lindsay Franker as a Non-Executive Director.

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PROJECTS

BURBANKS PROJECT (WA)

(Royalty over Birthday Gift Underground Mine & 100% Rights to Reservation Area)

refer Figure A1

The Burbanks Project is centred 9km southeast of Coolgardie, Western Australia.

In August 2013, Barra sold the Birthday Gift Underground Mine (Birthday Gift) to Blue Tiger Mines Pty Ltd (BTM) for \$2 million cash and a royalty per ounce of gold (after the first 6,000ozs production). The deal involved a separation of rights within mining lease M15/161 only with Barra retaining 100% exploration and mining rights to the Reservation Area (Figure A1). All other tenements within the Burbanks Project are not affected by the Birthday Gift Sale Agreement.

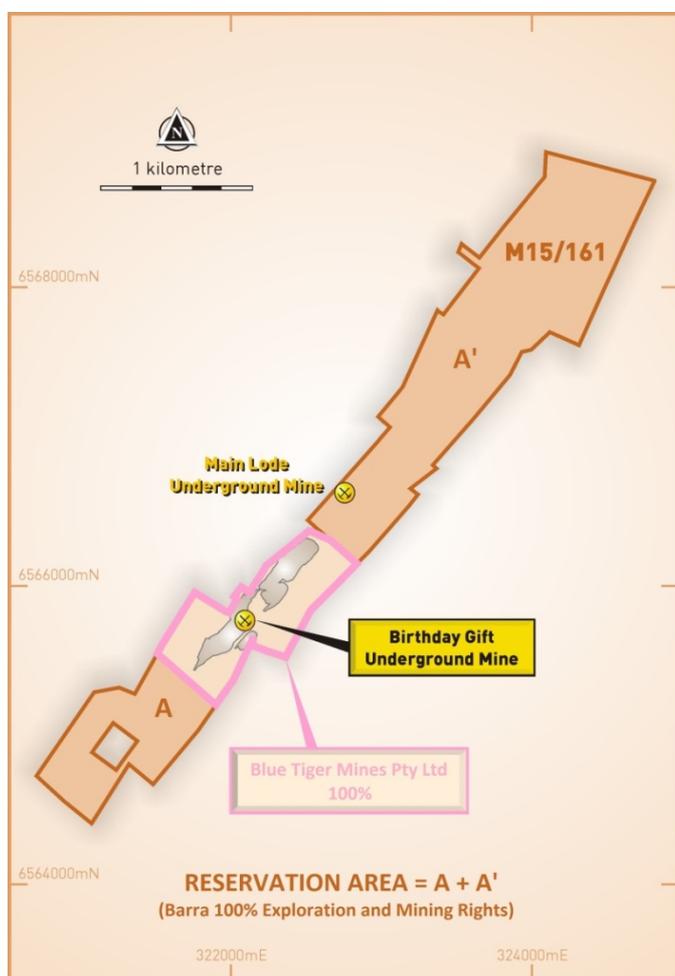


Figure A1: Plan showing Reservation Area within M15/161 where Barra has 100% exploration and mining rights.

Activities

Birthday Gift (Royalty Only)

BTM produced 1294.5oz of gold for the period. BTM's gold production from Birthday Gift since acquisition currently totals 4,735oz (Table 1).

Period	Gold Produced (oz)
Opening Balance	3440.5
Q4 2014	1294.5
Total	4735.0
Gold to be recovered until royalty is payable = 1,265 oz	

Table 1: BTM gold production from Birthday Gift.

The Company received a further \$400,000 in cash instalments during the quarter. Total proceeds paid to Barra under the agreement now stand at \$1,050,000. A further \$950,000 remains outstanding as at 31 December 2014.

PHILLIPS FIND PROJECT (WA)

(100% Barra*)

*except for P16/2422-2425 which are held 85% Barra, 15% Hayes Mining Pty Ltd

The Phillips Find Project is centred 50km north-northeast of Coolgardie, Western Australia.

The most recent mining activity at Phillips Find was in January 2013 where Barra, through an alliance with Blue Tiger Mining Pty Ltd (BTM), mined 53,986 tonnes of ore recovering 4,331 ounces of gold; (refer to ASX announcement 29th April 2013: "Phillips Find Production Update"¹: available to view at www.barraresources.com.au).

¹ The Company is not aware of any new information or data that materially affects the information included in the previous announcement and that all of the previous assumptions and technical parameters underpinning the estimates in the previous announcement have not materially changed.

Activities

The Company is currently in the process of updating the Newminster resource model following RC drilling in June 2014.

Whilst BTM continue to assess its options regarding the resumption of open pit mining under the right-to-mine agreement, the Company continues to simultaneously review its options regarding possible commencement of underground mining following BTM's activities.

MT THIRSTY PROJECT

(50% Barra; 50% Conico Ltd – Joint Venture)

The Mt Thirsty Project is located 20km north-northwest of Norseman, Western Australia. Conico Ltd (ASX:CNJ) is the joint venture manager.

The Project contains the Mt Thirsty Cobalt-Nickel (Co-Ni) Oxide Deposit which has the potential to emerge as a significant cobalt supplier. The deposit contains an Indicated Mineral Resource of 16.6Mt @ 0.14% Co, 0.60% Ni and 0.98% Mn and an Inferred Mineral Resource of 15.3Mt @ 0.11% Co, 0.51% Ni and 0.73% Mn; (*The Mt Thirsty Co-Ni Oxide Deposit mineral resource was prepared and first reported in accordance with the JORC Code 2004. It has not been updated since to comply with the JORC Code 2012 on the basis that the information has not materially changed since it was last reported; refer to ASX announcement 8th March 2011: "Resource Upgrade Mt Thirsty Cobalt-Nickel Oxide Deposit"¹, available to view at www.barraresources.com.au).*

As well as the Co-Ni Oxide Deposit, the Project also hosts primary nickel sulphide (Ni-S) mineralisation with intersections of Ni-S mineralisation up to 6m down-hole @ 3.5% Ni made by the joint venture in 2010 (refer to ASX announcement 19th May 2010: "High Grade Nickel Sulphides Intersected at Mt Thirsty JV"¹, available to view at www.barraresources.com.au).

¹ The Company is not aware of any new information or data that materially affects the information included in the previous announcement and that all of the previous assumptions and technical parameters underpinning the estimates in the previous announcement have not materially changed.

Activities

During the quarter, the joint venture partners continued to discuss the consolidation of the joint ownership of the project. These discussions are continuing.

TENEMENTS

The following tenement changes occurred during the quarter (see Tenement Listing at end of report):

- There were no tenements changes during the period.

CORPORATE

Subsequent to the quarter, the Company appointed Mr Jon Young as a Non-Executive Director and accepted the resignation of Mr Lindsay Franker as a Non-Executive Director.

Mr Young brings extensive mining industry and financial markets experience to the Company.

Mr Young holds a Bachelor of Commerce Degree from the University of Western Australia and is a

member of the Institute of Chartered Accountants in Australia. For nearly 30 years Mr Young has worked in the financial markets and is currently Director Private Clients with Perth based national stock broking firm Patersons Securities Limited.

For 12 years, until the sale of the underground mining contractor Barmenco Limited in August 2007, Jon served as Non-executive Chairman of the Barmenco Group of companies, including Barmenco Limited where he continues to serve as an alternate director.

Mr Young is Chairman of Barra's major shareholder, FMR Investments Pty Ltd (formerly Barmenco Investments Pty Ltd).

Recent Announcements

Date	Announcement
07/10/2014	2014 Annual Report
30/10/2014	Quarterly Activity Report
30/10/2014	Quarterly Cashflow Report
05/01/2014	Appointment and Resignation of Director
05/01/2014	Initial Director's Interest Notice
05/01/2014	Final Director's Interest Notice

Note: All announcements are available on the Company's website.

INVESTOR INFORMATION

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Capital Structure

373,247,883 listed ordinary shares

3,000,000 unlisted options

Company Directors

Gary Berrell	-	Executive Chairman
Grant Mooney	-	Non-Executive Director and Company Secretary
Jon Young	-	Non-Executive Director

ASX Codes

Shares: BAR



GARY BERRELL
Executive Chairman



Abbreviations

AC=Aircore, Au=gold, Co=cobalt, DEC=Department of Environment and Conservation, DD=Diamond, DMP=Department of Mines and Petroleum, g=grams, g/t=grams per tonne, kg=kilograms, km=kilometres, lb/s=pound/s, LME=London Metal Exchange, lt=litre, m=metres, min=minutes, ml=millilitre, mm=millimetre, Mn=manganese, Mt=million tonnes, Ni=nickel, oz/s=ounce/s, pH=measure (1-10) of acidity (1 acid, 7 neutral, 10 basic), ppb=parts per billion, ppm=parts per million, RAB=Rotary Air Blast, RC=Reverse Circulation, RL=Reduced Level, t=tonnes, tpa=tonnes per annum μ m=micro metres, @= grading, %=percent, °C=degrees celsius.

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 on the basis of interpretations or conclusions contained in this report will therefore carry an element of risk.

It should not be assumed that the reported Exploration Results will result, with further exploration, in the definition of a Mineral Resource.

Competent Persons Statement

The information in this report which relates to Exploration Results is based on 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 has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" (the JORC Code). 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.

APPENDIX 1 - TENEMENT LISTING

Tenement	Project	Location	Change in Interest (%) during Quarter			Comments	
			End of Quarter	Acquired	Disposed		
M15/161	Burbanks	WA	0			Barra 100% rights to Reservation Area (Figure A1) only	
P15/5249		WA	100				
P15/5412		WA	100				
E63/1267	Mt Thirsty	WA	50				
E63/373		WA	50				
L63/66		WA	50				
L63/67		WA	50				
R63/4		WA	50			Application Only, Covers same area as E63/373	
M63/527		WA	50			Application Only, Covers same area as E63/373	
M16/130		Phillips Find	WA	100			
M16/133			WA	100			
M16/168	WA		100				
M16/171	WA		100				
M16/242	WA		100				
M16/258	WA		100				
P16/2390	WA		100				
P16/2391	WA		100				
P16/2392	WA		100				
P16/2393	WA		100				
P16/2394	WA		100				
P16/2397	WA		100				
P16/2398	WA		100				
P16/2399	WA		100				
P16/2400	WA		100				
P16/2401	WA		100				
P16/2403	WA		100				
P16/2404	WA		100				
P16/2405	WA		100				
P16/2406	WA		100				
P16/2407	WA		100				
P16/2408	WA		100				
P16/2410	WA		100				
P16/2578	WA		100				

Tenement	Project	Location	Change in Interest (%) during Quarter			Comments	
			End of Quarter	Acquired	Disposed		
P16/2702		WA	100				
P16/2757		WA	100				
P16/2783		WA	100				
P16/2784		WA	100				
P16/2785		WA	100				
P16/2786		WA	100				
P16/2422		WA	85				
P16/2423		WA	85				
P16/2424		WA	85				
P16/2425		WA	85				
E30/332		Riverina (JV Interest in Nickel Rights Only)	WA	30			
E30/333			WA	30			
M30/16			WA	30			
M30/43			WA	30			
M30/60			WA	30			
M30/84	WA		30				
M30/97	WA		30				
M30/98	WA		30				
M30/99	WA		30				
M30/127	WA		30				
M30/133	WA		30				
M30/157	WA		30				
M30/178	WA		30				
M30/182	WA		30				
P30/1017	WA		30				
P30/1018	WA		30				
P30/1020	WA		30				
P30/1021	WA		30				
P30/1023	WA		30				
P30/1024	WA		30				
P30/1025	WA		30				
P30/1026	WA		30				
P30/1027	WA		30				
P30/1033	WA		30				
P30/1034	WA		30				
P30/1038	WA		30				
P30/1040	WA		30				