

10 March 2015

Baraka moves to increase its Georgina Basin Acreage

- Seeks farm-in Partner

Baraka Energy & Resources Ltd (ASX:BKP)(“Baraka” or “the Company”) is pleased to announce that it has, after an extended period of discussions and communications, together with the support of Petrofrontier Corp (TSX-V:PFC)(“Petrofrontier”) and Statoil Australia Theta B.V. (Statoil), applied for the renewal of Exploration Permit EP128, being the most northerly of the two permits Baraka has an interest in, in the Georgina Basin, Northern Territory, Australia.

Both Petrofrontier and Statoil, as a result of not discovering hydrocarbons of sufficient quantity, quality or sufficient porosity from the limited wells drilled and completed, have elected to withdraw from both permits, for their respective reasons.

It is important to note that the McIntyre 2H well, initially drilled by Petrofrontier on EP127, indicated high gas readings during drilling, however after fracking this was unable to be investigated further due to the well producing excessive water and hydrogen sulphide (H₂S), and was suspended for safety reasons.

Statoil were predominantly seeking a large unconventional shale basin similar to those basins in USA/Canada, in an area representing some 13 million acres, including the 2 permits controlled by Petrofrontier and Statoil. Only 5 wells were drilled in the eastern area of all the permits, and although they were unsuccessful, this leaves an enormous area yet to be explored.

EP127 and EP128 combined represent some 8 million of those acres, of which Baraka previously had a 25% working interest.

Based on independent oil and gas consultant reports from RISC (formerly ISIS) and Ryder Scott, both of which are available on the Company’s website, there are a number of conventional oil and gas targets throughout the basin.

Directors of Baraka travelled to Darwin and met with various parties within the Department of Mines and Energy, to discuss Baraka pursuing renewal of EP128 in its own right, and were provided a very courteous and supportive audience.

As a result, Baraka appointed an experienced law firm and a tenement administrator in Darwin, to assist in the application to renew the permit in the name of Baraka as the 100% holder. This application has recently been lodged with supporting documentation.

Subject to the success of the renewal application with Department of Mines and Energy, the Company will make further announcements regarding its intentions on



this permit going forward. Baraka has not been informed as to the timing of any approval period as the licence does not expire until 13 June 2015, with all commitments having been met to that date.

Based on both Petrofrontier and Statoil's announcements and continued discussions with Baraka, it is expected that Baraka will also lodge an application for renewal of EP127 in its own right as 100% permit holder in due course. EP127 does not expire until 13 December 2015 and once again, all commitments have been met to that date.

As previously announced, Baraka has been approached by a Canadian group that has for some time expressed an interest in pursuing the conventional targets within Baraka's permits, and we would expect to pursue that interest if both permits are renewed.

Whilst the world's energy and resource companies are suffering low oil, iron ore, coal and other commodity prices, history shows that these are only a temporary hiccup in the world's growth, and will result in the same recovery of prices and demand as every other recession and or commodity cycle in the past 40 years.

The board of Baraka would like to once again thank Petrofrontier and Statoil for their courage and energy in committing substantial funds to pursuing the basins unconventional prospects, regardless of results during their programs.

Baraka will, in addition to pursuing the renewal of these permits and seeking farm in partners, continue to assess a number of other projects and ventures for the benefit of its shareholders, including its current assets, and seek to create cash generating opportunities as soon as realistically possible.

END

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