

COMPLETION OF BIRTHDAY GIFT SALE

Barra Resources Limited ("Barra" or "the Company") is pleased to announce the completion of the sale of its Birthday Gift underground mine at its Burbanks Gold Project, Coolgardie, Western Australia, to Blue Tiger Mines Pty Ltd (Blue Tiger).

Blue Tiger has today announced a partial sale of its interest in the Birthday Gift mine to Kidman Resources Limited (Kidman) (ASX code: KDR). The injection of funds into Blue Tiger has allowed Blue Tiger to settle outstanding funds of approximately \$800,000 remaining under the existing Tenement Sale Agreement with Barra.

Blue Tiger and its partial assignee Kidman will continue to pay Barra \$25 per ounce of gold produced from the Birthday Gift mine.

Barra retains the sole and exclusive rights to explore for and mine gold from all the areas outside of the Mine Area within mining lease M15/161 (Areas A and B in Figure 1, also defined as the Reservation Area).

Importantly, Barra retains 100% of the historic Main Lode underground workings, 200m north of the Mine Area, where approximately 146,000 tonnes grading 18.3 grams per tonne gold (~85,000 ounces of gold) has been mined historically.

The Company looks forward with confidence to the benefits via royalties from the increased production at the Birthday Gift mine.

Gary Berrell

Chairman

Barra Resources Limited

Berrell

Telephone: (08) 9481 3911 Facsimile: (08) 9481 3283

Competent Persons Statement

The information in this report which relates to Exploration Results is based on information compiled by Gary Harvey who is a Member of the Australian Institute of Geoscientists and a full-time employee of Barra Resources Ltd. Gary 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 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Gary Harvey consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

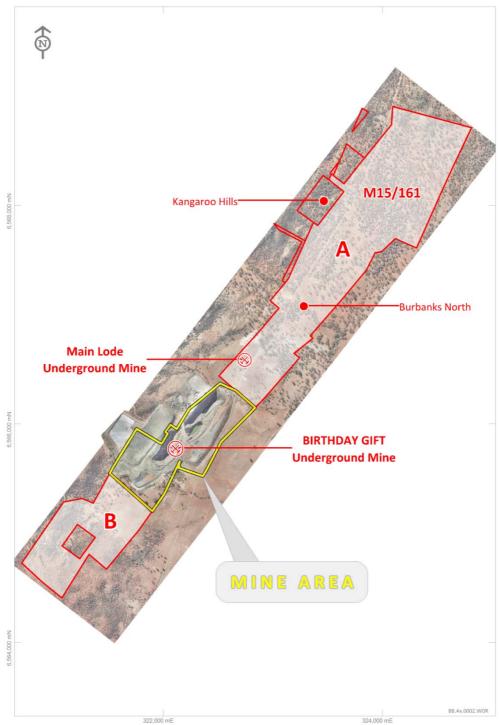


Figure 1: Map showing mining lease M15/161, Birthday Gift underground 'Mine Area' (Blue Tiger/Kidman 100%), and Areas A and B (Reservation Area) where Barra retains sole and exclusive rights to explore for and mine gold.