



MINING TO RE-COMMENCE AT NEWMINSTER DEPOSIT

Barra Resources Limited (ASX: BAR) is pleased to advise that Blue Tiger Mining ("BTM") has recommenced open pit mining of the Newminster Deposit at Barra's 100% owned Phillips Find Project, 45 kilometers northwest of Coolgardie.

KEY POINTS

- Under the Mining Agreement, BTM will deepen ('cut-back') the current pit from 42 metres to a final pit depth of 65 metres below surface.
- The cut-back will see an additional 43,000 tonnes grading 2.8 g/t of gold (~3,600 ounces) mined from the original JORC 2004 compliant Resource of 149,000 tonnes grading 3.5g/t gold (Table 1).
- Mining operations will take approximately 3 to 4 months to complete.
- Barra will receive a fixed fee of \$200,000 plus a royalty of \$150 per ounce of gold payable in respect of each ounce of gold between 2,501 and 4,000 ounces produced. A royalty of \$100 per ounce is payable in respect of each ounce of gold in excess of 4,000 ounces extracted.

In January 2013, BTM commenced operations at Newminster, mining a shallow pit to 42 metres depth extracting 53,986 tonnes grading 2.7 g/t gold for 4,700 ounces (*ASX Release dated 29 April 2013*). The currently proposed Stage 2 will see the completion of open-pit mining of the Newminster deposit to its originally intended depth of 65 metres.

An additional 43,398 tonnes grading 2.83g/t gold for an estimated 3,630 ounces will be mined during the current cut-back operation from the following JORC 2004 compliant Indicated and Inferred Mineral Resource over the next 3 to 4 month period (Table 1):

Newminster In-situ Mineral Resource - 1.5g/t lower cut (as at January 2013)			
JORC Category	Tonnes	Grade	Ounces
Indicated	33,462	3.38	3,640
Inferred	115,766	3.51	13,045
Total	149,228	3.48	16,686

Table 1: 2013 Newminster Mineral Resource (JORC2004)¹

¹ Refer to ASX Release dated 16 January 2013 titled 'Gold Production to Commence at Phillips Find'; available to view at www.barraresources.com.au. 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.

Barra is pleased that BTM has decided to re-commence mining at Newminster to its intended depth of 65 metres. Importantly, it will provide ready access to high-grade underground mineralisation which will be the focus of further exploration by Barra (see Figure 1).

The Company would like to reiterate that the completion of open-pit mining of the Newminster deposit is the first phase of the Company's longer term strategy for the Phillips Find Project. The Company's aim is to develop the Phillips Find Mining Centre into a viable medium to long-term underground mining operation. Once this current phase of open pit mining is completed, the Company will embark on a detailed drilling program to infill and extend mineralisation below the Newminster Deposit.



Gary Berrell
Executive Chairman
Barra Resources Limited

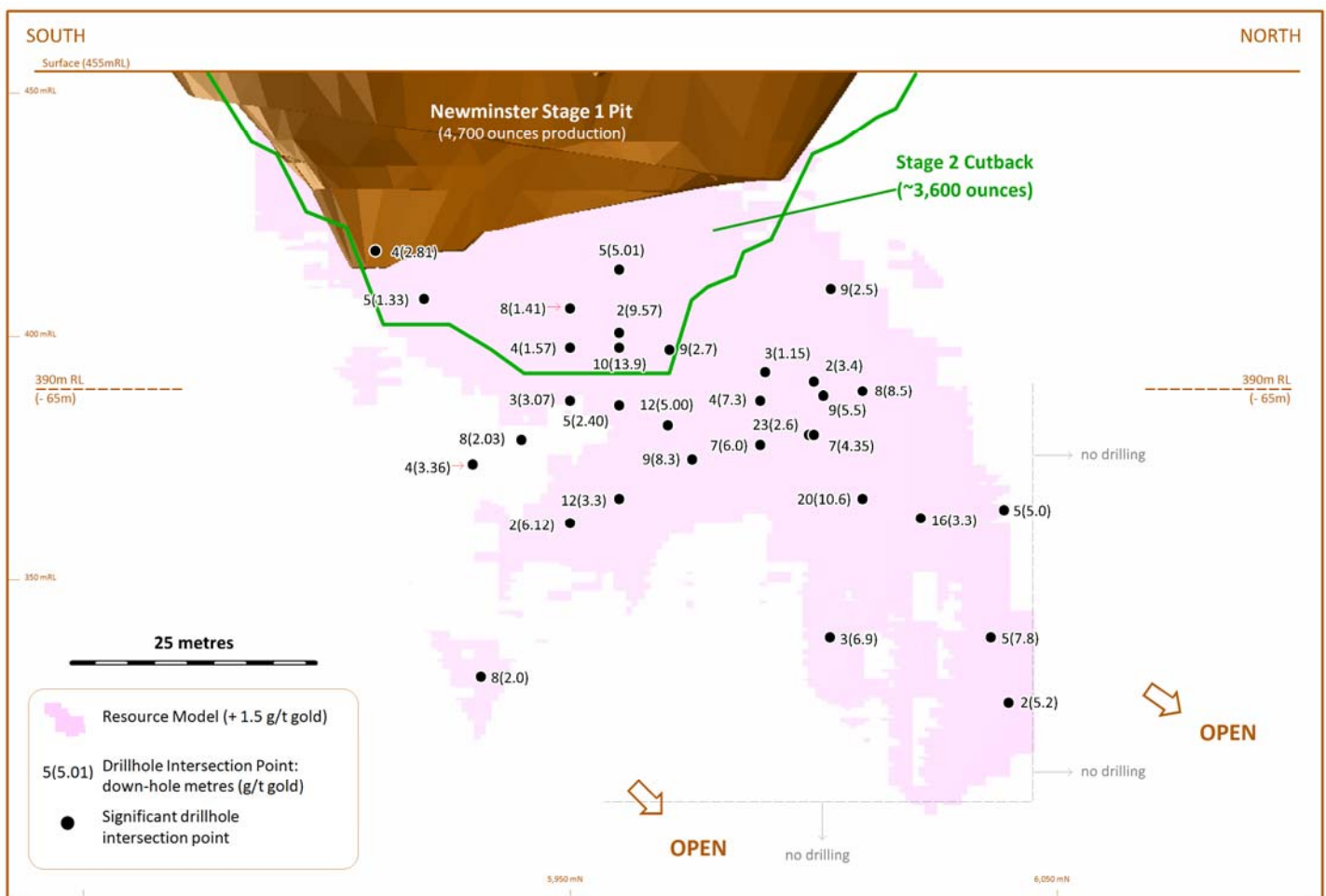


Figure 1: Newminster Long Section showing the existing pit (Stage 1), Stage 2 cut-back and down-plunge mineralisation potential subject to underground development.



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 2012 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.

The information in this report which relates to the Newminster Indicated and Inferred Mineral Resources is based on information compiled by Andrew Moulds, a full-time employee of Goldfields Mining Services, who is a Member of the Australian Institute of Geoscientists. Andrew Moulds 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". Andrew Moulds consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

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