

**Corporate Details:**

ASX Code: *BAR*

Market Cap: \$3.36M (Sep 30)

Cash: \$0.87M (Sep 30)

Issued Capital:

373,247,883 ordinary shares

Substantial Shareholders:

FMR Investments P/L 22%

Directors:**Executive Chairman:**

Gary Berrell

Non-Executive Directors:

Grant Mooney

Jon Young

Chief Executive Officer:

Gary Berrell

Company Secretary:

Grant Mooney

Contact Details:

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Barra Resources Limited

Activity Report for the Quarter Ended 30 September 2015

OVERVIEW

PHILLIPS FIND PROJECT

- ❖ Stage 2 mining of the Newminster deposit completed.
- ❖ 56,996 tonnes of ore milled.
- ❖ 4,054 ounces recovered.
- ❖ Barra due to receive \$430,000 in 'right-to-mine' and gold royalty payments.
- ❖ Geochemical orientation surveys commence on exploration areas north of the Phillips Find Mining Centre.

BURBANKS PROJECT

- ❖ Kidman Resources Limited (Kidman) / Blue Tiger Mines Pty Ltd (BTM) Joint Venture produced 1,340 ounces of gold from the Birthday Gift Mine Area.
- ❖ Barra to receive \$33,500 from gold royalty payments.
- ❖ Development options being investigated for Main Lode underground mine.

MT THIRSTY PROJECT

- ❖ Retention Licence application (R63/4) over E63/373 has reached notification stage and should be granted early next year if no Native Title objections are lodged.

PROJECTS

PHILLIPS FIND PROJECT (WA) (100% Barra*)

**except for Carbine South tenements which are held 85% Barra, 15% Hayes Mining Pty Ltd*

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

The project covers over 10 kilometres in strike of prospective greenstone stratigraphy and includes the Phillips Find Mining Centre (PFMC) where 27,318 ounces of gold has been produced between 1998 and December 2014 from three open-pit operations; Bacchus Gift, Newhaven and Newminster. Exploration potential within the project is excellent with numerous targets defined by auger geochemical anomalism, aeromagnetic interpretation and drilling.

In June 2015, the Company re-commenced mining a cut-back of the Newminster pit. This work is being undertaken by Blue Tiger Mining Pty Ltd (BTM), subject to a Right-To-Mine agreement. This current phase of mining is expected to produce 43,400 tonnes grading 2.8 grams per tonne Au for an estimated 3,600 ounces of gold. The Newminster deposit was previously mined in early 2013 producing 4,700 ounces of gold from 53,990 tonnes grading 2.7 grams per tonne Au.

Activities

BTM completed the Stage 2 cutback of the Newminster open pit in September 2015. A total of 56,996 tonnes grading 2.36 grams per tonne was mined for 4,318 ounces. Ore was treated at the Greenfields Milling Facility in Coolgardie with 4,054 ounces recovered, exceeding guidance of 3,630 ounces¹.

Pursuant to the Right-to-Mine Agreement with BTM, the Company is due to receive \$430,000 in right-to-mine fees and gold royalty payments.

Final open-pit production from the Newminster Deposit (Stage 1 and Stage 2) was 111,082 tonnes grading 2.52 grams per tonne for 9,018 ounces (8,410 ounces recovered) to a depth of 65m.

With the completion of open-pit mining at Newminster the Company is now focussed on developing the underground potential of the Phillips Find Mining Centre with the aim of transitioning into a viable medium to long-term underground mining operation.



Figure 1: Newminster pit – completed during the quarter

¹ (refer to ASX announcement 19th May 2015: "Mining to Re-commence at Newminster Deposit": 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.

The Company completed a review of its existing auger and soil geochemical datasets utilising the services of CSA Global Consultants. It was recommended that a much broader element suite should be considered for future soil-auger, rock-chip and drilling. Four prospect areas with known gold mineralisation were selected for orientation surveys to determine a suitable ore and pathfinder element suite following CSA's recommendation (Figure 2).

The surveys are designed to identify element associations for gold mineralisation within the Phillips Find area. The results will be combined with geological, structural, and geophysical datasets to determine key targeting criteria for the Phillips Find Project.

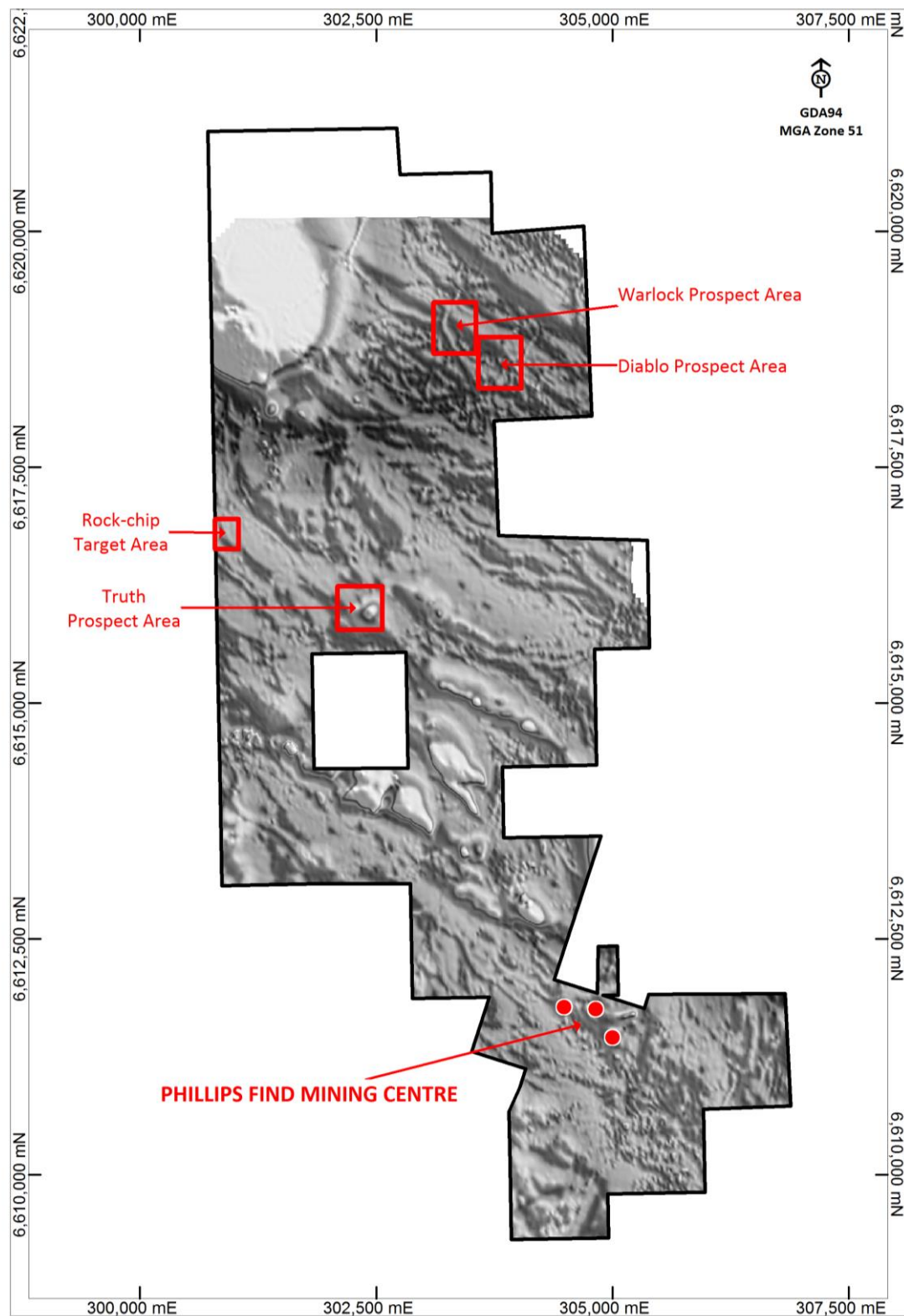


Figure 2: Location of geochemical orientation surveys at Phillips Find

BURBANKS PROJECT (WA)

(Includes Royalty over Birthday Gift Mine Area and 100% Rights to Reservation Area within M15/161)

refer Figure 3

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

In August 2013, Barra sold the Birthday Gift Underground Mine (BGMA) to Blue Tiger Mines Pty Ltd (BTM) for cash and a royalty per ounce of gold (after the first 4,000oz production). The deal involved a separation of rights within mining lease M15/161 with Barra retaining 100% exploration and mining rights to the Reservation Area within the mining lease (Figure 3).

Importantly, Barra retained 100% ownership of the Main Lode underground mine which has historically produced 146,000t @ 18.3g/t Au for approximately 85,000ozs of gold as well several important prospects including Burbanks North, Pipeline, Fangjaw and Salmon South.

All other tenements within the Burbanks Project including the highly prospective Kangaroo Hills tenements, are not affected by the sale of the BGMA.

Activities

Royalty (Birthday Gift Mine Area)

During the period the Kidman/BTM Joint Venture (Joint Venture) poured 1,340 ounces of gold from the Birthday Gift Mine Area (BGMA) in the final two weeks of September. Pursuant to the Birthday Gift Sale Agreement, the Company will receive \$33,500 in gold royalty payments.

Accumulative gold production from the BGMA since the sale of the asset currently totals 9,472oz (Table 1).

Period	Gold Produced (oz)
Opening Balance	4735.0
Q2 2015	3397.0
Q3 2015	1,340.0
Total	9,472.0

Table 1: Kidman/BTM Joint Venture gold production from Birthday Gift Mine Area

1. Kidman/BTM recommenced mining open-pit (Christmas Pit) and milling of underground ore from Birthday Gift in the September Quarter (see KDR: ASX Release dated 8th September, 2015).
2. Approximately **4,552** ounces of gold is forecast to be produced in the December Quarter (see KDR: ASX Release dated 16th September, 2015).



Figure 3: Plan showing Reservation Area (A-A') and BGMA within M15/161

Main Lode Underground Mine

The Company has commenced investigating potential development options for the Main Lode underground mine located 200m north of the BGMA owned by Kidman and BTM.

The Main Lode underground mine historically produced 146,000t @ 18.3g/t Au for approximately 85,000ozs of gold. Barra completed an RC program in 2008 which was designed to follow-up on the up-plunge extent of the historical workings (see *BAR: ASX Release dated 28th August 2008*).

Recent evaluation work by Barra has defined a zone of mineralisation (grading above 1g/t Au) over a strike length of 400m and between 25m and 100m below the surface (Figure 4).

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.

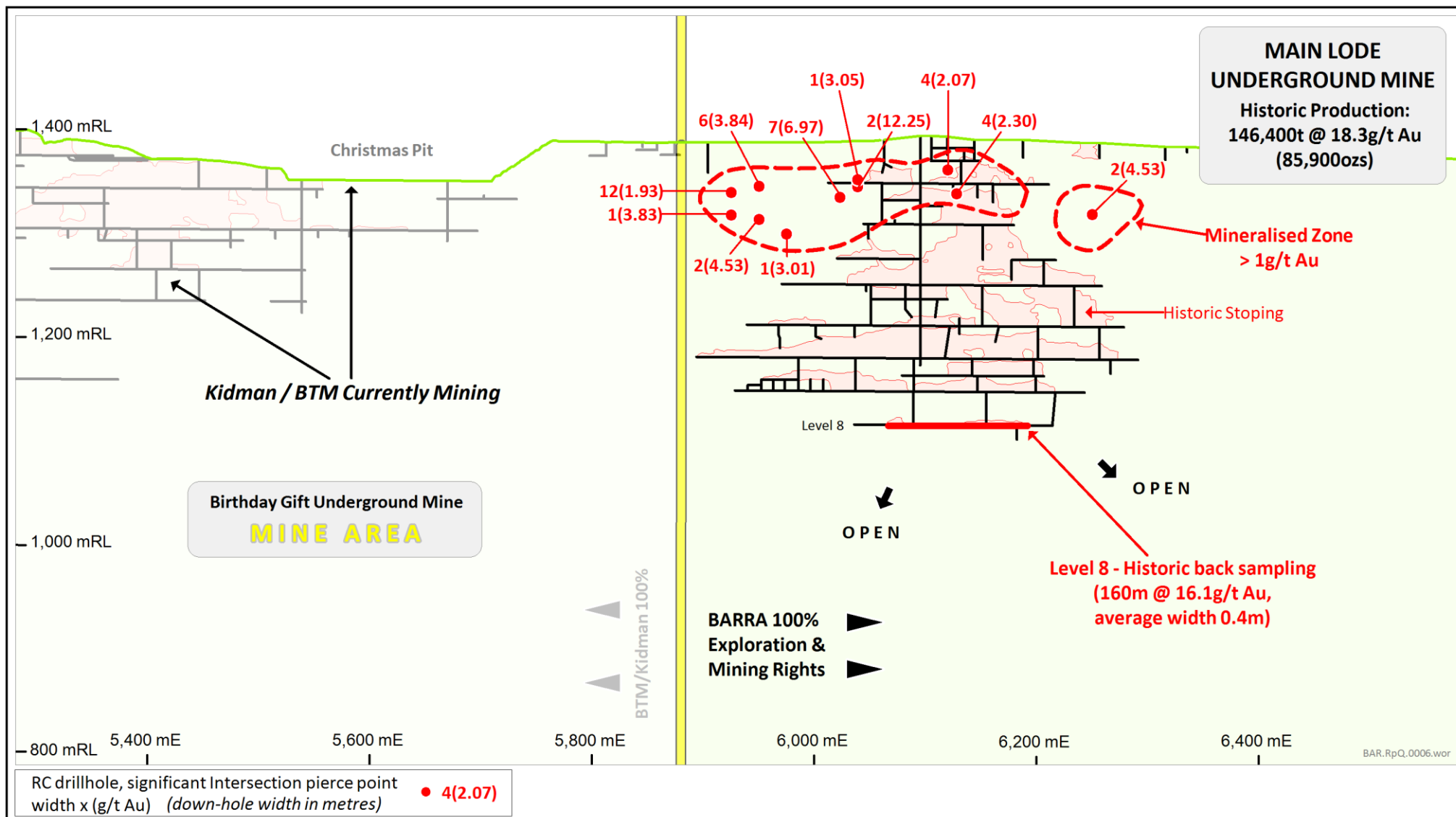
The Project contains the Mt Thirsty Cobalt-Nickel (Co-Ni) Oxide Deposit which has the potential to emerge as a significant cobalt supplier. The deposit contains an Indicated Mineral Resource of 16.6Mt @ 0.14% Co, 0.60% Ni and 0.98% Mn and an Inferred Mineral Resource of 15.3Mt @ 0.11% Co, 0.51% Ni and 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"², 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"³, available to view at www.barraresources.com.au).

Activities

A Retention Licence application (R63/4) over E63/373, which contains the Mt Thirsty Co-Ni Oxide Deposit, has reached notification stage and should be granted early next year if no Native Title objections are lodged.

^{2/3} 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.



TENEMENTS

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

- There was no tenement movement during the quarter.

CORPORATE

Recent Announcements

Date	Announcement
23/09/2015	Financial Report for the Year Ended 30 June 2015
31/07/2015	Cashflow Report for the Quarter Ended 30 June 2015
30/07/2015	Activities Report for the Quarter Ended 30 June 2015
23/07/2015	Newminster Update
03/07/2015	Chairman's Update
19/05/2015	Mining to re-commence at Newminster

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



GARY BERRELL
Executive Chairman



Project Location Map

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 Targets, Exploration Results and Mineral Resources for the Phillips Find Project 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 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.

The information in this report that relates to Exploration Targets, Exploration Results and Mineral Resources for the Mt Thirsty Project is based on and fairly represents information compiled by Michael J Glasson and Robert N Smith, Competent Persons who are members of the Australian Institute of Geoscientists. Mr Glasson and Mr Smith are employees of Tasman Resources Ltd and in this capacity act as part time consultants to Conico Ltd. Mr Glasson and Mr Smith hold shares in Conico Ltd. Mr Glasson and Mr Smith have sufficient experience which is relevant to the style of mineralisation and type of the deposits under consideration and to the activity being undertaking to qualify as Competent Persons as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Glasson and Mr Smith consent to the inclusion in the report of the matters based on their information in the form and context in which it appears.

APPENDIX

TENEMENT LISTING

Tenement	Project	Location	Change in Interest (%) during Quarter			Comments
			End of Quarter	Acquired	Disposed	
M15/161	Burbanks	WA	0			Reservation Rights only (Figure 3)
P15/5249		WA	100			
P15/5412		WA	100			
E63/1267	Mt Thirsty	WA	50			
E63/373		WA	50			
R63/4		WA	50			
M63/527		WA	50			Application Only, Covers same area as E63/373
M16/130		WA	100			Application Only, Covers same area as E63/373
M16/133		WA	100			
M16/168	Phillips Find	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			
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P16/2406		WA	100			
P16/2407		WA	100			
P16/2408		WA	100			
P16/2410		WA	100			
P16/2578		WA	100			
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			Carbine South Tenements
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			
M30/43		WA	30			
M30/60		WA	30			
M30/84		WA	30			
M30/97		WA	30			
M30/98		WA	30			
M30/127		WA	30			
M30/133		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			
P30/1074		WA	30			
P30/1111		WA	30			
P30/1112		WA	30			
P30/1113		WA	30			

Tenement	Project	Location	Change in Interest (%) during Quarter			Comments
			End of Quarter	Acquired	Disposed	
P30/1114		WA	30			
P30/1115		WA	30			
P30/1116		WA	30			
P30/1117		WA	30			
P30/1118		WA	30			
P30/1119		WA	30			
P30/1120		WA	30			