



## BARRA ENTERS INTO STAGED MINING AGREEMENT AT BURBANKS NORTH

Barra Resources Limited (ASX: BAR) is pleased to announce the formalization of an agreement with FMR Investments Pty Ltd<sup>1</sup> (FMR) to evaluate and potentially commence an open-cut mining operation at Burbanks North within Barra's Burbanks Project, 9km south of Coolgardie. The Agreement has been negotiated strictly on commercial terms.

The Burbanks North deposit lies within Barra's Reservation Area within mining lease M15/161 (Figure 1). Previous infill drilling at Burbanks North in 2010 intersected consistent downhole widths of shallow oxide gold mineralisation over a strike length of about 100 metres including 10.0 metres grading 3.85 grams per tonne gold (*including 6.0 metres grading 5.74 grams per tonne gold*), 10.0 metres grading 3.90 grams per tonne gold (*including 6.0 metres grading 6.07 grams per tonne gold*), 6.0 metres grading 4.18 grams per tonne gold, and 10.0 metres grading 3.53 grams per tonne gold (*including 1.0 metre grading 20.19 grams per tonne gold*) (*these results were previously announced in ASX Release dated 2 July 2010; "Burbanks North Yields Shallow Gold Zone"*<sup>2</sup>, available to view at [www.barraresources.com.au](http://www.barraresources.com.au)).

Under the Agreement, FMR and Barra will jointly fund an 80 hole 2,450 metre infill aircore program at the Burbanks North deposit seeking to confirm and expand the existing mineralized zone over a strike length of 200m with the aim of defining a mineable resource. A resource estimation and financial evaluation will follow before electing to proceed to mining development. This work and any future mining activities will provide useful information regarding the along strike potential of further mineralisation at Burbanks including the Main Lode deposit within Barra's Reservation Area which abuts Kidman Resources Limited's Birthday Gift underground operations (Figure 1).

The key parts of the agreement cover:

1. Project area bounded by local grid coordinates 6850mN and 7050mN, the Burbanks Mine access road to the west, 2100mE, with a depth limit of 50 metres below the natural surface.
2. Following a review of drilling results, the parties will enter a tribute mining agreement with the intent that FMR will mine and mill the ore. Profits will be split 35:65 in FMR's favour, with Barra not being liable for any loss which may result from the mining, transport and milling of the ore.
3. The letter agreement expires within 6 months of the date of signing (dated 27 July 2016) if no tribute agreement is entered into within that time period.

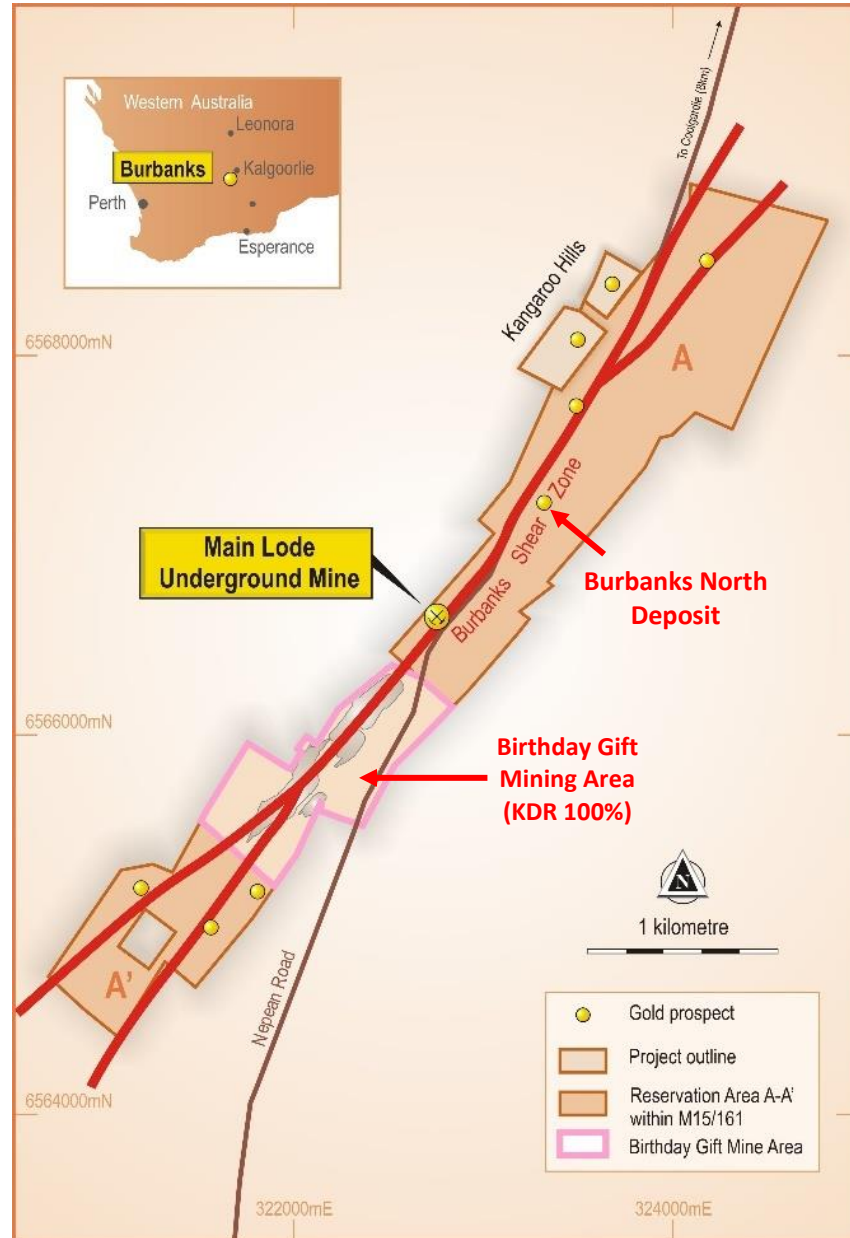
Drilling will commence on 2 August 2016 with a view that a decision on mining will be made in early September.

Barra's Chairman Gary Berrell said today, *'this deal is a great opportunity for Barra to unlock value from Barra's excellent portfolio of advanced gold projects at relatively low risk to Barra, drawing upon FMR's mining capability and access to its nearby Greenfields milling facility'*.

<sup>1</sup> FMR Investments Pty Ltd is Barra's major shareholder and Jon Young sits on both boards.

<sup>2</sup> The Company is not aware of any new information or data that materially affects the information included in the previous announcement and that all the previous assumptions and technical parameters underpinning the estimates in the previous announcement have not materially changed.

**Gary Berrell**  
Chairman & CEO  
Barra Resources Limited



**Figure 1: Burbanks Project showing separation of rights to Mining Lease M15/161. Barra has 100% rights to explore and mine on area A-A' (Reservation Area)**

### 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.