



CAPITAL RAISING FOR MT THIRSTY COBALT STUDY AND GOLD EXPLORATION AT BURBANKS AND PHILLIPS FIND

Barra Resources Limited (ASX Code: BAR) is pleased to announce a \$1,000,000 Share Purchase Plan (SPP) to undertake metallurgical test work, drilling and scoping studies at the Mount Thirsty Cobalt Project as well as exploration of gold targets at Phillips Find Mining Centre and the Burbanks Gold Project and working capital.

The SPP will afford shareholders at the record date of 7 October 2016 the opportunity to subscribe for up to \$15,000 worth of Barra shares each at the issue price of 4 cents per share. This represents an 18% discount to the 5 day volume weighted average trading price of Barra shares.

The SPP will be limited to a maximum of \$1,000,000. The Directors reserve the right to accept oversubscriptions.

Simultaneously, the Company has received firm commitments for a \$500,000 placement at the issue price of 4 cents per share to sophisticated investors pursuant to Section 708 of the Corporations Act.

The Company's Chairman Gary Berrell said today:

"The SPP and Placement will provide funding for important metallurgical test work and follow on scoping study work at Mt Thirsty at a time when cobalt is now the focus of attention of major battery industry players worldwide seeking to secure long term supply. We believe the pricing is very attractive for current shareholders, being at the bottom end of the recent trading range. With cobalt now competing with lithium as a "must have" commodity in the renewable energy market, this represents a great opportunity to enhance your exposure to the bullish cobalt market. We will also be applying funds towards exploration drilling at our first class portfolio of gold projects in the Coolgardie district. The historic Main Lode gold mine at Burbanks offers fantastic potential as we explore known high grade areas, untapped for many decades. We have a suite of assets within the Phillips Find Mining Centre that demand a comprehensive exploration and drilling program to realise its potential ...a potential we are confident of fulfilling."

Further details of the SPP will be released to the market shortly. The Company requests lifting of the trading halt, effective immediately.

A handwritten signature in black ink, appearing to read 'Gary Berrell'.

Gary Berrell
Chairman & CEO
Barra Resources Limited