

# Activity Report for the Quarter Ended 30 September 2014



## OVERVIEW

### BURBANKS PROJECT - WA

- ❖ Birthday Gift Mine: Blue Tiger Mines Pty Ltd mined 13,289 tonnes grading 3.1 grams per tonne for quarter.
- ❖ Birthday Gift Mine: Subsequent to the quarter, an instalment of \$400,000 was received from sale of Birthday Gift Mine with \$1,000,000 outstanding for payment over coming 9 months.
- ❖ Birthday Gift Mine: A further 2560 ounces to be produced until royalty payments commence.

### PHILLIPS FIND PROJECT – WA

- ❖ Update of the Newminster resource model, re-optimisation and mine design for resumption of mining continues.
- ❖ The Company received \$14,677 from the treatment of 2,775 tonnes of mineralised waste from the Phillips Find Mining Centre.

### RIVERINA NICKEL PROJECT – WA

- ❖ An induced polarisation survey and diamond drilling of a disseminated sulphide nickel target at the Martins Zone Nickel Prospect has been proposed by joint venture partner Riverina Resources Pty Ltd.

### MT THIRSTY PROJECT – WA

- ❖ There was no activity for the period.

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#### FOR FURTHER INFORMATION

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## PROJECTS

### BURBANKS PROJECT (WA)

#### (100% Rights to Reservation Area Only)

refer Figure A1

The Burbanks Project is centred 9km southeast of Coolgardie, Western Australia. The project area encompasses the Burbanks Mining Centre, where over 400,000ozs of gold has been produced since 1885, and over 5km of strike extent of the Burbanks Shear Zone.

In August 2013, Barra sold the Birthday Gift Underground Mine (Birthday Gift) to Blue Tiger Mines Pty Ltd for cash and a \$25 per ounce royalty (after the first 6,000ozs 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 (Figure A1). All other tenements within the Burbanks Project are not affected by the Birthday Gift Sale Agreement.

#### Birthday Gift Mine (Barra Royalty Only)

BTM mined 4,605t @ ~3.0g/t Au and produced 444.1oz of gold for the period. Gold recovered to-date affecting Barra's royalty is currently 3,440.5oz (Table 1). Production of a further 2,560oz remains until royalty payments to Barra commence.

Period	Tonnes	Grade	Ounces Recovered
Oct – Dec'13	4865	5.70	886.10
Jan – Mar'14	6610	3.63	772.00
Apr – Jun'14	4605	3.00	444.1
Jul – Sep'14	13289	3.13	1338.3
<b>Total</b>	<b>29,369</b>	<b>3.64</b>	<b>3440.5</b>
<b>Gold to be recovered until royalty is payable = 2559.5 oz</b>			

Table 1: Summary of Birthday Gift Gold Production with respect to Barra's gold royalty status.

A cash instalment of \$400,000 was received subsequent to the Quarter, bringing total proceeds paid to Barra under the agreement to \$1,000,000.

### PHILLIPS FIND PROJECT (WA)

#### (100% Barra\*)

\*except for P16/2422-2425 which are held 85% Barra, 15% Hayes Mining Pty Ltd

The Phillips Find Project is centred 50km north-northeast of Coolgardie, Western Australia. The project encompasses the Phillips Find Mining Centre (PFMC) where 27,146 ounces of gold has been mined from three open-pit operations; Bacchus Gift, Newhaven and Newminster, since 1998.

The most recent mining activity at the PFMC was in January 2013 where Barra, through an alliance with

Blue Tiger Mining Pty Ltd, mined 53,986 tonnes of ore recovering 4,331 ounces of gold; (refer to ASX announcement 29<sup>th</sup> April 2013: "Phillips Find Production Update": available to view at [www.barraresources.com.au](http://www.barraresources.com.au)).

The Company continues to work on extracting further value from the project through further open-pit mining and developing the underground potential at the PFMC.

<sup>1</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 of the previous assumptions and technical parameters underpinning the estimates in the previous announcement have not materially changed.

#### Phillips Find Mining Centre (PFMC)

In June, the Company completed an infill resource drilling program at Newminster to confirm the continuity of mineralisation below the existing pit. Following this program the process of updating the Newminster resource model, conducting a new optimisation study and developing a new mine plan for the resumption of mining commenced. The Company anticipates the results of this process to be completed prior to the December quarter.

During the period the Company permitted G&D Mine Services Pty Ltd (G&D) to remediate and treat remnant mineralised waste material from the PFMC in exchange for a fee per tonne treatment arrangement. In addition to completing site rehabilitation works, G&D treated 2,775 dry tonnes of mineralised waste and a nearby treatment facility, recovering 172.19oz of gold. The Company received \$14,667.

### MT THIRSTY PROJECT

#### (50% Barra; 50% Conico – Joint Venture)

The Mt Thirsty Project is located 20km north-northwest of Norseman, Western Australia. Barra owns 50% of the project in joint venture with Conico Ltd (ASX:CNJ). Conico is the joint venture manager.

The Mt Thirsty Project contains the Mt Thirsty Cobalt-Nickel (Co-Ni) Oxide Deposit which has the potential to emerge as a significant cobalt supplier. Metallurgical test work has indicated high recoveries of cobalt (Co) together with some nickel (Ni) can be achieved through low temperature agitated leaching in closed tanks using sulphur dioxide (SO<sub>2</sub>).

The Mt Thirsty Co-Ni Oxide 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 over a length of 1.6km and a width of up to 850m; (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 8<sup>th</sup> March 2011: "Resource Upgrade Mt Thirsty Cobalt-Nickel Oxide Deposit", available to view at [www.barraresources.com.au](http://www.barraresources.com.au)).

As well as the Co-Ni Oxide Deposit, the Mt Thirsty Project also hosts primary nickel sulphide mineralisation. Intersections of nickel sulphide (Ni-S) mineralisation up to 6m down-hole @ 3.5% Ni were made by the joint venture in 2010 (refer to ASX announcement 19<sup>th</sup> May 2010: "High Grade Nickel Sulphides Intersected at Mt Thirsty JV"<sup>1</sup>, available to view at [www.barraresources.com.au](http://www.barraresources.com.au)).

<sup>1</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 of the previous assumptions and technical parameters underpinning the estimates in the previous announcement have not materially changed.

### Cobalt-Nickel (Co-Ni) Oxide Deposit

There was no significant activity during the quarter.

The Company continues to assess various options to advance the project including lower cost processing methods and potential corporate opportunities.

### RIVERINA NICKEL PROJECT

**(30% Barra, 70% Riverina Resources Pty Ltd – Joint Venture, Nickel Rights Only)**

The Riverina Project is centred 125km north of Coolgardie, Western Australia. Barra owns 30% of the nickel rights in joint venture with Riverina Resources Pty Ltd (RRPL, joint venture manager).

Between 2005 and 2008, the Joint Venture actively explored the Martins Zone ultramafic unit for economic concentrations of nickel laterite and nickel sulphide mineralisation.

Exploration intersected narrow widths of high-grade remobilised massive nickel sulphide adjacent to an undeformed ultramafic footwall contact. Results included a high grade intersection of 0.37m down-hole @ 10.88% Ni from 215m down-hole (refer to ASX announcement 7<sup>th</sup> July 2005: "High Grade Massive Nickel Sulphides Intersected at Riverina"<sup>1</sup>, available to view at [www.barraresources.com.au](http://www.barraresources.com.au)).

<sup>1</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 of the previous assumptions and technical parameters underpinning the estimates in the previous announcement have not materially changed.

### Martins Zone Nickel Laterite Deposit

Joint venture partner, RRPL, reviewed the Martins Zone Nickel Laterite Deposit which revealed a higher abundance of copper anomalism associated with the nickel mineralisation than expected, suggesting that the nickel oxide mineralisation may in fact be oxidised disseminated nickel sulphide mineralisation.

RRPL subsequently proposed a program to test for disseminated nickel sulphides beneath the Martins Zone Nickel Laterite Deposit initially consisting of an Induced Polarisation (IP) geophysical survey over the deposit followed by one or two diamond drillholes to

test any targets identified. The program is due to commence during the December quarter.

The Company is yet to determine if it will contribute to the proposed program or dilute its interest in the joint venture accordingly.

## PROJECT GENERATION

The Company undertook due diligence reviews on new gold project opportunities located in the Coolgardie region, Western Australia. Whilst no projects have yet met the required investment criteria, Barra continues to pursue new opportunities in reasonable proximity to its current area of operations.

## TENEMENTS

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

- NIL.

## CORPORATE

### Recent Announcements

Date	Announcement
08/10/2014	2014 Annual Report
23/09/2014	Financial Report for the year ended 30 June 2014
01/08/2014	Activities Report for the Quarter Ended 30 June 2014
31/07/2014	Cashflow Report for the Quarter Ended 30 June 2014
15/07/2014	Newminster Update
Note: All announcements are available on the Company's website.	

# INVESTOR INFORMATION

## Registered and Principal Office

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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
Lindsay Franker-		Non-Executive Director

## ASX Codes

Shares: BAR



**GARY BERRELL**  
Executive Chairman

★ Mine/ Exploration (Gold)  
● Exploration (Base Metals)



**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  $\mu$ m=micrometres, @=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 Results is based on 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.

## APPENDIX 1 - TENEMENT LISTING

Tenement	Project	Location	Change in Interest (%) during Quarter			Comments
			End of Quarter	Acquired	Disposed	
M15/161*	Burbanks	WA	0		100	Transferred to BTM during the period. Barra retains 100% rights to Reservation Area (Figure A1)
P15/5249		WA	100			
P15/5412		WA	100			
E63/1267	Mt Thirsty	WA	50			
E63/373		WA	50			
L63/66		WA	50			
L63/67		WA	50			
R63/4		WA	50			Application Only, Covers same area as E63/373
M63/527		WA	50			Application Only, Covers same area as E63/373
M16/130	Phillips Find	WA	100			
M16/133		WA	100			
M16/168		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			
P16/2405		WA	100			
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	Phillips Find - Carbine	WA	85			
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			
M30/16		WA	30			
M30/43		WA	30			
M30/60		WA	30			
M30/84		WA	30			
M30/91		WA	30			
M30/97		WA	30			
M30/98		WA	30			



Tenement	Project	Location	Change in Interest (%) during Quarter			Comments
			End of Quarter	Acquired	Disposed	
M30/99		WA	30			
M30/127		WA	30			
M30/133		WA	30			
M30/157		WA	30			
M30/178		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			



Figure A1: Plan showing Reservation Area within M15/161 where Barra has 100% exploration and mining rights.