

Activity Report for the Quarter Ended 31 December 2014



OVERVIEW

BURBANKS PROJECT

- ❖ Blue Tiger Mines (BTM) produced 1294.5oz from Birthday Gift for the quarter.
- ❖ BTM gold production from Birthday Gift totals 4,735oz.
- ❖ \$400,000 of instalments received from sale of Birthday Gift Mine with a further \$950,000 due over the coming 6 months.

PHILLIPS FIND PROJECT

- ❖ Update of the Newminster resource model, re-optimisation and mine design for resumption of mining continues.

MT THIRSTY PROJECT

- ❖ JV parties continued discussions over project ownership consolidation.

CORPORATE

- ❖ Appointment of Mr Jon Young as a Non-Executive Director.
- ❖ Resignation of Mr Lindsay Franker as a Non-Executive Director.

BARRA RESOURCES LIMITED
(ABN 76 093 396 859)

Ground Floor
6 Thelma Street
West Perth WA 6005
PO Box 1546
West Perth WA 6872
Phone: (+61 8) 9481 3911
Facsimile: (+61 8) 9481 3283
Email: barraadmin@barraresources.com.au
Website: www.barraresources.com.au

FOR FURTHER INFORMATION
Contact
Gary Berrell (Chairman)

SHAREHOLDER ENQUIRIES
Security Transfer Registrars
770 Canning Highway
Applecross WA 6153
Phone: (+61 8) 9315 2333
Facsimile: (+61 8) 9315 2233

PROJECTS

BURBANKS PROJECT (WA)

(Royalty over Birthday Gift Underground Mine & 100% Rights to Reservation Area)

refer Figure A1

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

In August 2013, Barra sold the Birthday Gift Underground Mine (Birthday Gift) to Blue Tiger Mines Pty Ltd (BTM) for \$2 million cash and a royalty per ounce of gold (after the first 6,000ozs production). The deal involved a separation of rights within mining lease M15/161 only 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.

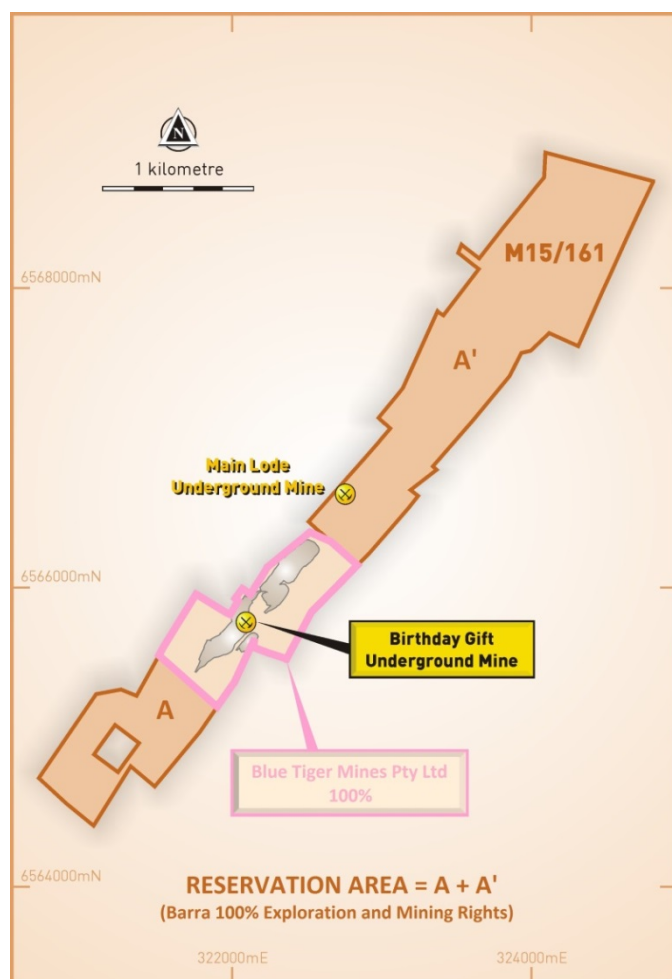


Figure A1: Plan showing Reservation Area within M15/161 where Barra has 100% exploration and mining rights.

Activities

Birthday Gift (Royalty Only)

BTM produced 1294.5oz of gold for the period. BTM's gold production from Birthday Gift since acquisition currently totals 4,735oz (Table 1).

Period	Gold Produced (oz)
Opening Balance	3440.5
Q4 2014	1294.5
Total	4735.0
Gold to be recovered until royalty is payable = 1,265 oz	

Table 1: BTM gold production from Birthday Gift.

The Company received a further \$400,000 in cash instalments during the quarter. Total proceeds paid to Barra under the agreement now stand at \$1,050,000. A further \$950,000 remains outstanding as at 31 December 2014.

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 most recent mining activity at Phillips Find was in January 2013 where Barra, through an alliance with Blue Tiger Mining Pty Ltd (BTM), mined 53,986 tonnes of ore recovering 4,331 ounces of gold; (refer to ASX announcement 29th April 2013: "Phillips Find Production Update"¹: available to view at www.barraresources.com.au).

¹ 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.

Activities

The Company is currently in the process of updating the Newminster resource model following RC drilling in June 2014.

Whilst BTM continue to assess its options regarding the resumption of open pit mining under the right-to-mine agreement, the Company continues to simultaneously review its options regarding possible commencement of underground mining following BTM's activities.

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"¹, 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"¹, available to view at www.barraresources.com.au).

¹ 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.

Activities

During the quarter, the joint venture partners continued to discuss the consolidation of the joint ownership of the project. These discussions are continuing.

TENEMENTS

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

- There were no tenements changes during the period.

CORPORATE

Subsequent to the quarter, the Company appointed Mr Jon Young as a Non-Executive Director and accepted the resignation of Mr Lindsay Franker as a Non-Executive Director.

Mr Young brings extensive mining industry and financial markets experience to the Company.

Mr Young holds a Bachelor of Commerce Degree from the University of Western Australia and is a

member of the Institute of Chartered Accountants in Australia. For nearly 30 years Mr Young has worked in the financial markets and is currently Director Private Clients with Perth based national stock broking firm Patersons Securities Limited.

For 12 years, until the sale of the underground mining contractor Barminto Limited in August 2007, Jon served as Non-executive Chairman of the Barminto Group of companies, including Barminto Limited where he continues to serve as an alternate director.

Mr Young is Chairman of Barra's major shareholder, FMR Investments Pty Ltd (formerly Barminto Investments Pty Ltd).

Recent Announcements

Date	Announcement
07/10/2014	2014 Annual Report
30/10/2014	Quarterly Activity Report
30/10/2014	Quarterly Cashflow Report
05/01/2014	Appointment and Resignation of Director
05/01/2014	Initial Director's Interest Notice
05/01/2014	Final Director's Interest Notice
Note: All announcements are available on the Company's website.	

INVESTOR INFORMATION

Registered and Principal Office

Office

Ground Floor, 6 Thelma Street
West Perth, Western Australia, 6005

Postal Address

PO Box 1546, West Perth, Western Australia, 6872

Phone: (+61 8) 9481 3911

Facsimile: (+61 8) 9481 3283

Email: barraadmin@barraresources.com.au

Website: www.barraresources.com.au

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

ASX Codes

Shares: BAR



GARY BERRELL
Executive Chairman



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 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			Barra 100% rights to Reservation Area (Figure A1) only
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			

Tenement	Project	Location	Change in Interest (%) during Quarter			Comments
			End of Quarter	Acquired	Disposed	
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			
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			
M30/97		WA	30			
M30/98		WA	30			
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			