



DRILLING COMMENCES AT PHILLIPS FIND

ASX ANNOUNCEMENT

25th October 2018

BARRA RESOURCES LIMITED

A.B.N. 76 093 396 859

Corporate Details (28 Sep):

ASX Code: BAR
Market Cap: \$21.2M
@ 4.0c
Cash: \$2.9M

Issued Capital:

530.89M Ordinary Shares
50M Options

Substantial Shareholders:

FMR Investments 15.4%
Mineral Resources Ltd 10.8%

DIRECTORS

MD & CEO: Sean Gregory
Chairman: Gary Berrell
Non-Exec: Jon Young
Non-Exec: Grant Mooney

PROJECTS

Mt Thirsty Co-Ni (50%)
Coolgardie Au (100%)

CONTACT DETAILS

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HIGHLIGHTS

- First pass drilling program commences at Phillips Find Gold Project to test Truth target area.
- The Truth target area is the highest priority and most exciting target identified following a recent structural mapping and geochemical target generation program.
- 10,000m of broad spaced air core drilling underway.
- Drilling to be completed and assay results expected in current quarter.



Figure 1 – Air Core Rig at Phillips Find



Introduction

In line with its gold strategy, Barra Resources Limited (Barra, the Company) has commenced Air Core (AC) drilling at the Truth target area, within its Phillips Find Gold Project, 50km north of Coolgardie Western Australia (Figure 1).

Target Generation

The Truth target area is an expansive convalescence of complex structural geology and anomalous auger geochemistry that represents a highly prospective drilling target.

Detailed structural mapping in 2017 identified an interplay between thrust faults, folds and thick units of favourable dolerite rocks highlighting zones of structural complexity (Figure 2), analogous to that seen Phillips Find Mining Centre (PFMC).

Following the mapping, an auger geochemical sampling program proved to be highly successful with both gold and gold pathfinder element suite anomalism (Figure 3) showing remarkable correlation with the new mapping and structural interpretation.

The Truth target area, due to its favourable geology, structural setting, and geochemical anomalism is the highest priority target outside of the PFMC and represents the most exciting and significant new target the Company has identified as a result of completing the mapping and geochemistry programs.

Drilling Program

The next step in the systematic exploration of the Phillips Find Gold Project is broad spaced AC drilling. AC drilling is a relatively inexpensive drilling method that collects a high-quality sample but is only capable of drilling to a refusal depth. This is typically to the top of fresh bedrock, which for this program is expected at a depth of around 30m.

The 10,000m AC program will test for near surface oxide mineralisation, but more importantly it will allow direct measurements of the chemistry of the top of the bedrock. Identified bedrock mineralisation will then be tested with further infill AC drilling and more definitively by future Reverse Circulation (RC) drilling campaigns.

AC Drilling has now commenced, and results will be announced to the market during the current quarter.

SEAN GREGORY

Managing Director & CEO

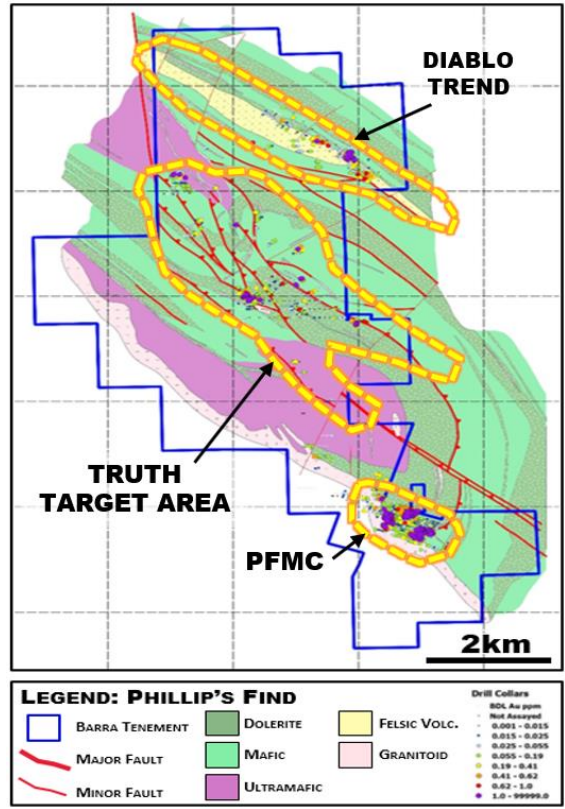


Figure 2 – Phillips Find Project stratigraphic and structural interpretation, showing key target areas.

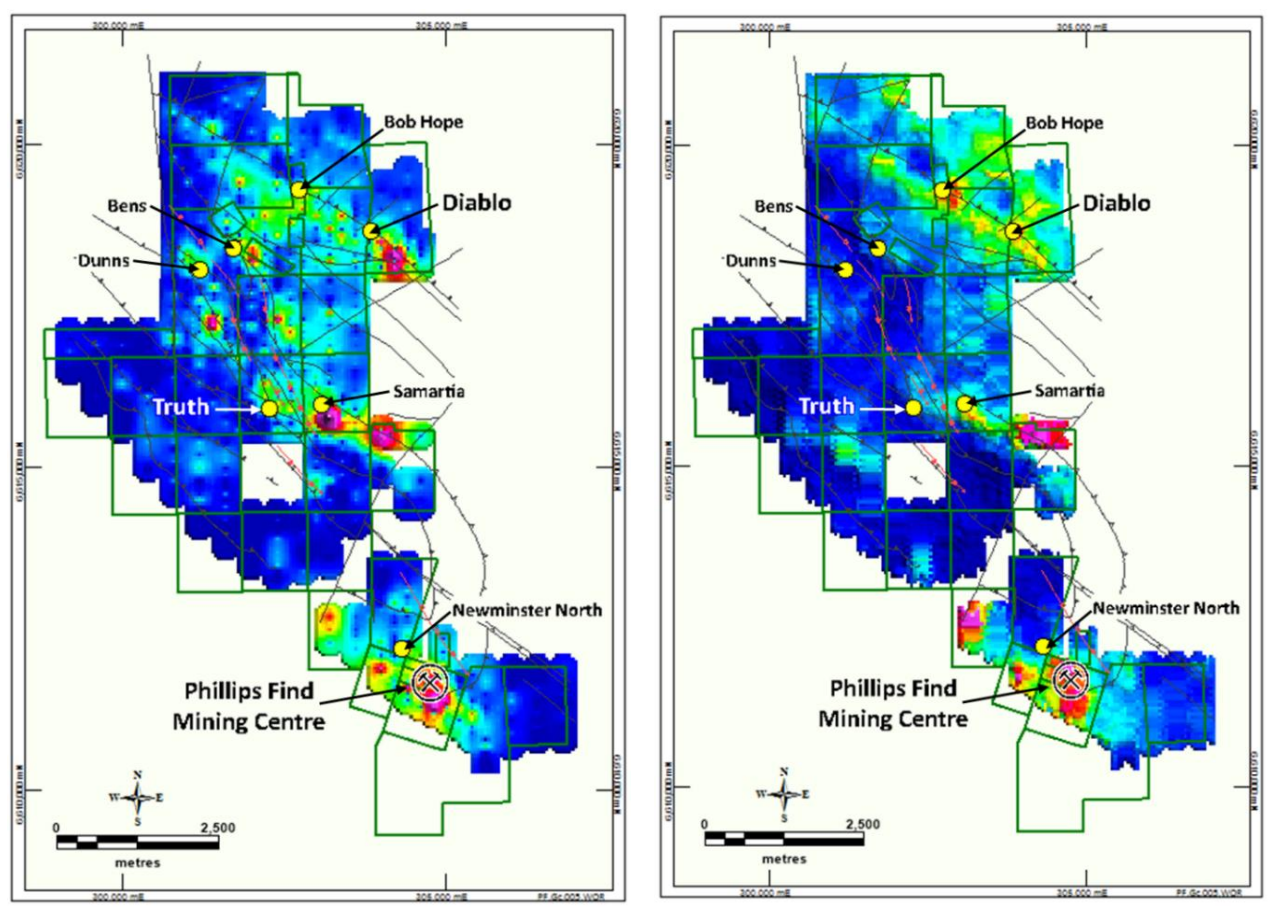


Figure 3 – Phillips Find main prospects and gold anomalism in new auger geochemistry (left), and gold pathfinder element suite anomalism (Au + Ca + As ± W) (right).



About Phillips Find

Barra's 100% owned Phillips Find Gold Project is located 50km north 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 approximately 33,000oz of gold was produced between 1998 and 2015 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, mapping and drilling.

The most recent mining activity at the PFMC was the Newminster open-pit which was mined in two stages between January 2013 and September 2015 producing approximately ~9,000oz of gold. With open-pit mining now complete at Newminster, the Company is now focussed on establishing a resource inventory to underpin the development of a viable medium- to long-term mining operation.

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 based on interpretations or conclusions contained in this report will therefore carry an element of risk.

This report contains forward-looking statements that involve a number of risks and uncertainties. These forward-looking statements are expressed in good faith and believed to have a reasonable basis. These statements reflect current expectations, intentions or strategies regarding the future and assumptions based on currently available information. Should one or more of the risks or uncertainties materialise, or should underlying assumptions prove incorrect, actual results may vary from the expectations, intentions and strategies described in this report. No obligation is assumed to update forward-looking statements if these beliefs, opinions and estimates should change or to reflect other future developments.

Competent Person's Statement

The information in this report which relates to Exploration Results at Phillips Find is based on information compiled by Mr Gary Harvey a Competent Person and a full-time employee of Barra Resources Limited who is a Member of the Australian Institute of Geoscientists. 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.