



APPROVAL TO MINE AT MAIN LODGE, BURBANKS GOLD PROJECT

ASX ANNOUNCEMENT

25 February 2021

BARRA RESOURCES LIMITED

A.B.N. 76 093 396 859

Corporate Details:

ASX Code: BAR

Market Cap: \$16.3M
@ 2.4c

Issued Capital:

677M Ordinary Shares

Substantial Shareholders:

FMR Group 14%

DIRECTORS

Chairman: Gary Berrell

Non-Exec: Jon Young

Non-Exec: Grant Mooney

PROJECTS

Coolgardie Au (100%)

Mt Thirsty Co-Ni (50%)

CONTACT DETAILS

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- Approvals received for the Main Lodge mining proposal and project management plan by the Department of Mines, Industry Regulation and Safety (WA Mines Department).
- Underground mining within the Initial Licence Area (Figure 2) at Main Lodge may now commence immediately, subject to finalisation of costings, timetables and mill scheduling with FMR Investments Pty Ltd (FMR).
- Under the terms of the Exploration and Mining Joint Venture Agreement, FMR will carry all mining and financial risks on agreed mining operations within the Initial Licence Area with profits split 50/50.
- Mining studies by FMR identify scope for expansion beyond the Initial Licence Area (Stage 1) with potential for subsequent mining stages based on success of first stage and proposed underground drilling programs.

Barra's Chairman, Mr Gary Berrell commented: "This is an important milestone for Barra. We now have approvals to mine three deposits at Burbanks; Main Lodge South, Burbanks North and Fangjaw. We've now set a platform for Barra to unlock the potential at Burbanks on a zero risk basis. Our next step is to finalise costings, timetables and milling schedules before commence mining at Main Lodge, generate cash and accelerate resource growth with extensive drilling campaigns from underground and along strike".

Barra Resources Limited (ASX:BAR) ("Barra" or "the Company") is pleased to advise it has now received all necessary approvals to mine the Main Lodge South deposit at its Burbanks Gold Project, 9km south of Coolgardie, Western Australia (Figure 1).

Mining of the Main Lodge South deposit (an Initial Licence Area) falls under the terms of the Exploration and Mining Joint Venture Agreement ("JV" or "JV Agreement") with FMR Investments Pty Ltd (FMR) (refer ASX:BAR Release dated 30 April 2020). FMR and Barra will share profits equally after repayment to FMR of operating and certain upfront infrastructure costs.

Subject to mine scheduling, costings and allocation of equipment, FMR and Barra may now agree to commence mining immediately within the Initial Licence Area (Figure 2) pursuant to the JV Agreement between FMR and Barra. Upon mining commencement, FMR will carry all mining and financial risks.

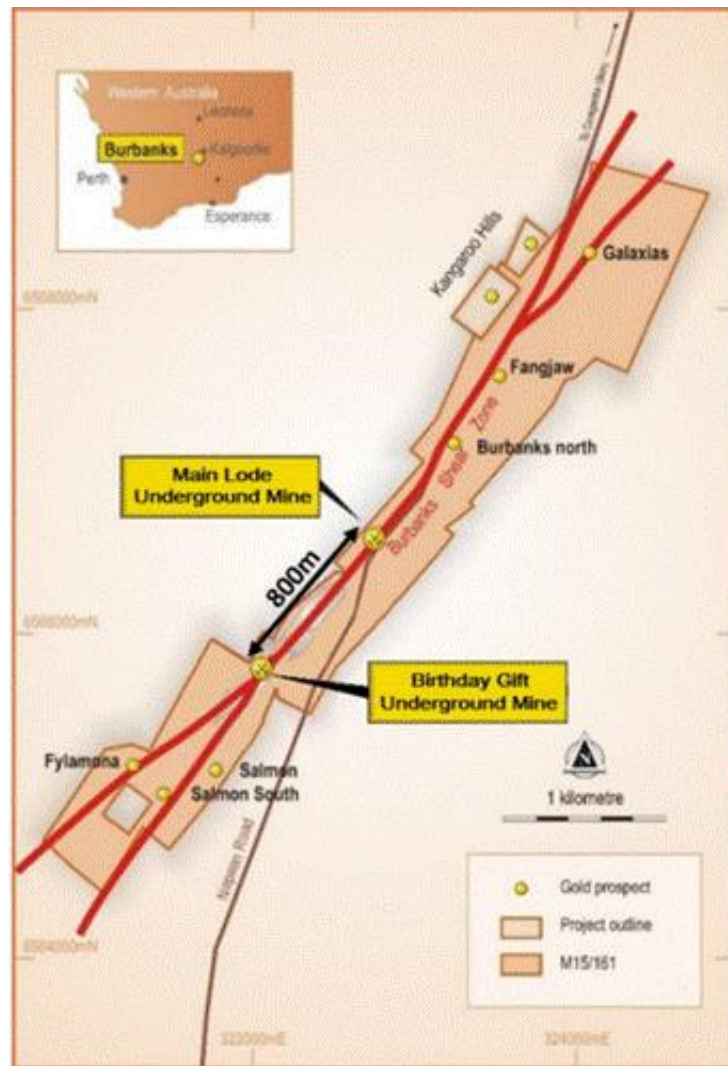


Figure 1 – Burbanks Location Plan

SCOPE FOR EXPANSION

Based on existing drilling, preliminary mine planning by FMR has identified the potential for further mining to occur below the Initial Licence Area (Stage 1 Trial Mining). Should Stage 1 prove successful, a proposed extension to the decline and development of appropriate drill platforms will be completed to allow underground drilling to better define existing areas of high-grade gold mineralisation down-dip to the depth of the historic Main Lode Level 8 (~275m below surface level).

If all goes to plan the proposed operation may be divided into three different stages, with each stage going forward depending on the outcomes of the previous stage as follows:

Stage 1 (Trial Mining): Development of portal and short decline, an ore-drive north off the base of the Christmas Pit and several blind up-hole stopes between the 320mRL and 350mRL (between the old Main Lode Levels 2 and 3 respectively).

Stage 2: An extension of the decline to the 290mRL to establish drill platforms to better define zones of high-grade mineralisation down-dip to the 25mRL (Main Lode Level 8).

Stage 3: Potential development of another several more levels and multiple stoping fronts.



NEXT STEPS

The Company and FMR will now work towards agreeing final costings, timetables and mill scheduling prior to a commencement of operations.

Other activities scheduled to commence Q1 2021 include air core drilling Phillips Find Gold Project, and reverse circulation (RC)/diamond drilling at the Phillips Find Mining Centre, also at the Company's Phillips Find Gold Project in Q2 2021.

Following activities at the Phillips Find Gold Project, the Company will return to the Burbanks Gold project to complete Stage 2 extensional drilling at Main Lode (refer ASX:BAR Release dated 13th January 2021), scheduled for Q3 2021.

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This announcement is authorised by the Board of Directors.

Gary Berrell

Chairman

Barra Resources Limited

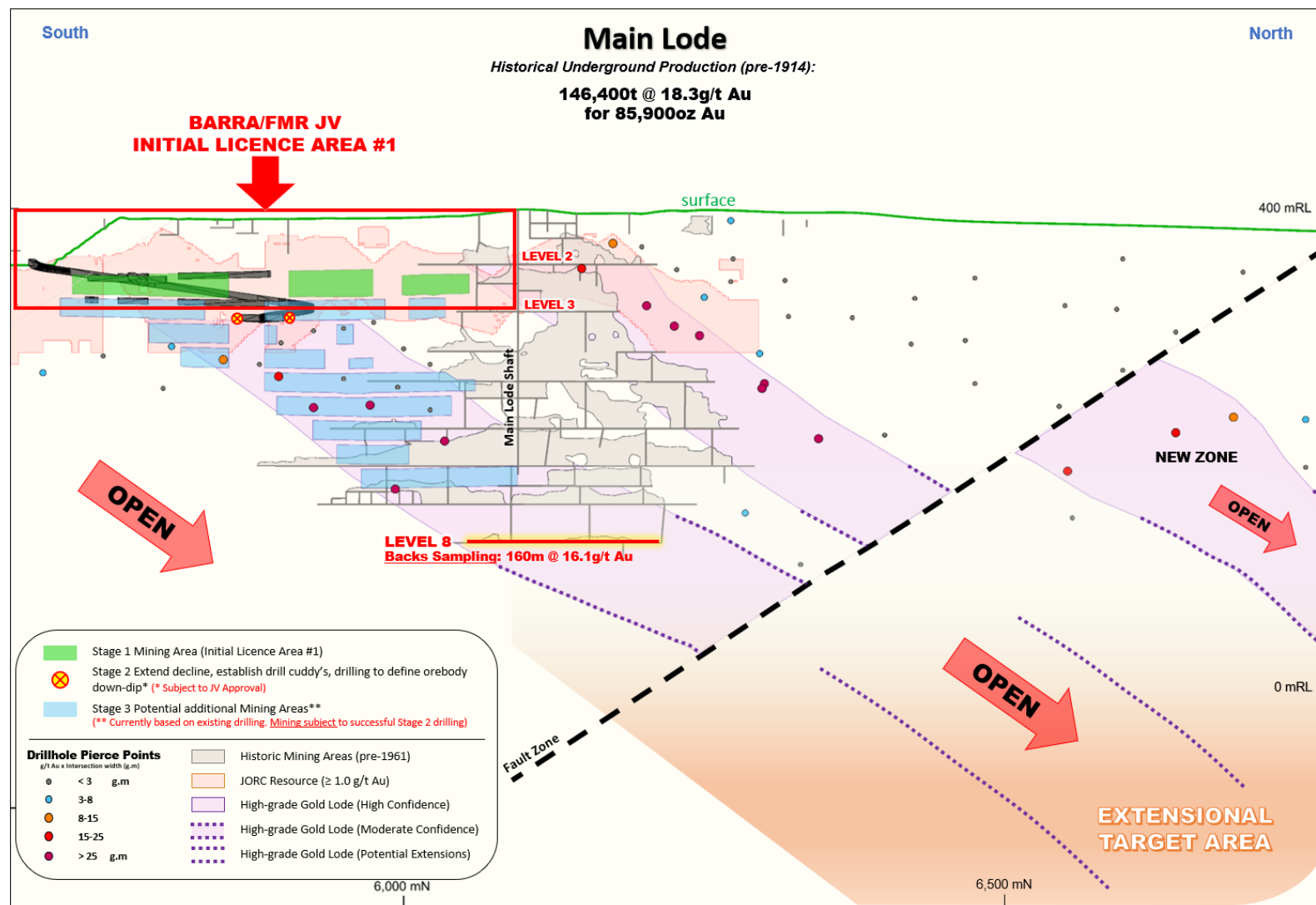


Figure 2 – Schematic long section of Main Lode area showing Main Lode South Initial Licence Area and potential mining expansion areas, in relation to the historic Main Lode underground mine.

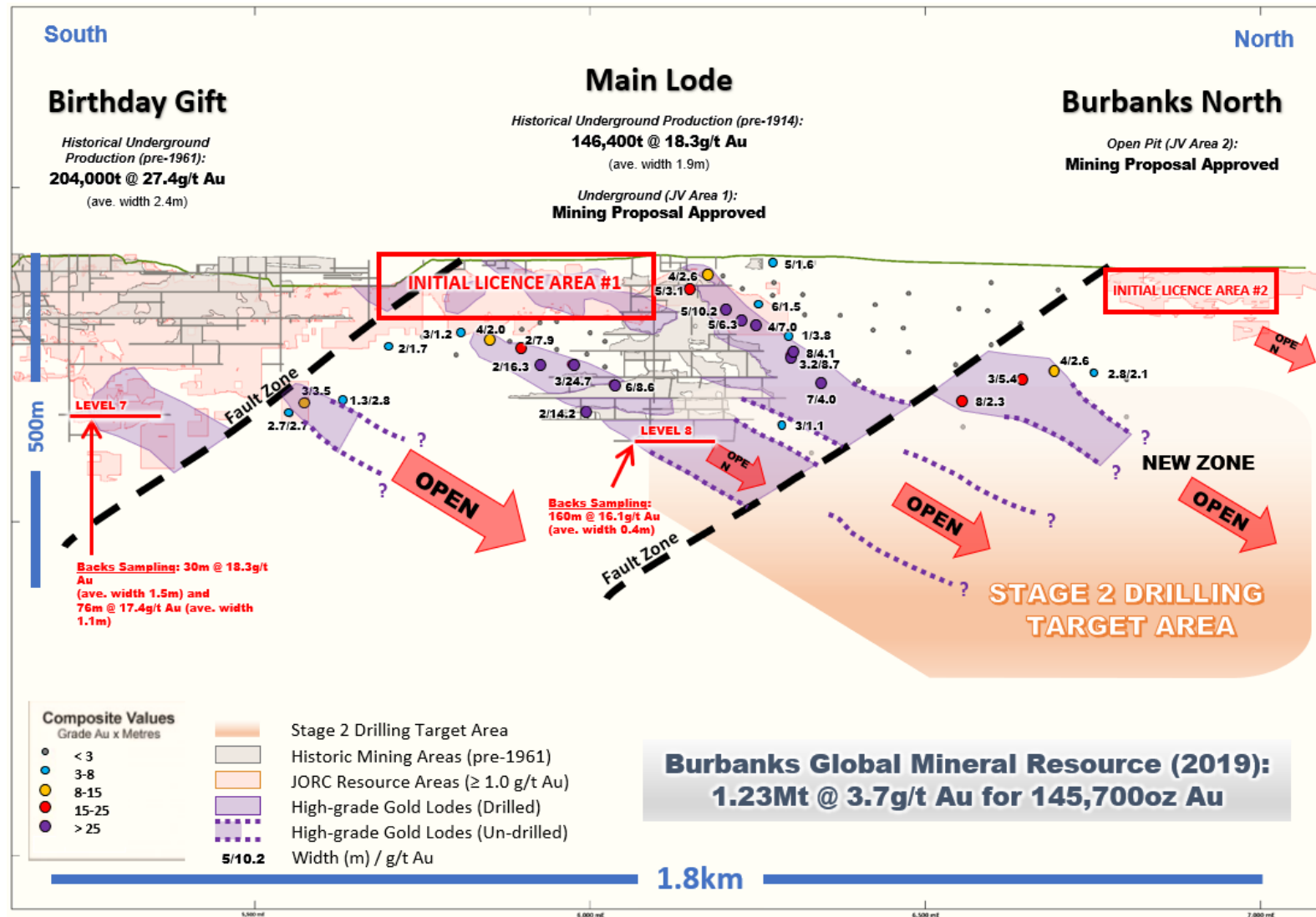


Figure 3 – Schematic long section of Birthday Gift – Main Lode – Burbanks North area showing Mineral Resources and Initial Licence Areas at Main Lode and Burbanks North.



ABOUT BURBANKS

The Burbanks Gold Project is located 9km southeast of Coolgardie, Western Australia. The Project includes the Burbanks Mining Centre and over 5km of the highly prospective Burbanks Shear Zone, historically the most significant gold producing structure within the Coolgardie Goldfield (Figure 1).

The Burbanks Mining Centre comprises the Birthday Gift and Main Lode underground gold mines. The recorded historic underground production at Burbanks (1885-1961) totalled **444,600t at 22.7 g/t Au for 324,479oz** predominantly from above 140m below the surface. Intermittent open pit and underground mining campaigns between the early 1980's to present day has seen total production from the Burbanks Mining Centre now exceed **420,000oz**.

The total Indicated and Inferred Mineral Resource for the Burbanks Gold Project is 1.2Mt at 3.7 g/t Au for 145,700 ounces of gold (Table 1). The position of the Mineral Resource within the strike of the Project is shown in Figure 4.

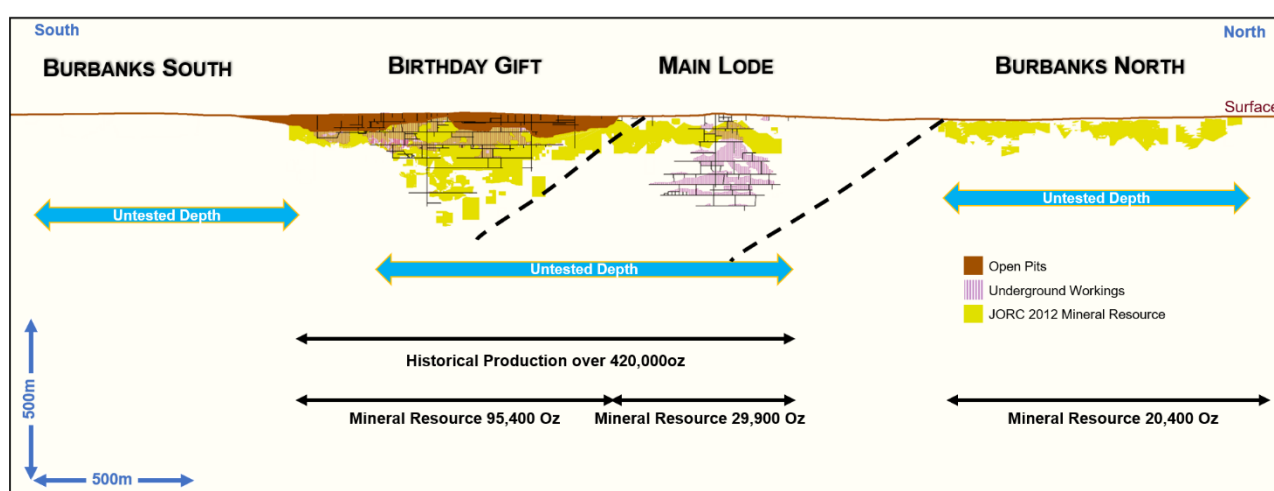


Figure 4 – Burbanks long section showing JORC Mineral Resources (≥1.0 g/t Au).

Deposit	Cut-Off g/t Au	Indicated			Inferred			Total		
		kt	Grade g/t Au	Ounces	kt	Grade g/t Au	Ounces	kt	Grade g/t Au	Ounces
Christmas Open Pit	1.0	5.7	6.2	1,100	4.0	7.8	1,050	9.7	6.9	2,150
Birthday Gift Underground Mine	2.5	180	6.0	34,750	325	5.6	58,500	505	5.7	93,250
Main Lode Deposit	1.0	106	2.8	9,700	254	2.5	20,200	360	2.6	29,900
Burbanks North	1.0				360	1.8	20,400	360	1.8	20,400
Total	1.0/2.5	291	4.9	45,550	943	3.3	100,150	1235	3.7	145,700

All tonnages reported are dry metric tonnes. Minor discrepancies may occur due to rounding to appropriate figures. For full details of the Birthday Gift and Christmas Pit Mineral Resources, refer to ASX: BAR Release dated 23/9/19. For full details of the Main Lode Resource, refer to ASX: BAR Release dated 30/10/18, and for Burbanks North 2/08/19.

Table 1 – Burbanks Global Mineral Resource



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 several 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 PERSONS' STATEMENT

The information in this report which relates to Exploration Results and geological interpretation at Burbanks is based on information compiled by Mr Gary Harvey a full-time employee of Barra Resources Limited who is a Member of the Australian Institute of Geoscientists. Mr Harvey consents to the inclusion in the report of the matters based on their information in the form and context in which it appears.

The information in this report which relates to Mineral Resources at Main Lode and Burbanks North is based on information compiled by Mr Andrew Bewsher full-time employee of BM Geological Services Pty Ltd who is a Member of the Australian Institute of Geoscientists.

The information in this report which relates to Mineral Resources at Birthday Gift and Christmas Pit is based on information compiled by Mr Richard Buerger, a full-time employee of Mining Plus Pty Ltd who is a Member of the Australian Institute of Geoscientists.

Messer's Harvey, Bewsher and Buerger 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 Competent Persons as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" (the JORC Code).

The company is not aware of any new information or data that materially affects the information presented and that the material assumptions and technical parameters underpinning the estimates continue to apply and have not materially changed. The company confirms that the form and context in which the Competent Persons' findings are presented have not been materially modified from the original market announcements.