



\$1.75 MILLION FUNDRAISING INITIATIVE

Western Australian gold mining and Exploration Company Barra Resources Limited (ASX Code: BAR) is pleased to announce a \$1.75 million fund raising to expedite exploration at the Company's Phillips Find Gold Project and raising working capital.

To be completed in two parts, the Company has received firm undertakings for a \$1 million private placement of 33,333,333 shares at an issue price of 3 cents per share ("Placement"). The Company's major shareholder, mining investment company FMR Investments Pty Ltd will participate in the placement such that its 23% shareholding is not diluted by contributing \$228,000.

The Placement will be completed during the coming week.

In parallel with the Placement, Barra will undertake a Share Purchase Plan ("SPP") affording shareholders at the record date of 16 September 2011 the opportunity to subscribe for up to \$15,000 worth of Barra shares each at the Placement price of 3 cents per share.

The SPP will be limited to a maximum of \$750,000 and has been fully underwritten by FMR which will receive a 3% fee for the underwriting. The issue of any shortfall shares the subject of the underwriting will be subject to shareholder approval at the Company's forthcoming Annual General Meeting in November.

The Directors have chosen to reserve the right to accept oversubscriptions to the Share Purchase Plan of up to \$250,000.

The Company's Chairman Gary Berrell said today:

"The completion of this share placement and the forthcoming Share Purchase Plan will provide us with important funding to fast track exploration drilling at the Company's Phillips Find Gold Project where we are seeking to expand the current mineralised zones and moving towards production in the new year. With the Burbanks Gold Mine resuming mining under our recently announced Tribute Mining Agreement with FMR, we are optimistic of capitalising on these record gold prices and returning shareholder value."

Further details of the SPP will be released to the market shortly.

A handwritten signature in black ink, appearing to read "G Berrell", written over a light grey circular stamp.

GARY BERRELL
Chairman