

14 September 2015

Baraka moves to Increase its Georgina Basin Acreage Appoints Advisory Firm and Seeks Farm-in Partner

Baraka Energy & Resources Ltd (ASX:BKP) (“Baraka” or “the Company”) is pleased to announce that it has, after an extended period of discussions and communications, together with the support of Petrofrontier Corp (TSX-V:PFC) (Petrofrontier) and Statoil Australia Theta B.V. (Statoil) by way of supporting documentation, applied for the renewal of Exploration Permit EP127 being the most Southerly of the two permits Baraka has an interest in, in the Georgina Basin, Northern Territory, Australia.

EP 127 is viewed to be the most prospective of the two permits due to it containing; the Dulcie Syncline and the Hagen Member which are considered to contain the most potential for conventional oil targets; the MacIntyre-2H well that produced high gas readings, prior to having been closed down due to nuisance levels of hydrogen sulphide (H₂S); a portion of the Toko Syncline, reported as being highly prospective for conventional and unconventional oil and gas.

Both Petrofrontier and Statoil, as a result of not discovering hydrocarbons of sufficient quantity, quality or sufficient porosity from the limited wells drilled and completed, have elected to withdraw from both permits, for their respective reasons.

Statoil were predominantly seeking a large unconventional shale basin similar to those basins in USA/Canada, in an area representing some 13 million acres, including the 2 permits controlled by Petrofrontier and Statoil. Only 5 wells were drilled in the eastern area of all the permits, and although they were unsuccessful, this leaves an enormous area yet to be explored.

EP127 and EP128 combined represent some 8 million of those acres, of which Baraka previously had a 25% working interest. Depending on the NT Department of Minerals and Energy approvals Baraka could end up controlling some 4-6 million acres in their own right.

Based on independent oil and gas consultant reports from RISC (formerly ISIS) and Ryder Scott, both of which are available on the Company’s website, there are a number of conventional oil and gas targets throughout the basin.

Baraka appointed an experienced law firm and a tenement administrator in Darwin, to assist in the application to renew the permit in the name of Baraka as the 100% holder. This application has recently been lodged with supporting documentation.

Baraka has also appointed RISC as technical consultants to re assess all of the data on our permits and prepare proposed exploration programs of the permits if and when they are renewed in Baraka’s name. RISC is a worldwide independent oil and gas



advisory firm who work with companies to provide a broad and innovative perspective on oil and gas projects around the world. www.riscadvisory.com

Subject to the success of the renewal application with Department of Mines and Energy, the Company will make further announcements regarding its intentions on this permit going forward. Baraka has not been informed as to the timing of any approval period as the licence does not expire until 13 December 2015, with all commitments having been met to that date.

As previously announced, Baraka has been approached by a Canadian group that has for some time expressed an interest in pursuing the conventional targets within Baraka's permits, and we would expect to pursue that interest if both permits are renewed. Baraka has also had very early communications with another listed Oil & Gas company regarding the permits and if these discussions progress further appropriate announcements will be made.

Baraka's application for renewal of EP128 in its own name is still continuing, and the NT Department of Mines and Energy has requested Baraka resubmit a new map and application with a relinquishment of a minimum of 50% of the previous permit area as is normally required, although Baraka attempted to retain the full permit area. This has since been done with supporting documentation of Baraka's technical and financial capabilities.

Baraka has also recently received some \$890,000 of R & D tax offset funds for the 2013/2014 period of expenditures and expects to receive additional funds this calendar year.

Whilst the world's energy and resource companies are suffering due to low oil, iron ore, coal and other commodity prices, history shows that such moves are temporary and as global economies advance, albeit at a slow pace, the same recovery of prices and demand as every other recession and or commodity cycle in the past 40 years will ensue.

The board of Baraka would like to once again thank Petrofrontier and Statoil for their courage and energy in committing substantial funds to pursuing the basins unconventional prospects, regardless of results during their programs, and their support in applying for the renewal of the permits in Baraka's name.

Baraka will, in addition to pursuing the renewal of these permits and seeking farm in partners, continue to assess a number of other projects and ventures for the benefit of its shareholders, including its current assets, and seek to create cash generating opportunities as soon as realistically possible.

END

Collin Vost
Executive Chairman
Baraka Energy & Resources Ltd
Email: info@barakaenergy.com.au