



September 2018 Quarterly Activities Report

Philippine Iron Sands-Vanadium Magnetite Project

As part of Baraka's technical assessment and review of the Philippines Iron Sands Vanadium-Magnetite Exploration Permits, Baraka Director, Mr Jason Brewer and independent technical consultant Mr Jaime Zafra met in September 2018 in the Philippines with the management of Luzon Iron Development Group Corporation (LIDGC) and other key consultants in the Philippines.

Since this meeting Baraka has requested further legal, technical and financial information from LIDGC and Consolidated Iron Sands Limited (CIS), which it expects to receive shortly.

Mr Jaime Zafra was appointed by the Company during the quarter as its in-country Independent Technical Consultant to complete a due diligence review of the Philippines Iron Sands Vanadium-Magnetite Project, an assessment of the current exploration budget and proposed activities to advance the Project towards a development decision.

The Company's investment in the Philippines Iron Sands Vanadium-Magnetite Project, is currently through loan advances made under a Secured Loan Agreement entered into in 2012 between CIS and Baraka's wholly owned subsidiary Goldfleet Enterprises Pty Ltd (Goldfleet).

The Secured Loan Agreement, was varied in 2014 and as at June 30 2018, a total of \$3,713,639 has been advanced by the Company to CIS (and/or CIS' nominee, LIDGC) under the terms of the Secured Loan Agreement.

CIS holds, via its 97% owned Philippine subsidiary, LIDGC, Exploration Permits for two offshore areas between Sanchez Mira and Gonzaga, offshore of Cagayan Province Luzon. The tenement eastern limit is 3 kms from the Economic Free Zone of Port Irene.

The Company is now informed in respect of the current status of the Secured Loan Agreement and the various rights that it provides the Company in regards to the loan funds advanced to CIS (and/or CIS' nominee, LIDGC) to advance the Philippines Iron Sands Vanadium-Magnetite Project

Southern Georgina Basin

The lifting of a fracking moratorium, by the Northern Territory Government earlier this year has provided the opportunity for the Company to pursue a potential farm-in partner and to complete a more strategic review of its investment.

Since then the new Board of Baraka has undertaken a review of the EP 127 as part of its strategic review of the Company's assets and has concluded that EP 127 is in good standing and represents an under explored asset with potential to add significant value to the Company.



During the quarter the Company also engaged with the Northern Territory Mines and Energy Department to ensure it is in compliance with the permit and work required with NT-DPIR under the Petroleum Act, to achieve successful commercialisation of the natural petroleum resources within the permit.

Vanadium Focus - Other Projects

The Board has commenced and continues its review of a number of advanced and early stage resource projects that it believes will complement and enhance Baraka's position in the vanadium sector.

During the quarter representatives of the Board and technical consultants of the Company travelled to Southern Africa as part of this project identification and due diligence review process. On-site reviews and due diligence of a portfolio of attractive complementary South African based projects that have been identified and are considered highly prospective for vanadium are on-going.

Loan to Cervates Corporation Limited (CVS)

The ASX announcement released on 9 August 2018, signed off by CVS Executive Chairman (who was at the time also the Baraka Executive Chairman) referred to the CVS/Baraka loan agreement being amended so that the amount of loan owed by CVS to Baraka was amended to \$900,000 from the previous loan amount of \$1,257,400.47. Further to this all interest repayments were suspended.

The Current Board intends to review the basis of the reduction and further clarify why the terms of the loan were changed from a loan which was payable on 12 months' written notice (with ability to convert wholly or partly into CVS shares), to a loan that is only repayable on 2 years written notice with no interest accruing or payable. This review is ongoing.

Share Investment Portfolio

Baraka held a share portfolio consisting of a number of ASX listed entities.

Between 1 July 2018 and 26 July 2018, the entire share portfolio was liquidated by the former Directors either sold on-market or off-market transfer to third parties for a total value of \$81,120.

Summary of Cash Outflows

During the quarter the high amount of outflows relates to payments made by the previous Board and Director payments (which were completed prior to their resignations). These payments covered the previous 12 months consultant fees and serviced office fees. Also included were 3 months payout for termination of the serviced office and consulting agreement of two previous Directors.



Summary of larger payment totals that occurred during the quarter from 01 July 2018 to 09 August 2018:

New York Securities Pty Ltd (of which Collin Vost is the sole director)	\$344,886.90
BlueSky Trust (of which Justin Vost is a beneficiary)	\$100,430
Baraka Director Fees	\$ 11,800
Legal Fees	\$ 54,207.65
CIS Director Fees	\$ 10,231
Luzon Loan	\$ 53,186.23

During the period in the quarter overseen by the new board for the period 10 August 2018 to 30 September 2018, total cash outflows were \$27,349.90.

Corporate

Mr Jason Brewer, Mr Patric Glovac and M Chris Zielinski were appointed as the new Board of Directors of Baraka Energy & Resources Ltd on 10 August 2018. Further to this, Mr Collin Vost, Mr Justin Vost and Mr Ray Chang tendered their resignations as Directors of the Company. As a result, the shareholder meeting schedule for 10 August 2018 pursuant to sections 249D and 2203D of the Corporation Act 2001 was not held.

The new Board of Baraka is thankful to shareholders for their overwhelming response and support to date.

The Company undertook a Share Purchase Plan (SPP) during the quarter which closed on 26 September 2018, with applications received from eligible shareholders totalling \$785,000.

There has been significant interest in the shortfall shares under the SPP offer and post the Annual General Meeting, and the Company obtaining the necessary shareholder approval, Baraka is confident it will place the shortfall shares to unrelated exempt investors. The Board thanks its loyal shareholders for their continuing support of the Company.

The Company also wishes to advise that effective 17 August 2018, the Registered Office and Business Address of the Company is:

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