

21st January 2016

QUARTERLY ACTIVITIES AND CASH FLOW REPORT
PERIOD ENDED 31st DECEMBER 2015

CONTACTS:

Collin Vost
Telephone: 08 6436 2350

ISSUED CAPITAL:

2,225,337,344 Ordinary Shares

Directors:

Collin Vost (Executive Chairman)
Justin Vost (Non Executive)
Ray Chang (Non-Executive – Chinese Division)

**Australian Securities
Exchange (ASX)**

Code: BKP
(Ordinary Fully Paid Shares)

Company Secretaries:

Tim Clark
John Greeve

Cash (31st December 2015)

\$341,000



DECEMBER 2015 QUARTERLY ACTIVITY REPORT

Baraka Energy & Resources Limited (“Baraka “ or “ the Company “) (ASX: BKP) provides its quarterly activities report for the period ended 31st December 2015.

Baraka appointed experienced Lawyers and Tenement Administrators in the Northern Territory, as well as RISC , a world renowned Oil and Gas consulting firm, to assist in the renewal of both permits, EP127 and EP128 located in the Georgina Basin in the Northern Territory, under the sole ownership of Baraka as 100% Permit Holders.

Whilst Submissions have been made and the process continues in regards to EP127, Baraka elected to withdraw from renewing EP128 in January 2016 as announced, because of the expenditures required by the NT Department of Minerals and Energy. Baraka believed these to be excessive for the least prospective of the permits and intends to concentrate its efforts on EP127 on renewal.

Baraka and its previous exploration consultants believed that the western side of EP127, and in particular the Hagen Member, and Dulcie Syncline, held considerable potential for Conventional Oil & Gas, to the extent that at that time interest was expressed by a Canadian group wanting to pursue exploration of those areas. Discussions may be reinstated at a later date subject to the outcome of our renewal application.

In the meantime all expenditures have been met for 2015, and depending on the renewal terms and conditions, Baraka is not expected to commence any new expenditure until after the first quarter of 2016 when the permit is renewed and the wet season finishes

Baraka will initially work with RISC and others familiar with the Georgina Basin in reviewing all of the data collected from the previous work programs, pursue discussions with interested parties in regards to any farm in, and then resolve the work programs for 2016 and beyond.

Baraka has an R & D Tax Incentive application currently lodged awaiting approval. In the event that application is successful we would expect a cash injection sometime in the first quarter of 2016. Additional funds are also expected as a result of converting selected current assets to cash further adding to our cash reserves.

Baraka as at the 31st December 2015 had some \$4.5m of cash and current assets, with only minimal debtors or commitments.

The board of Baraka continues to seek other opportunities, and has been assessing offers made to the company to participate in ventures, or consider cash injections simultaneously with asset acquisitions, but nothing to date has been offered that would be sufficiently advantageous to our shareholders based on our risk to reward guidelines, and or is sufficiently advanced or definitive.

Appendix 5B

The Appendix 5B for the quarter ended 31 December 2015 is attached.

Forward-Looking Statements

This press release may contain forward-looking information that involves substantial known and unknown risks and uncertainties, most of which are beyond the control of Baraka, including, without limitation, statements pertaining to management's future plans and operations. All statements included herein, other than statements of historical fact, are forward-looking information and such information involves various risks and uncertainties. There can be no assurance that such information will prove to be accurate and actual results and future events could differ materially from those anticipated in such information. Any forward-looking statements are made as of the date of this release and Baraka does not assume any obligation to update or revise them to reflect new events or circumstances.



Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/2013

Name of entity

Baraka Energy & Resources Limited

ABN

80 112 893 491

Quarter ended ("current quarter")

31 December 2015

Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (6 months) \$A'000
1.1 Receipts from product sales and related debtors	0	0
1.2 Payments for (a) exploration & evaluation (b) development (c) production (d) administration	(22) - - (104)	(120) - - (255)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	2	8
1.5 Interest and other costs of finance paid	0	0
1.6 Income taxes paid	-	-
1.7 Other (provide details if material)	0	896
Net Operating Cash Flows	(124)	529
Cash flows related to investing activities		
1.8 Payment for purchases of: (a) prospects (b) equity investments (c) other fixed assets	- - -	
1.9 Proceeds from sale of: (a) prospects (b) equity investments (c) other fixed assets	- - -	
1.10 Loans to other entities	(225)	(523)
1.11 Loans repaid by other entities		
1.12 Other (provide details if material)		
Net investing cash flows	(225)	(523)

+ See chapter 19 for defined terms.

1.13	Total operating and investing cash flows (carried forward)	(349)	6
1.13	Total operating and investing cash flows (brought forward)	(349)	6
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	-	-
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other (provide details if material)	-	-
	Net financing cash flows	0	0
	Net increase (decrease) in cash held	(349)	6
1.20	Cash at beginning of quarter/year to date	690	335
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	Cash at end of quarter	341	341

Payments to directors of the entity, associates of the directors, related entities of the entity and associates of the related entities

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	100
1.24	Aggregate amount of loans to the parties included in item 1.10	
1.25	Explanation necessary for an understanding of the transactions	
	Directors fee, serviced office, bookkeeping and consulting fees.	

Non-cash financing and investing activities

- 2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

+ See chapter 19 for defined terms.

- 2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

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Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities		
3.2 Credit standby arrangements		

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	35
4.2 Development	
4.3 Production	
4.4 Administration	98
Total	133

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.

	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	5	8
5.2 Deposits at call	336	682
5.3 Bank overdraft		
5.4 Other (provide details)		
Total: cash at end of quarter (item 1.22)	341	690

+ See chapter 19 for defined terms.

Changes in interests in mining tenements and petroleum tenements

	Tenement reference and location	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1	Interests in mining tenements and petroleum tenements relinquished, reduced or lapsed			
6.2	Interests in mining tenements and petroleum tenements acquired or increased			

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1	Preference securities <i>(description)</i>			
7.2	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions			
7.3	+Ordinary securities	2,225,337,344	2,225,337,344	
7.4	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs			
7.5	+Convertible debt securities <i>(description)</i>			

+ See chapter 19 for defined terms.

7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7	Options <i>(description and conversion factor)</i>			<i>Exercise price</i>	<i>Expiry date</i>
7.8	Issued during quarter				
7.9	Exercised during quarter				
7.10	Expired during quarter				
7.11	Debentures <i>(totals only)</i>				
7.12	Unsecured notes <i>(totals only)</i>				

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 5).
- 2 This statement does /does not* (*delete one*) give a true and fair view of the matters disclosed.

Sign here:



Date: 21 January 2016

Print name: Timothy Clark
(Company secretary)

Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash

+ See chapter 19 for defined terms.

position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.

- 2 The “Nature of interest” (items 6.1 and 6.2) includes options in respect of interests in mining tenements and petroleum tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement or petroleum tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Financial Reporting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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Baraka Energy & Resources Ltd Schedule of Tenements as at 31 December 2015

Project	Tenement	Nature of Company’s Interest
Southern Georgina Basin Northern Territory	EP 127	25%
Southern Georgina Basin Northern Territory	EP 128 ¹	25%

- 1 including a 75% undivided working interest in the 75kms² around the Elkedra-7 well on EP128.

+ See chapter 19 for defined terms.