

ASX ANNOUNCEMENT/MEDIA RELEASE

18 April 2018

Fracking Ban Lifted in NT

Baraka Energy & Resources Ltd (ASX:BKP) (Baraka or the Company) is pleased to advise that the Northern Territory Government has now lifted the ban on fracking in the Northern Territory (NT) for oil and gas companies, with some limited exceptions.

Baraka retains 100% control of some 4 million acres in the southern part of the Georgina Basin in the NT often referred to as one of the most prospective onshore basins in Australia.

Baraka's permit EP127 has potential for both conventional oil and gas, as well as fracking potential for unconventional oil and gas.

A well, McIntyre-2 was spudded on the 28 October 2011 in EP127, which was stated as being the first horizontal drilled well in Australia, and included 1000m of horizontal fracking. Whilst the fracking was successful it encountered water and biogenic hydrogen sulphide gas produced from naturally occurring organisms in the completion fluid which required the well to be suspended by the then JV partner. The JV partner at a later date encountered a number of difficulties and was unable to return to treat the sulphide gas or pursue the high grade gas results generated.

On the 22 November 2011 Baraka released to the market an announcement relating to elevated hydrocarbon shows from McIntyre-2, in the Southern Georgina Basin, Australia.

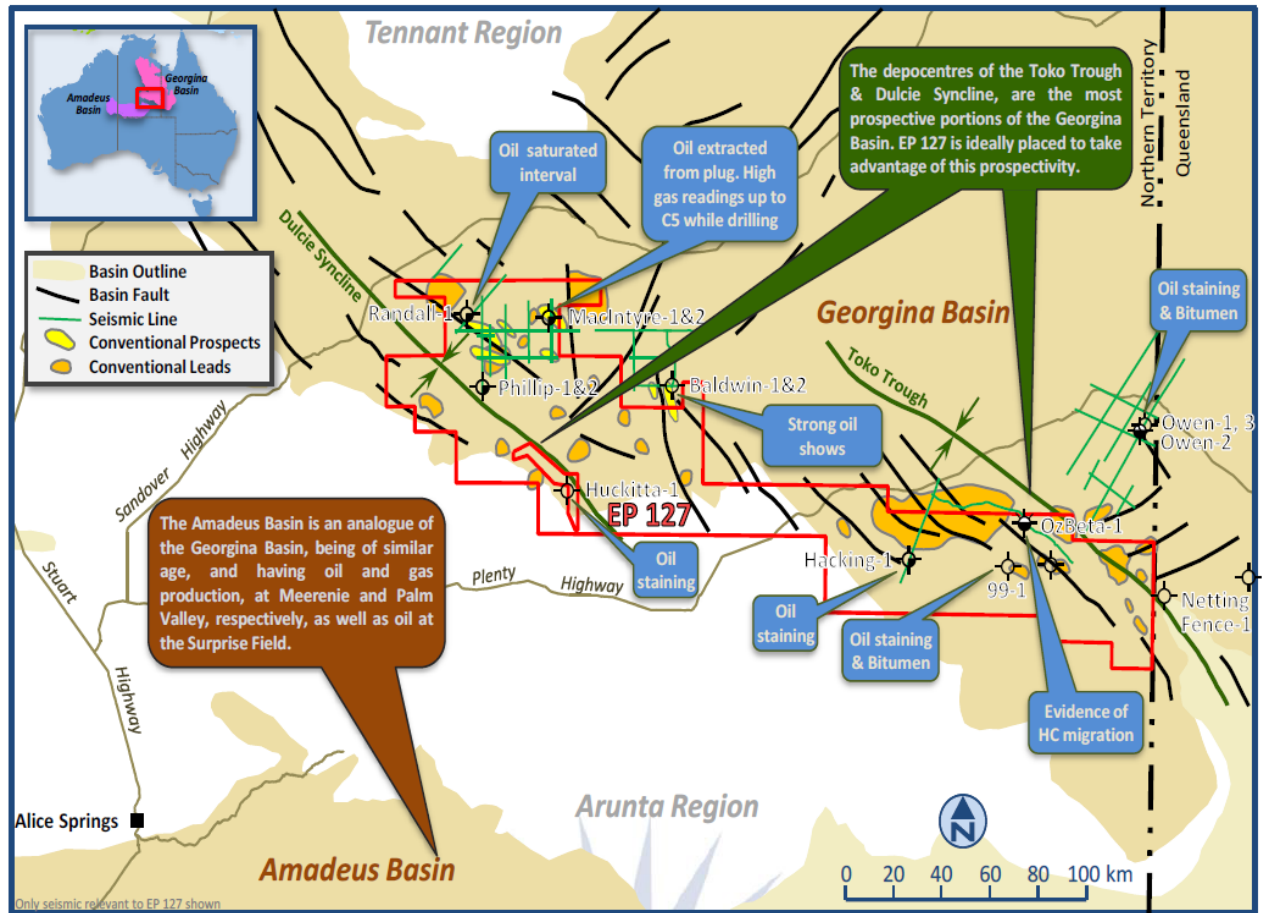
"The logging results for MacIntyre-2 are very positive showing approximately 22 metres of true vertical depth ("TVD") pay with porosities varying between 5 – 11%. Studies completed by two independent petrophysical companies indicate that the Arthur Creek "Hot Shale" zone in MacIntyre-2 may be oil bearing, although natural gas is present as well"

"Comments by Paul Bennett, Chief Executive Officer and President, PetroFrontier Corporation (TSX-V:PFC)"

"We had high gas peaks (C1 through C5) throughout the drilling of the Arthur Creek "Hot Shale" in MacIntyre-2. In addition to the gas readings (samples were effervescing), there was some evidence of oil on the samples. Definitive results will be confirmed once we frac and flow MacIntyre-2H".

Ryder Scott an independent internationally recognised Canadian petroleum consulting company wrote a report on the potential of Baraka's holdings in 2011 and that report is available on our Website.

Whilst Baraka applied for and was granted a suspension of activities because of the fracking ban, the Company will now pursue a Farm In partner to pursue the positive attributes of its permit.



The potential for gas in the NT is still well publicised and the current political charged discussions on the potential shortages of gas and the high gas prices in the Eastern States just adds further interest in the NT's potential. This is certainly of interest to Baraka with its approx 4 million acres (approx 16,000 square kilometres) at its EP127 in the NT which, based on the results from the 2011 drilling campaign, has gas potential.

Whilst the last few years have been very trying for management and the shareholders, the Company feel that there is however a more positive attitude returning to commodities and the junior end of the market in particular. The number of approaches receive by the Company are increasing but unfortunately not the quality as of yet that the Company are seeking for our shareholders.

Baraka and the Board can now look forward to a more positive period for 2018.

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