

MEDIA RELEASE

12 July 2018

Baraka strikes back

Baraka Energy & Resources Limited (ASX:BKP) (Baraka or the Company) has instructed its share registry to serve 672B notices on all Bank, stockbroker and all other nominee accounts to disclose the beneficial owners of their holdings now, and up to the general meeting.

Baraka has taken this action as a result of some concerning and suspicious trading in its shares. In particular, closing trades for insignificant holdings as well as volume trading with no net change in holdings by stockbroking firms previously associated with the requisitioning parties.

Baraka has also taken this action as a result of disclosure from research on the requisitioning parties who have requested the shareholder meeting of Baraka to remove the board of Baraka, and replace them with their nominees, one nominee being a Director and shareholder of one the requisitioning parties.

It has come to light that five of the 6 requisitioning parties as noted below:

GTT Global Opportunities Pty Ltd, Syracuse Capital Pty Ltd <Tenacity A/C>, Syracuse Capital Pty Ltd <The Rocco Tassone Super A/C>, Murdoch Capital Pty Ltd <Glovac Super A/C>, Mounts Bay Investments Pty Ltd <Calver Capital A/C> and **Hustler Investments Pty Ltd** (Requisitioning Shareholders).

Were together with **Applabs**, another associated company of the parties, investigated by the Takeovers Panel in relation to activities and share holdings in **Sovereign Gold Ltd**, which made a declaration of “**unacceptable circumstances**” and required the parties to divest shares amongst other things.

The investigation of the panel, which is publicly available, was extensive and disturbing with statements from the panel including, but limited to:

The parties acted in concert and are associated “for the purpose of controlling or influencing the composition of Sovereign Gold’s board” or “in relation to the affairs of Sovereign Gold”.

The findings also noted other factors such as the unacceptable conduct of the associated parties, and acting for a common purpose of obtaining control of the board of Sovereign Gold. **Sovereign Gold has since had severe market disruption and changed names to Force Com Ltd (4CE).**

Additionally, the Company investigations disclosed the sad outcome of a number of listed companies the group have been involved with, such as but not limited to **XTV Networks Limited** (previously Intercept Minerals) which **remains**



suspended and is unlikely to return to the ASX, and Applabs (previously AACL Holdings) which was suspended and subsequently delisted in January of 2018.

Baraka agreed to a placement with **GTT Ventures Pty Ltd a licensed AFSL holder** in good faith with written undertakings regarding the placement, that being spread and association of the placement parties for the placement of 300m shares at \$0.002 cents.

As at the time of writing, some 180m of those shares have been sold into the retail market, having commenced immediately after the Company Halt for the placement was lifted. Indeed trades have been recorded by the requisitioning parties and we will consider the substantial shareholder notifications in regards to those trades considering the initial 603 notice was late.

Baraka would like to be clear that we are not concerned about the quantity of shares currently held by the group or its known associates breaching any takeover limit, but since the announcement of the requisition another aspect is being considered by Baraka in as much as the groups previous conduct, and hiding shares in nominee companies as disclosed by the Takeover Panel. In addition pods of shares being acquired by known work associates of one of the nominees, and others associated with the group including stockbroking firms that may be considered acting in concert to remove the board and or influence the board as per the Panels declaration.

It was also unfortunate that one of the Nominees **Mr Jason Brewer** found it necessary to denigrate Baraka and its board on his personal face book page, and Baraka had no choice but to remind Mr Brewer on his face book which we would not normally do and invade a private persons space, about his unfortunate period as a Director of **Black Mountain Ltd (BMZ)** and elected not to go into the narrative of the numerous events or circumstances. We have since had a response from Mr Brewer that he would like to meet and we have agreed to that request, as we did for other members of the group without any successful outcome.

Baraka has been mercilessly attacked and subjected to false and derogatory comments on a forum called Hot Copper and other forums, with similar vocabulary, which was and is totally unwarranted. Since a warning was put out, that there was a possible investigation by the regulatory authorities of those messages being possibly from "Paid for Posters", the tirade seems to have become more muted, although a recent post was added that was disgracefully dishonest and we have advised Hot Copper we want to pursue that defamatory poster.

We once again express our concern about the previous activities of the group and call on our shareholders to **vote AGAINST all resolutions.**

For further information please contact:

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