

7 July 2011

ASX Announcement

### GEORGINA BASIN DRILLING PROGRAM

The Board of Baraka Energy and Resources Ltd (ASX:BKP) ("Baraka" or the "Company") wishes to advise that whilst our earlier release today regarding our joint venture partners, PetroFrontier Corp (TSX-V:PFC) ("Petrofrontier") announcement of mobilization of the drill rig for commencement of the first drilling program, was to comply with the ASX continuous disclosure requirements and ensure Baraka shareholders were not disadvantaged, we would also like to remind our shareholders of the following important information:

Whilst Baraka's McIntyre 2 well on EP127 is the 2<sup>nd</sup> well to be drilled in the initial 2 well program after the Baldwin (adjoining permit EP103 owned by Petrofrontier), it will however be the first well to be multi-staged frac'd and completed.

It is the multi-stage frac'ing technology that substantially improves the chance of success of Oil and/or Gas flow from this type of drilling program as proven in the Bakken Oil Shale play in Canada and USA. Therefore, Baraka's well will be the most important well drilled in the initial program within the Georgina Basin and indeed in the Northern Territory, if not possibly Australia as far as this style technology in Oil Shale.

It is also extremely relevant, and what to date may have been overlooked, is that there also exists potential for conventional targets above the Basel Oil Shale in the McIntyre 2 well, which could add an early expectation of interest prior to entering the shale and continuing the horizontal well into the shale in the McIntyre 2.

Considering the substantial investment into oil shale in the Northern Territory by Hess Corporation (NYSE:HES) ("Hess") to the north of the Georgina Basin, Central Petroleum's Ltd (ASX:CTP) announced and indicated large expenditures into oil, coal and gas to the south of the Baraka permits, plus the numerous other unlisted players announcing their potential exploration on the fringes of the Georgina Basin, the Board expects a series of announcements of activities and results in the Northern Territory, which can only assist in placing Baraka on the radar screens of potential investors globally.

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For further information please contact:

Mr Collin Vost  
Managing Director  
Baraka Energy and Resources Ltd  
Tel: 08 6436 2350  
Em: [info@barakapetroleum.com](mailto:info@barakapetroleum.com)