

BARAKA

ENERGY & RESOURCES LTD

29 November 2012

Fiona Murphy
Adviser, Listings (Perth)
ASX Compliance Pty Ltd
2 The Esplanade
Perth WA 6000

By email: fiona.murphy@asx.com.au

Dear Fiona

We refer to your letter dated 28 November 2012 in relation to disclosure of the Company's diversity policy, Principle 3 of the 2010 amendments to the 2nd edition of the ASX Corporate Governance Principles and Listing rule 4.10.3.

Your letter has asked that the Company make additional disclosures about the extent to which the Company has followed or not followed each of the recommendations relating to diversity.

We respond as follows:

- 1 The Company has not established a policy on diversity at this time and the Company has not established or reported measurable objectives for achieving gender diversity. The Company did not report the proportion of women employees or departure from diversity recommendations in the 2012 Company's Annual Report.
- 2 The Board considers that adoption of a policy on diversity at this time is impractical for a small organisation with no full time equivalent (FTE) staff.
- 3 The Board considers the Company's policy on anti discrimination, including equal opportunity, provides relevant guidance on issues of diversity in the current circumstances of the Company, however the Board will review its Corporate Governance Handbook to include a policy on diversity.
- 4 In relation to gender of employees, the Company currently has no FTE employees, women or men. The Company has no women in senior executive positions and no women on the Board.
- 5 We will ensure the Annual Report Corporate Governance disclosures address these matters in the future.

BARAKA

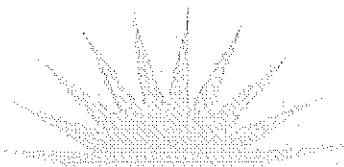
ENERGY & RESOURCES LTD

Please contact us if you have any queries or require further information.

Yours sincerely



Patrick J O'Neill
Company Secretary





ASX Compliance Pty Ltd
ABN 26 087 780 489
2 The Esplanade
Perth WA 6000

GPO Box D187
Perth WA 6840

Telephone 61 8 9224 0000
Facsimile 61 8 9221 2020
www.asx.com.au

28 November 2012

Mr Pat O'Neill
Company Secretary
Baraka Energy & Resources Limited
Shop 12, South Shore Piazza
85 The Esplanade
SOUTH PERTH WA 6151

By email: Pat@jacksongreeve.com.au

Dear Mr O'Neill

Baraka Energy & Resources Limited (the "Company")

We refer to the corporate governance section of the Company's annual report for the year ended 30 June 2012 ("Annual Report") released to the market on 29 October 2012 and in particular to the reporting against principle 3 dealing with diversity.

Listing rule 4.10.3 requires that an entity include in its annual report:

"A statement disclosing the extent to which the entity has followed the recommendations set by the ASX Corporate Governance Council during the reporting period. If the entity has not followed all of the recommendations the entity must identify those recommendations that have not been followed and give reasons for not following them. If a recommendation had been followed for only part of the period, the entity must state the period during which it had been followed."

Principle 3 of the 2010 amendments to the 2nd edition of the ASX Corporate Governance Principles and Recommendations states that companies should actively promote ethical and responsible decision-making and that:

"Companies should publish their policy concerning diversity, or a summary of that policy, and disclose annually their measurable objectives for achieving gender diversity, their progress toward achieving those objectives and the proportion of women in the whole organisation, in senior management postings and on the board."

More specifically the following recommendations set out in more detail the requirements:

Recommendation 3.2

"Companies should establish a policy concerning diversity and disclose the policy or a summary of that policy. The policy should include requirements for the board to establish measurable objectives for achieving gender diversity and for the board to assess annually both the objectives and progress in achieving them."

Recommendation 3.3

"Companies should disclose in each annual report the measurable objectives for achieving gender diversity set by the board in accordance with the diversity policy and progress towards achieving them."

Recommendation 3.4

"Companies should disclose in each annual report the proportion of women employees in the whole organisation, women in senior executive positions and women on the board."

Recommendation 3.5

"Companies should provide the information indicated in the Guide to reporting on Principle 3."

The Listed Entities Updates dated 1 October 2010 and 7 February 2012, reminded listed entities of their obligation to report under the 2010 amendments to the 2nd edition of the ASX Corporate Governance Principles and Recommendations as set out above in their annual report for their first financial year commencing on or after 1 January 2011.

ASX Listings ("ASXL") has reviewed the diversity policy disclosures in the annual reports of all entities. Upon our review of the Company's Annual Report, ASXL could not identify a statement in the Annual Report confirming whether the Company had followed or not followed the diversity recommendations of the ASX Corporate Governance Council ("Council").

ASXL attaches particular importance to encouraging a consistently high standard of listed entities' disclosures about the Council's corporate governance recommendations.

In light of the Company's non-disclosure in respect of the diversity recommendations in its Annual Report, ASXL requires that the Company make additional disclosure to the market in compliance with listing rule 4.10.3 about the extent to which the Company has followed or not followed each of the diversity recommendations of the Council.

The additional disclosure should be sent to me by e-mail at fiona.murphy@asx.com.au or by facsimile on facsimile number (08) 9221 2020. It should not be sent to ASX Market Announcements. This is requested as soon as possible and, in any event, not later than **7.30 am (WST) on Wednesday, 5 December 2012.**

Under listing rule 18.7A, a copy of this letter and the additional disclosure will be released to the market, so your response should be presented in a suitable form.

Should the Company fail to do so, ASXL may consider suspending the Company's securities from quotation until the Company releases to the market a diversity policy that discloses the required information.

If you have any queries about this letter, or about the recommendations of the Council and the Company's reporting obligations in relation to those recommendations, please contact me immediately.

Yours sincerely,

[sent electronically without signature]

Fiona Murphy
Adviser, Listings (Perth)