



Baru Resources Limited

ACN 147 324 847 ABN 50 147 324 847
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21 February 2013

Baru Resources invests in Myanmar Copper/Gold

Board of Directors

Peter Avery (Chairman)

Kevin Nichol (Managing Director)

Andrew Bald (Non-executive Director)

Company Secretary

Melanie Leydin

Securities on Issue:

BAC: 49,796,009 ordinary shares

BACO: 42,898,005 20c listed options

Market Capitalisation as at 20 February 2013:

\$2,240,820

Highlights

- Baru Resources has acquired a 100% interest in Horizon Mines Limited which has 5 mineral exploration tenement applications in Myanmar. These primarily target porphyry copper/gold mineralisation as well as potential smaller, higher grade epithermal and sediment hosted gold deposits. Within the permit applications there are old mines noted.
- Myanmar is considered as a last frontier in the world and is very prospective for a wide range of metals. It has virtually been unexplored for 65 years despite very high prospectively. The country has just been opened up for the grant of exploration tenements in 2013.
- In addition to copper/gold mineralisation, Myanmar is prospective for other economically important metals. There are distinct ultramafic zones (prospective for Cr, Ni, Cu, Mg and Pt), as well as acid intrusive and extrusive style mineralisation in Precambrian age rocks (prospective for Pb, Zn, Ag, Mo, Cu and Au). More recent periods of granitic volcanism in the east of the country has resulted in tin, tungsten and antimony mineralisation.
- The country is therefore highly prospective for a wide range of metals and mineralisation types and is virtually unexplored by modern exploration techniques. It is located on the structure that extends from Indonesia.



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Horizon's Tenement Applications

Horizon Mines has obtained approval from the Ministry of Mines and Department of Geological Survey and Mineral Exploration following several previous visits in 2012 to Nay Pyi Taw, Myanmar explore five areas labelled A-E in Figure 1 below. These are expected to be granted subject to a field visit and the lodgement of a work program. The company's principal interest is to locate copper, gold, graphite and base metal deposits on these permit areas.

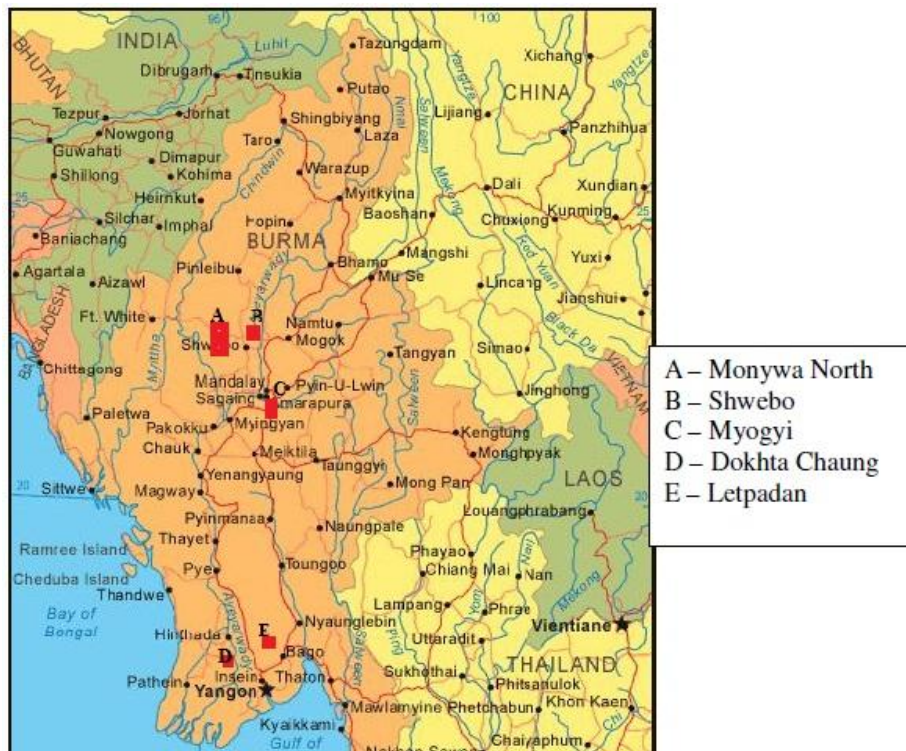


Figure 1: Map of Myanmar showing the locations of tenements A-E

Exploration Target

The initial exploration targets are following evaluation of zones of mineralisation, previous mines and geology are;

- Porphyry type Cu/Au deposits associated with acid to intermediate volcanic and sub volcanic intrusives. These will be Oligocene to Miocene in age and will lie in the Central Volcanic Arc of Myanmar.
- Epithermal gold and VMS associated with granitic rocks of Miocene age also in the Central Volcanic Arc.
- Letpadaung style mineralisation (highly prospective for Cu) in the Eastern Highland Belt.
- Porphyry and Kuroko deposits near the Monywa mineralised shear zone.
- Other mineralisation styles and metals that may be noted once the exploration program is established. Given the early stage of modern exploration in the country there could be significant discoveries still to be made in many different commodities. For instance the company's application in the SW contains several noted graphite prospects.



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The Transaction

Baru will pay \$75,000 cash (\$10,000 on signing of this agreement) to the vendors of the Project and issue 400,000 fully paid ordinary shares in the Company upon receipt of the granted applications from the Department of Geological Survey and Mineral Exploration.

Payment of cash and shares is subject to 60 days Due Diligence and other regulatory approvals.

It is proposed that Baru will conduct exploration of the tenements over the next 12 months following the grant of the last exploration licence with a proposed investment amount of \$200,000.

Summary

Myanmar represents a highly prospective geological terrain which is expected to generate a large number of high quality deposits over the next 5-10 years as the country is now open for exploration. The country has a wide range of mineralisation types and commodities and Baru Resources will be in a position to acquire some of the most prospective ground by being one of the first explorers into the country.

For further information:

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Managing Director

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About Baru Resources Limited

Baru Resources Limited ("Baru" or "the Company") is an Australian public company that is focused on the identification and development of coal and other mineral commodities. The Company has three projects areas located in Queensland, the Longreach Project, the West Galilee Project and the Galilee Project.