



Baru Resources Limited

ACN 147 324 847 ABN 50 147 324 847

43 Outram St West Perth WA 6005

Phone: (08) 9321 8845

Fax: (03) 9321 8854

Email info@baru.com.au

Website www.baru.com.au

26 July 2012

JUNE 2012 QUARTERLY REPORT

Board of Directors

Richard Anthon (Chairman)

Kevin Nichol (Executive Director)

Peter Avery (Non-executive Director)

Chief Executive Officer

Matt Bull

Company Secretary

Helen Clancy

Quarterly Share Price Activity

Low \$0.05

High \$0.11

Close \$0.05

Securities on Issue:

BAC: 49,796,009 ordinary shares

BACO: 42,898,005 20c listed options

Market Capitalisation as at 30 June 2012:

\$2,490,000

Highlights

The following highlights occurred during the June 2012 quarter:

- Final tenement for the West Galilee Project EPC2075 was granted.
- Baru Resources is currently reviewing available historic information within the Longreach and Galilee Project areas to define the initial drill targets.
- Baru Resources has investigated a number of other potential acquisitions in both Australia and overseas.

Baru Resources total project area comprises 22 tenements (7 granted Coal Exploration Permits and 15 Coal Application Exploration Permits) covering a total of ~20,000km² within the Eromanga and Galilee Basins.



Baru Resources Limited
 ACN 147 324 847 ABN 50 147 324 847
 Suite 304, 22 St Kilda Road, St Kilda, VIC 3182
 Phone: (03) 9692 7222
 Fax: (03) 9529 8057
 Email generaladmin@baru.com.au
 Website www.baru.com.au

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 export hard coking coal and export thermal coal projects. The company has three projects areas all located in Queensland, the West Galilee Project, the Longreach Project and the Galilee Project.

West Galilee Project

The West Galilee Project is comprised of 7 contiguous, granted Exploration Coal Permits covering an area of 6,732.4km². The project area is some 375km east of Mt Isa and 16km west of the town of Richmond, close to the northern margin of the Eromanga Basin, which overlies the Galilee Basin and the newly defined Millungera Basin (refer to **Figure 1**.)

One tenement EPC2075 was granted on the 13th June for a period of 2 years.

All three basins are prospective for coal and will be the subject of a targeted drilling program to define the more prospective areas.

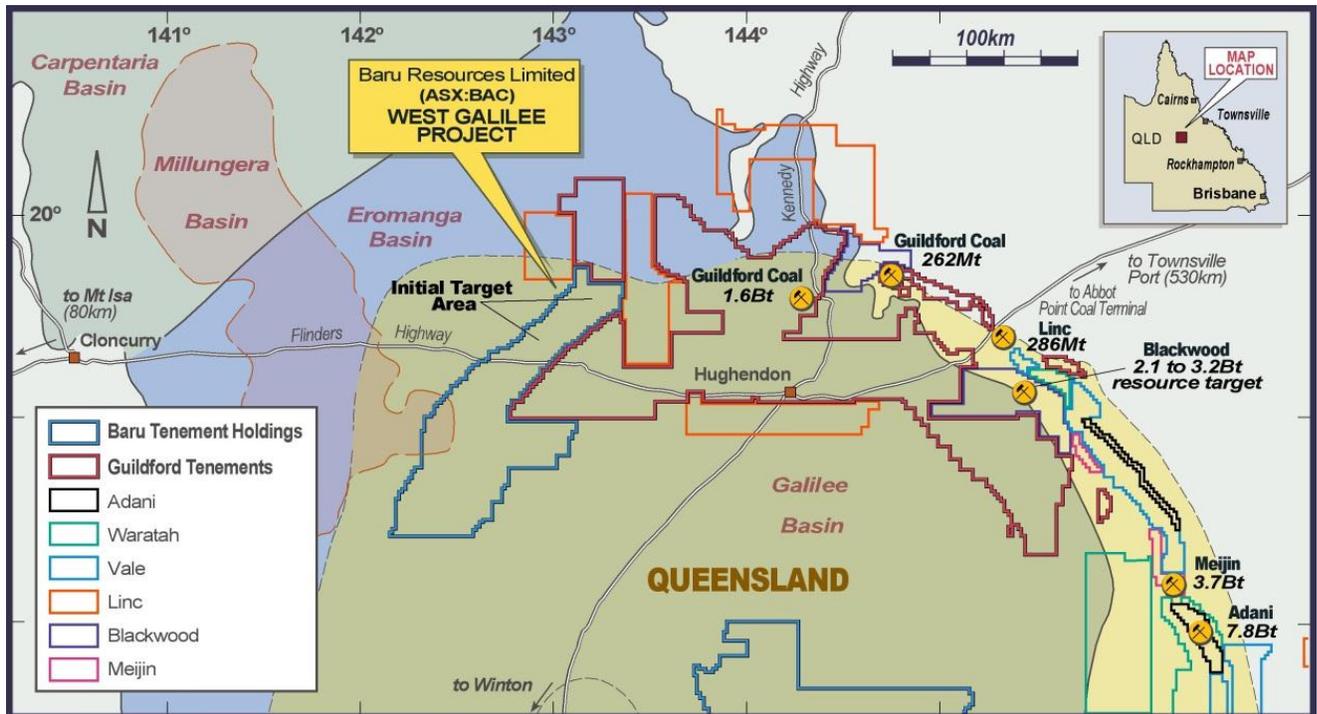


Figure 1 - Regional Geology: Sedimentary Basins and Guildford Coals Surrounding Tenements and Deposit Location



Baru Resources Limited
ACN 147 324 847 ABN 50 147 324 847
Suite 304, 22 St Kilda Road, St Kilda, VIC 3182
Phone: (03) 9692 7222
Fax: (03) 9529 8057
Email generaladmin@baru.com.au
Website www.baru.com.au

Galilee Project

The Galilee Project consists of 11 EPCA's, 10,381.7km² in area. The project is situated on the margin of the Galilee basin in Central Queensland (refer to **Figure 2**).

There has been limited exploration for coal within the project area to date. Previous exploration on the tenure focused on petroleum exploration which intersected coal in the Winton formation within the Eromanga Basin and the Aramac and Betts Creek Beds within the Galilee Basin. An initial exploration program is currently being developed and will use the extensive seismic data covering the area as well as the historical petroleum holes in the area to define drilling targets.

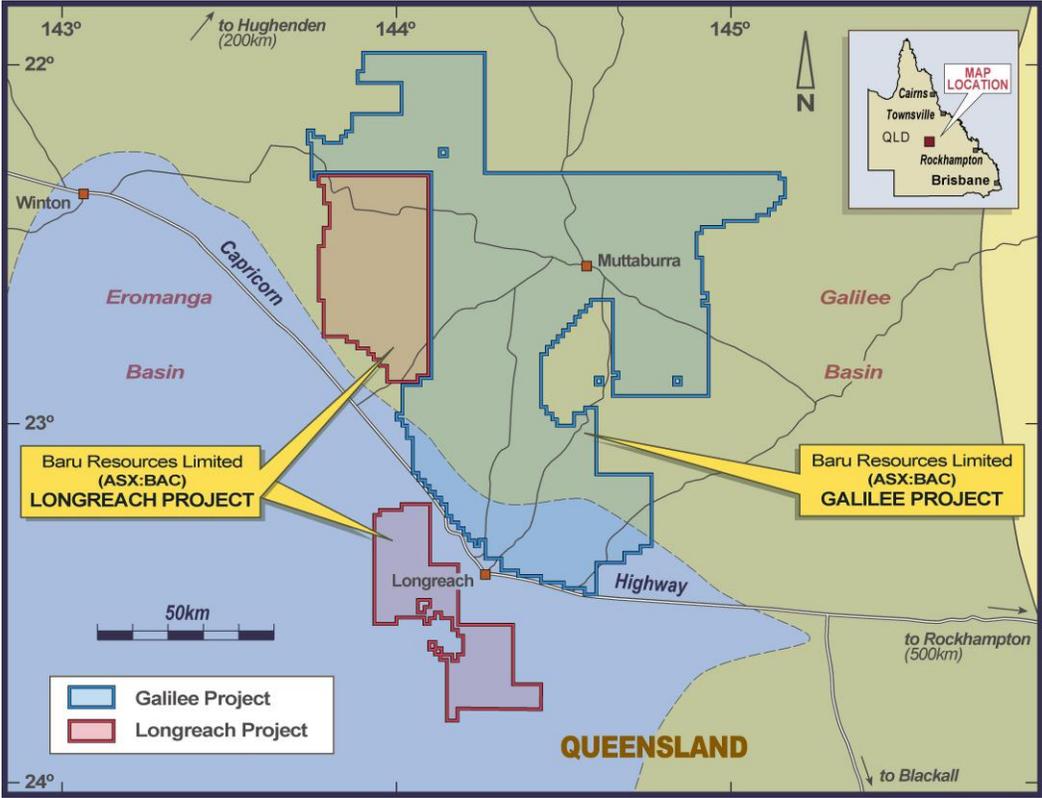


Figure 2 - Regional Geology: Sedimentary Basins in the Galilee and Longreach Project areas



Baru Resources Limited
 ACN 147 324 847 ABN 50 147 324 847
 Suite 304, 22 St Kilda Road, St Kilda, VIC 3182
 Phone: (03) 9692 7222
 Fax: (03) 9529 8057
 Email generaladmin@baru.com.au
 Website www.baru.com.au

Longreach Project

The Longreach Project consists of four (4) EPCA's totaling 3202.8km². The Cretaceous age Winton Formation covers the entire project area as both outcropping and sub-cropping sedimentary units.

The Winton formation has been the subject on a significant increase in exploration over the last 12 months and two large tonnage thermal coal deposits have already been identified including a 728Mt Resource by International Coal (ICX), 1.2Bt Resource by East Energy Resources (EER) and 1.3Bt Resource by Coal Bank Resources (CBQ). NSL Consolidated (NSL) also has a project targeting the thermal coal within the Winton Formation.

The Galilee Basin extends under the two northern tenements EPC2837 and EPC2839 as shown in **Figure 2**.

Details of the West Galilee and Longreach Project and Galilee Project tenements are detailed within Tables 1, 2 and 3.

Table 1 - West Galilee Exploration Pty Ltd Tenement Details

Tenure	Status	Date Lodged	Date Granted	Date Expires	Principal Holder	No. of Sub blocks
EPC2072*	Granted	04-Mar-10	29-Mar-11	28-Mar-13	West Galilee Exploration Pty Ltd	300
EPC2073*	Granted	04-Mar-10	29-Mar-11	28-Mar-13	West Galilee Exploration Pty Ltd	300
EPC2074*	Granted	04-Mar-10	29-Mar-11	28-Mar-13	West Galilee Exploration Pty Ltd	300
EPC2075*	Granted	04-Mar-10	13-Jun-12	12-jun-14	West Galilee Exploration Pty Ltd	300
EPC2076*	Granted	04-Mar-10	29-Mar-11	28-Mar-13	West Galilee Exploration Pty Ltd	300
EPC2077*	Granted	04-Mar-10	29-Mar-11	28-Mar-13	West Galilee Exploration Pty Ltd	300
EPC2078*	Granted	04-Mar-10	29-Mar-11	28-Mar-13	West Galilee Exploration Pty Ltd	300

* West Galilee Exploration Pty Ltd is now 100% owned by Baru Resources.

Table 2 – Longreach Project Tenement Details

Tenure	Status	Date Lodged	Date Granted	Date Expires	Principal Holder	No. of Sub blocks
EPCA2837	Application	10-Oct-11	TBA	TBA	Baru Resources Pty Ltd	300
EPCA2838	Application	10-Oct-11	TBA	TBA	Baru Resources Pty Ltd	231
EPCA2839	Application	10-Oct-11	TBA	TBA	Baru Resources Pty Ltd	300
EPCA2840	Application	10-Oct-11	TBA	TBA	Baru Resources Pty Ltd	182

The Longreach Project is 100% owned by Baru Resources.



Baru Resources Limited
 ACN 147 324 847 ABN 50 147 324 847
 Suite 304, 22 St Kilda Road, St Kilda, VIC 3182
 Phone: (03) 9692 7222
 Fax: (03) 9529 8057
 Email generaladmin@baru.com.au
 Website www.baru.com.au

Table 3 – Galilee Project Tenement Details

Tenure	Status	Date Lodged	Date Granted	Date Expires	Principal Holder	No. of Sub blocks
EPCA2909	Application	13-Dec-11	TBA	TBA	Baru Resources Pty Ltd	300
EPCA2910	Application	13-Dec-11	TBA	TBA	Baru Resources Pty Ltd	300
EPCA2911	Application	13-Dec-11	TBA	TBA	Baru Resources Pty Ltd	279
EPCA2912	Applications	13-Dec-11	TBA	TBA	Baru Resources Pty Ltd	300
EPCA2913	Applications	13-Dec-11	TBA	TBA	Baru Resources Pty Ltd	300
EPCA2914	Applications	13-Dec-11	TBA	TBA	Baru Resources Pty Ltd	300
EPCA2916	Applications	13-Dec-11	TBA	TBA	Baru Resources Pty Ltd	300
EPCA2917	Applications	13-Dec-11	TBA	TBA	Baru Resources Pty Ltd	298
EPCA2918	Applications	13-Dec-11	TBA	TBA	Baru Resources Pty Ltd	300
EPCA2919	Applications	13-Dec-11	TBA	TBA	Baru Resources Pty Ltd	300
EPCA2920	Applications	13-Dec-11	TBA	TBA	Baru Resources Pt Ltd	300

The Galilee Project is 100% owned by Baru Resources.

For further information:

Kevin Nichol
Executive Director

Competent Person’s Statement

The information in this release relating to exploration is based on information compiled by Ms M. Kelly who is a member of the Australian Institute of Geoscientists (AIG). Ms M. Kelly is an Independent Geological Consultant to Baru Resources Ltd and consents to the inclusion in this type of report of the information presented. Ms M. Kelly has over thirty years of geological experience and has sufficient experience relevant to the style of mineralisation and to the type of activity described to qualify as a competent person as defined in the 2004 Edition of the Australian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves.