

**Rapid growth, more discovery, de-risking and mining preparation**
**Ongoing dual focus on Resource growth and concurrent open pit PFS**
**Lake Roe Gold Project**

- ✦ **Open Pit Resource jumps 74% to 1.1Moz with camp-scale growth potential**
  - Nearly 800,000oz within 150m of surface with no mining legacy issues
  - High-grade core of 808,000oz @ 2.0g/t Au or 417,000oz @ 3.45g/t Au
  - Open in all directions – resource drilling only extends to 150m to 250m from surface
  - Resource drilling limited to first 2km of 8km-long gold system within 550km<sup>2</sup> project
  - Multiple high-grade reconnaissance intersections along strike
  - High gold endowment of 5,000-6,000oz per vertical metre underpins mining potential
  - Underground mineralisation not yet included in Resource
  - About 500,000oz added at a cost of ~A\$11/oz in five months
- ✦ **Ongoing drilling with four rigs targeting rapid resource growth and Resource upgrade**
  - New steep and flat lode discoveries extend deposit to the north, south, east and at depth
  - Over 50% of drilling extensional in nature; balance aimed at upgrading Resource
  - Strong results include:
    - BBRC0937 35m @ 3.83g/t Au (incl. 5m @ 10.96g/t and 10m @ 6.09g/t)
    - BBDD0067 22m @ 3.12g/t Au (incl. 5m @ 12.38g/t) and 5.4m @ 3.01g/t
    - BBRD0787 45m @ 2.14g/t Au (incl. 17m @ 3.23g/t and 7m @ 4.31g/t)
    - BBRC0901 4m @ 13.70g/t Au and 12m @ 2.44g/t Au
    - BBRC0784 6m @ 4.31g/t Au (incl. 1m @ 17.26g/t) and 5m @ 3.58g/t Au
    - BBRC0925 12m @ 3.40g/t Au (incl. 4m @ 8.22g/t)
  - Results upgrade potential for further extensions to immediate north and south
- ✦ **Systematic de-risking and enhancement of mining potential**
  - Indicated category up 136% to 624,000oz (58% of Resource)
  - Optimisations highlight scope for a single open pit over 2.0km-long (still growing)
  - Underground potential confirmed by proven coherence of high-grade lodes – eg.:
    - Tura Lode - 12m @ 9.80g/t Au, 7.5m @ 9.03g/t Au and 12m @ 5.72g/t Au
    - Mindil Lode - 7m @ 32.66g/t Au, 2.5m @ 18.53g/t Au and 2.8m @ 17.72g/t Au
  - Metallurgy points to high recoveries and low processing costs
  - Detailed drilling and 3-D modelling prove continuity and de-risk mining potential of a common mineralisation style
- ✦ **PFS underway targeting early, large, stand-alone open pit development**
  - PFS timing linked to finalising outer limits of expanding conceptual open pit
  - PFS-level geotechnical studies completed
  - Third round of metallurgy underway (feasibility-level)
  - Baseline environmental studies underway
  - Hydrology and groundwater studies imminent

**Corporate**

- ✦ A\$10.5million placement completed post quarter
- ✦ Mining engineer Linton Putland appointed as non-executive director

**ASX: BRB**

**Board**

Tom Sanders  
Mark Edwards  
Mike Kitney  
Linton Putland

**Corporate**

**Issued Equity:**  
182.7m FPO  
5.7m PPO  
4.7m options

**Cash:**

\$2.2m  
(\$10.5m raised since quarter end)

**Market Cap:**

\$65.8m @  
\$0.36/share

## Lake Roe Gold Project

Breaker Resources NL's corporate objective is the discovery and development of large new, gold deposits concealed by transported cover in unexplored parts of Western Australia's Eastern Goldfields Superterrane in the Yilgarn Craton.

The large area (550km<sup>2</sup>), 100%-owned Lake Roe Project is located 100km east of Kalgoorlie and is situated between two large gold deposits (Figure 1). Access is by bitumen and high-quality gravel road from Kalgoorlie.

The Company announced the discovery of a major, 8km-long new gold system hidden by 5-10m of transported cover in December 2015 following wide-spaced, geochemical aircore drilling of a compelling structural target hosted by fractionated dolerite, the dominant host rock for gold in WA. The 2.2km-long (Bombora) discovery was confirmed in October 2016 after reconnaissance reverse circulation (**RC**) drilling on drill lines up to 200m apart.

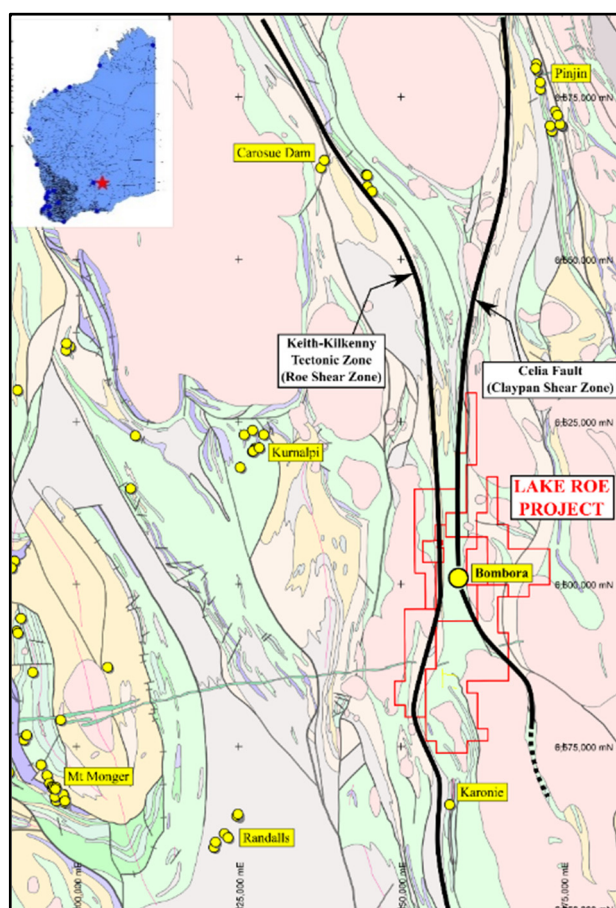


Figure 1: Lake Roe Gold Project Location

Infill drilling on a 40m x 20m pattern began on the Bombora discovery zone in February 2017 and continues in tandem with ongoing successful extensional drilling which yielded further discoveries in the September 2018 quarter (eg. BBRD0787 and BBRC0901). To date, approximately 170,000m of RC and diamond drilling has been completed at the Lake Roe Project (25% diamond drilling) resulting in sixteen rounds of ASX-reported results.

A 1.1Moz gold Resource was released in the quarter, confirming that the Bombora deposit is an important greenfields discovery with high gold endowment, obvious mining potential and camp-scale growth prospectivity.

The 1,084,000oz open pit Resource<sup>#</sup>, totalling 24.6Mt at 1.4g/t Au announced on 6 September 2018, was a major milestone for the Company. Importantly, the Resource includes a high-grade core of 808,000oz @ 2.0g/t Au (12.5Mt reported above 1.0g/t Au), or 417,000oz @ 3.4g/t Au (3.9Mt reported above 2.0g/t Au). As importantly, the Resource is limited at depth by the extent of the shallow drilling completed to date (150m to 250m from surface) and is open to the north and south.

The September 2018 quarter drilling, over 50% of which was extensional in nature, maintained delivery of consistent, strong results which have continued to grow the deposit, or upgrade the Resource category. The results from the fifteenth and sixteenth rounds of resource drilling, the latter post-quarter, are summarised in this report.

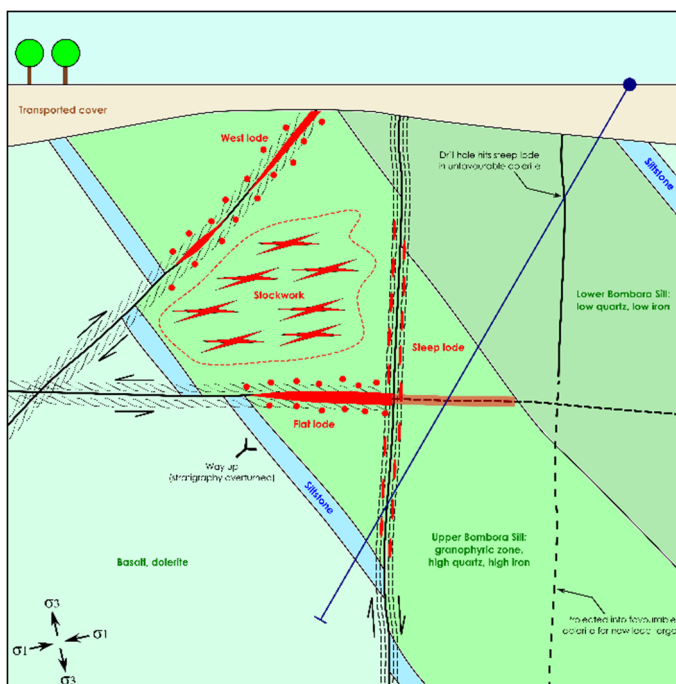
The drilling at Lake Roe has progressively built an understanding of the nature, distribution and geometry of the gold mineralisation, starting from scratch (a rare greenfields discovery concealed by transported cover). It has also successfully proved continuity and upgraded the mining potential of what is the dominant mineralisation style in WA's Eastern Goldfields. The growing understanding is reflected in the rapid growth of the Resource in recent months, and also in the 3-D models of the deposit released during the September 2018 quarter.

## Bombora Gold Deposit

The 2.2km Bombora discovery forms part of an 8km-long greenfields gold system. Gold occurs in three, "stacked" sulphide-rich lode orientations, and in quartz-sulphide stockwork zones. The gold occurs preferentially in the upper, iron-rich part of a fractionated dolerite, and is therefore stratabound in nature (Figure 2).

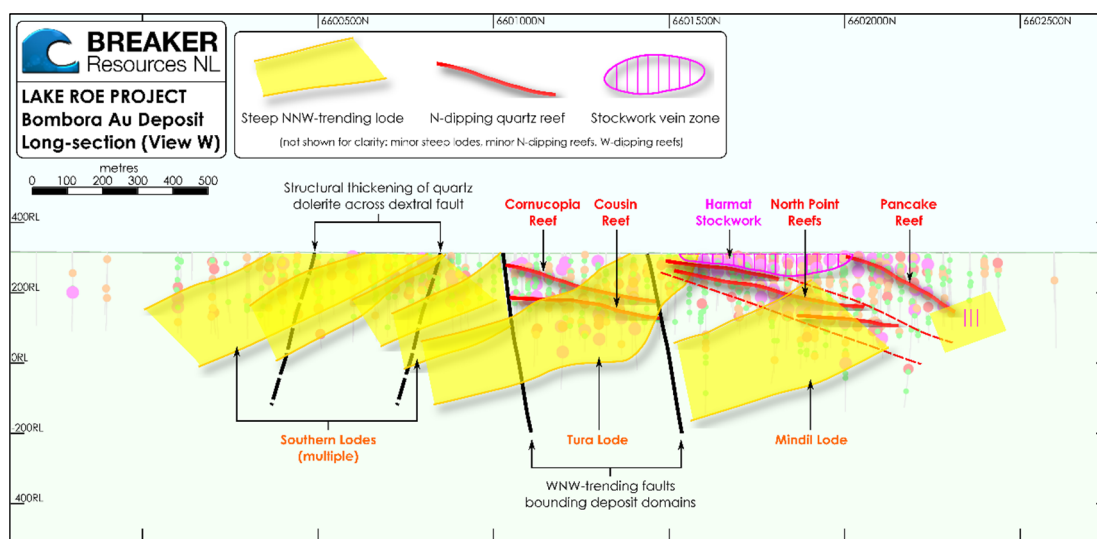
Examples of similar dolerite-hosted mineralisation styles in the Eastern Goldfields are numerous, and include the Golden Mile deposit in Kalgoorlie, the Junction deposit at St Ives, and the Paddington and Great Fingal/Golden Crown deposits at Cue.

**Figure 2: Schematic cross-section showing relationship of the main steep controlling shears in relation to the upper, iron-rich part of the Bombora Dolerite, the flat and west-dipping lodes, and the stockwork mineralisation**



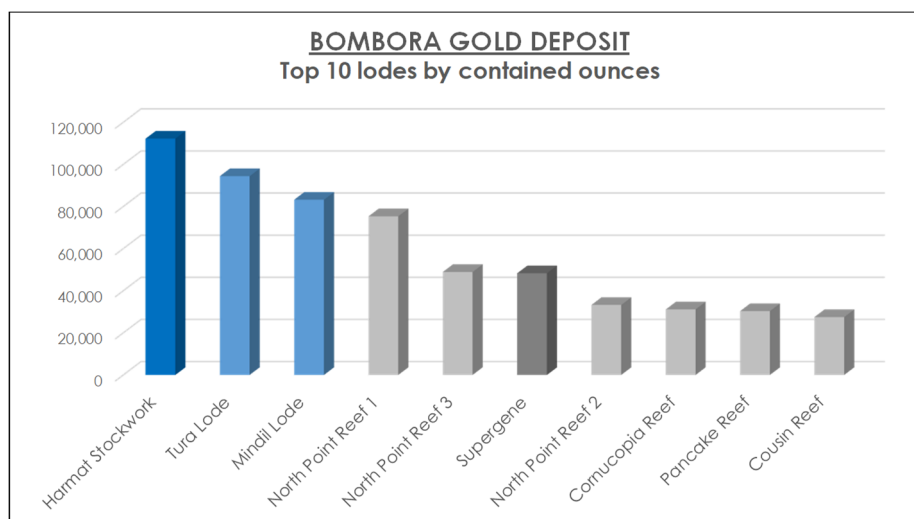
The overall gold distribution is controlled by early, multiple, stacked, steep NNW-trending mineralised faults, accompanied by “linking” flat and west-dipping (conjugate) faults that are also well-mineralised (Figures 2 to 4).

The lodes typically contain 2-5% pyrite and pyrrhotite accompanied by extensive silica, albite, biotite and carbonate alteration with varying amounts of (tensional) quartz-sulphide veining which can form local zones of coherent stockwork mineralisation.



**Figure 3: Bombora gold deposit – Structural summary**

Steep lodes occur in ductile shear zones that are NNW-trending and sub-vertical, and have sub-horizontal to gently south plunging intersections with the quartz dolerite. Mineralisation is hosted in lode-style (vein-poor) silica-albite-biotite-sulphide alteration zones. These structures are interpreted to be the primary fluid pathways within the deposit, and the controlling/bounding structures on domains of flat reefs and west-dipping lodes. Steep lodes account for the largest proportion of gold at Bombora by lode type (Figure 4) and the down-plunge extensions of major steep lodes (eg. Tura and Mindil) are the primary targets for the assessment of underground mining potential.



**Figure 4: Top 10 mineralised lodes by contained ounces**

The flat reefs and W-dipping lodes occur in low-strain domains between major steep lode structures, and are interpreted to represent a conjugate pair of linking brittle-ductile structures. Flat reefs are gently N- to NE-dipping (5-30°), sinistral-reverse structures containing laminated quartz reefs/reef zones up to 3m wide and sulphidised haloes. They have sub-horizontal to gentle north plunging intersections with the quartz dolerite.

Major flat reefs (Figure 3) include the Cornucopia and Cousin reefs and the North Point reefs, the latter being a north plunging en-echelon array of reefs that has been traced >600m down-plunge (open) in the northern part of Bombora. W-dipping lodes occur in moderately (40-50°) W-dipping reverse shear zones, which have N-S sub-horizontal intersections with the quartz dolerite. Mineralisation is associated with shear-parallel veins and/or flat-lying tension veinlets. Key examples of W-dipping vein zones include the Harmat Fault and the Uluwati, Sultans, and Quarries reefs.

Stockwork mineralisation in the Resource is mostly within the Harmat Stockwork, a near-surface mineralised body focused around the W-dipping Harmat Fault between ~6601600mN and 6601800mN. Internal stockwork vein orientations in this zone vary between sub-horizontal, W-dipping and N-dipping. A new stockwork body has recently been identified at depth at the north end of Bombora (ASX Release 4 September 2018), but does not form part of the September 2018 Resource upgrade.

## Growth Potential and Drilling Overview

The camp-scale growth potential of the Lake Roe Project is supported by significant reconnaissance RC drilling intersections to the north and south of the Bombora deposit (Figure 5) taking in the 8km-long footprint of the gold system outlined by early aircore drilling.

The increase in the density of drilling over time has progressively increased the confidence in the location of the steep faults which effectively control the broad distribution of gold throughout the deposit.

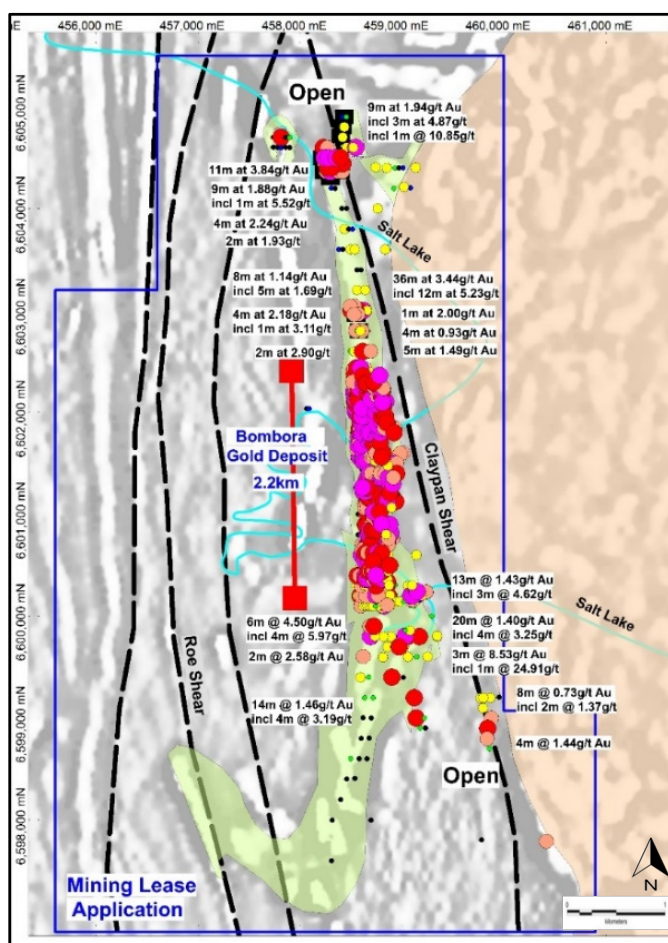


Figure 5: Lake Roe RC and diamond drilling over aeromagnetic image

Ongoing discoveries in new areas in the quarter (eg. BBRD0787 and BBRC0901; Figure 6), in conjunction with modelling of the *main* steep faults at Bombora has confirmed the location of several new faults, including the Harlequin, Harbord and Bells Faults, which upgrade the potential for strike extensions to the immediate north and south of Bombora (Figure 6).

This modelling, which is supported by results from other RC and aircore drilling (Figure 6), indicate scope for extensions up to 600m northwards, from BBRD0787 (45m @ 2.14g/t Au; ASX Release 4 September 2018) to BBRC0201 (38m @ 3.44g/t Au; ASX Release 19 December 2016); and up to 1.2km southwards, extending from BBRC0901 (4m @ 13.70g/t Au; ASX Release 4 September 2018) to BAC1061 (12m @ 1.46g/t Au; ASX Release 26 January 2016).

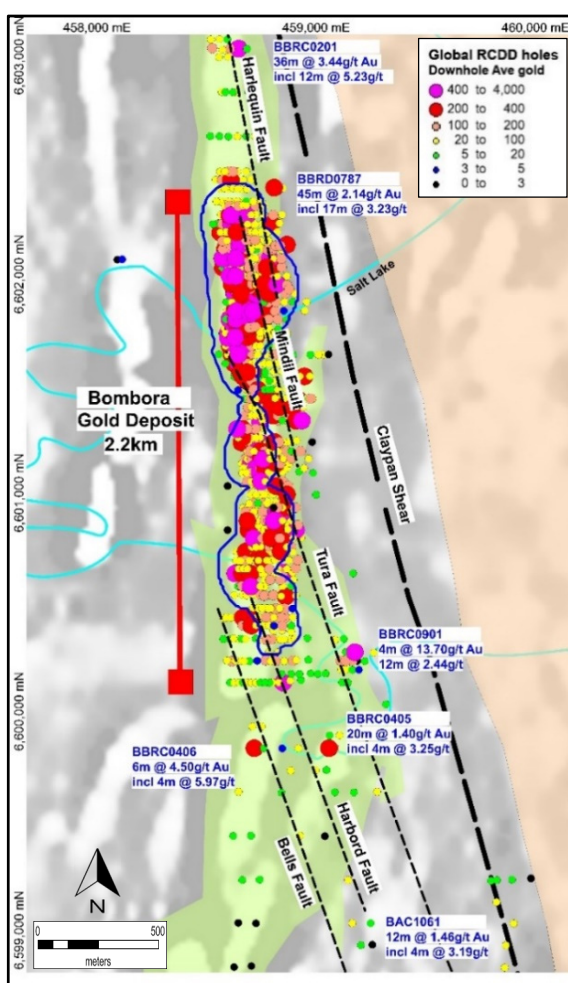


Figure 6a: RC/diamond drill holes colour-coded by downhole average gold with selected intersections

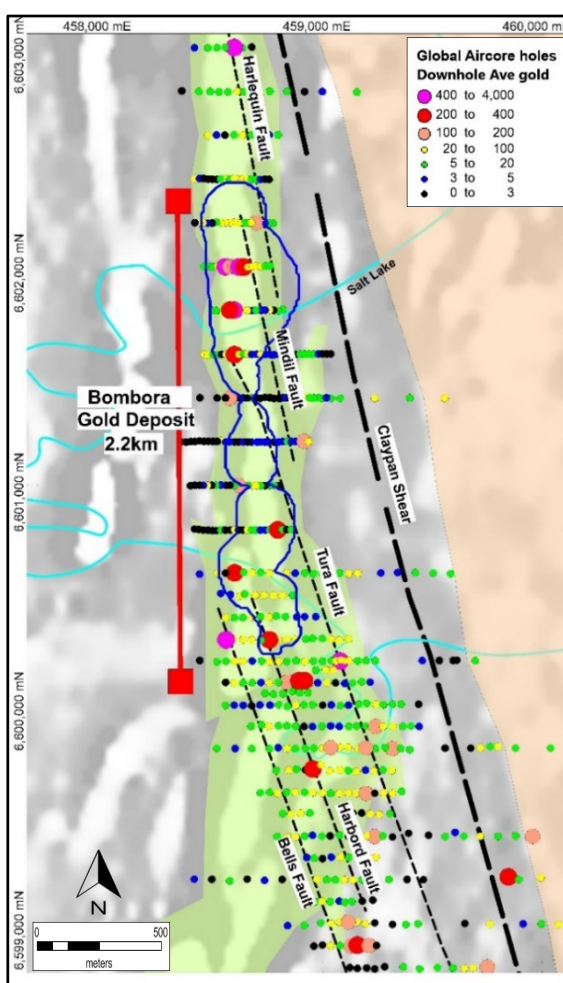


Figure 6b: Bombora aircore drill holes colour-coded by downhole average gold

The main aim of the current drilling, which is a combination of extensional and resource drilling, is delineating shallow ounces to provide the critical mass for a large stand-alone open pit development as well as growing the overall size of the deposit. The resource definition component of the drilling is on a nominal 40m x 20m drill pattern, with 20m x 20m drill pattern used every 200m along strike.

Once the Company has identified the likely depth and strike extents of open pit mining, an uncommon and enviable problem these days, it plans to complete a pre-feasibility study and then start quantifying an underground resource using higher cut-off grades more appropriate for underground mining. Early, deep reconnaissance drilling is planned in the near-term to facilitate this process, in conjunction with ongoing deeper step-out drilling.

The benefit of this drilling strategy is that the Company is building value while it expands its development options through the drill bit. In the five months preceding the September 2018 Resource, the Company added nearly 500,000oz at a cost of approximately A\$11/oz.

## Mineral Resource

An updated open pit JORC 2012 Mineral Resource estimate for the Bombora deposit was reported in September 2018<sup>#</sup> to a depth of 250 metres below surface (**mbs**). The Resource is limited by the extent of the shallow drilling completed to date (150m to 250m from surface) and is open in all directions.

**Table 1: Lake Roe Project Bombora Deposit Mineral Resource September 2018**

| Classification | Tonnes            | Au (g/t)   | Ounces           |
|----------------|-------------------|------------|------------------|
| Indicated      | 12,549,000        | 1.5        | 624,000          |
| Inferred       | 12,050,000        | 1.2        | 460,000          |
| <b>Total</b>   | <b>24,599,000</b> | <b>1.4</b> | <b>1,084,000</b> |

Notes:

- Reported at 0.5 g/t Au cutoff.
- All figures rounded to reflect the appropriate level of confidence (apparent differences may occur due to rounding).

The Mineral Resource used a 0.2g/t Au lower cut-off grade for boundary definition reported above a cut-off grade of 0.5g/t Au. This is designed to maximise the profit in an open pit mining scenario. Once the limits of open pit mining have been defined by ongoing drilling and optimisation, the Company will start on an underground resource using cut-off grades more appropriate for underground mining.

Importantly, the Resource includes a high-grade core of 808,000oz @ 2.0g/t Au (12.5Mt reported above 1.0g/t Au), or 417,000oz @ 3.4g/t Au (3.9Mt reported above 2.0g/t Au). A summary of the Resource reported above 1.0g/t Au and 2.0g/t Au is shown in Table 2.

**Table 2: Bombora Mineral Resource at various cut-off grades**

| Cut-off<br>(g/t Au) | Indicated     |                   |                | Inferred   |                   |                | Total      |                   |                |
|---------------------|---------------|-------------------|----------------|------------|-------------------|----------------|------------|-------------------|----------------|
|                     | Tonnes<br>(t) | Grade<br>(g/t Au) | Ounces<br>(oz) | Tonnes     | Grade<br>(g/t Au) | Ounces<br>(oz) | Tonnes     | Grade<br>(g/t Au) | Ounces<br>(oz) |
| 0.5                 | 12,549,000    | 1.5               | 624,000        | 12,050,000 | 1.2               | 460,000        | 24,599,000 | 1.4               | 1,084,000      |
| 1.0                 | 7,155,000     | 2.2               | 498,000        | 5,320,000  | 1.8               | 310,000        | 12,475,000 | 2.0               | 808,000        |
| 2.0                 | 2,460,000     | 3.6               | 287,000        | 1,390,000  | 3.0               | 130,000        | 3,850,000  | 3.4               | 417,000        |

Notes:

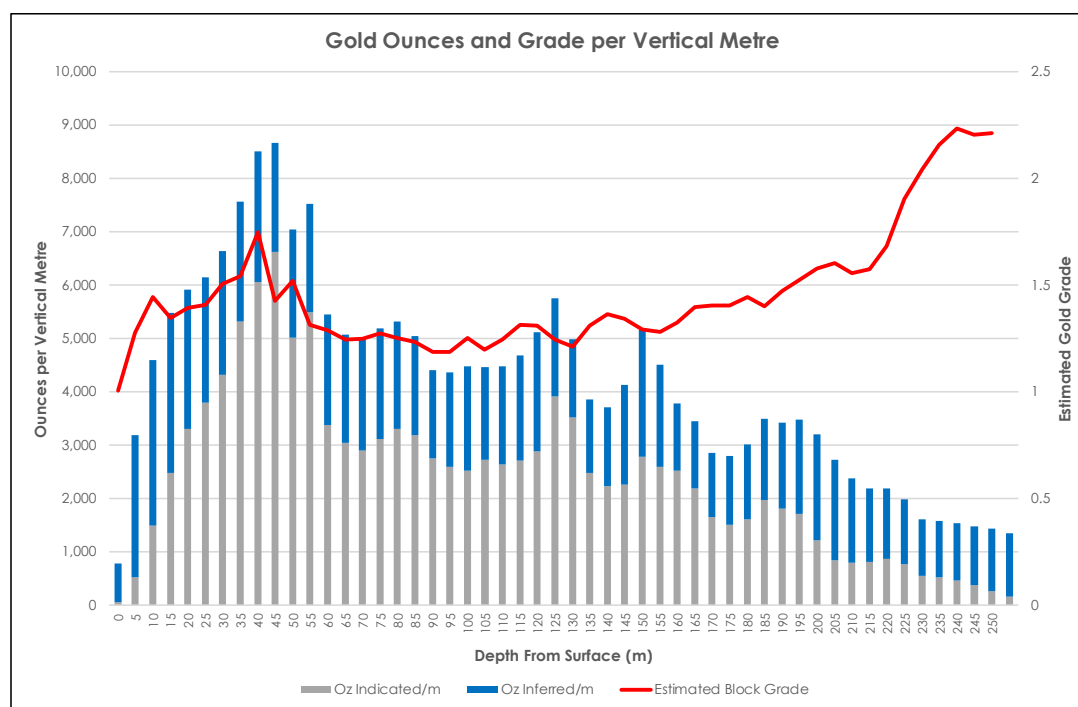
- Resource reported above 250mbs (50mRL).
- Lower cut-off grade of 0.2g/t Au to enhance geological continuity.
- All figures are rounded to reflect the appropriate levels of confidence. Apparent differences may occur due to rounding.

The Resource does not include any mineralisation below 250m. Drilling below 250mbs has confirmed the presence of significant mineralisation (eg. BBDD0020: 5.95m @ 11.33g/t Au; ASX Release 7 August 2017) but the amount of drilling is not sufficient to quantify a resource.

The Resource represents a 74% increase in contained ounces relative to the maiden Resource of 18 April 2018, with 58% of the Resource in the Indicated category (up 136% to 624,000oz). In the five months preceding the September 2018 Resource, the Company added nearly 500,000oz at a cost of ~A\$11/oz. The recent rapid growth and low discovery cost reflect the hard-won understanding of a brand new discovery.

The effectiveness of the Company's drilling at Lake Roe to date is perhaps best gauged by a discovery cost of A\$17/oz based on overall project expenditure of approximately A\$18million, which includes all outgoings at Lake Roe since first tenement grant in 2015.

The Resource estimate confirmed a consistent high gold endowment of approximately 5,000 to 6,000 ounces per vertical metre (**OVM**) to 150m below surface (Figure 7). Below this, the OVM is limited by a lack of drilling (Figure 8). A common industry yardstick for assessing underground mining potential is 1,000 OVM.



**Figure 7: Gold ounces per vertical metre and Resource grade with depth**

An Exploration Target<sup>#</sup> of 1.2 million to 1.4 million ounces of gold is estimated over a vertical distance of 450m below the revised Mineral Resource from approximately 250mbs to 700mbs. The Exploration Target comprises an estimated range of 6.8Mt to 9.7Mt at a grade of 4.5g/t Au to 5.5g/t Au (Figure 8). The tonnage and grade ranges are based on roughly half the observed ounces per vertical metre observed in areas of adequate drilling above 150mbs.

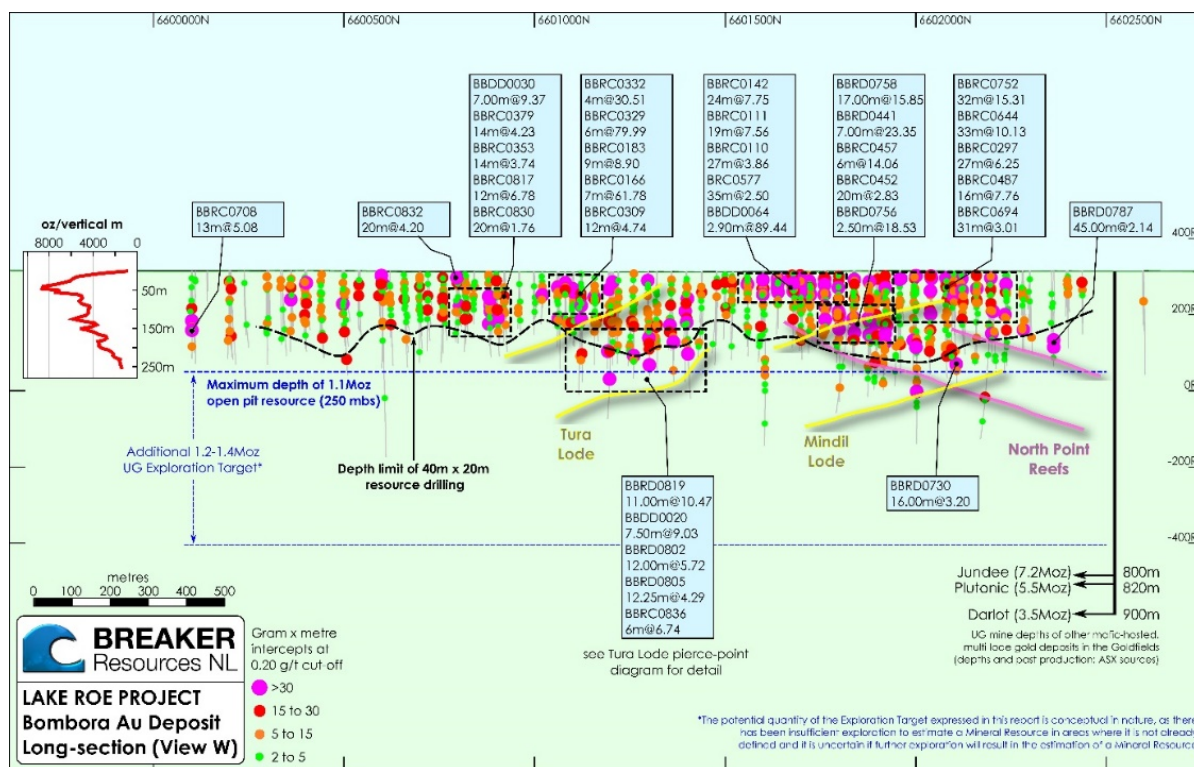


Figure 8: Long section showing drill holes coloured by metal content and Exploration Target



Photo 1: Diamond and RC drilling on Lake Roe

## Drilling Activities – Lake Roe Gold Project

ASX Release 4 September 2018

The fifteenth round of results since the commencement of resource drilling was based on 4,145m of drilling (20 holes) located on Figure 9. Fifty percent of the drilling was extensional in nature with the balance aimed at upgrading the Resource category.

The drilling comprised 14 RC drill holes (2,140m), one diamond drill hole (567.5m) and five RC-precollared diamond drill holes (1,437.4m). More significant drill intersections are summarised in plan on Figure 9 and in long-section on Figure 10.

Each of the 10 extensional drill holes intersected significant gold mineralisation with a best intersection of 45m @ 2.14g/t in BBRD0787, a step-out hole at the northern limit of the Bombora deposit. The results extend the Bombora gold deposit to the north and continue to extend it to the east in several areas. The infill drilling also yielded positive results and continues to upgrade the continuity of the gold mineralisation.

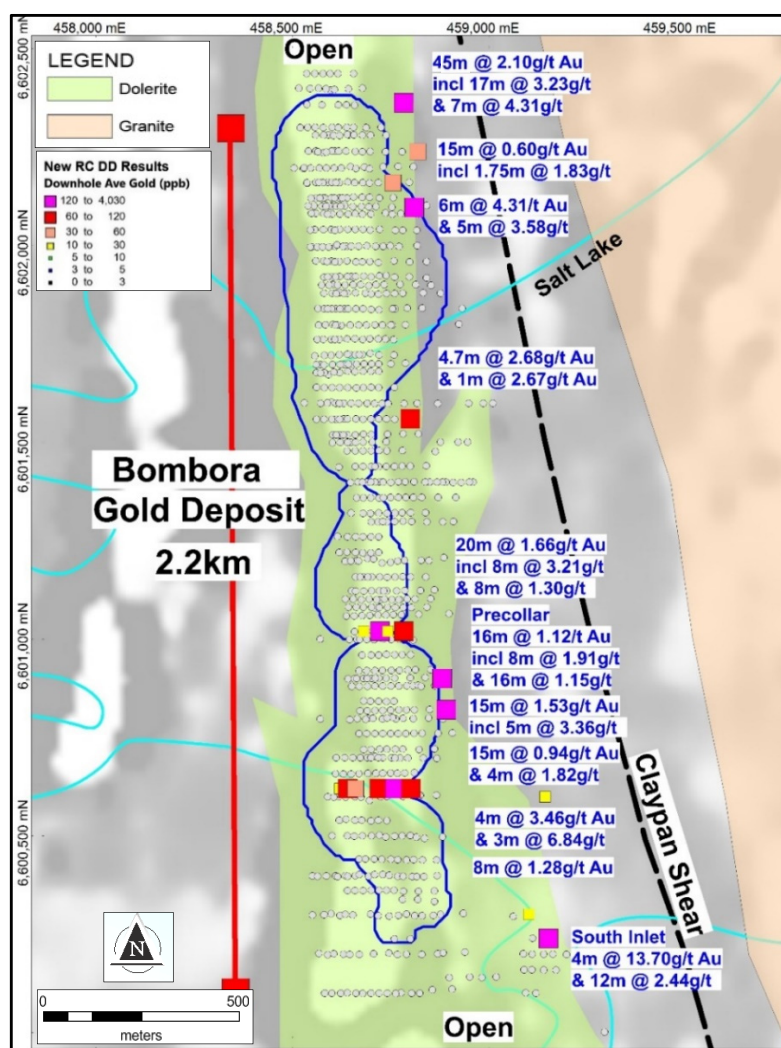
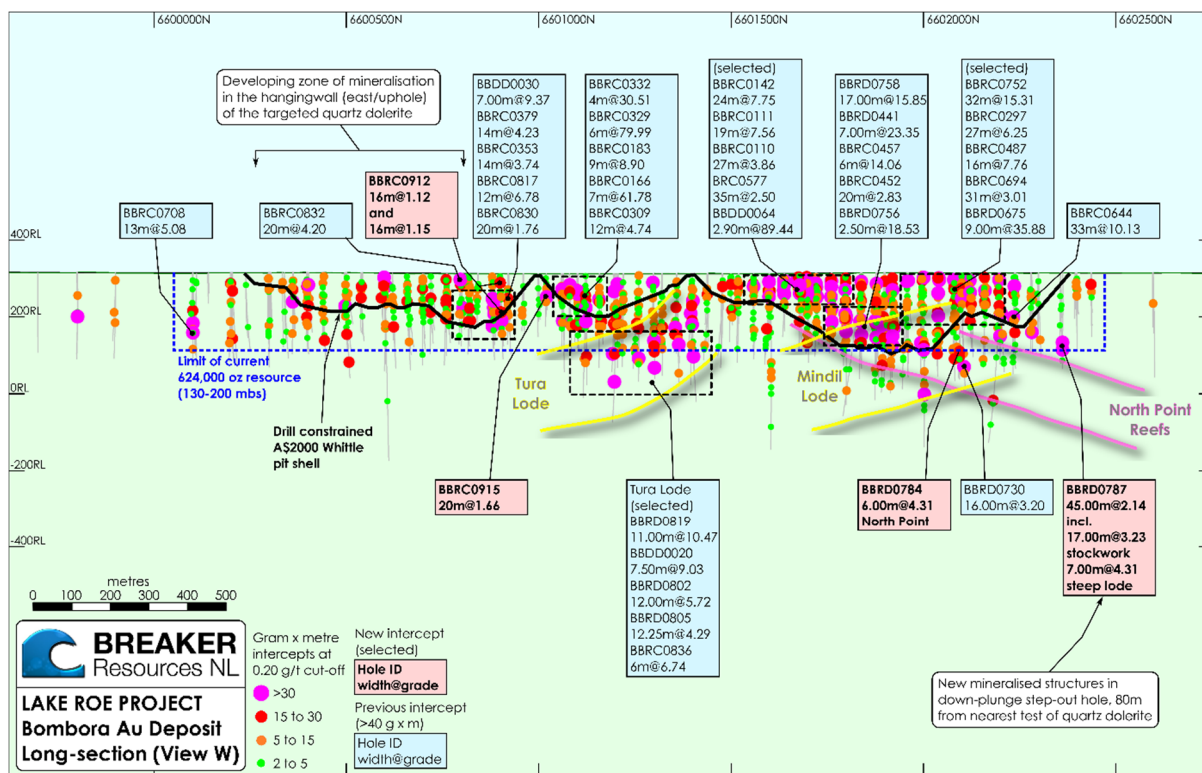


Figure 9: Bombora RC and diamond drill hole location plan with selected intersections colour-coded by average downhole gold over aeromagnetic image with interpreted geology (previous RC and diamond drilling as grey dots; A\$2,000 Whittle open pit shell in blue, ASX Release 18 April 2018)



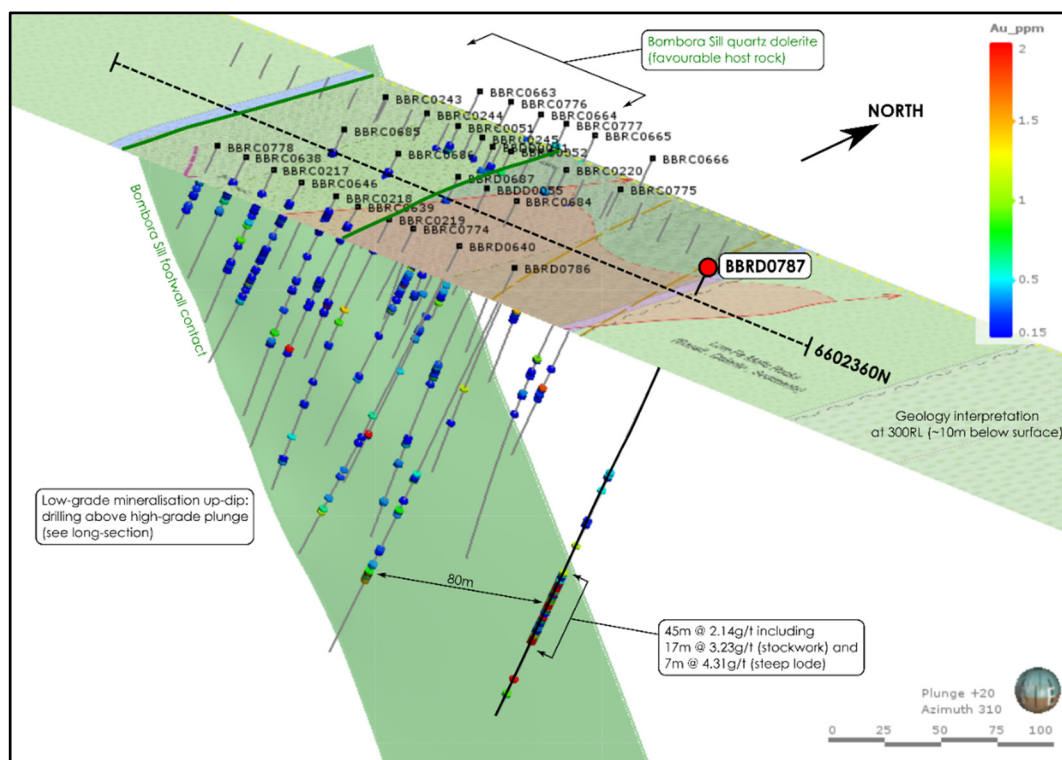
**Figure 10: Long Section looking west showing selected new and previous drill intersections with (drill-constrained) A\$2,000/oz open pit shell as utilised to assess potential mineability of Mineral Resource of 18 April 2018 (all intersections by down-hole length)**

Selected drill hole intersections are provided in greater detail in Table 3 below.

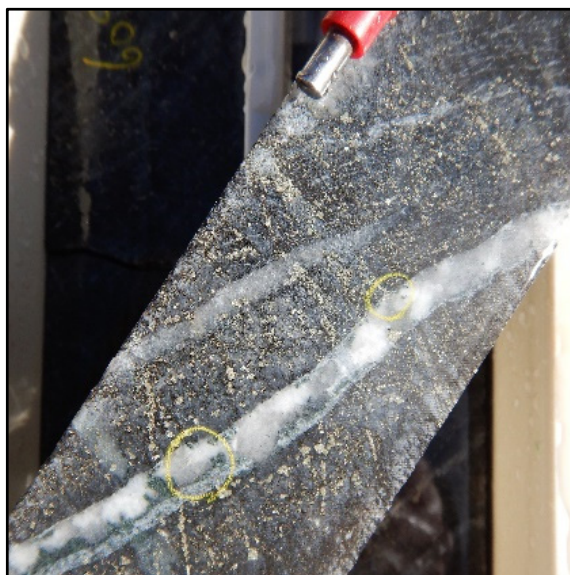
**Table 3: Selected Drill Results**

| Hole No.      | Interval @ g/t gold | From  | To  |       | Interval @ g/t gold | From  |
|---------------|---------------------|-------|-----|-------|---------------------|-------|
| BBRC0901      | 4m @ 13.70          | 32    | 36  |       |                     |       |
| South Inlet   | 12m @ 2.44          | 84    | 96  |       |                     |       |
| BBRC0908      | 8m @ 1.28           | 80    | 88  |       |                     |       |
| BBRC0909      | 4m @ 3.46           | 68    | 72  |       |                     |       |
|               | 3m @ 6.84           | 154   | 157 | incl. | 2m @ 9.82           | 155   |
| BBRC0911      | 15m @ 1.53          | 140   | 155 | incl. | 5m @ 3.36           | 148   |
| BBRC0912      | 16m @ 1.12          | 28    | 44  | incl. | 8m @ 1.91           | 36    |
| Precollar     | 16m @ 1.15          | 108   | 124 |       |                     |       |
| BBRC0915      | 8m @ 1.30           | 40    | 48  |       |                     |       |
|               | 20m @ 1.66          | 60    | 80  | incl. | 8m @ 3.21           | 64    |
| BBRD0784      | 6m @ 4.31           | 230   | 236 | incl. | 1m @ 17.26          | 230   |
|               | 5m @ 3.58           | 247   | 252 | incl. | 3m @ 5.48           | 248   |
| BBRD0787      | 45m @ 2.14          | 194   | 239 | incl. | 17m @ 3.23          | 200   |
| Nth Extension |                     |       |     | and   | 17m @ 2.10          | 222   |
|               |                     |       |     | incl. | 7m @ 4.31           | 232   |
| BBRD0842      | 4.7m @ 2.68         | 170.3 | 175 | incl. | 3.4m @ 3.54         | 170.3 |

A 3-D perspective view of BBRD0787 is shown in Figure 11 below. This intersection includes 17m @ 3.23g/t Au in the high-grade core of a ~30m wide stockwork zone (Photo 1), and 7m @ 4.31g/t Au in a sub-vertical lode structure (eg. Tura Lode, Mindil Lode). Both mineralised zones were previously unknown, and represent new discoveries within the growing Bombora deposit.



**Figure 11: Three-D perspective view of BBRD0787**



**Photo 2: BBRD0787 - 203.3m; Visible gold in stockwork (11.46g/t Au)**

The results continue to highlight the growth potential of the Bombora deposit including the scope to increase the September 2018 Resource trending northwards.

The significant results from BBRC0901 (4m @ 13.70g/t Au and 12m @ 2.44g/t Au) are from the sparsely-drilled eastern quartz dolerite in the South Inlet area (Figure 10). This area was not included in the September 2018 Resource due to the sparse nature of the drilling, and has previously returned intersections of 20m @ 1.76g/t Au (BBRC0405) and 10m @ 1.82g/t Au (BBRC0014) (ASX Releases 6 July 2017 and 10 May 2016 respectively).

The significant results from the pre-collar BBRC0912 (16m @ 1.12 g/t and 16m @ 1.15g/t) are part of a developing area of shallow mineralisation in the hangingwall of the targeted quartz dolerite, in the southern part of the Bombora deposit. Previous intercepts in the area include 20m @ 4.20g/t (BBRC0832; ASX Release 13 June 2018). This area is also outside the current September 2018 Resource.

### ASX Release 23 October (Post Quarter)

The sixteenth round of results since the commencement of resource drilling was based on 7,514m of drilling (37 holes) located on Figure 12. The drilling comprised 26 RC drill holes (4,916m), five diamond drill holes (933m) and six RC-precollared diamond drill holes (1,666m).

Fifty-seven percent of the drilling was extensional in nature with the balance aimed at upgrading the Resource category. More significant drill intersections are summarised in plan on Figure 12 and in long-section on Figure 13.

All 37 drill holes intersected significant gold mineralisation, including 21 extensional drill holes focused predominantly in the central and southern parts of the Bombora deposit. The results extend the deposit to the east and at depth, increasing the size of a potential open pit. The results also continue to confirm the continuity of mineralisation and upgrade the degree of confidence in the geological model and the Resource.

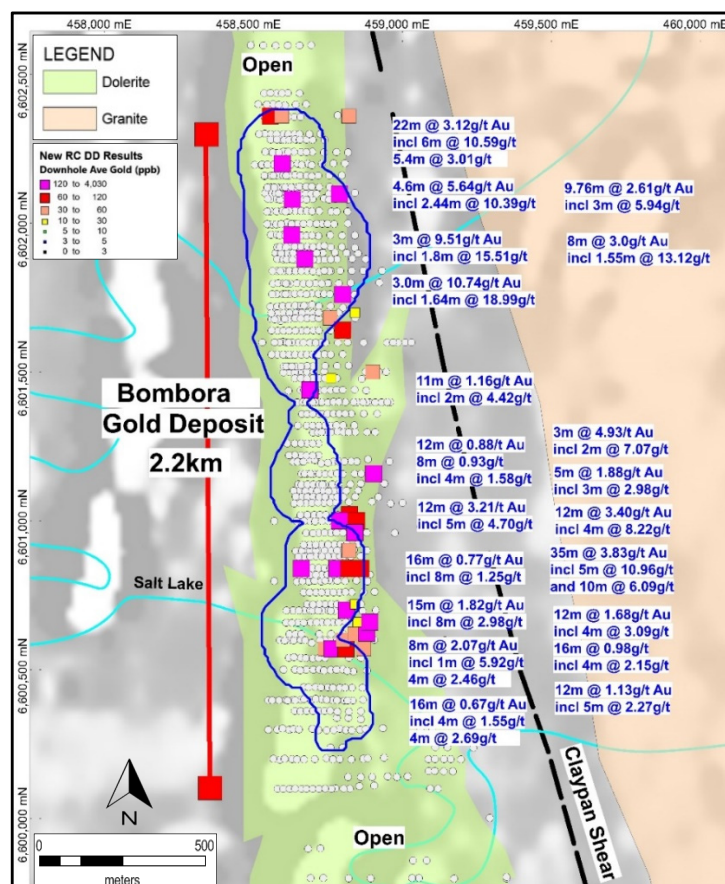


Figure 12: Bombora RC and diamond drill hole location plan with selected intersections colour-coded by average downhole gold over aeromagnetic image with interpreted geology (previous RC and diamond drilling as grey dots; A\$2,000 Whittle open pit shell in blue, ASX Release 18 April 2018)

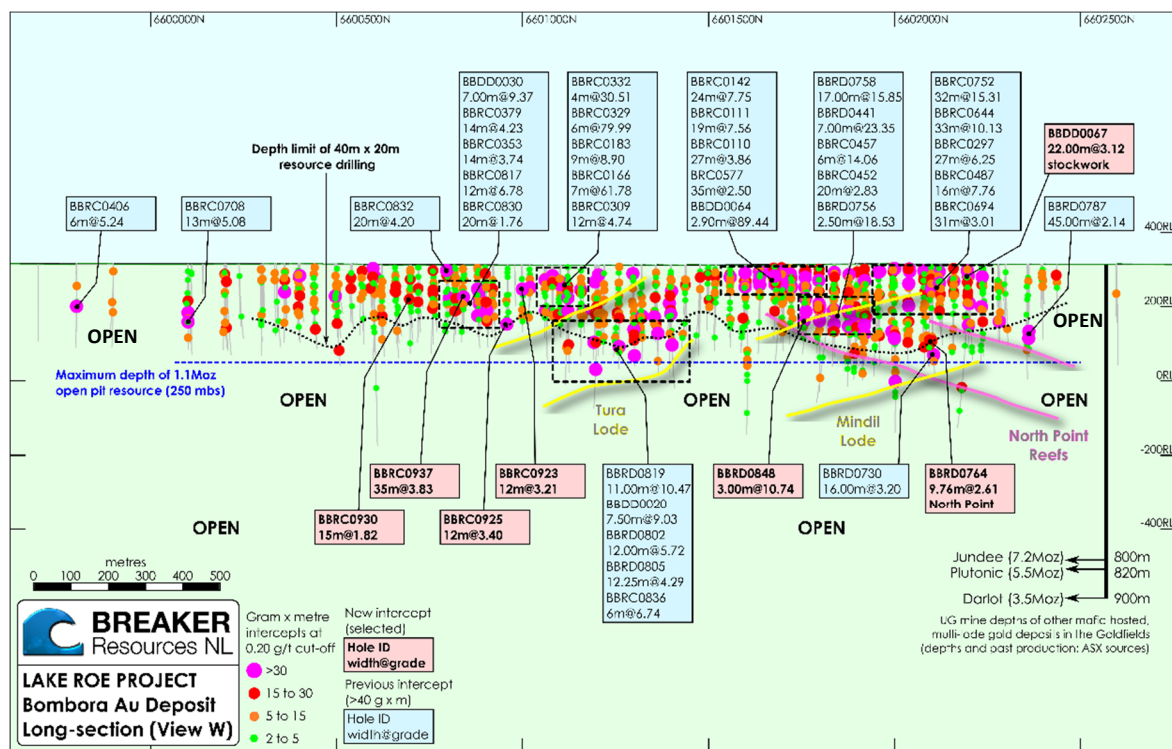


Figure 13: Long Section looking west showing selected new and previous drill intersections and change in drill density with depth (dashed line) from 40m to 20m (all intersections by down-hole length)

Selected drill hole intersections are provided in Table 4 below.

**Table 4: Selected Drill Results**

| Hole No. | Interval @ g/t gold | From  | To     | Includes Interval @ g/t gold |
|----------|---------------------|-------|--------|------------------------------|
| BBRC0937 | 35m @ 3.83          | 81    | 116    | 5m @ 10.96<br>10m @ 6.09     |
| BBDD0067 | 22m @ 3.12          | 25    | 47     | 5m @ 12.38                   |
|          | 5.4m @ 3.01         | 85.61 | 91     | 3.2m @ 4.91                  |
| BBRC0923 | 12m @ 3.21          | 68    | 80     | 5m @ 4.7<br>3m @ 6.76        |
| BBRC0925 | 12m @ 3.4           | 180   | 192    | 4m @ 8.22                    |
| BBRD0848 | 3m @ 10.74          | 176   | 179    | 1.64m @ 18.99                |
| BBDD0068 | 4.63m @ 5.64        | 46.33 | 50.96  | 2.44m @ 10.39                |
| BBDD0069 | 3m @ 9.51           | 95    | 98     | 1.82m @ 15.51                |
| BBDD0070 | 8m @ 3.00           | 99    | 107    | 1.55m @ 13.12                |
| BBRC0918 | 3m @ 4.93           | 159   | 162    | 1m @ 13.83                   |
| BBRC0921 | 11m @ 1.16          | 41    | 52     | 7m @ 1.68                    |
| BBRC0930 | 12m @ 2.15          | 104   | 116    | 8m @ 2.98<br>4m @ 3.94       |
| BBRC0936 | 8m @ 1.25           | 8     | 16     |                              |
| BBRC0940 | 8m @ 2.07           | 16    | 24     |                              |
| BBRC0941 | 12m @ 1.13          | 84    | 96     | 5m @ 2.27                    |
| BBRC0946 | 12m @ 1.68          | 60    | 72     | 4m @ 3.09                    |
|          | 16m @ 0.98          | 76    | 92     |                              |
| BBRD0764 | 9.76m @ 2.61        | 243   | 252.76 | 3m @ 5.94                    |
| BBRD0885 | 12m @ 0.88          | 36    | 48     | 4m @ 1.41                    |

## **Pre-Feasibility Studies – Lake Roe Gold Project**

The Company is running a dual strategy at Lake Roe, namely ongoing aggressive drilling with four drill rigs targeting ongoing rapid Resource growth, and concurrent pre-feasibility study (PFS) activities targeting an early, large, stand-alone open pit development.

The timing on the PFS will be dictated by the need to establish the overall limits of open pit mining – drilling continues to discover new areas of shallow gold mineralisation thereby increasing the size of a potential open pit.

PFS-level geotechnical studies by Peter O'Bryan and Associates were completed in the quarter. This work indicates overall open pit wall slope angles of approximately 44 to 48 degrees incorporating requisite ramp access, berms and geotechnical berms, consistent with overall slope angles assumed for preliminary open pit optimisations.

A third round of feasibility-level metallurgical testwork commenced in the September 2018 quarter building on the positive results of previous PFS-level results (ASX Releases 18 October 2017 and 15 January 2018). Previous testwork by ALS indicated excellent gold recoveries for both oxide material (96-99%) and fresh rock (97-99%) at a relatively coarse grind size of 106-125µm, which points towards low energy consumption and hence low operating costs. High gravity gold recoveries of 31%-77% were obtained in oxide ore, and 32%-90% in fresh ore with no obvious correlation with gold grade. The testwork also confirmed rapid leach kinetics, low reagent requirements, low base metals and deleterious metals and minimal oxygen demand by oxide or fresh ore types.

Baseline environmental studies commenced subsequent to the September quarter and hydrology and groundwater studies are imminent.

## **Other Exploration (Lake Roe Project Lithium and Gold)**

A rare swarm of outcropping spodumene-rich, lithium-caesium-tantalum pegmatite was discovered 15km SSW of the Bombora gold deposit in the course of high-level field reconnaissance in the March 2018 quarter – the Manna Lithium Prospect.

Mapping indicates a series of 1m to 18m-wide, NE-trending dykes exposed over a 750m x 130m area, and first-pass rock-chip sampling shows widespread enrichment in lithium (up to 3.81% Li<sub>2</sub>O), tantalum (up to 366ppm Ta<sub>2</sub>O<sub>5</sub>) and niobium (up to 251ppm Nb<sub>2</sub>O<sub>5</sub>) with strong evidence of chemical zoning (ASX Release 30 April 2018).

A strategy aimed at maximising the value of the Manna lithium discovery to shareholders will be devised once the Company has adequately assessed the economic significance of the occurrence. The lithium discovery has the potential to fund at least some of the Company's gold-related activities at the Lake Roe Project.

A program of reconnaissance RC drilling was completed in the September 2018 quarter to assess the significance of the lithium discovery. Assay results are pending. Two diamond drill holes are planned to assess the mineralogy and metallurgy of the occurrence in the coming quarter.

A wide-spaced auger geochemical program is also planned in the coming quarter to assess the gold and lithium potential further afield from the Bombora gold system.

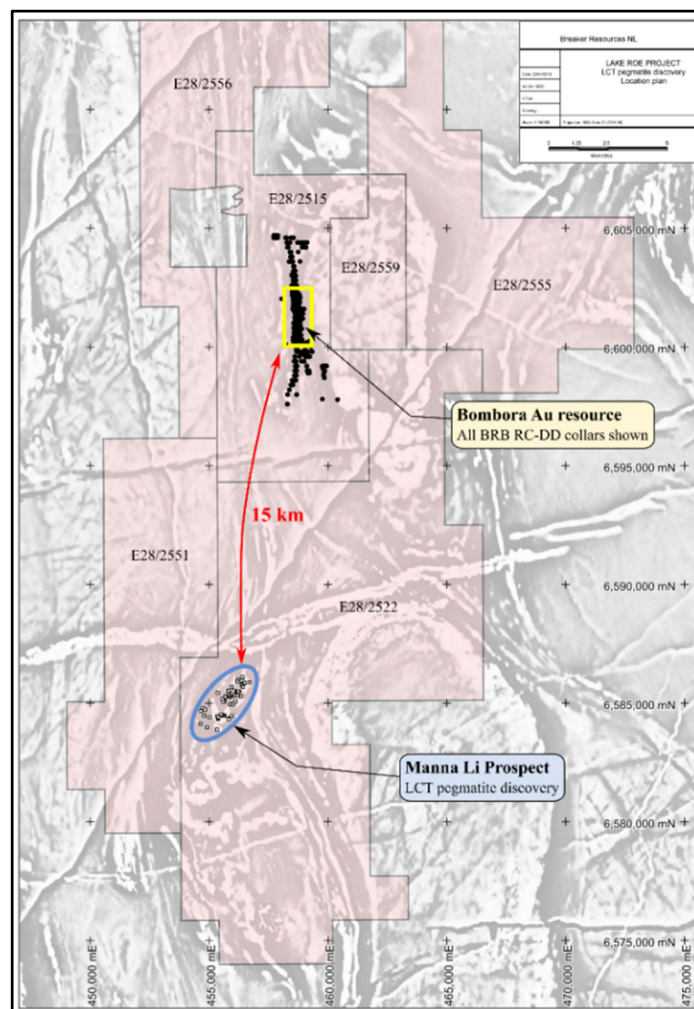


Figure 14: Manna Prospect location plan over Aeromagnetic image

## Ularring Rock Project September 2018 Quarter Exploration Activities

The Ularring Rock project is located 100km east of Perth. The project covers the Centre Forest and Southern Brook gold-copper prospects, where historic RC drill intercepts of copper-gold mineralisation include 61m @ 0.83g/t Au, and 37m @ 0.72g/t Au and 0.26% Cu.

September quarter activities consisted of reconnaissance field investigations and ongoing evaluation.

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**CORPORATE**

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Linton Putland was appointed a non-executive Director of the Company on 16 August 2018. A mining engineer with more than 30 years' experience, Mr Putland currently provides advice on project management, mine planning, feasibility study management, preparation of mining proposals, mining tenders and contracts in addition to business development and due diligence.

On 1 October 2018 the Company announced the conduct of a capital raising comprising a placement to institutional and sophisticated investors. The placement raised \$10.595 million before costs and resulted in the issue of 36,537,898 shares at a price of 29 cents.

The other movement in equity during the reporting period was the paying up of 50,000 partly paid shares to fully paid. As at the date of this report, the Company's capital structure comprises:

- ✦ 182,689,492 fully paid ordinary shares (ASX: BRB)
- ✦ 4,615,373 partly paid ordinary shares (ASX: BRBCA)
- ✦ 5,650,000 unlisted options at various exercise prices and expiry dates

The Company was represented at the Diggers & Dealers conference in Kalgoorlie during August as well as the Resources Rising Stars Roadshow to Sydney and Melbourne in September and the Precious Metals Investment Symposium in Perth in October,

The Financial Report for the year ending 30 June 2018 was released on 15 August 2018. Subsequent to the end of the reporting period, the Company released its 2018 Annual Report, 2018 Corporate Governance Statement (and Appendix 4G) and the Notice of Meeting for the annual general meeting which will be held on Thursday, 22 November 2018 from 1.30pm.



Tom Sanders  
Executive Chairman  
**Breaker Resources NL**

**31 October 2018**

## APPENDIX 1: Tenement Schedule

In line with obligations under ASX Listing Rule 5.3.3, Breaker provides the following information relating to its mining tenement holdings as at 30 September 2018.

| Project       | Tenement Number | Status at 30/09/18 | % Held/Earning | Changes during the Quarter |
|---------------|-----------------|--------------------|----------------|----------------------------|
| Lake Roe      | E28/2515        | Granted            | 100            |                            |
|               | E28/2522        | Granted            | 100            |                            |
|               | E28/2551        | Granted            | 100            |                            |
|               | E28/2555        | Granted            | 100            |                            |
|               | E28/2556        | Granted            | 100            |                            |
|               | E28/2559        | Granted            | 100            |                            |
|               | M28/388         | Application        | 100            |                            |
| Pinjin        | E28/2629        | Granted            | 100            |                            |
| Ularring Rock | E70/4686        | Granted            | 100            |                            |
|               | E70/4901        | Granted            | 100            |                            |

No tenements are subject to any farm-in or farm-out agreements.

## COMPETENT PERSONS STATEMENT

The information in this report that relates to Exploration Results is based on and fairly represents information and supporting documentation compiled by Tom Sanders and Alastair Barker, Competent Persons, who are Members of the Australasian Institute of Mining and Metallurgy. Mr Sanders and Mr Barker are executives of Breaker Resources NL and their services have been engaged by Breaker on an 80% of full time basis; they are also shareholders in the Company. Mr Sanders and Mr Barker have sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Sanders and Mr Barker consent to the inclusion in the report of the matters based on their information in the form and context in which it appears.

#The information in this report that relates to the Mineral Resource and Exploration Target is based on information announced to the ASX on 6 September 2018. Breaker confirms that it is not aware of any new information or data that materially affects the information included in the relevant market announcement, and that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed.

| Classification   | Tonnes     | Au (g/t) | Ounces    |
|------------------|------------|----------|-----------|
| <b>Indicated</b> | 12,549,000 | 1.5      | 624,000   |
| <b>Inferred</b>  | 12,050,000 | 1.2      | 460,000   |
| <b>Total</b>     | 24,599,000 | 1.4      | 1,084,000 |

Notes:

- Reported at 0.5 g/t Au cut-off
- All figures rounded to reflect the appropriate level of confidence (apparent differences may occur due to rounding)