BREAKER Resources NL

ASX ANNOUNCEMENT **6 May 2019**

New lode discovery with visible gold and strong Tura Lode hit expand gold potential at depth

Planning for Phase 2 component of resource drilling now underway

Breaker Resources NL (ASX: BRB) is pleased to report the discovery of a new steep lode with abundant coarse visible gold approximately 420m below surface in the southern part of the Bombora gold deposit. The same drill hole, a 160m step-out (BBDD0086; Figure 1) also made a strong intersection of the high-grade Tura Lode, extending its known strike length to over 800m. It is open to the south. Assays are pending.

This is important as it further highlights potential to significantly increase the existing 1.1Moz# Resource at depth, and collectively reinforces the emerging underground mining potential at the Lake Roe Project, 100km east of Kalgoorlie in WA.

All mineralisation below 250m from surface sits outside the existing Resource (Figure 1).

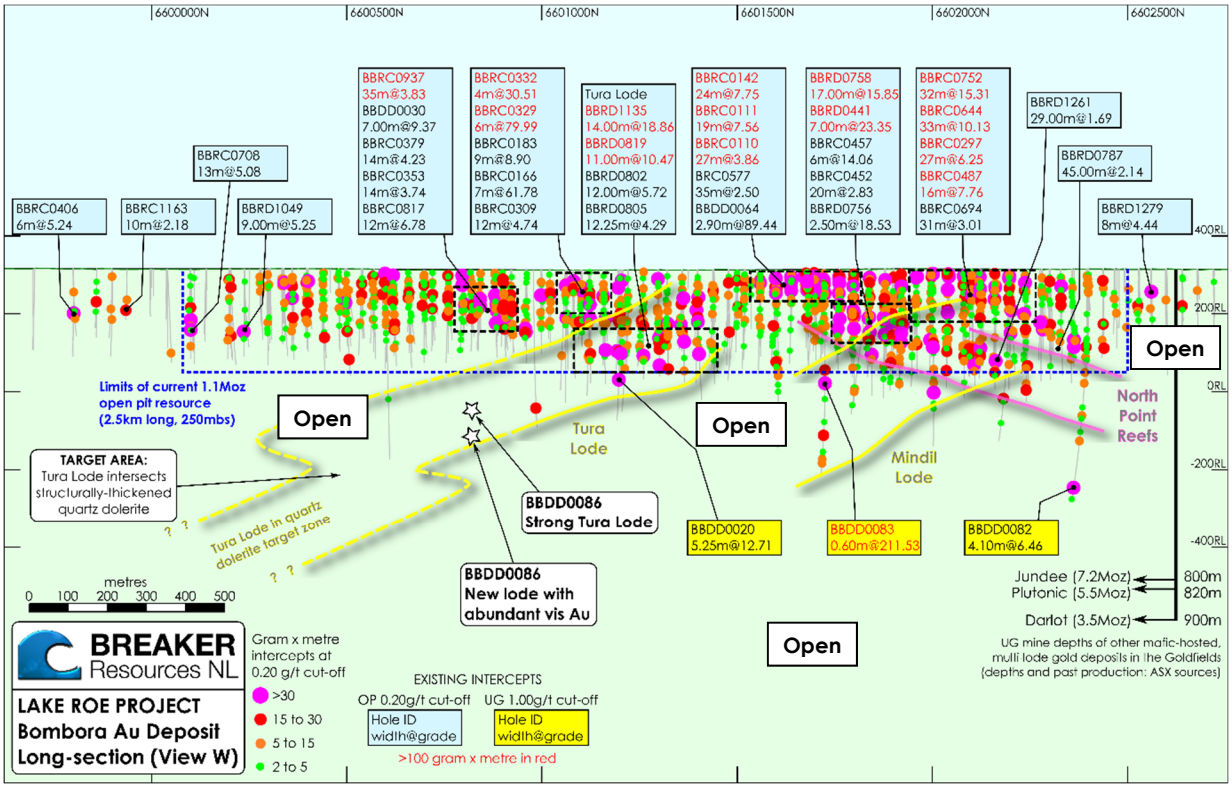

Figure 1: Long-section looking west showing selected drill intersections (all intersections by down-hole length)

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The Company's latest discovery was made in diamond drill hole BBDD0086 which intersected a 0.59m-long interval of silica-pyrrhotite with abundant visible gold (Photo 1) approximately 420m below surface (38 specks, including several 2-3mm flakes and similarly sized clusters of fine gold) within an ~11m wide sub-vertical mineralised shear containing ~2% pyrrhotite.

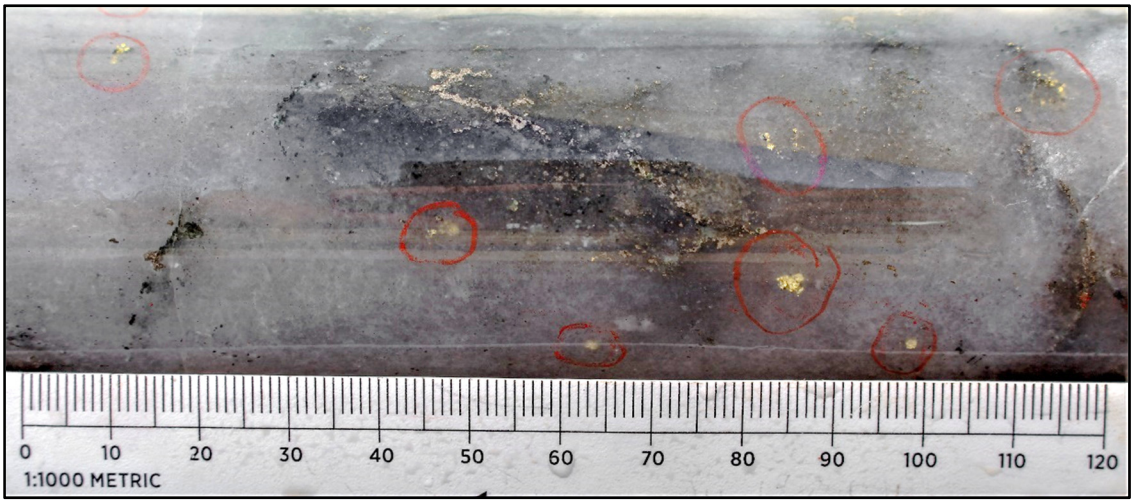

Photo 1: BBDD0086 at 497.1m showing visible gold

The latest Tura Lode intersection was also made in hole BBDD0086, which intersected 4.44m of sheared and altered lode with 2% to 20% sulphide, approximately 320m below surface (Photo 2). The intersection is typical of other high-grade steep lode mineralisation. Assay results are pending.

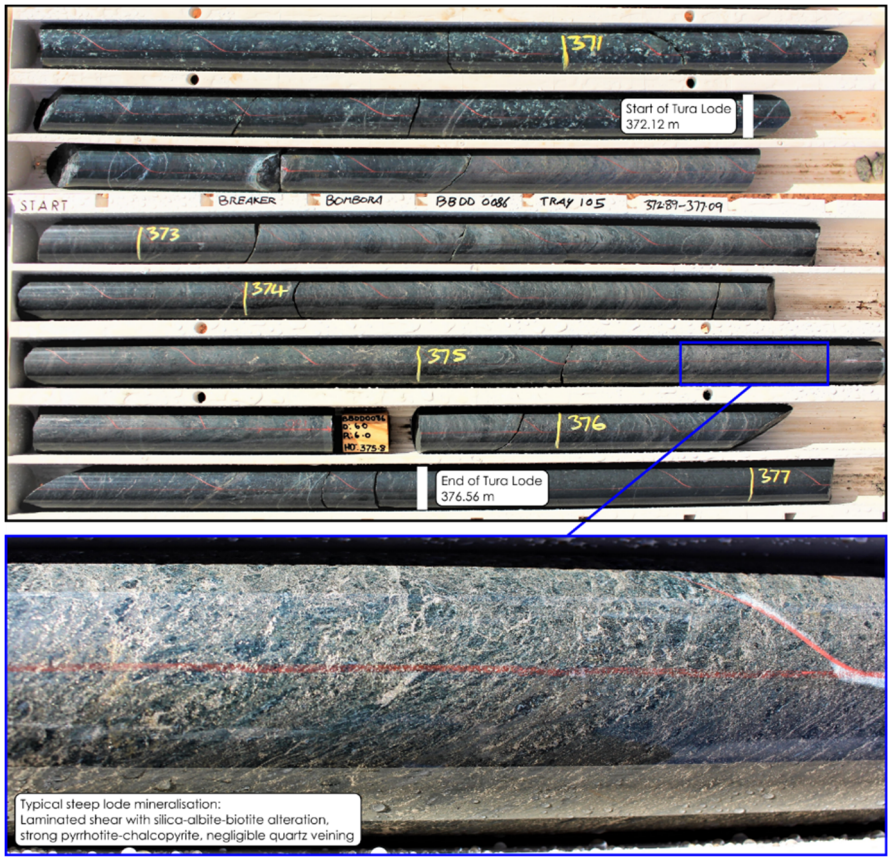

Photo 2: BBDD0086 from 371m to 377m with inset enlargement of Tura Lode

The Phase 1 component of the resource drilling recently undertaken at Bombora (~200,000m) has already shown potential for a single, large open pit at least 2.5km-long which is currently the subject of an open pit pre-feasibility study (**PFS**) that is considering a 2.5mtpa processing facility.

The deep drilling component of this strategy is now moving towards specific targeting of high-grade, continuous lodes in preparation for quantifying the long-term underground mining potential.

Breaker Executive Chairman, Tom Sanders, said the latest new discovery and the intersection of the Tura Lode is a product of this strategy and reflects the increased understanding of the deposit structure.

"Of the ten wide-spaced, exploratory drill holes that have tested a significant thickness of the favourable quartz dolerite below the current Resource (250m below surface), four have intercepts exceeding 30 gram-metres and a further two intercepts exceed 15 gram-metres.

"This is an outstanding strike rate for reconnaissance-style drilling and it says that the long-term underground mining potential is wide open.

"The results continue to reinforce our belief in the camp-scale growth potential of the Lake Roe Project."

Planning for the Phase 2 component of the resource drilling is now underway. Exploratory drilling is also planned to expand the discovery footprint beyond Bombora based on encouraging preliminary exploration results (ASX Release 30 April 2019). The planned upcoming drilling will have three main objectives:

(i) preliminary quantification of the underground potential;
(ii) extend and upgrade more shallow open pit mineralisation in preparation for open pit feasibility study activities; and
(iii) ongoing discovery.

Diamond Drill Hole BBDD0086 (in progress)

BBDD0086 was collared at 6600825N/458690E (M28/388), and drilled at -60 dip and 090 azimuth (down-dip of the favourable quartz dolerite host rock; Figures 2 and 3; Table 1). The intention of the hole was to test and validate steep and west lodes in the upper part of the Bombora deposit, and push on to intersect the projected southern extension of the high-grade, sub-vertical Tura Lode at approximately 400m downhole depth. The hole is ongoing and all assays are pending.

New Lode Discovery

BBDD0086 intersected a broad, previously unknown sub-vertical mineralised shear containing 0.2% to 20% pyrrhotite (average 2% pyrrhotite) between 490m and 501.9m downhole. Between 496.88m and 497.47m the mineralised shear contained a grey, silica-pyrrhotite vein with abundant visible gold (Photo 1; 0.59m core length).

This lode is a new discovery and underlines the outstanding discovery potential within the extensive mineralised lode system at Bombora.

Tura Lode Extension

BBDD0086 hole intercepted the Tura Lode shear zone between 372.12m and 376.56m downhole (4.44m core length). Despite being a 160m step-out from the previous intercept (BBRD0950 on 6600980N; Figure 2), the BBDD0086 intercept was within 25m of the expected downhole depth, highlighting the continuity and predictability of this lode, which has clear underground mining potential.

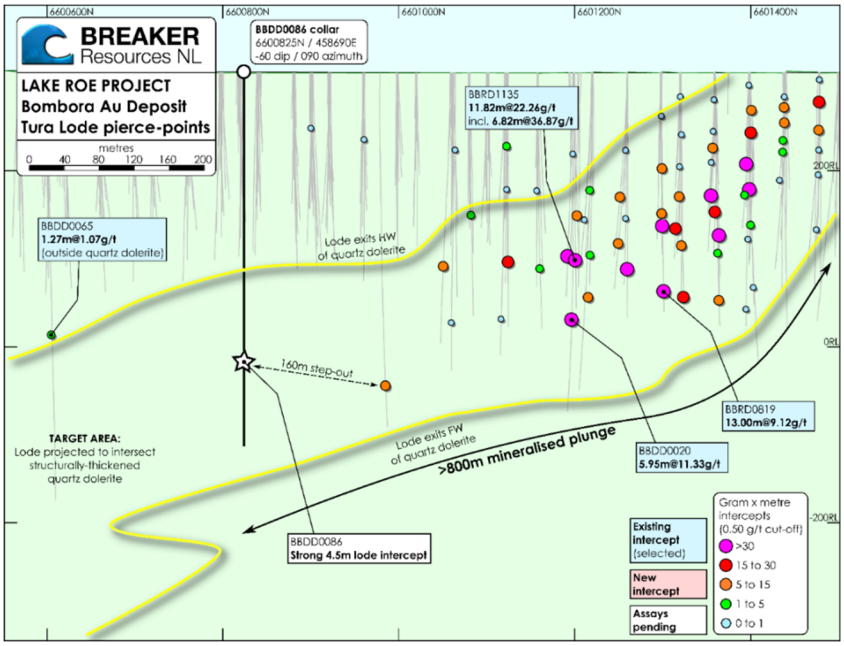

Figure 2: Tura Lode pierce-point diagram (long-sectional view)

The 4.44m Tura Lode intercept in BBDD0086 (Photo 2) is strongly sheared, pervasively biotite-silica-albite-altered, and strongly sulphidic (2 to 20% pyrrhotite). This is typical of high-grade steep lode mineralisation within the Bombora deposit. Assays are pending, but this intercept represents a further 160m plunge extension of the Tura Lode, taking the mineralised plunge extent of the lode to over 800m. Due to the shallow plunge of the mineralisation, the BBDD0086 intercept is still only ~320m vertically below surface, well above the operating depths of major Eastern Goldfields underground mines (Figure 1).

The Tura Lode remains open to the south, where it is untested within the favourable quartz dolerite host rock. An earlier diamond hole on 6600600N, BBDD0065, intercepted a strong, sub-vertical lode structure in less favourable hangingwall dolerite, returning 1.27m @ 1.07g/t Au from 347.98m (ASX Release 4 September 2018; Figure 2). With the knowledge gained from BBDD0086, this is now believed to be the Tura Lode, suggesting that the structure extends at least another 220m south of BBDD0086.

Breaker's 3D model of the Bombora deposit suggests that the Tura Lode will intersect with structurally-thickened quartz dolerite further down-plunge to the south (Figures 2 and 3). This is a priority target for longer-term deep exploration.

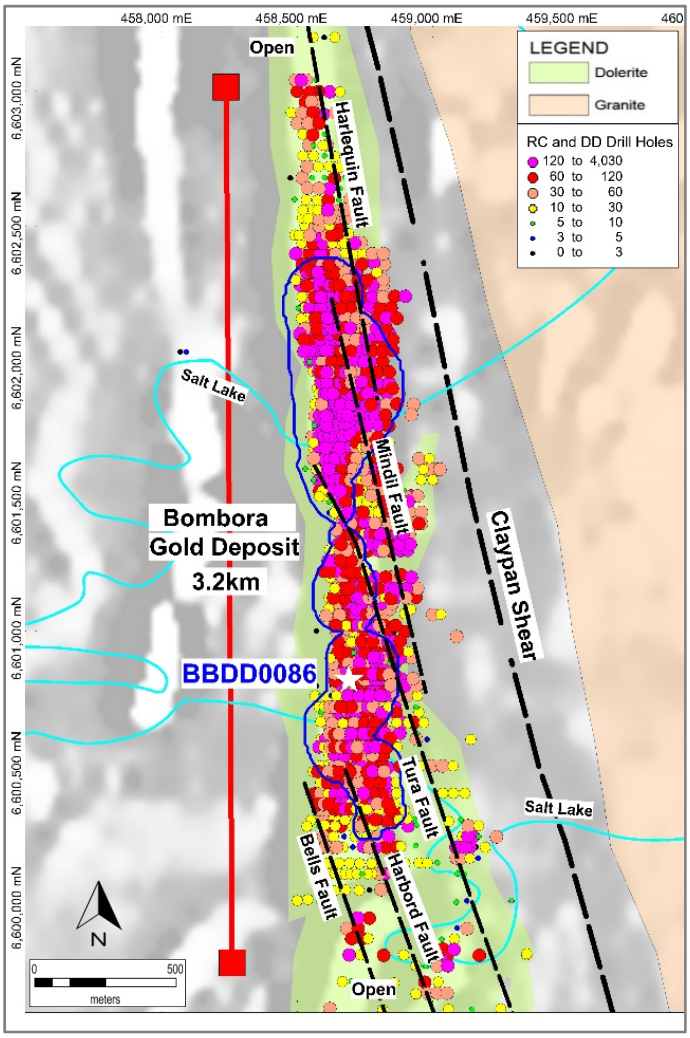

Figure 3: Location Plan showing BBDD0086 and the relationship between the main steep mineralised faults and RC and diamond drilling; A$2,000 Whittle open pit shell from ASX Release 18 April 2018 in blue;
Note: an average downhole gold grade of 120ppb equates with 12 grams of gold in a 100m drill hole

Table 1

Hole No.	Extensional or Infill	Depth	North	East	RL	Dip	Azim	From	To	Length	g/t Au
BBDD0086	**Extensional**	In Progress	6600825	458690	312	-60	90	Assays Pending			

Background

The 3.2km-long Bombora discovery forms part of an 8km-long greenfields gold system concealed by thin transported cover (typically 5-10m) within the 100%-owned Lake Roe Project, located 100km east of Kalgoorlie, WA.

Most of the gold at Bombora is stratabound, occurring preferentially in quartz dolerite in three dominant, typically "stacked" mineralised geometries in a "textbook" structural framework over the entire area which has had detailed drilling. Similar controls and geometries are apparent in many other deposits, including the Golden Mile in Kalgoorlie.

The gold distribution is controlled by multiple, stacked, steep NNW-trending mineralised faults with "linking" flat and/or west-dipping mineralised faults that are also stacked and commonly well mineralised. Gold occurs in sulphide-rich lodes and in quartz-sulphide stockwork zones situated preferentially in the upper, iron-rich part of a fractionated dolerite.

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

Tom Sanders
Executive Chairman
Breaker Resources NL 6 May 2019

For further information on Breaker Resources NL please visit the Company's website at www.breakerresources.com.au, or contact:

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COMPETENT PERSONS STATEMENT

The information in this report that relates to Exploration Targets and 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 Competent Persons 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 consents 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 announcements, and that all material assumptions and technical parameters underpinning the estimates in the relevant market announcements continue to apply and have not materially changed.

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

Notes:
- *Reported at 0.50g/t Au cut-off*
- *All figures rounded to reflect the appropriate level of confidence (apparent differences may occur due to rounding)*