

PARTLY PAID SHARES – CALL NOTICE

Breaker Resources NL (ASX: BRB) advises that, further to the announcement made by the Company on 6 September 2019 in relation to a call of \$0.19 per share on its quoted partly paid ordinary shares (ASX: BRBCA), the Call Notice will be mailed to the holders of partly paid shares today.

A copy of the document follows.



Michelle Simson
Company Secretary



BREAKER

Resources NL

16 September 2019

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NOTIFICATION OF CALL ON PARTLY PAID SHARES

As outlined in the Company's announcement to the ASX on 6 September 2019, Breaker Resources NL (**Breaker** or the **Company**) gives notice that a call has been made for the amount of \$0.19 (19 cents) per partly paid ordinary share (ASX: BRBCA) (**Partly Paid Share**), payable on or before 5.00pm (AWST) on Friday, 4 October 2019 (**Call**). The Call is made in accordance with the terms of each of the 4,527,373 Partly Paid Shares currently on issue.

This Call Notice provides details of your holding of Partly Paid Shares and the Call payable by you in relation to those Partly Paid Shares. The Call Notice also contains important information on the total amount due under the call and how the Call can be paid. Please read this Call Notice carefully. Importantly, if you fail to pay the Call within 14 days after it is due, the Partly Paid Shares on which the Call is made will be automatically forfeited under section 254Q(1) of the *Corporations Act 2001* (Cth) (**Act**) (see *Further Information* below).

Holding Details

The number of Partly Paid Shares held by you and the total amount payable in respect of the Call is:

| Partly Paid Shares | Total amount payable |
|--------------------|----------------------|
| XXX | XXXX |

You are called on to pay this amount by 5.00pm AWST on Friday, 4 October 2019.

Payment Details

Payments of \$0.19 (19 cents) per Partly Paid Share can be made by:

1. **Cheque** made payable in Australian dollars and drawn on an Australian financial institution to "Breaker Resources NL", crossed "Not Negotiable" and delivered to the Company at the following address, together with a copy of this Call Notice:

By mail: Breaker Resources NL
PO Box 244
WEST PERTH WA 6872
Australia

12 Walker Avenue
WEST PERTH WA 6005
PO Box 244
WEST PERTH WA 6872



Telephone: (08) 9226 3666
Facsimile: (08) 9226 3668

Email: breaker@breakerresources.com.au
Web: www.breakerresources.com.au

ASX: BRB; ABN: 87 145 011 178



By hand: Breaker Resources NL
12 Walker Avenue
West Perth WA 6005

All cheques must be received by the Company before the Call due date of 5.00pm AWST on 4 October 2019. Please ensure sufficient cleared funds are held in your account, as your cheque will be banked as soon as it is received.

2. **Electronic funds transfer** directly into the Company's bank account:

Breaker Resources NL
Bank: Commonwealth Bank
BSB: 06 6130
Account Number: 10338250

Note: Reference must be provided denoting the name of the shareholder making the Call. Please forward a copy of your bank confirmation, and a copy of this Call Notice to the Company (via email: breaker@breakerresources.com.au) to confirm your transfer.

All payments must be received into the Company's bank account before the Call due date of 5.00pm AWST on 4 October 2019.

Further Information

The following information is provided in compliance with the ASX Listing Rules to assist you in complying with this Call Notice:

| | |
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| Amount of Call: | As set out in this Call Notice, the Call is an amount of \$0.19 (19 cents) per Partly Paid Share. |
| Amount remaining unpaid on Partly Paid Shares after payment of Call | Upon payment of the Call, each Partly Paid Share will be paid up to the issue price of \$0.20 (20 cents) and therefore become a fully paid ordinary share, and rank equally in all respects to the existing fully paid ordinary shares on issue (ASX: BRB). |
| Consequences of non-payment of the Call | <p>If a holder of Partly Paid Shares fails to pay the Call within 14 days after the Call due date of 4 October 2019, the Partly Paid Shares on which the Call has not been paid will be automatically forfeited under section 254Q(1) of the Act and all forfeited Partly Paid Shares which are not redeemed will be offered for sale by the Company at a public auction convened and conducted in accordance with the Company's Constitution, the ASX Listing Rules and the Act (Auction).</p> <p>The Auction will be advertised 14 to 21 days before it occurs and it must take place within six (6) weeks after the due date for payment of the Call (although it can be postponed in accordance with the Act, the ASX Listing Rules and the Company's Constitution).</p> <p>If forfeited Partly Paid Shares are sold at the Auction, the proceeds of the sale will be applied in the following order in paying:</p> <ul style="list-style-type: none">✦ the expenses of the sale;✦ expenses necessarily incurred in respect of the forfeiture; and✦ the unpaid Call. |



| | | |
|---|---|---|
| | <p>The balance of the proceeds of sale of the forfeited Partly Paid Shares (if any) will be then paid to those persons whose Partly Paid Shares were forfeited and sold according to their respective entitlements.</p> <p>If your Partly Paid Shares are liable to be forfeited for non-payment of the Call, you will receive a further notice from the Company setting out your alternatives and advising the amount you must pay to avoid forfeiture or otherwise redeem them.</p> | |
| Price information on Partly Paid Shares (ASX: BRBCA) | <ul style="list-style-type: none"> ✦ Latest available price of Partly Paid Shares (ASX: BRBCA) before the Call was announced on 6 September 2019: \$0.015 ✦ Latest available price of BRBCA before the date of the Call Payment Notice, being 16 September 2019: \$0.130 ✦ Highest market price of BRBCA in the three months before 16 September 2019: \$0.350 (16 June 2019) ✦ Lowest market price of BRBCA in the three months before 16 September 2019: \$0.130 (9 September 2019) | |
| Price information on fully paid ordinary shares (ASX: BRB) | <ul style="list-style-type: none"> ✦ Latest available price of fully paid shares (ASX: BRB) before the Call was announced on 6 September 2019: \$0.335 ✦ Latest available price of BRB before the date of the Call Payment Notice, being 16 September 2019: \$0.290 ✦ Highest market price of BRB in the three months before 16 September 2019: \$0.420 (2 August 2019) ✦ Lowest market price of BRB in the three months before 16 September 2019: \$0.290 (13 September 2019) | |
| Timetable (key dates*) | <p>6 September 2019</p> <p>16 September 2019</p> <p>3 October 2019</p> <p>4 October 2019</p> <p>9 October 2019</p> <p>16 October 2019</p> <p>18 October 2019</p> <p>25 October 2019</p> | <p>Call announced</p> <p>Despatch of Call Notice</p> <p>Last day for trading the call unpaid Partly Paid Shares</p> <p>Call due and payable by close of business (5.00pm AWST)</p> <p>Last day for share registry to accept transfers of call unpaid Partly Paid Shares</p> <p>Entry of call paid Partly Paid Shares on register and despatch of new holding statements</p> <p>Partly Paid Shares on which call unpaid forfeited</p> <p>Notification of forfeiture to holders of Partly Paid Shares forfeited for non-payment of the Call setting out the details of the proposed auction of forfeited Partly Paid Shares and right of redemption</p> <p><i>* Please note that the timetable is subject to change. The Company reserves the right to vary the timetable for the Call without notice, subject to the Act, ASX Listing Rules and other applicable laws.</i></p> |
| Auction of forfeited Partly Paid Shares | <p>The auction of any forfeited Partly Paid Shares will be advertised between 14 and 21 days before it occurs and will take place no later than six (6) weeks after 4 October 2019.</p> | |
| Use of funds | <p>The funds raised by the Call will contribute towards the conduct of phase two of the resource definition and extensional drilling campaign at the Lake Roe Gold Project in Western Australia. There is no specific program of work earmarked for use of the funds raised resulting from the Call.</p> | |
| Amount spent on exploration and administration since the | <p>The Company's last audited accounts, being the Financial Report for the year ended 30 June 2019, were released on 22 August 2019. Based on the Company's unaudited management accounts, the amount spent on</p> | |



| | |
|--|--|
| date of the Company's last audited accounts | exploration and administration between 1 July 2019 and 31 August 2019 is \$1,157,480 and \$199,025 respectively. |
| Geological data and exploration results | <p>Geological data and details of the Company's exploration activities and results thereof are set out in recent announcements to the ASX which can be found on the Company's website or accessed from the ASX via the Company's code BRB.</p> <p>Additional information, outlining details of the Company's activities since the June 2019 Quarterly Activities Report was released on 19 July 2019, and future plans, is provided below.</p> |
| Directors' holdings and intention | <p>The Directors will pay the Call on all Partly Paid Shares held in their own names and intend that, absent significant changes in circumstances between the date of the Call Notice and the due date of the Call, their respective interests will also pay the Call on all Partly Paid Shares held by them.</p> <p>If the Call is paid on all Partly Paid Shares held by Directors and their respective interests, this would result in the Call being paid by those persons on a total of 432,996 Partly Paid Shares.</p> |

Update on Breaker's Activities

The following update on Breaker and its activities is provided in this Call Notice to enable you to be more fully informed in making your decision in relation to payment of the Call.

Breaker Resources currently holds granted tenure over an area of approximately 985km² in the Eastern Goldfields in Western Australia and its primary objective is the discovery of large new gold deposits under transported cover.

Since 2016, Breaker's activities have focussed on the 100% owned Lake Roe Gold Project, approximately 100km east of Kalgoorlie. An 8km-long gold mineralisation system was identified through aircore drilling, and subsequent reverse circulation (**RC**) drilling confirmed the potential for a large new greenfields gold deposit.

The Company has completed over 222,000m of RC and diamond drilling at Lake Roe in the past three years. A maiden Mineral Resource was released in April 2018 and an update completed in September 2018. The current Mineral Resource for the Bombora Gold Deposit at Lake Roe, which was released on 2 September 2019, is:

| | | Tonnes | Grade | Ounces |
|------------------|--------------------|-------------------|--------------|----------------|
| Indicated | oxide | 141,000 | 1.3 | 6,000 |
| | transitional | 1,842,000 | 1.4 | 83,000 |
| | fresh | 16,373,000 | 1.4 | 714,000 |
| | Total | 18,356,000 | 1.4 | 803,000 |
| Inferred | oxide | 214,000 | 1.0 | 7,000 |
| | transitional | 922,000 | 0.9 | 27,000 |
| | fresh | 3,717,000 | 1.2 | 144,000 |
| | Total | 4,853,000 | 1.1 | 178,000 |
| | Grand Total | 23,210,000 | 1.3 | 981,000 |

Table 1: Lake Roe Project Bombora Deposit Mineral Resource (0.5g/t Au cut-off)

The Mineral Resource captures gold mineralisation to a variable depth of 180m to 300m below surface, and includes mining dilution expected in an open pit mining scenario. The underground potential has not yet been quantified.

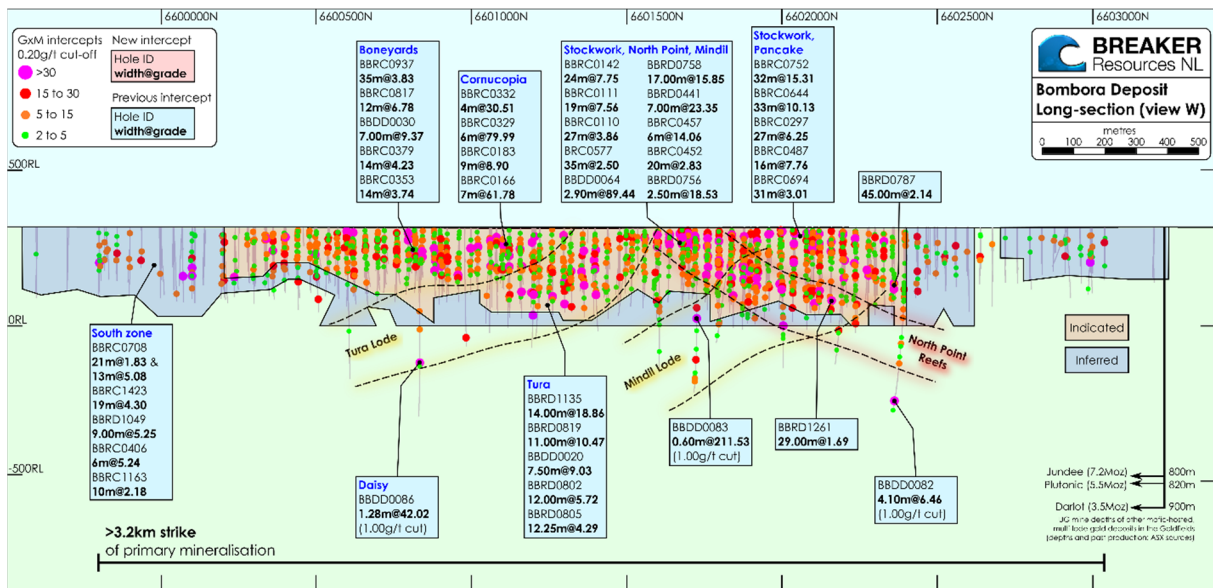


Figure 1: Long-section showing distribution of Indicated and Inferred mineralisation

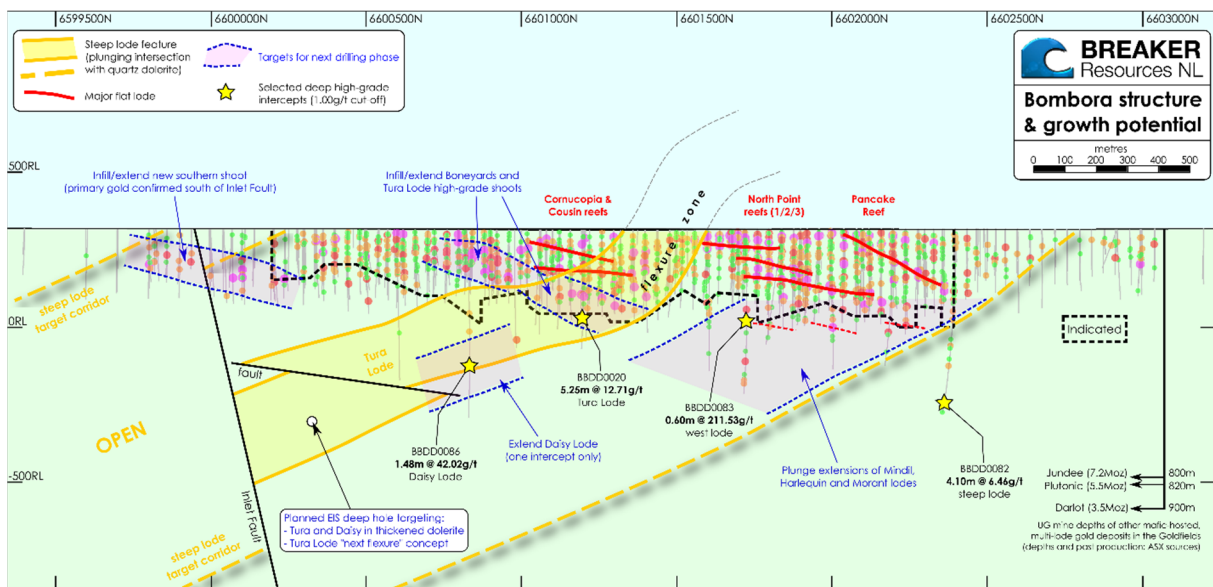


Figure 2: Long-section highlighting structure and growth potential

Breaker considers the Lake Roe Project to be the early stages of a new gold "camp", with significant exploration limited to approximately 10% of the project area. The discovery in mid-2018 of shallow, basalt-hosted mineralisation at the Crescent Prospect to the north (eg. BBRC0858: 19m @ 2.35g/t Au from 1m; ASX Release 31 July 2018) has already demonstrated the potential for additional, and diverse, deposits within the camp.

Drilling is currently in progress with one drill rig and is scheduled to ramp up after release of an open pit pre-feasibility study (PFS) scheduled for October 2019. This drilling will have multiple objectives, including:

- ✦ Step-out and infill drilling in areas of known mineralisation outside the Resource envelope (eg. Bombora South, Crescent Prospect);
- ✦ Deeper drilling below the open pit Resource targeting lode extensions and Resource growth at depth;



- ✦ Drilling for open pit extensions and Resource growth guided by ongoing optimisation studies; this includes drilling in areas of Inferred mineralisation where there is insufficient density of drilling to quantify the full extent of mineralisation present;
- ✦ Drilling to upgrade areas of Inferred mineralisation to Indicated status where required for ongoing feasibility activities;
- ✦ Exploratory drilling of regional targets; and
- ✦ Sterilisation drilling and groundwater drilling as required.

PFS activities are well advanced and some aspects of the processing studies are already at feasibility level.

The open pit PFS will use the input from the Mineral Resource to conduct further open pit optimisation studies, followed by open pit design and scheduling. The output from the optimisation is also expected to guide further drilling by highlighting where the optimised pit shell is constrained by drilling or where there is potential to materially increase Reserves.

The PFS will look at several processing options including standalone processing at a range of rates. The project is on a granted mining lease and the environmental, geotechnical, hydrological and metallurgical studies undertaken to date do not highlight any impediments to development.

Professional Advice

Holders of Partly Paid Shares are encouraged to obtain their own independent advice from their accountant, stockbroker, lawyer or other professional adviser as to the taxation and other effects of paying or failing to pay the Call.

If you require any further information in relation to this Call Notice, please contact the Breaker Resources' office on +61 (0)8 9226 3666.

Yours faithfully

TOM SANDERS
Executive Chairman

Competent Persons Statement

The information in this report that relates to Exploration Results is based on information compiled by Tom Sanders who is a Member of The Australasian Institute of Mining and Metallurgy. Mr Sanders is an officer of Breaker Resources NL and his services have been engaged by Breaker on an 80% of full time basis; he is also a shareholder in the Company. Mr Sanders has 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 consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The information in this document that relates to the Mineral Resource is based on information announced to the ASX on 2 September 2019. 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.