



Exploration Update

- Wildara drilling intersects disseminated sulphides at Revolution- Horn Trend
- Drilling continues to systematically test advanced nickel targets
- Miranda data review identifies 23 new bedrock nickel geochemical anomalies
- Maintaining Leinster District nickel focus

Australian nickel company Breakaway Resources Limited (**ASX: BRW**) is pleased to provide an update on its exploration activities currently underway at its highly prospective **Wildara Nickel Project Group** and **Miranda Project** situated 30 kilometres south east, and 15 kilometres west respectively, of Leinster in Western Australia's North Eastern Goldfields (see Figure 1).

Wildara Project Group Drilling

The Wildara Project Group comprises the 100%-owned Wildara and Mt Clifford Projects, as well as the 81.27%-owned Yillaree Project with Breakaway's joint venture partner, Hampton Hill Mining (18.73%), contributing to expenditure on a pro rata basis.

Breakaway commenced a 7,500 metre Reverse Circulation drilling programme on 10 February 2010, systematically testing a series of advanced nickel targets at Wildara. Drilling to date (1,973 metres: see Table 1) has successfully intersected zones of weak disseminated and/or blebby sulphides within favourable high MgO ultramafic lithologies at the northern end of the Revolution-Horn Trend (see Figure 2).

- 10BWDC0083 – 129 to 135 metres, and 145 to 148 metres
- 10BWDC0085 – 97 to 104 metres, and 104 to 164 metres
- 10BWDC0088 – 130 to 134 metres

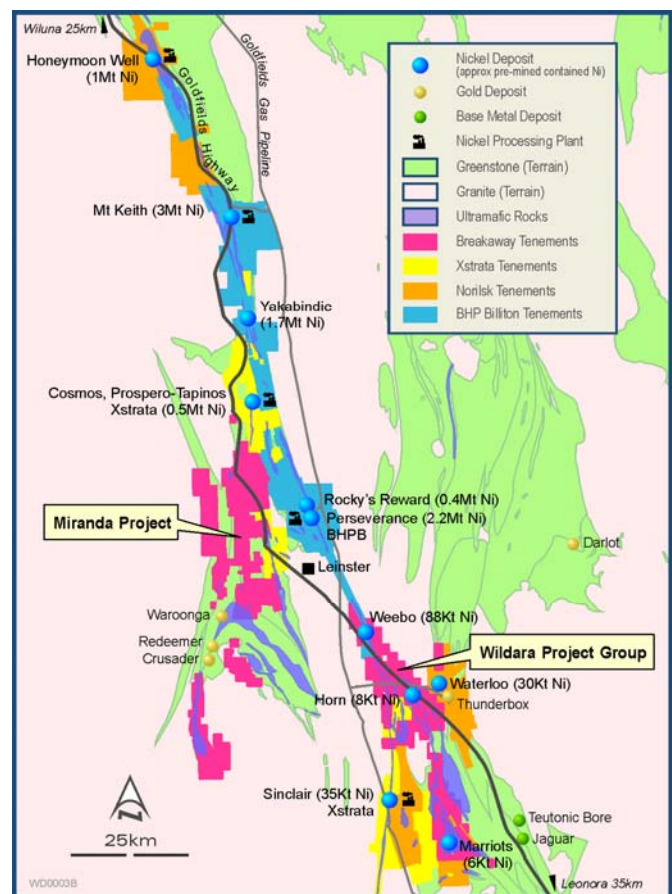


Figure 1. Comparative Landholdings, Leinster District

Assay results are awaited, but the presence of favourable ultramafic rocks reinforces the prospectivity of the target area. Drilling will continue at Revolution-Horn before moving to other advanced targets at Wildara.

Miranda Project Target Generation

Lying directly south along strike from Xstrata’s Cosmos Nickel Deposits (+0.5Mt Ni metal), Miranda covers the southern extension of the Mt Goode Ultramafic Belt which hosts the Cosmos deposits. At Miranda, Breakaway owns 100% of the nickel rights with Goldfields Australasia (“Goldfields”) owning the gold rights.

Breakaway’s exploration efforts at Miranda have been “kick-started” by the receipt of an extensive database of newly acquired drilling data from Goldfields. A review of the data has identified 23 new bedrock geochemical anomalies potentially indicative of nickel sulphide and/or nickel laterite mineralisation.

Significantly, all of the anomalies lie within favourable ultramafic stratigraphy with four anomalies lying along the southern extension of the Mt Goode Ultramafic Belt. Another anomaly occurs immediately adjacent to two Moving Loop TEM (MLTEM) conductors obtained by Breakaway during 2008 (Figure 3).

The anomalies will be refined and prioritised ahead of possible drill testing following completion of the Wildara drill programme.

The ongoing work at Miranda increases the potential and value of this project and together with Wildara, will continue to be the focus of Breakaway’s nickel activities.

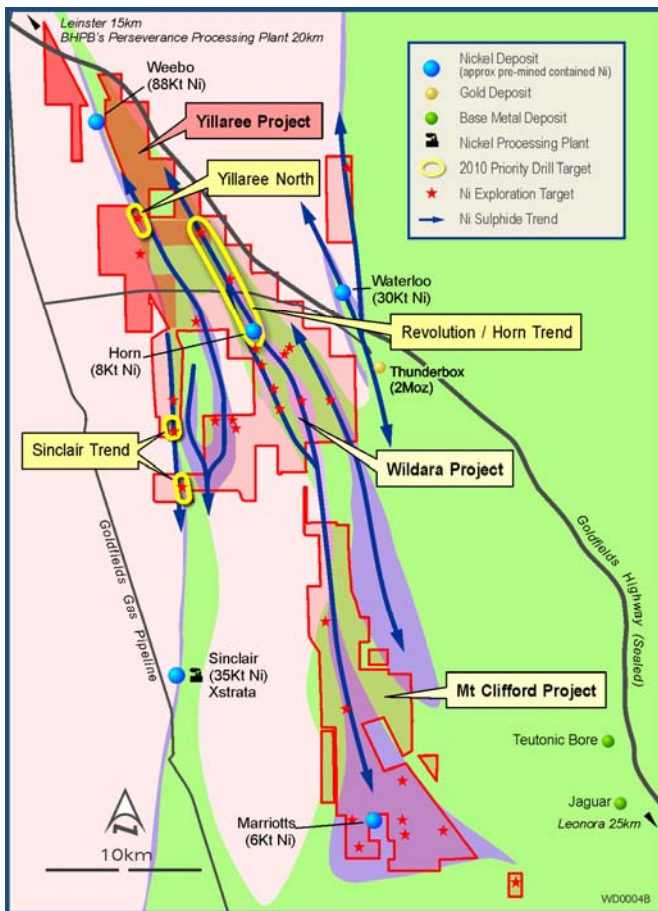


Figure 2. Wildara Project Group Priority Nickel Targets

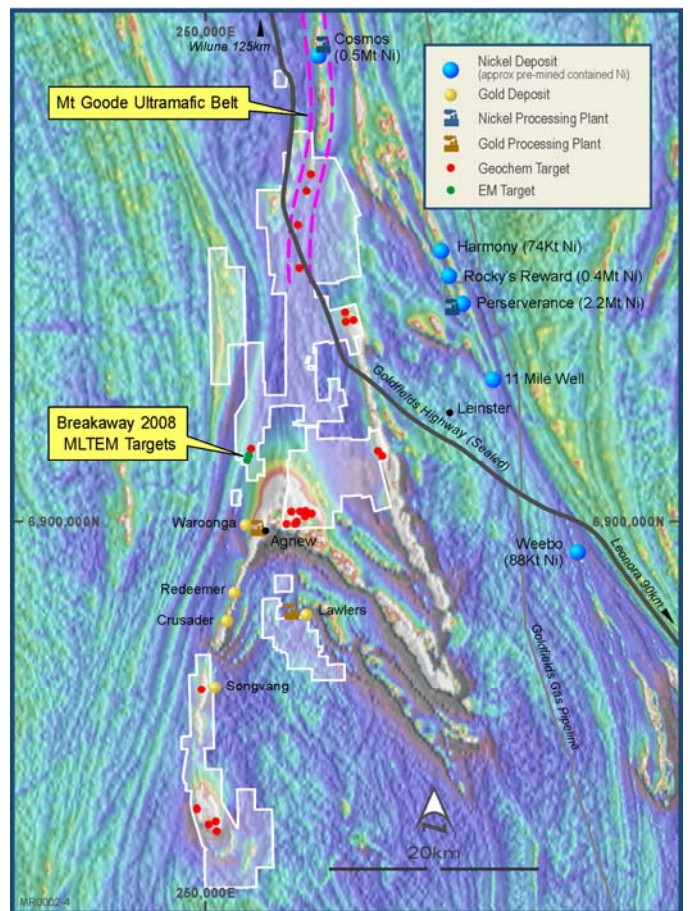


Figure 3. Miranda Project Bedrock Nickel Geochemical Anomalies

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| Table 1. Wildara Project Group Drilling Details | | | | | | |
|---|----------|---------|------|--------------|--------------|--------------|
| Hole ID | Northing | Easting | Dip° | Azimuth Mag° | Depth (m) | |
| 10BWDC0081 | 6888560 | 292600 | -60 | 90 | 148 | |
| 10BWDC0082 | 6888560 | 292465 | -60 | 90 | 202 | |
| 10BWDC0083 | 6888560 | 292415 | -60 | 90 | 202 | |
| 10BWDC0084 | 6889000 | 292351 | -60 | 90 | 230 | |
| 10BWDC0085 | 6886043 | 294154 | -60 | 90 | 191 | |
| 10BWDC0086 | 6886039 | 293942 | -60 | 90 | 232 | |
| 10BWDC0087 | 6886100 | 294050 | -60 | 90 | 184 | |
| 10BWDC0088 | 6886100 | 293965 | -60 | 90 | 334 | |
| 10BWDC0089 | 6886100 | 293890 | -60 | 90 | 250 | |
| Note: Wildara drill hole co-ordinates quoted using MGA datum (Zone 51). | | | | | TOTAL | 1,973 |

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Competent Persons Statement:

The information in this report that relates to Exploration Results and Mineral Resources is based on information compiled by Mr David Hutton (Chief Executive Officer and Exploration Manager), a full time employee of the Company. Mr Hutton is a member of the Australasian Institute of Mining and Metallurgy (AusIMM) and has sufficient experience of relevance to the styles of mineralisation and the types of deposits under consideration, and to the activities undertaken, to qualify as a Competent Person as defined in the 2004 Edition of the Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves.