



Eloise Copper Mine – Market Update

- **Offtake Agreement finalised and Mining Contract terms being negotiated ahead of planned reopening in November 2010**
- **Breakaway has a 30% Net Profit Interest in Eloise**

Breakaway Resources Limited (ASX:BRW – “Breakaway”) is pleased to update the market on a number of positive developments at the **Eloise Copper Mine** (“Eloise”) located in the Cloncurry District, Queensland (Figure 1), and in which Breakaway has a **30% Net Profit Interest**. Eloise has been on care and maintenance since December 2008 when a localised hanging wall rock failure coupled with low copper prices at the time saw the mine’s owner FMR Investments Pty Ltd (“FMR”) terminate mining activities to maximise the mine’s future value.

FMR has now advised Breakaway that they have finalised an Offtake Agreement and are negotiating the Mining Contract terms ahead of a planned reopening of mine in November 2010. The decision to reopen the mine follows the recent increase in the copper price and positive internal reviews of the underground mining method to be employed at Eloise.

The Eloise Copper Mine is located on two excised Mining Leases situated within the eastern boundary of Breakaway’s 100% owned Eloise Exploration Project, which is highly prospective for both copper-gold and silver-lead-zinc mineralisation. The project also hosts the Altia Silver-Lead-Zinc Deposit which is currently being explored by BHP Billiton Minerals Pty Ltd under the terms of the Altia Joint Venture Project.

Breakaway will provide the market with further updates as they come to hand.

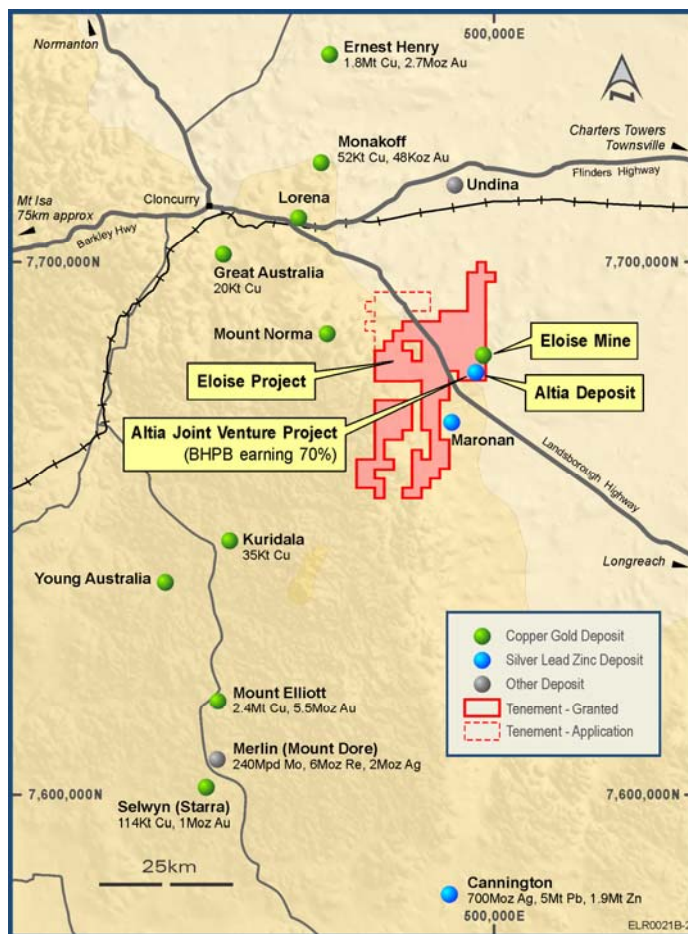


Figure 1: Eloise Copper Mine and Eloise Exploration Project Location Plan

ENDS

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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 Charles (Mark) Fletcher (Exploration Manager) and Mr David Hutton (Managing Director), both full time employees of the Company. Mr Fletcher is a Member of the Australian Institute of Geoscientists (AIG) and Mr Hutton is a Member of the Australasian Institute of Mining and Metallurgy (AusIMM). Both have 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.

About Breakaway Resources Limited:

Breakaway Resources aims to become one of Australia's leading mining and exploration companies with exploration focussed at our priority Wildara and Miranda Projects within the Leinster district of the North Eastern Goldfields of Western Australia; an area we believe offers the most attractive opportunities for future success.

Our objectives are the discovery and development of a high-quality stand alone nickel sulphide deposit and maximisation of shareholder wealth for non-priority assets.
