



Drilling to resume at Sandy Creek following approval for new program RC and diamond drilling to in-fill and extend newly identified copper system

- Sandy Creek copper prospect prioritised for immediate follow-up testing.
- High-resolution ground magnetic surveying to commence in early September to confirm the geological setting and define additional targets along strike.
- 3,700 metre RC and diamond drilling program to commence in mid September to in-fill existing mineralisation and test for depth and strike extensions

Breakaway Resources Limited (ASX: **BRW**) is pleased to advise that its Board has approved a follow-up work program to further test the potential of the **Sandy Creek** prospect, where a significant new copper system has recently been identified which extends over a currently identified strike length of 600 metres and to a depth of 120 metres (see *ASX Announcement – 16 August 2011*).

Sandy Creek lies within the 100%-owned Eloise Exploration Project, which is located 70km south-east of Cloncurry in the heart of the world-class Cloncurry Mineral District of North West Queensland (see *Figures 1 and 2*).

Recent drilling by Breakaway at Sandy Creek, on nominal 100 metre-spaced sections returned numerous significant intercepts including:

- **10m @ 2.0% copper, 0.47g/t gold** from 121 metres in 11BERC0073 including **3m @ 3.0% copper, 0.92g/t gold** from 128 metres;
- **3m @ 2.2% copper, 0.47g/t gold** from 146 metres in 11BERC0076;
- **9m @ 1.75% copper, 0.15g/t gold** from 139 metres in 11BERC0075; and
- **13m @ 1.1% copper, 0.18 g/t gold** from 140 metres in 11BERC0071 including **1m @ 3.51% copper, 0.14g/t gold** from 152 metres.

The copper-gold mineralisation at Sandy Creek occurs in a well-defined zone of sheared sulphidic quartz-carbonate veining within a broader zone of mafic / garnet alteration on the western margin of a gabbroic intrusive body and remains open in all directions with most sections only containing one drill hole.

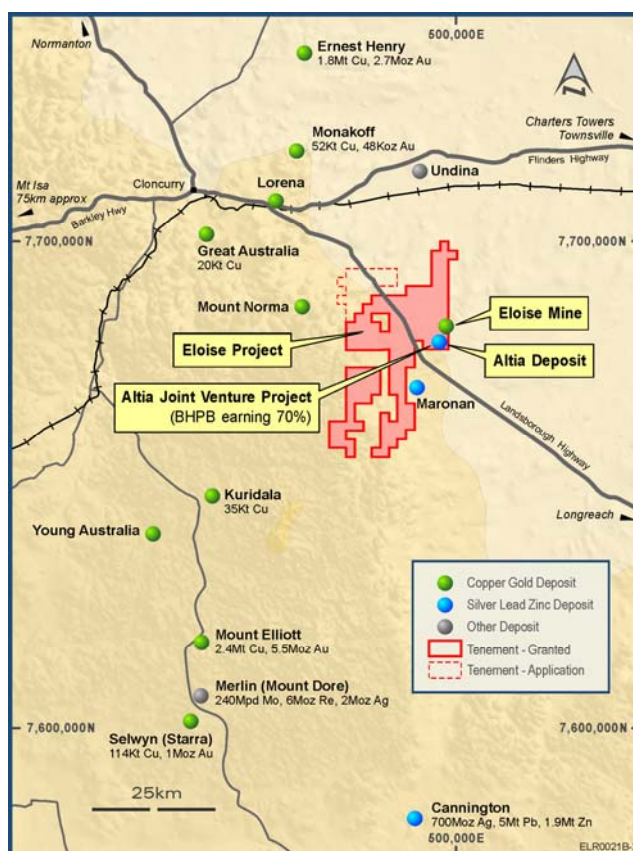


Figure 1: Eloise Exploration Project Location Plan

A follow-up work program comprising high-resolution ground magnetics and 3,700 metres of RC and diamond drilling has now been approved by the Company's Board of Directors.

High-resolution (25 metre line spacing) ground magnetic surveying will be undertaken over a 6 square kilometre area centred on the Sandy Creek mineralisation to confirm the prospect's geological setting and define additional targets along strike.

In-fill RC drilling will be carried out on nominal 50m centres to 120 metres depth throughout the existing mineralisation to determine internal continuity and test for potential extensions of the mineralisation along strike. Diamond drilling will be carried out to test the down-dip potential of the prospect and to establish "platforms" for follow up DHTEM surveying (see Figure 3).

Ground magnetics is scheduled to commence in early September with drilling following shortly thereafter in mid-September 2011.

Breakaway's Managing Director, Mr David Hutton, said Sandy Creek was rapidly emerging as the priority target on the Eloise Exploration Project with the newly approved work program designed to ensure that exploration momentum is maintained.

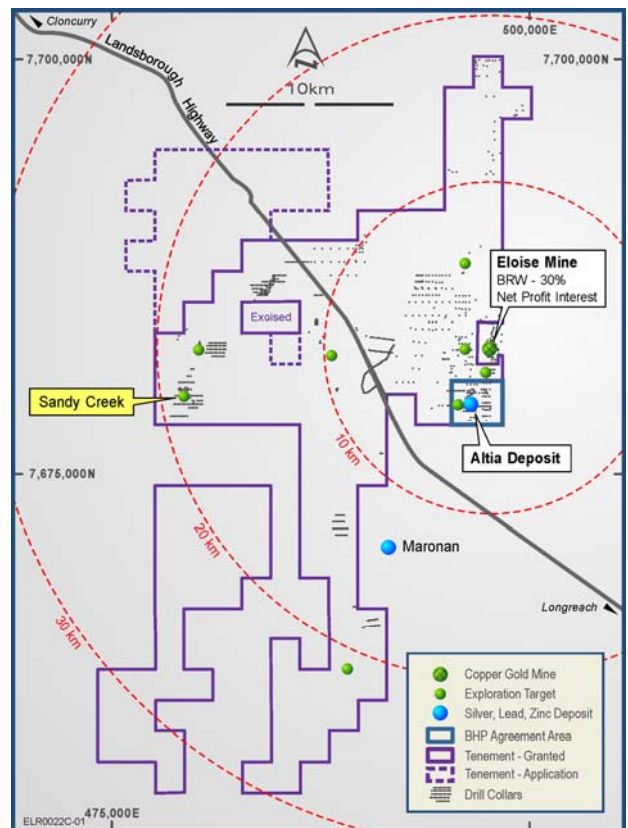


Figure 2: Eloise Exploration Targets Location Plan

"The success we have enjoyed so far at Eloise validates our decision to focus our future exploration efforts in the mineral-rich Cloncurry District, and we look forward to informing the market of further results from Sandy Creek as they come to hand," he said.

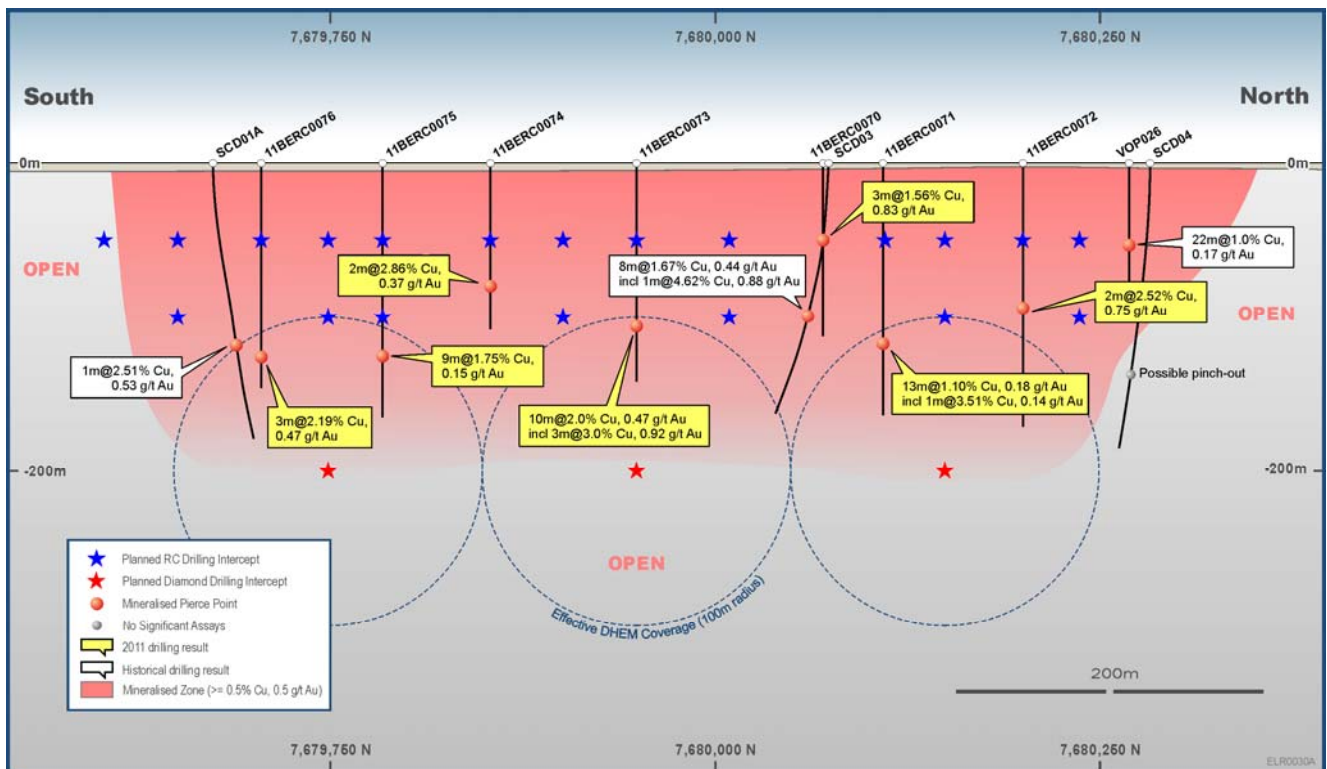


Figure 3: Sandy Creek Long Section Planned Drilling

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 David Hutton (Managing Director), a full time employee of the Company. Mr Hutton is a Member of the Australasian Institute of Mining and Metallurgy (AusIMM). He 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.

Mr Hutton consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

About Breakaway Resources Limited:

Breakaway Resources aims to generate shareholder wealth through the discovery and development of a high-quality standalone mineral deposit. The Company's exploration activities are focussed on our priority Eloise Exploration Project (copper – gold) located within the Cloncurry District of North West Queensland and the Wildara and Miranda Projects (nickel) located within the Leinster District of Western Australia's North Eastern Goldfields; two areas that we believe offers the most attractive opportunities for future success.

Table 1 – Sandy Creek 2011 Drilling Intercepts and Collar Details

Hole ID	Prospect	Northing	Easting	Dip°	AziMag°	From	Width	g/tAu	%Cu	g/tAg	%Pb	%Zn
11BERC0070	Sandy Ck	7680070	479455	-60	90	58	3	0.83	1.56	8.0	0.02	1.60
"	"	"	"	"	"	104	12	1.25	0.02	-	-	0.03
11BERC0071	Sandy Ck	7680109	479380	-60	90	140	13	0.18	1.10	5.1	-	-
<i>including</i>						152	1	0.14	3.51	21.2	-	0.33
11BERC0072	Sandy Ck	7680200	479431	-60	90	99	2	0.75	2.52	8.7	-	0.40
"	"	"	"	"	"	105	6	0.16	0.59	2.1	-	0.04
"	"	"	"	"	"	118	1	0.16	1.46	5.4	-	0.42
11BERC0073	Sandy Ck	7679949	479402	-60	90	121	10	0.47	2.00	7.8	-	0.11
<i>including</i>						128	3	0.92	3.00	11.0	-	0.11
11BERC0074	Sandy Ck	7679854	479438	-60	90	93	2	0.37	2.86	17.8	0.05	0.53
11BERC0075	Sandy Ck	7679784	479472	-60	90	139	9	0.15	1.75	28.9	0.36	0.31
<i>including</i>						145	2	0.31	1.34	70.2	1.19	0.41
11BERC0076	Sandy Ck	7679705	479515	-60	90	146	3	0.47	2.19	9.9	-	-
11BERC0077	Sandy Ck	7680242	479151	-60	90	No Significant Intersection						
11BERC0078	Sandy Ck	7680126	479128	-60	90	No Significant Intersection						
11BERC0079	Sandy Ck	7679570	479505	-60	90	No Significant Intersection						

Notes:

All Reverse Circulation drill hole results are obtained from analysis of 1 metre samples (unless otherwise specified). Sampling is undertaken following logging of geological boundaries within the drill hole. All samples are prepared and analysed at ALSGlobal Pty Ltd's Townsville Minerals Laboratory. Sample preparation is by pulverisation of the entire sample to a nominal 85% passing 75 microns in size (method LOG-23 / PUL-23). Base metal analysis is carried out by subjecting a 25-gram portion of the sample to a multi acid digest and analysing the sample by Inductively Coupled Plasma Atomic Emission Spectrometry (method ME-ICP61). Gold and precious metal analysis is carried by 25g Fire Assay and an AAS finish (method Au-AA25)

- Intersections are reported as **down hole widths**, not true widths.
- Reported intersections are calculated as length weighted average grades typically using the following cut off grades - a 0.5% copper, lead and zinc, and 0.5g/t gold and silver.
- Au – gold, Ag – silver, Cu – copper, Pb – lead, and Zn – zinc.
- The intersection obtained from 104 metres in 11BERC0070 was obtained from analysis of 4 metre composite samples.
- The location of drill holes were determined using a handheld GPS achieving +/- 4 metre accuracy - MGA datum (Zone 54).
- End of hole surveys were obtained using either an Eastman single shot survey camera or Reflex downhole survey tool.