



## Nickel Drilling Update – Leinster District

- First three holes of 10-hole drilling programme complete with diamond drilling continuing to test priority nickel sulphide targets in the Leinster District of WA
- Vein and breccia sulphides intersected at the Bakers Target, Mt Clifford Project
- EM target along strike from the Sinclair Nickel Deposit currently being drilled
- Priority targets along strike from the Weebo and Cosmos Nickel Deposits to be tested next

Further to its release of 1 March 2011, Breakaway Resources Limited (ASX: **BRW**) is pleased to provide an update on drilling activities within its nickel sulphide exploration portfolio in the **Leinster District** of Western Australia’s North Eastern Goldfields (see *Figure 1*).

The 3,100 metre Reverse Circulation (RC) and Diamond Drilling programme within the Wildara Project Group and Miranda Project is continuing, with three holes of the planned 10-hole programme now complete. To facilitate diamond drilling, RC pre-collars have been drilled for the majority of the remaining holes.

Access to a number of drill sites and scheduling of the drill program was hindered by unseasonal rainfall throughout the field area immediately prior to the commencement of drilling.

Drilling at **Bakers Target**, located at the southern end of the Mt Clifford Project (see *Figure 1*) has intersected **3.0 metres** (down-hole width) of vein and breccia sulphides (pyrrhotite – pyrite – chalcopyrite) from 257 metres down-hole in drill hole 08BMCD008.

This hole was targeting a position approximately 80 metres down-dip of a zone of disseminated sulphides intersected by Breakaway in 2007 (previous intersection of **8m @ 0.43% Ni, 608ppm Cu and 136ppb Pt + Pd** from 239 metres in drill hole 07BMCC007).

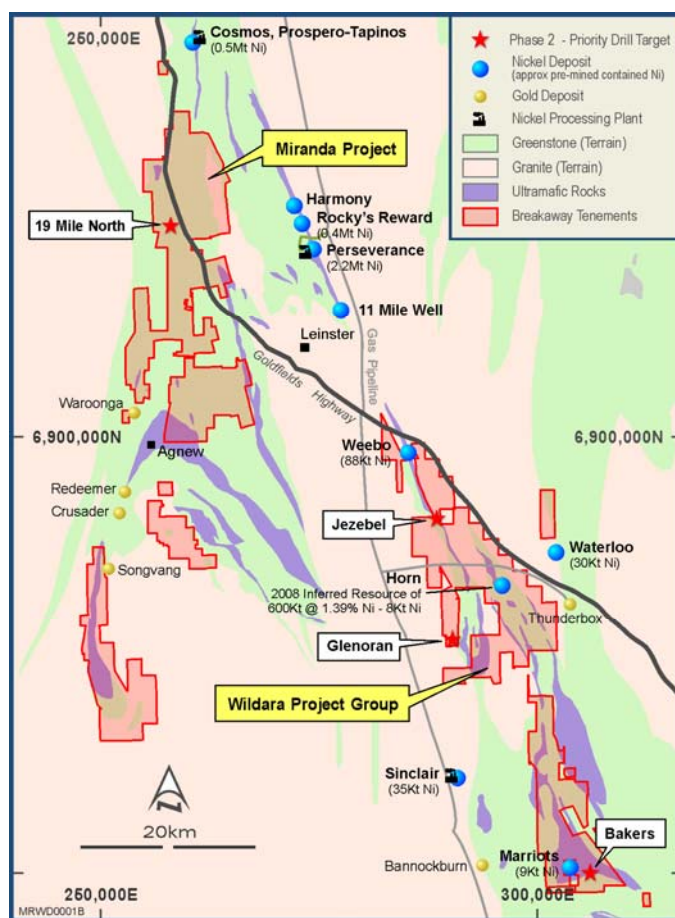


Figure 1: Project Location Plan

The sulphides intersected in 08BMCD008 occur within a zone of strong shearing at the base of an ultramafic unit and are interpreted to be equivalent to the mineralisation intersected in 07BMCC007. Two additional holes drilled 200 and 400 metres to the west of 08BMCD008 (i.e. 08BMCD009 and 08BMCD010 respectively) intersected lesser amounts of sulphides within the same structural position. Assays are awaited.

The presence of sulphides down dip from known nickel mineralisation within favourable ultramafic stratigraphy is encouraging as it reinforces the prospectivity of the Bakers Target. Mineralisation remains open both down dip and along strike to the east suggesting that a broader nickel system may be present.

At the time of writing, diamond drilling was continuing at the **Glenoran Target**, which is located in the western part of Wildara Project. Drilling will test a strong EM conductor on the interpreted footwall basal contact of the Sinclair Ultramafic Trend, 15 kilometres north along strike from Xstrata's Sinclair Nickel Mine (~45,000t of nickel metal).

Once drilling at Glenoran is completed, the diamond rig will move to the **Jezebel Target**, located 7 kilometres south along strike from BHP Billiton's Weebo Nickel Deposit (88,000t of nickel metal) before moving to the **19 Mile North Target** on the Miranda Project, located to the south of Xstrata's world-class Cosmos Nickel Mine.

## ENDS

### For Further Information Contact:

**Mr David Hutton, Managing Director**

Mobile: 0417 974 843  
Business: (08) 9278 6444

**Mr John Atkins, Chairman**

Mobile: 0419 767 573  
Business: (08) 9323 8563

**Breakaway Resources Limited**

ABN 16 061 595 051  
Level 2, 23 Ventnor Avenue  
West Perth WA 6005

P/ (08) 9278 6444  
F/ (08) 9278 6449  
E/ admin@breakawayresources.com.au  
W/ www.breakawayresources.com.au

### 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.

### 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 Wildara and Miranda Projects (nickel) located within the Leinster district of Western Australia's North Eastern Goldfields and the Cloncurry District (copper – gold) of North West Queensland; two areas that we believe offers the most attractive opportunities for future success.

**Table 1. Wildara Project Group Drilling Intercepts and Collar Details**

Hole ID	Northing	Easting	Dip°	Azimuth Mag°	From	Downhole Width	Ni%
07BMCC007	6850139	305226	-60	160	239	8.0	0.43
08BMCD008	6850139	305226	-85	160		Assays Awaited	
08BMCD009	6850049	305006	-60	125		Assays Awaited	
08BMCD010	6849949	304776	-60	125		Assays Awaited	

### Calculation of Drill Hole Results:

All Reverse Circulation and Diamond drill hole results were obtained from analysis of 1-metre samples (unless otherwise specified). Sampling was undertaken following logging of geological boundaries within the drill hole. All samples were prepared at Genalysis Laboratory Services Pty Ltd's Kalgoorlie Sample Preparation facility using a single stage mix and grind technique. Nickel analysis (1ppm detection limit) was carried out at Genalysis' Perth laboratory by subjecting a 50-gram portion of the sample to a four acid digest and analysing the sample by Inductively Coupled Plasma Optical Emission Spectrometry (ICPOES).

The location of drill holes were determined using a handheld GPS achieving +/- 4 metre accuracy and using the MGA datum (Zone 51). End of hole surveys were obtained using either an Eastman single shot survey camera or Reflex downhole survey tool.