



Significant new copper system identified at Sandy Creek

Mineralisation so far intersected over a 600m strike length to a depth of 120m

Significant copper-gold results returned from preliminary 10 hole drilling program at Sandy Creek prospect (Eloise Exploration Project, NW Queensland):

- 10m @ 2.0% copper, 0.47g/t gold from 121m including 3m @ 3.0% copper, 0.92g/t gold from 128m;
- 3m @ 2.2% copper, 0.47g/t gold from 146m;
- 9m @ 1.75% copper, 0.15g/t gold from 139m;
- 13m @ 1.1% copper, 0.18g/t gold from 140m including 1m @ 3.51% copper, 0.14g/t gold from 152m;
- 3m @ 1.56 % copper, 0.83 g/t gold from 58m;
- 12m @ 1.25 g/t gold from 104m.

Mineralisation intersected in 100 metre spaced RC holes over 600 metres strike to 120 metres vertical and remains open in all directions

Strong geological similarities to nearby producing Eloise Copper Mine

High-resolution ground magnetic survey commencing shortly to define additional targets along strike ahead of follow-up drilling

Breakaway Resources Limited (ASX: **BRW**) is pleased to advise that recently received drilling results have identified a **significant new copper system** at the **Sandy Creek** target, part of its 100%-owned Eloise Exploration Project, with the broad widths of mineralisation intersected over a significant strike length displaying strong geological similarities to the nearby Eloise Copper Mine.

Breakaway has recently completed an initial 33-hole RC drilling programme (4,978 metres) to test the priority **Surprise Ridge, Roberts Creek, Sandy Creek** and **Coral Reef** targets at the 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*).

Ten holes (11BERC0070 to 11BERC0079) were drilled to test the **Sandy Creek** prospect, where copper-gold mineralisation (historic drill intercepts up to 1.67% copper) had previously been intersected on broad +200 metre- spaced sections. The new holes were drilled on nominal 100 metre-spaced sections to a maximum vertical depth of 120 metres.

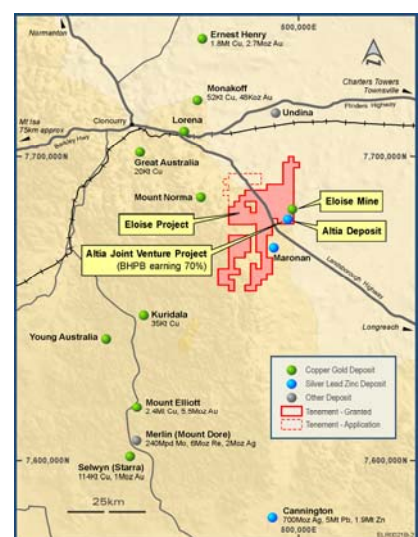


Figure 1: Eloise Exploration Project Location Plan

Drilling has now intersected the mineralisation over a strike length of 600 metres with 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,
- **13m @ 1.1% copper, 0.18g/t gold from 140 metres in 11BERC0071 including 1m @ 3.51% copper, 0.14g/t gold from 152 metres.**
- 3m @ 1.56% copper, 0.83g/t gold from 58 metres in 11BERC0070.

In addition to the copper intersection in 11BERC0070 a significant gold intersection of **12m @ 1.25g/t gold** (4 metre composite samples) from 104 metres was returned from the gabbroic intrusion located east of the main copper zone. (See Figure 3).

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 (see Figure 4). The mineralisation remains open in all directions with most sections only containing one drill hole (see Figure 5).

The prospect displays strong geological similarities to the nearby Eloise Copper Mine, where mining recommenced in January 2011 and in which Breakaway has a beneficial interest, namely a 30% Net Profit Interest (adjusted for prior year losses).

Breakaway's Managing Director, Mr David Hutton, said the receipt of such positive results from the first holes drilled into the Sandy Creek prospect was exciting and significant for a number of reasons.

"These results are significant because the strike length and apparent continuity of mineralisation intersected so far and the consistency of copper grades – coupled with the strong geological similarities to the Eloise Copper Mine – give us great confidence that Sandy Creek has the potential to host a substantial copper deposit," Mr Hutton said.

"The fact that drilling has only been carried out on 100 metre-spaced sections and that most of the drill sections contain only one drill-hole means there is plenty of scope to rapidly increase the size of the prospect. The mineralisation remains open both down-dip and along strike, making Sandy Creek a top priority for further drilling in the near future."

A programme of high resolution ground magnetics will commence within the next 2-3 weeks to better define the geological setting of the existing mineralisation and additional targets along strike. Further drilling is planned in the near future.

The positive results from Sandy Creek follow encouraging results received recently from the Surprise Ridge and Roberts Creek prospects (see ASX Announcement – 11 August 2011).

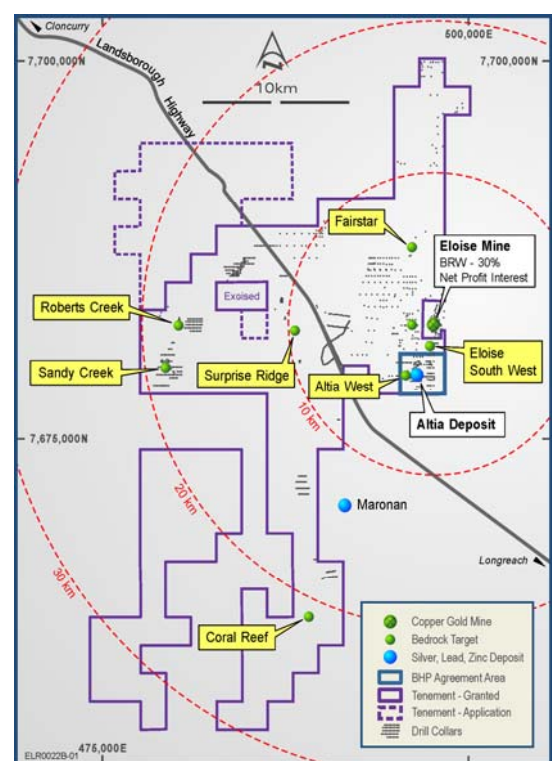


Figure 2: Eloise Drill Targets - Location Plan

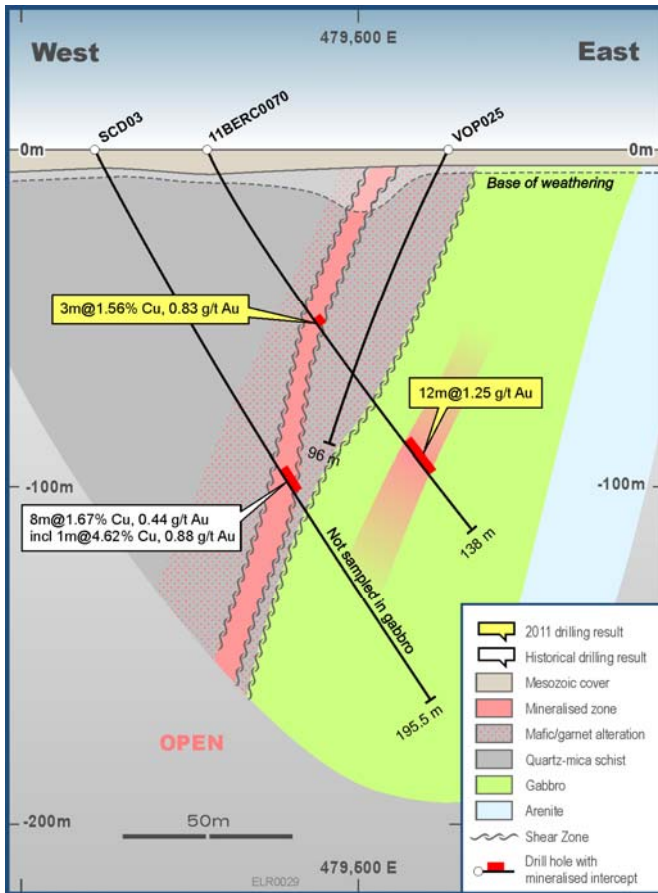


Figure 3: Sandy Creek Cross Section - 11BERC0070

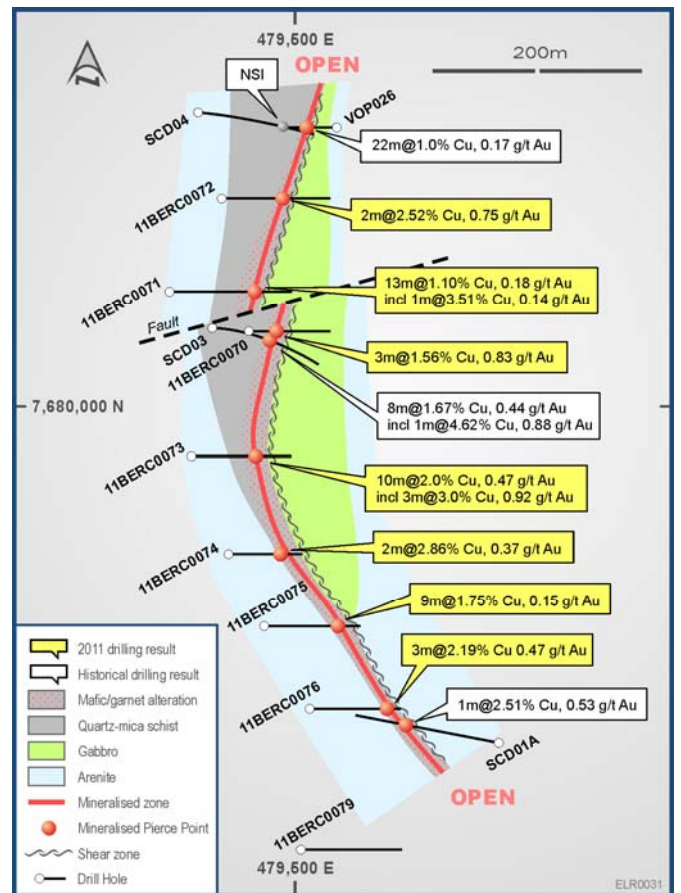


Figure 4: Sandy Creek Geology and Drill Collar Plan

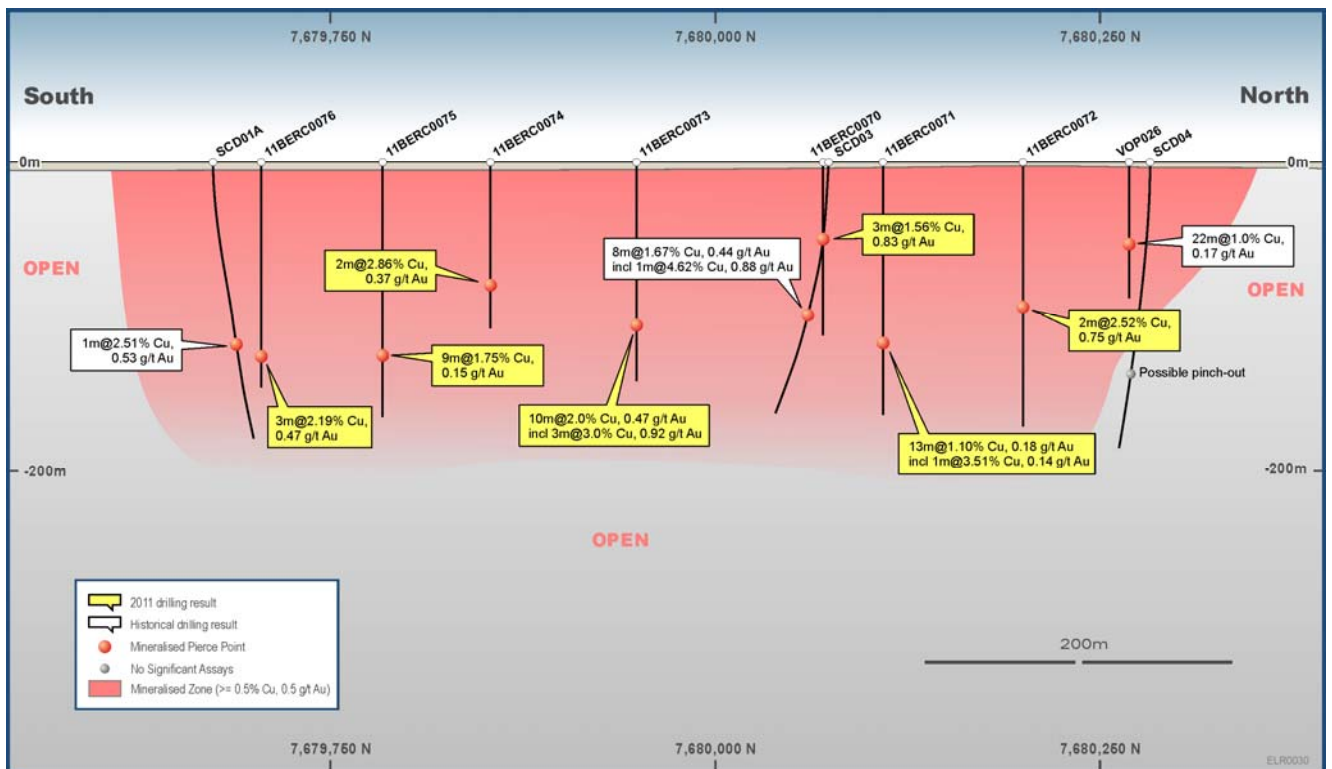


Figure 5: Sandy Creek Long Section

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 – Eloise Exploration Project 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.

Table 2. Anomalous Historic Drilling Intercepts and Collar Details referred to in the announcement.

Hole ID	Prospect	Northing	Easting	Dip°	Azi Mag°	From	Width	% Cu	g/t Au
SCD03	Sandy Creek	7680073	479421	-60	90	113	8.0	1.67	0.44
VOP026	Sandy Creek	7680268	479540	-60	270	50	22.0	1.0	0.17

Notes on Drill Hole Results:

1. The drillholes are historic and as such, details of the analytical methods used are unknown.
2. The location of drill holes were determined using a handheld GPS achieving +/- 4 metre accuracy and using the GDA 1994 datum (Zone 54).
3. Intersections are reported as **down hole widths**, not true widths.
4. Reported intersections are calculated as length weighted average grades using a 0.5% copper and 0.5% gold lower cut off.