

Drilling Update – Eloise Project, North Queensland

- RC drilling continuing with 8 holes of 28 hole drilling programme completed.
- Massive sulphides intersected down dip of historic copper and zinc mineralisation at Surprise Ridge with assays awaited.
- Extensive quartz veining, alteration and disseminated sulphides intersected down dip of existing high grade copper – gold mineralisation at Roberts Creek with assays awaited.
- Surface mapping confirms additional priority drill target at Coral Reef.

Further to its release of 31 May 2011, Breakaway Resources Limited (ASX: **BRW**) is pleased to provide an update on drilling activities currently underway on its 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 *Figure 1*).

At the time of writing, Reverse Circulation drilling was underway at **Roberts Creek**, with 8 holes (1,184 metres) of a 28 hole (5,000 metre) drilling programme completed to date. Drilling of the high priority **Sandy Creek** and **Coral Reef** targets will follow Roberts Creek (see *Figure 2*). Detailed descriptions of the targets can be found in previous ASX releases dated 6 December 2010 and 31 May 2011.

Drilling commenced at **Surprise Ridge** where copper and zinc mineralisation occurs within an altered and brecciated banded iron (BIF) unit coincident with a combined aeromagnetic and IP chargeability geophysical anomaly. Prior to the current drilling, the bulk of the 300 metre long geophysical feature was largely untested with only one of two holes drilled at the feature's northern end intersecting the prospective BIF host rock.

Four holes (11BERC0054 to 11BERC0057) tested the target with **7 metres of massive sulphides** (pyrite, pyrrhotite, chalcopyrite) intersected from 116 metres downhole in 11BERC0057, approximately 50 metres down dip of mineralisation in historic drill hole VOP013 (8m @ 1.27%Cu from 34 metres including 2m @ 2.96%Cu, 0.12g/t Au from 34 metres and 6m @ 1.54%Zn from 52 metres) (see *Figure 3*). The massive sulphide

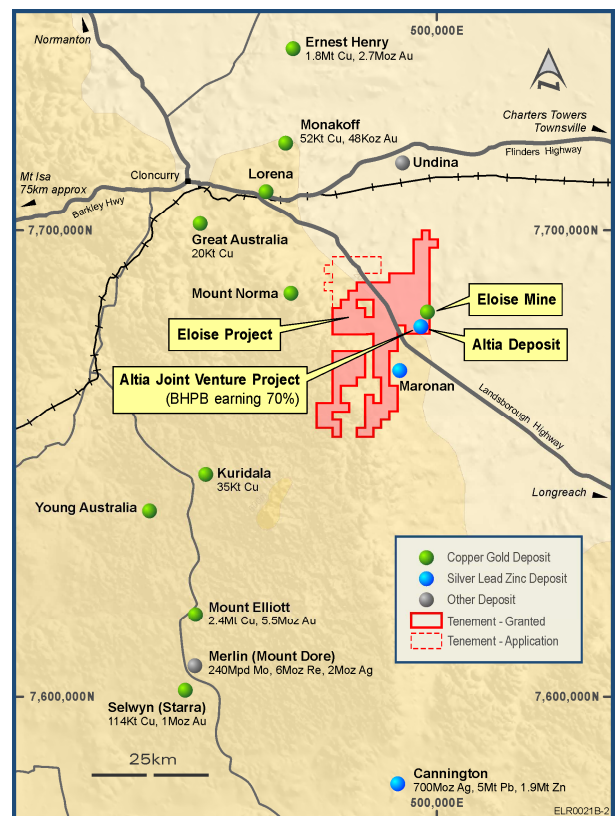


Figure 1: Eloise Exploration Project Location Plan

occurs within a broader halo of disseminated sulphide mineralisation and quartz veining from 108 to 127 metres in 11BERC0057. A stratigraphically equivalent zone of disseminated sulphide and BIF was also intersected from 51 to 84 metres in 11BERC0056, drilled approximately 100 metres to the south of 11BERC0057. **Assays are awaited** for both intersections.

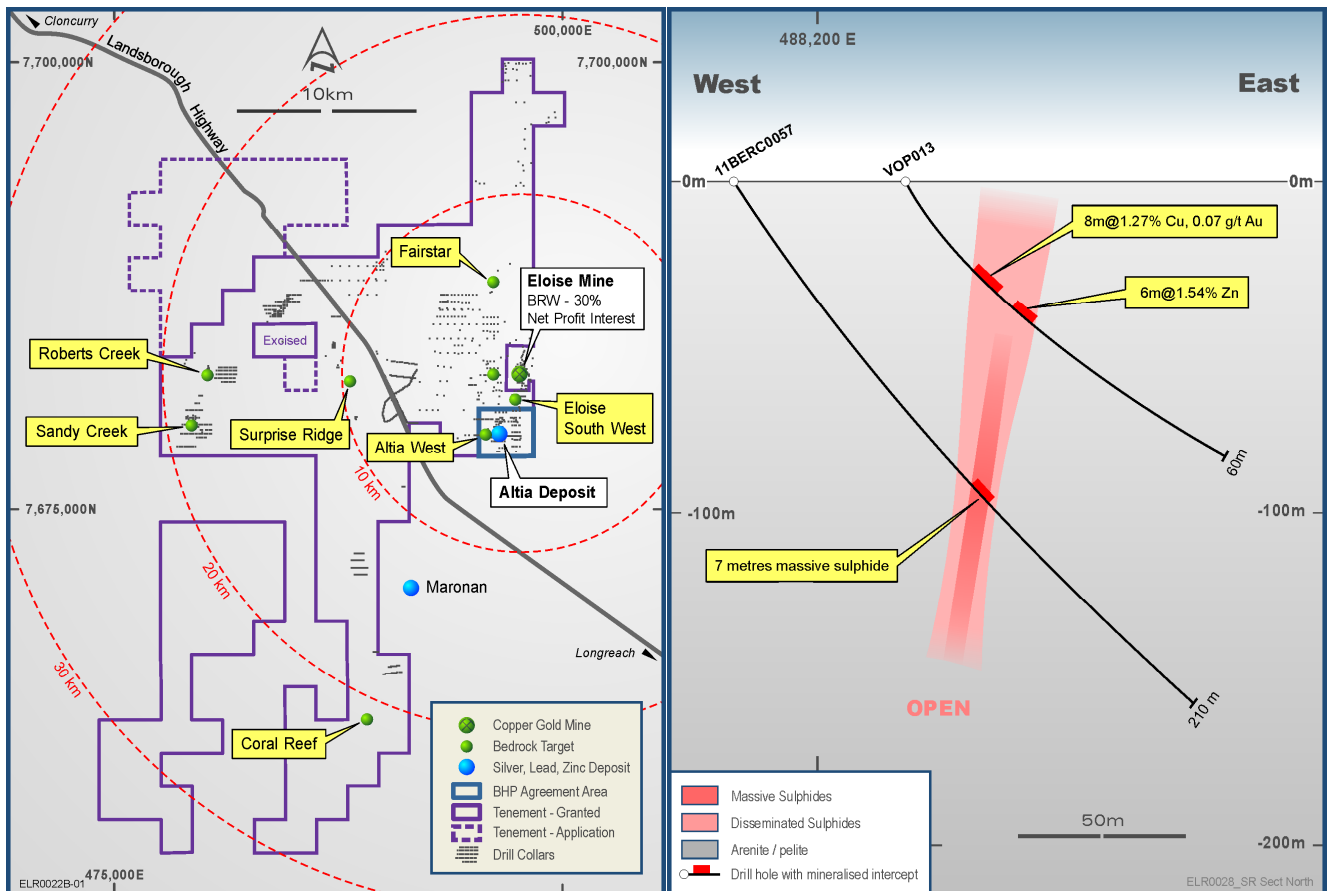


Figure 2: Eloise Copper Targets Location Plan

Figure 3: Surprise Ridge Cross section - 11BERC0057

Drilling is continuing at **Roberts Creek** where high grade copper - gold mineralisation (previous drill intercepts up to 3.57%Cu and 4.12g/tAu) has been intersected within 25 - 50 metre spaced historic drillholes continuously over 500 metre strike length and to a vertical depth of 50 metres. The mineralisation occurs within an east - dipping sulphidic quartz vein and remains open in all directions.

Four holes (11BERC0058 to 11BERC0061) have been drilled over 200 metres strike length approximately 50 metres vertically beneath the existing copper - gold mineralisation. All holes have intersected **broad widths of quartz veining and disseminated sulphides (pyrite and chalcopyrite)** ranging in downhole width from **3 to 32 metres** together with localised mafic alteration down dip of the existing mineralisation (see Figure 4). **Assays are awaited** for all intersections.

Concurrent with RC drilling, geological mapping of selected prospect areas has commenced to assist in the development and ranking of additional priority targets for future follow up. The work has confirmed that an historic drill intersection at the **Coral Reef** prospect (4m @ 4.02%Cu, 1.21g/t Au from 44 metres in MPSA_TR031) occurs immediately down dip of a 300 metre long, NNE - striking copper - stained quartz vein system, and apart from the one drill hole MPSA_TR031, has not been drill tested.

Due to the shallow nature and grade of the drill intersection, plus its close proximity to the Eloise Copper Mine, **Coral Reef** is regarded as a high priority copper - gold target and will be drilled as part of the current drill programme.

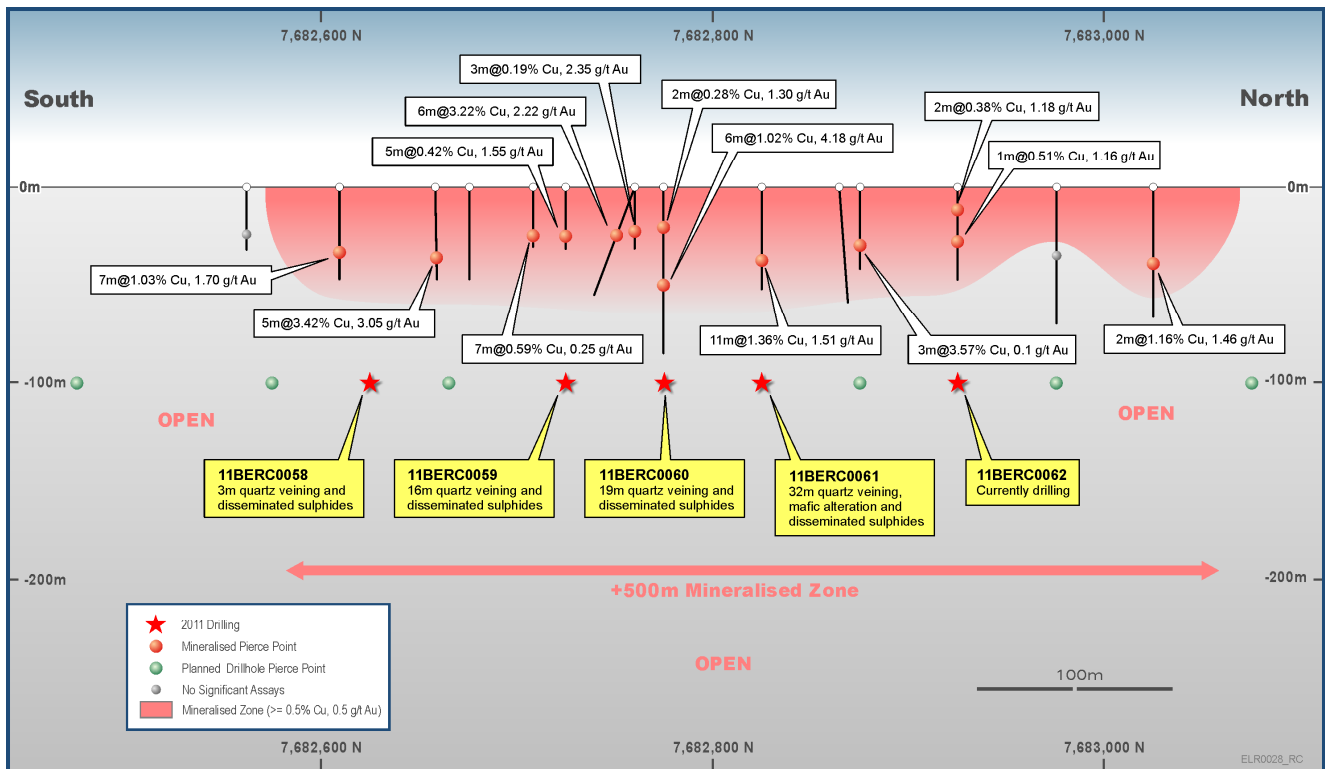


Figure 4: Roberts Creek Long Section

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.

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°	Azi Mag°	Fro m	Width	% Cu	g/t Au
11BERC0054	Surprise Ridge	7,682,196	488,341	-60	90				Assays Awaited
11BERC0055	Surprise Ridge	7,682,185	488,268	-60	90				Assays Awaited
11BERC0056	Surprise Ridge	7,682,182	488,193	-60	90				Assays Awaited
11BERC0057	Surprise Ridge	7,682,322	488,174	-60	90				Assays Awaited
11BERC0058	Roberts Creek	7,682,625	480,262	-60	270				Assays Awaited
11BERC0059	Roberts Creek	7,682,725	480,302	-60	270				Assays Awaited
11BERC0060	Roberts Creek	7,682,775	480,302	-60	270				Assays Awaited
11BERC0061	Roberts Creek	7,682,825	480302	-60	270				Assays Awaited

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 using a 0.5% copper and 0.5% gold lower cut off.
- 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. Eloise Exploration Project Historical Drilling Intercepts and Collar Details

Hole ID	Prospect	Northing	Easting	Dip°	Azi Mag°	Fro m	Width	% Cu	g/t Au
VOP013	Surprise Ridge	7682327	488225	-60	90	34	8.0	1.27	0.07
"	"	"	"	"	"	34	2.0	2.96	0.12
RAM01	Roberts Creek	7682658	480234	-60	270	39	5.0	3.42	3.05
"	"	"	"	"	"	39	2.0	4.72	4.13
RAM02	Roberts Creek	7682775	480247	-60	270	23	2.0	0.28	1.30
RAM03	Roberts Creek	7682609	480230	-60	270	33	7.0	1.03	1.70
"	"	"	"	"	"	38	2.0	1.50	4.12
RAM04	Roberts Creek	7682725	480257	-60	270	23	5.0	0.42	1.55
RAM07	Roberts Creek	7682708	480230	-60	270	25	7.0	0.59	0.25
RAM08	Roberts Creek	7682825	480277	-60	270	37	11.0	1.36	1.51
RAM09	Roberts Creek	7682875	480273	-60	270	32	3.0	3.57	0.1
RAM10	Roberts Creek	7682760	480231	-60	270	18	3.0	0.19	2.35
RAM11	Roberts Creek	7682925	480260	-60	270	30	1.0	0.51	1.16
RAM12	Roberts Creek	7682925	480246	-60	270	14	2.0	0.38	1.18
RCP01	Roberts Creek	7682760	480252	-56	235	28	6.0	3.22	2.22
RCP03	Roberts Creek	7683025	480262	-56	270	46	11.0	1.36	1.51
VOP028	Roberts Creek	7682775	480277	-60	270	53	6.0	1.02	4.18
MPSA_TR031	Coral Reef	7663466	489123	-55	270	44	4.0	4.02	1.21

Notes:

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