



Sandfire Commences Drilling at Broader Altia Joint Venture

- Sandfire Resources has commenced its maiden diamond drilling program at the Broader Altia Project Joint Venture in NW Queensland.
- Program to comprise 3-4 diamond drill-holes for 1,500m of drilling.
- Larger drilling program to commence in 2013 following end of the wet season.

Breakaway Resources Limited (ASX: BRW – “Breakaway”) is pleased to advise that Sandfire Resources NL (ASX: SFR – “Sandfire”), has commenced drilling at the **Broader Altia Project**, located 70km south-east of Cloncurry in north-west Queensland (Figure 1), under its recently established farm-in joint venture.

The program will comprise 3-4 diamond drill holes for approximately 1,500m of drilling, and will primarily be targeting large-scale Broken Hill Type (BHT) lead-zinc-silver discoveries similar to the nearby Cannington deposit.

Sandfire has also advised its intention to undertake a wider exploration program at the Broader Altia Project next year following the end of the wet season.

Under the Joint Venture agreement signed in September 2012, Sandfire can earn an initial 60% interest in the Broader Altia Project by spending A\$4 million on exploration over a three-year period, and can then elect to increase its stake to 80% by spending a further A\$4 million over the subsequent three years. Sandfire can withdraw after spending a minimum of A\$1 million within the first year of the Joint Venture.

Drilling conducted by Breakaway during 2010 and 2011 has demonstrated that the Altia Deposit lies within a broad mineralised system with silver-lead-zinc mineralisation drill-defined over a strike length of 1.2km and to a vertical depth of 800 metres.

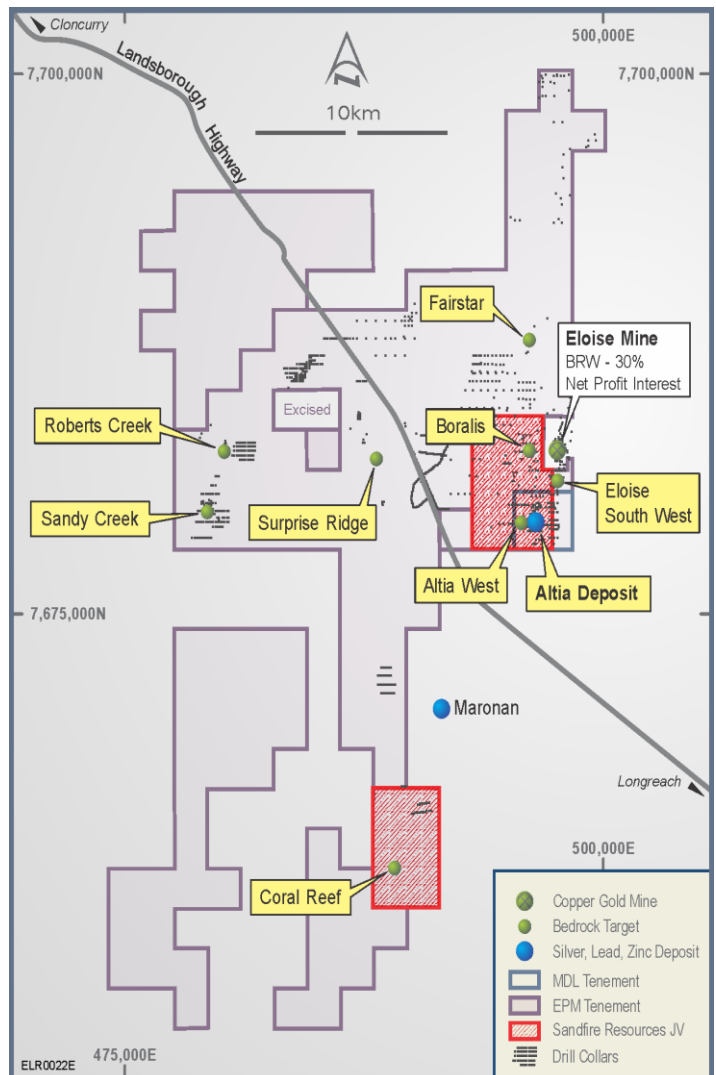


Figure 1: Sandfire JV locations (in red)

Sandfire has completed a review of the Broader Altia Project and believes that the Altia deposit may form part of a larger regional structure extending from Boralis in the north, through Altia and south through the Maronan deposit (not on Breakaway's ground) to Coral Reef (*Figure 1*).

Accordingly, the Joint Venture area encompasses a northern tenement area covering a total area of 24.6 km² which includes the Altia deposit, the Altia West Copper Target, the Altia North Silver Target and the Boralis prospect. The southern tenement area covers an area of 19.1km² and includes the Coral Reef prospect.

Sandfire is one of Australia's most successful exploration and mining companies, responsible for the discovery and rapid development of the world-class DeGrussa Copper-Gold Project in Western Australia, which commenced production earlier this year. The Broader Altia Project joint venture forms part of its growing business development portfolio.

Breakaway's Managing Director, Mr Victor Rajasooriar, said the start of drilling at Altia was an exciting development for the Company.

"We are delighted to have a company with Sandfire's outstanding exploration credentials working to evaluate the broader Altia Project, which we believe offers excellent potential for a new discovery," Mr Rajasooriar said.

ENDS

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Competent Persons Statement:

The information in this report that relates to Exploration Results is based on information compiled by Mr Michael Robinson (Project Geologist), a full time employee of the Company. Mr Robinson 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 Robinson consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The information in this report that relates to the estimation of the Altia Mineral Resource was compiled by Mr Ivor Jones. Mr Jones is a full time employee of Snowden Mining Industry Consultants. Mr Jones is a Fellow of the Australasian Institute of Mining and Metallurgy and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking 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 Jones consents to the inclusion of this information in the form and context in which it appears in this announcement.

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 an area that we believe offers the most attractive opportunities for future success.

Table 1 – Altia Mineral Resource

Notes Specific to the Resource Estimation of the Altia Silver-Lead Deposit, Eloise Project

A Resource estimate was carried out by Snowden Mining Industry Consultants Pty Ltd in November 2007 in accordance with the 2004 Guidelines of the Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. An Inferred Mineral Resource of 5.8Mt @ 40g/t Ag, 4.0% Pb and 0.5% Zn has been estimated for the Altia Deposit within interpreted mineralised lenses.

Lens	Tonnes (Mt)	Pb (%)	Contained Pb Metal * (t)	Ag g/t	Contained Ag * (Moz)	Zn (%)	Contained Zn Metal * (t)
Lens 1 (Upper)	3.9	4.1	159,000	32	4.0	0.4	17,000
Lens 2 (Lower)	1.9	3.8	70,000	57	3.4	0.6	12,000
Total	5.8	4.0	229,000	40	7.5	0.5	29,000

* The contained metal and ounces lie wholly within the resource boundaries and do not imply recoverable metal.

Methodology:

Estimation of silver, lead and zinc grades and density within each of the interpreted lenses was completed using the ordinary kriging interpolation technique within MineSight software. Compositing honoured the interpreted geological boundaries and was completed to a 2.0 m length. Composite samples were coded by lens so that only samples within a single lens were used for grade estimation of that particular lens. A block size of 10 m E x 50 m N x 25 m elevation was selected and block percentages for each lens were recorded into the MineSight block model. The total resource estimate for each lens has been derived by weighting the estimated silver, lead and zinc grades for each block by the estimated tonnage for each lens within each block.