



Breakaway commences follow-up drilling at Sandy Creek

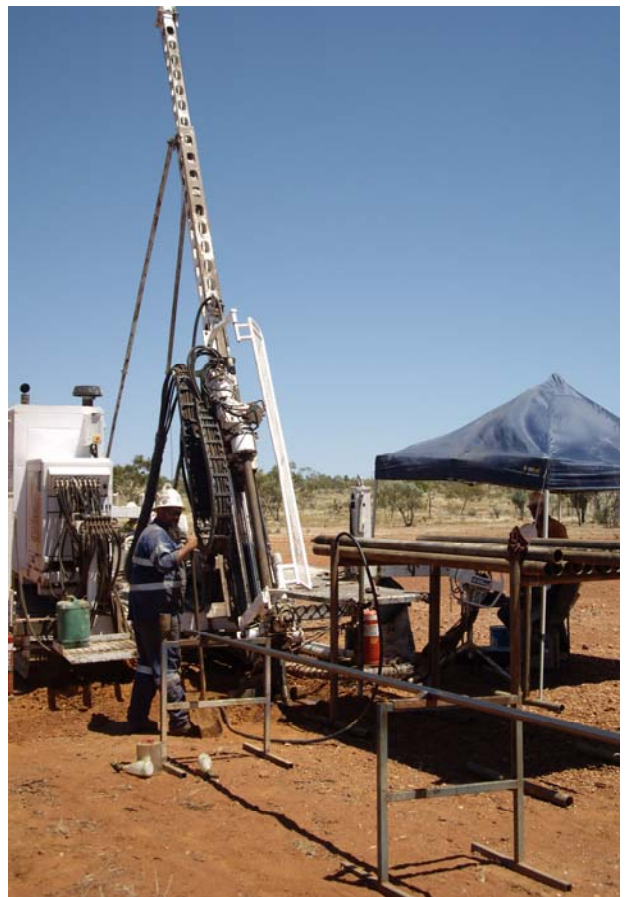
Drilling to extend existing resource and pave way for development studies to commence

- **New diamond drilling program underway at Sandy Creek Copper-Gold Project in North Queensland.**
- **Drilling aimed at extending and upgrading the existing JORC resource and obtaining drill core for metallurgical test work.**
- **Initial Scoping Study to commence following completion of drilling program.**

Breakaway Resources Limited (ASX: BRW – “Breakaway”) is pleased to announce that a follow-up diamond drilling program has commenced at its flagship **Sandy Creek Copper-Gold Project**, located 70km south-east of Cloncurry in North Queensland.

The drilling program has the following key objectives:

- To test the down-plunge potential of the identified higher-grade/thicker zone within the Sandy Creek Main Zone resource area, which plunges to the south and where down-hole EM conductors have been identified (Figure 2);
- To extend this plunge position at depth to test for a potential underground target and establish the potential for plunging high-grade shoots typical of the mineralisation at the Eloise Copper Mine, located approximately 20km east of Sandy Creek;
- To test the zone of possible conjunction between the Western Zone and the Main Zone resource areas, which may together form part of a broader mineralised system;
- To recover drill core for more advanced testing, including metallurgical test work; and
- To upgrade the existing JORC resource estimate.



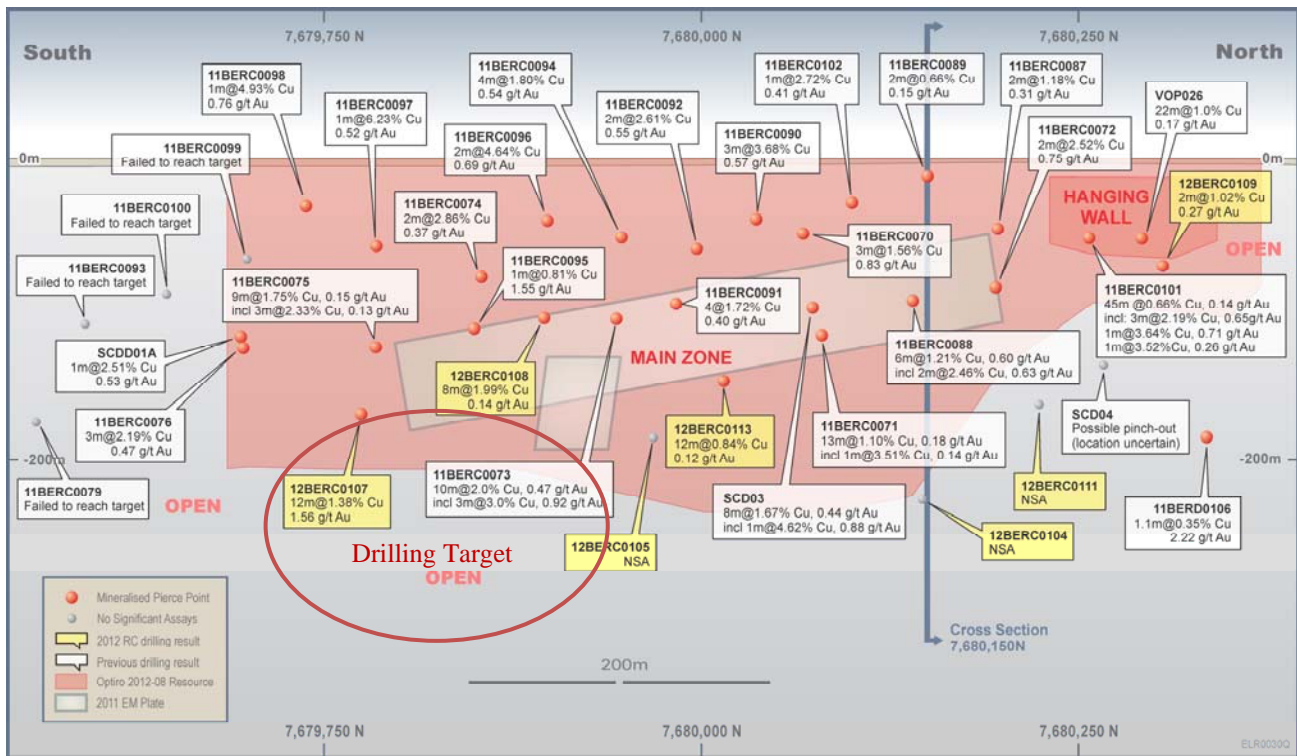


Figure 2: Sandy Creek Mineral Resource and diamond drill target area

Breakaway announced a maiden Inferred Resource estimate for the Sandy Creek Project last month, comprising **2.06 million tonnes grading 1.42% Cu and 0.33g/t Au** containing **29,400 tonnes** of copper metal and **21,900 ounces** of gold (see *ASX Announcement – 11 September 2012*).

The estimation of this maiden resource, together with the recent Joint Venture with Sandfire Resources, has highlighted the regional potential of the broader Eloise Project. Planning is also underway to further evaluate significant regional targets, such as Surprise Ridge (see *ASX Announcement – 11 August 2011*) together with systematic testing of regional targets developed in strategic planning over the past 12 months.

Following completion of the drilling program, Breakaway intends to commence a Scoping Study to assess development options for the Sandy Creek Project.

“We are very encouraged by the exciting exploration potential at Sandy Creek, where we are very hopeful of identifying down-plunge extensions to the existing mineralisation,” said Breakaway’s Managing Director, Mr Victor Rajasooriar.

“This drilling program is expected to greatly enhance our understanding of the nature and controls of mineralisation at Sandy Creek, and provide the Company with a clearer insight into how best to progress this exciting emerging asset.”

Breakaway will keep the market updated on the progress of the drilling as results come to hand.

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 Sandy Creek Mineral Resource was compiled by Mr Michael Andrew. Mr Andrew is a full time employee of Optiro mining consultants. Mr Andrew is a Member 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 Andrew 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.
