

## Drilling Underway at Sandy Creek, North Queensland

*Testing the potential of a newly identified copper system*

- 3,700 metre RC and diamond drilling program to in-fill existing mineralisation and test for depth and strike extensions.
- Significant copper-gold mineralisation (with intercepts up to 3.51%Cu) present over 600 metres strike and to 120 metres vertical.
- Mineralisation remains open in all directions.
- First results expected early October 2011.

Breakaway Resources Limited (ASX: BRW) is pleased to advise that a 3,700m Reverse Circulation and diamond drilling programme has commenced to further test the potential of the **Sandy Creek** prospect, where a significant new copper system has recently been identified extending over a currently identified strike length of 600 metres and to a depth of 120 metres (ASX Announcement – 16 August 2011).

**Sandy Creek** lies within the 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 (Figure 1).

Recent drilling by Breakaway at Sandy Creek, on nominal 100 metre-spaced sections returned numerous 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; and
- **13m @ 1.1% copper, 0.18 g/t gold** from 140 metres in 11BERC0071 including **1m @ 3.51% copper, 0.14g/t gold** from 152 metres.

At Sandy Creek, copper-gold mineralisation occurs within 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.

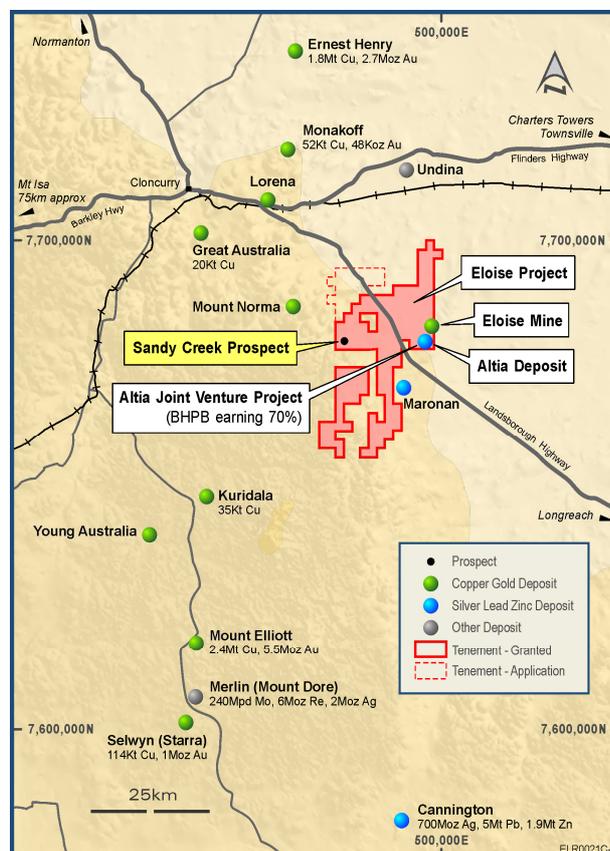


Figure 1: Eloise Exploration Project Location Plan

The mineralisation remains open in all directions with most sections only containing one drill hole.

In-fill RC drilling will be carried out on nominal 50m centres to 120 metres depth throughout the existing mineralisation to determine internal continuity and test for potential extensions of the mineralisation along strike. Diamond drilling will be carried out to test the down-dip potential of the prospect and to establish “platforms” for follow up DHTEM surveying.

First results are expected by early October 2011 and the Company looks forward to reporting on the program as drilling progresses.

**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 – Sandy Creek 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	-	-

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.