



BREAKAWAY
Resources Limited

Gold Business Update Bannockburn Resource Upgrade

15 February 2004

Highlights

Breakaway Resources Limited announces results from the ongoing detailed geological and resource review of the Company's 100% owned Bannockburn Gold Project.

- **Bannockburn Project total gold resources increase significantly to 433,600 contained ounces.**
- **Breakaway's equity accounted global gold resource base increases to 646,400 contained ounces.**
- **Significant exploration potential to increase resources in the Bannockburn Mine area identified.**

Background

The Bannockburn Project, located approximately 70 kilometres northwest of Leonora, comprises a contiguous tenement package totalling 350 square kilometres complete with a 1.0Mtpa CIL mill and associated infrastructure.

The Bannockburn Gold Mine operated between 1990 and 1998 producing in excess of 300,000 ounces of gold. The previous mining activity extended from the Bannockburn deposit to the North Well complex (Frosties, Diesel and Dakota deposits), located 7 kilometres North West of Bannockburn. The main Bannockburn deposits lies within a regionally significant structural corridor, the Bannockburn Shear Zone. The Company currently holds tenure over 27 strike kilometres of this regional mineralised corridor.

Bannockburn Mine

On cessation of mining activities at Bannockburn in 1998, no formal resources report was compiled. Breakaway has substantially completed a full geological review and re-interpretation of all gold mineralisation at the Bannockburn Mine area. Independent consultants Micromine Pty Ltd ("Micromine") were engaged to assist in the modelling and calculation of all gold resources in the Bannockburn Gold Mine area to JORC standard.

The resource modelling undertaken by Micromine used ordinary kriging methods based upon a 1 g/t lower cut of grade ("COG") and upper COG of 25 g/t. The global gold resource inventory at Bannockburn Gold Mine has increased and is now calculated as:

5.963 million tonnes grading 1.98 g/t gold containing 377,400 ounces

Table 1
Bannockburn Gold Mine - Global Resource

MEASURED			INDICATED			INFERRED		
Tonnes	Grade (g/t)	Ounces	Tonnes	Grade (g/t)	Ounces	Tonnes	Grade (g/t)	Ounces
760,000	2.19	53,400	1,451,000	2.02	94,000	3,750,000	1.92	230,000

The results of this new resource modelling has highlighted a significant lack of deep drilling below existing Bannockburn mining operations with only 10 holes testing the existing mineralisation at depths greater than 200 metres vertical.

Bannockburn Gold Project

The resource study at the Bannockburn Gold Mine is in addition to the previous announced gold resources present to the north of the Bannockburn Gold Mine at the Dakota and North Well deposits. The total global gold resources for the Bannockburn Gold Project (Table 2) have increased to:

7.16 million tonnes grading 1.89 g/t gold containing 433,600 ounces

The resource modelling has highlighted several new targets within the Bannockburn Mine area with the potential to increase the identified resources. Recent exploration work has shown that much of the previous drilling along the Bannockburn Shear Zone, particularly the 7 kilometre area between Bannockburn Mine and the North Well area, has either failed to penetrate the overlying transported overburden or remains untested.

This work has reinforced the Company's view that substantial potential remains in the Bannockburn area for the discovery of additional new gold resources.

Gold Development Strategy

With the definition of a significant gold resource at Bannockburn and the growing gold resources at the Company's Vivien and Miranda Joint Venture Projects, Breakaway's global gold resource inventory (Table 2) has increased substantially to:

7.97 million tonnes grading 2.52 g/t gold containing 646,400 ounces

Breakaway is working with joint venture partner Gold Fields Australasia to optimise the development options for the Vivien Gold Project with the view to commencing development in 2004.

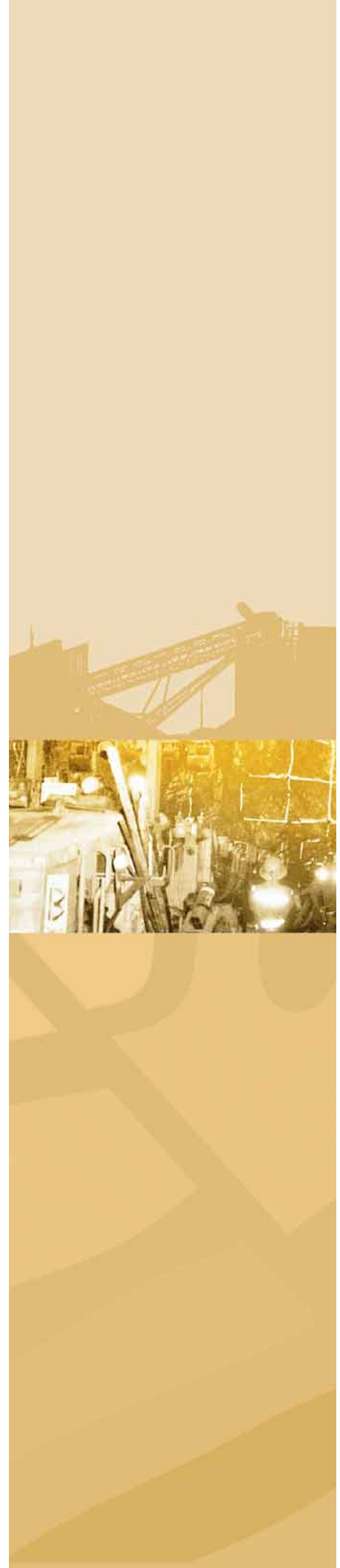
At the wholly owned Bannockburn Gold Project, future exploration will focus on increasing the existing resources in the Bannockburn Mine environs to enable conceptual development studies to be undertaken. In parallel, the longer term systematic evaluation of existing and new gold targets within the Bannockburn regional tenements will continue.

At the Miranda Project, joint venture partner Gold Fields Australasia (60%) is expected to continue their substantial exploration program and complete preliminary development studies on the Cams and Maria deposits.

Yours faithfully



MICHAEL MULRONEY
Managing Director



**Table 2
Breakaway Resources Limited - Global Gold Resource Inventory**

Project	Equity	COG (g/t)	MEASURED			INDICATED			INFERRED			UNCLASSIFIED		
			Tonnes	Grade (g/t)	Ounces	Tonnes	Grade (g/t)	Ounces	Tonnes	Grade (g/t)	Ounces	Tonnes	Grade (g/t)	Ounces
Bannockburn Mine	100%	1.0	760,000	2.19	53,400	1,450,000	2.02	94,000	3,750,000	1.92	230,000			
North Well	100%	0.5										440,000	1.90	27,500
Dakota	100%	0.5							757,000	1.20	28,700			
TOTAL			760,000	2.19	53,400	1,450,000	2.02	94,000	4,507,000	1.80	258,700	440,000	1.90	27,500
Bannockburn Inventory			7,157,000 tonnes grading 1.89 g/t containing 433,600 ounces											
Vivien ¹	100%	4.0							647,000	9.18	191,000			
Cams ²	100%	1.0							433,000	3.70	55,000			
TOTAL									1,080,000	6.98	246,000			
Miranda Inventory			1,080,000 tonnes grading 6.98 g/t containing 246,000 ounces											
Global Breakaway Inventory³			7,977,000 tonnes grading 2.52 g/t containing 646,00 ounces											

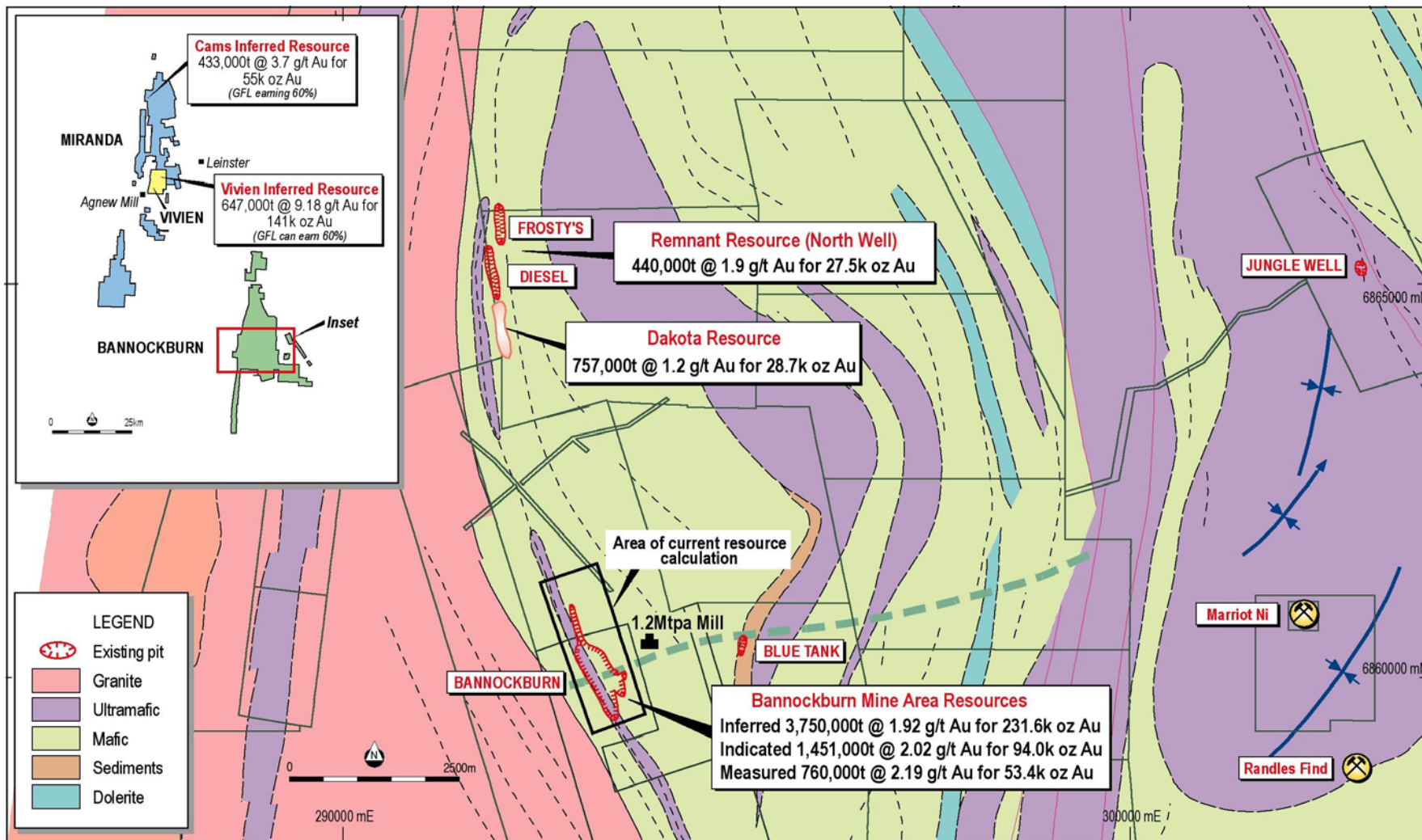
¹ Agnew Gold Pty Ltd has the right to earn a 60% equity interest on a making positive commitment to mine

² Agnew Gold Pty Ltd has earned a 60% equity interest

³ Includes 40% equity accounted interest in Cams resource

The information in this report that relates to Mineral Resources or Ore Reserves is based on information compiled by James Guy who is a Member of The Australian Institute of Geoscientists. James Guy is a fulltime employees of the Company 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 1999 Edition of the 'Australasian Code for Reporting of Mineral Resources and Ore Reserves'. James Guy consents to the inclusion in the report of the matters based on their information in the form and context in which it appears.

The information in this report that relates to Mineral Resources or Ore Reserves at Cams and Vivien is based on information compiled by Gold Fields Australasia Pty Ltd personnel. These personnel have sufficient experience, which is relevant to the style of mineralisation and type of deposit under consideration and to the activity, which they are undertaking to qualify as a Competent Person(s) as defined in the 1999 Edition of the 'Australasian Code for Reporting of Mineral Resources and Ore Reserves'. This report accurately reflects the information compiled by Gold Fields Australasia Pty Ltd.



Bannockburn, Miranda & Vivien Projects Gold Resources



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