



17 July 2006

CAPITAL RAISING

Royal Bank of Canada (“**RBC**”) has advised the Company that it has now completed the bookbuild for a placement of 45 million shares at an issue price of 30 cents each to raise \$13.5 million before costs (refer Note below).

Breakaway’s newly appointed Managing Director Mr Peter Buck said today *“With the placement closing well oversubscribed, we have been extremely pleased with the extent of interest both locally and internationally, which gives a strong indication of the quality of our project portfolio and confidence in our ability to deliver”*.

“With a cash balance post raising of more than \$20 million, we intend to spend at least \$6 million in the first 12 months on our highest priority projects”.

“Having a new exploration team of 10 staff, a number of which are already in the field, we expect a busy and prosperous September quarter.”

The placement bookbuild has been completed primarily with Australian institutions and brokers pursuant to the “excluded offer” provisions (Section 708) of the Corporations Act.

Funds from the placement will principally be applied towards exploration programs over the Company’s newly expanded base metal exploration portfolio in Western Australia plus an intensified exploration initiative at the Company’s Eloise Copper Project in northwestern Queensland.

GRANT J. MOONEY
Company Secretary

Note: It should be noted that the Company’s issued capital underwent a consolidation on 13 July 2006. The issue price of the capital raising based on pre-consolidation capital structure is 6 cents per share.