



BREAKAWAY
Resources Limited

Activities Update

17 September 2004

VIVIEN GOLD PROJECT

Breakaway Resources Limited ("Breakaway") wishes to advise that a report has been received from Agnew Gold Mining Company Pty Ltd into the proposed redevelopment of the Vivien Gold Project (BRW 100%, Gold Fields can earn 60%). Breakaway has commenced a detailed review of that report.

BANNOCKBURN GOLD & NICKEL PROJECT

Breakaway has stepped up activity at Bannockburn with the commencement of a scoping study investigating the development options for its 433,000 ounce gold resource. The study is anticipated to be completed in the December quarter. Exploration of newly generated structural targets within the Bannockburn shear zone will shortly commence with an extensive SAM geophysical survey in areas of extensive cover.

Breakaway's base metal Joint Venture partner at Bannockburn (Jubilee Mines NL 70%) is undertaking geophysical and drilling programs on several nickel targets whilst at Miranda its Joint Venture partner, Agnew Gold Mining Company Pty Ltd (60%), is currently focussed on the expansion of the Cams and Maria gold resources.

KAMBALDA WEST NICKEL PROJECT

As earlier advised, a deep RC and diamond drilling program has commenced at Spargoville at the Kambalda West Project targeting extensions to the 5A, 5B and Andrews deposits. The drilling program and follow up down hole EM surveys, is expected to be completed in early November.

At Yilmia, results from recent ground EM surveys at the Kemble and Burnam prospects have been received and are being integrated with detailed geological, geophysical and geochemical data. Drilling of designated targets in both areas is expected to commence in November.

ELOISE COPPER EXPLORATION PROJECT

In Queensland, Joint Venture partners are currently being sought to progress several copper-gold and lead-silver exploration projects in the 245 square kilometres of exploration tenements retained by the Company at Eloise. These tenements cover several major structural corridors along the eastern margin of the Mt Isa Block which is one of the world's most prolific base metal provinces.

Yours faithfully

MICHAEL MULRONEY
Managing Director