



breakaway

BREAKAWAY RESOURCES LIMITED

ABN 16 061 595 051

**NOTICE OF ANNUAL GENERAL MEETING
OF SHAREHOLDERS**

FRIDAY, 24 NOVEMBER 2006

1.00 PM

AT

**LEVEL 31
ALLENDALE SQUARE
77 ST GEORGE'S TERRACE
PERTH
WESTERN AUSTRALIA**

BREAKAWAY RESOURCES LIMITED
NOTICE OF MEETING

Notice is hereby given that the Annual General Meeting of Breakaway Resources Limited ("the Company") will be held at Level 31, Allendale Square, 77 St George's Terrace, Perth, Western Australia on Friday, 24 November 2006, at 1.00 pm.

AGENDA

FINANCIAL REPORT

To table the Annual Financial Report of the Company for the year ended 30 June 2006 and the related Director's Report, Director's Declaration and Audit Report thereon.

RESOLUTION 1 ~ ADOPTION OF REMUNERATION REPORT

To consider and if thought fit to pass the following as an **ordinary** resolution:

"That the Remuneration Report for the year ended 30 June 2006 be adopted."

Note – the vote on this resolution is advisory only and does not bind the directors of the company.

SHORT EXPLANATION:

The Remuneration Report which details the Company's policy on the remuneration of non-executive directors and executive directors is set out within the Directors' Report of the Company's 2006 Annual Report. A reasonable opportunity will be provided for discussion of the Remuneration Report at the meeting. The vote on the resolution is advisory only and does not bind the directors or the Company.

The Remuneration Report is required to be considered for adoption in accordance with section 250R of the Corporations Act.

RESOLUTION 2 ~ ELECTION OF MR JEFFREY GRESHAM AS A DIRECTOR

To consider and if thought fit, to pass the following as an **ordinary** resolution:

"That Mr Jeffrey Gresham having been appointed as a director since the last General Meeting of the Company, in accordance with the Constitution of the Company and having consented to act, be, and is hereby elected as a director."

RESOLUTION 3 ~ RE-ELECTION OF MR GARRY CONNELL AS A DIRECTOR

To consider and if thought fit, to pass the following as an **ordinary** resolution:

"That Mr Garry Connell, having retired by rotation in accordance with the Constitution of the Company and having consented to act, be, and is hereby re-elected as a director."

RESOLUTION 4 ~ RE-ELECTION OF MR JON YOUNG AS A DIRECTOR

To consider and if thought fit, to pass the following as an **ordinary** resolution:

"That Mr Jon Young, having retired by rotation in accordance with the Constitution of the Company and having consented to act, be, and is hereby re-elected as a director."

BREAKAWAY RESOURCES LIMITED
NOTICE OF MEETING

RESOLUTION 5 ~ REMUNERATION OF DIRECTORS

To consider and if thought fit, to pass the following as an **ordinary** resolution:

“That in accordance with the Constitution and Listing Rule 10.17, and for all other purposes, payment of remuneration to the non-executive directors of the Company in consideration for their ordinary services as directors be increased by an amount of \$150,000 (in aggregate), to a total fixed sum of \$250,000 per annum (in aggregate), which is to be divided between the non-executive directors in the proportions agreed between them or, failing agreement, equally.”

Voting exclusion statement

The Company will disregard any votes cast on a resolution by the Directors and any associate of any of them. However, the Company need not disregard a vote if it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form or it is cast by a person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

PROXIES

In accordance with Section 249L of the Corporations Act, members are advised:

- each member has a right to appoint a proxy;
- the proxy need not be a member of the Company;
- a member who is entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise.

In accordance with Section 250BA of the Corporations Act the Company specifies the following for the purposes of receipt of proxy appointments:

Registered Office: Level 1,
 18 Richardson Street
 West Perth WA 6005

Facsimile Number: (08) 9278 6449

Each shareholder entitled to vote at the General Meeting has the right to appoint a proxy to vote on each particular resolution. The shareholder may specify the way in which the appointed proxy is to vote on a particular resolution or may allow the appointed proxy to vote at its discretion. The instrument appointing the proxy must be received by the Company as provided in its Constitution no later than 48 hours prior to the time of the commencement of the General Meeting. This proxy form may be sent by facsimile transmission to the number identified on the proxy form.

For the purposes of Section 1109N of the Corporations Act the Company determines that members holding ordinary shares at 1.00 pm, 22 November 2006 will be entitled to attend and vote at the General Meeting.

By order of the Board



Grant J Mooney
Company Secretary
20 October 2006

EXPLANATORY MEMORANDUM

This Explanatory Memorandum should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their accountant, solicitor or other professional adviser prior to voting.

INTRODUCTION

This Explanatory Memorandum has been prepared for the information of Shareholders of Breakaway Resources Limited ("**Breakaway**" or "**the Company**") in connection with the business to be conducted at a General Meeting to be held at Allendale Square, Level 31, 77 St George's Terrace, Perth, Western Australia on Friday, 24 November 2006, at 1.00 pm.

This Explanatory Memorandum should be read in conjunction with the accompanying Notice of Annual General Meeting.

RESOLUTION 1: ADOPTION OF REMUNERATION REPORT

The Remuneration Report which details the Company's policy on the remuneration of non-executive directors and executive directors is set out within the Directors' Report of the Company's 2006 Annual Report. A reasonable opportunity will be provided for discussion of the Remuneration Report at the meeting. The vote on the resolution is advisory only and does not bind the directors or the Company.

The Remuneration Report is required to be considered for adoption in accordance with section 250R of the Corporations Act.

RESOLUTION 2: ELECTION OF DIRECTOR

Mr Jeffrey Gresham was appointed as a director since the date of the last Annual General Meeting of the Company.

A former senior executive with Western Mining Corporation (WMC), Mr Gresham has over 37 years experience in exploration, mining and corporate functions both in Australia and overseas and has held senior positions with a number of ASX-listed mining and resource companies. He was most recently Managing Director of Titan Resources Limited – which operates in close proximity to Breakaway's substantial ground holdings in the Widgiemooltha area – until its recent takeover by Consolidated Minerals Limited.

Earlier in his career, Mr Gresham spent 19 years working with WMC where he held a number of senior corporate and technical positions, most notably Chief Geologist of the Kambalda Nickel Operations between 1981 and 1985 and Executive Vice President Exploration for WMC's Canadian subsidiary Westminster Canada Ltd between 1988 and 1993.

From 1993 to 1997 he was Managing Director of Wiluna Mines Ltd, and between 1998 and 2001 was General Manager Exploration at Homestake Gold of Australia Ltd.

In accordance with the Company's Constitution, Mr Gresham offers himself for election as a director of the Company.

RESOLUTIONS 3 & 4: RE-ELECTION OF DIRECTORS

ASX Listing Rule 14.4 and Clause 9.3 of the Company's Constitution require that at an Annual General Meeting one-third of Directors for the time being shall retire from office. A retiring Director is eligible for re-election.

In accordance with the ASX Listing Rules and Company's Constitution, Messrs Garry Connell and Jon Young retire as directors of the Company and being eligible, offers themselves for re-election as directors of the Company.

RESOLUTION 5: REMUNERATION OF DIRECTORS

The Company proposes to increase the remuneration to the non-executive directors for their services as directors to the Company by an amount of \$150,000 (in aggregate). The ASX Listing Rules and the Company's Constitution require that the amount of remuneration to be paid by the Company to the non-executive directors must be determined at a General Meeting of the Company.

The directors have suggested that the amount of the fees to be paid by the Company in return for their ordinary services as non-executive directors be for a total amount of \$250,000 per annum, and be divided amongst the directors in accordance with the decision of the Board.