



# Kambalda West Project Area 5A Nickel Project Drilling & Yilmia Sampling Results

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## Highlights

Breakaway Resources Limited is pleased to announce further results from the drilling and sampling programs from the Company's Kambalda West Project Area.

### Spargoville 5A Nickel Project

- Diamond drill hole assay results from the **5A** EM targets reveal anomalous nickel mineralisation.
- Due to excessive hole deviation, modelling indicates that the primary EM target at **5A** remains untested and a strong new target has been defined.

### Yilmia Prospect

- Further bedrock geochemical results from the **Yilmia** area have further defined new nickel and gold geochemical anomalies.

### Spargoville 5A Nickel Project

Final assay results from have been received for the two diamond holes that tested off hole EM conductors below the existing **5A** nickel resource. Down hole surveying has revealed that both diamond drill holes deviated substantially from their planned trajectory and failed to fully test the primary targets.

The first hole, **5ADD012**, targeted a series of off hole conductors in the hanging wall which have been explained by a sequence of pyritic shales within the hanging wall basalt sequence. A further down hole EM survey of **5ADD012** has identified a new strong conductor located approximately 30 metres below the end of this hole. This conductor is interpreted to be very close to the target ultramafic-basalt contact and represent another potential embayment position. It is planned to extend **5ADD012** by some 40 metres to test this new target.

The second hole **5ADD013**, targeted an off hole conductor identified in hole **5ADD004** (**1.17m grading 5.31% Ni**). This hole also deviated by approximately 50 metres and missed the primary target. The hole intersected disseminated sulphides in a sheared ultramafic-basalt contact position that returned the following anomalous assay result:

**Hole 5ADD013 - Assay Results**

| Northing | Easting | RL    | TD  | Azi | Dip | From         | To            | Width (m)   | Ni (%)      |
|----------|---------|-------|-----|-----|-----|--------------|---------------|-------------|-------------|
| 6530064  | 357699  | 347.2 | 203 | 90  | -60 | <b>195.7</b> | <b>196.08</b> | <b>0.38</b> | <b>1.24</b> |

The results of **5ADD013** are considered very encouraging as they demonstrate that the target contact zone is mineralised in an area interpreted to be between embayment positions that typically host the accumulations on massive sulphide mineralisation. In addition, the original EM target located below hole 5ADD004 remains untested.

## Yilmia Project (BRW option to acquire 100%)

At Yilmia, located west of the main Spargoville area, all results from an auger bedrock soil geochemical survey have been received. The survey targeted part of the prospective ultramafic sequence where historic exploration in the 1970's located potential nickel sulphide targets. A total of 660 samples were collected on a 100 metre by 25 metre pattern and analysed for nickel, gold and a suite of pathfinder elements.

The final assay results have confirmed the presence of three discrete bedrock nickel geochemical anomalies. The largest anomaly, measuring 600 metres by 275 metres defined by the 2,500 ppm nickel contour, contains a highly anomalous core with a strike length of 360 metres. This anomaly lies across the ultramafic unit as interpreted from aeromagnetics. The northern most of the three anomalies remains open at the completion of the program.

The program has covered approximately 50% of the Yilmia tenements with a further 5.6 km of prospective ultramafic stratigraphy to be tested. Based on the success of this technique, a similar program to test ultramafic units on the Spargos Reward tenements is planned.

In addition, three **separate gold geochemical anomalies** have been defined using a 20 ppb gold threshold. The anomalies are located in a sedimentary sequence adjacent to the ultramafic unit. Gold mineralisation is hosted within similar sediments approximately four kilometres to the north at Spargos Reward (also owned by Breakaway Resources Limited.)

### Future Developments

Breakaway is extremely encouraged by the results received to date, which confirms the prospectivity of the broader Kambalda West Project area.

At Spargoville, discussions with potential off take partners are proceeding which, when concluded, will allow finalisation of the **5A** feasibility study. Planning of further drilling programs is underway to test for down plunge extensions at the **5A** and **5B** deposits together with resource definition drilling at the **5B** deposit to identify a minimum two year mine life for the Spargoville nickel operations.

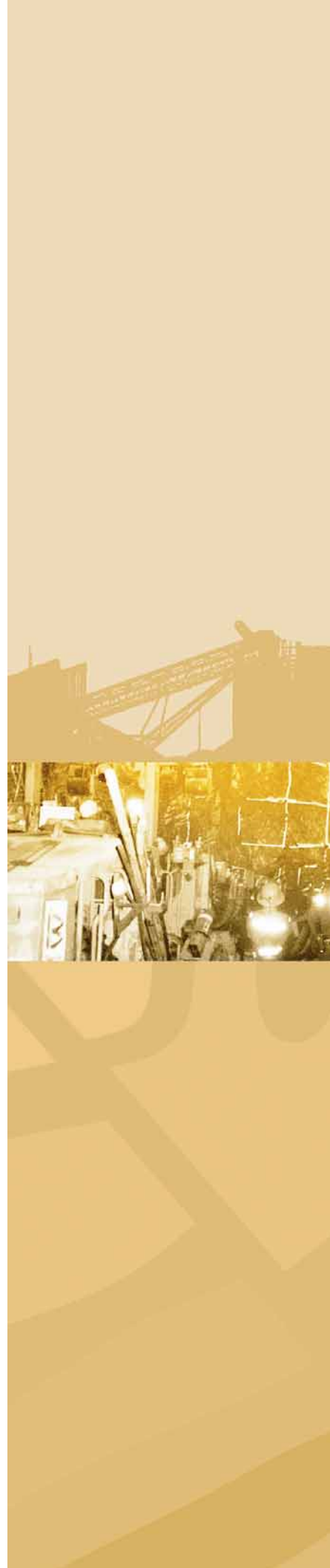
Detailed 3D modelling of the **Andrews'** deposit is underway which is expected to define further nickel resources with the existing mine and outline future drilling targets with the deposit remaining open below the base of mining at 300 metres vertical depth.

The Company is looking to significantly accelerate its exploration activities in the Yilmia and Spargoville areas in conjunction with the advanced development and production program underway at the adjacent Spargoville area.

Yours faithfully



Michael Mulroney  
Managing Director



## 5A Nickel Deposit – Drill Plan

