



BREAKAWAY
Resources Limited

Kambalda West Project

New Nickel Target at Yilmia

28 May 2004

Highlights

Breakaway Resources Limited ("Breakaway") is pleased to announce the results of further geochemical sampling from the Yilmia Project at the Company's Kambalda West Project Area.

- Significant new 1.3 kilometre auger geochemical anomaly defined south of Burnam Prospect.
- Peak nickel in soil values to 0.78% with a 300 metre long high grade zone defined within the core of the anomaly.

Yilmia Project (Option to Acquire 100%)

Nickel

At the Yilmia Project, located west of the Spargoville mining centre, an auger soil sampling program covering a further 4.1 strike kilometres of ultramafic stratigraphy within the Yilmia option tenements has been completed. The program is a continuation of the successful auger geochemical program commenced in late 2003 which located the Burnam prospect.

The program was conducted on a 200 X 25 metre grid spacing with a total of 550 samples collected. Multi-element geochemical analysis has defined a significant new nickel geochemical anomaly located approximately 1.2 kilometres south of the Burnam anomaly.

The new Kemble anomaly is defined by the plus 0.25% nickel-in-soil contour and covers a strike length of 1,300 metres with a peak nickel-in-soil values up to 0.78% nickel. Significantly, the southern part of the anomaly hosts a distinct, 300 metre long, high grade zone defined by the plus than 0.5% nickel-in-soil contour. (Figure 1)

The Kemble anomaly is coincident with a local thickening of the ultramafic stratigraphy interpreted from the recently completed detailed low level aeromagnetic survey. This thickening may be indicative a trough-like feature associated with many of the nickel sulphide deposits in the Kambalda and Widgemooltha districts.

In addition, the survey also defined several new smaller nickel-in-soil anomalies located between 800 metres and 2 kilometres north of the Burnam prospect which appear to be coincident with aeromagnetic features.

Field reconnaissance of all the new anomalies is underway. A field crew is expected to commence a ground EM geophysical survey over selected anomalous zones in approximately 2 weeks.

At the Burnam Prospect, a recent ground EM geophysical survey has identified several conductors along strike from an outcropping gossan with rock chip values up to 3.2% nickel and 5.2% sulphur. An initial 8 hole RC drilling program to test these targets is planned to commence in 3 weeks, subject to rig availability.

ABN: 16 061 595 051

Registered Address: Level 1, Pinnacle House, 16 Ogilvie Road, Mt Pleasant WA 6153

Postal Address: Locked Bag 4, Canning Bridge WA 6153

Phone: (08) 9315 6444 Facsimile: (08) 9315 6449

Email: admin@breakawayresources.com.au Web: www.breakawayresources.com.au

Gold

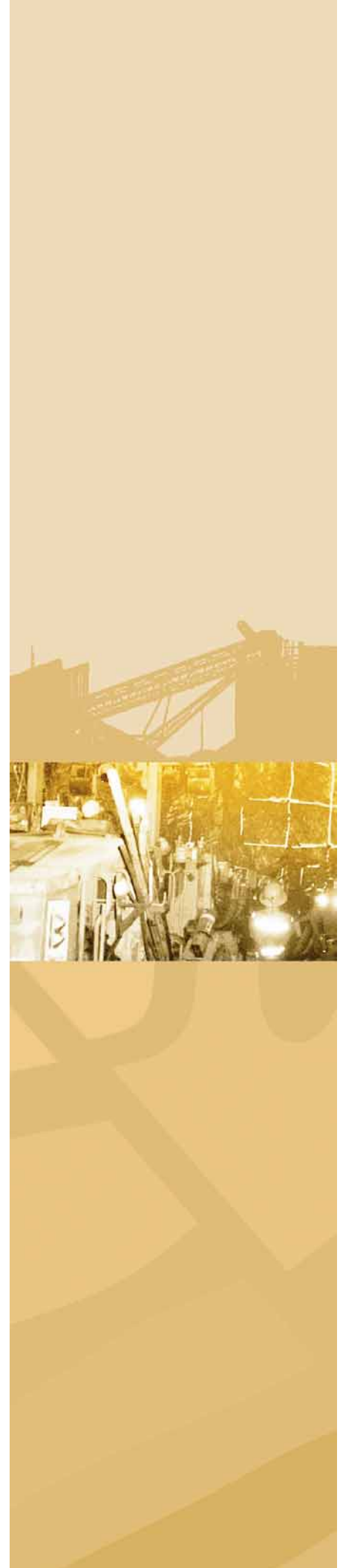
The survey also defined a gold-in-soil anomaly over a strike of almost 5 kilometres along the western contact between the ultramafic units and the adjacent sedimentary sequence. Aeromagnetic interpretation suggests that the contact is a significant shear zone which hosts several old workings along the contact. The gold anomalies are all open to the west and require sampling to define the limits of the anomalism.

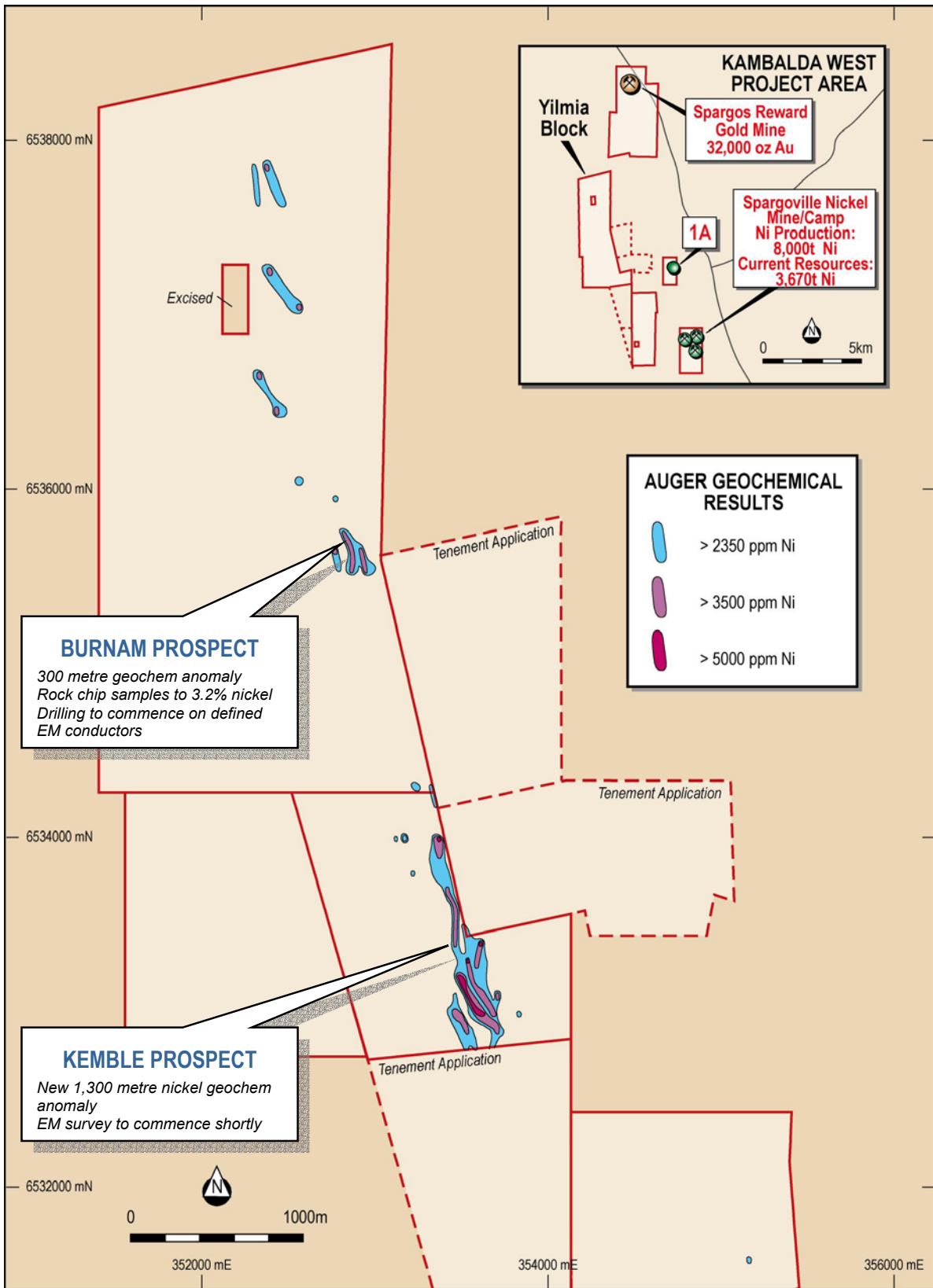
Breakaway is extremely encouraged by these results which confirm the prospectivity of the broader Kambalda West Project area. The Company is increasing its exploration activities in the Yilmia area in conjunction with the advanced development program underway at the adjacent Spargoville area.

Yours faithfully



Michael Mulroney
Managing Director





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**Kambalda West Project - Yilmia Block
 Nickel Auger Geochemistry**



Figure 1