

BLUE BOOK

RESOURCES SECTOR

Quarterly Exploration Review

June 2003

Aegis

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This is an extract of a 56 page document.

Unless otherwise stated, all figures are in A\$

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Breakaway Resources Limited Status:



ASX Code: BRW

Core Commodity	Copper, Gold, Nickel
Price (as at 06-Jun-03)	\$0.04
Market Cap	\$14M
Cash (as at 31-March-03)	\$8.5M
Cash Backing Per Share	\$0.02
Average Daily Turnover (Last 6Mths)	\$0.01M

Substantial Shareholders

Barmenco Pty Ltd	24.47%
Arrow Resources Management Pty Ltd	11.9%
Sherrif Muir Holdings	7.69%

Planned activity for next quarter

	Quantity	Budget
Soils/Rock Chipping	NA	NA
RAB	1,500	\$0.02M
RC/Diamond	10,000	\$0.35M
Assays	2,000	\$0.025M
Geophysics	EM Survey	\$0.1M
Other	NA	NA
Total Expenditure		\$0.505M

Top Three Company Projects

Project 1: Eloise Mine

Location	65km S of Cloncurry QLD	The Eloise Mine produced 17,194 tonnes of copper-gold concentrate for the March quarter at a total cost of US\$0.685/lb. Mine life has been increased to approximately 3 years with the addition of the Eloise Deeps resource. Production from Eloise Deeps has commenced in the June quarter.
Commodity	Copper / Gold	
Qtr Production	17,194t Cu – Au cons	
Cash Costs	US\$0.685/lb	
FY Forecast	74,000t Cu – Au cons	
Reserves/Resources at 31-Dec-02	1.56Mt at 4.49% Cu	

Project 2: Vivien Gold Project

Location	Agnew WA	Joint Venture partner Gold Fields has completed resource drilling and a reserve statement is due shortly. Feasibility Study is underway for the development of a new underground mine with the ore to be treated through Gold Fields Agnew plant.
Commodity	Gold	
Style	Shear Hosted / Quartz	
Best Intersection	4.72m @ 24.21 g/t	

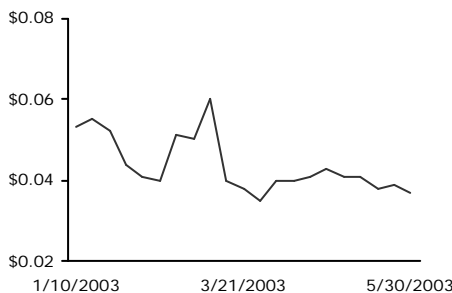
Project 3: Kambalda West Project

Location	Spargoville WA	Combination of the Spargoville nickel- gold project, Spargo Reward gold project and the Yilmia nickel prospect. Oxide nickel ore from Spargoville continues to be treated by OMG Cawse. Ground EM surveys have commenced at Spargoville targeting strike and depth extensions to the 1A, 5A, 5B and 5D nickel sulphide deposits. RC and diamond drilling will commence at the 5A and 5B areas shortly.
Commodity	Nickel / Gold	
Style	Komatite Hosted / Massive Sulphide	
Best Intersection		

Aegis Equities Comments

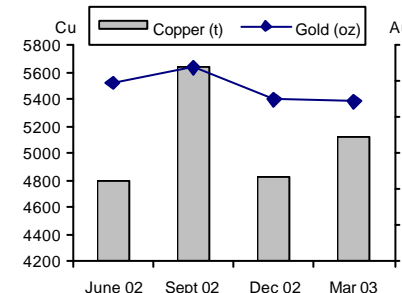
- **Projects:** The takeover of Breakaway by Amalg Resources NL in 2002 (and adoption of the name) brought to the group substantial mineral and exploration interests in the northeastern Goldfields of WA. Here, the main activities now include the Bannockburn gold project, Bannockburn Nickel JV, Miranda JV (with Gold Fields) and Kambalda West. Amalg has been operating the Eloise copper-gold underground mine since 1996.
- **Potential:** Exploration work has picked up pace at Eloise that is aimed at extending the operation well beyond the current 3 years. Drilling of the deeps has been positive and a regional program has commenced. New gold production appears to be getting closer with the progress achieved at Vivien, while the company has several base metal opportunities.
- **Overall:** The company has a clear strategy to grow as a diversified miner and explorer. It has emerged from substantial restructure with a strong, focussed management team in place, an operating copper/gold mine, a number of active and prospective exploration projects and experienced jv partners.

Share price performance



Source: Bloomberg

Production



Source: Aegis Equities Limited

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