

# BLUE BOOK

RESOURCES SECTOR



## Contents

This is an extract from a 64 page document.

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## Breakaway Resources Ltd

ASX Code: BRW

Core Commodities	<b>Copper, Gold, Nickel</b>
Price (as at 28-Nov-03)	\$0.059
Market Cap (\$M)	22.3
Cash (\$M)	2.2
Cash / Share (\$)	0.01
Turnover (\$M pa)	24.0

Status:



**BREAKAWAY**  
Resources Limited

### Top Shareholders

Barmenco	24.5%
Westpac	11.9%
Sherrif Muir Holdings	7.7%

Summary activity for December quarter	Quantity	Budget
Soil/Rock Chipping	1,000	\$0.04M
RAB	1,500m	\$0.02M
RC/Diamond	1,500m	\$0.15M
Assays	2,000	\$0.025M
Geophysics	EM Survey	\$0.1M
Other		
<b>Total Expenditure</b>		<b>\$0.335M</b>

### Production Project 1: Eloise Mine

Location	65km south Cloncurry, Qld	The Eloise Mine produced 12,540 tonnes of copper-gold concentrate for the September quarter at a total cost of US\$0.96/lb. Quarterly mine production was impacted due to capital works tie-ins, a mill girth gear rotation and underground manning issues. The turnover rates in the underground work force reduced ore production and development rates with the South Decline progressing to the 350 Level during the quarter. At the end of the quarter manning levels had returned to normal with underground operations expected to return to normal levels by the end of the current quarter.
Commodity	Copper/gold	
Qtr Production	3,176t Cu/1,611oz Au	
Cash Costs	US\$0.90/lb Cu eq	
FY Forecast	N/a	
Reserves/Resources	36,960/72,690t Cu cont.	

### Exploration Project 1: Vivien Gold Project

Location	Agnew WA	Joint Venture partner Gold Fields has completed a new global resource estimate which totaled 191,000 ounces at 4.0 g/t cut off. Metallurgical testwork shows high recoveries with a large coarse gold component. Feasibility Study is due for completion in December 2003.
Commodity	Gold	
Style	Shear Hosted / Quartz	
Best Intersection	4.72m @ 24.21 g/t	

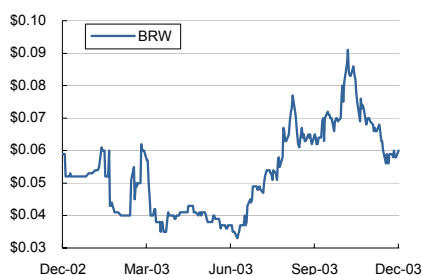
### Exploration Project 2: Kambalda West Project

Location	Spargoville WA	Kambalda West combines the Spargoville nickel-gold project, Spargo Reward gold project and the Yilmia nickel prospect. Feasibility study at the 5A deposit is due for completion end November 2003. New resource defined at 5B deposit which is open up and down plunge. Bedrock sampling at Yilmia has defined a number of significant nickel and gold anomalies.
Commodity	Nickel / Gold	
Style	Komatite Hosted / Massive Sulphide	
Best Intersection	2.97m @ 10.53% Ni, 4.11m @ 6.29% Ni	

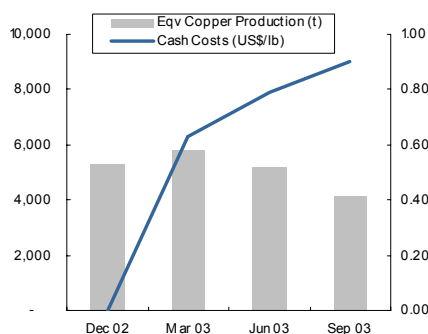
## Aegis Equities Comments

- **Projects:** The Eloise copper-gold underground mine, in production since 1996, produced 20,265t copper and 9,404oz gold in FY03 at a total cost of US\$0.70/lb. Feasibility is under way for the mining of the 5A Nickel Project, where over 1,000t contained nickel in resource has been identified. Feasibility is also progressing on the 191Koz Vivien Gold Joint Venture, while considerable exploration continues for gold and nickel in the northeastern Goldfields.
- **Potential:** Eloise has a mine life of at least 3 years and potentially longer - the ore body is open to the south and below 200m giving good indication of further extensions. The company is likely soon to become a nickel producer from the 5A Nickel Project and gold production also appears to be getting closer from Vivien and the Bannockburn gold project.
- **Overall:** Operating cash flow in FY03 was \$7.5M on revenue of \$71M. However, depreciation was high and an operating loss was recorded. As an established junior copper producer the main tasks ahead include extending the deeper reserves at Eloise and advancing its nickel and gold properties. The company has set a clear strategy in place to do this and to grow as a diversified copper, gold and nickel miner and explorer.

### Share price performance



Source: Bloomberg



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