

# BLUE BOOK

RESOURCES SECTOR



# This is an extract from a 56 page document

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**Breakaway Resources Ltd**  
ASX Code: BRW

Status:



Core Commodities	<b>Copper, Gold, Nickel</b>
Price (as at 22-Sep-03)	\$0.07
Market Cap (\$M)	26.5
Cash (\$M - as at 30 June 2003)	4.6
Cash / Share (\$)	0.01
Turnover (\$M pa)	12.3

**Substantial Shareholders**

Barmingo	24.5%
Westpac	11.9%
Sherrif Muir Holdings	7.7%

<b>Summary activity for September quarter</b>	<b>Quantity</b>	<b>Budget</b>
Soil/Rock Chipping	NA	NA
RAB	1,500	\$0.02M
RC/Diamond	10,000	\$0.35M
Assays	2,000	\$0.035M
Geophysics	EM Survey	\$0.1M
Other		
<b>Total Expenditure</b>		<b>\$0.495M</b>

**Project 1: Eloise Mine**

Location	65km south of Cloncurry QLD	The Eloise Mine produced 15,862 tonnes of copper-gold concentrate for the June quarter at a total cost of US\$0.847/lb. Production was affected by disrupted ore access due to significant quantities of waste entering the remanent Levuka South stopes. Resources were increased 18% to 1.77mt grading 4.1% copper, reserves increased 490% to 0.93mt grading 3.97% copper.
Commodity	Copper / Gold	
Style	Structurally Controlled / Copper-Gold Iron Oxide	
Best Intersection	22.80m @ 5.87% Cu, 1.25 g/t gold, 22.9 g/t Ag	

**Project 2: 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 lower cut off. Metallurgical testwork shows high recoveries with a large coarse gold component. Detailed mine design and scheduling studies have commenced.
Commodity	Gold	
Style	Shear Hosted / Quartz	
Best Intersection	4.72m @ 24.21 g/t	

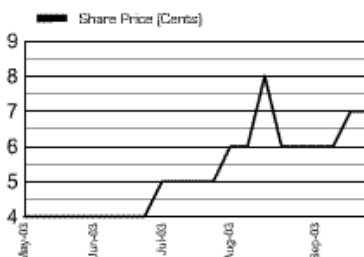
**Project 3: Kambalda West Project**

Location	Spargoville WA	Kambalda West combines the Spargoville nickel-gold project, Spargo Reward gold project and the Yilmia nickel prospect. Diamond and RC drilling at Spargoville's 5A pit has intersected significant nickel sulphide mineralisation. Infill diamond and RC drilling is in progress at 5A in conjunction with a downhole EM survey of selected drillholes. Drilling of at the 5B deposit and new ground EM targets is scheduled to commence next quarter.
Commodity	Nickel / Gold	
Style	Komatite Hosted / Massive Sulphide	
Best Intersection	2.97m @ 10.53% Ni, 4.11m @ 6.29% Ni	

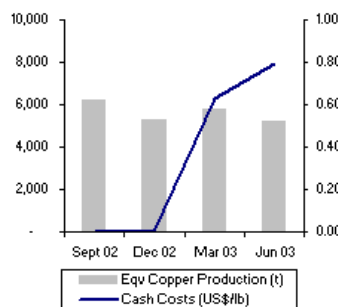
**Aegis Equities Comments**

- **Projects:** The takeover of Breakaway by Amalg Resources NL in 2002 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 and Kambalda West. The Eloise copper-gold underground mine, which has been in production since 1996, produced 20,265t copper and 9,404oz gold in FY03 at a total cost of US\$0.70/lb.
- **Potential:** The recent increases to reserves and resources provide a mine life of at least 3 years at Eloise. The ore body is open to the south and below 200m giving good indication that the mine life will be extended. New gold production appears to be getting closer with the progress achieved at Vivien and the Bannockburn gold project.
- **Overall:** BRW has a focussed management team, an operating copper/gold mine, active and prospective exploration projects, experienced jv partners and no debt. 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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