

ASX/News Release – 29 April 2008

DRILLING PLANNED AT KAMBALDA WEST GOLD JOINT VENTURE BY BARRA RESOURCES

KEY POINTS

- **First gold drilling at new Kambalda West JV**
- **Targeting extension of historic Spargos Reward Mine**
- **Regionally along strike of high grade Wattle Dam mine**

Breakaway Resources Limited (ASX: BRW) is pleased to announce the first drilling campaign by Barra Resources Limited (ASX: BAR) on the recently formed gold joint venture on the western portion of the Kambalda West project (Figure 1), 20 kilometres west of Kambalda in Western Australia.

Barra has advised that surface RC and diamond drilling totalling 1,455 metres will be carried out to test the along strike and down plunge potential at Spargos Reward Gold Mine. The mine produced 105,397 tonnes at a grade of 8.56g/t for 26,318oz's between 1936-1942 from a depth no greater than 80 metres below surface.

Barra has further advised that a detailed review of the geology and structure of the gold mineralisation at Spargos Reward reveals a steep northerly plunge to the high grade mineralisation, to be tested by the current drilling schedule and that strong potential exists to further extend the high grade gold mineralisation both along strike and at depth below the old historical workings.

The new work is the first leg of Barra's planned 6,900 metre campaign at Kambalda West.

The 13 hole programme to be drilled over the coming weeks will drill to a maximum depth of 180 metres in what is the first exploration drilling undertaken at this historic underground mine site in almost two decades.

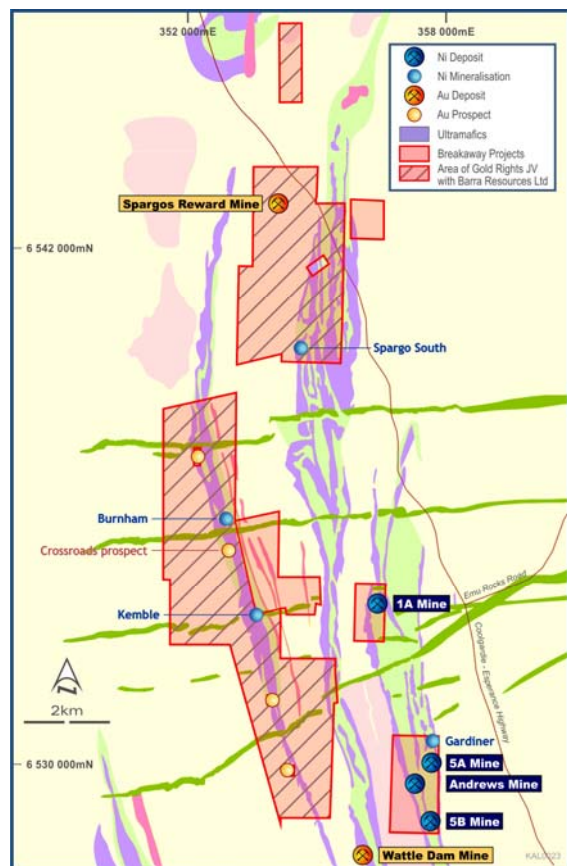


Figure 1: West Kambalda Leasing Plan showing gold rights JV with Barra Resources



Late last year, Breakaway entered into a farm-in arrangement with Barra, to explore for gold mineralisation over the project, whereby Barra can earn up to 70% of the Gold Rights by:

- Issuing Breakaway with shares to the value of \$300,000 on signing the agreement;
- A minimum exploration expenditure of \$750,000 within the first 12 months; and
- Spending up to \$2.5 million on exploration over two and a half years, with Breakaway reducing to a 30% interest.

Once Barra has earned a 70% interest, Breakaway can either elect to contribute according to its interest or dilute to a 20% free carried interest up to a Decision to Mine. After this decision point, Breakaway can either contribute according to its interest or divest.

The Project contains the northerly extension of the geological sequence hosting Ramelius Resources Limited (ASX: RMS)' high grade Wattle Dam gold mine, as well as the historical Spargos Reward gold mine.

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Competent Persons Statement:

The information in this report that relates to Exploration Results and Mineral Resources is based on information compiled by Mr Peter Buck (Managing Director) and Mr David Hutton (Exploration Manager), both full time employees of the Company. Mr Buck and Mr Hutton are members of the Australasian Institute of Mining and Metallurgy (AusIMM) and have sufficient experience of relevance to the styles of mineralisation and the types of deposits under consideration, and to the activities undertaken, to qualify as a Competent Person as defined in the 2004 Edition of the Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves.