

Appendix 5B

Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001.

Name of entity

BREAKAWAY RESOURCES LIMITED

ABN

16 061 595 051

Quarter ended

30 September 2008

Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (3 months) \$A'000
1.1 Receipts from product sales and related debtors	-	-
1.2 Payments for (a) exploration and evaluation	(4,281)	(4,281)
(b) development	-	-
(c) production	-	-
(d) administration	(574)	(574)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	140	140
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other (Stamp Duty)	-	-
Net Operating Cash Flows	(4,715)	(4,715)
Cash flows related to investing activities		
1.8 Payment for purchases of:	-	-
(a)prospects	(50)	(50)
(b)equity investments	-	-
(c) other fixed assets	(2)	(2)
1.9 Proceeds from sale of:	-	-
(a)prospects	-	-
(b)equity investments	-	-
(c)other fixed assets	-	-
1.10 Loans to other entities	-	-
1.11 Loans repaid by other entities	-	-
1.12 Other (provide details if material)	-	-
Net investing cash flows	(52)	(52)
1.13 Total operating and investing cash flows (carried forward)	(4,767)	(4,767)
1.13 Total operating and investing cash flows (brought forward)	(4,767)	(4,767)

+ See chapter 19 for defined terms.

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Cash flows related to financing activities			
1.14	Proceeds from issues of Shares / converting notes	-	-
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other (provide details if material)	-	-
Net financing cash flows		-	-
Net increase (decrease) in cash held		(4,767)	(4,767)
1.20	Cash at beginning of quarter/year to date	8,731	8,731
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	Cash at end of month /year to date	3,964	3,967

Payments to directors of the entity and associates of the directors

Payments to related entities of the entity and associates of the related entities

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	154
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

Director fees, salary and entitlements for the quarter ending 30 September 2008

Non-cash financing and investing activities

- 2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

A **\$2 million** capital raising was finalised in September 2008 with the funds received on the 2nd October 2008 and therefore the total cash at bank would be **\$5,964,000**.

- 2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

Joint Venture "JV" partner Barra Resources Limited (JV Partner at Kambalda West project -gold rights only) undertook exploration activities to earn an interest in the JV project.

Financing facilities available

Add notes as necessary for an understanding of the position.

		Amount available \$A'000	Amount used \$A'000
3.1	Loan facilities		
3.2	Credit standby arrangements		

+ See chapter 19 for defined terms.

Estimated cash outflows for next quarter

		\$A'000
4.1	Exploration and evaluation	1,000
4.2	Development	-
Total		1,000

Reconciliation of cash

Reconciliation of cash at the end of the month (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.		
	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	160	277
5.2 Deposits at call	3,580	8,230
5.3 Bank overdraft	-	-
5.4 Other (Cash backed performance bonds)	224	224
Total: cash at end of month (item 1.22)	3,964	8,731

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Changes in interests in mining tenements

	Tenement reference	Nature of interest (note (2))	Interest at beginning of	Interest at end of	
6.1	Interests in mining tenements relinquished, reduced or lapsed	E37/946	Surrendered	100%	0%
		M15/982	Surrendered	100%	0%
		M15/983	Surrendered	100%	0%
		M15/985	Surrendered	100%	0%
		M15/987	Surrendered	100%	0%
		M15/988	Surrendered	100%	0%
		M15/989	Surrendered	100%	0%
		M15/1040	Surrendered	100%	0%
		M15/1442	Surrendered	100%	0%
		P15/3181	Surrendered	100%	0%
		P15/3182	Surrendered	100%	0%
		P15/3183	Surrendered	100%	0%
		P15/3184	Surrendered	100%	0%
		P15/3185	Surrendered	100%	0%
		P15/3186	Surrendered	100%	0%
		P15/3220	Surrendered	100%	0%
		P15/4181	Surrendered	100%	0%
		P37/7522	Surrendered	100%	0%
		M15/1443	Surrendered	100%	0%
		P15/4248	Surrendered	100%	0%
		P15/4249	Surrendered	100%	0%
		M80/605	Surrendered	60%	0%
		M80/606	Surrendered	60%	0%
M27/218	Surrendered(Base metal rights)	100%	0%		
6.2	Interests in mining tenements acquired or increased	E37/762	Granted	0%	100%
		M37/806	Granted	0%	100%
		P15/4876	Granted	0%	100%
		P15/4878	Granted	0%	100%
		P15/4879	Granted	0%	100%
		P15/4880	Granted	0%	100%
		P15/4881	Granted	0%	100%
		P15/4882	Granted	0%	100%
		P15/4883	Granted	0%	100%
		P15/4886	Granted	0%	100%
		P37/7169	Granted	0%	100%
		P15/4884	Granted	0%	100%
		P15/4885	Granted	0%	100%
		E80/3875	Granted	0%	60%
		P27/1885	Granted (Base metal rights)	0%	100%
		P27/1886	Granted (Base metal rights)	0%	100%

+ See chapter 19 for defined terms.

Issued and quoted securities at end of current

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1 Preference +securities <i>(description)</i>				
7.2 Changes during month (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3 +Ordinary securities	169,454,988	169,454,988		
7.4 Changes during month (a) Increases through issues (b) Decreases through returns of capital, buy-backs				
7.5 +Convertible debt securities (Converting Notes)	22,500,000	-	40 cents	
7.6 Changes during month (a) Increases through issues (b) Decreases through securities matured, converted				
7.7 Options <i>(description and conversion factor)</i>			Exercise price	Expiry date
	2,000,000	-	34.5 cents	28.07.09
	1,975,000	-	55 cents	17.10.09
	1,275,000	-	85 cents	30.07.10
	750,000	-	85 cents	21.11.10
	1,125,000	-	58 cents	30.07.11
7.8 Issued during quarter	1,125,000	-	58 cents	30.07.11
7.9 Exercised during quarter				
7.10 Expired during quarter	500,000	-	77 cents	21.12.10
7.11 Debentures <i>(totals only)</i>				
7.12 Unsecured notes <i>(totals only)</i>				

+ See chapter 19 for defined terms.

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 4).
- 2 This statement does give a true and fair view of the matters disclosed.



(Company secretary)

Print name: TREVOR HART
Date: 31 October 2008

Notes

- 1 The monthly report provides a basis for informing the market how the entity's activities have been financed for the past month and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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