



## Strategic Gold Joint Venture with Aphrodite Gold at Scotia

- Farm in and Joint Venture agreement with ASX-listed Aphrodite Gold Limited for the gold rights over Breakaway’s Scotia Project.
- Aphrodite can earn 80% of the gold rights by spending \$1.5M over a period of up to four years with Breakaway free carried until Decision to Mine.
- Aggressive drilling programme by Aphrodite to commence shortly.
- Gold potential highlighted by the Chameleon prospect with historic drill intercepts up to 22m @ 5.43g/t Au and 29m @ 3.40g/t Au.

Breakaway Resources Limited (ASX: **BRW**) is pleased to advise that it has signed a Farm-in and Joint Venture Heads of Agreement with ASX-listed Aphrodite Gold Limited (ASX: **AQQ - Aphrodite**), whereby Aphrodite can earn up to an 80% interest in the Gold Rights at Breakaway’s Scotia Project’s by spending \$1.5M over a period of up to 4 years.

The Scotia Project which is located approximately 70km northwest of Kalgoorlie in the North Eastern Goldfields of Western Australia (see Figure 1), is highly prospective for gold as it lies within the Bardoc Shear Zone, a significant regional structure which hosts numerous gold deposits including Aphrodite Gold’s +1Moz Aphrodite Deposit (5 kilometres to the west) and the +5Moz Paddington Deposits (approximately 30 kilometres to the south).

Additionally, a number of known gold prospects including the Chameleon prospect, and historical drill intersections lie within the Scotia Project’s boundaries (see Figure 2).

At Chameleon, gold mineralisation occurs within a steeply dipping, north plunging shoot that has been previously drilled on nominal 50 metre centres, over 300 metres strike and to a depth of 200 metres.

Mineralisation remains open both at depth and along strike with numerous significant intersections returned to date including **29m @ 3.40g/t Au** from 124 metres in GG382, **22m @ 5.43g/t Au** from 150 metres in GG390, and **8m @ 3.39g/t Au** from 202 metres in GG401.

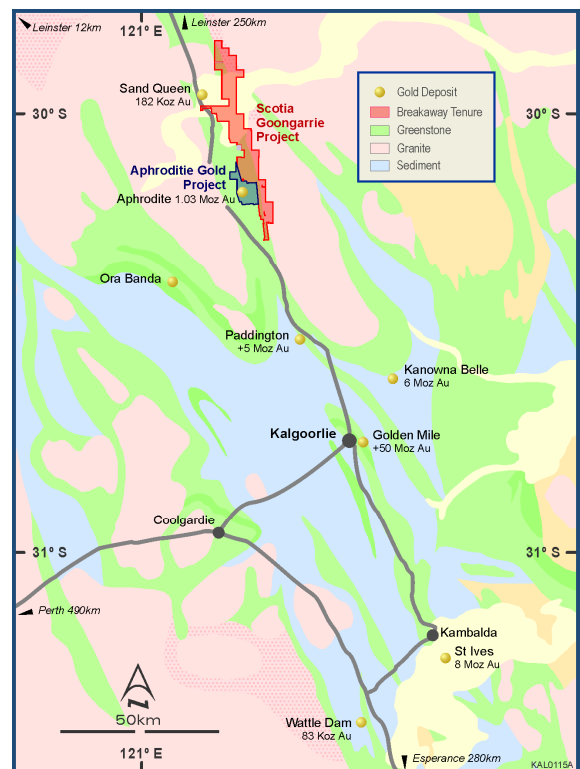


Figure 1: Scotia Project Location Plan

For personal use only

The newly signed agreement will result in the commencement of an aggressive gold exploration programme at Scotia, with a 3,000 to 5,000 metre Reverse Circulation (RC) drilling programme testing the Chameleon prospect to commence shortly.

Under the terms of the Farm-in and Joint Venture Heads of Agreement:

- Breakaway retains the rights to all other minerals including nickel.
- Aphrodite can earn an initial 51% interest in the Scotia Project's Gold Rights by spending \$400,000 within the first twelve months with a minimum of \$300,000 to be spent by 31<sup>st</sup> July 2011.
- Aphrodite can earn an additional 29% interest in the Scotia Project's Gold Rights (for a total 80% joint venture interest) by spending a further \$1.1 million on exploration, or when the joint venture parties make a decision to mine, whichever occurs earlier.
- Upon electing to earn an additional 29% interest, Aphrodite must, as a minimum, spend each year, the Scotia Project's aggregate expenditure commitment of approximately \$360,000.
- Breakaway will be free-carried at all times until a decision to mine.
- On a decision to mine Breakaway may elect to contribute to a mining joint venture operation or elect to transfer its interest to Aphrodite in exchange for a 1.5% Net Smelter Royalty.

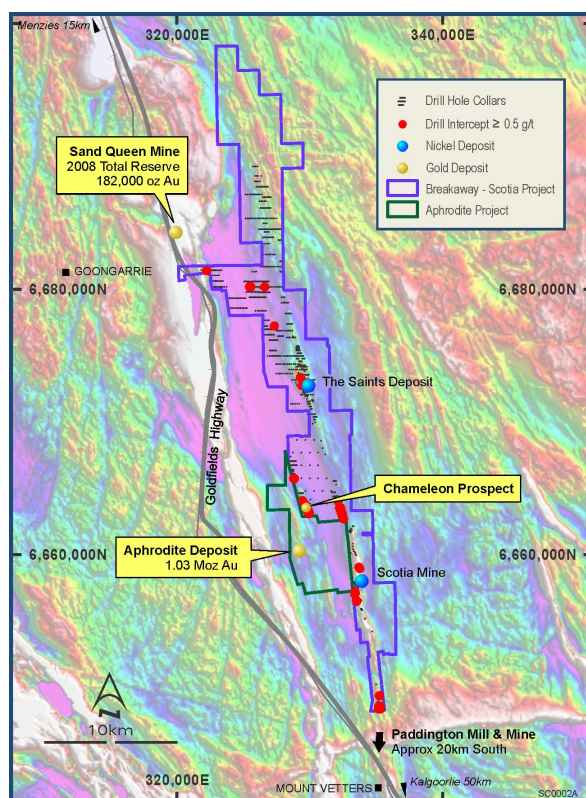


Figure 2: Scotia gold prospects and historical drilling intersections (+0.5g/t Au)

The agreement is consistent with Breakaway's previously announced strategy of rationalising its extensive minerals portfolio to maintain focus on the Company's core copper and nickel exploration projects in the Cloncurry District and Leinster District of Queensland and Western Australia respectively.

Breakaway's Managing Director, Mr David Hutton, said the Agreement will result in a major evaluation of Scotia's gold potential, with Breakaway retaining exposure to any upside from a significant discovery at a time of strong exploration and investor interest in the gold sector.

"Breakaway welcomes Aphrodite's involvement in the Scotia Project and we look forward to the commencement of the Chameleon drill programme and a steady flow of good news for shareholders" Mr Hutton said.

For personal use only

**Table 1. Anomalous Historic Drilling Intercepts and Collar Details referred to in the announcement.**

Hole ID	Northing	Easting	Dip°	Azi Mag°	From	Width	g/ t Au
GG382	6663382	329896	-61	264	124.0	29.0	3.40
GG390	6663198	329876	-60	90	150.0	22.0	5.43
GG401	6663278	329811	-60	90	202.0	8.0	3.39

**Notes on Drill Hole Results:**

1. The drillholes are historic and as such, details of the analytical methods used are unknown.
2. The location of drill holes were determined using a handheld GPS achieving +/- 4 metre accuracy and using the GDA 1994 datum (Zone 51).
3. Intersections are reported as **down hole widths**, not true widths.
4. Reported intersections are calculated as length weighted average grades typically using a 0.5% gold lower cut off.

**ENDS**

**For Further Information Contact:**

**Mr David Hutton, Managing Director**

Mobile: 0417 974 843  
Business: (08) 9278 6444

**Mr John Atkins, Chairman**

Mobile: 0419 767 573

**Breakaway Resources Limited**

ABN 16 061 595 051  
Level 2, 23 Ventnor Avenue  
West Perth WA 6005

P/ (08) 9278 6444  
F/ (08) 9278 6449  
E/ admin@breakawayresources.com.au  
W/ www.breakawayresources.com.au

**Competent Persons Statement:**

The information in this report that relates to Exploration Results and Mineral Resources is based on information compiled by Mr David Hutton (Managing Director), a full time employee of the Company. Mr Hutton is a Member of the Australasian Institute of Mining and Metallurgy (AusIMM). He has 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.

**About Breakaway Resources Limited:**

Breakaway Resources aims to become one of Australia's leading mining and exploration companies with exploration focussed at our priority Eloise Exploration Project (copper – gold) within the Cloncurry District of North West Queensland and the Wildara and Miranda Projects (nickel) within the Leinster district of the North Eastern Goldfields of Western Australia; two areas that we believe offer the most attractive opportunities for future success.

Our objectives are the discovery and development of a high-quality stand alone mineral deposit and maximisation of shareholder wealth for non-priority assets.

For personal use only