BREAKER Resources NL

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DRILLING INDICATES LARGE GOLD SYSTEM AT DEXTER GOLD PROJECT

- **Breaker has completed a 23,073m aircore drill program designed to facilitate reverse circulation (RC) drill targeting in the northern part of the Dexter Project.**
- **The results indicate a large gold system associated with altered and mineralised syenite at the Tallows and Three Bears Prospects.**
- **The drilling has successfully identified significant gold dispersion from the Archean bedrock into the Permian cover based on elevated levels of gold within the weathered Permian sediment vertically above the variably mineralised syenite porphyry.**
- **The main part of the Tallows gold-in-soil anomaly corresponds with several coherent zones of gold enrichment in the transported cover that persist over 7km.**
- **The zones of anomalous gold in the transported cover outlined by the aircore drilling (up to 4m at 1.5g/t gold at Tallows based on preliminary 4m composite sample results) will now be used as an RC targeting tool to locate the inferred and as yet unseen bedrock sources from which the gold emanates.**
- **Three separate zones of secondary gold enrichment up to 2km in length at the Three Bears Prospect are associated with altered syenite rocks with bottom-of-hole grades up to 0.9g/t gold and alteration assemblages similar to the Wallaby deposit (180t gold resource).**
- **7,500m of RC drilling is planned to test 15-20 separate high priority targets and will commence in mid-April 2013 subject to regulatory approvals.**

Breaker Resources NL (ASX: BRB, "Breaker") is pleased to provide an interim update following the completion of a 23,073m aircore drilling program in the northern part of the 1,103 km^2 Dexter Gold Project, 140 km south-southeast of Laverton, Western Australia.

The objective of the aircore drill program was to scope several unusually large gold-in-soil anomalies that extend over 16km in an area of transported cover and which correspond with a series of stacked fault bends (en-echelon jogs) in a previously unexplored area between the Yamarna and Dexter Shear Zones. More specifically, to facilitate RC drill targeting, the drill program sought to identify areas of enhanced bedrock alteration/mineralisation with associated areas of gold enrichment in the overlying regolith.

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Preliminary Drill Results

The final aircore drilling program comprised 8,626m at the Three Bears Prospect (BAC001 to BAC236), and 14,447m at the Tallows Prospect (BAC237 to BAC492). The drilling encountered Permian cover ranging from 25m to 75m with approximately 65% to 70% of the drill holes reaching definitive bedrock.

The aircore drilling results indicate a large gold system associated with altered and mineralised syenite at the Tallows and Three Bears Prospects (Figure 1).

The drilling has successfully identified significant gold dispersion from the Archean bedrock into the Permian cover based on elevated levels of gold within the weathered Permian sediment vertically above the variably mineralised syenite porphyry (Figures 2 and 3). This tends to confirm that the gold is sourced from the Archean bedrock, and that the soil anomalies are vertically above the bedrock gold source with little if any lateral offset.

The zones of anomalous gold in the transported cover outlined by the aircore drilling, including up to 4m at 1.5g/t gold at Tallows based on preliminary 4m composite sample results, will now be used as an RC targeting tool to locate the inferred and as yet unseen bedrock sources from which the gold emanates.

RC drilling will now be undertaken to test these targets as the aircore drilling process and the wide drill hole spacing does not allow adequate penetration of fresh Archean bedrock (generally <1m).

The syenite host rocks encountered by the drilling confirm a deep mantle link which is a well-documented prerequisite in the formation of many large gold deposits. In addition, the syenite appears to be intruded into a series of sinistral jogs (stacked fault bends) that were active during the main (D3) gold event documented by recent research in many localities, such as Kalgoorlie, St Ives, Wallaby and Sunrise Dam. Altered syenite from a bottom-of-hole sample assaying 0.9 g/t gold at Three Bears (pictured below) has an alteration assemblage similar to that observed at other gold deposits such as Wallaby and is typically brick red and dominated by hematite, K-feldspar and albite, with an interstitial mix of biotite, chlorite, carbonate, prehnite and minor pyrite.

Altered Syenite (Three Bears Prospect)

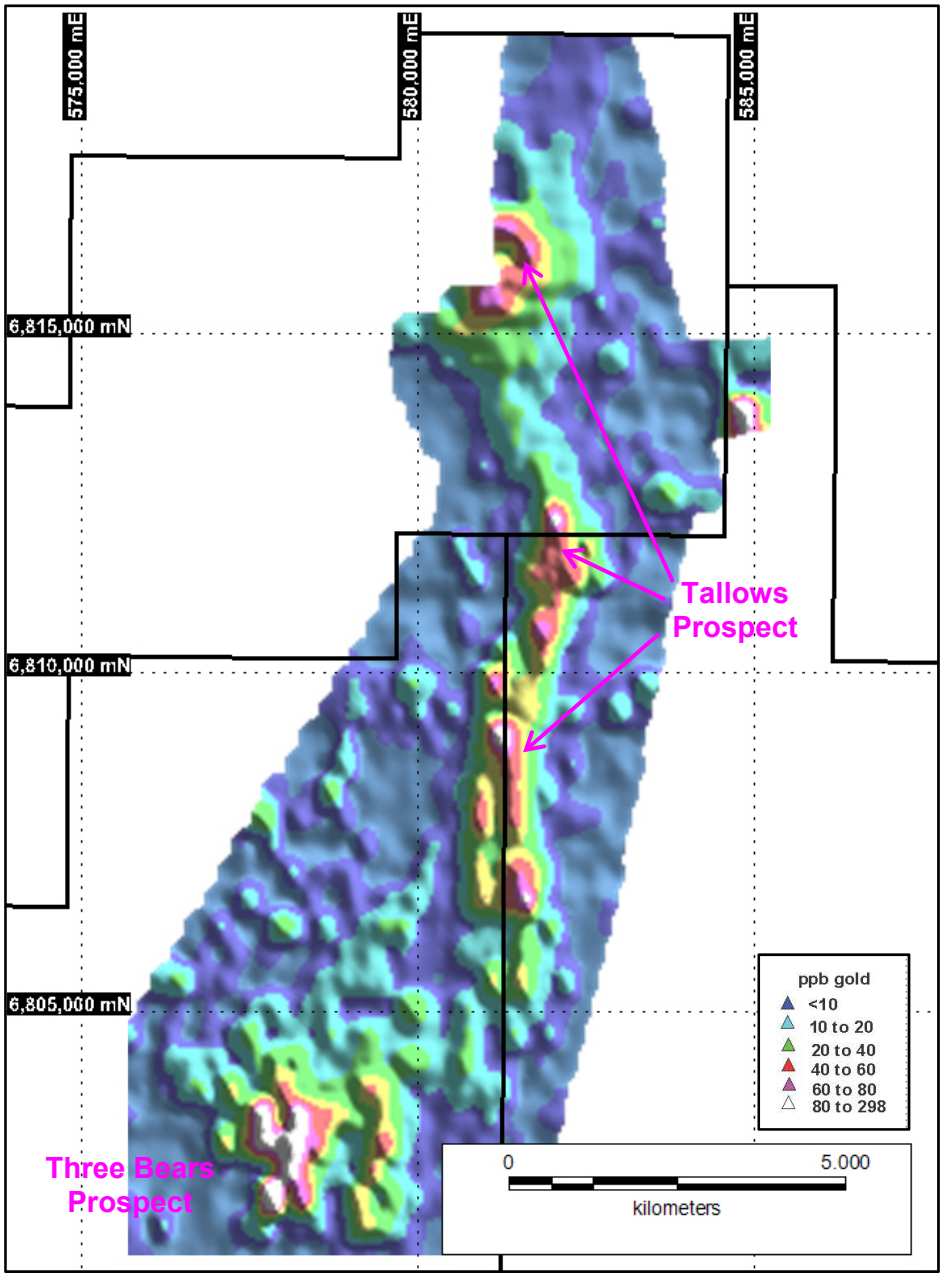

Figure 1: Prospect Location Plan with Imaged Gold-in-Soil (400m x 100m)

Three Bears Prospect

Initial aircore drilling at the Three Bears Prospect was undertaken on a 400m x 80m vertical pattern to blade refusal. The drill spacing was subsequently closed to 40m or 20m over selected soil anomaly peaks on the same drill lines. Infill drill lines on a 200m line spacing and 80m drill hole spacing were undertaken in selected areas to minimise ambiguity in the geological interpretation.

Despite limited drill penetration of the fresh Archean bedrock, the aircore drilling intersected variably mineralised syenite porphyry assaying up to 0.9g/t gold with enough frequency to highlight three 1.5 to 2km mappable syenite zones that have a close spatial correlation with the gold-in-soil anomalies and zones of gold enrichment in the transported Permian regolith (Figure 2).

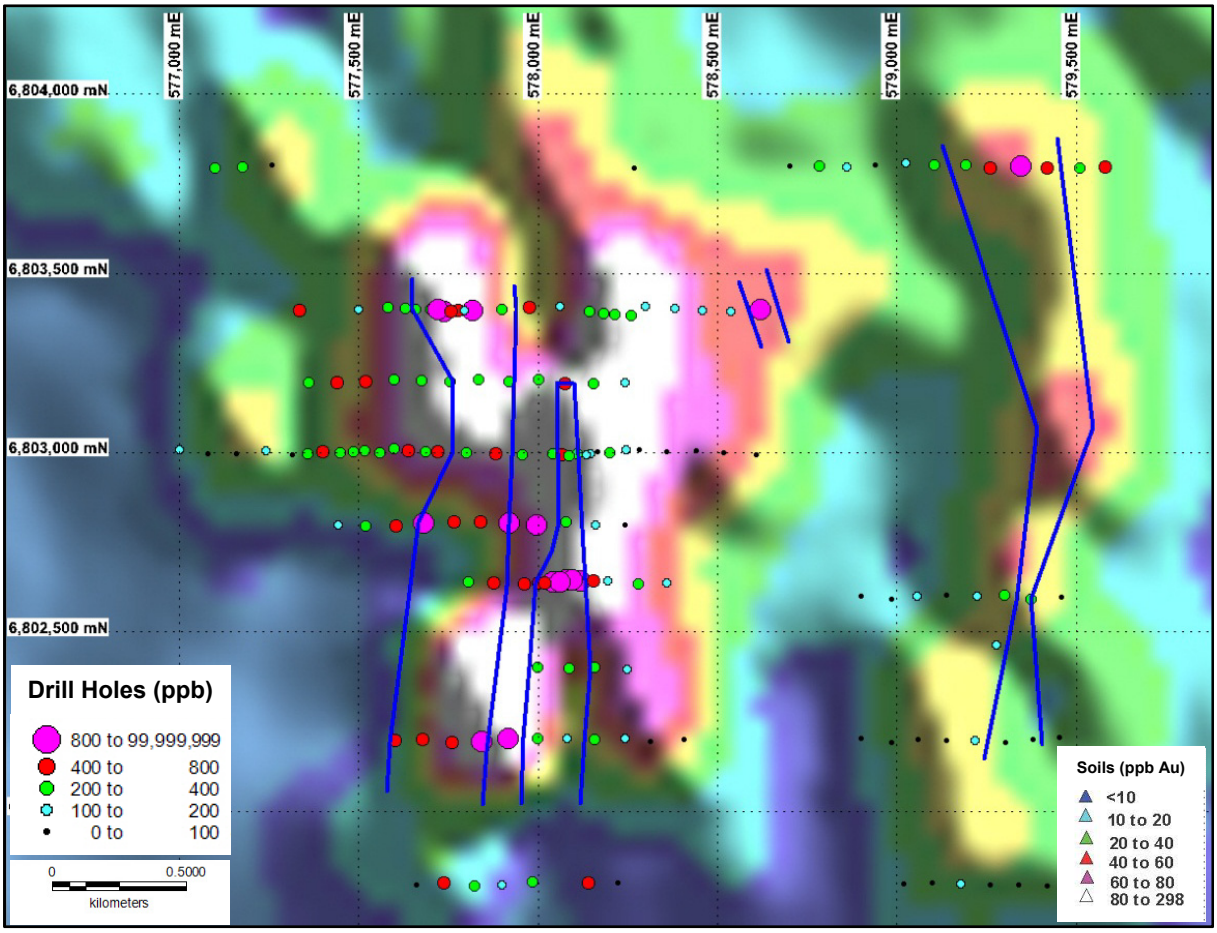

Figure 2: Three Bears Prospect Drill Hole Plan with Syenite (blue) and Scaled Sum Downhole Gold (ppb) over Imaged Gold-in-Soil (400m x 100m)

Tallows Prospect

The Tallows Prospect consists of a series of +40ppb gold-in-soil anomalies extending over a 14km strike length in the footwall and hanging wall of the Yamarna Shear (peak soil value of 130ppb gold). Due to the large area involved, initial aircore drilling at the Tallows Prospect was undertaken using 80m vertical drill holes drilled to blade refusal on a line spacing of 800m or 1,200m. The drill line spacing was then closed to 400m on an 80m drill hole spacing over selected gold-in-soil anomalies however the drill line spacing in some areas remains at 1,200m and will likely necessitate further infill drilling (aircore or RC) subject to initial phase RC drill results.

The analysis of drill results is preliminary and relies on 4m composite sample assay results that are only available for drill holes BAC237 to BAC461 (BAC463-BAC492 are pending). One metre sample results are also pending for anomalous 4m composite samples as are bottom-of-hole multi-element sample data.

The results received to date highlight enhanced gold values in the weathered Permian sediment cover sequence in the vicinity of strongly altered syenite and its contacts, similar to that encountered at the Three Bears Prospect. As at Three Bears, the syenite has a close spatial correlation with the gold-in-soil anomalies over the entire length of the Tallows soil anomaly.

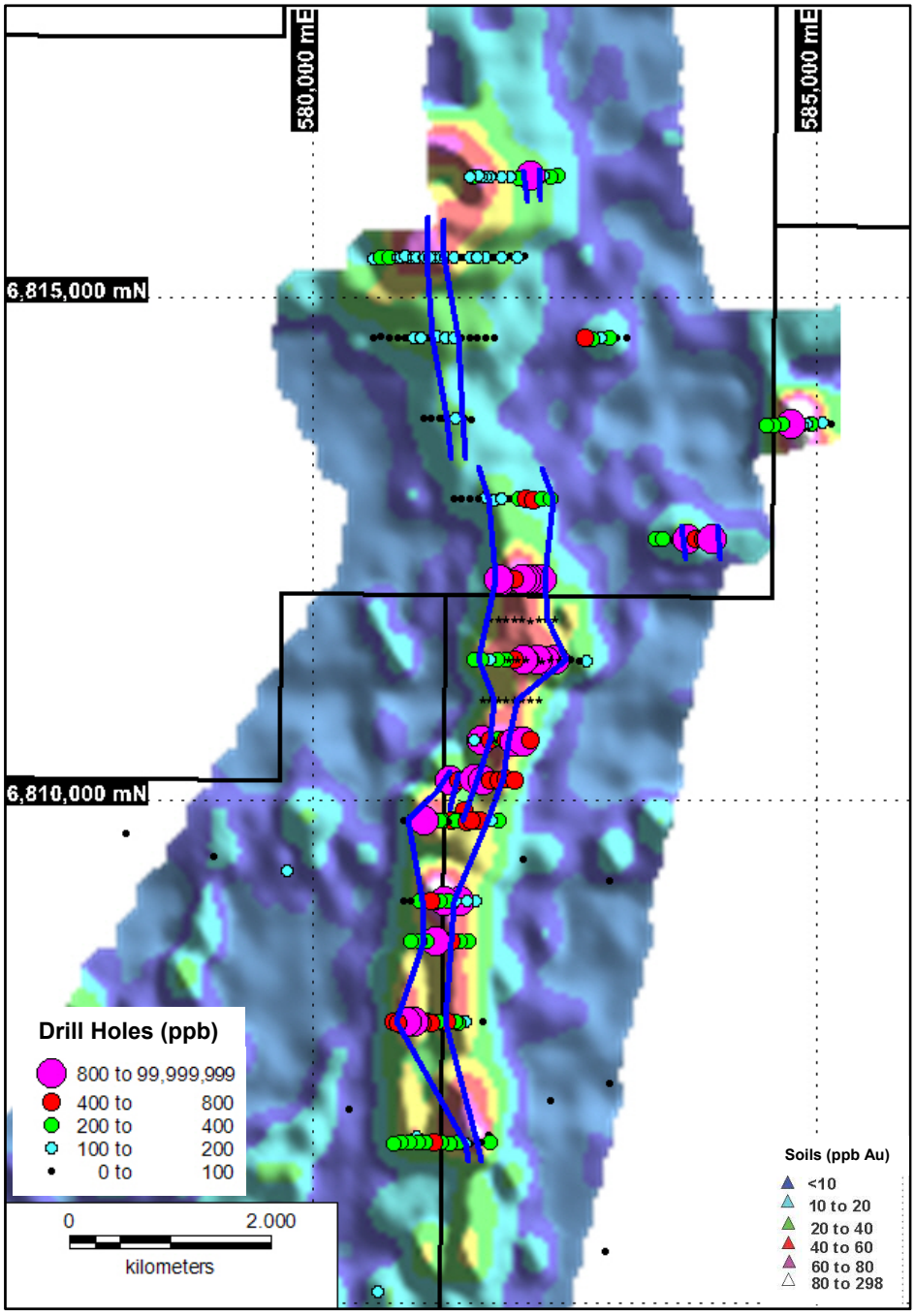

Figure 3: Tallows Prospect Drill Hole Plan with Syenite (blue) and Scaled Sum Downhole Gold (ppb) over Imaged Gold-in-Soil (400m x 100m)

The main part of the Tallows gold-in-soil anomaly corresponds with coherent zones of gold enrichment in the transported cover that persist over 7km and correspond to different structural settings adjacent to the Yamarna Shear Zone (Figure 3). Altered and mineralised syenite (0.4g/t gold) was also encountered in a single drill traverse at an as-yet-unnamed prospect located 1.5km east of the Tallows Prospect.

Further discussion of inferred bedrock mineralisation is constrained by the limited drill penetration of the Archean bedrock, the wide drill hole spacing and the preliminary nature of the assay results.

Planned RC Drilling/Other Activities

RC drilling is now planned to adequately test a large number of bedrock targets defined by the aircore drilling at the Three Bears and Tallows Prospects. Key targets include areas with known alteration and mineralisation defined by the aircore drilling, and bedrock targets below zones of gold enrichment in the Permian cover sequence, particularly in areas with favourable structure.

Approximately 7,500m of RC drilling is planned to commence mid-April 2013 following regulatory approvals. The drilling will test 15-20 separate bedrock targets and will utilise structural interpretations and assessments provided by Southern Geoscience Consultants based on data from a detailed aeromagnetic survey flown over the entire Dexter Gold Project in 2012.

The cost of the RC drilling will be offset by a grant of $150,000 awarded to Breaker in 2012 for co-funding of drilling in areas of deeper cover under the WA Government's Exploration Incentive Scheme. Breaker will match the $150,000 funding grant on a dollar-for-dollar basis on direct drilling costs.

Based on the positive results to date, additional geochemical surveys will be extended into areas of the Dexter Project not yet sampled.

Tom Sanders
Executive Chairman
Breaker Resources NL

About Breaker

Breaker Resources NL is an Australian exploration company pursuing new opportunities for gold discovery in the emerging (and largely unexplored) Yamarna and Burtville Terranes, in the eastern part of the Eastern Goldfields Superterrane ("EGST"), Western Australia.

Breaker's projects target structural settings where gold deposits are known to be most common based on quantitative spatial analysis studies in the well-explored western part of the EGST. These structural settings include previously underexplored major faults situated adjacent to regional anticlines, domal granite intrusions, greenstone belts and fault bends.

Breaker Resources NL is the largest tenement holder in the EGST with a 100% interest in eight exploration projects with an overall area of ~5,500 km^2. The Company's projects include 190 km of the Yamarna Shear Zone, four previously undrilled greenstone belts and several other large crustal faults.

Significant gold discoveries made in the Yamarna and Burtville Terranes in the last ten years include Moolart Well (2002), Garden Well (2009) and Central Bore (2009). The Tropicana gold deposit, to the immediate south of the Yilgarn Craton, was discovered in 2005.

Aircore Drill Program (Sampling and Analytical Details)

Four metre composite samples were taken for gold analysis (aqua regia digest, AAS finish). Bottom-of-hole samples were also taken for multi-element analysis for drill holes that successfully encountered Archean bedrock (fire assay for gold, four acid digest with ICP finish for other elements). Following receipt of preliminary 4m sample composite results, 1m samples were submitted from anomalous 4m composite samples (1m sample results pending for the Tallows Prospect; bottom-of-hole samples also pending for the Tallows Prospect).

Standards and repeat samples are utilised at all stages to maintain analytical integrity.

Competent Person Statement

The information contained in this report that relates to exploration results and geological information is based on information compiled by Mr Tom Sanders and Mr Alastair Barker, officers of Breaker Resources NL and whose services have been engaged by Breaker on an 80% of full time basis. Mr Sanders and Mr Barker are Members of the Australasian Institute of Mining and Metallurgy and have sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activities which they are undertaking to qualify as Competent Persons as defined in the December 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' (JORC Code). Mr Sanders and Mr Barker consent to the inclusion in this report of the information based on their work in the form and context in which it appears.

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