



BREAKER

Resources NL

27 November 2013

The Manager
Market Announcements Office
Australian Securities Exchange Limited
PO Box H224 Australia Square
SYDNEY NSW 2001

Dear Sir/Madam

ENTITLEMENT ISSUE – LETTERS TO ELIGIBLE AND INELIGIBLE SHAREHOLDERS

Please find attached two letters being sent to shareholders in Breaker Resources NL (ASX: BRB) regarding the Company's renounceable pro rata entitlement issue which was announced on 22 November 2013 (**Rights Issue**).

1. Letter to shareholders of the Company who have registered addresses in Australia, New Zealand or Germany and, provided this remains the case as at the Record Date of 4 December 2013, will be eligible to participate in the Rights Issue; and
2. Letter to shareholders of the Company who currently have a registered address outside Australia, New Zealand or Germany and, provided this remains the case as at the Record Date of 4 December 2013, will not be eligible to participate in the Rights Issue.

Yours sincerely

MICHELLE SIMSON
Company Secretary

12 Walker Avenue
WEST PERTH WA 6005
PO Box 244
WEST PERTH WA 6872



ASX: BRB; ACN: 145 011 178

Telephone: (08) 9226 3666
Facsimile: (08) 9226 3668
Email: breaker@breakerresources.com.au
Web: www.breakerresources.com.au



In accordance with s734(6) of the *Corporations Act 2001* (Cth), the Company advises that:

- ✦ The issuer of the securities is Breaker Resources NL;
- ✦ A copy of the prospectus relating to the Rights Issue has been lodged with the Australian Securities and Investment Commission and ASX and is available and can be obtained from the Company's website www.breakerresources.com.au; a copy of the prospectus will be mailed to all shareholders with registered addresses in Australia, New Zealand or Germany;
- ✦ The offer of Rights Issue securities is being made to investors in the prospectus;
- ✦ Investors should read and consider the prospectus in deciding whether to apply for securities under the offer. Investors should seek professional advice where necessary before deciding whether to participate in the Rights Issue; and
- ✦ Applications for the securities offered under the prospectus must be submitted on either the Entitlement and Acceptance Form or Shortfall Application Form which accompanies the prospectus.



27 November 2013

Dear Shareholder

Breaker Resources NL - pro-rata renounceable rights issue

As announced on 22 November 2013, Breaker Resources NL (ACN 145 011 178) (**Company**) is undertaking a pro rata renounceable rights issue to eligible shareholders to raise up to \$1.58 million before costs. The rights issue will be conducted on the basis of 1 fully paid ordinary share (**Shares**) for every 4 Shares held by shareholders at the record date (4 December 2013) at an issue price of \$0.11 per Share together with one (1) free attaching Option (**BRBO Option**) and one (1) partly paid share (**Partly Paid Share**) for every two (2) Shares subscribed for. The Partly Paid Shares will have a total issue price of \$0.20 paid to \$0.01 on application with no call for at least four (4) years (**Offer**), (together, the Shares, Partly Paid Shares and BRBO Options are the **Securities**).

The Company lodged a prospectus for the Offer (**Prospectus**) with ASIC and ASX on 25 November 2013 and a copy is available on the ASX and Company websites. The Offer is being made to all shareholders of the Company named on its register of members at 5:00pm (WST) on 4 December 2013, whose registered address is in Australia, New Zealand or Germany (**Eligible Shareholders**).

Eligible Shareholders will be mailed a Prospectus together with a personalised Entitlement and Acceptance Form no later than 6 December 2013. If you wish to participate in the Offer, you will need to follow the instructions contained within the Entitlement and Acceptance Form and the Prospectus.

The Offer is fully underwritten by Patersons Securities Limited (**Patersons**). Patersons is also acting as lead manager to the Offer and nominee to sell ineligible Shareholders' entitlements under ASX Listing Rule 7.7. It will initially raise up to \$1,584,125 (assuming maximum subscription) and a total of \$2,892,750 if all Partly Paid Shares are fully paid up in accordance with their terms.

The proposed use of funds raised under the Offer is set out below:

Item	Proceeds of the Offer	Full Subscription (\$)	%
1.	Exploration – Dexter Project Drilling	890,000	56
2.	Exploration – Other Project Activities	296,000	19
3.	Expenses of the Offer	143,530	9
4.	Working capital	254,595	16
	Total	1,584,125	100%

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The Shares being offered pursuant to the Offer will rank equally with all fully paid ordinary shares in the capital of the Company already on issue. The Partly Paid Shares will form a new class of shares in the Company with details of the rights and liabilities attaching to the Partly Paid Shares being disclosed in the Prospectus. Upon the Partly Paid Shares becoming fully paid up they will rank equally with all fully paid ordinary shares in the capital of the Company. The BRBO Options will be exercisable at \$0.25 on or before 31 December 2014 and will rank equally in all respects with the existing class of Options quoted on ASX (ASX Code: BRBO).

Following completion of the Offer (assuming maximum subscription) the Company will have issued approximately:

- (a) 13,775,001 new Shares resulting in total Shares on issue of approximately 68,875,005;
- (b) 6,887,501 Partly Paid Shares resulting in 6,887,501 Partly Paid Shares being on issue; and
- (c) 6,887,501 BRBO Options resulting in 28,137,501 BRB Options being on issue.

For the purposes of calculating each Eligible Shareholders' entitlement, fractions of entitlements have been rounded up to the nearest whole number.

Actions required of Eligible Shareholders

There are a number of actions Eligible Shareholders may take:

- (a) You may take up all or some of your rights to subscribe for Securities pursuant to the Prospectus (**Entitlements**). To take up all or some of your Entitlements you will need to ensure your application money for the Entitlements you wish to take up is received by Advanced Share Registry Services (**Share Registry**) by no later than 5:00pm (WST) on 20 December 2013, by either completing and returning your Entitlement and Acceptance Form together with your application money or making a payment by BPAY in accordance with the instructions on your Entitlement and Acceptance Form. Please note, BPAY payments must be received by no later than 3:00pm on 20 December 2013.
- (b) You may seek to sell all or some of your Entitlements on ASX. You can seek to sell your Entitlements on ASX from 28 November 2013 until the close of market on 13 December 2013. To sell any of your Entitlements you need to contact your broker as soon as possible.
- (c) You may transfer all or some of your Entitlements to another person other than on ASX. To transfer all or some of your Entitlements you will either need to contact your CHESSE Controlling Participant (usually your broker) and follow their instructions or complete a renunciation and transfer form (which can be obtained from Share Registry) and return it, together with the purchaser's cheque for the Entitlements they wish to take up so that it is received by the Share Registry by no later than 5:00pm (WST) on 20 December 2013. BPAY payments must be received by no later than 3:00pm on 20 December 2013.
- (d) You may do nothing. If you choose to do nothing with your Entitlements, while you will continue to hold the same number of Shares, your shareholding in the Company will be diluted and you will receive no value for your Entitlement.



Key dates for the Offer

Event	Proposed Date
Offer announced and Appendix 3B lodged with ASX	22 November 2013
Prospectus lodged with ASX and ASIC	25 November 2013
Notice sent to Option holders	25 November 2013
Notice sent to Shareholders	27 November 2013
Existing Shares quoted on an 'ex' basis Rights start trading	28 November 2013
Record date	4 December 2013
Despatch of Prospectus to Eligible Shareholders Offer Period Opens	6 December 2013
Rights stop trading	13 December 2013
Securities quoted on a deferred settlement basis**	16 December 2013
Offer Period Closes*	20 December 2013
Notification of under-subscriptions to ASX (if any)	24 December 2013
Issue date/Securities entered into Shareholders' security holdings**	27 December 2013
Quotation of Securities issued under the Offer*	30 December 2013

* The Directors may extend the Closing Date by giving at least 6 Business Days' notice to ASX prior to the Closing Date. As such, the date the Securities are expected to commence trading on ASX may vary.

** The issue and trading of Partly Paid Shares may be deferred in the event the Company is unable to satisfy the ASX Listing Rules for the quotation of those Partly Paid Shares.

If you have any queries concerning the Offer, or the action you are required to take to subscribe for Securities, please contact your financial adviser or Michelle Simson, the Company Secretary, on +61 8 9226 3666.

Yours sincerely

Tom Sanders
Executive Chairman



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Ineligible shareholders

A Shareholder who has a registered address outside Australia, New Zealand and Germany (**Ineligible Shareholder**) will not be eligible to participate in the Offer. As your registered address is not within one of these jurisdictions, unfortunately you are not eligible to participate in the Offer and you will not be sent a copy of the Prospectus. This decision has been made pursuant to ASX Listing Rule 7.7.1(a) after taking into consideration the costs of complying with legal and regulatory requirements in jurisdictions outside of Australia, New Zealand and Germany compared with the small number of Ineligible Shareholders and the number and value of Securities to which they would otherwise be entitled.

The Company has appointed Patersons (**Nominee**) as nominee to sell the rights to subscribe for Securities pursuant to the Prospectus (**Entitlements**) to which Ineligible Shareholders are entitled. The Nominee will have the absolute and sole discretion to determine the timing and price at which the Entitlements may be sold and the manner of any such sale. Patersons will be paid a brokerage fee of the greater of \$250 or 2% per trade in relation to the sale of the Entitlements.

Any interest earned on the proceeds of the sale of these Entitlements will firstly be applied against expenses of such sale, including brokerage, and any balance will accrue to Ineligible Shareholders. The net proceeds of the sale of these Entitlements will then be forwarded by the Company as soon as practicable to the Ineligible Shareholders, in proportion to their share of such Entitlements (after deducting brokerage commission and other expenses). If any such net proceeds of sale are less than the reasonable costs that would be incurred by the Company for distributing those proceeds, such proceeds may be retained by the Company.

Ineligible Shareholders may receive no net proceeds if the costs of the sale are greater than the sale proceeds. There is no guarantee that the Nominee will be able to sell Entitlements of Ineligible Shareholders on ASX and Ineligible Shareholders may receive no value for the Entitlements. Both the Company and the Nominee take no responsibility for the outcome of the sale of such Entitlements or the failure to sell such Entitlements.

If you have any queries concerning the Offer, please contact your financial adviser or Michelle Simson, the Company Secretary, on +61 8 9226 3666.

Yours sincerely

Tom Sanders
Executive Chairman