

## **Breaker to ramp up Resource drilling after \$8.0m placement to prominent US fund**

### **Drilling aimed at growing 1Moz Bombora Resource#**

Breaker Resources NL (ASX: BRB; "**Breaker**" or "**Company**") is pleased to announce that it has agreed a non-brokered \$8.0 million share placement to Electrum Strategic Opportunities Fund II LP ("**Electrum**"), a major US-based private equity fund focused on precious metals.

The \$8.0 million placement (the "**Placement**"), consisting of 23,015,211 newly issued shares, is being undertaken at \$0.35 a share. Breaker's closing share price at 12 November 2019 was \$0.31. The Placement is being made pursuant to ASX Listing Rules 7.1 and 7.1A; there is no intention to seek specific shareholder approval for the Placement. As a result of this Placement, Electrum will become Breaker's largest shareholder.

The proceeds of the Placement will be used to ramp up reverse circulation ("**RC**") and diamond drilling aimed at growing the one million-ounce Bombora Resource# ("**Resource**") at the Company's Lake Roe Gold Project, 100km east of Kalgoorlie in Western Australia.

Upon closing of the Placement, Electrum is expected to own approximately 9.95% of the issued shares of Breaker and will, subject to regulatory approval, have the right to nominate a person to Breaker's Board with strong links to North American capital markets. Electrum will also have an opportunity to participate in any future equity offering of the Company to maintain its pro rata shareholding, subject to ASX waiver and regulatory approval.

Breaker welcomes the support of a prominent North American institutional fund and their support is seen as an expression of confidence in the growth potential of the Company's Lake Roe Gold Project. Electrum is managed by The Electrum Group LLC ("**Electrum Group**"), a US-based precious metals investment manager with deep geological, technical and operational expertise focused on strategic investments in highly prospective exploration and development assets located in geo-politically stable jurisdictions.

Electrum Group holds significant interests in a number of major global gold development projects including the 45Moz Donlin Gold Project in Alaska via its interest in NovaGold Resources Inc. and the 11Moz Livengood Project also in Alaska via its interest in International Tower Hill Mines Ltd, among others. Electrum was founded by the family of Thomas S. Kaplan, an American entrepreneur, conservationist and philanthropist, who serves as Electrum Group's Chairman and Chief Investment Officer.

The Placement follows a strategic review undertaken by Breaker aimed at unlocking the full value of the Company's Lake Roe Gold Project (ASX Release 4 October 2019).

As a result of the strategic review, the Board has formed the view that the best way to deliver value to shareholders is to expand the Resource base through further drilling. The Company has consequently placed the Lake Roe pre-feasibility study on hold and has decided to partner with Electrum with the shared objective of advancing the Lake Roe Project along the value chain through expansion of the Project's existing Resource.

Settlement of the Placement is expected to occur on 15 November 2019. The new shares will rank equally with the Company's existing fully paid ordinary shares.

RC and diamond drilling is planned to start in the coming week and further details of the drilling will be provided in due course.

### **About Breaker and the Lake Roe Gold Project**

Breaker's corporate objective is the discovery and development of new gold deposits concealed by transported cover in unexplored parts of Western Australia's Eastern Goldfields.

The Company's core focus is the 100%-owned Lake Roe Project (600km<sup>2</sup>) following the greenfields discovery of the Bombora gold deposit, located between two operating gold mines 100km east of Kalgoorlie. Access is by bitumen and high-quality gravel road from Kalgoorlie.

The Bombora gold deposit shares many geological similarities with several well-known, Western Australian multi-lode, dolerite-hosted gold deposits, such as the Golden Mile and Paddington. After 225,000m of RC and diamond drilling, the Bombora discovery remains open along strike and at depth.

A shallow open pit Resource of 23.2Mt @ 1.3g/t Au for 1.0Moz# has been defined at Bombora to a variable depth of 180m to 300m below surface (includes anticipated mining dilution); ~80% of the Resource is in the Indicated category (ASX Release 2 September 2019).

Recent step-out drill results along strike have extended the overall length of the Bombora-Crescent-Claypan gold system to at least 8.5km (ASX Release 24 October 2019).

Recent deeper drilling has extended the strike length of high-grade mineralisation below the Resource envelope to ~1.5km, with drilling intersections such as 6.1m @ 10.54g/t Au (ASX Release 12 July 2019).


**Tom Sanders**

 Executive Chairman  
 Breaker Resources NL

13 November 2019

For further information on Breaker Resources NL please visit the Company's website at [www.breakerresources.com.au](http://www.breakerresources.com.au), or contact:

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#The information in this report that relates to the Mineral Resource is based on material announced to the ASX on 2 September 2019. Breaker confirms that it is not aware of any new information or data that materially affects the information included in the market announcement, and that all material assumptions and technical parameters underpinning the estimate in the market announcement continue to apply and have not materially changed.

		Tonnes	Grade	Ounces
<b>Indicated</b>	oxide	141,000	1.3	6,000
	transitional	1,842,000	1.4	83,000
	fresh	16,373,000	1.4	714,000
	<b>Total</b>	<b>18,356,000</b>	<b>1.4</b>	<b>803,000</b>
<b>Inferred</b>	oxide	214,000	1.0	7,000
	transitional	922,000	0.9	27,000
	fresh	3,717,000	1.2	144,000
	<b>Total</b>	<b>4,853,000</b>	<b>1.1</b>	<b>178,000</b>
	<b>Grand Total</b>	<b>23,210,000</b>	<b>1.3</b>	<b>981,000</b>

## Notes:

- Reported at 0.50g/t Au cut-off
- All figures rounded to reflect the appropriate level of confidence (apparent differences may occur due to rounding)