

**BREAKER IDENTIFIES 25 KM GOLD TREND AT DEXTER PROJECT**

- 25 km-long gold trend identified under transported cover in previously unexplored area
- Peak soil values to 50 ppb gold in coherent auger soil anomalies on broad sample spacing indicate potentially significant bedrock source
- Gold associated with anomalous mercury, copper, zinc and silver
- Drilling planned for late October following infill auger soil sampling

**Overview**

Breaker Resources NL (ASX: BRB, "Breaker") is pleased to advise that initial reconnaissance 1,600m x 400m auger soil sampling at its 100%-owned Dexter gold project, located on the Yamarna Shear in Western Australia, has identified a previously unknown 25 km-long gold trend concealed by weathered Permian cover rocks which is open along strike.

The gold-in-soil anomalies have peak gold values of 50 ppb gold and are associated with anomalous mercury, copper, zinc and silver which indicate a likely Archean bedrock source. The strongest gold-in-soil anomalies have a close spatial association with several fault bends apparent in aeromagnetic data which suggests that the anomalies are directly on top of a bedrock source with little lateral transport

Executive Chairman, Tom Sanders said: "The strength and coherence of the gold-in-soil values emanating from a likely Archean basement under 40m to 70m of Permian cover is unusual in the Eastern Goldfields. Infill 400m x 100m auger soil sampling will commence shortly in preparation for an aircore and RC drilling program in late October to assess the economic potential of the soil anomalies."

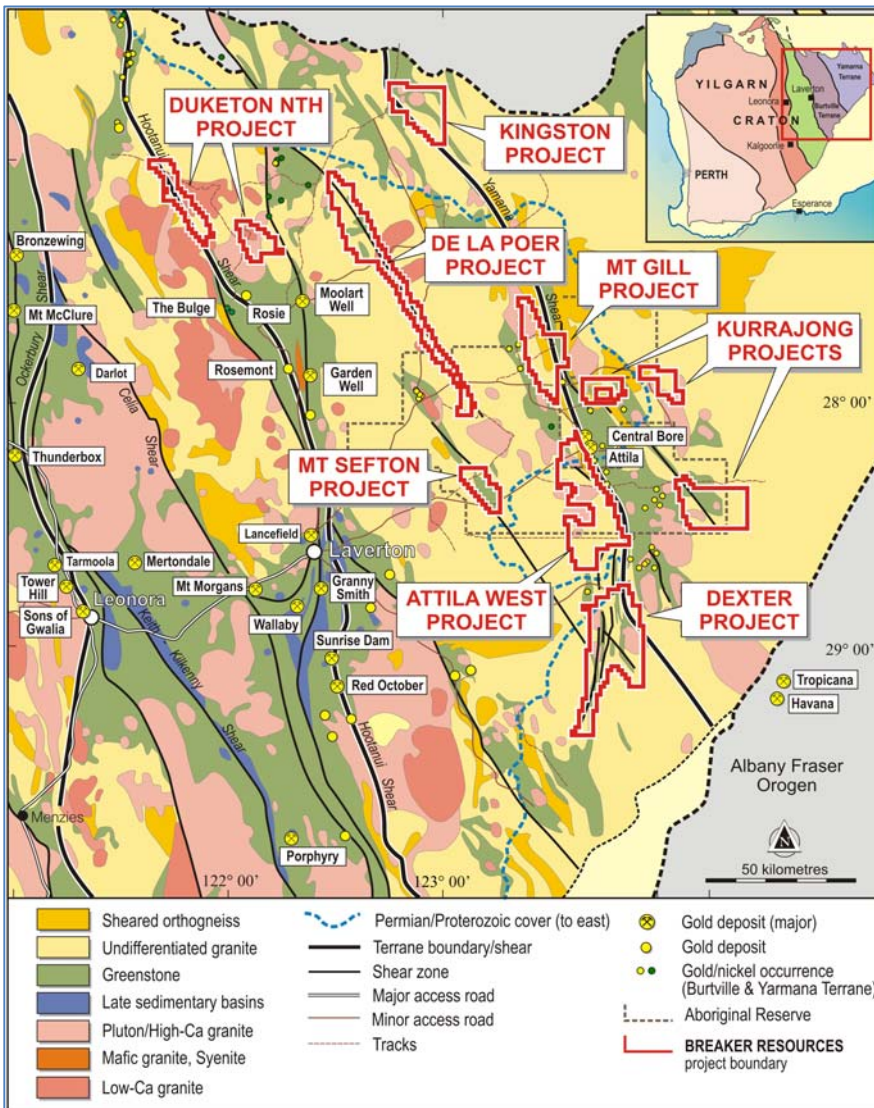
"The initial soil auger results at Dexter are very encouraging and give us confidence in our chosen approach and methodology," he said.

"Breaker is the largest tenement holder in the Eastern Goldfields Superterrane and we have deliberately set out to screen our projects for large deposit signatures using cost-effective geochemical techniques that were not available 15 years ago. This approach takes advantage of our large ground position and the known high gold endowment of the Eastern Goldfields region."

To date the Company has tested one third of the Dexter Project area and has seven further projects to test that were pegged using the same structural targeting parameters.

“Our view is that the eastern half of Australia’s premier gold province is largely unexplored,” Mr Sanders said.

### Dexter Project/Auger Soil Program



**Figure 1 Breaker Project Locations**

The Dexter Project straddles the intersection of the Yamarna and Dexter Shear Zones near the southern margin of the Eastern Goldfields Superterrane. The project includes 27 km of the Yamarna Shear, and 65 km of the Dexter Shear (Figure 1).

Breaker commenced a wide-spaced (1,600m x 400m pattern; 792 samples) multi-element soil auger program in late May 2012 to screen for large gold deposit signatures at the junction of two major crustal faults (Yamarna and Dexter Shears) located close to a domal granite intrusion.

The auger soil program covers approximately one third of the project area (Figures 2 and 3).

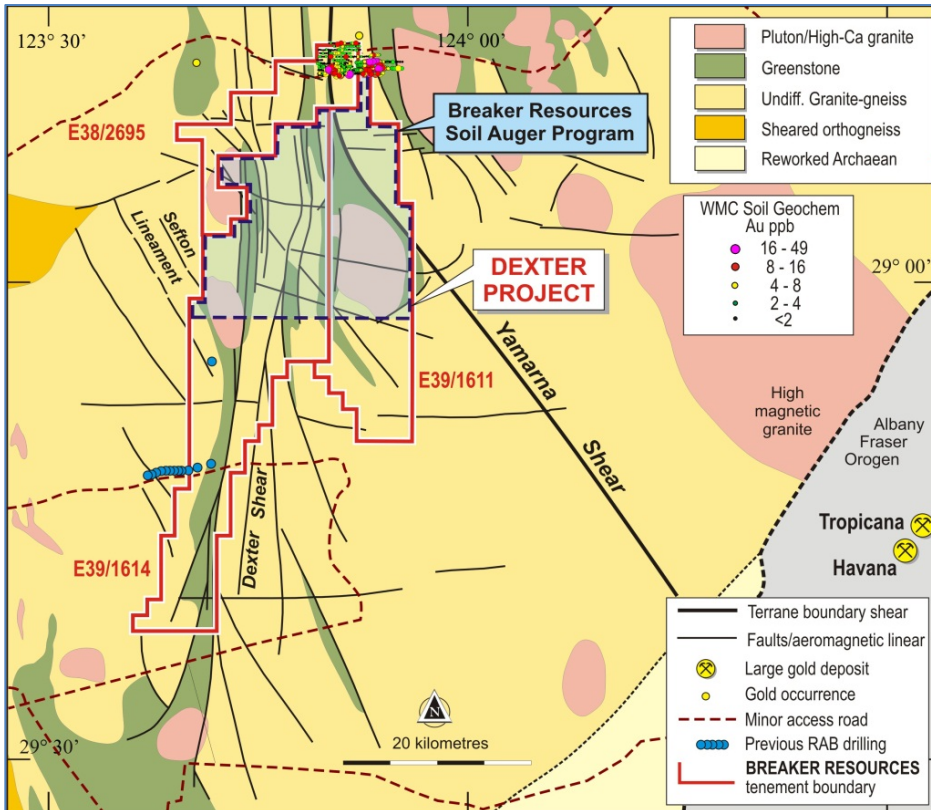


Figure 2 Dexter Project: Interpreted Geology

The soil auger program identified a previously unknown gold trend with peak soil values up to 50 ppb gold occurring in several coherent anomalies over a 25 km-long strike length (Figure 3). Gold contour lines defining the anomalies as shown on Figure 3 (7ppb, 10ppb, 20ppb and 40ppb) are derived from graphical analysis of the sample population.

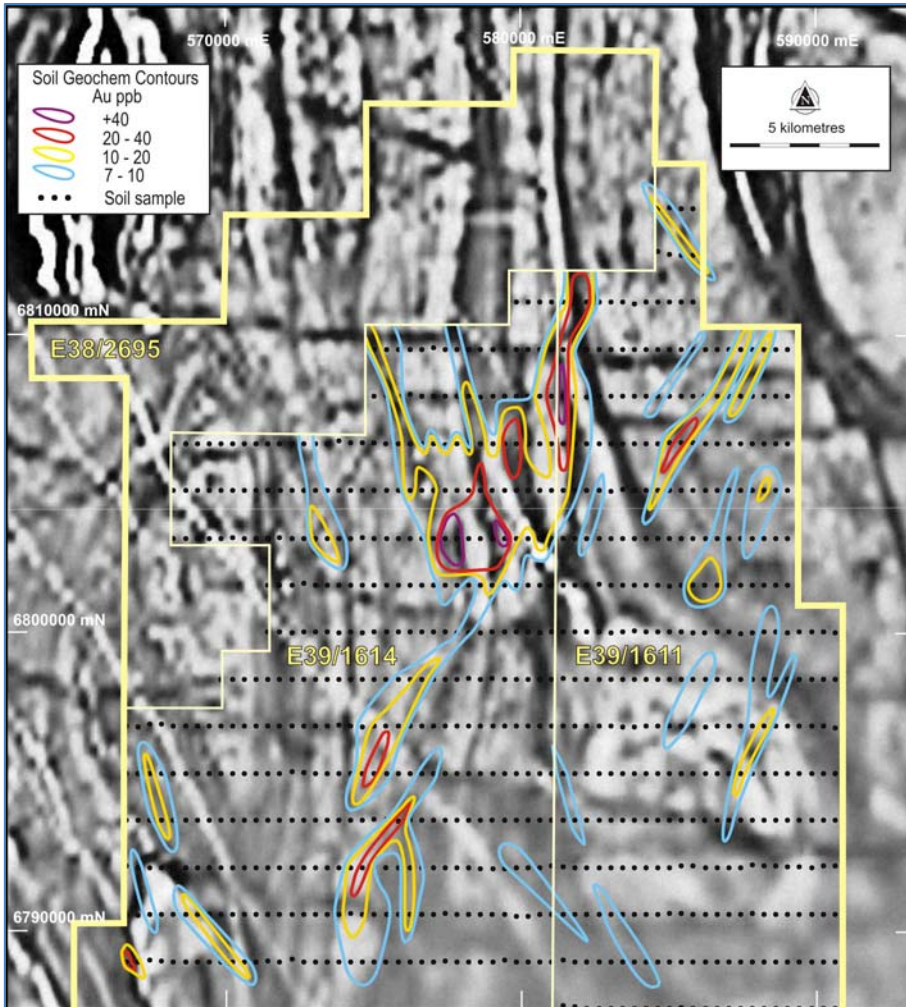
The gold-in-soil values are associated with anomalous mercury, copper, zinc and silver.

### Auger Soil Program Results/Discussion

The anomalous gold-in-soil values appear to be related to concealed Archean bedrock mineralisation based on the gold-mercury-copper-zinc-silver geochemical association. A strong spatial association between the higher magnitude soil values and several stacked en-echelon faults between the Yamarna and Dexter Shears (Figure 3) indicate that the anomalies are likely to be directly above an Archean bedrock source with little lateral transport.

The magnitude and cohesion of the gold-in-soil values is unusual considering the thickness of transported Permian cover rocks and indicates a potentially significant Archean bedrock source. The Tropicana gold deposit, 80 km to the SW, has 15m to 20m of transported cover with a peak soil anomaly of 31 ppb gold in what appears to be a similar geomorphological setting.

The 25 km-long gold trend defined by the May 2012 auger soil program is open along strike.



**Figure 3 Auger Soil Gold Contours, Dexter Project**

### Next Steps

To assess the economic potential below the Dexter soil anomalies, Breaker plans to conduct infill auger soil sampling (400m x 100m) commencing in early to mid-September 2012.

Follow-up aircore drilling is planned to commence in late October 2012 subject to regulatory clearances and will be followed by RC drilling as required. Higher tenor gold-in-soil anomalies in the northern part of the Dexter project, where the cover sequence is thinner, will be prioritised.

Assay data are pending from a program of reconnaissance aircore drilling completed in the central portion of the Dexter project in July 2012 (37 holes for 2,829 m). The aim of this drilling was to test for alteration in Archean bedrock below the Permian cover rocks, and to assess the thickness and nature of the Permian cover rocks. The drilling confirmed 25m-70m of cover in the (north) central part of the project, with deeper (+100m) Permian cover in the (south) central area.

Historical soil sampling completed in the newly granted northern tenement at Dexter (E38/2695) encountered anomalous gold-in-soil values up to 32 ppb gold that have not been drilled (WMC, mid 1990s, Figure 2). Transported cover is thinner (2m to 40m) in this area and Breaker plans to extend its auger soil sampling into this area as soon as practicable.

The southern part of the Dexter project (Figures 2) is essentially unexplored however a significant gold trend has been identified to the immediate south and along strike from the Dexter Project (St George Mining Limited, ASX Release February 2012).

A detailed aeromagnetic survey was flown over the entire Dexter Project in June 2012. This data is currently being processed and will be an invaluable tool for a detailed structural analysis of the project area.

Yours Sincerely,



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<sup>2</sup>. 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 area 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.

Breaker Resources NL listed on the ASX in April 2012.

**Competent Person Statement**

The information contained in this report that relates to exploration results and geological information is based on information compiled by Mr Alastair Barker and Mr Tom Sanders, officers of Breaker Resources NL and whose services have been engaged by Breaker on an 80% of full time basis. Mr Barker and Mr Sanders 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 a 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 Barker and Mr Sanders consent to the inclusion in this report of the information based on his work in the form and context in which it appears.

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