

## HIGHLIGHTS

### EXPLORATION

- ✦ **4,000m aircore drill program commenced to test Dexter, Kurrajong and Attila West Projects**
- ✦ **Dexter Gold Project**
  - RC multi-element data suggests bedrock source to the north of the Three Bears Prospect.
  - Aircore drilling to test two targets at Three Bears.
  - Two new tenement applications made covering 18-20km extensions of Yamarna and Dexter Shear Zones.
- ✦ **Kurrajong Gold Project**
  - Aircore drilling to test 12km long gold-in-soil anomaly 35km along strike from the Gruyere gold discovery.
- ✦ **Attila West Gold Project**
  - Aircore drilling to test two gold-in-soil targets on Yamarna Shear Zone.
- ✦ **Mt Gill Gold Project**
  - Infill soil sampling completed.

### CORPORATE

- ✦ Research and development claim registered in relation to eligible exploration activities for 2012/13 under the federal government's R & D Tax Incentive Scheme.



Photo 1: Mt Gill Project Landscape

### Board of Directors

**Tom Sanders**  
Executive Chairman

**Mark Edwards**  
Non-executive Director

**Mike Kitney**  
Non-executive Director

### Senior Management

**Alastair Barker**  
Exploration Manager

**Michelle Simson**  
Manager Corporate  
Affairs/Company Secretary

### Corporate

#### **Issued Securities:**

68.9 million ordinary shares  
6.9 million partly paid shares  
28.1 million listed options  
8.4 million unlisted options

**Cash:** (31 March 2014)  
\$975,000

**Market Capitalisation:**  
\$7.6 million @ \$0.11/share

### Contact Details

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**ABN:** 87 145 011 178

**ASX CODE:** BRB



## OVERVIEW

Breaker Resources NL (ASX: BRB; "Breaker") is applying innovative exploration techniques to locate large new gold systems in historically unexplored parts of Western Australia's Eastern Goldfields Superterrane ("EGST"), one of the world's premier gold provinces.

Breaker is one of the largest tenement holders in the EGST (~4,655km<sup>2</sup>) with a 100% interest in seven exploration projects on major crustal faults known to be instrumental in the formation of large gold deposits. Since listing in April 2012, Breaker has identified eight new 10-20km-long gold-in-soil anomalies on seven projects, using wide-spaced (1,600m x 400m) modern multi-element geochemical techniques to see through the wind-blown sand cover that restricted exploration in the past.

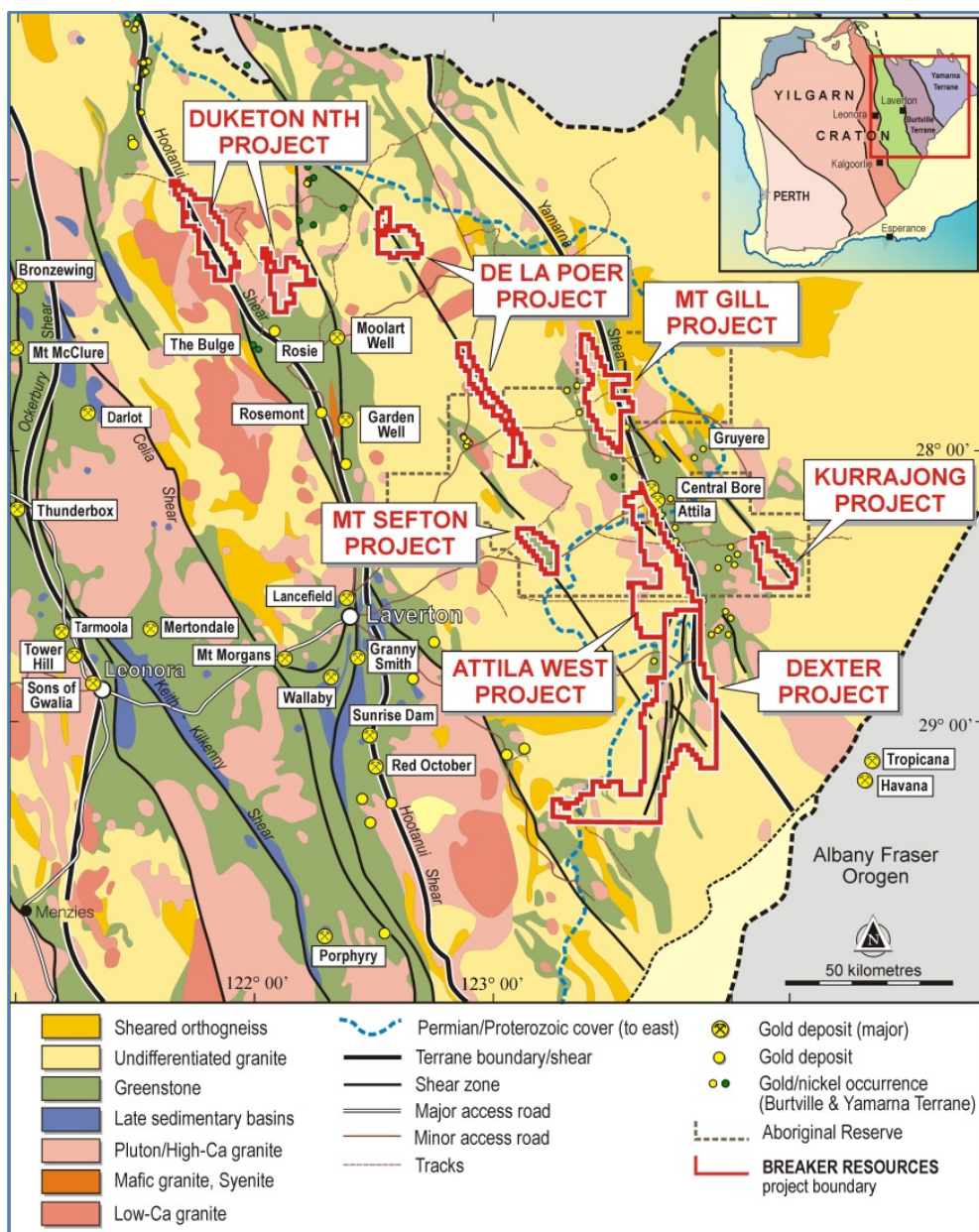


Figure 1: Project Location Map

## EXPLORATION AND EVALUATION

### Dexter Gold Project March 2014 Quarter Exploration Activities

The Dexter Gold Project is located 140km south-southeast of Laverton in the southern part of the Burtville and Yamarna Terranes (Figure 1). The Dexter Project straddles the intersection of the Yamarna, Dexter and Sefton Shear Zones and includes extensive areas of previously unexplored sheared greenstone packages (Figure 2). Thin aeolian sand and variable thicknesses of Permian sediment overlie the prospective Archean basement rocks.

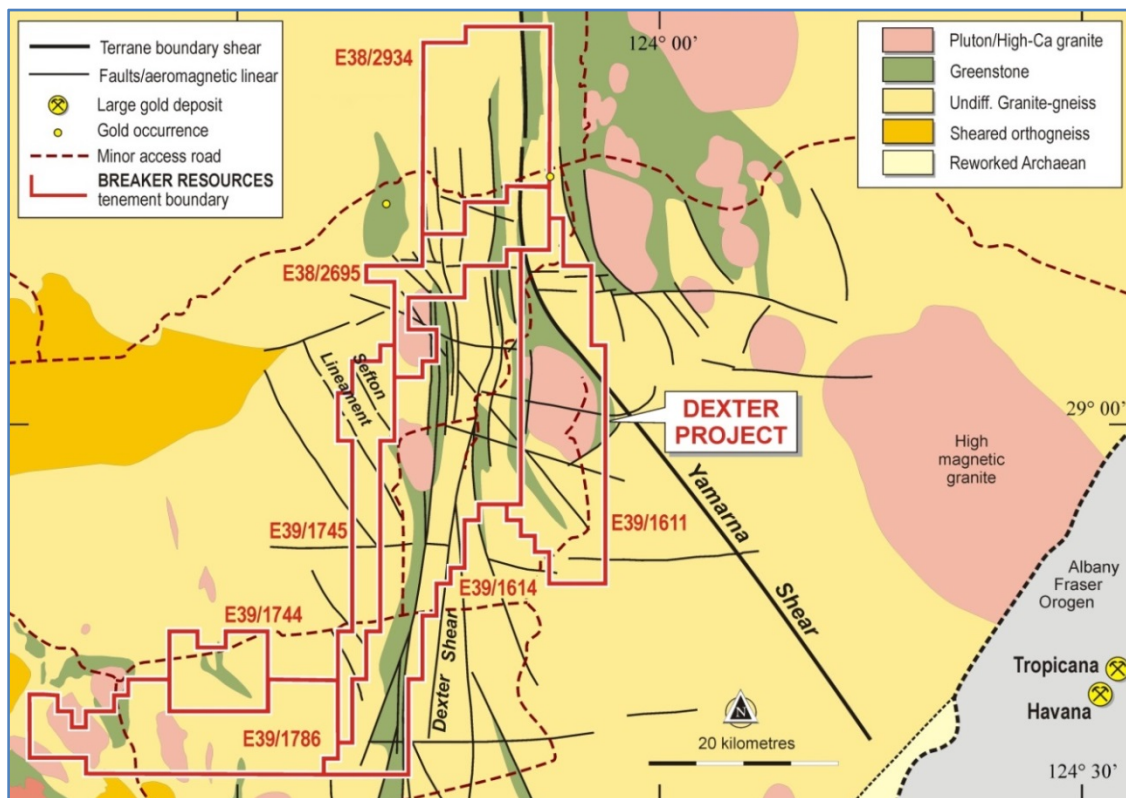


Figure 2: Dexter Project - Interpreted Geology

During the quarter, multi-element assay results of bedrock samples were received from the RC drilling undertaken in late-2013. The resulting increase in data density indicates a north-trending bedrock geochemical vector defined by several gold pathfinder elements such as tellurium and molybdenum (Figure 3). This suggests that the inferred bedrock source may be to the north of the Three Bears Prospect instead of south as previously thought.

To test this hypothesis ahead of further RC drilling, three aircore drill traverses (~650m) are planned in April 2014 to assess the Dexter Shear Zone over a 3km strike length to the north of the Three Bears Prospect (Figure 4). Further aircore drilling (~500m) is also planned to assess an area located 5km to the west of the Three Bears Prospect. Aircore drilling in this area in the previous quarter identified anomalous gold and gold pathfinder elements in a zone of shearing – the western component of the Dexter Shear Zone – adjacent to a domal granite on the southern extensions of the Isolated Hills greenstone belt (Figure 4).



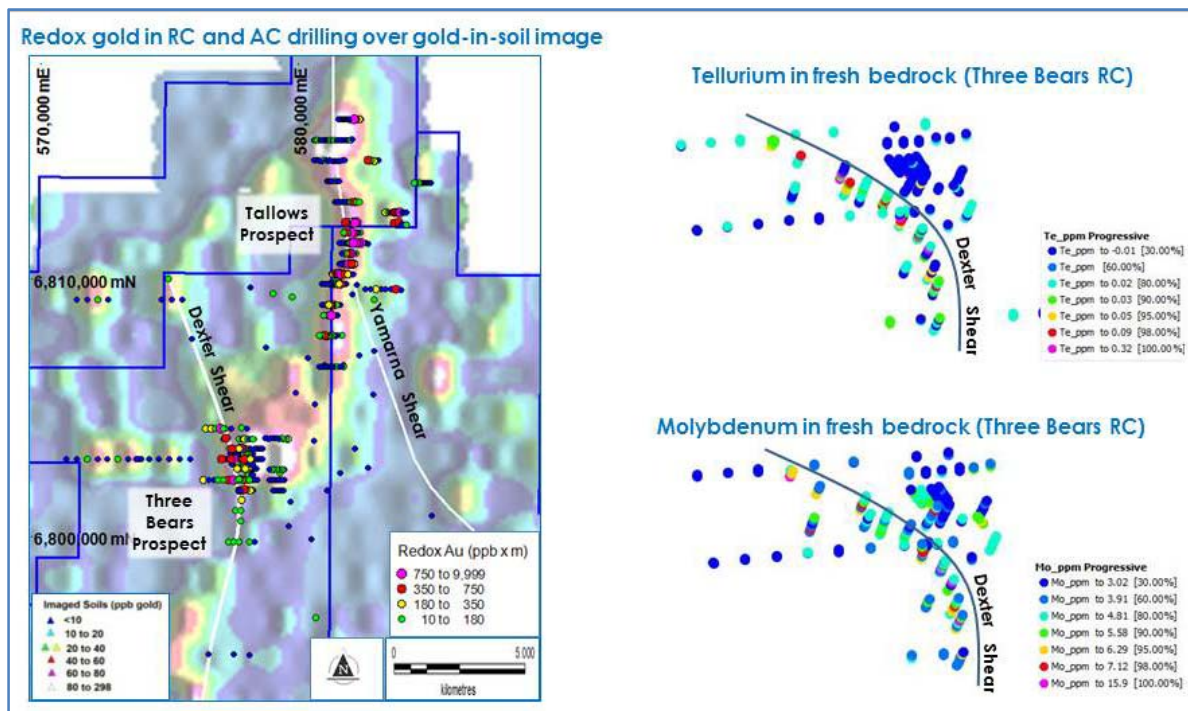


Figure 3: Dexter Project, Three Bears Prospect – Redox Gold in RC and AC Drilling over Gold-in-Soil Image with Bedrock Tellurium and Molybdenum

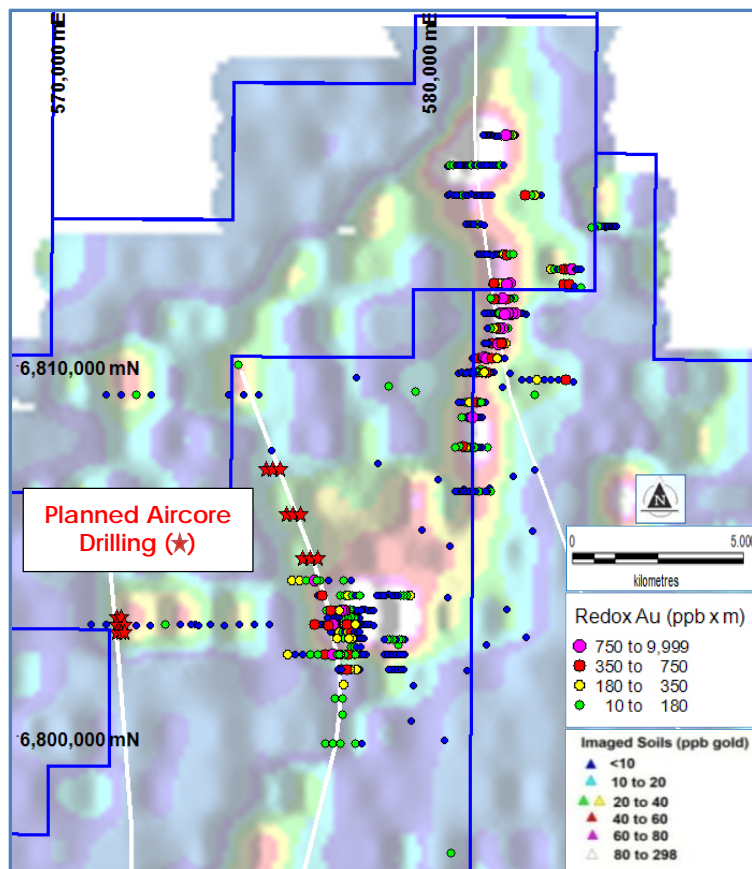


Figure 4: Dexter Project – Planned Aircore Drilling with Redox Gold in RC and AC Drilling over Gold-in-Soil Image

Following two new Exploration Licence applications (E39/1786 and E38/2934; Figure 2), the Dexter Project is now contiguous with the Attila West Project to the north. The applications extend the Project to the north and southwest, increasing the overall area to 1,960km<sup>2</sup>. Exploration Licence E38/2934 extends the coverage of the Yamarna Shear to 45km and of the Dexter Shear Zone to 80km.

Planned RC and aircore drilling at the Sandshoes Prospect has been rescheduled to coincide with likely RC drilling at the Three Bears and Tallows Prospects, after assessment of the upcoming aircore drilling results.

### Attila West Gold Project March 2014 Quarter Exploration Activities

The 792km<sup>2</sup> Attila West Project is located 130km east-northeast of Laverton, and 2km west of the 1Moz Attila Trend gold deposit. It is contiguous with the Dexter Project to the south.

The Project targets gold in an area of structural complexity arising from the interaction of the Yamarna Shear Zone, a large domal granite intrusion in the central part of the Project, and the Mt Venn and Isolated Hills greenstone belts to the north and south of the granite. Several east-west structures are evident, some of which have an apparent spatial association with known gold occurrences to the east of the Project.

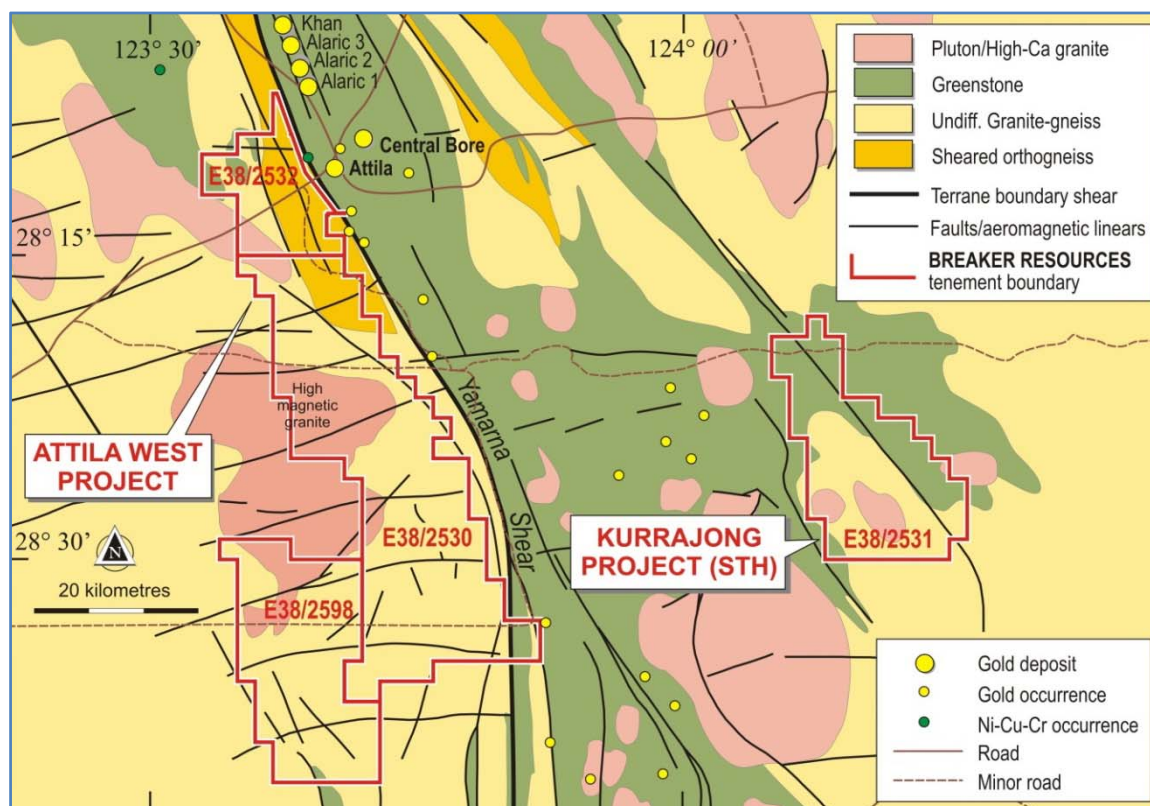


Figure 5: Attila West and Kurrajong Projects – Interpreted Geology

Historical exploration is limited and the vast majority of the Project is unexplored. Thin sand cover over residual Archean basement is dominant in the northern part of the Project. Thin Permian cover is present in the southern half of the Project (generally 10m-15m).

An auger soil geochemical program completed in 2013 successfully identified a series of large, coherent gold-in-soil anomalies that cluster near the margin of the large magnetic granite in the central part of the Project (peak values of 73ppb gold; ASX Release 31 July 2013). These anomalies are associated with elevated gold pathfinder elements, including molybdenum, arsenic, bismuth, selenium and tellurium, which enhance their prospectivity.

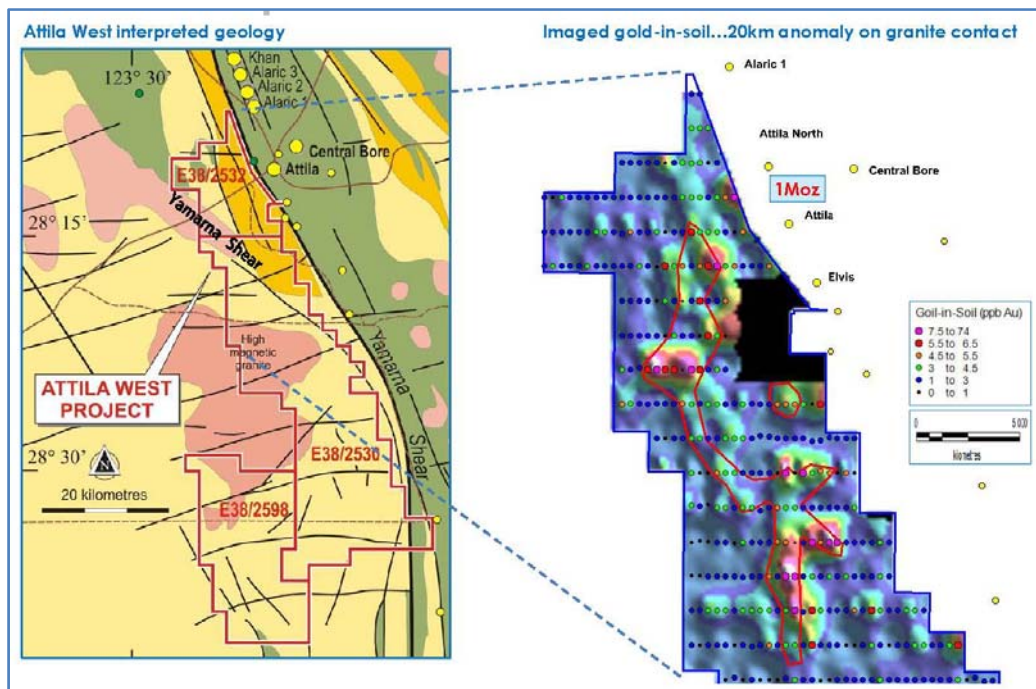


Figure 6: Attila West North – Gold-in-Soil Image

The northern soil anomaly extends over a distance of 20km and is up to 2.5km in width. The scale of the northern soil anomaly is significant and its overlap with the southern pinchout of the Mt Venn greenstone belt, the margin of the central magnetic granite and several east-west faults gives it further weight. Reconnaissance mapping in the area has identified granite-gneiss outcrops around the northern end of the anomaly with visual signs of pervasive sericite-carbonate alteration.

The southern soil anomalies are smaller in size but locally higher in magnitude (maximum dimension of 12km x 2km). These anomalies are typically associated with magnetic discontinuities, including east-west trending faults and the partially consumed remnants of the Isolated Hills greenstone belt.

Drilling of three wide-spaced reconnaissance aircore drill traverses commenced on 16 April 2014 to make a preliminary assessment of the northern soil anomaly (400m drill hole spacing). Three reconnaissance aircore drill traverses are also planned to test one of the southern soil anomalies (100m drill spacing; total ~700m) located on a regional bend in the Yamarna Shear adjacent to Gold Road Resources' Breelya-Minnie Hill prospect area. The target is a 3.5 x 1km area in the far southeast of the Project defined by the Yamarna Shear Zone corridor, auger anomalism in gold and arsenic, and multi-element anomalism from scout aircore drilling undertaken by Breaker in 2012. Gold and arsenic clearly highlight the target area in the auger geochemistry – arsenic, in particular, is anomalous for at least 3km across strike.



Following Breaker's application for E38/2934 in the current quarter, the prospect is open to the south (Figure 2).

Further aircore and RC drilling are planned pending results of the current aircore program.



Photo 2: Attila West Project Landscape

### **Kurrajong Gold Project March 2014 Quarter Exploration Activities**

The 217km<sup>2</sup> Kurrajong Project is located in the Yamarna Terrane, 175km east-northeast of Laverton and 35km along strike from the recent Gruyere gold discovery announced by Gold Road Resources in October 2013 (Figures 1, 5 and 7). The Gruyere discovery appears to be one of the most significant recent discoveries in the EGST and reinforces the undiscovered gold potential of the Yamarna and Burtville Terranes. It also upgrades the potential of the Kurrajong Project.

Breaker identified a 12km gold-in-soil anomaly in the north-western part of the Kurrajong Project in early 2013 (gold up to 24ppb; ASX Release 9 April 2013) (Figure 8). The Kurrajong anomaly is considered highly prospective based on its location with respect to a major fault – a splay of the Yamarna Shear Zone – along the southern extension of the Dorothy Hills greenstone belt and domal granite intrusions (Figure 7). Anomalous gold pathfinder elements, including molybdenum, arsenic and selenium, enhance this prospectivity. The anomaly is coherent despite the presence of extensive wind-blown sand and Permian cover estimated to be 40m to 60m in thickness. There is no historical drilling on the Project.

To make a preliminary assessment of the soil anomaly and the nature of the regolith, Breaker is planning to drill up to four wide-spaced aircore drill traverses and several reconnaissance holes in April 2014 (35 holes for ~2,100m on 400m drill hole spacing; Figure 8). The program will be modified in the field where appropriate based on drill conditions and the thickness of Permian cover encountered.

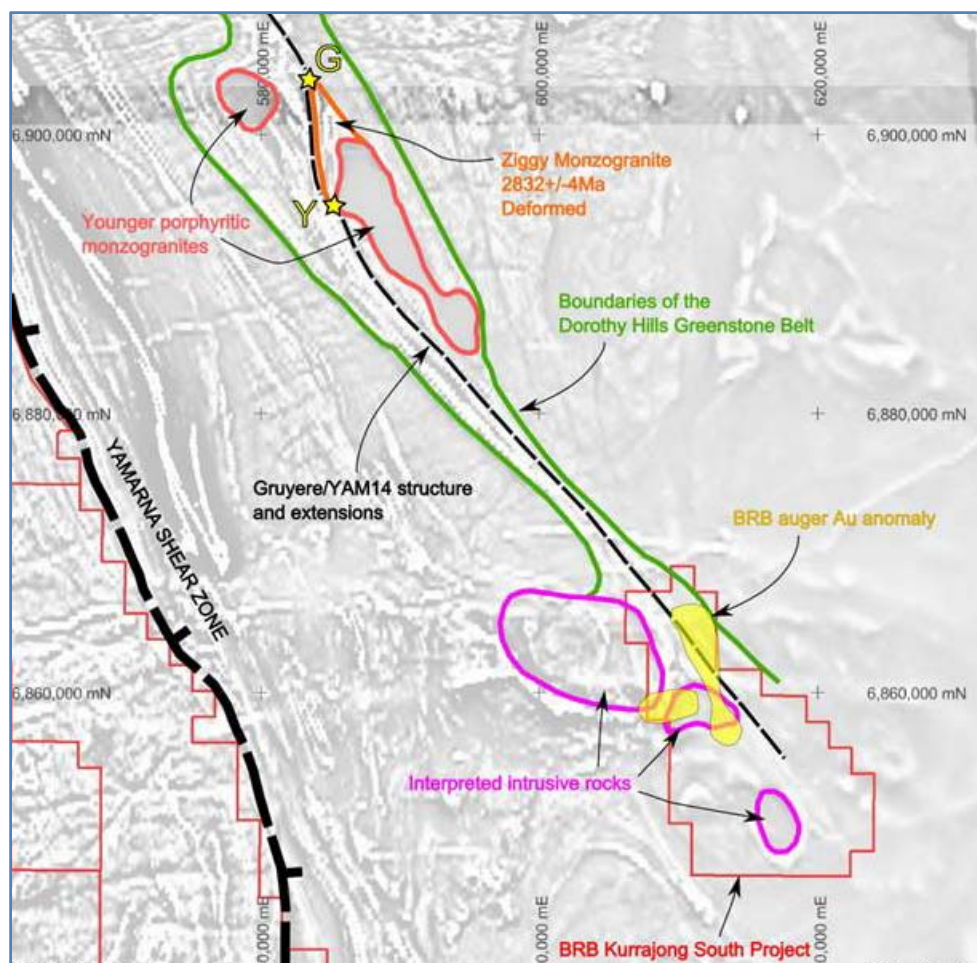


Figure 7: Kurrajong Project in Relation to Gruyere Discovery on Grey-Scale Aeromagnetic Image

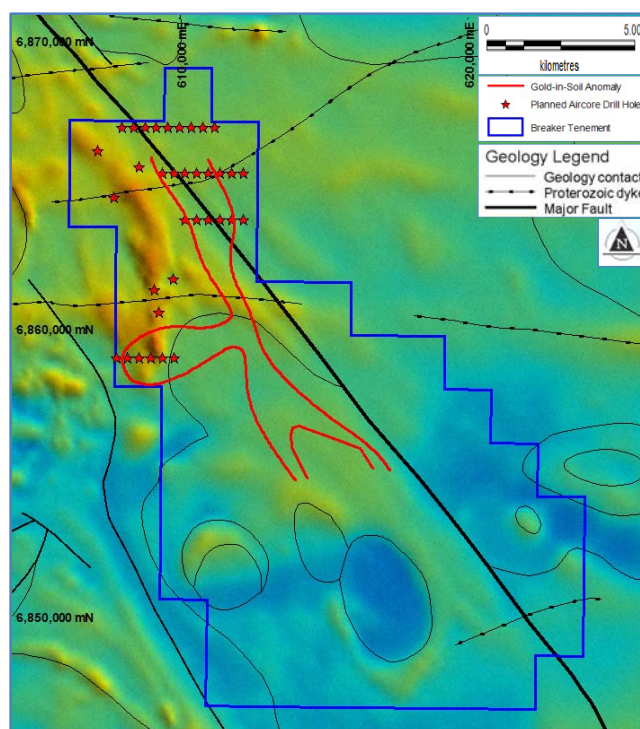


Figure 8: Kurrajong Project - Planned Aircore Drilling over Aeromagnetic Image



Further aircore or RC drilling is likely subject to the results of the current aircore program.

### **Mt Gill Gold Project March 2014 Quarter Exploration Activities**

The 445km<sup>2</sup> Mt Gill Project is located 135km northeast of Laverton and 30km along strike from the Attila-Alaric-Central Bore gold deposits. The Project includes 35km of the Yamarna Shear Zone and 17km of the Yamarna greenstone belt. The regolith is dominated by extensive thin aeolian sand overlying Archean bedrock.

A large multi-element reconnaissance auger soil program in 2012/13 identified multiple gold-in-soil anomalies with variably anomalous arsenic, molybdenum, bismuth and antimony spatially associated with the Yamarna Shear and greenstone belt (gold up to 63ppb; ASX Release 30 October 2012).

In the March 2014 quarter, infill soil sampling was conducted on an 800m x 200m spacing to further investigate strongly anomalous soil results along the Yamarna Shear and within the Yamarna greenstone belt (439 samples). Assay results are pending. This is expected to lead to drilling subject to final soil results and field validation.



**Photo 3: Mt Gill Project Landscape**

### **Duketon North Gold Project March 2014 Quarter Exploration Activities**

The 627km<sup>2</sup> Duketon North Project is located 160km north-northwest of Laverton and 50km north of the 10Moz Moolart Well-Garden Well-Rosemont gold camp. The Project targets gold along a 42km strike length of the Hootanui Shear, a major fault zone that separates the Kurnalpi and Burtville Terranes. Outcrop is limited with thin (<2m) sand cover dominant over Archean basement.

Reconnaissance soil sampling in 2013 previously identified multiple gold-in-soil anomalies many of which have a spatial association with a number of prominent structural positions.

The gold-in-soil anomalies have a peak value of 10ppb gold (ASX Release 31 January 2013) which is comparable to soil anomalies associated with the Moolart Well (3 to 7ppb gold) and Garden Well (3 to 25ppb gold) deposits.

No field work was undertaken in the March 2014 quarter.

### **De La Poer Gold Project March 2014 Quarter Exploration Activities**

The 455km<sup>2</sup> De La Poer Project is located in the Burtville Terrane, 130km northeast of Laverton and 50km east of the 10Moz Moolart Well/Garden Well/Rosemont gold camp. The Project targets gold along the De La Poer Fault and includes the Deleta greenstone belt. The De La Poer Project is largely unexplored and is dominated by thin sand cover over Archean basement.

Reconnaissance auger soil geochemical activities in 2012/13 identified seven gold-in-soil anomalies of potential interest based on tenor, coherence and location with respect to structural features (ASX Release 30 April 2013).

No field work was undertaken in the March 2014 quarter.

### **Mt Sefton Gold Project March 2014 Quarter Exploration Activities**

The 156km<sup>2</sup> Mt Sefton Project is located 80km east-northeast of Laverton and targets gold mineralisation in a previously undrilled greenstone belt on the Sefton Lineament. The greenstone belt extends over a 17km x 3km area and consists of alternating doleritic gabbro, basalt with subordinate ultramafic and sedimentary rocks. Thin aeolian sands blanket the western and northern part of the tenement.

In mid-2013, reconnaissance multi-element auger sampling identified several gold-in-soil anomalies, the largest of which extends for 20km with peak gold and silver values of 14ppb and 3,075ppb respectively (ASX Release 31 July 2013). Subsequent rock chip sampling identified an area of copper mineralisation (0.53%) with anomalous silver (0.45g/t) and tellurium (13ppm) (ASX Release 31 October 2013).

No field work was undertaken in the March 2014 quarter.

## **CORPORATE**

During the quarter, work progressed on the Company's submission to the federal government's R&D Tax Incentive Scheme relating to its 2012/13 exploration expenditure, with a registration confirmed subsequent to period end.

The Company also considered initiatives designed to reduce operating costs and manage cash resources during the present difficult operating environment. It has been agreed that, effective 1 April 2013, the fees payable to non-executive directors and the remuneration of the Company's senior executives will be reduced by 20%. Non-executive directors will now receive an annual fee of \$32,000 including superannuation and Executive Chairman Tom Sanders' annual remuneration will reduce to \$220,104, inclusive of superannuation.



In line with ASX Listing Rule 3.15.1, Breaker advises that effective 24 April 2014, the address of the office at which the Company's register of security holders is maintained will change. The Company's share registry, Advanced Share Registry, is relocating to:

110 Stirling Highway  
Nedlands WA 6009

and their contact details will be:

Tel: (08) 9389 8033  
Fax: (08) 9262 3723.

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:

**Tom Sanders**  
**Executive Chairman**  
Tel: +61 8 9226 3666  
Email: [breaker@breakerresources.com.au](mailto:breaker@breakerresources.com.au)

#### **COMPETENT PERSONS STATEMENT**

The information in this report that relates to Exploration Targets and Exploration Results is based on information compiled by Tom Sanders and Alastair Barker, Competent Persons, who are Members of The Australasian Institute of Mining and Metallurgy. Mr Sanders and Mr Barker are officers of Breaker Resources NL and their services have been engaged by Breaker on an 80% of full time basis; they are also shareholders in the Company. Mr Sanders and Mr Barker have sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Sanders and Mr Barker consent to the inclusion in the report of the matters based on their information in the form and context in which it appears.

Previously reported drill, soil and rock chip results mentioned in this report were reported under JORC Code 2004 and there has been no material change to the information since this time.

**APPENDIX 1: Tenement Schedule**

In line with obligations under ASX Listing Rule 5.3.3, Breaker provides the following information relating to its mining tenement holdings as at 31 March 2014.

Project	Tenement Number	Status at 31/03/14	Percentage Held/Earning	Changes during the Quarter
Attila West	E38/2530	Granted	100	
	E38/2532	Granted	100	
	E38/2598	Granted	100	
De La Poer	E38/2516	Granted	100	
	E38/2517	Granted	100	
	E38/2518	Granted	100	
	E38/2519	Granted	100	
	E38/2520	Granted	100	
	E38/2853	Granted	100	
Dexter	E38/2695	Granted	100	
	E38/2920	Application	100	<i>Applied for 04/03/14</i>
	E39/1611	Granted	100	
	E39/1614	Granted	100	
	E39/1744	Granted	100	
	E39/1745	Granted	100	
	E39/1786	Application	100	<i>Applied for 09/01/14</i>
Duketon North	E38/2511	Granted	100	
	E38/2512	Granted	100	
	E38/2852	Application	100	
	E38/2854	Application	100	
	E38/2855	Application	100	
	E53/1592	Granted	100	
Kurrajong	E38/2531	Granted	100	
Mt Gill	E38/2513	Granted	100	
	E38/2529	Granted	100	
Mt Sefton	E38/2514	Granted	100	

No tenements were surrendered or applications withdrawn during the March 2014 quarter.

All tenements are 100% held by Breaker Resources NL and none are subject to any farm-in or farm-out agreements.



## Appendix 5B

### Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96   Origin Appendix 8   Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/2013

Name of entity

**Breaker Resources NL**

ABN

87 145 011 178

Quarter ended ("current quarter")

31 March 2014

### Consolidated statement of cash flows

<b>Cash flows related to operating activities</b>	Current quarter \$A'ooo	Year to date (9 months) \$A'ooo
1.1 Receipts from product sales and related debtors	-	-
1.2 Payments for: (a) exploration & evaluation	(501)	(2,335)
(b) development	-	-
(c) production	-	-
(d) administration	(126)	(404)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	4	19
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other (provide details if material)	-	30
<b>Net Operating Cash Flows</b>	<b>(623)</b>	<b>(2,690)</b>
<b>Cash flows related to investing activities</b>		
1.8 Payment for purchases of: (a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	-	(1)
1.9 Proceeds from sale of: (a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	-	-
1.10 Loans to other entities	-	-
1.11 Loans repaid by other entities	-	-
1.12 Other (provide details if material)	-	-
<b>Net investing cash flows</b>	<b>-</b>	<b>(1)</b>
1.13 Total operating and investing cash flows (carried forward)	<b>(623)</b>	<b>(2,691)</b>

+ See chapter 19 for defined terms.

## Appendix 5B

### Mining exploration entity and oil and gas exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(623)	(2,691)
	<b>Cash flows related to financing activities</b>		
1.14	Proceeds from issues of shares, options, etc.	(141)	1,427
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	(4)	(11)
1.18	Dividends paid	-	-
1.19	Other (provide details if material)	-	-
	<b>Net financing cash flows</b>	(145)	1,416
	<b>Net increase (decrease) in cash held</b>	(768)	(1,275)
1.20	Cash at beginning of quarter/year to date	1,743	2,250
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	<b>Cash at end of quarter</b>	975	975

### Payments to directors of the entity, associates of the directors, related entities of the entity and associates of the related entities

	Current quarter \$A'ooo
1.23 Aggregate amount of payments to the parties included in item 1.2	89
1.24 Aggregate amount of loans to the parties included in item 1.10	-

#### 1.25 Explanation necessary for an understanding of the transactions

Item 1.23 includes aggregate amounts paid to directors including salary, directors' fees, consulting fees and superannuation.

### Non-cash financing and investing activities

#### 2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

#### 2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

+ See chapter 19 for defined terms.



## Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A'ooo	Amount used \$A'ooo
3.1 Loan facilities	-	-
3.2 Credit standby arrangements	-	-

## Estimated cash outflows for next quarter

	\$A'ooo
4.1 Exploration and evaluation	350
4.2 Development	-
4.3 Production	-
4.4 Administration	100
<b>Total</b>	450

## Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.	Current quarter \$A'ooo	Previous quarter \$A'ooo
5.1 Cash on hand and at bank	174	1,743
5.2 Deposits at call	801	-
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
<b>Total: cash at end of quarter (item 1.22)</b>	975	1,743

## Changes in interests in mining tenements and petroleum tenements

	Tenement reference & location	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1 Interests in mining tenements and petroleum tenements relinquished, reduced or lapsed				
6.2 Interests in mining tenements and petroleum tenements acquired or increased	E39/1786 E38/2920	Application Application	0% 0%	100% 100%

+ See chapter 19 for defined terms.

**Issued and quoted securities at end of current quarter**

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

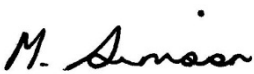
	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1 <b>Preference +securities</b> (description)				
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3 <b>+Ordinary securities</b>	BRB: 68,875,005 BRBCA: 6,887,498	59,075,005 6,887,498	- 20 cents	- 1 cent
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs				
7.5 <b>+Convertible debt securities</b> (description)				
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7 <b>Options</b> (description and conversion factor)	BRBO: 28,137,498 3,000,000 3,000,000 1,400,000 1,000,000	28,137,498 - - - -	Exercise price 25 cents 23.1 cents 28.1 cents 48.1 cents 50 cents	Expiry date 31 December 2014 30 June 2016 30 June 2016 31 December 2016 31 December 2016
7.8 Issued during quarter				
7.9 Exercised during quarter				
7.10 Expired during quarter				
7.11 <b>Debentures</b> (totals only)				

+ See chapter 19 for defined terms.

7.12	Unsecured notes (totals only)		
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## Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 5).
- 2 This statement does ~~/does not\* (delete one)~~ give a true and fair view of the matters disclosed.

Sign here:   
(Company secretary)

Date: 17 April 2014

Print name: Michelle Simson

## Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements and petroleum tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement or petroleum tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Financial Reporting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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+ See chapter 19 for defined terms.