

HIGHLIGHTS

EXPLORATION

Dexter Gold Project

✦ **Three Bears-Tallows Prospects**

- Initial 3,014m 15-hole RC drilling program completed.
- Significant sulphides intersected along Dexter Shear.
- No significant high grade gold results. Multi-element assay results pending and further analysis is needed to establish if a geochemical vector to the inferred bedrock gold source is present.

✦ **Sandshoes Prospect**

Yet to be drilled.

- ✦ Co-funded grant of \$150,000 received for RC drilling under the WA Exploration Incentive Scheme.

- ✦ Two new tenements granted.

Other Projects

- ✦ Heritage survey completed at Attila West in preparation for aircore drilling.

CORPORATE

- ✦ Fully underwritten renounceable pro rata entitlement issue successfully completed raising \$1.58 million (before costs).
- ✦ Research and development claim in preparation. The Company believes that a significant portion of its 2012/13 exploration expenditure of \$3.95 million may be eligible for a refundable offset under the Federal Government's R & D Tax Incentive Scheme subject to meeting all eligibility criteria.
- ✦ Joint venture options to be assessed to leverage Breaker's large portfolio, expedite the exploration process and manage exploration risk.



Photo 1: RC Drilling at Dexter Gold Project (November/December 2013)

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 December 2013)

\$1.7 million

Market Capitalisation:

\$8.3 million @ \$0.12/share

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ASX CODE: BRB



OVERVIEW

Breaker Resources NL (ASX: BRB; "Breaker") is applying innovative exploration techniques to locate world class gold deposits in historically unexplored parts of Western Australia's Eastern Goldfields Superterrane ("EGST"), which accounts for 75% of Australia's gold endowment.

Breaker is one of the largest tenement holders in the EGST (~4,357km²) with a 100% interest in seven exploration projects (Figure 1) 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 wind-blown sand cover that restricted exploration in the past.

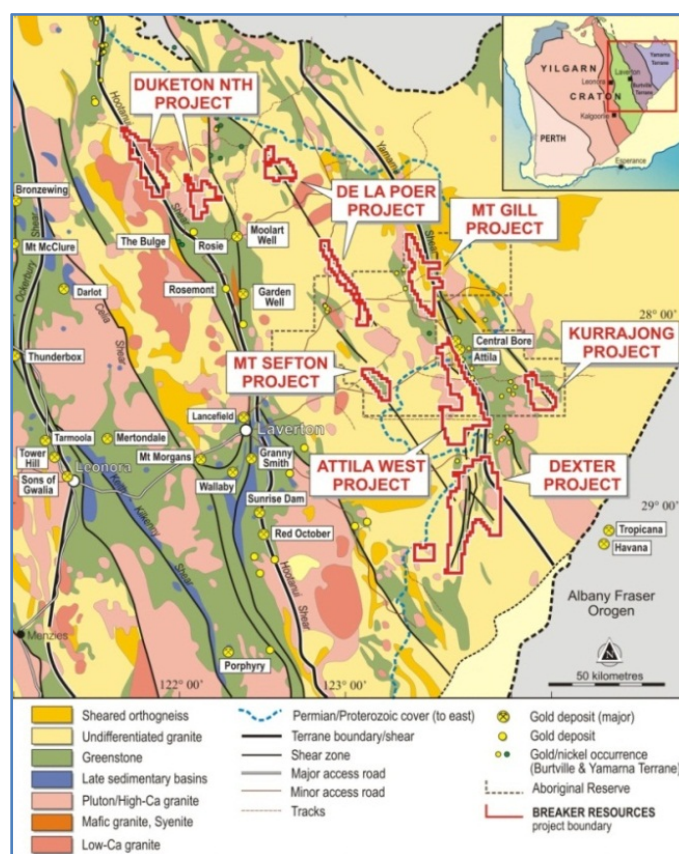


Figure 1: Breaker Resources' Project Location Map

EXPLORATION AND EVALUATION

Dexter Gold Project December 2013 Quarter Exploration Activities

The 1,360km² Dexter Gold Project is located 140km south-southeast of Laverton in the southern part of the Burtville and Yamarna Terranes (Figure 2). The Project includes 27km of the Yamarna Shear Zone and 60km of the Dexter Shear Zone. Thin aeolian sand and transported weathered Permian sediment overlie the prospective Archean basement rocks. Prior to Breaker's activities, the Project was essentially unexplored.

Prior to the December 2013 quarter, Breaker identified a 16km-long gold-in-soil anomaly in the northern part of the Project (up to 0.3g/t gold and 17g/t silver) (ASX Release 13 November 2013). Follow-up aircore drilling identified two discrete areas of subsurface redox gold enrichment (secondary gold precipitated at fossil water tables) at the Three Bears and Tallows Prospects with grades up to 3m at 7.1g/t gold (ASX Release 29 April 2013). Subsequent reverse circulation ("RC") drilling in the vicinity of the redox gold enrichment at the Three Bears Prospect located a 400m-wide zone of alteration and shearing — the Dexter Shear Zone — with pyrite and gold pathfinder elements increasing to the south. The final RC drill hole on the southern-most drill traverse intersected anomalous gold over a 16m-wide zone (up to 0.3g/t gold in BDRC057) (ASX Release 26 July 2013) suggesting that the Archean bedrock source of the large gold-in-soil anomaly may be further south (Figure 3).

The Company recommenced RC drilling on 29 November 2013 and completed 3,014m, comprising 12 holes for 2,420m at the Three Bears Prospect and three holes for 594m at the Tallows Prospect (Figure 4). Reconnaissance aircore drilling of several second-order gold-in-soil anomalies in the northern part of the Project was also completed (37 vertical holes for 2,121m; Figure 4). Planned scout RC drilling of a large gold-in-soil anomaly identified at the Sandshoes Prospect in the September 2013 quarter was not undertaken due to slower than expected drill progress leading into the Christmas break.

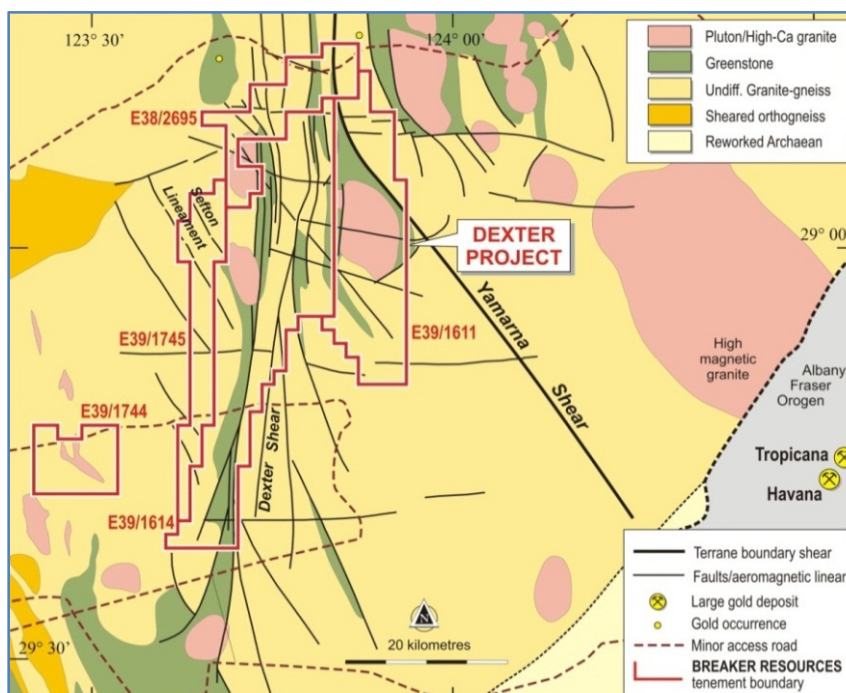


Figure 2: Dexter Gold Project: Interpreted Geology



Photo 2: Dexter Camp

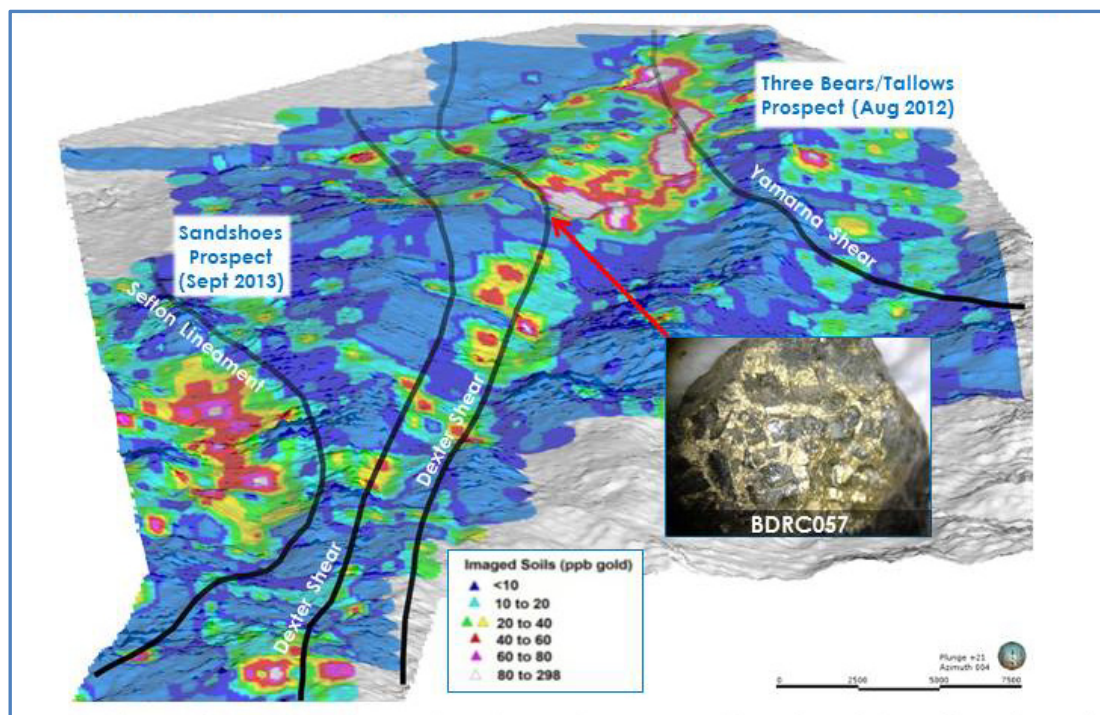


Figure 3: Dexter Gold Project: Three Dimensional Perspective Looking North
Gold Draped Over Topography (x20 vertical exaggeration; viewing area 70km x 30km)

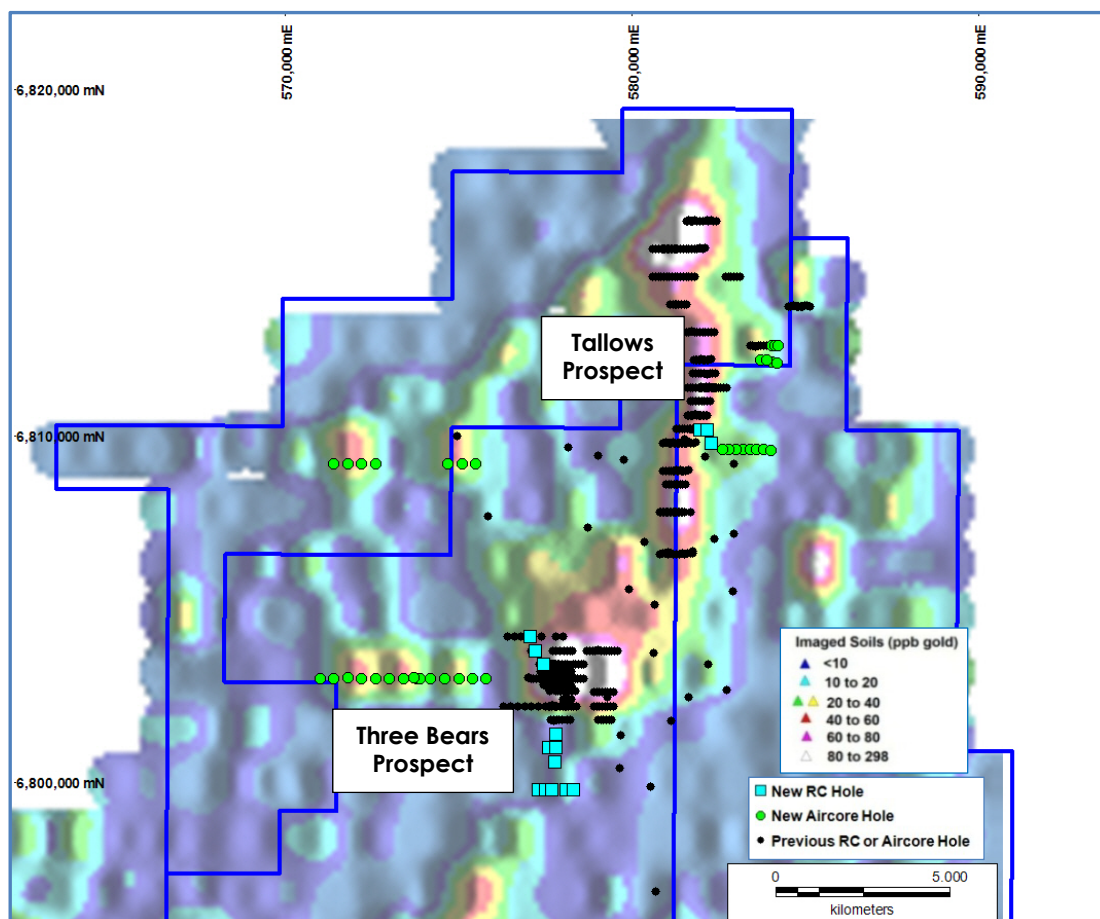


Figure 4: Dexter Gold Project: Drill Hole Location Plan (New RC and Aircore) on Gold-in-Soil Image

Three Bears Prospect RC

The main objective of the RC drilling at the Three Bears Prospect was to trace anomalous bedrock gold mineralisation further south along the Dexter Shear Zone.

RC drilling to the south of the Three Bears Prospect consisted of five angled holes directed at the Dexter Shear Zone, and four vertical reconnaissance holes targeting structural features in the vicinity of the Dexter Shear Zone. Three RC holes targeting the Dexter Shear Zone were also drilled in the northern part of the Three Bears Prospect (Figure 5).

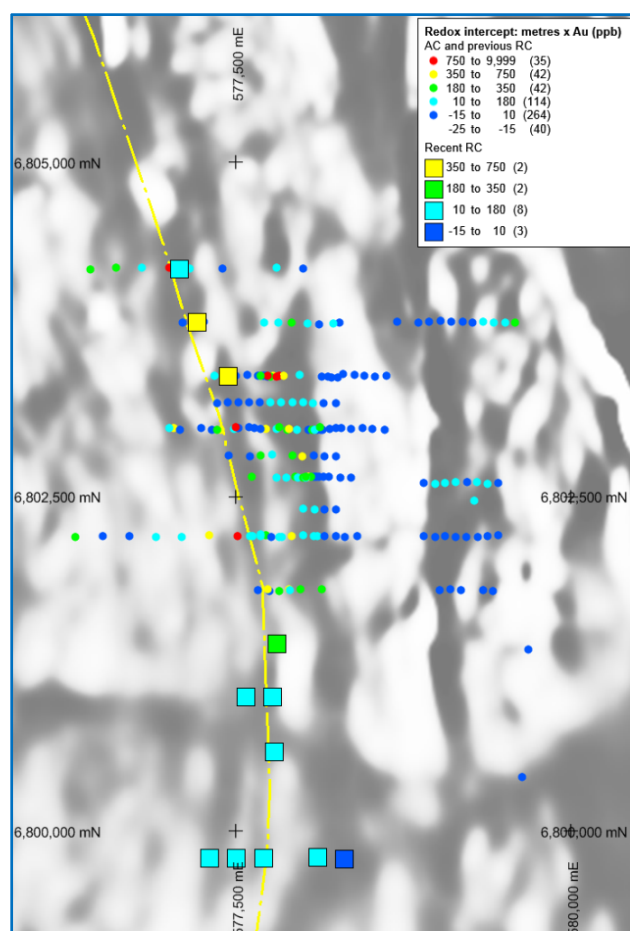


Figure 5: Three Bears Prospect: Recent RC Drilling showing Redox (Fossil Water Table) Gold Levels on Grey Scale Aeromagnetic Image

Four of the five angled holes that successfully intersected the Dexter Shear to the south of the Three Bears Prospect encountered a persistent 1m to 3m wide sulphide-rich zone within altered pyrite-bearing amphibolite extending 1km to the south of the Three Bears Prospect. Three RC holes in the northern part of the Three Bears Prospect also encountered altered pyrite-bearing amphibolite.

No significant high grade gold mineralisation was encountered in the RC drilling (maximum 4m at 0.2g/t gold). Multi-element assay results are pending and further analysis of this data is needed to establish whether a geochemical vector to the inferred bedrock gold source is present. In the vicinity of the Three Bears Prospect, the RC drilling continues to show redox-level enrichment spatially associated with the Dexter Shear (Figure 5).

Tallows Prospect RC

RC drilling at the Tallows Prospect comprised three angled holes for a total of 594m (Figure 4). The aim of the RC drilling at the Tallows Prospect was to locate a potential bedrock gold source responsible for a strong zone of secondary redox gold enrichment delineated by earlier drilling.

The RC drilling targeted the Yamarna Shear Zone near the southern margin of a large concentration of redox gold attributed to either a separate bedrock source in the Tallows area or a “ponded” gold accumulation sourced upslope.

The drilling did not locate any significant gold mineralisation. Further analysis of the results will be undertaken following receipt of multi-element assay results.

Sandshoes Prospect RC

Planned RC scout drilling to assess the Sandshoes Prospect – a 12km-long gold-in-soil anomaly identified 20km southwest of the Three Bears Prospect in the previous quarter – will be rescheduled to maximise the benefit of a co-funded RC drilling grant awarded to Breaker in the December 2013 quarter (WA Government's Exploration Incentive Scheme).

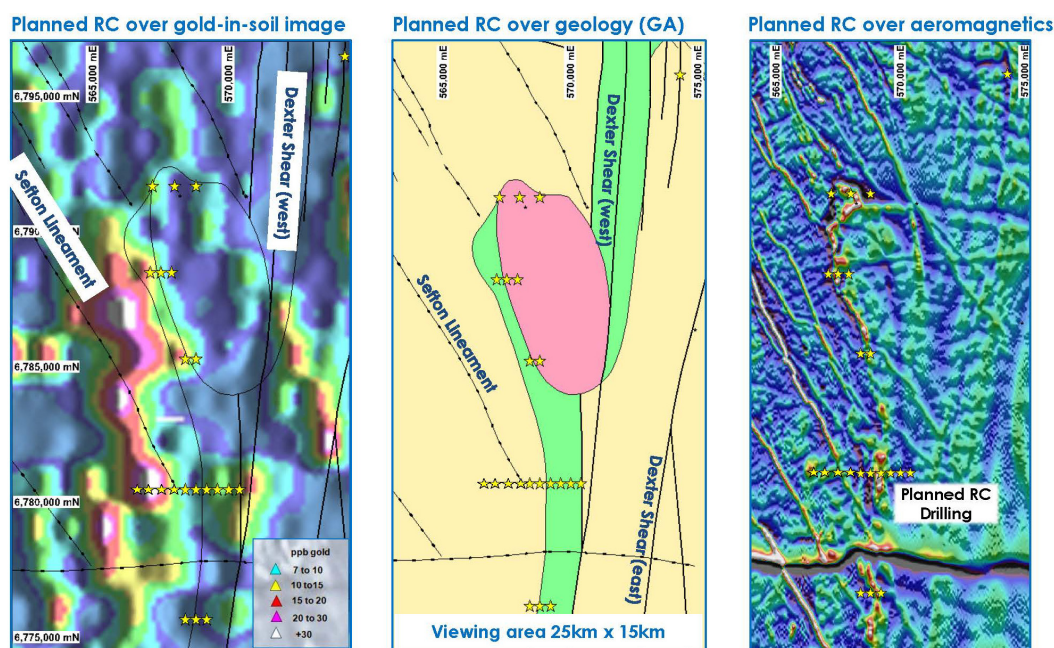


Figure 6: Sandshoes Prospect Showing Planned RC Drilling

Reconnaissance Aircore Drilling

Reconnaissance aircore drilling (37 vertical holes for 2,121m on a 200m-400m hole spacing) was completed to test for redox and bedrock gold at three second-order gold-in-soil anomalies to the west of the Three Bears Prospect, and to investigate secondary redox gold enrichment identified by earlier drilling to the east of the Tallows Prospect.

The aircore drilling identified a maximum of 3m at 0.2g/t gold in a bottom of hole sample to the east of Tallows.

Other

Breaker was successful in its application for a \$150,000 grant from the WA Government's Exploration Incentive Scheme during the quarter. The grant will be matched by Breaker on a dollar-for-dollar basis of direct RC drilling costs incurred during 2014.

Two new exploration licences (E39/1744 and E39/1745) were granted to cover areas adjacent to gold-in-soil anomalies identified in the previous quarter.

Attila West Gold Project December 2013 Quarter Exploration Activities

The Attila West Project is located 130km east-northeast of Laverton and approximately 2km west of the 1Moz Attila Trend gold resource. The Project comprises three tenements with an overall area of 792km². Attila West has a favourable setting for gold mineralisation based on the interaction between the Yamarna Shear Zone, a large domal granite intrusion in the central part of the Project and two greenstone belts to the north and south of the granite. The Project is dominated by thin wind-blown sand cover over residual Archean basement in the northern half of the Project and thin (generally <10m) Permian cover in the southern half.

A 2012/13 soil program successfully identified a series of large, coherent gold-in-soil anomalies (peak values of 73ppb gold; 2,068ppb silver)(ASX Release 31 July 2013) which cluster around the margin of the large granite in the central Project area.

In the December 2013 quarter, the Company conducted a heritage survey to enable the next stage of exploration fieldwork to proceed. Environmental rehabilitation works were also undertaken. Aircore drilling of priority soil targets is planned late in the March 2014 quarter.

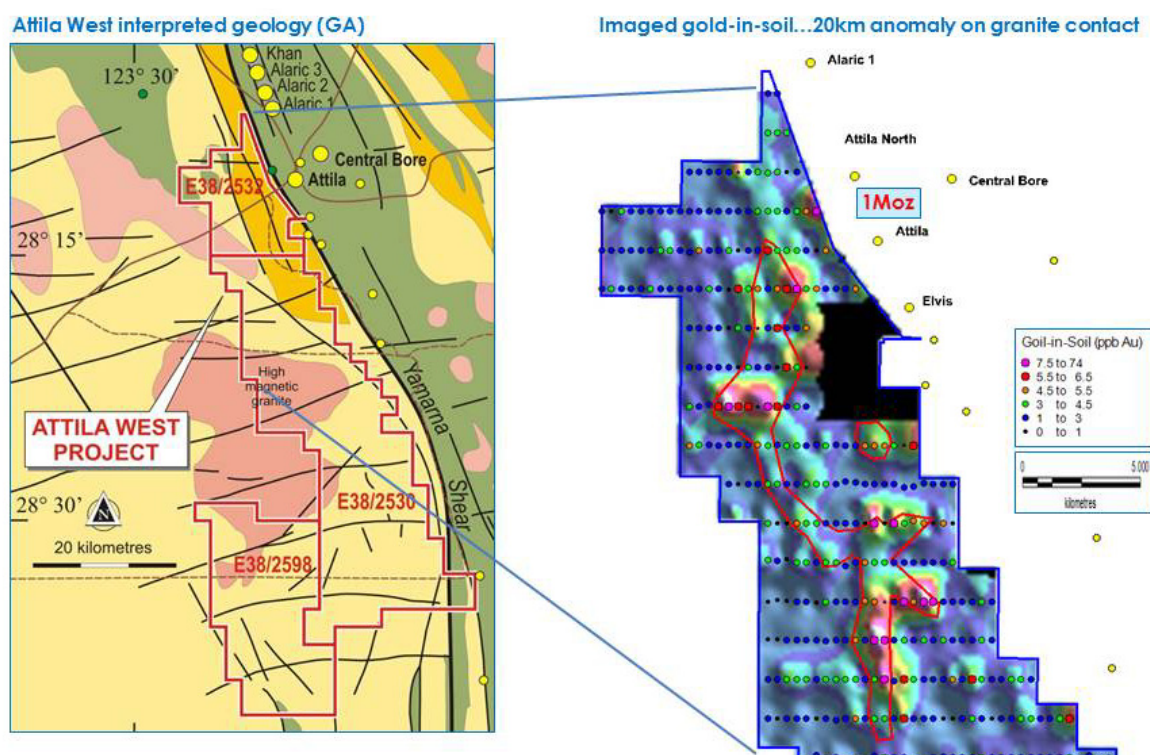


Figure 7: Attila West Project: North Area Soil Geochemistry

Kurrajong Gold Project December 2013 Quarter Exploration Activities

The 217km² Kurrajong Project is located in the Yamarna Terrane, 175km east-northeast of Laverton. The Project targets the intersection of a domal granite intrusion and a major fault in the southern part of the Dorothy Hills greenstone belt, which hosts the recent Gruyere discovery by Gold Road Resources Limited further to the north. The regolith is dominated by wind-blown sand dunes in an area of Permian cover.

In 2012/13, Breaker identified a coherent 12km gold-in-soil anomaly (gold up to 24ppb; silver up to 1,574ppb)(ASX Release 9 April 2013) in the north-western area of the Project. No field work was undertaken in the December 2013 quarter.

Mt Gill Gold Project December 2013 Quarter Exploration Activities

The 518km² Mt Gill Project is located 135km northeast of Laverton and comprises two exploration licences situated 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.

In 2012/13, a large multi-element reconnaissance auger soil program successfully identified multiple gold-in-soil anomalies associated with variably anomalous arsenic, copper, silver and antimony (gold up to 63ppb, silver up to 5,729ppb or 5.7g/t)(ASX Release 30 October 2012).

No field work was undertaken in the December 2013 quarter but planning was progressed in preparation for aircore drilling of priority soil targets in the March 2014 quarter.

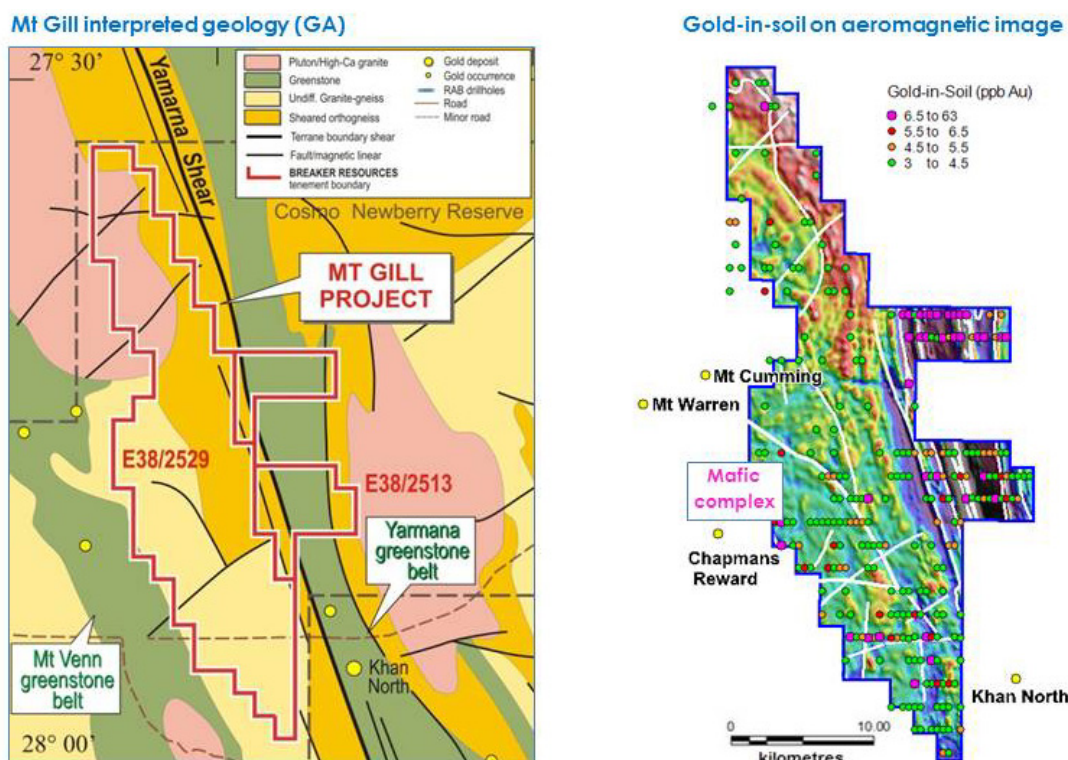


Figure 8: Mt Gill Project: Geology and Soil Geochemistry

Duketon North Gold Project December 2013 Quarter Exploration Activities

The 627km² 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.

No field work was undertaken in the December 2013 quarter.

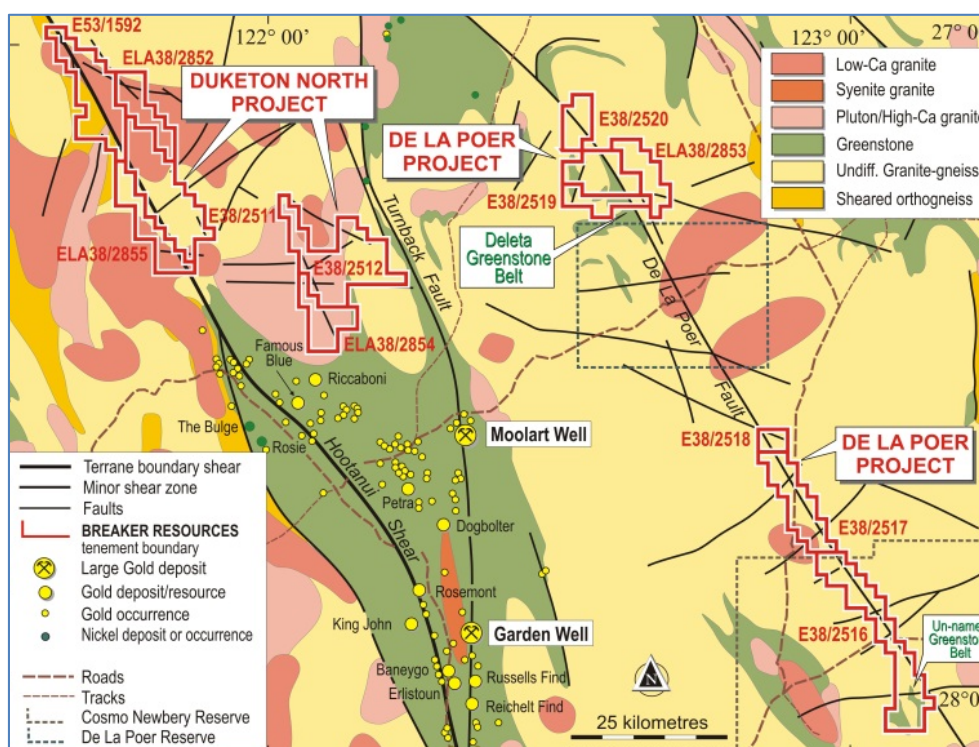


Figure 9: Duketon North & De La Poer Projects' Interpreted Geology

De La Poer Gold Project December 2013 Quarter Exploration Activities

The 455km² 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 December 2013 quarter. A new exploration licence was granted (E38/2853) to cover areas where some of the gold-in-soil anomalies remained open.

Mt Sefton Gold Project December 2013 Quarter Exploration Activities

The 156km² 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 December 2013 quarter. The planned next phase of exploration activities comprises reconnaissance mapping to determine the significance of the rock chip results.

CORPORATE

Breaker plans to actively consider joint venture options to leverage Breaker's large portfolio, expedite the exploration process and manage exploration risk.

On 22 November 2013, Breaker announced a pro rata renounceable entitlement issue to all eligible shareholders to raise up to \$1.58 million (before costs) ("Offer"). The Offer was conducted on the basis of one new fully paid ordinary share for every four existing shares at an issue price of \$0.11 per share. For every two shares issued, subscribers received one free attaching option and one partly paid share. The Offer prospectus was lodged on 25 November 2013.

The Offer, which was supported by the Company's major shareholders and fully underwritten by Patersons Securities Limited, closed on 20 December 2013. The new securities were issued on 27 December 2013 and 31 December 2013 and the table below summarises the Company's capital structure prior to and following completion of the Offer.

Security	Pre-Offer	Issued via Offer	Post-Offer
Fully Paid Ordinary Shares (ASX: BRB)	55,100,004	13,775,001	68,875,005
Options (exercise price \$0.25; expiry 31/12/14) (ASX: BRBO)	21,250,000	6,887,498	28,137,498
Partly Paid Shares (paid to \$0.01; fully paid at \$0.20; no call for at least 4 years) (ASX: BRBCA)	-	6,887,498	6,887,498

Funds raised will be used to advance drilling at the Dexter Project, exploration activities on the Company's other projects and general working capital. Breaker's cash balance at the end of the December 2013 quarter was \$1.74 million.

As a result of the conduct of the Offer, the exercise prices of various unlisted options on issue were adjusted during the period. Details of all unlisted options on issue are:

Number of Options	Exercise Price	Expiry
3,000,000	\$0.281	30/06/16
3,000,000	\$0.231	30/06/16
1,000,000	\$0.500	31/12/14
1,400,000	\$0.481	31/12/14

The Company's Annual Report was released on 17 October 2013 and the Annual General Meeting held on 20 November 2013. During the quarter, work continued on the Company's submission to the federal government's R&D Tax Incentive Scheme relating to its 2012/13 exploration expenditure.

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

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Executive Chairman

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Email: breaker@breakerresources.com.au

Table 1: Drill Hole Summary of Significant Intersections

Hole No	Prospect	Total Depth	Drill Type	North	East	RL	Dip	Azim	From	To	Width	Au ppm	Comment
BAC0518	Tallows	54	AC	583800	6809600	410	-90	0	36	40	4	0.10	most likely redox related
BAC0527	Tallows East	59	AC	583880	6812200	403	-90	0	56	59	3	0.20	bottom of hole / bedrock?
BDRC0069	Three Bears	220	RC	577801	6801398	425	-60	267	132	136	4	0.16	bedrock

Notes

- ✦ Lower cut-off grade of 0.1g/t (ppm) in bedrock applied due to the greenfields nature of the drilling therefore all holes are not reported. All holes are located in Figures 4 and 5.
- ✦ The mineralised widths shown in the Table 1 are downhole distances. The orientation of the mineralisation is unclear.
- ✦ Other information relating to the drilling is provided in Sections 1 and 2 following.
- ✦ 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.

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.

JORC CODE, 2012 EDITION – TABLE 1
Section 1: Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	<i>Nature and quality of sampling (eg. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc.). These examples should not be taken as limiting the broad meaning of sampling.</i>	<p>Sampling was conducted via reverse circulation (RC) drilling and aircore drilling (AC) on variable drill spacing.</p> <p>RC drill holes were sampled at 1m intervals using a trailer mounted cyclone with an 87.5-12.5% riffle splitter to collect a 3kg sample into a calico bag. Residual sample was bagged or collected in buckets and put on the ground in rows of 10 with the corresponding calico sample.</p> <p>AC samples were collected from a rig-mounted cyclone by bucket and placed directly on the ground in rows of 10.</p> <p>Gold assaying of RC and AC samples has been undertaken by a commercial laboratory in Perth (MinAnalytical).</p>
	<i>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</i>	<p>Sampling was undertaken using Breaker Resources' (BRB) sampling protocols and QAQC procedures in line with industry best practice, including standard and duplicate samples.</p> <p>Drill hole collars were picked up using handheld GPS and corrected/checked for elevation using elevation data from a detailed aeromagnetic survey.</p>
	<p><i>Aspects of the determination of mineralisation that are Material to the Public Report.</i></p> <p><i>In cases where 'industry standard' work has been done this would be relatively simple (eg. 'reverse circulation drilling was used to obtain 1m samples from which 3kg was pulverised to produce a 30g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg. submarine nodules) may warrant disclosure of detailed information.</i></p>	<p>To initially identify mineralised zones in each RC and AC drill hole, the residual sample spoils were sampled with an aluminium scoop or spear (50mm PVC spear) to generate 4m composite samples of approximately 3kg, or variable 1m to 3m (composite) samples at end-of-hole.</p> <p>The 3kg composite samples were sent to MinAnalytical in Perth. Samples were sorted, dried, crushed to 10mm, pulverised to -75µm and split to produce a 25g charge for fire assay analysis for gold (RC), or a 10g charge for aqua regia analysis by ICP-MS (AC).</p>

Criteria	JORC Code explanation	Commentary
		Upon identifying mineralised zones (generally >0.1ppm Au) from composite samples the 1m splits from the RC would be submitted for analysis. Anomalous mineralised zones from AC would be sampled on 1m intervals with a scoop as previously described above.
Drilling techniques	<i>Drill type (eg. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc.) and details (eg. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc.).</i>	RC drilling was undertaken using a face-sampling percussion hammer with a 5½" bit and a stainless steel starter rod to enable downhole surveying of the hole. AC drilling was carried out using a 3½" blade bit to refusal, generally at the fresh rock interface.
Drill sample recovery	<i>Method of recording and assessing core and chip sample recoveries and results assessed.</i>	RC and AC drill recoveries are visually estimated as a semi-quantitative range and recorded in the drill log. Recoveries were generally excellent (>90%), with reduced recovery in the initial near-surface sample as expected.
	<i>Measures taken to maximise sample recovery and ensure representative nature of the samples.</i>	Standard best practice drilling industry techniques have been applied by the drilling contractors. The sampling system is constantly monitored with the drill cyclone, sample buckets and splitter (if applicable) being cleaned between rod changes and after each hole to minimise down hole and/or cross hole contamination.
	<i>Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.</i>	There is no observable relationship between recovery and grade. Drilling conditions were generally very good and dry. No information is available regarding possible bias due to material size as it is not believed to be a concern.
Logging	<i>Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.</i>	All drill holes were geologically logged by a BRB geologist utilising our standard logging template with lookup tables. Data is then captured in a database which would support further studies or resource estimations. Aircore sampling is not appropriate for mineral resources estimation.



Criteria	JORC Code explanation	Commentary
	<i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc.) photography.</i>	AC logging is considered a qualitative sampling technique. RC logging is both qualitative and quantitative in nature. All logging captures downhole depth, colour, lithology, texture, mineralogy, mineralisation, alteration and other features of the samples including obvious sample contamination.
	<i>The total length and percentage of the relevant intersections logged.</i>	All drill holes were logged in full.
Sub-sampling techniques and sample preparation	<i>If core, whether cut or sawn and whether quarter, half or all core taken.</i>	N/A
	<i>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</i>	<p>RC and AC composite samples were collected with an aluminium sample scoop from residual sample piles or 50mm PVC spear if the residual RC sample was collected into plastic bags.</p> <p>One metre RC samples were split (87.5%-12.5%) by a multi-tiered riffle splitter for use after mineralised zones had been identified from composite sampling.</p> <p>The samples were recorded as dry or damp. Sample duplicates were obtained by repeating the composite sampling process.</p>
	<i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i>	Samples were sorted, dried, crushed to 10mm, pulverised to -75µm, and split to produce a 25g charge for fire assay analysis for gold (RC), or a 10g charge for aqua regia gold analysis by ICP-MS (AC).
	<i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i>	<p>Quality control procedures in the field involved the use of Certified Reference Materials (CRM) along with field sample duplicates.</p> <p>MinAnalytical's QAQC included insertion of certified standards, blanks, check replicates and fineness checks to ensure grind size of 85% passing 75µm as part of their own internal procedures.</p>
	<i>Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.</i>	CRM's and sample duplicates are regularly reviewed on a batch and period basis utilising ioGAS software. One metre splits are also reviewed once reported to determine if the original composite sampling was representative of the in situ material.



Criteria	JORC Code explanation	Commentary
	<i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i>	The sample sizes are believed to be appropriate to correctly represent the style of gold mineralisation sought.
Quality of assay data and laboratory tests	<i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i>	<p>The RC analytical technique used a 25g fire assay and is appropriate to detect gold mineralisation. The use of fire assay is considered a total assay.</p> <p>The AC analytical technique used a 10g charge with an aqua regia partial digest which is considered appropriate for a first pass analysis of oxide-dominated material.</p>
	<i>For geophysical tools, spectrometers, handheld XRF instruments, etc., the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.</i>	No geophysical tools were used to determine any reported element concentrations.
	<i>Nature of quality control procedures adopted (eg. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie. lack of bias) and precision have been established.</i>	<p>BRB inserted CRMs and duplicates into the sample sequence, which were used at the frequency of three CRMs and three duplicates per 100 samples.</p> <p>Sample preparation checks for fineness were carried out by the laboratory as part of their internal procedures to ensure the grind size of 85% passing 75µm was being attained. Laboratory QAQC involved the use of internal lab standards using CRMs, blanks, splits and replicates.</p>
Verification of sampling and assaying	<i>The verification of significant intersections by either independent or alternative company personnel.</i>	N/A.
	<i>The use of twinned holes.</i>	N/A.
	<i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i>	<p>Primary geological and sampling data was recorded digitally and on hard copy respectively, and subsequently transferred to a digital database for validation at the program completion along with QAQC (CRM and duplicates) sample results by the senior project geologist.</p> <p>Lab assay results were sent digitally to our in house database administrator for uploading.</p>
	<i>Discuss any adjustment to assay data.</i>	No adjustments were undertaken to any assay data reported.



Criteria	JORC Code explanation	Commentary
Location of data points	<i>Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.</i>	Drill hole collars were located by handheld GPS. Elevation values were in AHD and were corrected/checked for elevation using elevation data from a detailed aeromagnetic survey. Expected accuracy is +/- 4m for easting, northing and RL coordinates. Downhole surveys were carried out for RC drilling by the drilling contractor (Ausdrill) utilising a digital single shot camera and stainless steel starter rod behind the hammer. Azimuths were subject to magnetic interference on occasion and spurious results being manually adjusted by the senior project geologist.
	<i>Specification of the grid system used.</i>	Grid system is GDA94 MGA, Zone 51.
	<i>Quality and adequacy of topographic control.</i>	Hole pickups were undertaken using a handheld GPS (see comments above).
Data spacing and distribution	<i>Data spacing for reporting of Exploration Results.</i>	The RC and AC drill holes are reconnaissance in nature with a hole spacing of 200m or 400m.
	<i>Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.</i>	N/A
	<i>Whether sample compositing has been applied.</i>	RC and AC results reported are based on composite samples.
Orientation of data in relation to geological structure	<i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</i>	The orientation of the mineralised structures is still being ascertained.
	<i>If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.</i>	N/A
Sample security	<i>The measures taken to ensure sample security.</i>	Samples are systematically numbered and recorded, bagged in labelled polyweave sacks which are sealed via cable tie, and dispatched in batches to the lab using local transport. The laboratory confirms receipt of all samples on the submission form upon arrival. A sample submission register is kept to track the progress of batches of samples from site to reporting.
Audits or reviews	<i>The results of any audits or reviews of sampling techniques and data.</i>	No audits or reviews have been conducted to date.

Section 2: Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.	The RC and AC drill holes are located on tenements E39/1611, E39/1614 and E38/2695 all of which are 100% owned by BRB. There are no material interests or issues associated with the tenements.
	The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.	The tenements are in good standing and no known impediments exist.
Exploration done by other parties	Acknowledgment and appraisal of exploration by other parties.	No previous exploration has been conducted in the areas drilled.
Geology	Deposit type, geological setting and style of mineralisation.	BRB is targeting Archean orogenic gold mineralisation near major faults. The Dexter Project straddles the intersection of the Yamarna and Dexter Shear zones, near the southeastern margin of the Yilgarn Craton. The Project includes 27km of the Yamarna Shear and 65km of the Dexter Shear. The Archean basement is covered by extensive aeolian sand and Permian sediments of the Paterson Formation.
Drill hole Information	<p>A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:</p> <ul style="list-style-type: none"> • easting and northing of the drill hole collar; • elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar; • dip and azimuth of the hole; • down hole length and interception depth; • hole length. <p>If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.</p>	Refer to Table 1 in the report.
Data aggregation methods	In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg. cutting of high grades) and cut-off grades are usually Material and should be stated.	All reported assays have been length weighted. No top-cuts have been applied. A nominal 0.1g/t Au lower cut-off for bedrock samples is reported as being potentially significant in the context of the grassroots geological setting.



Criteria	JORC Code explanation	Commentary
	Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.	N/A
	The assumptions used for any reporting of metal equivalent values should be clearly stated.	N/A
Relationship between mineralisation widths and intercept lengths	<p>These relationships are particularly important in the reporting of Exploration Results.</p> <p>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</p> <p>If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg. 'down hole length, true width not known').</p>	<p>The geometry of the primary mineralisation is not known at present due to the early stage of exploration.</p> <p>Most intercepts reported to date are in the regolith and most likely represent flat lying blankets of gold enrichment possibly sourced from the basement beneath or nearby.</p>
Diagrams	Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.	Refer to figures in the report.
Balanced reporting	Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.	All significant bedrock results above a 0.1g/t lower cut-off are reported,
Other substantive exploration data	Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.	There is no other substantive exploration data.
Further work	<p>The nature and scale of planned further work (eg. tests for lateral extensions or depth extensions or large-scale step-out drilling).</p> <p>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</p>	Further work planned is as stated in this report.

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 December 2013

Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (6 months) \$A'000
1.1 Receipts from product sales and related debtors	-	-
1.2 Payments for: (a) exploration & evaluation	(460)	(1,834)
(b) development	-	-
(c) production	-	-
(d) administration	(101)	(278)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	6	15
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other (provide details if material)	30	30
Net Operating Cash Flows	(525)	(2,067)
Cash flows related to investing activities		
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)	-	-
Net investing cash flows	-	(1)
1.13 Total operating and investing cash flows (carried forward)	(525)	(2,068)

Appendix 5B**Mining exploration entity and oil and gas exploration entity quarterly report**

1.13	Total operating and investing cash flows (brought forward)	(525)	(2,068)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	1,568	1,568
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	(3)	(7)
1.18	Dividends paid	-	-
1.19	Other (provide details if material)	-	-
	Net financing cash flows	1,565	1,561
	Net increase (decrease) in cash held	1,040	(507)
1.20	Cash at beginning of quarter/year to date	703	2,250
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	Cash at end of quarter	1,743	1,743

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

	Current quarter \$A'000
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

Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	-	-
3.2 Credit standby arrangements	-	-

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	450
4.2 Development	-
4.3 Production	-
4.4 Administration	100
Total	550

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'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	1,743	3
5.2 Deposits at call	-	700
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)	1,743	703

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	E38/2853 E39/1744 E39/1745	Granted Granted Granted	Application Application Application	100% 100% 100%

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

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 Preference securities (description)				
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3 +Ordinary securities	BRB: 68,875,005	59,075,005	-	-
	BRBCA: 6,887,498	6,887,498	20 cents	1 cent
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	BRB: 13,775,001 BRBCA: 6,887,498 -	13,775,001 6,887,498 -		
7.5 +Convertible debt securities (description)				
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7 Options (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	BRBO: 6,887,498	6,887,498		
7.9 Exercised during quarter				
7.10 Expired during quarter				
7.11 Debentures (totals only)				
7.12 Unsecured notes (totals only)				

+ See chapter 19 for defined terms.

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: 31 January 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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