BREAKER Resources NL

QUARTERLY REPORT | March 2015

HIGHLIGHTS

- High-priority gold target identified on recent tenement application at the Lake Roe Project, 100km east of Kalgoorlie. 3,200m drilling program planned to commence in late June 2015 subject to grant.
- Possible gold control feature identified on new tenement application situated along strike from the Moolart Well gold deposit at Duketon North Project.
- Forward strategy of selective drilling of high priority gold targets to generate discovery, and strategic joint venture to accelerate exploration in other target areas where possible.

Photo 1: Duketon North Project, WA Goldfields

Photo 2: Reconnaissance Fieldwork

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
8.4 million unlisted options

Cash: *(31 March 2015)*
$1.5 million

Market Capitalisation:
$1.9 million @ $0.028/share

Contact Details

12 Walker Avenue
West Perth WA 6005

PO Box 244
West Perth WA 6872

Ph: +61 8 9226 3666
Fax: +61 8 9226 3668
Email: breaker@breakerresources.com.au
Web: www.breakerresources.com.au

ABN: 87 145 011 178

ASX CODE: BRB

OVERVIEW

Breaker Resources NL (ASX: BRB; "Breaker") is a large tenement holder in WA's Eastern Goldfields Superterrane in the Yilgarn Craton. Its exploration strategy focuses on the use of modern multi-element regional soil geochemistry to identify large gold systems near major crustal faults in unexplored parts of a world class gold province concealed by transported cover.

Breaker has identified multiple, large, drill-ready targets on all retained projects since listing in April 2012, several of which are located along strike from significant gold discoveries.

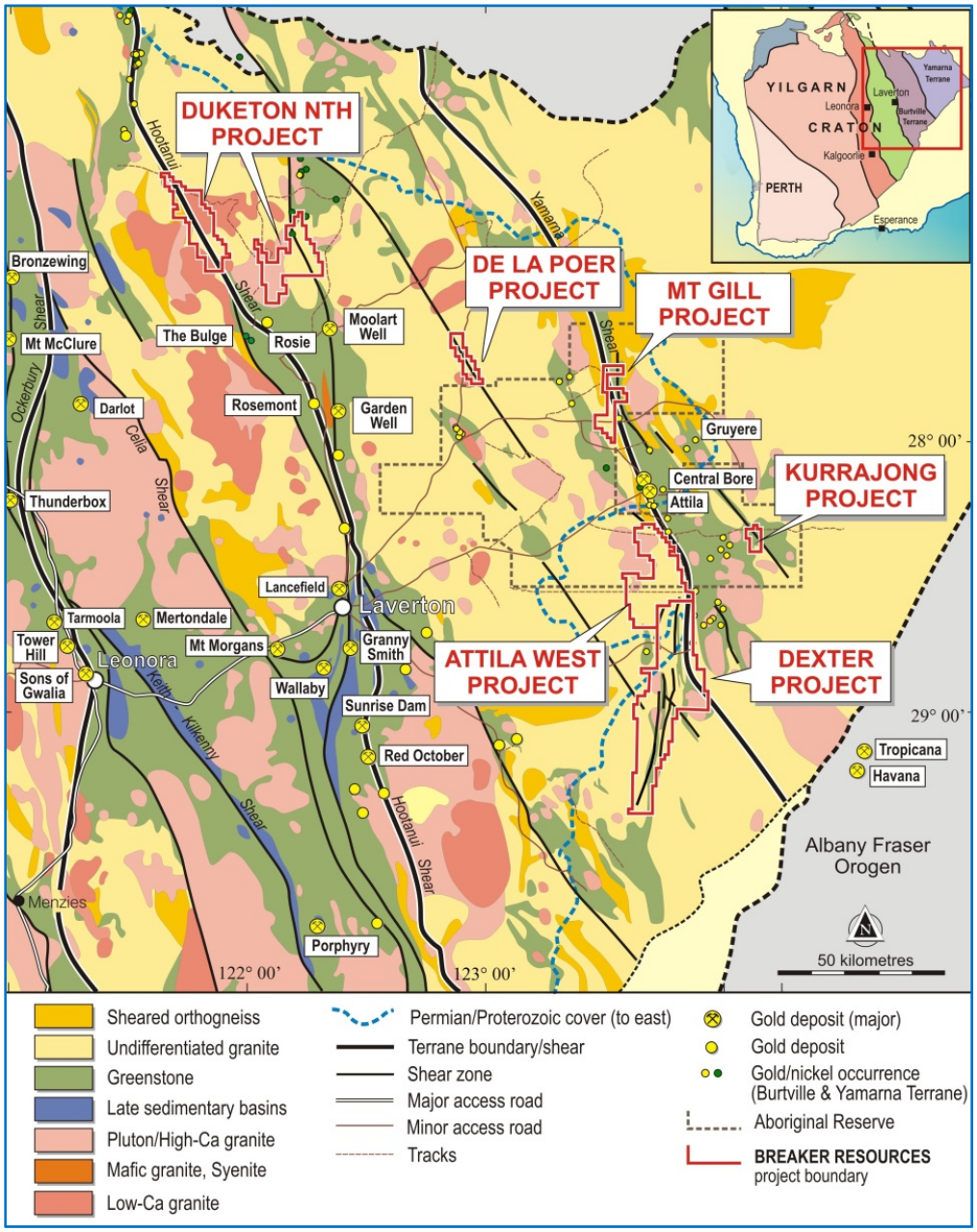


Figure 1: Project Location Map – WA's North-Eastern Goldfields

EXPLORATION AND EVALUATION

Activities in the March 2015 quarter focused on Research & Development, project review and project generation.

Pending additions to Breaker's portfolio, particularly the Lake Roe Project and extensions to the Duketon North Project, are strategically significant and present opportunity for a near term material discovery with the potential to add substantial value to the Company. In consequence, drilling in these areas will be prioritised subject to tenement grant and necessary statutory clearances.

Efforts to accelerate exploration via joint venture on Breaker's other projects are ongoing. Research & Development initiatives are also active and provide a valuable platform for prioritising targets on Breaker's existing projects and for identifying additional areas of interest.

Lake Roe Project Gold Project March 2015 Quarter Exploration Activities

The Lake Roe Gold Project is located 100km east of Kalgoorlie in the Eastern Goldfields Superterrane, approximately 10km north of the Karonie gold deposit, and 60km south-southeast of the Karari-Carosue Dam gold deposits (Figure 2).

The project consists of two Exploration Licence applications with an overall area of 282km^2. Exploration Licence application 28/2515 was lodged in the previous quarter, whilst a second (E28/2522) made in the March 2015 quarter extended the project to the south to take the overall strike length to 32km. Tenement grant in relation to E28/2515 is expected in late May 2015. Data in relation to the E28/2522 application is still under review.

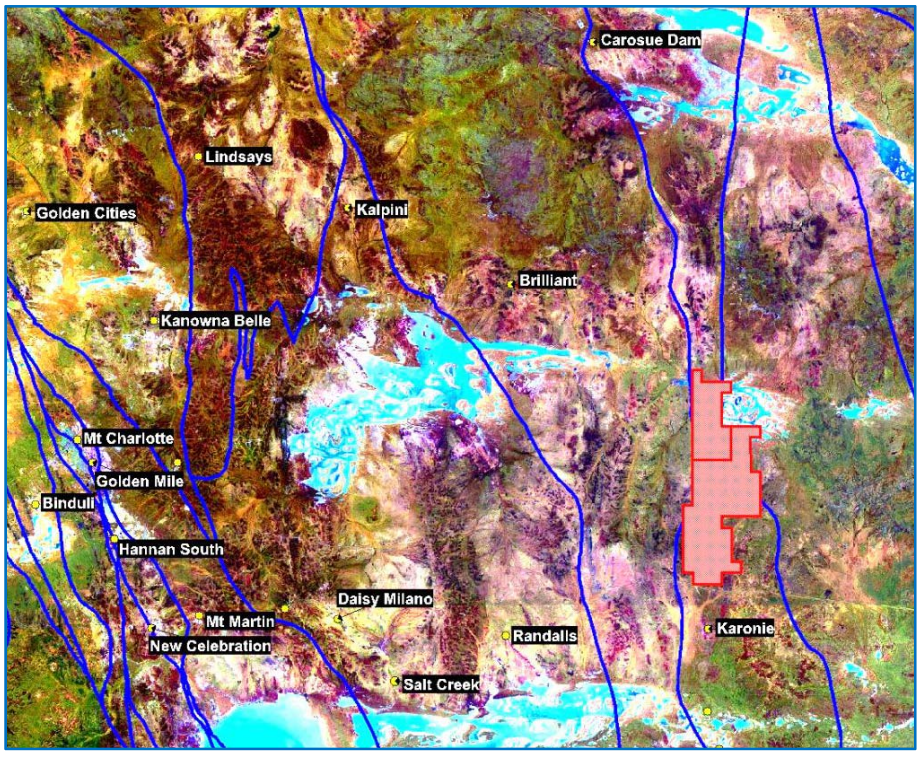


Figure 2: Lake Roe Gold Project Location Plan with Regional Shear Zones

Photo 3: Lake Roe Project, WA Goldfields

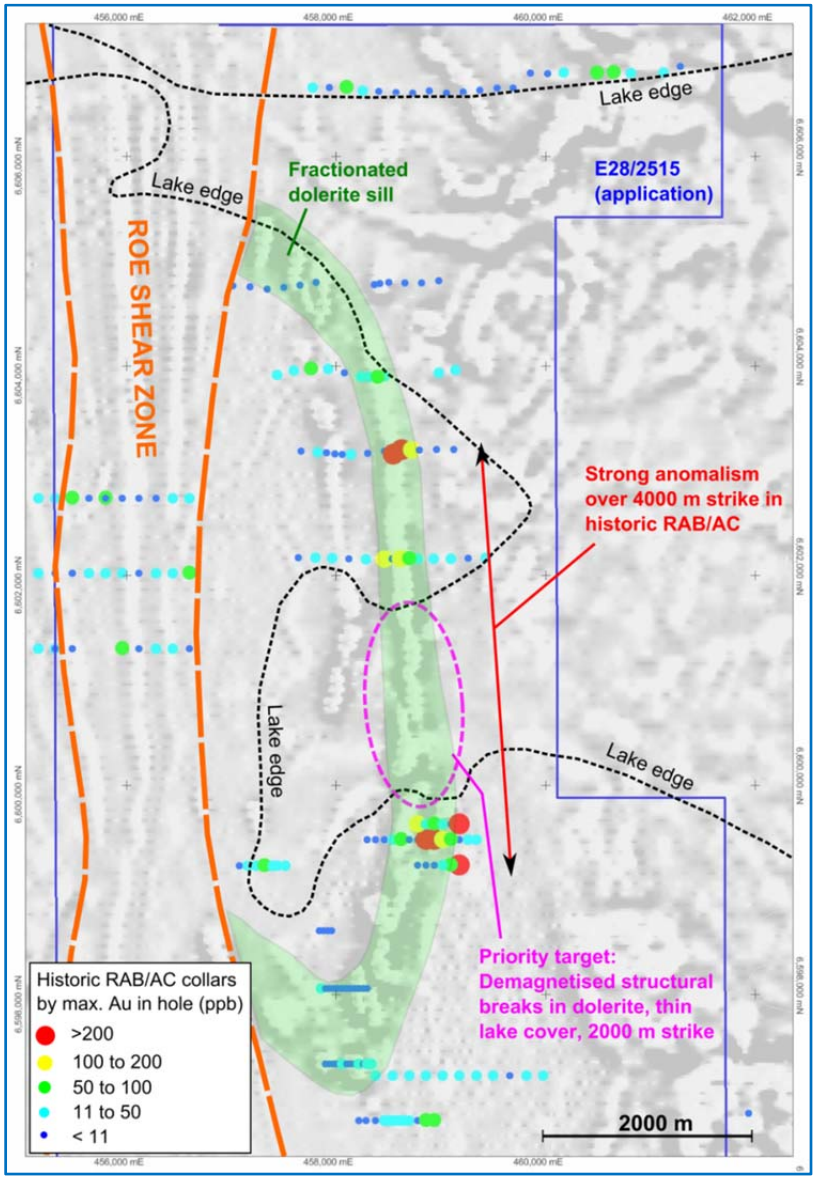


Figure 3: Lake Roe Project – E28/2515

The main target at the Lake Roe Project is high-grade gold mineralisation hosted by the upper granophyric portion of a 400m-thick fractionated dolerite situated in a domal geometry in an area of shallow cover (Figure 3). The targeted dolerite forms part of a 1,500m-thick greenstone sequence dominated by mafic and lesser sedimentary and felsic rocks situated geometrically above the east-dipping Keith-Kilkenny/Roe Shear Zone, near the eastern margin of the Kurnalpi Terrane. Examples of this mineralisation style are numerous, but include the Golden Mile, the Junction deposit at St Ives, the Salt Creek deposit at Mt Monger, and the Great Fingall/Golden Crown complex at Cue.

Historic vertical rotary air blast and aircore drilling undertaken in the period 1991 to 1998 identified a zone of strong gold anomalism that extends over a potential distance of 4km under thin (5-10m) cover (maximum grade of 4m at 0.71g/t Au; WAMEX Report A34230). Significantly, the anomalous gold is largely confined to the target dolerite and occurs in a supergene layer that was not penetrated by the shallow drilling where encountered.

Although the prospectivity of the trend was recognised by previous explorers, rigorous anomaly definition and appropriate follow-up of encouraging results did not occur, apparently due to "non-geological" factors, including inconvenient tenement boundaries at the time of exploration and changes in company priorities and market conditions.

Drill chips from shallow historic drilling show clear evidence of sulphidation and carbonation within the dolerite to the north and south of the Lake Roe salt lake. No drilling was undertaken within the salt lake but the lake cover appears to be thin, based on the presence of outcrop within the lake to the immediate west of the dolerite. Structural disruption of the dolerite is locally evident in aeromagnetic data and is spatially associated with magnetic lows, suggesting alteration-related magnetite destruction.

Visual observations by Breaker, backed by selective geochemical sampling, indicate the dolerite is fractionated with quartz and skeletal leucoxene/ilmenite increasing to the west in conjunction with increasing iron content and decreasing chromium and nickel content.

Aspects that enhance the near-term discovery potential include the following:

1. Anomalous supergene gold are localised in a dolerite host rock that includes a quartz-magnetite-ilmenite-bearing upper zone which is known to be a favourable host rock for gold mineralisation in the region;

2. The dolerite is folded into a domal feature that is conducive to focusing gold-bearing alteration fluids, evidence of which is present in the form of sulphidation and carbonation;

3. The domal geometry is located above an east-dipping regional shear zone, the Keith-Kilkenny Fault, similar to that at the Karonie and Karari-Carosue Dam gold deposits;

4. The eastern side of the dome is intruded by the Swan Lake Granite, a compositionally-zoned intrusion that forms part of a syenitic suite, indicating a deep and therefore favourable fluid source area; and

5. The project area is located in a regional-scale "pressure shadow" (low mean stress) site at the northern tip of a large granite body, the Erayinia Granite Complex.

An 80 hole aircore drilling program of approximately 3,200m is planned to commence in late June 2015, subject to tenement grant and necessary statutory clearances. The main objective of the drilling will be to scope areas with the highest bedrock mineralisation potential in preparation for targeted reverse circulation ("RC") drilling. The planned drilling will primarily target structural breaks with demagnetisation features, although some lines will be extended across the stratigraphy to establish geological control.

Drill holes will be on a spacing of 80m on drill lines at a spacing of 400m or 800m. Holes will be angled at 60 degrees to the west to intercept the east-dipping stratigraphy and structure at the optimum angle.

Duketon North Gold Project March 2015 Quarter Exploration Activities

The 826km^2 Duketon North Project is located north of the 10Moz Moolart Well-Garden Well-Rosemont gold camp, 160km north-northwest of Laverton (Figures 1 and 4). Outcrop is limited with thin sand cover is dominant.

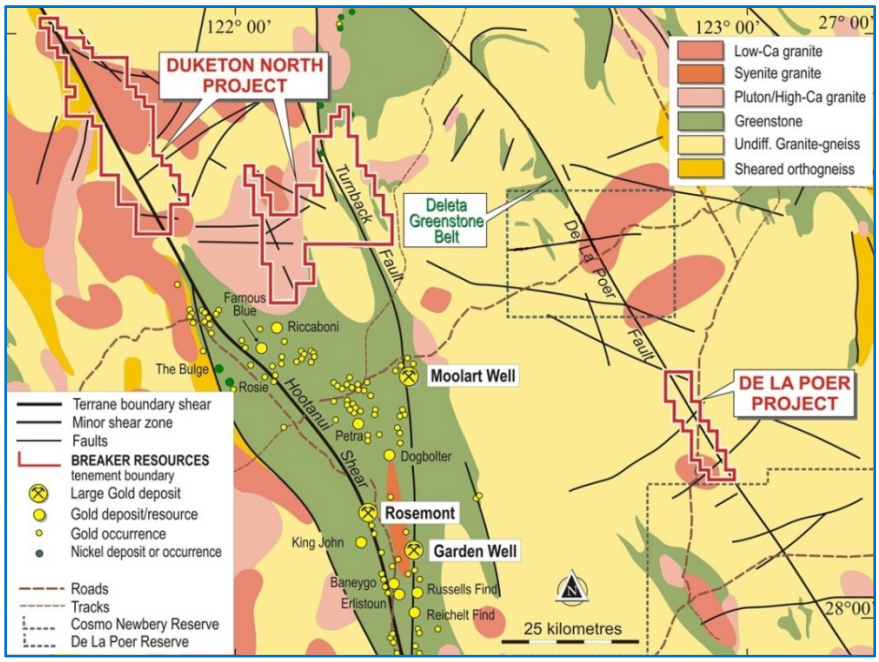


Figure 4: Duketon & De La Poer Projects – Interpreted Geology

The main gold target is greenstone-hosted mineralisation associated with the Turnback/Lulu Fault directly along strike from the Moolart Well gold deposit (Figure 4). This particular area was the subject of a tenement application in the previous quarter and includes a 22km-long, structurally complex area of known mafic and ultramafic rocks which were the target of historic nickel exploration.

Strongly anomalous gold-in-soil (lag) values identified from the historical nickel exploration have not been drilled or systematically investigated. A review of historic exploration data has highlighted a spatial association between anomalous gold-in-soil values, and an ENE-trending structural break that demarcates a change in the orientation of the stratigraphy from NNW to SSE in the vicinity of a palaeochannel (Figure 5). This geometry, termed a "structural jog", is favourable for creating dilatant areas that allow the ingress of mineralising fluids.

Multi-element soil geochemistry is planned in the area ahead of tenement grant, to be followed by drilling to provide adequate definition of structural targets on either side of the ENE-structural break. Field activities are scheduled to commence in May 2015.

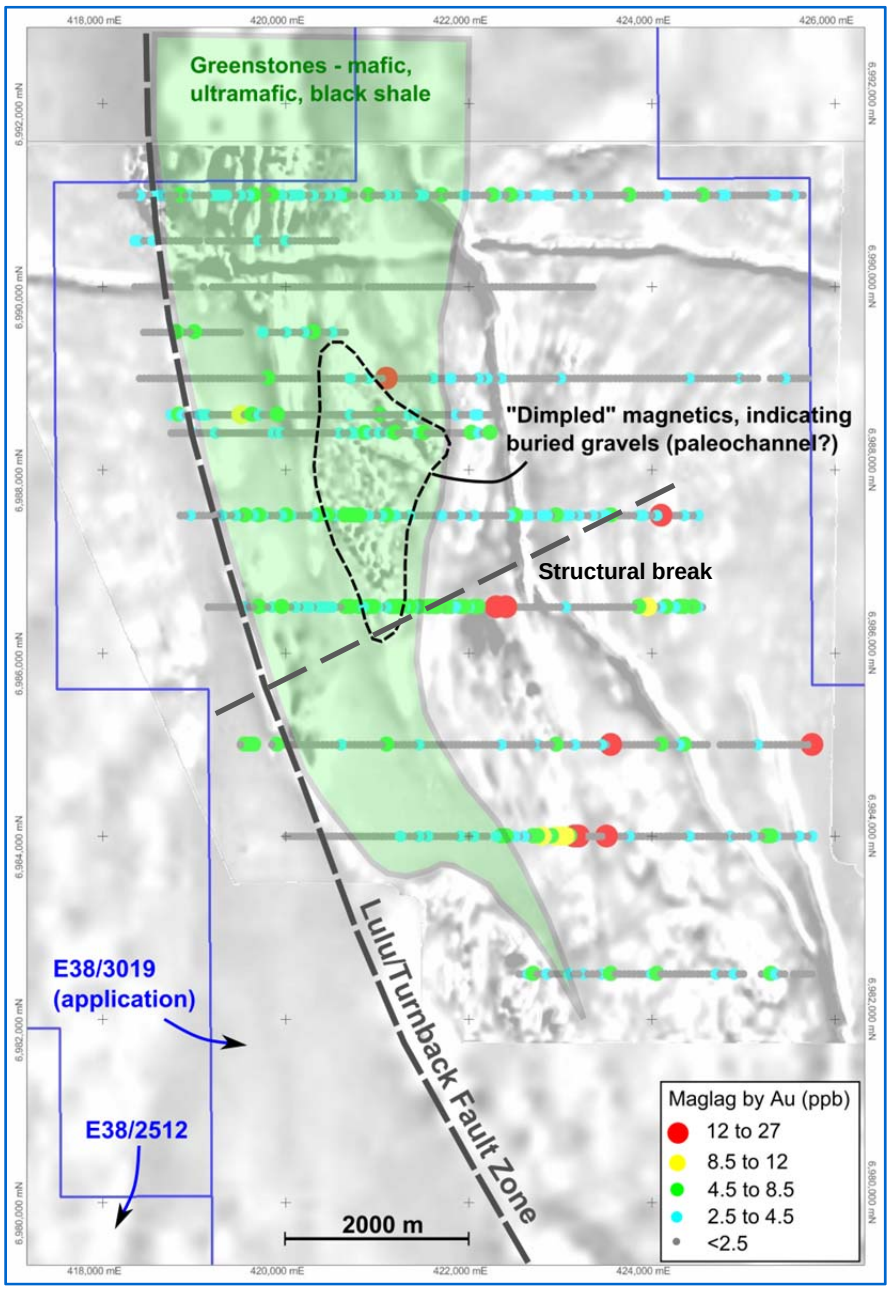


Figure 5: Duketon North Project – 50m-spaced Maglag Samples over Imaged Aeromagnetics (image adapted from open file reports of work by Gryphon Minerals Ltd)

Dexter Gold Project March 2015 Quarter Exploration Activities

The 1,326km^2 Dexter Gold Project is located in the southern part of the Burtville and Yamarna Terranes, 140km southeast of Laverton (Figure 1). The project straddles the intersection of the Yamarna, Dexter and Sefton Shear Zones and includes extensive areas of historically unexplored sheared Archean greenstone (Figure 6). Thin aeolian sand and variable thicknesses of Permian sediment are present.

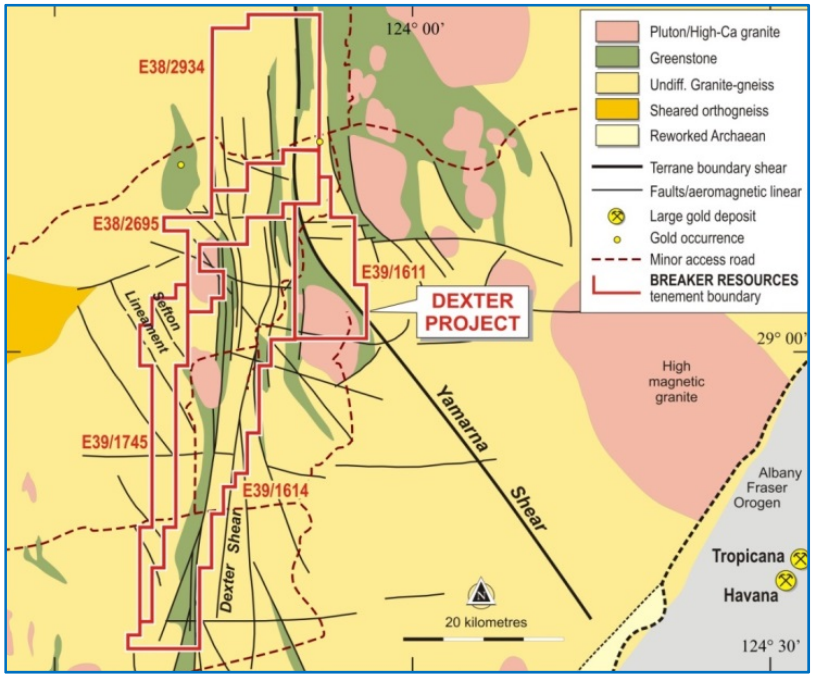


Figure 6: Dexter Project – Interpreted Geology

Breaker has previously identified two regional-scale gold-in-soil anomalies under sand cover at the Three Bears-Tallows and Sandshoes Prospects. Efforts to locate the bedrock gold source of the anomalies are still in progress. Further RC drilling is contemplated, potentially with a joint venture partner to accelerate progress.

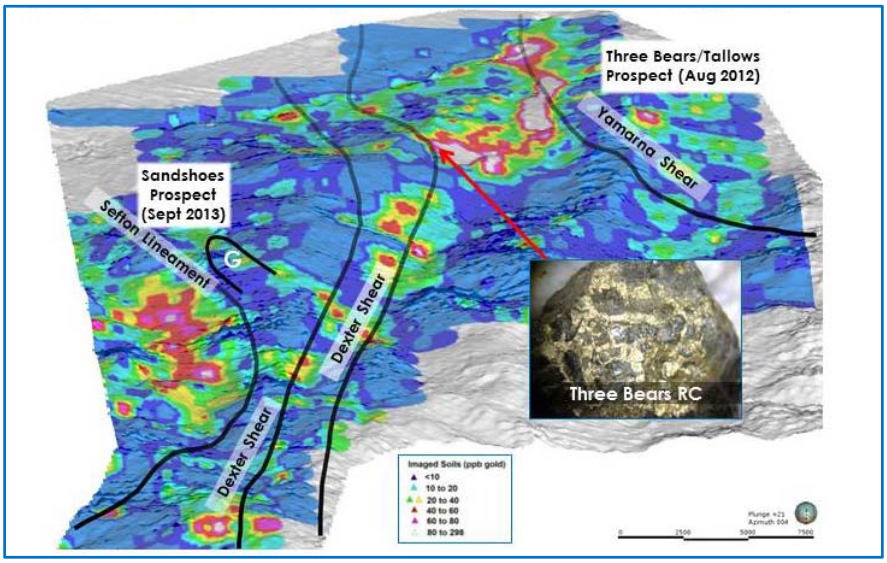


Figure 7: Dexter Project – 3D Perspective of Gold-in-Soil over Topography (x20 vertical exaggeration)

The size and magnitude of the Three Bears-Tallows gold-in-soil anomaly, situated near the junction of the Yamarna and Dexter Shear Zones, has not previously been documented in a similar area of transported cover in Western Australia (16km-long, up to 0.3g/t gold and 17g/t silver; ASX Release 13 November 2013). Follow-up aircore drilling has identified widespread zones of secondary redox gold enrichment with grades up to 3m at 7.1g/t gold in the vicinity of mantle-derived syenite (ASX Release 28 March 2013).

The 12km-long Sandshoes anomaly was identified in late 2013 and is situated near the intersection of the Sefton Lineament and the Dexter Shear Zone. Reconnaissance aircore drilling in the September 2014 quarter identified secondary redox gold anomalism on all drill lines intersecting the Sandshoes anomaly with peak values of 8m at 180ppb Au (ASX Release 31 October 2014). The aircore drilling was unable to penetrate a conglomerate unit at the base of the Permian cover sequence. RC drilling is now required to test the inferred bedrock source of the anomaly – an interpreted sheared greenstone sequence on the eastern margin of the anomaly (Figure 8).

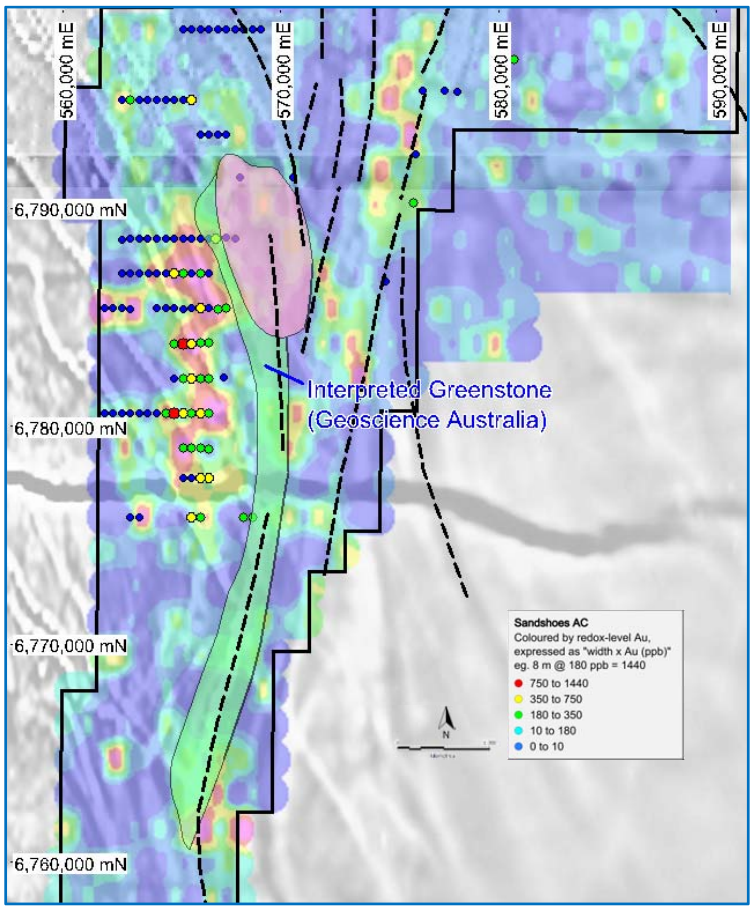


Figure 8: Sandshoes Prospect – Imaged Gold-in-Soil with September 2014 Aircore Drill Holes Colour-coded by Redox Gold over Imaged Aeromagnetics

Attila West Gold Project March 2015 Quarter Exploration Activities

The 627km^2 Attila West Project is located 130km east-northeast of Laverton and is contiguous with the Dexter Project to the south (Figure 1). The Project targets gold in a structural complex area involving 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. Thin Aeolian sand and Permian cover (10m-15m) are typically present.

Auger soil sampling in 2013 previously identified multiple untested gold-in-soil anomalies that are spatially associated with fault splays of the Yamarna and Dexter/Isolated Hill shear zones (Figure 9).

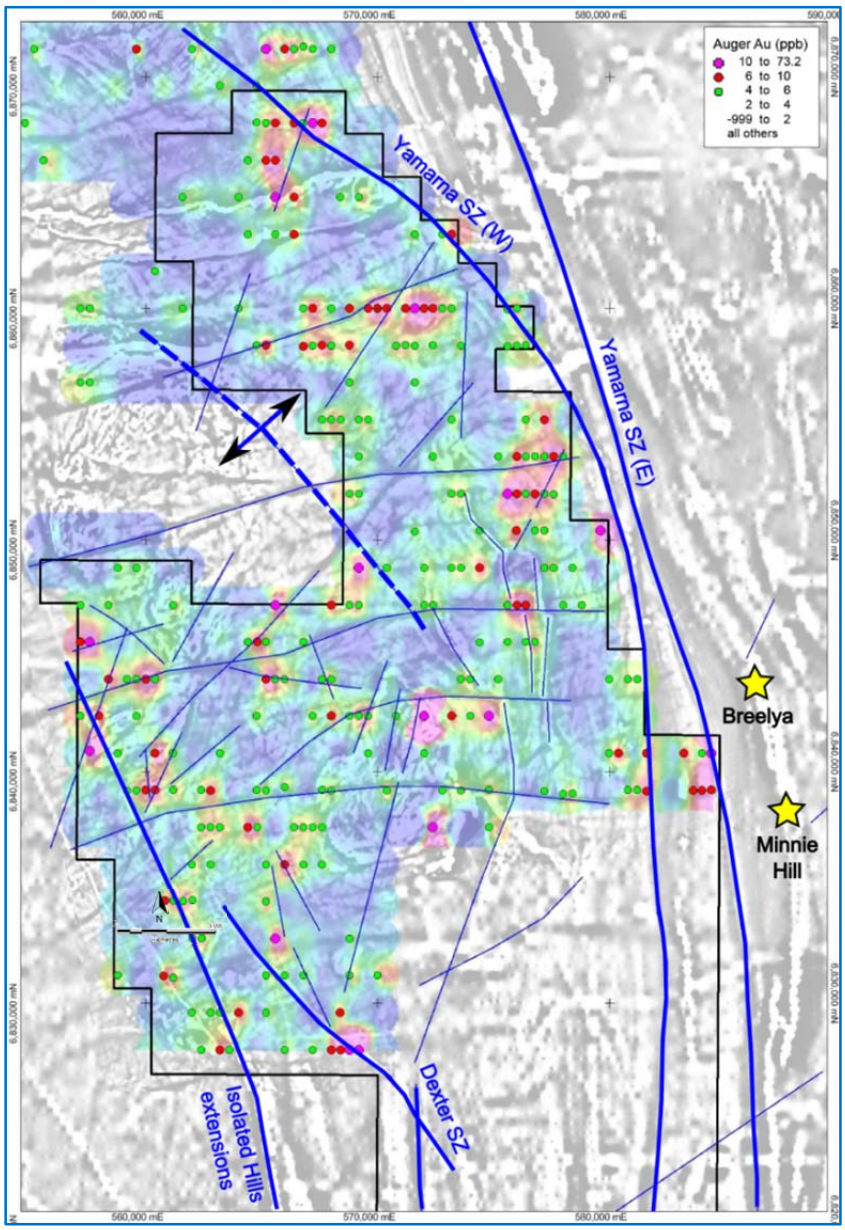


Figure 9: Attila West Project – 1,600m x 400m Auger Gold on Imaged Aeromagnetics

Kurrajong Gold Project March 2015 Quarter Exploration Activities

The 54km^2 Kurrajong Project is located in the Yamarna Terrane 35km along strike from the recent 3.8Moz Gruyere gold discovery, 175km east-northeast of Laverton.

The principal target is a 5km-long, NE-trending bend in the Dorothy Hills greenstone belt that has similarities with the structural setting of the Gruyere deposit to the north (Figure 10). Initial scout aircore drilling in 2014 indicates ~100m of Permian cover. A $150,000 co-funded drilling grant under the WA Government's Exploration Incentive Scheme is potentially available to Breaker for any RC drilling completed before 30 June 2015.

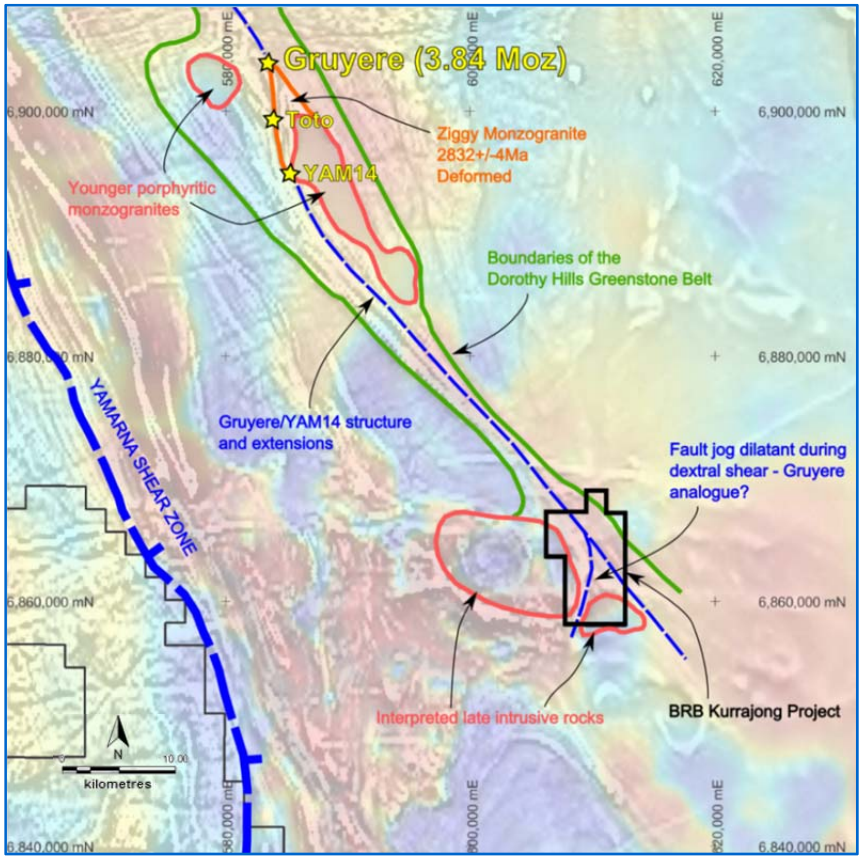


Figure 10: Kurrajong Project – Imaged Gravity on Aeromagnetics

Mt Gill Gold Project March 2015 Quarter Exploration Activities

The 167km^2 Mt Gill Gold Project is located 30km along strike from the Attila-Alaric-Central Bore gold deposits, 135km northeast of Laverton (Figure 1). The project targets gold associated with a ~20km length of the Yamarna Shear Zone and greenstone belt. The regolith is dominated by thin aeolian sand overlying Archean bedrock.

Soil sampling previously identified widespread gold and pathfinder anomalism spatially associated with the Yamarna Shear Zone and greenstone belt (gold up to 63ppb; ASX Release 30 October 2012). Infill sampling in mid-2014 confirmed four areas of interest defined by statistically anomalous populations of gold, arsenic, molybdenum and bismuth.

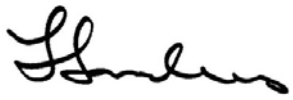
De La Poer Gold Project March 2015 Quarter Exploration Activities

The De La Poer Project is located in the Burtville Terrane, 130km northeast of Laverton (Figure 1). The project targets gold spatially associated with the De La Poer Fault and the largely unexplored Deleta greenstone belt. Thin sand cover is generally present.

Breaker surrendered the northern portion of the De La Poer Project in the March 2015 period based on analysis of field work undertaken in the previous quarter.

CORPORATE

On 26 February 2015 the Company released its Financial Report for the Half Year ended 31 December 2014. As at 31 March 2015, the cash balance was $1.5 million.



Tom Sanders
Executive Chairman
Breaker Resources NL **30 April 2015**

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

Tom Sanders
Tel: +61 8 9226 3666
Email: 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, Competent Person, who is a Member of The Australasian Institute of Mining and Metallurgy. Mr Sanders is an executive of Breaker Resources NL and his services have been engaged by Breaker on an 80% of full time basis; he is also a shareholder and option holder in the Company. Mr Sanders has 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 consents to the inclusion in the report of the matters based on their information in the form and context in which it appears.

Breaker drill, soil and rock chip results prior to 1 December 2013 mentioned in this document 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 2015.

Project	Tenement Number	Status at 31/03/15	Percentage Held/Earning	*Changes during the Quarter*
Attila West	E38/2530	Granted	100	
	E38/2598	Granted	100	
De La Poer	E38/2517	Granted	100	
	E38/2518	Granted	100	
Dexter	E38/2695	Granted	100	
	E38/2934	Granted	100	
	E39/1611	Granted	100	
	E39/1614	Granted	100	
	E39/1744	Granted	100	
Duketon North	E38/2511	Granted	100	
	E38/2512	Granted	100	
	E38/2852	Granted	100	
	E38/2854	Granted	100	
	E38/2855	Granted	100	
	E38/3019	Application	100	
	E53/1592	Granted	100	
Kurrajong	E38/2531	Granted	100	
Lake Roe	E28/2515	Application	100	
	E28/2522	Application	100	*Applied for 04/02/15*
Mt Gill	E38/2513	Granted	100	
	E38/2529	Granted	100	
Ularring Rock	E70/4686	Application	100	

The following tenements/applications were surrendered/withdrawn during the period:

- E38/2519 (De La Poer) – Tenement surrendered 18/02/15
- E38/2520 (De La Poer) – Tenement surrendered 18/02/15
- E38/2853 (De La Poer) – Tenement surrendered 18/02/15
- E38/2974 (De La Poer) – Application withdrawn 18/02/15
- E51/1678 (Rabbit Bore Well) – Application withdrawn 18/02/15

No tenements are subject to any farm-in or farm-out agreements.

Rule 5.5

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	Quarter ended ("current quarter")
87 145 011 178	31 March 2015

Consolidated statement of cash flows

	Cash flows related to operating activities	Current quarter $A'000	Year to date (9 months) $A'000
1.1	Receipts from product sales and related debtors	-	-
1.2	Payments for: (a) exploration & evaluation	(190)	(1,153)
	(b) development	-	-
	(c) production	-	-
	(d) administration	(107)	(489)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	2	26
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Other (R&D tax benefit)	-	2,708
	Net Operating Cash Flows	(295)	1,092
	Cash flows related to investing activities		
1.8	Payment for purchases of: (a) prospects	-	-
	(b) equity investments	-	-
	(c) other fixed assets	-	-
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	-	-
1.13	Total operating and investing cash flows (carried forward)	(295)	1,092

+ See chapter 19 for defined terms.

1.13	Total operating and investing cash flows (brought forward)	(295)	1,092
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	-	-
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	(5)
1.18	Dividends paid	-	-
1.19	Other (provide details if material)	-	-
	Net financing cash flows	-	(5)
	Net increase (decrease) in cash held	(295)	1,087
1.20	Cash at beginning of quarter/year to date	1,839	457
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	**Cash at end of quarter**	1,544	1,544

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	200
4.2	Development	-
4.3	Production	-
4.4	Administration	100
	Total	300

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	64	189
5.2	Deposits at call	1,480	1,650
5.3	Bank overdraft	-	-
5.4	Other (provide details)	-	-
	Total: cash at end of quarter (item 1.22)	1,544	1,839

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	E38/2519	Surrendered	100%	Nil
		E38/2520	Surrendered	100%	Nil
		E38/2853	Surrendered	100%	Nil
		E38/2974	Withdrawn	Application	Nil
		E51/1678	Withdrawn	Application	Nil
6.2	Interests in mining tenements and petroleum tenements acquired or increased	E28/2522	Application	Nil	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	**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: 68,875,008 BRBCA: 6,887,498	68,875,008 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	**+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)*	3,000,000 3,000,000 1,400,000 1,000,000	- - - -	*Exercise price* 23.1 cents 28.1 cents 48.1 cents 50 cents	*Expiry date* 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	**Debentures** *(totals only)*				

+ See chapter 19 for defined terms.

7.12	**Unsecured notes** *(totals only)*		

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: M. Simson Date: 30 April 2015
(Company secretary)

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.

== == == == ==

+ See chapter 19 for defined terms.