



BREAKER
Resources NL

30 June 2018

The Manager
Market Announcements Office
ASX Limited
PO Box H224 Australia Square
SYDNEY NSW 2001

Dear Sir/Madam

EXPLORATION DEVELOPMENT INCENTIVE – EXPLORATION CREDITS

Please find attached correspondence being sent to shareholders in Breaker Resources NL (ASX: BRB) regarding the issue of exploration credits for 2018 income taxation returns under the Exploration Development Incentive Scheme.

Yours faithfully

MICHELLE SIMSON
Company Secretary

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WEST PERTH WA 6872



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ASX: BRB; ABN: 87 145 011 178

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ISSUE OF EXPLORATION CREDITS FOR 2018 INCOME TAXATION RETURN

Background

Breaker Resources NL is participating in the federal government's 2016/17 Exploration Development Incentive (**EDI**) Scheme, which is administered by the Australian Taxation Office (**ATO**). The EDI enables eligible exploration companies to create exploration credits by giving up a portion of their tax losses from eligible exploration expenditure and distributing these exploration credits to equity shareholders.

The Directors have determined to allocate the maximum amount possible under the statutory formula in the calculation of the Company's available exploration credits, being \$1,955,776.62. Shareholders' exploration credits are calculated in proportion to the number of shares (either fully paid or partly paid) held at the record date, being 31 May 2018 (**Exploration Credits**). The Exploration Credit per share has thus been calculated as \$0.012972. Entitlements are rounded down to the nearest cent.

The Exploration Credits are only available to be utilised by Australian resident shareholders for taxation purposes for the 2018 income taxation year. Further, the ATO has stipulated that the Exploration Credits are non-transferable.

Details of your pro rata entitlement to Exploration Credits are provided below.

Issue of Exploration Credits

In order for you to be able to utilise the Exploration Credits in your 2018 taxation return please refer to the information below and seek advice from a taxation professional.

Entity issuing Exploration Credits:	Breaker Resources NL
ABN of entity issuing Exploration Credits:	87 145 011 178
Record date for determination of entitlement:	31 May 2018
Date of issue of the Exploration Credits (30 days from record date):	30 June 2018



Shares (including partly paid) held at Record Date: xxxxxx

Amount of Exploration Credits issued to you
under Subdivision 418-E of the *Income
Assessment Act 1997 (ITAA 1997)** \$<xxxx.xx>

* The issuing of the Exploration Credits complies with section 418-120 of the ITAA 1997.

The EDI is intended to encourage shareholder investment in exploration companies undertaking greenfields mineral exploration in Australia. Further information on the scheme is located on the ATO's website <http://www.ato.gov.au/business/exploration-development-incentive/>.

Please note that if you do not claim the Exploration Credits in your 2018 income tax return, the Exploration Credits will lapse and you will not receive any benefit.

Should you require taxation advice, please consult a taxation professional. If you have any other queries, please contact the Breaker Resources' office on +61 (0)8 9226 3666.

Yours faithfully

A handwritten signature in black ink, appearing to read 'Tom Sanders'.

TOM SANDERS
Executive Chairman