

HIGHLIGHTS

- ✦ Ongoing strategy of drill target generation, strategic joint venture to manage risk, and selective drilling where advantageous.
- ✦ Activities for the quarter dominated by research, field reconnaissance, geological mapping and rehabilitation works.
- ✦ \$0.93M received as rebate for 2013/14 research and development activities in relation to regional geochemical studies.
- ✦ Tenement application at Duketon North Project extends tenure along strike from Moolart Well gold deposit. Elevated gold-in-soil values from historic nickel exploration not previously investigated.
- ✦ Tenement application lodged over the Centre Forest and Southern Brook gold-copper prospects, 100km east of Perth. Historic RC drill intercepts of copper-gold mineralisation include 61m @ 0.83g/t Au, 37m @ 0.72g/t Au and 0.26% Cu¹.



Photo 1: Reconnaissance Fieldwork, WA Goldfields – December 2014

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 December 2014)
\$1.8 million

Market Capitalisation:

\$5.2 million @ \$0.075/share

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ASX CODE: BRB



OVERVIEW

Breaker Resources NL (ASX: BRB; "Breaker") is one of the largest tenement holders in an emerging part of WA's Eastern Goldfields Superterrane in the Yilgarn Craton. Its exploration strategy relies principally 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.

Since listing in April 2012, Breaker has identified multiple, large, drill-ready targets on all retained projects. Breaker's projects include approximately 150km of the Yamarna Shear Zone and a number of historically undrilled greenstone belts/rocks. Several of Breaker's projects are located along strike from significant gold discoveries in the Yamarna and Duketon area.

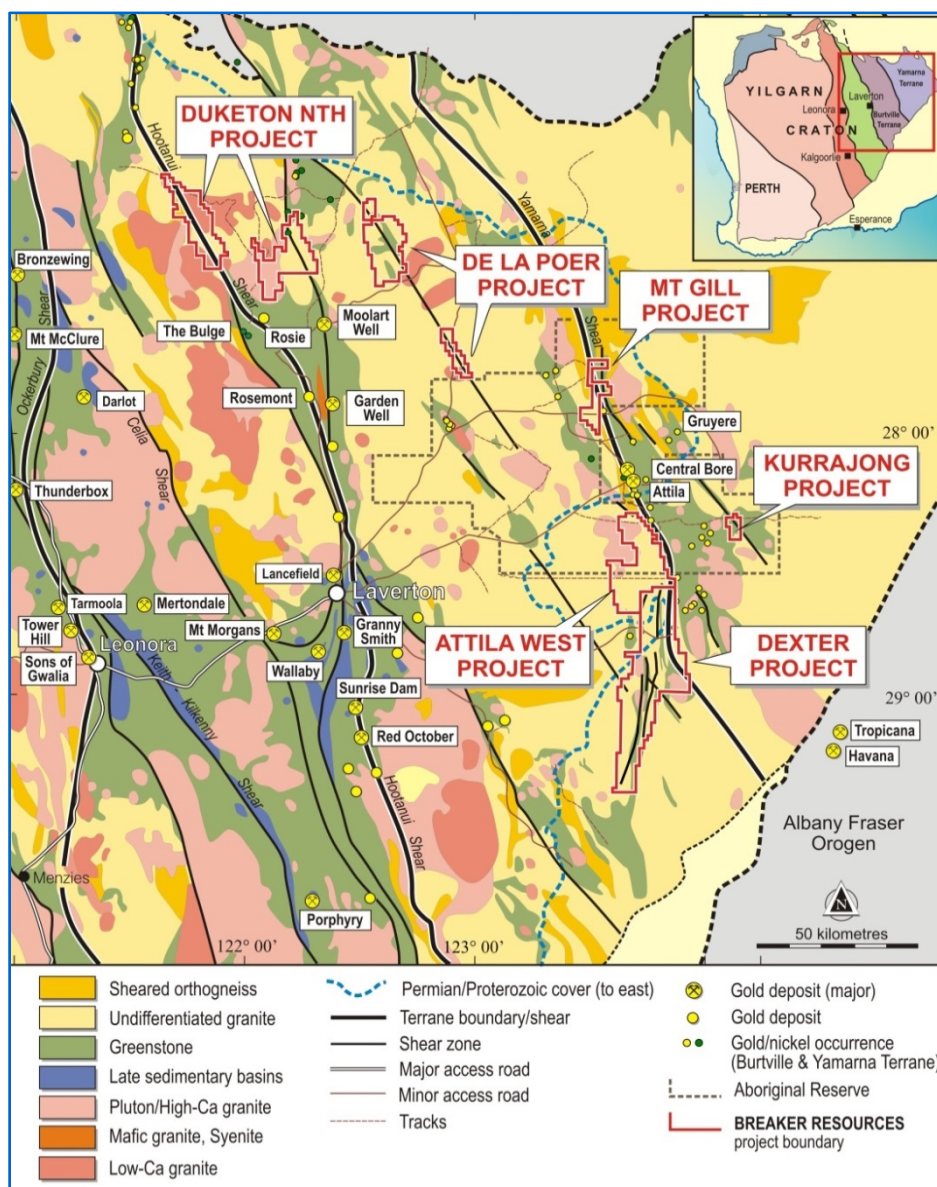


Figure 1: Project Location Map – WA's North-Eastern Goldfields

EXPLORATION AND EVALUATION

Dexter Gold Project December 2014 Quarter Exploration Activities

The 1,326km² 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 2). Thin aeolian sand and variable thicknesses of Permian sediment are present.

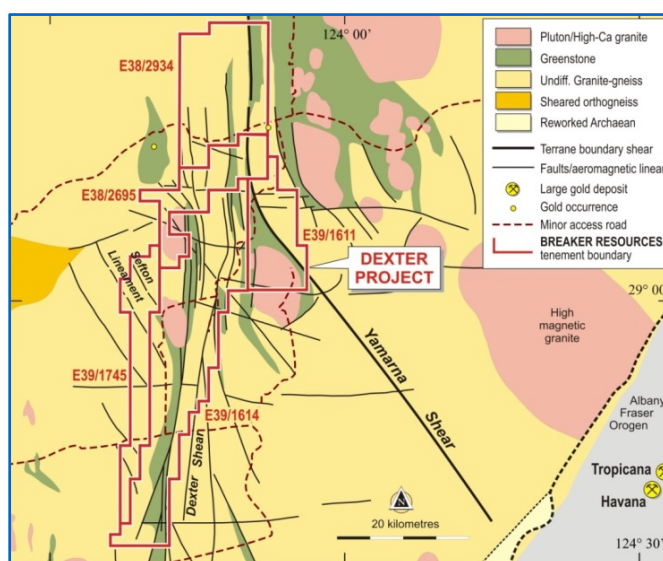


Figure 2: Dexter Project – Interpreted Geology (area as at 31 December 2014)

Breaker has 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 underway, with further reverse circulation (“RC”) drilling planned, potentially with a joint venture partner to accelerate progress.

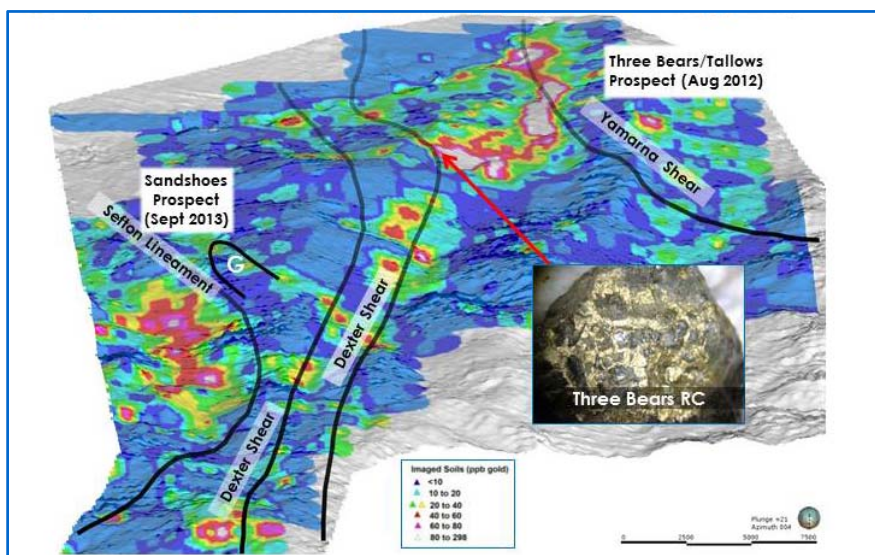


Figure 3: Dexter – 3D Perspective of Gold-in-Soil over Topography (x20 vertical exaggeration)

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).

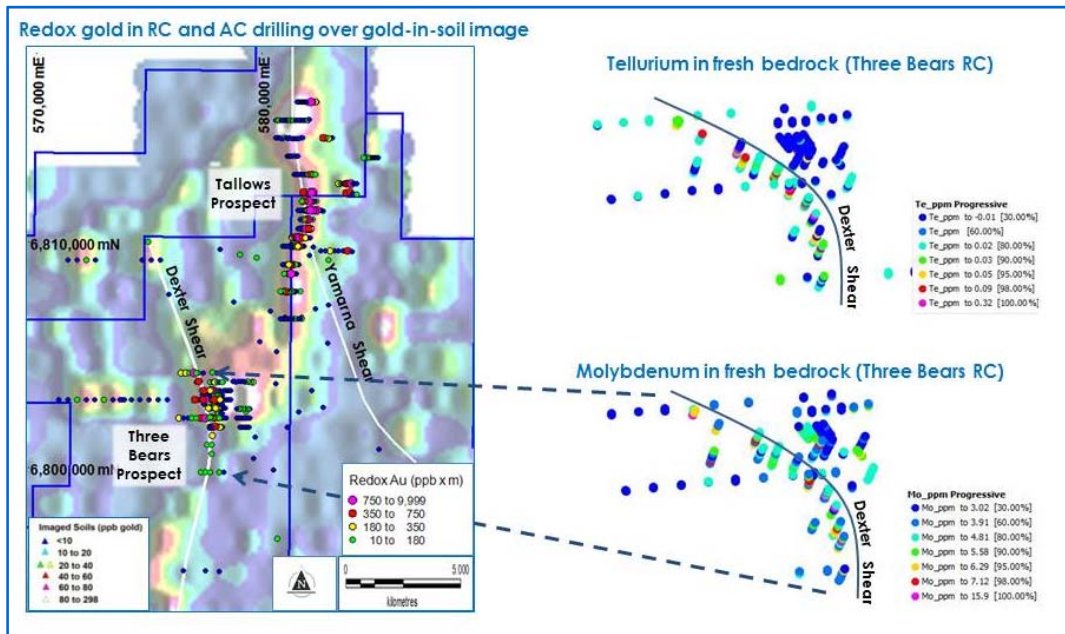


Figure 4: Dexter – Three Bears-Tallows RC Multi-Element Data

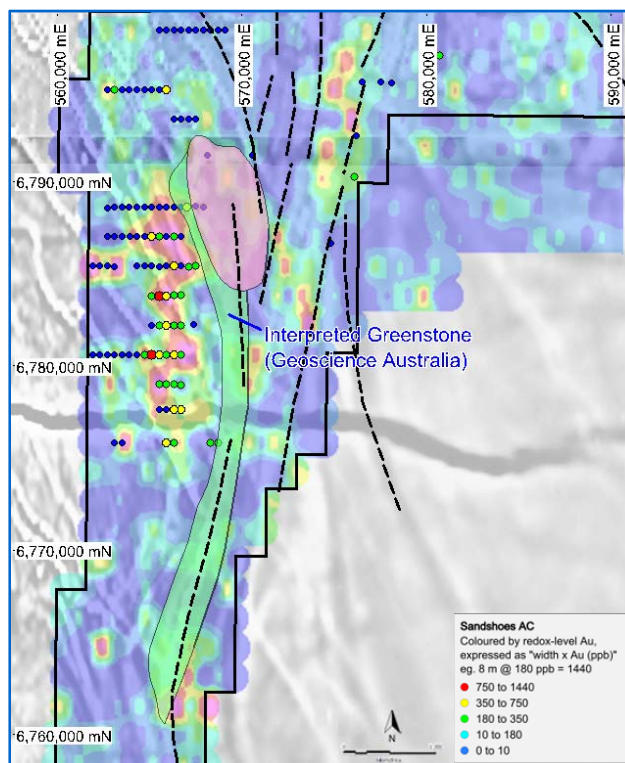


Figure 5: Sandshoes Prospect – Imaged Gold-in-Soil with September 2014 Aircore Drill Holes Colour-coded by Redox Gold over Imaged Aeromagnetics

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 5).

Soil sampling in the previous quarter at the Mt Douglas Prospect in the northern part of the Dexter Project identified a priority gold-in-soil on a rotated section of the Yamama Shear (Figure 6). The anomaly is defined by gold values >3.0ppb over a strike length of 8km and a width of up to 2,400m and is supported by elevated arsenic and molybdenum (ASX Release 31 October 2014).

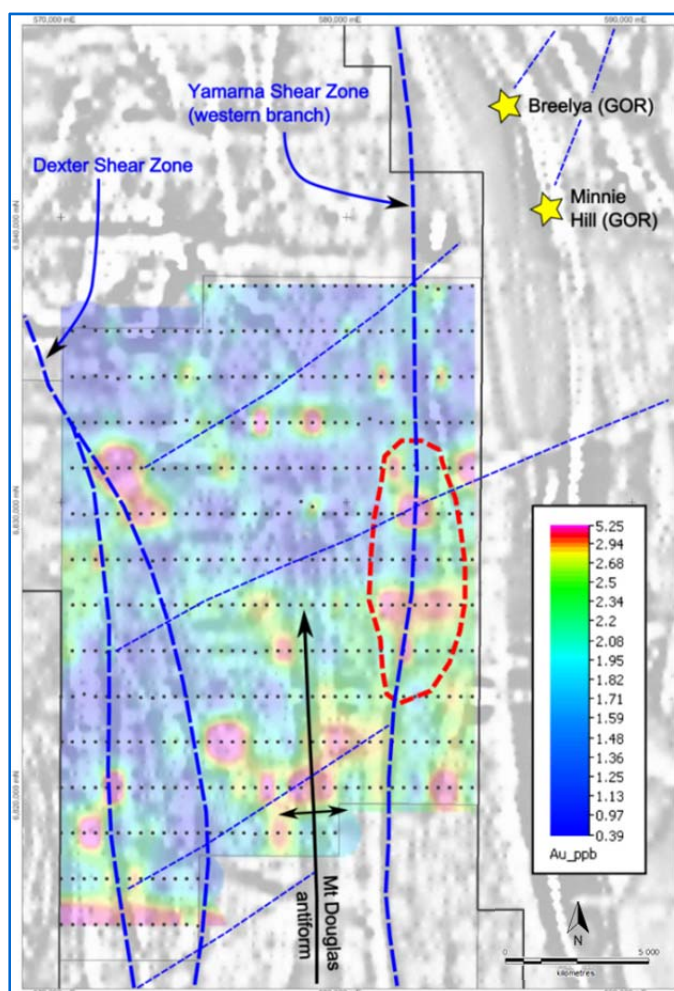


Figure 6: Mt Douglas Prospect – Imaged Gold-in-Soil over Imaged Aeromagnetics

During the reporting period, two tenements in the Dexter West area were surrendered following the analysis of drill results in the previous quarter. Final rehabilitation activities were completed in December 2014.

Attila West Gold Project December 2014 Quarter Exploration Activities

The 627km² 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.

Activities in the quarter consisted of ongoing data analysis. 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 7; ASX Release 31 July 2013). Aircore drilling of priority geochemical/structural targets is planned.

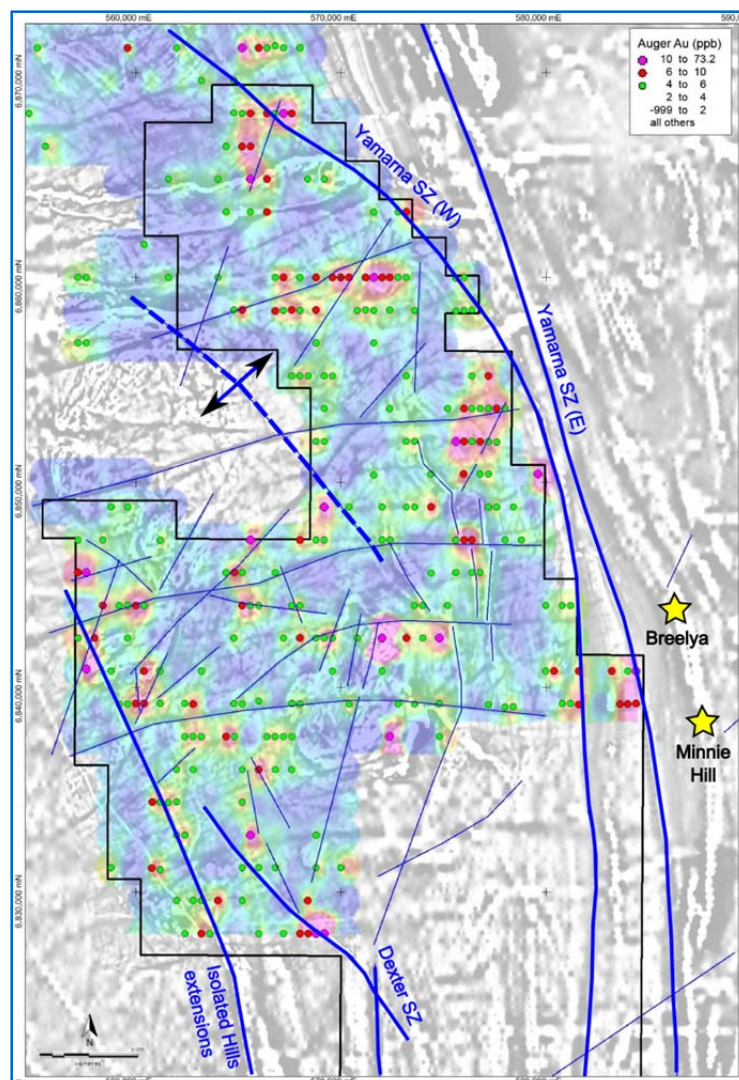


Figure 7: Attila West Project – 1,600m x 400m Auger Gold on Imaged Aeromagnetics

Kurrajong Gold Project December 2014 Quarter Exploration Activities

The 54km² Kurrajong Project is located in the Yamarna Terrane 35km along strike from the recent 3.8Moz Gruyere gold discovery, 175km east-northeast of Laverton (Figure 1).

Activities in the quarter were restricted to data analysis. 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 8). Initial scout aircore drilling in 2014 indicates ~100m of Permian cover. RC drilling will benefit from a \$150,000 co-funded drilling grant under the WA Government's Exploration Incentive Scheme.

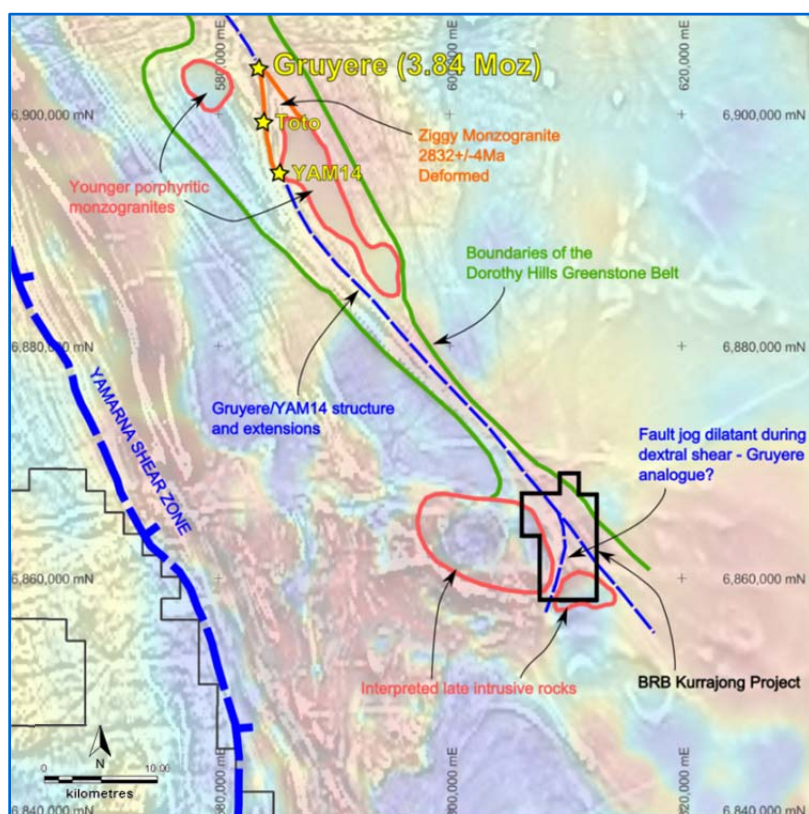


Figure 8: Kurrajong Project – Imaged Gravity on Aeromagnetics

Mt Gill Gold Project December 2014 Quarter Exploration Activities

The 167km² 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.

No field work was conducted in the December 2014 quarter. 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.

Duketon North Gold Project December 2014 Quarter Exploration Activities

The 826km² Duketon North Project is located north of the 10Moz Moolart Well-Garden Well-Rosemont gold camp, 160km north-northwest of Laverton (Figures 1 and 9). The project targets gold associated with the Hootanui and the Lulu/Turnback Shear Zones. Outcrop is limited with thin (<2m) sand cover dominant.

Activities in the December quarter consisted of field reconnaissance and geological mapping.

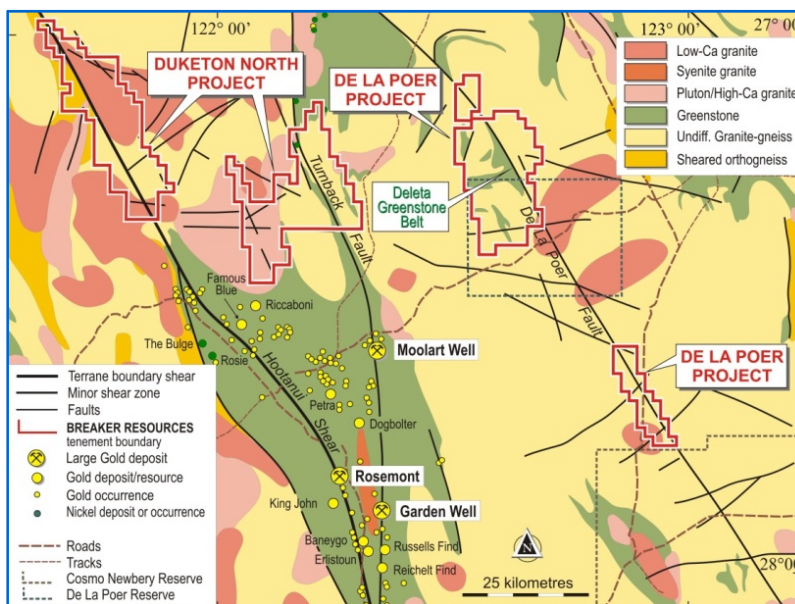


Figure 9: Duketon & De La Poer Projects – Interpreted Geology



Photo 2: Field Reconnaissance, Duketon North Project

A new tenement application was lodged in the quarter which extended the eastern margin of the project to cover a 22km strike length of the Lulu/Turnback fault zone which is associated with the Moolart Well gold deposit to the south (Figure 9). The application includes known mafic and ultramafic rocks previously explored for nickel and the available aeromagnetic data indicates the likely presence of a palaeochannel, possibly developed on a zone of shearing. Strongly anomalous gold-in-soil values identified from historic nickel exploration have not been drilled (Figure 10) and the area is a high priority gold target that the Company will pursue upon tenement grant.

This acquisition complements multiple gold-in-soil anomalies identified previously by Breaker in other parts of the Duketon North Project. Many of these anomalies have a good spatial association with interlinking fault splays of the Hootanui Shear Zone and are comparable in magnitude to soil anomalies associated with gold deposits to the south (Moolart Well: 3 to 7ppb gold; Garden Well: 3 to 25ppb gold).

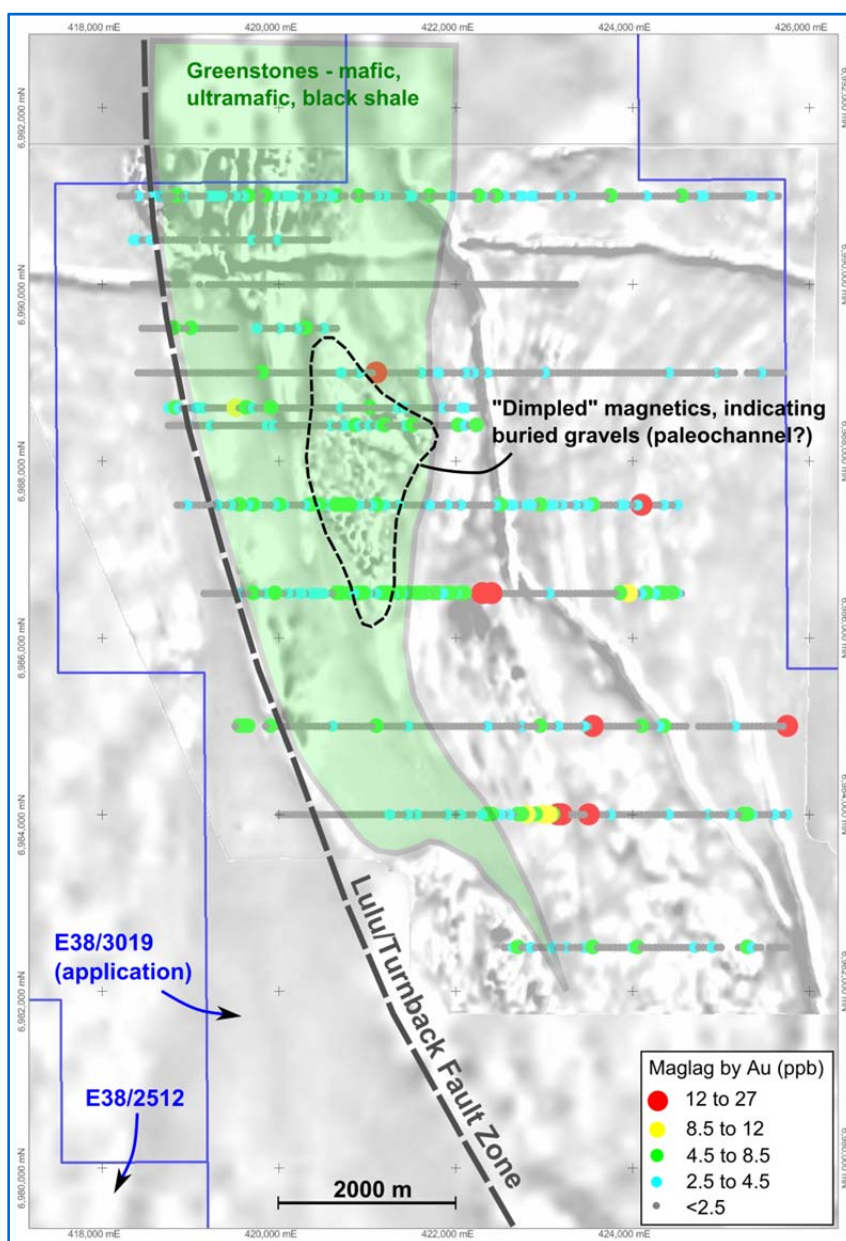


Figure 10: Duketon North Project – 50m-spaced Maglag Samples over Imaged Aeromagnetics (image adapted from open file reports of work by Gryphon Minerals Ltd)

De La Poer Gold Project December 2014 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 has previously identified multiple gold-in-soil anomalies from reconnaissance auger soil sampling (ASX Release 30 April 2013). Most soil anomalies are associated with anomalous pathfinder elements and are spatially associated with the De La Poer Fault and the Deleta greenstone belt. Field activities in the quarter consisted of reconnaissance and geological mapping to assist in assessing the prospectivity of these anomalies. Analysis of the findings is still in progress

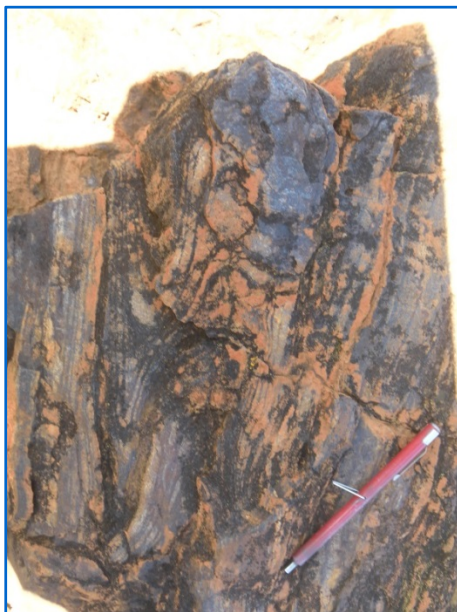


Photo 3: Folded Banded Iron Formation Outcrop, De La Poer Project

Project Generation

Breaker submitted four new tenement applications during the December 2014 quarter. All applications are located in WA's Yilgarn Province.


In addition to a highly prospective area acquired adjacent to the Duketon North Project (described above), Breaker applied for a tenement over the Centre Forest and Southern Brook gold-copper prospects, located 100km east of Perth. Historic RC drill intercepts of copper-gold mineralisation include 61m @ 0.83g/t Au, 37m @ 0.72g/t Au and 0.26% Cu¹. The prospectivity of the area and the effectiveness of previous exploration is currently under review.

The two other tenement applications lodged in the December 2014 quarter are located 100km east of Kalgoorlie (Lake Roe Prospect) and 80km north of Cue (Rabbit Bore Well Prospect) respectively. An assessment of their prospectivity, including a review of historical exploration, is currently underway.

CORPORATE

On 12 November 2014 the Company announced that it had received a rebate of \$0.93 million under the federal government's Research & Development Incentive Scheme. The rebate relates to activities during the 2013/14 financial year.

During the period three (3) listed options (ASX: BRBO) were exercised. On 31 December 2014 the balance of 28,137,495 listed options (exercisable at \$0.25) expired.



Tom Sanders
Executive Chairman
Breaker Resources NL

30 January 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.

¹ Historic RC drill intercepts sourced from Mindax Ltd ASX Release of 30 July 2007.

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 December 2014.

Project	Tenement Number	Status at 31/12/14	Percentage Held/Earning	<i>Changes during the Quarter</i>
Attila West	E38/2530	Granted	100	
	E38/2598	Granted	100	
De La Poer	E38/2517	Granted	100	
	E38/2518	Granted	100	
	E38/2519	Granted	100	
	E38/2520	Granted	100	
	E38/2853	Granted	100	
	E38/2874	Application	100	
Dexter	E38/2695	Granted	100	
	E38/2934	Application	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	<i>Applied for 21/11/14</i>
	E53/1592	Granted	100	
Kurrajong	E38/2531	Granted	100	
Lake Roe	E28/2515	Application	100	<i>Applied for 21/11/14</i>
Mt Gill	E38/2513	Granted	100	
	E38/2529	Granted	100	
Rabbit Bore Well	E51/1678	Application	100	<i>Applied for 08/12/14</i>
Ularring Rock	E70/4686	Application	100	<i>Applied for 08/12/14</i>

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

- ✦ E38/2984 (Lake Jeffries) – Application withdrawn 05/11/14
- ✦ E39/1745 (Dexter) – Tenement surrendered 25/11/14
- ✦ E39/1786 (Dexter) – Tenement surrendered 25/11/14

No tenements 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 December 2014

Consolidated statement of cash flows

	Current quarter \$A'ooo	Year to date (6 months) \$A'ooo
Cash flows related to operating activities		
1.1 Receipts from product sales and related debtors	-	-
1.2 Payments for: (a) exploration & evaluation	(468)	(963)
(b) development	-	-
(c) production	-	-
(d) administration	(133)	(382)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	16	24
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other (R&D tax benefit)	927	2,708
Net Operating Cash Flows	342	1,387
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)	342	1,387

+ 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)	342	1,387
	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	(1)	(5)
1.18	Dividends paid	-	-
1.19	Other (provide details if material)	-	-
	Net financing cash flows	(1)	(5)
	Net increase (decrease) in cash held	341	1,382
1.20	Cash at beginning of quarter/year to date	1,498	457
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	Cash at end of quarter	1,839	1,839

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	71
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

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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

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+ See chapter 19 for defined terms.

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	300
4.2 Development	-
4.3 Production	-
4.4 Administration	120
Total	420

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	189	298
5.2 Deposits at call	1,650	1,200
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)	1,839	1,498

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	E38/2984	Withdrawn	Application	Nil
	E39/1745	Surrendered	100%	Nil
	E39/1786	Surrendered	100%	Nil
6.2 Interests in mining tenements and petroleum tenements acquired or increased	E28/2515	Application	Nil	100%
	E38/3019	Application	Nil	100%
	E51/1678	Application	Nil	100%
	E70/4686	Application	Nil	100%

+ See chapter 19 for defined terms.

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: 68,875,008 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	BRB: 3 (exercise of BRBO)	3	25 cents	25 cents
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	- - - -	<i>Exercise price</i> 23.1 cents 28.1 cents 48.1 cents 50 cents	<i>Expiry date</i> 30 June 2016 30 June 2016 31 December 2016 31 December 2016
7.8 Issued during quarter				
7.9 Exercised during quarter	BRBO: 3			
7.10 Expired during quarter	BRBO: 28,137,495			
7.11 Debentures (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 ~~not~~* (~~delete one~~) give a true and fair view of the matters disclosed.

Sign here: 
(Company secretary)

Date: 30 January 2015

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.