



**Breakaway
Research**

May 2012

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Company Information

ASX Code	OYM
Share Price	A\$0.29
Ord Shares (ASX)	144.7m
Ord Shares (TSX)	236.5m
Options	42.3m
Market Cap	A\$118.2m
Cash (Feb 2012)	A\$18.2m
Convertible Notes	A\$ ~40.0m
Gold Loan	A\$ 13.1
Debt (CN's + GL)	A\$ 53.1
Enterprise Value	A\$1.6m

Directors and Management

Executive Chairman	David Seton
Chief Executive Officer	John Seton
Chief Operating Officer	Klaus Leiders
Chief Strategy Officer	Charles Barclay
Chief Geologist	Rod Murfitt

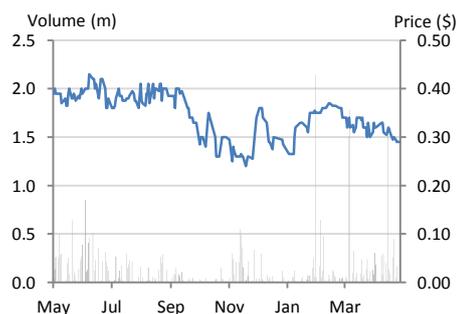
Substantial Shareholders

Dragon Capital Group	17.90%
Vietnam Enterprise	5.18%
John Seton	1.34%
Capital Asset Management	0.80%
Leslie Robinson	0.60%

Company Details

Address	500-10 King St, East Toronto, ON, Canada, M5C 1C3
Phone	+1 416 572 4202
Web	www.olympuspacific.com

1 Year Price Chart



Source: Bloomberg

Olympus Pacific Minerals (OYM)

Large resource base supports growth plans

Recommendation: Speculative Buy

Key Points

- **Multi mine, multi country gold portfolio focused in S.E Asia**
- **42,868oz Au produced in 2011, increasing to 65,000oz Au in 2012**
- **Feasibility study underway at the +3Moz Bau project in Malaysia**
- **Targeting production of 100-150,000ozpa at Bau project**
- **Recent drilling highlights potential for meaningful resource upgrade**
- **EV of ~\$150m undervalues company potential**

Olympus Pacific is an established gold producer with an increasing production profile. A feasibility study is underway at Bau, the 'jewel in the Olympus Pacific crown' assessing the initial development of two (of eight) sectors within the Bau Gold Trend. Once in full operation, the company envisages group production of ~200,000ozpa Au compared to the current 65,000ozpa operations in Vietnam. Recent drilling at Jugan Hill highlights the prospectivity of the Bau region which should lead to meaningful resource upgrades and the potential for increased scale and longevity of operations.

Company Overview

Olympus Pacific Minerals (ASX, TSX: OYM) is an established gold producer with two operating gold mines located in Vietnam. The company produced 42,868oz of gold in 2011, at a cash cost of US\$ 715/oz, and is on track to increase production to 65,000oz in 2012 at reduced cash costs.

With the Vietnam operations now running smoothly, the focus is shifting to the Bau goldfield in East Malaysia. Bau is a 'company maker' and currently hosts a total gold resource in excess of 3Moz with significant further exploration potential. Recent drilling at Jugan (one of eight central Bau Trend sectors) has intersected additional large widths of ore grade mineralisation yet to be included in the current resource. Highlights include 52m @ 4.64g/t Au from 3m below surface.

A feasibility study is currently underway based on the initial development of the Jugan Hill and Young's Hill (Bekajang) deposits with the remaining six sectors phased into production in due course. The company envisage a 3Mtpa plant, employing either an Albion or pressure oxidation circuit to treat the refractory component of the ore, to be commissioned in 2014. Once in full production, Olympus Pacific have targeted 100-150,000ozpa of gold from Bau, which when coupled with the Vietnam operations, would bring total gold production to +200,000ozpa.

Comparative analysis by Breakaway research indicates that Olympus is cheap relative to its peers based on its established resource base. This creates an opportunity for a strong re-rating as its growth plans are quantified and achieved.



Investment Review

Olympus Pacific has two gold operations in Vietnam; **Phuoc Son** (85%) and **Bong Mieu** (80%), a 75% interest in a prospective gold exploration project (**Tien Thuan**) also located in Vietnam, an advanced exploration project located in Malaysia (**Bau**), and the right to earn up to 60%, in consortium with a Philippine company controlled by Philippines nationals, in the **Capcapo** exploration project located in the Philippines. The company also has an 80% interest in **Enmore**, an early stage gold exploration project in NSW, Australia.

Projects focused on south east Asia

Olympus Pacific – Project Locations



Source: Olympus Pacific

Olympus has a net global resource of ~3.6Moz of contained gold, the majority of which is located at the Malaysian Bau project, which hosts ~2.57Moz (net to OYM).

Global resource of 3.6Moz Au

JORC Resource Table (as at 28 Feb 2012)

Property	Category	Tonnes (t)	Grade (g/t)	Contained Gold (oz)	Net to OYM
Bong Mieu (80% Interest)	Measured	1,037,660	1.95	65,038	52,030
	Indicated	2,519,205	1.48	119,750	95,800
	Total M+I	3,556,865	1.62	184,788	147,830
	Inferred	4,951,920	1.39	221,306	177,045
Bong Mieu Underground	Measured	24,200	5.00	3,890	3,112
	Indicated	192,700	6.60	40,890	32,712
	Total M+I	216,900	6.42	44,780	35,824
	Inferred	1,220,000	8.00	313,792	251,034
Phuoc Son (85% Interest)	Measured	128,563	10.14	41,915	35,628
	Indicated	429,030	9.15	126,276	107,335
	Total M+I	557,593	9.38	168,191	142,962
	Inferred	2,466,256	6.01	476,206	404,775
Bau, Malaysia (83.25% interest)	Measured	3,425,000	1.44	158,500	131,951
	Indicated	13,633,000	1.72	755,000	628,538
	Total M+I	17,058,000	1.67	913,500	760,489
	Inferred	50,062,000	1.31	2,108,100	1,754,993
Total				4,430,663	3,674,952

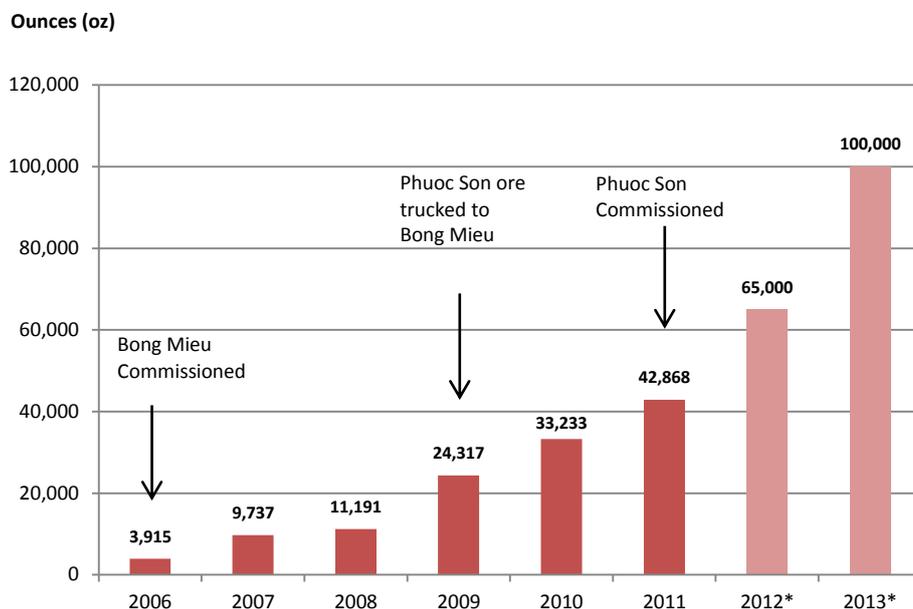
Source: Olympus Pacific



Since commissioning the Bong Mieu mine and processing facilities in 2006, Olympus has achieved steadily increasing output, essentially doubling production every two years, and is well placed to produce the targeted 65,000koz in 2012. The company's production target rises to 100koz in 2013, and then 200koz in 2015 when Bau is forecast to achieve full production.

Production History and Forecast

Production has essentially doubled every 2 years



Data sourced: Olympus Pacific *Forecast production

The table below shows Olympus' 2011 production summary, which incorporates both the Bong Mieu (underground and open pit) operations and the Phuoc Son underground mine. Whilst the average grade presented to the mills has decreased from 2010, the total ore milled has increased significantly as a result of commissioning a second processing plant at Phuoc Son in June 2011.

Recent Total Production – Vietnam Operations

Commissioning of Phuoc Son plant allowed for doubling of capacity

	2011 Q1	2011 Q2	2011 Q3	2011 Q4	2011 Total	2010 Total
Ore milled (t)	37,163	49,497	74,974	76,648	236,282	138,779
Grade (g/t)	4.3	5.3	6.2	9.2	6.7	9.4
Recovery (%)	75	82	87	91	87	80
Gold production (oz)	3,868	6,155	12,996	19,849	42,868	33,234
Gold sales (oz)	3,868	5,717	12,482	19,884	41,061	29,186

Source: Olympus Resources

A total of 236k tonnes was milled in 2011 at an average grade of 6.7g/t Au. Olympus has targeted production of 65,000oz gold from the Vietnam operations for 2012 which implies a mill rate of 360kt (equates to combined Phuoc Son and Bong Mieu processing plant nameplate capacity) at an average head grade of ~5.6g/t. Should Olympus meet this target, and assuming the same gold price realised in 2011 (US\$1,640), operational revenue will rise to more than US\$100M. Opportunity exists to upgrade these numbers should the company be able to present a higher average grade to the mills (as achieved in 2011 – 6.7g/t Au) and increase production rates above design capacity (also demonstrated in 2011).



Operating Units – 2011 Results

	Bong Mieu Central	Bong Mieu Underground	Combined Bong Mieu Properties	Phuoc Son Underground	Annual Total
	2011	2011	2011	2011	2011
Gold Sales US\$	11,177,914	4,662,067	15,839,981	32,136,649	47,976,630
Cost of Sales US\$	7,106,287	4,700,184	11,806,471	9,100,413	20,906,884
Amortisation US\$	1,359,536	2,426,173	3,785,709	9,391,203	13,176,912
Toll treatment charge US\$	(17,756)	-	(17,756)	17,756	-
Royalties US\$	444,760	79,358	524,118	5,869,085	6,393,203
Cash operating costs per ounce US\$	1,040	1,569	1,202	469	715

Source: Olympus Pacific

Gold produced at avg cost of US\$ 715/oz

The table above summarises the performance of Phuoc Son and the two Bong Mieu mines individually and the total combined performance of the operations. We note that treasury held a significant amount of gold at period end, reducing the 'apparent' performance. The Bong Mieu underground operation in 2011 reported high costs of US\$1,569/oz, reflecting the inefficiencies in substituting the Phuoc Son ore (which was being toll treated at Bong Mieu) with the Bong Mieu ore. Olympus expects mining costs to decrease for CY 2012 as adjustments to the processing plant are implemented. Overall, total group cash operating costs per ounce of ~US\$ 715/oz are in line with global gold industry averages.

Bong Mieu drilling currently focused on shallow mineralisation

Bong Mieu hosts a total resource 8.5Mt @ 1.48g/t Au of which 1.3Mt @ 2.17 g/t Au is currently in reserves. Olympus has been concentrating drilling campaigns on shallow targets as this is where the 'cheaper' ounces can be delineated. Significant mineralisation still exists at depth and will be targeted in the future. Management expect approximately ~7Mt of the 9.9Mt resource will eventually be converted to mining reserves, however, due to timing and costs of achieving this, the company are likely to only maintain a 1-2 year mining reserve ahead of production. Bong Mieu underground (Nui Kem) currently has a historic 1993 JORC resource of 358koz @ 7.7g/t Au (287koz net to OYM).

Bong Mieu Gold Plant



Source: Olympus Pacific

Phuoc Son Gold Plant



Phuoc Son is high grade and low cost operation

Phuoc Son currently has a resource of 2.4Mt @ 6.01g/t Au and mining reserves of 750kt @ 6.16g/t Au, with the operation able to produce gold at ~US\$ 470/oz in its own right.

The resources and reserves inventory is currently modest, however significant exploration potential still exists in the immediate area. Breakaway anticipate further ore grade mineralisation will be identified in ongoing drilling campaigns.



Bau

Interest in Bau to increase to 93.55%

The Bau project comprises a large area covering much of the historic Bau goldfield in Sarawak, East Malaysia which has historically produced in the order of 3Moz gold. Olympus currently holds an 83.25% interest in the project and can increase this to 93.55% by July 2013 in several stages via further payments totalling US\$11 million.

Feasibility study underway

The large resource base of Bau (3Moz and rising) makes it a cornerstone asset for Olympus, providing the potential scale and longevity to take the company to next level as a gold producer. Current plans envisage initial gold production in the order of 100-150koz pa. This would involve establishing processing facilities capable of treating around 3Mtpa ore.

During 2012 Olympus will complete a feasibility study aimed at determining the preferred development path for Bau. Assuming a positive outcome, this will lead into a financing and construction phase during 2013/14 and start-up of production in 2014.

Much of the gold mineralisation in the Bau goldfield includes a refractory component and selecting the optimum gold recovery process route is a key consideration in the feasibility study. The Albion process and pressure oxidation represent the most likely alternatives to be utilised to recover the refractory gold.

High grade intercepts yet to be included in the resource

Mining operations are likely to initially comprise open cut development of the Jugan Hill and Young's Hill (Bekajang) deposits, with an additional six central Bau gold trend sectors being identified at various stages of exploration development as potential long term ore sources. A major in-fill and step-out drilling program is in progress at Bau Central aimed at establishing initial reserves for the development project. The results are particularly encouraging at the proposed Jugan open-pit, as evidenced by recent results such as **52m at 4.64g/t** (from 2.7m), **39.5m at 19.1g/t** (from 26.0m) and **29.3m at 2.94g/t** (from surface).

Capital Structure

Olympus Pacific is dual listed in Canada and Australia and has a total of 380m ordinary shares on issue. Assuming a share price of \$A0.31, this implies a market capitalisation of A\$118m. While the company has no conventional bank 'debt', it did raise \$~40M (USD and CAD) via the issues of convertible notes which in this report, is treated as debt. These notes are issued to investors who then receive an annual interest payment. Investors have the option of converting the notes to shares at any time, at the pre-defined price or receiving their original investment back.

Company Convertible Notes

Convertible notes and gold loan treated as 'debt'

Convertible Notes	Issued	Maturity	Units	Face Value CAD	Face Value USD	Conversion price	Shares on conversion
9% CAD Notes	May 26, 2010	May 26, 2014	12,709,942	10,676,355		0.42	25,419,893
8% CAD Notes	April 29, 2011	April 29, 2015	150	15,000,000		0.50	30,000,000
8% USD Notes	May 6, 2011	May 26, 2015	14,600,000		14,600,000	0.51	28,627,451

Source: Olympus Pacific

Assuming the share price is above the conversion price at maturity, investors would logically convert into shares. However, should the share price be below the conversion price, investors would logically request their initial sum invested be returned in cash.



Gold Loan

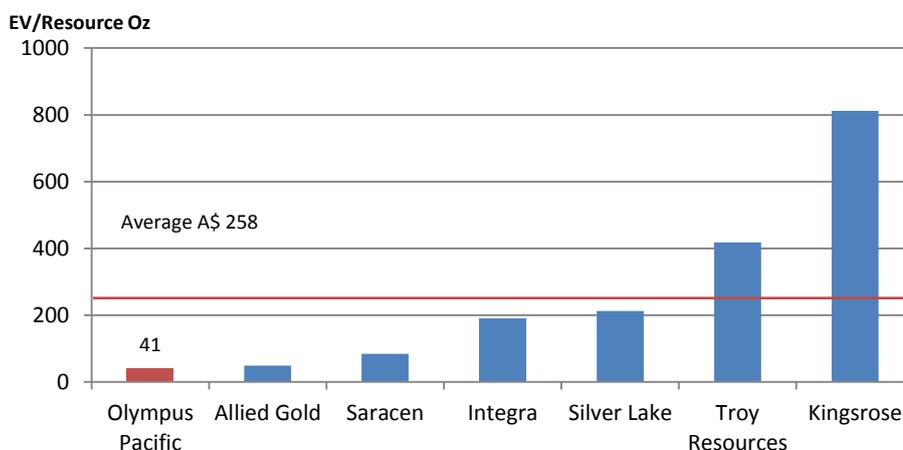
In 2010, through the use of a gold loan facility, Olympus raised a total of US\$20.2m. The loan attracts an 8% p.a. interest rate with the principal paid off in ounces of gold rather than cash. The face value of the debt outstanding at Dec 31 2011 was US\$13.14m which equates to 10,950oz of deliverable gold. (Gold ounces delivered are determined using an assumed US\$1,200/oz price as per the terms of the agreement). Breakaway also treats the gold loan as debt.

Peer Comparison

The chart below compares Olympus Pacific's Enterprise Value (EV) per Resource ounce with that of 6 of its peers.

Peer Comparison – EV/Resource Oz

Olympus appears cheap in comparison to peers



Breakaway's View

Olympus Pacific has two established gold operations in Vietnam, demonstrating management's ability to successfully operate in southeast Asia. From modest beginnings, the company has steadily grown its production and is on track to deliver on their production target of 65,000oz of gold for 2012. The focus of the company is steadily shifting to Bau which provides the opportunity to transition to the next level as a gold company.

Overall, Olympus is an established producer with a significant resource base. With an enterprise value of ~A\$ 140m, it appears cheap relative to its peers using resource based comparisons. The company continues to achieve exploration success on a range of projects, adding to its investment appeal.



Project Review

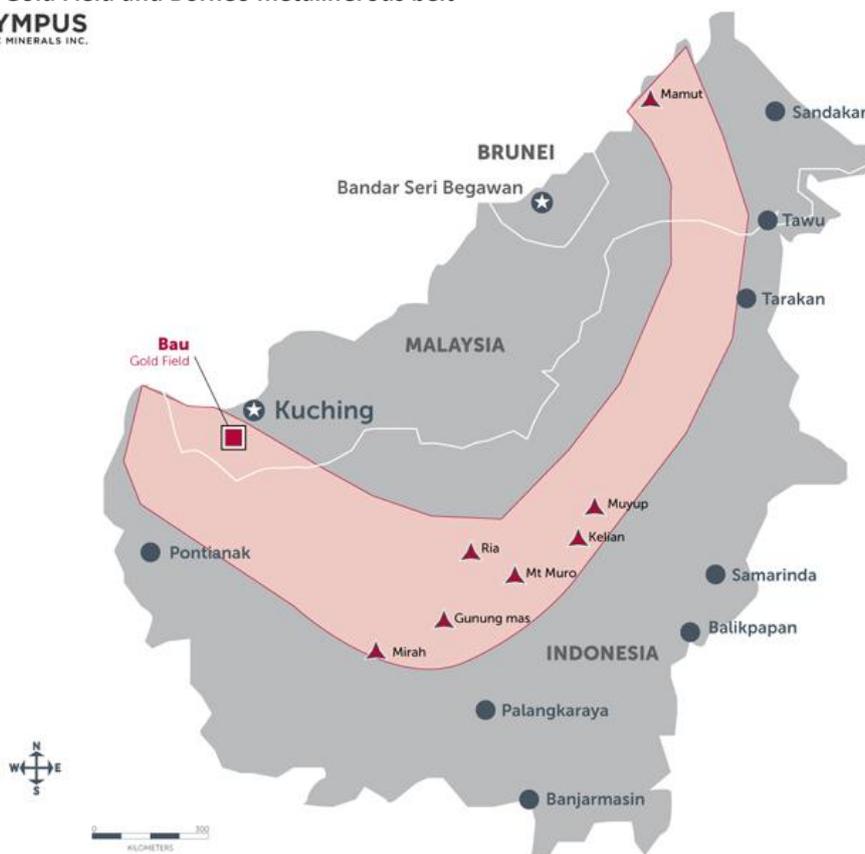
Bau Gold Project – Malaysia – 83.25% interest

The Bau gold project comprises consolidated mining and exploration tenements which collectively cover more than 349km² of prospective ground within the Bau goldfield. Two regional projects cover an additional 1,245km² of prospective terrain. Historic gold production from the area is estimated at ~3Moz which includes recorded production of 1.5Moz. The most recent operation was the Tai Parit mine which closed in 1996 after producing 1.2Moz gold from a single open pit averaging 7g/t Au.

Bau Gold Field and Borneo metalliferous belt

OLYMPUS
PACIFIC MINERALS INC.

*Mineralised trend
hosts numerous
copper/gold deposits*



Source: Olympus Pacific

*Olympus to move to
93.55% on completion
of US\$35m payment*

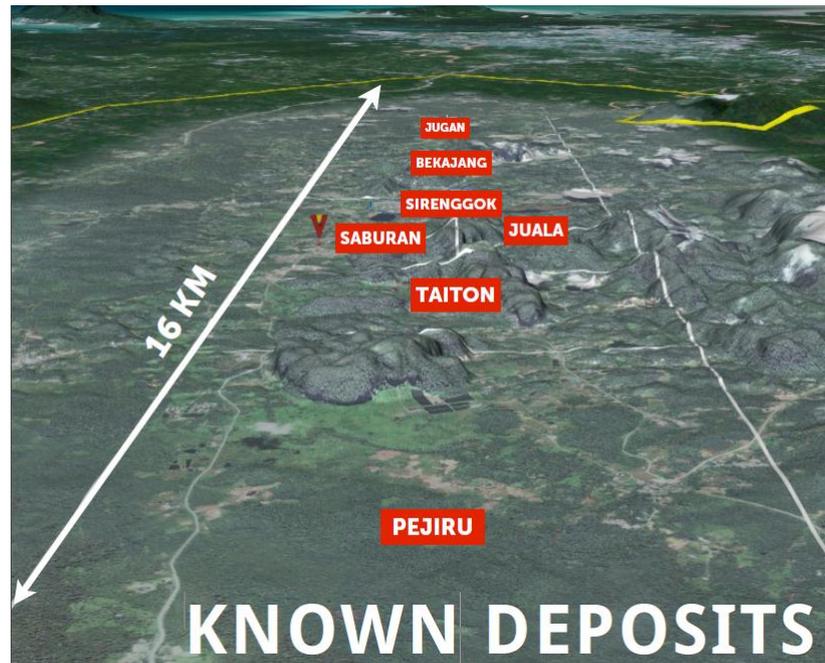
The map above shows Bau's location in the south west corner of Malaysia and also highlights the interpreted mineralised trend which is host to numerous copper and gold deposits.

On September 30, 2010, Olympus entered into an agreement to acquire a further 43.5% interest in North Borneo gold Sdn Bhd by September 2012 for total consideration of US\$35M, which would give Olympus an effective 93.55% interest in the Bau gold project. A further US\$11M of staged payments are required to complete this transaction by January 2014.



The total resource at Bau is currently 3.02Moz of gold comprised from a number of deposits spread along the 16km length of the Bau central gold trend. Encouragingly, the vast majority of the resource is hosted within 100m of the surface.

7 known deposits within a 16km strike



Source: Olympus Pacific

Olympus has commenced feasibility studies targeting initial open cut development of the Jugan and Young’s Hill (Bekajang) deposits, with the remaining sectors phased into production in due course.

Feasibility study to initially focus on Jugan Hill and Bekajang

Development Resource at Jugan Hill and Young’s Hill (Bekajang)

Property	Resource Category	Tonnes (t)	Grade g/t	Contained Gold	Net to OYM
Bau (83.25% interest)	Measured	3,425,000	1.44	158,500	131,951
	Indicated	12,116,000	1.59	621,000	516,982
	Inferred	11,145,000	1.51	540,400	449,883
Total		26,686,000	1.54	1,319,900	1,098,816

Source: Olympus Pacific

Jugan Hill Deposit

Jugan Hill hosts open pitable 563koz Au

The Jugan Hill deposit is a near surface gold deposit which outcrops as a low hill towards the north-east end of the Bau Central gold trend and contributes 675koz to the current 1.3Moz ‘development resource’. It is a ‘Carlin type’ deposit (as are some of the neighbouring deposits) Jugan Hill comprises of sediment-hosted, disseminated mineralisation within a thick shale/sandstone sedimentary sequence. The area is transected by deep conjugate fault sets and intruded by dacite porphyry stocks, dykes and sills.

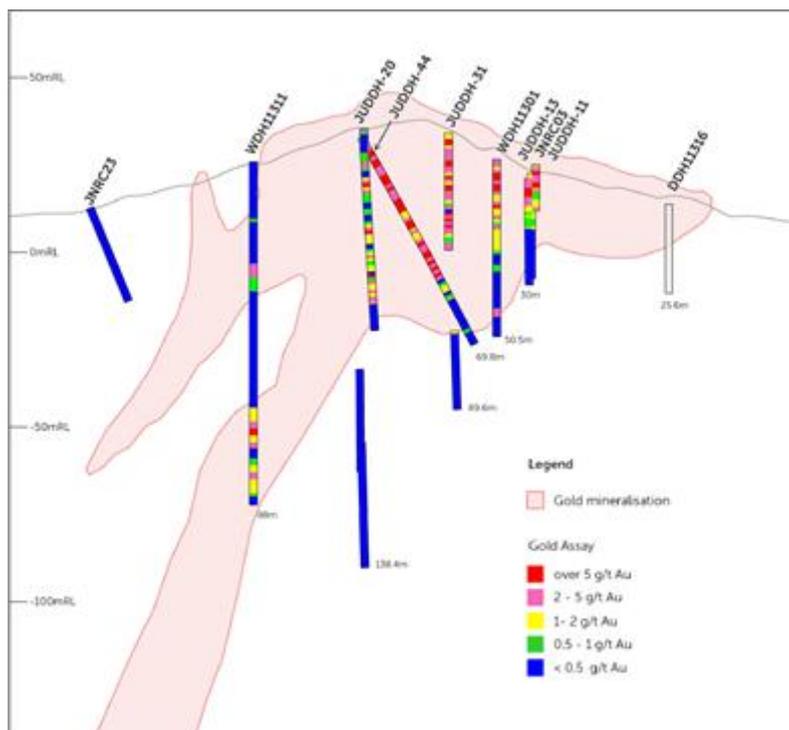
Targeting +1Moz

The current Jugan Hill resource (675koz Au) has been modelled down to depths mostly above ~70m, however recent diamond drilling has intersected ore grade mineralisation at depths beyond 200m. This ‘deeper’ and steeply dipping mineralisation remains open at depth and has been interpreted to be a feeder zone for the near surface gold mineralisation. Further drilling is required to test strike and depth extensions of this feeder zone with additional exploration potential also existing on the periphery of the Jugan Hill deposit. Olympus has a targeted +1,000,000oz resource from just the Jugan Hill sector.



Jugan Hill Cross Section

Shallow, high grade intercepts



Source: Olympus Pacific

Highlights from recent drilling at Jugan include:

Recent drilling results yet to be included in current resource

- 78.3m @ 2.01 g/t Au (from surface to 78.3m) Hole: JUDDH-11
- 24m @ 2.32g/t Au (from 58 to 82m) Hole: JUDDH-12
- 16.5m @ 3.08 g/t Au (from surface to 16.5m) Hole: JUDDH-13
- 38m @ 3.91g/t Au (from 27m to 65m) Hole: JUDDH-23
- 40m @ 3.99g/t Au (from surface to 40m) Hole: JUDDH-31
- 41m @ 1.79g/t Au (from 241m to 282m) Hole JUDDH-32
- 34m @ 3.01g/t Au (from 53.5m to 87.5m)Hole JUDDH-35
- **52m @ 4.64g/t Au (from 3m to 55m) Hole JUDDH-44**

The recent drilling is yet to be included in the Jugan Hill resource. Infill and extensional drilling will continue for the remainder of the year and resource upgrades will follow in due course. Jugan alone has a 659,100oz Au Measured and Indicated resource and the company is confident of establishing a +1,000,000 resource.

Breakaway is encouraged by the wide intersections of near surface mineralisation as it ensures significant, low cost feed for the proposed processing plant.

Feasibility Study

Metallurgical test work underway – results due imminently

The Bau mining feasibility study is focused on initial development of the Jugan deposit with other sectors phased into production over time.

Six holes were recently completed with metallurgical samples being sent to SGS Lakefield (Perth) for bench scale test-work. The results of this test-work (expected before end June 2012) will be used to select the optimum gold recovery process route. Prior bench-scale metallurgical test-work has indicated that metallurgical recoveries in the order of 85% may be achievable.



Bau mineralisation styles range from non-refractory to moderately refractory in nature. Two process routes (Albion and pressure oxidation) suitable for processing ore of this nature have already been short-listed for detailed evaluation and it is likely one of these processes will be used in the final plant design.

Production could be as early as 2014

Olympus is initially targeting production capacity from Bau of 100,000ozpa with the potential to increase production to 150,000ozpa. Resource definition, mine planning, civil engineering, financial modelling, environmental and demographic studies and a community consultation program are scheduled for completion by late 2012.

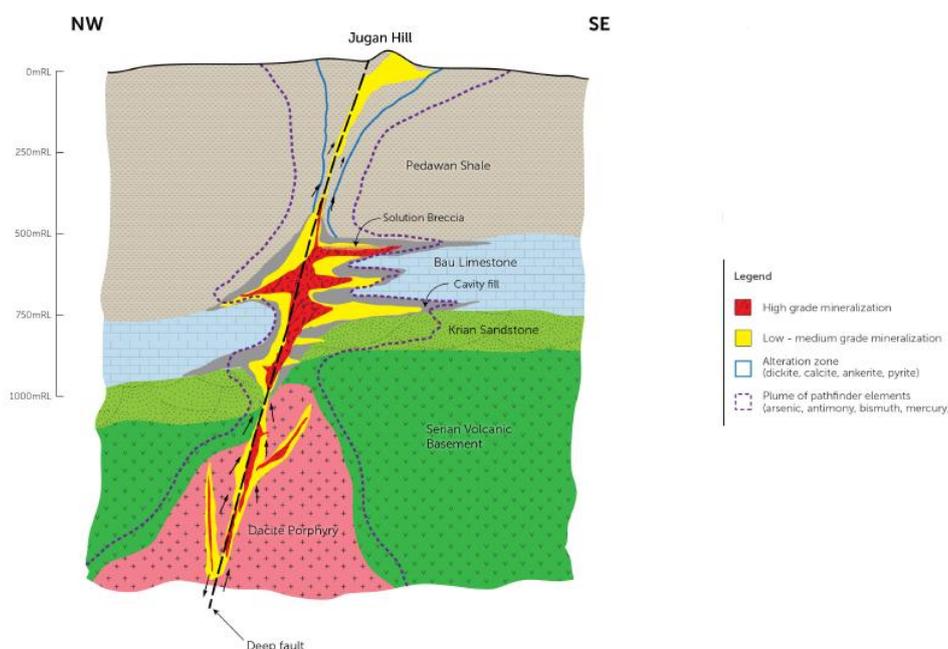
Should the feasibility study be deemed positive, construction would commence in 2013 with the start-up of production in 2014.

Further Exploration at Jugan Hill

The image below is conceptual in nature, however it highlights the significant exploration potential that is perceived to exist at depth. Close spaced soil geochemistry and high resolution IP surveys are planned to better define exploration targets.

Jugan Hill – Conceptual cross section

Significant exploration potential



Source: Olympus Pacific

Bau Assay Lab

Assay lab on site cuts turnaround time

Olympus recently installed an independent assay lab on site, designed and operated by SGS Lakefield. Prior to the introduction of the assay lab, Olympus had an assay turnaround time of ~5 weeks which has now been decreased to just a few days. This significantly enhances the ongoing exploration management process.

Olympus has a continuous drill program and within the last 12 months, has completed more than 26,000m of diamond drilling. The company anticipates future campaigns of similar size on an ongoing basis in order to gain a full understanding of the potential of the Bau goldfield.



Bong Mieu – Vietnam

Three mines: One open pit, two underground – 80% interest

Bong Mieu hosts open pit and an underground mine

Olympus Pacific owns an 80% interest in Bong Mieu Gold Mining Company with Vietnamese joint venture partners MIDECO and MINCO each holding 10%. Both joint venture partners have been free carried by Olympus through the development stage and their respective 10% of production ounces is being used to pay back their share of development costs, due to be completed by 2014.

The Bong Mieu gold operation is located in the south east corner of the Quang Nam province in Central Vietnam and hosts three producing gold mines; Bong Mieu Central and two at Bong Mieu Underground. The three mines are within a 3km radius. Bong Mieu Central has been in production since 2006 while Bong Mieu underground commenced production in 2009 following a processing plant upgrade. The third mine, Ho Gan South, commenced production in 2011. A proposed fourth mine (Ho Ray open pit) is currently at advanced feasibility stage.

Plant capacity at Bong Mieu is 500tpd (180ktpa) and processing utilises gravity separation and sulphide flotation, followed by an intensive leach reactor.

Bong Mieu Resource

Property	Category	Tonnes (t)	Grade (g/t)	Contained Gold (Oz)	Net to OYM
Bong Mieu (80% Interest)	Measured	1,037,660	1.95	65,038	52,030
	Indicated	2,519,205	1.48	119,750	95,800
	Total M+I	3,556,865	1.62	184,788	147,830
	Inferred	4,951,920	1.39	221,306	177,045

Source: Olympus Pacific

Bong Mieu Mining Reserves

Property	Reserve Category	Tonnes (t)	Grade g/t	Contained Gold	Net to OYM
Bong Mieu (80% Interest)	Proven	-			
	Probable	1,335,547	2.17	9,333	7,466
	Total P & P	1,335,547	2.17	9,333	7,466

Source: Olympus Pacific

Olympus likely to keep 1-2 years' worth of mining reserves ahead of production

The JV has delineated a total resource of 9.9Mt @ 3.03g/t Au for approximately 968koz of contained gold. This incorporates resources from both the open pit and the nearby underground operations and the proposed new Ho Ray open pit development. Management expect approximately ~7Mt of the 9.9Mt resource will eventually be converted to mining reserves, however, due to timing and costs of achieving this, the company are likely to only define a 1-2 year mining reserve ahead of production.

Drilling to date has focused on delineating 'shallow' resources which are cheaper to drill and mine, however there is still substantial exploration potential at depth.

Olympus currently has favourable terms with the Vietnam government and pays royalties of 3% of the sales value of gold sold from Bong Mieu.



Phuoc Son - Vietnam

Underground Operation - 85% interest

Phuoc Son is located in the western highlands of Quang Nam province in central Vietnam, 85km SW of the port city of Danang and 70km west of Olympus's neighbouring mine, Bong Mieu. Within the district, there is substantial artisanal gold mining production from numerous small scale operations.

Olympus Pacific currently holds an 85% interest in the Phuoc Son Gold project with JV partner Mien Trung Industrial Company ("Minco") owner of the remaining 15%. Minco holds a 5 year and 15 year option to increase its interest in Phuoc Son gold project to 30% and 50% respectively at an (independently deemed) fair value price, once Phuoc Son has 12 consecutive months of profitable operations.

High grade low cost mine

Exploration programs carried out by Olympus have identified a Measured and Indicated JORC resource of 633koz, of which 142koz is Proven and Probable reserves, at an average grade of 6.56g/t Au.

The gold mineralisation occurs in quartz veins, hosted within in wide, stacked shear zones. The current resource has been partially delineated within a 5km section of strike of the Dak Sa shear zone, located in the southern part of the exploration area. Olympus is currently targeting high grade ore shoots within the Dak Sa structure and has confirmed mineralisation remains open along strike and down dip.

Further exploration potential exists through the testing of nearby prospects identified on other stacked shear structures in the area. These will be drill tested in due course.

Production

Underground mining commenced at Phuoc Son in 2009 with production initially toll treated at the Bong Mieu plant 74km away. In June 2011, Olympus commissioned a conventional 500t per day (180ktpa) crush, grind, gravity and float processing plant at Phuoc Son and this is now utilised to treat all Phuoc Son ore.

Phuoc Son Underground Production Summary

	2011 Q1	2011 Q2	2011 Q3	2011 Q4	2011 Total	2010 Total
Ore milled (t)	496	7,970	35,460	43,602	87,528	75,116
Grade (g/t)	12.21	11.20	9.65	13.51	11.45	13.08
Recovery (%)	83	92	92	93	92	82
Gold production (oz)	162	1,455	9,636	16,718	27,971	26,199
Gold sales (oz)	2,366	-	4,456	12,601	19,423	21,803

Source: Olympus Pacific

The operational performance has been trending upwards since commissioning at Phuoc Son with the plant appearing capable of operating at 600tpd, above name plate capacity.

Cash flow from Phuoc Son operations

Olympus sold a total of 19,423 oz of in 2011 gold at an average realised gold price of US\$1,655/oz for total revenue of US\$ 32.14M.

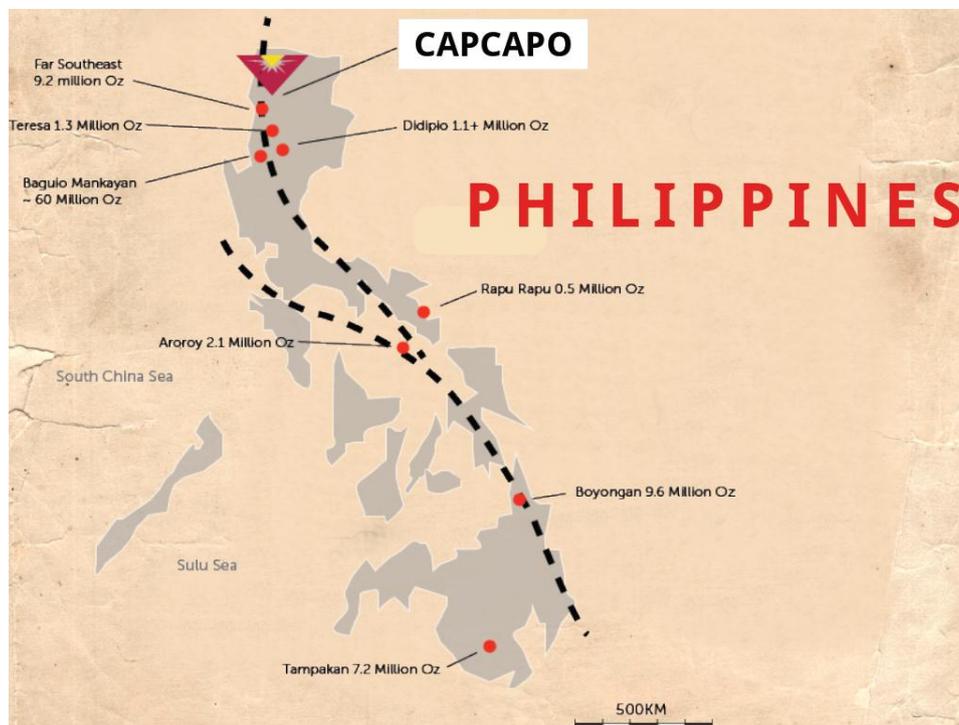
Royalties of 15% of the sales value of gold production from Phuoc Son are currently in place however management are in negotiations to reduce this rate.



Capcapo – Philippines - Right to earn up to 60%

Capcapo is located in the Abra Province, north of the prolific Baguio-Mankayan gold district which has combined production, reserves and resources in excess of 60 million ounces of gold.

Capcapo Location and Significant Gold Deposits



Lies on a mineralised trend

Source: Olympus Pacific

On the 30th September 2011, Olympus signed a JV agreement with Abra Mining & Industrial Corporation (AMIC), Jabel Corporation (Jabel), Kadabra Mining Corporation (KMC) and PhilEarth Mining Corporation for the right to earn up to 60%, in consortium with a Philippine company controlled by Philippines nationals, in the Capcapo copper-gold project. This replaces the MOU dated 2006.

Strong exploration potential

Drilling undertaken in 2007 on behalf of Olympus during the MOU due diligence process confirmed the presence of significant 'ore grade' copper and gold mineralisation, as outlined below:

Hole ID	From (m)	To (m)	Width (m)	Gold (g/t)	Copper (%)	Silver (g/t)
DDH 07-09	0	94	94	1.49	0.31	5.59
including	0	43	43	2.65	0.23	7.12
DDH 07-10	41	82	41	2.07	0.6	7.75
including	45	51	6	3.33	1.45	26.48
and	57	67	10	4.02	1.05	8.46
DDH07-11	47	94	47	1.53	0.35	2.40
including	51	67	16	4.05	0.78	4.81
DDH07-12	87	115	28	3.06	0.67	2.53
Including	94	112	18	4.43	0.91	3.38

Source: Olympus Pacific

Note: Widths are down hole widths. True widths are undetermined



Delays in formalising the JV structure stalled exploration efforts however Olympus is targeting a resumption of exploration activity in the later part of 2012.

Terms of the JV agreement

Olympus paid AMIC US\$ 300,000 upon signing the JV agreement and is required to pay a further US\$400,000 upon gaining unencumbered access to the property. Olympus then has a right to earn up to 60% interest in the Capcapo project through staged exploration expenditures on the property, as outlined below:

OYM committed to spending US\$6m

Payment Plan – Capcapo Gold Project

Stage	Committed Expenditures	Payment due upon completion of the Stage
Stage 1	US\$ 1,000,000	US\$ 400,000
Stage 2	US\$ 2,000,000	US\$ 400,000
Stage 3	US\$ 3,000,000	NA

Source: Olympus Resources

Once in production, Jabel will be paid a royalty based on the higher of 3% of the gross value of production or 6% of the annual profit of the JV Company.

Olympus is also obliged to make milestone payments of either US\$2 million plus 2 million OYM shares or US\$5 million (whichever is of lesser value) to AMIC each time specific mineral reserves are defined or daily production rates are achieved.

Breakaway's View

Capcapo provides pipeline of projects

The belated signing of the joint venture agreement represents a significant milestone in progressing a project that clearly has significant potential based on the due-diligence drilling which encountered large widths of 'ore grade' mineralisation.

The resumption of exploration activities at Capcapo will be catalyst for investor recognition of a 'forgotten' asset within the Olympus portfolio.



Key Management

Executive Chairman
David Seton

David Seton's experience in the mining industry spans 30 years and includes mine discoveries and development in Africa, Australasia and Asia as well as corporate activities in Australasia and North America. He is a lawyer by training but has spent the majority of his working career building successful mining companies.

Chief Executive Officer
John Seton

John Seton is a former President of Olympus, former chairman of Summit Resources Limited and past Chairman of the Vietnam/New Zealand Business Council and holds or has held a number of directorships in companies listed on the Australian Stock Exchange, Toronto Stock Exchange and New Zealand Stock Exchange. Mr Seton is also currently a director of Manhattan Corporation Limited.

Chief Operating Officer
Klaus Leiders

Klaus Leiders is a professional mining and mechanical engineer whose extensive experience covers both underground and open pit mining methods around the world. Klaus has managed projects in the Dominican Republic, Guyana, Nigeria, Romania, China, North Korea, and Kyrgyzstan, and has an excellent track record leading mining teams consisting of national and expatriate professionals. Klaus has a flawless health and safety record and no environmental incidents in his twenty-four years of operational management. Klaus has 35 years mining operations experience and holds a B.Sc (Mechanical Eng.) and a M.Sc. (Mining Eng).

Chief Financial Officer
Jane Bell

Jane Bell spent 8 years in compliance work with KPMG in New Zealand and the Cayman Islands, leaving as business services manager. Since then she has been involved in a management capacity with a number of organisations dealing with corporate finance, regulation and governance. Jane has in conjunction with her finance roles been the Company Secretary for several companies and has for 15 years served on or reported to corporate Board

Chief Strategy Officer
Charles Barclay

Charles Barclay has 35 years mining operations experience, including positions as Mine Development Manager of Kainantu Gold Mine (Highlands Pacific), Chief Operating Officer of Emperor Mines Ltd., and General Manager and Operations Manager of the Emperor Gold Mine (Fiji). Mr Barclay was the COO for Olympus during construction of the Vietnamese mines. His experience has provided a solid grounding in all aspects of open pit and underground mining, including, production, design, evaluation, construction, contract negotiation, and management.

Chief Geologist
Rod Murfitt

Rod Murfitt is a geologist with more than 31 years mineral exploration and mining experience in southwest Pacific and Southeast Asian countries. Mr. Murfitt holds a Bachelor of Science (Geology) from University of Auckland, New Zealand and is a long standing member of the Australasian Institute of Mining and Metallurgy. Rod was initially responsible for leading the exploration teams that brought the Bong Mieu and Phuoc Son properties from discovery through advanced exploration up to development stage.

Chief Metallurgist
Erik Devuyt

Dr. Erik Devuyt received his Ph.D in Hydro metallurgy in 1973 and his post doctorate; Insoluble Anodes in 1975. He joined Inco and later became Manager, Vice President of Inco's Tech Cyanide Destruction Business responsible for test work, engineering and commissioned over 80 cyanide destruction plants worldwide for the gold industry



Analyst Verification

We, Andrew McLeod and Gavin Wendt, as the Research Analysts, hereby certify that the views expressed in this research accurately reflect our personal views about the subject securities or issuers and no part of analyst compensation is directly or indirectly related to the inclusion of specific recommendations or views in this research.

Disclosure

Breakaway Investment Group (AFSL 290093) may receive corporate advisory fees, consultancy fees and commissions on sale and purchase of the shares of Olympus Pacific Minerals and may hold direct and indirect shares in the company. It has also received a commission on the preparation of this research note.

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