

**Broken Hill Prospecting Ltd
(ASX: BPL)**

An Australian Exploration company
focussed on the discovery & development
of strategic technology mineral resources

Commodity Exposure

Heavy Mineral Sands
Cobalt
Base & Precious Metals

Directors & Management

Creagh O'Connor
Non-Executive Chairman

Geoff Hill
Non-Executive Director

Matt Hill
Non-Executive Director

Denis Geldard
Non-Executive Director

Trangie Johnston
Chief Executive Officer

Ian Morgan
Company Secretary

Capital Structure

Ordinary Shares on Issue (25/9/17) **148M**

Options: Listed **47M**

Market Cap (undiluted at 3cps) **\$4.4M**

Broken Hill Prospecting Ltd

ARBN 003 453 503

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Highlights

New Search for Cobalt, Precious and Base Metals Commences at Thackaringa Project

- A major geophysical survey and 3D geological modelling has commenced at Thackaringa, west of Broken Hill, NSW
- Cobalt Blue Holdings Ltd is fully funding the work under its Thackaringa JV commitments
- High resolution airborne EM and Magnetic survey to cover entire 63km² tenement package
- BPL retains the base and precious metal exploration rights, including numerous base and precious metal prospects



MAJOR GEOPHYSICAL SURVEY

A major geophysical survey has commenced at Thackaringa, 25km south-west of Broken Hill, targeting expansion of known cobalt resources and seeking new base and precious metal prospects. The survey will cover the entire project area for a total of 655-line kilometres at a nominal 100 m line spacing.

The high resolution electromagnetic and magnetic data will be used in conjunction with geological mapping to produce a new tenement-scale, 3D geological model to assist in the targeting of all styles of mineralisation.

The program is expected to greatly advance our geological knowledge and targeting ability.

COBALT BLUE FARM-IN JOINT VENTURE

An important part of the successful spin-off of Cobalt Blue Holdings Limited (ASX: COB) last February was a detailed farm-in joint venture agreement it entered with BPL to finance and undertake an extensive exploration and development program at Thackaringa (JV Agreement).

COB can earn 100% of the Thackaringa Cobalt Project if it completes a four-stage farm-in. This requires \$9.5 million project expenditure by 30 June 2020 and a payment to BPL of \$7.5 million in cash. BPL will also receive a 2% net smelter royalty on all cobalt produced from the Thackaringa tenements for the life of any mine.

BPL retains the base and precious metal exploration rights over the Thackaringa tenements, where it has identified numerous prospects. The geological setting is considered to be prospective for mineralisation styles additional to cobaltiferous-pyrite including:

- Stratiform Broken Hill Type (BHT) Copper-Lead-Zinc-Silver
- Copper-rich BHT
- Epigenetic Gold and Base metals

Current base and precious metal targets include (Figure 1):

- Pyramid Hill (Cu-Au-Ag)
- Himalaya North (Cu-Pb-Zn-Ag)
- Camels Hump (Cu-Zn)
- Ram Paddock (Cu-Co)
- Alders Tank (Co)
- Old Coolgardie North and West (Cu-Au)
- TSQV (Cu-Au-Ag)

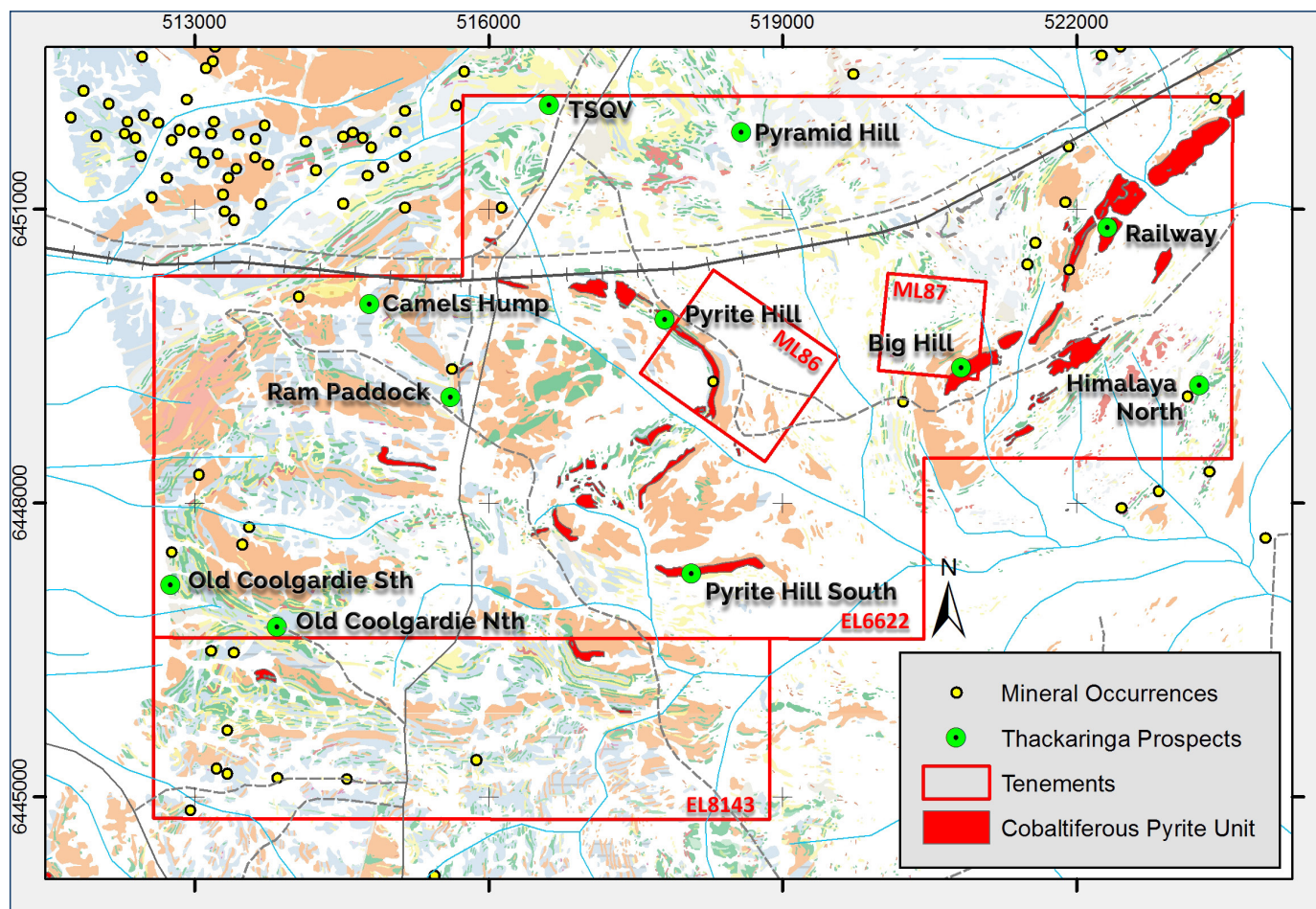


Figure 1. Thackaringa Project area highlighting base and precious metal prospects outside the current cobalt deposits at Railway, Pyrite Hill and Big Hill. A high resolution airborne geophysical survey (EM & Magnetics) will greatly enhance targeting ability for all deposit types.



Anthony (Trangie) Johnston
Chief Executive Officer

**For further information,
please contact**

Broken Hill
PROSPECTING

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PREVIOUSLY RELEASED INFORMATION

This ASX announcement refers to information extracted from the following report, which is available for viewing on BPL's website <http://www.bhpl.biz>

- [3 July 2017 Positive Scoping Study & Major geophysical survey planned of cobalt, base and precious metals](#)
- [5 June 2017 Thackaringa Resource Upgrade](#)
- [4 May 2017 Thackaringa Drilling Uncovers Higher Cobalt Grades](#)
- [27 March 2017 COB Assays Confirm Thackaringa as a Significant Cobalt-Pyrite](#)
- [10 November 2016 Drilling commences at the Thackaringa Cobalt Project](#)
- [4 November 2016 BPL to unlock the value of its Thackaringa Cobalt Project](#)

BPL confirms it is not aware of any new information or data that materially affects the information included in the original market announcement, and, in the case of estimates of Mineral Resources, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcements continue to apply and have

not materially changed. BPL confirms that the form and context in which the Competent Person's findings presented have not been materially modified from the original market announcement.

COMPETENT PERSON'S STATEMENT

The information in this report that relates to Mineral Resources and Exploration Targets is based on information compiled by Mr Anthony Johnston, BSc (Hons), who is a Member of the Australian Institute of Mining and Metallurgy and is a full time employee of the Company. Mr Johnston has sufficient experience which is relevant to the style of mineralisation and type of deposits under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 & 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves.' Mr Johnston consents to the inclusion in the announcement of the matters based on his information in the form and context that the information appears.

ABOUT BROKEN HILL PROSPECTING LIMITED

Broken Hill Prospecting Limited (BPL) is an Australian Exploration company focussed on the discovery and development of strategic mineral resources across two primary projects the Murray Basin Heavy Mineral Sands Project and the Thackaringa Cobalt Project.

MURRAY BASIN HEAVY MINERAL SANDS PROJECT

BPL has built a substantial portfolio of Heavy Mineral Sands (HMS; titanium & zircon) Projects within the world-class Murray Basin. BPL now holds the third largest tenement portfolio in the Murray Basin, after industry leaders Iluka Resources and Cristal Mining.

Additional tenement applications and potential project acquisitions under review will continue to position the Company to take advantage of improving market conditions.

BPL is targeting the establishment of a sustainable pipeline of high grade, low tonnage deposits amenable to processing through mobile plant equipment that could be deployed across the broader project area.

THACKARINGA COBALT PROJECT

The Thackaringa Cobalt Project is strategically located 25km south-west of Broken Hill, New South Wales, adjacent to the main transcontinental railway line. Mineralised outcrop extends for over 10km, with less than a quarter of this trend having been drill tested. The project is currently undergoing Pre-feasibility Studies.

The Thackaringa Cobalt Project is under a Farm In and Royalty Agreement with Cobalt Blue Holdings Ltd (COB). COB can earn 100% of the project if it completes a 4 stage farm-in by committing \$9.5 million project expenditure by 30 June 2020, and pays BPL \$7.5 million in cash.

In addition, BPL will receive a 2% net smelter royalty on all cobalt produced from the Thackaringa tenements for the life of mine. BPL retains the base and precious metal exploration rights over the Thackaringa tenements, where it is actively exploring for Broken Hill (Pb-Zn-Ag) style mineralisation.

Cobalt is a necessary metal for the production of the latest generation, high density Lithium-ion batteries. Due to its high run-time properties, the use of cobalt has risen dramatically as portable Li-ion battery usage accelerates and electric vehicles become a reality.

TENEMENT HOLDING

The interests in tenements held by Broken Hill Prospecting Limited (and fully owned subsidiaries) and the related percentage of ownership:

Thackaringa Cobalt Project

| | |
|---------|----------------------------------|
| EL 6622 | 100% Broken Hill Prospecting Ltd |
| EL 8143 | 100% Broken Hill Prospecting Ltd |
| ML 86 | 100% Broken Hill Prospecting Ltd |
| ML 87 | 100% Broken Hill Prospecting Ltd |

Murray Basin Heavy Mineral Sands (HMS) Project

| | |
|---------|------------------------------------|
| EL 8558 | 100% Murray Basin Minerals Pty Ltd |
| EL 8559 | 100% Murray Basin Minerals Pty Ltd |
| EL8649 | 100% Murray Basin Minerals Pty Ltd |
| EL8650 | 100% Murray Basin Minerals Pty Ltd |

HMS Joint Venture

| | |
|---------|---|
| EL 8311 | 50% Broken Hill Minerals Pty Ltd* 50% Relentless Resources Ltd |
| EL 8312 | 50% Broken Hill Minerals Pty Ltd* 50% Relentless Resources Ltd |
| EL 8385 | 50% Broken Hill Minerals Pty Ltd* 50% Relentless Resources Ltd |

*These tenements and applications will be transferred to Relentless Resources Ltd as part of the settlement referred to in the Company's announcement of [28 June 2017](#).