Announcement Summary

Entity name

BROKEN HILL PROSPECTING LIMITED

Announcement Type

New announcement

Date of this announcement

Friday December 6, 2019

The Proposed issue is:

☑ A standard pro rata issue (including non-renounceable or renounceable)

Total number of +securities proposed to be issued for a standard pro rata issue (including non-renounceable or renounceable)

ASX +Security Code	+Security Description	Maximum Number of +securities to be issued
BPL	ORDINARY FULLY PAID	166,083,401

Ex Date

Wednesday December 11, 2019

+Record Date

Thursday December 12, 2019

Offer closing date

Thursday January 9, 2020

+Issue Date

Thursday January 16, 2020

Refer to next page for full details of the announcement

Part 1 - Entity and announcement details

1.1 Name of +Entity

BROKEN HILL PROSPECTING LIMITED

We (the entity named above) give ASX the following information about a proposed issue of +securities and, if ASX agrees to +quote any of the +securities (including any rights) on a +deferred settlement basis, we agree to the matters set out in Appendix 3B of the ASX Listing Rules.

1.2 Registered Number Type	**Registration Number**
ABN	83003453503

1.3 ASX issuer code

BPL

1.4 The announcement is

☑ New announcement

1.5 Date of this announcement

Friday December 6, 2019

1.6 The Proposed issue is:

☑ A standard pro rata issue (including non-renounceable or renounceable)

1.6a The proposed standard pro rata issue is

☑ + Renounceable

Part 3 - Details of proposed entitlement offer issue

Part 3A - Conditions

3A.1 - Are any of the below approvals required for the entitlement offer before business day 0 of the timetable?

- **+Security holder approval**
- **Court approval**
- **Lodgement of court order with +ASIC**
- **ACCC approval**
- **FIRB approval**
- **Another approval/condition external to the entity required to be given/met before business day 0 of the timetable for the entitlement offer**

☑ No

Part 3B - Offer details

Class or classes of +securities that will participate in the proposed issue and class or classes of +securities proposed to be issued

ASX +Security Code and Description

BPL : ORDINARY FULLY PAID

Is the proposed security a 'New class' (+securities in a class that is not yet quoted or recorded by ASX) or an 'Existing class' (additional securities in a class that is already quoted or recorded by ASX)?
☑ Existing class

Will the proposed issue of this +security include an offer of attaching +securities?
☑ No

If the entity has quoted company options, do the terms entitle option holders to participate on exercise?
☑ No

Details of +securities proposed to be issued

ASX +Security Code and Description

BPL : ORDINARY FULLY PAID

ISIN Code (if Issuer is a foreign company and +securities are non CDIs)

NZBPLE0001S8

ISIN Code for the tradable rights created under a renounceable right issue (if Issuer is foreign company and +securities are non CDIs)

Offer ratio (ratio to existing holdings at which the proposed +securities will be issued)

The quantity of additional +securities to be issued	**For a given quantity of +securities held**
1	1

For example:- 1 for 2 (1:2) 1 new +securities offered for every 2 +securities held

What will be done with fractional entitlements?	**Maximum Number of +securities proposed to be issued**
Fractions rounded up to the next whole number	166,083,401

Purpose of the issue

To fund metallurgical test work programmes, the completion of a preliminary economic assessment for the La Paz Project and to meet general corporate and capital raising costs.

Offer price details for retail security holders

Issue Currency	**Offer Price per +security**	**Estimated or Actual?**
AUD - Australian Dollar	AUD 0.01500	☑ Actual

Oversubscription & Scale back details

Are +security holders allowed to oversubscribe?
☑ Yes

Provide the oversubscription details

Eligible Shareholders who take up their Rights in full may also apply for additional New Shares forming part of the Shortfall (Shortfall Shares) at an offer price of $0.015 (1.5 cents) per New Share (being the same as the Offer Price under the Offer). Any additional Shares applied for by Eligible Shareholders will be subject to the availability of Shortfall and will be allocated at the discretion of the Directors.

May a scale back be applied to this event?
☑ Yes

Provide the scale back details

If applications for additional New Shares forming part of the Shortfall exceed the Shortfall, those applications will be scaled back in proportion to each applicant¿s Shareholding at the Record Date.
If scaling back occurs the Company will refund the Application Money for the New Shares applied for, but not issued, as soon as possible after the Closing Date without interest. There is no guarantee the Eligible Shareholders will receive any or all of any additional New Shares applied for.

Will these +securities rank equally in all respects from their issue date with the existing issued +securities in that class?
☑ Yes

Part 3C - Timetable

3C.1 +Record Date

Thursday December 12, 2019

3C.2 Ex Date

Wednesday December 11, 2019

3C.3 Date rights trading commences

Wednesday December 11, 2019

3C.4 Record Date

Thursday December 12, 2019

3C.5 Date on which offer documents will be sent to security holders entitled to participate in the +pro rata issue

Tuesday December 17, 2019

3C.6 Offer closing date

Thursday January 9, 2020

3C.7 Last day to extend the offer closing date

Monday January 6, 2020

3C.8 Date rights trading ends

Thursday January 2, 2020

3C.9 Trading in new securities commences on a deferred settlement basis

Friday January 3, 2020

3C.10 Last day for Entity to announce the results of the offer to ASX, including number and percentage of securities taken up by existing security holders and any shortfall taken up by underwriters or other investors

Tuesday January 14, 2020

3C.11 +Issue Date

Thursday January 16, 2020

3C.12 Trading starts on a normal T+2 basis

Friday January 17, 2020

3C.13 First settlement date of trades conducted on a +deferred settlement basis and on a normal T+2 basis

Tuesday January 21, 2020

Part 3E - Lead Manager/Broker & Underwriter details

3E.1 Will there be a lead manager or broker to the proposed offer?
☑ No

3E.2 Is the proposed offer to be underwritten?
☑ No

3E.3 Will brokers who lodge acceptances or renunciations on behalf of eligible security holders be paid a handling fee or commission?
No

3E.4 Details of any other material fees or costs to be incurred by the entity in connection with the proposed offer

The estimated expenses of the Offer are $70,000 to $90,000. These costs include ASX fees, legal costs, printing, postage and share registry costs.

Part 3F - Further Information

3F.1 The purposes for which the entity intends to use the cash raised by the proposed issue

Assess upgrading the current NI 43-101 Resource estimate to JORC 2012 standards; commence detailed metallurgical test work programs; complete a Scoping Study level economic assessment; and working capital.

3F.2 Will holdings on different registers or subregisters be aggregated for the purposes of determining entitlements to the issue?
No

3F.3 Will the entity be changing its dividend/distribution policy if the proposed issue is successful?
No

3F.4 Countries in which the entity has security holders who will not be eligible to participate in the proposed issue

Canada, Peoples Republic of China including Hong Kong, Japan, Malaysia, United States of America.

3F.5 Will the offer be made to eligible beneficiaries on whose behalf eligible nominees or custodians hold existing +securities
Yes

3F.5a Please provide further details

Persons acting as nominees, trustees, or custodians for other persons must not take up any Rights on behalf of, or send any documents related to the Offer to, any person in any jurisdiction where it is unlawful to do so, or to any person that is acting for the account or benefit of a person in any jurisdiction where it is unlawful to do so. By applying for New Shares, including submitting an Entitlement and Acceptance Form or making a payment using BPAY® you represent and warrant this is the case.
The Company is not required to determine whether or not a registered holder or investor is acting as a nominee, trustee or custodian or the identity or residence of any beneficial holder of Shares. Where any person is acting as a nominee, trustee or custodian for a foreign person, that person, in dealing with its beneficiary, will need to assess whether indirect participation in the Offer by the beneficiary complies with applicable laws.

3F.6 URL on the entity's website where investors can download information about the proposed issue

https://www.bhpl.net.au/

3F.7 Any other information the entity wishes to provide about the proposed issue