

## **Broken Hill Mines Exercises Option to Formally Enter 70/30 Joint Venture at the Pinnacles Mine**

Coolabah Metals Limited (**Coolabah**, to be renamed Broken Hill Mines Limited, ASX: BHM) is pleased to advise that Broken Hill Mines Pty Ltd (**BHM**) has exercised the option under its Heads of Agreement (**HOA**) with Pinnacles Mines Pty Ltd and Broken Hill Pinnacles Pty Ltd (together, **Pinnacles**) to formally enter into the binding joint venture agreement for mining operations at the Pinnacles Mine in NSW.

The option was exercised via the payment of the second option fee of A\$600,000. Under the terms of the HOA, BHM will become the exclusive operator of the Pinnacles Mine, with mined ore to be transported and processed at BHM's Rasp Mine processing plant, located approximately 15km away.

Profits from operations at the Pinnacles Mine are shared approximately 70% BHM / 30% Pinnacles via an agreed net smelter return calculation with applicable deductions.

Both BHM and Pinnacles are now actively progressing a Standard Operating Agreement (**SOA**) to fully document the future mining operations at the Pinnacles Mine.

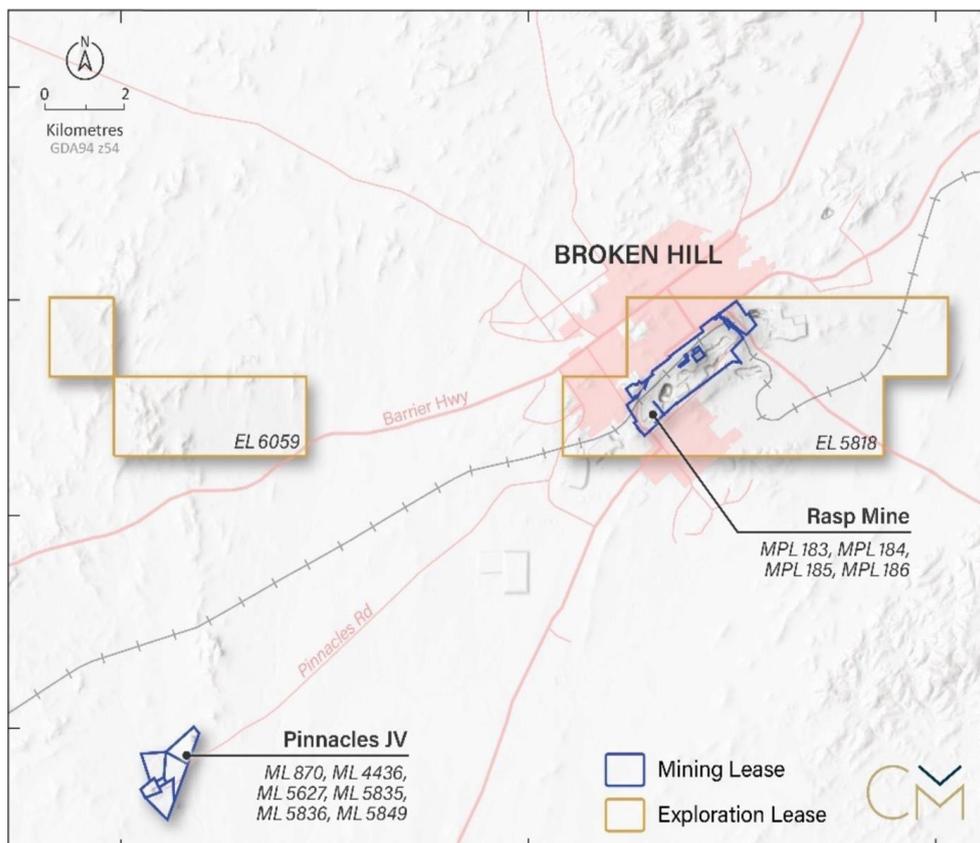


Figure 1: Location of the Pinnacles Mining leases and BHM's operating Rasp Mining leases

**-Ends-**

*The Board of Directors of Coolabah Metals Limited authorised the release of this announcement.*

**Further information:**

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