

**Form 603**Corporations Act 2001  
Section 671B**Notice of initial substantial holder**To Company Name/Scheme **BROKEN HILL PROSPECTING LIMITED**ACN/ARSN **ARBN 003 453 503****1. Details of substantial holder (1)**Name **HILL FAMILY GROUP PTY LTD (HFG)**ACN/ARSN (if applicable) **ACN 123 517 797**The holder became a substantial holder on the date on which So Co Limited became a substantial holder (see Annexure A).**2. Details of voting power**The total number of votes attached to all the voting shares in the company or voting interests in the scheme that the substantial holder or an associate (2) had a relevant interest (3) in on the date the substantial holder became a substantial holder are as follows: *of this notice are as follows:*

Class of securities (4)	Number of securities	Person's votes (5)	Voting power (6)
Ordinary Shares	34,396,000	34,396,000	27.68%

**3. Details of relevant interests**

The nature of the relevant interest the substantial holder or an associate had in the following voting securities on the date the substantial holder became a substantial holder are as follows:

Holder of relevant interest	Nature of relevant interest (7)	Class and number of securities
See Annexure B		

**4. Details of present registered holders**

The persons registered as holders of the securities referred to in paragraph 3 above are as follows:

Holder of relevant interest	Registered holder of securities	Person entitled to be registered as holder (8)	Class and number of securities
See Annexure C			

**5. Consideration**

The consideration paid for each relevant interest referred to in paragraph 3 above, and acquired in the four months prior to the day that the substantial holder became a substantial holder is as follows:

Holder of relevant interest	Date of acquisition	Consideration (9)		Class and number of securities
		Cash	Non-cash	
See Annexure D				

**6. Associates**

The reasons the persons named in paragraph 3 above are associates of the substantial holder are as follows:


Name and ACN/ARSN (if applicable)	Nature of association
See Annexure E	

**7. Addresses**

The addresses of persons named in this form are as follows:

Name	Address
HFG	54 East Crescent, Hurstville Grove NSW 2220
Matthew Geoffrey Hill	6b Swinton Close, Remuera, Auckland 1050 New Zealand

**Signature**

print name	MARCUS HILL	capacity	DIRECTOR
sign here		date	18/12/2015

**DIRECTIONS**

- (1) If there are a number of substantial holders with similar or related relevant interests (eg. a corporation and its related corporations, or the manager and trustee of an equity trust), the names could be included in an annexure to the form. If the relevant interests of a group of persons are essentially similar, they may be referred to throughout the form as a specifically named group if the membership of each group, with the names and addresses of members is clearly set out in paragraph 7 of the form.
- (2) See the definition of "associate" in section 9 of the Corporations Act 2001.
- (3) See the definition of "relevant interest" in sections 608 and 671B(7) of the Corporations Act 2001.
- (4) The voting shares of a company constitute one class unless divided into separate classes.
- (5) The total number of votes attached to all the voting shares in the company or voting interests in the scheme (if any) that the person or an associate has a relevant interest in.
- (6) The person's votes divided by the total votes in the body corporate or scheme multiplied by 100.
- (7) Include details of:
  - (a) any relevant agreement or other circumstances by which the relevant interest was acquired. If subsection 671B(4) applies, a copy of any document setting out the terms of any relevant agreement, and a statement by the person giving full and accurate details of any contract, scheme or arrangement, must accompany this form, together with a written statement certifying this contract, scheme or arrangement; and
  - (b) any qualification of the power of a person to exercise, control the exercise of, or influence the exercise of, the voting powers or disposal of the securities to which the relevant interest relates (indicating clearly the particular securities to which the qualification applies).

See the definition of "relevant agreement" in section 9 of the Corporations Act 2001.
- (8) If the substantial holder is unable to determine the identity of the person (eg. if the relevant interest arises because of an option) write "unknown".
- (9) Details of the consideration must include any and all benefits, money and other, that any person from whom a relevant interest was acquired has, or may, become entitled to receive in relation to that acquisition. Details must be included even if the benefit is conditional on the happening or not of a contingency. Details must be included of any benefit paid on behalf of the substantial holder or its associate in relation to the acquisitions, even if they are not paid directly to the person from whom the relevant interest was acquired.

## **ANNEXURE A**

This is Annexure A to Notice of Initial Substantial Holder (Form 603) given by Hill Family Group Pty Ltd to Broken Hill Prospecting Limited dated 18 December 2015

[Annexure A is executed agreement between HFG and So Co Limited]

## **AGREEMENT DATED 15 DECEMBER 2015**

### **PARTIES**

**Hill Family Group Pty Ltd**, ACN 123 517 797 (Lender)

AND

**So Co Limited**, ACN 007 706 925 (Company)

### **BACKGROUND**

- A. The Company is indebted to the Lender for a total amount of \$1,166,562 (Loan).
- B. The Loan is now due and payable in full.
- C. The Company is the registered holder and beneficial owner of the following securities (Securities):

BPL shares	34,371,000
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BPL – unlisted options	17,185,500
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NTL shares	28,096,506
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NTLO – listed options	7,024,127
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- D. The Lender and its associate, Nimpod Pty Limited, control the Company and accordingly the Lender has the same relevant interests (within the meaning of the Corporations Act 2001 (Cth)) in the voting shares included in the Securities as the Company has.
- E. The directors of the Lender informed the Company that the Lender will accept the transfer of all of the Securities in full satisfaction and discharge of the Loan.
- F. The Company obtained from an independent valuer, Titan Partners, a valuation of the Securities dated 27 November 2015. The range of the valuation is between \$1,048,000 and \$1,173,000 with an average value of \$1,111,000. The trading price of the underlying listed shares has fallen since the date of the valuation of the Securities.

### **TERMS OF AGREEMENT**

- 1. The Lender accepts the transfer of all of the Securities from the Company to the Lender, by way of off market form of transfer, in full satisfaction and discharge of the Loan.
- 2. The Company warrants that the Securities are free from any encumbrance or adverse third party interest of any kind and that the full beneficial ownership of the Securities, free from any

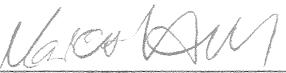
encumbrance or adverse third party interest of any kind, will vest in the Lender on the transfer of the Securities to the Lender.

Executed as an agreement by )

**Hill Family Group Pty Ltd** )

ACN 123 517 797 in accordance with )

section 127 of the Corporations Act )



Director



Director COMPANY SECRETARY

MARCUS Hill

(name printed)

STEPHEN LAU

(name printed)

Executed as an agreement by )

**So Co Ltd** ACN 007 706 925 )

in accordance with section 127 of )

the Corporations Act )



Director



Director

Geoffrey Hill

(name printed)

MARCUS Hill

(name printed)

## ANNEXURE B

This is Annexure B to Notice of Initial Substantial Holder (Form 603) given by Hill Family Group Pty Ltd to Broken Hill Prospecting Limited dated 18 December 2015

Holder of relevant interest	Nature of relevant interest (7)	Class and number of securities
HFG	see Annexure A	34,371,000 ordinary shares
HFG	registered holder	20,000 ordinary shares
Matthew Geoffrey Hill	registered holder	5,000 ordinary shares

## ANNEXURE C

This is Annexure C to Notice of Initial Substantial Holder (Form 603) given by Hill Family Group Pty Ltd to Broken Hill Prospecting Limited dated 18 December 2015

Holder of relevant interest	Registered holder of securities	Person entitled to be registered as holder (8)	Class and number of securities
HFG	So Co Ltd	HFG – see Annexure A	34,371,000 ordinary shares
HFG	HFG	N/A	20,000 ordinary shares
Matthew Geoffrey Hill	Matthew Geoffrey Hill	N/A	5,000 ordinary shares

## ANNEXURE D

This is Annexure D to Notice of Initial Substantial Holder (Form 603) given by Hill Family Group Pty Ltd to Broken Hill Prospecting Limited dated 18 December 2015

Holder of relevant interest	Date of acquisition	Consideration		Class and number of securities
		Cash	Non-cash	
HFG		See Annexure A		34,371,000 ordinary shares



## ANNEXURE E

This is Annexure E to Notice of Initial Substantial Holder (Form 603) given by Hill Family Group Pty Ltd to Broken Hill Prospecting Limited dated 18 December 2015

Name and ACN/ARSN (if applicable)	Nature of association
Matthew Geoffrey Hill	Director of HFG