

## 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  
Industrial Metals

### Directors & Management

Creagh O'Connor  
Non-Executive Chairman

Trangie Johnston  
Managing Director

Geoff Hill  
Non-Executive Director

Matt Hill  
Non-Executive Director

Denis Geldard  
Non-Executive Director

Ian Morgan  
Company Secretary

### Capital Structure

Ordinary Shares on Issue (30/4/18) **148M**

Options: Listed **47M**

Market Cap (undiluted at 11.5cps) **\$17M**

### Broken Hill Prospecting Ltd

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## BPL now holds the largest Mineral Sands tenement position in World-Class Murray Basin

Four new exploration licenses (EL006583; EL006584; EL006585; EL006614) with a combined area of 4163km<sup>2</sup> granted in the Murray Basin, Victoria

- One exploration license (EL6139) granted in South Australia, along strike from Tararra (EL8558) in NSW
- BPL (through subsidiary Murray Basin Minerals Pty Ltd) is firmly established as the largest mineral sands tenement holder in the Murray Basin, with holdings of approximately 7300km<sup>2</sup>
- Exploration activities have identified multiple high-grade low-tonnage heavy mineral sands strandline deposits to support BPL's mobile mining business model
- In depth technical data compilation, validation and infill drill program design has commenced on the new tenement areas

### BPL's Managing Director, Trangie Johnston commented:

*"Mineral sands commodity prices continue to perform well, and we are seeing improved financial performance from existing mineral sands producers. The granting of four new exploration tenements with walk up resource targets places the Company in a strong position. We now have the critical mass to accelerate these projects at a time of strong underlying market conditions."*

### NEW TENEMENTS GRANTED IN VICTORIA AND SOUTH AUSTRALIA

The granting of four new exploration licenses (EL006583; EL006584; EL006585; EL006614) in Victoria marks the expansion of BPL's interest across the broader Murray Basin heavy mineral sands (HMS) province. Each new tenement areas hosts multiple parallel mineralised strandlines which in some instances persist over several kilometres of strike. The tenement areas are favourably located near key infrastructure and are characterised by strandline-type mineralisation encountered in reconnaissance drill traverses. Mineralisation persists up to 15km in strike in some areas with overburden varying between 5–20m in thickness.

The new tenements complement recently acquired holdings (EL8649; EL8650) in the Euston area of NSW. The next stage of BPL's exploration workplan will see the newly-acquired areas undergo historical data validation and geological modelling as applied to the Jaws and Gilligans deposits in NSW. This work led to the estimation of Inferred resources of 113 Mt at 1.8% heavy minerals (MH) ([10th August 2017](#)).

An additional tenement (EL6139) has been granted in South Australia. EL6139 contains the Oakbank, Boxwood Dam and Johnsons Dam strandline HMS deposits where preliminary (informal) resource estimates have been undertaken by previous

explorers. These potential resource areas are located along strike from mineralisation in the company's NSW tenements including the Tararra strandlines (EL8558).

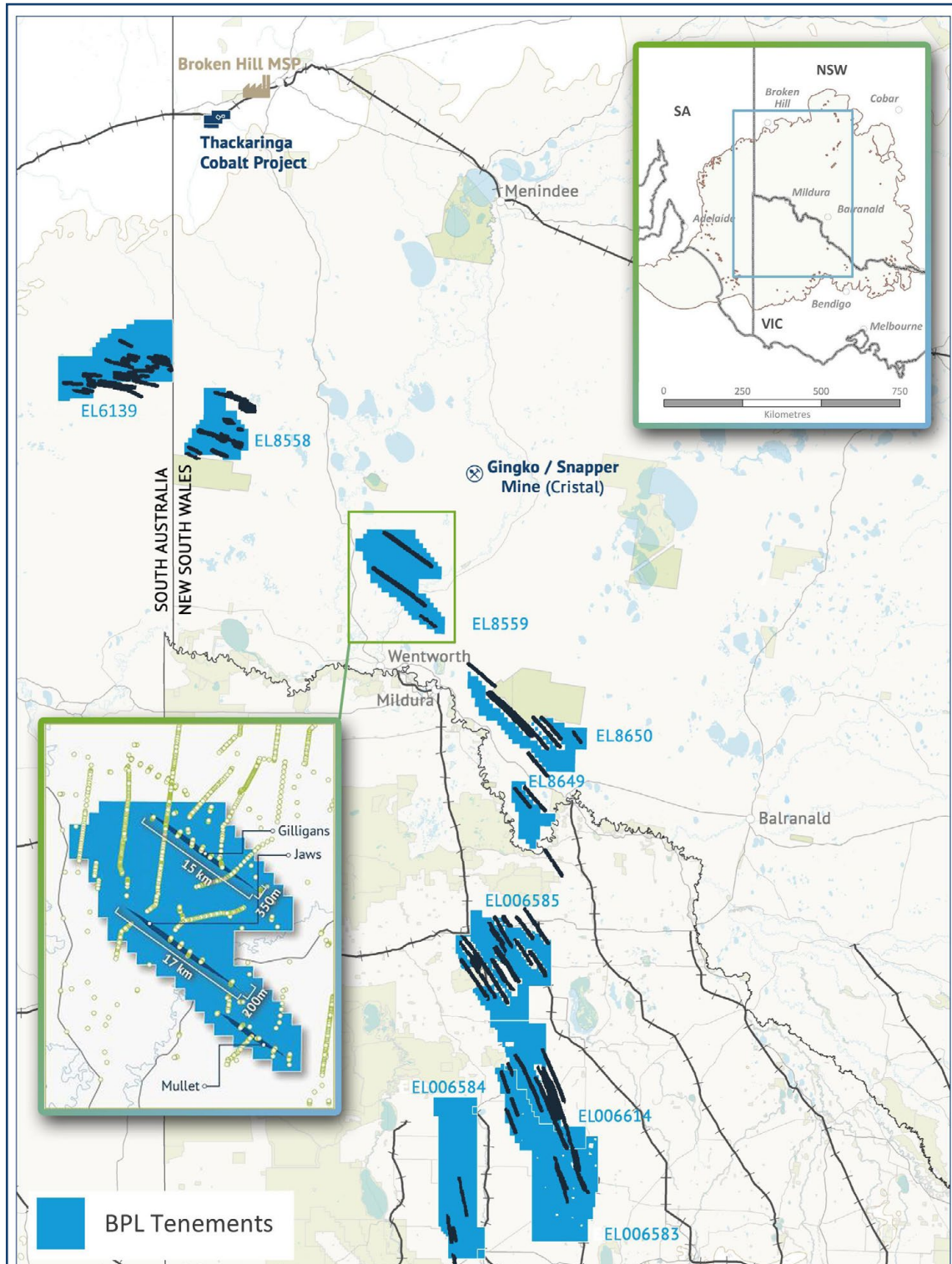


Figure 1. BPL has the largest tenement holding in the Murray Basin HMS province

**BPL'S HEAVY MINERAL SANDS BUSINESS MODEL**

BPL's exploration and development program in the Murray Basin HMS province commenced in late 2014 when extensive technical studies were completed confirming the viability of a low-capex/low-opex modular mobile mining concept.

The mobile mining process would employ a conventional technique of wet gravity separation followed by dry electrostatic mineral separation. It would use a highly mobile Mining Field Unit (MFU; Figure 2) to follow the mining face, and a semi-mobile Primary Concentrator Plant (PCP) (Figure 3) to facilitate periodic relocation and minimise the pumping distance from the MFU.

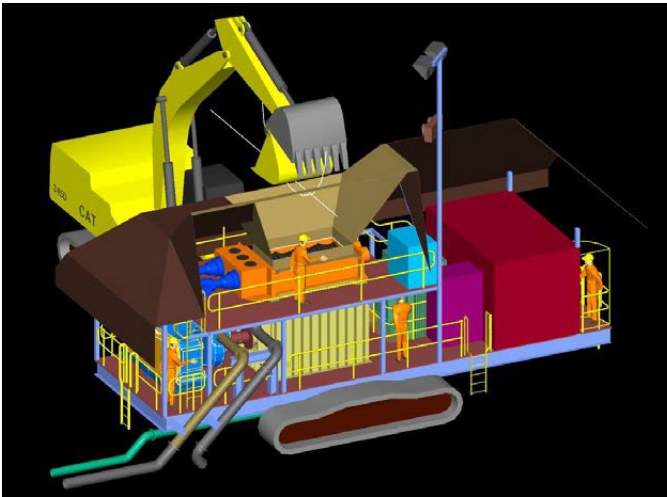


Figure 2 Mobile field unit (MFU) model

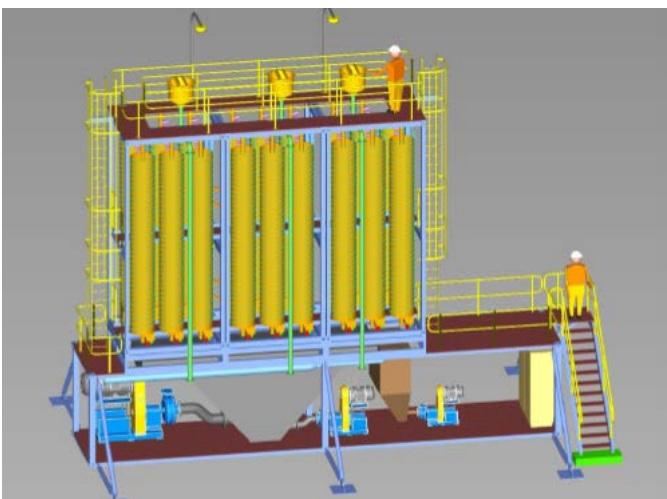


Figure 3 Modular spiral plant (wet-separation component of PCP) model

**EXPANDING EXPLORATION FOOTPRINT**

To support the mobile mining concept, BPL is aiming to establish a sustainable pipeline of high grade, relatively low-tonnage HMS deposits amenable to processing through mobile plant equipment. To this end, BPL has expanded its HMS tenement portfolio to approximately 7,300km<sup>2</sup>, securing its position as the largest tenement holder in the world-class Murray Basin province.

This ongoing strategic growth is the result of extensive historical data compilation and prospectivity analysis that has equipped the company with a unique proprietary database comprising approximately 60,000 drill holes and 2 million metres of drilling. The database has a replacement value of approximately \$100 million in today's terms (drilling and assay only).

**The newly-granted tenements include:**

State	Title	Name	Area (km <sup>2</sup> )
Victoria	EL006583	Hopetoun Birchip	1438
Victoria	EL006584	Hopetoun Warracknabeal	1059
Victoria	EL006585	Ouyen	1021
Victoria	EL006614	Tyrell Ridge	645
South Australia	EL6139	Danggali North	998

Anthony (Trangie) Johnston  
Managing Director

**Broken Hill**  
PROSPECTING

*Diversified Exploration & Development Company*

**For further information, please contact**

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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>

December 2017

[Broken Hill Prospecting Ltd Quarterly Report](#)

10 August 2017

[Large Maiden Resource Estimate Murray Basin Mineral Sands](#)

## COMPETENT PERSON'S STATEMENT

The information in this report that relates to exploration results, Mineral Resources and 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 who is Managing Director and Chief Executive Officer of Broken Hill Prospecting Limited, and a non-executive director of Cobalt Blue Holdings Limited. 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 geographical areas; the Murray Basin Region (Heavy Mineral Sands) and the Broken Hill Region (industrial, base and precious metals, including the Thackaringa Cobalt & Base/Precious Metal Project).

## MURRAY BASIN REGION

BPL has built a substantial portfolio of Heavy Mineral Sands (HMS; titanium & zircon) Projects within the world-class Murray Basin. BPL now holds the largest tenement portfolio in the Murray Basin.

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.

## BROKEN HILL REGION

BPL has a number of project interests in the Broken Hill region and is actively expanding its exposure to this world class mineral province.

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 \$10.9 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% legal interest Broken Hill Prospecting Ltd
EL 8143	100% legal interest Broken Hill Prospecting Ltd
ML 86	100% legal interest Broken Hill Prospecting Ltd
ML 87	100% legal interest Broken Hill Prospecting Ltd
ELA 5622	100% Broken Hill Chemical Pty Ltd
ELA 5624	100% Broken Hill Chemical Pty Ltd
ELA 5623	100% Broken Hill Chemical Pty Ltd

### Murray Basin Heavy Mineral Sands (HMS) Project

EL6614	100% Murray Basin Minerals Pty Ltd
EL 8558	100% Murray Basin Minerals Pty Ltd
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EL 8649	100% Murray Basin Minerals Pty Ltd
EL 8650	100% Murray Basin Minerals Pty Ltd
EL006583	100% Murray Basin Minerals Pty Ltd
EL006584	100% Murray Basin Minerals Pty Ltd
EL006585	100% Murray Basin Minerals Pty Ltd
EL6139	100% Murray Basin Minerals Pty Ltd