



Broken Hill Prospecting Limited
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NZ Company No: 322887

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NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the Annual General Meeting of Shareholders of **Broken Hill Prospecting Limited** ("the Company") will be held at **Library, Level 2, Union, University & Schools Club, 25 Bent Street, Sydney, New South Wales, 2000** on **Wednesday 30 November 2016** at **11:00 am** (Sydney time).

ORDINARY BUSINESS

Annual Report

To table and consider the Company's Annual Report which includes the Financial Statements, Director's Report and the Auditor's Report for the year ended 30 June 2016.

Note: The Financial Statements, Directors' Report and Auditor's Report for the Company for the year ended 30 June 2016 will be laid before the meeting. There is no requirement for Shareholders to approve those reports. Shareholders will be given an opportunity to raise questions of the Directors and the Company's auditor on the Financial Statements and Auditor's Report at the Annual General Meeting.

Resolution 1: Re-election of Director – Matthew Geoffrey Hill

To consider and if thought fit, pass the following resolution, as an ordinary resolution:

"That Matthew Geoffrey Hill, being a Director of the Company who retires by rotation in accordance with clause 27.1 of the Company's Constitution, being eligible and offering himself for election, be re-elected a Director of the Company."

Resolution 2: Auditor's Remuneration

To consider and if thought fit, to pass the following resolution, as an ordinary resolution:

"To record that K.S. Black & Co. continue in office as the Company's auditors and to authorise the Directors to settle their remuneration."

SPECIAL BUSINESS

Resolution 3: Ratification of prior issue of placement securities

To consider and if thought fit, to pass the following resolution, as an ordinary resolution:

"That for the purposes of ASX Listing Rule 7.4 and for all other purposes, the Shareholders ratify and approve the issue of 12,400,000 Shares and 6,200,000 listed Options for the purposes and on the terms and conditions set out in the Explanatory Statement accompanying the Notice."

Voting Exclusion: The Company will disregard any votes cast on this Resolution by any of the persons that participated to the issue of the securities that are subject of this Resolution or any of their Associates. However, the Company need not disregard a vote if:

- (a) it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or
- (b) it is cast by the person chairing the meeting as a proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

Resolution 4: Approval of 10% Placement Facility

*To consider and if thought fit, to pass the following resolution, as a **special resolution**:*

"That, pursuant to and in accordance with ASX Listing Rule 7.1A and for all other purposes, Shareholders approve the issue of Equity Securities up to 10% of the issued capital of the Company (at the time of the issue) calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and on the terms and conditions in the Explanatory Statement."

Voting Exclusion:

In accordance with the notice requirements of ASX Listing Rule 7.3A.7 for approval under ASX Listing Rule 7.1A, and ASX Listing Rule 14.1, the Company will disregard any votes cast on Resolution 4 by:

- (a) a person who may participate in the issue;
- (b) a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if the resolution is passed; and
- (c) any Associate of such persons mentioned in paragraphs (a)1.1(a) and (b) above.

However, the Company need not disregard a vote if:

- (a) it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or
- (b) it is cast by the person chairing the meeting as a proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

GENERAL INFORMATION**Eligibility to Vote**

For the purpose of determining a person's entitlement to vote at the meeting, shares will be taken to be held by persons who are registered as Shareholders as at 7:00pm (Adelaide time) on 28th November 2016. Accordingly, transactions registered after that time will be disregarded in determining members entitled to attend and vote at the meeting.

Proxies

A proxy form is attached. You may exercise your right to vote at the meeting either by being present in person or by appointing a proxy to attend and vote in your place. You may appoint either an individual or a body corporate as your proxy. A proxy need not be a member of the Company. A proxy form must be signed by the member or the member's attorney. Proxies given by corporations must be signed either under seal or in accordance with the Constitution of the Company. The Proxy Form and the power of attorney or other authority (if any) under which it is signed (or a certified copy of the power of attorney or authority) must be received not later than 48 hours before the time for holding the meeting.

Please complete and forward the Proxy Form to the company's share registrar, Computershare Investor Services Pty Limited:

by post at the following address:

Computershare Investor Services Pty Limited
GPO Box 242
MELBOURNE VIC 3001

or

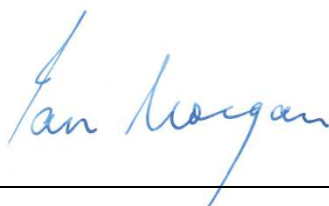
by facsimile on **1800 783 447 (within Australia)** or **+61 3 9473 2555 (outside Australia)**;

or for **Intermediary Online subscribers** only (custodians), cast the shareholder's vote online by visiting www.intermediaryonline.com

so that it is received by no later than **11.00 am (Sydney time) on Monday 28 November 2016**

Attending the meeting

If you are attending the meeting please bring the Proxy Form to assist with registration.

By order of the Board**Broken Hill Prospecting Limited**

Ian Morgan,
Company Secretary
11 November 2016

EXPLANATORY STATEMENT

Forming part of the Notice of Annual General Meeting to Shareholders of the Annual General Meeting to be held Wednesday 30th November 2016 at 11:00am (Sydney time).

This Explanatory Statement, as well as the Notice of Annual General Meeting, should be read carefully and in their entirety.

ORDINARY BUSINESS

Annual Financial Report

The Company's Annual Report including the Financial Statements, Director's Report and the Auditor's Report for the year ended 30 June 2016 will be laid before the meeting.

This item provides an opportunity for Shareholders at the meeting to ask questions and comment on the Financial Report (including the Financial Statements), the Directors' Report and the Auditor's Report. The Company's Annual Financial Report 2016 has been sent to Shareholders, and can also be accessed on the Company's website at www.bhpl.biz.

No resolution is required to be passed on this matter.

Resolution 1: Re-election of Director – Matthew Geoffrey Hill: MBA, AFSL, FFin, APDT

Non-Executive Director

Mr Matthew Hill has been the alternate Director of Geoffrey Hill from March 2012 to June 2014. On 6 June 2014 he was appointed Non-Executive Director by the Board and since then he has also been a member of the Audit Committee.

Under clause 27.1 of the Company's constitution, one third of the Directors (except one executive Director nominated by the Board) must retire from office at each annual general meeting. Clause 27.1 of the Company's constitution further provides that a retiring Director is eligible for election.

In accordance with the Company's Constitution, Mr Matthew Hill will retire and seek election at the Annual General Meeting.

Matthew Hill has over 20 years' experience in financial services and investment banking. He is currently Executive Director of publicly listed New Talisman Gold Mines Limited. Matthew has previous experience with the Private Equity and Capital Markets sectors employed by News Corporation and Softbank's E-ventures, Potter Warburg and Souls Private Equity Limited.

The Directors (with Mr M Hill abstaining) recommend that Shareholders vote in favour of Resolution 1.

The Chairman of the Meeting intends to vote undirected proxies in favour of Resolution 1.

Resolution 2: Auditor's Remuneration

K.S. Black & Co are the existing auditors of the Company and have indicated their willingness to continue in office. The resolution is required to record the re-appointment of K.S. Black & Co as the Company's auditors and to authorise the Directors to settle their remuneration.

The Directors recommend that Shareholders vote in favour of Resolution 2.

The Chairman of the Meeting intends to vote undirected proxies in favour of Resolution 2.

SPECIAL BUSINESS

Resolution 3: Ratification of prior issue of placement securities

Background

On the 2 June 2016, the Company announced the firm commitments for a placement of securities to sophisticated and professional investors to raise A\$992,000 before costs. Far East Capital Pty Ltd was the lead manager to the placement. This issuance of securities was made in compliance with ASX Listing Rule 7.1 at the time the issuance occurred.

The proceeds were used to update the Thackaringa scoping study, advance the pre-feasibility study on the mineral sands project and for working capital.

The approval of this Resolution will enable the Company to retain the flexibility to issue further equity securities representing up to 15% of the Company's share capital under ASX Listing Rule 7.1

Listing Rule 7.1

ASX Listing Rule 7.1 restricts listed companies in relation to the number of equity securities that they can issue or agree to issue without shareholder approval. Generally, a listed company cannot, in any 12 month period, issue a

number of equity securities which is more than 15% of their fully paid ordinary shares on issue without shareholder approval (15% limit), unless an exception applies. The Company has not exceeded this 15% limit.

Listing Rule 7.4

ASX Listing Rule 7.4 provides that where holders of ordinary securities approve a previous issue of securities made without approval under ASX Listing Rule 7.1, and provided that the previous issue of securities did not breach ASX Listing Rule 7.1, those securities shall be deemed to have been issued with Shareholders approval for the purpose of ASX Listing Rule 7.1.

Shareholder approval is now sought for the issues of securities set out below, pursuant to ASX Listing Rule 7.4, to reinstate the Company's capacity to issue up to 15% of its ordinary issued capital under ASX Listing Rule 7.1 over a 12 month period without seeking further Shareholders approval.

Listing Rule 7.5

ASX Listing Rule 7.5 requires the following information to be provided to Shareholders:

- (a) the number of securities issued was 12,000,000 Shares and 6,200,000 options.
- (b) the Shares were issued at an issue price of A\$0.08 each plus one free attaching option for every 2 Shares.
- (c) the Shares issued rank equally with, and are on the same terms as, the existing Shares on issue. The listed options issued are exercisable before 12 November 2019 at an exchange price of A\$0.08 and are listed on the ASX.
- (d) the securities were issued to: Anikava Pty Ltd, Jackie Au Yeung, Vivre Investments Pty Ltd, Mr Richard James Cooney, Mr Peter Robin Cooney, Ayers Pty Ltd, Luke Gleeson, Ginga Pty Ltd, Gregorach Pty Ltd, Terence Rego, Ludo Capital Pty Ltd, Serlett Pty Ltd, Nutsville Pty Ltd, Bangalow Investments Pty Ltd, Mr Christopher Geoffrey Lancaster, Zacob Pty Ltd ATF R & L Biancardi Superfund, Aquastir Pty Ltd, Dolphin Partners Pty Ltd, Sapphire Chip Pty Ltd, Hedderwick Pty Ltd, Annlew Investments Pty Ltd, Dolphin Capital Partners Pty Ltd, Talmetal Pty Ltd, Mr Bin Liu, Three Bridge Capital Pty Ltd, Mr Jonathon Alexander Feil, Raz Investments Pty Ltd, Future Land Limited.
- (e) the funds raised from the issue of the securities were used to advance the Cobalt project and for working capital.
- (f) a voting exclusion statement is included in the Notice for the purpose of this Resolution.

The Directors recommend that Shareholders vote in favour of Resolution 3.

The Chairman of the Meeting intends to vote undirected proxies in favour of Resolution 3.

Resolution 4: Approval of 10% Placement Facility

ASX Listing Rule 7.1A enables eligible entities to issue Equity Securities up to 10% of its issued capital through placements over a 12 month period, after the Annual General Meeting (**10% Placement Facility**). The 10% Placement Facility is in addition to the Company's 15% placement capacity under Listing Rule 7.1.

An eligible entity for the purposes of Listing Rule 7.1A is an entity that is not included in the S&P/ASX 300 Index and has a market capitalisation of A\$300 million or less. The Company is an eligible entity.

The Company is now seeking to obtain Shareholder approval by way of a special resolution, to enable the Company to issue Equity Securities under the 10% Placement Facility.

The exact number of Equity Securities to be issued under the 10% Placement Facility will be determined in accordance with the formula prescribed in Listing Rule 7.1A.2 (refer below).

Funds raised under the 10% Placement Facility will provide working capital to assist the Company to cover new exploration expenses and/or to acquire new resource assets or investments and/or working capital.

Description of Listing Rule 7.1A

(a) Shareholder approval

The ability to issue Equity Securities under the 10% Placement Facility is subject to Shareholder approval by way of a special resolution at an annual general meeting.

(b) Equity Securities

Any Equity Securities issued under the 10% Placement Facility must be in the same class as an existing quoted class of Equity Securities of the Company.

The Company, as at the date of the Notice, has on issue only one class of quoted Equity Securities:

- Ordinary Shares – number 145,885,428

(c) Formula for calculating 10% Placement Facility

Listing Rule 7.1A.2 provides that eligible entities which have obtained shareholder approval at an annual general meeting may issue or agree to issue, during the 12 month period after the date of the annual general meeting, a number of Equity Securities calculated in accordance with the following formula:

(A x D) – E

A is the number of shares on issue 12 months before the date of issue or agreement to issue,

- plus the number of fully paid shares issued in the 12 months under an exception in Listing Rule 7.2;
- plus the number of partly paid shares that became fully paid in the 12 months;

- plus the number of fully paid shares issued in the 12 months with approval of holders of shares under Listing Rules 7.1 and 7.4. This does not include an issue of fully paid shares under the entity's 15% placement capacity without shareholder approval;
- less the number of fully paid shares cancelled in the 12 months.

Note that A has the same meaning in Listing Rule 7.1 when calculating an entity's 15% placement capacity.

D is 10%

E is the number of Equity Securities issued or agreed to be issued under Listing Rule 7.1A.2 in the 12 months before the date of the issue or agreement to issue that are not issued with the approval of shareholders under Listing Rule 7.1 or 7.4.

(d) Listing Rule 7.1 and Listing Rule 7.1A

The ability of an entity to issue Equity Securities under Listing Rule 7.1A is in addition to the entity's 15% placement capacity under Listing Rule 7.1.

At the date of this Notice, the Company has on issue 145,885,428 Shares and therefore has a capacity to issue:

- (i) 21,882,814 Equity Securities under Listing Rule 7.1; and
- (ii) subject to Shareholder approval being sought under this Resolution, 14,588,542 Equity Securities under Listing Rule 7.1A.

The actual number of Equity Securities that the Company will have capacity to issue under Listing Rule 7.1A will be calculated at the date of issue of the Equity Securities in accordance with the formula prescribed in Listing Rule 7.1A.2 (refer above).

(e) Minimum Issue Price

The issue price of Equity Securities issued under Listing Rule 7.1A must be not less than 75% of the VWAP of Equity Securities in the same class calculated over the 15 Trading Days on which trades in that class were recorded immediately before:

- (i) the date on which the price at which the Equity Securities are to be issued is agreed; or
- (ii) if the Equity Securities are not issued within 5 Trading Days of the date in paragraph (i) above, the date on which the Equity Securities are issued.

(f) 10% Placement Period

Shareholder approval of the 10% Placement Facility under Listing Rule 7.1A is valid from the date of the Annual General Meeting at which the approval is obtained and expires on the earlier to occur of:

- (i) the date that is 12 months after the date of the Annual General Meeting at which the approval is obtained; or
- (ii) the date of the approval by shareholders of a transaction under Listing Rules 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking), or such longer period if allowed by ASX (**10% Placement Period**).

Listing Rule 7.1A

The effect of this Resolution 4 will be to allow the Company to issue the Equity Securities under Listing Rule 7.1A during the 10% Placement Period without using the Company's 15% placement capacity under ASX Listing Rule 7.1. As at the date of the Notice of Annual General Meeting, the Company has two quoted classes of Equity Securities on issue, being ordinary shares and options.

This Resolution is a special resolution and therefore requires approval of 75% of the votes cast by Shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative).

Specific information required by Listing Rule 7.3A

Pursuant to and in accordance with Listing Rule 7.3A, the following information is provided in relation to the approval of the 10% Placement Facility as follows:

- (a) The Equity Securities will be issued at an issue price of not less than 75% of the VWAP for the Company's Equity Securities over the 15 Trading Days immediately before:
 - (i) the date on which the price at which the Equity Securities are to be issued is agreed; or
 - (ii) if the Equity Securities are not issued within 5 Trading Days of the date in paragraph (i) above, the date on which the Equity Securities are issued.
- (b) If this Resolution is approved by Shareholders and the Company issues Equity Securities under the 10% Placement Facility, the existing Shareholders' voting power in the Company will be diluted as shown in the below table (in the case of Listed Options, only if the Listed Options are exercised). There is a risk that:
 - (i) the market price for the Company's Equity Securities may be significantly lower on the date of the issue of the Equity Securities than on the date of the Annual General Meeting; and

- (ii) the Equity Securities may be issued at a price that is at a discount to the market price for the Company's Equity Securities on the issue date.

The below table shows the potential dilution of existing Shareholders on the basis of the current market price of Shares and the current number of ordinary securities for variable "A" calculated in accordance with the formula in Listing Rule 7.1A(2) as at the date of this Notice.

The table also shows:

- (i) two examples where variable "A" has increased, by 50% and 100%.

Variable "A" is based on the number of ordinary securities the Company has on issue. The number of ordinary securities on issue may increase as a result of issues of ordinary securities that do not require Shareholder approval (for example, a pro rata entitlements issue or scrip issued under a takeover offer) or future specific placements under Listing Rule 7.1 that are approved at a future Shareholders' meeting; and

- (ii) two examples of where the issue price of ordinary securities has decreased by 50% and increased by 50% as against the current market price.

Share Capital - Variable 'A' in Listing Rule 7.1A.2		Dilution		
		50% decrease in Issue Price	Issue Price	100% increase in Issue Price
		A\$0.041	A\$0.081	A\$0.162
Current Variable A 145,885,428 Shares	10% Voting Dilution	14,588,542 Shares	14,588,542 Shares	14,588,542 Shares
	Funds raised	A\$598,130	A\$1,181,672	A\$2,363,344
50% increase in current Variable A 218,828,142 Shares	10% Voting Dilution	21,882,814 Shares	21,882,814 Shares	21,882,814 Shares
	Funds raised	A\$897,195	A\$1,772,508	A\$3,545,016
100% increase in current Variable A 291,770,856 Shares	10% Voting Dilution	29,177,085 Shares	29,177,085 Shares	29,177,085 Shares
	Funds raised	A\$1,196,261	A\$2,363,344	A\$4,726,688

The table has been prepared on the following assumptions:

- The Company issues the maximum number of Equity Securities available under the 10% Placement Facility.
- No Listed Options (including any Listed Options issued under the 10% Placement Facility) are exercised into Shares before the date of the issue of the Equity Securities;
- The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.
- The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement Facility, based on that Shareholder's holding at the date of the Meeting.
- The table shows only the effect of issues of Equity Securities under Listing Rule 7.1A, not under the 15% placement capacity under Listing Rule 7.1.
- The issue of Equity Securities under the 10% Placement Facility consists only of Shares. If the issue of Equity Securities includes Listed Options, it is assumed that those Listed Options are exercised into Shares for the purpose of calculating the voting dilution effect on existing Shareholders.

The issue price is A\$0.081, being the closing price of the Shares on ASX on 7 November 2016.

- The Company will only issue and allot the Equity Securities during the 10% Placement Period. The approval under this Resolution for the issue of the Equity Securities will cease to be valid in the event that Shareholders approve a transaction under Listing Rule 11.1.2 (a significant change to the nature or scale of activities) or Listing Rule 11.2 (disposal of main undertaking) during the 10% Placement Period.
- The Company may seek to issue the Equity Securities for the following purposes:
 - non-cash consideration for the acquisition of the new resources assets and investments. In such circumstances the Company will provide a valuation of the non-cash consideration as required by Listing Rule 7.1A.3; or

- (ii) cash consideration. In such circumstances, the Company intends to use the funds raised towards the acquisition of new assets or investments (including expenses associated with such acquisitions), continued exploration and feasibility study expenditure and/or general working capital.
- (iii) the Company will comply with the disclosure obligations under Listing Rules 7.1A.4 and 3.10.5A upon issue of any Equity Securities. The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue pursuant to the 10% Placement Facility. The identity of the allottees of Equity Securities will be determined on a case-by-case basis having regard to factors including but not limited to the following:
 - the methods of raising funds that are available to the Company, including but not limited to, rights issue or other issue in which existing security holders can participate;
 - the effect of the issue of the Equity Securities on the control of the Company;
 - the financial situation and solvency of the Company; and
 - advice from corporate, financial and broking advisers (if applicable).

The allottees under the 10% Placement Facility have not been determined as at the date of this Notice but may include existing substantial Shareholders and/or new Shareholders who are not related parties or associates of a related party of the Company. For the avoidance of doubt, the allottees will not include related parties or Associates of a related party of the Company.

Further, if the Company is successful in acquiring new resources assets or investments, it is likely that the allottees under the 10% Placement Facility will be the vendors of the new resources assets or investments.

- (e) The Company has previously obtained Shareholder approval under Listing Rule 7.1A at the Annual General Meeting dated 18 November 2015. During the 12 months preceding the date of the current meeting the company issued a total of 38,829,657 equity securities representing 19.53% of the total equity securities on issue as at 18 October 2015. The details in respect of all issues of Equity Securities by the Company during the 12 months preceding the date of this meeting are as follows:

Date of issue: 18 January 2016

Number issued: 11,000,000

Type of equity security: Options exercisable before 12 November 2019 at an exchange price of A\$0.08 and listed on the ASX.

Recipient of securities: Directors and contractors under Share incentive Plan as approved by shareholders at the AGM on the 15 November 2015.

Price: A\$0.008 per option. The options closing market price on the date of issue was A\$0.005.

Consideration received: A\$88,000

Date of issue: 30 May 2016

Number issued: 18,750

Type of equity security: Fully paid ordinary shares

Recipient of securities: optionholder exercising options before maturity

Price: A\$0.08 per share. Price represents a discount of 14.89% from the closing market price on the date of issue.

Consideration received: A\$1,500

Date of issue: 8 June 2016

Number issued: 12,400,000 shares plus 6,200,000 options

Type of equity security: Fully paid ordinary shares - options exercisable before 12 November 2019 at an exchange price of A\$0.08 and listed on the ASX.

Recipient of securities: Anikava Pty Ltd, Jackie Au Yeung, Vivre Investments Pty Ltd, Mr Richard James Cooney, Mr Peter Robin Cooney, Ayers Pty Ltd, Luke Gleeson, Ginga Pty Ltd, Gregorach Pty Ltd, Terence Rego, Ludo Capital Pty Ltd, Serlett Pty Ltd, Nutsville Pty Ltd, Bangalow Investments Pty Ltd, Mr Christopher Geoffrey Lancaster, Zacob Pty Ltd ATF R & L Biancardi Superfund, Aquastir Pty Ltd, Dolphin Partners Pty Ltd, Sapphire Chip Pty Ltd, Hedderwick Pty Ltd, Annlew Investments Pty Ltd, Dolphin Capital Partners Pty Ltd, Talmetal Pty Ltd, Mr Bin Liu, Three Bridge Capital Pty Ltd, Mr Jonathon Alexander Feil, Raz Investments Pty Ltd, Future Land Limited.

Price: A\$0.08 per share plus one free attaching option every two shares. Price represents a discount 40.74% from the shares closing market price on the date of issue.

Consideration received: A\$992,000

Use of funds:

1. Funding the continuing exploration of mineral sand licences
2. Carrying out studies on Thackaringa cobalt-pyrite deposit

3. Working capital

Date of issue: 19 August 2016

Number issued: 9,210,907 shares

Type of equity security: Fully paid ordinary shares

Recipient of securities: Securities issued under a share purchase plan dated 4 July 2016.

Price: A\$0.081 per share. The shares closing market price on the date of issue was A\$0.081.

Consideration received: A\$746,086

Use of funds: Advancing Cobalt project and for working capital.

(f) a voting exclusion statement is included in the Notice for the purpose of this Resolution.

The Board of Directors recommends that you vote in favour of this Resolution. The Directors consider that the approval of the 10% Placement Facility described above is beneficial for the Company as it provides the Company with the flexibility to issue up to the maximum number of securities permitted under Listing Rule 7.1A in the next 12 months, without further Shareholder approval.

The Directors recommend that Shareholders vote in favour of Resolution 4.

The Chairman of the Meeting intends to vote undirected proxies in favour of Resolution 4.

GLOSSARY

In this Notice and the Explanatory Statement:

A\$ means Australian Dollars.

Annual Report means the Directors' Report, the Financial Report and the Auditor's Report in respect to the financial year ended 30 June 2016.

Associate has the meaning given in the ASX Listing Rule 19.12

ASX means ASX Limited (ACN 008 624 691) and, where the context permits, the Australian Securities Exchange operated by ASX.

Auditor's Report means the auditor's report on the Financial Report.

Board means the board of Directors.

Business Day means:

- (a) for determining when a notice, consent or other communication is given, a day that is not a Saturday, Sunday or public holiday in the place to which the notice, consent or other communication is sent; and
- (b) for any other purpose, a day (other than a Saturday, Sunday or public holiday) on which banks are open for general banking business in Perth.

Chair or **Chairman** means the person appointed to chair the Meeting convened by this Notice.

Company means Broken Hill Prospecting Limited (ARBN 003 453 503).

Director means a director of the Company.

Directors' Report means the annual directors' report.

Equity Securities has the same meaning as in the ASX Listing Rules and includes shares and options.

Explanatory Statement means the explanatory statement attached to the Notice.

Listing Rules means the listing rules of ASX, as amended from time to time.

Meeting has the meaning in the introductory paragraph of the Notice.

Notice means this notice of annual general meeting.

Option means a listed option which entitles the holder to subscribe for one Share.

Plan means Broken Hill Prospecting Limited Share Incentive Plan some details of which are in Annexure B

Proxy Form means the proxy form attached to the Notice.

Resolution means a resolution contained in the Notice.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a shareholder of the Company.

Trading Day means a day determined by ASX to be a trading day in accordance with the ASX Listing Rules.

VWAP means volume weight average price.

In this Notice and the Explanatory Statement words importing the singular include the plural and vice versa.

BPL

MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

Lodge your vote:



By Mail:

Computershare Investor Services Pty Limited
GPO Box 242 Melbourne
Victoria 3001 Australia

Alternatively you can fax your form to
(within Australia) 1800 783 447
(outside Australia) +61 3 9473 2555

For Intermediary Online subscribers only
(custodians) www.intermediaryonline.com

For all enquiries call:

(within Australia) 1300 556 161
(outside Australia) +61 3 9415 4000

Proxy Form

XX

For your vote to be effective it must be received by 11:00am (Sydney time) on Monday 28th November 2016

How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

Appointment of Proxy

Voting 100% of your holding: Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote or abstain as they choose (to the extent permitted by law). If you mark more than one box on an item your vote will be invalid on that item.

Voting a portion of your holding: Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

Appointing a second proxy: You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

A proxy need not be a securityholder of the Company.

Signing Instructions

Individual: Where the holding is in one name, the securityholder must sign.

Joint Holding: Where the holding is in more than one name, all of the securityholders should sign.

Power of Attorney: If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Australian *Corporations Act 2001* (Cth)) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary (if appointed). Please sign in the appropriate place to indicate the office held. Delete titles as applicable.

Attending the Meeting

Bring this form to assist registration. If a representative of a corporate securityholder or proxy is to attend the meeting you will need to provide the appropriate "Certificate of Appointment of Corporate Representative" prior to admission. A form of the certificate may be obtained from Computershare or online at www.investorcentre.com under the help tab, "Printable Forms".

Comments & Questions: If you have any comments or questions for the company, please write them on a separate sheet of paper and return with this form.

Turn over to complete the form ➔



View your securityholder information, 24 hours a day, 7 days a week:

www.investorcentre.com



Review your securityholding



Update your securityholding

Your secure access information is:

SRN/HIN: I9999999999



PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.

MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

☐

Change of address. If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.



I 9999999999

I ND

Proxy Form

Please mark ☒ to indicate your directions

STEP 1 Appoint a Proxy to Vote on Your Behalf

XX

I/We being a member/s of Broken Hill Prospecting Limited hereby appoint

☐

the Chairman
of the Meeting **OR**

PLEASE NOTE: Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the Annual General Meeting of Broken Hill Prospecting Limited to be held at Library, Level 2, Union, University & Schools Club, 25 Bent Street, Sydney, NSW on Wednesday 30th November 2016 at 11:00am (Sydney time) and at any adjournment or postponement of that meeting.

STEP 2 Items of Business



PLEASE NOTE: If you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

ORDINARY BUSINESS

	For	Against	Abstain
1. Re-election of Matthew Hill as a Director of the Company	☐	☐	☐
2. Auditor's Remuneration	☐	☐	☐

SPECIAL BUSINESS

3. Ratification of prior issue of placement securities	☐	☐	☐
4. Approval of 10% Placement Facility	☐	☐	☐

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business. In exceptional circumstances, the Chairman of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

SIGN Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

Contact
Name

Contact
Daytime
Telephone

Date / /

B P L

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Computershare +