

ASX/NZSX/Media Announcement

19th September, 2011

Drilling completed at Pyrite Hill Cobalt Deposit, Broken Hill, NSW

Broken Hill Prospecting Limited (ASX, NZX code BPL) is pleased to report that drill testing has been completed at the Pyrite Hill Cobalt Deposit located in Mining Lease 86, 25 kilometres south west of Broken Hill in western NSW.

Eight drill holes (PHR001-8) were undertaken to test the central portion of the cobalt mineralised zone at Pyrite Hill where drill testing by previous explorers has defined an Inferred Resource of 10.6 MT of 2.2 pounds per tonne of cobalt within 100m from surface.

This drilling programme was designed to test the deeper continuity of the mineralisation between 100-200 metres down dip in the Pyrite Hill deposit. Angled drill holes were spaced at approximately 100 metre intervals along the eastern margin of the central portion of Pyrite Hill and holes were located to intersect the shallow east-dipping cobaltiferous pyrite zone at depth.

1,811 metres of reverse circulation (RC) drilling was completed by Techdrill Ltd and the holes were drilled to an average depth of about 200 metres. Sample recovery was of a high standard.

Cobalt within the deposit is almost completely contained in pyrite which occurs as disseminations or bands within a sodium feldspar-quartz-pyrite gneiss host rock. Test work has shown that the cobaltiferous pyrite can be readily concentrated through gravity or flotation to upgrade cobalt content into a pyrite concentrate.

Zones of pyritic mineralisation were intersected in all eight of the drill holes with semi-massive to massive pyrite conspicuous in most holes. Four of the drill holes intersected pyrite contents between 10-95% in intervals of over 50 metres thick.

Drill logging and sampling on one-metre intervals has been completed and samples have been forwarded to the ALS Chemex laboratory in Orange for analyses of cobalt together with a range of other metals. Assaying, interpretation and reporting is expected to be completed in early October.

Yours faithfully,



Ian J Pringle
(Managing Director)

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Competent Person Statement

*The review of exploration activities and results contained in this report is based on information compiled by **Dr Ian Pringle**, a Member of the Australasian Institute of Mining and Metallurgy. Dr Pringle is the Managing Director of Broken Hill Prospecting Ltd and also a Principle of Ian J Pringle & Associates Pty Ltd, a consultancy company in minerals exploration. He has sufficient experience which is relevant to the style of mineralization and types of deposits under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the December 2004 edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the JORC Code). Dr Pringle has consented to the inclusion in this report of the matters based on his information in the form and context in which it appears.*

About Broken Hill Prospecting Limited (“BPL”)

BPL is seeking to explore, evaluate and develop cobalt deposits in the Broken Hill area. Within its two mining leases BPL has inferred cobalt mineral resources which total 15 million tonnes at a combined average grade of more than 2.1 lb/tonne (Pyrite Hill and Big Hill deposits). These are a unique type of cobalt deposit and BPL is in an excellent position to take advantage of an increasing demand for cobalt to meet growth in environmental and industrial uses such as rechargeable batteries in automobiles.

BPL is one of the next generation of companies that is exploring for major new mineral deposits near the historic NSW mining centre of Broken Hill, where more than 200 million tonnes of high-grade base metal ore worth an estimated \$80 billion has been produced during the past 127 years. BPL has identified 13 Broken Hill-type base metal prospects on its exploration tenements at Thackaringa.

BPL raised \$4.47 million in an initial public offering, and in February 2011 its securities are quoted on both the Australian and New Zealand stock exchanges.

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