

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 7cps) **\$10.5M**

Broken Hill Prospecting Ltd

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Thackaringa Cobalt Project JV Completes Stage 2 Earn-In

- Broken Hill Prospecting Limited (ASX: BPL) announced on Wednesday 4 July, 2018 that it received the Thackaringa Cobalt Project Pre-Feasibility Study (PFS) from Cobalt Blue Holdings Ltd (ASX: COB) as Manager of the Thackaringa Joint Venture (TJV) (TJV Manager).
- The PFS details released to the market by COB on Wednesday 4 July, 2018 confirm that the Thackaringa Cobalt Project is of global significance as a sustainable, low-cost source of high purity cobalt sulphate for the battery revolution. It recommends advancement to a Bankable Feasibility Study (BFS).
- BPL is working with its partner COB on the BFS strategy, delivery of which, will be measured against the TJV contractual obligations.
- The PFS places a significant value on BPL's 2% Net Smelter Royalty (NSR) on cobalt produced at Thackaringa, anticipated to deliver approximately A\$43 million to A\$48 million revenue over the life of mine. BPL is currently evaluating the basis of the PFS royalty and its market value today.
- BPL has assessed the technical and financial milestones under the TJV Stage 2 and confirms that COB has now earned a 70% beneficial interest in the TJV. BPL holds the balance of 30% beneficial interest and 100% of the legal title.
- As the tenement holder and an active explorer in the Broken Hill region in its own right, BPL is delighted with the outcome of the PFS. It vindicates the company's long held exploration strategy and highlights the ongoing exploration potential of its major assets.
- BPL retains the rights to base and precious metals on the TJV tenements, where it is actively exploring for Broken Hill (Pb-Zn-Ag) style mineralisation, precious metals and industrial minerals. Multiple prospects have been prioritised for further exploration.

BPL Managing Director and CEO, Trangie Johnston, said:

"BPL has unlocked substantial shareholder value from its Cobalt Blue spin out initiative in early 2017. More than \$8m has been directly invested in the world class Thackaringa Cobalt Project, culminating in a positive PFS delivered to the market in early July 2018. BPL retains a significant direct interest in the Thackaringa project, and also holds long term rights, including payment of \$7.5 million cash, a royalty interest and rights to intellectual property developed by the Thackaringa Joint Venture."



Anthony (Trangie) Johnston
Managing Director

Broken Hill
PROSPECTING

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