

19 May 2016

ASX ANNOUNCEMENT
ASX Limited
20 Bridge Street
Sydney NSW 2000

APPOINTMENT OF CHIEF EXECUTIVE OFFICER

Broken Hill Prospecting (ASX: BPL) (“The Company”) today announced the appointment of Mr Anthony ‘Trangie’ Johnston as its Chief Executive Officer.

Mr Johnston is a skilled geologist with 20 years’ experience in exploration, project development and mining activities. His diversified career spans the private, public, consulting and government sectors, with experience throughout Australia and internationally.

He was most recently the CEO of KBL Mining, a diversified base and precious metal producer and development company. During a period of declining market conditions, he oversaw the restructure of the company to achieve operational profitability. This included major resource/reserve upgrades and maiden deposit discoveries for the Mineral Hill Mine and Sorby Hills project, which underpinned the raising of more than \$35M through equity, debt, project financing, key investors and partnerships.

He holds a Bachelor of Science (Hons) from Newcastle University and a Masters in Economic and Mining Geology from the University of Tasmania (CODES).

The Company’s Chairman, Mr Creagh O’Connor said: “Now that we are transitioning from exploration into the development of our mineral assets, the Board sought a CEO with the skills to drive the Company to the next stage. We are delighted to have someone of Trangie’s calibre, with demonstrated expertise and track record. The Board believes the Company is now well poised to capitalise on the exploration and other activities successfully undertaken in recent years. Trangie brings the skills necessary to oversee the implementation of both the Heavy Mineral Sands project and the further development of the Company’s Thackaringa cobalt project.”

Key Terms of Engagement:

Position: Chief Executive Officer

Term: No fixed term. Commencement on the 20th May 2016 and will continue until either party terminates with one month's notice.

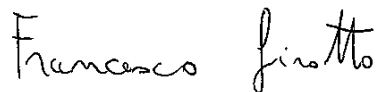
Fixed Remuneration: \$250,000 per annum, inclusive of superannuation.

Incentive Arrangements:

\$35,000 as a sign on fee in the form of 500,000 shares at 7 cents per share.

Entitled to participate in the Company's Share and Incentive Plan.

Yours faithfully

A handwritten signature in black ink that reads "Francesco Girotto". The signature is written in a cursive style with a large initial 'F' and a distinct 'G'.

Francesco Girotto
Company Secretary