

PROSPECTUS

Broken Hill Prospecting Limited (ABN 83 003 453 503)



For a pro-rata non-renounceable rights issue of approximately 24,851,154 New Shares, on the basis of 1 New Share for every 4 Shares held by Eligible Shareholders on the Record Date at an issue price of 4 cents per New Share, to raise up to approximately \$994,046 and 1 New Option exercisable at 8 cents on or before 12 November 2019 for every New Share subscribed for under the Prospectus for no additional consideration.

Offer opens on 29 May 2015 and closes at 5.00pm (AEST) on 18 June 2015. Valid acceptances must be received before that time.

Subscription payments for Eligible Shareholders can be made by BPAY® (please refer to Section 4.2 for other payment methods as well as the Entitlement and Acceptance Form)

The Offer is fully underwritten by International Pacific Capital Limited

This document is a transaction-specific prospectus issued in accordance with Section 713 of the Corporations Act. This Prospectus contains important information about the Offer. You should read the entire document including the Entitlement and Acceptance Form. If after reading this Prospectus you have any questions about the Offer or this Prospectus, you should speak to your professional adviser.

The New Shares and New Options offered by this Prospectus should be considered speculative.

IMPORTANT NOTICE

This Prospectus is dated 19 May 2015 and was lodged with ASIC on that date. Neither ASIC, ASX nor any of their respective officers take any responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates.

Certain terms and abbreviations used in this Prospectus have defined meanings, which are explained in the Glossary. In this Prospectus, the words "the Company", "we", "our" and "us" refer to Broken Hill Prospecting Limited. The words "you" or "your" refer to Shareholders.

No New Shares or New Options (New Securities) will be issued on the basis of this Prospectus later than 13 months after the date of this Prospectus. Application for quotation of the New Shares and the New Options will be made to the ASX within 7 days after the date of this Prospectus.

This Prospectus is a transaction specific prospectus for an offer to Eligible Shareholders of continuously quoted securities (as defined in the Corporations Act), or options over them, of Broken Hill Prospecting Ltd and has been prepared according to Section 713 of the Corporations Act. Accordingly, it does not contain the same level of disclosure as an initial public offering prospectus. In preparing this Prospectus regard has been had to the fact that we are a disclosing entity for the purposes of the Corporations Act and that certain matters may reasonably be expected to be known to investors and professional advisers to whom investors may consult.

This Prospectus should, therefore, be read in conjunction with publicly available information in relation to the Company (including announcements to ASX made by the Company and announcements made on the Company's website).

No person is authorised to give any information or to make any representations in connection with this Offer that is not contained in this Prospectus. Any information or representation that is not contained in this Prospectus may not be relied upon as having been authorised by the Directors or by us.

Restrictions on distribution

The Offer is made in Australia and New Zealand only. This Prospectus does not constitute an offer in any overseas jurisdiction where it would be unlawful to make the Offer. You must ensure compliance with all laws of any country relevant to your Application. We will take the return of a duly completed Entitlement and Acceptance Form as a representation by you that there has been no breach of any laws and that you are an Eligible Shareholder.

The Corporations Act prohibits any person passing on to another person an application form unless it is accompanied by or included in a hard copy, or the complete and unaltered electronic version of this Prospectus. Please contact us if you wish to obtain a hard copy of this Prospectus free of charge.

Warning statement for New Zealand investors

This offer to New Zealand investors is a regulated offer made under Australian and New Zealand law. In Australia, this is Chapter 8 of the Corporations Act 2001 (Aust) and regulations made under that Act. In New Zealand, this is subpart 6 of Part 9 of the Financial Markets Conduct Act 2013 and Part 9 of the Financial Markets Conduct Regulations 2014.

This offer and the content of the offer document are principally governed by Australian rather than New Zealand law. In the main, the Corporations Act 2001 (Aust) and the regulations made under that Act set out how the offer must be made.

There are differences in how financial products are regulated under Australian law. For example, the disclosure of fees for managed investment schemes is different under the Australian regime.

The rights, remedies, and compensation arrangements available to New Zealand investors in Australian financial products may differ from the rights, remedies, and compensation arrangements for New Zealand financial products.

Both the Australian and New Zealand financial markets regulators have enforcement responsibilities in relation to this offer. If you need to make a complaint about this offer, please contact the Financial Markets Authority, New Zealand (<http://www.fma.govt.nz>). The Australian and New Zealand regulators will work together to settle your complaint.

The taxation treatment of Australian financial products is not the same as for New Zealand financial products.

If you are uncertain about whether this investment is appropriate for you, you should seek the advice of an appropriately qualified financial adviser.

The offer may involve a currency exchange risk. The currency for the financial products is not New Zealand dollars. The value of the financial products will go up or down according to changes in the exchange rate between that currency and New Zealand dollars. These changes may be significant.

If you expect the financial products to pay any amounts in a currency that is not New Zealand dollars, you may incur significant fees in having the funds credited to a bank account in New Zealand in New Zealand dollars.

If the financial products are able to be traded on a financial product market and you wish to trade the financial products through that market, you will have to make arrangements for a participant in that market to sell the financial products on your behalf. If the financial product market does not operate in New Zealand, the way in which the market operates, the regulation of participants in that market, and the information available to you about the financial products and trading may differ from financial product markets that operate in New Zealand.

Forward-looking statements

This Prospectus contains forward-looking statements which are identified by words such as 'may', 'could', 'believes', 'estimates', 'targets', 'expects', or 'intends' and other similar words that involve risks and uncertainties.

These statements are based on an assessment of present economic and operating conditions, and on a number of assumptions regarding future events and actions that, as at the date of this Prospectus, are expected to take place.

Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of the Company and Board.

We cannot and do not give any assurance that the results, performance or achievements expressed or implied by the forward-looking statements contained in this Prospectus will actually occur and investors are cautioned not to place undue reliance on these forward-looking statements.

CORPORATE DIRECTORY

DIRECTORS

F. Creagh O'Connor (Chairman)
Ian J. Pringle (Managing Director)
Matthew G. Hill

COMPANY SECRETARY

Francesco Girotto

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UNDERWRITER

International Pacific Capital Limited

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TIMETABLE OF IMPORTANT DATES

Event	Proposed Date
Announcement date	Tuesday, 19 May 2015
Lodgement of Prospectus & Appendix 3B with ASX and ASIC	Tuesday, 19 May 2015
Notice to Optionholders	Tuesday, 19 May 2015
Notice to Shareholders containing Appendix 3B information and timetable	Wednesday, 20 May 2015
Shares commence trading on an ex rights basis	Friday, 22 May 2015
Record Date for determining Entitlements (7pm EST)	Tuesday, 26 May 2015
Prospectus and Entitlement and Acceptance Form despatched to Shareholders	Friday, 29 May 2015
Opening Date of the Offer	Friday, 29 May 2015
Closing Date of the Offer*	Thursday, 18 June 2015
New Securities quoted on a deferred settlement basis	Friday, 19 June 2015
ASX notified of any Shortfall	Tuesday, 23 June 2015
Issue Date (deferred settlement trading ends)	Thursday, 25 June 2015
New Securities commence trading on a normal T+3 basis	Friday, 26 June 2015
Expected date of despatch of holding statements for New Securities	Thursday, 2 July 2015

These dates are indicative only and subject to change without notice.

*The Company may extend the period of the Offer or bring forward the Closing Date at their discretion. This will have a consequential effect on the other subsequent dates.

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1.0 CHAIRMAN'S LETTER

Dear Shareholders

Broken Hill Prospecting Limited (ASX: BPL) ("The Company") or ("BPL") has recently entered an exciting new phase in the Company's life which management believe, has strong potential to provide significant value for shareholders over the coming months.

In October 2014 the Company, through its subsidiary Broken Hill Minerals Pty Ltd ("BHM"), was granted five Murray Basin Heavy Mineral Sands (HMS) Exploration Licences. The Murray Basin is a globally important, prolifically well-endowed HMS province currently hosting approximately 75 Mt of HMS reserves.

Two of BPL's granted Exploration Licences are now the subject of a Joint Venture with Relentless Resources Ltd (an unlisted Australian mining investment company) announced to the ASX on 28 January 2015, which is seeing BHM project manage an exploration and resource development phase in the first half of 2015, followed by scoping and feasibility studies into mining of two known HMS deposits (Magic and Copi North deposits).

The other 100% owned HMS prospects south of Broken Hill, and outside of the current joint venture with Relentless Resources, may also attract investment interest and the Company plans to actively review these opportunities when they arise. On 23rd April 2015 BPL announced the first batch of results from the analysis of samples taken from the Company's recently completed 6,000 metre drilling program undertaken over Copi North and Magic deposits. The laboratory results for Copi North samples highlighted outstanding shallow grade results including multiple intersections of >20% (up to 35%) HMS at shallow depth of between 8 metres and 42 metres, spread over a strike length of 10Km.

First results from the Magic deposit located north of Copi North, also demonstrated widespread, shallow, high-grade intersections of >5% HMS (up to 12% HMS) from 15 metres depth over a strike length of 12km.

With adjacent commercial operations owned by a major mineral sands company mining at an average Head Grade of between 3.5% to 4% HMS, the results attained at Copi North and Magic deposits (two of several known deposits and mineral sand occurrences on the BPL leases) strongly demonstrate the high prospectivity of developing further deposits into commercial mining operations in the district.

As part of the continued roll out of its strategic plan, BPL (through BHM) is now planning to undertake a second phase of exploration, separate from the Joint Venture, involving geophysics, drilling and resource estimation work on its remaining three tenements Exploration Licence 8308 (Nanya North), Exploration Licence 8309 (Springwood) and Exploration Licence 8310 (Milkengay). The Company is strongly encouraged by previous exploration work in these areas and plans to evaluate known, occurrences of HMS within the tenements where many HMS occurrences have been identified by historical exploration activities by other companies.

Like the Copi North and Magic deposits, other known HMS locations are adjacent to infrastructure (power & highway) and not far from operating HMS mines. BPL has recognised the commercial and strategic location of the Exploration Licence areas for the potential development of new HMS mines.

BPL is now in a strong position to progress the assessment of known deposits towards development and to undertake exploration follow-up over several historical discoveries and known HMS drill hole intersections.

To allow BHM to undertake HMS assessment of the Nanya North, Springwood and Milkengay Exploration Licences and to provide the Company with general working capital, BPL is offering this fully underwritten pro-rata non-renounceable rights issue to Eligible Shareholders. The Offer is made on the basis of 1 New Share for every 4 Shares held by Eligible Shareholders on the Record Date at an Issue Price of 4 cents per New Share and 1 New Option for every New Share subscribed for under the Prospectus for no additional consideration with an exercise price of \$0.08 and a term expiring on 12 November 2019 ('Rights Issue'). The Offer when fully subscribed will allow the issue of 24,851,154 Shares which will raise \$994,046 before costs.

The Directors of BPL warmly invite you to participate in this Rights Issue by taking up your Rights to participate.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'F. Creagh O'Connor', is written over a light blue rectangular background.

F. Creagh O'Connor

Chairman

2.0 OVERVIEW OF THE RIGHTS ISSUE AND EFFECT ON THE COMPANY

2.1. Background

In October 2014 Broken Hill Prospecting Limited's (BPL) subsidiary company Broken Hill Minerals Pty Ltd (BHM) had its recently applied for portfolio of five Heavy Mineral Sands (HMS) Exploration Licence applications granted. The Exploration Licences, approximately 120km south of Broken Hill in NSW are located within 5-20km of each other, within the Murray Basin, a World Class, globally significant HMS producing field.

Located adjacent to infrastructure (power and highway) and some within 10km of existing HMS mining operations, BPL has recognised the commercial strategic location of the Exploration Licence areas for the potential development of new HMS mines.

The Exploration Licence areas cover ground explored historically by established major and mid-tier HMS mining companies. During times of HMS exploration in the area covered by the Exploration Licences, several deposits were discovered, advanced with further exploration (drilling), but not taken through to development. This was largely due to corporate decision making of the holding entities and technological limitation concerns relating to sufficient mineral recovery parameters at the time and not any failure of the prospects potential to support one or more commercial HMS operations. Major advances in HMS recovery technology in recent years have enabled substantial increases in heavy mineral recoveries.

Immediately following the relinquishment of the areas by the previous tenement holders, the Company seized the opportunity to acquire the ground and sought application. BPL is now in a strong position to take the known defined deposits forward towards development and to undertake further exploration work at several historical HMS discoveries and other significant HMS drilling intercepts which require further follow up.

BPL is planning to collect sufficient new and confirmatory information to allow the Company to undertake feasibility studies into the mining of the known deposits, with the key aim of benefitting from revenue derived that may be from subsequent production of HMS products for global markets in the coming years.

Contributing in part to the new confirmatory information gathering exercise, BPL on 23rd April 2015 announced the first batch of results from the analysis of samples taken from the Company's recently completed 6,000 metre drilling program undertaken over Copi North and Magic deposits. The laboratory results for Copi North samples highlighted outstanding shallow grade results including multiple intersections of >20% (up to 35%) HMS at shallow depth of between 8 metres and 42 metres, spread over a strike length of 10Km.

First results from the Magic deposit located north of Copi North, also demonstrated widespread, shallow, high-grade intersections of >5% HMS (up to 12% HMS) from 15 metres depth over a strike length of 12km.

With adjacent commercial operations owned by a major mineral sands company mining at an average Head Grade of between 3.5% to 4% HMS, the results attained at Copi North and Magic deposits (two of several known deposits and mineral sand occurrences on the BPL leases) strongly demonstrate the prospects of developing further deposits into commercial mining operations in the district.

Whilst focussing on its HMS prospects, the company continues to develop joint venture interest on its Thackaringa Cobalt-Pyrite project. BPL is in negotiations with a number of parties who have the expertise and investment capacity to undertake ongoing pre-feasibility and feasibility studies to mine and process the cobalt-pyrite mineralisation at Thackaringa so as to enable BPL to become a profitable sulphuric acid and cobalt producer. The negotiations are ongoing and the Company will inform the market of any developments in due course.

2.2. Overview of Rights Issue

The Company is making this Offer which consists of a pro-rata non-renounceable rights issue of approximately 24,851,154 New Shares to Eligible Shareholders, being Shareholders with a registered address in Australia or New Zealand on the Record Date. The Offer is made on the basis of 1 New Share for every 4 Shares held by Eligible Shareholders on the Record Date at an issue price of 4 cents per New Share and 1 New Option for every New Share subscribed for under the Prospectus for no additional consideration at an exercise price of \$0.08 and an expiry date of 12 November 2019 ('Rights Issue'). On this basis, the Rights Issue will seek to raise up to approximately \$994,046, before costs of the Rights Issue. The Company is a New Zealand company listed solely on the ASX.

Details of the Offer are set out in Section 4 of this Prospectus. The Offer closes at 5pm AEST on 18 June 2015.

The net proceeds of the Offer will provide the Company with additional working capital in order to fund geophysical survey, drilling and evaluation of Heavy Mineral Sands occurrences at Nanya North, Springwood and Milkengay Exploration Licences. Details of the proposed use of funds are provided in Section 2.3 of this Prospectus.

As at the date of this Prospectus, the Company has 99,404,617 Shares and 49,694,957 Options on issue. Based on the capital structure of the Company as at the date of this Prospectus (and assuming no existing Options are exercised prior to the Record Date) a maximum of 24,851,154 New Shares and 24,851,154 New Options will be issued pursuant to this Offer. Eligible Shareholders who do not take up all of their Entitlement under the Offer may be diluted. Details of the dilutionary impact of the Offer are set out in Section 2.6 of this Prospectus.

The Offer is fully underwritten by International Pacific Capital Limited. Matthew Hill, a Director of the Company, and Geoffrey Hill, a former Director of the Company related to Matthew Hill, are Directors of International Pacific Capital Limited. Details of the underwriting are set out in Sections 4.1 and 4.7 of this Prospectus.

Risk factors that should be considered by any proposed investor are outlined in Section 3 of this Prospectus. You should consider these factors in light of your personal circumstances (including financial and taxation situation). If you have any questions, you should seek professional advice from your stockbroker, accountant or other professional advisor before deciding whether or not to invest.

2.3. Use of Funds

The Company is seeking to raise a total of up to approximately \$994,046 from this Rights Issue, before costs of the Rights Issue.

The Company plans to use funds from this Rights Issue to fund exploration and evaluation of several known HMS occurrences and deposits on three tenements, Nanya North EL8308, Springwood EL8309, and Milkengay EL8310 and to provide working capital.

Following from initial geophysical surveys, the Company plans to shallow drill test along trend of known HMS occurrences and deposits using aircore drilling, following up on earlier exploration success of the previous tenement holders. Planned work for 2015 will include, high definition ground magnetic surveys, aircore drilling (new drill testing and twinning of existing historical holes), metallurgical and grain size analysis (including mineral content and estimation of recoveries) and preliminary resource estimation work.

The funds raised from the Offer are intended to be used in accordance with the table set out below:

Use of Funds	
Exploration: geophysical survey, drilling and evaluation of Heavy Mineral Sands occurrences at Nanya North, Springwood & Milkengay Exploration Licences	\$ 436,400
General Working capital (Note A)	\$ 382,646
Estimated costs of the Rights Issue including fees to the Underwriter, legal fees consultancy fees, share registry, ASX, ASIC fees and other miscellaneous expenses directly attributable to the Rights Issue.	\$ 175,000
Total Use of Funds	\$ 994,046

Notes

- A. General working capital includes but is not limited to corporate administration and operating costs and may be applied to directors' fees, ASX and share registry fees, legal, tax and audit fees, insurance, travel costs.

The above table is a statement of current intentions as at the date of this Prospectus. New circumstances may arise with the potential to affect the manner in which the funds are ultimately applied. The Board reserves the right to alter the way funds are applied on this basis.

2.4. Effect on share capital and cash reserves

The principal effects of the Rights Issue on the share capital and cash reserves of the Company will be to:

- (a) increase the total number of Shares and Options on issue (see Section 2.5 of this Prospectus); and
- (b) increase cash reserves at Full Subscription by approximately \$994,046 before taking into account the costs of the Rights Issue.

A pro forma statement of financial position, disclosing further information about the effect of the Rights Issue on the Company, is provided in Section 2.8 of this Prospectus.

2.5. Effect on capital structure

On the basis that no existing options will be exercised before the Record Date, the effect of the Offer on the Company's issued share capital as at the date of this Prospectus will be as follows:

Shares	Full Subscription
Existing Shares	99,404,617
New Shares issued under Rights Issue	24,851,154
Total Shares on issue after completion of the Rights Issue	124,255,771

Options	Full Subscription
Existing unquoted options expiring 17 February 2016 (exercise price of 20 cents)	38,650,000
Existing unquoted options expiring 12 November 2019 (exercise price of 8 cents)	11,044,957
New Options issued under Rights Issue expiring 12 November 2019 (exercise price of 8 cents)	<u>24,851,154</u>
Total Options on issue after completion of the Rights Issue	<u>74,546,111</u>

2.6. Dilutionary impact of the Offer and effect on control of the Company

The Offer is 1 New Share for every 4 Shares held by the Eligible Shareholder with 1 attaching New Option. The potential effect the Rights Issue will have on the control of the Company, and the consequences of that effect, will depend on a number of factors including the extent to which Eligible Shareholders participate in the Rights Issue. However, the proportional shareholdings of:

- (a) Eligible Shareholders who do not take up all of their Entitlements under the Rights Issue may be diluted; and
- (b) Excluded Shareholders may be diluted because those Shareholders are not entitled to participate in the Rights Issue.

The maximum dilution that will be experienced by any Eligible Shareholder that does not subscribe for any Entitlement is 20% of its existing shareholding. This figure of 20% assumes no new Shares are issued prior to the Record Date and no existing Options are exercised prior to the Record Date.

Based on publicly available information as at 12 November 2014 those persons which (together with their associates) have a relevant interest in 5% or more of the Shares on issue are set out below:

Shareholder	Shares	%
So Co Limited	34,371,000	34.58
New Talisman Gold Mines Limited	17,929,000	18.04

If all Entitlements are accepted, the percentage interest in the Company held by major Shareholders (as set out in the above table) would not change and there would be no effect on the control of the Company. However, if some or all Eligible Shareholders do not take up some or all of their Entitlements under the Offer, then the control of the major Shareholders may increase, while the interests of Eligible Shareholders that do not participate in the Offer will correspondingly decrease.

If some or all of the Shareholders do not take up their Entitlement under the Offer or apply for Additional Shares and Options, and there is a Shortfall, then, under the Underwriting Agreement, the Underwriter to the Offer, International Pacific Capital Limited, is obliged to subscribe for the Shortfall Securities up to the Underwritten Amount (maximum of 24,851,154 New Shares and New Options as at the date of this Prospectus) which make up the Shortfall. In the event the Underwriter is required to subscribe for all of the Shortfall Shares up to the Underwritten Amount, the relevant interest of the Underwriter will be 20.0%. Additionally, no sub-underwriter will, by its sub-underwriting, increase its relevant interest in Shares to 20% or more.

If the Underwriter becomes a substantial holder of shares in the Company as a result of it complying with its obligations under the Underwriting Agreement, the Underwriter has no present intention to make any changes in relation to the business of the Company.

Details of the Underwriting Agreement are provided in Section 4.7 of this Prospectus.

2.7. Market price of Shares

The highest and lowest closing market price of the Company's quoted Shares on ASX during the 3 months immediately preceding the date of lodgement of this Prospectus with ASIC and the respective dates of those sales and the last closing market price on the day on which Shares traded prior to lodgement of this Prospectus with ASIC were:

	Price	Date
Highest	\$0.058	29 April 2015
Lowest	\$0.051	9 April 2015
Latest	\$0.058	18 May 2015

The Offer of \$0.04 per New Share represents a discount of 31% to the share price of \$0.058 as at 18 May 2015.

2.8. Pro forma Statement of financial position

To illustrate the effect of the Rights Issue on the Company, a pro forma statement of financial position has been prepared based on the statement of financial position as at 31 December 2014.

The pro forma statement of financial position shows the effect of the Rights Issue as if it had been made on 31 December 2014 at Full Subscription based on the following assumptions:

- (a) The issue of 24,851,154 New Shares under the Offer at an issue price of 4 cents each to raise \$994,046 and the issue of 24,851,154 New Options for no additional consideration; and
- (b) Estimated costs of the Rights issue of \$175,000.

The accounting policies adopted in the preparation of the pro forma statement of financial position are consistent with the policies adopted and described in the Company's consolidated financial statements for the full year ended 30 June 2014.

The significant effects of the Offer (assuming the Offer is fully subscribed) will be:

- To increase cash reserves and issued capital by \$819,046 (after cash expenses of the Offer);
- To increase the number of issued ordinary shares by 24,851,854 to 124,255,771 shares on issue;
- The issue of 24,851,854 options to subscribe for ordinary shares in the company at \$0.08 per share on or before 12 November 2019.

The pro forma statement of financial position has not been subject to audit or review.

PRO FORMA STATEMENT OF FINANCIAL POSITION

	31/12/2014	Share issue proceeds	Pro -forma 31/12/2014
	A\$	A\$	A\$
Current assets			
Cash and cash equivalents	413,973	819,046	1,233,019
Receivables	21,379	-	21,379
Prepayments	7,976	-	7,976
Total current assets	443,328	819,046	1,262,374
Non-current assets			
Property, plant & equipment	410	-	410
Intangible assets	2,112,621	-	2,112,621
Security deposits	70,000	-	70,000
Total non-current assets	2,183,031	-	2,183,031
Total assets	2,626,359	819,046	3,445,405
Current liabilities			
Trade and other payables	31,336	-	31,336
Due to related parties	28,125	-	28,125
Total current liabilities	59,461	-	59,461
Total liabilities	59,461	-	59,461
Net assets	2,566,898	819,046	3,385,944
Equity			
Share capital	5,832,939	819,046	6,651,985
Foreign currency translation	(477)	-	(477)
Reserves	133,200	-	133,200
Accumulated losses	(3,398,764)	-	(3,398,764)
Total equity	2,566,898	819,046	3,385,944

3.0 RISK FACTORS

3.1. Introduction

Due to the nature of the Company's business activities and mineral exploration interests, increasing your investment in the Company carries with it risks reasonably expected of an investment in a business of this type. Accordingly whilst the Directors recommend this Rights Issue, New Shares and New Options offered pursuant to this Prospectus should be considered speculative. Prospective investors should read the whole Prospectus, consider the risk factors described within it and all other relevant material including our public announcements, as well as consult their stockbroker, accountant, solicitor or other professional adviser.

By their nature, investments in mining ventures are subject to numerous risks. The risk factors described below should not to be taken as being exhaustive of the risks faced by the Company or an investment in the Company. The risk factors described below, and others not specifically referred to below, may, in the future, affect the financial performance of the Company and the value of an investment in the Company.

3.2. Specific Risks

In addition to the general market and economic risks noted in Section 3.3, investors should be aware of the risks specific to an investment in the Company. The major risks are described below.

Changes in commodity price

In the event that the Company proceeds to a production scenario, the revenue it will derive through the sale of commodities exposes the potential income of the Company to commodity price risks. Commodity prices fluctuate and are affected by many factors beyond the control of the Company. Such factors include supply and demand fluctuations for commodities, technological advancements, forward selling activities and other macro-economic factors.

Operational risk

If the Company decides to develop and commission a mine, the operations of the Company including mining and processing may be affected by a range of factors. These include failure to achieve predicted grade in exploration, mining and processing, technical difficulties encountered in commissioning and operating plant and equipment, mechanical failure, metallurgical problems which affect extraction rates and costs, adverse weather conditions, industrial and environmental accidents, industrial disputes, unexpected shortages or increase in the costs of consumables, spare parts, plant and equipment.

Financing

The Company's ability to effectively implement its business strategy over time may depend in part on its ability to raise additional funds in the future. There can be no assurance that any such equity or debt funding will be available to the Company on favourable terms or at all. If adequate funds are not available on acceptable terms, the Company may not be able to take advantage of opportunities or otherwise respond to competitive pressures.

Reliance on key personnel

The Company has a small team of executives, consultants and senior personnel. It is possible that the estimated timing and cost of the Company's future exploration plans could be dramatically influenced by the loss of existing key personnel or by the failure to retain additional key personnel as the Company's exploration program develops. The resulting impact from such loss would be dependent upon the quality and timing of the employee's replacement.

Although the key personnel of BPL have a considerable amount of experience and have previously been successful in their pursuits of acquiring, exploring and evaluating mineral projects, there is no guarantee or assurance that they will be successful in their objectives pursuant to this Prospectus.

Liquidity and volatility

The Company is a small company in terms of market capitalisation. The Company also has a relatively small Shareholder base. In particular, the Company has two major shareholders, So Co Limited and New Talisman Gold Mines Limited, which collectively own more than 50% of the Company as at the date of this Prospectus. As a consequence, there may be relatively few buyers or sellers of securities on ASX at any given time and the market price may be highly volatile (particularly in times of share market turbulence or negative investor sentiment). This may result in the share price of securities falling below the price which shareholders have paid for them.

Exploration risk

There can be no guarantee that planned exploration programs will lead to positive exploration results and the discovery of a commercial deposit or further, a commercial mining operation. By its nature the business of mineral exploration, which the Company will be undertaking, contains risks. For its part, exploration is a speculative endeavour and can be hampered by the unpredictable nature of mineral deposits, particularly with respect to predicted extrapolations to depth from known mineralisation, poor drilling techniques, incorrect grade estimates, unforeseen and adverse ground conditions, flooding, inclement weather, poor equipment availability, force majeure circumstances and cost overruns from unforeseen events. Resource estimates themselves are necessarily imprecise and depend upon interpretations that can prove to be inaccurate. Any future successful mining operation will depend on exploration success, mineral resource calculations, appropriate economic circumstances, ore reserve calculations, successful statutory planning approvals, mine design and the construction of efficient processing facilities, competent operation and management and efficient financial management.

The future exploration activities of the Company may be affected by a range of factors including, geological conditions, limitations on activities due to seasonal weather patterns, unanticipated operational and technical difficulties, industrial and environmental accidents, changing government regulations and many other factors beyond the control of the Company.

The success of the Company will also depend upon the Company having access to sufficient development capital, being able to maintain title to its exploration licences, and obtaining all required approvals for its activities. In the event that exploration programs prove to be unsuccessful this could lead to a diminution in the value of the tenements, a reduction in the cash reserves of the Company and possible relinquishment of tenements.

Environmental risk

The Company's operations and projects are subject to State and Federal laws and regulation regarding environmental hazards. These laws and regulations set various standards regulating certain aspects of health and environmental quality and provide for penalties and other liabilities for the violation of such standards and establish, in certain circumstances, obligations to remediate current and former facilities and locations where operations are or were conducted. Significant liability could be imposed on the Company for damages, clean up costs, or penalties in the event of certain discharges into the environment, environmental damage caused by previous owners of property acquired by the Company or its subsidiaries, or non compliance with environmental laws or regulations. The Company proposes to minimise these risks by conducting its activities in an environmentally responsible manner, in accordance with applicable laws and regulations and where possible, by carrying appropriate insurance coverage.

Contractual risks

As in any contractual relationship, the ability for the Company to ultimately be registered as a holder of an interest in the tenements is dependent upon the relevant vendor complying with its contractual obligations to deliver title. To the extent that such third parties default in their obligations under the option contracts, it may be necessary for the Company to approach a Court to seek a legal remedy. Such

legal action may be costly and no guarantee can be given by the Company that a legal remedy will ultimately be granted on appropriate terms.

Land access risk

Land access is critical for exploration and evaluation to succeed. In all cases the acquisition of prospective tenements is a competitive business, in which proprietary knowledge or information is critical and the ability to negotiate satisfactory commercial arrangements with other parties is often essential.

Government policy

The availability and rights to explore and mine, as well as industry profitability generally, can be affected by changes in government policy that are beyond the control of the Company. The New South Wales Minister for Natural Resources, Mines and Energy does conduct reviews from time to time of policies in connection with the granting and administration of mining tenements. At present the Company is not aware of any proposed changes to policy that would affect its tenements.

In New South Wales the Native Title Legislation imposes duties of care which require persons, including the Company, to take all reasonable and practical measures to avoid damaging or destroying Aboriginal cultural heritage. This obligation applies across the State and requires the Company to develop suitable internal procedures to discharge its duty of care in order to avoid exposure to substantial financial penalties if its activities damage items of cultural significance. Under this legislation, indigenous people can exercise control over land with respect to cultural heritage without necessarily having established the connection element (as required under native title law). This creates a potential risk that the tenement holder may have to deal with several indigenous individuals or corporations, where no native title has been established, to identify and manage cultural heritage issues. This could result in tenement holders requiring lengthy lead times to manage cultural heritage for their projects.

Changing attitudes to environmental, land care, cultural heritage and indigenous land rights' issues, together with the nature of the political process, provide the possibility for future policy changes. There is a risk that such changes may affect the Company's exploration plans or, indeed, its rights and/or obligations with respect to the tenements.

Title

Interests in tenements in Australia are governed by the respective State Government legislation and are evidenced by the granting of tenements through the issuing of a lease or licence. Each lease or licence is for a specific term and carries with it annual expenditure and reporting commitments, as well as other conditions requiring compliance. Consequently, the Company could lose title to, or its interests in, tenements if licence conditions are not met or if sufficient funds are not available to meet expenditure commitments.

Any failure to comply with the expenditure conditions, or with the other conditions of the mining lease (ML) or the exploration licences (ELs) expose the licence to forfeiture. In the event that the Company is successful in the discovery of an economic body of mineralisation within any EL, the Company will have the right to apply for a mining lease. Such tenements will only be granted on the terms and conditions that the relevant Minister considers appropriate. Once granted, such leases are liable to forfeiture on breach of any conditions.

3.3. General Risks

A summary of the major general risks are described below.

Share market risk

The market price of Securities can be expected to rise and fall in accordance with general market conditions and factors specifically affecting the Australian resources sector and exploration companies in particular. There are a number of factors (both national and international) that may affect the share market price and neither the Company nor its Directors have control of those factors.

General economic conditions

Changes in the general economic climate in which BPL operates may adversely affect the financial performance of the Company. Factors that may contribute to that economic climate include the general level of economic activity, interest rates, inflation and other economic factors. The price of commodities and level of activity within the mining industry will also be of particular relevance to BPL.

Legislative change

Changes in government regulations and policies may adversely affect the financial performance or the current and proposed operations generally of the Company.

Exchange rate risk

The revenues, earnings, assets and liabilities of BPL may be exposed adversely to exchange rate fluctuation. Whilst the Company currently raises all of its funds in Australian Dollars and all services are paid for in Australian dollars, commodities are frequently traded in USD on international markets. As such in a production off-take scenario, the Company in the future may be exposed to exchange rate fluctuations.

Industrial risk

Industrial disruptions, work stoppages, safety issues and accidents in the course of BPL's operations could result in losses and delays, which may adversely affect profitability.

3.4. Risks associated with the Options

Value of the New Options

The New Options that are issued as part of the Offer are issued for no additional consideration but require the exercise price of \$0.08 to be paid at the time of exercise. If the prevailing trading price of the Company's Shares during the New Option exercise period is lower than the exercise price of the New Options, then it is likely that the New Options will not be exercised. In this case, for investors, the unexercised New Options will not have value and will lapse on the New Option expiry date of 12 November 2019.

If the New Options are not exercised, or only some of the New Options are exercised, then the Company may not receive the proceeds that would otherwise be generated if the New Options were exercised and holders paid the exercise price.

Liquidity

Although the New Options are proposed to be quoted on the ASX, there can be no guarantee that there will be a liquid market for trading of the New Options.

Quotation

The Company will apply for quotation of the New Options on the ASX within 7 days of the date of this Prospectus. If Eligible Shareholders do not take up their Entitlements under the Rights Issue there may not be a sufficient number of holders of New Options to satisfy ASX's quotation requirements and quotation may not be granted.

4.0 DETAILS OF THE OFFER

4.1. The Offer

(a) Overview

All Eligible Shareholders are entitled to participate in the Rights Issue. You are an Eligible Shareholder if you are a Shareholder with a registered address in Australia or New Zealand on the Record Date.

The Record Date is 7pm AEST, Wednesday 26 May 2015.

If you are an Eligible Shareholder, you are entitled to subscribe for 1 New Share for every 4 Shares held on the Record Date at an Issue Price of 4 cents per New Share. You will also receive 1 New Option for every New Share subscribed for under the Prospectus for no additional consideration with an exercise price of \$0.08 and an expiry date of 12 November 2019.

When calculating your Entitlement, we will round up fractions to the nearest whole number.

The Company's Share Registry must receive your Entitlement and Acceptance Form by the Closing Date (being 5pm AEST, 18 June 2015).

(b) Minimum Subscription

There is no minimum subscription in respect of the Rights Issue.

(c) No Trading of Entitlements

Entitlements to New Shares pursuant to the Rights Issue are non-renounceable and accordingly Eligible Shareholders may not dispose of or trade any part of their Entitlement. A summary of what Eligible Shareholders may do is set out in Section 4.2.

(d) Rights & liabilities attaching to New Shares and terms of New Options

A summary of the rights and liabilities attaching to the New Shares and the terms of the New Options are set out in Sections 5.1 and 5.2 of this Prospectus.

(e) Offer is underwritten

The Offer is fully underwritten by the International Pacific Capital Limited ("Underwriter") to the Underwritten Amount of \$994,046 meaning the Underwriter has agreed to fully underwrite the subscription of the Shortfall Shares. The terms of the Underwriting Agreement are summarised in Section 4.7 of this Prospectus.

(f) Taxation

There may be taxation implications in relation to the Rights Issue and subscribing for New Shares and New Options. These taxation implications vary depending on your individual circumstances. You should seek and rely on your own taxation advice regarding an investment in the Company. Neither the Company nor any of its officers, employees, agents and advisers accepts any liability or responsibility with respect to the taxation consequences connected with the Rights Issue or the New Shares and New Options.

4.2. What Eligible Shareholders may do

Eligible Shareholders may accept their Entitlement either in whole, in part or in excess of their Entitlement.

The number of New Securities to which you are entitled (Entitlement) is shown in the Entitlement and Acceptance Form which accompanies this Prospectus.

In determining Entitlements, any fractional entitlement will be rounded up to the nearest whole number.

You may participate in the Entitlement Offer as follows:

(a) Take up your Entitlement in full and apply for Additional Shares and Options

If you are an Eligible Shareholder and wish to take up all of your Entitlement and apply for Additional Shares and Options in excess of your Entitlement, please:

- use the BPAY® facility as outlined in the accompanying Entitlement and Acceptance Form or complete the Entitlement and Acceptance Form which accompanies this Prospectus by inserting the number of New Securities for which you wish to accept the Entitlement Offer under this Prospectus plus the number of Additional Shares and Options (being more than your Entitlement as specified on the Entitlement and Acceptance Form); and
- forward the completed Entitlement and Acceptance Form together with your cheque or bank draft for the total amount payable (including the amount payable for the Additional Shares and Options) in the reply paid envelope to reach the Company's Share Registry, so that it is received by no later than 5.00pm AEST on the Closing Date, 18 June 2015, or such later date as the Directors determine.

(b) Take up your Entitlement in full

If you are an Eligible Shareholder and wish to take up all of your Entitlement, please:

- use the BPAY® facility as outlined in the accompanying Entitlement and Acceptance Form or complete the Entitlement and Acceptance Form which accompanies this Prospectus in accordance with the instructions set out on the form; and
- forward the completed Entitlement and Acceptance Form, together with your cheque or bank draft for the amount shown on your Entitlement and Acceptance Form in the reply paid envelope to reach the Company's Share Registry, so that it is received by no later than 5.00pm AEST on the Closing Date, 18 June 2015, or such later date as the Directors determine.

(c) Take up some of your Entitlement

If you are an Eligible Shareholder and wish to take up only some of your Entitlement, please:

- use the BPAY® facility as outlined in the accompanying Entitlement and Acceptance Form or complete the Entitlement and Acceptance Form which accompanies this Prospectus by inserting the number of New Securities for which you wish to accept the Entitlement Offer under this Prospectus (being less than your Entitlement as specified on the Entitlement and Acceptance Form); and
- forward the completed Entitlement and Acceptance Form together with your cheque or bank draft for the total amount payable in the reply paid envelope to reach the Company's Share Registry, so that it is received by no later than 5.00pm AEST on the Closing Date, 18 June 2015 or such later date as the Directors determine.

(d) Do Nothing

You may do nothing, in which case your Entitlement will lapse. However, if you are an Eligible Shareholder and you do nothing, then New Securities representing your Entitlement may be allocated to

an Eligible Shareholder who applies for Additional Shares and Options or to other third parties procured by the Directors in exercising their discretion in placing any Shortfall.

You should also note that, if you do not take up your Entitlement, then although you will continue to own the same number of Shares, your percentage shareholding in the Company will decrease.

(e) Payment

Payment will only be accepted in Australian currency and cheques, bank drafts, money orders and BPAY® payments must be drawn on an Australian bank.

(f) Payment by cheque/bank draft

Cheques and bank drafts, in Australian currency, should be made payable to “Broken Hill Prospecting Limited” and crossed “not negotiable”. You should ensure that sufficient funds are held in the relevant account(s) to cover the Acceptance Monies. If the amount of your cheque for Acceptance Monies is insufficient to pay in full for the number of whole New Securities for which you have applied in your Entitlement and Acceptance Form, you will be taken to have applied for such lower number of New Securities which equates to your cleared Acceptance Monies (and to have that number of New Securities on your Entitlement and Acceptance Form). If your cheque does not clear due to insufficient funds in your account, your Application will be rejected.

(g) BPAY®

If you intend to pay for the New Securities by BPAY®, there is no need to return the Entitlement and Acceptance Form (but you must ensure that your payment is received by no later than 5.00pm AEST on the Closing Date, being 18 June 2015, or such later date as the Directors determine). You should be aware that your financial institution may implement earlier cutoff times with respect to electronic payment and you should take this into account when making payment. If you elect to make payment using BPAY®, you must contact your bank, credit union or building society to make payment of the Acceptance Monies from your cheque or savings account. Refer to the Entitlement and Acceptance Form for the Biller Code and Customer Reference Number. Eligible Shareholders who have multiple holdings will have multiple Customer Reference Numbers. Please note that BPAY® payments must be drawn on an Australian bank.

(h) General

If you have any queries concerning your Entitlement, please contact your stockbroker or professional advisor.

Entitlement and Acceptance Forms accompanying cheques or bank draft may be lodged at any time before the Closing Date. Applications received after the Closing Date may not be accepted. The Company will not be responsible for postal or delivery delays.

The Offer Price of \$0.04 for each New Share is payable in full on acceptance of part or all of your Entitlement. No consideration is payable for the attaching New Option.

Completed Entitlement and Acceptance Forms and accompanying cheques should be forwarded to the following address:

Computershare Investor Services Pty Ltd
GPO Box 2987
Adelaide SA 5001 Australia

The amount payable on acceptance will not vary during the period of the Offer and no further amount is payable on allotment. Acceptance Monies will be held in trust in a subscription account until allotment of the New Securities. The subscription account will be established and kept by the Company on behalf of the Applicants. Any interest earned on the Acceptance Monies will be retained by the Company

irrespective of whether allotment takes place. No stamp duty, brokerage or handling fees are payable by the Applicant for the New Securities offered by this Prospectus.

Eligible Shareholders should obtain independent advice on the taxation implications arising out of their participation in the Offer.

4.3. Additional Shares and Options

Eligible Shareholders who have subscribed for their Entitlement in full may apply for Additional Shares and Options in addition to their Entitlement. Please refer to Section 4.2 (a) of this Prospectus for further information as to how to apply for Additional Shares and Options above your Entitlement. It is possible that there will be few or no Additional Shares and Options available, depending on the level of acceptance of Entitlements by Eligible Shareholders. There is therefore no guarantee that in the event that Additional Shares and Options are available for issue, they will be allocated to all or any of the Eligible Shareholders who have applied for them.

In the event all Entitlements are not taken up, the Directors reserve the right to allocate any Additional Shares and Options at their absolute discretion. The Company may issue to an Applicant a lesser number of Additional Shares and Options or not proceed with the issuing of all or part of the Additional Shares and Options. If the number of Additional Shares and Options is less than the number applied for, surplus Application Monies will be refunded without interest.

4.4. Shortfall Offer

Any New Shares and New Options under the Rights Issue that are not taken up pursuant to the Offer (either through Shareholders accepting their Entitlement or through Shareholders accepting their Entitlement and applying for Additional Shares and Options in addition to their Entitlement), will form the Shortfall Securities. The Offer to issue Shortfall Securities is a separate offer under this Prospectus.

Under this Prospectus, the Company offers to issue the Shortfall Securities to a party (which may include investors other than Eligible Shareholders) at the same price as the New Shares offered under the Rights Issue plus one attaching New Option will also be issued with each New Share issued under the offer of Shortfall Securities.

The Underwriter is obliged to take up and subscribe for Shortfall Securities up to the Underwritten Amount.

The Shortfall Securities may be placed at the discretion of the Directors, in consultation with the Underwriter and subject to the Listing Rules, the Corporations Act and any other applicable law, within 3 months of the Closing Date.

4.5. Excluded Shareholders

The Company is of the view that it is unreasonable to make an offer to Excluded Shareholders (a Shareholder whose registered address is not in Australia or New Zealand) having regard to the number of Excluded Shareholders, the number and value of Shares these Excluded Shareholders would be offered and the cost of complying with regulatory requirements in each relevant jurisdiction. Accordingly, the Offer is not being extended, and Shares will not be issued, to Shareholders with a registered address which is outside Australia or New Zealand.

Shareholders resident in Australia or New Zealand holding shares on behalf of persons who are resident overseas are responsible for ensuring that taking up an Entitlement under the Offer does not breach regulations in the relevant overseas jurisdiction. Return of a duly completed Entitlement

and Acceptance Form will be taken by the Company to constitute a representation that there has been no breach of those regulations.

All rights that would have been offered to Excluded Shareholders will be allowed to lapse and will part of the Shortfall.

4.6. Allotment and quotation

(a) Allotment of New Shares and New Options

The New Securities and Additional Shares and Options issued pursuant to the Rights Issue will be allotted in accordance with the timetable set out in Section 1 of this Prospectus.

Pending the allotment and issue of New Shares and New Options or payment of refunds under this Prospectus, we will hold all Application Money on trust for you in a separate bank account. We will, however, be entitled to retain all interest that accrues on any Application Money we hold, irrespective of whether allotment of the New Securities takes place.

(b) Quotation by ASX

We will apply to ASX for quotation of the New Shares and the New Options within 7 days of the date of this Prospectus. If the ASX accepts our application, quotation of the New Shares and New Options will commence after the issue of the New Shares and New Options.

If any New Shares are not granted quotation on ASX within 3 months after the date of this Prospectus, or such longer period as is permitted by the Corporations Act, we will not issue those New Shares or the New Options and the Application Money in respect of those New Shares and New Options will be refunded to you without interest within the time prescribed by the Corporations Act.

If any New Options are not granted quotation on ASX within 3 months after the date of this Prospectus or such longer period as is permitted by the Corporations Act, the Company will still grant those New Options but they will not be quoted.

(c) Holding Statements

We participate in the security transfer system known as CHESS. CHESS is operated by ASX Settlement Pty Ltd (ACN 008 504 532) (a wholly owned subsidiary of ASX) in accordance with the Listing Rules and the ASX Settlement Operating Rules. Under CHESS you will not receive a share certificate. You will receive a holding statement setting out the number of New Shares issued to you under this Prospectus. If you are broker sponsored, ASX Settlement will send you a CHESS statement.

4.7. Underwriting and sub-underwriting arrangements

(a) The Underwriter

The Rights Issue will be fully underwritten by International Pacific Capital Limited ACN 003 309 475 (IPCL).

(b) Underwriting Agreement

On the terms and conditions of the Underwriting Agreement, the Underwriter has agreed to exclusively and fully underwrite the Rights Issue by subscribing for the Shortfall.

BPL has agreed to pay to IPCL an underwriting commission of 7% of the gross proceeds of the Rights Issue.

The obligation of the Underwriter to underwrite the Rights Issue is subject to a number of conditions, including:

- the Underwriter is satisfied with the results of its due diligence enquiries into the Company and the Rights Issue on or before the Lodgement Date;
- the Company provides all financial forecasts (if applicable), due diligence and verifications documents, as reasonably requested by the Underwriter, in a form acceptable to the Underwriter, with reasonable time to review prior to lodgement of the Prospectus;
- the Company lodging the Prospectus with ASIC on or before 19 May 2015;
- ASX grants approval for the quotation of the New Shares by the day immediately before the date when the Company can give the Underwriter a Shortfall notice ; and
- the Company gives the Underwriter a Shortfall notice and Certificate as described below.

In addition, the Underwriter may terminate its obligations under the Underwriting Agreement at any time before the date that the New Shares are allotted, which is the Issue Date (without cost or liability to itself) by notice in writing to the Company if, any one or more of the following, specified events occur, including:

- (i) **(Certificate):** a Certificate signed by a director on behalf of the Company is not given confirming that:
- (1) the Company has complied with all material obligations on its part to be performed in respect of the Rights Issue arising under the Underwriting Agreement;
 - (2) the Company is not in default, in a material respect, under any provision of the Underwriting Agreement;
 - (3) the warranties given by the Company in the Underwriting Agreement are true and correct and there is no breach of the undertakings; and
 - (4) no other termination events have occurred;

or a statement in the Certificate is found to be untrue or incorrect in a material respect.

- (ii) **(Prospects of Issue):** there is introduced into the Parliament of the Commonwealth of Australia or any State or Territory of Australia a law or any new regulation is made under any law, or a Government Agency adopts a policy, or there is any official announcement on behalf of the Government of the Commonwealth of Australia or any State or Territory of Australia or a Government Agency that such a law or regulation will be introduced or policy adopted (as the case may be) which would or would be likely to have a material adverse effect on the success of the Rights Issue;

- (iii) **(Unauthorised alterations)**: the Company alters its share capital or its constitution in any material respect without the prior written consent of the Underwriter, which consent shall not be unreasonably withheld;
- (iv) **(Breach)**: the Company fails to perform or observe any of its material obligations under the Underwriting Agreement and that failure is not remedied to the satisfaction of the Underwriter;
- (v) **(Breach of laws)**: the Company or any of its subsidiaries or any officer of the Company contravenes any provision of the Corporations Act, the Listing Rules or any other law which would, in the Underwriter's opinion, materially and adversely affect the Company or the Rights Issue;
- (vi) **(Misrepresentation)**: a representation or warranty to have been made or given by the Company under the Underwriting Agreement proving to have been untrue or incorrect in any material respect and the matters rendering the representation or warranty untrue in that respect are not remedied to the satisfaction of the Underwriter before the issue of the Certificate required above;
- (vii) **(ASX approval)**: unconditional approval (or conditional approval, provided the conditions would not, in the reasonable opinion of the Underwriter, have a material adverse effect on the success of the Rights Issue) by ASX for official quotation of the New Shares is not granted, granted subject to any condition which is unacceptable to the Underwriter or is refused on or before the Closing Date (or any later date agreed in writing by the Underwriter at its absolute discretion), or is withdrawn on or before the Issue Date;
- (viii) **(All Ordinaries Price Index)**: before the Closing Date, the All Ordinaries Price Index as calculated by the ASX falls by more than 10% below the All Ordinaries Price Index so calculated as at the close of business of the ASX on the date of the Underwriting Agreement;
- (ix) **(S&P/ ASX 300 Metals and Mining Index)**: before the Closing Date, the S&P/ ASX 300 Metals and Mining Index as calculated by the ASX falls by more than 10% below the ASX 300 Metals and Mining Index so calculated as at the close of business of the ASX on the date of the Underwriting Agreement;
- (x) **(Share price)**: The Share price of the Company trades below A\$0.0025 per share;
- (xi) **(Non-compliance)**: a Court or ASIC concludes that the Rights Issue to be made under this Prospectus does not comply with the requirements of the Corporations Act or any other applicable law or ASIC issues a stop order or other notice in respect of the Prospectus;
- (xii) **(Takeovers Panel)** the Takeovers Panel makes a declaration that circumstances in relation to the affairs of the Company are unacceptable circumstances under Part 6.10 of the Corporations Act which, in the reasonable opinion of the Underwriter, has a material adverse effect on the success of the Rights Issue;
- (xiii) **(Hostilities)**: the outbreak of hostilities not at present existing (in all cases whether war has been declared or not) involving any of the Commonwealth of Australia, the United Kingdom, the United States of America, European Union, Peoples Republic of China, Japan, Indonesia other than hostilities involving Afghanistan, Iran or Iraq, Syria, Lebanon or Israel and the Underwriter believes the outbreak is likely to result in the S&P/ASX 300 Metals and Mining Index falling by 10%;
- (xiv) **(Insolvency Event)**: an Insolvency Event occurs in respect of the Company;
- (xv) **(Material adverse change)**: there is a material adverse change in the management, financial position, results of operations or prospects of the Company;

- (xvi) **(Trading of securities):** trading in any securities of the Company is suspended by ASX (as applicable) for more than 5 Business Days, or any securities of the Company quoted on the Official List of ASX cease to be so quoted;
- (xvii) **(Judgment):** a judgment in an amount exceeding \$100,000 is obtained against the Company or any related body corporate of the Company and is not set aside or satisfied within 5 Business Days; and
- (xviii) **(Requirement to repay application money):** the Company withdraws this Prospectus or any circumstance arises after this Prospectus is lodged, a consequence of which is either that the Company is required to repay the money received from applicants or to offer applicants an opportunity to withdraw their applications and receive a refund of their applications money.

The Underwriting Agreement also contains a number of indemnities, representations and warranties from the Company to the Underwriter and related parties.

(c) Sub-Underwriting

The Underwriter has appointed sub-underwriters to subscribe for the Shortfall up to the Underwritten Amount. Each sub-underwriter will not by its sub-underwriting increase its relevant interest in Shares to 20% or more of the voting shares in the Company.

No related parties are sub-underwriting the Offer.

The Underwriter is responsible for fees payable to sub-underwriters.

The Underwriter will pay 5% sub-underwriting fees on the gross amount of monies committed by sub-underwriters (Sub-Underwriting Commitment)

(d) Broker Handling Fees

BPL will pay a broker handling fee (Handling Fee) to participating organisations of ASX (Broker) in respect of valid applications received from Eligible Shareholders, on the terms set out below.

BPL will pay a Handling Fee on applications in connection with the Offer, where such applications are from clients of the Broker and were procured by the Broker. Handling Fees are only payable on an application by a Shareholder that is not a Broker or an associate of a Broker. The Handling Fee in respect of an application will be 1.00% (exclusive of GST) of the application amount of new Shares issued under the Offer.

The Handling Fee will be payable to any Broker who submits to Computershare Investor Services Pty Ltd (Computershare):

- (a) A valid and duly completed claim form (Claim Form) which sets out:
 - (i) the Broker's Participant Identification Number; and
 - (ii) a representation (A) that neither the Broker nor its associate is the applying Shareholder and (B) that the fee will not be passed on or otherwise shared directly or indirectly with the applying Shareholder; and
- (b) a list of applications (Application List) which contains:
 - (i) the registered name and address for each Eligible Shareholder to whom the Claim Form relates;
 - (ii) the Holder Identification Number or Shareholder Reference Number for each Shareholder to whom the Claim Form relates;
 - (iii) the number of Shares each Shareholder applied for in the offer and the date of the relevant application; and
 - (iv) if the Handling Fee is claimed in respect of an application for an Issuer Sponsored Holding, a copy of the Application Form bearing the Broker's stamp (where applicable), which are received by Computershare in the format described below by no later than 7.00pm (AEST time) on the day which is five Business Days after the end of the Closing Date.

No Handling Fee will be paid in respect of any application for which more than one Broker tenders a Claim Form. No Handling Fee is payable in respect of an Application Form sent directly to Computershare by the Eligible Shareholder or through another agent. Each Broker firm should submit only one Claim Form, which covers all applications in respect of which the Broker is claiming the Handling Fee.

Claim Forms must be requested by email from Computershare at brokerhandlingfees@computershare.com.au. The Claim Form and Application List must be returned by email to that address, with the Application List in Microsoft® Excel® format. Claim Forms and Application Lists may additionally be forwarded by mail to:

Computershare Investor Services Pty Limited
Broken Hill Prospecting Limited – Non-renounceable rights issue
Attention to: Broker Handling Manager
Yarra Falls, 452 Johnston Street
ABBOTSFORD VIC 3067

BPL at its sole discretion, reserves the right to refuse handling fee claims if application forms are incomplete, contain errors or are otherwise invalid or defective.

5.0 ADDITIONAL INFORMATION

5.1. Rights & liabilities attaching to New Shares

There is only one class of Share in the Company, fully paid ordinary shares. The New Shares will rank equally with and have the same rights in all other respects as the Shares including for any dividend issued after the date of this Prospectus. The Company is a New Zealand company registered as a foreign company in Australia under the Corporations Act. The rights and liabilities attaching to Shares in the Company are:

- (a) set out in the constitution of the Company, a copy of which is available to inspect during business hours at the Registered Office of the Company; and
- (b) in certain circumstances, regulated by the Companies Act, the Corporations Act, the Listing Rules, the ASTC Settlement Rules and the general law.

A summary of the more significant rights attaching to Shares is set out below. This summary is not exhaustive nor does it constitute a definitive statement of the rights and liabilities of our Shareholders.

Voting

At a general meeting of the Company on a show of hands, every member present in person, or by proxy, attorney or representative has one vote and upon a poll, every member present in person, or by proxy, attorney or representative has one vote for every Share held by them.

Dividends

The New Shares will rank equally with all other issued Shares in the capital of the Company and will participate in any dividends the Directors may determine to distribute out of profits earned by the Company from time to time. Subject to the rights of holders of Shares of any special preferential or qualified rights attaching thereto, the profits of the Company are divisible amongst the holders of Shares in proportion to the Shares held by them irrespective of the amount paid up or credited as paid up thereon. The Directors may from time to time pay to Shareholders such dividends as in their judgement the position of the Company justifies.

Winding up

Upon paying the Application Monies, shareholders will have no further liability to make payments to the company in the event of the company being wound up.

Power to issue Shares

Subject to the Listing Rules, the Board may issue such number of Shares as it determines. The Board may issue shares in the Company that rank as to voting or distribution rights, or both, equally or in priority to any existing Shares.

Transfer of Securities

Generally, the Securities in the Company will be freely transferable, subject to satisfying the usual requirements of security transfers on the ASX. The Directors may decline to register any transfer of Shares but only where permitted to do so under its Constitution or the ASX Listing Rules.

Sale of non-marketable holdings

The Company may take steps in respect of non-marketable holdings of Shares in the Company to effect an orderly sale of those Shares in the event that holders do not take steps to retain their holdings.

The Company may only take steps to eliminate non-marketable holdings in accordance with the Constitution and the ASX Listing Rules.

For more particular details of the rights attaching to Shares in the Company, investors should refer to the Constitution of the Company.

5.2. Terms of New Options

The New Options shall be on the basis of one attaching New Option for each New Share allotted under this Prospectus. The New Options shall be issued for nil additional consideration. The New Options entitle the holder to subscribe for Shares on the following terms and conditions:

- (a) Each Option gives the Option holder the right to subscribe for one Share. To obtain the right given by each Option, the Option holder must exercise the Options in accordance with the term and conditions of the Options.
- (b) The commencement date (**Commencement Date**) for the exercise of the Options shall be the date of issue.
- (c) The Options will, except to the extent earlier exercised, expire at 5:00pm (Sydney time) on 12 November 2019 (**Expiry Date**). Any Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.
- (d) The exercise price for each Option shall be 8 cents (**Exercise Price**).
- (e) The Option Exercise Period shall be the period commencing on the Commencement Date of the relevant Options and expiring on the Expiry Date of the relevant Options.
- (f) The Options will be freely transferable.
- (g) The Options may be exercised at any time wholly or in part by delivering a duly completed form of notice of exercise specifying the number of Options being exercised together with a cheque for the exercise price to the Company (**Exercise Notice**) at any time during the Option Exercise Period.
- (h) An Exercise Notice is only effective when the Company has received the full amount of the Exercise Price in cleared funds.
- (i) Within 10 Business Days of receipt of the Exercise Notice accompanied by the Exercise Price, the Company will allot the number of Shares required under these terms and conditions in respect of the number of Options specified in the Exercise Price.
- (j) The Company will apply for quotation of the Options on ASX.
- (k) All Shares allotted upon exercise of Options will upon allotment rank pari passu in all respects with the then issued ordinary shares of the Company.

- (l) If at any time the issued capital of the Company is reconstructed, all rights of an Option holder are to be changed in a manner consistent with the Corporations Act and the Listing Rules at the time of the reconstruction.
- (m) Other than pursuant to term (l), an Option does not confer the right to a change in exercise price or a change in the number of underlying securities over which the option can be exercised.
- (n) There are no participating rights or entitlements inherent in the Options and Option holders will not be entitled to participate in new issues of securities of the Company offered to Shareholders during the currency of the Options. However, the Company will ensure that for the purposes of determining entitlements to any such issue, the record date will be at least 4 Business Days after the issue is announced. This will give Option holders the opportunity to exercise their Options prior to the date for determining entitlements to participate in any such issue.
- (o) If there is a bonus issue to the holders of shares in the Company, the number of shares over which the Option is exercisable may be increased by the number of shares which the Option holder would have received if the Option had been exercised before the record date for the bonus issue.
- (p) The terms of the Options shall only be changed if holders of ordinary shares in the Company who are not excluded from voting approve of such a change. However, the terms of the Options cannot be changed to reduce the exercise price, increase the number of Options or change any period for exercise of the Options.
- (q) If at any time a meeting of holders of Options is required or proposed, the rules applicable to the convening and holding of, and voting at, a general meeting of the Company will apply so far as they are capable of application (and with all necessary changes) to that meeting on the basis that on a poll a holder is entitled to 1 vote for each Option held.

The terms of the New Options are the same as those of the existing Options that were issued pursuant to the Company's placement that completed in November 2014 and have an exercise price of \$0.08 and an expiry date of 12 November 2019.

5.3. Transaction Specific Prospectus and information excluded from continuous disclosure

The Company is a disclosing entity under the Corporations Act and therefore is subject to regular reporting and disclosure obligations. Under those obligations, the Company is required to comply with all applicable continuous disclosure and reporting requirements in the Corporations Act and the Listing Rules. In particular, the Company must comply with the requirement to disclose to ASX any information held by us which a reasonable person would expect to have a material effect on the price or the value of the Company's securities.

This Prospectus is a "transaction specific prospectus" issued under section 713 of the Corporations Act. In general terms, a "transaction specific prospectus" is required to contain information in relation to the effect of the Offer on the Company and the rights and liabilities attaching to the securities offered. This Prospectus is not required to provide information regarding our assets and liabilities, financial position and performance, profits and losses or prospects. This is on the basis that, as at the date of this Prospectus, the Company has not withheld from its continuous disclosure reporting any information about such matters that investors and their professional advisers would reasonably require to make an informed assessment of such matters and expect to find in this Prospectus other

than the following information that the Company has excluded from its continuous disclosure reporting in accordance with the ASX Listing Rules.

Whilst focussing on its HMS prospects, the company continues to develop joint venture interest on its Thackaringa Cobalt-Pyrite project. BPL is in negotiations with a number of parties who have the expertise and investment capacity to undertake ongoing pre-feasibility and feasibility studies to mine and process the cobalt-pyrite mineralisation at Thackaringa so as to enable BPL to become a profitable sulphuric acid and cobalt producer. The negotiations are ongoing and the Company will inform the market of any developments in due course.

Information that is already in the public domain has not been reported in this Prospectus other than that which is considered necessary to make this Prospectus complete.

The Company, as a disclosing entity under the Corporations Act, states that:

- (a) it is subject to regular reporting and disclosure obligations;
- (b) copies of documents lodged with ASIC in relation to the Company (not being documents referred to in section 1274(2)(a) of the Corporations Act) may be obtained from, or inspected at, the offices of ASIC;
- (c) it will provide a copy of each of the following documents, free of charge, to any person on request:
 - (i) the annual financial report most recently lodged by the Company with ASIC;
 - (ii) any half-year financial report lodged with ASIC after lodgement of the annual financial report and before lodgement of this Prospectus with ASIC; and
 - (iii) any continuous disclosure notices given by the Company to ASIC in accordance with the ASX Listing Rules after the lodgement of the annual financial report and before the lodgement of this Prospectus with ASIC.

The Company lodged its latest annual report with ASX on 11 September 2014. Since then, we have made the following announcements to ASX.

Date	Description of Announcement
17 October 2014	Notice of Annual General Meeting/ Proxy Form
31 October 2014	Quarterly Activities and Cashflow Report
3 November 2014	Response to ASX query
5 November 2014	Quarterly Activities Report – Clarification
7 November 2014	Completion of Private Placement
12 November 2014	Completion of Private Placement – Issue of Securities
12 November 2014	Appendix 3B
13 November 2014	Change in substantial holding from NTL
13 November 2014	Change in substantial holding
18 November 2014	Cleansing Notice – Placement
19 November 2014	Chairman’s Address to Shareholders
19 November 2014	MD Presentation at AGM
19 November 2014	Results of Meeting – Retirement of Director
19 November 2014	Final Director’s Interest Notice
22 January 2015	Funding secures Heavy Mineral Sands drilling program

28 January 2015	Funding secures Heavy Mineral Sands drilling program Revised
28 January 2015	Appointment of Managing Director of Subsidiary
30 January 2015	Quarterly Activities and Cashflow Report
4 February 2015	Newsletter February 2015
9 March 2015	Heavy Mineral Sand Drilling Program Underway
12 March 2015	Half Year Accounts
16 April 2015	Completion of Heavy Mineral Sands Drilling Program
23 April 2015	First Results of HMS Drilling Samples Show High Values
30 April 2015	Quarterly Activities and Cashflow Report

5.4. Board and Management

The Board consists of:

- F Creagh O'Connor
- Ian J Pringle
- Matthew G Hill

5.5. Directors' Interests

(a) Interests of Directors

Other than as disclosed in Section 5.6(b) of this Prospectus, no Director or proposed Director holds, or has held at any time during the last two years, any interest in:

- (i) the formation or promotion of the Company; or
- (ii) any property acquired or proposed to be acquired by the Company in connection with its formation or promotion of the Company or the Offer; or
- (iii) the Offer

and no amounts have been paid or agreed to be paid by any person and no benefits have been given or agreed to be given by any person to a Director or proposed Director to induce him or her to become, or to qualify as, a Director or for services provided by a Director or proposed Director in connection with the formation or promotion of the Company or the Offer.

(b) Interests in securities as at the date of this Prospectus

As at the date of this Prospectus, the Directors (and their respective associates) have relevant interests in the securities of the Company as set out in the table below. Interests include those held directly and indirectly.

Each Director who is an Eligible Shareholder will be entitled to participate in the Rights Issue. The table below does not include the New Shares and New Options that the Directors may subscribe for under the Offer.

Director	Number of Shares currently held	Number of options currently held Exercise price of 20 cents expiring 17/2/2016	Number of options currently held Exercise price of 8 cents expiring 12/11/2019
F Creagh O'Connor	Nil	1,000,000	Nil
Ian J Pringle	Nil	4,000,000	Nil
Matthew G Hill*	5,000	Nil	Nil

*Matthew Hill is a director of International Pacific Capital Ltd, the Underwriter to the Offer.

5.6. Interests of experts and advisers

Other than as disclosed in this Prospectus, no expert, promoter or any other person named in this Prospectus as performing a function in a professional advisory or other capacity in connection with the preparation or distribution of this Prospectus, nor any firm in which any of those persons is or was a partner nor any company in which any of those persons is or was associated with, has now, or has had, in the two year period ending on the date of this Prospectus, any interest in:

- (a) the formation or promotion of the Company; or
- (b) property acquired or proposed to be acquired by the Company in connection with its formation or promotion or the Offer; or
- (c) the Offer.

Other than as disclosed in this Prospectus, no amounts of any kind (whether in cash, securities or otherwise) have been paid or agreed to be paid to any expert, promoter or any other person named in this Prospectus as performing a function in a professional advisory or other capacity in connection with the preparation or distribution of the Prospectus, or to any firm in which any of those persons is or was a partner or to any company in which any of those persons is or was associated with, for services rendered by that person in connection with the formation or promotion of the Company or the Offer.

Henry Davis York has acted as lawyers to the Company in relation to the Rights Issue. We estimate that we will pay approximately \$33,000 (excluding GST) for these services.

International Pacific Capital Limited is the Underwriter in relation to the Rights Issue and will receive an underwriting commission of 7% of the gross proceeds of the Rights Issue, being a total of \$69,583.

5.7. Expenses of the Offer

The expenses connected to the Rights Issue payable by the Company are estimated at approximately \$175,000. These estimated expenses include fees to be paid to the Underwriter, legal fees, ASX and ASIC fees and other miscellaneous expenses directly attributable to the Rights Issue.

5.8. Consents

The following parties have given their written consent to be named in this Prospectus and for the inclusion of statements made by that party (as described below in the form and context in which they are included), and has not withdrawn such consent before lodgement of this Prospectus with ASIC.

Henry Davis York has consented as being named as the Company's solicitors.

International Pacific Capital Limited has consented to being named as the Underwriter to the Offer and the inclusion in the Prospectus of all statements referring to it.

The parties referred to above in this Section:

- do not make, or purport to make any statement in this Prospectus, or on which a statement made in this Prospectus is based other than as specified in this Section;
- to the maximum extent permitted by law, expressly disclaim and takes no responsibility for any part of this Prospectus other than a reference to their names and a statement included in the Prospectus with the consent of any relevant party as specified in this Section; and
- have not caused or authorised the issue of this Prospectus.

Computershare Investor Services Pty Limited has given and, as at the date hereof, has not withdrawn, its written consent to be named as Share Registrar in the form and context in which it is named.

Computershare Investor Services Pty Limited has had no involvement in the preparation of any part of the Prospectus other than being named as Share Registrar to the Company. Computershare Investor Services Pty Limited has not authorised or caused the issue of, and expressly disclaims and takes no responsibility for, any part of the Prospectus.

5.9. Privacy Disclosure

The Company collects information about each Applicant on the Entitlement and Acceptance Form for the purposes of processing the Application and administering the Applicant's security holding in the Company. The Company must maintain a public register.

Information contained in the Company's register is also used for corporate communications and compliance by the Company with legal and regulatory requirements.

6.0 DIRECTORS' AUTHORISATION

This Prospectus is issued by the Company and its issue has been authorised by a resolution of the Directors. In accordance with Section 720 of the Corporations Act, each Director has consented to the lodgement of this Prospectus with ASIC.

A handwritten signature in black ink, appearing to read 'I. Pringle', written in a cursive style.

Dr Ian Pringle

Managing Director

Dated: 19 May 2015

7.0 GLOSSARY

A\$ and \$ means Australian dollars, unless otherwise stated.

Additional Shares and Options means Shares and Options in addition to an Eligible Shareholder's Entitlement for which an Applicant applies for pursuant to an Entitlement and Acceptance Form.

Applicant A person who submits an Entitlement and Acceptance Form.

Application means a valid application by an Eligible Shareholder to subscribe for New Shares and attaching free New Options and where applicable Additional Shares and Options.

Application Money The Issue Price multiplied by the total number of New Shares applied for by an Applicant under an Entitlement and Acceptance Form.

AEST Australian Eastern Standard Time.

AFSL Australian Financial Services Licence.

ASIC Australian Securities and Investments Commission.

ASX Settlement means ASX Settlement Pty Ltd (ABN 49 008 504 532).

ASX Settlement Operating Rules means the operating rules of the settlement facility provided by ASX Settlement as amended from time to time.

ASX ASX Limited (ACN 008 624 691) and the Australian Securities Exchange it operates.

Board The Board of Directors of BPL.

Closing Date The time and date at which the Offer expires, being 5.00pm (AEST), 18 June 2015, subject to the Company varying this date in accordance with the Listing Rules.

Companies Act The Companies Act 1993 (New Zealand).

Company or BPL Broken Hill Prospecting Limited ARBN 003 453 503.

Constitution The constitution of the Company.

Corporations Act The Corporations Act 2001 (*Cth*) of Australia.

Director A director of the Company as at the date of this Prospectus.

Eligible Shareholders Shareholders with a registered address in Australia or New Zealand at the Record Date.

Entitlement The entitlement to subscribe for New Shares and New Options under the Rights Issue.

Entitlement and Acceptance Form The entitlement and acceptance form attached to or accompanying this Prospectus, personalised for each Eligible Shareholder, which allows each Eligible Shareholder to accept the Offer.

Excluded Shareholder A Shareholder whose registered address is not in Australia or New Zealand.

Full Subscription The maximum amount to be raised under the Offer being the sum of \$994,046 assuming no existing options are exercised.

Insolvency Event means:

- (a) an order being made that a party be wound up;
- (b) an order appointing a liquidator or provisional liquidator in respect of a party, or one of them being appointed;
- (c) a resolution being passed to appoint an administrator in respect of a party;
- (d) except to reconstruct or amalgamate while solvent on terms approved by the other party, a party entering into, or resolving to enter into, a deed of company arrangement, a scheme of arrangement or composition with, or assignment for the benefit of, all or any class of its creditors, or it proposes a reorganisation, moratorium or other administration involving any of them;
- (e) a party resolving to wind itself up, otherwise dissolving itself, or giving notice of intention to do so, except to reconstruct or amalgamate while solvent on terms approved by the other party or it is wound up or dissolved;
- (f) a party is or states that it is unable to pay its debts as and when they fall due;
- (h) any of the events described in sections 459C(2)(a) to (f) or section 585 of the Corporations Act occurs in relation to a party or a party makes a statement from which it may be reasonably deduced by the other party that it is the subject of such an event;
- (i) a party takes any step to obtain protection or is granted protection from its creditors, under any applicable legislation;
- (j) a party becomes an insolvent under administration as defined in section 9 of the Corporations Act or action is taken which could result in such an event; or
- (k) anything analogous or having a substantially similar effect to any of the above events happens under the law of any applicable jurisdiction,

unless this takes place as part of a solvent reconstruction, amalgamation, merger or consolidation that has been approved by the Underwriter.

Issue Date The date that all New Shares and New Options have been issued.

Issue Price 4 cents per New Share or \$0.04, being the price payable to subscribe for each New Share.

Listing Rules The official listing rules of ASX.

New Options The Options offered under the Rights Issue exercisable at 8 cents on or before 12 November 2019 on terms set out in Section 5.2 of this Prospectus.

New Securities The New Shares and New Options offered under this Prospectus.

New Shares The Shares offered under the Rights Issue.

Offer The non-renounceable offer to Eligible Shareholders of New Shares and New Options under the Rights Issue.

Offer Price means 4 cents for each New Share applied for.

Opening Date means 29 May 2015.

Option An option to acquire a Share.

Prospectus This prospectus dated 19 May 2015 as modified or varied by any supplementary prospectus made by the Company and lodged with ASIC from time to time and any electronic copy of this prospectus and supplementary prospectus.

Record Date The time and date for determining a Shareholder's entitlement to participate in the Rights Issue, being 7.00pm (AEST), 26 May 2015.

Register means the register of the Company's Shareholders.

Rights and Rights Issue means the right by Eligible Shareholders to take up New Shares and attaching free New Options under this Prospectus.

Rights Issue The pro-rata non-renounceable rights issue of approximately 24,851,154 New Shares, on the basis of 1 New Share for every 4 Shares held at an issue price of 4 cents per New Share, to raise up to approximately \$994,046 before costs and 1 New Option for every New Share subscribed for under the Prospectus for no additional consideration.

Share A fully paid ordinary share in the issued capital of the Company.

Shareholder Registered holder of a Share in the Company.

Shortfall means those New Shares and attaching free New Options for which valid applications have not been received by the Closing Date under the Rights Issue.

Shortfall Securities New Securities constituting the Shortfall.

Underwriter International Pacific Capital Limited (ABN 16 003 309 475) (AFSL 225936).

Underwriting Agreement The underwriting agreement between the Company and the Underwriter dated 15 May 2015.

Underwritten Amount \$994,046.