

ASX/NZSX/Media Announcement

14th November, 2011

CHAIRMAN'S ADDRESS

**Broken Hill Prospecting Limited Annual General Meeting
14 November, 2011**

Dear Shareholder,

Welcome.

I am very pleased that you are able to attend the 2011 Annual General Meeting for Broken Hill Prospecting Limited and to have the opportunity to report on the excellent progress made during the year.

Following a successful capital raising of A\$4.47 million in an initial public offering, your company was jointly listed on the Australian Securities Exchange and New Zealand Securities Exchange on 14 February 2011.

Significant progress towards our goal of becoming a profitable metals producer has progressed on a number of fronts, and the Company is well positioned for an exciting future as we assess the two large cobalt resources at Pyrite Hill and Big Hill and numerous prospects in our two granted mining leases and surrounding exploration licence which are located less than 25 kilometres from the established mining centre of Broken Hill in western NSW.

The Company engaged an experienced Managing Director, Dr Ian Pringle, a geologist with an impressive track record of discovery and development of mineral deposits. Ian commenced work with Broken Hill Prospecting in April 2011 and with the help of a strong and experienced exploration team has commenced a vigorous exploration program focussed on drill testing of the Company's cobalt deposits and exploration for more cobalt mineralisation as well as for zinc, lead, silver and gold.

At both the Pyramid Hill and Himalaya North prospects mapping and drill testing identified anomalous copper, lead, silver and zinc and significant potential for underlying Broken Hill style base metal mineralisation. Elsewhere within the Company's tenements numerous base metal anomalies of Broken Hill-style have yet to be explored.

The Company's Pyrite and Big Hill cobalt deposits are unusual because, other than cobalt which almost all occurs within the pyrite mineral of the host rock, they contain no other metals of economic significance. Both deposits crop out at surface, their cobaltiferous pyrite can be upgraded and concentrated using inexpensive and effective processes and cobalt can be produced using a choice of metallurgical processing options.

Over the last several months BPL has undertaken an eight hole drilling programme at the Pyrite Hill deposit. This was very successful and I am please to advise that the work has significantly increased the contained cobalt in Inferred Resources at Pyrite Hill by 55% to 16.4 million tonnes of 1.83 pounds per tonne cobalt. In addition, a resource study has shown additional potential for between 14-24 million tonnes of similar mineralisation at Pyrite Hill.

Broken Hill Prospecting Limited

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Details of this resource study are the subject of an ASX/NZSX announcement released just prior to this meeting. The study, undertaken by Hellman & Schofield Pty Ltd, is reported in accordance with JORC Code (2004) standards.

The Pyrite Hill Inferred Resource and potential mineralization occurs from surface to 300 metres depth and is open at depth and along trend to the northwest of the deposit. Combined with the mineralisation at the Big Hill Cobalt deposit which has an Inferred Resource of 4.4 million tonnes of 2.00 pounds per tonne cobalt, the total Inferred Resources for the overall project is 20.8 million tonnes of 1.87 pound per tonne cobalt. This equates to 39 million pounds of contained cobalt metal.

In other exploration activities BPL has recently completed an extensive IP geophysical survey across the north east extension of the Big Hill mineralised trend. The results of this survey will be interpreted and reported during the next few weeks and the exploration is expected to provide high priority drill targets for new cobalt deposits as well as zinc and lead targets.

In recent years China has fuelled rising worldwide consumption for cobalt as it secures supply to feed a growing industrial demand for the metal. Cobalt has many applications including rechargeable batteries for the new generation of electric cars, hardened metals, magnets, alloys, catalysts, food supplements, jewellery and colouring as well as a wide variety of other uses. Cobalt is predominantly mined as a by-product from nickel or copper deposits located in central Africa, remote from the USA, China, Europe and Japan, which are the largest cobalt consumers and which have no significant cobalt resources of their own. As a consequence future cobalt prices are likely to rise and with our well located and large cobalt resources Broken Hill Prospecting is in an excellent position to benefit from positive cobalt market trends.

BPL enters its first full year of trading as a public company with a strong cash position, a first-rate portfolio of exciting exploration targets, and potential to significantly grow the size and viability of the Pyrite Hill and Big Hill Cobalt deposits through resource definition drill testing and development scoping studies.

I would like to thank our team for their hard work during the year and on behalf of the Board of Directors I would also like to thank shareholders for their support in what has been a milestone year for Broken Hill Prospecting and a major step towards our vision of building a substantial and successful mining company.

Creagh O'Connor
Chairman

Competent Person Statement

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

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(the JORC Code). Dr Pringle has consented to the inclusion in this report of the matters based on his information in the form and context in which it appears.

About Broken Hill Prospecting Limited (“BPL”)

BPL is seeking to explore, evaluate and develop cobalt deposits in the Broken Hill area. Within two mining leases (ML86 and ML87) BPL has cobalt mineral resources (Inferred Resources) which total 20.8 million tonnes at a combined average grade of 1.87lb/tonne cobalt (Pyrite Hill and Big Hill deposits) as well as potential mineralisation between 14-24Mt of similar grade at the Pyrite Hill Deposit (Hellman & Schofield resources study, November 2011). Exploration for additional cobalt mineralisation along-trend and at depth beneath these deposits is in progress. These are a unique type of cobalt deposit and BPL is in an excellent position to take advantage of an increasing demand for cobalt to meet growth in environmental and industrial uses such as rechargeable batteries in automobiles.

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

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

Cobalt Statistics

- Cobalt price (LME): US\$28,250 per tonne (US\$28.25 per kilogram).
- 1 pound = 0.4536 kilograms
- Mines in Central Africa accounted for 60% of cobalt production in 2010 and most came from the Democratic Republic of Congo.
- The USA accounted for 58% of cobalt consumption in 2010.
- The USA, Japan, European Union and China have no producing cobalt mines.
- China imported ore from Africa and produced 43% of refined cobalt production in 2010.
- More than 95% of cobalt production is a by-product of copper or nickel mining.
- World production of refined cobalt during the first six months of 2011 was 40,749 tonnes (The Cobalt Institute, October 2011 Newsletter)
- Lithium-ion batteries contain 60% cobalt and will be widely used in the new generation of electric vehicles.
- Cobalt is used in a wide range of industries including production of; super alloys and hardened metals where high heat and wear tolerance is required (aircraft, turbines, windmills, military hardware), high-strength magnets, carbides and diamond tools, catalysts (petroleum production), colouring (cobalt blue), adhesive, soaps, driers and food supplements (vitamin B12).

For further information contact;

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The Company has recently reformatted and updated its website which covers or links to recent news, metal prices, share price as well as project and Company information. Please visit our site at www.bhpl.biz

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