

## Broken Hill Prospecting Ltd (ASX: BPL)

An Australian Exploration company focussed on the discovery & development of strategic technology mineral resources

### Commodity Exposure

Rare Earth Elements  
Heavy Mineral Sands  
Cobalt  
Base & Precious Metals  
Industrial Metals

### Directors & Management

Creagh O'Connor  
*Non-Executive Chairman*  
Geoff Hill  
*Non-Executive Director*  
Matt Hill  
*Non-Executive Director*  
Denis Geldard  
*Non-Executive Director*  
Trangie Johnston  
*Managing Director*  
Ian Morgan  
*Company Secretary*

### Capital Structure

Ordinary Shares on Issue (30/1/17) **148M**  
Options: Listed **47M**  
Market Cap (undiluted at 2.5cps) **\$3.7M**

## Broken Hill Prospecting Ltd

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## La Paz Rare Earth Project Acquisition Complete

### Highlights

- BPL receives all title approvals covering the 1100+ hectares that comprise the advanced La Paz Rare Earth project in Arizona, US.
- BPL exploration team to mobilise to site in coming weeks
- Field activities focused on upgrading current resource and obtaining bulk samples for metallurgical test work.
- La Paz Rare Earth Project
  - Contains an independent NI 43-101 Report and Resource estimate (completed 2011)
  - Is a large tonnage, bulk deposit comprising high value, light rare earth (LREE) assemblage
  - Demonstrates the potential to be the largest rare earth project in North America
  - La Paz is considered “clean” compared to many global rare earth projects as it contains no penalty elements including Uranium and Thorium
  - Access to excellent local infrastructure - electricity, water, gas - in a mining friendly jurisdiction

### CEO Trangie Johnston stated:

*“The granting of title applications covering the La Paz Project, which already contains an existing NI 43-101 Resource, is a great result for BPL as it enables us to hit the ground running in terms of our upcoming exploration activities and project assessment.*”

*“The 100% acquisition of La Paz not only establishes our entry into the lucrative US rare-earth market but also secures BPL as the only listed ASX company with exposure to this market. A very enviable position to be in given the US Federal & Pentagon mandates to secure supply of strategic technology metals.*”

*“The La Paz Project is an advanced rare earth project not only located in a mining friendly jurisdiction with world class infrastructure, but demonstrates the potential to be the largest rare earth project in North America. A key point of difference for La Paz is the lack of penalty elements it contains, such as Uranium and Thorium, that have plagued many global rare earth projects to date. As such, La Paz offers investors a more environmentally friendly solution in terms of investment in the rare earth space. The team and I are looking forward commencing field activities in coming weeks and updating shareholders as we progress.”*

Broken Hill Prospecting Limited (“BPL” or “the Company”) the Australian exploration company targeting the discovery and development of strategic technology mineral resources in the USA and Australia, is pleased to advise shareholders it has received all titles relating to the 1100+ hectares which comprise the La Paz Rare Earth Project (“La Paz”) in Arizona, USA.

This follows BPL’s announcements (ASX:BPL [20.8.19](#) and [21.8.19](#)) detailing the Company’s establishment of its 100% owned US based subsidiary “La Paz Rare Earth LLC” which had lodged title applications with both the Bureau of Land Management and State of Arizona Land Department covering the La Paz Project.

### La Paz Rare Earth Project

The La Paz Rare Earth project is located in La Paz County, Arizona, US. The project lies approximately 170 km north-west of Phoenix (Figure 1). La Paz covers over 890 hectares comprising 107 unpatented lode mining claims on federally controlled land and a prospecting permit over one section of Arizona State Trust land (259 hectares). The tenements are unencumbered and are now 100% controlled by La Paz Rare Earth LLC.

Through historic work carried out over the Project area, La Paz contains an existing independent NI 43-101 report completed late 2011, with additional metallurgical test work carried out in early 2012.

BPL is investigating the conversion of the NI 43-101 Report and supporting data to JORC 2012 standards, and will announce further technical and project details once completed.



Figure 1. BPL has received approval for all titles covering the La Paz rare earth deposit located in western Arizona.

A copy of the NI 43-101 Report can be found at this link:

[La Paz NI 43-101 Report](#)

Key Project Highlights Reported under NI 43-101

- Large tonnage deposit with relatively homogeneous TREO (Total Rare Earth Oxide) distribution amenable to open pit extraction.
- Excellent infrastructure and skilled work force in a mining friendly jurisdiction. A high voltage power line runs 11km west of the project, and a high pressure natural gas pipe line 8km to the east. Major rivers and aqueducts are within 8km, though local ground water supplies are likely to meet any future production needs.
- Majority of TREO report to the epidote-group mineral allanite (La-Allanite).
- High reporting of valuable Light LREO (83%) to Heavy TREO (17%) with extremely low thorium/uranium content with clear environmental advantages.
- Metallurgical test work successfully concentrated allanite samples via a combined process of gravity, magnetic and flotation separation.
- Rare earth concentrate was amenable to commercially available leaching technologies.

## Future Plans

Given the Company is now in receipt of the title applications, BPL intends to immediately commence exploration with an extensive detailed structural mapping and sampling program focused on high grade areas within the resource.

Bulk samples will be identified to progress metallurgical test work in support of technical and commercial project analysis.

Additional drilling programs may be required for JORC 2012 conversion to underpin a Scoping Study to Pre-feasibility Study level analysis.

## Acquisition Background

Utilising the Company's successful track record of implementing development projects in strategic metals, the La Paz Acquisition has provided BPL with an opportunity to expand the Company's exploration horizons.

The US presented itself as an ideal jurisdiction for the Company to seek rare-earth opportunities given the search for and development of rare-earth deposits has been identified as strategically essential, garnering strong government support.

The US Federal government and Pentagon have both published recent articles highlighting the need for domestic supplies of strategic metals including rare earth elements and titanium/

zirconium. The current trade and political landscape offer shareholders exposure to growth markets that are seeking to diversify supplies globally.



Anthony (Trangie) Johnston  
*Managing Director*

**Broken Hill**  
PROSPECTING

*Diversified Exploration & Development Company*

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BPL confirms it is not aware of any new information or data that materially affects the information included in the original market announcements, and, in the case of estimates of Mineral Resources, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcements continue to apply and have not materially changed. BPL confirms that the form and context in which the Competent Person's findings presented have not been materially modified from the original market announcements.

## Competent Person's Statement

The information in this report that relates to exploration results, Mineral Resources and Targets is based on information compiled by Mr Anthony Johnston, BSc (Hons), who is a Member of the Australian Institute of Mining and Metallurgy and who is the Managing Director and Chief Executive Officer of Broken Hill Prospecting Limited. Mr Johnston has sufficient experience which is relevant to the style of mineralisation and type of deposits under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 & 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Johnston consents to the inclusion in the announcement of the matters based on his information in the form and context that the information appears.