

MAIDEN RESOURCE ESTIMATE COMPLETED FOR COPI NORTH HEAVY MINERAL SANDS DEPOSIT

Broken Hill Prospecting Limited ('BPL') today announced a maiden resource estimate for the Copi North Heavy Mineral Sands Deposit in the Murray Basin, NSW, of 11.6 million tonnes at an average 6.9% Heavy Minerals.

Resource Status	Tonnes (millions)	THM (%)	Average Density (g/cm ³)	Slimes <53um (%)	Oversize >2mm (%)
Inferred	4.6	6.5	1.82	3.0	1.8
Indicated	7.0	7.1	1.84	2.6	2.0
Total	11.6	6.9	1.83	2.8	1.9

Table 1: Copi North JORC Resource (2.5% Total Heavy Mineral (THM) cut-off)

Tonnes (millions)	THM (%)	Ilmenite (%)	Rutile (%)	Zircon (%)	Monazite (%)	Leucoxene (%)	Other HM (%)
11.6	6.9	54.4	10.8	11.3	1.0	10.0	12.6

Table 2: Copi North Resource with Heavy Mineral (HM) assemblage.

Highlights

- High-grade HM content with average grade (6.9%) nearly twice the reported head grades of nearby operating heavy mineral sands (HMS) mines (~3.5% - 4% HM)
- Substantial proportions of high-value zircon (11.3%) and rutile (10.8%) compared with many other HMS deposits
- A considerable portion of the Resource has relatively high level of confidence (7.0Mt at 7.1% HM is Indicated Resource)
- The Resource occurs at shallow depths (ranging between 6.75-47.7 metres, averaging 23m) under friable sand, silt and clay
- Low slime content (2.8%) may help maximise HM recovery, and limited groundwater could support lower capital cost, dry, open-cut mining
- Potential to substantially extend the deposit length from 10km to up to 30km
- Copi North, combined with BPL's nearby deposits and prospects (e.g. Magic, Copi South, Nulla), could provide a pipeline of HMS mine developments
- Maiden Resource estimate for the Magic HMS deposit is anticipated in August
- Scoping and pre-feasibility studies on Copi North HMS Deposit are expected to be completed in late 2015

Summary

Geos Mining, a Sydney-based Mineral Consultant company, has undertaken a resource estimation and classification of the Copi North deposit (Appendix 1) in accordance with Joint Ore Reserves Committee 2012 guidelines (JORC).

The Copi North Heavy Mineral Sands (HMS) deposit is a strandline-type, ilmenite-rutile-zircon-leucoxene (titanium, zirconium) placer deposit located in the Murray Basin in western NSW. Similar deposits are mined by Cristal (e.g. Ginkgo, Snapper) and Iluka (Woorneck) in Victoria.

Drilling by BPL in early 2015 returned excellent thickness and continuity of mineralisation with high grade zones ranging up to 34.5% HM. The results of drill work and assay data were reported in a recent Company ASX announcement (21 May 2015) and is posted on BPL's website (www.bhpl.biz).

Geos Mining carried out compilation and validation of the exploration database prior to the resource estimation and a site visit was undertaken by Geos Mining during resource drilling to confirm that work practices and sampling procedures were best practice. Some 312 air core drill holes (129 undertaken by BPL in March 2015 and 183 completed by Iluka between 1998-2002) were used for the resource estimation. They were drilled along traverses perpendicular to the trend of the deposit and with an approximate traverse spacing of 450 metres (refer Figure 4 in Appendix 1).

Micromine 2014 and Leapfrog Geo software were used for the Resource Estimation (Table 1). Geological modelling and definition of the primary mineralised domains were undertaken with Leapfrog Geo and block modelling and grade interpolation was completed in Micromine. Geostatistical investigation was carried out to define interpolation parameters.

The block model contains grade estimates for Total Heavy Mineral (THM), slimes (<53um) and oversize sand (+2mm). Tonnage was calculated on a dry block by block basis using specific gravity weighted mineral point count data adjusted for estimated heavy mineral content of each block. Average slime content (<53um) for the Resource is 2.8% (Table 2) and the relatively coarse nature of the deposit (~97% of grains coarser than 0.053mm) is likely to be conducive for conventional spiral separation.

Confidence in the geological model, sampling procedures, data spacing and available data enabled the classification of both Indicated and Inferred Mineral Resource according to the Joint Ore Reserves Committee 2012 guidelines (JORC).

Background

Exploration Licence 8312 (Copi) is located approximately 70km northwest of Wentworth and approximately 60km WSW of Cristal Mining's Ginkgo and Snapper Mineral Sands wet dredging operations (Figure 1). In March 2015, air core drilling was undertaken at the Copi North deposit (EL8312) and the Magic Deposit in EL8311. This work is summarised in the Company's ASX release dated 16 April, 2015. Both deposits are placer accumulations of heavy mineral sands associated with well-defined ancient beach sand strandlines. BPL drilled 129 holes along the trend of the Copi North deposit and 88 air core drill holes were completed

at the Magic deposit located in EL8311, 50km to the north of Copi North. A maiden resource estimation for the Magic HMS deposit is expected to be finalised in August.

Drill results from the Copi North HM deposit include HM grades in single sampled intervals (1 metre) ranging over 34% HM. The deposit contains numerous intersections between 1-4 metres thick which grade >20% HM and widespread zones with more than 10% HM content. The Copi North strandline is a 100-220 metre wide linear zone trending 303 degrees (average width 130m).

Both the Copi North and Magic deposits are considered to be at advanced exploration status and have been the subject of significant past exploration activities (including substantial amounts of drill testing) by other HMS explorers and miners. The majority of this work was undertaken by Iluka Resources in the 1990's and early 2000's.

The evaluation is fully financed by the private mining investment group Relentless Resources Limited (RRL) which is providing \$2m of funding through a recently announced Joint Venture to earn a 50% interest in the two tenements. Broken Hill Minerals Pty Ltd, a fully owned subsidiary of BPL, is manager of the Joint Venture.

Planned Work

The Joint Venture intends to immediately commence scoping studies to investigate development options for a relatively high-grade, small tonnage mine development with low capital and operating costs and a small environmental footprint.

Consulting engineers will be commissioned to produce preliminary design criteria suitable for the size, shallow depth and high grades of the Copi North mineralisation as well as nearby deposits (e.g. Magic, Copi South) which could be mined sequentially or in parallel. Lower tonnage throughput will assist to minimize costs through advantages of relatively small and modular mobile mining equipment and plant.

Completion of Pre-feasibility studies including preliminary environmental and commercial studies are expected to be completed before year end.

Comments

BPL's Managing Director Dr Ian Pringle commented:

"This comprehensive Copi North Maiden Resource estimate provides the confidence for the JV to progress into scoping and feasibility work."

"Fortuitously, the deposit is very well located – not far from Wentworth which provides logistical and accommodation support for Cristal's Ginkgo and Snapper wet dredge mines and west of the Silver City Highway along which Cristal's HM separates are trucked to Broken Hill."

"The shallow nature and excellent grade continuity of the Copi North HMS deposit may allow for a cost effective, dry open-cut mining operation with a relatively small and mobile plant. The abundance of high HM grades with over 20% HM, some exceeding 35% HM, will likely provide some flexibility for future mining scenarios at Copi North. Magic and other nearby HMS

deposits provide additional prospects for either parallel or sequential fast-track mine developments.”

“Copi North also has considerable upside and it is conceivable the deposit could trend for another 2-3 times the length of this Resource. This possible extension is not included in the Copi North Resource estimate.”

Yours faithfully,



Ian J Pringle
(Managing Director)

Competent Person Statement

Exploration activities and sampling results contained in this notice are based on information compiled by Mr Ian Spence, Managing Director of Broken Hill Minerals Pty Ltd and reviewed by Dr Ian Pringle who is 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 2012 edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (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.

The information in this report that relates to Exploration Results and Mineral Resources is based on information reviewed by Sue Border, a Competent Person who is a Member of The Australasian Institute of Mining and Metallurgy. Sue Border has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the exploration activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the ‘Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves’. Sue Border consents to the inclusion in the report of the matters based on this information in the form and context in which it appears. Sue Border is not an employee or a related party of the Company or its subsidiaries. Sue Border is a Director/Principal Geologist of Geos Mining.

About Broken Hill Prospecting Limited (“BPL”)

BPL has commenced assessment of Heavy Mineral Sand (“HMS”) deposits (titanium and zirconium) located south of Broken Hill in western NSW. These deposits have been extensively explored and drill tested by other parties and provide the Company with an opportunity to progress advanced evaluation and fast-track development of several substantial high-grade heavy mineral sand deposits.

Australia has the world’s largest deposits of the titanium minerals ilmenite and rutile. Australian mines extract and refine Ti, but don’t process it in large quantities. It is used in many

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applications in light and heavy industries as well as in jewellery and 3D printing. However approximately 95% is used in an oxide form as the pure white colour crucial in products from paint to cosmetics. Titanium's strength-to-weight ratio, corrosion resistance and biocompatibility make it perfect for aerospace, medical and sport applications.

BPL Cobalt and Pyrite (Sulphuric acid) deposits

BPL is progressing with exploration and evaluation of cobalt-pyrite deposits in the Broken Hill area within two exploration tenements (EL6622 and EL8143) and two mining leases (ML86 and ML87).

Broken Hill Prospecting Limited is in a strong strategic position to take advantage of increasing demand for cobalt to meet growth in environmental and industrial uses including rechargeable batteries in automobiles and super alloys. Co-product sulphuric acid could address Australian reliance on imported sulphur and provide opportunities for phosphate fertiliser and mineral processing industries.

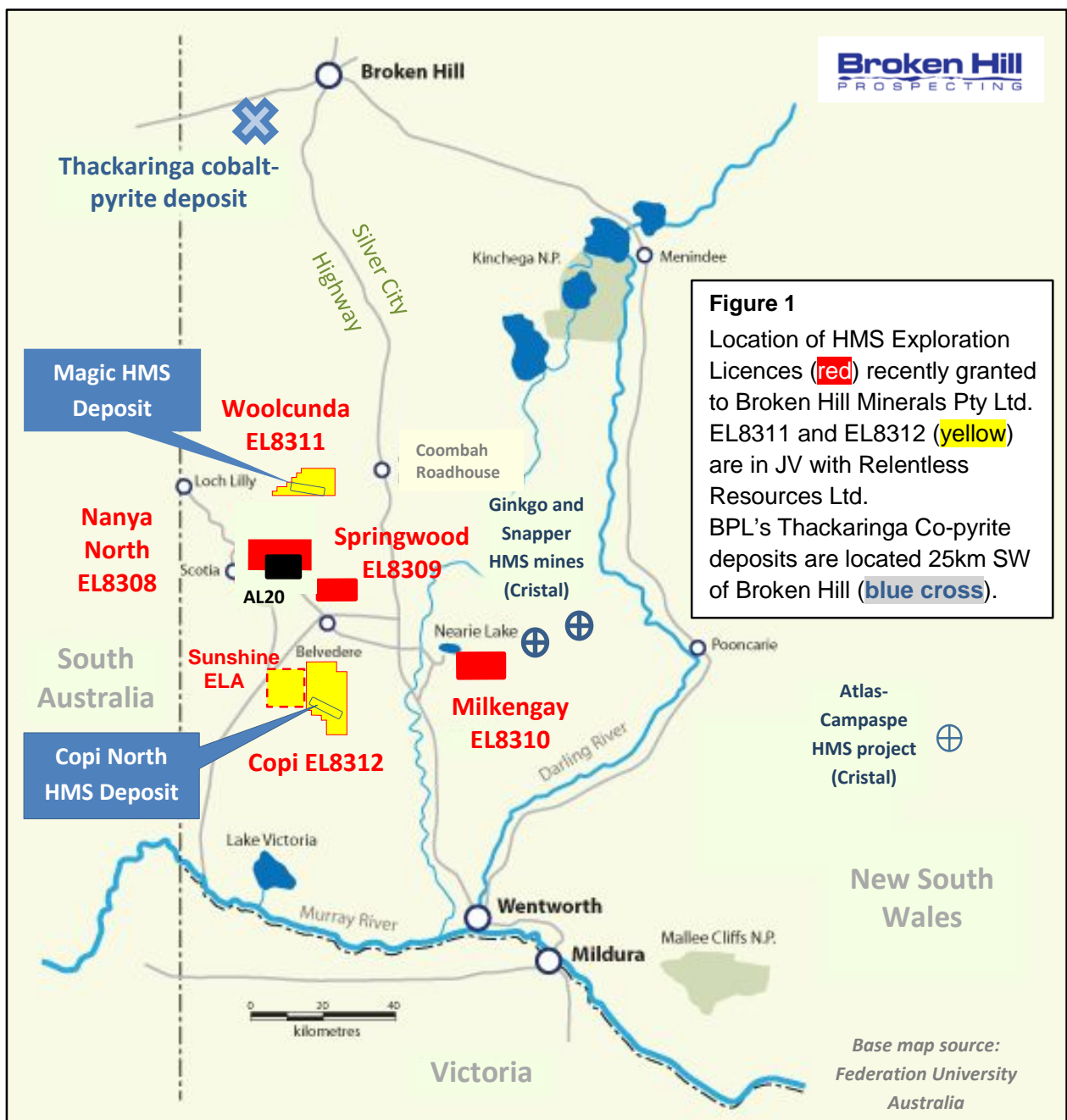
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Figure 1. Map of western NSW showing the location of the Magic Heavy Mineral Sands Deposit and Exploration Licences held by Broken Hill Minerals Pty Ltd. The map also shows the location of Cristal Mining's Pooncarie Mineral Sands Project (Ginkgo and Snapper Mines) and Atlas-Campaspe HMS project.



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