



Announcement Summary

Entity name

BROKEN HILL PROSPECTING LIMITED

Announcement Type

New announcement

Date of this announcement

Wednesday June 10, 2020

The Proposed issue is:

☒ A placement or other type of issue

Total number of +securities proposed to be issued for a placement or other type of issue

ASX +Security Code	+Security Description	Maximum Number of +securities to be issued
BPL	ORDINARY FULLY PAID	33,100,000

Proposed +issue date

Monday June 15, 2020

Refer to next page for full details of the announcement



Part 1 - Entity and announcement details

1.1 Name of +Entity

BROKEN HILL PROSPECTING LIMITED

We (the entity named above) give ASX the following information about a proposed issue of +securities and, if ASX agrees to +quote any of the +securities (including any rights) on a +deferred settlement basis, we agree to the matters set out in Appendix 3B of the ASX Listing Rules.

1.2 Registered Number Type

ABN

Registration Number

83003453503

1.3 ASX issuer code

BPL

1.4 The announcement is

☒ New announcement

1.5 Date of this announcement

Wednesday June 10, 2020

1.6 The Proposed issue is:

☒ A placement or other type of issue



Part 7 - Details of proposed placement or other issue

Part 7A - Conditions

7A.1 - Are any of the following approvals required for the placement or other type of issue?

- +Security holder approval
- Court approval
- Lodgement of court order with +ASIC
- ACCC approval
- FIRB approval
- Another approval/condition external to the entity

☒ Yes

7A.1a Conditions

Approval/Condition	Date for determination	Is the date estimated or actual?	** Approval received/condition met?
+Security holder approval	Monday August 31, 2020	<input checked="" type="checkbox"/> Estimated	

Comments

33,100,000 New Shares at AUD 0.015 for cash includes 6,000,000 New Shares requiring shareholder approval under ASX Listing Rule 10.11. New Shares entitle the investor to be issued a Loyalty Share for no consideration on a 1 for 8 basis, if the New Shares are held until 24 February 2021.

Part 7B - Issue details

Is the proposed security a 'New class' (+securities in a class that is not yet quoted or recorded by ASX) or an 'Existing class' (additional securities in a class that is already quoted or recorded by ASX)?

☒ Existing class

Will the proposed issue of this +security include an offer of attaching +securities?

☒ No

Details of +securities proposed to be issued

ASX +Security Code and Description

BPL : ORDINARY FULLY PAID

Maximum Number of +securities proposed to be issued

33,100,000



Purpose of the issue

Cash placement totalling AUD 496,500. Funds raised will be used to fund the expansion, exploration and economic evaluation of the La Paz Rare Earth Project (Arizona, USA), including working capital.

Offer price details for retail security holders

In what currency is the cash consideration being paid?

AUD - Australian Dollar

What is the issue price per +security?

AUD 0.01500

Will these +securities rank equally in all respects from their issue date with the existing issued +securities in that class?

☒ Yes

Oversubscription & Scale back details

May a scale back be applied to this event?

☒ No

Part 7C - Timetable

7C.1 Proposed +issue date

Monday June 15, 2020

Part 7D - Listing Rule requirements

7D.1 Has the entity obtained, or is it obtaining, +security holder approval for the issue under listing rule 7.1?

☒ No

7D.1b Are any of the +securities proposed to be issued without +security holder approval using the entity's 15% placement capacity under listing rule 7.1?

☒ No

7D.1c Are any of the +securities proposed to be issued without +security holder approval using the entity's additional 10% placement capacity under listing rule 7.1A (if applicable)?

☒ No

7D.2 Is a party referred to in listing rule 10.11.1 participating in the proposed issue?

☒ Yes

7D.3 Will any of the +securities to be issued be +restricted securities for the purposes of the listing rules?

☒ No

7D.4 Will any of the +securities to be issued be subject to +voluntary escrow?

☒ No



Part 7E - Fees and expenses

7E.1 Will there be a lead manager or broker to the proposed issue?

☒ Yes

7E.1a Who is the lead manager/broker?

Taylor Collison Limited

7E.1b What fee, commission or other consideration is payable to them for acting as lead manager/broker?

2.0% Management Fee and 4.0% Selling Fee of the gross proceeds raised under the placement; and a corporate fee of 5,000,000 options (subject to shareholders' approval) exercisable at any time for a period of three years from the date of issue at A\$0.02 each share.

7E.2 Is the proposed issue to be underwritten?

☒ No

7E.4 Details of any other material fees or costs to be incurred by the entity in connection with the proposed issue

Part 7F - Further Information

7F.1 Will the entity be changing its dividend/distribution policy if the proposed issue proceeds?

☒ No

7F.2 Any other information the entity wishes to provide about the proposed issue