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BROCKMAN
BROCKMAN MINING LIMITED
布萊克萬礦業有限公司*

(incorporated in Bermuda with limited liability)

(SEHK Stock Code: 159)

(ASX Stock Code: BCK)

BUSINESS UPDATE

The Group has assessed and concluded that the recent sustained copper price weakness and the potential increase in capital expenditure to meet the new local requirements for environmental protection are considered to be impairment indicators and therefore an impairment assessment have been performed by the directors. Based on the preliminary assessment, it is expected that the carrying value of the mining right of the copper mine in Yunan, PRC, owned by the Group will be fully impaired. An impairment over such mining right of approximately HK\$200,000,000 would be expected to be recognised in the Group's consolidated financial statements for the year ended 30 June 2016.

At the Board meeting held today, the directors have resolved that the Group will no longer finance the continuing development of such copper mine as it is not expected to be commercially justifiable to continue the exploration and production. The Group will focus its resources to develop its core iron ore mining projects in Western Australia i.e. the Marillana iron ore project.

The impairment assessment is only a preliminary assessment by the Board based on the information currently available, which have not been reviewed nor audited by the Company's auditors. The Company is in the process of finalizing the Group's unaudited consolidated results for the year ended 30 June 2016. Shareholders and potential investors are advised to read carefully the announcement of the annual results of Company for the year ended 30 June 2016, which is expected to be released on or about 23 September 2016.

by order of the board of directors of
Brockman Mining Limited
Chan Kam Kwan, Jason
Company Secretary

Hong Kong, 1 September 2016

* *For identification purpose only*

As at the date of this announcement, the board of directors of the Company comprises Mr. Kwai Sze Hoi (Chairman), Mr. Liu Zhengui (Vice Chairman) and Mr. Ross Stewart Norgard as non-executive directors; Mr. Chan Kam Kwan, Jason (Company Secretary), Mr. Colin Paterson and Mr. Kwai Kwun Lawrence as Executive Directors; and Mr. Yap Fat Suan, Henry, Mr. Uwe Henke Von Parpart, and Mr. Choi Yue Chun, Eugene as independent non-executive directors.