

MARKET UPDATE: ARCADIA LITHIUM PROJECT, ZIMBABWE

Prospect Resources Limited (ASX: PSC) (Prospect, the Company) is pleased to announce the following project update on the Arcadia Lithium Project

- **Appointed Mine Manager.** The Inspector of Mines and Explosives within the Ministry of Mines and Mining Development of Zimbabwe, has formally accepted Mr Nixon Mugwadhi as the legally appointed Mine Manager of the Arcadia Mine. Mr Mugwadhi holds a B.Sc. Honours degree in Mining Engineering (UZ) and has more than 20 years' experience in Mining Engineering in Africa (Zimbabwe, Zambia and DR Congo).

A Zimbabwean citizen, Mr Mugwadhi has previously held the following positions, Mine Manager, MRM Manager, Technical Services Manager, Chief Mine Planning Engineer, Senior Mine Planning Engineer, Senior Mining Consultant, Underground Manager, Mine Captain and Shift Supervisor.

Mr Mugwadhi is a member of the Association of Mine Managers Zimbabwe and a member of SAIMM.

Mr Mugwadhi has joined the company as the Mine Manager and Mine Planning Engineer.

- **Grade Control Laboratory.** The Arcadia mine laboratory is now fully operational and achieving consistent high QA/QC in all assays including trace analysis in lithium carbonate being produced from the pilot plant.

The laboratory is also fully functional in the metallurgical test work that will be instrumental in the beneficiation plant commissioning and ongoing optimisation. The aim of the laboratory has been to train and maintain a full complement of chemists, assayers, flotation recovery technicians and grade control technicians.

This laboratory is fully equipped with an XRD mineral analyser, AAS elemental analyser as well as a range of other equipment.

- **Lithium Carbonate Pilot Plant.** The Arcadia lithium carbonate pilot plant has milled over 2 tonnes of ore at an average grade, over the past week, of >3.8 % Li₂O (hand cobbed). Lithium carbonate (LC) inventory now stands at 100kg, all of which awaits final purification to battery grade levels.

More than 13 kg of pure lithium carbonate (PLC) has been produced in the past week at an average purity of >99.6% LC and is meeting or exceeding battery grade specifications. This product is expected to be made available for sale and due diligence purposes by prospective customers.

For further information, please contact:

Hugh Warner
Prospect Resources
Executive Chairman
Ph: +61 413 621 652

Harry Greaves
Prospect Resources
Executive Director
Ph: +263 772 144 669