



Arcadia Pilot Plant Commences Production

- **Pilot Plant construction and commissioning completed on schedule and within budget**
- **Production commenced and remains on track to deliver technical grade petalite product to customers in June**

Prospect Resources Ltd (ASX: PSC, FRA:5E8) (“**Prospect**” or “**the Company**”) is pleased to announce the completion of construction and commissioning, and the commencement of production, at the Arcadia Lithium Project (“**Arcadia**” or “**the Project**”) Pilot Plant. The construction and operation of the Pilot Plant is purposed to the production of high purity petalite samples for Prospect’s future technical customer base.

Company personnel have successfully delivered the Pilot Plant through design, construction, commissioning and now into production on schedule and budget. Initial production from the Pilot Plant is expected to extend three months, with the opportunity to continue generating samples beyond that in-line with demand.

Prospect is now focused on utilising the high purity petalite samples from the Pilot Plant, and spodumene samples produced in a partner laboratory, to achieve final production qualification with customers. The Company is progressing engagement with a range of strategic groups from across Japan, China and Europe in recent months who have an interest in spodumene offtake and assisting with development of the project.

Prospect is looking forward to welcoming offtake partner Sinomine Resources, as well as Presidential representatives from various government ministries to site on the 30 June to preside over first delivery of product to Sinomine Resources.

Prospect Managing Director, Sam Hosack, said: *“We have successfully demonstrated our capability to deliver this project in Zimbabwe. We now look forward to delivering high purity lithium products to the downstream supply chain to complete respective product qualification processes.”*

“The development and operation of the Pilot Plant allows us to substantially reduce metallurgical risk for Arcadia, whilst demonstrating our ability to successfully operate in our jurisdiction, delivering increased confidence in the outcomes of existing technical study work and projected economics.”

“While lithium demand forecasts continue to be revised upwards, the supply base is falling further behind. Having secured all requisite development approvals, completed a Definitive Feasibility Study, and now producing high purity lithium samples, Arcadia is one of the very few shovel-ready lithium projects globally.”



Figure 1 – Operation of the Crushing Circuit



Figure 2 – Commissioning of the DMS Module in position within DMS Shed

This release was authorised by the Sam Hosack, Managing Director of Prospect Resources Ltd.

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About Prospect Resources Limited (ASX:PSC, FRA:5E8)

Prospect Resources Limited (ASX:PSC, FRA:5E8) is an ASX listed lithium company based in Perth with operations in Zimbabwe. Prospect's flagship project is the Arcadia Lithium Project located on the outskirts of Harare in Zimbabwe. The Arcadia Lithium Project represents a globally significant hard rock lithium resource and is being rapidly developed by Prospect's experienced team, focusing on near term production of high purity petalite and spodumene concentrates. Arcadia is one of the most advanced lithium projects globally, with a Definitive Feasibility Study, Offtake Partners secured and a clear pathway to production.

About Lithium

Lithium is a soft silvery-white metal which is highly reactive and does not occur in nature in its elemental form. In nature it occurs as compounds within hard rock deposits (such as Arcadia) and salt brines. Lithium and its chemical compounds have a wide range of industrial applications resulting in numerous chemical and technical uses. Lithium has the highest electrochemical potential of all metals, a key property in its role in lithium-ion batteries.

Caution Regarding Forward-Looking Information

This announcement may contain some references to forecasts, estimates, assumptions and other forward-looking statements. Although the Company believes that its expectations, estimates and forecast outcomes are based on reasonable assumptions, it can give no assurance that they will be achieved. They may be affected by a variety of variables and changes in underlying assumptions that are subject to risk factors associated with the nature of the business, which could cause actual results to differ materially from those expressed herein. All references to dollars (\$) and cents in this announcement are in United States currency, unless otherwise stated.

Investors should make and rely upon their own enquiries before deciding to acquire or deal in the Company's securities. Prospect confirms that for the purposes of Listing Rule 5.19.2, all material assumptions underpinning the information continue to apply and have not materially changed