ASX ANNOUNCEMENT

11 October 2021

Prospect Resources Limited (ASX: PSC, FRA:5EB) Prospect Resources Limited (ASX: PSC, FRA:5EB) is pleased to release the attached presentation of the Arcadia Staged Optimised Feasibility Study (Staged OFS).

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

ENDS

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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.

Prospect Resources Limited

Staged OFS Presentation

October 2021

ASX:PSC | FRA:5E8

Prospect Resources

Important notices

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The ASX release has been prepared in compliance with the current JORC Code (2012) and the ASX Listing Rules. All material assumptions, including consideration of all JORC modifying factors on the Ore Reserve, production target and forecast financial information are included in the ASX release.

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.

Important notices

Competent Person's Statements

The information in this announcement that relates to Exploration Results, is based on information compiled by Mr Roger Tyler, a Competent Person who is a Member of The Australasian Institute of Mining and Metallurgy and The South African Institute of Mining and Metallurgy. Mr Tyler is the Company's Senior Geologist. Mr Tyler has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity he is undertaking to qualify as a Competent Person as defined in the JORC Code 2012 Edition. Mr Tyler consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The information in this announcement that relates to Mineral Resources is based on information compiled by or under the supervision of Ms Gayle Hanssen of Digital Mining Services, Harare Zimbabwe. Ms Hanssen is registered as Professional Scientist with the South African Council for Professional Natural Scientific Professions (SACNASP) which is a Recognised Professional Organisation (RPO). Ms Hanssen is employed by DMS and has sufficient experience which is relevant to the styles of mineralisation and types of deposit under consideration and to the activity which she is undertaking to qualify as a Competent Person as defined in the JORC Code 2012 Edition. Ms Hanssen consents to the inclusion in the report of the matters based on her information in the form and context in which it appears.

The information in this announcement that relates to Ore Reserves is based on information compiled and reviewed by Mr Paul O'Callaghan, a full-time employee of CSA Global Pty Ltd. Mr O'Callaghan takes overall responsibility for the Report as Competent Person. Mr O'Callaghan is a Fellow of The Australasian Institute of Mining and Metallurgy and has sufficient experience, which is relevant to the style of mineralisation and type of deposit under consideration, and to the activity he is undertaking, to qualify as Competent Person in terms of the JORC (2012 Edition). The Competent Person, Paul O'Callaghan has reviewed the Ore Reserve statement and given permission for the publication of this information in the form and context within which it appears.

Prospect at a glance

Dedicated Board with a wealth of relevant experience

Mark Wheatley
Non-Executive Chairman

Mr Wheatley has over 15 years of director and chairman experience with exposure predominantly across gold, copper and uranium sectors

Harry Greaves
Executive Director

A fourth generation Zimbabwean with 10+ years' in mining projects.

Sam Hosack
Managing Director & CEO

A third generation Zimbabwean with over 15 years' experience in mining and infrastructure project development.

HeNian Chen
Non-Executive Director

Chairman of Changshu Yuhua Property Co. Ltd since 2003, and has served as the Deputy Chairman of Afore New Energy Technology (Shanghai) Co. Ltd since 2007.

Zed Rusike
Non-Executive Director

A qualified accountant and resident of Zimbabwe.

Director of Cairns Holdings, TSL Limited, Dulux Paints Limited and Halsted Brothers (Pvt) Limited.

Gerry Fahey
Non-Executive Director

Gerry has over 40 years' experience and is specialist in both mining geology and mine development. He is currently a Director of Focus Minerals Ltd and member of the Joint Ore Reserve Committee (JORC).

Dev Shetty
Non-Executive Director

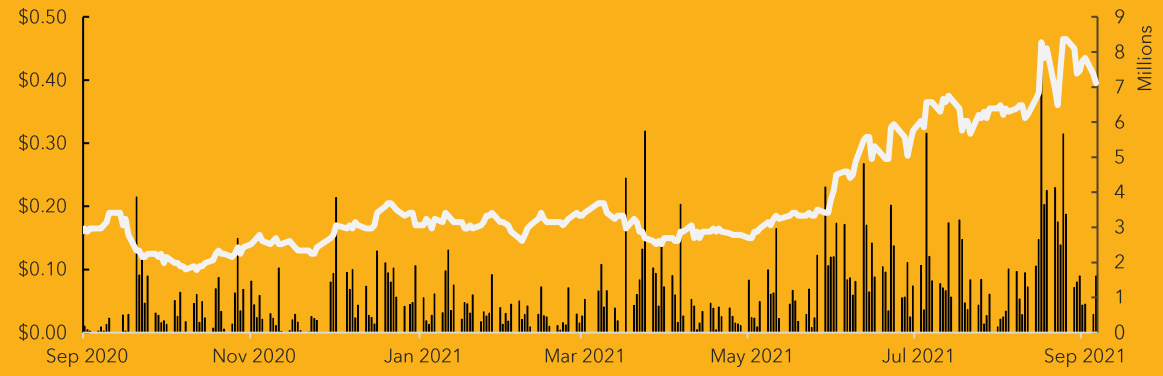
Mr Shetty is a highly experienced mining executive and qualified chartered accountant. He is currently President and CEO of Fura Gems Inc.

Capital structure	
Market listings	ASX: PSC | FRA: 5E8
Shares on issue	383.5m
Share price*	A$0.396
Market capitalisation	A$151.5m
Cash (30 June 2021)	A$7.9m

*as at 8 October 2021

Top shareholders	%
Lord of the Seven Hills Holding FZE	9.51
Board and Management	7.44
Sinomine International Exploration	5.43

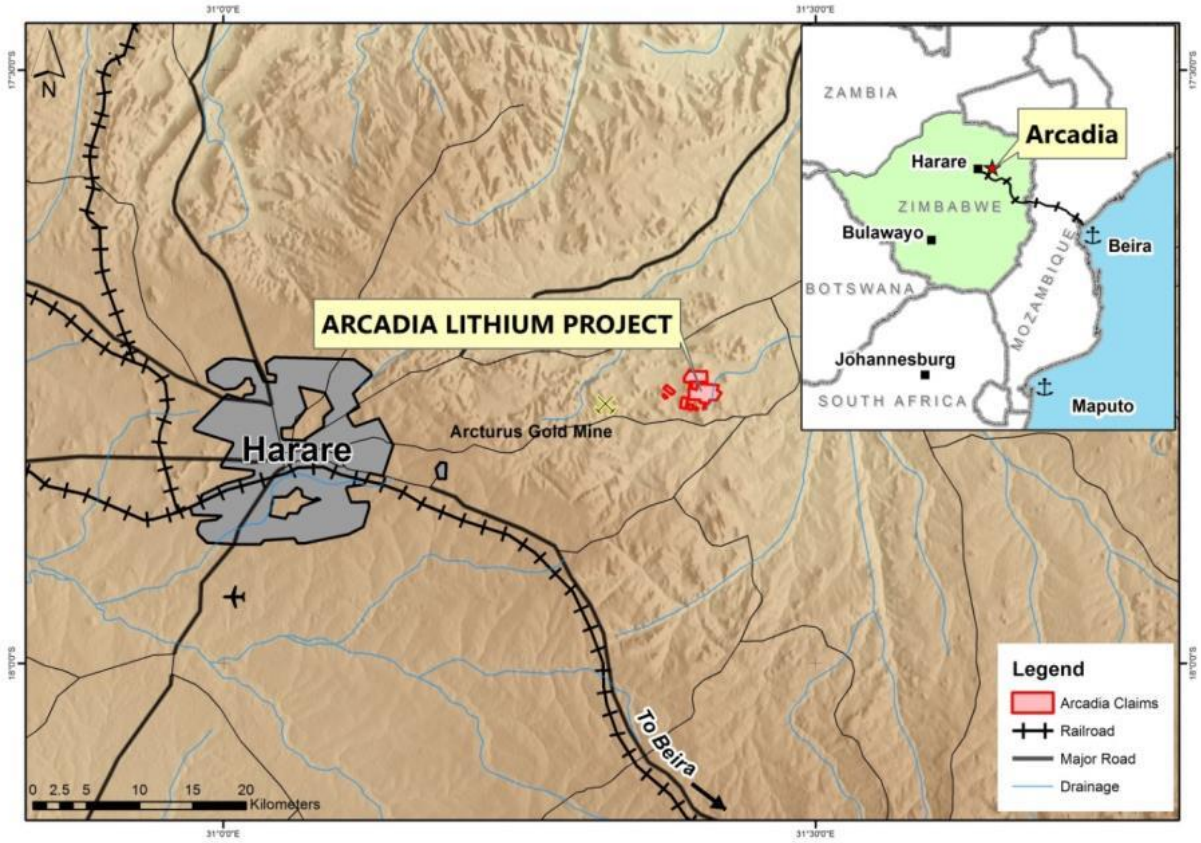
Share price performance



The world-class Arcadia Project

Africa's most advanced lithium development

- Close proximity and access to skilled labour force and requisite infrastructure
- Special Economic Zone accreditation provides significant financial and logistical advantages
- Fully permitted to commence production
- Dual-track Optimised Feasibility Study to further delineate most attractive pathways to production:
  - Staged OFS for two-stage build to 2.4 Mtpa via staged 1.2 Mtpa modules; and
  - Direct OFS for one-stage build direct to 2.4Mtpa
- Construction and operation of Pilot Plant provides significant learnings and de-risking opportunities
- Partnership process being managed by Azure Capital and Vermilion Partners remains on-track, with strong interest from several groups focused on the Direct OFS outcomes



Key Staged OFS Outcomes

Confirmation of strong technical and economic viability under alternative build pathways

Prospect Resources

Rationale and key conclusions

Building on Arcadia Updated DFS to deliver a compelling long-life, large scale, hard rock open pit lithium mine

Rationale

- Confirm technical and economic viability of staged approach to development of Arcadia
- Staged OFS for two-stage build to 2.4 Mtpa via staged 1.2 Mtpa modules
  - Stage 1: Initial 1.2 Mtpa throughput build (four years)
  - Stage 2: Expansion to 2.4 Mtpa (year five onwards)
- Risk mitigating execution profile
  - Pilot plant to delivers improved technical certainty and petalite market entry
- Leading engineering firm Lycopodium selected for Staged OFS with study capital expenditure completed to +/-12.5% accuracy, in accordance with the requirement of the AACE Class 2 Estimate ("Bankable Feasibility Estimate")

Key conclusions

- Lower upfront capital pathway to production, reduced execution and market risk
- Confirmation that Arcadia is among best of breed for scale and costs of production
- A simple and robust operation with high grades and low strip ratio enhancing financial performance
- Quality lithium concentrate products with very low impurities provides key advantage
- Increased confidence in process development, engineering design and cost estimation
- Staged approach enables lower risk optionality

Key Staged OFS outcomes

20 years
Life of Mine

US$386/t
concentrate AISC[1]

US$140m
Stage 1 pre-production capex

1.2Mt (Yr. 1-4)
2.4Mt (Yr. 5-20)
annual ore throughput[2]

34%
post-tax IRR @ FID

3.4 : 1
strip ratio (waste:ore)

133.4ktpa
LOM spodumene concentrate production[3,4]

3.6 years
payback period (post-tax)

107.6ktpa
LOM petalite concentrate production[3,5]

1. Comprises C1 costs + sustaining capex + Ta credits. 2. Following completion and ramp up of both stages. 3. Life of Mine average production. 4. Chemical grade, (6% Li_2O,<0.70 Fe_2O_3) 6. Comprises 86.1ktpa technical grade petalite (>4% Li_2O,< 0.05% Fe_2O_3) and 21.5kpta chemical grade petalite (4% Li_2O , <0.80 Fe_2O_3)

Financial outcomes

Confirmation of strong technical and economic viability under alternative build pathways

- Funding to first positive cash flow is US$30m less than the 2019 FS, achieving the objective of a reduced upfront financing burden with cash flow from the 1.2Mtpa operation funding the second 1.2Mtpa
- Recovered product over LOM is roughly the same with reserve increase offsetting reduced recoveries
- Process risk now reduced, with additional CAPEX to improve processing certainty
- Provides an excellent platform for the 2.4Mtpa OFS expected in Q4 2021.
- Conservative independent pricing by Roskill confirms a very attractive NPV_{10} of US$465m
- Valuation is significantly improved at higher price, spodumene set at a flat US$1,000/t giving NPV_{10} US$699m

Key metric (100% basis)	Unit	LOM
Annual process throughput	Mtpa	2.40
Initial life-of-mine (Ore Reserve)	years	20
Average head grade (Ore Reserve)	% Li_2O	1.19
Average production		
Spodumene (chemical grade)	tpa (conc.)	133,372
Petalite (technical grade)	tpa (conc.)	86,088
Petalite (chemical grade)	tpa (conc.)	21,522
Pre-production capital expenditure	US$m	212
Sustaining capital expenditure	US$m	39
Post tax Investment to first positive cash	US$m	148
Cash Operating Cost (post ramp up)	US$/t conc.	378
AISC (C1 + Sust Capex + Ta)	US$/t conc.	386
IRR (pre-tax, real basis, ungeared)	**%**	**35**
IRR (post-tax, real basis, ungeared)	**%**	**34**
Pre-tax $NPV_{10\%}$ (real basis, ungeared)	**US$m**	**465**
Pre-tax $NPV_{10\%}$ (US$1,000/t FOB Spot for spodumene)	**US$m**	**699**
Post-tax $NPV_{10\%}$ (real basis, ungeared)	**US$m**	**408**
Average Annual EBITDA (post-tax)	**US$m**	**97**
Project net cashflow (post-tax)	**US$m**	**1,468**

Physical outcomes

Confirmation of strong technical and economic viability under alternative build pathways

- 20 years Life of Mine (LOM)
  - Stage 1 standalone from years 1-4; with
  - Stage 2 added from years 5-20
- 2.4Mtpa plant delivers 146,070tpa of spodumene concentrate (SC6) equivalent to approx. 22,000tpa LCE / 25,000tpa LiOH
- Lithium market expansion and emerging supply deficit set to widen in 2024, in line with the commencement of production at Arcadia

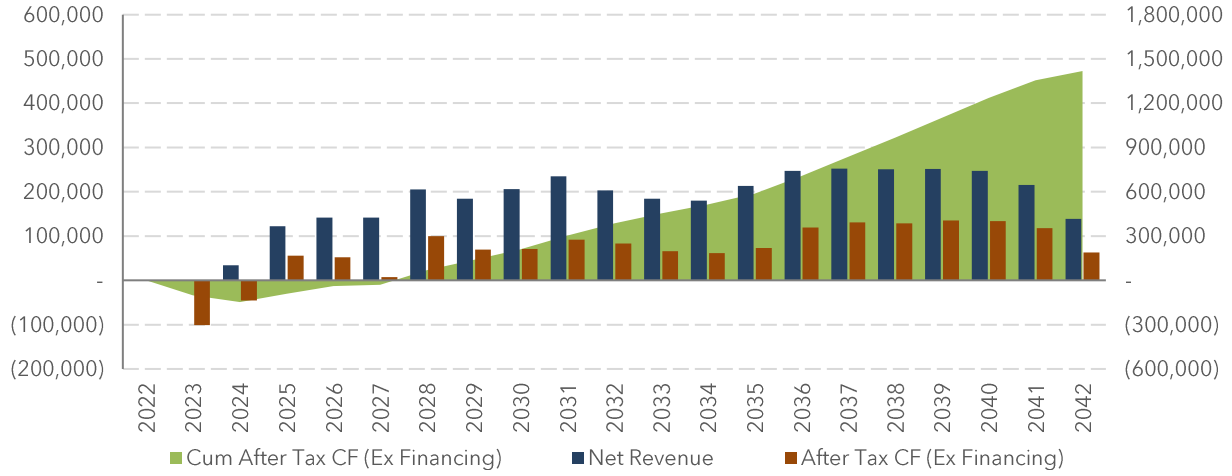
Key Metric (100% basis)	Unit	Stage 1 (1.2Mtpa)	Stages 1 + 2 (2.4Mtpa)	LOM
Total ore throughput	Mt	4.03	38.31	42.34
Annual process throughput	Mtpa	1.2	2.4	2.4
Initial life-of-mine	years			20.0
Average strip ratio (waste:ore)	t:t	4.9	3.4	3.4
Average head grade	% Li_2O	1.20%	1.11%	1.12%
Spodumene recovery	%			78.0%
Petalite recovery	%			31.3%
Total production				
Spodumene (chemical grade)	t conc.	295,341	2,338,752	2,634,093
Petalite (technical grade)	t conc.	170,137	1,530,100	1,700,237
Petalite (chemical grade)	t conc.	42,534	382,525	425,059
Average production				
Spodumene (chemical grade)	tpa conc.	73,835	146,070	133,372
Petalite (technical grade)	tpa conc.	42,534	95,551	86,088
Petalite (chemical grade)	tpa conc.	10,634	23,888	21,522

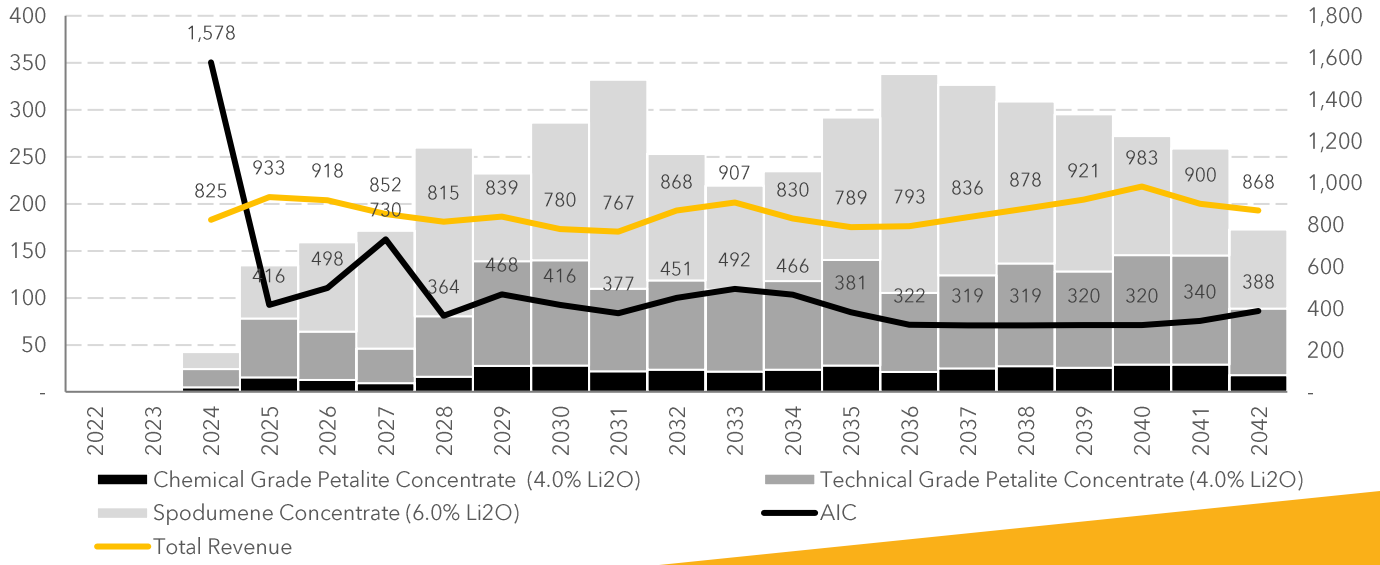
The Staged OFS production schedule is comprised entirely of Ore Reserves and contains no Inferred Resource material.

Financial outcomes

Confirmation of strong technical and economic viability under alternative build pathways

- The outcomes note average EBITDA of US$69m (years 1-4) showing the 1.2Mtpa case is financially robust on its own
- Cash flow from the stand alone 1.2Mtpa plant is more than sufficient to fund the US$72m capex needed to expand to 2.4Mtpa
- The C1 unit cash cost gives a significant margin to the long-term expected sales price, with significant free cash generation through the years
- Post tax cash generation is significant at US$1.7bn, due largely to the significant reduced tax rates awarded under the Special Economic Zone (0% yr1-5, 15% LOM)





Mining and Processing

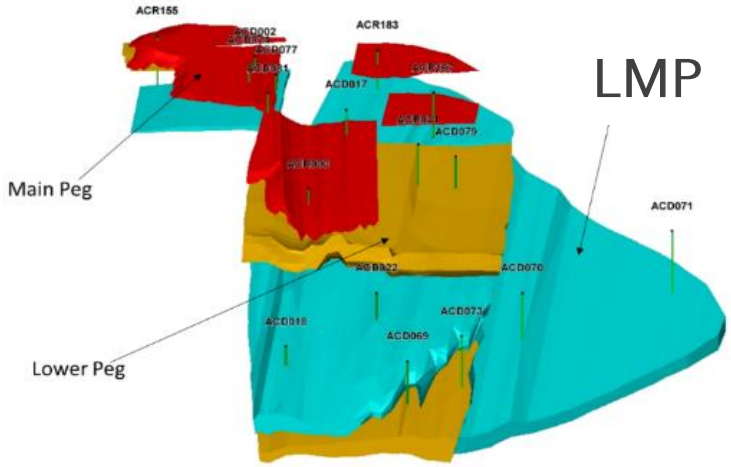
Near-surface geology, amenable to open pit mining, utilising conventional mining and processing techniques

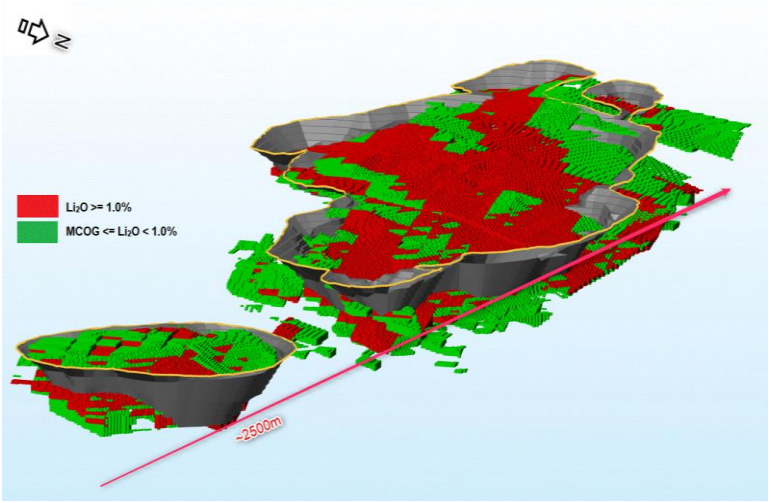
Prospect Resources

Geology – Arcadia Deposit

A series of 14 stacked flat-lying pegmatites that are members of the Lithium Caesium Tantalum (LCT) group

- Pegmatites dip at a shallow angle to the northwest with minimal surface outcrop
  - Approximately 200m of the Main Pegmatite is exposed in an old pit exploited intermittently in the 1970s
- More than 50% of Resource is hosted by the thick **Lower Main Pegmatite (LMP).**
- The mineralisation extends for over 4km of strike; south west to north east. Drilled resource covers just over 2km of this, with the defined reserve extending for 1.5km. A series of satellite bodies exist, with different mineralogies, some of which are caesium enriched
- Semi-regional exploration (to date): **>14,000 soil samples**, mapping, trenching and some drilling, identifying a **number of satellite bodies** and resulted in definition of a **robust exploration model**
- Within close proximity to Arcadia, Prospect has identified a number of exploration targets that have the **potential to materially increase the Arcadia Resource**





Average Mineral Composition			*Lithium-bearing minerals comprised largely of **petalite** and **spodumene** (**2:1 ratio**). 4% is composed of mica minerals, largely muscovite, which is in solid solution with the lithium-bearing mica **lepidolite.**
Feldspar	Quartz	Li Minerals*	
45%	30%	19%	

Mineral Resource and Ore Reserve

The Arcadia deposit is a high-quality, long-life lithium asset

- October 2021 Ore Reserve increased contained lithium to 1.24Mt Lithium Carbonate Equivalent (LCE)
- Extended Life Of Mine (LOM) to 20 years
- Low strip ratio of 3.2:1 (waste:ore) including pre-strip to access the ore bodies
- Reduced risks associated with grade control and orebody knowledge, with 28% of Reserve in the proved category
- Movements in Ore Reserve from 2019 largely due to change in recoveries and pricing

Mineral Resource (October 2021)

Category	Tonnes (Mt)	Li_2O (%)	Ta_2O_5 (ppm)	Li_2O (kt)	Contained Ta_2O_5 (Mlbs)
Measured	15.8	1.12%	113	177	3.9
Indicated	45.6	1.06%	124	484	12.5
Inferred	11.2	0.99%	119	111	2.9
TOTAL	**72.7**	**1.06%**	**121**	**770**	**19.4**

Figures above may not sum due to rounding
Mineral Resources are inclusive of Ore Reserves.

Ore Reserve (October 2021)

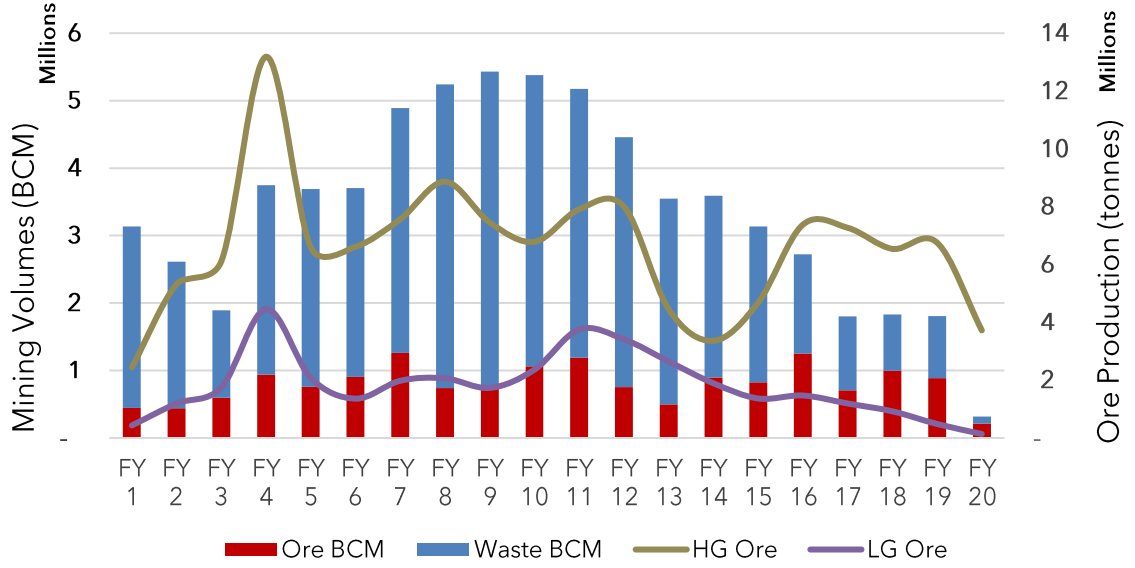
Category	Tonnes (Mt)	Li_2O (%)	Ta_2O_5 (ppm)	Li_2O (kt)	Contained Ta_2O_5 (Mlbs)
Proved	11.8	1.25%	114	144	3.0
Probable	30.5	1.17%	123	357	8.3
TOTAL	**42.3**	**1.19%**	**121**	**504**	**11.3**

Mining operations

Near-surface geology amenable to Open Pit Mining

- Pit design, optimisation and mine scheduling prepared by CSA Global (Perth Office)
- It is planned that mining will be performed by diesel hydraulic, track-mounted backhoe excavators with ore and waste hauled using off-road dump trucks
- Due to the shallowness of the orebody, open pit mining method is the most convenient and economic extraction method
- A total of 144Mt of waste is to be extracted from the pits which represents a Life Of Mine (LOM) stripping ratio of 3.4:1
- Strip ration includes US$3.5m of pre-strip prior to operations
- Projected direct mining costs with 42.3Mt of ore extracted, equating to:
  - US$2.61/t ore; or
  - US$102/t concentrate produced

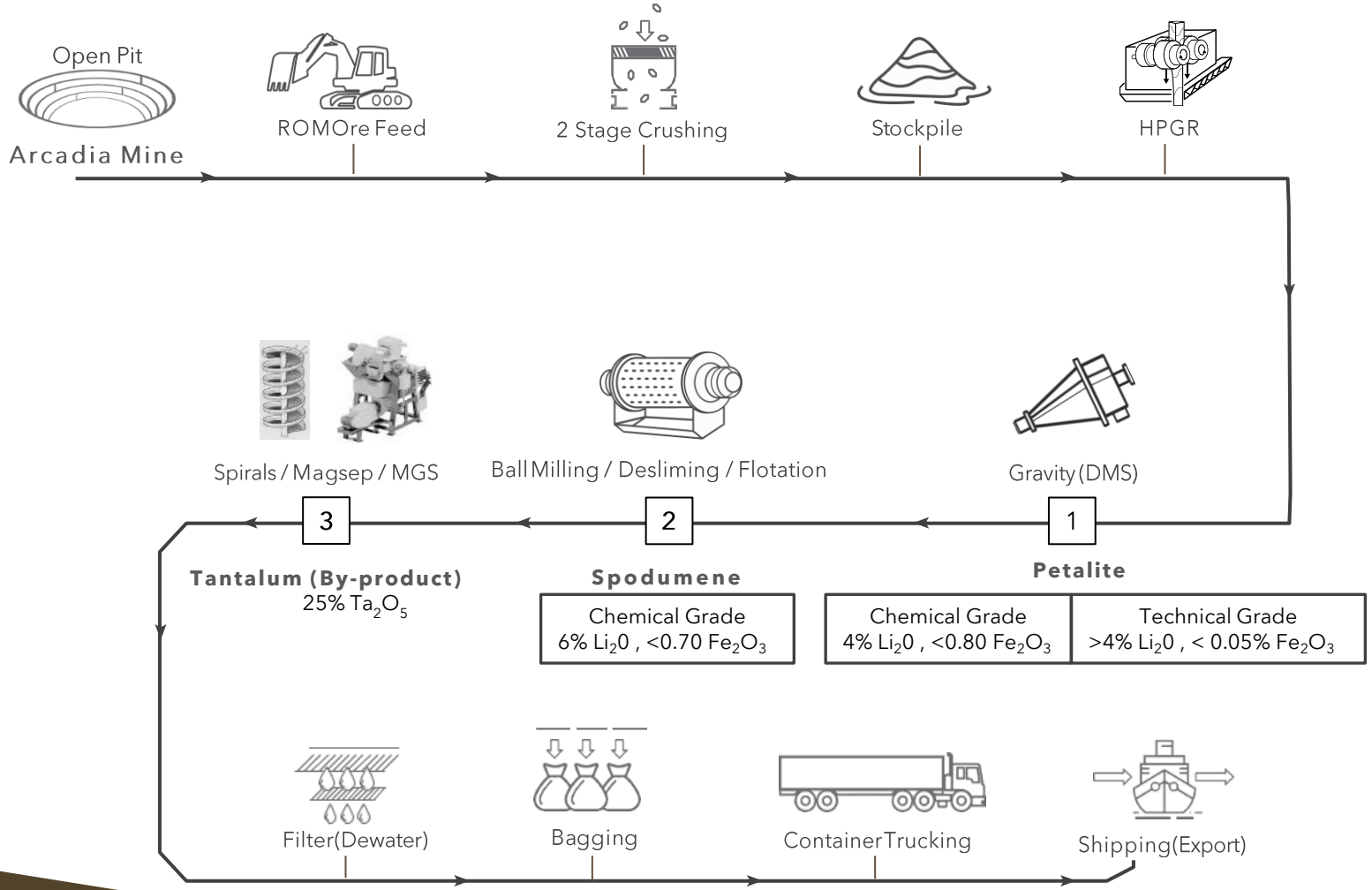
Mining Volumes (LHS) & Ore Production (RHS)



Parameter	Main Pit	NE Satellite Pit
Length	1,600m	550m
Width	700m	400m
Depth	140m	120m
Final truck floor RL	1190 RL	1185 RL

Processing

Conventional mining and processing techniques



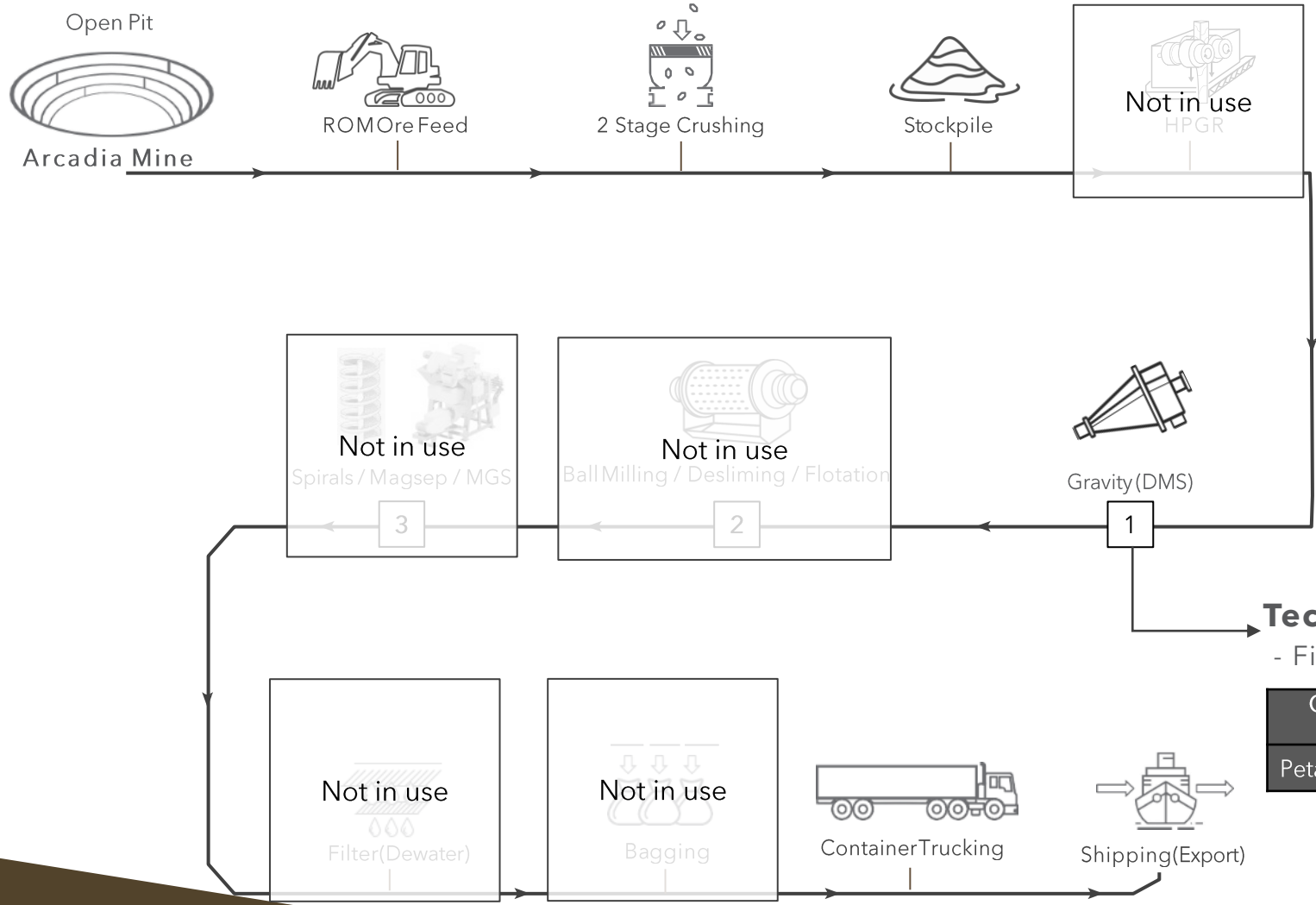
Metallurgical Testwork Outcomes

Additional testwork has been carried out and witnessed by Lycopodium:

- Comminution testwork concluded that Arcadia ore is in line with benchmarked comminution results
- Split DMS testwork carried out and results achieved demonstrate:
  - Ability to produce technical grade petalite, further corroborated by results at Arcadia Pilot Plant to date
  - Petalite recovery >31.3% over LOM
- Flotation locked cycle testwork has been carried out and key outcomes:
  - Global Spodumene recovery of 78.2% over LOM
- OMC overall mass balance in line with previous DFS assumptions

Pilot Plant operational learnings

Key learnings through operation and benchmarking



Key Learning Outcomes – Pilot Plant

- Contaminants management
  - High proportion of meta basalt near surface
  - Key is blasting controls and pit hygiene
- Internal stockpile controls
- Media contamination
- Optimum DMS feed preparation required
- DMS cut points (within 0.005 SG units change)
- High accuracy density meter critical
- Service sector experience
- Effective partnerships/alliances with service providers near site (abundant skills and service providers in Harare)

Technical Grade Petalite

- First Shipment Specification Performance

Coarse Product @ 5 x 1.7mm	Li_2O	Fe_2O_3	Na_2O+K_2O
Petalite concentrate	4.66%	0.04%	0.20%

Infrastructure and Logistics

Proximal access to key infrastructure, utilities and resourcing with multiple routes to export

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Location and Infrastructure

Project location proximal to key infrastructure, utilities and resourcing

Power

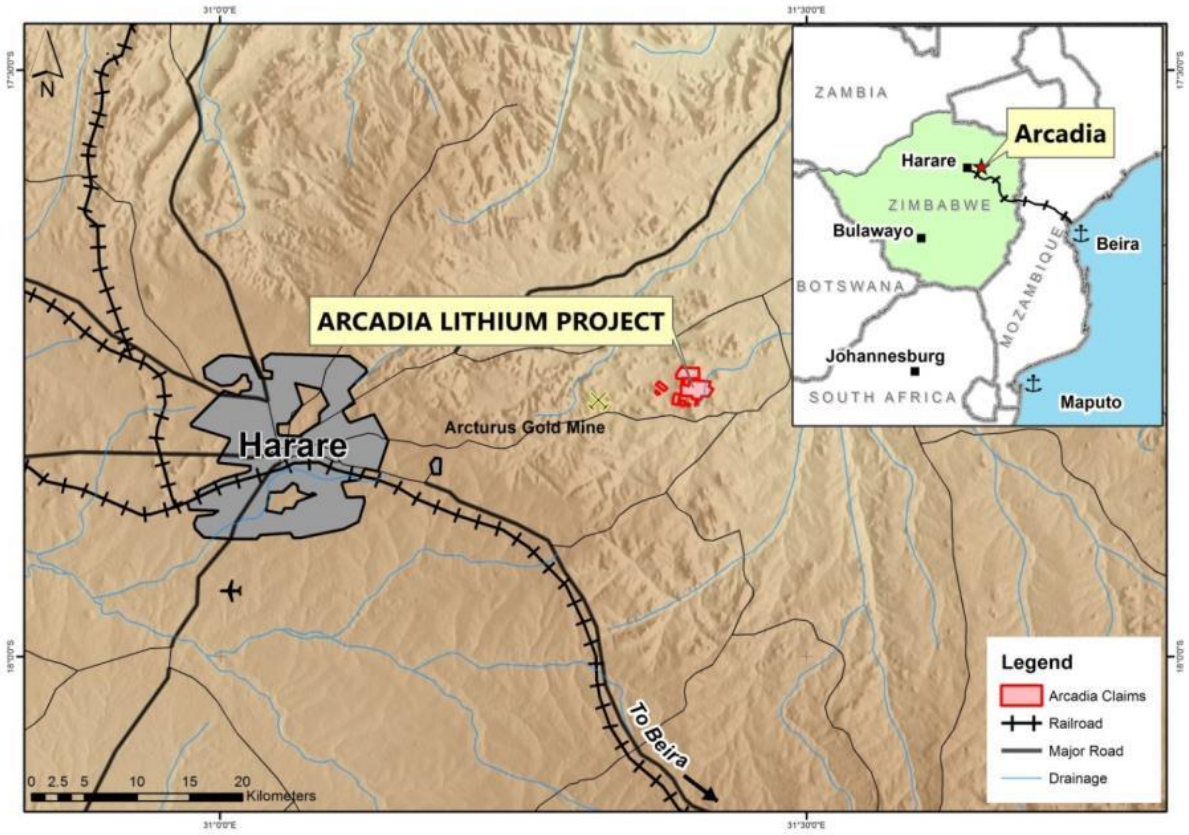
- Peak load requirement estimated ~18.5MVA
- ZETDC 132kV Atlanta substation, located approximately 9.5km from Arcadia, has two 132/33kV transformers rated at 75MVA and 50MVA respectively
- The substation has a 25MW bay equipped and available for the Arcadia Lithium Project
- A dedicated 33kV, 20MW supply has been secured and paid for by PLZ to meet Arcadia plant demand

Communications

- Mine communications supplied via fibre optic cable incorporated within overhead powerline infrastructure

Water

- Abundant high-quality groundwater available, with an additional 8.1 million cubic meter capacity available from Chinyika Dam, situated less than 4km away from Arcadia

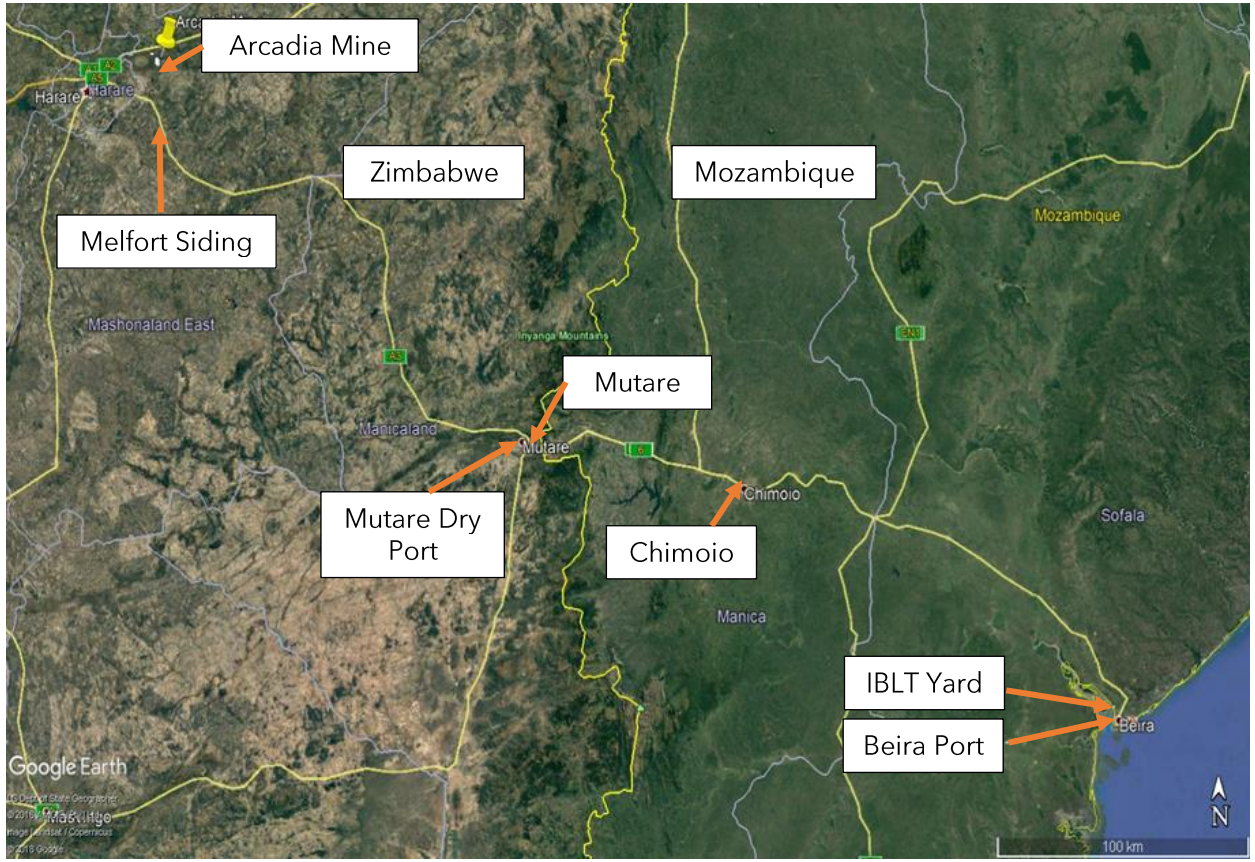


The Arcadia Project is located 38km east of Harare, providing nearby access to key resources, skills, personnel and accommodation.

Logistics

Multiple routes to export

- Product to be delivered FOB via Port of Beira, accessible by well maintained dual-lane carriageway (580km)
- Port of Beira is Mozambique's second largest port and can support vessels up to 60,000t with a maximum draft size of 12m
- Container terminal can store up to 10,000 TEU's with annual capacity of 300,000 TEU's (260,000 TEU's in 2020)
- Expansion plans in place to increase to 700,000 TEU's
- Multi purpose general cargo terminal covers 4 quays with a length of 670m and a depth of 9.5m, fully equipped to handle a variety of bulk cargoes



Capital and Operating Costs

Demonstrating highly competitive forecast operating costs

Prospect Resources

Operating Costs

Demonstrating highly competitive forecast operating costs

- Forecast LOM C1 costs of US$378/t and AISC costs (incl. sustaining capex and tantalum credits) of US$386/t
- Operating costs (OPEX) are based on estimates of costs at the Arcadia mine, vendor quotations, budget prices, in-house database costs and engineering experience
- OPEX estimate can be considered to have an accuracy of ±15 %
- Complete review of mining process, following a staged and direct 2.4Mtpa mine plan
- OPEX has been determined using a fully dynamic financial model based on the mining schedule, metallurgical variables and mass balance
- Independent review of the logistics assessment, confirming the most viable route continues to be Beira
- Independent assessment of all costs confirms a very healthy margin, even when considering price reductions and cost escalation

Key metric (100% basis) US$/tonne	LOM
C1 Costs	
Mining	102
Processing	162
Support Services (SS)	24
Administration	19
Packaging and Logistics	85
Selling costs	40
Tantalum credits	(54)
Total C1 Costs	378
C2 Costs	
C1 Costs + depreciation	434
C3 Costs	
C2 + Corporate G&A + Royalties	452
AISC (C1 + Sust Capex + Ta)	386
AIC (AISC + Capex)	431

Model developed by third party consultants in line with industry best practices providing an independent perspective and a rigorous process focus on the outcomes

Capital Costs

Demonstrating highly competitive forecast operating costs

- Increased CAPEX to expand equipment capacity and capability, to reduce and manage process risk
- Utilising a highly modular setup with pre-erection in South Africa enables a reduction to execution risk
- A higher contingency to account for known and unknown risks and factoring in of EPCM costs
- High proportion of FEED engineering to reduce the estimation and CAPEX growth risk
- Capital expenditure completed to +/-12.5% accuracy, in accordance with the requirement of the AACE Class 2 Estimate ("Bankable Feasibility Estimate")

Capital Cost (100% basis) US$M	Stage 1 (+1.2 Mtpa)	Stage 2 (+1.2 Mtpa)	Total
Site Readiness & Infrastructure	20.66	9.26	29.92
Mining	5.53	-	5.53
Processing Plant	69.62	45.51	115.13
Preliminaries and General	11.50	4.39	15.89
Owners Project Team Costs	7.55	3.66	11.21
EPCM	13.75	2.22	15.97
Contingency	12.14	6.61	18.75
Total	140.74	71.66	212.40

Lithium Market

A globally unique orebody, with premium products supplying multiple large end-use markets

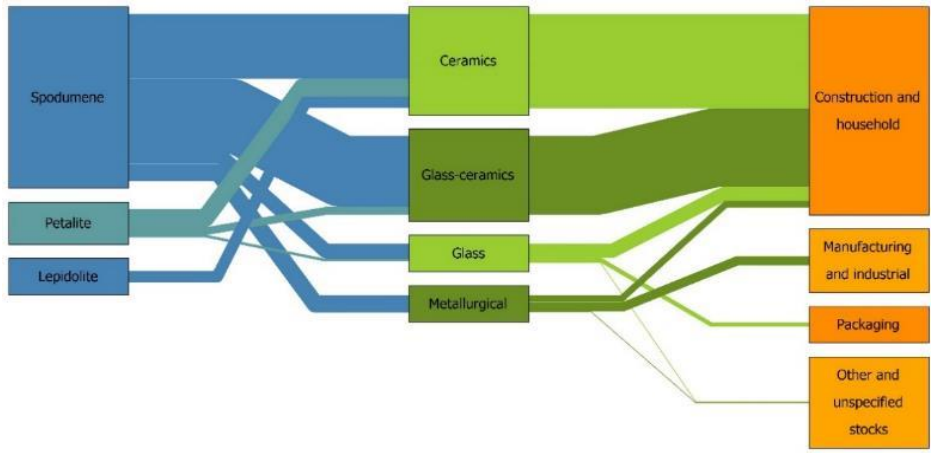
Technical Grade Petalite

Established and stable market exposure

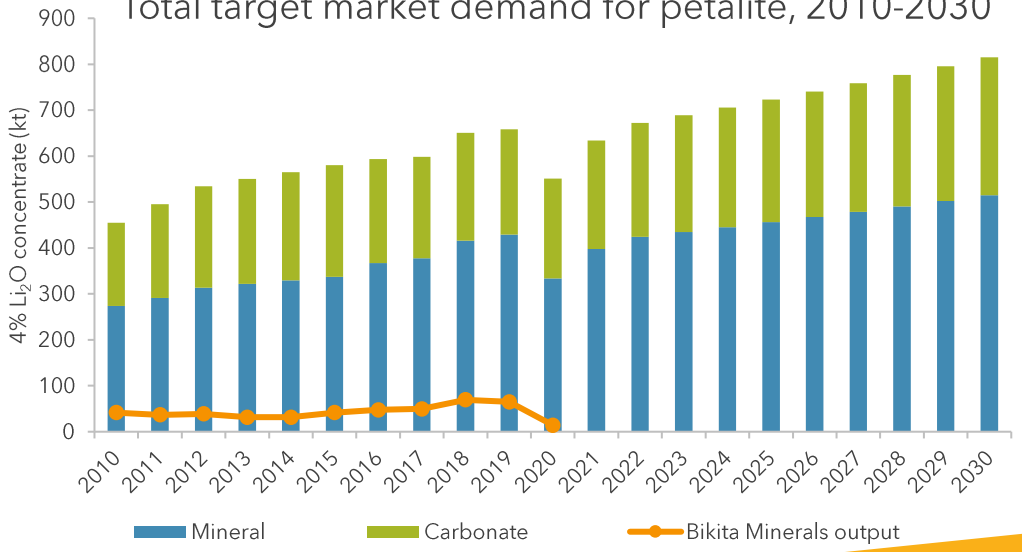
- Prospect undertook a market study with Roskill to highlight the opportunity petalite presents within the broader lithium market
- Estimated mineral demand from petalite's core target markets of ceramics, glass-ceramics and glass reached 429kt (4% Li_2O concentrate equivalent) in 2019
- Forecast to growth of 2% CAGR to 2030, reaching 515kt (4% Li_2O concentrate equivalent)
- By 2030, the value of global technical mineral concentrate demand from these three markets could reach over US$650 million per year
- Petalite's use as feedstock material within its core target markets has generally been restricted by availability and reliability of supply rather than demand

Source: Company reports, Roskill

Technical lithium minerals flow chart, 2019



Total target market demand for petalite, 2010-2030



Tier One Partners Secured

Offtake agreements in place across Europe and Asia

SIBELCO

Material solutions advancing life

7 year offtake agreement

- Up to 100,000tpa of 4% petalite concentrate
- World's largest known high purity petalite offtake agreement
- +40 years experience with petalite in Europe

中矿资源集团股份有限公司

SINOMINE RESOURCE GROUP CO., LTD.

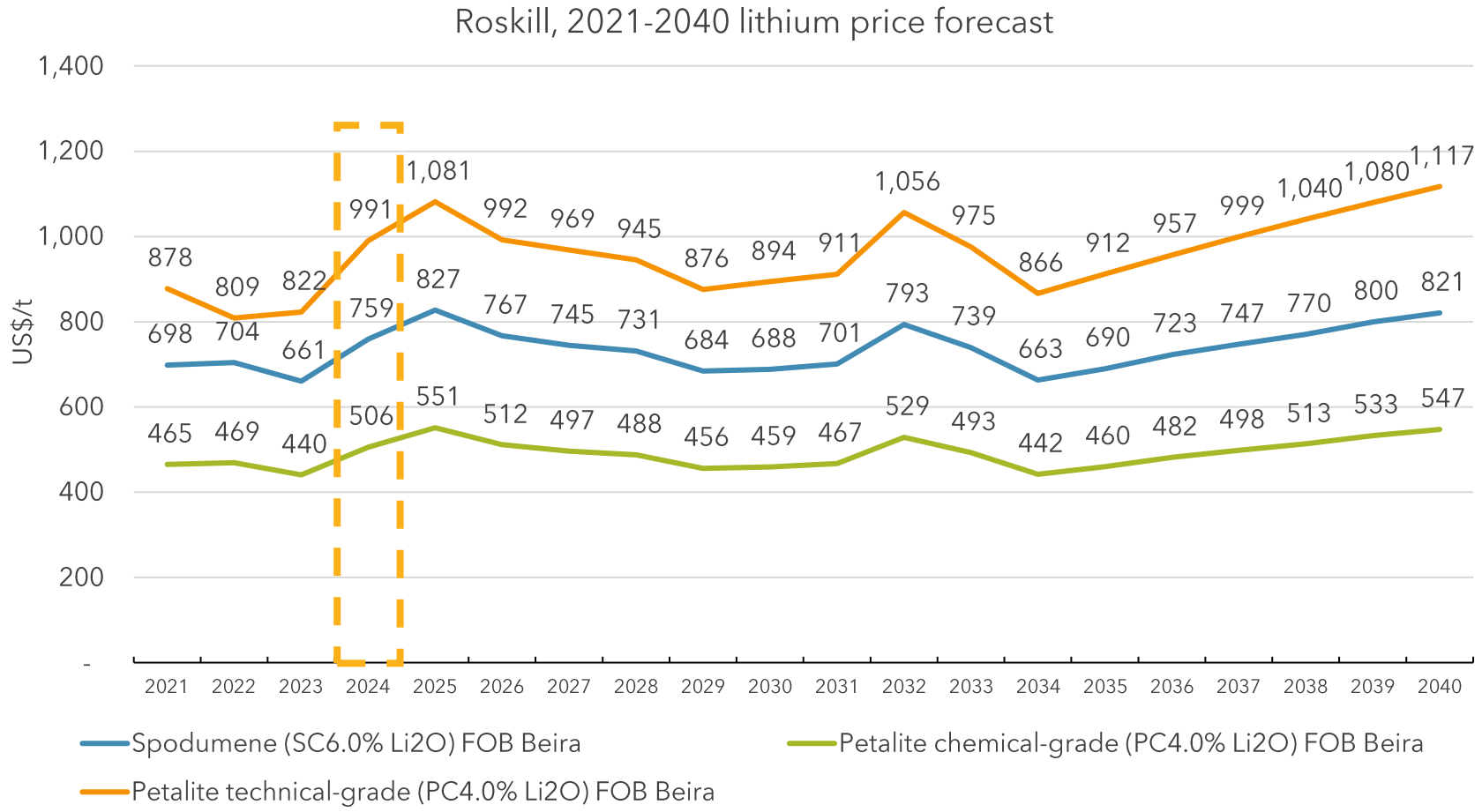
7 year offtake agreement

- Deliver a total of 48,160 Lithia units, equivalent to approx. 119,000 LCE
- US$10M pre-payment (upon installation of ball mill in project development)
- A$10M equity investment in Prospect (completed)

Staged OFS price assumptions

Independent price forecast developed by renowned mineral specialist

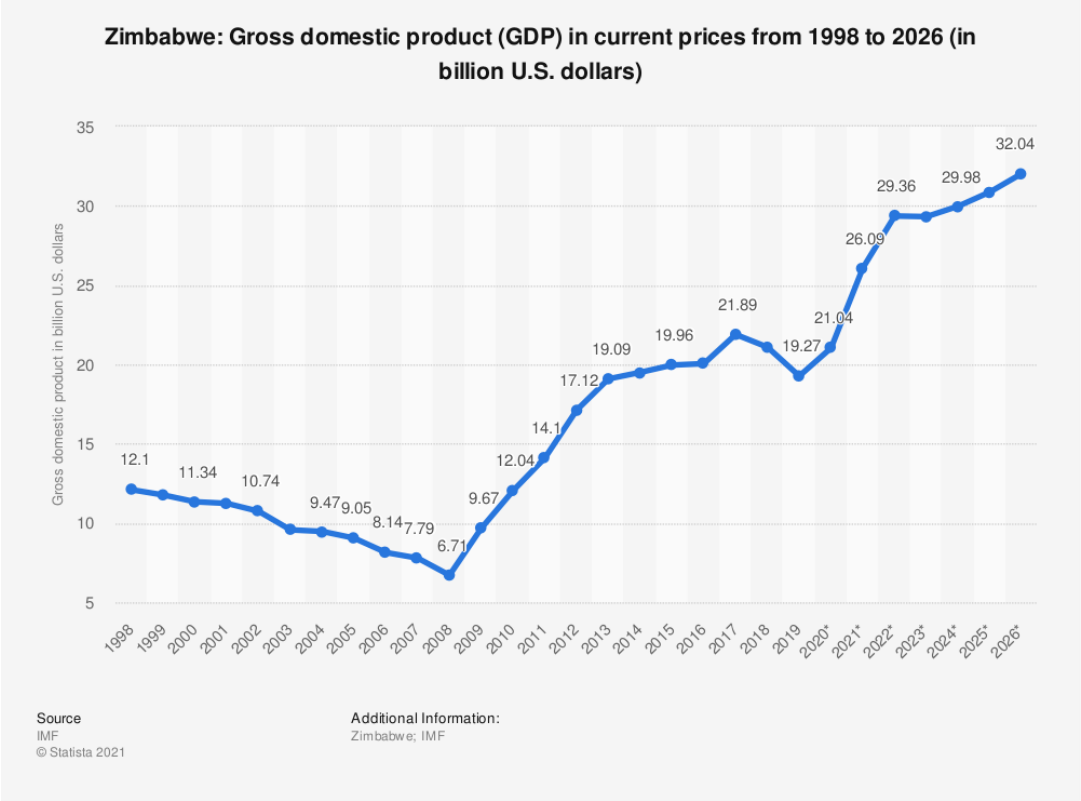
- Roskill developed OFS price forecast
- All prices have been calculated to FOB Beira.
- The Life of Mine average prices are:
  - Spodumene US$736/t
  - Technical Petalite US$959/t
  - Chemical Petalite US$490/t



Zimbabwe on the rise

Foreign investment confidence growing with improvements in stability

- Significant positive momentum over the last 12-24 months
  - Sharply lower inflation and relative currency stability
  - Government/monetary transparency and policy stability
- Mining is a key sector to the Government's 2030 vision
  - GoZ targeting $12bn mining sector by 2023
  - Ministry of Mines considers Arcadia "Project of National Significance"
  - Awarded National project Status and SEZ license (Apex GoZ incentive)
- Arcadia's Special Economic Status allows offshore banking and in foreign currency, exemptions on withholding tax for dividends, remittances and royalties, and customs clearance at mine site
- Over 100 years of mining history / pedigree culminating in becoming the;
  - 5th largest producer of lithium in the world;
  - 2nd largest producer of platinum; and
  - largest producer of chrome
- Major companies currently active in Zimbabwe include: Caledonia Mining (NYSE: CMCL), Implats (JSE: IMP), Zimplats (ASX: ZIM), Sibanye Stillwater (JSE: SSW), Anglo American (LSE: ALL), Tsingshan and Sinomine Resources



Key consultants and execution partners

Industry leaders ensure best practice and exceptional results

Lycopodium – Engineering and EPCM Partner

- Extensive lithium experience across multiple projects, covering both DMS and flotation processes
- ADP (African subsidiary) offers a full range of projects consulting services from conceptual studies to larger scale project execution using EPCM or lump sum contracting models

J&J Transport Africa

- Leading transporter, +20 years experience in cross-border transport, in particular between Mozambique and Zimbabwe
- Extensive fleet with operate handling/storage facilities at Beira, providing an end-to-end transport solution

JR Goddard Contracting

- Specialists in open pit mining, large-scale earthworks, civil construction and infrastructure development
- Large fleet of transport and earth moving equipment

Contribution	Author	Location
Process Design	Lycopodium	Australia
Process Design Review	Lycopodium	Australia
SHE Management Plan	Lycopodium	Australia
Project Execution Plan	Lycopodium	Australia
Quality Management Plan	Lycopodium	Australia
Electrical Network Analysis	Norconsult	South Africa
Ore Reserve	CSA Global	Australia
Testwork Programs	Geolabs, Pesco, Anzaplan, NAGROM, LDE, Coremet, Thyssen Krupp	South Africa, Germany
Minerals Marketing	Lithium – Roskill, Tantalum – Roskill	London
Project modelling	Infinity Corporate Finance	Australia
Resource Modelling	Ms. Gayle Hanssen BSc Geology (Natal), SACNASP of DMS, Zimbabwe	South Africa
Geotechnical services	Practara Ltd	South Africa
Mine Planning	CSA Global (Pvt) Ltd, Meiring Burger	Australia, South Africa
Environmental Impact Assessment and Gap Analysis	SRK Consulting	South Africa
Hydrogeological Assessment	Constant Chuma of NUST University Zimbabwe	Zimbabwe
TSF design	EPOCH Resources (Pty) Ltd	South Africa

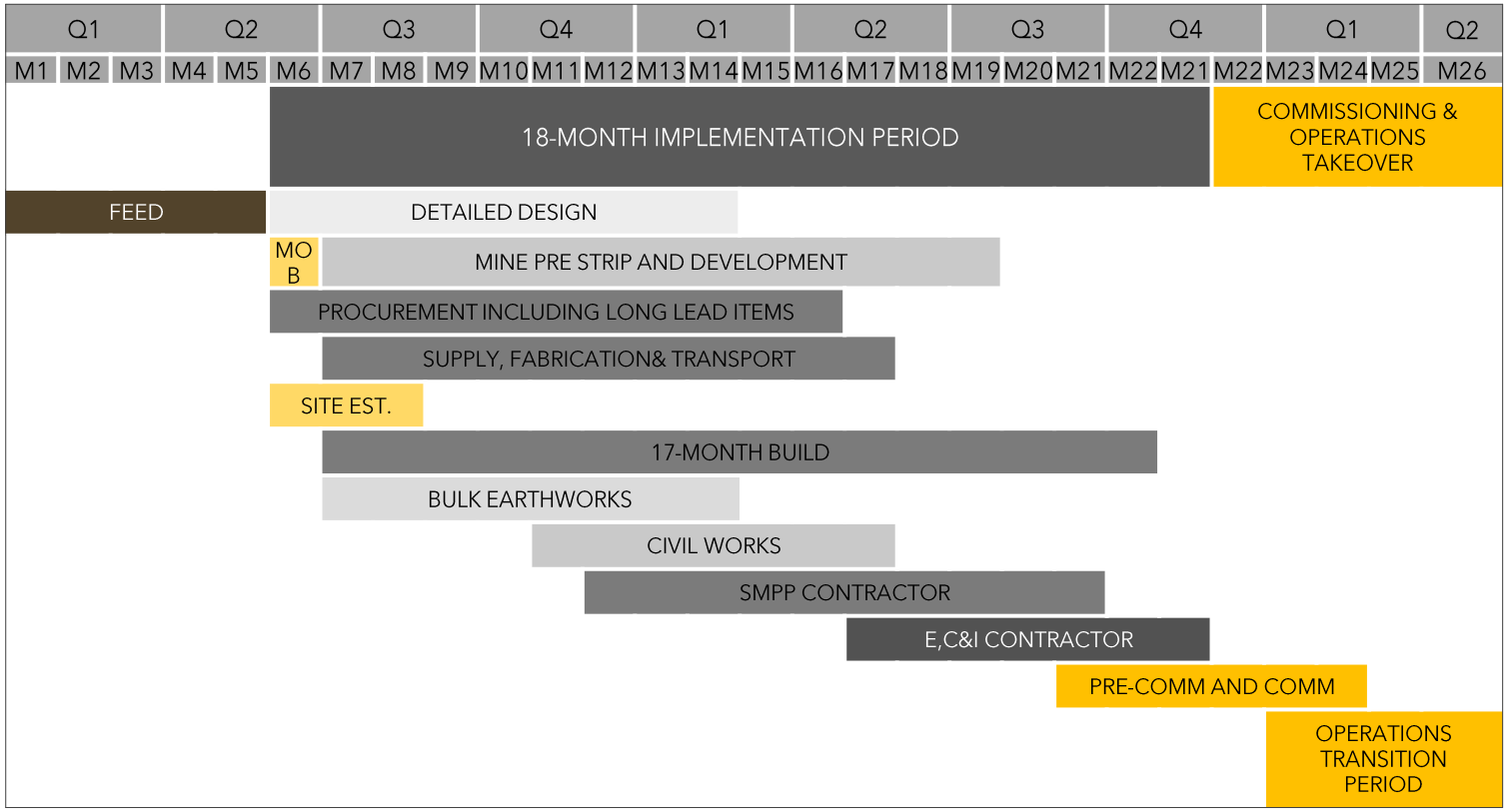
Key project risks and execution timeline

EPCM Execution expected 18-months from completion of FEED

A significant body of work has been undertaken to mitigate key risks factors, including in collaboration with industry leading consultants. Notwithstanding these measures to manage risk, key factors include:

Key Risks

- Commodity pricing
- Foreign currency exchange rates
- Geological interpretation and resource
- Estimated operating costs
- Capital cost inflation
- Availability of labour
- Utility provision
- Royalties, taxes and levies



Summary

Staged OFS confirms technical and economic viability under staged build pathway

Arcadia is a world class long-life and large scale lithium asset

Industry leading consulting partners provide best practice and exceptional results

Offtake agreements secured across Europe and Asia with Tier 1 Partners

Project modelling demonstrates highly competitive forecast operating costs

Pilot plant to delivers improved technical certainty and petalite market integration

Project located in close proximity to key infrastructure, utilities and resourcing

Staged OFS provides lower upfront capital pathway to production and reduced risk

High grade, low impurities and low strip ratio provides enhanced financials

Prospect Resources Limited

Staged OFS Presentation

October 2021

ASX:PSC | FRA:5E8

Prospect Resources