ASX ANNOUNCEMENT

20 October 2022

High-grade spodumene intersected in initial drilling at Step Aside

Highlights

- **First-pass RC and diamond drilling at the Step Aside Project has generated multiple intersections of high-grade lithium mineralisation**
- **Best results returned to date include:**
  - **7.4m @ 1.28% Li_2O from 43.6m (CDD013)**
  - **6.1m @ 1.49% Li_2O from 82.2m (CDD011)**
  - **4.4m @ 1.43% Li_2O from 52.6m (CDD006)**
  - **4.3m @ 1.15% Li_2O from 19.2m (CDD013)**
  - **9.0m @ 1.02% Li_2O from 38.0m (CRC011B)**
  - **8.0m @ 1.09% Li_2O from 53.9m (CDD001)**
  - **6.0m @ 1.05% Li_2O from 17.0m (CDD007)**
  - **7.0m @ 0.82% Li_2O from 24.0m (CRC001B)**
- **XRD analytical results confirm intersected mineralisation is predominantly spodumene**
- **Drilling targeted 5 visible pegmatite outcrops, with 3 returning robust intersections**
- **The largest, Pegmatite D, is interpreted to strike over at least 120m and is open to the south and down dip**
- **Follow up drilling programmes are being designed to target strike and depth extensions of the defined lithium mineralisation**

Prospect Resources Ltd (ASX: PSC, FRA:5E8) (**Prospect** or **the Company**) provides an update on key activities at its Step Aside Lithium Project, located 8km north of the Arcadia Lithium Project.

Prospect's Managing Director, Sam Hosack, commented:

"We are very pleased with what the initial drilling at Step Aside has delivered. The first-pass RC and diamond program focussed on proving geological continuity, seeking to define the potential strike extent of LCT pegmatites, and commencing testing of the potential down-dip extent and thickness of these pegmatites. This work was also designed to define key targets for follow-up drilling."

"What the initial drilling has shown us is robust intercepts of strong lithium tenor at relatively shallow depths, in multiple places. This is strongly encouraging and demands further, prompt testing."

"While still early-stage, our objective at Step Aside is the rapid delineation of a maiden JORC Mineral Resource estimate. Our experienced in-country exploration team is focussed on quickly advancing

Step Aside towards this aim, with further drilling to be progressed over the coming months. Planning for this follow-up program is already well advanced and it is targeted to commence in the first Quarter of 2023."

Background

Prospect's 100%-owned Step Aside Lithium Project is located within the Archaean Harare Greenstone Belt, approximately 35 km east of Zimbabwe's capital city Harare, with the claim covering approximately 100 hectares (see Figure 1). Step Aside is 8 km north of the Arcadia Lithium Project, which was discovered by Prospect and holds a Mineral Resource estimate of 72.7 million tonnes grading 1.02% Li_2O. The Arcadia asset was sold to Huayou Cobalt by Prospect earlier this year for approximately US$422 million cash. The Step Aside Lithium Project was however retained by Prospect to independently explore and advance.

The Step Aside Project consists of a folded sequence of meta-sediments of the Gwebi and Mapfeni Members, of the Passford Formation. These meta-sediments are intruded by north trending pegmatites, dolerites and quartz veins of the Mashonaland Suite, which make up the youngest rocks found within the Harare Greenstone Belt.

Figure 1: Locality map of Step Aside Lithium Project, 8 km north of Arcadia

Six visible mineralised pegmatites (denoted "A" to "F") have been identified within meta-dolerite host rocks at Step Aside. Individual pegmatites, geologically mapped at surface, are all generally parallel to one another, striking roughly north-south with dips of 40-45˚ to the west geologically mapped at surface. Pegmatite A on the eastern side and Pegmatite D to the west are the widest, measuring 5-15m thick and 4-20m thick, respectively. The strike lengths of the A, B, C, D, E and F pegmatite outcrops at surface, are between 50m and 120m long (see Figure 2).

Observations made previously by Prospect during drilling at Arcadia show that several parallel narrow pegmatites can coalesce into thicker pegmatites down dip, indicating the potential that parallel pegmatites outcropping at Step Aside could join to form a more comprehensive, lithium mineralised pegmatite system at depth.

Completed first-pass drilling

A scout RC drilling programme targeting the Step Aside pegmatite outcrops commenced in July, but progress was hampered by site access for the tracked rig and mechanical issues with the only available rig suited to the topography.

A total of 17 RC drill holes for 783 metres were completed (including re-drills) through to mid-August, before the remainder of the drilling programme was completed with diamond drilling.

A total of 13 diamond drill holes for 853 metres were completed up to 12 October.

Drill hole locations are shown on Figure 2 and tabulated in Appendix 1. A list of significant intersections from the Step Aside drilling programme is located in Appendix 2.

Drilling to date has covered less than 10% of the Step Aside Project claim area, leaving significant potential for further lithium discoveries in this prospective ground holding.

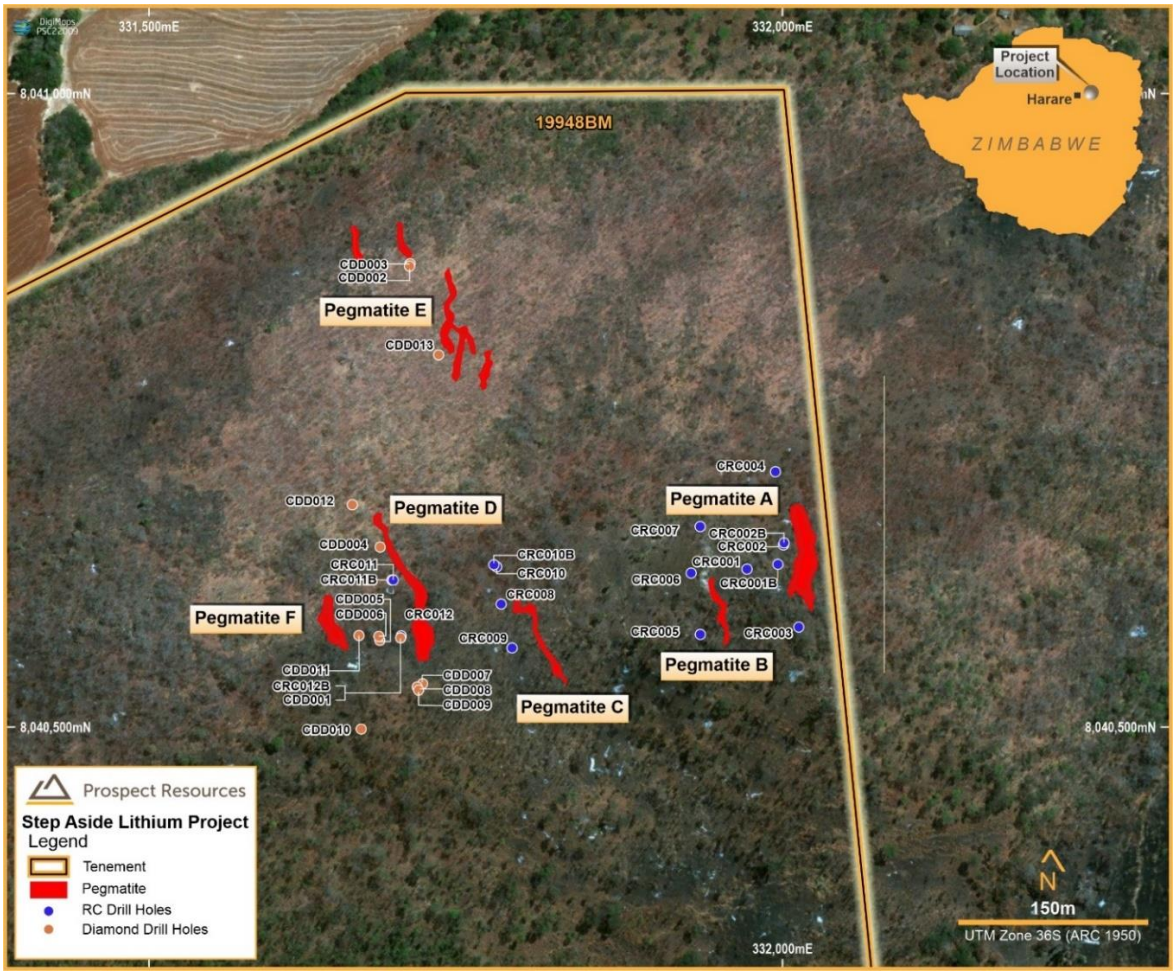

Figure 2: Drill hole collar plan for Step Aside Lithium Project with pegmatite outcrops

Pegmatite D

Pegmatite D was targeted by four RC holes and ten diamond drill holes. Results from Pegmatite D are very encouraging with all holes that reached their target depth intersecting lithium mineralisation, beside the northern-most hole CDD012. Diamond drilling has confirmed that the pegmatite dips at between 60° to 75° to the west, steeper than was mapped at surface (40-45°). Mineralisation has been located over a lateral extent of 120m strike to date and is open both down dip and along strike to the south.

Best results returned to date for Pegmatite D include:

- 6.1m @ 1.49% Li_2O from 82.2m (CDD011)
- 9.0m @ 1.02% Li_2O from 38.0m (CRC011B)
- 8.0m @ 1.09% Li_2O from 53.9m (CDD001)
- 4.4m @ 1.43% Li_2O from 52.6m (CDD006)
- 6.0m @ 1.05% Li_2O from 17.0m (CDD007)

A longitudinal cross section through Pegmatite D is shown below (see Figure 3), indicating it is open to the south. Further drilling along strike to the south and at depth is being planned.

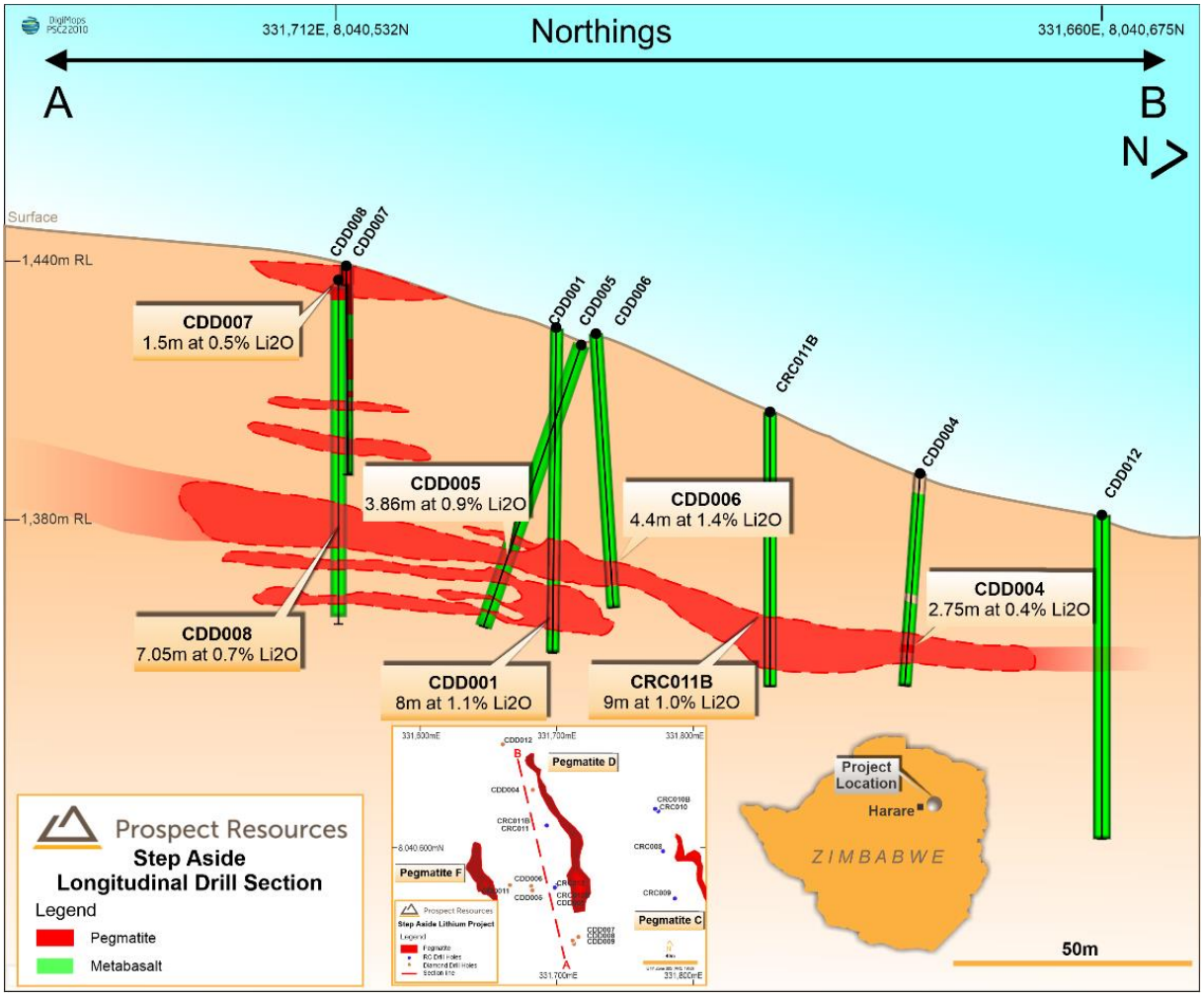

Figure 3: Longitudinal Cross Section through Pegmatite D at Step Aside

Figure 4 shows an east-west drilling cross section through Pegmatites D and F showing the system is still open at depth beneath drill hole CDD011, with Pegmatite F yet to be drill targeted.

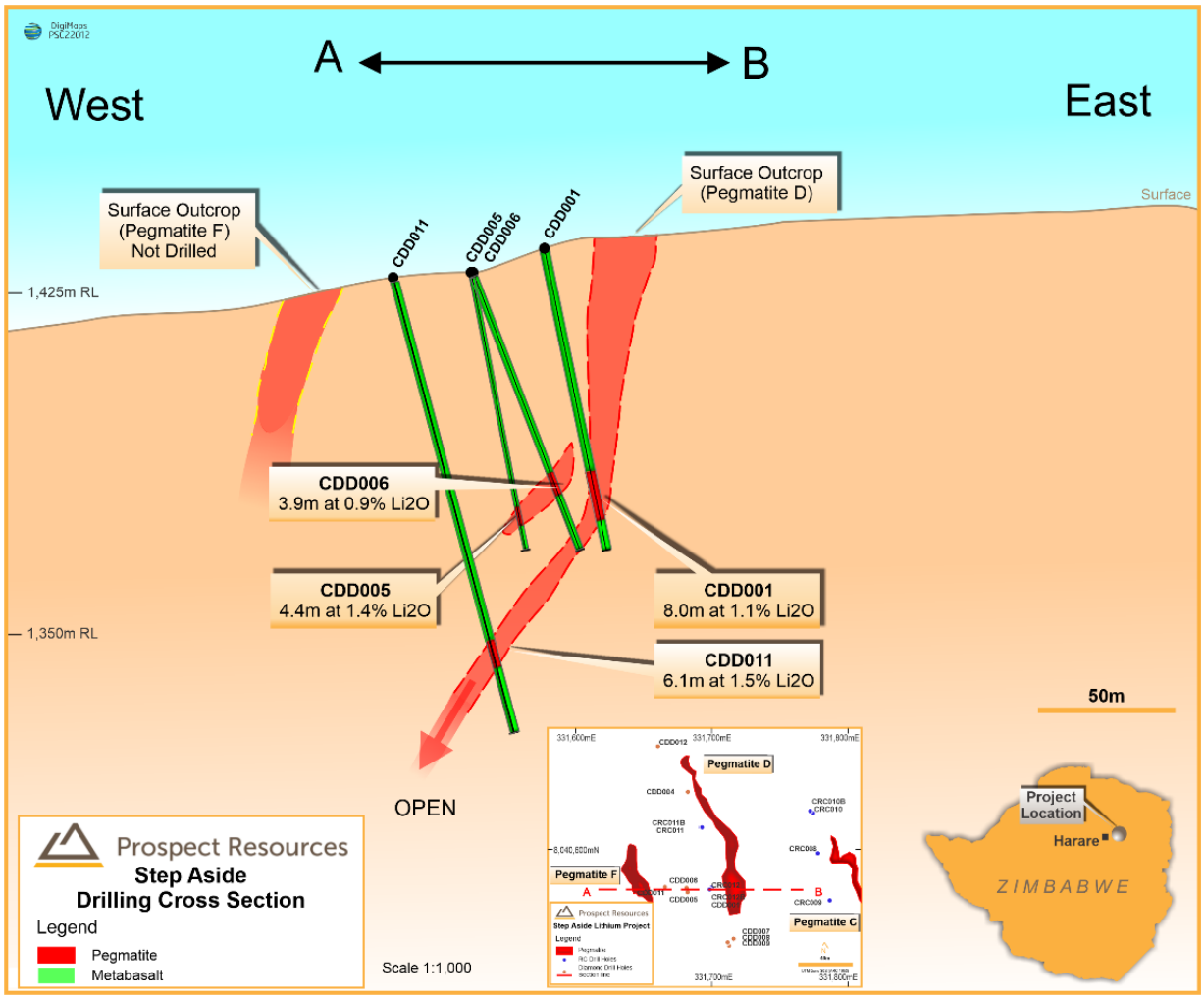

Figure 4: Drilling Cross Section through Pegmatites D and F (Step Aside)

Figure 5 below shows the spodumene-dominant lithium mineralisation intersected in drill hole CDD001, through Pegmatite D.

Pegmatites A, B and C

Seven RC holes targeted Pegmatite A to the far east at Step Aside, with the best result of 7m @ 0.82% Li_2O from 24m down hole in CRC001B. Narrow mineralised intercepts were noted elsewhere for Pegmatite A, but the northern-most drill hole CRC004 did not intersect pegmatite in the position expected, indicating the pegmatite does not continue in that direction or has been structurally offset.

Pegmatite B, to the west of Pegmatite A, contained narrow intersections of lithium mineralisation (see Appendix B), but was also not intersected, where expected, at depth to the north (CRC007), which could also indicate a structural offset.

Pegmatite C contained only narrow sub-grade lithium intersections as pegmatite stringers.

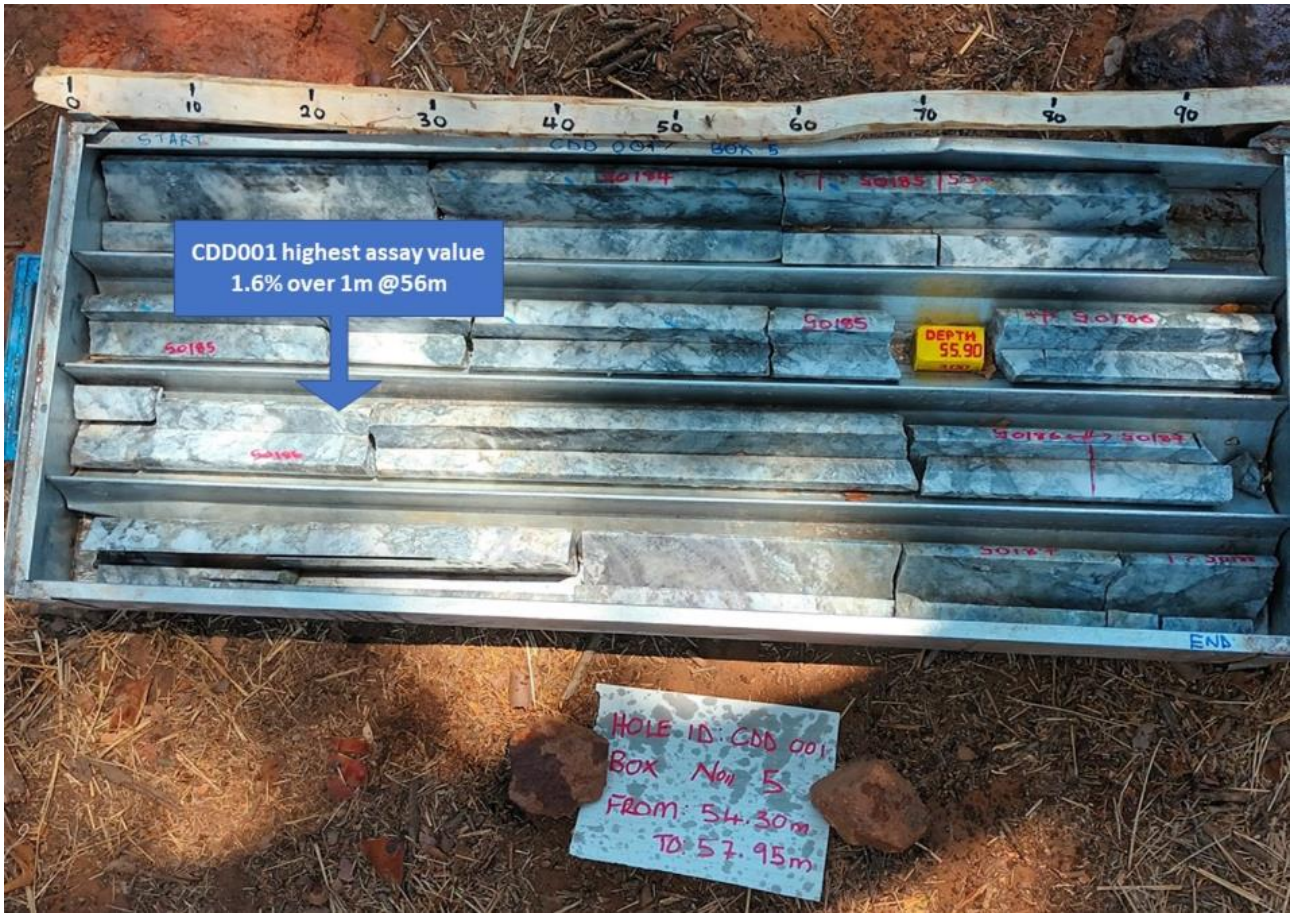

Figure 5: Diamond drill core showing high grade spodumene mineralisation in hole CDD001

Pegmatites E and F

The Pegmatite E complex is centred about 220m north of Pegmatite D but is not interpreted to be along strike from it. Three diamond holes were completed below the pegmatite outcrop for Pegmatite E and whilst stringers of were identified at depth to the north, drill hole CDD013 contained two wide intersections of pegmatite containing lithium mineralisation. The topmost zone returned 4.3m @ 1.15% Li_2O from 19.2m, whilst the lower zone returned 7.4m @ 1.28% Li_2O from 43.6m down hole.

Pegmatite F, located 75m west of Pegmatite D, was not drill tested during the current programme.

Future drilling planned

With the presence of high-grade, spodumene-rich mineralisation confirmed by the encouraging lithium assay results from Pegmatites A, D and E, a follow-up drilling program for Step Aside is currently well advanced in design and targeted to commence in the first Quarter of 2023.

This release was authorised by Sam Hosack, Managing Director

For further information, please contact:

Sam Hosack
Managing Director
shosack@prospectresources.com.au

Ian Goldberg
Chief Financial Officer
igoldberg@prospectresources.com.au

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

Prospect Resources Limited (ASX: PSC, FRA:5E8) is an ASX listed company focused on the exploration and development of mining projects, specifically battery and electrification minerals, in Zimbabwe and the broader sub-Saharan African region.

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 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.

Competent Persons Statements

The information in this announcement that relates to Exploration Targets and 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 Consultant 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 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". 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.

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.

APPENDIX 1: Drill hole collar locations for Step Aside Lithium Project

Hole_ID	Drill Type	Deposit	DH_East	DH_North	DH_RL	Datum	DH_Dip	DH_Azimuth	DH_Depth
CRC001	RC	Pegmatite A	331972	8040625	1419	UTM_WGS84_36S (ARC 1950)	-60	85	58
CRC001B	RC	Pegmatite A	331996	8040628	1419	UTM_WGS84_36S (ARC 1950)	-60	95	37
CRC002	RC	Pegmatite A	332001	8040644	1417	UTM_WGS84_36S (ARC 1950)	-75	60	48
CRC002B	RC	Pegmatite A	332001	8040645	1417	UTM_WGS84_36S (ARC 1950)	-75	60	58
CRC003	RC	Pegmatite A	332013	8040579	1408	UTM_WGS84_36S (ARC 1950)	-65	85	50
CRC004	RC	Pegmatite A	331994	8040702	1398	UTM_WGS84_36S (ARC 1950)	-65	85	56
CRC005	RC	Pegmatite B	331935	8040573	1411	UTM_WGS84_36S (ARC 1950)	-65	85	85
CRC006	RC	Pegmatite B	331928	8040622	1416	UTM_WGS84_36S (ARC 1950)	-65	85	35
CRC007	RC	Pegmatite B	331935	8040658	1413	UTM_WGS84_36S (ARC 1950)	-70	85	60
CRC008	RC	Pegmatite C	331778	8040597	1432	UTM_WGS84_36S (ARC 1950)	-65	85	35
CRC009	RC	Pegmatite C	331786	8040562	1438	UTM_WGS84_36S (ARC 1950)	-85	85	50
CRC010	RC	Pegmatite C	331774	8040626	1425	UTM_WGS84_36S (ARC 1950)	-85	85	44
CRC010B	RC	Pegmatite C	331772	8040628	1425	UTM_WGS84_36S (ARC 1950)	-75	85	52
CRC011	RC	Pegmatite D	331692	8040616	1415	UTM_WGS84_36S (ARC 1950)	-80	85	14
CRC011B	RC	Pegmatite D	331693	8040616	1415	UTM_WGS84_36S (ARC 1950)	-80	85	53
CRC012	RC	Pegmatite D	331699	8040572	1434	UTM_WGS84_36S (ARC 1950)	-85	85	8
CRC012B*	RC	Pegmatite D	331698	8040570	1434	UTM_WGS84_36S (ARC 1950)	-85	85	40
CDD001	DD	Pegmatite D	331698	8040570	1434	UTM_WGS84_36S (ARC 1950)	-85	85	67.9
CDD002	DD	Pegmatite E	331706	8040866	1313	UTM_WGS84_36S (ARC 1950)	-83	85	90
CDD003	DD	Pegmatite E	331706	8040864	1313	UTM_WGS84_36S (ARC 1950)	-65	85	67.7
CDD004	DD	Pegmatite D	331682	8040642	1401	UTM_WGS84_36S (ARC 1950)	-80	95	44
CDD005	DD	Pegmatite D	331682	8040568	1430	UTM_WGS84_36S (ARC 1950)	-60	110	68
CDD006	DD	Pegmatite D	331681	8040572	1430	UTM_WGS84_36S (ARC 1950)	-67	65	62
CDD007	DD	Pegmatite D	331716	8040534	1441	UTM_WGS84_36S (ARC 1950)	-81	75	44
CDD008	DD	Pegmatite D	331712	8040532	1441	UTM_WGS84_36S (ARC 1950)	-85	68	74
CDD009	DD	Pegmatite D	331713	8040529	1441	UTM_WGS84_36S (ARC 1950)	-60	125	44
CDD010	DD	Pegmatite D	331667	8040498	1437	UTM_WGS84_36S (ARC 1950)	-68	85	100
CDD011	DD	Pegmatite D	331666	8040572	1427	UTM_WGS84_36S (ARC 1950)	-70	60	104
CDD012	DD	Pegmatite D	331660	8040675	1380	UTM_WGS84_36S (ARC 1950)	-90	0	65
CDD013	DD	Pegmatite E	331728	8040794	1344	UTM_WGS84_36S (ARC 1950)	-80	85	62

* CRC012B was 40m RC pre-collar for CDD001

APPENDIX 2: Significant drill hole intersections for Step Aside Lithium Project

Hole ID	Deposit		From (m)	To (m)	Width (m)	Li2O_pct
CRC001B	Pegmatite A		24	31	7	0.82
CRC005	Pegmatite B		37	40	3	0.74
CRC006	Pegmatite B		22	25	3	0.93
CRC011B	Pegmatite D		38	47	9	1.02
CDD001	Pegmatite D		53.92	61.92	8	1.09
CDD004	Pegmatite D		35.75	38.5	2.75	0.36
CDD005	Pegmatite D		49.44	53.3	3.86	0.93
CDD006	Pegmatite D		52.6	57	4.4	1.43
CDD007	Pegmatite D		5	6.5	1.5	0.49
		and	17	23	6	1.05
CDD008	Pegmatite D		51.45	58.5	7.05	0.72
CDD009	Pegmatite D		8	10	2	1.07
		and	20.4	24.5	4.1	1.11
CDD011	Pegmatite D		82.2	88.32	6.12	1.49
CDD013	Pegmatite E		19.25	23.55	4.3	1.15
		and	43.55	50.95	7.4	1.28

JORC Code, 2012 Edition – Table 1

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	• Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling. • Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used. • Aspects of the determination of mineralisation that are Material to the Public Report. • In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.	• A total of 318 samples were collected during this phase of the project. RC chip samples constituted 188 samples and DD samples constituted. 130 samples. • 17 RC holes were drilled (including one pre-collar), which produced 188 samples which were collected over 188 sampled metres. From the 13 DD holes, 130 drilled samples were collected over 127.87 sampled metres • RC samples were taken with 1m of pegmatite and each sample was split into 3 (A, B, C) where 'A' was sent to the lab for testing and 'B' and 'C' were kept as duplicates. • DD samples were sampled at 1m intervals over the length of the pegmatite, from the contacts with the country rock. Sampling was completed within the lithological contacts. • Samples were trucked to Performance Laboratory where they were crushed and pulverised to produce a 30g charge and then analysed by AA Spectrophotometry at Zimlabs Laboratory for lithium only.
Drilling techniques	• Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).	• 783m of RC drilling was completed using a Smith Capital 310 drill rig. The hammers used were Sandvik (5") and RP40 (4.5"). • DD drilling was done using a truck mounted Boart Longyear LF90. The core diameter drilling size used was PQ and HQ. PQ was drilled to an average depth of 18m before the hole was cased. The sum of PQ metres and HQ metres drilled totals 852.6 metres.
Drill sample recovery	• Method of recording and assessing core and chip sample recoveries and	• Each metre drilled was collected in a sack with the sack weighed on a

	results assessed. • Measures taken to maximise sample recovery and ensure representative nature of the samples. • Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.	scale and recorded. The recovery of the metres was compared to same depths of previous holes. Recovery was also compared between the different hammers of the same size which were used during the course of drilling programme. • Measures to reduce material loss, a mesh wire and cloth was placed to capture the RC material which would be too light to go down into the sack. After each metre, the material collected on the mesh wire and cloth during drilling will be emptied into the sack and blown by the compressor to avoid contamination. • For DD the recovered core was placed in a core tray. Metre marks were marked on the core. On the end of each run, the total amount of metres recovered, and the expected metres were written on the core block. Any gain or loss was recorded on the core block. To ensure maximum recovery from the rig, RQD was completed on the core to determine the quality of rock core taken from a drill hole. • To ensure maximum recoveries, when the drilled core showed any signs of being crushed or broken by the drill bits, they would immediately be replaced. Rate of penetration was reduced at the start of the hole to reduce loss of weathered material thorough the circulating water.
Logging	• Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies. • Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography. • The total length and percentage of the relevant intersections logged.	• RC and drill core samples were geologically logged detailing texture, structures, alteration, mineralisation, lithology, and weathering, using standard Company logging templates refined during the previous Arcadia work. • The total length logged for RC drilling is 783m including all the relevant pegmatite intersections. • DD core was logged detailing the recovery of the core, texture, structures, alteration, mineralisation, lithology, and weathering. • The total metres drilled for DD core is 852.6m, including the relevant pegmatite intersections.

Sub-sampling techniques and sample preparation	• If core, whether cut or sawn and whether quarter, half or all core taken. • If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry. • For all sample types, the nature, quality, and appropriateness of the sample preparation technique. • Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples. • Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling. • Whether sample sizes are appropriate to the grain size of the material being sampled.	• RC samples were riffle split three times giving each sample three bags labelled A, B and C. They were sampled dry. • The laboratory undertakes repeat analyses. In addition, 10% of the total number of assayed samples consisted of CRMs, blanks, and field duplicates, were inserted "blind" at the pre-prep lab under instruction from the Company.
Quality of assay data and laboratory tests	• The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total. • For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc. • Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.	• All RC sample pre-preparation was done at Performance Lab in Ruwa (Zimbabwe). During preparation samples with grain sizes equal to or greater than 2mm required both crushing and pulverising, while those with grain sizes of less than 2mm only required pulverising. Analysis was carried out by Zimlabs in Harare. • The analytical process began with a multi-acid digest using HF (hydrofluoric acid) to complete dryness. The completely dry sample was then reconstituted with HCl (hydrochloric acid) to put in back into solution, before reading using an AA (Atomic Absorption Spectrophotometry) machine. • Samples which assayed >1% lithia at Zimlabs, where selected for a detailed Mineralogy by XRD at FT Geolabs in Centurion (South Africa) on pulps produced by Zimlabs. • For the QAQC results, CRM AMIS 0341 which has published grade of 0.504% Li, under read by an average of 10% for the RC and DD samples. Low grade CRM AMIS 342 over read by an average of 14%. • RC and DD samples assaying >1% lithia were sent to Geolabs for XRD analysis and the results were back calculated. The average lithia grade

		from XRD determination of spodumene and petalite (1.19%), is 30% more than the initial AA assay grades (0.91%). This implies Zimlabs AA assays were under reading the higher-grade values. • Laboratory duplicates correlation was over 99% and the blanks where within acceptable limits.
Verification of sampling and assaying	• The verification of significant intersections by either independent or alternative company personnel. • The use of twinned holes. • Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols. • Discuss any adjustment to assay data.	• Site regularly inspected by Senior Geological staff, including CP & Chief Geologist (Roger Tyler). • Logging and assay data was captured electronically on a digital spreadsheet.
Location of data points	• Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation. • Specification of the grid system used. • Quality and adequacy of topographic control.	• No Mineral Resource estimate has been carried out. • DD holes were surveyed when completed, with a down-hole survey tool, a True Core Reflex tool. It was lowered down, to take the measurements of the hole. Starting at the bottom of the hole it was raised 30m, and every 10-15 minutes a reading was taken of both hole inclination and azimuth • All collar measurements have collected using a Differential GPS in UTM Zone 36 South (ARC 1950) values (see Appendix 1).
Data spacing and distribution	• Data spacing for reporting of Exploration Results. • Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied. • Whether sample compositing has been applied.	• Drill sites where spaced between 35-55m apart from north to south dipping east targeting surface pegmatite outcrop. The drill holes were targeting a pegmatite intercept a depth of between 50m to 100m vertically.
Orientation of data in relation to geological structure	• Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type. • If the relationship between the drilling orientation and the orientation	• Drill sites where sited north-south following the strike direction, dipping east approximately orthogonal to the dip direction of the targeted pegmatite body dipping west. The dip angle was planned to intersect the targeted pegmatite as near to perpendicular as possible.

	of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.	
Sample security	• The measures taken to ensure sample security.	• Samples are placed in sealed bags to prevent movement and mixing. Minimal preparation was done on site.
Audits or reviews	• The results of any audits or reviews of sampling techniques and data.	• Not applicable

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	• Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings. • The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.	• BM claim block Step Aside 19948 (100 hectares) • No environmental or land title issues • Rural farmland - fallow
Exploration done by other parties	• Acknowledgment and appraisal of exploration by other parties.	• BM claim block Step Aside 19948 (100 hectares) • No environmental or land title issues. • Rural farmland - fallow
Geology	• Deposit type, geological setting, and style of mineralisation.	• No detailed records of any historical exploration exist, but the area was mapped in some detail by the Geological Survey in 1990. (Bulletin No. 94) The small Colga pegmatite was mapped, but no sampling was recorded. • An historical geochemical soil sampling programme was conducted on survey lines in the surrounding farm areas and partially covered the Step Aside Project. Those soil samples were collected at 20m intervals with 100m spacing. • The soil lines were approximately perpendicular to the strike of the pegmatites, geologically mapped earlier in the region. The area surrounding Colga Hill - adjacent to Step Aside - was determined as broadly anomalous in lithium (>200ppm lithium).
Drill hole Information	• A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes: ○ easting and northing of the drill hole collar ○ elevation or RL (Reduced Level – elevation above sea level in meters) of the drill hole collar ○ dip and azimuth of the hole	• Moderate to steeply dipping Li-Cs-Ta pegmatites, with spodumene, lepidolite, petalite in addition to disseminated tantalite. • Appears to be folded pegmatites closely related to the regional Mashonganyika Fault. • There are 6 pegmatites which were named Colga Pegmatites A to F. All the pegmatites have a general north-south strike. Pegmatite A has a dip of 70° and a surface thickness of 10m. Pegmatite B has a dip of 72° and a surface thickness of 5m. Pegmatite C has a dip of 73° and surface thickness of 3m. Pegmatite D has a dip of 75° and a surface

	○ down hole length and interception depth ○ hole length. • If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.	thickness of 8m. Pegmatite E has a surface thickness of 7m with a dip of 80°. Pegmatite F has surface thickness of 6m with a dip of 72°.
Data aggregation methods	• In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated. • Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail. • The assumptions used for any reporting of metal equivalent values should be clearly stated.	• See Appendix 2.
Relationship between mineralisation widths and intercept lengths	• These relationships are particularly important in the reporting of Exploration Results. • If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported. • If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').	• Drill hole intersections are reported using downhole length weighted averaging methods. No maximum or minimum grade truncations were used. The mineralisation is constrained to within the pegmatites.
Diagrams	• Appropriate maps and sections (with scales) and tabulations of intercepts should be included for	• Maps are attached in the body of the report.

	any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.	
Balanced reporting	• Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.	• The Company believes that all results have been reported and comply with balanced reporting.
Other substantive exploration data	• Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.	• Not applicable.
Further work	• The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling). • Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.	• Given the encouraging lithium drilling intersections and associated assay results, there is need to follow up on the existing holes via infill deeper drilling to 75 – 120m vertically, to identify possible deeper intercepts down dip, with more holes along strike to determine width and grade continuity of the defined pegmatites.