



14 February 2023

Sam Dorland
Adviser, Listings Compliance
Australian Securities Exchange
Level 40, Central Park
152 – 158 St Georges Terrace
Perth WA 6000

By email: ListingsCompliancePerth@asx.com.au

Dear Sam,

Re: Prospect Resources Limited ('PSC'): Price - Query

Prospect Resources Limited (**Prospect** or **the Company**) refers to your letter dated 13 February 2023. The Company provides the following responses to the questions contained therein.

1. No, PSC is not aware of any information concerning it that has not been announced to the market which, if known by some in the market, could explain the recent trading in its securities?
2. Not applicable
3. PSC is not aware of any other explanation for the recent trading in its securities.
 - 3.1. The initial 2,000m RC drilling at Omaruru was completed on 4 February 2023.
 - 3.2. As detailed in the 30 January 2023 announcement, the assay results are expected to be received during Q1 2023. The first four batches of assay results had been received by 8th February, however, duplicate samples required for QAQC purposes had not been inserted into these four batches, as per instructions to the pre-preparation Laboratory (ALS, Okahandja, Namibia).
 - 3.3. All final certified assay results are emailed directly to Prospect's Chief Geologist (the Component Person), where a review of the QAQC is then undertaken and any issues are resolved before sign off on the analytical precision.
4. PSC confirms that it is complying with the Listing Rules and, in particular, Listing Rule 3.1.
5. PSC confirms that this response has been approved in accordance with its published Continuous Disclosure Policy.

Yours Sincerely,
Lee Tamplin
Company Secretary



13 February 2023

Reference: 68116

Mr Lee Tamplin
Company Secretary
Prospect Resources Limited

By email

Dear Mr Tamplin

Prospect Resources Limited ('PSC'): Price - Query

ASX refers to the following:

- A. The change in the price of PSC's securities from a low of \$0.175 to a high of \$0.22 today, and
- B. The significant increase in the volume of PSC's securities traded today.

Request for information

In light of this, ASX asks PSC to respond separately to each of the following questions and requests for information:

1. Is PSC aware of any information concerning it that has not been announced to the market which, if known by some in the market, could explain the recent trading in its securities?
2. If the answer to question 1 is "yes".
 - (a) Is PSC relying on Listing Rule 3.1A not to announce that information under Listing Rule 3.1? Please note that the recent trading in PSC's securities would suggest to ASX that such information may have ceased to be confidential and therefore PSC may no longer be able to rely on Listing Rule 3.1A. Accordingly, if the answer to this question is "yes", you need to contact us immediately to discuss the situation.
 - (b) Can an announcement be made immediately? Please note, if the answer to this question is "no", you need to contact us immediately to discuss requesting a trading halt (see below).
 - (c) If an announcement cannot be made immediately, why not and when is it expected that an announcement will be made?
3. If the answer to question 1 is "no", is there any other explanation that PSC may have for the recent trading in its securities? In answering the question, In light of the pending assay results as disclosed in PSC's announcement dated 30 January 2023, please address the following:
 - 3.1 Please advise when the drilling was completed.
 - 3.2 Please advise when the assay results are expected to be received by PSC. Please provide detailed information in relation to the timing of these results.
 - 3.3 Please advise what arrangements (if any) PSC has in place to maintain confidentiality of its assay results? Please provide detailed information
4. Please confirm that PSC is complying with the Listing Rules and, in particular, Listing Rule 3.1.

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5. Please confirm that PSC's responses to the questions above have been authorised and approved under its published continuous disclosure policy or otherwise by its board or an officer of PSC with delegated authority from the board to respond to ASX on disclosure matters.

When and where to send your response

This request is made under Listing Rule 18.7. Your response is required as soon as reasonably possible and, in any event, by no later than **4:00 PM AWST Monday, 13 February 2023**. You should note that if the information requested by this letter is information required to be given to ASX under Listing Rule 3.1 and it does not fall within the exceptions mentioned in Listing Rule 3.1A, PSC's obligation is to disclose the information 'immediately'. This may require the information to be disclosed before the deadline set out in the previous paragraph and may require PSC to request a trading halt immediately.

Your response should be sent to me by e-mail at **ListingsCompliancePerth@asx.com.au**. It should not be sent directly to the ASX Market Announcements Office. This is to allow me to review your response to confirm that it is in a form appropriate for release to the market, before it is published on the ASX Market Announcements Platform.

Trading halt

If you are unable to respond to this letter by the time specified above, or if the answer to question 1 is "yes" and an announcement cannot be made immediately, you should discuss with us whether it is appropriate to request a trading halt in PSC's securities under Listing Rule 17.1. If you wish a trading halt, you must tell us:

- the reasons for the trading halt;
- how long you want the trading halt to last;
- the event you expect to happen that will end the trading halt;
- that you are not aware of any reason why the trading halt should not be granted; and
- any other information necessary to inform the market about the trading halt, or that we ask for.

We require the request for a trading halt to be in writing. The trading halt cannot extend past the commencement of normal trading on the second day after the day on which it is granted. You can find further information about trading halts in Guidance Note 16 *Trading Halts & Voluntary Suspensions*.

Suspension

If you are unable to respond to this letter by the time specified above, ASX will likely suspend trading in PSC's securities under Listing Rule 17.3.

Listing Rules 3.1 and 3.1A

In responding to this letter, you should have regard to PSC's obligations under Listing Rules 3.1 and 3.1A and also to Guidance Note 8 *Continuous Disclosure: Listing Rules 3.1 – 3.1B*. It should be noted that PSC's obligation to disclose information under Listing Rule 3.1 is not confined to, nor is it necessarily satisfied by, answering the questions set out in this letter.

Release of correspondence between ASX and entity

We reserve the right to release a copy of this letter, your reply and any other related correspondence between us to the market under Listing Rule 18.7A.

Questions

If you have any questions in relation to the above, please do not hesitate to contact me.

Kind regards

Sam Dorland
Adviser, Listings Compliance