



ASX ANNOUNCEMENT

12 July 2023

Step Aside Lithium Phase 3 Drilling Commenced

HIGHLIGHTS:

- Phase 3 diamond drilling campaign commenced at Step Aside Lithium Project.
- Program expected to comprise up to 5,000m drilled over the next 3 months.
- Dual objectives of extending the current limits of the identified spodumene-rich pegmatite deposits and scout exploration of key lithium soil anomaly targets.
- First assays expected to be returned from late July.

Prospect Resources Limited (ASX:PSC) (**Prospect** or **the Company**) is pleased to advise that the Phase 3 diamond drilling program at its Step Aside Lithium Project (**Step Aside**) (Prospect 100%) in Zimbabwe has commenced.

The Phase 3 program has two key objectives:

- Strike and depth extension testing of the defined Pegmatites B, D and E; and
- Scout exploratory drilling south of the Pegmatite B and D/F deposits in areas with strong, coherent, lithium-in-soil geochemical anomalism (refer Prospect ASX release dated 25 May 2023).

The Company is not aware of any new information or data that materially affects the information included in the 25 May 2023 announcement.

The Phase 3 program is planned to comprise 4,000 - 5,000m drilling and take approximately 3 months to complete. First assays are expected to be returned from late July.

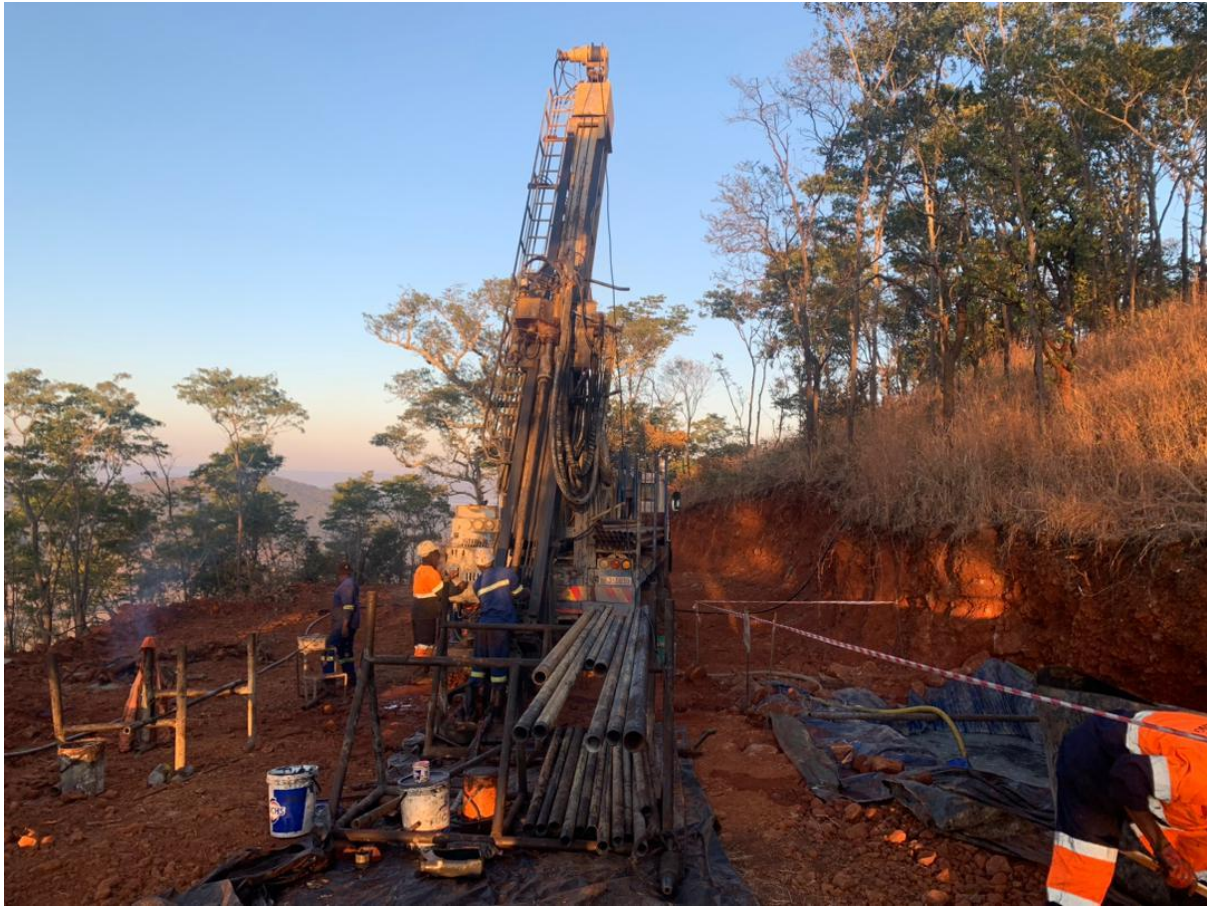


Figure 1: Phase 3 drilling commenced at Step Aside with diamond rig operating at Pegmatite D

This release was authorised by Sam Hosack, CEO and Managing Director.

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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 metals, 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.

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.