ASX ANNOUNCEMENT
18 October 2023

Significant New Lithium Discovery at Step Aside

HIGHLIGHTS:

- **Two scout drill holes (CDD055-056) targeting new "WinBin" zone at Step Aside return wide intercepts of strongly mineralised pegmatite from shallow depths.**
- **CDD055 has returned assays showing 23.08m @ 1.03% Li_2O from 45m, including 11m @ 1.51% Li_2O from 54m.**
- **Assays pending for approximately 40m thick intercept returned from CDD056.**
- **Abundant coarse spodumene crystals visible in logged core from both holes.**
- **Represents an exciting new discovery in a zone that was targeted for scout drilling following identified Li-in-soil anomalism; strong proof of targeting methodology.**
- **Potentially represents a feeder zone for the defined spodumene mineralisation identified further to the north during the earlier phases of drilling at Step Aside.**
- **Accelerated follow-up drilling as part of expanded Phase 3 diamond drill programme comprising approx. 5,000m (currently just over 60% complete), with two rigs now on site.**

Prospect Resources Limited (ASX: PSC) (**Prospect** or **the Company**) is pleased to advise of a significant new discovery from the Phase 3 diamond drilling programme at its Step Aside Lithium Project (**Step Aside**) (PSC 90%) in Zimbabwe.

Scout drilling in the area south of the Pegmatite B and C deposits returned a 25.73m intersection of pegmatite (from a vertical depth of 36m) in angled diamond drill hole CDD055 (see Figure 1). Visual logging of core from CDD055 showed strong lithium mineralisation with abundant coarse spodumene crystals evident (refer Figure 2). Assaying of this core has returned an interval of **23.08m @ 1.03% Li_2O from 45m**, including **11m @ 1.51% Li_2O from 54m**.

Upon initial submission of this core for assay, a follow up vertical drill hole, CDD056, was collared 2m to the west of CDD055 and drilled to ascertain an orientation of the newly discovered pegmatite. CDD056 intersected a similar, approximately 40m wide section of coarse-grained, spodumene mineralised pegmatite, commencing from 77.8m downhole. This indicates a dip of approximately 60° to the west at this location (refer Figure 1). Table 1 shows a summary of the lithium mineralised intercepts in hole CDD056 by logged visual estimate of spodumene content. Assays for this hole remain pending.

Prospect Managing Director and CEO, Sam Hosack, commented: *"We are very excited by the potential of this new, buried pegmatite discovery at Step Aside. Prompt follow-up drilling of WinBin is underway and we look forward to rapidly advancing this new opportunity. I would like to congratulate the entire Prospect exploration team for their diligent work and perseverance in delivering this discovery, providing clear evidence of success of our geochemical targeting and validation of our process."*

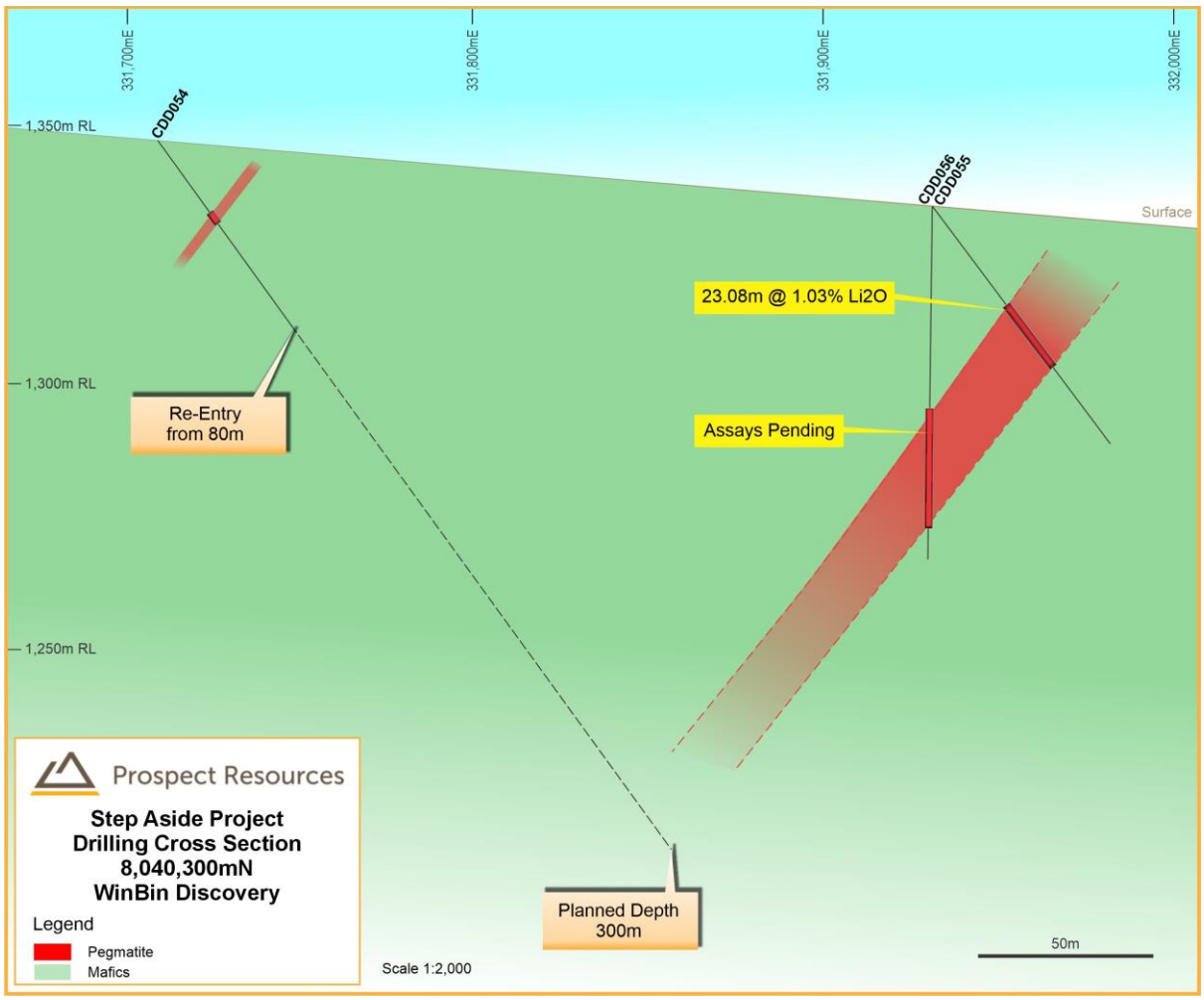

Figure 1: Drilling Cross Section through the new WinBin Discovery holes at Step Aside

Table 1: Drill hole CDD056 Summary of Visual Estimates

Hole ID	Collar Co-ordinates UTM Zone 35 South (ARC 1950)			Survey Data		Hole Depth (m)	Pegmatite Intercepts			
	Easting	Northing	RL	Azi (°)	Dip (°)		From	To	Interval (m)	Spodumene modal abundance (%)
CDD056	331938	8040309	1319	0	-90	128.84	78	82	4	20-30%
							82	100	18	10%
							100	104	4	20%
							104	114	10	20-30%
							114	118	4	10%

The information in this announcement in respect of hole CDD056 is based solely on a visual inspection of the drill core samples from the hole. The assay and analysis of the core samples are pending. In relation to the disclosure

of visual intersections of pegmatite, the Company cautions that visual intersections of pegmatite should never be considered a proxy or substitute for laboratory analysis. Laboratory assay results are required to confirm the widths and grade of visual intersections of pegmatite reported in the preliminary geological logging. The Company will update the market when laboratory analytical results become available, which is currently expected to be later in October 2023 in respect of CDD056.

CDD055 was sited to test a key lithium in soil anomaly target (refer Figure 4). The intercept returned represents the identification of a significant new lithium mineralised pegmatite body, which is currently interpreted as a steep-dipping sheet that may also be a feeder zone for the other deposits identified to the north during the Phase 1 and 2 drilling phases at Step Aside (refer Figure 3). The true width of the CDD055 intersection is presently unknown, based on limited drill intersections at this stage.

The existing diamond drill hole CDD054 is currently being re-entered from its original end of hole depth at 80m, to target the interpreted extension of WinBin at depth (refer Figure 1).

Just over 3,000m of the Phase 3 diamond drilling programme at Step Aside has been completed to date. In order to deliver a prompt follow-up for the strongly encouraging CDD055-056 results, Prospect has elected to adopt an expanded design of the Phase 3 drilling programme (totalling 5,000m), with two rigs now at site to accelerate exploration activity.

Follow-up drilling of the CDD055-056 WinBin discovery within this expanded programme is set to include testing of the potential strike and volumetric extent of this encouraging new pegmatite discovery.

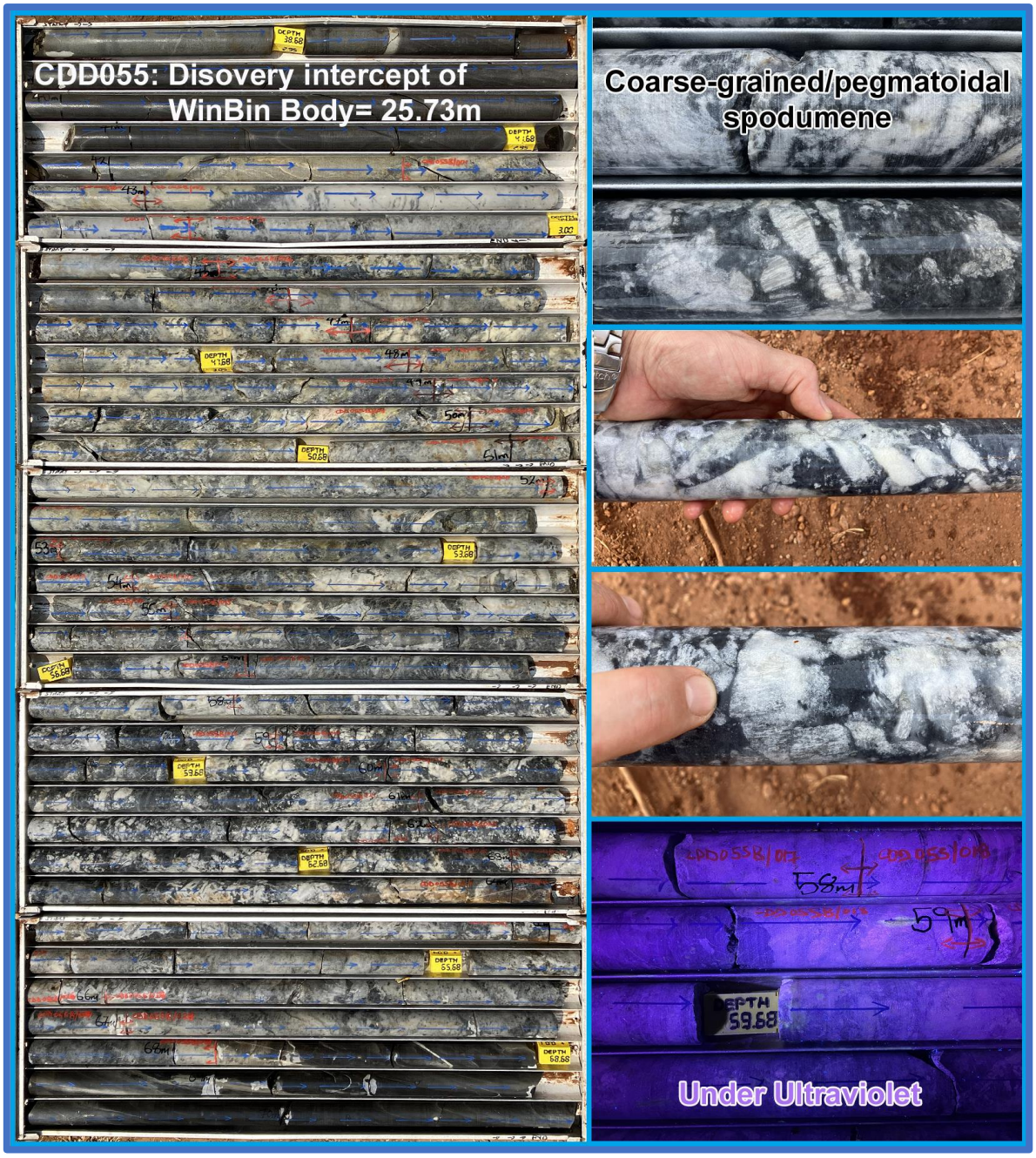

Figure 2: Core samples from hole CDD055 at Step Aside showing abundant coarse spodumene

The drill collar location map for all exploration completed to date during 2022-23 at Step Aside is shown in Figure 3.

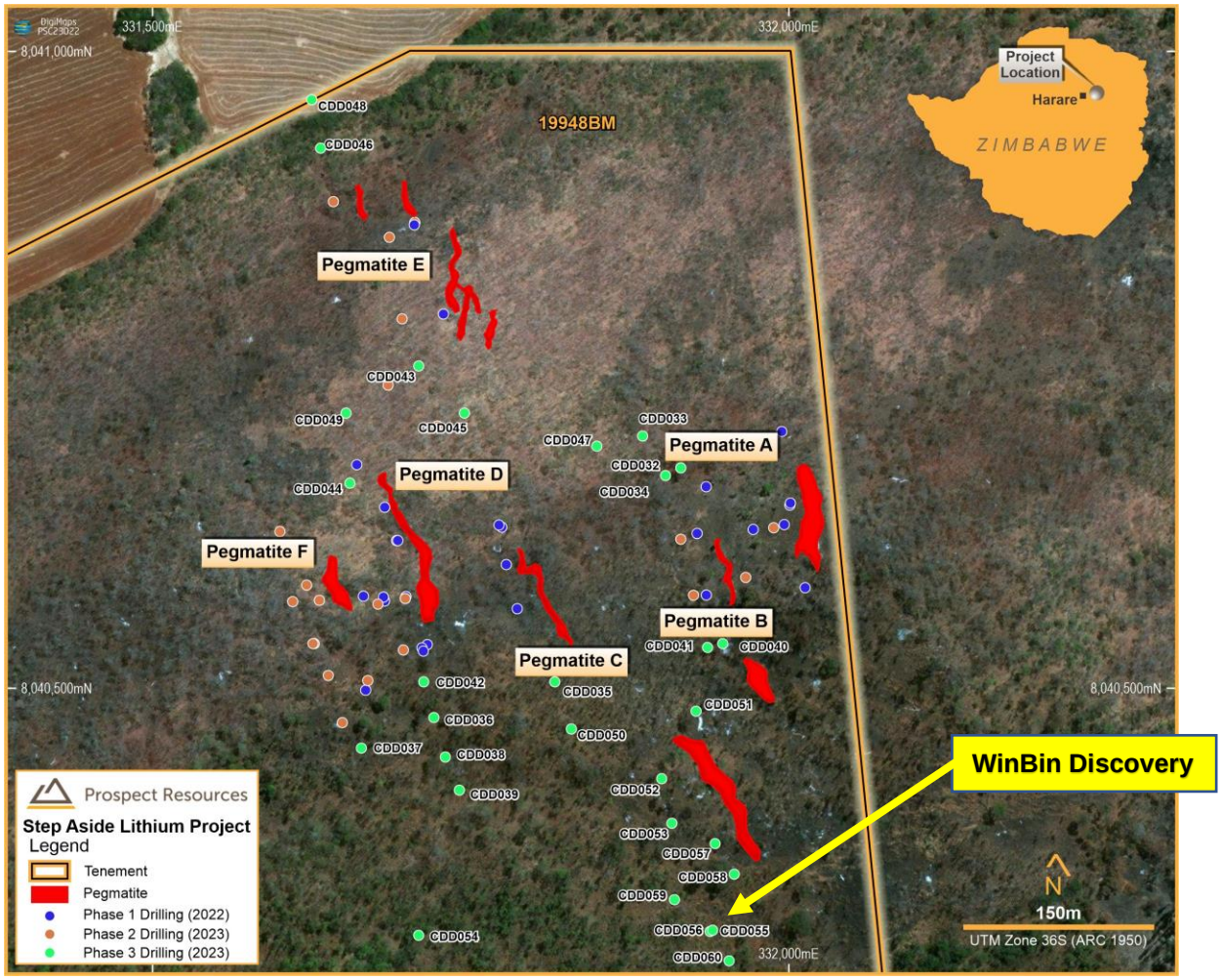

Figure 3: Plan view showing Phase 3 diamond drilling at Step Aside and WinBin Discovery

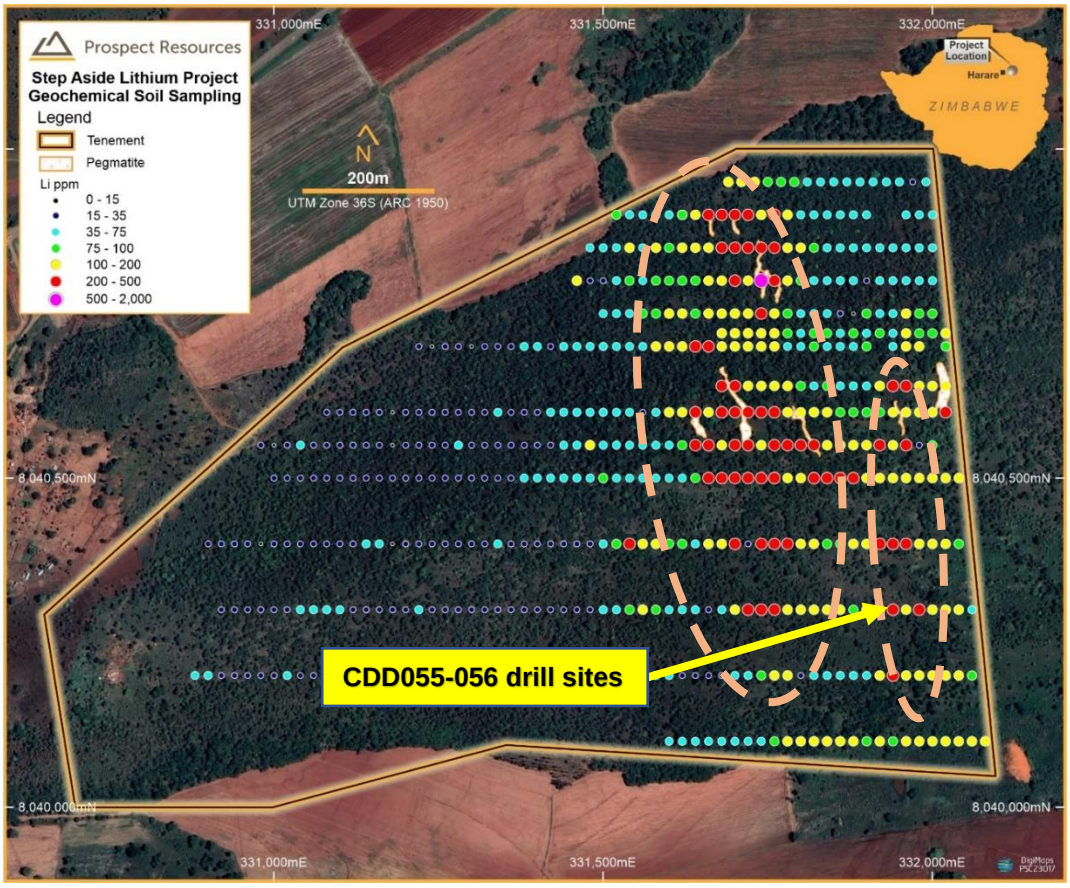

Figure 4: Geochemical soil sampling results for Step Aside showing areas of Li prospectivity

Figure 5: Diamond drilling rig completing hole CDD055 at Step Aside

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.

Competent Persons Statement

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 Chief 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 (CP) 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.

Prospect confirms it is not aware of any new information or data which materially affects the information included in the original market announcements. Prospect confirms the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcements.

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: Phase 3 Drill hole collar locations for Step Aside Lithium Project

Hole_ID	Drill Type	Deposit(s)	DH_East	DH_North	DH_RL	Datum	DH_Dip	DH_Azimuth	DH_Depth
CDD032	DD	Pegmatite B	331915	8040673	1410	UTM_WGS84_36S (ARC 1950)	-60	85	40.00
CDD033	DD	Pegmatite B	331885	8040698	1403	UTM_WGS84_36S (ARC 1950)	-60	85	122.76
CDD034	DD	Pegmatite B	331903	8040667	1411	UTM_WGS84_36S (ARC 1950)	-60	85	47.53
CDD035	DD	Pegmatite C	331816	8040505	1427	UTM_WGS84_36S (ARC 1950)	-60	85	32.84
CDD036	DD	Pegmatite D	331721	8040477	1428	UTM_WGS84_36S (ARC 1950)	-60	80	80.76
CDD037	DD	Pegmatite F	331664	8040453	1425	UTM_WGS84_36S (ARC 1950)	-60	80	65.7
CDD038	DD	Pegmatite D	331730	8040446	1415	UTM_WGS84_36S (ARC 1950)	-60	80	100.00
CDD039	DD	Pegmatite D	331741	8040420	1402	UTM_WGS84_36S (ARC 1950)	-60	80	89.84
CDD040	DD	Pegmatite B	331948	8040535	1397	UTM_WGS84_36S (ARC 1950)	-60	85	59.84
CDD041	DD	Pegmatite B	331936	8040532	1397	UTM_WGS84_36S (ARC 1950)	-60	85	59.78
CDD042	DD	Pegmatite D	331713	8040505	1438	UTM_WGS84_36S (ARC 1950)	-60	80	119.84
CDD043	DD	Pegmatite E	331709	8040753	1356	UTM_WGS84_36S (ARC 1950)	-60	90	100
CDD044	DD	Pegmatite D	331655	8040661	1384	UTM_WGS84_36S (ARC 1950)	-60	80	89.70
CDD045	DD	Pegmatite E	331745	8040716	1378	UTM_WGS84_36S (ARC 1950)	-60	90	119.68
CDD046	DD	Pegmatite E	331632	8040924	1293	UTM_WGS84_36S (ARC 1950)	-60	85	89.73
CDD047	DD	Pegmatite B	331849	8040690	1405	UTM_WGS84_36S (ARC 1950)	-60	70	70
CDD048	DD	Pegmatite E	331625	8040962	1287	UTM_WGS84_36S (ARC 1950)	-60	85	100.00
CDD049	DD	Pegmatite D	331652	8040716	1359	UTM_WGS84_36S (ARC 1950)	-60	80	110.68
CDD050	DD	Pegmatite C	331829	8040468	1413	UTM_WGS84_36S (ARC 1950)	-60	80	59.73
CDD051	DD	Pegmatite B	331927	8040482	1386	UTM_WGS84_36S (ARC 1950)	-60	85	110.94
CDD052	DD	Pegmatite C,B	331900	8040429	1380	UTM_WGS84_36S (ARC 1950)	-60	90	68.78
CDD053	DD	Pegmatite B	331908	8040394	1361	UTM_WGS84_36S (ARC 1950)	-60	90	83.84
CDD054	DD	Pegmatite F, D, WinBin	331709	8040306	1344	UTM_WGS84_36S (ARC 1950)	-60	80	80.00
CDD055	DD	WinBin	331940	8040310	1319	UTM_WGS84_36S (ARC 1950)	-60	70	101.68
CDD056	DD	WinBin	331938	8040309	1319	UTM_WGS84_36S (ARC 1950)	-90	0	128.84
CDD057	DD	Pegmatite C	331942	8040378	1348	UTM_WGS84_36S (ARC 1950)	-60	80	62.78
CDD058	DD	Pegmatite C	331957	8040354	1334	UTM_WGS84_36S (ARC 1950)	-60	80	66.00
CDD059	DD	WinBin	331910	8040334	1333	UTM_WGS84_36S (ARC 1950)	-60	70	80.84
CDD060	DD	WinBin	331953	8040286	1308	UTM_WGS84_36S (ARC 1950)	-60	70	200.00

APPENDIX 2: Significant drill hole intersections for Phase 3 drilling at Step Aside

Hole ID	Deposit		From (m)	To (m)	Width (m)	Li2O_pct
CDD032	Pegmatite B		21.55	24.50	2.95	0.60
CDD034	Pegmatite B		33.00	36.59	3.59	1.02
CDD035	Pegmatite C		16.23	17.95	1.72	1.58
CDD038	Pegmatite D		50.84	51.72	0.88	1.66
CDD039	Pegmatite D		57.40	58.78	1.38	1.17
CDD044	Pegmatite D		*			
CDD046	Pegmatite E		*			
CDD048	Pegmatite E		*			
CDD050	Pegmatite C		*			
CDD052	Pegmatite C,B		*			
CDD053	Pegmatite B		*			
CDD055	WinBin		45.00	68.08	23.08	1.03
		incl.	54.00	65.00	11.00	1.51
CDD056	WinBin		*			
CDD057	Pegmatite C		*			
CDD058	Pegmatite C		*			
CDD059	Pegmatite C		*			
CDD060	WinBin		*			

*** Assays Pending**

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 166 samples (188 including QC inserts) have been collected during this phase of the project, all of which were diamond drill core samples. • 29 new diamond holes for 2,542.11 metres were completed, which produced 166 samples, collected over 154.8 sampled metres. • Diamond samples were generally sampled at 1m intervals over the length of the pegmatite intersected, from the contacts with the country host rock. Sampling was completed within logged lithological contacts. • Diamond samples were trucked to Performance Laboratory (Ruwa, Zimbabwe) where they were crushed, pulverised and spit to produce a 100g analytical aliquot, which was then forwarded and analysed by 48 element four-acid ICP-MS at ALS Laboratories in Johannesburg (suite code ME-MS61). • Certified Reference Materials (produced by AMIS of Johannesburg), blanks and field duplicates were inserted into sample batches (with 4% of total submissions being CRMs, 4% blanks and 2% laboratory pulp duplicates). These insertions were done post-preparation at the field camp, under the supervision of the Project Geologist. • The CRMs used were AMIS0342 (0.16% Li), AMIS0339 (2.27% Li), AMIS0684 (4454 ppm Li), and AMIS0683 (2023 ppm Li).

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).	• Diamond drilling was completed using a truck mounted KLR 700 Multipurpose rig. The core diameter drilling size used was HQ and NQ. HQ was drilled to an average depth of 24m before the hole was cased. The sum of HQ metres and NQ metres drilled totalled 2,542.11 metres.
Drill sample recovery	• Method of recording and assessing core and chip sample recoveries and 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.	• During the diamond drilling process the recovered core was placed in a core tray. Metre marks were marked on the core. On the end of each 3m 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 slowed at the start of the hole to reduce loss of weathered material thorough the circulating water flow.
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.	• 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 programmes. • The total diamond core metres logged is 2,542.11m, including all 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	• Core was split using a diamond cutter and a ¼ core section was sampled and bagged for preparation and analysis. • Preparation involved samples being dried, weighed, crushed and milled >80% passing 75µm. • 12% of the total number of assayed

	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.	diamond core samples consisted of CRMs, blanks, and pulp duplicates inserted "blind" at the field camp under the supervision of the Project Geologist. In addition, ALS Laboratory analysed internal QC standards and undertook repeat analyses.
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 diamond core sample pre-preparation was completed at Performance Lab in Ruwa (Zimbabwe). During preparation samples underwent crushing and pulverising. Analysis was carried out by ALS Chemex in Johannesburg by means of 48 element four-acid ICP-MS (suite code ME-MS61). • QAQC results of the diamond core samples were acceptable. For ten (10) CRM control samples inserted to date, five (5) have been reported, of which, the two (2) high-grade CRM AMIS 339 inserts (2.27% Li) both reported well within 2 standard deviations (<5% variation) of the certified grade. One (1) of the two (2) AMIS 683 standards (low-grade 2023 ppm Li) inserted reported slightly below the lower 2x S.D. threshold (10.3% variance), whilst the other was within range. A single (1) alternate low-grade standard AMIS 342 (0.16% Li) was also included in the insertion sequence, and has reported at the lower 2x S.D. boundary (13.1% variance). • A total of seven (7) blanks have been inserted to date, and of the three (3) analysed and reported to date, all are within acceptable limits. A sequence of five (5) blind primary preparation pulp duplicate pairs have also been submitted for analysis, and of the three (3) reported to date, all have reported <5% variance.

		• Remnant pulps of diamond core samples assaying >1% Li_2O are to be sent to Geolabs for XRD analysis with the results to be back-calculated for comparison to the ALS derived ICP values. These samples are being processed for submission.
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 Exploration Manager, and CP & Chief Geologist (Roger Tyler). • Logging and assay data was recorded manually on hardcopy log sheets, and then captured digitally on a spreadsheet, with consistency between them rigorously checked internally. • Assay data were recorded digitally and electronically distributed in certified PDF copies along with transcribable format in an accompanying spreadsheet. • No Mineral Resource estimate has been carried out.
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.	• All drill holes were surveyed when completed with an EMS down-hole survey instrument, a Board Longyear TruShot tool. It was lowered down to take the measurements of the hole trace relative to magnetic north. Starting at the bottom of the hole it was raised to surface, and at 3m to 6m station intervals a reading was taken of both hole inclination and azimuth. These measurements have then been converted from magnetic to UTM Zone 36 South (ARC1950) values. No significant hole deviation is evident in plan or section. • All collar positions were staked using a handheld GPS and marked with concrete beacons. All final collar measurements were collected using a calibrated 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	• Drill sites were spaced approximately 30-50m apart along strike from north-north-west to south-southeast, 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.	inclined east targeting subsurface continuations of outcropping pegmatites. The drill holes targeted pegmatite intercepts at depths of between 30m to 80m 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 of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.	• Drill sites were sited north-south following the pegmatite's mapped strike direction, dipping generally eastwards approximately orthogonal to the interpreted dip direction of the targeted pegmatite bodies. The dip angle was planned to intersect the targeted pegmatites as near to perpendicular as possible.
Sample security	• The measures taken to ensure sample security.	• Diamond core samples were placed in sealed bags to prevent contamination. Minimal preparation was completed at 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). • The environmental impact assessment has been granted and Q3 quarterly review conducted. • Rural farmland – fallow.
Exploration done by other parties	• Acknowledgment and appraisal of exploration by other parties.	• No detailed records of any historical exploration exist, but the area was mapped in some detail by the Zimbabwean 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 being broadly anomalous in lithium (>200ppm lithium).
Geology	• Deposit type, geological setting, and style of mineralisation.	• Moderate to steeply dipping Li-Cs-Ta pegmatites, with spodumene, lepidolite, and petalite present. • The occurrence of the pegmatites appears to be closely related to the regional Mashonganyika Fault. • There are seven mapped pegmatite bodies which were named Colga Pegmatites A to F, with B and C potentially coalescing into one to the

		south. All the pegmatites have a general mapped 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 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°. • WinBin is currently interpreted to strike approximately north-south and dip to the west at approximately 60°.
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 ○ 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.	• See Appendices 1 and 2.
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	• Borehole intersections were reported using downhole length weighted averaging methods. No maximum or minimum grade truncations were used. The mineralisation is constrained to within the pegmatites.

	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.	
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').	• The drill holes were drilled with varying azimuths and dips intended to intersect the pegmatites perpendicularly to the mapped geological strike direction. • Virtually all holes intersected the pegmatites as planned, though the pegmatites do bifurcate and vary in thickness. • Borehole lines were drilled parallel to the north-northwest-south-southeast strike of the pegmatite bodies.
Diagrams	• Appropriate maps and sections (with scales) and tabulations of intercepts should be included for 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.	• Relevant maps and sections are attached in the body of the report.
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	• No known previous exploration work for lithium conducted on the tenement historically, prior to the present programmes being undertaken by Prospect Resources.

	deleterious or contaminating substances.	
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 with more holes along strike to determine extent, width, and grade continuity of the defined pegmatites, particularly the new WinBin Discovery area.