**ASX ANNOUNCEMENT**
**13 November 2023**

# WinBin Discovery Rapidly Growing at Step Aside

## HIGHLIGHTS:

- **Follow-up diamond drill hole CDD056 at new WinBin discovery has returned an intercept of 33m @ 1.18% $Li_2O$ from 81m, including 24m @ 1.41% $Li_2O$ from 88m.**
- **A 10.45m-wide zone of the WinBin pegmatite was also intersected 220m beneath the discovery holes, in a successful re-entry of drill hole CDD054.**
- **XRD analysis from pulp samples of discovery hole CDD055 demonstrate WinBin lithium mineralisation is predominantly spodumene (+95%).**
- **Five (5) further drill holes targeting extension of WinBin to the south have intersected strong intersections of coarse spodumene, with all assays pending.**
- **WinBin potentially represents a feeder zone for the defined spodumene mineralisation identified further to the north during earlier phases of drilling.**
- **New assays received from holes targeting the Pegmatite C deposit north of WinBin returned 5.62m @ 1.48% $Li_2O$ (CDD053) and 6.68m @ 1.17% $Li_2O$ (CDD057).**
- **Further expanded Phase 3 diamond drill programme (now approx. 5,000m) ongoing (approx. 3,750m complete), with two rigs currently on site.**

Prospect Resources Limited (ASX: PSC) (**Prospect** or the **Company**) is pleased to advise that the second drill hole completed at its significant new WinBin lithium discovery at the Step Aside Lithium Project (**Step Aside**) (PSC 90%) in Zimbabwe, has returned strong assay results. Vertical drill hole CDD056, collared 2m west of the angled discovery hole CDD055, intercepted **33m @ 1.18% $Li_2O$** from 81m downhole, including a higher-grade section of **24m @ 1.41% $Li_2O$** from 88m.

In addition, angled drill hole CDD054, collared 230m west of the discovery cluster, was re-entered at 80m depth and has intersected a 10.45m wide zone of the projected WinBin pegmatite position at a downhole depth of 388m. Assays are pending for this zone, which contains visual spodumene crystals and is located approximately 300m vertically from surface (see Figure 1).

The deep intersection of mineralised pegmatite within drill hole CDD054, along with multiple further intercepts of strongly mineralised pegmatite in subsequent holes drilled to the south of the WinBin discovery (see Table 1) has demanded this area of the Step Aside licence be subjected to further immediate follow-up drilling. With 3,750m of the expanded 5,000m Phase 3 programme having been completed to date, the remaining 1,250m is being deployed to this end. Furthermore, the exciting results of the Stage 3 diamond drilling programme are informing

the design and optimisation of a planned Phase 4 programme to commence early in the New Year, focused on WinBin.

**Prospect Managing Director and CEO, Sam Hosack, commented:** *"WinBin continues to provide very promising results which has our team very excited, particular with the potential this body provides as a feeder system to the northern pegmatites. In addition, the belief that WinBin feeder is yet to be fully understood, makes this very compelling geological process. We look forward to providing more news flow on Step Aside over the coming months."*

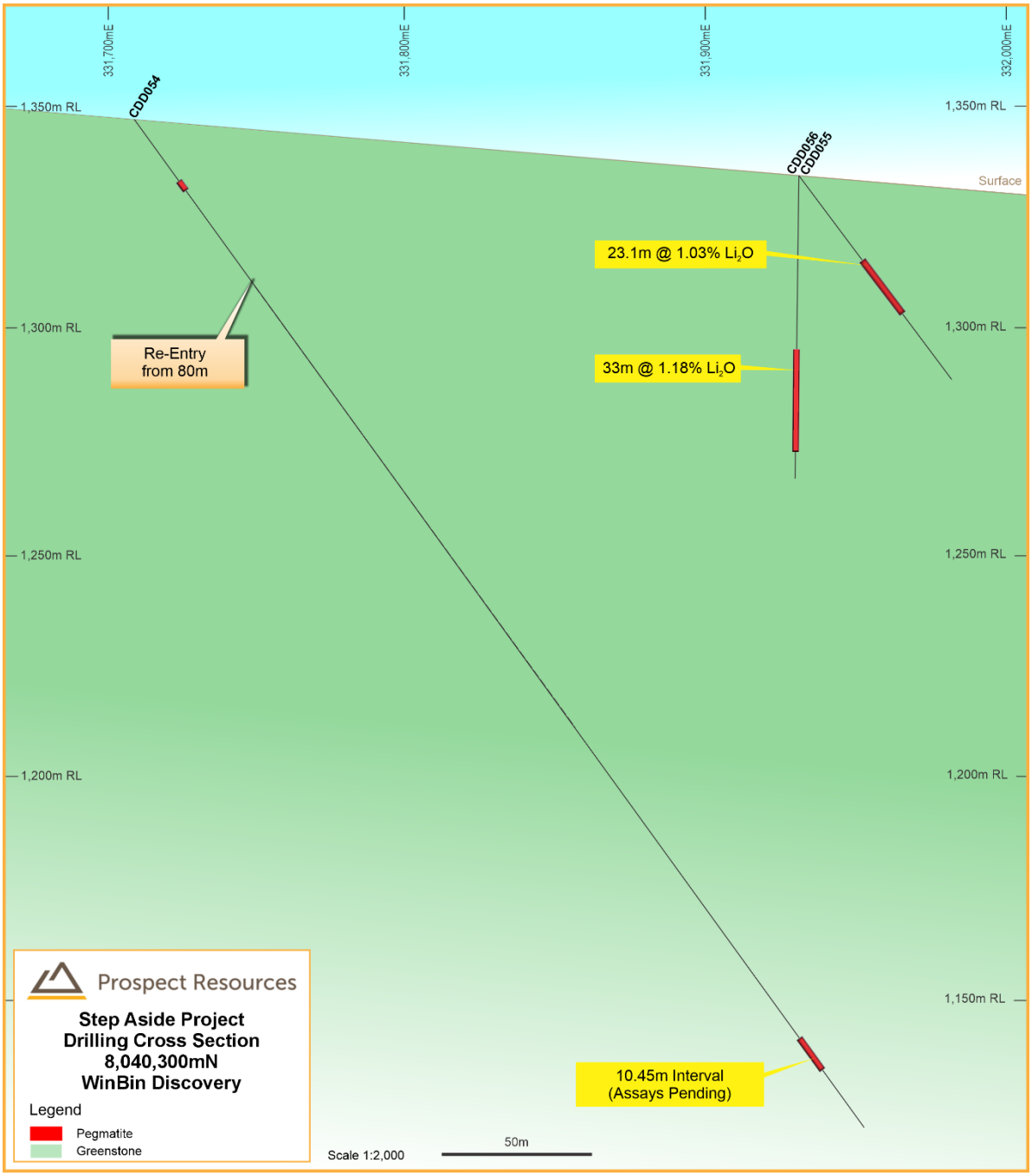


***Figure 1: Drilling Cross Section through the WinBin deposit at Step Aside***

Recent XRD analysis of representative pulp samples from the lithium mineralised intersection of WinBin discovery hole CDD055 have also returned a compositional result that is more than 95% spodumene.

The full structural position of the WinBin deposit, plus the narrower but well mineralised pegmatites to the north, is still not entirely clear. However there is mounting evidence that WinBin may be the potential feeder zone for the Colga pegmatite swarm (specifically Pegmatites A to F), which was targeted during the earlier phases of drilling completed by Prospect at Step Aside. Indirectly, the WinBin discovery itself may be "fed" from a larger (currently undefined) regional intrusive parent body in the broader Harare Greenstone Belt.

***Table 1: Summary of Visual Estimates for drill holes with outstanding assays***

| Hole ID | Collar Co-ordinates UTM Zone 35 South (ARC 1950) | | | Survey Data | | Hole Depth (m) | Pegmatite Intercepts | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Easting | Northing | Elevation | Azi (°) | Dip (°) | | From | To | Interval (m) | Spodumene modal abundance (%) |
| CDD054 | 331709 | 8040306 | 1344 | 80 | 60 | 419.73 | 388.21 | 398.64 | 10.43 | 2-5% |
| CDD059 | 331910 | 8040334 | 1333 | 70 | 60 | 134.84 | 120 | 120.5 | 0.5 | 10% |
| | | | | | | | 120.5 | 123.5 | 3 | 10-20% |
| | | | | | | | 123.5 | 129.75 | 6.25 | 20-30% |
| CDD061 | 331931 | 8040310 | 1319 | 50 | 60 | 115.08 | 90 | 93 | 3 | 2-5% |
| | | | | | | | 93 | 96 | 3 | 5-10% |
| | | | | | | | 96 | 101.5 | 5.5 | 10-20% |
| CDD062 | 331935 | 8040308 | 1319 | 100 | 70 | 50.78 | 30 | 33 | 3 | 20-30% |
| | | | | | | | 33 | 37 | 4 | 5-10% |
| | | | | | | | 37 | 38.8 | 1.8 | 10-20% |
| CDD063 | 331933 | 8040307 | 1319 | 100 | 75 | 80.84 | 39 | 46 | 7 | 5-10% |
| | | | | | | | 46 | 56 | 10 | 20-40% |
| | | | | | | | 56 | 64 | 8 | 20-40% |
| | | | | | | | 64 | 71.5 | 7.5 | 10-20% |
| CDD064 | 331850 | 8040297 | 1329 | 145 | 70 | 230.84 | 207.3 | 218.25 | 10.95 | 2-5% |
| CDD066 | 331850 | 8040298 | 1330 | 110 | 60 | 152.78 | 129 | 134 | 5 | 2-5% |
| | | | | | | | 134 | 138 | 4 | 5-10% |
| | | | | | | | 138 | 142 | 4 | 10-20% |
| | | | | | | | 142 | 144 | 2 | 5-10% |
| CDD067 | 331939 | 8040311 | 1319 | 70 | 60 | 75 | 49.95 | 53 | 3.05 | 2-5% |
| | | | | | | | 53 | 58 | 5 | 10-20% |
| | | | | | | | 58 | 68 | 10 | 20-30% |
| | | | | | | | 68 | 69.88 | 1.88 | 5-10% |

*The information in this announcement in respect of holes **CDD054, CDD059, CDD061-064, CDD066-067** 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 for these holes, which is currently expected to be by mid-December 2023.*

The drill collar location map for all exploration completed to date during 2022-23 at the Step Aside Project is shown below in Figure 2.

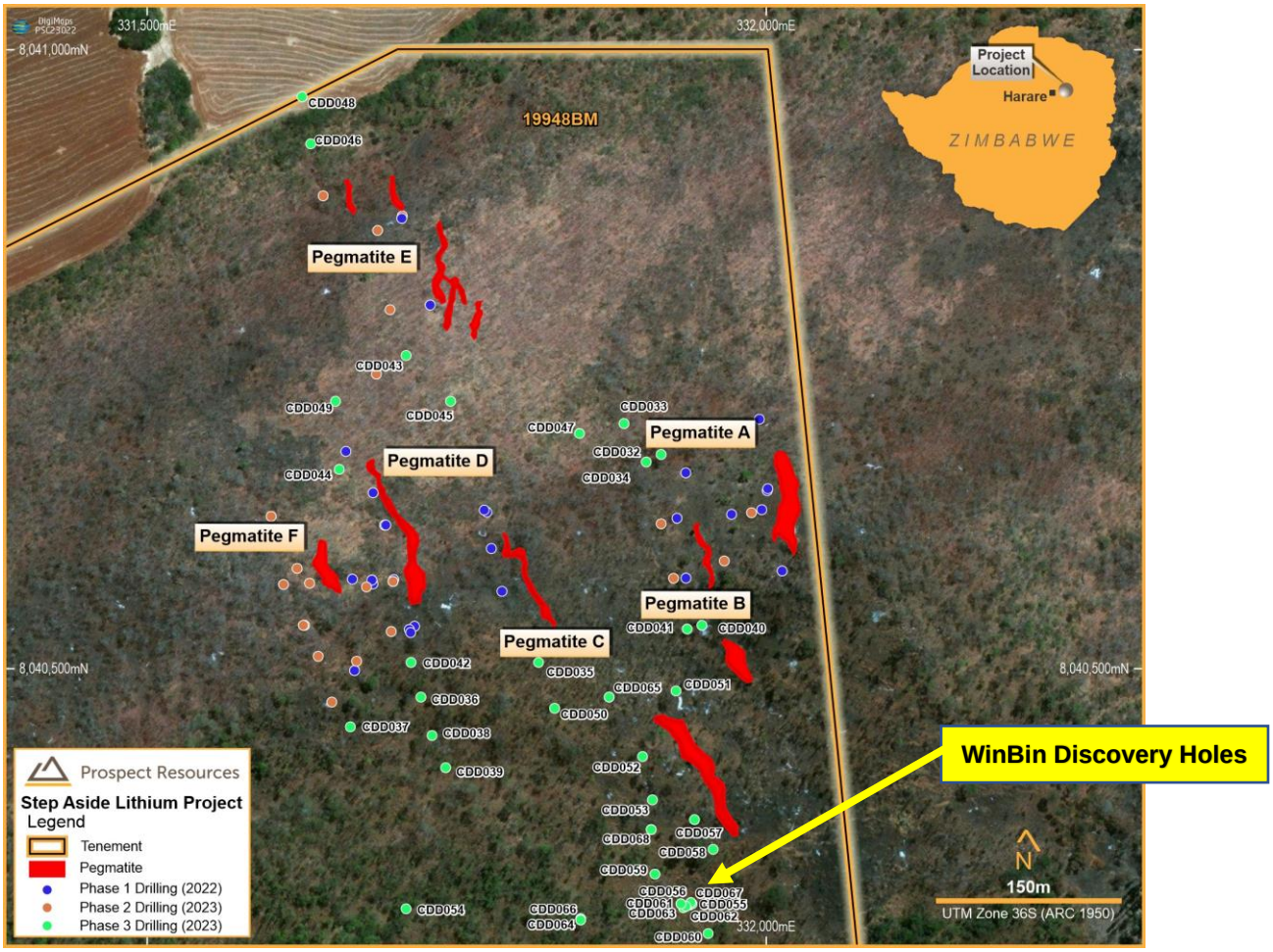


*Figure 2: Plan view showing Phase 3 diamond drilling at Step Aside and WinBin discovery*

*Figure 3: Prospect staff James Winch and Enias Binala pointing out the WinBin discovery drill hole CDD055, after whom the discovery was named*

**Stage 3 Diamond Drilling Programme**

The expanded diamond drilling programme of 5,000 metres is expected to complete in early December, with most assays then available by mid-January 2024.

Prospect is continuing to evaluate extensions of the WinBin deposit, with one drill rig dedicated to expanding the volumetric limits of this impressively coarse-grained and high-grade spodumene deposit (a distinct feature of this pegmatite intrusion). The second rig is regionally testing Pegmatite C northwards from positions where it appears to co-join WinBin and is currently interpreted to represent a splay from the latter.

***Figure 4: Diamond drilling rig completing deep hole CDD054 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 |
|---|---|---|---|---|---|---|---|---|---|
| CDD054 | DD | WinBin | 331709 | 8040306 | 1344 | UTM_WGS84_36S (ARC 1950) | -60 | 80 | 419.73 |
| CDD059 | DD | WinBin | 331910 | 8040334 | 1333 | UTM_WGS84_36S (ARC 1950) | -60 | 70 | 80.84 |
| CDD061 | DD | Pegmatite C | 331931 | 8040310 | 1319 | UTM_WGS84_36S (ARC 1950) | -60 | 50 | 115.08 |
| CDD062 | DD | WinBin | 331935 | 8040308 | 1319 | UTM_WGS84_36S (ARC 1950) | -60 | 100 | 50.78 |
| CDD063 | DD | WinBin | 331933 | 8040307 | 1319 | UTM_WGS84_36S (ARC 1950) | -75 | 100 | 80.84 |
| CDD064 | DD | WinBin | 331850 | 8040297 | 1329 | UTM_WGS84_36S (ARC 1950) | -70 | 145 | 230.84 |
| CDD065 | DD | Pegmatite C | 331873 | 8040477 | 1405 | UTM_WGS84_36S (ARC 1950) | -60 | 80 | 41.08* |
| CDD066 | DD | WinBin | 331850 | 8040298 | 1330 | UTM_WGS84_36S (ARC 1950) | -60 | 110 | 152.78 |
| CDD067 | DD | WinBin | 331939 | 8040311 | 1319 | UTM_WGS84_36S (ARC 1950) | -60 | 70 | 75** |
| CDD068 | DD | Pegmatite C | 331907 | 8040370 | 1351 | UTM_WGS84_36S (ARC 1950) | -60 | 80 | 97.89* |

* Hole in progress

** Metallurgical hole twinning CDD055

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

| Hole ID | Deposit | | From (m) | To (m) | Width (m) | Li2O_pct |
|---|---|---|---|---|---|---|
| CDD052 | Pegmatite C | | 48.67 | 52.76 | 4.09 | 1.14 |
| CDD053 | Pegmatite C | | 69.38 | 75 | 5.62 | 1.48 |
| CDD054 | WinBin | | * | | | |
| CDD056 | WinBin | | 81.00 | 114 | 33.00 | 1.18 |
| | | incl. | 88.00 | 112.00 | 24.00 | 1.41 |
| CDD057 | Pegmatite C | | 37.05 | 43.73 | 6.68 | 1.17 |
| CDD058 | Pegmatite C | | 38.00 | 44.00 | 6.00 | 1.01 |
| CDD059 | WinBin | | * | | | |
| CDD061 | Pegmatite C | | * | | | |
| CDD062 | WinBin | | * | | | |
| CDD063 | WinBin | | * | | | |
| CDD064 | WinBin | | * | | | |
| CDD065 | Pegmatite C | | ** | | | |
| CDD066 | WinBin | | * | | | |
| CDD067 | WinBin | | * | | | |
| CDD068 | Pegmatite C | | ** | | | |

* Assays Pending

** Hole in progress

# 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.<br>• Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.<br>• Aspects of the determination of mineralisation that are Material to the Public Report.<br>• 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 252 samples (282 including QC inserts) have been collected during this phase of the project being reported, all of which were diamond drill core samples.<br>• 35 new diamond holes for 3,746 metres have now been completed, during Phase 3, which produced 252 samples, collected over 273.90 sampled metres.<br>• 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.<br>• 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 ME-MS61).<br>• Certified Reference Materials (produced by AMIS of Johannesburg), blanks and field duplicates were inserted into sample batches (with 5% of total submissions being CRMs, 4% blanks, and 3% laboratory pulp duplicates). These insertions were completed post-preparation at the field camp, under the supervision of the Project Geologist.<br>• The CRMs used were AMIS0339 (2.27% Li), AMIS0342 (0.16% Li), AMIS0683 (2023 ppm Li), and AMIS0684 (4454 ppm Li). |

| | | |
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| ***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, and a truck mounted Geomech Africa (Atlas Copco) CS-1500 drill rig. The core diameter drilling size used was HQ and NQ. HQ was drilled to an average depth of 24m before holes were cased. The sum of HQ metres and NQ metres drilled totalled 3,746 metres. |
| ***Drill sample recovery*** | • Method of recording and assessing core and chip sample recoveries and results assessed.<br>• Measures taken to maximise sample recovery and ensure representative nature of the samples.<br>• 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 annotated on the core. On the end of each 3m run, the total length 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.<br>• To ensure maximum recovery, 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 through 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.<br>• Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.<br>• 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.<br>• The total diamond core meterage logged is 3,746m, 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.<br>• If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry. | • Core was split using a diamond cutter and a ¼ core section was sampled and bagged for preparation and analysis.<br>• Preparation involved samples being dried, weighed, crushed and milled |

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| | • For all sample types, the nature, quality, and appropriateness of the sample preparation technique.<br>• Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.<br>• 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.<br>• Whether sample sizes are appropriate to the grain size of the material being sampled. | >80% passing 75µm.<br>• 12% of the total number of diamond core samples assayed to date 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.<br>• 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.<br>• 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 Laboratories in Ruwa (Zimbabwe). During preparation samples underwent crushing and pulverising. Analysis was carried out by ALS Chemex in Johannesburg (South Africa) by means of 48 element four-acid ICP-MS (suite code ME-MS61).<br>• Of the total of 282 samples (252 excluding QC inserts) submitted during this phase of the project to date, assays for 188 (166 excluding QC inserts) have been reported. The assay results of the diamond core samples were acceptable, as evidenced by evaluations of the twenty-two (22) QC inserts analysed. For the thirteen (13) CRM control samples inserted to date, ten (10) have been reported. Of these, the three (3) high-grade CRM AMIS 339 inserts (2.27% Li) all reported well within 2 standard deviations (<5% variation) of the certified grade. Of the three (3) AMIS 683 standards (low-grade 2023 ppm Li) analysed, one (1) reported slightly below the lower 2x S.D. threshold (10.3% variance), one (1) was within range, and one (1) reported slightly above the upper 2x S.D. threshold (11.7% variance). Two (2) alternate low-grade standards, AMIS 342 (0.16% |

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|---|---|---|
| | | Li) were also included in the insertion sequence and have reported, of which one (1) was in range, and the other (1) reporting marginally above the upper 2x S.D. boundary (12.9% variance). Additionally, two (2) mid-grade standards, AMIS 0684 (4454 ppm Li), were inserted, with both reporting fractionally below the lower 2x S.D. threshold (4.27% and 5.15% variance, respectively).<br>• A total of ten (10) blanks have been inserted to date, and of the seven (7) analysed and reported to date, all are within acceptable limits.<br>• A sequence of seven (7) blind primary preparation pulp duplicate pairs have also been submitted for analysis, and of the five (5) reported to date, all have reported <5% variance.<br>• Remnant pulps of 26x diamond core samples from borehole CDD055 were sent to Geolabs in Centurion (South Africa) for XRD analysis. The $Li_2O$ grade was back-calculated for comparison to the ALS derived ICP values. Of the 13 values >1% $Li_2O$ thus derived, all were within 11% of the ALS chemical assay. |
| ***Verification of sampling and assaying*** | • The verification of significant intersections by either independent or alternative company personnel.<br>• The use of twinned holes.<br>• Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.<br>• Discuss any adjustment to assay data. | • The site is regularly inspected by Senior Geological staff, including Exploration Manager, and CP & Chief Geologist (Roger Tyler).<br>• 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.<br>• Assay data were recorded digitally and electronically distributed in certified PDF copies along with transcribable format in an accompanying spreadsheet.<br>• No Mineral Resource estimate has been carried out. |
| ***Location of data points*** | • Accuracy and quality of surveys used to locate drill holes (collar and | • All drill holes were surveyed when completed with an EMS down-hole |

| | | |
|---|---|---|
| | down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.<br>• Specification of the grid system used.<br>• Quality and adequacy of topographic control. | survey instrument, a Board Longyear TruShot tool, and latterly a Reflex EZ-Trac instrument. The tools were lowered down to take the measurements of the hole trace relative to magnetic north. Starting at the bottom of the hole the tools were 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 deviations were evident in plan or section.<br>• All collar positions were staked using a handheld GPS and marked with concrete beacons on completion. 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.<br>• 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.<br>• Whether sample compositing has been applied. | • Drill sites were spaced approximately 30-50m apart along strike from north-north-west to south-southeast, and inclined east targeting subsurface continuations of outcropping pegmatites. The drill holes targeted pegmatite intercepts at depths of between 30m to 300m vertically.<br>• Fan holes were required on the southern drill cross section 8040300mN, owing to poor access further south due to topographical constraints. |
| ***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.<br>• 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 interpreted mapped strike direction, inclined generally eastwards approximately orthogonal to the interpreted dip direction of the targeted pegmatite bodies. Hole inclination angles were planned to intersect the targeted pegmatites as near to perpendicular as possible.<br>• As above, the southernmost drill section, 8040300mN, was utilised for |

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|---|---|---|
| | | fan holes to target the WinBin discovery southwards, due to current poor drilling access to the south, owing to topographical constraints. |
| ***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.<br>• 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).<br>• The environmental impact assessment has been granted and Q3 quarterly review conducted.<br>• 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.<br>• 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.<br>• 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, with minor lepidolite and petalite being recorded.<br>• The occurrence of the pegmatites appears to be closely related to the regional Mashonganyika Fault.<br>• There are seven mapped pegmatite bodies as a regional swarm, which were named Colga Pegmatites A to F, with B and C potentially coalescing into one to |

| | | |
|---|---|---|
| | | the south. Mapped outcrops of the pegmatite swarm have a 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 on the primary outcrop, widening to 9m on C_Extension. 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 has no outcrop on surface and is currently interpreted to dip steeply at 79°. |
| ***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:<br>○ easting and northing of the drill hole collar<br>○ elevation or RL (Reduced Level – elevation above sea level in meters) of the drill hole collar<br>○ dip and azimuth of the hole<br>○ down hole length and interception depth<br>○ hole length.<br>• 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.<br>• Where aggregate intercepts incorporate short lengths of high | • 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. |

| | | |
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| | 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.<br>• 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.<br>• If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.<br>• 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 various azimuths and dips generally intending to intersect the pegmatites perpendicularly to the mapped geological strike direction, where site accessibility allowed this.<br>• Virtually all holes intersected the pegmatites as planned, though the pegmatites do bifurcate and vary in thickness.<br>• Borehole lines were mainly drilled parallel to the north-northwest-south-southeast strike of the pegmatite bodies, although fan holes were deployed to the south where site access was restricted. |
| ***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, | • No known previous exploration work for lithium conducted on the tenement historically, prior to the present programmes being undertaken by Prospect Resources. |

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| | geotechnical and rock characteristics; potential 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).<br>• 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 of Pegmatite C_Extension, and the newly discovered WinBin body. This will likely necessitate deepening of pre-existing holes and opening up drilling access further south to ensure optimal positioning of new bore hole sites. |