



PROSPERITY

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31 July 2009

Company Announcements Office

Australian Securities Exchange Ltd

ASX Release

Two highly significant gold-copper soil anomalies identified at Pinang-Pinang

- Highly anomalous and coherent **+ 1g/t gold in soil anomaly identified at Pala prospect with gold values up to 10.1g/t gold.** Pala gold anomaly situated within a coincident copper and molybdenum anomaly
- Soil sampling defines **new Nilam prospect** (800m NW of Pala) with **soil values to 5.18g/t gold** also with strong coincident copper and molybdenum anomalism
- Gold-copper-molybdenum association suggests porphyry-style mineralisation
- Prosperity Resources to proceed with the acquisition of at least 80% of the Pinang-Pinang gold copper project through completion of due diligence and meeting minimum expenditure commitments

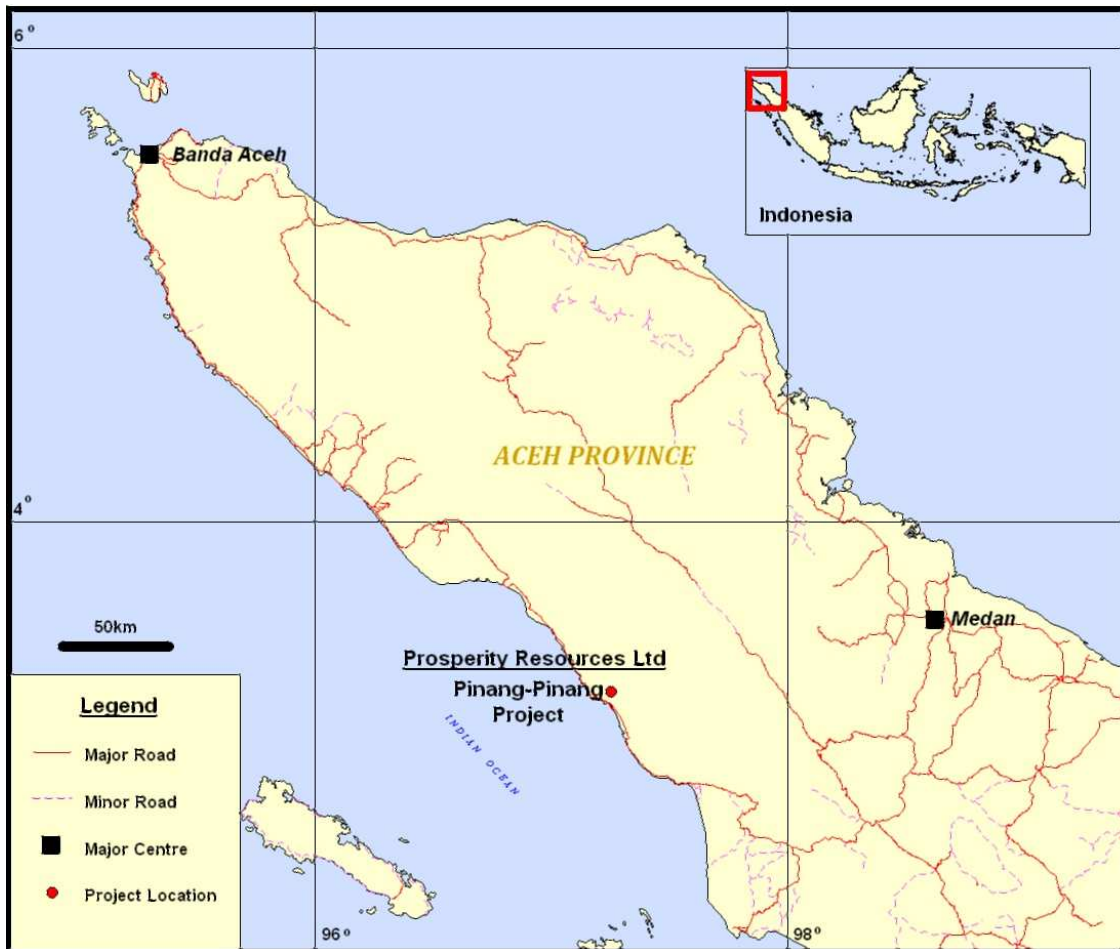
Prosperity Resources Limited (ASX: **PSP**) is pleased to announce it has completed detailed soil sampling, ground magnetics and geological mapping at the Pinang-Pinang gold-copper project in Aceh as part of Prosperity's due diligence program towards acquiring an 80% interest in the project.

Work has focussed on the Pala and newly defined Nilam prospects.

A program of channel and trench sampling and mapping is currently underway.



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Pingang-Pinang Location Plan

Surface geological mapping and trenching have confirmed the presence of gold-copper±molybdenum mineralisation within a zone of quartz stockwork veining. The quartz stockwork mineralisation occurs within intrusive andesitic porphyry and microdiorite host-rocks. A series of parallel north-east trending gold-copper-silica-magnetite-sulphide replacement bodies has also been mapped and are interpreted to broadly define the upper extremity of a mineralised porphyry system.

This work along with a soil geochemical program has defined two prospects known as Pala and Nilam.

Chairman, Mr Mo Munshi said “the surface results reported to date combined with our evolving understanding of the geological setting make the Pala and Nilam prospects high priority targets capable of hosting significant gold and copper mineralisation”



Pala Prospect

The Pala prospect was explored by a Meekatharra Minerals Limited/Teck Exploration joint venture in the late 1990's. This work comprised stream sediment sampling and subsequent trenching at Pala with some significant trench results being reported (see PSP ASX release 6 April 2009). Despite the encouraging results the low gold price at that time saw no further work completed.

Work by Prosperity at Pala has involved detailed soil sampling and ground magnetic surveys. Detailed channel and trench sampling and mapping is currently underway.

Soil sampling has **defined a 'bulls-eye' shaped coherent + 1g/t gold soil anomaly with gold values up to 10.1g/t gold. The Pala gold anomaly is approximately 350m long x 150m wide and has coincident copper and molybdenum anomalism. It is also associated with a local magnetic high .**

A broader gold anomaly (>100 ppb gold) surrounds the +1g/t soils values and closely mimics the areas of anomalous copper and molybdenum.

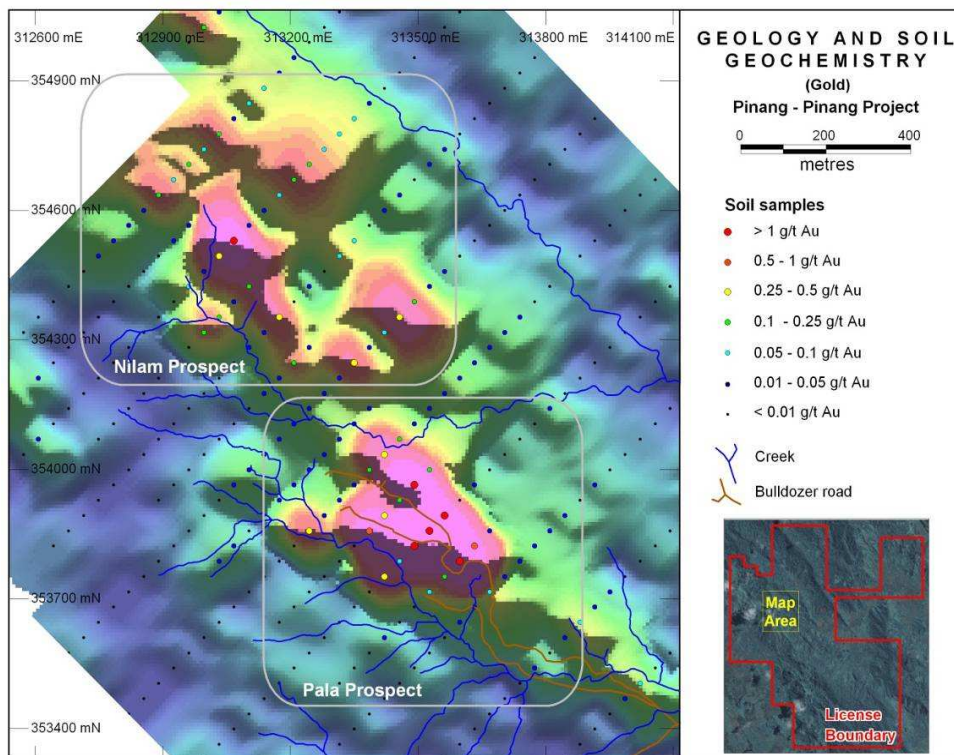
The Pala anomaly is contained within and/or largely restricted to intrusive andesitic porphyry and microdiorite host-rocks proximal to (or between) the replacement silica-magnetite-sulphide bodies.

Nilam Prospect

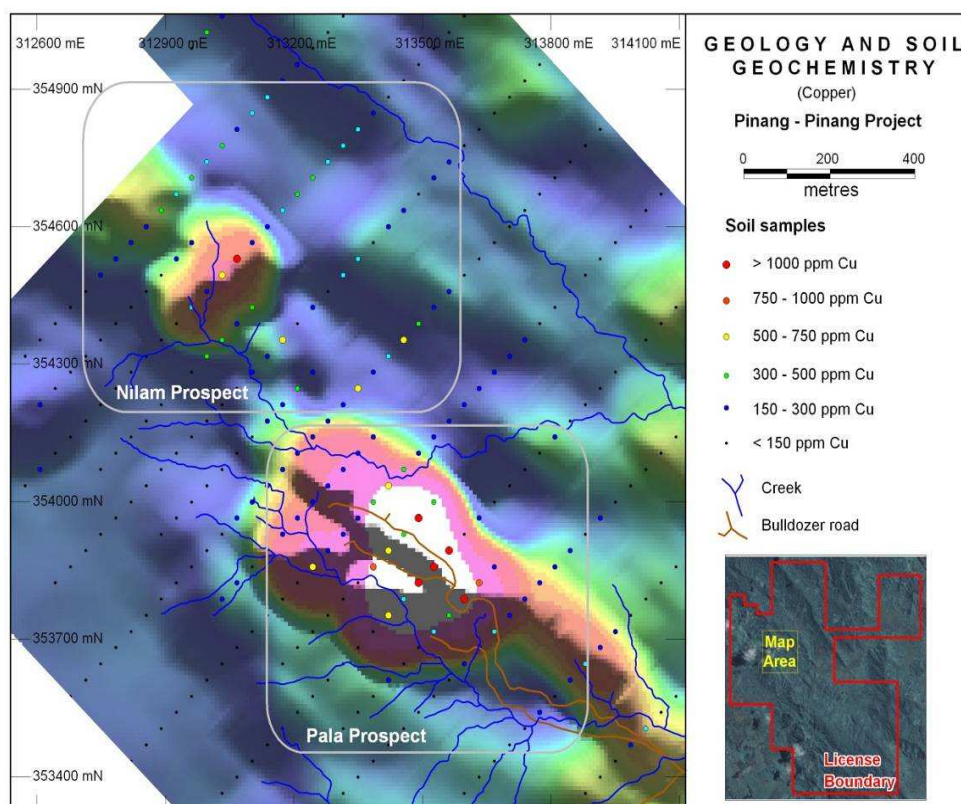
Soil sampling and mapping has identified the Nilam prospect; a second area of mineralisation 300-900m NNW of Pala that has reported soil values up to 5.18g/t gold. This anomaly also has strong coincident copper and molybdenum anomalism. The anomaly remains completely open to the north west .

The Nilam soil anomaly is interpreted to represent the northwest continuation of the structural corridor that hosts mineralisation in the Pala Prospect. Mapping, test-pitting and general prospecting within and around the highest soil value has identified subcropping zones of silica-magnetite-sulphide replacement alteration, mineralised stockwork-veined float, and small outcrops containing pyrite-chalcopyrite-quartz (silica) sealed veining and fractures. Ongoing trenching aims to further explain these anomalies and delineate new zones of mineralisation and ultimately drill targets.





Contoured gold soil geochemistry at Pala and Nilam Prospects

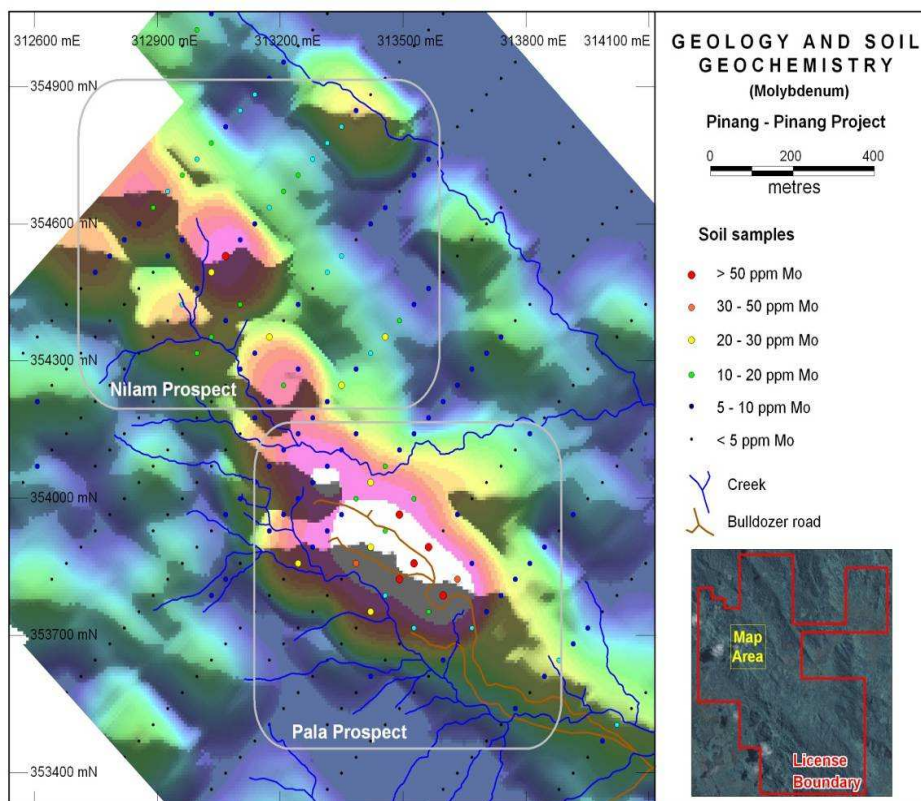


Contoured copper soil geochemistry at Pala and Nilam Prospects





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Contoured molybdenum soil geochemistry at Pala and Nilam Prospects

Sample Collection and Analysis

Soil samples were collected from hand-auger collected samples taken on 200m x 50m and 100m x 50m spaced intervals. Gold analysis was undertaken by Intertek Jarkarta by fire assay analysis. Copper and Molybdenum were analysed by ICP following acid digest. High grade results were re-analysed with an ore grade digest and ICP finish.

For further information please contact the undersigned on (08) 9322 7575.

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Competent Person Statement: *Information in this announcement that relates to Exploration Results is based on information compiled by Michael Ivey, Principal of M Ivey Pty Ltd trading as MetalsEx Capital, who is a Member of The Australasian Institute of Mining and Metallurgy. Michael Ivey is a permanent employee of MetalsEx Capital and has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 JORC Code. Michael Ivey consents to the inclusion in the announcement of the matters based on the information in the form and context in which it appears.*



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