



PROSPERITY

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Company Announcements Office
Australian Securities Exchange Ltd
ASX Release

High-Grade Gold-Copper Results from trenching at Nilam Prospect delineate a second porphyry centre in the Pinang-Pinang Project

- Strike length of Pinang-Pinang Project extended to 1.5 kilometres by trenching at the **Nilam Prospect**. This mineralised corridor is interpreted as an extension of the system which includes the previously discovered Pala structure and is open along strike to the northwest.
- Trench results include
 - ▶ Trench N1: **24m @ 6.89 g/t gold and 0.10% copper**
 - ▶ Trench N5 : **8m @ 2.88 g/t gold and 1.30% copper**

Prosperity Resources Limited (ASX: **PSP**) is pleased to announce that a programme of trenching at the Pinang-Pinang gold-copper Project in Aceh Province, Indonesia has extended the strike length of the previously reported Pala Prospect to one and a half kilometres through highly significant surface gold plus copper mineralisation at the Nilam Prospect.

Soil sampling completed by Prosperity defined gold values up to 5.18 g/t with strong coincident copper and molybdenum at the Nilam Prospect.

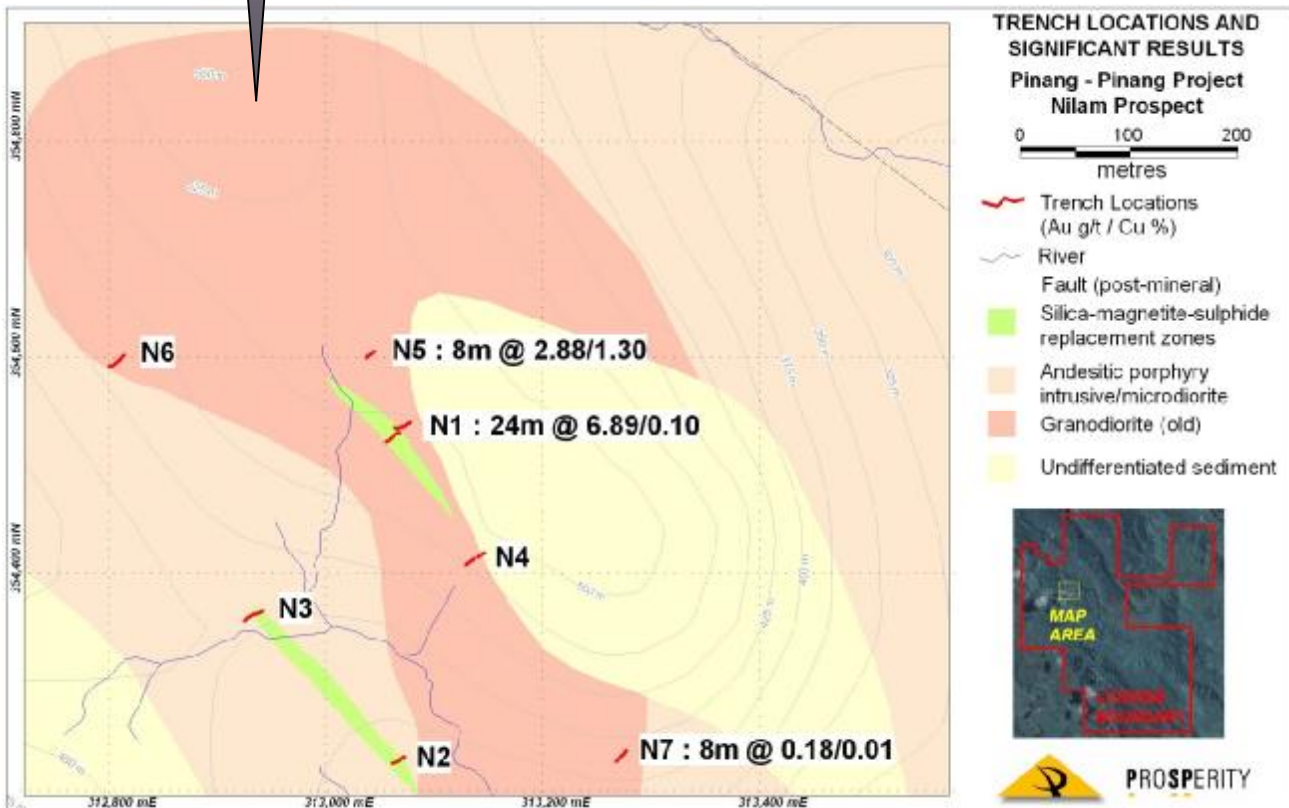
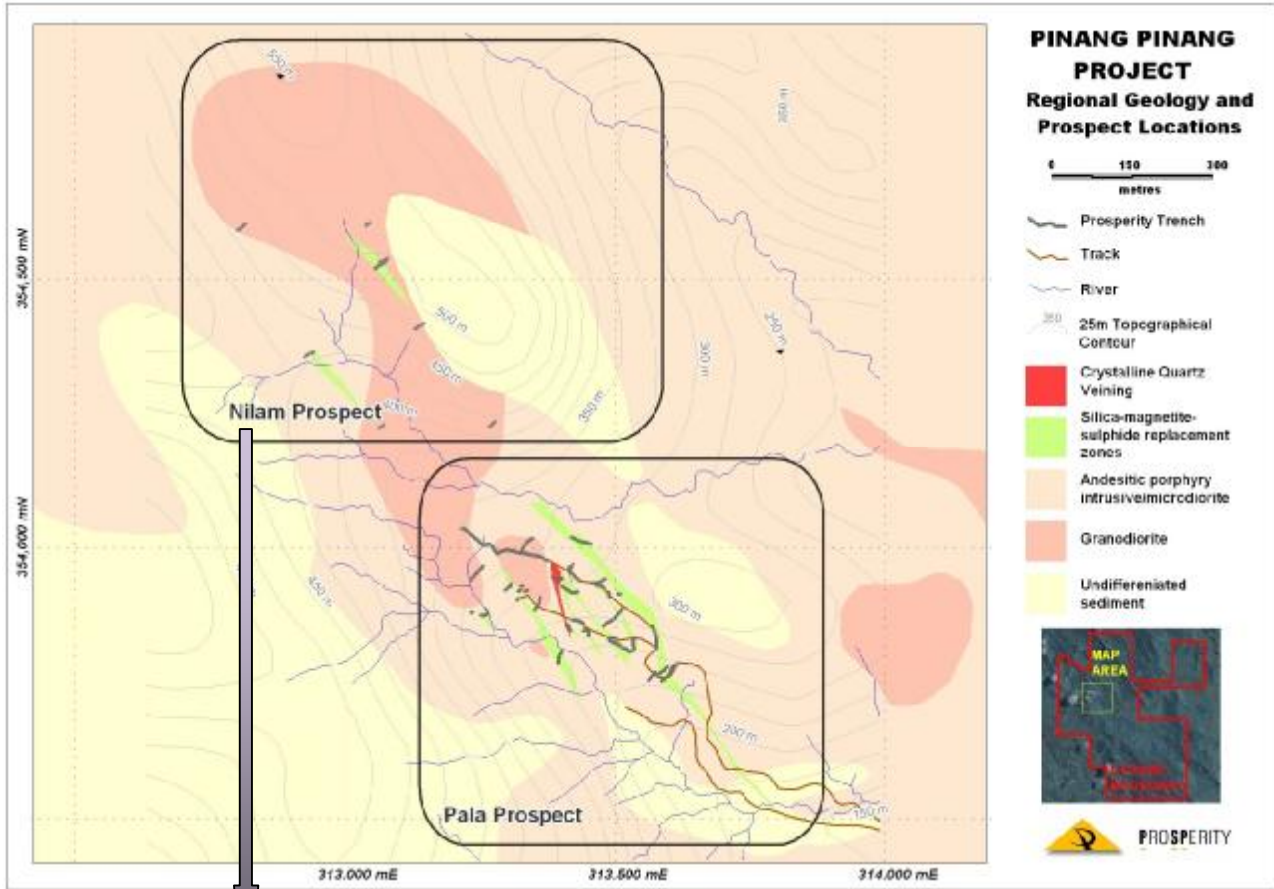
Chairman, Mr Mo Munshi said "these Nilam trench results extend the strike length of the system and give us further encouragement about the exploration potential of this project."

Diamond drilling will resume this week at the Pala Prospect after the traditional Muslim holidays.



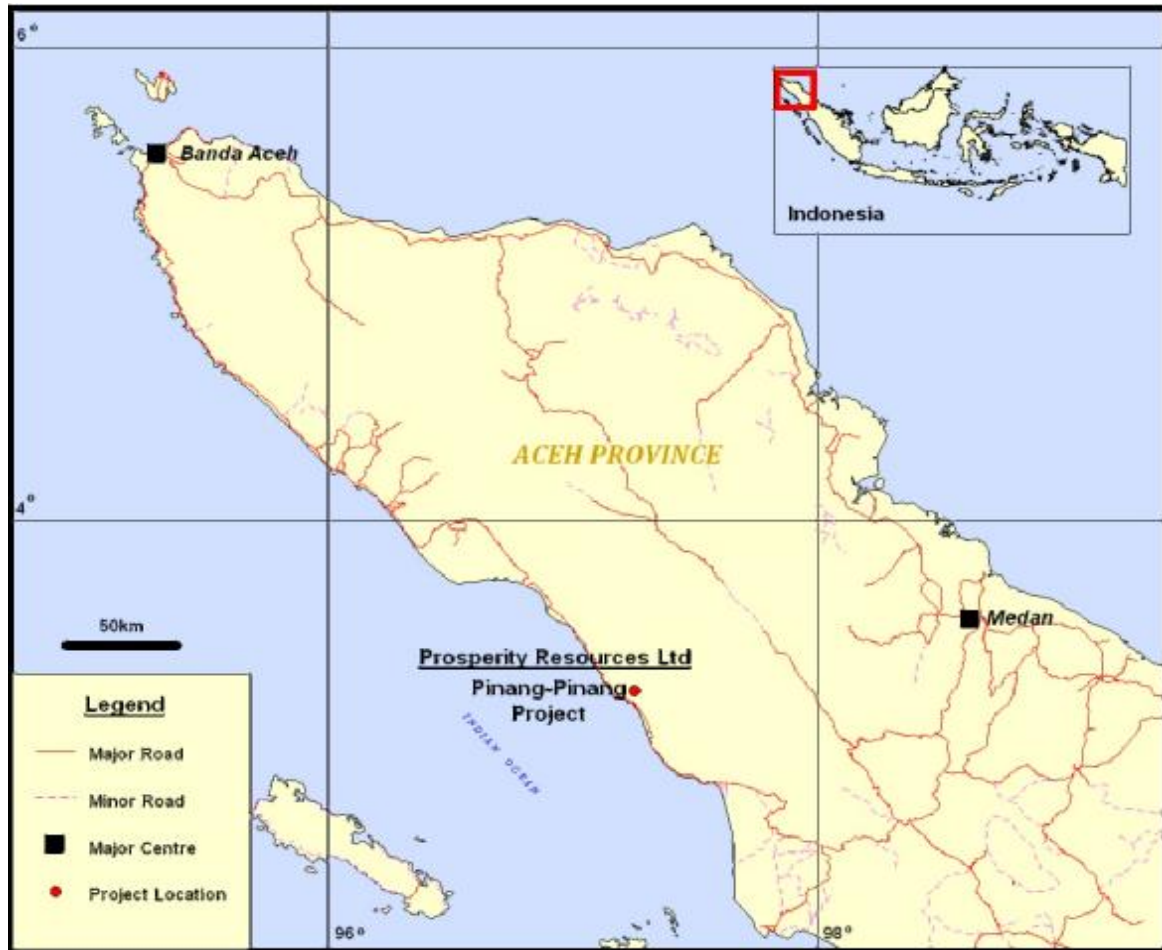


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Pinang-Pinang Location Plan



Trenching at Nilam



Copper rich quartz-sulphide sample



Nilam Prospect Geology

Grid-based soil sampling at the Nilam Prospect completed by Prosperity identified an 800 metre long by 300 to 600 metre wide, coincident gold-copper-molybdenum in soil anomaly some 300 to 900 metres northwest of the Pala Prospect. This large geochemical anomaly is open to the northwest and interpreted to represent a continuation of the structural corridor that hosts mineralisation at Pala.

Mapping and prospecting in and around the higher elevation Nilam Prospect has identified zones of outcropping and subcropping silica-magnetite-sulphide replacement alteration mineralisation. These zones are surrounded by intervals of quartz-sulphide±magnetite filled stockwork veining and fracture-fill in microdiorite intrusive host-rocks. This style of mineralisation is similar to that observed at the Pala Prospect. Trenching has also successfully delineated spaced intervals of structurally controlled, locally semi-massive, basemetal-rich quartz-sulphide, vein hosted mineralisation in granodiorite host-rocks. This granodiorite hosted mineralisation is uncommon at Pala.

Disseminated, replacement and stockwork vein-hosted styles of sulphide mineralisation in microdiorite and structurally-controlled, vein-hosted basemetal-rich mineralisation in granodiorite appear to be localised along or proximal to the contact between a younger microdiorite intrusive complex and a large block of old, deformed granodiorite intrusive.

Trenching at Nilam is presently focused on delineating and confirming the extent of mineralisation away from the microdiorite/granodiorite contact and under a large body of limestone in an area with a paucity of outcrop. Ongoing trenching aims to further extend the width of the mineralised corridor and confirm if it is porphyry related. Results from the trenching will be used to define drill targets.

Sample Collection and Analysis

Manually excavated trenches were completed to approximately 1.5m depth or where hard rock was encountered. Samples were taken over 2m-6m spaced intervals from horizontal channels cut near the base of the trench. Gold analysis was undertaken by Intertek Jakarta by fire assay analysis. Copper was analysed by ICP following acid digest. High grade results were re-analysed with an ore grade digest and ICP finish.

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**PINANG PINANG PROJECT
TRENCH SAMPLING RESULTS - SIGNIFICANT INTERCEPTS
NILAM PROSPECT**

Trench No	Prospect	Start Easting	Start Northing	Interval	From	Au (g/T)	Cu(%)
N1	Nilam	313,058	354,522	24	0	6.89	0.10
N2	Nilam	313,063	354,225	No Significant Results			
N3	Nilam	312,936	354,363	No Significant Results			
N4	Nilam	313,129	354,408	Not Sampled due to scree in trench			
N5	Nilam	313,042	354,604	8	0	2.88	1.30
N6	Nilam	312,806	354,594	No Significant Results			
N7	Nilam	313,272	354,230	8	6	0.18	0.01
Grid Coordinates WGS84 Zone 47 North							

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.

