



15th September 2010

HELIMAG SURVEY CONFIRMS THE EXCELLENT POTENTIAL OF MUTIARA AND PANTON LUAS PROSPECTS AND IN ADDITION IDENTIFIES NUMEROUS GOLD COPPER TARGETS AT ACEH PROJECT

ASX: PSP

SHARE INFORMATION

Issued Shares: 301.3m
Unlisted Options: 45.8m

BOARD OF DIRECTORS

Chairman & MD: M. Munshi
Non-Exec: J. Arbuckle
Non-Exec: S. Hempel

COMPANY SECRETARY

G. Taylor

PRINCIPAL CONTACT

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KEY PROJECTS

ACEH

Ownership: earning 73%
Location: Aceh, Indonesia

TENNANT CREEK

Ownership: 100%
Location: NT, Australia

Highlights:

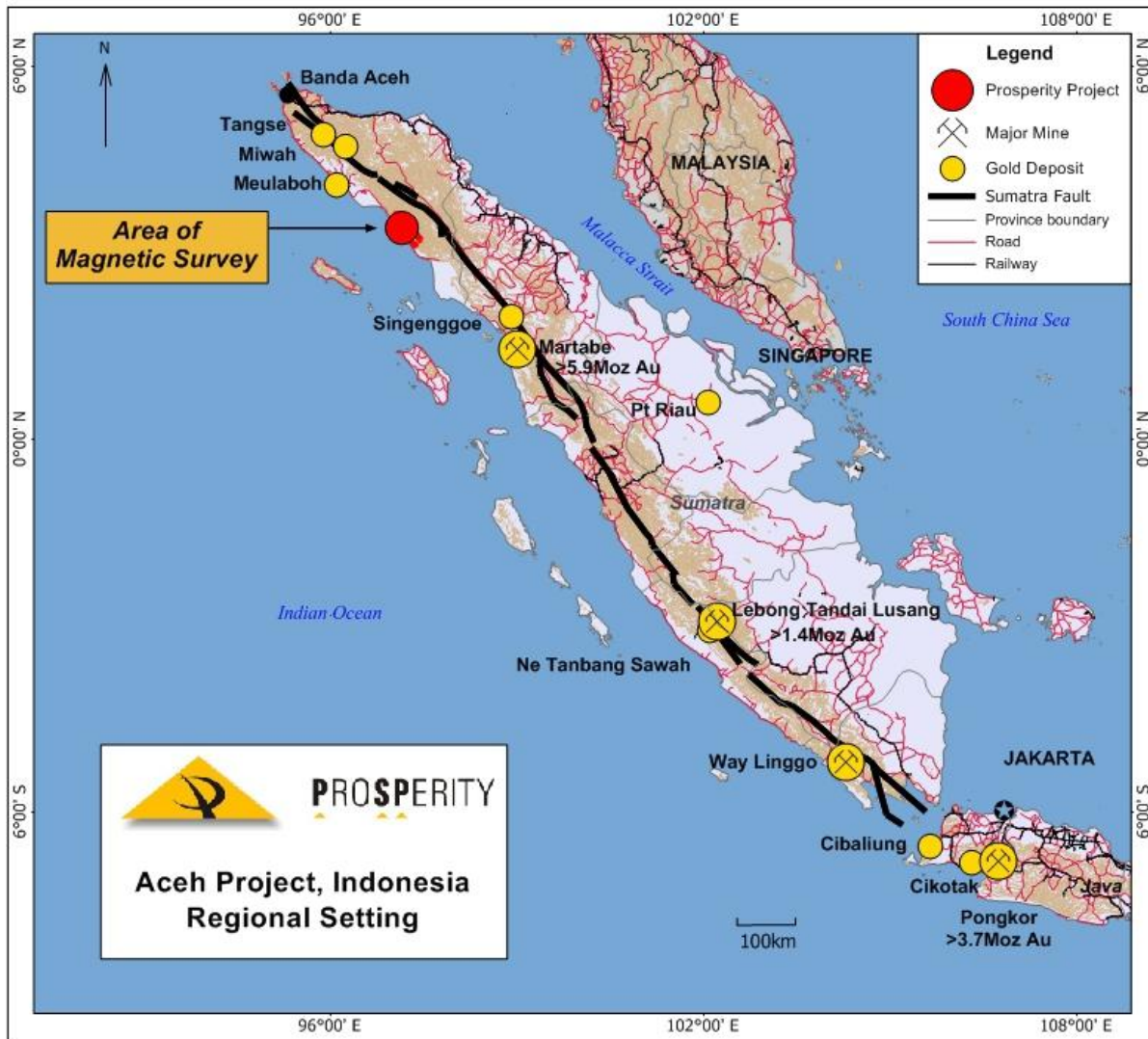
- Prosperity's helimag survey defines numerous gold copper targets within the Company's 60 kilometre long Aceh Project that occur as a string of discrete and clustered, strong magnetic anomalies aligned in a northwest structural corridor west of the Sumatra Fault.
- The magnetic survey has also highlighted several new porphyry targets within this structural corridor which were not previously recognised.
- Known gold and copper mineralisation at Prosperity's Panton Luas, Mutiara and Pelumat Prospects shows a strong correlation with magnetic highs that have previously reported excellent surface, trench and underground primary sulphide samples including:
 - Trench P3: 15 metres @ 6.71g/t gold
 - Trench P37: 6 metres @ 2.70g/t gold and
 - Trench P37: 15 metres @ 3.10g/t gold
 - Trench M1: 18 metres @ 2.61g/t gold and 0.71% copper
 - Trench M23: 12 metres @ 4.77g/t gold and 3.62% copper
 - 71g/t, 83g/t and 29.1g/t gold from primary mineralisation
- First diamond drilling in the region to commence at the end of September at Mutiara and Panton Luas.

Prosperity Resources Limited (ASX: PSP) is pleased to release the first images from its regional helicopter-borne magnetic survey conducted during August over its licenses in southern Aceh. The magnetic survey produced excellent results from Panton Luas, Mutiara and Pelumat Prospects. The survey results extend the size of all three Prospects and follow up work will start in the coming weeks.

Importantly, the survey has defined several new significant targets with similar characteristics to those already explored including potential high grade Au-Cu skarn and porphyry hosted mineralisation within the major controlling structural corridor in the Prosperity Licenses.

Prosperity will commence an initial 5,000 metre diamond drilling program at Mutiara and Pantan Luas at the end of September.

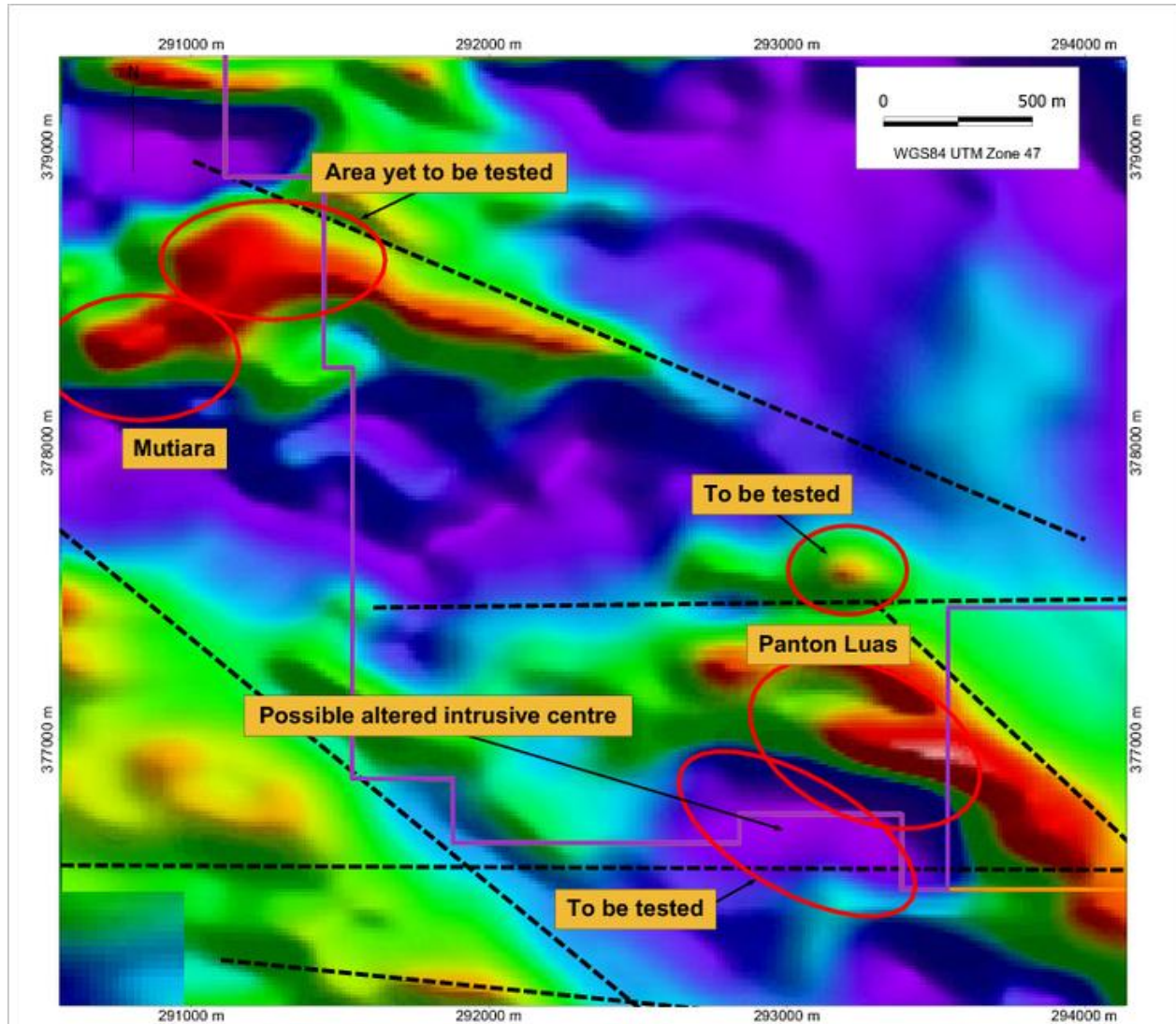
Chairman Mr. Mo Munshi said “the helimag survey results suggest that a potentially significant belt containing unexplored mineralisation has been defined within Prosperity’s licenses. Several potential porphyry centres and high grade skarn occurrences within the 60 kilometre strike length of our land package are highlighted. Our field observations and surface sampling results at existing targets correlate closely with magnetic results from the helimag survey which gives us increased confidence to start drilling on our known targets and send our geological team to the new target areas.”









Prosperity’s Aceh Properties in New Mineral District



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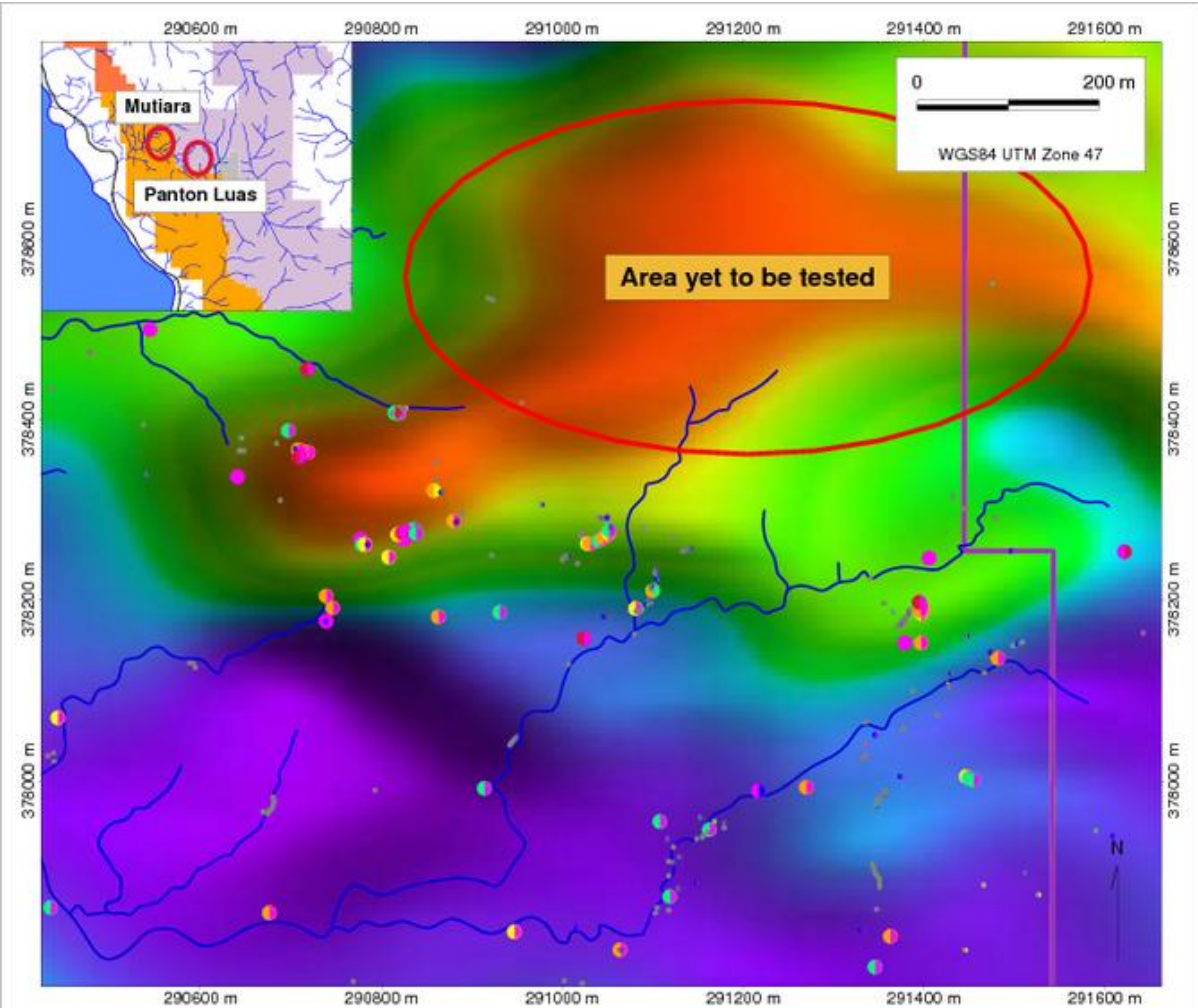


 <p>PROSPERITY</p>	<p>Aeromagnetic Survey Helicopter-borne Magnetic Survey Total Magnetic Intensity Reduced to Magnetic Pole</p>	<p>Licenses</p> <ul style="list-style-type: none">  AWC  MKM  KUD (excised)  Interpreted Structure  Prosperity Prospects

Panton Luas - Mutiaira area magnetic survey

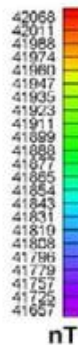


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Geophysics

Helicopter-borne Magnetic Survey
 Total Magnetic Intensity
 Reduced to Magnetic Pole



nT

Surface Sampling

Gold Result (g/t)



Copper Result %



--- Fault

Licenses



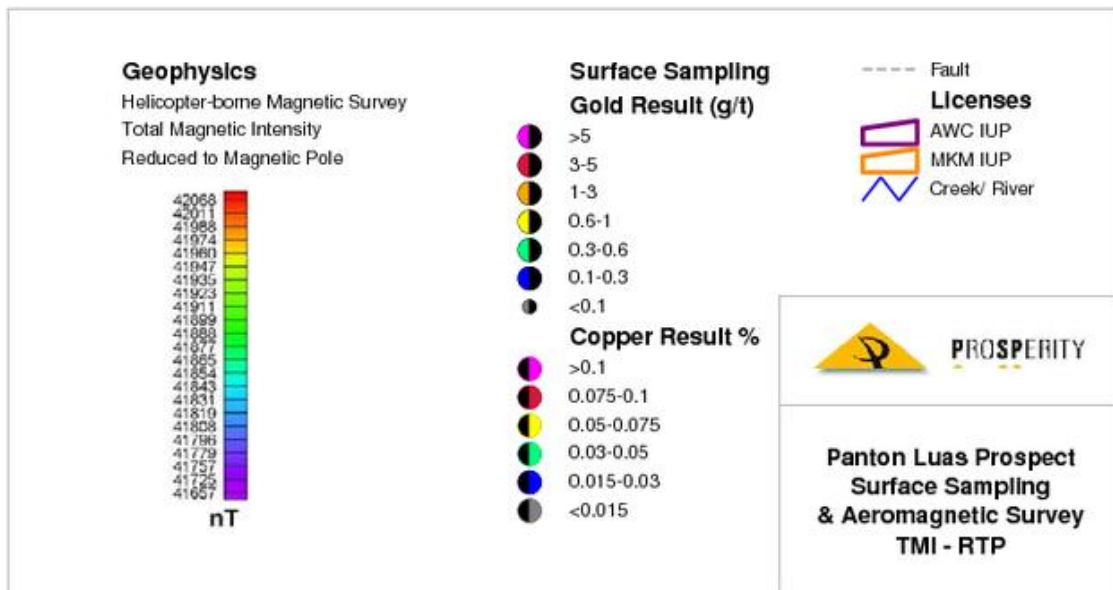
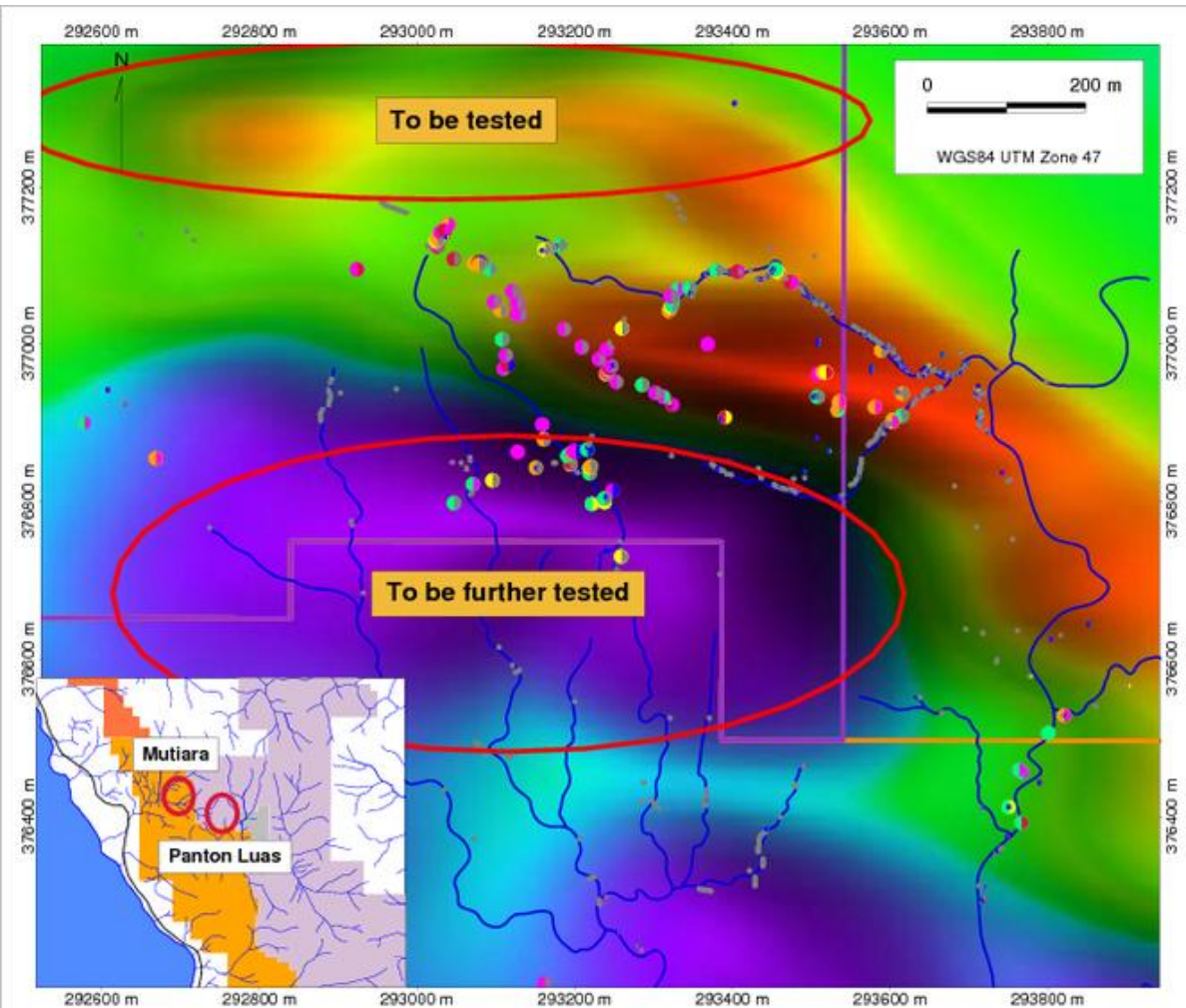
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**Mutiara Prospect
 Surface Sampling
 & Aeromagnetic Survey
 TMI - RTP**

Mutiara surface samples and magnetic survey results



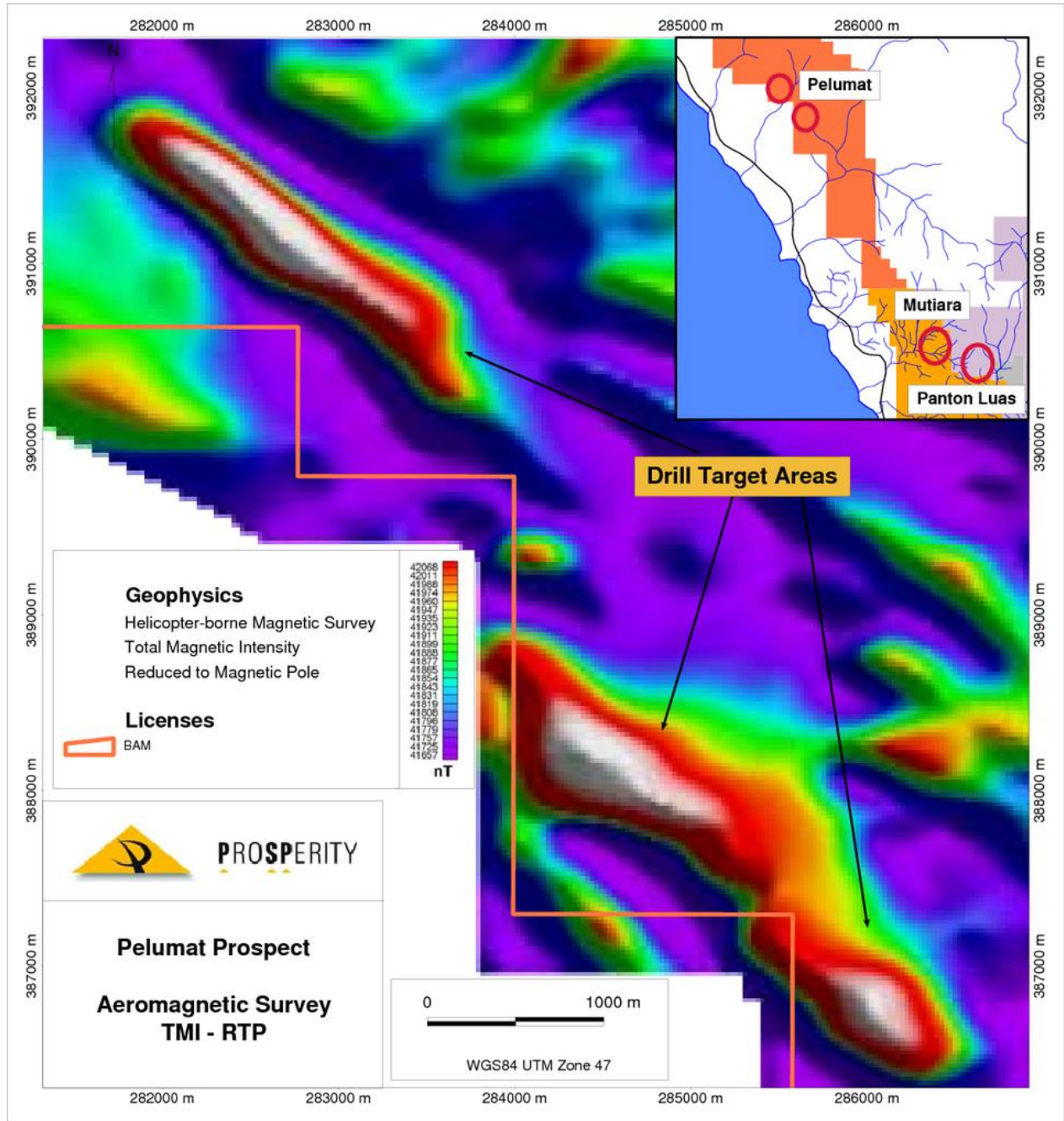
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Panton Luas surface samples and magnetic survey results



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Pelumat area magnetic survey



Regional Helimag Survey

The regional helicopter borne magnetic survey was undertaken to enable better definition of regional and local geology and structure in the 60km belt held under license and to assist in discovery of new sites of mineralisation. The survey was flown by GPX Surveys at a combination of 200 metre and 100 metre flight line spacing to best highlight structure and areas with significant alteration defined by development of hydrothermal magnetite alteration and later destruction characteristic of porphyry environments and related magnetite bearing contact endo- and exoskarns.

Preliminary images of the complete magnetic survey clearly highlight a discrete essentially unrecognised mineralised belt aligned along the west coast of south Aceh contained within a well defined structural corridor, a feature characteristic of mineralization in island arc settings. This has generated several new targets with similar characteristics to those already explored including potential high grade Au-Cu skarn and porphyry hosted mineralisation within the land package. Assessment of the magnetic data is still at an early stage.

The survey figures above illustrate a number of features of geology, structure, alteration and mineralisation recognised by Prosperity in the field and relates them to magnetic anomalies seen in the magnetic survey images. These illustrate the close correlation between direct field observation of alteration characteristics of both porphyry and skarn mineralisation with the magnetic anomalism and gives confidence to the interpretations that can be made from the magnetic survey data in unmapped areas. It also clearly highlights the prospectivity potential of Prosperity Resources licenses in south Aceh.



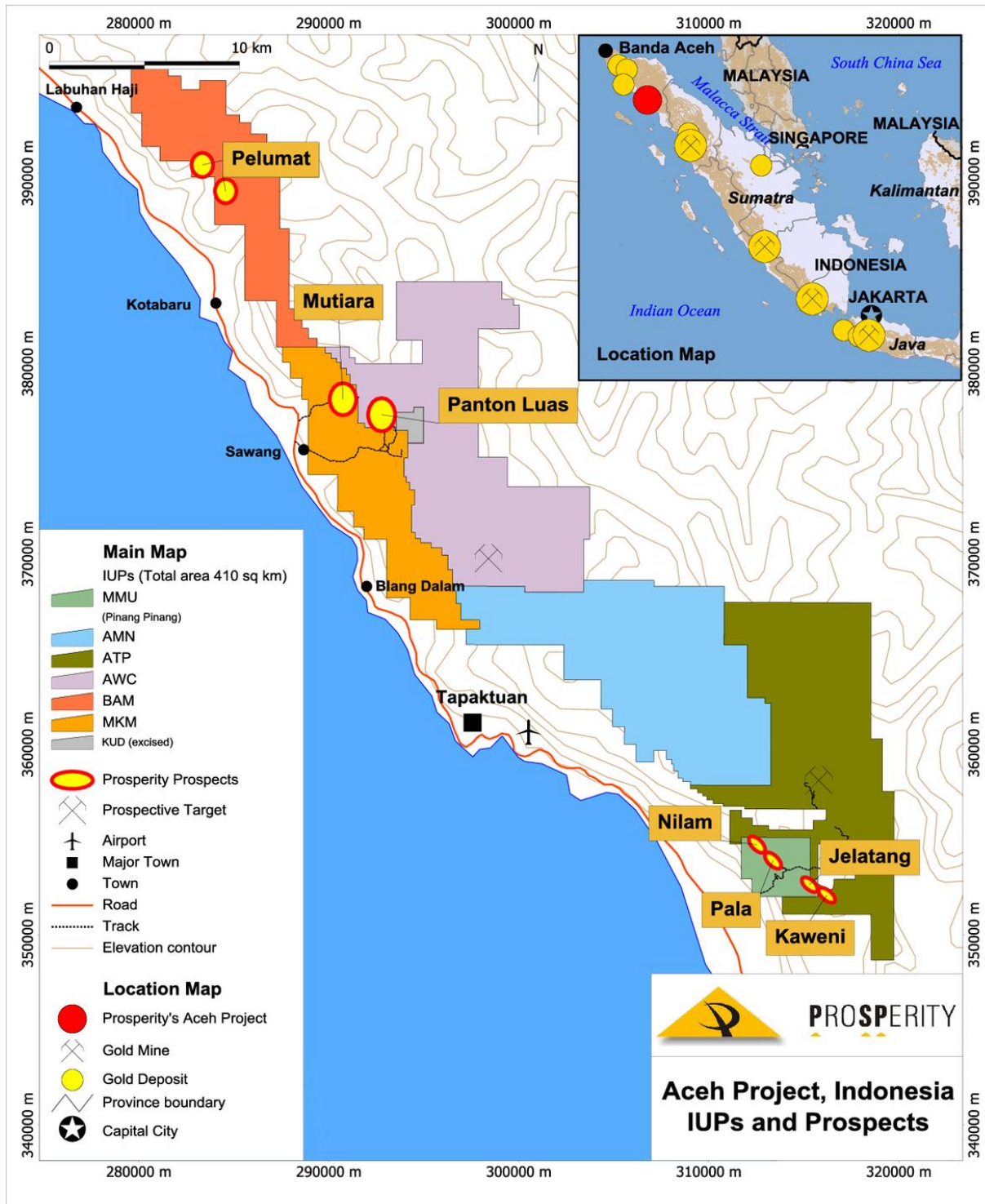
Centreline chalcopyrite-rich sulphide fill in re-opened quartz-magnetite-Kspar vein



Panton Luas sulphide mineralisation



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Location Map: Prosperity's Aceh IUPs



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Fine stockwork fracture in microdiorite



Intense quartz-magnetite±Kspars vein alteration located near zone of stockwork development



Mutiara artisanal workings in gold/copper skarn



Panton Luas main ridge with artisanal workings

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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.