



16<sup>th</sup> August 2010

ASX: PSP

SHARE INFORMATION

Issued Shares: 261.4m  
Unlisted Options: 70.8m

BOARD OF DIRECTORS

Chairman & MD: M. Munshi  
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KEY PROJECTS

ACEH  
Ownership: earning 73%  
Location: Aceh, Indonesia

TENNANT CREEK

Ownership: 100%  
Location: NT, Australia

FURTHER HIGH GRADE COPPER/GOLD RESULTS AT ACEH PROJECT

Highlights:

- More widespread and continuous gold/copper mineralisation from rock chip sampling and trenching from its 410km<sup>2</sup> tenement package
- Further, encouraging preliminary results from the current helimag survey indicate that Mutiara and Panton Luas may be part of the one large porphyry system at least 4km long by 1.5km wide.
- Initial trenching at Mutiara with better results including:
  - Trench M1: 18 metres @ 2.61g/t gold and 0.71% copper
  - Trench M23: 12 metres @ 4.77g/t gold and 3.62% copper
  - Trench M26: 18 metres @ 1.39g/t gold and 0.42% copper
- Drilling at Mutiara expected to commence in September 2010

Prosperity Resources Limited (ASX: PSP) is pleased to announce significant new trench and rock chip sample results from the Mutiara Prospect, located within its MKM IUP exploration license in south Aceh. This is the first trenching carried out at Mutiara. The Mutiara Prospect is located 1.5km to the north west of the Panton Luas Prospect and may be part of one large mineralised porphyry system at least 4km long. These Mutiara results follow the previously reported surface sampling results from this area and confirm continuous zones of mineralisation.



Mutiara and Panton Luas Prospects – well located close to the coast



Chairman Mr Mo Munshi said “Our licenses in Aceh continue to produce excellent results as evidenced by the helimag and Mutiara rock chip sampling and trenching results. These results confirm that potential exists for the delineation of significant porphyry gold/copper systems and indicate that Mutiara and Panton Luas could be part of the same large porphyry system covering 4km by 1.5km.”

### **Mutiara Prospect: Geology / Sampling Results**

Prosperity has recently completed a follow up surface sampling and trenching program at the Mutiara Prospect in the MKM IUP. Skarn and microdiorite-hosted gold and copper results returned from a large number of grab rock-chip samples and trenches define a broad mineralised zone located within a west-northwest orientated structural corridor of altered microdiorite intrusive rocks. Mineralisation within this corridor is open in both directions along strike and is located approximately 1.5 kilometres north west of the highly prospective Panton Luas Prospect also held by Prosperity.

The highlights from the **Mutiara** trenching results are as follows:

Trench M1; **18 metres @ 2.61g/t gold and 0.71% copper,**  
Trench M23; **12 metres @ 4.77g/t gold and 3.62% copper,**  
Trench M24; **6 metres @ 1.80g/t gold and 0.78% copper,**  
Trench M25; **3 metres @ 1.75g/t gold and 0.29% copper**  
Trench M26; **18 metres @ 1.39g/t gold and 0.42% copper**



**Mutiara artisanal workings in gold/copper skarn**

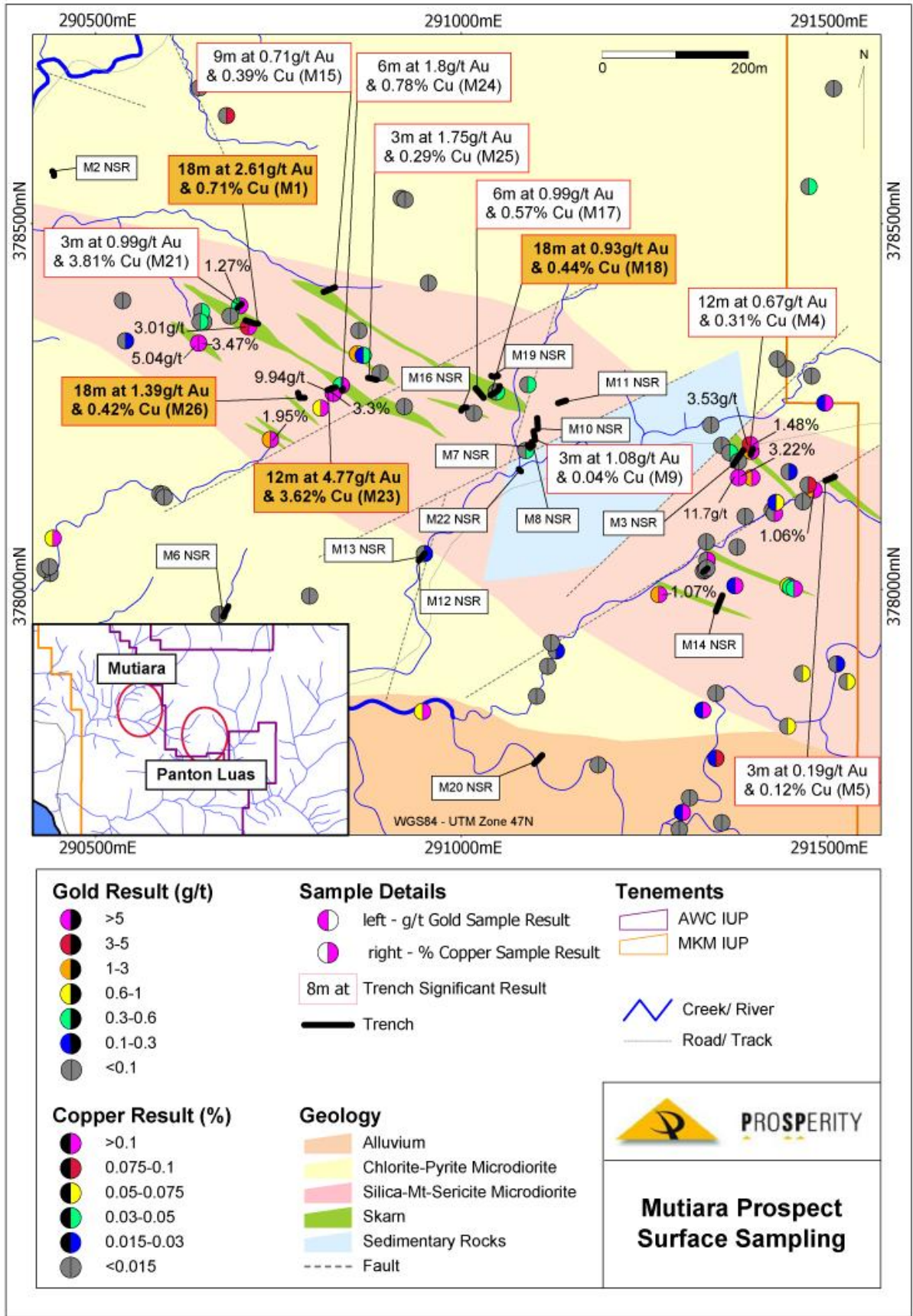


Figure 1: Mutiara gold/copper surface results



### **Mutiara: Geology / Sampling Results (continued)**

A series of metres to tens of metre wide zones of northwest-trending, steep dipping lithologically and structurally-controlled silica  $\pm$ magnetite  $\pm$ garnet  $\pm$ epidote skarn and lesser associated stockwork-hosted gold-copper mineralisation have been mapped and sampled over a large area across the Mutiara Prospect. Microdiorite-hosted zones of replacement silica-magnetite-sulphide endoskarn mineralisation dominate in outcrop. However, calcareous sediment and limestone-hosted (exo)skarn is also locally present. This latter style, dominated by garnet,  $\pm$ diopside, with a notable lack of hydrothermal magnetite locally, is spatially associated with, intrusive microdiorite breccias, but containing abundant large fragments or blocks of calcareous sedimentary wallrocks.

Sediment-hosted (exo)skarn and these intrusive-style breccias appear more common on the western side of the Prospect.

Parallel zones of northwest trending, subvertical, lithologically and structurally-controlled skarn-hosted mineralisation have been mapped and sampled within the west-northwest orientated corridor of silica-magnetite-chlorite  $\pm$ sericite altered microdiorite intrusive rocks. The tenor of gold-copper mineralisation within these structures or contact zones suggests that they may be located proximal to a gold-copper porphyry system. Pervasive porphyry-style alteration of microdiorite intrusive rocks surrounding the mineralised skarn lenses further supports this possibility.

A detailed **helicopter-borne magnetic survey** is being flown over Prosperity's Aceh licenses. The preliminary data from this magnetic survey is very encouraging and the results from this survey will be released in the coming weeks.



Mutiara secondary Cu in contact skarn



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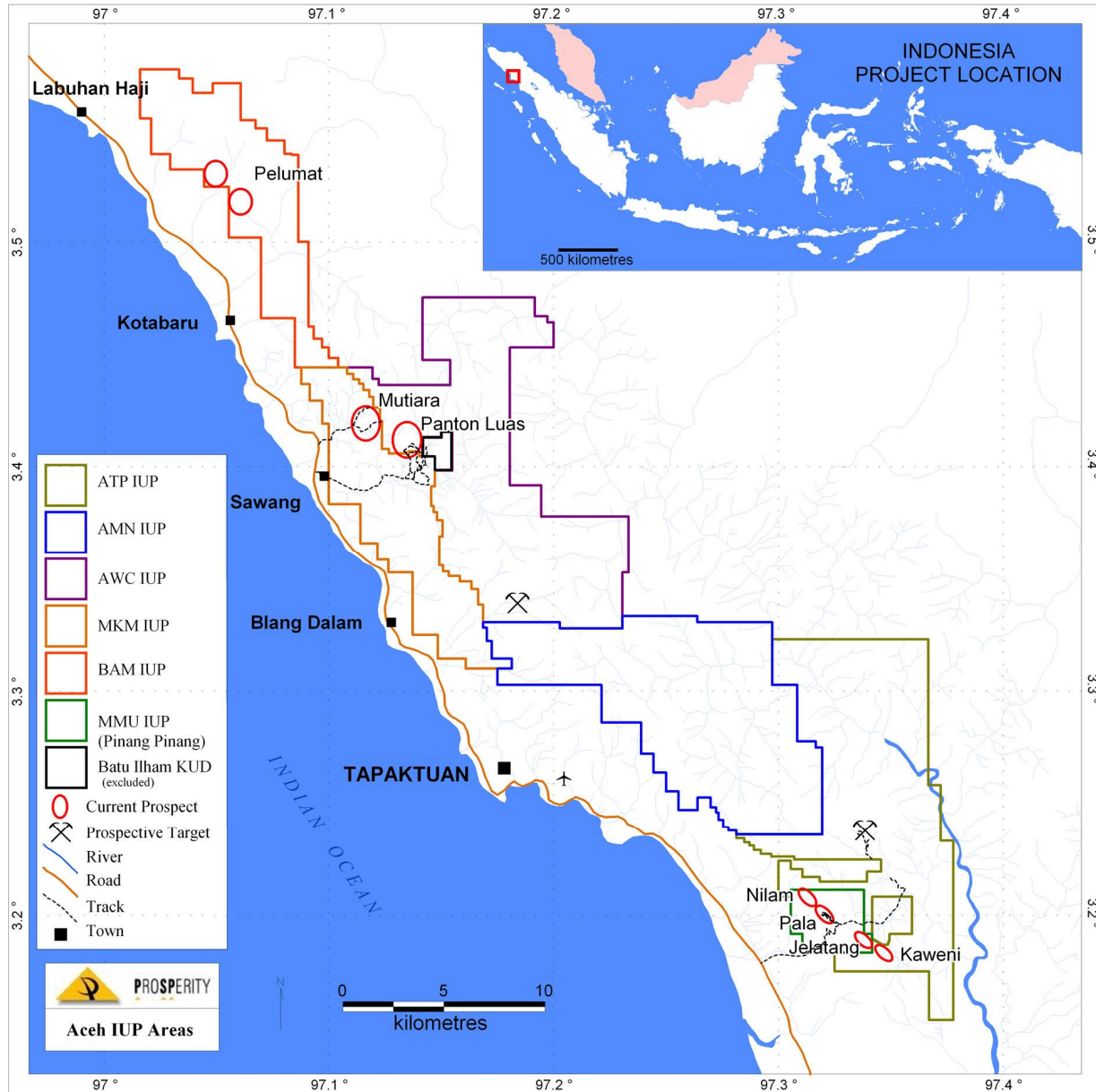


Figure 2: Location Map: Prosperity's Aceh IUPs

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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.*

**ACEH PROJECT  
TRENCH SAMPLING RESULTS - SIGNIFICANT INTERCEPTS  
MUTIARA PROSPECT**

<b>Trench No</b>	<b>Prospect</b>	<b>Start Easting</b>	<b>Start Northing</b>	<b>Interval</b>	<b>From</b>	<b>Au (g/t)</b>	<b>Cu(%)</b>
M1	Mutiara	290722	378363	18	3	2.61	0.71
M4	Mutiara	291394	378186	12	0	0.67	0.31
M5	Mutiara	291498	378150	3	6	0.19	0.12
M9	Mutiara	291101	378205	3	6	1.08	0.04
M15	Mutiara	290827	378413	9	9	0.71	0.39
M17	Mutiara	291022	378275	6	15	0.99	0.57
M18	Mutiara	291040	378266	18	0	0.93	0.44
M21	Mutiara	290697	378388	3	0	0.99	3.8
M23	Mutiara	290818	378273	12	0	4.77	3.62
M24	Mutiara	290837	378273	6	0	1.80	0.78
M25	Mutiara	290874	378289	3	6	1.75	0.29
M26	Mutiara	290779	378262	18	0	1.39	0.42

**Grid Coordinates WGS84 Zone 47 North. Trench samples taken at 3 metre intervals.**

**Trench intervals calculated using minimum 3 metre intervals and greater than 0.1g/t gold**

**Gold analysis was undertaken by Intertek Jakarta by fire assay analysis. Copper was analysed by ICP following acid digest.**

**Surface sample results with values greater than 0.1 g/t Au or 500ppm Cu listed**

**ACEH PROJECT  
SIGNIFICANT SURFACE SAMPLING RESULTS  
MUTIARA PROSPECT**

<b>Sample No</b>	<b>Prospect</b>	<b>Easting</b>	<b>Northing</b>	<b>Sample</b>	<b>Sample Width (m)</b>	<b>Au (g/t)</b>	<b>Cu (ppm)</b>
R04988	Mutiara	291466	377885	Outcrop	n/a	0.050	693
R04987	Mutiara	291430	378119	Outcrop	n/a	0.101	660
R04986	Mutiara	291455	378001	Outcrop	n/a	0.343	1390
R04985	Mutiara	291450	378003	Outcrop	n/a	0.499	1630
R04984	Mutiara	291447	378005	Outcrop	n/a	0.788	1990
R04983	Mutiara	291374	378005	Outcrop	n/a	0.242	2000
R04873	Mutiara	291474	378143	Outcrop	n/a	0.096	819
R04866	Mutiara	291497	378255	Outcrop	n/a	0.183	1150
R04865	Mutiara	291395	378198	Outcrop	n/a	3.530	14800



**ACEH PROJECT  
SIGNIFICANT SURFACE SAMPLING RESULTS  
MUTIARA PROSPECT**

<b>Sample No</b>	<b>Prospect</b>	<b>Easting</b>	<b>Northing</b>	<b>Sample</b>	<b>Sample Width (m)</b>	<b>Au (g/T)</b>	<b>Cu (ppm)</b>
R04284	Mutiara	290808	378248	Outcrop	n/a	0.632	2710
R04250	Mutiara	291527	377874	Outcrop	n/a	0.085	534
R04249	Mutiara	291446	377813	Outcrop	n/a	0.074	520
R04247	Mutiara	291330	377835	Outcrop	n/a	0.157	1370
R04246	Mutiara	291348	377769	Outcrop	n/a	0.187	990
R04057	Mutiara	290866	378320	Outcrop	n/a	0.191	393
R04056	Mutiara	290739	378205	Outcrop	n/a	1.830	19500
R04052	Mutiara	290442	378070	Outcrop	n/a	0.863	5300
R02647	Mutiara	291396	378189	Outcrop	n/a	1.780	5620
R02108	Mutiara	291060	378932	Outcrop	n/a	0.108	399
R02107	Mutiara	291015	378995	Outcrop	n/a	0.696	2830
R02083	Mutiara	290560	378779	Outcrop	n/a	0.022	673
R02067	Mutiara	290679	378648	Outcrop	n/a	0.027	856
R02063	Mutiara	290641	378337	Outcrop	n/a	5.040	34700
R02061	Mutiara	291379	378153	Float	n/a	11.700	32200
R02060	Mutiara	291428	378104	Outcrop	n/a	0.077	1420
R02057	Mutiara	291336	378040	Outcrop	n/a	0.078	1490
R02056	Mutiara	291270	377993	Outcrop	n/a	1.900	10700
R01772	Mutiara	291482	378136	Outcrop	n/a	1.680	10600
R01770	Mutiara	291425	378108	Outcrop	n/a	0.096	584
G02080	Mutiara	290709	378359	Float	n/a	3.010	4550
G02073	Mutiara	290858	378322	Float	n/a	1.080	502
G02065	Mutiara	290697	378388	Outcrop	n/a	0.331	12700
F04875	Mutiara	291397	378153	Float	n/a	2.150	7400
F04874	Mutiara	291397	378153	Float	n/a	0.563	4500
F04244	Mutiara	291302	377695	Float	n/a	0.161	1130
F02075	Mutiara	290825	378268	Float	n/a	9.940	33000
F02074	Mutiara	290836	378279	Float	n/a	0.487	4020
F02051	Mutiara	290947	377833	Float	n/a	0.838	2680

**Grid Coordinates WGS84 Zone 47 North.**

**Gold analysis was undertaken by Intertek Jakarta by fire assay analysis. Copper was analysed by ICP following acid digest.**