



Investor Presentation

Leading **Africa** in the **Battery** and **Electrification Minerals Revolution**



Prospect
Resources

15 May 2023

ASX:PSC | FRA:5E8

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Competent Person's Statements

The information in this announcement that relates to Exploration Results (except Kesya REE Project), 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 Senior 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 as defined in the JORC Code 2012 Edition. 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.

The information in this announcement that relates to Exploration Results for the Kesya REE Project, is based on information compiled by Mr Oliver Tors, a Competent Person who is a Registered Professional Natural Scientist (Pri. Sci. Nat.) Credential ID 120660 registered with the South African Council for Natural Scientific Professions (SACNASP). Mr Tors is employed as the Exploration Manager Africa for Antler Gold Inc. Mr Tors 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 as defined in the JORC Code 2012 Edition. Mr Tors 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.

Authorisation

This Presentation has been authorised for release by the CEO and Managing Director, Mr Sam Hosack.

Corporate Overview

- Compelling opportunity to leverage strong fundamentals behind electric vehicle and decarbonisation evolution
- Advancing battery mineral exploration and development projects across Zimbabwe, Namibia and Zambia
- Well credentialed Board and Management team
- Proven ability in exploring, advancing, developing and delivering battery minerals projects in Africa
- Well funded to act on value accretive opportunities in highly prospective sub-Saharan African region

Capital structure

Market listings	ASX: PSC FRA: 5E8
Shares on issue	462.26M
Share price (as at 30/04/23)	A\$0.14
Market capitalisation (30/04/23)	A\$64.7M
Cash (31 March 2023)	A\$28.5M

Top shareholders

	%
Eagle Eye Asset Holdings	15.3
Mitsubishi UFJ Financial Group	6.8
Morgan Stanley Nominee	6.8
JP Morgan Chase	5.4

Share price performance (post cash distribution in July 2022)



Experienced Board and Management

Board of Directors



Mark Wheatley
Non-Executive Chairman

Mark has over 15 years of director and chairman experience with exposure predominantly across gold, copper and uranium sectors



Sam Hosack
Managing Director & CEO

Sam is a proven senior mining executive with over 20 years' experience within the global resources sector.



Zed Rusike
Non-Executive Director

A qualified accountant and resident of Zimbabwe. Director of Cairns Holdings, TSL Limited, Dulux Paints Limited and Halsted Brothers (Pvt) Limited.



HeNian Chen
Non-Executive Director

HeNian is the Chairman of Changshu Yuhua Property Co. Ltd since 2003 and has served as the Deputy Chairman of Afore New Energy Technology (Shanghai) Co. Ltd since 2007.



Gerry Fahey
Non-Executive Director

Gerry has over 40 years' experience and is specialist in both mining geology and mine development. He is currently a Director of Focus Minerals Ltd and formerly a Director of CSA Global Pty Ltd, and member of the Joint Ore Reserve Committee (JORC).



Gaurav Gupta
Non-Executive Director

Gaurav has over 25 years' experience in international trade and is a qualified Chartered Accountant. He manages a Monetary Authority of a Singapore registered family office with high-growth investment holdings.



Ian Goldberg BCom (Bus & Comm Law), CA
Chief Financial Officer

Ian has more than 20 years of senior finance and commercial experience. This includes having held several Chief Financial Officer (CFO) roles in operating mining businesses across Africa and Australia



Harry Greaves BSc (Agriculture)
Senior Consultant

Harry is a highly respected and well-known member of the Zimbabwean mining community. As an Executive Director at the time, he was a critical contributor to Prospect's acquisition, exploration, advancement and cash sale of the Arcadia Lithium Project to Huayou Cobalt in 2022.



James Winch BSc (Geology), Fellow of GSSA Pr.Sci.Nat (South Africa)
Sub-Saharan Exploration

James is a Zimbabwean geologist with extensive experience in the planning, budgeting, implementation and field management of large-scale exploration programs. This includes the spearheading of drilling programs designed for brownfield exploration and resource definition to facilitate mine expansion works.



Roger Tyler MEng (Mineral Resource Evaluation), BSc (Mining Geology), MAusIMM, MSAIMM, ARSM, SACNASP
Chief Geologist

Roger is a geologist with over 35 years' experience in the Africa minerals industry. He has worked across a wide variety of African countries and exploration and mining businesses. He was a core component of the exploration activities that resulted in Prospect's delineation, advancement and subsequent sale of the Arcadia Lithium Project in Zimbabwe.



David Broomfield BSc (Geology), MSc (Mineral Economics), MAusIMM
Business Development

David is a geologist with over 25 years' experience in the mineral resources and exploration industry. He has broad experience managing and coordinating teams in the development of projects, including feasibility studies, technical and economic modelling, appraisals and conducting due diligence for mergers, joint ventures, acquisitions and development proposals



John Maketo BSc Engineering Hons. (Metallurgical), MBA, GAICD, MAusIMM
Technical Manager

John is a metallurgical engineer with over 25 years' experience in mineral processing. He has held various technical and management positions at leading mining companies in Africa and Australia and encompassing broad experience in the mining and processing of lithium, diamonds, nickel, copper, platinum, zinc, lead and gold.

Corporate Strategy

Key Management team and growth funding in place

Prospect's Board has established a strategy framework, aligned with dynamic commodity market factors

Business	<ul style="list-style-type: none">▪ Battery and electrification minerals focused explorer and developer
Existing assets	<ul style="list-style-type: none">▪ Step Aside Lithium Project, Zimbabwe▪ Omaruru Lithium Project, Namibia▪ Keysa REE Project, Zambia
Activities	<ul style="list-style-type: none">▪ Progression of existing battery minerals projects▪ Evaluation, acquisition and advancement of new battery and electrification mineral projects globally
Cash balance	<ul style="list-style-type: none">▪ A\$28.5 million (31 March 2023)
Management areas of expertise	<ul style="list-style-type: none">▪ Exploration, geology and resource development▪ Project planning, development and operations▪ Technical and financial analysis▪ Customer marketing and offtake
Key commodity focus areas	<ul style="list-style-type: none">▪ Lithium▪ REEs▪ Nickel/Copper▪ Other battery and electrification minerals



Arcadia Lithium Project - Reputation Established

Prospect Team has a track record of substantial shareholder value generation through the systematic de-risking and advancement of the world-class Arcadia Lithium Mine Project

From 2016 through to early 2022, Prospect was focussed on the exploration and development of its flagship Arcadia Lithium Mine Project in Zimbabwe. Our team progressed Arcadia from initial discovery through resource definition, early-stage technical and economic evaluation, definitive feasibility study, offtake agreements, pilot plant operation and a strategic project financing process.

As part of the strategic financing process, Prospect received a highly attractive offer from Zhejiang Huayou Cobalt to purchase Arcadia. Completion of the transaction took place in April 2022 and saw the sale of our 87% interest in Arcadia for approximately US\$378 million cash.

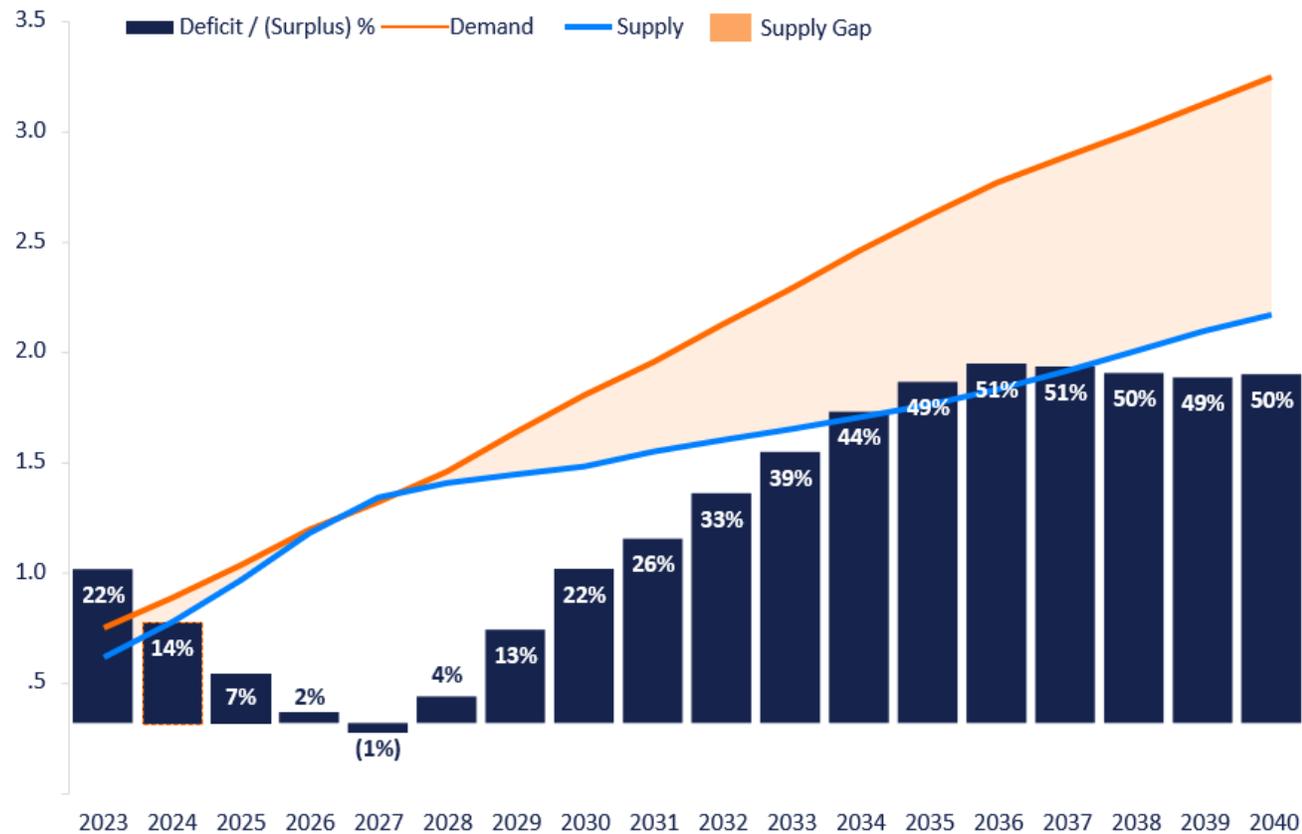
+1,500% PSC share price appreciation over six years

Cash distribution of A\$444m to shareholders in July 2022



LCE Market Demand

Demand / Supply Forecast, 2023-40, kt LCE (Battery Grade)



Source: Wood Mackenzie – Global Lithium Investment Horizon Outlook (Q4 2022)

Demand

- Consensus is shifting towards a significant demand gap emerging ~2030
- EV penetration expected to reach ~50% by 2030, equating to 5.5x growth

Supply

- Over ~100 new projects will be needed by 2030 to support demand
- Near-term supply-side risk as many development peers extend project timelines
- Market-wide cost escalation is impacting developers and operators
- Government policy influence - US and EU Policy, Chile Nationalisation, Canada ownership laws

Step Aside Lithium Project, Zimbabwe

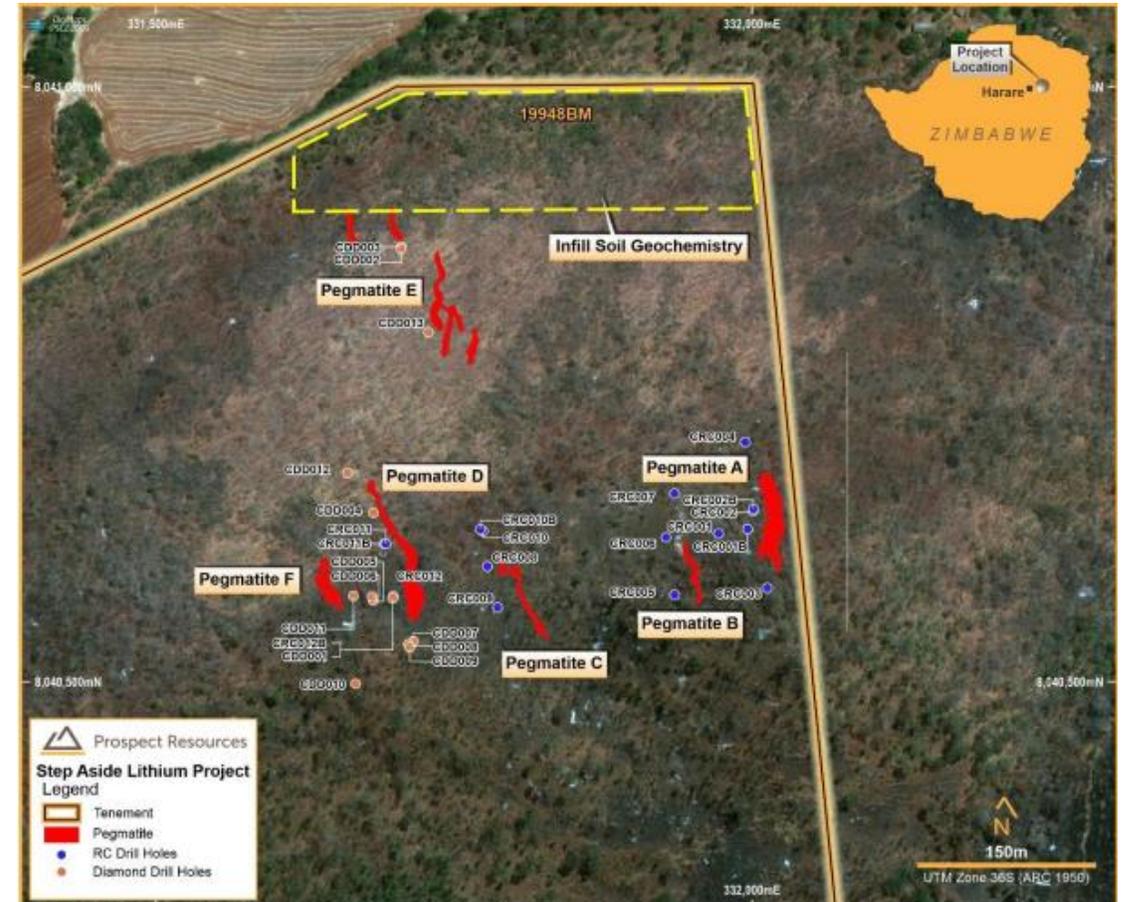
- 100% ownership; located within the Archaean Harare Greenstone Belt, approximately 35km east Zimbabwe's capital city Harare
- Claim comprises 100 hectares of prospective land west of the Mashonganyika Fault Zone
- Six mineralised pegmatites (Colga A - F) are mapped E-W within a meta-dolerite host rock
- Strike lengths of surface outcrops are 50 - 120m
- Pegmatite A in the east and Pegmatite D to the west are the widest, measuring 5-15m thick and 4-20m thick, respectively
- Prospectivity of the area was confirmed by positive historical regional stream and soil sample geochemistry results



Located 8km north of the **Arcadia Lithium Mine Project**, sold to Huayou Cobalt in 2022 for **US\$378M**

Phase 1 Discovery Success

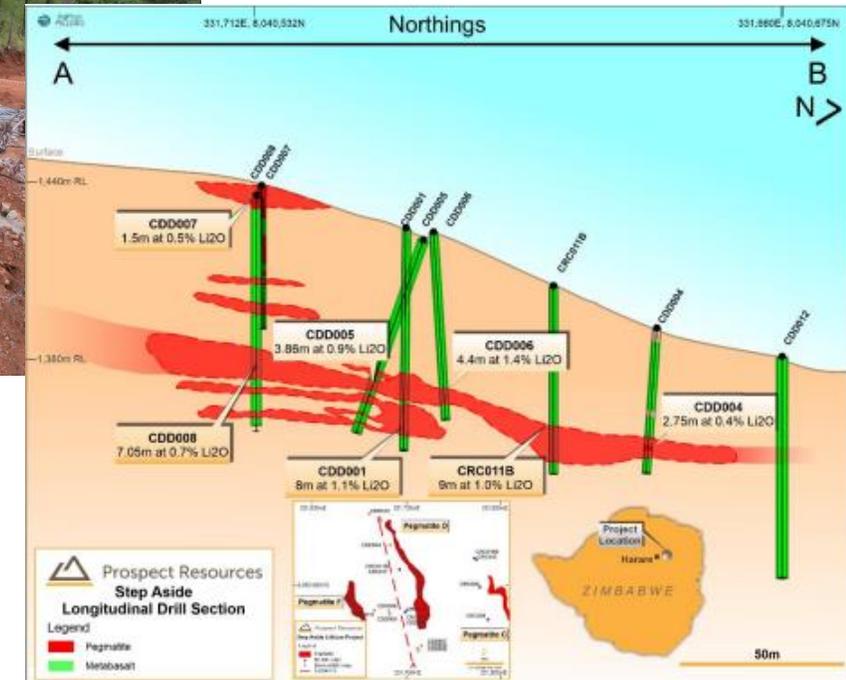
- Robust intercepts of strong lithium tenor dominated by spodumene mineralisation at relatively shallow depths in multiple locations
- Phase 1 drilling completed in October 2022 showed multiple high-grade intersections within the Colga A, D and E pegmatites:
 - 7.4m @ 1.28% Li_2O from 43.6m
 - 6.1m @ 1.49% Li_2O from 82.2m
 - 4.4m @ 1.43% Li_2O from 52.6m
 - 4.3m @ 1.15% Li_2O from 19.2m
 - 9.0m @ 1.02% Li_2O from 38.0m
- Pegmatite D is interpreted to strike over at least 120m and is open to the north and down dip



Step Aside Project showing lithium mineralised pegmatite locations

Phase 2 Delineation Drilling and Next Steps

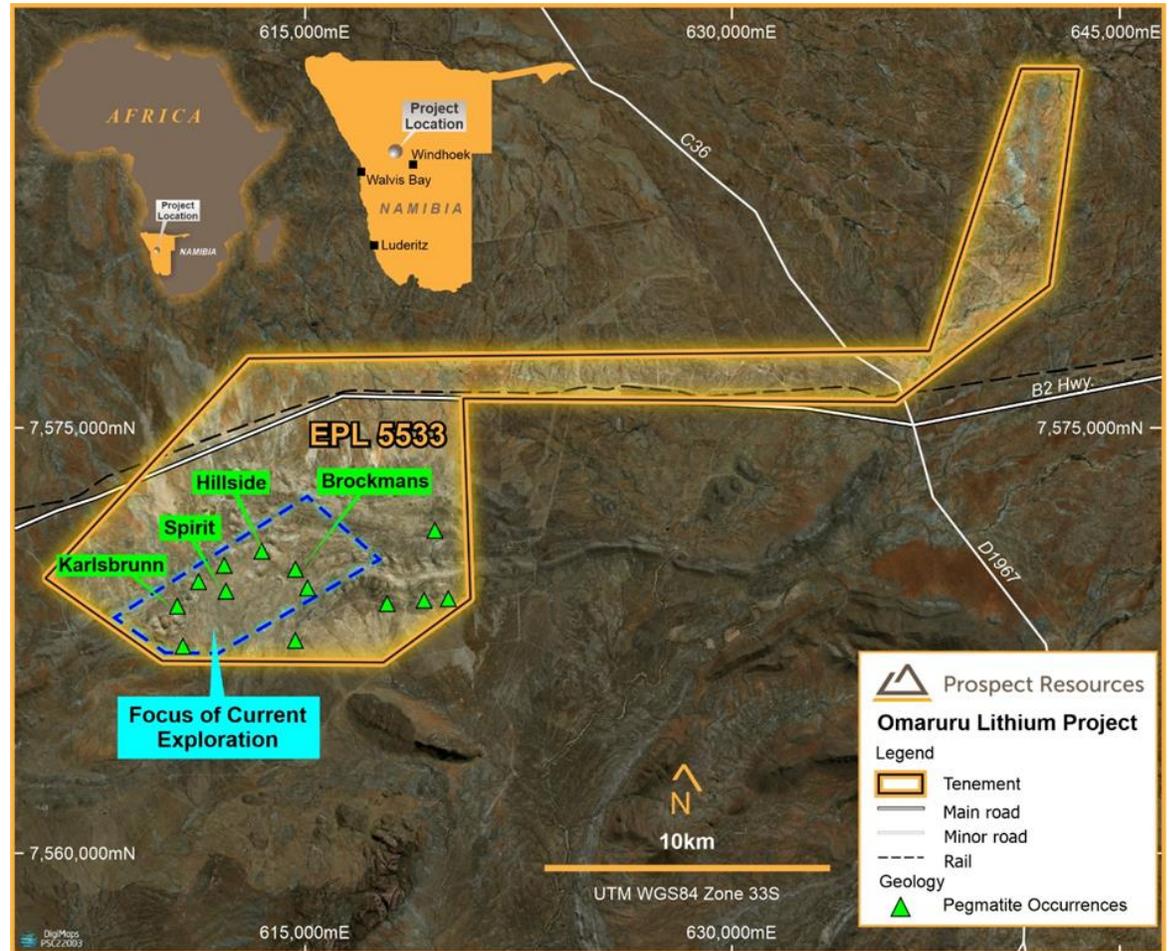
- Phase 2 diamond drilling program (~2,200m) recently completed
- Designed to test lateral and vertical extents of the largest pegmatites, Colga A / B / D / E
- Assay results for Phase 2 drilling are currently pending
- Review results and undertake a Phase 3 drilling programme targeted at deepening and extending mineralised positions
- Maiden JORC Mineral Resource estimate due in Q4 2023
- Preliminary Economic Assessment to be conducted in Q1 2024



Longitudinal cross section through Colga D

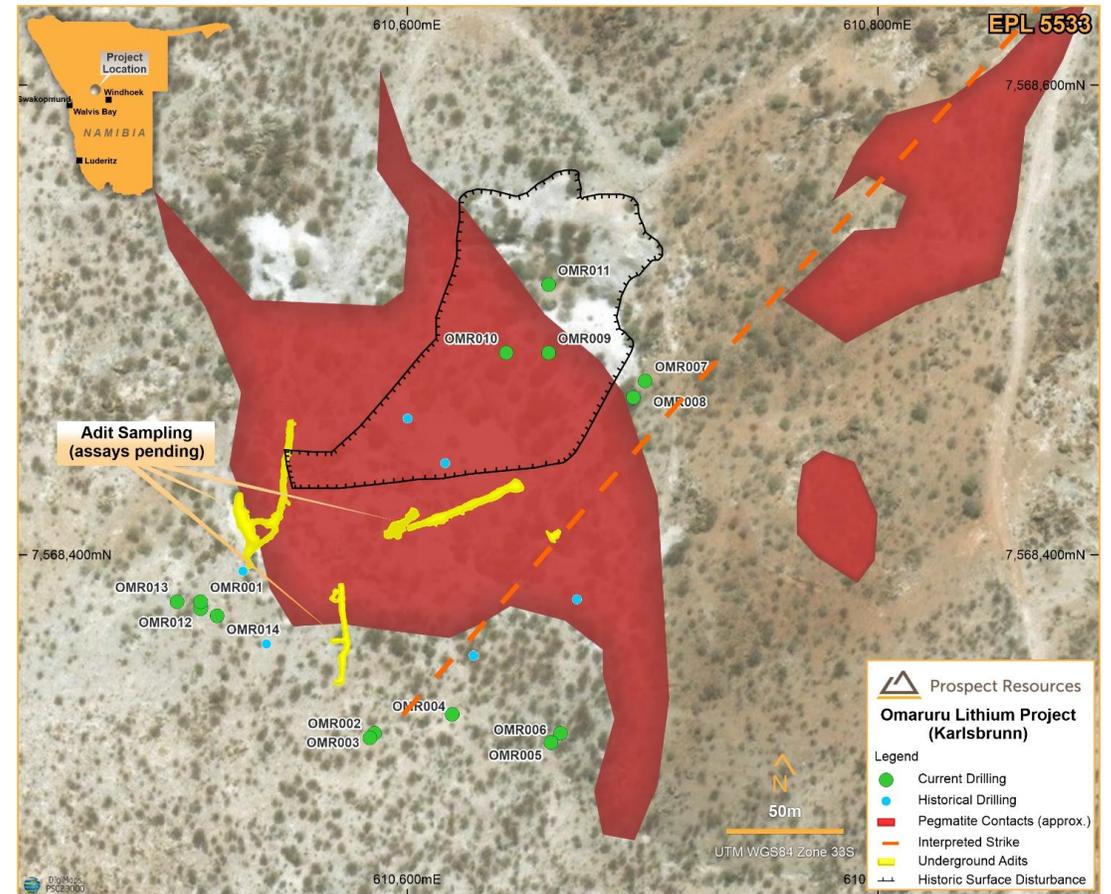
Omaruru Lithium Project, Namibia

- 20% interest; currently in process of earning to 40% via US\$1M investment
- EPL 5533 tenement covering 175 km² and located 50 km east of Karibib, Namibia
- Contains 60 visible outcropping LCT pegmatites, with considerable prospectivity for further lithium-enriched deposits below cover
- Strategically positioned near several historical and developing mining operations
- Further earn-in option to 51% interest
- Phase 1 RC drilling at Karlsbrunn and Brockmans pegmatite targets completed in February 2023
- Extensive soil sampling programme completed, outlining numerous regional drilling targets



Karlsbrunn Prospect : Drilling and Adit Results

- Phase 1 drilling returned robust lithium grades and pegmatite widths (predominantly as petalite and lepidolite mineralisation):
 - 8m @ 0.99% Li_2O from 6m (OMR010)
 - 11m @ 0.95% Li_2O from 51m (OMR004)
 - 10m @ 0.88% Li_2O from 35m (OMR006)
- Mineralisation appears zoned either side of an unmineralised quartz core, hosted in a folded sequence of marbles and calc-silicates
- Drilling intersections open to the southeast, will be targeted with limited diamond drilling
- High-grade >1% lithia assays from adit sampling to assist mineral resource estimation in Q4 2023
- Metallurgical work to test flotation response of micas is underway, with a further in-situ bulk sample from Karlsbrunn to be taken in Q2 2023



Brockmans Prospect : Drilling Results

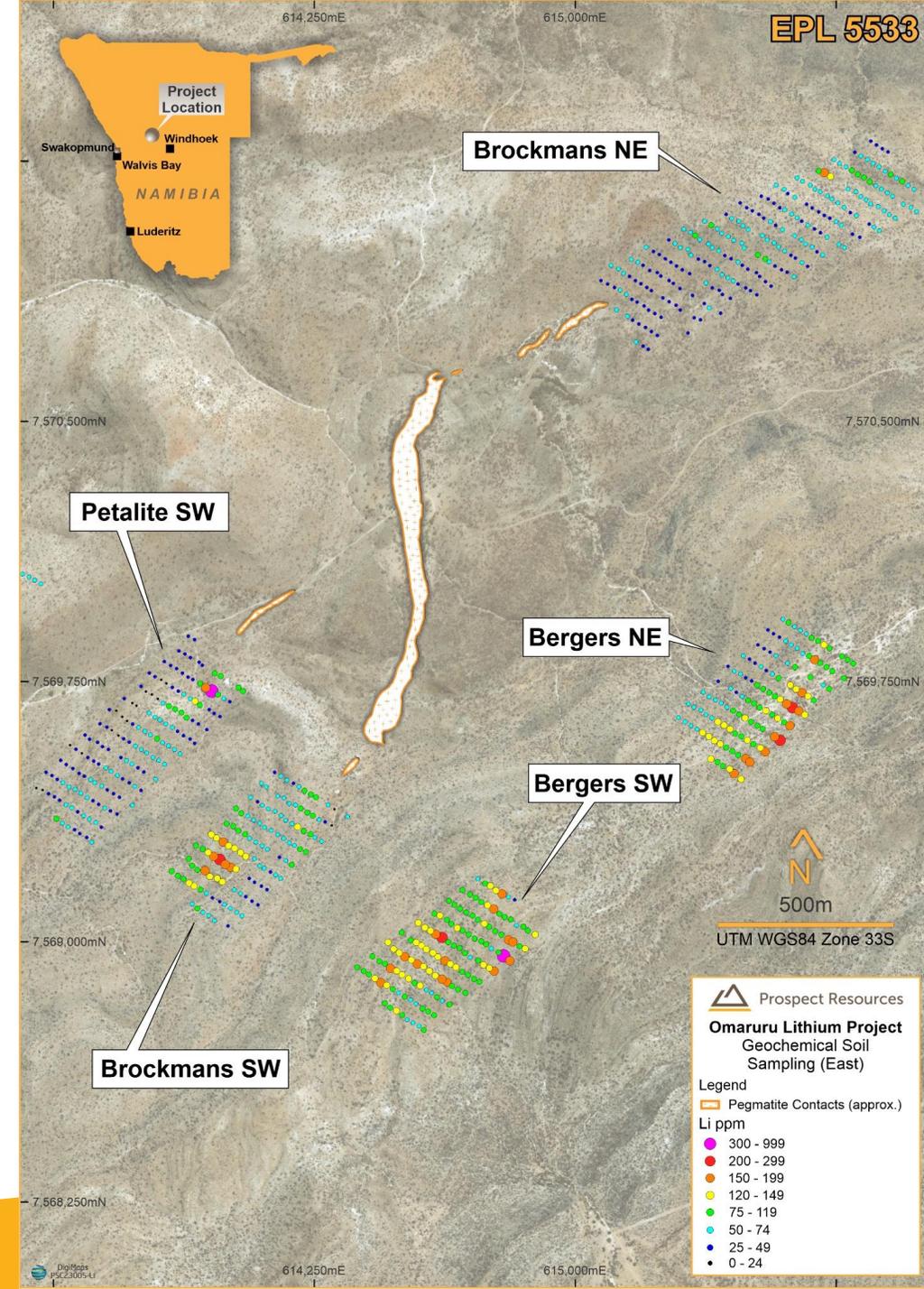
- Brockmans deposit is located just over 4km to the northeast of Karlsbrunn.
- Two adjacent holes completed in the southwest zone delivered a discovery of near-surface, shallow-dipping, continuous lithium mineralisation
- Significant results include:
 - 6m @ 1.30% Li_2O from 13m within 14m @ 0.79% Li_2O from 13m (OMR018)
 - 7m @ 0.90% Li_2O from 17m and 8m @ 0.60% Li_2O from 28m (OMR022)
- Follow up RC drilling to test extensions to the southwest will commence in Q2 2023



Location map showing completed RC drill holes at Brockmans

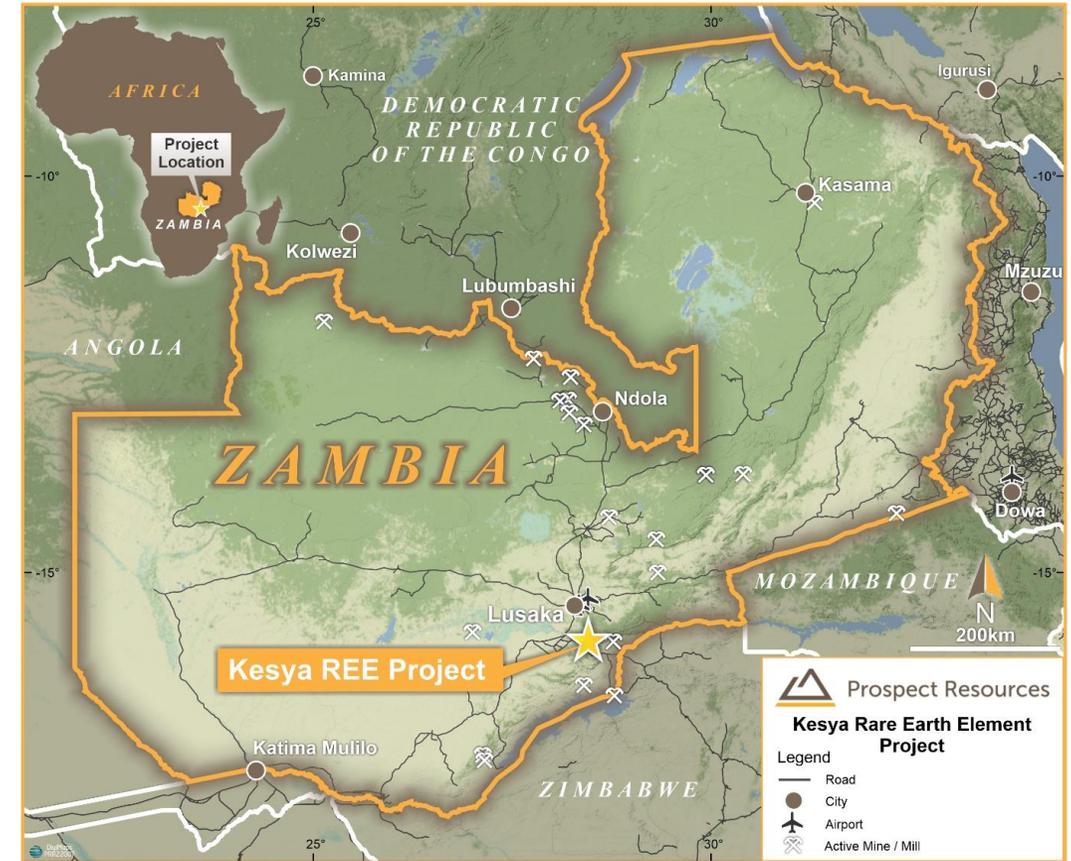
Expanding Exploration Potential

- An extensive soil geochemical sampling program has identified **multiple “blind”, shallow, walk-up, exploratory lithium drilling targets** at Omaruru
- Strong coherent anomalies returned for lithium, caesium, rubidium and beryllium, which are all pathfinders for identified LCT pegmatites elsewhere on the tenement
- Scout RC drilling of these targets is scheduled for Q2 2023
- Diamond drilling also planned for Q2 at Brockmans (infill and extensional), where thick, flat-lying, higher-grade lithium intersections were returned in Stage 1
- Initial Omaruru earn-in to 40% expected to be achieved during Q2 2023, with Stage 2 Earn-In commencing immediately



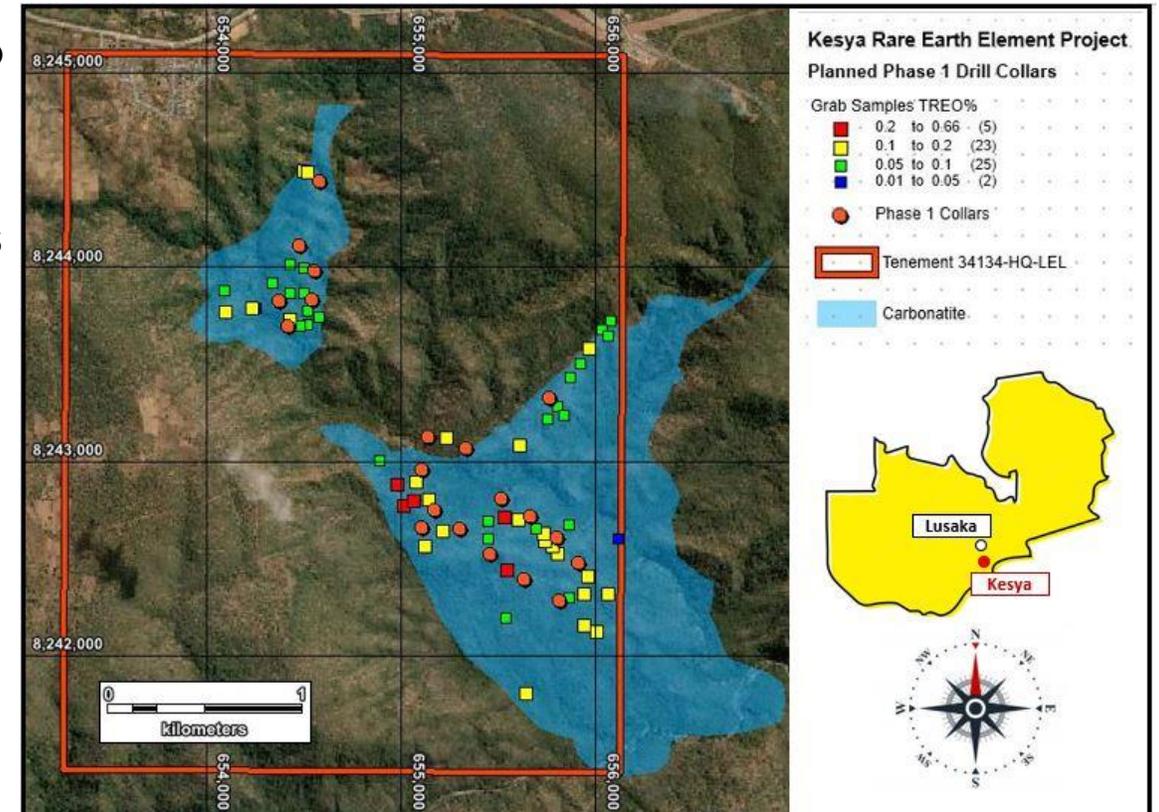
Kesya Rare Earths Project, Zambia

- Exploration Licence (LEL) covering 1,053 hectares
- Located near the town of Kafue in southern Zambia, 90 km via sealed road to capital, Lusaka
- Previous geological mapping and surface sampling has identified an extensive, rare earth-enriched carbonatite intrusion footprint
- Strong potential for world-class, REE-enriched, carbonatite-hosted system, having returned significant, consistent values of the sought-after elements, neodymium and praseodymium, from rock chip assaying
- Option Agreement executed with Antler Gold Inc. (ANTL.TSXV), to acquire 51%, and up to 85%, interest in Kesya



Outstanding Geology and Jurisdiction

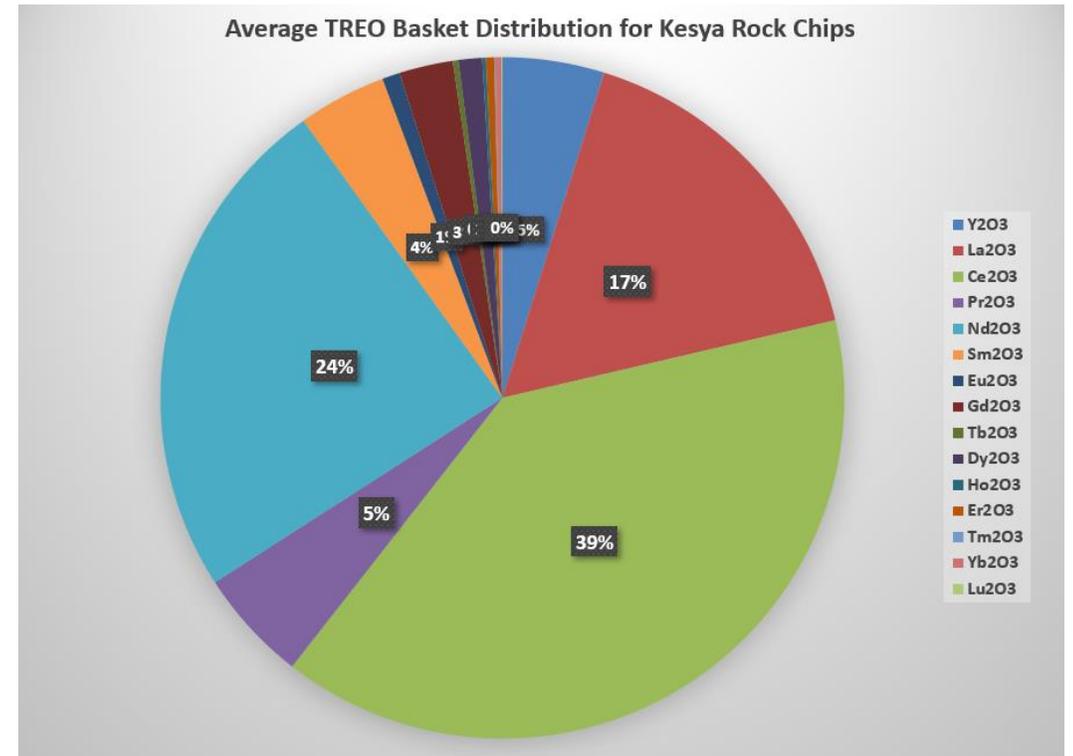
- Kesya is composed of a unique mineral (sövite) and a breccia associated with the carbonatite's intrusion into granitic gneiss rock sequences of the Zambezi Belt
- The volcanic intrusion is described as massive, and related to faulting, and covers more than 200 hectares within the licence
- Zambia is a leading resource investment jurisdiction with a long-standing history of exploration, mining and export of minerals, particularly copper
- There has never been a major exploration focus for discovering rare earth mineralisation in the country
- The region possesses excellent infrastructure and significant support from both Government and community, who seek to diversify from a largely singular copper focus



Location map of Kesya REE Project with proposed diamond drill target areas

Potential High Value REE Basket

- Antler undertook two mapping and sampling campaigns in 2021, including reconnaissance work and collection of 51 rock chip samples
- REE-enriched mineralisation observed in petrological and scanning electron microscopy (SEM) studies completed in 2021
- Results show REE contained within monazite and bastnaesite mineralisation, with low levels of deleterious uranium and thorium (radionuclides)
- Average of 1280 ppm (0.13%) total rare earth oxide (TREO) content, peaking at 6559 ppm (0.66%) TREO
- Sample assays showed consistently high contents of neodymium oxide and praseodymium oxide (**NdPr**), **averaging 29%** of total rare earth oxide (TREO) content (Basket) of rock chip samples collected



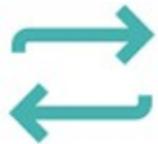
Rare Earths Demand Outlook (Deficit Looming)

Rare earths – key investment considerations



Nexus to decarbonisation

Rapid growth supported by accelerated demand for EV and wind turbines



Limited substitution technologies

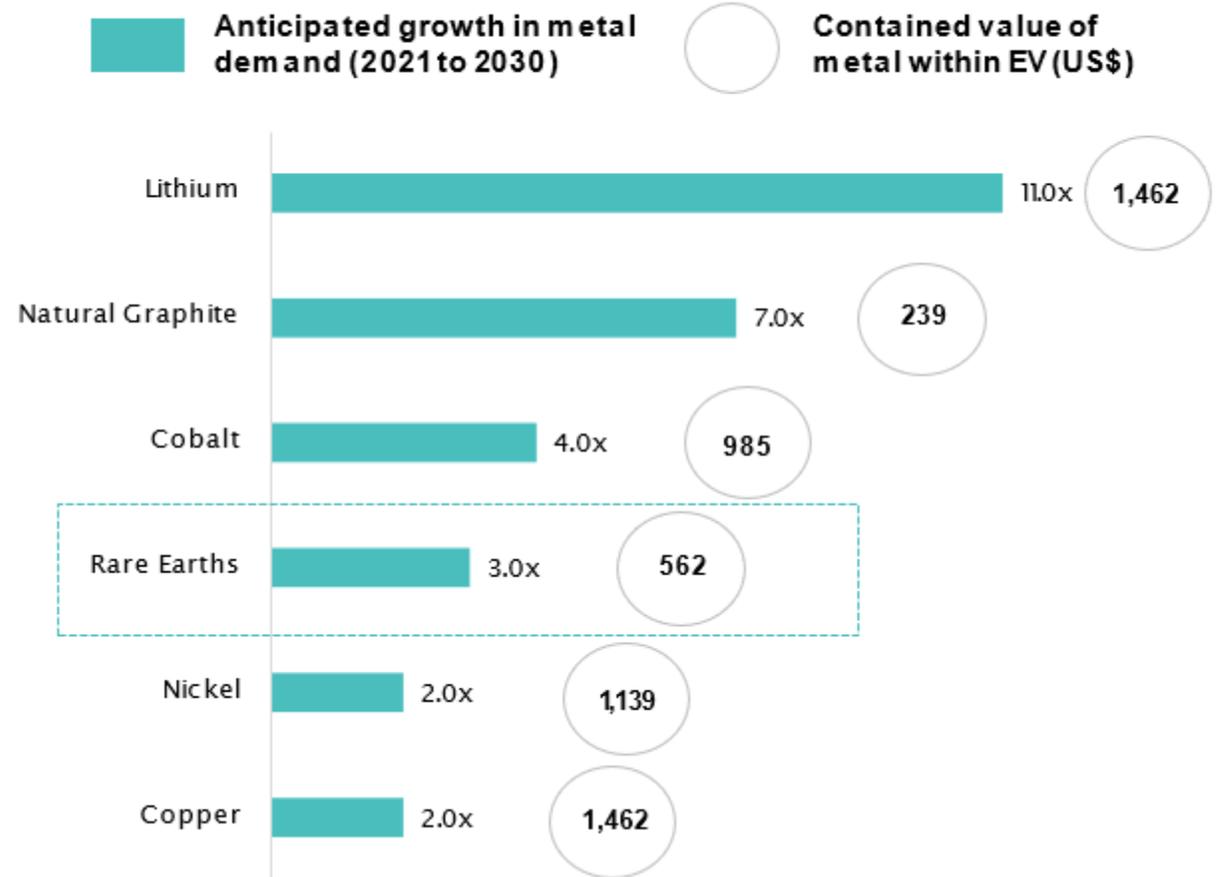
Rare earth magnet motors >5x magnetic strength relative to induction motors



Price elasticity

Rare earths relatively small proportion of overall cost of an EV

Rare earths within EVs



Content modified from Peak Rare Earths Limited ASX Announcement 6 February 2023 - "Presentation Mining Indaba Conference"

Kesya Proposed Exploration Plan

- Initial diamond drilling program set to commence in Q3 2023, subject to requisite licencing, environmental and regulatory approvals
- First phase of exploration focused on developing suitable long-term access to project sites
- Construction of drilling pads over previously observed high grade REE mineralisation areas
- Proposed Phase 1 diamond drilling program of 20 holes for approximately 1,500 metres using a heli-man portable rig

Kesya Carbonatite Samples



Project Development Timeline

Project	Commodity	Activity	Project Development Timeline							
			2023			2024				
			Q2	Q3	Q4	Q1	Q2	Q3	Q4	
Step Aside	Lithium	Drilling (Phase 2)	■							
		Drilling (Phase 3)		■						
		MRE			■					
		PEA				■				
Omaruru	Lithium	Drilling (Phase 1)	■							
		Drilling (Phase 2)		■	■					
		MRE			■					
		PEA				■				
Kesya	Rare Earths	Drilling (Phase 1)		■						
		Drilling (Phase 2)			■	■				
		MRE					■			
		PEA						■		



Prospect Resources: Leading the Way



Electrification revolution presents a multi-decade opportunity with strong fundamentals



Significant experience in mineral exploration, technical flowsheet design and marketing



Proven ability in designing, developing and delivering battery minerals projects in Africa



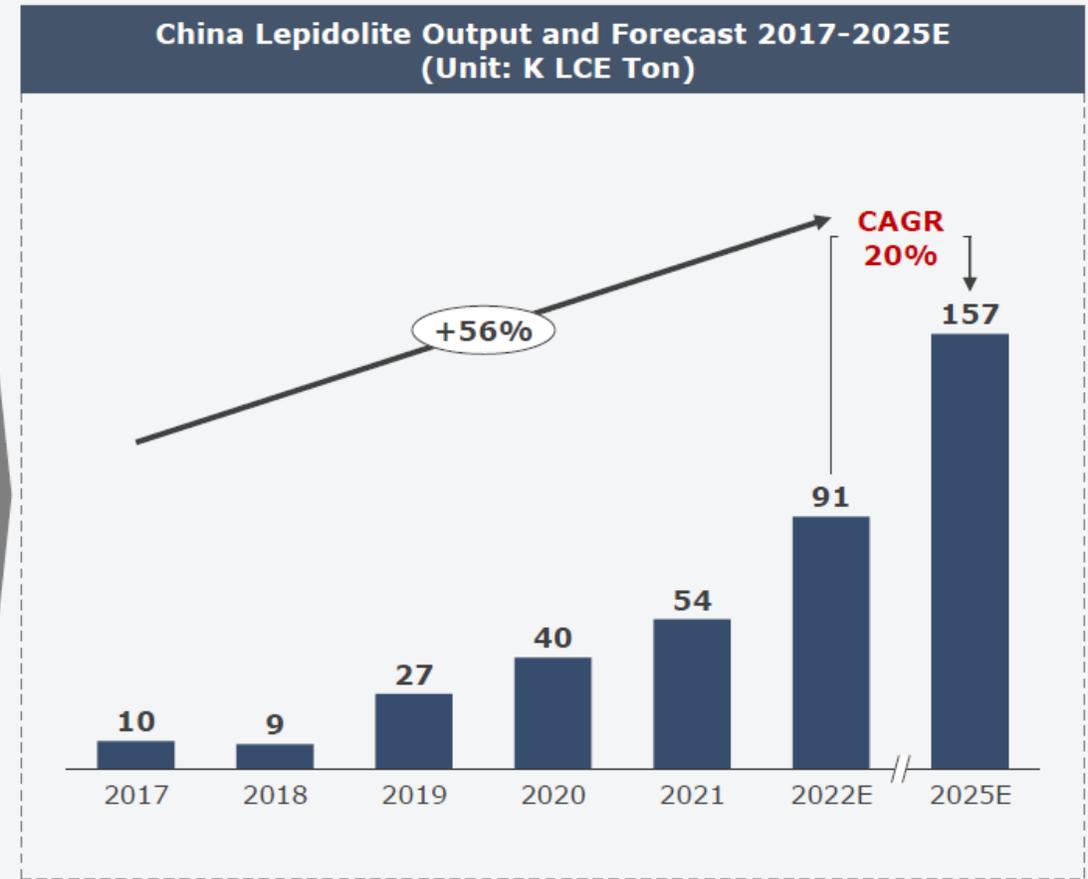
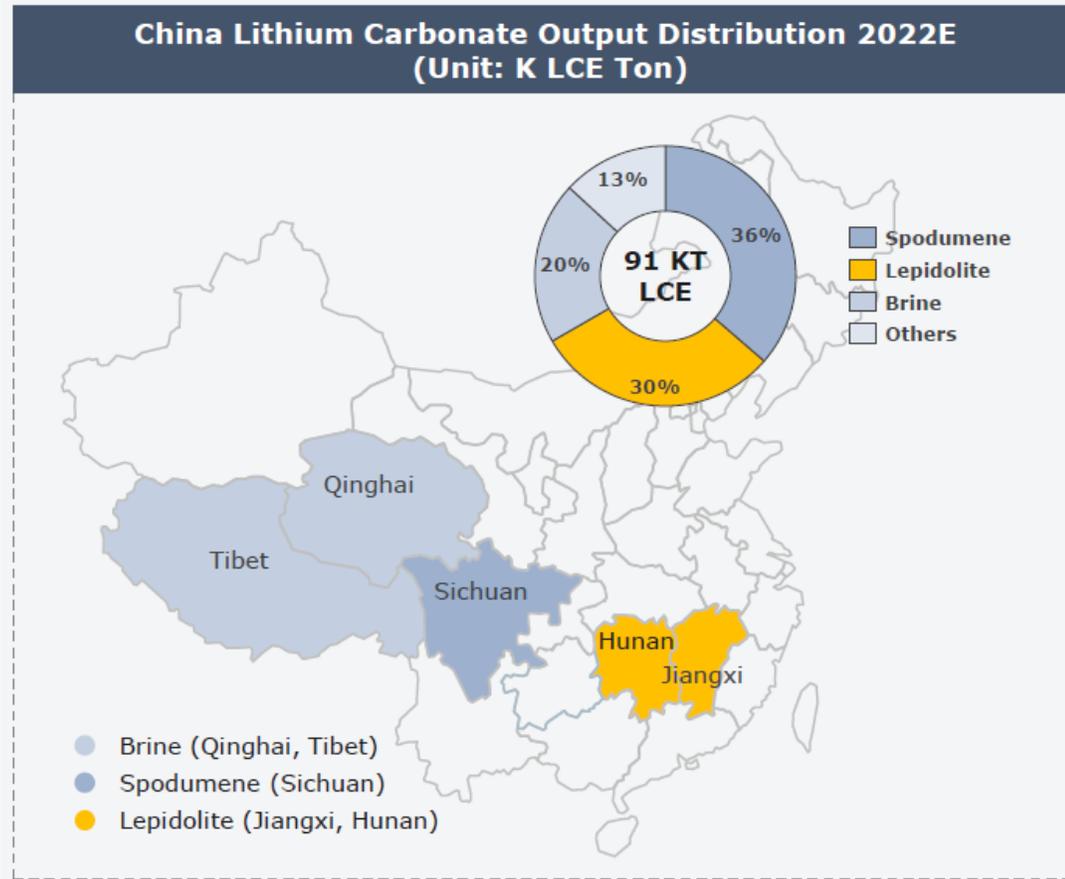
Well funded to act on value accretive opportunities in highly prospective sub-Saharan Africa



Well credentialed Board and management team, focused on creating and realising long term shareholder value

Lepidolite value - Rising market share in China

Lepidolite smelters mainly in Jiangxi Province accounted for 30% LCE share in 2022 and has grown by 56% between 2017-2022. Supply is expected to reach 157 kt LCE by 2025 with a 20% CAGR



REE are a critical focus of Governments globally

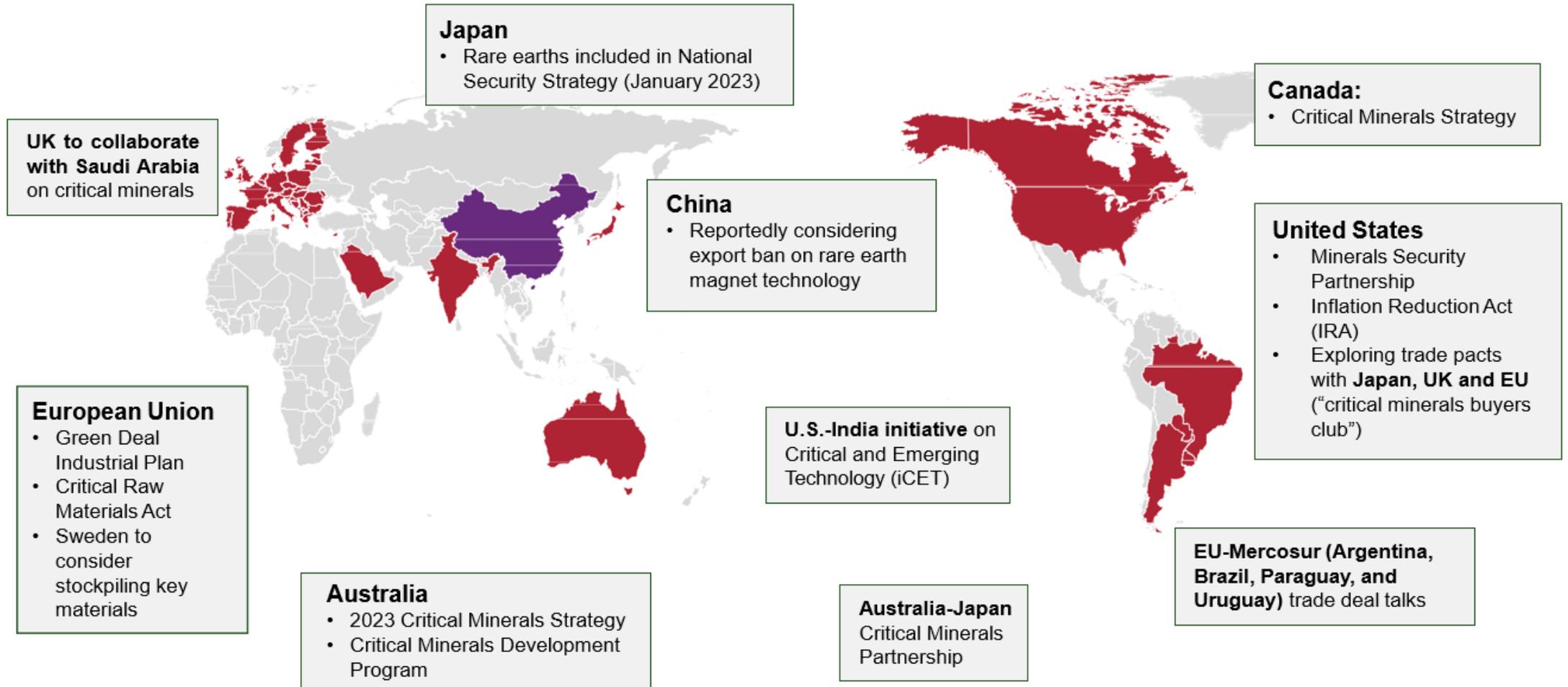


Diagram taken from Lynas Rare Earths Limited ASX Announcement 3 May 2023 - "Macquarie Australia Conference"