



Penhalonga Gold Option Executed

Prospect Resources Limited (ASX: PSC, FRA:5E8) ("**Prospect**" or "**the Company**") is pleased to announce that Luzich Resources (Africa) LLC, an affiliate of Luzich Partners LLC ("**Luzich**"), has executed the option agreement ("**Agreement**") to buy 100% of the Company's Penhalonga Gold Project as announced on 23 October 2020 and pay the balance owing of US\$750,000 of the US\$1,000,000 total Agreement consideration.

US\$200,000 of the balance owing has been paid as an additional non-refundable instalment of the purchase price, and a further US\$550,000 will be paid at Completion of the Sale and Purchase Agreement within 30 days.

This release was authorised by the Sam Hosack, Managing Director of Prospect Resources Ltd.

ENDS

For further information, please contact:

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About Prospect Resources Limited (ASX: PSC, FRA:5E8)

Prospect Resources Limited (ASX: PSC, FRA:5E8) is an ASX listed lithium company based in Perth with operations in Zimbabwe. Prospect's flagship project is the Arcadia Lithium Project located on the outskirts of Harare in Zimbabwe. The Arcadia Lithium Project represents a globally significant hard rock lithium resource and is being rapidly developed by Prospect's experienced team, focusing on near term production of high purity petalite and spodumene concentrates. Arcadia is one of the most advanced lithium projects globally, with a Definitive Feasibility Study, Offtake Partners secured and a clear pathway to production.

About Lithium

Lithium is a soft silvery-white metal which is highly reactive and does not occur in nature in its elemental form. In nature it occurs as compounds within hard rock deposits (such as Arcadia) and salt brines. Lithium and its chemical compounds have a wide range of industrial applications resulting in numerous chemical and technical uses. Lithium has the highest electrochemical potential of all metals, a key property in its role in lithium-ion batteries.



Caution Regarding Forward-Looking Information

This announcement may contain some references to forecasts, estimates, assumptions and other forward-looking statements. Although the Company believes that its expectations, estimates and forecast outcomes are based on reasonable assumptions, it can give no assurance that they will be achieved. They may be affected by a variety of variables and changes in underlying assumptions that are subject to risk factors associated with the nature of the business, which could cause actual results to differ materially from those expressed herein. All references to dollars (\$) and cents in this announcement are in United States currency, unless otherwise stated.

Investors should make and rely upon their own enquiries before deciding to acquire or deal in the Company's securities. Prospect confirms that for the purposes of Listing Rule 5.19.2, all material assumptions underpinning the information continue to apply and have not materially changed