

Arcadia Lithium Project identified as a priority project by New Zimbabwe Government under its Rapid Results Initiative

Prospect Resources Ltd (ASX: PSC) (the "Company") is pleased to announce that the Company's Arcadia Lithium Deposit has been identified as a priority mining development project by the Office of the President and Cabinet of Zimbabwe.

By way of background, the Ministry of Mines and Mining Development has been tasked to identify certain projects to be implemented under the new Zimbabwe Government's first 100 days programme using the Rapid Results Initiative.

The Company's Arcadia Lithium project has been identified as one of those key projects within Zimbabwe that can help turnaround the economy.

The board is encouraged by the strong support being offered by the Government of Zimbabwe to fast track Arcadia. Prospect will be represented by members of the Zimbabwe and Australian team at the Mining Indaba Conference in Capetown, where we look forward to promoting Prospect Resources and its Arcadia Lithium Deposit. We will also be working in conjunction with the Zimbabwe Ministry of Mines and Mining Development to highlight the new business friendly environment of Zimbabwe.

For further information, please contact:

Hugh Warner

Prospect Resources
Executive Chairman
Ph: +61 413 621 652

Harry Greaves

Prospect Resources
Executive Director
Ph: +263 772 144 669

Competent Person's Statement

The information in this announcement that relates to Exploration Results, Exploration Targets and Mineral Resources and Ore Reserves 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 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". 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.