



Announcement Summary

Entity name

PROSPECT RESOURCES LIMITED

Announcement Type

New announcement

Date of this announcement

Monday March 8, 2021

The Proposed issue is:

A placement or other type of issue

Total number of +securities proposed to be issued for a placement or other type of issue

ASX +security code	+Security description	Maximum Number of +securities to be issued
PSCAE	OPTION EXPIRING 03-FEB-2025 EX \$0.26	6,000,000

Proposed +issue date

Wednesday June 30, 2021

Refer to next page for full details of the announcement



Part 1 - Entity and announcement details

1.1 Name of +Entity

PROSPECT RESOURCES LIMITED

We (the entity named above) give ASX the following information about a proposed issue of +securities and, if ASX agrees to +quote any of the +securities (including any rights) on a +deferred settlement basis, we agree to the matters set out in Appendix 3B of the ASX Listing Rules.

1.2 Registered Number Type

ACN

Registration Number

124354329

1.3 ASX issuer code

PSC

1.4 The announcement is

New announcement

1.5 Date of this announcement

Monday March 8, 2021

1.6 The Proposed issue is:

A placement or other type of issue



Part 7 - Details of proposed placement or other issue

Part 7A - Conditions

7A.1 - Are any of the following approvals required for the placement or other type of issue?

- +Security holder approval
- Court approval
- Lodgement of court order with +ASIC
- ACCC approval
- FIRB approval
- Another approval/condition external to the entity

Yes

7A.1a Conditions

Approval/Condition	Date for determination	Is the date estimated or actual?	** Approval received/condition met?
+Security holder approval	Wednesday June 30, 2021	<input checked="" type="checkbox"/> Estimated	

Comments

The securities proposed to be issued are to a director of the Company and therefore shareholder approval for the issue of the securities will be sought under listing rule 10.11.

Part 7B - Issue details

Is the proposed security a 'New class' (+securities in a class that is not yet quoted or recorded by ASX) or an 'Existing class' (additional securities in a class that is already quoted or recorded by ASX)?

Existing class

Will the proposed issue of this +security include an offer of attaching +securities?

No

Details of +securities proposed to be issued

ASX +security code and description

PSCAE : OPTION EXPIRING 03-FEB-2025 EX \$0.26

Number of +securities proposed to be issued

6,000,000

Offer price details



Are the +securities proposed to be issued being issued for a cash consideration?

No

Please describe the consideration being provided for the +securities

Options issued as part of the Managing Director's remuneration subject to the achievement of the following milestones:

- 1) 2,000,000 vest in 12 months from date of issue;
- 2) 2,000,000 vest at FID (Final investment Decision) before end of 2021 for stage 1 of the Arcadia development, FID occurs after all elements of the project are procured and sufficient capital is secured to fully fund the stage 1 project; and
- 3) 2,000,000 vest with first on-spec product shipped within 18 months of the FID decision.

Please provide an estimate of the AUD equivalent of the consideration being provided for the +securities

Will these +securities rank equally in all respects from their issue date with the existing issued +securities in that class?

Yes

Part 7C - Timetable

7C.1 Proposed +issue date

Wednesday June 30, 2021

Part 7D - Listing Rule requirements

7D.1 Has the entity obtained, or is it obtaining, +security holder approval for the entire issue under listing rule 7.1?

No

7D.1b Are any of the +securities proposed to be issued without +security holder approval using the entity's 15% placement capacity under listing rule 7.1?

No

7D.1c Are any of the +securities proposed to be issued without +security holder approval using the entity's additional 10% placement capacity under listing rule 7.1A (if applicable)?

No

7D.2 Is a party referred to in listing rule 10.11 participating in the proposed issue?

Yes

7D.3 Will any of the +securities to be issued be +restricted securities for the purposes of the listing rules?

No

7D.4 Will any of the +securities to be issued be subject to +voluntary escrow?

No



Part 7E - Fees and expenses

7E.1 Will there be a lead manager or broker to the proposed issue?

No

7E.2 Is the proposed issue to be underwritten?

No

7E.4 Details of any other material fees or costs to be incurred by the entity in connection with the proposed issue

Part 7F - Further Information

7F.01 The purpose(s) for which the entity is issuing the securities

Options issued as part of the Managing Director's remuneration subject to the achievement of the milestones as disclosed earlier in this 3B and the ASX announcement titled Company Update released on 8 March 2021.

7F.1 Will the entity be changing its dividend/distribution policy if the proposed issue proceeds?

No

7F.2 Any other information the entity wishes to provide about the proposed issue