



## Prospect Resources' ultra-low iron petalite passes second qualification process for a leading glass ceramics manufacturer

- **Arcadia's ultra-low iron petalite passes glass-ceramic market stringent product specification requirements**
- **Prospect to be the largest ultra-low iron lithium concentrate producer in the market**
- **Prospect is engaging with glass and ceramics customers demanding +130,000tpa of ultra-low iron petalite product.**

African lithium company, Prospect Resources Ltd (ASX:PSC, FRA:5E8) ("**Prospect**" or the "**Company**") is pleased to announce that following on from the announcement released on the 4 November 2019, its ultra-low iron petalite product has progressed through the secondary qualification process with one of the world's largest glass-ceramic manufacturers, based in Europe.

Prospect provided the manufacturer with a sample for larger scale laboratory testing and analysis. The outcome from their analysis is that the ultra-low iron petalite surpasses the glass ceramic market's stringent ultra low iron and alkali technical specifications.

To pass the final step in the product qualification process, Prospect's ultra-low iron petalite product needs a full test in the production kiln. This is expected to be undertaken in 2020, once the pilot plant is constructed and larger volume of product is available.

Prospect is also in discussions with an additional industry leading glass ceramic producer based in Europe with a view to enter into a Memorandum of Understanding ("**MoU**"), where both parties seek to develop a commercial relationship.

Prospect is currently engaging with glass and ceramics customers across Europe, Asia and Africa who collectively, consume over 130,000 tpa equivalent of ultra-low iron petalite. Prospect's ability to consistently produce approx. 100,000tpa of ultra-low iron petalite product, over its 15.5 year Life-of-Mine, is a key attraction from customers<sup>1</sup>

Prospect anticipates being one of only two mines in the world capable of producing ultra low iron petalite and we expect to be the largest player in this natural oligopoly – none of which are based in Australia. Demand for Prospect's ultra low iron petalite is expected to be spread equally between Europe and Asia, with a considerable supply deficit for the foreseeable future.

This release was authorised by Mr Hugh Warner, Executive Chairman of Prospect Resources Ltd.

**\*ENDS\***

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<sup>1</sup> Refer to ASX announcement on 12 December 2019 titled "Updated DFS confirms robust lithium mine". 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.



Africa's leading battery mineral company



Well positioned Lithium Resource in regard to both Scale and Grade



Strong Project Economics demonstrated in DFS



Path forward to Financing, Development and Production



Offtake Agreement in place and positioned to capitalise on Market Demand

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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 petalite and spodumene concentrates.

## 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.