



Appointment of Renaissance Capital as M & A Advisor as discussions progress with Uranium One and closure of shortfall placement

Highlights

- **Discussions with Uranium One ongoing**
- **Renaissance Capital has been appointed as financial/merger & acquisition adviser to Prospect Resources in relation to the MOU with Uranium One Group**
- **Prospect Resources has closed the placement of shortfall shares from the recent Rights Issue**

On 12 December 2019, Prospect Resources Ltd (ASX:PSC, FRA:5E8) ("**Prospect Resources**" or the "**Company**") announced it had entered into a Memorandum of Understanding ("**MOU**") with Uranium One Group JSC ("**Uranium One**"). This MOU is more fully described in the Company's announcement of 12 December 2019.

The discussions with Uranium One are progressing well. In light of this, Prospect has now appointed Renaissance Securities (Cyprus) Limited ("**Renaissance Capital**") as its exclusive financial advisor in relation to the potential sale, directly or indirectly, of the Company's economic or other participation in, or the whole or part of the licence and/or the assets of, the Arcadia Lithium Project or of the Company itself to Uranium One or its affiliates.

The discussions with Uranium One are incomplete and ongoing and there is no guarantee that the MOU or any discussions with Uranium One will result in a formal binding agreement or proposal or as to the timing or terms on which any transaction may proceed.

About Renaissance Capital.

Renaissance Capital is a leading independent investment bank, providing access to over 50 markets across the globe with operations in Africa, Central and Eastern Europe, North America, and the Middle East. Renaissance Capital's unique on-the-ground footprint, with offices in Lagos, London, Moscow, New York, Johannesburg, Cape Town, Nairobi, Cairo and Nicosia, provides its clients with an unrivalled offering, serving as a gateway to emerging and frontier markets for international investors. <http://www.rencap.com/>



Closure of Shortfall Placement

Prospect is pleased to advise that despite receiving a number of enquiries regarding placement of the remaining shortfall shares from the recent Rights Issue, it will not be placing the shortfall, making the rights issue fully closed.

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

ENDS



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

For further information, please contact:

Nicholas Rathjen
General Manager, Corporate Affairs
nrathjen@prospectresources.com.au

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.