

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/13, 01/09/16

Name of entity

PROSPECT RESOURCES LIMITED

ABN

30 124 354 329

Quarter ended ("current quarter")

31 MARCH 2017

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	18	66
1.2 Payments for		
(a) exploration & evaluation	(691)	(905)
(b) development		
(c) production		
(d) staff costs	(148)	(458)
(e) administration and corporate costs	(630)	(1,776)
(f) project generation	(112)	(408)
1.3 Dividends received (see note 3)		
1.4 Interest received		
1.5 Interest and other costs of finance paid		
1.6 Income taxes paid		
1.7 Research and development refunds		
1.8 Other (provide details if material)		
1.9 Net cash from / (used in) operating activities	(1,563)	(3,481)

2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment	(32)	(245)
(b) tenements (see item 10)		
(c) investments		

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
(d) other non-current assets		
2.2 Proceeds from the disposal of:		
(a) property, plant and equipment		
(b) tenements (see item 10)		
(c) investments		
(d) other non-current assets		
2.3 Cash flows from loans to other entities	-	(97)
2.4 Dividends received (see note 3)		
2.5 Other (provide details if material)		
(a) Exploration and evaluation	(1,387)	(4,355)
(b) Development	(162)	(849)
(c) Interest received	5	15
2.6 Net cash from / (used in) investing activities	(1,576)	(5,531)

3. Cash flows from financing activities		
3.1 Proceeds from issues of shares	-	17,415
3.2 Proceeds from issue of convertible notes		
3.3 Proceeds from exercise of share options		
3.4 Transaction costs related to issues of shares, convertible notes or options		
3.5 Proceeds from borrowings		
3.6 Repayment of borrowings (related party)	-	(102)
3.7 Transaction costs related to loans and borrowings		
3.8 Dividends paid		
3.9 Other (provide details if material)		
(a) Cost of issue of shares, options	-	(912)
3.10 Net cash from / (used in) financing activities	-	16,401

4. Net increase / (decrease) in cash and cash equivalents for the period		
4.1 Cash and cash equivalents at beginning of period	13,349	2,417
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(1,563)	(3,481)
4.3 Net cash from / (used in) investing activities (item 2.6 above)	(1,576)	(5,531)
4.4 Net cash from / (used in) financing activities (item 3.10 above)	-	16,401

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	(640)	(236)
4.6	Cash and cash equivalents at end of period	9,570	9,570

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	70	44
5.2	Call deposits	2,675	3,543
5.3	Bank overdrafts	-	-
5.4	Other (provide details)		
	US\$ at bank	6,722	9,705
	Petty cash	103	57
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	9,570	13,349

6. Payments to directors of the entity and their associates

- | | Current quarter
\$A'000 |
|-----|------------------------------------|
| 6.1 | 182 |
| 6.2 | - |
| 6.3 | |

Payments include director fees and superannuation.

7. Payments to related entities of the entity and their associates

- | | Current quarter
\$A'000 |
|-----|------------------------------------|
| 7.1 | - |
| 7.2 | - |
| 7.3 | |

Mining exploration entity and oil and gas exploration entity quarterly report

8. Financing facilities available <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
8.1 Loan facilities		
8.2 Credit standby arrangements		
8.3 Other (please specify)		
8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		

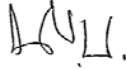
--

9. Estimated cash outflows for next quarter	\$A'000
9.1 Exploration and evaluation	1,400
9.2 Development	-
9.3 Production	-
9.4 Staff costs	175
9.5 Administration and corporate costs	680
9.6 Other (provide details if material)	-
9.7 Total estimated cash outflows	2,255

10. Changes in tenements (items 2.1(b) and 2.2(b) above)	Tenement reference and location	Nature of interest	Interest at beginning of quarter	Interest at end of quarter
10.1 Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced		Refer Appendix A		
10.2 Interests in mining tenements and petroleum tenements acquired or increased		Refer Appendix A		

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.



Sign here:
Director

Date: 28 April 2017

Print name: Hugh Warner.....

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, AASB 6: Exploration for and Evaluation of Mineral Resources and AASB 107: Statement of Cash Flows apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.

APPENDIX A – PROSPECT RESOURCES LIMITED TENEMENT SCHEDULE

Prospect Resources Limited has interests in tenements via the following companies:

- 1) Coldawn Investment (Private) Limited (“Coldawn”)
- 2) Hawkmoth Mining and Exploration (Private) Limited (“Hawkmoth”)
- 3) Examix Investments (Pvt) Limited (“Examix”)
- 4) Farvic Consolidated Mines (Pvt) Limited (“Farvic”)
- 5) Tannahill Mine (Pvt) Limited (“Tannahill”)
- 6) Mixnote Investments (Pvt) Limited (“Mixnote”)

Tenement Type & Number	Country	Project	Registered Company Name	% Held at End of Quarter	% Acquired During Quarter	% Disposed During Quarter
12227	Zimbabwe	Penhalonga	Coldawn	70%	-	-
20560 BM	Zimbabwe	Penhalonga	Coldawn	70%	-	-
10675	Zimbabwe	Penhalonga	Coldawn	70%	-	-
21795 BM	Zimbabwe	Penhalonga	Coldawn	70%	-	-
13166 BM	Zimbabwe	Penhalonga	Coldawn	70%	-	-
18879	Zimbabwe	Penhalonga	Coldawn	70%	-	-
18880	Zimbabwe	Penhalonga	Coldawn	70%	-	-
18881	Zimbabwe	Penhalonga	Coldawn	70%	-	-
21748 BM	Zimbabwe	Penhalonga	Coldawn	70%	-	-
18666 BM	Zimbabwe	Penhalonga	Coldawn	70%	-	-
12212	Zimbabwe	Penhalonga	Coldawn	70%	-	-
12213	Zimbabwe	Penhalonga	Coldawn	70%	-	-
19474 BM	Zimbabwe	Penhalonga	Coldawn	70%	-	-
14135 BM	Zimbabwe	Penhalonga	Coldawn	70%	-	-
10338	Zimbabwe	Penhalonga	Coldawn	70%	-	-
G3425	Zimbabwe	Penhalonga	Coldawn	70%	-	-
18582 BM	Zimbabwe	Penhalonga	Coldawn	70%	-	-
G2335	Zimbabwe	Penhalonga	Coldawn	70%	-	-
M2873 BM	Zimbabwe	Chisanya	Hawkmoth	70%	-	-
M2874 BM	Zimbabwe	Chisanya	Hawkmoth	70%	-	-
M2875 BM	Zimbabwe	Chisanya	Hawkmoth	70%	-	-
M2876 BM	Zimbabwe	Chisanya	Hawkmoth	70%	-	-
33154	Zimbabwe	Starling	Hawkmoth	70%	-	-
32570	Zimbabwe	Starling	Hawkmoth	70%	-	-
36975	Zimbabwe	Starling	Hawkmoth	70%	-	-
36976	Zimbabwe	Starling	Hawkmoth	70%	-	-
36974	Zimbabwe	Starling	Hawkmoth	70%	-	-
36973	Zimbabwe	Starling	Hawkmoth	70%	-	-
36972	Zimbabwe	Starling	Hawkmoth	70%	-	-
32716	Zimbabwe	Starling	Hawkmoth	70%	-	-
33280	Zimbabwe	Starling	Hawkmoth	70%	-	-
36983	Zimbabwe	Starling	Hawkmoth	70%	-	-
33181	Zimbabwe	Starling	Hawkmoth	70%	-	-
36978	Zimbabwe	Starling	Hawkmoth	70%	-	-

Tenement Type & Number	Country	Project	Registered Company Name	% Held at End of Quarter	% Acquired During Quarter	% Disposed During Quarter
36979	Zimbabwe	Starling	Hawkmoth	70%	-	-
36982	Zimbabwe	Starling	Hawkmoth	70%	-	-
36980	Zimbabwe	Starling	Hawkmoth	70%	-	-
36981	Zimbabwe	Starling	Hawkmoth	70%	-	-
GA1190	Zimbabwe	Starling	Hawkmoth	70%	-	-
32936	Zimbabwe	Starling	Hawkmoth	70%	-	-
32935	Zimbabwe	Starling	Hawkmoth	70%	-	-
31007	Zimbabwe	Arcadia	Examix	63%	-	-
23178	Zimbabwe	Arcadia	Examix	63%	-	-
35802	Zimbabwe	Arcadia	Examix	63%	-	-
23191	Zimbabwe	Arcadia	Examix	63%	-	-
23210	Zimbabwe	Arcadia	Examix	63%	-	-
23192	Zimbabwe	Arcadia	Examix	63%	-	-
23207	Zimbabwe	Arcadia	Examix	63%	-	-
31033	Zimbabwe	Arcadia	Examix	63%	-	-
23208	Zimbabwe	Arcadia	Examix	63%	-	-
23263	Zimbabwe	Arcadia	Examix	63%	-	-
23264	Zimbabwe	Arcadia	Examix	63%	-	-
23248	Zimbabwe	Arcadia	Examix	63%	-	-
23249	Zimbabwe	Arcadia	Examix	63%	-	-
23244	Zimbabwe	Arcadia	Examix	63%	-	-
23247	Zimbabwe	Arcadia	Examix	63%	-	-
23245	Zimbabwe	Arcadia	Examix	63%	-	-
23246	Zimbabwe	Arcadia	Examix	63%	-	-
23189	Zimbabwe	Arcadia	Examix	63%	-	-
23190	Zimbabwe	Arcadia	Examix	63%	-	-
23271	Zimbabwe	Arcadia	Examix	63%	-	-
23233	Zimbabwe	Arcadia	Examix	63%	-	-
23269	Zimbabwe	Arcadia	Examix	63%	-	-
23282	Zimbabwe	Arcadia	Examix	63%	-	-
23283	Zimbabwe	Arcadia	Examix	63%	-	-
23363	Zimbabwe	Arcadia	Examix	63%	-	-
23366	Zimbabwe	Arcadia	Examix	63%	-	-
23367	Zimbabwe	Arcadia	Examix	63%	-	-
23368	Zimbabwe	Arcadia	Examix	63%	-	-
23365	Zimbabwe	Arcadia	Examix	63%	-	-
23364	Zimbabwe	Arcadia	Examix	63%	-	-
32132	Zimbabwe	Arcadia	Examix	63%	-	-
32133	Zimbabwe	Arcadia	Examix	63%	-	-
32126	Zimbabwe	Arcadia	Examix	63%	-	-
32733	Zimbabwe	Arcadia	Examix	63%	-	-
23277	Zimbabwe	Arcadia	Examix	63%	-	-
23278	Zimbabwe	Arcadia	Examix	63%	-	-

Tenement Type & Number	Country	Project	Registered Company Name	% Held at End of Quarter	% Acquired During Quarter	% Disposed During Quarter
23279	Zimbabwe	Arcadia	Examix	63%	-	-
23276	Zimbabwe	Arcadia	Examix	63%	-	-
23281	Zimbabwe	Arcadia	Examix	63%	-	-
23724	Zimbabwe	Arcadia	Examix	63%	-	-
23275	Zimbabwe	Arcadia	Examix	63%	-	-
23722	Zimbabwe	Arcadia	Examix	63%	-	-
23723	Zimbabwe	Arcadia	Examix	63%	-	-
34748	Zimbabwe	Greater Farvic	Farvic	_(i)	-	-
34750	Zimbabwe	Greater Farvic	Farvic	_(i)	-	-
140300 J	Zimbabwe	Greater Farvic	Farvic	_(i)	-	-
140297 J	Zimbabwe	Greater Farvic	Farvic	_(i)	-	-
140295 J	Zimbabwe	Greater Farvic	Farvic	_(i)	-	-
140296 J	Zimbabwe	Greater Farvic	Farvic	_(i)	-	-
140299 J	Zimbabwe	Greater Farvic	Farvic	_(i)	-	-
140298 J	Zimbabwe	Greater Farvic	Farvic	_(i)	-	-
179175 J	Zimbabwe	Greater Farvic	Farvic	_(i)	-	-
179176 J	Zimbabwe	Greater Farvic	Farvic	_(i)	-	-
179177 J	Zimbabwe	Greater Farvic	Farvic	_(i)	-	-
179179 J	Zimbabwe	Greater Farvic	Farvic	_(i)	-	-
174178 J	Zimbabwe	Greater Farvic	Farvic	_(i)	-	-
435131 J	Zimbabwe	Greater Farvic	Tannahill	_(i)	-	-
435129 J	Zimbabwe	Greater Farvic	Tannahill	_(i)	-	-
435130 J	Zimbabwe	Greater Farvic	Tannahill	_(i)	-	-
435132 J	Zimbabwe	Greater Farvic	Tannahill	_(i)	-	-
435125 J	Zimbabwe	Greater Farvic	Tannahill	_(i)	-	-
435124 J	Zimbabwe	Greater Farvic	Tannahill	_(i)	-	-
435123 J	Zimbabwe	Greater Farvic	Tannahill	_(i)	-	-
435126 J	Zimbabwe	Greater Farvic	Tannahill	_(i)	-	-
435128 J	Zimbabwe	Greater Farvic	Tannahill	_(i)	-	-
435127 J	Zimbabwe	Greater Farvic	Tannahill	_(i)	-	-
448985 J	Zimbabwe	Greater Farvic	Tannahill	_(i)	-	-
482952 J	Zimbabwe	Greater Farvic	Tannahill	_(i)	-	-
482953 J	Zimbabwe	Greater Farvic	Tannahill	_(i)	-	-
483048 J	Zimbabwe	Greater Farvic	Tannahill	_(i)	-	-
483005 J	Zimbabwe	Greater Farvic	Tannahill	_(i)	-	-
483006 J	Zimbabwe	Greater Farvic	Tannahill	_(i)	-	-
483007 J	Zimbabwe	Greater Farvic	Tannahill	_(i)	-	-
483062 J	Zimbabwe	Greater Farvic	Tannahill	_(i)	-	-
483061 J	Zimbabwe	Greater Farvic	Tannahill	_(i)	-	-
483004 J	Zimbabwe	Greater Farvic	Tannahill	_(i)	-	-
483003 J	Zimbabwe	Greater Farvic	Tannahill	_(i)	-	-
435227 J	Zimbabwe	Greater Farvic	Tannahill	_(i)	-	-
483000 J	Zimbabwe	Greater Farvic	Tannahill	_(i)	-	-
483009 J	Zimbabwe	Greater Farvic	Tannahill	_(i)	-	-

Tenement Type & Number	Country	Project	Registered Company Name	% Held at End of Quarter	% Acquired During Quarter	% Disposed During Quarter
483010 J	Zimbabwe	Greater Farvic	Tannahill	-(i)	-	-
483012 J	Zimbabwe	Greater Farvic	Tannahill	-(i)	-	-
483011 J	Zimbabwe	Greater Farvic	Tannahill	-(i)	-	-
483014 J	Zimbabwe	Greater Farvic	Tannahill	-(i)	-	-
483018 J	Zimbabwe	Greater Farvic	Tannahill	-(i)	-	-
483017 J	Zimbabwe	Greater Farvic	Tannahill	-(i)	-	-
483015 J	Zimbabwe	Greater Farvic	Tannahill	-(i)	-	-
483013 J	Zimbabwe	Greater Farvic	Tannahill	-(i)	-	-
482999 J	Zimbabwe	Greater Farvic	Tannahill	-(i)	-	-
482997 J	Zimbabwe	Greater Farvic	Tannahill	-(i)	-	-
482996 J	Zimbabwe	Greater Farvic	Tannahill	-(i)	-	-
482995 J	Zimbabwe	Greater Farvic	Tannahill	-(i)	-	-
435211 J	Zimbabwe	Greater Farvic	Tannahill	-(i)	-	-
435209 J	Zimbabwe	Greater Farvic	Tannahill	-(i)	-	-
435210 J	Zimbabwe	Greater Farvic	Tannahill	-(i)	-	-
435196 J	Zimbabwe	Greater Farvic	Tannahill	-(i)	-	-
435197 J	Zimbabwe	Greater Farvic	Tannahill	-(i)	-	-
435199 J	Zimbabwe	Greater Farvic	Tannahill	-(i)	-	-
435198 J	Zimbabwe	Greater Farvic	Tannahill	-(i)	-	-
435200 J	Zimbabwe	Greater Farvic	Tannahill	-(i)	-	-
435201 J	Zimbabwe	Greater Farvic	Tannahill	-(i)	-	-
435214 J	Zimbabwe	Greater Farvic	Tannahill	-(i)	-	-
435213 J	Zimbabwe	Greater Farvic	Tannahill	-(i)	-	-
435215 J	Zimbabwe	Greater Farvic	Tannahill	-(i)	-	-
435217 J	Zimbabwe	Greater Farvic	Tannahill	-(i)	-	-
435219 J	Zimbabwe	Greater Farvic	Tannahill	-(i)	-	-
435221 J	Zimbabwe	Greater Farvic	Tannahill	-(i)	-	-
435218 J	Zimbabwe	Greater Farvic	Tannahill	-(i)	-	-
483222 J	Zimbabwe	Greater Farvic	Tannahill	-(i)	-	-
435204 J	Zimbabwe	Greater Farvic	Tannahill	-(i)	-	-
482998	Zimbabwe	Greater Farvic	Tannahill	-(i)	-	-
483037 J	Zimbabwe	Greater Farvic	Tannahill	-(i)	-	-
483024 J	Zimbabwe	Greater Farvic	Tannahill	-(i)	-	-
435225 J	Zimbabwe	Greater Farvic	Tannahill	-(i)	-	-
435226 J	Zimbabwe	Greater Farvic	Tannahill	-(i)	-	-
483063 J	Zimbabwe	Greater Farvic	Tannahill	-(i)	-	-
483064 J	Zimbabwe	Greater Farvic	Tannahill	-(i)	-	-
483065 J	Zimbabwe	Greater Farvic	Tannahill	-(i)	-	-
483066 J	Zimbabwe	Greater Farvic	Tannahill	-(i)	-	-
483067 J	Zimbabwe	Greater Farvic	Tannahill	-(i)	-	-
483068 J	Zimbabwe	Greater Farvic	Tannahill	-(i)	-	-
483069 J	Zimbabwe	Greater Farvic	Tannahill	-(i)	-	-
483464 J	Zimbabwe	Greater Farvic	Tannahill	-(i)	-	-
483465 J	Zimbabwe	Greater Farvic	Tannahill	-(i)	-	-
483466 J	Zimbabwe	Greater Farvic	Tannahill	-(i)	-	-
483469 J	Zimbabwe	Greater Farvic	Tannahill	-(i)	-	-

Tenement Type & Number	Country	Project	Registered Company Name	% Held at End of Quarter	% Acquired During Quarter	% Disposed During Quarter
483467 J	Zimbabwe	Greater Farvic	Tannahill	-(i)	-	-
483468 J	Zimbabwe	Greater Farvic	Tannahill	-(i)	-	-
483471 J	Zimbabwe	Greater Farvic	Tannahill	-(i)	-	-
483470 J	Zimbabwe	Greater Farvic	Tannahill	-(i)	-	-
483508 J	Zimbabwe	Greater Farvic	Tannahill	-(i)	-	-
483507 J	Zimbabwe	Greater Farvic	Tannahill	-(i)	-	-
483518 J	Zimbabwe	Greater Farvic	Tannahill	-(i)	-	-
483517 J	Zimbabwe	Greater Farvic	Tannahill	-(i)	-	-
483516 J	Zimbabwe	Greater Farvic	Tannahill	-(i)	-	-
483515 J	Zimbabwe	Greater Farvic	Tannahill	-(i)	-	-
483514 J	Zimbabwe	Greater Farvic	Tannahill	-(i)	-	-
483511 J	Zimbabwe	Greater Farvic	Tannahill	-(i)	-	-
483513 J	Zimbabwe	Greater Farvic	Tannahill	-(i)	-	-
483512 J	Zimbabwe	Greater Farvic	Tannahill	-(i)	-	-
483510 J	Zimbabwe	Greater Farvic	Tannahill	-(i)	-	-
483509 J	Zimbabwe	Greater Farvic	Tannahill	-(i)	-	-
483506 J	Zimbabwe	Greater Farvic	Tannahill	-(i)	-	-
483505 J	Zimbabwe	Greater Farvic	Tannahill	-(i)	-	-
483504 J	Zimbabwe	Greater Farvic	Tannahill	-(i)	-	-
483503 J	Zimbabwe	Greater Farvic	Tannahill	-(i)	-	-
483502 J	Zimbabwe	Greater Farvic	Tannahill	-(i)	-	-
483501 J	Zimbabwe	Greater Farvic	Tannahill	-(i)	-	-
483500 J	Zimbabwe	Greater Farvic	Tannahill	-(i)	-	-
063742 J	Zimbabwe	Greater Farvic	Tannahill	-(i)	-	-
H 046672	Zimbabwe	Greater Farvic	Mixnote	-(i)	-	-
H 046681	Zimbabwe	Greater Farvic	Mixnote	-(i)	-	-
H 046682	Zimbabwe	Greater Farvic	Mixnote	-(i)	-	-
H 046676	Zimbabwe	Greater Farvic	Mixnote	-(i)	-	-
H 046675	Zimbabwe	Greater Farvic	Mixnote	-(i)	-	-
H 046674	Zimbabwe	Greater Farvic	Mixnote	-(i)	-	-
H 046673	Zimbabwe	Greater Farvic	Mixnote	-(i)	-	-
003515 M	Zimbabwe	Greater Farvic	Mixnote	-(i)	-	-
003583 M	Zimbabwe	Greater Farvic	Farvic	-(i)	-	-

(i) Hawkmoth can earn a 51% interest by spending USD\$1.5m within 36 months. Hawkmoth can earn the remaining 49% interest by spending a further USD\$1.5m within the next 12 months.