

## March Quarterly Review of Activities

Prospect Resources Limited (ASX: PSC) (Prospect, the Company) is pleased to report on a busy quarter of activities and up to the date of this announcement.

Activities can be summarised as:

### Gold - Gwanda East - Zimbabwe

- Completed the rehabilitation of the Prestwood Mine;
- Produced first gold from Prestwood Main;
- Production ore blocks being developed at 5 Level;
- Shaft sinking is ongoing so that down dip ore blocks can be continuously developed in front of production ore blocks
- Erected a headframe at Prestwood A shaft and commenced exploration;
- Begun erecting a headframe at the Bucks Reef West shaft.

### Gold - Moba Gold Project – DRC

- Signed an option to purchase a 12 km gold system in south east DRC
- Historic production is reported to be some 325,000 oz with a cut-off grade of 6 g/t, with historic reserves blocked at over 12g/t, with individual mining blocks and boreholes returning grades up to 32g/t.
- Commenced desk top evaluation of historic production prior to field trip

### Lithium – Africa

The Company has undertaken due diligence on a number of lithium projects during the quarter. Whilst no transaction has been consummated to date, negotiations continue with one counterparty and a number of other projects continue to be investigated. The Company is focussing on assets with historic production and near term production capability.

### Corporate

During the quarter, the Company raised \$200,000 via a share placement at 0.5c per share and issued a share rights issue to raise an additional \$515,000 at the same price. The share rights issue has been fully underwritten and demand from shareholders has been strong.

### General

With the commencement of mining and the anticipation of positive cashflow being generated from our Gwanda East Gold project, the Company intends to use these cashflows to ramp up activities across our project groups and take advantage of other mining opportunities (acquisitions and investments) as they present themselves.

The Company intends to have a busy 2016 and investors should expect a significantly greater flow of announcements commensurate with this activity.

**For further information, please contact:**

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**Competent Person's Statement**

The information in this announcement that relates to Exploration Results, 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.

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