Prospect Resources

ASX.PSC FRA.5E8

ASX ANNOUNCEMENT

28 March 2023

New Lithium Discovery at Omaruru

Highlights

- **Exploratory Phase 1 RC drilling programme recently completed at the Omaruru Lithium Project in Namibia.**
- **Returned assay results have outlined a new, near-surface, shallow dipping discovery of lithium mineralisation in the southern Brockmans zone and confirmed historical drilling results at Karlsbrunn.**
- **Best results returned from Phase 1 drilling include:**
  - **6m @ 1.30% Li_2O from 13m within 14m @ 0.79% Li_2O from 13m (OMR018)**
  - **8m @ 0.99% Li_2O from 6m (OMR010)**
  - **11m @ 0.95% Li_2O from 51m (OMR004)**
  - **7m @ 0.90% Li_2O from 17m and 8m @ 0.60% Li_2O from 28m (OMR022)**
- **The limited drilling undertaken at Brockmans to date indicates significant prospectivity and scope for identifying larger tonnages of higher-grade lithium mineralisation.**
- **Assay results from sampling across multiple existing adits expected in coming weeks.**
- **50kg bulk samples taken from Karlsbrunn, Brockmans and Hillside deposits are set to undergo early stage metallurgical test work.**
- **Follow-up drilling programme under design to target strike and depth extensions at both Brockmans and Karlsbrunn; next drilling phase expected to commence in Q2 2023.**
- **Stage 1 earn-in on Omaruru progressing efficiently and expected to be achieved in Q2 2023; Prospect investing US$1m over 12 months to reach a 40% project interest.**

Prospect Resources Ltd (ASX: PSC, FRA:5E8) (**Prospect** or **the Company**) provides an update on its recently completed Phase 1 RC drilling programme at the Omaruru Lithium Project, located approximately 20km east of the regional centre of Karibib, in central Namibia.

Prospect's Managing Director, Sam Hosack, commented:

"The initial exploration work completed at Omaruru evidences that the project is shaping up nicely at this early stage. While there is established lithium mineralisation at Omaruru that the Phase 1 drilling was directed at defining and extending, we are excited to have also made a significant new discovery, at robust grades and widths, at the southern end of the Brockmans zone.

"We are currently planning the next phase of work at Omaruru to follow-up these excellent initial outcomes. This drilling is expected to commence next quarter and encompass both RC and diamond drilling of Karlsbrunn and Brockmans, as well as potential shallow exploratory drilling of regional 'blind' pegmatite targets."

Project Background

The Omaruru Lithium Project, currently comprising the EPL 5533 tenement, is centred on the village of Wilhelmstal, east of Karibib in Namibia and covers 175 square kilometres (see Figure 1). The tenement is located near a number of advanced mining projects, including Osino Resources' Twin Hills Gold Project and Lepidico's Karibib Lithium Project.

EPL 5533 contains 60 visible outcropping LCT pegmatites, with historical artisanal workings for gemstones common throughout the tenement and considerable prospectivity for the identification of further lithium-enriched deposits occurring below cover in the region.

Omaruru offers excellent potential for Prospect to delineate a maiden JORC reportable lithium Mineral Resource and identify new deposits, as well as establishing a strategic position in Namibia, providing an attractive growth pipeline in the battery minerals sector and continued investment in a desirable jurisdiction of sub-Saharan Africa.

Prospect currently holds a 20% interest in Omaruru via its equivalent shareholding in Richwing Exploration (Pty) Ltd (**Richwing**), which is 80%-owned by Osino Resources Corp. (OSI.TSXV). Prospect is currently earning a further 20% interest in Richwing (and thus Omaruru) via an investment of US$1m over a 12 month period (refer Prospect ASX Announcement dated 29 September 2022).

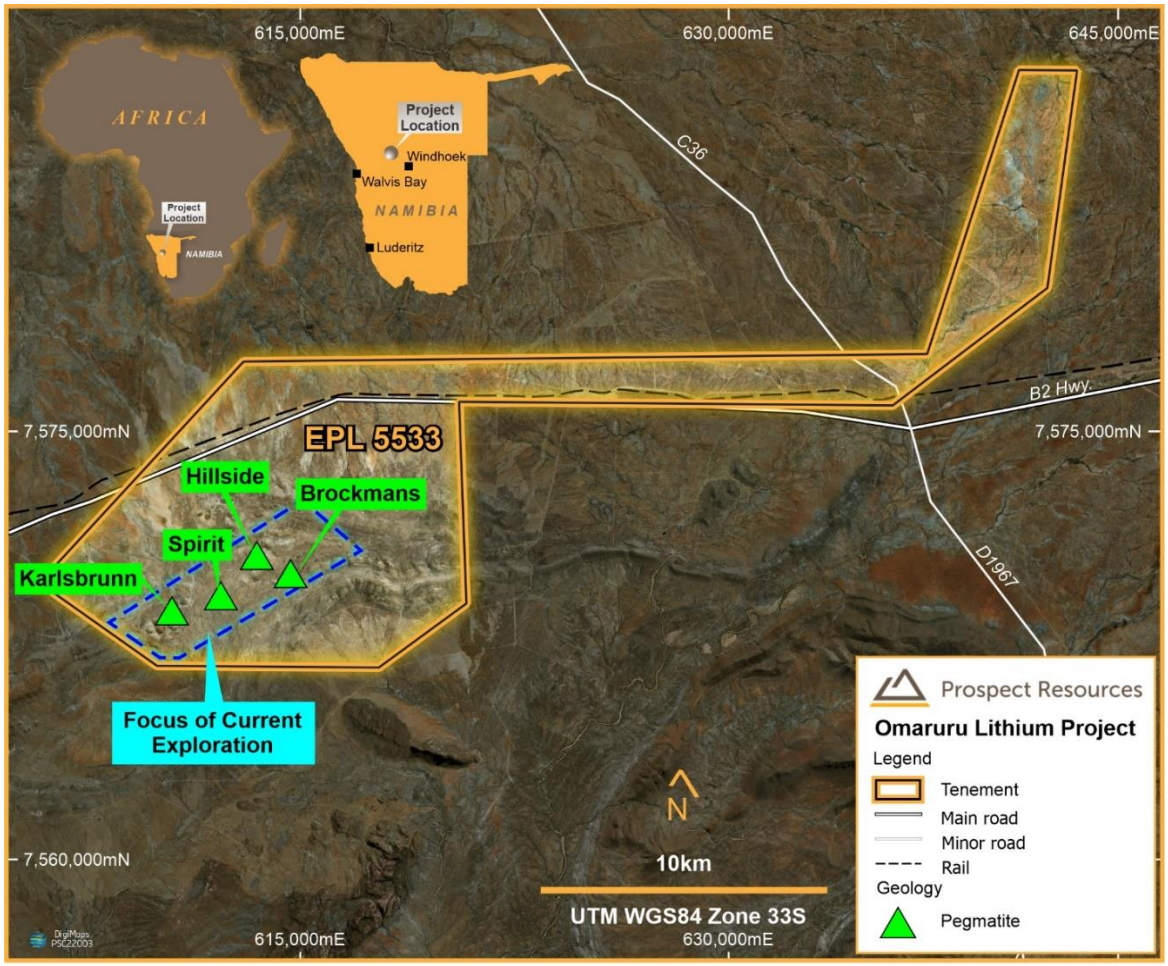

Figure 1: Location map for Omaruru Lithium Project tenement in Namibia

Phase 1 RC Drilling Programme

Prospect completed its Phase 1 RC drilling programme at Omaruru across the Karlsbrunn and Brockmans deposits in February, with 22 holes completed for 2,056 metres (refer Prospect ASX announcement dated 14 February 2023).

Karlsbrunn

Figure 2 shows the location of the RC drill holes completed at Karlsbrunn and the surrounding site infrastructure, including surveyed underground adit locations (yellow), outline of the mapped pegmatite for the lithium deposit, the historical surface disturbance and the interpreted strike of the mineralised zone to the northeast (dashed orange line).

Significant intersections returned from the recent Phase 1 drilling at Karlsbrunn include:

- **8m @ 0.99% Li_2O from 6m (OMR010)**
- **11m @ 0.95% Li_2O from 51m (OMR004)**
- **10m @ 0.88% Li_2O from 35m (OMR006)**
- **10m @ 0.82% Li_2O from 15m (OMR007)**
- **11m @ 0.80% Li_2O from 35m (OMR003)**

These results show robust lithium grades and pegmatite widths across the deposit and are broadly in line with the initial drilling of Karlsbrunn completed by Osino Resources in 2020 and reported previously by Prospect (see ASX announcement dated 29 September 2022).

The lithium mineralisation appears zoned either side of an unmineralised quartz core at Karlsbrunn, dominated by lepidolite and petalite, and hosted in a folded sequence of marbles and calc-silicates.

The Company has also completed detailed sampling of several extensive underground adits, geologically mapped and surveyed by Prospect at Karlsbrunn, which pass laterally through the deposit at several locations. These were developed historically to extract petalite and gemstones from the pegmatite, including beryl.

Figure 3 shows a typical sub-horizontal underground adit developed through the Karlsbrunn deposit. Assays from sampling of these adits were pending at the time of this release. These pending results, along with the surface RC drilling results outlined in this release, are expected to assist in the estimation of a maiden JORC reportable Mineral Resource for the Karlsbrunn deposit later this year.

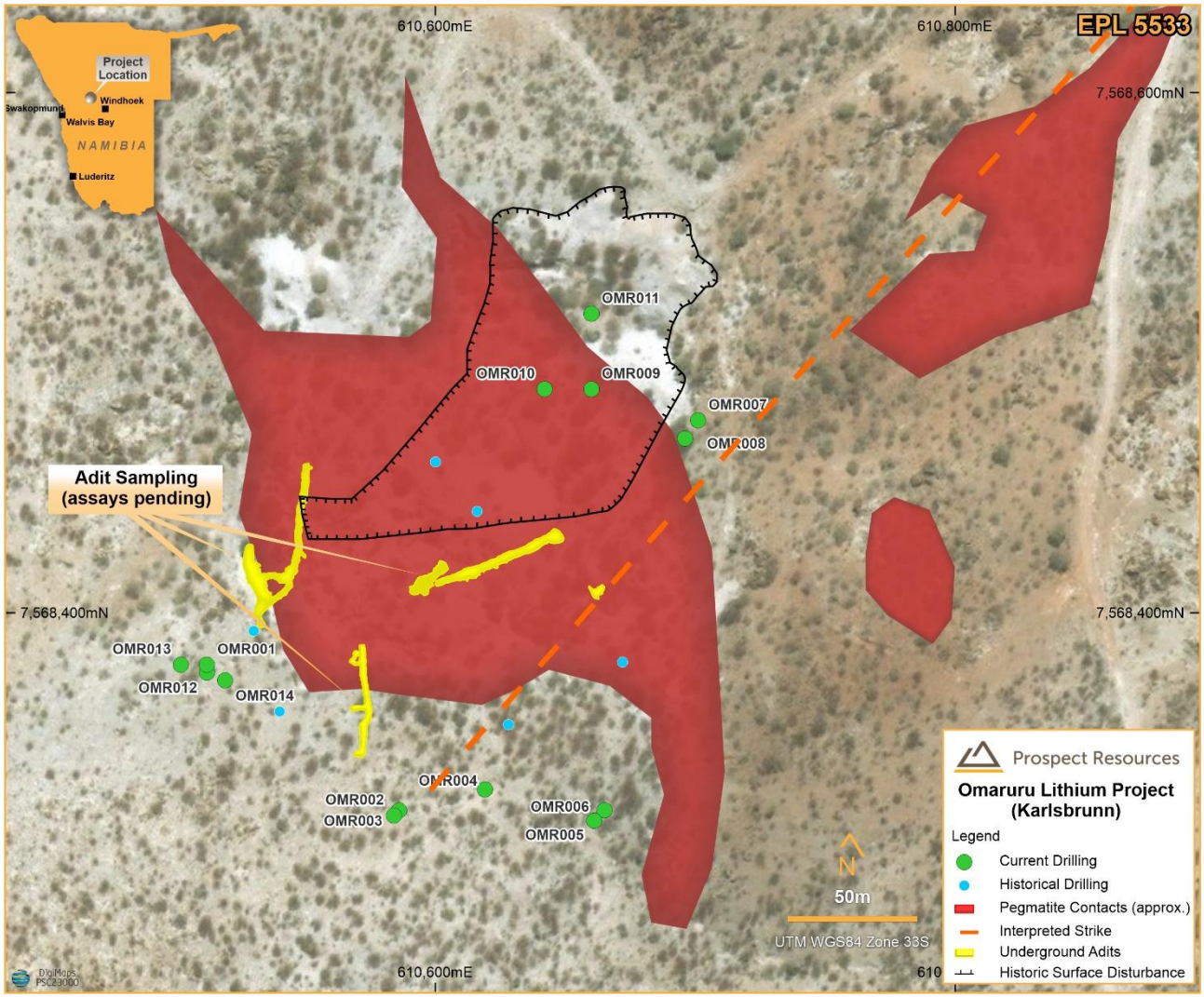

Figure 2: Location map showing completed RC drill holes at Karlsbrunn

Figure 3: Prospect staff examining mineralised lithium pegmatite within Karlsbrunn adit

Brockmans

Prospect also completed its maiden drilling at the Brockmans deposit, which is located just over 4km to the northeast of Karlsbrunn. Assay results returned were highly encouraging with two adjacent holes completed in the southwest zone evidencing a new discovery of continuous lithium mineralisation. Drill hole locations and mapped extent of the Brockmans deposit are shown below in Figure 4. A drilling cross section through the mineralised pegmatite is shown in Figure 5.

Historical drilling was completed at the north end of Brockmans by Osino Resources in 2020 (light blue dots in Figure 4). This targeted artisanal workings with visual lithium mineralisation as lepidolite in that vicinity, but the drilling returning only low lithia (Li_2O) grades from narrow pegmatite intersections.

Significant lithium mineralisation returned from the recent southern Brockmans RC drilling include:

- **6m @ 1.30% Li_2O from 13m within 14m @ 0.79% Li_2O from 13m (OMR018)**
- **7m @ 0.90% Li_2O from 17m and 8m @ 0.60% Li_2O from 28m (OMR022)**

Similar to Karlsbrunn, mineralisation at Brockmans is dominated by lepidolite and petalite, although cookeite is also present. The mineral cookeite can form from the alteration of lepidolite, spodumene or amblygonite, although neither of the latter minerals have been identified to date at Omaruru.

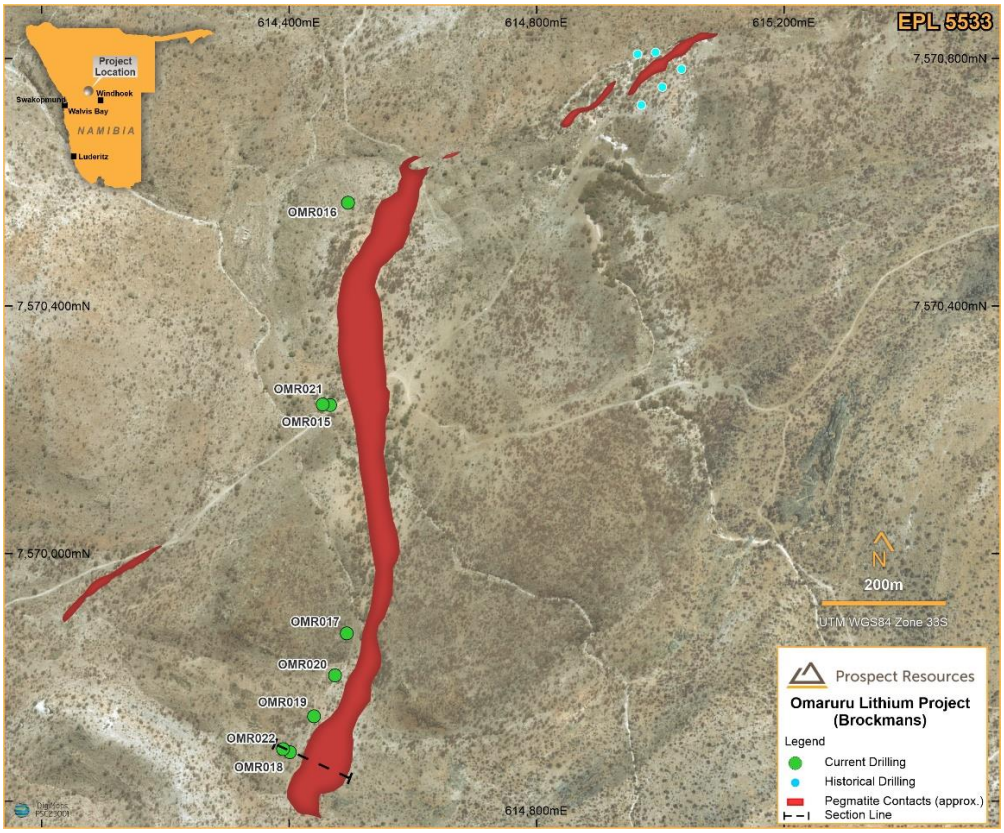

Figure 4: Location map showing completed RC drill holes at Brockmans

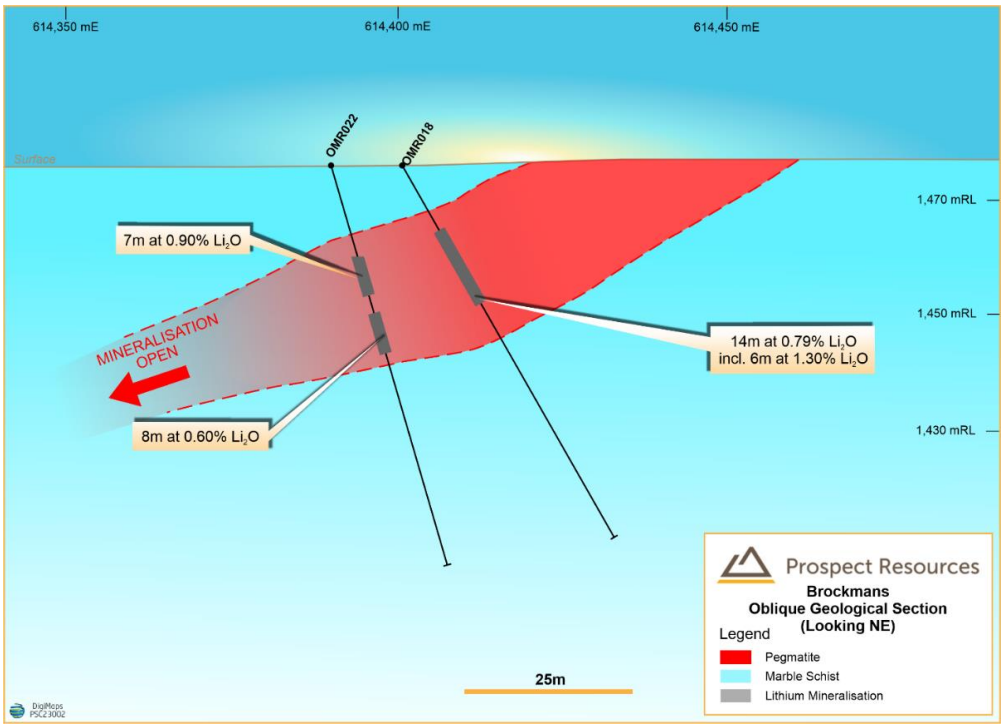

Figure 5: Drilling cross section showing continuous robust grades at Brockmans

The results from this new drilling at Brockmans indicate a significant thickening of the pegmatite in the south, which is considered a key aspect for the zoning of lithium mineralisation in the Karibib District (e.g. Karlsbrunn). Importantly, the limited drilling undertaken at Brockmans indicates significant prospectivity and scope for identifying larger tonnages of higher-grade lithium mineralisation within the Omaruru Project region.

Metallurgical Sampling

Prospect recently collected three, 50kg bulk samples of identified lithium mineralisation from the Karlsbrunn, Brockmans and Hillside deposits. These samples are now set to undergo early stage metallurgical test work and evaluation in South Africa.

Geochemical Soil Sampling

Prospect completed detailed soil geochemical sampling at Omaruru over eight separate grids in January. Most assays for this work remain outstanding and will be reported separately once all data is received and interpreted.

This work targeted strike extensions of mapped lithium mineralisation across the tenement, including to the northeast of Karlsbrunn, northeast and southwest of Brockmans, southwest of Spirit and southwest of Hillside. These prospect locations are shown in Figure 1.

Upcoming Programmes

Prospect expects to complete its Stage 1 earn-in to Omaruru during Q2 2023. Upcoming programmes during this period are expected to encompass infill and extensional RC drilling at the Brockmans deposit, limited diamond drilling for metallurgical test work purposes at Karlsbrunn, and potentially first-pass, short-hole, RC drilling of regional exploration targets identified from any cohesive geochemical soil anomalies associated with LCT mineralisation characteristics across the region (i.e. elevated lithium-caesium-rubidium-beryllium values).

Upon completion of the Stage 1 earn-in, Prospect will hold a 40% stake in Richwing (and thus the Omaruru Lithium Project).

This release was authorised by Sam Hosack, Managing Director

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About Prospect Resources Limited (ASX: PSC, FRA:5E8)

Prospect Resources Limited (ASX: PSC, FRA:5E8) is an ASX listed company focused on the exploration and development of mining projects, specifically battery and electrification minerals, in Zimbabwe and the broader sub-Saharan African region.

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 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.

Competent Persons Statements

The information in this announcement that relates to Exploration Targets and Exploration Results, 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 Chief 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 (CP) 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.

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.

APPENDIX 1: Drill hole collar locations for Omaruru Lithium Project

Hole_ID	Drill Type	Deposit	DH_East	DH_North	DH_RL	Datum	DH_Dip	DH_Azimuth	DH_Depth
OMR001	RC	Karlsbrunn	610512	7568380	1482	UTM_WGS84_33S	-80	45	200
OMR002	RC	Karlsbrunn	610584	7568322	1475	UTM_WGS84_33S	-60	225	101
OMR003	RC	Karlsbrunn	610586	7568324	1474	UTM_WGS84_33S	-70	45	142
OMR004	RC	Karlsbrunn	610619	7568332	1467	UTM_WGS84_33S	-60	225	60
OMR005	RC	Karlsbrunn	610661	7568320	1457	UTM_WGS84_33S	-60	225	85
OMR006	RC	Karlsbrunn	610665	7568324	1457	UTM_WGS84_33S	-60	45	78
OMR007	RC	Karlsbrunn	610701	7568474	1436	UTM_WGS84_33S	-90	0	91
OMR008	RC	Karlsbrunn	610696	7568467	1437	UTM_WGS84_33S	-60	225	50
OMR009	RC	Karlsbrunn	610660	7568486	1440	UTM_WGS84_33S	-60	225	49
OMR010	RC	Karlsbrunn	610642	7568486	1441	UTM_WGS84_33S	-60	315	49
OMR011	RC	Karlsbrunn	610660	7568515	1435	UTM_WGS84_33S	-60	225	67
OMR012	RC	Karlsbrunn	610512	7568377	1482	UTM_WGS84_33S	-60	225	150
OMR013	RC	Karlsbrunn	610502	7568380	1483	UTM_WGS84_33S	-60	270	85
OMR014	RC	Karlsbrunn	610519	7568374	1482	UTM_WGS84_33S	-70	130	139
OMR015	RC	Brockmans	614466	7570240	1463	UTM_WGS84_33S	-60	90	120
OMR016	RC	Brockmans	614495	7570567	1464	UTM_WGS84_33S	-60	100	100
OMR017	RC	Brockmans	614493	7569871	1471	UTM_WGS84_33S	-60	100	75
OMR018	RC	Brockmans	614401	7569679	1478	UTM_WGS84_33S	-60	130	75
OMR019	RC	Brockmans	614440	7569737	1473	UTM_WGS84_33S	-60	120	75
OMR020	RC	Brockmans	614474	7569803	1472	UTM_WGS84_33S	-60	110	75
OMR021	RC	Brockmans	614454	7570241	1463	UTM_WGS84_33S	-70	80	115
OMR022	RC	Brockmans	614390	7569684	1479	UTM_WGS84_33S	-70	100	75

APPENDIX 2: Significant drill hole intersections for Omaruru Lithium Project

Hole ID	Deposit		From (m)	To (m)	Width (m)	Li2O_pct
OMR001	Karlsbrunn		77	80	3	0.50
		and	148	150	2	0.75
OMR002	Karlsbrunn		18	25	7	0.79
OMR003	Karlsbrunn		35	46	11	0.80
OMR004	Karlsbrunn		51	62	11	0.95
OMR005	Karlsbrunn		26	28	2	0.68
		and	50	56	6	0.77
OMR006	Karlsbrunn		35	45	10	0.88
		and	57	58	1	1.00
OMR007	Karlsbrunn		15	25	10	0.82
OMR010	Karlsbrunn		6	14	8	0.99
OMR011	Karlsbrunn		37	39	2	0.70
		and	46	48	2	0.64
OMR014	Karlsbrunn		118	123	5	0.50
OMR016	Brockmans		38	49	11	0.50
OMR018	Brockmans		13	27	14	0.79
		incl.	13	19	6	1.30
		incl.	23	27	4	0.60
OMR019	Brockmans		16	20	4	0.70
OMR021	Brockmans		45	47	2	0.82
OMR022	Brockmans		17	24	7	0.90
			28	36	8	0.60

JORC Code, 2012 Edition – Table 1

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	• Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling. • Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used. • Aspects of the determination of mineralisation that are Material to the Public Report. • In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.	• At the Omaruru Project, the Phase 1 drill samples were 952 percussion chips generated from a truck mounted Thor Cobra 5000 rig, using a double tube reverse circulation (RC) technique. Samples were collected from the cyclone and riffle split on site before bagging. • 3 x 3 kg samples were collected every meter in triplicate, one of which was sent for pulverizing and assaying, in addition to a smaller sample retained for reference and logging. • 381 x 3kg samples were channel cut from the five underground adits at Karlsbrunn. Samples were taken continuously at 1m intervals and assays are pending. • In addition, 2kg geochemical soil samples were collected at 20m intervals along lines 100m apart from approximately 30cm deep holes. Eight separate grids targeting extensions of the known pegmatites at Karlsbrunn, Brockmans, Hillside and Spirit. Assay results and interpretation are pending. • Certified Reference Materials (produced by AMIS of Johannesburg), blanks and field duplicates were inserted into each sample batch. (5% of total being CRMs, 5% blanks, 5% field duplicates and 5% laboratory duplicates). This was done by ALS Okahandja who undertook the sample preparation, as well as blank and CRM insertion, under instruction from the Project Geologist. • The AMIS CRMs used were AMIS 339 (2.27% Li), AMIS 342(1612 ppm Li), AMIS 565 (5424 ppm Li), AMIS 682 (8407 ppm Li), AMIS 683 (2023 ppm Li) and AMIS 684 (4544 ppm Li) • All chip samples were taken in Company transport to ALS laboratory in Okahandja where they were pulverized to produce a 30g charge and then dispatched by courier to ALS-Chemex , Johannesburg. The soil samples were sieved to -80#,

		and then the 30g charges were sent to ALS Okahandja. All Phase 1 samples were analysed by multi-element ICP (ME-MS61, following four acid dissolution.
Drilling techniques	• Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).	• Double tube, 133mm reverse circulation. A Thor truck mounted rig was used, with a 1200 cfm Kirloskar compressor, operated by Hammerstein Drilling. • 6m rods were used, and the hole air blasted to allow sample recovery via a cyclone every 1m.
Drill sample recovery	• Method of recording and assessing core and chip sample recoveries and results assessed. • Measures taken to maximise sample recovery and ensure representative nature of the samples. • Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.	• RC chip samples were bagged directly from the cyclone, and immediately weighed; virtually all samples weighed more than 30kg, averaging 35kg. The sample was then riffle split to produce 3 subsamples (a primary, field duplicate and reference sample) of approximately 3kg each. • Material seems largely homogenous, and no relationship has been detected between grain size and assayed grade.
Logging	• Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies. • Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography. • The total length and percentage of the relevant intersections logged.	• A sample of the RC chips was washed and retained in a chip tray. Chip samples have been geologically logged at 1m intervals, with data recorded in spreadsheet format using standardized codes. Sample weight, moisture content, lithologies, texture, structure, induration, alteration, oxidation and mineralisation were recorded. • Specific gravities (SGs) have not yet been measured. • The work is undertaken according to Prospect Resources' standard procedures and practices, which are in line with international best practice, and overseen by the CP. The CP considers that the level of detail and quality of the work is appropriate to support the current target estimate.
Sub-sampling techniques and sample preparation	• If core, whether cut or sawn and whether quarter, half or all core taken. • If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry. • For all sample types, the nature, quality, and appropriateness of the	• RC samples were bagged straight from the cyclone. An average of 35kg of sample was produced per meter (a calculated recovery of around of 85% was achieved). • The dry samples were split using a 3-stage riffle splitter, with three, 3kg samples being collected per 1m interval.

	sample preparation technique. • Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples. • Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling. • Whether sample sizes are appropriate to the grain size of the material being sampled.	Excess material was dumped in a landfill. • For RC chip samples, field duplicates were produced every 20th sample. • The 3kg samples were crushed and milled (90%, pass -75µm) at the ALS Laboratory in Okahandja. Pulp duplicates, blanks and standard material (produced by AMIS) were inserted in identical packets to the samples, one per 20 normal samples for each of the blanks, standards and lab duplicates. This was done under the supervision of a qualified geologist or experienced geotechnician.
Quality of assay data and laboratory tests	• The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total. • For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc. • Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.	• All samples were analysed by multi-element ICP (ME-MS61). All assays were performed at ALS-Chemex Johannesburg • For QAQC, a 5% tolerance on CRM and duplicate results was permitted. Of the 52 blank samples inserted, only one was deemed necessary for re-assay (OMR/053 – suspected sample mixing at pre-prep lab). Of the 56 CRMs assayed only two fell outside the acceptable range and were sent for re-assay (OMR003/49 and OMR006/50). • Out of 40 pulps produced from field duplicates, an overall correlation of 98% was achieved, with only two falling outside acceptable limits, OMR005/20 and OMR006/45 have been submitted for re-assay. For the 62 lab duplicates, a correlation of 96% was achieved, with only one sample being sent for re-assay (AMR005/56). • The conclusion is that ALS Johannesburg accuracy and ALS Okahandja prep-preparation have produced acceptable analytical results.
Verification of sampling and assaying	• The verification of significant intersections by either independent or alternative company personnel. • The use of twinned holes. • Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols. • Discuss any adjustment to assay data.	• The Project Geologist was on site during most of the drilling and sample pre-preparation. The significant intersections and geological were also shown to staff from Osino Resources and the Namibian Geological Survey. • All hard copies of data are retained at the Osino Resource Exploration offices, in Omaruru, Namibia. All electronic data resides in Excel™ format on the office desktop, with back-ups retained on hard-drives in a safe, and in an Access™

		database in a data cloud offsite, managed by Prospect Resources. • No drillholes from the current campaign have been twinned. • Logging and assay data captured electronically on Excel™ spreadsheet, and subsequently imported in an Access™ database. • All assay results reported as Li ppm and over limits (>5,000ppm Li) as %, adjusted to the same units and expressed as Li2O%. Similarly, Ta assays are reported in ppm, but expressed as Ta2O5.
Location of data points	• Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation. • Specification of the grid system used. • Quality and adequacy of topographic control.	• All drill holes were surveyed completed, with down-hole survey tool using an Azimuth Point System (APS) Single Shot survey method down-hole instrument at a minimum of every 30m and measured relative to magnetic north. These measurements have then been converted from magnetic to UTM Zone 33 South values. No significant hole deviation is evident in plan or section. • All collar positions have been initially surveyed using a handheld GPS and marked with concrete. Then DGPS unit was employed by Strydom and Associates surveyors. • Detailed soil geochemistry was undertaken along the structural extensions of the Karlsbrunn, Brockmans, Spirit and Hillside pegmatites.
Data spacing and distribution	• Data spacing for reporting of Exploration Results. • Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied. • Whether sample compositing has been applied.	• Phase 1 drill holes were drilled at an average of 30 to 50m intervals along strike and down dip of the mapped pegmatites. The azimuth and inclination of each hole varied depending on the attitude of the surface exposure of the various pegmatite bodies. • Detailed soil geochemistry was undertaken on grids, targeting the structural extensions of the Karlsbrunn, Brockmans, Spirit and Hillside pegmatites. Lines were surveyed southeast-northeast at 50m intervals, with samples collected every 20m.
Orientation of data in relation to	• Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the	• Drilling was planned to intersect these pegmatites as near to perpendicular as possible.

geological structure	deposit type. • If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.	
Sample security	• The measures taken to ensure sample security.	• RC samples were placed in sealed bags to prevent movement and mixing. Minimal preparation was done on site. Samples were transported in company vehicles accompanied by a senior technician to the pre-preparation laboratory (ALS Okahandja).
Audits or reviews	• The results of any audits or reviews of sampling techniques and data.	• The CP (Roger Tyler), is continually auditing sampling and logging practices.

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	• Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings. • The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.	• EPL5533, known as Wilhelmstal (175 sq km) is held by Osino Resources under the name of local company subsidiary, Richwing Exploration (Pty) Limited. A Shareholder Agreement was signed with Osino Resources Corp. (OSI.TSXV) in September 2022 for Prospect to progressively acquire up to 51% and potentially up to 85% of Richwing (ASX Announcement 29 September 2022). • There are no known environmental or land title issues or impediments. The environmental certificate has been renewed. • Rural farmland – game grazing, low density population. Access rights to the two farms at Albrechtshohe which cover the main target areas, have been established by contractual agreements, signed in October 2022.
Exploration done by other parties	• Acknowledgment and appraisal of exploration by other parties.	• AGA and Bafex covered the area with grid-based soil geochemistry in the early 2000s. 2,093 multielement results available. Lithium soil values average 32 ppm and peak at 204 ppm Li. No known lithium targeted drilling had been completed historically at Omaruru. • In 2018, Dr Michael Cronwright of CSA Global undertook a compilation of all known data and an assessment of the pegmatite outcrops for Osino. • A similar exercise was undertaken by Mike Venter of PH Consulting in 2019, which considered more of the regional historical soil geochemistry and tectonic models. • More detailed mapping was subsequently undertaken by the CP, Nico Scholtz. • In 2020, Osino drilled 16 RC holes (1,942m) six at the Karlsbrunn deposit, with five at the Spirit and five at the northern extremity of Brockmans.
Geology	• Deposit type, geological setting, and style of mineralisation.	• The project area hosts multiple outcropping pegmatites, intruding Damara aged metasediments. The pegmatites belong to the lepidolite-petalite subclass of the LCT (Lithium-Caesium-Tantalum) class. They strike approximately southwest-northeast, but vary in length, dip, and width along strike as well as in depth extent and degree of erosion. • Those drilled during Prospect's Phase 1 programme were the Karlsbrunn and

		Brockmans pegmatites. • The pegmatites are poorly to moderately zoned (but not symmetrically) The main lithium bearing minerals are dominated by lepidolite and petalite, with sub-ordinate cookeite. In addition, disseminated tantalite and cassiterite is present. Gangue minerals are quartz, alkali feldspars and muscovite.
Drill hole Information	• A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes: o easting and northing of the drill hole collar o elevation or RL (Reduced Level – elevation above sea level in meters) of the drill hole collar o dip and azimuth of the hole o down hole length and interception depth o hole length. • If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.	• See Appendices 1 and 2.
Data aggregation methods	• In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated. • Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail. • The assumptions used for any reporting of metal equivalent values should be clearly stated.	• Borehole intersections were reported using downhole length weighted averaging methods. No maximum or minimum grade truncations were used. The mineralisation is constrained to within the pegmatites.

Relationship between mineralisation widths and intercept lengths	• These relationships are particularly important in the reporting of Exploration Results. • If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported. • If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').	• The drill holes were drilled with varying azimuths and dips intended to intersect the pegmatites perpendicularly. • Virtually all holes intersected the pegmatites as planned, though the pegmatites do bifurcate and vary in thickness. • There is undoubtedly some flexing of these pegmatite bodies, which has caused dip variation, but the general regional strikes are southwest-northeast.
Diagrams	• Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.	• Maps are attached in the body of the report.
Balanced reporting	• Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.	• The Company states that all results have been reported and comply with balanced reporting.
Other substantive exploration data	• Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.	• Historical surface grab sampling was also conducted at all the exposed pegmatites. 93 x approximately 3 kg samples were collected and assayed at Act Labs Vancouver after crushing and milling at Act Labs Windhoek. From 93 samples collected, an average lithia grade of 1.88%, with a maximum of 5.06% were returned (details – Prospect ASX Announcement 29 September 2022). • Reconnaissance mapping was undertaken during the 2018 evaluation by Dr Michael Cronwright of CSA Global. More detailed mapping was completed by Nico Scholtz in 2021, on behalf of Osino Resources. • In 2020, 16 RC holes for 1,942m were drilled; six at Karlsbrunn, five at Spirit and five at the northern extremity of Brockmans. Zones of thick pegmatite were intercepted, notably on the western side of Karlsbrunn. Best intercepts were 8m at 1.2% lithia from KBR006 and 23m at 0.99% lithia from KBR007 (ASX Announcement 29 September 2022).
Further work	• The nature and scale of planned further work (eg tests for lateral	• Further work is planned to complete assaying of the geochemical soil samples collected in

	extensions or depth extensions or large-scale step-out drilling). • Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.	January 2023, the majority of which remain outstanding. • Phase 2 diamond drilling is planned to support metallurgical test work evaluation at Omaruru. • Shallow RC drilling is proposed to evaluate subsurface geology in areas indicating potential “blind” LCT pegmatite mineralisation, based on cohesive, anomalous pathfinder elements like lithium, caesium, rubidium and beryllium.