Prospect Resources

ASX.PSC FRA.5E8

ASX ANNOUNCEMENT
5 November 2025

Sale of Step Aside Lithium Project

HIGHLIGHTS:

- **Prospect has entered into a Share Sale and Purchase Agreement valued up to US$2.2 million for its Step Aside Lithium Project in Zimbabwe.**
- **The agreement involves an upfront payment of US$850,000 and a deferred payment of US$150,000 upon completion of the transaction.**
- **A final payment of up to US$1.2 million is payable to Prospect within 24 months, conditional on the Buyer achieving specific development milestones.**
- **Step Aside was actively developed by the Company with exploration drilling programmes conducted from 2022-24, prior to the collapse of the lithium prices and its strategic pivot to developing the larger Mumbezhi Copper Project opportunity in northern Zambia.**
- **Proceeds from the sale of Step Aside will be used to advance ongoing exploration at Mumbezhi and will assist in the evaluation of other Zambian-based copper opportunities.**

Prospect Resources Limited (ASX: PSC) (**Prospect** or the **Company**) is pleased to advise that it has executed a Share Sale and Purchase Agreement (**Agreement**) with a private company, Fatima Resources Pty Ltd (**Buyer**), who is familiar with operating in Zimbabwe, for the sale of its Singapore-registered subsidiary, Promin Resource Holdings Pte Ltd (**Promin**) for a consideration of up to US$2.2 million. Promin is a wholly owned subsidiary of Prospect and holds a 90% interest in the Step Aside Lithium Project (**Project**) in Zimbabwe.

Prospect's Managing Director and CEO, Sam Hosack, commented:

"We are satisfied with the outcome of this sale agreement with a reputable company with extensive operating experience in Zimbabwe. This transaction offers us both upfront cash return and future upside to subsequent exploration success and value growth at Step Aside.

"The lithium opportunity at Step Aside showed classic spodumene bearing lithium mineralisation. In particular, the identification of a co-joined mineralised pegmatite system that remains open in multiple directions and at depth. This system justifies further drill testing, which is planned by the Buyer.

"We believe the future stewardship of Step Aside is in good hands and look forward to seeing just how far the project can continue to grow, while we focus on the very exciting Mumbezhi Copper Project in Zambia. In the meantime, we are pleased to see a simplification of our corporate structure to assist in reducing ongoing overhead costs.

"Proceeds from the sale of Step Aside will be used to support growing our Zambian copper portfolio, including ongoing exploration at our Mumbezhi Copper Project in the northwest of the Country. We remain focused on delivering further resource growth and expanding the Project's regional footprint at Mumbezhi with Phase 2 drilling nearing completion ahead of a planned update to the Mumbezhi Mineral Resource estimates later this year."

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Agreement Terms

Under the Agreement, Prospect will be paid an initial sum of US$850,000 for the purchase of the Project upon completion, with another US$150,000 payable 6 months post completion of the transaction.

A payment of up to US$1.2 million is also payable to Prospect if, within 24 months of transaction completion, the Buyer achieves certain milestones including the entry into binding offtake agreements, upgrades to the Mineral Resource of the Project, or future sale transaction where the value of the Project is more than US$5.0 million.

The Sales Process was managed by Nurture Capital Zimbabwe, a highly respected financial services firm based in Harare, offering asset management, private equity, and investment and corporate advisory solutions in Sub-Saharan Africa.

The Step Aside Lithium Project

The Step Aside Lithium Project is located within the Archaean Harare Greenstone Belt, approximately 35 km east of Zimbabwe's capital city Harare, within a claim covering approximately 100 hectares. It was always our understanding that this is a small claim, and under the right stewardship, the Company felt a growth in the land holding was central to the next phase of its development.

Step Aside is located 8km north of the world-class, operating Arcadia Lithium Mine, which was first discovered and then developed by Prospect prior to its sale to Huayou Cobalt in July 2022 for US$378 million (refer Figure 1).

Step Aside possesses excellent infrastructure with road, power, and water nearby. The Project is permitted for mining, pending environmental approval, with land access agreements in place.

Lithium mineralisation at Step Aside is dominated by coarse spodumene, with minor petalite present. This mineralisation is hosted in intrusive pegmatite bodies which are located within prospective Archaean-aged greenstone sequences of the Zimbabwe Craton.



Figure 1: Location Map for Step Aside Lithium Project in Zimbabwe

This release was authorised by Sam Hosack, CEO and Managing Director.

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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 Australian currency, unless otherwise stated. Investors should make and rely upon their own enquiries before deciding to acquire or deal in the Company's securities.

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 electrification and battery metals mining projects in the broader sub-Saharan African region.

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