

13 March 2024

KORSNÄS TSF – DRILLING COMPLETED FOR REE

Highlights

- Drill sampling of the Korsnäs historical Tailings Storage Facility (TSF) completed
- 64-hole drilling program will assess the REE content of the TSF
- The TSF contains pre-mined ore processed for lead recovery treating REE as waste
- Representative samples also retained for metallurgical testing
- Geologic logging of archival diamond drill core complete for Phase 6 sampling



Korsnäs TSF viewed to NE with cleared drill pads now vacated.

Prospech Limited (ASX: PRS, **Prospech** or **the Company**) is pleased to announce the completion of drilling at the historical Korsnäs Mine's Tailings Storage Facility (**TSF**) within the Company's Korsnäs rare earth elements (**REE**) project in Finland.

The Korsnäs mine operated from 1958 to 1972, processing ore on-site and depositing tailings in a dedicated TSF located immediately north of the mine. In the initial stages of Korsnäs ore processing, the focus was on lead concentrate flotation and it wasn't until 1967 that REE concentrates were produced. According to Geologic Survey of Finland (**GTK**) records, it is likely that the first 366,000 tonnes of ore were processed before the REE flotation circuit was established and based on an analysis of current LIDAR topographic data, the estimated overall volume of the TSF is 0.57 million cubic metres. The drilling results may confirm that the TSF represents an early cash flow generating opportunity for the Company.



Level 2, 66 Hunter Street, Sydney NSW 2000 Australia

ASX: PRS



www.prospech.com.au



+61 2 9300 3333

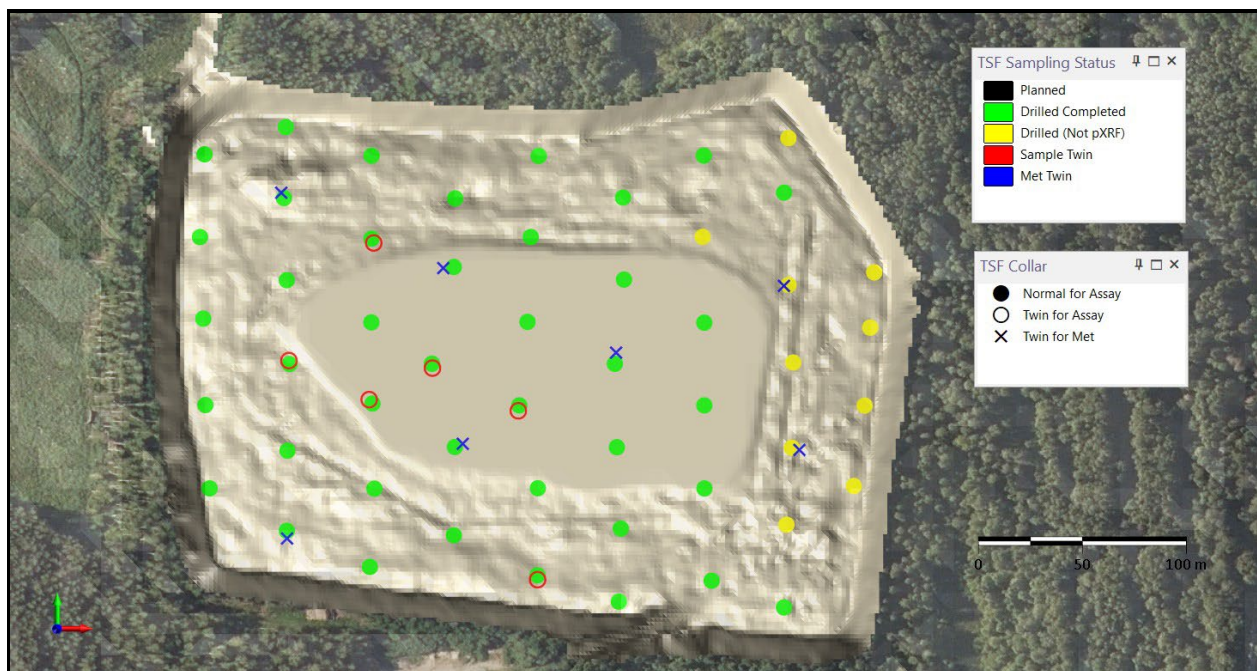


info@prospech.com.au

Previous sampling of the TSF, limited to four near-surface grab samples, averaged 4,139 ppm TREO¹.

In addition to the TSF, the REE concentrates produced by the mine were not sold; with the majority preserved in a separate stockpile which Prospech plans to subject to auger sampling in the near future.

The initial drilling program encompassed 57 holes, each with an average depth of 9 metres. A total of 523 samples have been dispatched for assay and the results may be compiled to generate a mineral resource estimate for the TSF. Seven additional holes were drilled, and 62 samples weighing 135 kg were collected and retained for future metallurgical test work.



Korsnäs TSF program includes a metallurgical test work component.



Korsnäs REE program involved use of regrowth tree crops for local community heating purposes.

¹ TREO = Total Rare Earth Oxides which is the sum of La₂O₃, CeO₂, Pr₆O₁₁, Nd₂O₃, Sm₂O₃, Eu₂O₃, Gd₂O₃, Tb₄O₇, Dy₂O₃, Ho₂O₃, Er₂O₃, Tm₂O₃, Yb₂O₃, Lu₂O₃ and Y₂O₃.

Prospech geologists have recently completed Phase 6 of inspection and sample selection of historical drill core from the Korsnäs project. In total, 765 samples have been marked for sampling, to be conducted by GTK personnel over the coming weeks.

Prospech Managing Director, Jason Beckton, comments, *"We have completed Prospech's first Finnish drill program on time and within budget. The outcomes of this program are expected to enable us to establish a JORC mineral resource estimate of the REE content within the TSF. Additionally, it will provide material for subsequent metallurgical test programs."*

Geologic logging of archival drill core has been completed, identifying Phase 6 samples to be taken for assaying. In addition, assay results from previous core sampling are pending with results expected in the near future.

Previously announced assay results have reported spectacular, thick, high-grade REE mineralisation at Korsnäs (refer ASX announcements 11 May 2023, 14 June 2023, 5 September 2023, 24 October 2023, 21 November 2023, 12 December 2023 and 16 January 2024).

Our commitment to advancing the Korsnäs project aligns with our broader vision of establishing a Europe-focused critical metal business."

About Prospech Limited

Founded in 2014, the Company engages in mineral exploration in Slovakia and Finland, with the goal of discovering, defining, and developing critical elements such as rare earths, lithium, cobalt, copper, silver, and gold resources.

Prospech is taking steps to be a part of the mobility revolution and energy transition in Europe. The Company has a portfolio of prospective metals projects in Slovakia and following its acquisition of the Finland Projects is exploring prospective Critical Raw Materials including REE projects. Eastern and Northern Europe are areas that are highly supportive of mining and have a growing demand for locally sourced rare earths. With the demand for these minerals increasing, Prospech is positioning itself to be a major player in the European market.

For further information, please contact:

Jason Beckton
Managing Director
Prospech Limited
+61 (0)438 888 612

This announcement has been authorised for release to the market by the Managing Director.

Competent Person's Statement

The information in this Report that relates to Exploration Results is based on information compiled by Mr Jason Beckton, who is a Member of the Australian Institute of Geoscientists. Mr Beckton, who is Managing Director of the Company, has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which 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 Beckton consents to the inclusion in this Report of the matters based on the information in the form and context in which it appears.