Prospech Limited
ABN 24 602 043 265

Rare Earths and Precious Metals in the EU
Presentation – October 2024

Korsnäs mining operations in the late 1960s

prospech.com.au **ASX:PRS** **FSE:1P80**

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In accordance with section 734(6) of the Corporations Act 2001 (Cth) (Corporations Act):

* a prospectus prepared under the Corporations Act in relation to the Offer will be lodged with ASIC (**Prospectus**);
* the offers of the securities will be made in, or accompanied by, a copy of the Prospectus; and
* a person should consider the Prospectus in deciding whether to acquire the securities under the Offer. A prospectus prepared under the Corporations Act in relation to the Offer was lodged with ASIC on 21 October 2024.

Competent Person’s Statement: The exploration results in this presentation were first announced by the Company to ASX on 20 June 2024, 30 September 2024 and 16 October 2024. The Company confirms that it is not aware of any new information or data that materially affects the information included in those announcements.. The Exploration Target in this announcement has been reviewed by Jason Beckton., who is a member of The Australian Institute of Geosciences. Jason Beckton has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity, which they are undertaking to qualify as an Expert and Competent Person as defined in the 2012 Edition of the ‘Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Beckton takes responsibility for the form and context in which the Exploration Target appears.

PROSPECH
Overview

A portfolio of critical minerals exploration projects in Finland and Slovakia

All projects 100% owned
All projects have low holding costs

Finland and Slovakia:

- Low risk, stable, pro-mining EU economies
- EU support with recent €430k REMHub grant approval

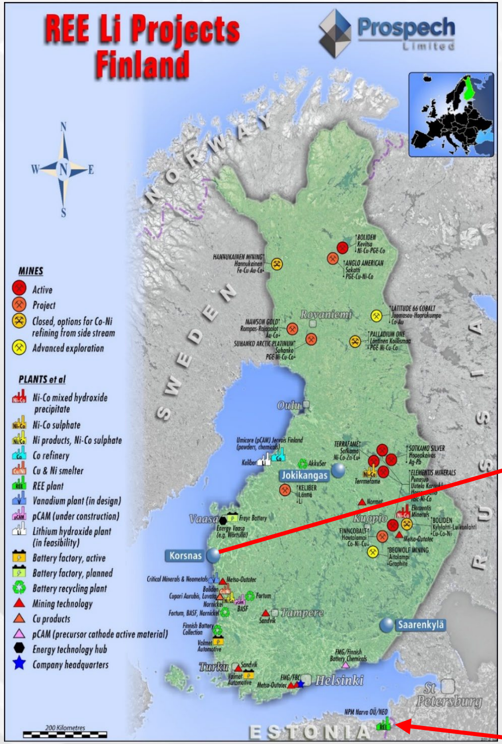
Experienced management and technical team

Key focus on the Korsnäs REE project in Finland

Excellent results to date
Assay, metallurgy and resource news flow pending

PROSPECH

Summary and location of key projects

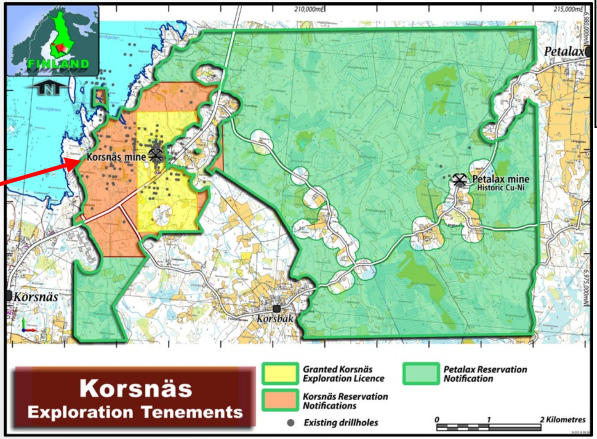


Finland

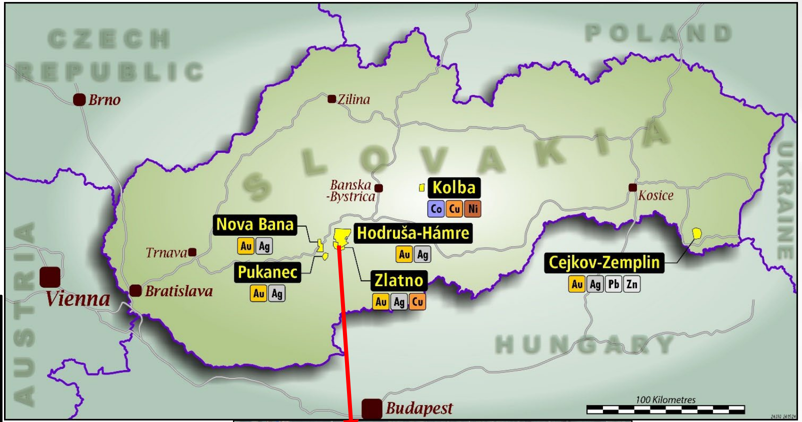
- Critical minerals – Korsnäs REE project
- Proximate to Neo Materials' REE refinery

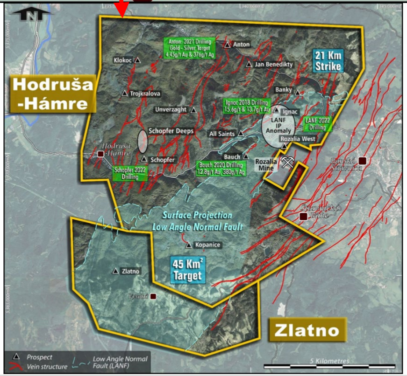
Slovakia

- Precious metals – Hodruša-Hámre
- Underexplored by modern methods



Neo Materials' REE refinery





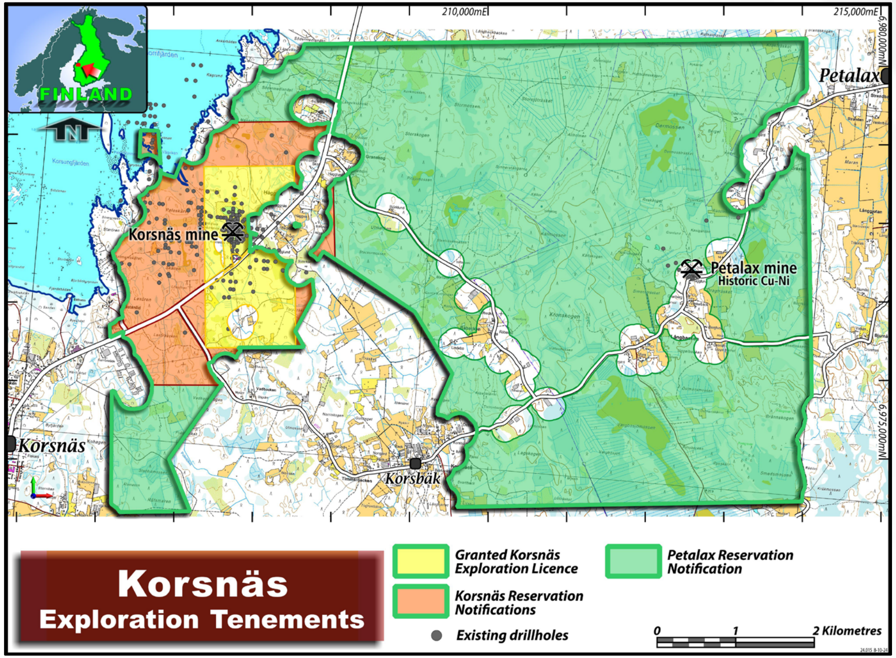
Problem – Lack of EU REE Supply
Solution – Prospech's Korsnäs Project
EU Critical Raw Materials Act – 11 April 2024

Key points from the EU Critical Raw Materials Act – 11 April 2024:

1. **Aim**: Reduce dependence on countries outside the EU for critical minerals.
2. **2030 Objectives**:
   - **EU Extraction**: At least 10% of EU annual consumption to come from within the EU.
   - **EU Processing**: At least 40% of annual consumption to be processed within the EU.
   - **EU Recycling**: At least 25% of consumption to be met via domestic recycling.
   - **External Sources**: Not more than 65% of annual consumption to come from a single non-EU country at any relevant stage of processing.
3. **Streamlined Permitting:** Maximum of 27 months for Strategic Project approvals.
4. **Single Contact Point:** A centralised contact for all permitting matters.

Korsnäs REE Project

- Historic (1958 - 1972) Outokumpu mine focused on lead production – a wealth of geologic data
- Drill core from 471 historic diamond core holes preserved by GTK – now sampled and assayed by Prospech
- REEs generally overlooked by Outokumpu in sampling, assaying and production
- Prospech's REE targets:
  - Tailings storage facility (TSF) } Low hanging
  - Lanthanide concentrate stockpile (LnCS) } fruit
  - In situ, hard rock deposits
- TSF Exploration Target: 0.72 – 0.93 Mt
  - 6,200 – 6,500 ppm TREO[1] – (29%) NdPr[2] (see ASX announcement 20 June 2024)
- LnCS (now drill tested by Prospech)
  - Average 25,541 ppm TREO – 7,869 ppm (31%) NdPr
- Hard rock deposits
  - Preserved historic drill core logged, sampled and assayed by Prospech
  - Five gravity anomalies identified with a strike length of over 5 kilometres
  - First modern era diamond core drilling completed by Prospech



Refer previous ASX announcements.

1 TREO = Total Rare Earth Oxides which is the sum of La_2O_3, CeO_2, Pr_6O_{11}, Nd_2O_3, Sm_2O_3, Eu_2O_3, Gd_2O_3, Tb_4O_7, Dy_2O_3, Ho_2O_3, Er_2O_3, Tm_2O_3, Yb_2O_3, Lu_2O_3 and Y_2O_3.

2 NdPr enrichment % = NdPr Oxide(Nd_2O_3 + Pr_6O_{11}) / TREO.

Korsnäs 2024 Drill Results (and more)

12m @ 1.9% TREO including 4m @ 5.1%

- First modern era drilling exceeded all our objectives
- Assay results validate historic drill core assay results
- Drilling provides core for metallurgical test work and
- Results support the preparation of a Korsnäs project resource estimate
- Assay results include spectacular results:
  - KR-309: 12.0m @ 19,400 ppm TREO from 134.0m (NdPrO 3,567 ppm)
    4.0m @ 51,096 ppm TREO from 139.0m (NdPrO 9,157 ppm)
  - KR-306: 15.4m @ 18,301 ppm TREO from 164.1m (NdPrO 3,251 ppm)
    8.5m @ 24,731 ppm TREO from 171.0m (NdPrO 4,383 ppm)

- Historic drill core and assay results:
  - Drill core from 471 holes preserved by GTK
  - Cost to replicate historic drilling ~$14M
  - Geologically logged and sampled by Prospech
  - ~1,400 samples selected for assay
  - Assay results from ~700 samples are pending

- Some recent assay results include:
  - KR-289: 12.1m* @ 11,263 ppm TREO from 51.7m (NdPrO 3,322ppm)
  - KR-231: 4.6m @ 10,039 ppm TREO from 93.3m (NdPrO 2,732ppm)
  - KR-260: 4.4m @ 14,183 ppm TREO from 102.0m (NdPrO 4,507ppm)
  - KR-273: 1.8m @ 20,482 ppm TREO from 89.3m (NdPr) 6,287ppm)

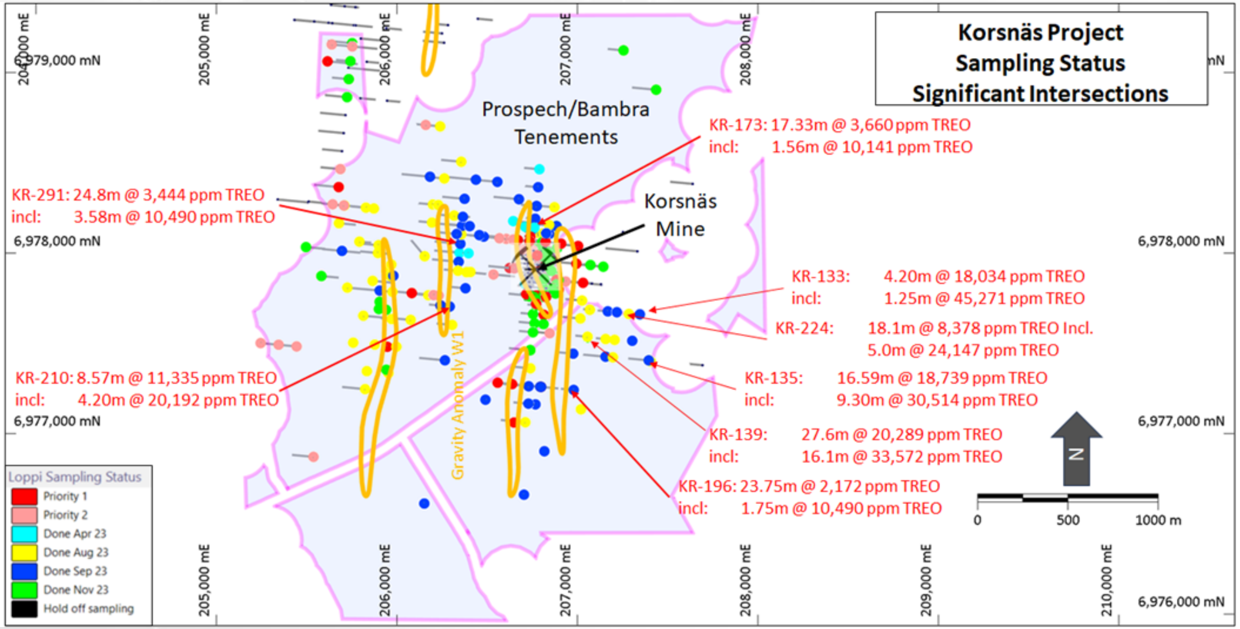
  * KR-289 intercept is wider but constrained by core available for assaying

Aerial view of the historic Korsnäs mine and TSF

Refer previous ASX announcements.

Korsnäs REE Project

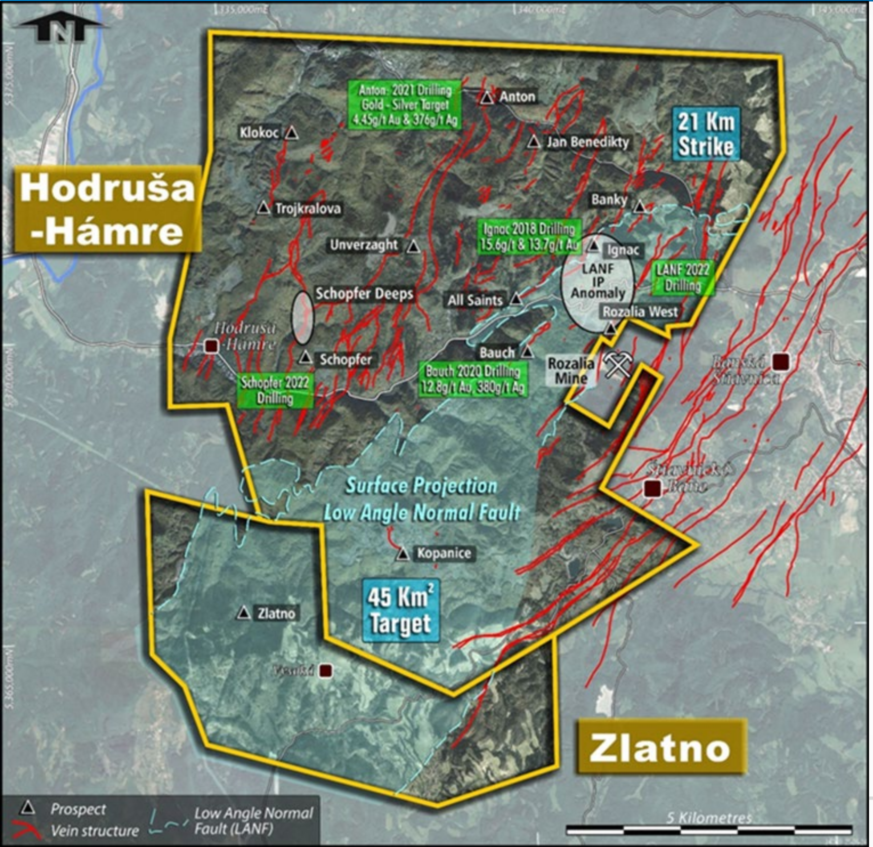
Historic core sampling and modelling indicate over 5km of REE zones to be tested



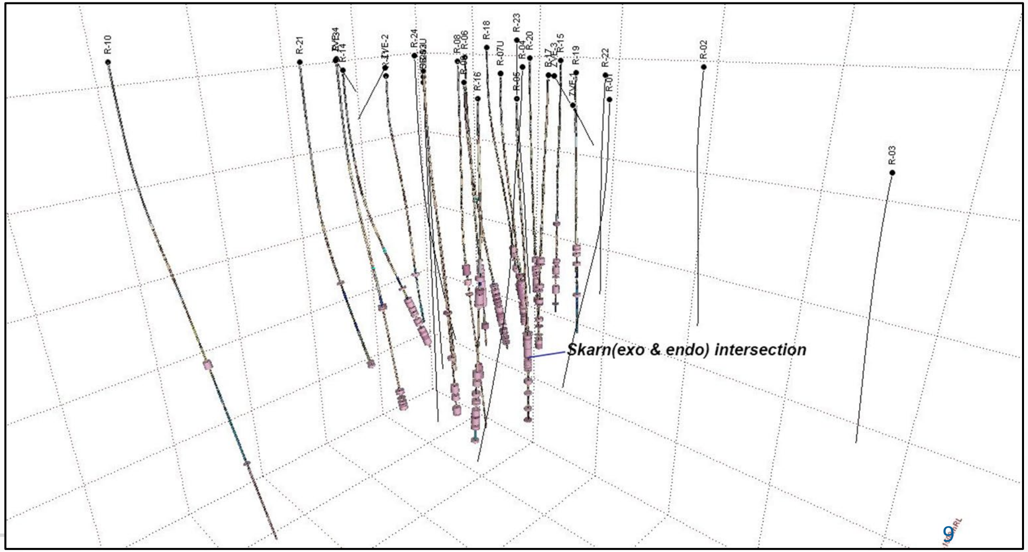
- Korsnäs was developed as a lead mine with wide open REE zones along strike and at depth
- At least 5 parallel gravity anomalies exceeding 5 km – stacked carbonatite zones up to 20 metres thick
- Prospech assay results from extensive historic drill core validated by 2024 Prospech drilling

Slovakian Projects

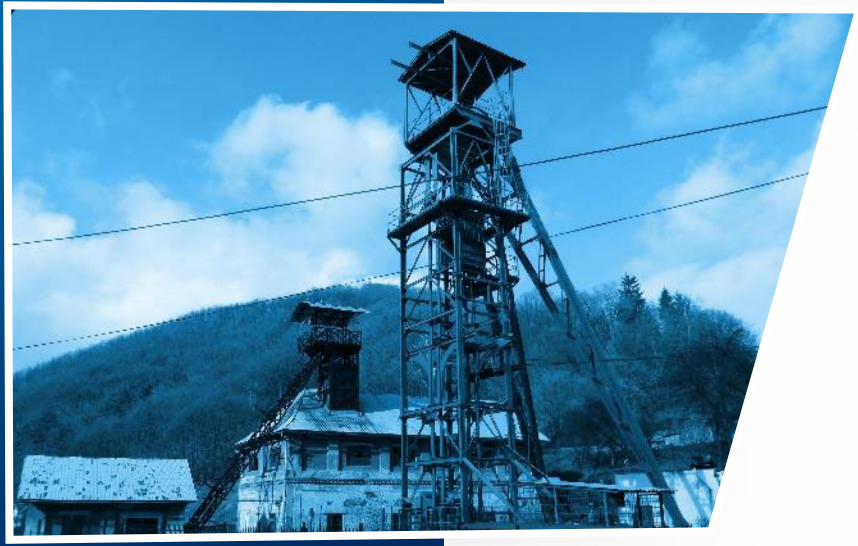
Underexplored by modern methods



- Prospech also owns 100% of 6 Slovakian exploration licences, covering ~142 km²
- All highly prospective and underexplored by modern methods
- Focus on Hodruša-Hámre and newly acquired Zlatno
  - Multiple gold, silver and copper targets
  - Recently discovered partially tested skarn zone not yet drilled
  - Potential discovery zone similar to Serbian systems to the south – Coka Rakita of Dundee Precious Metals



Capital Structure



ASX: PRS

302.6M
Shares on Issue

79.7M
Options on Issue

$0.031
Share Price
(at close 18 Oct 2024)

$9.4M
Market Capitalisation

$8.3M
Enterprise Value

$1.1M
Cash
(as at 30 Jun 2024)

Board and Management

Thomas Mann

Non-Executive Chairman

Mr Mann has over 30 years' experience in financial markets and global trade having established a global trading corporation with offices in North America and the Asia-Pacific. Mr Mann is actively involved in capital raising and strategic development initiatives for public and private companies.

He retired as the Non-Executive Chairman of ASX listed Aeon Metals Limited in November 2016.

John Levings

Executive Director

Mr Levings as Chief Geologist for Australian Development Limited (later re-named Normandy Gold Limited), Mr Levings was responsible for the discovery of the high-grade White Devil gold deposit (760,000 ounces of gold at 14.6 grams per tonne) in Tennant Creek. He is a Fellow of the Australasian Institute of Mining and Metallurgy.

Jason Beckton

Managing Director

He is a professional geologist with over 30 years experience.

Manager for the Palmarejo silver gold project in Mexico during 2004.

More recently, Mr Beckton was Manager - the discovery at the Caspiche Porphyry in the Maricunga Gold Copper Belt of Chile.

Mr Beckton is a Non-Executive Director of Lode Resources Ltd (ASX:LDR) and White Rock Minerals Ltd (ASX:WRM)

Stephen Gemell

Non-Executive Director

Mr Gemell has more than 40 years' experience in the mining industry. He has been Principal of Gemell Mining Engineers since its formation in Kalgoorlie in 1984.

He held appointments as a non-executive director of Astro Resources NL from March 2018 until October 2020 and Greenvale Mining Limited from June 2019 until September 2020.

Peter Nightingale

Executive Director and CFO

Member of the Institute of Chartered Accountants in Australia. He has worked as a chartered accountant in both Australia and the USA. Mr Nightingale has, for more than 35 years, been responsible for the financial control, administration, secretarial and in-house legal functions of a number of public listed companies including Bolnisi Gold N.L and Nickel Industries Limited. Mr Nightingale is currently a director of ASX listed Alpha HPA Limited.

Richard Edwards

Company Secretary

Mr Edwards graduated with a Bachelor of Commerce degree from the University of New South Wales, is a Fellow of the Governance Institute of Australia, is a member of CPA Australia. He is currently Company Secretary of ASX listed Alpha HPA Limited and Nickel Industries Limited.

Capital Raising
Timetable

Non-renounceable Rights Issue – 1 for 4 (~75.6M shares) and placement of shortfall to raise up to $2.2M

• Announce, lodge appendix 3B, prospectus	Monday, 21 October 2024
• Ex-date	Wednesday, 23 October 2024
• Record date	Thursday, 24 October 2024
• Dispatch of prospectus, issue opens	Tuesday, 29 October 2024
• Issue closes	Tuesday, 12 November 2024
• Allotment	Tuesday, 19 November 2024
• Trading of New Shares expected	Wednesday, 20 November 2024

Capital Raising

Use of funds

Prospech is seeking to raise a total of up to $2,269,708 from this Offer, sufficient to fund the proposed exploration and evaluation expenditure.

Item	Proceeds of the Entitlement Offer and Placement	Full Subscription and Placement $2,269,708	%
1.	**Exploration Expenditure:**		
	Korsnäs:		
	REE drilling	1,000,000	44.1
	Resource estimation	70,000	3.1
	Metallurgical studies	150,000	6.6
	Slovakia:		
	Hodrusa/Zlatno drilling	400,000	17.6
2.	Geologic salaries	200,000	8.8
3.	Administration costs	120,000	5.3
4.	Expenses of the Offer	100,743	4.4
5.	Working capital	228,965	10.1
	Total	**2,269,708**	**100.0**

Notes:

- This table is a statement of the proposed application of the funds raised as at the date of this Prospectus. As with any budget, intervening events and new circumstances have the potential to affect the Company's decisions.
- Funds raised will, in the event less than Full Subscription and Placement is received, be allocated firstly towards the costs of the Offer, administration costs and general working capital and then towards the exploration program.
- The Company reserves the right to vary the way funds are applied.
- REE Drilling principally at Korsnäs will involve exploratory work to extend know high grade zones of which there are currently five defined. This is following up the successful confirmatory and metallurgical program reported by the company 16th October. Resource estimation is currently underway as are metallurgical testwork programs for which the core can now be selected and dispatched.
- Slovakian drill plans are being finalised for the LANF high grade gold structure adjacent to the producing mine at Rozalia including testing this surface to the south on our new Zlatno property. Data collation of historic information is now largely complete and drill design underway for a Čoka Rakita 1.8m ounce gold style target (Dundee Precious Metals Serbia – PEA April 2024).

PROSPECH
The year ahead

News flow in the year ahead includes:

- Focus on the Korsnäs REE project:
  - Resource estimate – Hardrock, TSF and LnCS
  - Drillout for project expansion
  - Metallurgical test work
  - Further assay results from historical drill core
  - Initiate TSF and LnCS permitting for a scoping study and development scenarios
- EU REMHub grant assistance
- High grade REE and hafnium mineralisation identified at Jokikangas
- Exploration results from Slovakian projects:
  - Hodruša-Hámre LANF
  - Zlatno gold-copper porphyry system
  - Kolba copper-silver
  - Cejkov-Zemplin silver

PROSPECH LIMITED

Thank You

Contact us for further information

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