

Up to 75m wide quartz vein/stringer zone identified at Kamalingela, Moba Gold Project, DRC

Prospect Resources Limited (ASX: PSC) (Prospect, the Company) recently announced the acquisition of a 6 month option to purchase a 70% interest in the Moba Gold Project, Katanga Province, southern DRC.

The Kamalingela structure can be summarised as:

- Greater than 4km in length;
- Vein deflects and thickens in the north to become a quartz vein/stringer zone up to 75m wide
- Opportunity for high tonnage bulk mining methods
- A similar geological setting, and parallel structure to the Mutotolwa Mine Deposit.
- Preliminary assays indicate that mineralisation extends beyond the quartz veins into the country rock.
- Historic Belgium mining activity focused on the southern part of the vein and was to a shallow depth.

Recent exploration included a total of 48 trenches (1,014m) being excavated over a 4km strike and 647 channel samples were collected from the trench walls at intervals of some 1-2m. Best results included 7.7g/t over 13m and 1.57g/t over 30m from Kamalingela Nord prospect.

A total of 143 rock chip samples were taken from outcrops historic, exploration pits and mined adits returning a maximum grade of 69g/t and average gold grade of 3.13g/t.

Only 4 of the proposed 12 diamond drill holes were drilled in 2014 because the drill programme was aborted, as a precaution, due to the outbreak of Ebola in West Africa. As a consequence, only approximately 300m of the 1km strike length was tested. The best intercept in the 4 holes was 8.6g/t over 1.15m (including 0.5m at 15.6g/t). This drilling programme was considered inconclusive and further drilling is required, particularly given the extent of the current artisanal activity.

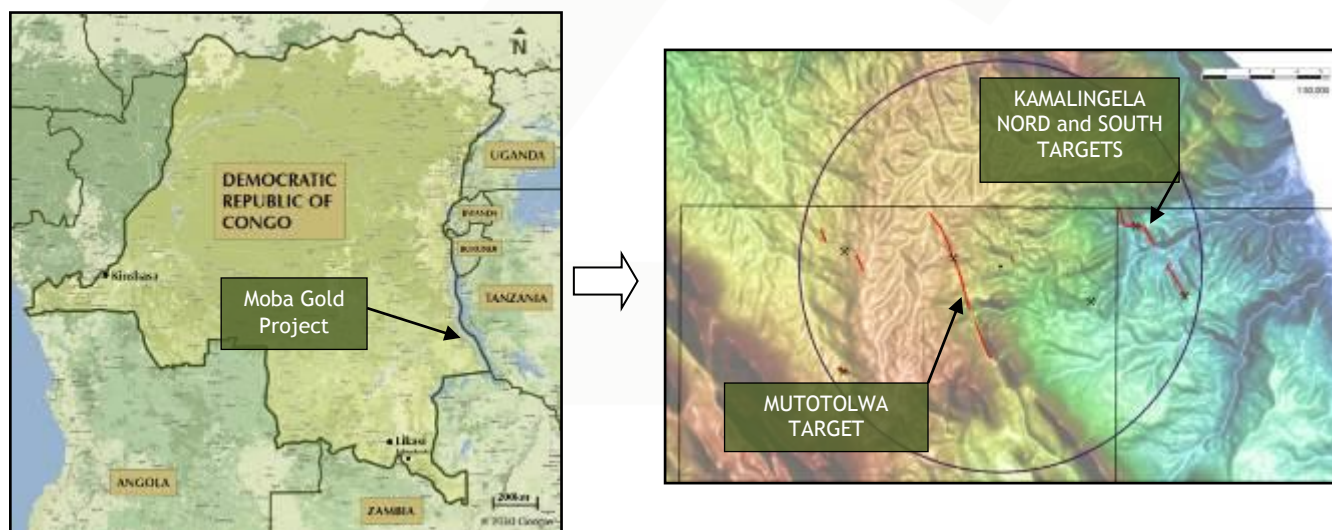


Figure 1: Location Map - Moba Gold Project, Katanga Province, DRC.

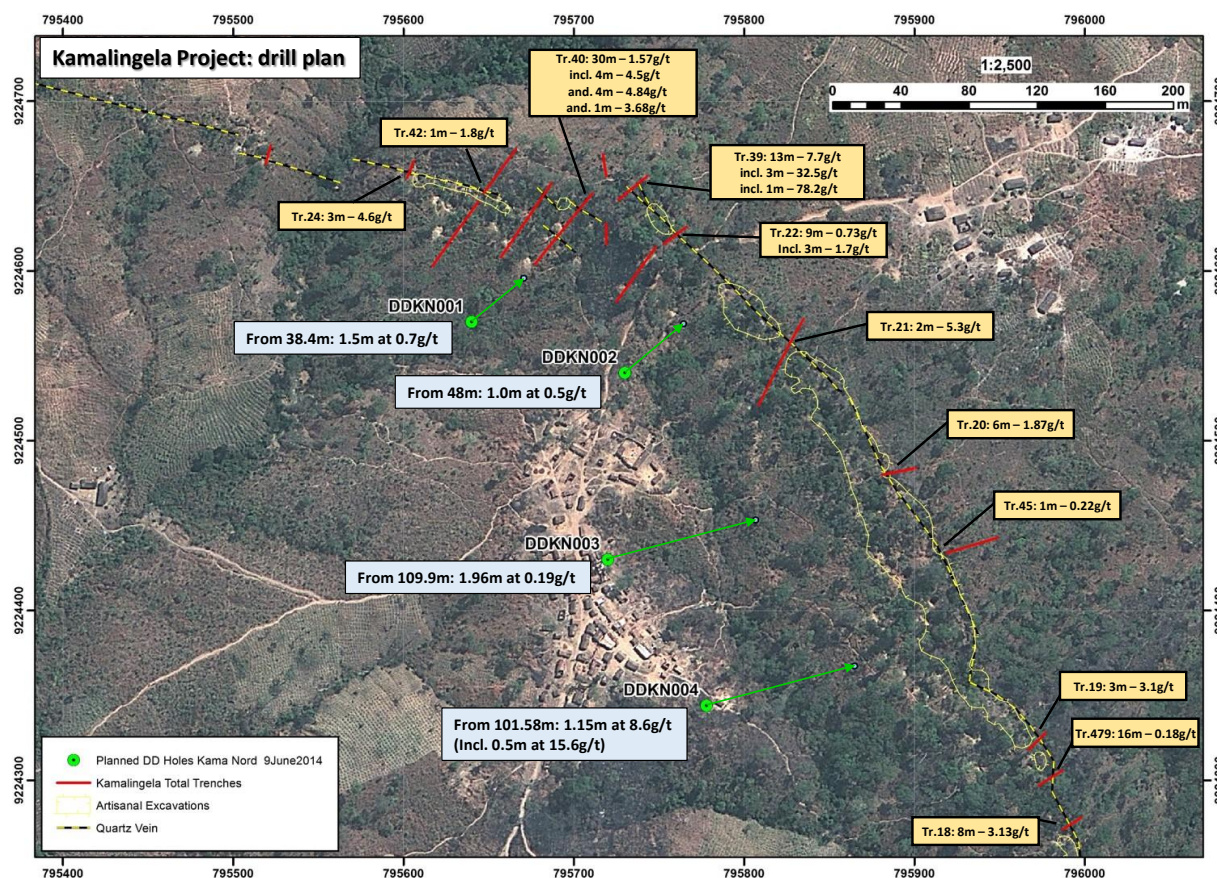


Figure 2: Drill and Trench Results from Kamalingela Nord.

Kamalingela Project

At Kamalingela the gold vein structures, hosted in granite (along the granite – diorite contact), have been traced over 4km of strike length (Figure 3). Vein thickness increases up to 75m width (consistent with dilation caused by sinistral movement on the fault). Stockwork veining also occurs in the footwall granite

To date exploration at the Kamalingela prospect has comprised of field mapping, soil geochemistry, rock chip and trench sampling and a limited diamond core drilling program (4 holes). Figure 3 below shows the distribution of rock chip samples and assay results from the entire Kamalingela trend.

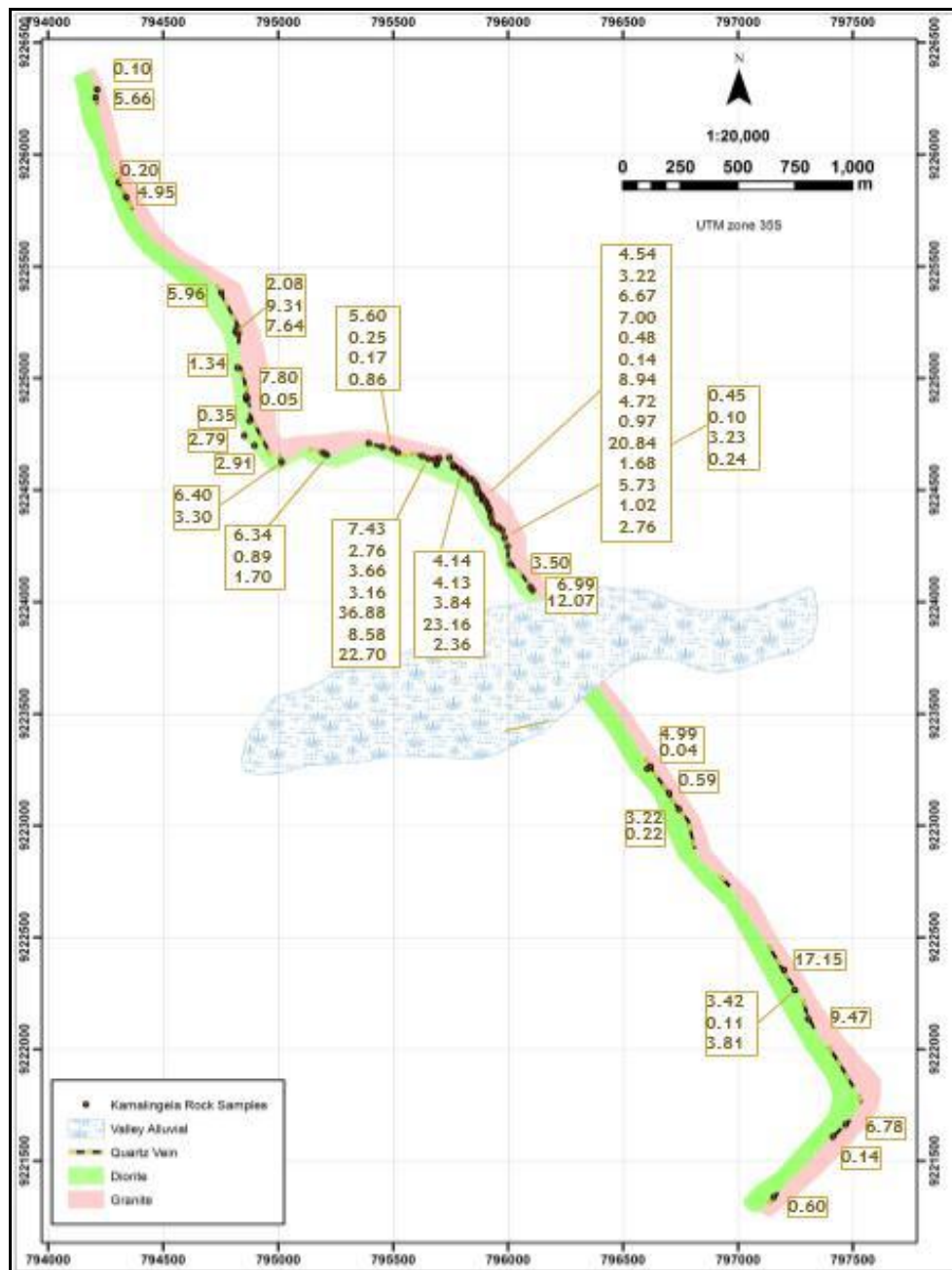


Figure 3: Rock chip samples from Kamalingela Nord and South

For further information, please contact:

Hugh Warner
Prospect Resources
Executive Chairman
Ph: +61 413 621 652

E: info@prospectresources.com.au

Harry Greaves
Prospect Resources
Executive Director
Ph: +263 772 144 669

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.

JORC Code, 2012 Edition – Table 1 report template

Section 1 Sampling Techniques and Data

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 Kamalingela Project, diamond drilling was undertaken with all drill holes collared with HQ size single tube core (63.5mm) and once competent rock was encountered the hole was reduced to NQ size core (47.6mm). Core was split in half with a rock saw. The drill core sampling intervals were lithologically controlled, the maximum sampling interval was 1m and the minimum sampling interval was 0.25m. - Standards and blanks inserted into the sample shipment. - Samples were shipped to laboratory where they were crushed and pulverized to produce a 30g charge which was analysed for gold by fire assay methods.
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).	Single tube Diamond Drill Core. Initially HQ3 to account for weathered nature of the country rock. As the rock conditions improved, a switch was made to NQ.
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.	- Downhole distances provided by the driller were correlated with measured lengths of the core provided. - RQD, core loss or gain was measured and recorded by summing of the lengths of the core recovered, measuring only those pieces of core that are 10cm or more in length. - Sample recovery in diamond drill holes in the mineralised quartz veins was reasonable, although the highly weathered saprolite and highly fractured and oxidized zones, returned poor recoveries. Oryx utilized HQ drilling to minimize the core loss in

Criteria	JORC Code explanation	Commentary
		the weathered zones
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.	- Core was marked and logged in detail with records kept of the total length and of any core loss. - Geological codes were used for detailed geological logging, using different logging parameters for texture, structures, alteration, mineralisation, lithology and weathering. Core was photographed (wet and dry) in natural light and each photo run labeled.
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 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.	- The drill core was first cut into half along the cutting line, and then the lower half of the core was cut into two quarters. One quarter core was submitted for laboratory analysis and the other quarter and half drill core were retained for reference. - Quality control provided by insertion of standards and blanks - The laboratory undertook repeat analysis.
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.	- Standard gold fire assay analytical procedure. - Laboratories reported acceptable level of accuracy on inserted standards - Use of Certified Standard Reference material has shown relatively no bias from the results thus the analysis from laboratory are acceptable

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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.	- Core inspected by more than one staff member and external party. - No holes have been twinned to date. - Logging and assay data captured electronically on excel spreadsheet
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.	- No Mineral Resource estimate has been carried out. - Four of the completed holes were down-hole surveyed using a Azimuth Point System (APS) Single Shot survey method down-hole instrument at a minimum of every 50m and measured relative to magnetic North. These measurements have been converted from magnetic to UTM Zone 35 South values. No significant hole deviation is evident in plan or section
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.	Drill holes were drilled at an average of 100m intervals along strike. This is sufficient to establish geological and grade continuity. No compositing took place.
Orientation of data in relation to geological structure	- Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the 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.	Analysis appears to be consistent with the results of from the Mutotolwa Mine, which lies on a parallel structure. The structures are linear features and drilling was planned in a straightforward manner to intersect these structures without bias.
Sample security	The measures taken to ensure sample security.	Samples were placed in sealed bags to prevent movement and mixing. Minimal preparation was done on site.
Audits or reviews	The results of any audits or reviews of sampling techniques and data.	The reliability of the gold assay results was based on the implemented quality assurance and quality control protocol by the laboratory that entails the analysis of repeats and certified reference materials. The analytical laboratory returned very good results for the certified reference materials. Similarly repeat samples returned

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		acceptable results.

Section 2 Reporting of Exploration Results

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

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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.	- Permit des Reserche (Exploration Permits) - PR 12707 and 12708 - In JV with government parastatal Cominiere and Congolese partner company. - Rural farmland																																										
Exploration done by other parties	Acknowledgment and appraisal of exploration by other parties.	None since 1958																																										
Geology	Deposit type, geological setting and style of mineralisation.	Vein hosted gold deposits																																										
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: - easting and northing of the drill hole collar - elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar - dip and azimuth of the hole - down hole length and interception depth - 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.	<table><tr><th>BH_ID</th><th>Easting</th><th>Northing</th><th>RL</th><th>Depth</th><th>Azi</th><th>Dip</th></tr><tr><td>DDKN01</td><td>795640</td><td>9224570</td><td>1083</td><td>92.68</td><td>50</td><td>-55</td></tr><tr><td>DDKN02</td><td>795731</td><td>9224544</td><td>1100</td><td>60.00</td><td>55</td><td>-60</td></tr><tr><td>DDKN03</td><td>795720</td><td>9224430</td><td>1089</td><td>130.40</td><td>75</td><td>-50</td></tr><tr><td>DDKN04</td><td>795778</td><td>9224344</td><td>1087</td><td>108.16</td><td>75</td><td>-55</td></tr><tr><td></td><td></td><td></td><td></td><td></td><td></td><td></td></tr></table>	BH_ID	Easting	Northing	RL	Depth	Azi	Dip	DDKN01	795640	9224570	1083	92.68	50	-55	DDKN02	795731	9224544	1100	60.00	55	-60	DDKN03	795720	9224430	1089	130.40	75	-50	DDKN04	795778	9224344	1087	108.16	75	-55							
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Data	In reporting Exploration Results, weighting averaging techniques,	Borehole intersections were reported using downhole weighted																																										

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aggregation methods	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.	averaging methods. No maximum or minimum grade truncations were used. The mineralisation is well constrained in quartz veins and sulphides at the contact between hangingwall diorite and footwall granite.																																																																											
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').	- All holes were drilled towards E and ENE to intersect the westward dipping quartz vein. All drill holes were drilled with an azimuth ranging between 60-80° with the majority of drill holes at approximately 70°. The dip of the holes varied between -55° and -90°, with the majority at -80°. - Each hole intersected the quartz vein at the projected depth and each hole was stopped well into the footwall granite. The general practice was to drill through any shear zones with sulphides and only stop drilling once no further veining or sulphides were observed																																																																											
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.	<table><tr><th>Hole_ID</th><th>From</th><th>To (m)</th><th>Au (g/t)</th><th>Width (m)</th><th>Grade Width Intersection (m x g/t Au)</th><th>Best Intersection</th></tr><tr><td>DDMT01</td><td>32.80</td><td>33.65</td><td>2.450</td><td>0.85</td><td>2.083</td><td>0.85m at 2.45g/t</td></tr><tr><td>DDMT02</td><td>45.45</td><td>46.00</td><td>0.440</td><td>0.55</td><td>0.242</td><td rowspan="3">0.89m at 12.00g/t</td></tr><tr><td>DDMT02</td><td>46.00</td><td>46.46</td><td>10.630</td><td>0.46</td><td>4.890</td></tr><tr><td>DDMT02</td><td>46.46</td><td>46.89</td><td>13.520</td><td>0.43</td><td>5.814</td></tr><tr><td></td><td></td><td></td><td></td><td></td><td></td><td></td></tr><tr><td>DDMT03</td><td>41.93</td><td>42.49</td><td>2.720</td><td>0.56</td><td>1.523</td><td>0.56m at 2.72g/t</td></tr><tr><td></td><td></td><td></td><td></td><td></td><td></td><td></td></tr><tr><td>DDMT04</td><td>36.10</td><td>36.97</td><td>2.130</td><td>0.87</td><td>1.853</td><td>0.87m at 2.13g/t</td></tr><tr><td></td><td></td><td></td><td></td><td></td><td></td><td></td></tr><tr><td>DDMT05</td><td>34.22</td><td>34.91</td><td>3.650</td><td>0.69</td><td>2.518</td><td>0.69m at 3.65g/t</td></tr></table>	Hole_ID	From	To (m)	Au (g/t)	Width (m)	Grade Width Intersection (m x g/t Au)	Best Intersection	DDMT01	32.80	33.65	2.450	0.85	2.083	0.85m at 2.45g/t	DDMT02	45.45	46.00	0.440	0.55	0.242	0.89m at 12.00g/t	DDMT02	46.00	46.46	10.630	0.46	4.890	DDMT02	46.46	46.89	13.520	0.43	5.814								DDMT03	41.93	42.49	2.720	0.56	1.523	0.56m at 2.72g/t								DDMT04	36.10	36.97	2.130	0.87	1.853	0.87m at 2.13g/t								DDMT05	34.22	34.91	3.650	0.69	2.518	0.69m at 3.65g/t
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		DDMT05	34.91	35.82	0.014	0.91	0.013
		DDMT05	35.82	36.51	17.000	0.69	11.730
		DDMT05	36.51	36.87	11.570	0.36	4.165
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 believes 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.	Geological mapping and trench / channel sampling and grab sampling was also carried out at the Mutotolwa Prospect (and Diamond drilling), Kansatu and Mt Kalema Targets.					
Further work	- The nature and scale of planned further work (eg tests for lateral 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.	Infill and extension drilling is being planned for 2016					