

## First Gold Production at the Company's Prestwood Gold Mine, Gwanda East, Zimbabwe

### High Gold Grades recorded with the Prestwood sub-vertical shaft sinking

Prospect Resources Limited is pleased to announce its first gold production from the Prestwood Gold Mine. Limited plant time was secured at the nearby toll treating facility allowing approximately 270 tons of material to be processed. This stockpile was generated from artisanal tailings, waste ore from shaft sinking, drive development and waste ore from cleaning of old stopes. The purpose of the first production was to confirm operational and logistic processes and gold recovery rates.

#### *Prestwood Gold Mine Initial Production figures:*

Days ore run:	2.5
Tonnes treated:	273 t
CIP fine gold call:	483g
Amalgam fine gold call:	127g
Total gold call:	610g
Calculated head grade:	2.5 g/t
Tail grade:	0.21g/t

While not truly representative of the Prestwood ore body, no recovery issues were encountered with total recovery being 92.1 %. This bodes well as Prospect continues to develop the 5 Level drive and raises to 4 Level in anticipation of production faces being available in the coming month.

Sinking of the sub-vertical shaft continues, a narrow quartz reef has been exposed, with a width of approximately 10 to 50cm, from the sampling of the side walls between 4 and 5 Level. The following high grades were obtained in the shaft:

- 9.4g/t over 15cm;
- 43.6g/t over 20cm; and
- 4.9g/t over 35cm.

Off reef shaft sinking continues daily so that the Company can develop down dip ore blocks continuously in front of production ore blocks.

#### ***Two Additional Shafts being opened***

In addition to the development in the Prestwood main shaft, an exploration head gear has been established on the Prestwood A decline shaft. Timber men and lashers are cleaning the old shaft and making safe so that the historical workings can be progressively opened. We are pleased to report that 1 Level East stope has been opened. The South Sidewall panel has been partly sampled and spotty values were obtained including:

- 6.4g/t over 110cm; and
- 3.5g/t over 100cm.

A third exploration head gear is being erected over the Bucks Reef west vertical shaft to allow access to the Bucks Reef main shaft via interleaving drives on 2 and 4 Levels (as indicated on old plans). Once the old workings are made safe, underground exploration is expected to begin.

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**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.