

Completion of \$16m Fund Raising

- Prospect has raised \$16m on the following basis:
 - Following receipt of shareholder approval on 22 July 2016, Prospect completed its \$14m placement via the issue of 280m shares at 5c per share; and
 - Today, Prospect has completed its \$2m placement from clients of DJ Carmichael Pty Limited via the issue of 40m shares at 5c per share.
- Placing price of 5c is at a significant premium to the 20 day VWAP of 3.6c (calculated up to 19 July 2016, source: IRESS).
- Proceeds of the placement to be used to:
 - fast track drilling at the Arcadia Lithium deposit, approx. 35kms north east of Harare;
 - accelerate mine design, plant design and feasibility studies for the Arcadia Lithium deposit;
 - enable the Company to order long lead time items of plant for the Arcadia Lithium deposit;
 - fast track exploration at the God's Gift Lithium deposit;
 - accelerate gold production at the Gwanda East gold camp, south east of Bulawayo;
 - provide the Company with capacity to make additional strategic acquisitions, particularly within the lithium, graphite and cobalt sectors; and
 - supplement general working capital.

For further information, please contact:

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