



## AFREXIMBANK MANDATED TO ARRANGE US\$143M DEBT FACILITY

### Highlights

- **Afreximbank to arrange and syndicate a US\$143m project finance debt facility**
- **Afreximbank to provide US\$75m of the facility**
- **Afreximbank is one of the largest African development banks with significant experience financing projects in Zimbabwe**

African lithium company, Prospect Resources Ltd (ASX:PSC, FRA:5E8) (“**Prospect Resources**” or the “**Company**”) is pleased to announce that African Export-Import Bank (“**Afreximbank**”) has been appointed to arrange and manage the primary syndication of a US\$143m project finance debt facility. Afreximbank is proposing to fund and hold US\$75m of the facility. The parties have also agreed a non-binding indicative debt facility term sheet.

The appointment of Afreximbank as mandated lead arranger is a critical milestone in the financing of the Arcadia lithium project in Zimbabwe. The parties will now undertake further detailed due diligence and negotiate the final facility agreements. Execution of the facility agreements will be subject to Afreximbank’s further due diligence and credit approvals and drawdown will be subject to satisfaction of various conditions precedent to be included in the agreements.

Prospect Resource Executive Chairman, Hugh Warner, said: “*We are very pleased to have agreed this mandate with Afreximbank, who have significant experience lending into Zimbabwe.*”

*The Company’s Arcadia lithium project is expected to be the first African lithium mine financed by Afreximbank and the first African lithium mine to attract debt finance. We welcome Afreximbank as a long-term partner and look forward to working together to deliver a tier one lithium project.”*

### **Further details on Afreximbank**

Afreximbank is the foremost Pan-African multilateral financial institution devoted to financing and promoting intra- and extra-African trade. Afreximbank’s southern African operations (covering some 18 countries) are head quartered in Harare, Zimbabwe. The bank was established in October 1993 by African governments, African private and institutional investors, and non-African investors. It now comprises some 50 African member state countries. Afreximbank’s mission is to stimulate a consistent expansion, diversification and development of African trade while operating as a first class, profit-oriented, socially responsible financial institution and a centre of excellence in African trade matters.

Prospect Resources is being advised by Taurum Financial Service Group on the term sheet.



This release was authorised by Mr Hugh Warner, Executive Chairman of Prospect Resources Ltd.

ENDS



Africa’s leading battery mineral company



Well positioned Lithium Resource in regard to both Scale and Grade



Strong Project Economics demonstrated in DFS



Path forward to Financing, Development and Production



Offtake Agreement in place and positioned to capitalise on Market Demand

For further information, please contact:

Nicholas Rathjen  
 General Manager, Corporate Affairs  
 nrathjen@prospectresources.com.au

About Prospect Resources Limited (ASX:PSC, FRA:5E8)

Prospect Resources Limited (ASX: PSC, FRA:5E8) is an ASX listed lithium and battery minerals company based in Perth with operations in Zimbabwe, and exploration activities in Zimbabwe and the DRC. Prospect’s flagship project is the Arcadia Lithium Project located on the outskirts of Harare in Zimbabwe. The Arcadia Lithium Project represents a globally significant hard rock lithium resource and is being rapidly developed by Prospect’s experienced team, focusing on near term production of petalite and spodumene concentrates.

About Taurum Financial Services Group (“TFSG”)

TFSG is an independent corporate finance advisory boutique which focuses on the resources sector. TFSG’s service offering includes advice on mergers, acquisitions, disposals, capital raisings and capital restructurings. TFSG’s client base extends to mining and exploration companies listed on the ASX, TSX, LSE and AIM with mines and projects located in various countries across Africa.

About Lithium

Lithium is a soft silvery-white metal which is highly reactive and does not occur in nature in its elemental form. In nature it occurs as compounds within hard rock deposits (such as Arcadia) and salt brines. Lithium and its chemical compounds have a wide range of industrial applications resulting in numerous chemical and technical uses. Lithium has the highest electrochemical potential of all metals, a key property in its role in lithium-ion batteries.

Caution Regarding Forward-Looking Information

For personal use only



This announcement may contain some references to forecasts, estimates, assumptions and other forward-looking statements. Although the Company believes that its expectations, estimates and forecast outcomes are based on reasonable assumptions, it can give no assurance that they will be achieved. They may be affected by a variety of variables and changes in underlying assumptions that are subject to risk factors associated with the nature of the business, which could cause actual results to differ materially from those expressed herein. All references to dollars (\$) and cents in this announcement are in United States currency, unless otherwise stated.

Investors should make and rely upon their own enquiries before deciding to acquire or deal in the Company's securities.

For personal use only