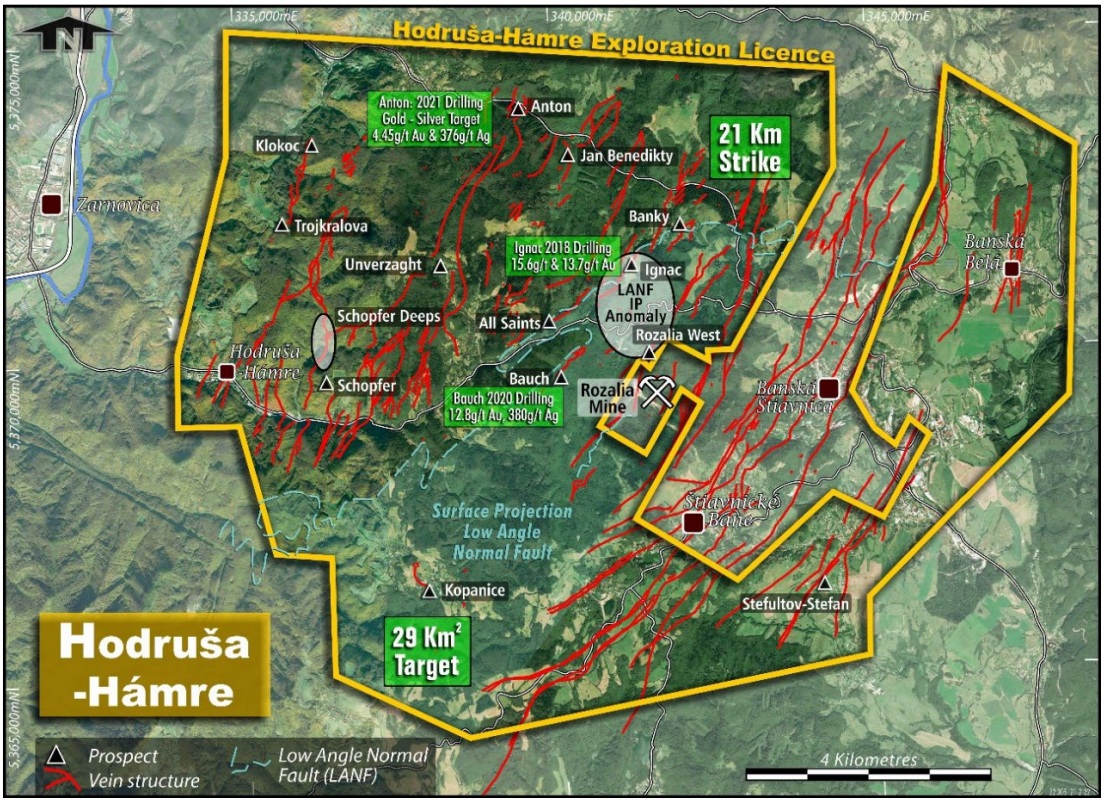
Prospech Limited
ABN 24 602 043 265

26 September 2022

SCHOPFER - GOLD-SILVER DRILLING RESULTS

- **Schopfer Phase 2 surface drilling has been completed and results returned.**
- **Drillhole SCDD025 intersected gold and silver mineralisation in the main Schopfer vein (5.4m downhole length) and in a hanging wall stockwork (29.4m downhole length)**
- **Best intercepts; hanging wall stockwork:**
  - **1.0m @ 1.78 g/t Au, 21 g/t Ag from 569.0m**
  - **2.2m @ 1.08 g/t Au, 112 g/t Ag from 572.0m, Incl.**
  - **1.2m @ 1.67 g/t Au, 183 g/t Ag from 573.0m**
- **Best intercepts; Schopfer vein:**
  - **3.9m @ 0.45 g/t Au, 31 g/t Ag from 594.6m, Incl.**
  - **1.8m @ 0.53 g/t Au, 42 g/t Ag from 595.1m**

The Directors of Prospech Limited ('Prospech' or 'the Company') (ASX: PRS) are pleased to report results for Phase 2 drilling at the Schopfer gold-silver prospect within the Hodrusa exploration licence, located in the Central Slovakian neovolcanic belt.



The Schopfer structure is open to the northwest and southeast and at depth.

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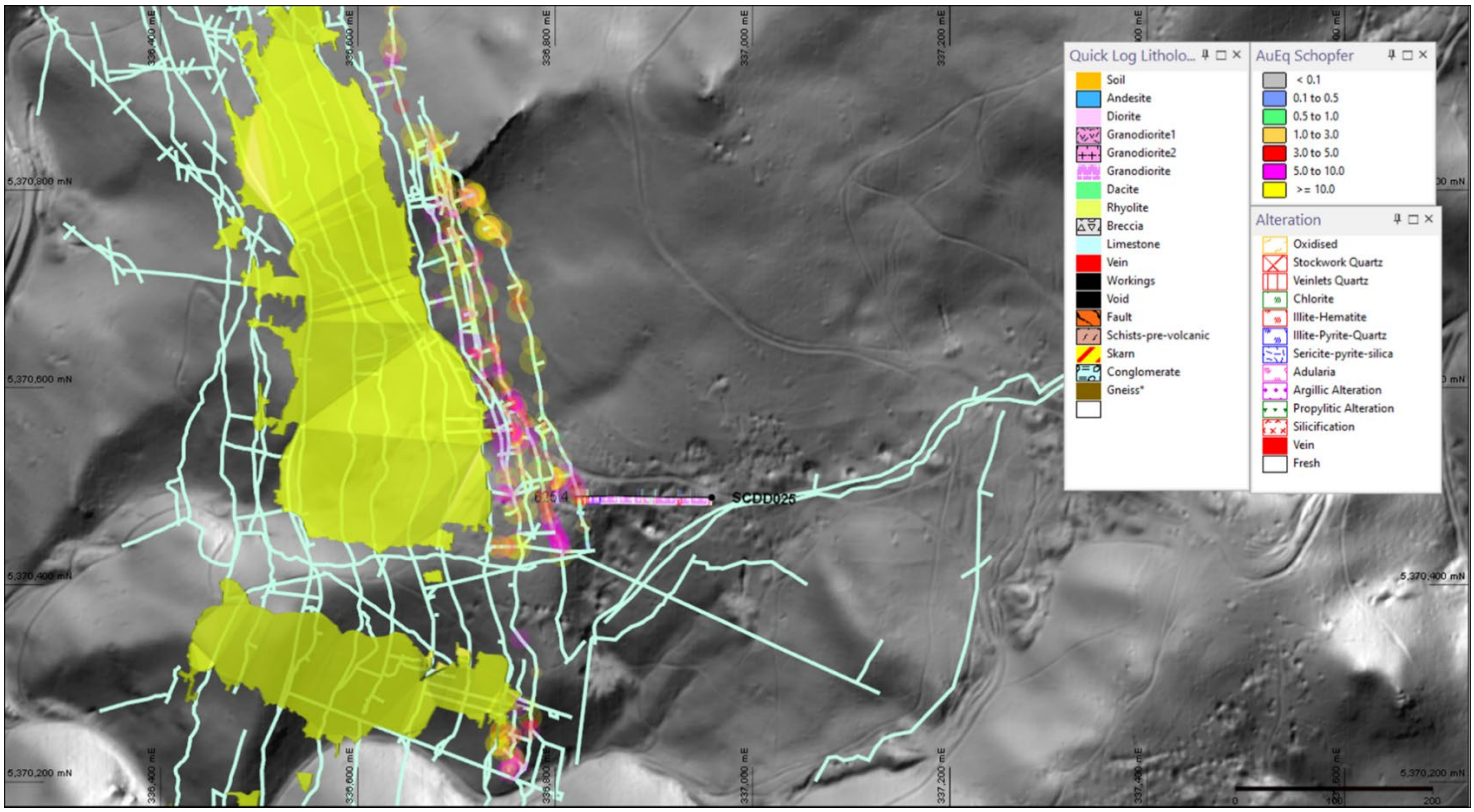
The Schopfer vein has estimated historical production of 1 million tonnes at 2 to 5 g/t gold and 200 to 500 g/t silver for a total 64 to 160k ounces of gold and 6 to 16 million ounces of silver. Although the Schopfer Vein structure is visually strong, and there is a significant thickness of stockwork veining in the hanging wall, it is clear from the assays that SCDD025 missed one of the high-grade shoots evidenced by the historical underground sampling.

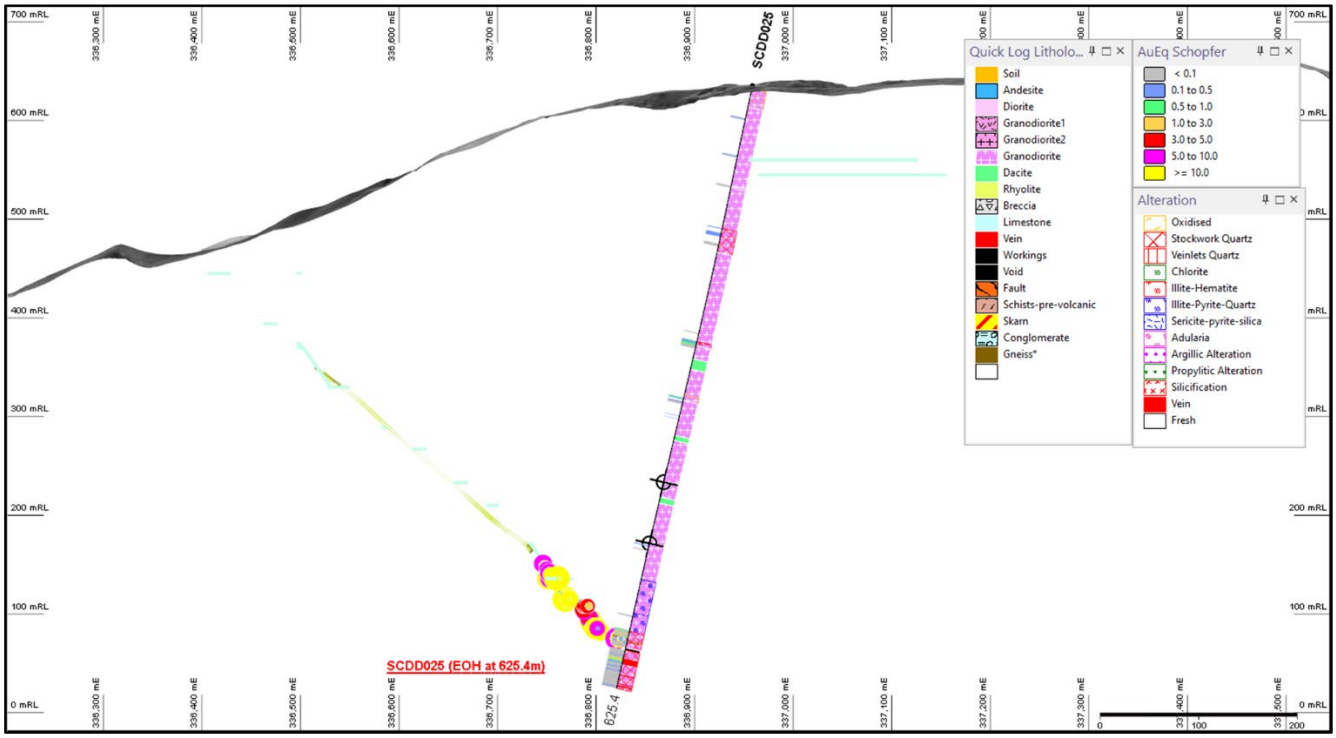
A total of 20 BQ diamond core holes were completed in 2018 averaging 5 metres in depth using a handheld portable diamond rig. Previously, four surface diamond holes were completed in 2017, targeting the Luisa Shoot 500m south of the current target area under the 'Main' shoot. Previously reported results (refer PRS:ASX Announcement 5 July 2022) from the BQ Underground micro-drilling drilling include:

- *SCDD001: 2.8m @ 2.2 g/t Au and 151 g/t Ag from 0.6m*
- *SCDD002: 0.9m @ 1.9 g/t Au and 188 g/t Ag from 0.0m*
- *SCDD003: 3.0m @ 2.5 g/t Au and 233 g/t Ag from 0.0m*
- *SCDD004: 1.5m @ 5.6 g/t Au and 258 g/t Ag from 0.0m*
- *SCDD015: 3.0m @ 1.0 g/t Au and 101 g/t Ag from 0.0m*
- *SCDD020: 1.0m @ 2.0 g/t Au and 136 g/t Ag from 0.0m*
- *SCDD021: 1.6m @ 2.7 g/t Au and 478 g/t Ag from 0.0m*
- *SCDD022: 0.9m @ 2.3 g/t Au and 236 g/t Ag from 1.0m*
- *SCDD023: 1.9m @ 1.7 g/t Au and 180 g/t Ag from 1.0m*
- *SCDD024: 5.0m @ 2.9 g/t Au and 401 g/t Ag from 0.0m*

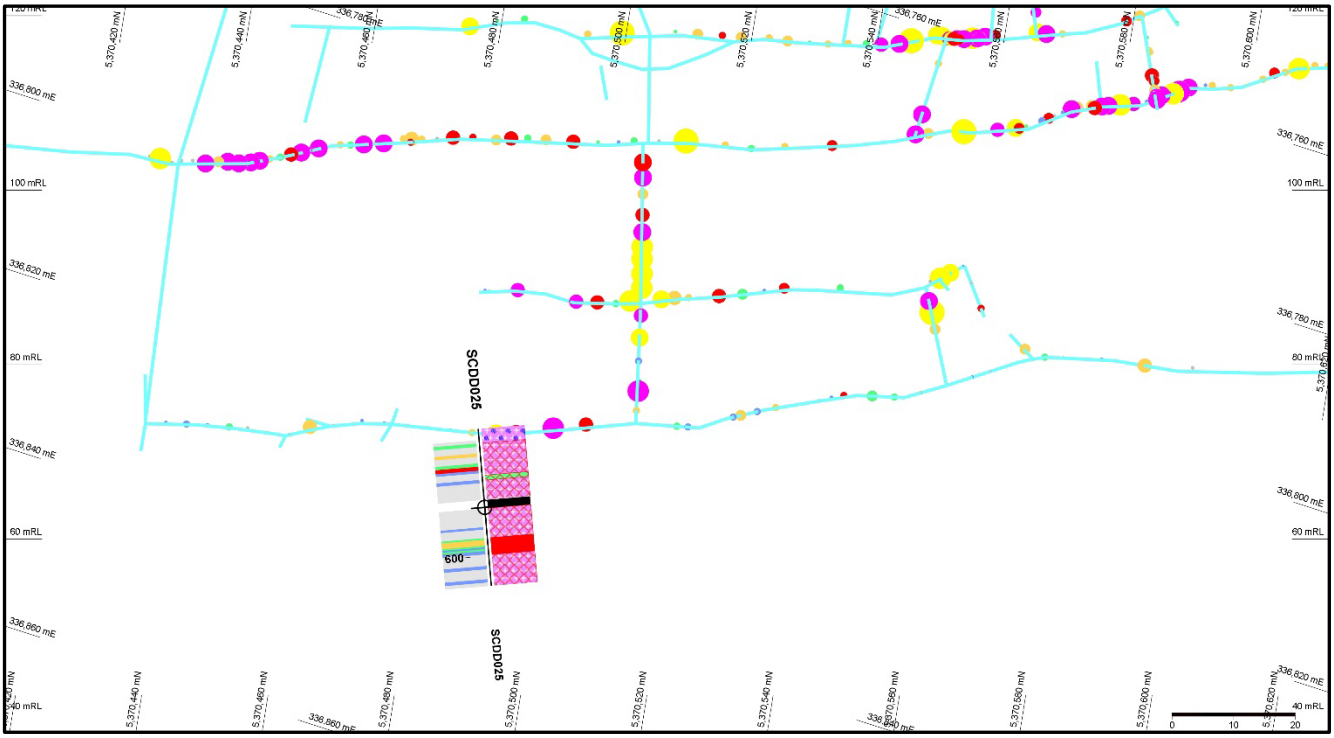


SCDD025 was designed to test the strike and depth potential of a fully preserved silver and base metal mineralised system under the currently named, 'Main' shoot. Historic grades of at least 5.0 g/t AuEq[1] are shown in magenta.

[1] Gold is deemed to be the appropriate metal for equivalent calculations as gold is the most common metal to all mineralisation zones. Schopfer gold equivalent grades are based on assumptions: AuEq(g/t)=Au(g/t)+80/Ag(g/t) calculated from December 2021 spot prices of US$22/oz silver, US$1800/oz gold. These individual underground back channels are not able to accessed physically and cannot be currently used in standard JORC reporting and for this reason no metallurgical recoveries have been applied for the Au Equivalents which are utilised and represented for targeting purposes only.



SCDD025 tested the historic Schopfer mine based on historic underground micro-drilling by Prospech, historic production records and surface drilling.



Plane of the vein view of grade distribution is well understood at depth on the unmined portions of the Schopfer system. Further drilling from surface or future underground development can be permitted in the future.

Prospech Managing Director Jason Beckton comments:

"Results for Schopfer, although encouraging must now compete with other prospects including the LANF and Pukanec targets currently permitted for drilling in the current calendar year. Schopfer remains important to the Company, with large tonnage potential. A planned resource drill out is subject to other drilling priorities in 2022 - 2023.

The next drilling results to be reported include the detachment fault (or LANF) which the Company drilled at the end of August. The LANF hosts the neighbouring Rozalia gold mine which has an average head grade of 12 g/t Au."

This announcement has been approved by the Managing Director, Jason Beckton.

For further information, please contact:

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Competent Person's Statement

The information in this Report that relates to Exploration Results is based on information compiled by Mr Jason Beckton, who is a Member of the Australian Institute of Geoscientists. Mr Beckton, who is Managing Director of the Company, has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which 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 Beckton consents to the inclusion in this Report of the matters based on the information in the form and context in which it appears.

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JORC Code, 2012 Edition – Table 1 Schopfer, Hodrusa

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.*	• Rock chip grab samples were collected from outcrops, spoil heaps and accessible surface and underground workings of quartz veins, and zones of silicification, within Neogene volcanics under the supervision of a qualified geologist. • Sample locations were surveyed with a handheld GPS and marked into sample books.
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).*	• Diamond HQ, NQ and BQ drilling.
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.*	• Core is measure in the triple tube split for HQ and NQ only - before laying in the core boxes to ensure minimum disturbance and most accurate calculation of core recoveries. • Overall core recoveries have been very high at 98%. • Any relationship between core recovery and grade cannot be determined at this time, but due to the high core recovery, bias is considered very unlikely...
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.*	• The complete core is logged in detail by qualified geologists. Core is photographed wet and dry. All core is oriented. Detail structural measurements are collected. Core logging is a combination of qualitative and quantitative information...
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.*	• Approximately 1 to 2 Kg of material from each rock chip was sent to the laboratory for analysis. • All sampling done under supervision of a qualified geologist.
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*	• Samples are stored in a secure location in Companies storage facilities and transported to the ALS laboratory in Romania for sample preparation of fine crush, riffle split and pulverizing of 1kg to 85% < 75µm. • Pulps are analysed by ALS Romania using method

Criteria	JORC Code explanation	Commentary
	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.*	code ME-ICP61, a 33 element determination using a four acid digestion and 30 gram charge fire assay with AA finish (Au-AA25) for gold. Ore grades are analysed by OG62 – 4 acid digestion method for each element when identified.
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.*	• Laboratory provides assay certificates, which are stored electronically both in ALS and Company's servers. • Laboratory CSV files are merged with GPS Location data files using unique sample numbers as the key. • No adjustments made to assay data.
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.*	• Rock chip samples are located using handheld GPS receivers with accuracy from 10-5m. • UTM projection WGS84 Zone 34N and local grid SJTSK03. Conversion between local and UTM grid is run through national certified web portal. • The topographic control, using handheld GPS, was adequate for the survey.
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.*	• Reconnaissance sampling of available outcrop. • Results will not be used for resource estimation. • No compositing has been applied.
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.*	• No bias is believed to be introduced by the sampling method.
Sample security	• *The measures taken to ensure sample security.*	• Samples were delivered to ALS Minerals laboratory in Romania by Prospech trusted contractor and were not left unattended at any time. There were no incident reports from ALS lab on sample receiver cell.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• No audits or reviews of the data management system have been carried out.

Section 2 Reporting of Exploration Results

Criteria	JORC Code explanation	Commentary
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 license to operate in the area.*	• Prospech Limited, through subsidiaries and contractual rights, holds 100% rights on the Hodrusa-Hamre - Banska Stiavnica, Nova Bana, Rudno, Pukanec and Jasenie tenements. • The laws of Slovakia relating to exploration and mining have various requirements. As the exploration advances specific filings and environmental or other studies may be required. There are ongoing requirements under Slovakian mining laws that will be required at each stage of advancement. Those filings and studies are maintained and updated as required by Prospech's environmental and permit advisors specifically engaged for such purposes. • The Company is the manager of operations in accordance with generally accepted mining industry standards and practices.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• Anciently, the target was silver, the currency of the day, and more recently, during the Communist era, the targets were industrial base metals, copper, lead, zinc and others. As a result, much of the country, including the Company's exploration license areas, has not been subject to modern western exploration methodology or exploitation.

Criteria	JORC Code explanation	Commentary
		• Slovakia has a known mining history dating to Celtic times and earlier. Tools used by prehistoric miners at Spania Dolina, near Banska Bystrica are dated as early as 2000-1700 BC. Major production of metals (primarily copper and silver) occurred during the medieval period. The second oldest mining institute in the world is located at Banska Stiavnica and the local population is proud of their mining heritage, holding a three day mining festival every year. The mint at nearby Kremnica has operated for over six hundred years and continues to operate today. • Communist era base metal and coal production was substantial and smelting of aluminium and nickel (material imported from Hungary and Albania) was carried out. Coal, gold, silver, talc, anhydrite and magnesite (and limestone, dolomite and gravel), bentonite, zeolite and industrial minerals are being mined in Slovakia today. An underground gold mine on a third party mining lease enclosed within the HHBS exploration license, the Rozalia Mine, continues in operation today, trucking a gravity/flotation concentrate to a smelter in Belgium..
Geology	• *Deposit type, geological setting and style of mineralisation.*	• Located within the Stiavnica Stratovolcano within the Central Slovakian Volcanic Belt, the Hodrusa Exploration Licence covers quartz veins with classically banded, low-sulphidation epithermal textures with sulphidic “ginguro” zones, which are commonly associated with high grades of precious metals. Native gold and silver-sulphide minerals were observed in the hand specimens.

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.*
		Drill Hole Collar Information (All WGS84 Zone 34N)
		
		Drill Hole Survey Information (UTM Mag Declination 6.8)
		
		NB – a total of 208 survey readings by electronic gyroscope to ensure not interference with known magnetic units. For brevity sake we include only every 100m reading.
		
		SCDD025 Assay Results

Hole_ID	UTM_East	UTM_North	RL	Max_Depth
SCDD025	**336958.6**	**5370488.4**	**634.55**	**625.4**

Hole_ID	Depth	Dip	G_Azim	UTM_Azimuth
SCDD025	0	-77.9	265.2	272.0
SCDD025	99	-78.2	263.6	270.4
SCDD025	201	-77.4	262.7	269.5
SCDD025	300	-76.9	263.2	270.0
SCDD025	399	-76.7	263.8	270.6
SCDD025	501	-76.9	260.8	267.6
SCDD025	600	-77.0	260.7	267.5
SCDD025	615	-77.1	260.3	267.2

Criteria	JORC Code explanation	Commentary

Hole_ID	mFrom	mTo	SampleID	Ag_ppm	Au_ppm
SCDD025	33	34	M665257	3.4	0.03
SCDD025	34	35	M665258	23.2	0.14
SCDD025	72	72.9	M665259	19.4	0.05
SCDD025	72.9	74	M665260	0.7	0.02
SCDD025	103	104	M665261	0.5	0.02
SCDD025	104	105	M665262	0.9	0.01
SCDD025	147	148	M665263	1.4	0.11
SCDD025	152	153	M665264	2.8	0.13
SCDD025	153	154	M665265	1.7	0.16
SCDD025	154	154.8	M665266	1.3	0.16
SCDD025	154.8	156	M665267	2.8	0.34
SCDD025	163	164	M665268	0.5	0.01
SCDD025	164	165	M665269	0.5	0.01
SCDD025	165	166	M665270	0.9	0.02
SCDD025	256	257	M665271	3.5	0.03
SCDD025	264	264.5	M665272	0.6	0.04
SCDD025	264.5	265.1	M665273	52.9	0.33
SCDD025	265.1	265.6	M665274	18.4	0.14
SCDD025	265.6	266.3	M665276	15.1	0.13
SCDD025	266.3	267	M665277	3.7	0.09
SCDD025	267	268	M665278	28	0.22
SCDD025	268	268.8	M665279	28.6	0.19
SCDD025	268.8	270	M665280	-0.5	0.01
SCDD025	270	271	M665281	-0.5	0.02
SCDD025	271	272	M665282	-0.5	0.02
SCDD025	323	324	M665283	23.9	0.45
SCDD025	324	325	M665284	9.8	0.34
SCDD025	327	328	M665285	2.7	0.07
SCDD025	328	329	M665286	1	0.04
SCDD025	329	330	M665287	2.3	0.06
SCDD025	342	342.5	M665288	3.6	0.08
SCDD025	345.3	345.8	M665289	4.4	0.05
SCDD025	477	478	M665290	2	0.07
SCDD025	482.1	483.1	M665291	1.2	0.02
SCDD025	550	551.4	M665292	0.8	0.01
SCDD025	565	566	M665293	-0.5	0.01
SCDD025	566	567	M665294	22.5	0.57
SCDD025	567	568	M665295	-0.5	0.01
SCDD025	568	569	M665296	-0.5	0.01
SCDD025	569	570	M665297	21	1.78
SCDD025	570	571	M665298	-0.5	0.01
SCDD025	571	572	M665299	0.5	0.01
SCDD025	572	573	M665301	25.9	0.38
SCDD025	573	574.2	M665302	183	1.67
SCDD025	574.2	575	M665303	14.6	0.13
SCDD025	575	576	M665304	2.7	0.02
SCDD025	576	577	M665305	0.9	0.01
SCDD025	577	578	M665306	18.8	0.15
SCDD025	578	579	M665307	1.3	0.01
SCDD025	579	580	M665308	1.9	0.03
SCDD025	580	581	M665309	0.9	0.01
SCDD025	581	582	M665310	1.7	0.05
SCDD025	582	583.1	M665311	1.4	0.03
SCDD025	585.7	587	M665312	0.7	0.02
SCDD025	587	589	M665313	3.8	0.04
SCDD025	589	590	M665314	1	0.03
SCDD025	590	591.3	M665315	2.5	0.03
SCDD025	591.3	592	M665316	10.7	0.12
SCDD025	592	593	M665317	1	0.02
SCDD025	593	594.6	M665318	2.2	0.03
SCDD025	594.6	595.1	M665319	22.6	0.53
SCDD025	595.1	595.7	M665320	38.7	0.62
SCDD025	595.7	596.9	M665321	43	0.48
SCDD025	596.9	597.4	M665322	30.8	0.32
SCDD025	597.4	597.9	M665323	10.2	0.25
SCDD025	597.9	598.5	M665324	23.5	0.4
SCDD025	598.5	599	M665326	9.7	0.24
SCDD025	599	599.5	M665327	0.6	0.23
SCDD025	599.5	600	M665328	0.9	0.02
SCDD025	600	601	M665329	1.7	0.03
SCDD025	601	602	M665330	1.6	0.03
SCDD025	602	603	M665331	1.5	0.03
SCDD025	603	604	M665332	25.8	0.17
SCDD025	604	605	M665333	0.8	0.02
SCDD025	605	606	M665334	0.9	0.04
SCDD025	606	607	M665335	1.9	0.03
SCDD025	607	608	M665336	2.8	0.07
SCDD025	608	609	M665337	1.7	0.06
SCDD025	609	610	M665338	1.2	0.03
SCDD025	610	611	M665339	1.2	0.02
SCDD025	611	612	M665340	0.7	0.03
SCDD025	612	613	M665341	1.3	0.03
SCDD025	613	614	M665342	0.9	0.03
SCDD025	614	615	M665343	1.1	0.04
SCDD025	615	616	M665344	0.6	0.02
SCDD025	616	617	M665345	0.6	0.04
SCDD025	617	618	M665346	1	0.06
SCDD025	618	619	M665347	0.9	0.06
SCDD025	619	620	M665348	1.1	0.04
SCDD025	620	621	M665349	0.6	0.03
SCDD025	621	622	M665351	0.8	0.03
SCDD025	622	623	M665352	0.7	0.01
SCDD025	623	624	M665353	0.7	0.09
SCDD025	624	625.4	M665354	0.8	0.02

Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, 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*	A minimum sample length is 0.4m generally. Intercepts are geological in that no bulk and carry rules are applied to the geological boundary of the quartz vein metal host only. Metal equivalents are used only for graphical purposes due to the age of the silver gold assaying completed in

Criteria	JORC Code explanation	Commentary
	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.*	the past (1950s) in which silver and gold were assayed and a silver factor applied. This occurs for the long sections and plans views depicting previous sampling. No numeric gold silver equivalents are reported in the Prospech generated data despite a long history of ore processing suggesting recoveries of gold of 95% and silver of 91% using standard flotation techniques.
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').*	• Mineralisation is epithermal vein related.
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.*	• The location and results received for some drill-core samples are displayed in the attached maps and/or tables. Coordinates are UTM Zone 34N.
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.*	• Results for all samples collected in this program are displayed on the attached maps and/or tables.
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.*	• No metallurgical or bulk density tests were conducted at the project by Prospech. • Significant historical production up to 1950 has been record and recovery of metals (floatation and smelting) is now the same technology with modern improvements, with flotation circuit running by third party company at the Schopfer Adit, but processing ore from the Rozalia Mine 5km East.
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.*	• Prospech proposes to carry out a review of the Schopfer vein in preparation for definition of a possible resource in the 2023 field season.