Prospech Limited
ABN 24 602 043 265

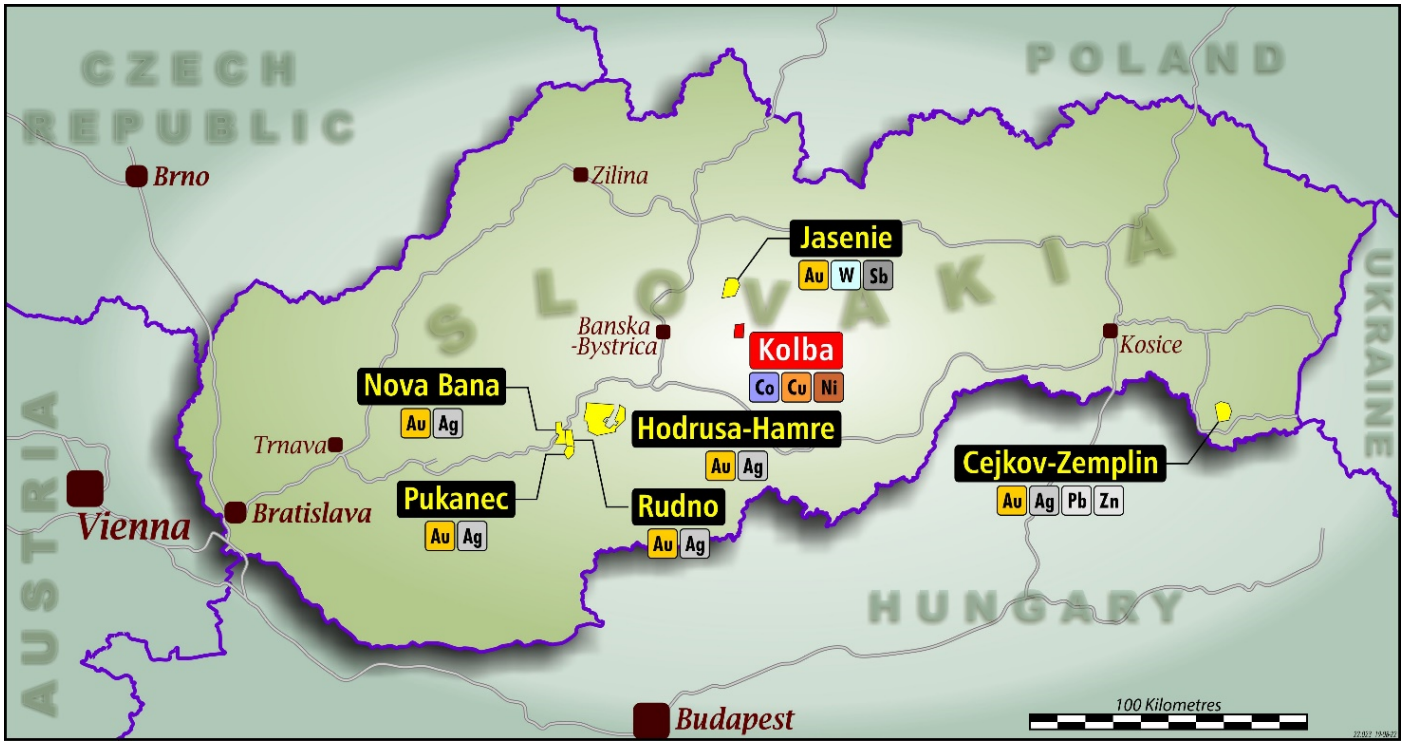
17 January 2023

HIGH GRADE COPPER-COBALT-SILVER RESULTS FROM KOLBA

- **Maximum results are 4.5% copper, 1,785 ppm cobalt and 796 g/t silver**
- **Average results are 1.9% copper, 622 ppm cobalt and 106 g/t silver**
- **Kolba-Svatodusna historic production graded 2% to 17% copper from mines up until the 1850s.**
- **Copper-cobalt-silver-nickel anomalous ionic leach soil geochemistry results extend exploration potential to >1.8km strike**
- **Exploration potential open along strike**
- **Drill permitting is underway for planned March quarter**

The Directors of Prospech Limited ('Prospech' or 'the Company') (ASX: PRS) are pleased to advise that assay results from 36 rock chip samples taken from spoil dumps adjacent to surveyed historical Svatnodusa mine workings in the recently acquired Kolba exploration licence have returned high grade results and, together with the data from an ionic leach soil geochemistry program, have extended the project's exploration potential to over 1.8 kilometres.

The Kolba-Svatodusna structure has not been drilled but has been mapped and sampled by the Slovak government geological service in the early 1990s and recent academic studies indicate copper-cobalt-nickel-silver sulphides in primary mineralisation.



Kolba is located in Central Slovakia proximate to the Company's existing operations.

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Mineralised zones are typically several hundred metres long with the most abundant sulphide minerals being chalcopyrite (copper-iron-sulphide mineral) and tetrahedrite (silver-rich copper-antimony-sulfosalt mineral) with common inclusions of gersdorffite (nickel-arsenic-sulphide mineral) and cobaltite (cobalt-arsenic-sulphide mineral).

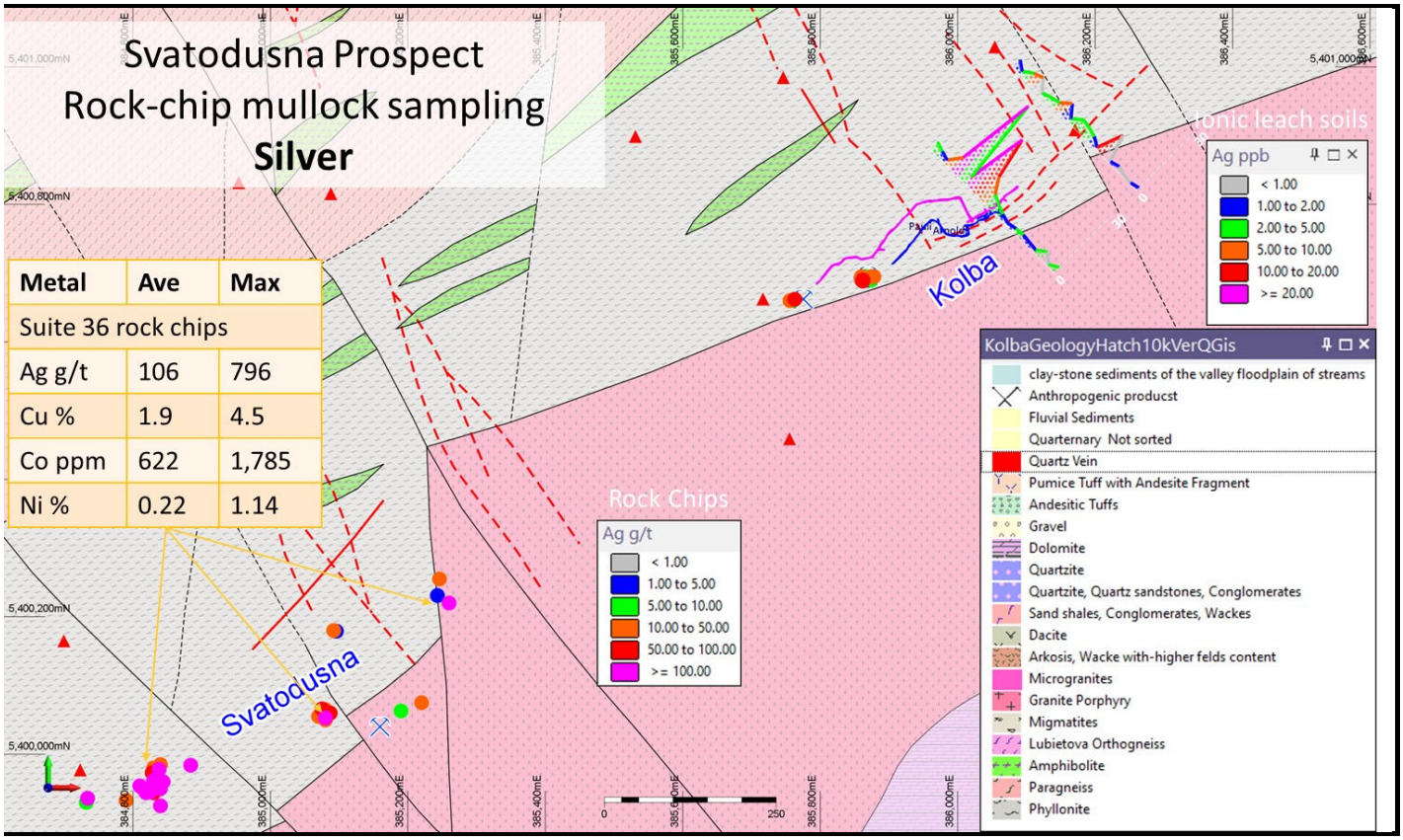
Svatodusna Sampling

The Svatodusna historical mining area is located 1.5 kilometres to 1.8 kilometres along strike to the south-west from the Kolba prospect and historical mine workings.

Assay results from 36 rock chip samples taken from spoil dumps adjacent to surveyed historical Svatodusna mine workings are reported in full below and are summarised as:

Metal	Average Assay Results	Maximum Assay Result
Copper (%)	1.9	4.5
Cobalt (ppm)	622	1,785
Silver (g/t)	106	796
Nickel (%)	0.22	1.14

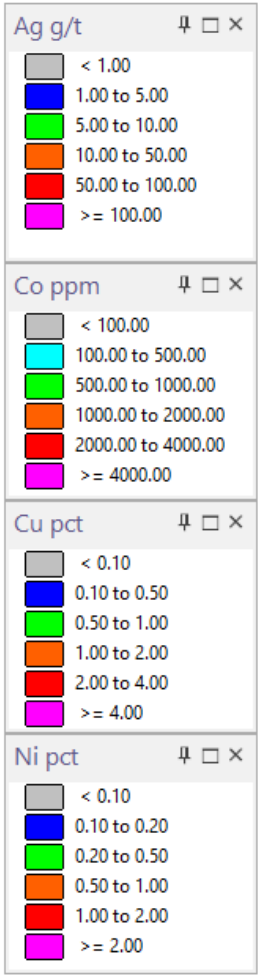
The main locus of the high grade mineralisation is postulated to be proximal and parallel to the contact between the footwall granitic unit and the schists and amphibolites. Conversely, government mapping features mineralised structures normal to this contact and Prospech's ionic leach soil geochemistry detects broader zones of anomalism over 150 metres from the contact, within the hosting schists.



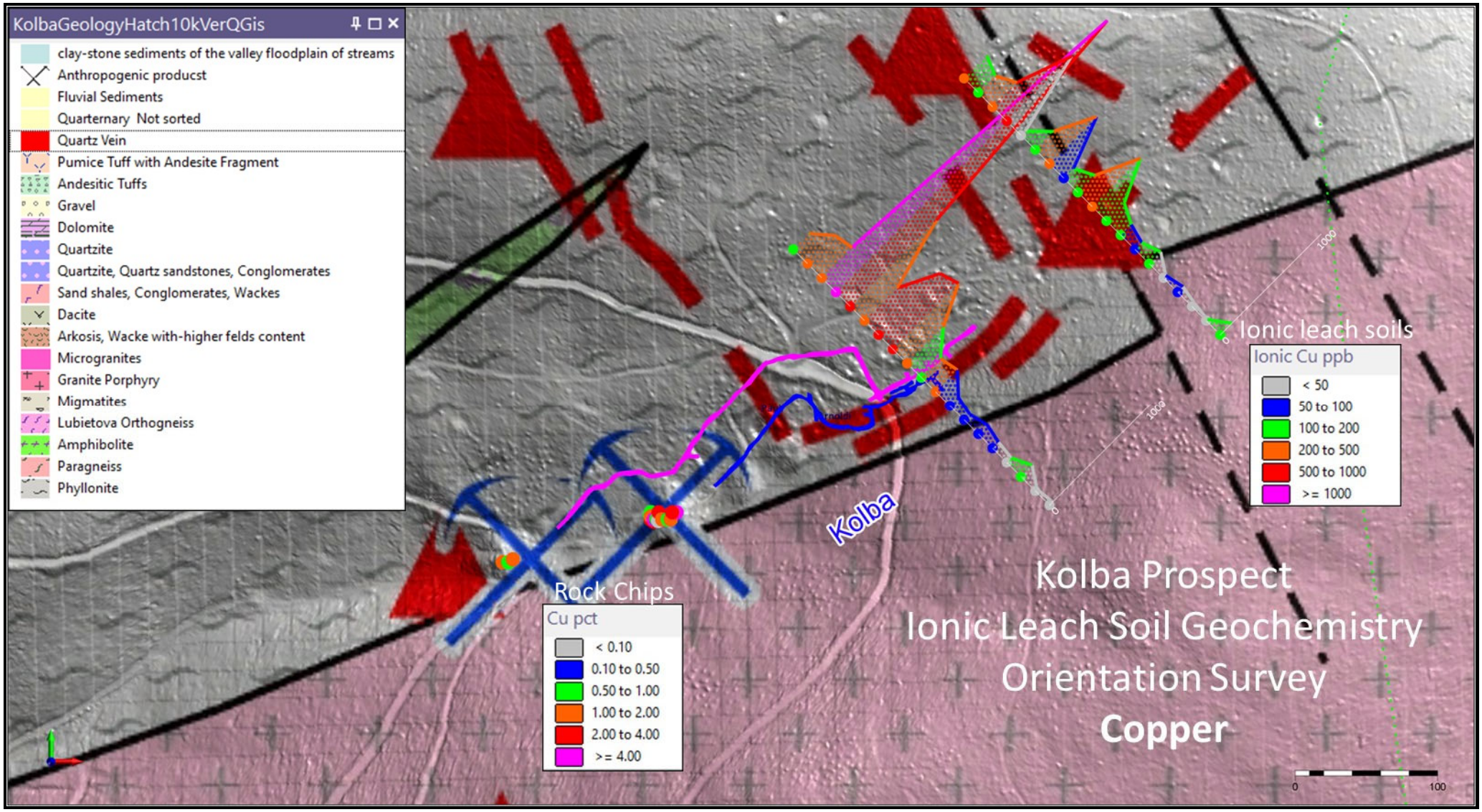
The Kolba-Svatodusna structure has a strike potential of least 1.8km. The target is defined by zones of two known adits - Arnoldi and Pauli and three unnamed adits and various workings.

Mineralised mullock samples from Svatodusna.

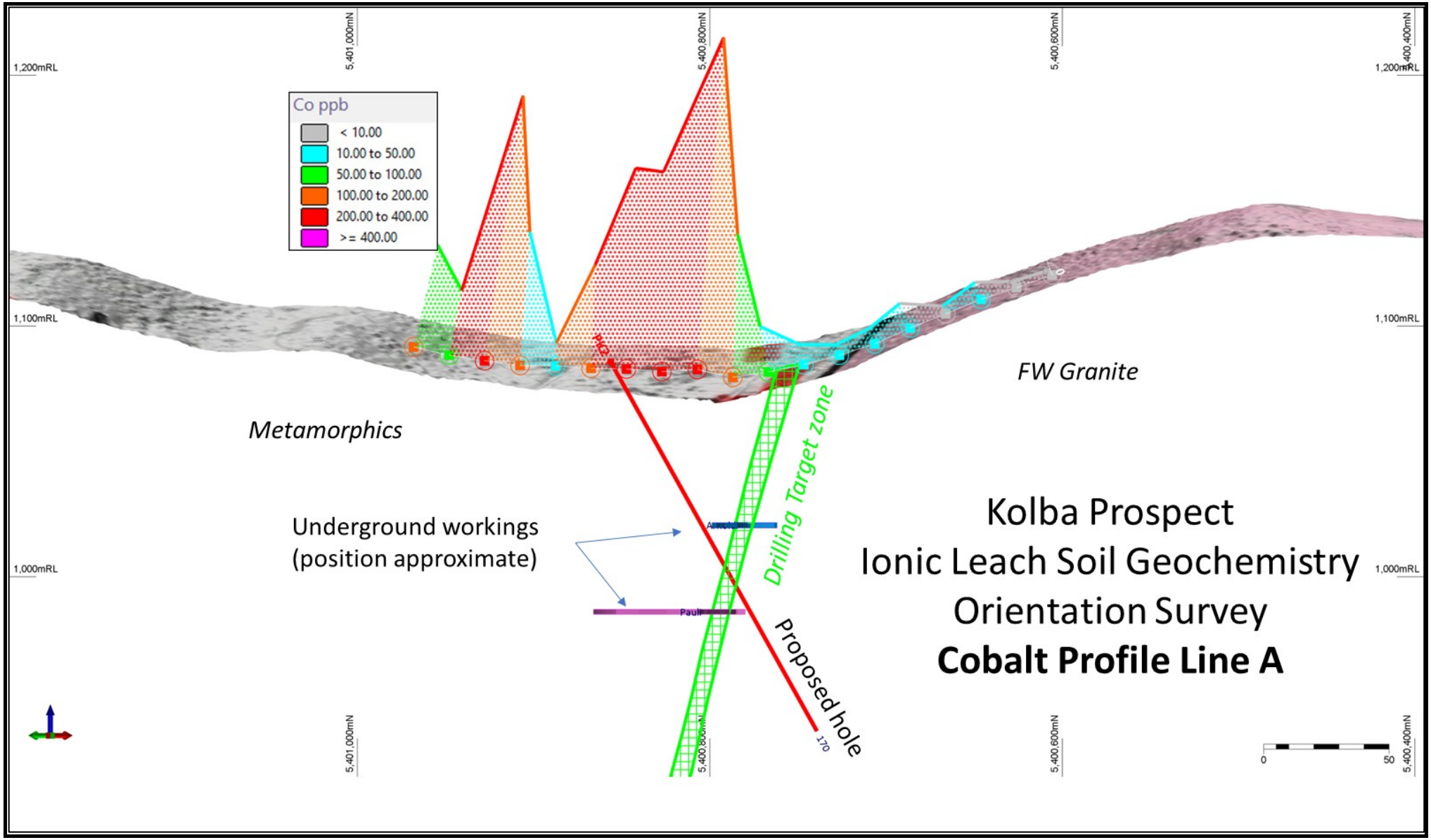
SampleID	UTM_East	UTM_North	RL	Sample_Type_Desc	Vein_Description	Ag-ppm	Co-ppm	Cu-pct	Ni-pct
PR1630	384828	5399973	769.400	Mullock	Siderite with tetrahedrite and chalcopyrite dissem	91.1	27	0.76	0.0095
PR1631	384830	5399980	772.700	Mullock	Massive qz and siderite with chalcopyrite and tetrahedrite dissem	34.9	279	1.32	0.1180
PR1632	384840	5399985	772.500	Mullock	Massive qz with chalcopyrite and tetrahedrite dissem. Secondary Cu minerals.	37.1	202	2.76	0.0244
PR1633	384835	5399980	771.500	Mullock	Massive siderite with chalcopyrite dissem	25.7	992	3.52	0.3150
PR1634	384832	5399960	759.200	Mullock	Fine grained chalcopyrite and tetrahedrite dissem in host rock	6.3	169	0.84	0.0754
PR1635	384830	5399962	761.100	Mullock	Massive Fe/Mg-Fe carb with tetrahedrite/chalcopyrite dissem	153.0	69	1.63	0.0224
PR1636	384834	5399960	758.800	Mullock	Massive Fe/Mg-Fe carb with tetrahedrite/chalcopyrite dissem	13.0	1360	1.05	0.1235
PR1637	384884	5399984	768.800	Mullock	Massive Fe/Mg-Fe carb with tetrahedrite/chalcopyrite dissem	195.0	1085	3.63	0.5920
PR1638	384838	5399978	769.700	Mullock	Massive Fe/Mg-Fe carb with tetrahedrite/chalcopyrite dissem	120.0	196	1.67	0.0830
PR1639	384810	5399954	759.500	Mullock	Mg-Fe carbonates/Qz with tetrahedrite and chalcopyrite dissem. Secondary Cu	120.0	837	3.16	0.3260
PR1640	384819	5399944	756.500	Mullock	Fe/Mg-Fe carbonates/Qz with tth/cp dissem	331.0	1390	4.54	0.5640
PR1641	384839	5399959	758.700	Mullock	Very fine grained cp dissem in phyllite. Powdery erythrite.	10.4	932	0.93	0.2210
PR1642	384830	5399944	757.100	Mullock	Fine grianed cp dissem in silicified phyllite. Powdery erythrite and Cu-Ni? Secc	54.7	1390	1.52	0.2150
PR1643	384815	5399950	756.700	Mullock	Massive Fe-Mg carb/Qz with tth/cp dissem	796.0	841	4.15	0.1535
PR1644	384832	5399951	757.300	Mullock	Massive Fe-Mg carb/Qz with tth/cp dissem	61.1	495	1.56	0.2610
PR1645	384840	5399925	756.500	Mullock	Massive white qz with tth veinlets and dissem	132.0	628	2.14	0.2210
PR1646	384825	5399945	756.800	Mullock	Massive Fe-Mg carb/Qz with tth/cp dissem. Green powdery Cu min	185.0	512	1.82	0.2490
PR1647	384790	5399933	756.700	Mullock	Massive Fe-Mg carb/Qz with tth/cp dissem	39.7	572	1.45	0.1620
PR1648	384844	5399960	758.400	Mullock	Massive Fe-Mg carb/Qz with tth/cp dissem	254.0	358	2.67	0.1685
PR1649	384840	5399950	757.700	Mullock	Massive Fe-Mg carb/Qz with tth/cp dissem	182.0	1540	3.33	0.6760
PR1650	385246	5400255	839.100	Mullock	Fine grained cp dissem in phyllite, powdery Cu second min	19.1	1785	3.15	1.1400
PR1651	385096	5400179	880.200	Mullock	Massive Fe-Mg carb/Qz with tth/cp dissem	4.6	18	0.27	0.0060
PR1652	385092	5400180	880.700	Mullock	Fine grianed cp dissem in rock	12.1	1055	1.15	0.3940
PR1653	384734	5399936	766.400	Mullock	Massive Fe-carb with cp/tth dissem	130.0	487	3.41	0.1285
PR1654	384732	5399930	765.700	Mullock	Massive Fe-Mg carb/Qz with cp/tth dissem	8.9	86	0.45	0.0245
PR1655	385080	5400065	828.300	Mullock	Massive white qz with weak tth/cp dissem	43.5	274	1.80	0.1495
PR1656	385260	5400220	831.400	Mullock	Massive Fe-Mg carb/Qz with cp/tth dissem	128.0	472	2.81	0.1345
PR1657	385220	5400075	806.900	Mullock	Massive Fe-Mg carb/Qz with cp/tth dissem	27.8	423	1.46	0.1110
PR1658	385080	5400050	820.900	Mullock	Massive Fe-Mg carb/Qz with cp/tth dissem	12.7	36	0.38	0.0051
PR1659	385087	5400060	825.500	Mullock	Massive Fe-Mg carb/Qz with cp/tth dissem	78.4	488	2.27	0.0938
PR1660	385080	5400053	822.700	Mullock	Massive qz with tth dissem	353.0	180	1.73	0.1015
PR1661	385070	5400055	823.200	Mullock	Fine grianed cp dissem in rock	21.1	1590	2.45	0.4590
PR1662	385243	5400231	836.900	Mullock	Massive Fe-Mg carb with cp/tth dissem	1.4	213	0.91	0.0853
PR1663	385083	5400057	824.200	Mullock	Massive Fe-Mg carb/Qz with cp/tth dissem	47.4	663	1.25	0.2600
PR1664	385075	5400066	828.000	Mullock	Massive Fe-carb with cp/tth dissem	92.7	702	1.22	0.2160
PR1665	385190	5400063	805.500	Mullock	Massive qz with veinlet of fine grained Asp?	5.7	56	0.05	0.0060



Svatodusna rock chip sample assay results (UTM-WGS84-Zone 34N).



Kolba ionic leach copper results showing geology and underground mine workings. Mullock samples reported in 2022 are also shown.



Kolba ionic leach cobalt results showing geology and underground mine workings and planned drillhole targeting the contact between the footwall granite and the metamorphic host. The soil geochemical anomaly is quite wide and additional holes are planned to fully test the target.

Ionic Leach Soil Geochemistry

In late 2022, two orientation lines of soil sampling we completed across the Kolba prospect.

Sampling of residual soils has been shown to be a useful exploration technique for the Kolba-Svatodusna prospect. Both orientation lines show strong copper, cobalt, silver and nickel anomalies with the stronger values on the line over the old workings. The footwall granite is associated with low values in the above elements and is in distinct contrast with the strongly anomalous response over the hosting metamorphic units. The results support the contact between the footwall granite and the host metamorphic sequence may be an important control on mineralisation.

The anomalies are quite wide, extending for at least 150 metres from the granite contact.

Considering the recent rock chip results and the soil geochemistry, the Kolba-Svatodusna target zone now extends for 1.8 kilometres and is open along strike.

Prospech Managing Director Jason Beckton comments:

"Surface sampling is now complete prior to drill planning of this exciting high grade copper-cobalt-silver-nickel target. We have completed 3D collation of historic workings and preparing for drilling in early 2023. The Kolba prospect and related Svatodusna prospect present drill targets of historically mined, yet never drilled, critical raw material systems.

Ionic leach soil geochemistry is a useful exploration tool in the exploration of the Kolba licence and coverage will be extended in 2023."

For further information, please contact:

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

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 Kolba Project

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 soil assumed from the internal workings. • Samples were taken to understand the style and tenor of mineralisation prior to more detailed work being undertaken.
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).*	• Kolba prospect has not been drilled.
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.*	• Kolba prospect has not been drilled.
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.*	• Rock chips were described in hand specimen and photographs taken for reference.
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.*	• Rock ship sampling only. • 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 XRF instruments, etc, the parameters used in*	• 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 analyzed by ALS Romania using method code ME-ICP61, a 33 element determination using a

Criteria	JORC Code explanation	Commentary
	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.*	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 • 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 European Cobalt in 2017.
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 and Kolba (Application) tenements. • Kolba application licence number N7/22 within Slovak Government Geofundo system - http://apl.geology.sk/geofond/pu/
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• At present the only identified activities conducted across the site has been completed by previous mining operators and European Cobalt Limited (now Aston Minerals Ltd (ASX:ASO))
Geology	• *Deposit type, geological setting and style of mineralisation.*	• The Kolba Project is located in the Veporske vrchy Mountains in central Slovakia. Two Mineralisation stages are noted to occur – Carbonate and sulphide, hosted in Permian sedimentary and volcanic packages. • Economic minerals noted to occur at Kolba include Cobaltite, chalcopyrite and cobalt arsenides.

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*
		• No drilling to date.

Criteria	JORC Code explanation	Commentary
	and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.	
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 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.*	• No results have been reported with aggregated intercepts.
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 both rock chip and 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.
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 additional surface sampling and mapping of the Kolba vein in preparation for diamond drilling early in the 2023 field season.