Prospech Limited
ABN 24 602 043 265

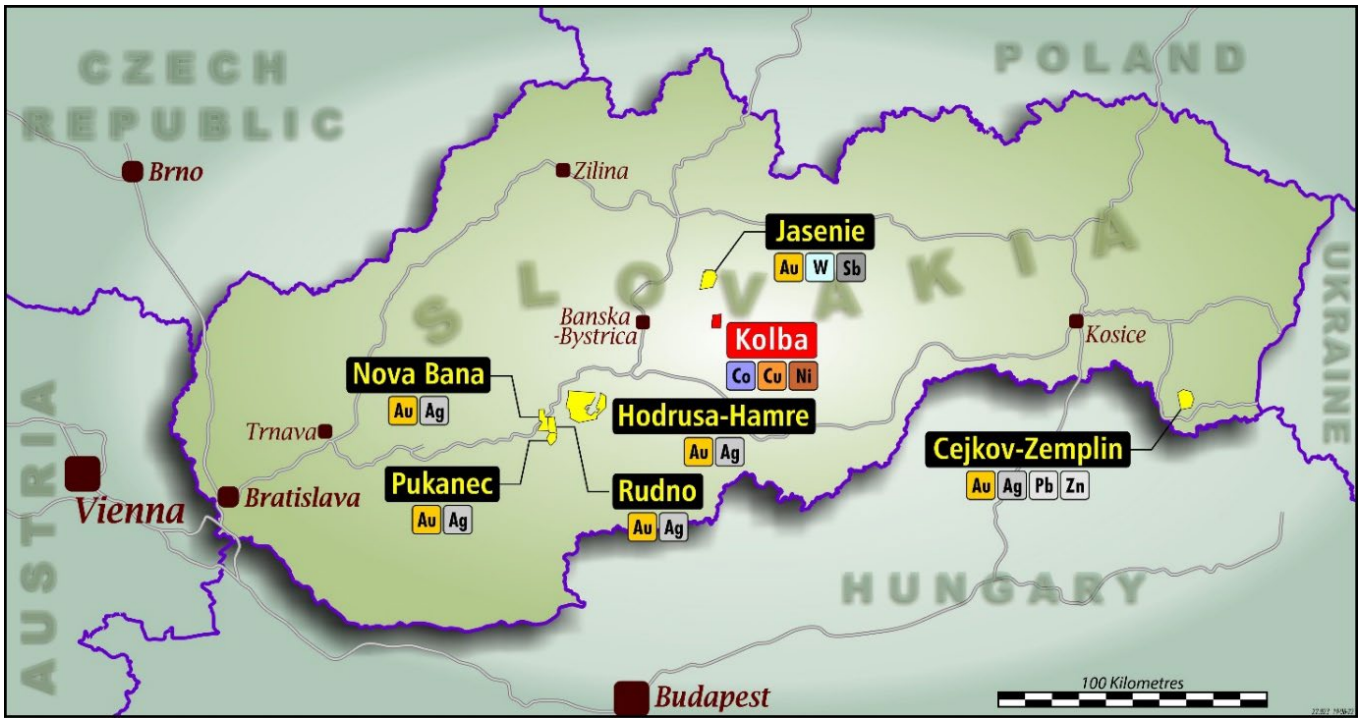
10 August 2023

HIGH-GRADE ASSAYS FROM KOLBA ROCKS

Highlights

- **Results from 39 samples confirm high-grade copper, cobalt, nickel and silver at Kolba and nearby Svatodusna**
- **Assays range up to**
  - **8.22% copper (Average 2.02%)**
  - **4,650 ppm Co (Average 734ppm)**
  - **2.73% Ni (Average 0.36%)**
  - **246.0 g/t Ag (Average 37.0 g/t)**

Prospech Limited (ASX: PRS, 'Prospech' or 'the Company') is pleased to announce the latest assay results from high-grade mullock heap rock-chip samples obtained at the Kolba and nearby Svatodusna prospects. These prospects are currently undergoing a diamond drilling program by the Company.



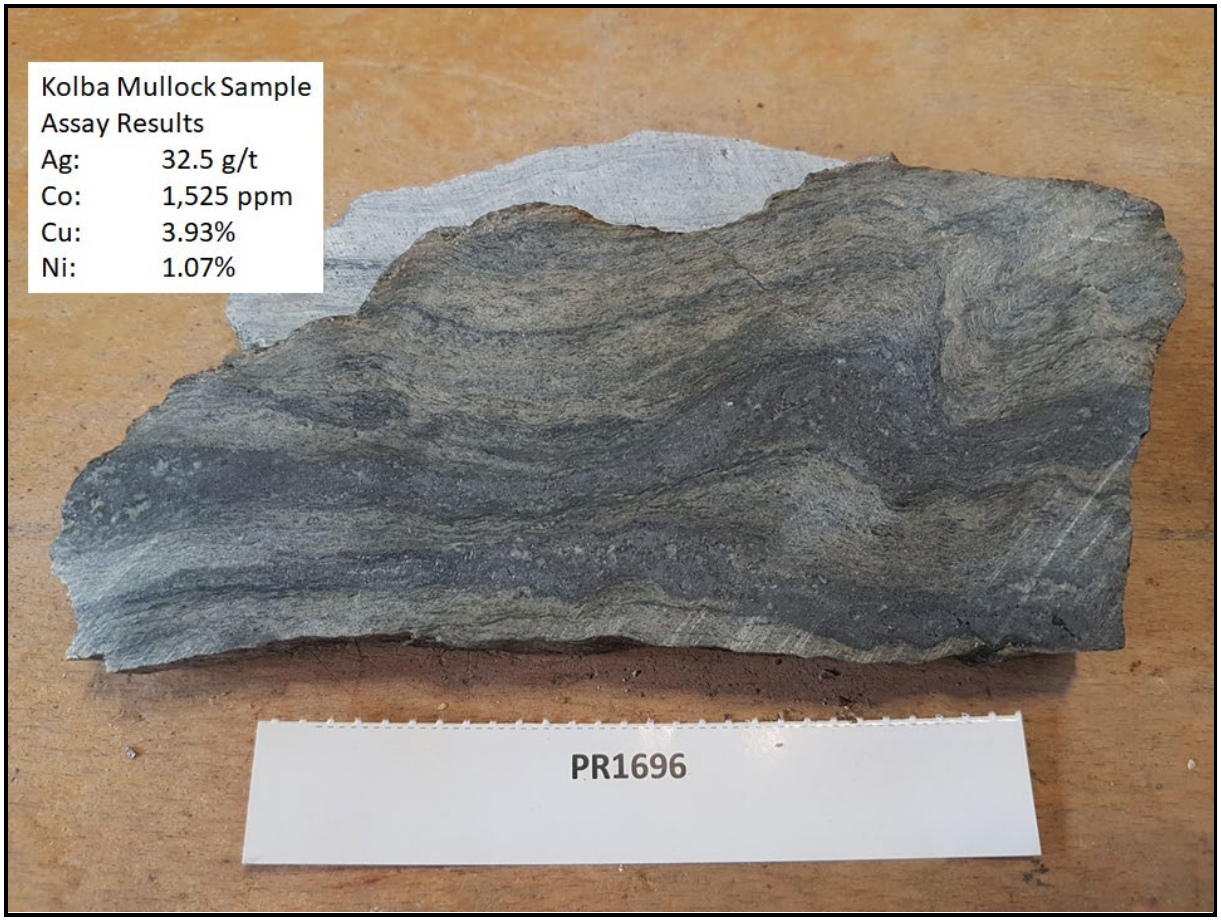
Kolba is located in central Slovakia.

Kolba and Svatodusna Mullock Sample Assay Results

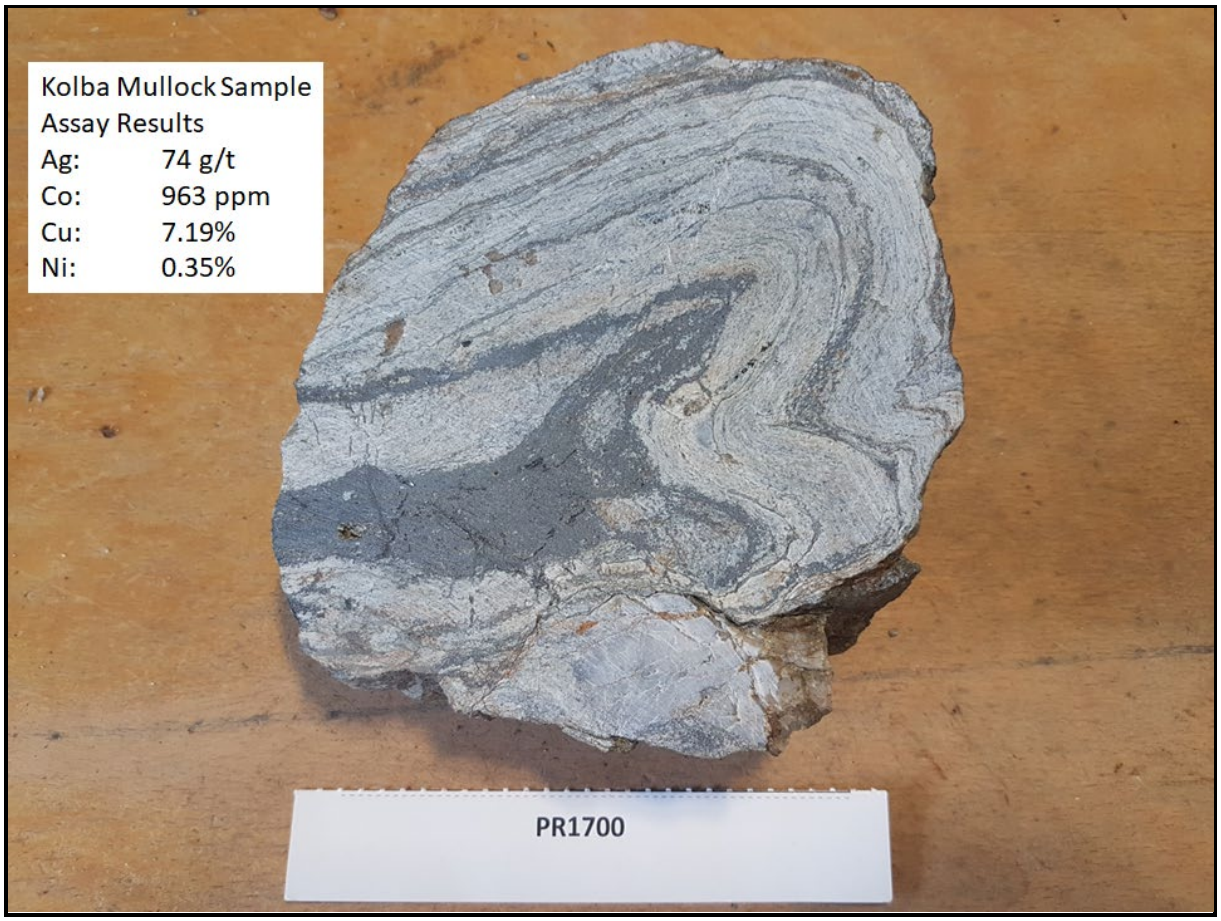
A summary of assay results from a total of 39 rock-chip samples collected from historical mine dumps at Kolba and Svatodusna are shown in the following table:

Metal (units)	Average	Maximum	Minimum
Ag (g/t)	37.0	246.0	0.5
Co (ppm)	734	4,650	30
Cu (%)	2.02	8.22	0.26
Ni (%)	0.36	2.73	<0.01

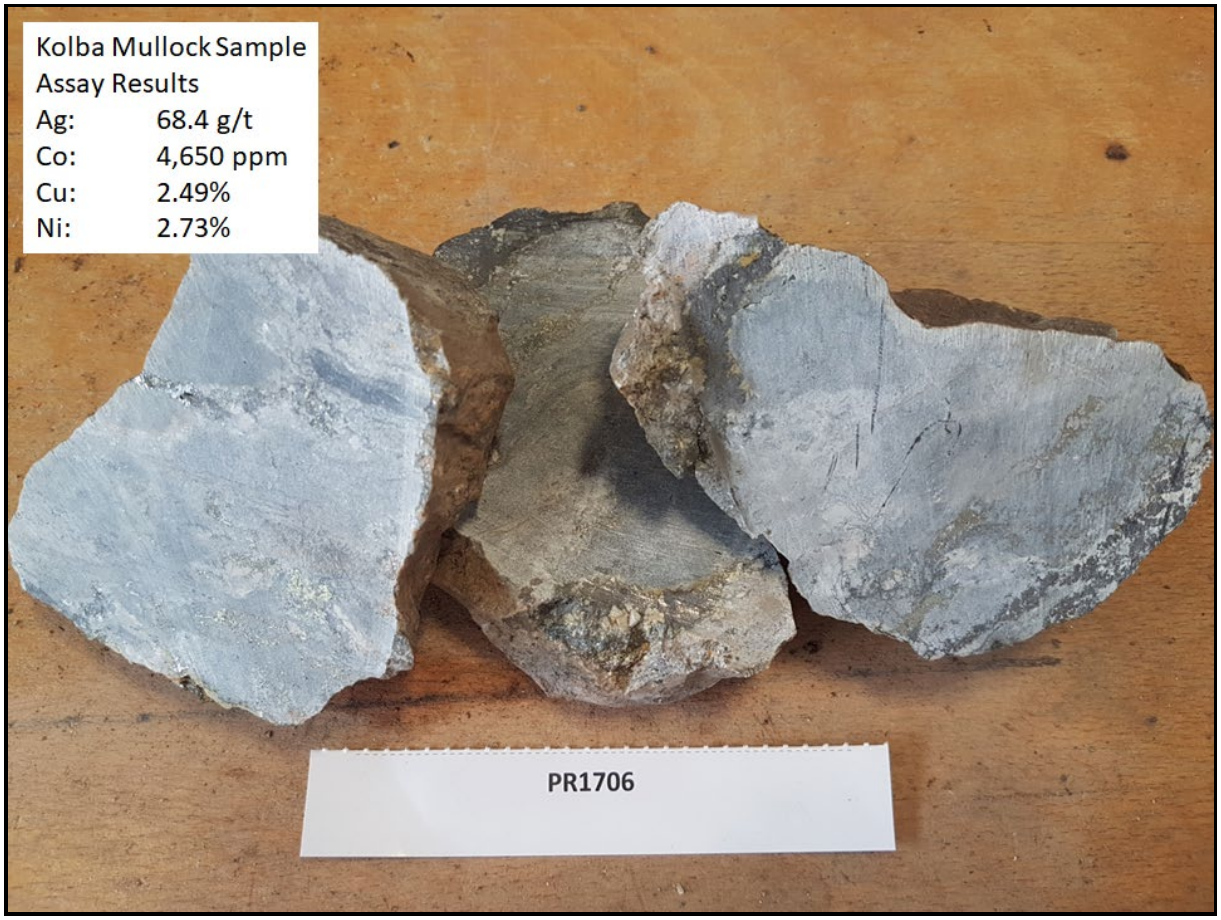
As shown in the figures below, mineralisation at the Kolba and Svatudusna prospects is primarily found within conformable bands in meta-pelites (or phylites). Additionally, quartz-siderite veins sometimes serve as hosts for the mineralisation. The main copper-bearing sulphide minerals identified in the samples are tennantite and chalcopyrite and gersdorffite has been recognised as the primary mineral containing nickel and cobalt.



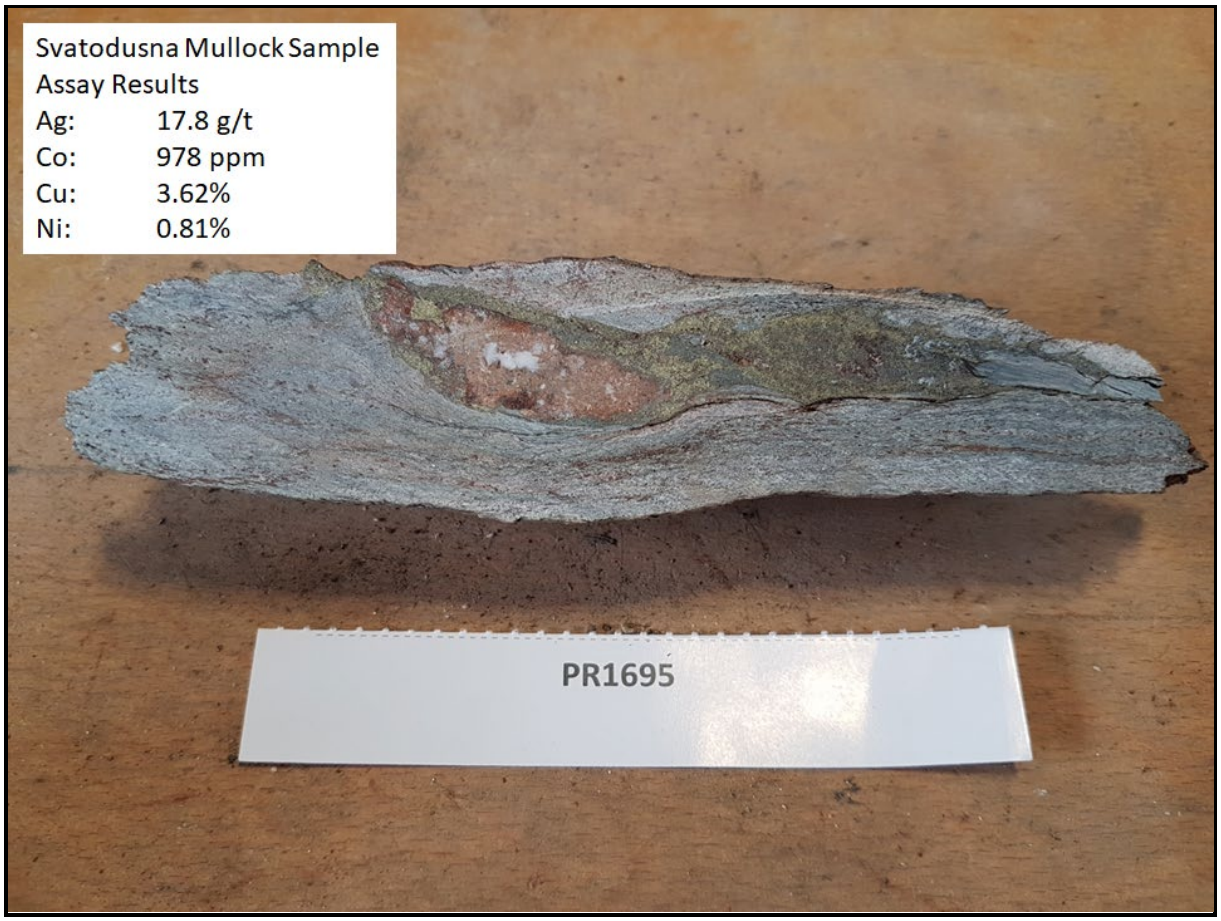
The darker sulphide bans composed principally of copper-rich tennantite are largely conformable with the metamorphic fabric.



Conformable bands of tennantite, chalcopyrite and minor gersdorffite have been remobilised to the axis of a small recumbent fold.



Vein-style tennantite-gersdorffite-chalcopyrite mineralisation.



Boudinage style tennantite-chalcopyrite mineralisation.
The boudin is siderite and the sulphides have preferentially migrated to the lower strain positions.

More comprehensive information regarding the 39 samples is as follows:

SampleID	Prospect	UTM_East	UTM_North	Sample_Type	Vein_Description	Ag	Co	Cu-pct	Ni-pct
PR1680	Kolba	385864	5400693	Mullock	Fe-Mg carbonate with chalcopyrite disseminations	8.7	112	1.74	0.03
PR1681	Kolba	385890	5400700	Mullock	Fe-Mg carbonates, chalcopyrite, tetrahedrite/tennantite, powdery Cu seconday minerals	19.8	283	2.71	0.12
PR1682	Kolba	385858	5400707	Mullock	Chalcoprite dissem	0.7	30	0.41	0.00
PR1683	Kolba	385858	5400676	Mullock	Chalcoprite dissem	0.8	304	1.00	0.08
PR1684	Kolba	385967	5400741	Mullock	Chalcopyrite, tetrahedrite/tennantite in Fe-Mg carbonates	2.7	90	0.26	0.07
PR1685	Kolba	385850	5400700	Mullock	Chalcopyrite dissem along foliation planes	24.6	521	2.34	0.20
PR1686	Kolba	385899	5400706	Mullock	Chalcopyrite, tetrahedrite/tennantite patches	47.7	1215	1.11	1.27
PR1687	Kolba	385877	5400714	Mullock	Chalcopyrite, tetrahedrite/tennantite patches	14.2	315	2.38	0.12
PR1688	Kolba	385791	5400673	Mullock	Chalcopyrite, tetrahedrite/tennantite dissem	11.8	886	1.97	0.35
PR1689	Kolba	385852	5400672	Mullock	Chalcopyrite dissem	1.0	200	1.15	0.03
PR1690	Kolba	385853	5400705	Mullock	Chalcopyrite, tetrahedrite/tennantite patches	38.7	84	1.23	0.03
PR1691	Kolba	385853	5400669	Mullock	Chalcopyrite, arsenopyrite patches	0.5	92	0.27	0.01
PR1692	Kolba	385894	5400691	Mullock	Chalcopyrite, tetrahedrite/tennantite dissem	52.0	360	2.60	0.15
PR1693	Kolba	385842	5400664	Mullock	Tennantite veinlets, chalcopyrite dissem	0.7	167	0.54	0.03
PR1694	Kolba	385845	5400667	Mullock	Chalcopyrite and arsenopyrite dissem	1.7	78	0.29	0.02
PR1696	Kolba	385749	5400662	Mullock	Tennantite veinlets with minor chalcopyrite and Fe-Mg carbonate	32.5	1525	3.93	1.07
PR1697	Kolba	385740	5400660	Mullock	Tannantite, trace chalcopyrite dissem in Fe-Mg carbonate	56.0	899	8.22	0.51
PR1698	Kolba	385750	5400670	Mullock	Tennantite and trace chalcopyrite veinlets along foliation	17.3	581	1.83	0.30
PR1699	Kolba	385840	5400670	Mullock	Chalcopyrite and gersdorffite patches in carbonate	28.5	2230	1.76	1.56
PR1700	Kolba	385755	5400665	Mullock	Tennantite and trace chalcopyrite	74.0	963	7.19	0.36
PR1701	Kolba	385770	5400670	Mullock	Veinlets and dissemination of chalcopyrite and tetrahedrite/tennantite	73.2	379	3.50	0.21
PR1702	Kolba	385775	5400675	Mullock	Chalcopyrite, tetrahedrite/tennantite in Fe-Mg carbonates	28.7	335	1.53	0.08
PR1703	Kolba	385765	5400665	Mullock	Tennantite, Co-Ni sulphides disseminations and short veinlets	24.3	752	3.40	0.36
PR1704	Kolba	385780	5400655	Mullock	Massive chalcopyrite in carbonates	15.9	1030	1.95	0.18
PR1705	Kolba	385777	5400666	Mullock	Chalcopyrite, tennantite/tetrahedrite dissem	22.5	223	3.56	0.07
PR1706	Kolba	385779	5400669	Mullock	Chalcopyrite, tennantite/tetrahedrite, gersdorffite dissem and veinlets	68.4	4650	2.49	2.73
PR1707	Kolba	385842	5400672	Mullock	Qz-Qz/Fe-Mg carb veinlets with chalcopyrite and tetrahedrite/tennantite	14.9	181	1.71	0.07
PR1708	Kolba	385845	5400670	Mullock	Irregular chalcopyrite veinlets	2.3	192	2.05	0.06
PR1709	Kolba	385850	5400673	Mullock	Qz-Qz/Fe-Mg carb veinlets with chalcopyrite and tetrahedrite/tennantite	2.3	159	0.39	0.04
PR1710	Kolba	385851	5400670	Mullock	Qz veinlets with patches of chalcopyrite and tetrahedrite/tennantite	4.7	77	0.84	0.01
PR1711	Kolba	385871	5400678	Mullock	Patches of chalcopyrite, tennantite/tetrahedrite, gersdorffite	112.0	1620	1.44	1.21
PR1676	Svatodusna	384870	5399975	Mullock	Coarse siderite with qz veinlets and chalcopyrite	30.6	556	1.76	0.21
PR1677	Svatodusna	384822	5399947	Mullock	Siderite with qz and chalcopyrite	105.0	1055	0.81	0.33
PR1678	Svatodusna	384822	5399959	Mullock	Siderite, chalcopyrite, tennantite/tetrahedrite, powdery secondary Cu minerals	152.0	572	1.10	0.20
PR1679	Svatodusna	384819	5399954	Mullock	Siderite, quartz, chalcopyrite	4.1	61	0.83	0.02
PR1695	Svatodusna	384811	5399961	Mullock	Siderite and qz lens wity chalcopyrite/tetrahdrite rim	17.8	978	3.62	0.81
PR1712	Svatodusna	385124	5400148	Mullock	Qz/siderite lens with chalcopyrite/tetrahedrite rim	246.0	1420	2.83	0.63
PR1713	Svatodusna	385245	5400268	Mullock	Thin tetrahedrite and Ni-Co sulph veinlets. Powdery erythrite.	59.6	3280	1.08	0.43
PR1714	Svatodusna	384817	5399946	Mullock	Folded phyllite with weak chalcopyrite/tetrahedrite dissem	14.0	183	0.91	0.05

Ag g/t
< 1.00
1.00 to 5.00
5.00 to 10.00
10.00 to 50.00
50.00 to 100.00
>= 100.00

Co ppm
< 100.00
100.00 to 500.00
500.00 to 1000.00
1000.00 to 2000.00
2000.00 to 4000.00
>= 4000.00

Cu pct
< 0.10
0.10 to 0.50
0.50 to 1.00
1.00 to 2.00
2.00 to 4.00
>= 4.00

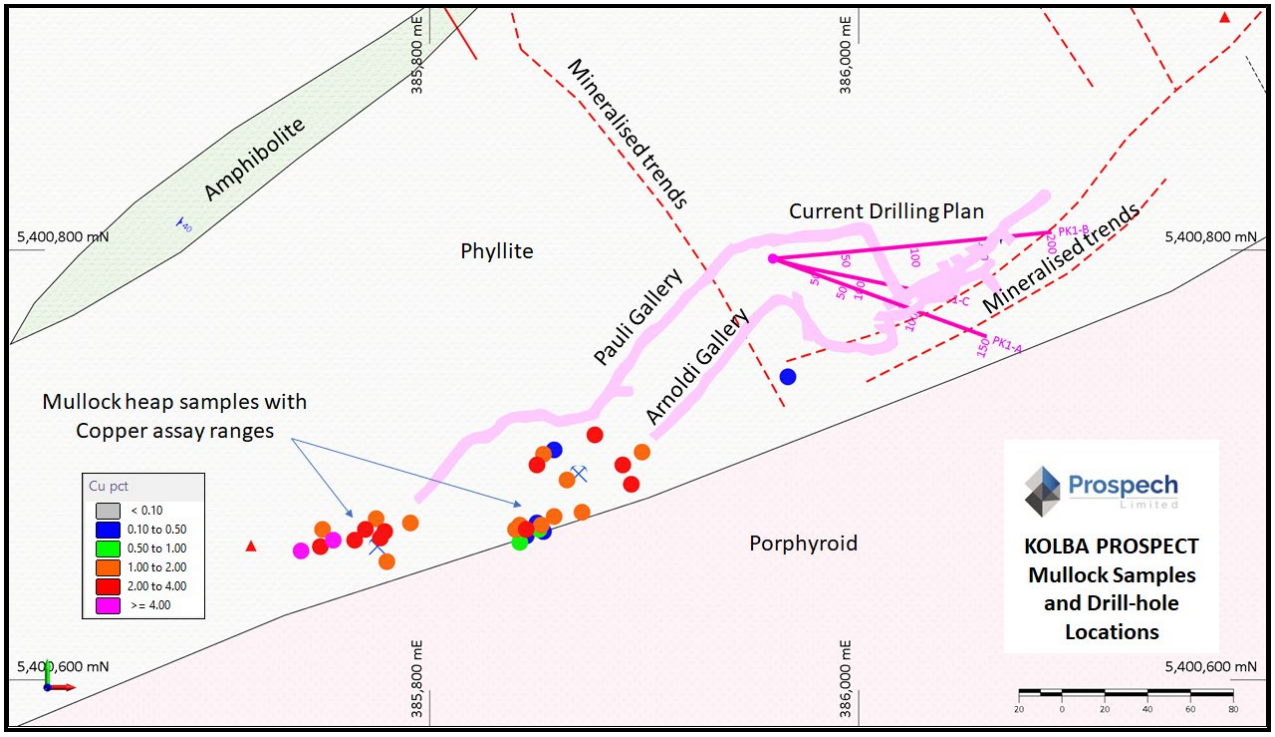
Ni pct
< 0.10
0.10 to 0.20
0.20 to 0.50
0.50 to 1.00
1.00 to 2.00
>= 2.00

Detailed list of recent samples and accompanying assays.

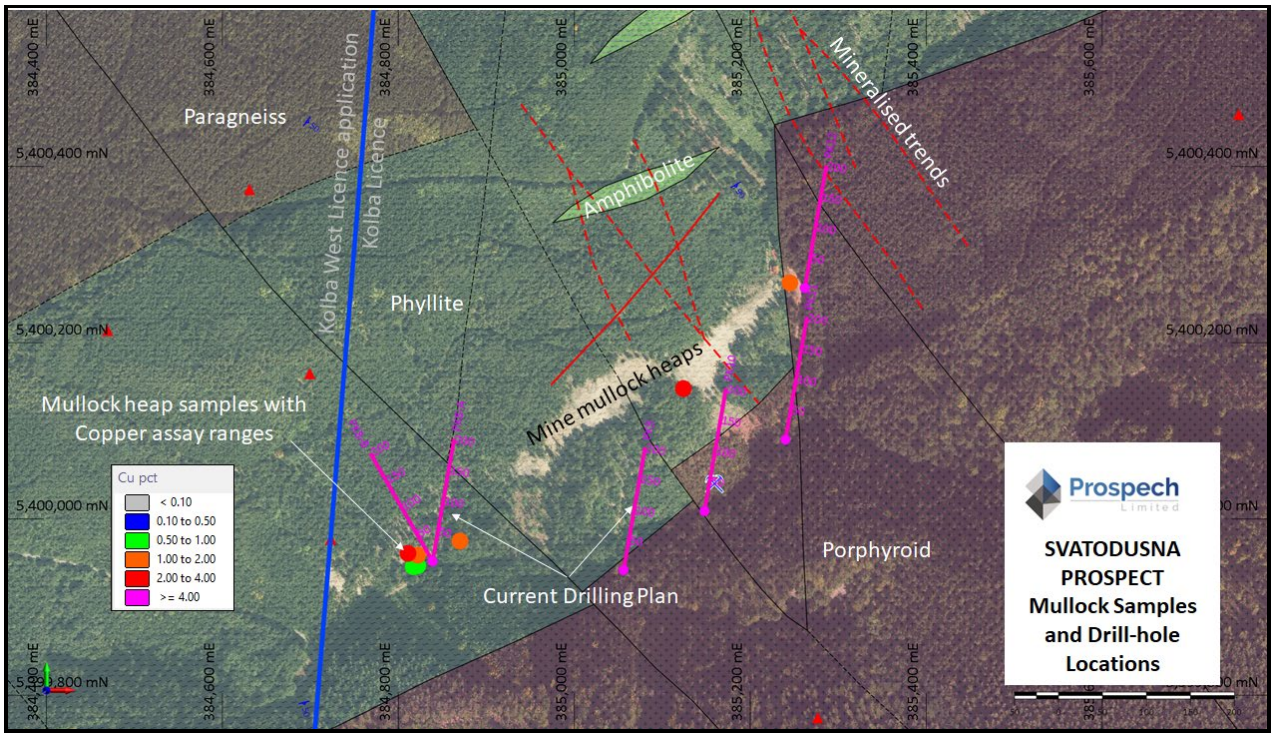
Kolba drilling update

Drilling operations at the Kolba prospect are currently in progress, however, the drilling progress has been hindered by challenging ground conditions and unexpected rig breakdowns, resulting in slower advancement than initially expected.

Upon completion of the drilling program at Kolba, the rig will be relocated to drill test the nearby Svatodusna prospect.



Map of the Kolba Prospect showing the locations recent rock-chip sampling coloured by copper assay range, planned drill holes and interpreted bedrock geology.



Map of the Svatodusna Prospect showing the locations recent rock-chip sampling coloured by copper assay range, planned drill holes and interpreted bedrock geology. The base air photo image clearly show the historic mine mullock heaps.

Prospech Managing Director Jason Beckton commented, "*The suite of assay results obtained from the Kolba and Svatodusna prospects serves to reaffirm their high-grade potential. Historical reports indicate that the Kolba miners selectively sorted their ore by hand, meaning that only the highest-grade ore was sent for smelting. Consequently, the samples collected by our geologists likely represent the reject material, implying that higher grades may be anticipated in situ.*

The collected samples have provided valuable insights into the mineralisation style, leading us to conclude that a significant portion of the mineralisation is conformable with the schistocity of the phyllite host.

We are pleased to advise that most of the recent drilling challenges have been resolved and we anticipate making good progress in the coming weeks."

For further information, please contact:

Jason Beckton
Managing Director
Prospech Limited
+61 (0)438 888 612

This announcement has been authorised for release to the market by the Board of Prospech Limited.

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.

About Prospech Limited

Founded in 2014, the Company is engaged in mineral exploration in Slovakia and Finland, with the goal of discovering, defining, and developing critical mineral elements such as rare earths, lithium, cobalt, copper, silver, and gold.

Prospech is taking steps to be a part of the mobility revolution and energy transition in Europe. The Company has a portfolio of prospective cobalt and precious metals projects in Slovakia and prospective rare earth element and lithium projects in Finland.

Eastern and Northern Europe are areas that are highly supportive of mining and have a growing demand for locally sourced rare earth elements and lithium. With the demand for these minerals increasing, Prospech is positioning itself to be a major player in the European market.

JORC Code, 2012 Edition – Table 1 Kolba-Svatodusna 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-

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.*	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 • 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*
		• No drilling to date.

Criteria	JORC Code explanation	Commentary
	○ *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.*	
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.

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