

**PROSPECT RESOURCES LIMITED**

ABN 30 124 354 329

**INTERIM FINANCIAL REPORT  
FOR THE HALF-YEAR ENDED  
31 DECEMBER 2025**

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**CORPORATE DIRECTORY**

**DIRECTORS**

Mark Wheatley  
Sam Hosack  
Gaurav Gupta  
Ian Goldberg  
Matt Pacall  
Doug Jones

**SECRETARY**

Lee Tamplin and Jenny Macasarte

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**ASX CODE**

Shares – PSC

**LEGAL REPRESENTATIVES**

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Perth WA 6000

**ACN:**

124 354 329

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## DIRECTORS' REPORT

The Directors of Prospect Resources Limited ("the Company") submit hereby the interim financial report of the Company and its subsidiaries, (together the "Consolidated Entity" or "Group" or "Prospect") for the half-year ended 31 December 2025. In order to comply with the provisions of the Corporations Act 2001, the Directors' Report as follows:

### DIRECTORS AND OFFICERS

The names of the Company's directors and officers in office during the period and until the date of this report are as below.

Directors and officers were in office for this entire period unless otherwise stated:

Name	Particulars
Mark Wheatley	Non-Executive Director and Chairperson
Sam Hosack	Managing Director
Gerry Fahey	Non-Executive Director (resigned 25 November 2025)
Gaurav Gupta	Non-Executive Director
Matt Pascall	Non-Executive Director
Doug Jones	Non-Executive Director (appointed 8 October 2025)
Ian Goldberg	Executive Director Finance Chief Financial Officer Joint Company Secretary (resigned 1 July 2025)
Harry Miller	Joint Company Secretary (resigned 1 July 2025)
Lee Tamplin Jenny Macasarte	Joint Company Secretaries (appointed 1 July 2025)

### PRINCIPAL ACTIVITY

The principal activity of the Group is exploration, evaluation and development of mineral resources.

### REVIEW OF OPERATIONS AND RESULTS

The Group has recognised an overall loss after tax of \$5,432,128 (2025: \$3,979,113).

During the half year Prospect was active on its projects as follows:

#### Mumbezhi Copper Project (Zambia) – 85% PSC

##### Phase 2 drilling programme

Prospect's Phase 2 drilling programme at the Mumbezhi Copper Project ("Mumbezhi") commenced on 12 May 2025. The full programme comprises a planned 56 diamond drill and 165 exploratory aircore (AC) drill holes for a combined approximate 18,000 metres drilled.

During the period, Prospect completed its Phase 2 drilling programme with approximately 14,792 metres of diamond drilling completed across 59 holes (including 8 re-entries). Phase 2 diamond drilling was supplemented with 3,507 metres of shallow AC drilling for 165 holes covering wide swathes of prospective ground at Mumbezhi. AC drilling has proven to be an effective exploration technique in terms of cost and time, assisting greatly in delineating new regional subsurface targets, with current exploration target as shown in figure 1. Due to its efficacy in the Phase 2 programme, Prospect intends to utilise AC drilling more extensively in future exploration drill programmes at Mumbezhi.

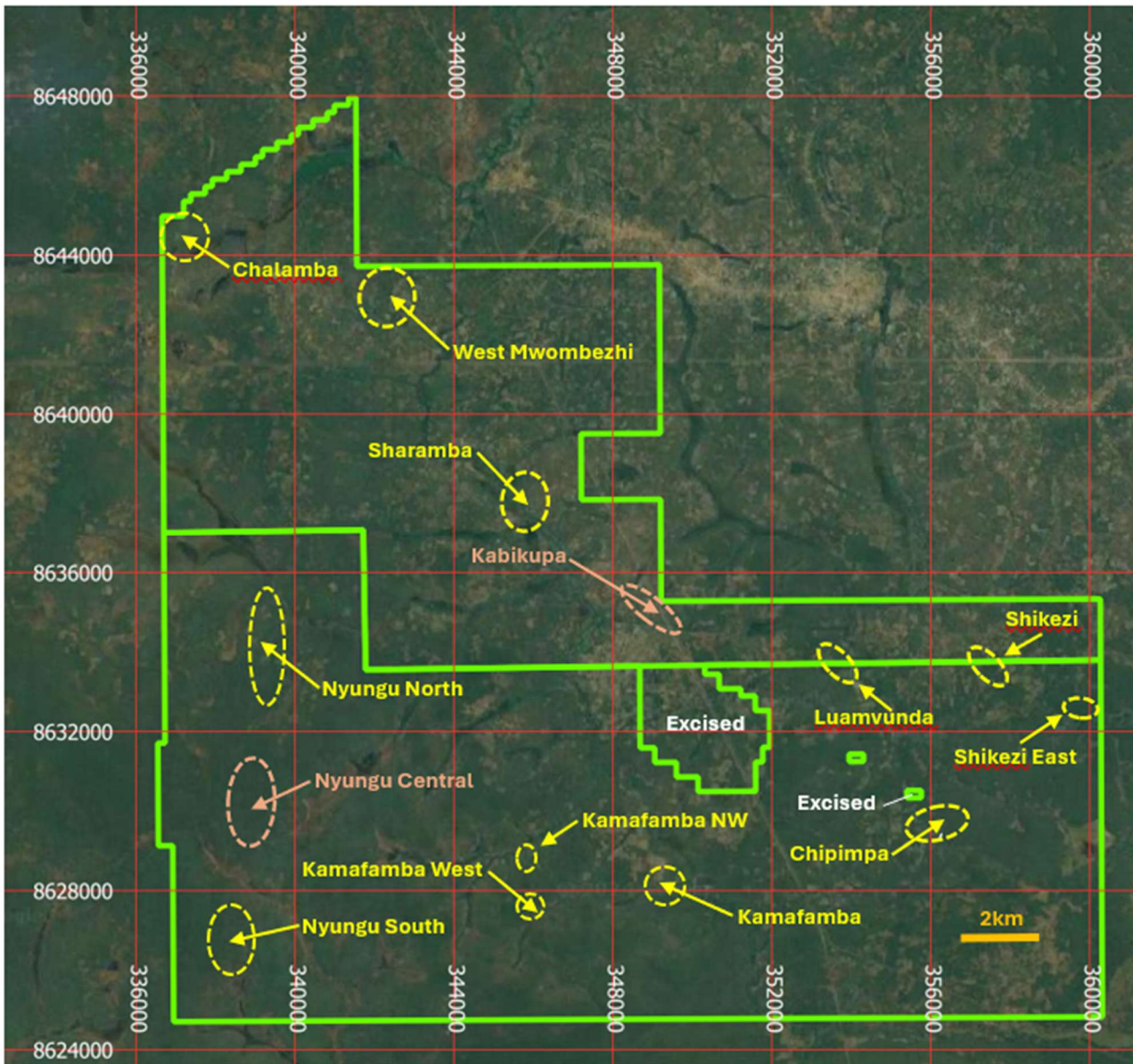
The Phase 2 programme was designed with the following key objectives in mind:

- Extend and upgrade the existing Mineral Resource Estimates (MRE) at the Nyungu Central and Kabikupa deposits;
- Generate maiden Inferred Mineral Resource Estimates for the West Mwombezhi and Nyungu South prospects;
- Complete first-pass, shallow AC exploratory drilling of numerous regional copper anomalies defined across the Mumbezhi tenure; and

- Undertake subsequent diamond drilling to test depth extent of coherent copper mineralisation defined by the widespread AC work.

During the period Prospect provided several exploration progress updates for Mumbezhi including assay results received from Phase 2 drilling completed at both the Nyungu Central and Kabikupa deposits.

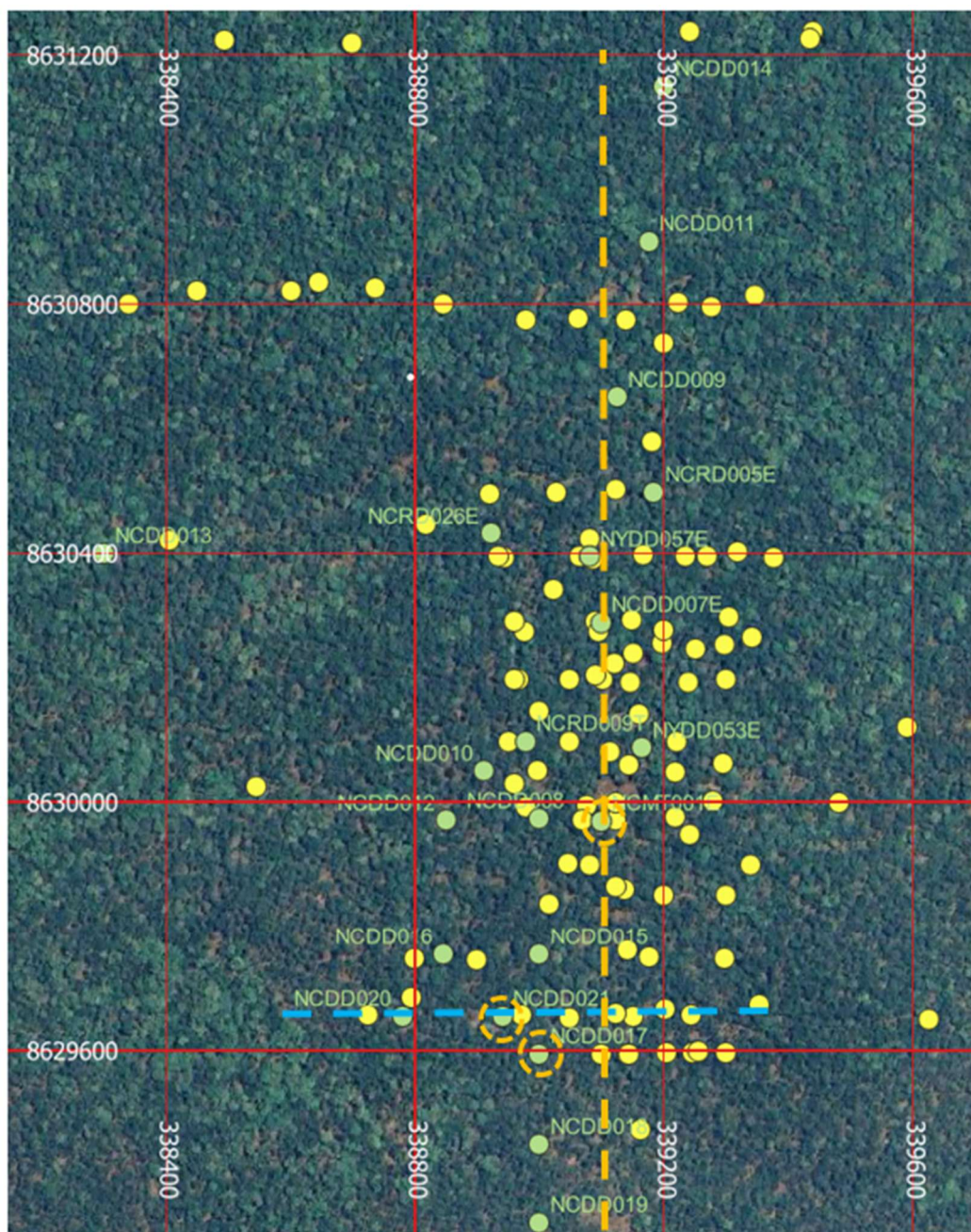
Analysis and release of remaining assay results from a number of Phase 2 diamond drill holes remains pending, primarily due to extended turnaround times at the local analytical laboratories used by Prospect. This delay reflected increased industry-wide drilling activity during the dry field season (May to November) across northwestern Zambia, and is a consequent effect of a significant increase in exploration within the Zambian Copper Belt, in turn linked to rising copper prices.



**Figure 1: Mumbezhi Mining Licences showing deposits and currently delineated prospects**

**Further extensions defined at Nyungu Central**

Phase 2 drilling at Nyungu Central aimed to produce extensions to the currently defined Indicated and Inferred MRE, and to test new targets defined to the immediate north and south. The northern drill targets were predicated on strong ground-based chargeable IP anomalies defined by Prospect in 2024<sup>1</sup>, whilst the previously undrilled southern target is supported by historical chargeable IP geophysical surveys completed by Anglo American in 2001<sup>2</sup>.



**Figure 2: Nyungu Central drill hole collar plan showing Phase 2 drill holes (green), pre-2025 holes (yellow) and the drilling section described in this release (dashed blue line) and long section (orange dashed line)**

On 15 October 2025, Prospect released assay results from two holes targeting the far northern down-plunge (NCDD011) and far southern up-plunge (NCDD015) positions of the Nyungu Central deposit. Both returned strong results, successfully extending the footprint of copper mineralisation to a total strike length exceeding 1.5 km (see Figures 2-3).

<sup>1</sup> Refer to PSC ASX release dated 26 November 2024, *Further strong intercepts returned from drilling at Nyungu Central Deposit*

<sup>2</sup> Refer to PSC ASX release dated 6 March 2025, *IP Geophysics Strongly Validated as an Effective Targeting Tool at Nyungu*

Prospect also assayed the entirety of NCDD011 for gold, which returned significantly elevated results, coinciding with copper mineralisation in the transition zone of that hole.

Significant intervals returned from the latest drilling included:

- 20.9m @ 0.70% Cu from 226m (sulphide) and 14.4m @ 0.45% Cu from 83.6m (transition), incl. 4.4m @ 0.60 g/t Au from 83.6m (transition) (NCDD011); and
- 36.0m @ 0.33% Cu from 52.0m (transition) (NCDD015).

Given the latent value it could provide to the Mumbeszi Project's overall economics, the encouraging gold results from NCDD011 provided a strong impetus for the re-assaying of existing pulp samples from the transition-fresh zones across Nyungu Central for gold. This work was completed in January 2026, the details of which are contained further below in this release.

On 4 December 2025, Prospect announced significant drill assays from a further three holes drilled at Nyungu Central. These drill holes targeted an under-drilled area at the southern end of the existing MRE, where copper mineralisation surfaces up plunge before being terminated or offset on an east-southeast trending fault.

Drill hole NCDD021 returned a highly encouraging shallow intercept of 34m @ 0.88% Cu from 128m, and 2.7m @ 0.52% Cu from 114.3m (see Figure 4).

The result from NCDD021 is important as it grows the potential to define significant near-surface tonnages and extensions to the large-scale copper system already defined at Nyungu Central.

The other two significant intervals returned were:

- 8.46m @ 0.34% Cu from 213.5m (sulphide) and 6.0m @ 0.42% Cu from 50m (oxide) (NCMT001)
- 2.06m @ 0.33% Cu from 50.9m (oxide) (NCDD017)

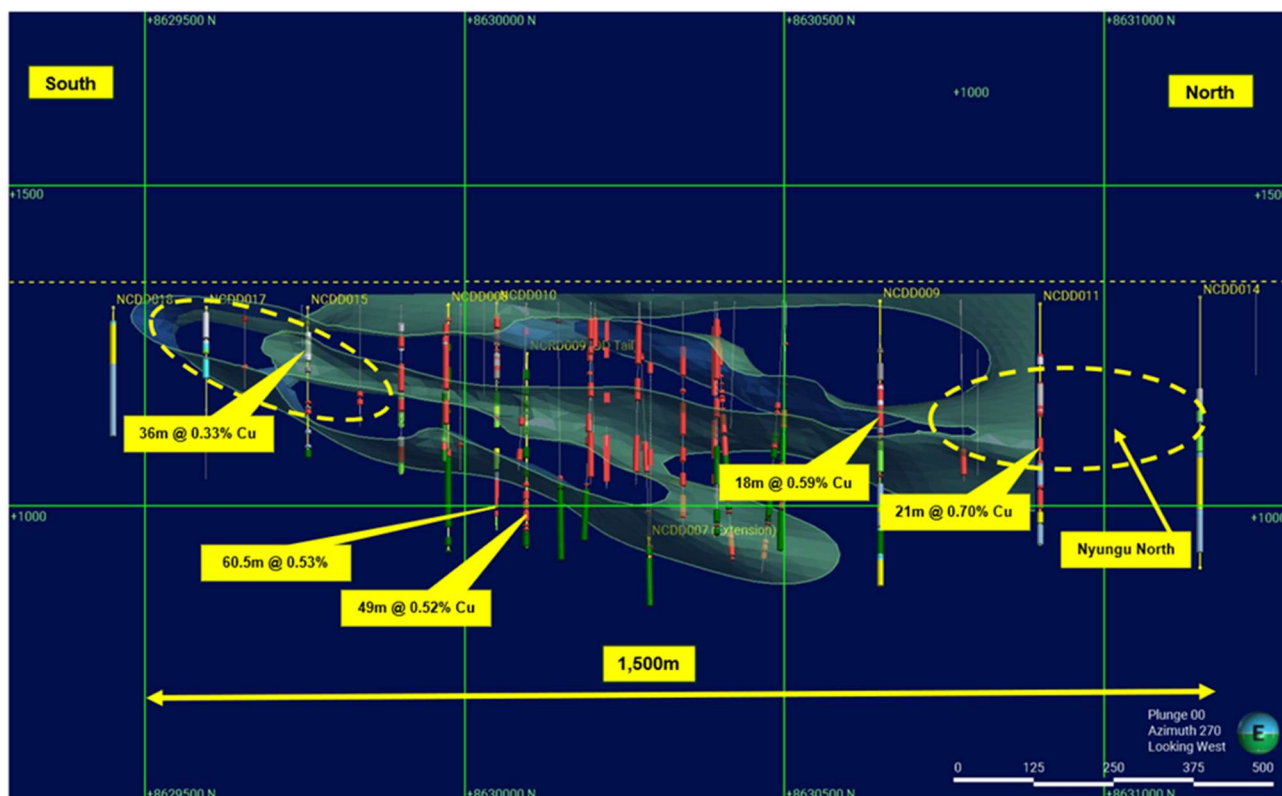


Figure 3: Long Section Projection of Nyungu Central Deposit

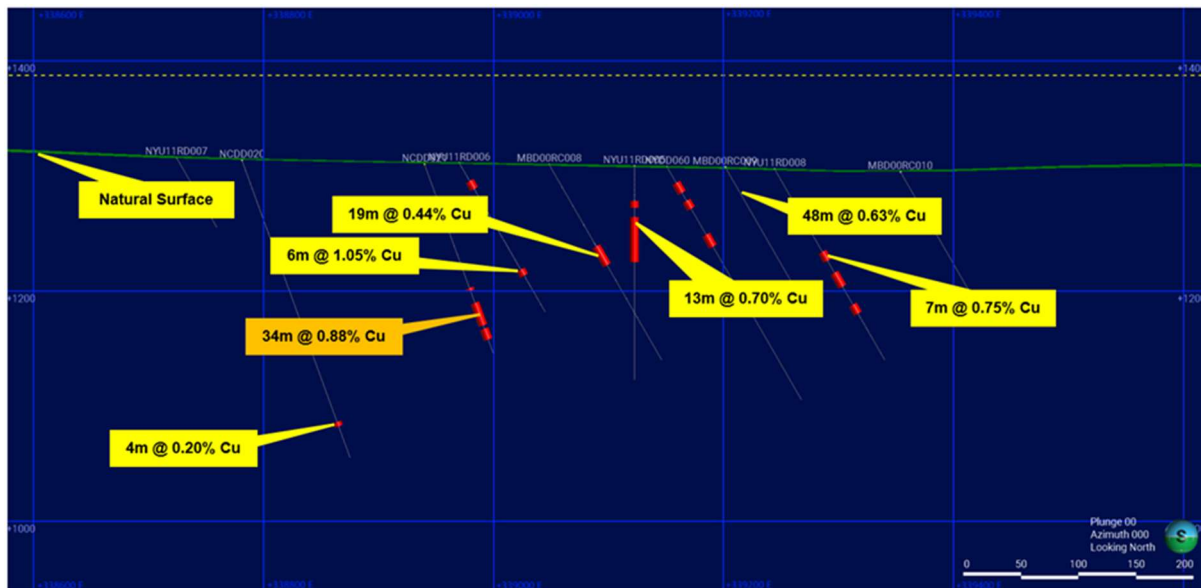


Figure 4: Nyungu Central drilling section at 8629650mN showing NCDD021 drilling result (looking north)

### **Kabikupa extended in multiple directions**

Phase 2 drilling at Kabikupa consisted of both infill and extensional drill holes aimed at increasing confidence in the continuity of the mineralised copper zones interpreted from the existing Inferred MRE, and more importantly, extending the footprint up-dip, down-dip and along strike to the northwest and southeast.

A total of 14 diamond holes for 3,200m were completed at Kabikupa as part of the Phase 2 programme.

On 15 October 2025, Prospect released the remaining Kabikupa assays. Significant intervals included:

- 13.0m @ 0.50% Cu from 138m (KKDD018); and
- 13.0m @ 0.31% Cu from 37m, incl. 5m @ 0.48% Cu from 42m (KKDD014)

Phase 2 drilling at Kabikupa has generated impressive strike extensions and mineralised thicknesses at the northwest end of the deposit (e.g. KKDD018) in a region that lies close to an interpreted fault offset, which appears to close off (or displace) the copper mineralisation (see Figures 5-7).

On 4 December 2025, final assays were also reported from the dedicated metallurgical drill hole KKMT001 completed at Kabikupa, which returned<sup>3</sup>:

- 18.6m @ 0.48% Cu from 98m (fresh), incl. 13.6m @ 0.56% Cu from 103m; and
- 5.0m @ 0.35% Cu from 72.0m (transitional)

The metallurgical drill hole has since undergone composite sampling of its transitional and fresh copper mineralisation. Samples were sent to Core Metallurgy in Brisbane (Australia) for comprehensive testing. Initial results from this testing are anticipated late in March 2026.

<sup>3</sup> Refer to PSC ASX release dated 4 December 2025, *New High-Grade Zone Identified at Mumbezhi*

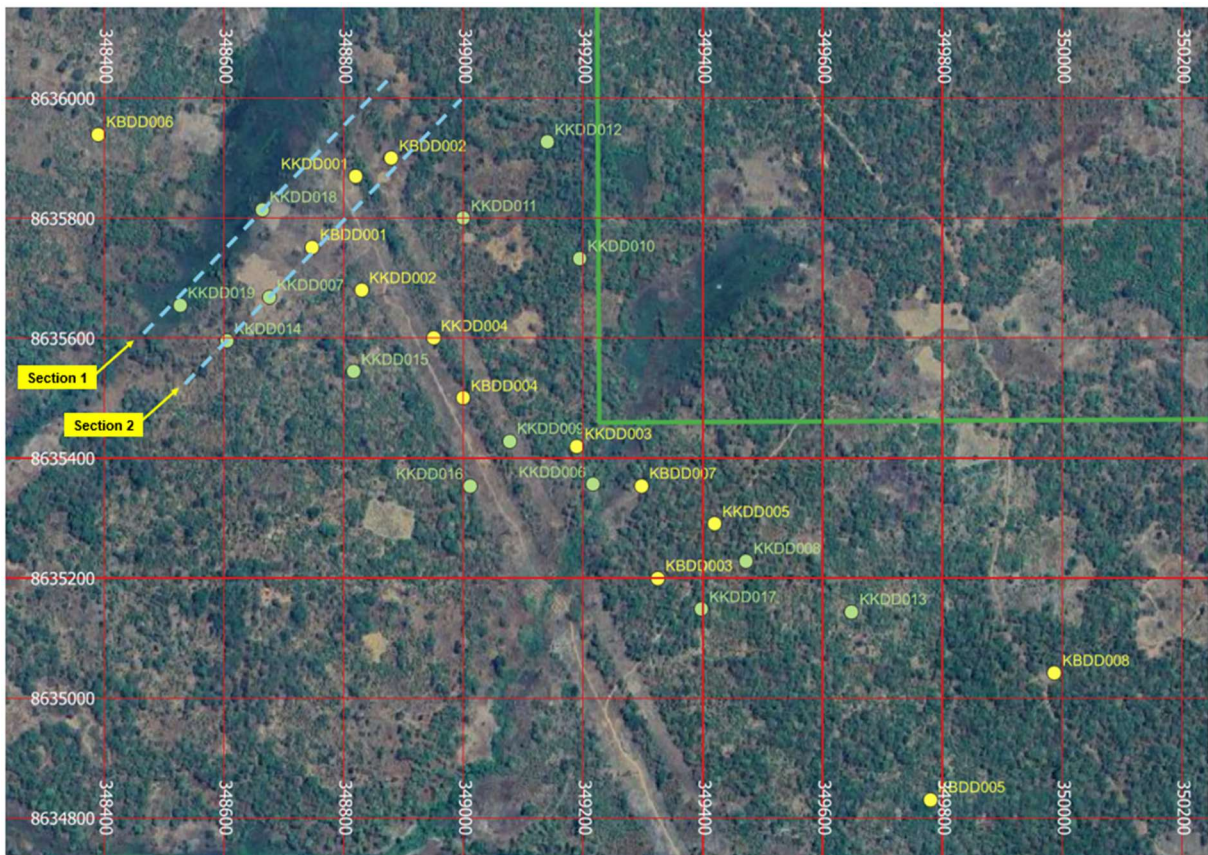


Figure 5: Kabikupa drill hole collar plan showing Prospect Phase 2 drill holes (green), pre-2025 holes (yellow) and oblique drilling cross sections described in this release (as dashed blue lines)

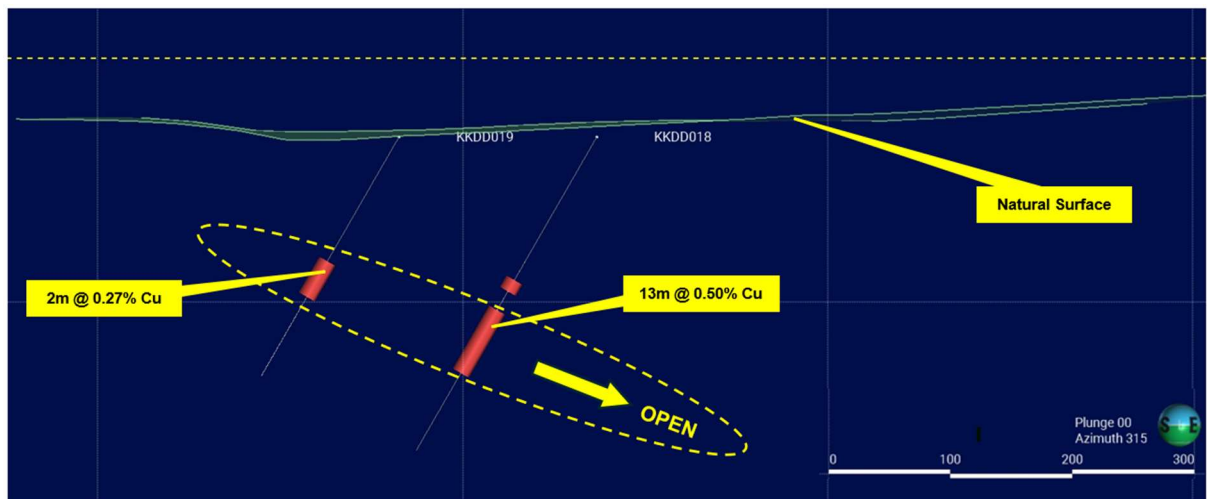


Figure 6: Kabikupa oblique drilling Section 1 (+/-50m) facing northwest, showing logged mineralisation (red) and the natural topographic surface (green line). Scale is 1:1

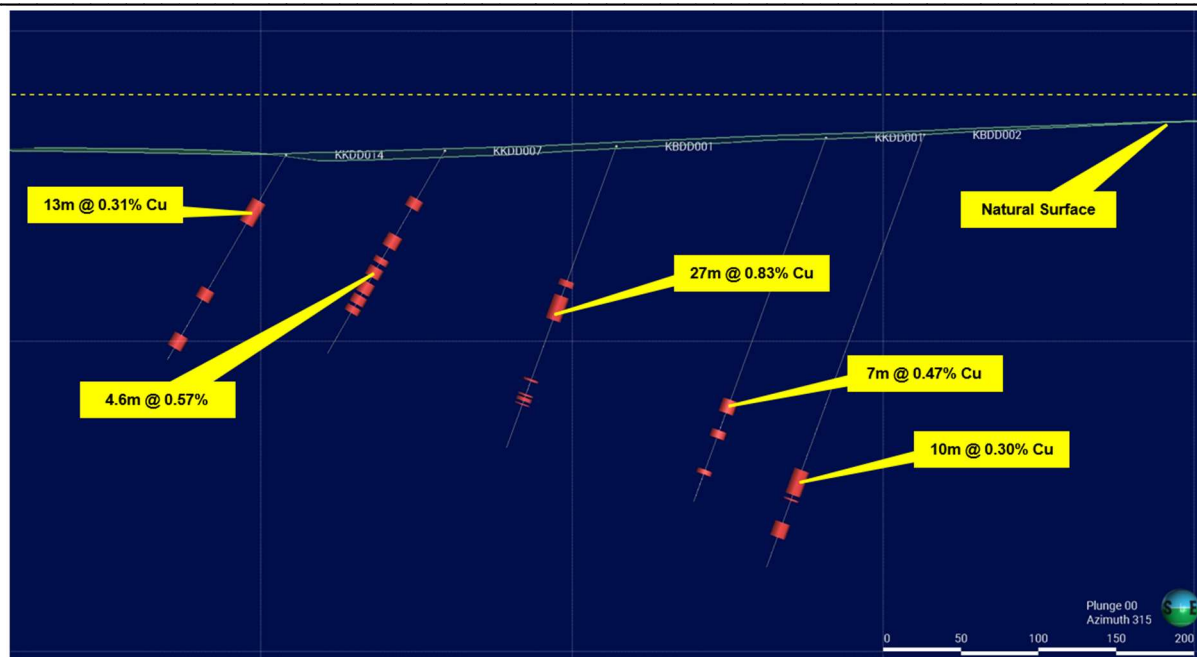


Figure 7: Kabikupa oblique drilling Section 2 (+/-50m) facing northwest, showing logged mineralisation (red). Scale is 1:1

All Phase 2 assay results for Kabikupa will be utilised in updating the existing Kabikupa MRE. This update remains scheduled for delivery in Q1 2026.

Full details including all collar locations, drillhole data and significant copper drilling intersections, refer to ASX release dated 15 October 2025 and 4 December 2025.

**Preliminary AEM results deliver new regional targets and extensions to historical prospects**

During the period, South African geophysical consultants, GeoFocus, completed a preliminary geophysical interpretation of the Company’s licence-wide airborne electromagnetic (AEM) survey data. This interpretation has identified 11 strong electromagnetic (EM) conductors (refer Figures 8-9).

A number of these conductors lie over known copper deposits (e.g. EM 7 = Nyungu Central; EM 8 = Nyungu South) or regionally identified prospects (e.g. EM 1,2,3 Cluster = Sharamba).

However, the remaining conductors have never previously been explored and represent compelling new regional exploration targets for 2026. In particular, the EM 9,10,11 Cluster (the Chipimpa prospect) stands out, extending over approximately 2.5km of strike in the south-east corner of the Mumbezhi licence. It is similar in shape and tenor to the conductor identified over the flagship Nyungu Central deposit.

This preliminary geophysical interpretation has produced very positive results, and generated numerous large conductive EM anomalies across the Mumbezhi tenure – several of which are located on tenure where no historical exploration has been undertaken.

These results also affirm previous interpretations of the 2010 aeromagnetic data, both in terms of the positions of the major thrust structures and also the existence of significant east-west trending normal faults, which are also interpreted to affect the main Nyungu Central deposit (EM 7).

Canadian geophysical specialists, Axiom Exploration, are also completing 3D depth inversions (“Maxwell Slices”) through the main conductive anomalies identified at Mumbezhi, with that data expected to better inform drilling targets, particularly if supported by IP and geochemical anomalies.

Once the final geophysical data interpretation of this AEM survey data is finalised and all coincident licence-wide soil geochemistry data is received, a ranking and prioritisation of future exploration and drilling targets will be established by Prospect for future drill testing.

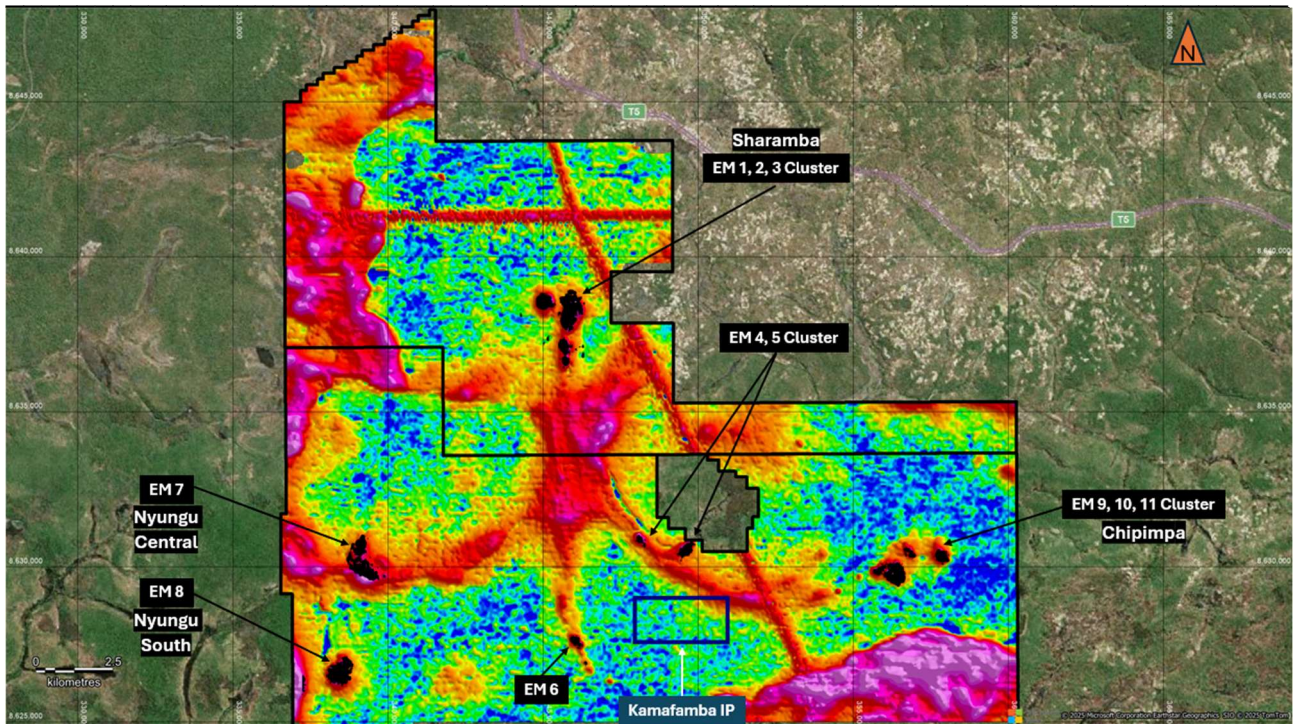


Figure 8: Mumbesghi Project – Licence wide processed EM geophysical output showing identified strong EM conductors and prospect locations

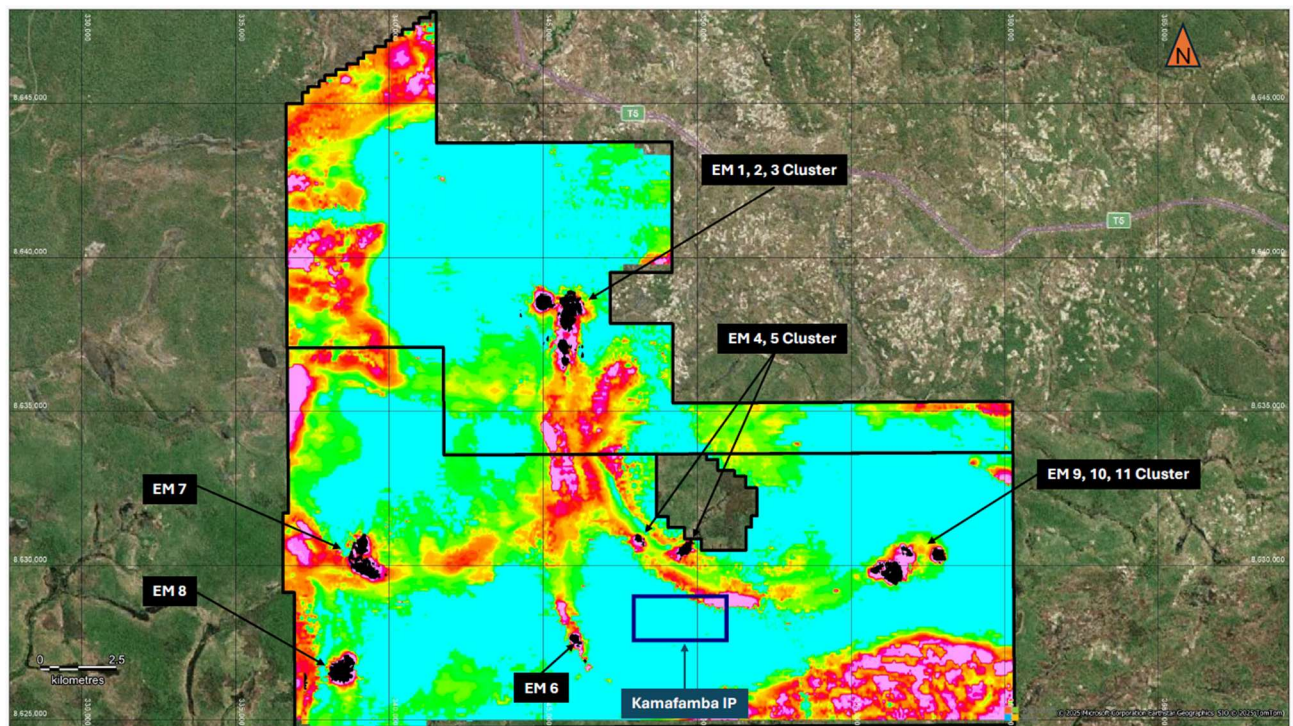


Figure 9: Mumbesghi Project – Licence wide processed EM geophysical output showing Tau Decay Constant data

For further details, tables and figures, refer to ASX release dated 19 November 2025.

### ***Widespread gold identified at Nyungu Central***

Following the identification of highly anomalous gold values in metallurgical test work and separate limited assaying of previous drill holes at Nyungu Central, Prospect commenced a detailed investigation of gold deportment and grade as a potential material and valuable by-product to the associated copper resources currently defined at the deposit<sup>4</sup>.

Prospect selected a large number of drill samples from both the Phase 1 and Phase 2 diamond and RC drilling programmes for re-assaying to determine the distribution of gold (and gold grades) within existing defined transition and fresh mineralised zones, that already encompassed economic copper intersections.

This gold re-assaying has now been completed for 36 drill holes at Nyungu Central. The results in this release pertain to 32 holes, 26 of which contain highly anomalous grades of gold<sup>5</sup>.

Significant intersections included:

- 30.0m @ 0.21g/t Au from 187m, within 30.0m @ 0.79% Cu from 187m (NCMT002);
- 12.0m @ 0.23g/t Au from 52.0m, within 19.0m @ 0.46% Cu from 46.0m (NCRD021);
- 6.0m @ 0.44g/t Au from 175m, within 28.0m @ 0.52% Cu from 175m (NCRD005);
- 4.38m @ 0.60g/t Au from 83.62m, within 14.38m @ 0.45% Cu from 83.62m (NCDD011);
- 40.37m @ 0.06g/t Au from 264m, within 40.37m @ 0.14% Cu from 264m (NCDD011);
- 7.55m @ 0.18g/t Au from 38.0m, within 12.0m @ 1.13% Cu from 36.0m (NCDD002); and
- 5.0m @ 0.25g/t Au from 96.0m, within 17.0m @ 0.42% Cu from 88.0m (NCMT002)

Gold assay results for the remaining four holes that total just under 500 samples were received in January 2026. All gold re-assay data have been incorporated into the ongoing update of the MRE for Nyungu Central with a maiden gold resource estimate having the potential to materially upgrade the economics of the Mumbhezhi Project and strongly complement the copper resources already defined there.

### ***Post 31 December 2025***

The update to the Nyungu Central MRE, which was released on 9 February 2026, incorporated a maiden gold resource estimate based on the gold re-assay results received post-end of the December quarter.

Prospect also continues to advance the following exploration workstreams:

- Project-wide AEM survey data is undergoing final geophysical interpretation.
- All residual assays from a licence-wide soil geochemical sampling programme completed in September 2025 have now been fully reported for full analysis, alongside the final AEM survey results and recommendations.
- The collation of these new data sets by Prospect is primarily aimed at generating new copper targets across the wider Mumbhezhi tenure, in areas where historical sub-surface drilling is largely absent. These target generative activities will strongly support the ongoing planning of the 2026 exploration, aircore and diamond drilling programmes, which remains scheduled to commence in Q2 2026.

Initial results from composite sampling of transitional and fresh mineralisation within the dedicated metallurgical drill hole (KKMT001) at Kabikupa are expected by late March 2026.

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<sup>4</sup> Refer to PSC ASX release dated 17 July 2025, *Compelling New Results from ongoing Mumbhezhi Network*

<sup>5</sup> Refer to PSC ASX release dated 14 January 2026, *Widespread gold identified at Nyungu Central*

### **Step Aside (Zimbabwe) – 90% PSC**

On 4 November 2025, the Group executed a share sale and purchase agreement with a private company based in Africa for the sale of the Group's Singapore-registered subsidiary, Promin Resource Holdings Pte Ltd ("Promin") for a consideration of up to US\$2.2 million. Promin is a wholly owned subsidiary of Prospect and holds a 90% interest in the Step Aside Lithium Project in Zimbabwe.

The share sale and purchase agreement was completed on 24 November 2025 with the receipt of the upfront payment of US\$850,000. An additional US\$150,000 will be payable by the buyer within 6 months post completion of the transaction.

A payment of up to US\$1.2 million is also payable to Prospect if, within 24 months of transaction completion, the buyer achieves certain milestones including the execution of binding offtake agreements, upgrades to the Step Aside Lithium Project's mineral resource estimate, or a future sale transaction where the value of Step Aside Lithium Project is more than US\$5.0 million.

### **Omaruru (Namibia) – 100% PSC**

Exploration activities have ceased with expenditure pared back to minimum holding commitments.

Prospect is pursuing potential commercialisation strategies to unlock this project's longer-term value, with non-disclosure agreements having now been executed with a number of parties interested in the critical mineral suite (lithium, rubidium and caesium) already discovered at this project.

The exploration licence was recently renewed for another two years and an associated Environmental Clearance Certificate (ECC) submitted to the Namibian Ministry of Mines for approval.

## **DIVIDENDS AND CAPITAL RETURNS**

No dividends or capital return have been declared, provided for or paid in respect of the half-year period ended 31 December 2025 (31 December 2024 - \$NIL).

## **SIGNIFICANT CHANGES IN STATE OF AFFAIRS**

The review of operations section above sets out a number of matters that have had a significant effect on the state of affairs of the consolidated entity. Other than those matters, there were no significant changes in the state of affairs of the consolidated entity during the period.

## **LIKELY DEVELOPMENTS AND EXPECTED RESULTS**

The Group's future strategy is to be an electrification minerals focused explorer and developer.

## **MATTERS SUBSEQUENT TO THE END OF THE FINANCIAL YEAR**

Other than as stated below, no matter or circumstance has arisen since 31 December 2025 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years:

- In February 2026, a capital raising was completed via equity placement at \$0.38 per new share and the Group was able to raise funds totalling \$45.0 million before share issue costs. A total of \$38.2 million has been received in February 2026 and the remaining \$6.8 million is subject to shareholder approval.
- On 17 February 2026, a total of 6,250,000 share options were exercised by Orpheus generating a total of \$937,500 or \$0.15 per share.
- On 3 March 2026, the Group signed a Share Sale Agreement to acquire an additional 5% interest in the Mumbeszi Copper Project in Zambia for US\$4.25 million. This transaction is subject to the completion of certain key conditions precedent, including obtaining clearances from regulators, seller's board and shareholder approvals, and new shareholder agreement. Upon completion of this transaction, the Group will hold 90% interest in the Mumbeszi Copper Project.

#### **ROUNDING OF AMOUNTS**

The Group has applied the relief available to it under ASIC Corporations (*Rounding in Financial/Directors' Reports*) Instrument 2016/191. Accordingly, the amounts in the financial statements and directors' report have been rounded to the nearest \$1,000.

#### **AUDITOR INDEPENDENCE DECLARATION**

The auditor's independence declaration is included on page 14 of this report.

Signed in accordance with a resolution of the directors made pursuant to s.306(3) of the *Corporations Act 2001*.

Signed in accordance with a resolution of the directors.



Sam Hosack  
Managing Director  
11 March 2026



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11 March 2026

Board of Directors  
Prospect Resources Limited  
Level 2, 33 Richardson Street  
West Perth WA 6005

Dear Sirs

**RE: PROSPECT RESOURCES LIMITED**

In accordance with section 307C of the *Corporations Act 2001*, I am pleased to provide the following declaration of independence to the directors of Prospect Resources Limited.

As Audit Director for the review of the financial statements of Prospect Resources Limited for the half-year ended 31 December 2025, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- (ii) any applicable code of professional conduct in relation to the review.

Yours faithfully

**STANTONS INTERNATIONAL AUDIT AND CONSULTING PTY LTD**  
(An Authorised Audit Company)

**Eliya Mwale**  
Director



**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
 FOR THE HALF-YEAR ENDED 31 DECEMBER 2025**

		Half-Year Ended	
	Note	31 December 2025 \$'000	31 December 2024 \$'000
<b>Continuing operations</b>			
<b>Revenue</b>			
Interest income		147	85
<b>Expenses</b>			
Depreciation expense		(57)	(89)
Employee benefits expenses		(1,753)	(2,023)
Foreign currency exchange gain/(loss)		(234)	200
Interest expense		(3)	(1)
Share based payments expense	15	(692)	(606)
Gain / (loss) on disposal of assets		7	(39)
Expected credit losses on trade and other receivables	5	-	(280)
Other administrative expenses		(962)	(1,212)
<b>Loss from continuing operations before income tax</b>		<b>(3,547)</b>	<b>(3,965)</b>
Income tax expense		-	-
<b>Loss from continuing operations after income tax</b>		<b>(3,547)</b>	<b>(3,965)</b>
Loss from the discontinued operations		(1,885)	(14)
<b>Loss for the period</b>		<b>(5,432)</b>	<b>(3,979)</b>
<b>Other comprehensive income</b>			
<i>Items that may be reclassified subsequently to profit or loss:</i>			
Exchange differences on translating foreign operations		(533)	1,539
<b>Other comprehensive loss for the period net of tax</b>		<b>(533)</b>	<b>1,539</b>
<b>Total comprehensive loss for the period</b>		<b>(5,965)</b>	<b>(2,440)</b>
<b>Loss attributable to:</b>			
Equity holders of the Company		(5,425)	(3,971)
Non-controlling interests		(7)	(8)
		<b>(5,432)</b>	<b>(3,979)</b>
<b>Total comprehensive loss attributable to:</b>			
Equity holders of the Company		(5,957)	(2,431)
Non-controlling interests		(8)	(9)
		<b>(5,965)</b>	<b>(2,440)</b>
<b>Loss per share from continuing operations</b>			
Basic loss per share (cents)		(0.50)	(0.73)
Diluted loss per share (cents)		(0.50)	(0.73)
<b>Loss per share from discontinuing operations</b>			
Basic loss per share (cents)		(0.27)	(0.00)
Diluted loss per share (cents)		(0.27)	(0.00)

The accompanying notes form part of these financial statements

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
 AS AT 31 DECEMBER 2025**

<b>CONSOLIDATED AS AT</b>			
		<b>31 December 2025</b>	<b>30 June 2025</b>
	<b>Note</b>	<b>\$'000</b>	<b>\$'000</b>
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and cash equivalents	4	10,263	21,062
Trade and other receivables	5	1,836	781
Other current assets	6	182	113
Assets held for sale	7	-	3,311
<b>Total Current Assets</b>		<b>12,281</b>	<b>25,267</b>
<b>Non-Current Assets</b>			
Property, plant and equipment	8	1,445	1,049
Exploration and evaluation expenditure	9	28,839	22,115
<b>Total Non-Current Assets</b>		<b>30,284</b>	<b>23,164</b>
<b>Total Assets</b>		<b>42,565</b>	<b>48,431</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Trade and other payables	10	1,151	2,028
Liabilities directly associated with the assets held for sale		-	11
Lease liability		27	56
Provisions		108	121
<b>Total Current Liabilities</b>		<b>1,286</b>	<b>2,216</b>
<b>Non-Current Liabilities</b>			
Lease liability		45	44
Provisions		49	40
<b>Total Non-Current Liabilities</b>		<b>94</b>	<b>84</b>
<b>Total Liabilities</b>		<b>1,380</b>	<b>2,300</b>
<b>Net Assets</b>		<b>41,185</b>	<b>46,131</b>
<b>EQUITY</b>			
Contributed equity	11	56,664	55,952
Reserves	12	30,726	30,960
Accumulated losses	13	(46,186)	(40,761)
<b>Total Equity Attributable to Shareholders of Parent Company</b>		<b>41,204</b>	<b>46,151</b>
Non-controlling interests		(19)	(20)
<b>Total Equity</b>		<b>41,185</b>	<b>46,131</b>

The accompanying notes form part of these financial statements

**CONSOLIDATED STATEMENT OF CASH FLOWS  
 FOR THE HALF YEAR ENDED 31 DECEMBER 2025**

	Notes	Half-Year Ended	
		31 December 2025 \$'000	31 December 2024 \$'000
<b>Cash flows from operating activities</b>			
Payments to suppliers and employees		(3,849)	(3,850)
Income tax paid		-	-
<b>Net cash outflow from operating activities</b>		<b>(3,849)</b>	<b>(3,850)</b>
<b>Cash flows from investing activities</b>			
Interest received		147	85
Proceeds from disposal of subsidiaries		1,319	-
Payments for capitalised exploration and evaluation expenditure		(7,839)	(4,529)
Payment for property, plant and equipment		(616)	(273)
<b>Net cash outflow from investing activities</b>		<b>(6,989)</b>	<b>(4,717)</b>
<b>Cash flows from financing activities</b>			
Payment for lease		(28)	(32)
Interest paid		(3)	-
Proceeds from exercise of options		150	-
Proceeds from capital raising activities, net of transaction costs		-	8,513
<b>Net cash inflow from financing activities</b>		<b>119</b>	<b>8,481</b>
<b>Net decrease in cash and cash equivalents</b>		<b>(10,719)</b>	<b>(86)</b>
Cash and cash equivalents at beginning of period		21,062	8,337
Effects of exchange rate changes on the balance of cash held in foreign currencies		(80)	293
<b>Cash and cash equivalents at end of period</b>	4	<b>10,263</b>	<b>8,544</b>

The accompanying notes form part of these financial statements

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
 FOR THE HALF YEAR ENDED 31 DECEMBER 2025**

Note	Contributed equity \$'000	Share based payments reserves \$'000	Foreign currency translation reserves \$'000	Other reserves \$'000	Accumulated losses \$'000	Attributable to owners of the parent \$'000	Non-controlling interests \$'000	Total Equity \$'000
<b>Balance at 1 July 2024</b>	29,312	12,326	18,164	(877)	(32,655)	26,270	(6)	26,264
Loss for the period from continuing operations	-	-	-	-	(3,957)	(3,957)	(8)	(3,965)
Loss for the period from discontinued operations	-	-	-	-	(14)	(14)	-	(14)
Loss for the period	-	-	-	-	(3,971)	(3,971)	(8)	(3,979)
Other comprehensive income	-	-	1,540	-	-	1,540	(1)	1,539
<b>Total comprehensive income for the period</b>	-	-	1,540	-	(3,971)	(2,431)	(9)	(2,440)
Issue of shares from capital placements	7,955	-	-	-	-	7,955	-	7,955
Issue of shares from Share Purchase Plan	1,123	-	-	-	-	1,123	-	1,123
Transaction costs related to issue of shares	(965)	400	-	-	-	(565)	-	(565)
Payment of director fees through shares	71	-	-	-	-	71	-	71
Exercise of performance rights	220	(220)	-	-	-	-	-	-
Share based payments	-	606	-	-	-	606	-	606
<b>Balance at 31 December 2024</b>	<b>37,716</b>	<b>13,112</b>	<b>19,704</b>	<b>(877)</b>	<b>(36,626)</b>	<b>33,029</b>	<b>(15)</b>	<b>33,014</b>
<b>Balance at 1 July 2025</b>	<b>55,952</b>	<b>13,486</b>	<b>18,351</b>	<b>(877)</b>	<b>(40,761)</b>	<b>46,151</b>	<b>(20)</b>	<b>46,131</b>
Loss for the period from continuing operations	-	-	-	-	(3,540)	(3,540)	(7)	(3,547)
Loss for the period from discontinued operations	-	-	-	-	(1,885)	(1,885)	-	(1,885)
Loss for the period	-	-	-	-	(5,425)	(5,425)	(7)	(5,432)
Other comprehensive income	-	-	(533)	-	-	(533)	(1)	(534)
<b>Total comprehensive income for the period</b>	-	-	(533)	-	(5,425)	(5,958)	(8)	(5,966)
Disposal of subsidiaries	14(b)	-	46	-	-	46	9	55
Payment of director fees through shares	11(b)	73	-	-	-	73	-	73
Exercise of performance rights	11(b)	264	(264)	-	-	-	-	-
Exercise of share options	11(b)	375	(175)	-	-	200	-	200
Share based payments	12(a)	-	692	-	-	692	-	692
<b>Balance at 31 December 2025</b>	<b>11(b)</b>	<b>56,664</b>	<b>13,739</b>	<b>17,864</b>	<b>(877)</b>	<b>(46,186)</b>	<b>(19)</b>	<b>41,185</b>

The accompanying notes form part of these financial statements

## 1. CORPORATE INFORMATION

The consolidated financial statements of Prospect Resources Limited (“the Company”) and its subsidiaries (collectively “the Group”) for the half year ended 31 December 2025 was authorised for issue in accordance with a resolution of the directors on 11 March 2026.

Prospect Resources Limited is a company limited by shares and incorporated in Australia whose shares are publicly traded on the Australian Securities Exchange. The Company and its subsidiaries are for-profit entities.

The principal activity of the Group is exploration, evaluation and development of mineral resources.

## 2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

### (a) Basis of preparation

The half-year financial report is a general purpose financial report prepared in accordance with Australian Accounting Standard (AASB) 134 *Interim Financial Reporting* and the *Corporations Act 2001*. This half year financial report also complies with International Accounting Standard (IAS) 34 *Interim Financial Reporting*.

This interim financial report is intended to provide users with an update on the latest annual financial statements of the Group. As such, it does not contain information that represents relatively insignificant changes occurring during the period within the Group. It is therefore recommended that this financial report be read in conjunction with the most recent annual financial report of the Group, together with any public announcements made during the period.

The Group is a for-profit entity for financial reporting purposes under Australian Accounting Standards.

The financial statements have been prepared on a going concern basis. At 31 December 2025, the Group held cash balances of \$10.3 million. Subsequent to period end, the Group completed an equity placement raising \$45.0 million before costs and received \$0.94 million from option exercises (Note 18). The Directors consider that these funds, together with the Group’s ability to manage its discretionary exploration expenditure, provide sufficient liquidity for at least 12 months from the date of approval of this financial report.

The functional currency of each of the Group’s entities is measured using the currency of the primary economic environment in which that entity operates. The consolidated financial statements are presented in Australian dollars which is the parent entity’s functional currency. The functional currency of Richwing Exploration (Pty) Ltd is Namibian dollars and all other subsidiaries is US dollars.

Unless otherwise stated, amounts are rounded to the nearest thousand dollars under ASIC Corporations (Rounding in Financial/Directors’ Reports) Instrument 2016/191.

### (b) Accounting policies and adoption of new and revised accounting standards and interpretations

These consolidated financial statements have been prepared using the same accounting policies, including critical accounting judgements and key estimation uncertainty, as used in the annual financial statements for the year ended 30 June 2025, except for the impact of all new or amended standards and interpretations. The adoption of the new or amended standards and interpretations did not result in any significant changes to the Group’s accounting policies. The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

### (c) Significant estimates and judgments

In preparing these interim financial statements, the Group made judgements, estimates and assumptions consistent with those applied at 30 June 2025. Areas of judgement that are particularly sensitive for the half-year include: (i) recoverability of exploration and evaluation assets (Note 9); (ii) expected credit losses for indirect tax receivables (Note 5); and (iii) assessment of contingent consideration from the Step Aside disposal (Note 17). There have been no changes to valuation techniques or critical accounting judgements that would materially affect these interim results.

PROSPECT RESOURCES LIMITED  
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**3. SEGMENT INFORMATION**

**(a) Identification of reportable segments**

The Group has identified its operating segments based on the internal reports that are reviewed and used by the Board of Directors (chief operating decision makers) in assessing performance and determining the allocation of resources.

In the current period the Group engaged in exploration for minerals and project development activities in Zimbabwe, Namibia, and Zambia. The operations were located in Australia, Singapore, Zimbabwe, Mauritius, Namibia, and Zambia with the head office being in Australia. Singapore balances were included within Australian operations and exploration activities and other transactions in Zimbabwe, Namibia, Mauritius, and Zambia being included within the African operations.

**(b) Geographical segments**

Segment revenue, results and depreciation exclude discontinued operations for the half year period ended 31 December:

	Australia		Africa		Consolidated	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
<b>Continuing operations</b>						
<b>Revenue from external customers</b>						
Other income	147	85	-	-	147	85
Total segment revenue	147	85	-	-	147	85
<b>Results</b>						
Segment net loss before tax - continuing	2,805	629	742	3,336	3,547	3,965
Segment net loss before tax - discontinued	1,881	11	4	3	1,885	14
Total segment net loss	4,686	640	746	3,339	5,432	3,979
<b>Other segment information</b>						
Depreciation expense	30	31	27	58	57	89

Segment assets and liabilities as at balance dates are as follows:

	Australia		Africa		Consolidated	
	31 Dec 2025 \$'000	30 Jun 2025 \$'000	31 Dec 2025 \$'000	30 Jun 2025 \$'000	31 Dec 2025 \$'000	30 Jun 2025 \$'000
<b>Assets</b>						
Segment assets	10,570	21,029	31,995	27,402	42,565	48,431
<b>Liabilities</b>						
Segment liabilities	792	1,070	588	1,230	1,380	2,300

**4. CASH AND CASH EQUIVALENTS**

	31 December 2025 \$'000	30 June 2025 \$'000
Cash in bank	10,245	21,022
Petty cash	18	40
<b>Total cash and cash equivalents</b>	<b>10,263</b>	<b>21,062</b>

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**5. TRADE AND OTHER RECEIVABLES**

	<b>31 December 2025</b>	30 June 2025
	<b>\$'000</b>	\$'000
GST / VAT receivable	1,735	922
Deferred payment from sale of subsidiaries	224	-
Other receivables	155	143
	<b>2,114</b>	1,065
Allowance for expected credit loss	<b>(278)</b>	(284)
<b>Total trade and other receivables</b>	<b>1,836</b>	781

Trade and other receivables are non-interest bearing and are generally on terms of 30 days.

The deferred payment from sale of subsidiaries represents the US\$0.15 million due to be received in May 2026, six months from the completion of the sale of the Stepside Lithium Project in November 2025 (see note 14(b)).

**6. OTHER CURRENT ASSETS**

	<b>31 December 2025</b>	30 June 2025
	<b>\$'000</b>	\$'000
Prepayments	161	85
Deposits	21	28
<b>Total other current assets</b>	<b>182</b>	113

**7. ASSETS HELD FOR SALE**

	<b>31 December 2025</b>	30 June 2025
	<b>\$'000</b>	\$'000
Other current assets	-	18
Property, plant and equipment	-	3
Exploration and evaluation expenditure	-	3,290
<b>Total assets held for sale</b>	<b>-</b>	3,311

On 9 May 2024, the Board resolved that the Group commence the process to sell Step Aside Lithium Project in Zimbabwe. The assets and liabilities of the entities for disposal have been presented as held for sale. The total liabilities directly associated with the above assets held for sale amounted to \$nil (30 June 2025: \$10,934).

On 4 November 2025, the Group signed an agreement to sell the Step Aside Lithium Project to a third party private company based in Africa. The sale was completed on 24 November 2025 (see note 14(b)).

**8. PROPERTY, PLANT AND EQUIPMENT**

	<b>31 December 2025</b>	30 June 2025
	<b>\$'000</b>	\$'000
Right of use asset	69	99
Building	492	233
Plant and machinery	44	51
Vehicles	424	350
Furniture and fixtures	15	20
Office equipment	401	296
<b>Total property, plant and equipment</b>	<b>1,445</b>	1,049

Included in the right to use asset is the lease for the Company's head office in Australia.

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**9. EXPLORATION AND EVALUATION EXPENDITURE**

	<b>31 December 2025</b>	30 June 2025
	<b>\$'000</b>	\$'000
Exploration and evaluation expenditure comprises:		
Omaruru Lithium Project	<b>2,420</b>	2346
Mumbezhi Copper Project	<b>26,419</b>	19,769
<b>Total exploration and evaluation</b>	<b>28,839</b>	22,115

The movements during the period are as follows:

	<b>6 months to</b>	12 months to
	<b>31 December 2025</b>	30 June 2025
	<b>\$'000</b>	\$'000
Opening balance	<b>22,115</b>	14,011
Expenditure incurred	<b>7,244</b>	8,000
Effect of foreign currency exchange differences	<b>(520)</b>	104
<b>Total exploration and evaluation expenditure</b>	<b>28,839</b>	22,115

The Omaruru Lithium Project is located in Namibia and is 100% owned by the Group through its subsidiary, Richwing Exploration (Pty) Ltd.

The Mumbezhi Copper Project is located in Zambia and is 85% owned by the Group through its subsidiary, Osprey Resources Limited. This project was acquired in 2024 financial year through the execution of two concurrent agreements with different parties, Global Development Cooperation Consulting Zambia Limited ("GDC") and Orpheus Uranium Limited ("Orpheus"). Apart from the upfront payments through issuance of 8,333,333 in Company shares and 6,250,000 Company share options, the agreement with Orpheus includes a milestone payment to be paid in cash of \$2,500,000 if certain conditions and results are achieved, which include that the exploration programs and analysis on the Mumbezhi Copper Project are undertaken and the results of the exploration programs and analysis confirm that any of the central, east and/or north deposits at the Mumbezhi Copper Project (individually or collectively) contain JORC Code reportable definition of not less than 500,000 tonnes of contained copper at a copper cut-off grade of not less than 0.5% Cu metal. At 31 December 2025, no milestone payment was recognised as the conditions for these remain yet to be achieved (30 June 2025: \$nil).

**10. TRADE AND OTHER PAYABLES**

	<b>31 December 2025</b>	30 June 2025
	<b>\$'000</b>	\$'000
Trade payables	<b>591</b>	1,004
Accruals	<b>560</b>	1,024
<b>Total trade and other payables</b>	<b>1,151</b>	2,028

**11. CONTRIBUTED EQUITY**

	<b>31 December 2025</b>	30 June 2025
	<b>No. of Shares</b>	No. of Shares
<b>(a) Issued share capital</b>		
Ordinary shares fully paid	<b>705,076,726</b>	700,587,177

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(b) Movement in ordinary share capital

	No. of Shares	\$'000
<b>Balance at 30 June 2024</b>	478,679,885	29,312
Issue of shares via placements:		
- 09 August 2024	64,800,000	6,480
- 11 September 2024	11,230,000	1,123
- 26 September 2024	14,750,000	1,475
- 22 April 2025	101,058,173	15,159
- 24 June 2025	22,191,998	3,329
Issue of shares for subsidiary director's fees:		
- 17 September 2024	512,327	71
- 06 May 2025	888,025	88
Issue of shares upon exercise of performance rights:		
- 05 November 2024	693,269	70
- 11 November 2024	1,058,269	150
- 06 February 2025	939,231	93
- 06 May 2025	1,286,000	91
Issue of shares upon exercise of options:		
- 06 May 2025	2,500,000	175
Cost of capital raising paid via options (note 15)	-	(400)
Cost of capital raising paid in cash	-	(1,264)
<b>Balance at 30 June 2025</b>	<b>700,587,177</b>	<b>55,952</b>
Issue of shares upon exercise of options:		
- 25 July 2025	340,000	95
- 18 November 2025	1,000,000	280
Issue of shares upon exercise of performance rights:		
- 04 September 2025	2,706,250	264
Issue of shares for subsidiary director's fees:		
- 05 December 2025	443,299	73
<b>Balance at 31 December 2025</b>	<b>705,076,726</b>	<b>56,664</b>

Ordinary shares entitle the holder to participate in dividends and the proceeds on winding up of the Company in proportion to the number of and amounts paid on the shares held. On a show of hands or on a poll every holder of ordinary shares present at a meeting in person or by proxy is entitled to one vote.

12. RESERVES

	31 December 2025 \$'000	30 June 2025 \$'000
Share based payments reserves	13,739	13,486
Other reserves	(877)	(877)
Foreign currency translation reserve	17,864	18,351
<b>Total reserves</b>	<b>30,726</b>	<b>30,960</b>

**Nature and Purpose of Reserves**

The share based payments reserve arises pursuant to an issue of shares or options as consideration for a service or an acquisition transaction.

The foreign currency translation reserve is used to record exchange differences arising from the translation of the financial statements of foreign subsidiaries and translation differences on intercompany loans.

The other reserves are used for any other equity transactions that are not directly attributed to other component of the equity accounts.

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(a) Share Based Payments Reserve

(i) Balance at period end

	No. of Options and Rights	\$'000
<b>31 December 2025</b>		
Options	50,119,952	13,482
Rights	7,801,119	257
	<u>57,921,071</u>	<u>13,739</u>
<b>30 June 2025</b>		
Options	58,014,952	13,187
Rights	6,814,419	299
	<u>64,829,371</u>	<u>13,486</u>

(ii) Movement in options

Date	Details	No. of Options	\$'000
<b>Balance at 30 June 2024</b>		37,667,033	11,988
02 August 2024	Grant of options in lieu of broker fees (note 15)	8,000,000	400
26 November 2024	Grant of options to employees/consultants and director	15,181,253	-
26 November 2024	Forfeiture	(333,334)	(24)
06 May 2025	Exercise of options	(2,500,000)	(175)
30 June 2025	Share based payment expense	-	998
		<u>58,014,952</u>	<u>13,187</u>
<b>Balance at 30 June 2025</b>			
25 July 2025	Exercise of options	(340,000)	(45)
16 August 2025	Grant of options to employees/consultants	4,535,000	-
07 October 2025	Forfeiture	(13,250,000)	-
18 November 2025	Exercise of options	(1,000,000)	(130)
25 November 2025	Grant of options to directors	2,160,000	-
31 December 2025	Share based payment expense	-	470
		<u>50,119,952</u>	<u>13,482</u>

(iii) Movement in rights

Date	Details	No. of Rights	\$'000
<b>Balance at 30 June 2024</b>		6,696,448	338
03 September 2024	Forfeiture	(1,630,327)	-
26 November 2024	Grant of performance rights to employees/consultants and directors	4,975,067	-
05 November 2024	Exercise of performance rights	(693,269)	(70)
11 November 2024	Exercise of performance rights	(1,058,269)	(150)
02 February 2025	Exercise of performance rights	(939,231)	(93)
03 April 2025	Grant of performance rights to a subsidiary director	750,000	-
6 May 2025	Exercise of performance rights	(1,286,000)	(91)
30 June 2025	Share based payment expense	-	365
		<u>6,814,419</u>	<u>299</u>
<b>Balance at 30 June 2025</b>			
21 July 2025	Grant of performance rights to employees/consultants	1,222,528	-
08 August 2025	Forfeiture	(1,741,274)	-
04 September 2025	Exercise of performance rights	(2,706,250)	(264)
25 November 2025	Grant of performance rights to directors	2,159,063	-
25 November 2025	Grant of service rights to directors	2,052,633	-
31 December 2025	Share based payment expense	-	222
		<u>7,801,119</u>	<u>257</u>

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(b) Foreign Currency Translation Reserve

	6 months to 31 December 2025 \$'000	12 months to 30 June 2025 \$'000
<b>Movement in reserve</b>		
Opening balance	18,351	18,164
Currency translation differences	(533)	187
Disposal of subsidiaries	46	-
Closing balance	<b>17,864</b>	18,351

(c) Other Reserves

	6 months to 31 December 2025 \$'000	12 months to 30 June 2025 \$'000
<b>Movement in Other Reserves</b>		
Opening balance	(877)	(877)
Increase in ownership in subsidiary	-	-
Closing balance	<b>(877)</b>	(877)

13. ACCUMULATED LOSSES

	6 months to 31 December 2025 \$'000	12 months to 30 June 2025 \$'000
Balance at the beginning of the period	40,761	32,655
Net loss attributable to equity holders of the Company	5,425	8,106
<b>Accumulated losses at end of the period</b>	<b>46,186</b>	40,761

14. SUBSIDIARIES

Details of the Group's material subsidiaries at the end of the reporting period are as follows:

	Principal activity	Country of incorporation	Ownership and voting interest	
			31 December 2025	30 June 2025
Prospect Minerals Pte Ltd	Holding company	Singapore	100%	100%
Promin Resource Holdings Pte Ltd	Holding company	Singapore	-	100%
Stepaside Lithium Pte Ltd	Holding company	Singapore	-	100%
Prospect Copper Holdings Pte Ltd	Holding company	Singapore	100%	100%
Hawkmoth Mining & Explorations (Pvt) Limited	Exploration & evaluation	Zimbabwe	100%	100%
Harrier Nickel Resources (Private) Limited	Exploration & evaluation	Zimbabwe	-	100%
Eagle Lithium Resources (Private) Ltd	Exploration & evaluation	Zimbabwe	-	90%
Hawk Rare Earth (Private) Limited	Exploration & evaluation	Zimbabwe	-	100%
Sarita Mineral Resources Limited	Mining and quarrying	Zambia	99.93%	99.93%
Osprey Resources Limited	Mining and quarrying	Zambia	85%	85%
Prospect Resources (Mauritius) Limited	Holding company	Mauritius	100%	100%
Belham Investments (Proprietary) Limited	Exploration & evaluation	Namibia	100%	100%
Richwing Exploration (Proprietary) Limited	Exploration & evaluation	Namibia	100%	100%

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**(a) Details of non-wholly owned subsidiaries that have material non-controlled interest**

The table below shows details of non-wholly owned subsidiaries of the Group that have non-controlling interests:

Name of subsidiary	Place of incorporation and principal place of business	Proportion of ownership interests and voting rights held by non-controlling interests		Loss allocated to non-controlling interests		Accumulated non-controlling interests	
		31 Dec 2025	30 June 2025	31 Dec 2025	30 June 2025	31 Dec 2025	30 June 2025
		%	%	\$'000	\$'000	\$'000	\$'000
Eagle Lithium Resources (Private) Ltd	Zimbabwe	-	10%	-	(3)	-	(9)
Sarita Mineral Resources Limited	Zambia	0.07%	0.07%	-	-	-	-
Osprey Resources Limited	Zambia	15%	15%	(7)	(11)	(19)	(11)
				(7)	(14)	(19)	(20)

**(b) Discontinued operations**

On 9 May 2024 the Board resolved that the Group commence the process of marketing the Step Aside Lithium Project, which would involve the disposal of subsidiaries such as Promin Resource Holdings Pte Ltd, Stepside Lithium Pte Ltd, Eagle Lithium Resources (Private) Ltd, Harrier Nickel Resources (Private) Limited, and Hawk Rare Earth (Private) Limited. The proceeds will be utilised to fund the exploration activities of the other projects and any other opportunities.

The results of operations and the assets and liabilities of these subsidiaries for disposal were presented in the Consolidated Statement of Profit or Loss and Comprehensive Income under discontinuing operations and in the Statement of Financial Position under assets held for sale.

On 4 November 2025, the Group signed an agreement to sell the Step Aside Lithium Project to a third party private company based in Africa. The agreement involved upfront payment of US\$0.85 million upon completion, the deferred payment of US\$0.15 million due in 6 months from the completion of the sale, and the conditional payment of US\$1.2 million payable within 24 months from completion of the sale. The conditional payment is subject to the buyer achieving specific development milestones, including the entry into binding offtake agreements, upgrades to the mineral resource of the project, or future sale transaction where the value of the project is more than US\$5.0 million.

As at 31 December 2025, the upfront payment and deferred payment were recognised as sale proceeds amounting to US\$1.0 million (AU\$1.551 million) whereas the conditional payment will be recognised once conditions are achieved. The Group recognised a net loss of disposal of \$1.875 million, as follows:

	<b>24 November 2025</b>
	<b>\$'000</b>
Upfront payment	1,319
Deferred payment receivable	232
<b>Total sale consideration received</b>	<b>1,551</b>
Cash in bank	11
Other current assets	24
Exploration and evaluation expenditure	3,347
Property, plant and equipment	2
Trade and other payables	(13)
Foreign currency translation reserve	46
Non-controlling interests	9
<b>Net assets disposed</b>	<b>3,426</b>
<b>Net loss from disposal</b>	<b>1,875</b>

The financial performance information presented is disclosed within loss from discontinued operations.

	<b>31 December 2025</b>	31 December 2024
	<b>\$'000</b>	\$'000
Revenue	-	-
Expenses – loss from disposal of subsidiaries	(1,875)	-
Expenses – others	(10)	(14)
<b>Loss before income tax</b>	<b>(1,885)</b>	<b>(14)</b>

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**15. SHARE-BASED PAYMENTS**

During the period, the Group recognised share based payments expense of \$692,012 (2025: \$606,427) from equity-settled share based payment transactions.

The following table lists the inputs to the model used in determining the current and prior year expense:

<b>Options issued during the period ended 31 December 2025</b>						
<b>Series</b>	<b>Employees and consultants</b>			<b>Directors</b>		
	<b>Long Term Incentive</b>			<b>Long Term Incentive</b>		
<b>No. of options</b>	4,535,000			2,160,000		
<b>Grant date</b>	16/08/2025			25/11/2025		
<b>Share price</b>	\$0.19			\$0.175		
<b>Exercise price</b>	\$Nil			\$Nil		
<b>Expiry date</b>	16/08/2029			16/08/2029		
<b>Fair value at grant date</b>	\$0.19			\$0.175		
<b>Vesting condition and period</b>	<i>(i(a))</i>			<i>(i(a))</i>		

<b>Options issued during the year ended 30 June 2025</b>		
<b>Series</b>	<b>Management</b>	<b>Broker as capital raising cost</b>
	<b>Long Term Incentive</b>	
<b>No. of options</b>	15,181,253	8,000,000
<b>Grant date</b>	26/11/2024	02/08/2024
<b>Share price</b>	\$0.096	\$0.096
<b>Exercise price</b>	\$0.160	\$0.200
<b>Asset Interest rate</b>	3.986%	3.67%
<b>Expiry date</b>	03/09/2028	02/08/2027
<b>Volatility</b>	110%	110%
<b>Fair value at grant date</b>	\$0.060	\$0.050
<b>Vesting condition and period</b>	<i>(i(b))</i>	None

<b>Options issued during the year ended 30 June 2024</b>						
<b>Series</b>	<b>Managing Director</b>	<b>Management</b>	<b>Management</b>	<b>Management</b>	<b>Non-exec director</b>	<b>Orpheus for acquisition of Mumbesghi</b>
	<b>Long Term Incentive</b>	<b>Long Term Incentive</b>	<b>Long Term Incentive</b>	<b>Long Term Incentive</b>	<b>Long Term Incentive</b>	
<b>No. of options</b>	2,076,000	7,257,000	834,700	1,566,000	2,500,000	6,250,000
<b>Grant date</b>	23/11/2023	10/08/2023	01/02/2024	18/03/2024	01/03/2024	03/05/2024
<b>Share price</b>	\$0.096	\$0.110	\$0.080	\$0.079	\$0.071	\$0.155
<b>Exercise price</b>	\$0.200	\$0.200	\$0.120	\$0.120	\$0.0	\$0.150
<b>Asset Interest rate</b>	4.14%	3.77%	3.56%	3.74%	3.71%	4.03%
<b>Expiry date</b>	09/08/2027	09/08/2027	09/08/2027	09/08/2027	11/03/2026	11/04/2027
<b>Volatility</b>	110%	110%	110%	110%	110%	110%
<b>Fair value at grant date</b>	\$0.060	\$0.071	\$0.050	\$0.050	\$0.070	\$0.110
<b>Vesting condition and period</b>	<i>(i(c))</i>	<i>(i(c))</i>	<i>(i(c))</i>	<i>(i(c))</i>	<i>(ii)</i>	None
<b>Note</b>	-	-	-	-	-	Note 9

PROSPECT RESOURCES LIMITED  
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE HALF YEAR ENDED 31 DECEMBER 2025

- (i) Management's long term incentive options are subject to performance hurdles:
- (a) The personnel remaining in employment of the Group by 16 August 2028 and the Company's underlying share price performance over the three years in comparison with peer group that will determine the options to vest, as follows:
- 100% if the Company performance falls within the top third of the peer group
  - 50% if the Company performance falls within the middle third of the peer group
  - 0% if the Company performance falls within the bottom third of the peer group
- (b) The Company's underlying share price exceeding \$0.24 per share for a continuous period of 30 days from grant date to 03 September 2027 and remaining in employment of the Group by 03 September 2027.
- (c) The Company's underlying share price exceeding \$0.33 per share for a continuous period of 30 days from grant date to 09 August 2026 and remaining in employment of the Group by 09 August 2026.
- (ii) The non-executive director of the subsidiary in Zambia is required to remain employed by 1 March 2025.

<b>Rights issued during the period ended 31 December 2025</b>			
<b>Series</b>	<b>Employees and consultants Short Term Incentive</b>	<b>Executive directors Short Term Incentive</b>	<b>Non-executive directors Long Term Incentive</b>
<b>No. of Rights</b>	1,222,528	2,159,063	2,052,633
<b>Grant date</b>	21/07/2025	25/11/2025	25/11/2025
<b>Share price</b>	\$0.185	\$0.175	\$0.175
<b>Exercise price</b>	\$0.00	\$0.00	\$0.00
<b>Expiry date</b>	21/07/2028	21/07/2028	21/07/2029
<b>Fair value at grant date</b>	\$0.185	\$0.175	\$0.175
<b>Vesting condition and period</b>	(i)	(i)	(iii)

<b>Rights issued during the year ended 30 June 2025</b>			
<b>Series</b>	<b>Management and directors Short Term Incentive</b>	<b>Non-exec directors Short Term Incentive</b>	
<b>No. of Rights</b>	4,975,067	750,000	
<b>Grant date</b>	26/11/2024	03/04/2025	
<b>Share price</b>	\$0.096	\$0.130	
<b>Exercise price</b>	\$0.00	\$0.00	
<b>Expiry date</b>	03/09/2027	01/03/2029	
<b>Fair value at grant date</b>	\$0.096	\$0.130	
<b>Vesting condition and period</b>	(i)	(ii)	

<b>Rights issued during the year ended 30 June 2024</b>				
<b>Series</b>	<b>Managing Director Short Term Incentive</b>	<b>Other Key Management Personnel Short Term Incentive</b>	<b>Management Short Term Incentive</b>	<b>Non-exec director Short Term Incentive</b>
<b>No. of Rights</b>	1,484,615	1,800,000	338,333	1,286,000
<b>Grant date</b>	23/11/2023	10/08/2023	18/03/2024	01/03/2024
<b>Share price</b>	\$0.096	\$0.110	\$0.079	\$0.071
<b>Exercise price</b>	\$0.00	\$0.00	\$0.00	\$0.00
<b>Expiry date</b>	09/08/2026	09/08/2026	09/08/2026	01/03/2028
<b>Fair value at grant date</b>	\$0.096	\$0.110	\$0.079	\$0.071
<b>Vesting condition and period</b>	(i)	(i)	(i)	(ii)

- (i) Managing director, other key management personnel, and management have been granted rights in lieu of a cash based short term incentive scheme. The rights on offer are subject to satisfaction of targets as defined by the Company's annual scorecard which is based on both exploration and corporate targets and approval by the Board. Performance against the scorecard is assessed annually based on the company's performance in the 12 months up to the assessment date. The vesting of these incentives is subject to vesting conditions as discussed above. 50% of the incentive will vest at the end of the year after the grant date and the remaining 50% will vest 24 months after the grant date, provided the employee remains employed by the Group.
- (ii) The non-executive director of the subsidiary in Zambia is granted this rights in lieu of a cash based short term incentive scheme. The rights on offer are subject to meeting the annual scorecard, which include maintaining the validity and good standing of all mining tenements in Zambia for the relevant year, being 1<sup>st</sup> of March to the 28<sup>th</sup> of February of the following year, and having held one or more meetings with government stakeholders or community leaders to promote and advance the projects. In addition, he must remain in the role at the end of the relevant year.
- (iii) The non-executive directors long term incentive service rights vest evenly on 21 July 2026, 21 July 2027, and 21 July 2028 and require they remain directors of the Group at the end of each vesting periods.

## 16. COMMITMENTS FOR EXPENDITURE

### (a) Exploration Commitments

In order to maintain an interest in the mining and exploration tenements in which the Group is involved, the Group is committed to meet the conditions under which the tenements were granted and the obligations of any joint venture and/or acquisition agreements. Outstanding exploration commitments are as follows:

	<b>31 December 2025 \$'000</b>	30 June 2025 \$'000
Not longer than 1 year	1	6
Longer than 1 year and not longer than 5 years	-	-
	<b>1</b>	<b>6</b>

### (b) Other Commitments

The Group is committed to pay Orpheus \$2,500,000 in cash if certain conditions and results are achieved on the Mumbhezhi Copper Project. The condition includes that the exploration programs and analysis on the Mumbhezhi Copper Project are undertaken, and the results of the exploration programs and analysis confirm that any of the central, east and/or north deposits at the Mumbhezhi (individually or collectively) contain JORC Code reportable definition of not less than 500,000 tonnes of contained copper at a copper cut-off grade of not less than 0.5% Cu metal.

The Group has entered into contracts with its directors and certain executives and consultants whereby minimum notice periods (usually three months) have been provided by the Group. This totals \$790,597 as at 31 December 2025 (30 June 2025: \$779,554).

## 17. CONTINGENT LIABILITIES AND ASSETS

The Group has no contingent liabilities as at 30 December 2025. As at 31 December 2025, the Company had an ongoing legal dispute with a third party in Africa in relation to an alleged breach of non-disclosure agreement. The matter was successfully defended during the period and the court dismissed the claim.

On 4 November 2025, the Group signed an agreement to sell the Step Aside Lithium Project to a third party private company based in Africa (see note 14(b)). Part of the consideration was a conditional payment of US\$1.2 million payable within 24 months from completion of the sale. The conditional payment is subject to the buyer achieving specific development milestones, including the entry into binding offtake agreements, upgrades to the mineral resource of the project, or future sale transaction where the value of the project is more than US\$5.0 million. At reporting date, the Group considers the receipt of this payment to be probable. No asset has been recognised as at 31 December 2025 as the receipt of funds is not yet virtually certain.

## 18. SUBSEQUENT EVENTS

Other than as stated below, no matter or circumstance has arisen since 31 December 2025 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years:

- In February 2026, a capital raising was completed via equity placement at \$0.38 per new share and the Group was able to raise funds totalling \$45.0 million before share issue costs. A total of \$38.2 million has been received in February 2026 and the remaining \$6.8 million is subject to shareholder approval.
- On 17 February 2026, a total of 6,250,000 share options were exercised by Orpheus generating a total of \$937,500 or \$0.15 per share.
- On 3 March 2026, the Group signed a Share Sale Agreement to acquire an additional 5% interest in the Mumbezhi Copper Project in Zambia for US\$4.25 million. This transaction is subject to the completion of certain key conditions precedent, including obtaining clearances from regulators, seller's board and shareholder approvals, and new shareholder agreement. Upon completion of this transaction, the Group will hold 90% interest in the Mumbezhi Copper Project.

PROSPECT RESOURCES LIMITED  
DIRECTORS' DECLARATION  
FOR THE HALF-YEAR ENDED 31 DECEMBER 2025

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**DIRECTORS' DECLARATION**

1. In accordance with a resolution of the directors of Prospect Resources Limited, I state that:
- (a) the financial statements and notes thereto are in accordance with the *Corporations Act 2001* including:
    - (i) giving a true and fair view of the consolidated entity's financial position as at 31 December 2025 and of its performance for the half year then ended; and
    - (ii) complying with Australian Accounting Standards AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*;
  - (b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable; and

This declaration is signed in accordance with a resolution of the Board of directors.



Sam Hosack  
Managing Director

Perth, Western Australia  
Dated 11 March 2026

**INDEPENDENT AUDITOR'S REVIEW REPORT  
TO THE MEMBERS OF  
PROSPECT RESOURCES LIMITED**

**Report on the Half-Year Financial Report**

**Conclusion**

We have reviewed the half-year financial report of Prospect Resources Limited and its subsidiaries (collectively "the Group"), which comprises the consolidated statement of financial position as at 31 December 2025, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, condensed notes comprising a summary of material accounting policies and other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that causes us to believe that the accompanying half-year financial report of Prospect Resources Limited does not comply with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the Group's financial position as at 31 December 2025 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

**Basis for Conclusion**

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Financial Report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001* has been given to the directors of the Company on 11 March 2026.

**Responsibility of the Directors for the Financial Report**

The directors of Prospect Resources Limited are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.



***Auditor's Responsibility for the Review of the Financial Report***

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Company's financial position as at 31 December 2025 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

**STANTONS INTERNATIONAL AUDIT AND CONSULTING PTY LTD**  
**(An Authorised Audit Company)**

*Stantons International Audit and Consulting Pty Ltd*  
*Eliya Mwale*

**Eliya Mwale**  
Director

West Perth, Western Australia  
11 March 2026