

Prospect Resources Ltd

09:00 20 Jul 2016

Prospect Resources Ltd pockets \$14M to fast track lithium drilling in Zimbabwe

Prospect Resources Ltd (ASX:PSC) has received strong support from investors for its growing lithium portfolio in Zimbabwe.

The company has commitments to raise \$14 million through the issue of 280 million shares at \$0.05, subject to shareholder approval.

The extraordinary general meeting is to be held on 22nd July 2016.

Shareholders will also vote on the issue of up to 250 million shares to sophisticated investors at no less than \$0.03.

Hugh Warner, chairman, commented:

"The strong demand from Chinese sophisticated investors, including those within the lithium battery production cycle, is a positive endorsement for PSC, its African based management team and directors and of course the quality of our project portfolio.

"We are looking forward to developing strong relationships with our future end users and to be able to fast track the development of our assets with a strong balance sheet."

Zimbabwe lithium

Zimbabwe is well known for its lithium deposits, and history of production.

Prospect Resources is now funded to fast track drilling at the Arcadia Lithium deposit, located 35 kilometres from Harare.

The project hosts the Arcadia Lithium Deposit, which is a historically producing mine and has an initial exploration target of 15-18 million tonnes at 3-5% lithium.

The new funds raised will also be allocated to accelerate mine design, plant design and feasibility studies, while allowing the company to order long lead time items.

Adding further interest, Prospect Resources recently pounced on an option to acquire the God's Gift Lithium deposit, also within Zimbabwe.

The God's Gift Lithium claims have a long history with intermittent production.

They were first pegged for beryl in 1952. From this date until 1992, a total production of 315 tonnes of beryl, 2.8 tonnes of tantalite and 17 tonnes of cassiterite was declared.

Price: A\$0.051

Market Cap: A\$92.54M

1 Year Share Price Graph



Share Information

Code: PSC

Listing: ASX

52 week	High	Low
	0.077p	0.02p

Sector: General Mining

Website: www.prospectresources.com.au

Company Synopsis:

Prospect Resources Ltd (ASX:PSC) is focussed on minerals exploration and with operations in Zimbabwe.

Author:

Proactive Investors Australia

+61 (0)2 9280 0700

action@proactiveinvestors.com.au

Analysis

Today's cash raising highlights the support investors are showing for Prospect Resources lithium strategy in Zimbabwe.

The company has focused on acquiring projects with a history of lithium production.

With the use of modern drilling techniques, the results from the upcoming program will be highly anticipated.

Proactive Investors Australia is the market leader in producing news, articles and research reports on ASX emerging companies with distribution in Australia, UK, North America and Hong Kong / China.

Proactive Investors facilitate the largest global investor network across 4 continents in 4 languages. With a team of analysts, journalists & professional investors Proactive produce independent coverage on 1000's of companies across every sector for private investors, private client brokers, fund managers and international investor communities.

Contact us +61 (0)2 9280 0700 action@proactiveinvestors.com.au

No investment advice

The information on this Site is of a general nature only. It does not take your specific needs or circumstances into consideration, so you should look at your own financial position, objectives and requirements and seek financial advice before making any financial decisions. You acknowledge and understand that neither the Company, its related bodies corporate, the information providers or their affiliates will advise you personally about the nature, potential value or suitability of any particular security, portfolio of securities, transaction, investment strategy, or other matter. You should read our FSG and any other relevant disclosure documents and if necessary seek personal advice prior to making any investment decision.

You understand and agree that no Content (as defined below) published on the Site constitutes a recommendation that any particular security, portfolio of securities, transaction, or investment strategy is suitable or advisable for any specific person.

You understand that in certain circumstances the Company, its related bodies corporate, the information providers or their affiliates may have received, or be entitled to receive, financial or other consideration in connection with promoting, and providing information about, certain entities on the Site and in communications otherwise provided to you.

You understand that price and other data is supplied by sources believed to be reliable, that the calculations herein are made using such data, and that neither such data nor such calculations are guaranteed by these sources, the Company, the information providers or any other person or entity, and may not be complete or accurate. From time to time, reference may be made in our marketing materials to prior articles and opinions we have published. These references may be selective, may reference only a portion of an article or recommendation, and are likely not to be current. As markets change continuously, previously published information and data may not be current and should not be relied upon.

Before you act on any general advice we provide, please consider whether it is appropriate for your personal circumstances.