

# Prospect Resources Ltd

13:00 12 Oct 2016

## Prospect Resources looks to acquire copper-cobalt project

Prospect Resources Ltd (ASX:PSC) has signed an option agreement to acquire 90% of the Fimpimpa West Copper/Cobalt Project located in northern Zambia.

According to historical drilling and exploration, the project has an initial Exploration Target of 15-25 million tonnes grading 1.0%-1.5% copper.

The project is preferentially located close to existing road, rail and power infrastructure.

The option cost US\$15,000 and will last 90 days. Should Prospect exercise, it will fund 100% of exploration for 24 months.

Prospect intends to build a portfolio of copper and cobalt projects, leveraging off the local knowledge and contact base of the Fimpimpa West vendors.

Additional lithium and cobalt projects are currently under investigation.

### Cobalt opportunity

The Fimpimpa West Copper/Cobalt Project forms the first piece of the company's cobalt strategy.

Prospect, along with its Zambian partners intend to identify and acquire additional acreage that is prospective for Cobalt deposits, with particular focus on near term production assets.

To the east of Fimpimpa, the geology tends to shift from a copper-cobalt hosted environment to a cobalt hosted environment.

Further lithium and cobalt opportunities are being considered within Zambia and the Democratic Republic of Congo.

### Fimpimpa West Copper/Cobalt Project

The Fimpimpa Copper/Cobalt Project is a typical copper-belt style, sedimentary stratiform type deposit.

An open pit is currently being mined nearby and the deposit being mined continues into the Fimpimpa area.

In 1964, two bore holes were drilled and intersected conventional copper belt style mineralisation grading 1.9% copper over a thickness of 6 metres and 9 metres.

**Price:** A\$0.028

**Market Cap:** A\$55.47M

#### 1 Year Share Price Graph



#### Share Information

**Code:** PSC

**Listing:** ASX

**52 week High Low**  
0.077p 0.023p

**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.*

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During a recent exploration program, values of between 2.8% copper to 9% copper were recorded by XRF testing.

## Analysis

By signing this option agreement, Prospect has given itself leverage to a new region and new commodities for little cash outlay.

The company's exploration success to date at its flagship Arcadia lithium project in Zimbabwe helped support a recent \$16 million raising.

This means that should Prospect elect to exercise the option and acquire the project, it may be able to fund exploration at the project from its existing cash balance.

The company intends to release its first JORC reportable Mineral Resource for the Arcadia lithium project before the end of October 2016.

The latest drill assays from Arcadia continue to confirm the high grade lithium potential of the Arcadia project where drilling to date has covered only 12% of the company's exploration area.

With assays for 23 holes still pending and drilling at a new outcropping target to commence, Prospect remains well leveraged to lithium exploration success in an area known to host lithium.

Prospect shares are trading up 820% year to date.

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