



Date: 20 October 2022

ASX: PRS

Shares on issue: 88,298,593

Market capitalisation: A\$2.5M
(@ A\$0.028)

Board of Directors

Non-Executive Chairman
Thomas Mann

Managing Director
Jason Beckton

Executive Director
John Levings

Executive Director and CFO
Peter Nightingale

Non-Executive Director
Steve Gemell

Company Secretary

Richard Edwards

Substantial Shareholders

Peter Nightingale	8.7%
Lonway Pty Limited	7.9%
Robust Resources	5.8%
Thomas Mann	5.0%

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QUARTERLY ACTIVITIES REPORT

For the quarter ended 30 September 2022

The Directors present the September 2022 Quarterly Activities Report for Prospech Limited ('Prospech' or 'the Company') and its controlled entities ('the Group').

Highlights

Hodrusa Project – Schopfer Gold-Silver Prospect

- Schopfer Phase 2 surface drilling completed, testing strike and depth potential of historical high grade gold-silver mineralisation.
- Drillhole SCDD025 intersected gold and silver mineralisation in the main Schopfer vein (5.4m downhole length) and in a hanging wall stockwork (29.4m downhole length).
- Hanging wall stockwork intercepts include:
 - 1.0m @ 1.78 g/t Au, 21 g/t Ag from 569.0m
 - 1.2m @ 1.67 g/t Au, 183 g/t Ag from 573.0m
- Main Schopfer vein intercepts include:
 - 3.9m @ 0.45 g/t Au, 31 g/t Ag from 594.6m

Hodrusa Project – LANF Gold-Silver Prospect

- All four holes intersected strong epithermal-style geological features.
- LANF001 returned 4.62 g/t Au and 598 g/t Ag from backfill in historical workings.

Kolba exploration licence applied for and granted

- Historical surface sampling results include 0.68% cobalt, 6.75% nickel and 2.04% copper¹

Pukanec Project – Drill ready

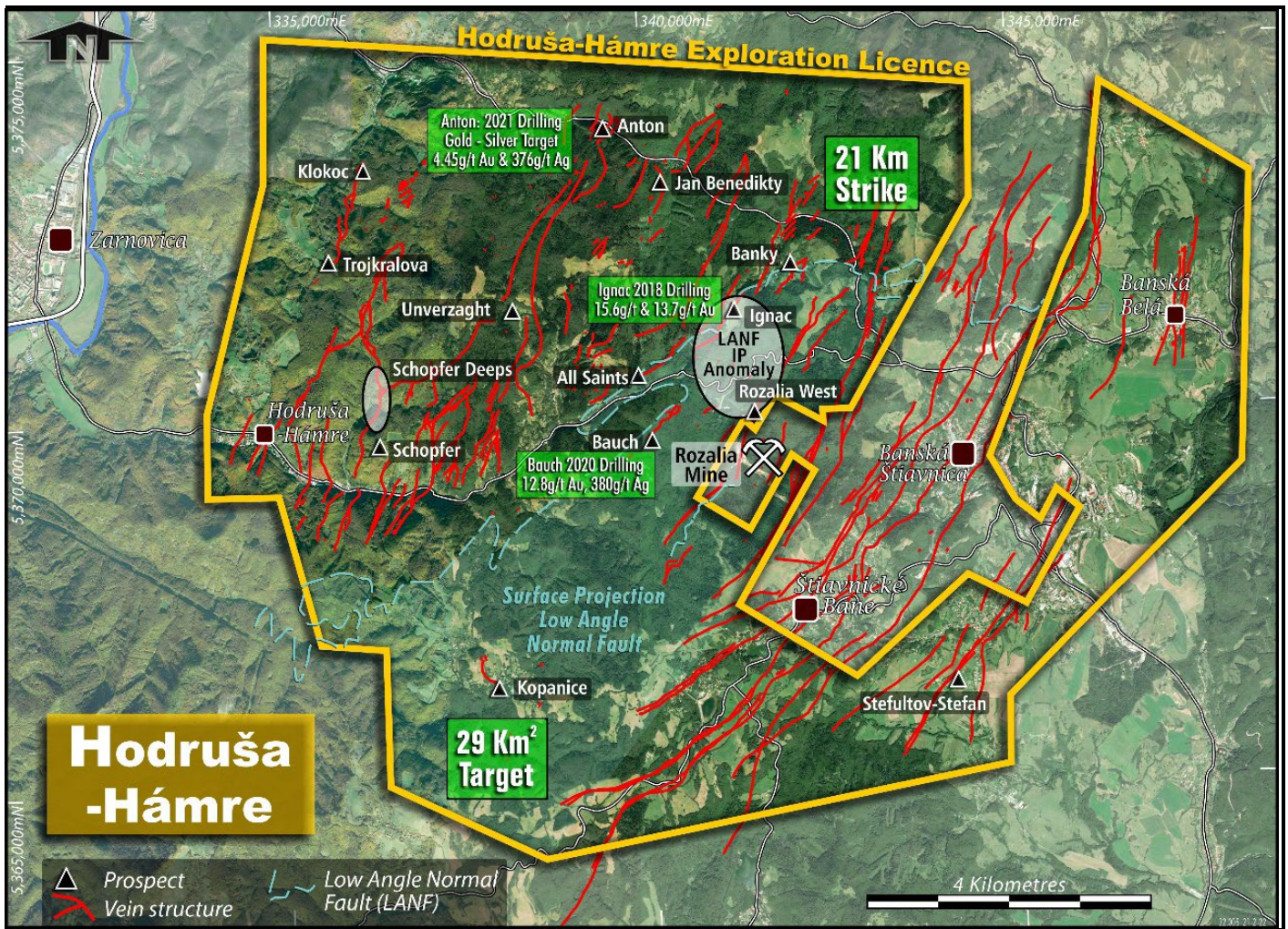
- Drill permits in place for a program to test surface and underground results of up to 31.2 g/t Au and 2,180 g/t Ag. All 171 surface rock chip samples taken to date at Pukanec in preparation for drilling, average 2.65 g/t Au and 85 g/t Ag.



Tenement location map.

Operations

Hodrusa-Hamre Exploration Licence (100% Prospech)



Operations this quarter were focused on the Schopfer and LNF gold silver targets.

Hodrusa-Hamre – Drilling – Schopfer

Diamond drillhole SCDD025 was completed to a depth of 625.4m. The hole was drilled to test area of high grade gold and silver mineralisation on Level 9 and Sub-level Level 9. The assays of 1,005 historic in situ underground channel cut samples from drives and winzes below the documented stopes, averaged 2.6 g/t Au and 261 g/t Ag ranging up to 235 g/t Au and 7,483 g/t Ag.

The Schopfer vein has estimated historical production of 1 million tonnes at 2 g/t to 5 g/t gold and 200 g/t to 500 g/t silver for a total 64,000 to 160,000 ounces of gold and 6 million to 16 million ounces of silver.

Although the Schopfer Vein structure is visually strong and there is a significant thickness of stockwork veining in the hanging wall, it is clear from the assays that SCDD025 missed one of the high-grade shoots evidenced by the historical underground sampling (Figures 1 and 2).

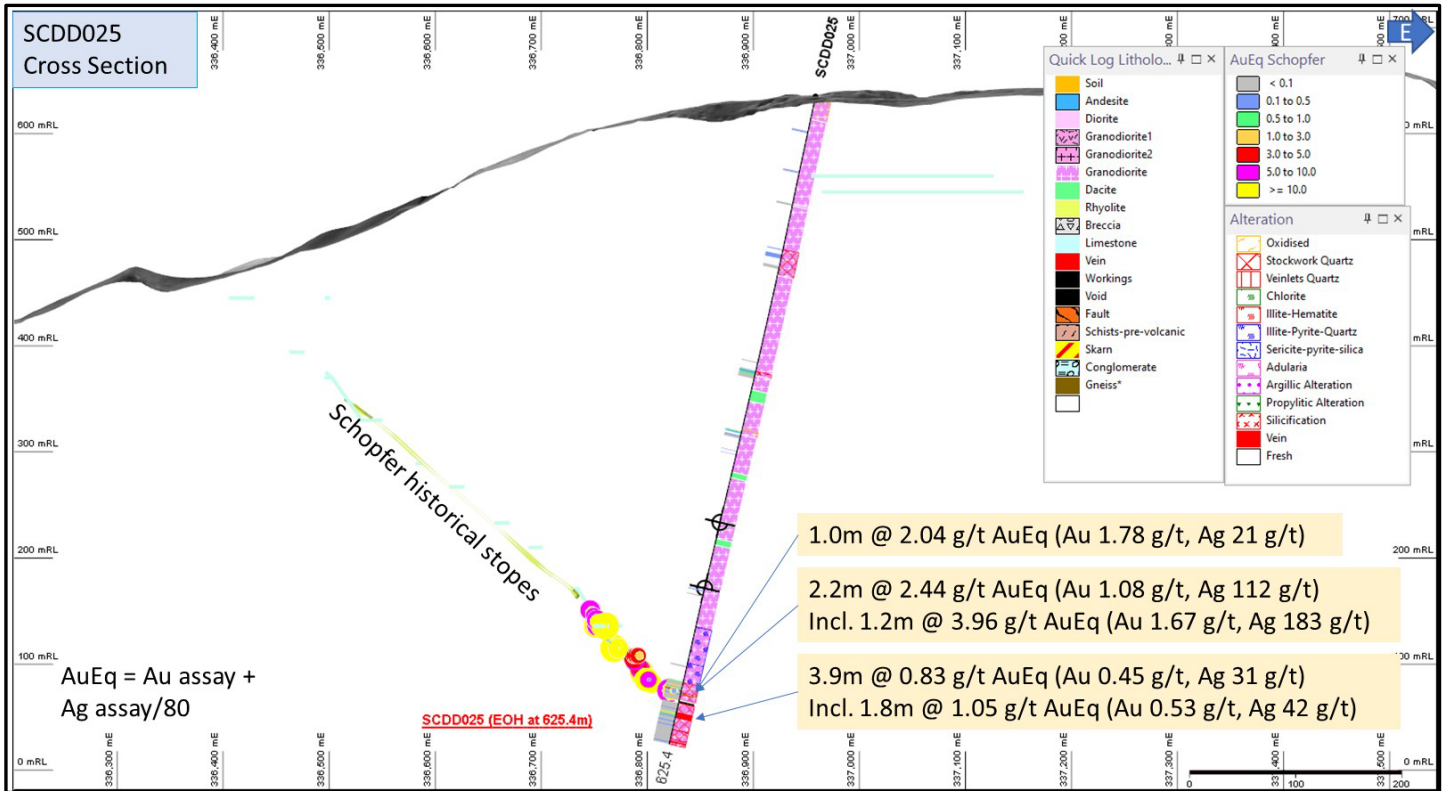


Figure 1: Cross section through SCDD025 - Schopfer

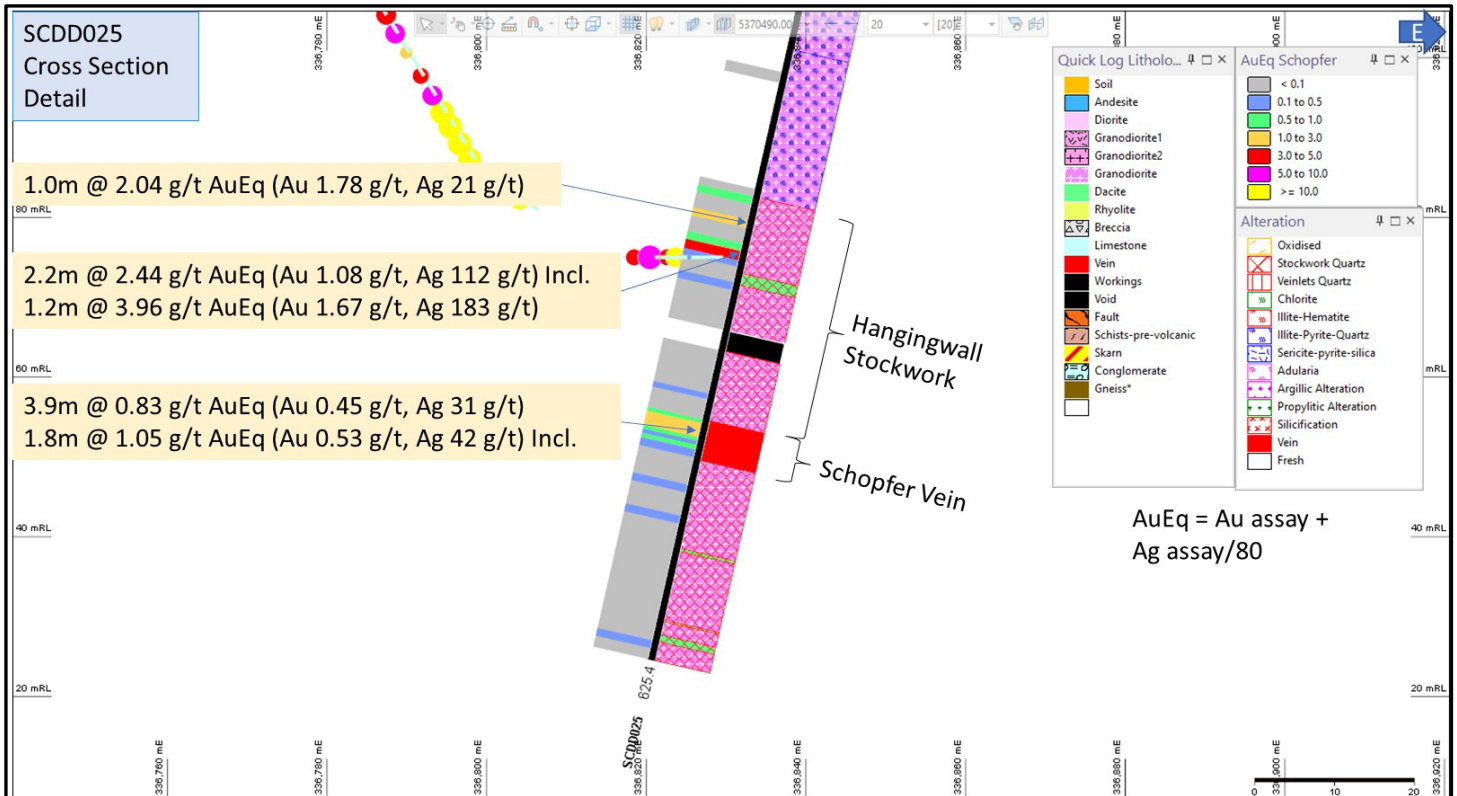


Figure 2: Cross section detail through SCDD025 - Schopfer vein

Hodrusa-Hamre – Drilling – Low Angle Normal Fault

Four holes were drilled to intersect shallow, medium strength IP anomalies, which also coincided with historical mine workings between the Ignac and Banky prospects, which had been previously drilled by Prospech with some encouraging gold and silver results (see below and Figure 3). The drilling is considered an important further test of the LANF concept and the use of IP-Resistivity geophysics as an exploration tool at Hodrusa.

The geological sequence intersected in the drilling revealed the presence of considerable epithermal-style alteration, stockworking and veining, providing proof of concept support for the LANF geologic model and the use of geophysics as an exploration tool at Hodrusa.

The highest assay result from the drilling was returned from hole LANF001, which intersected backfilled old workings between 76.6 and 77.2 metres down hole (Figure 4). Assays of this backfill material, which is not insitu mineralisation, were 4.62 g/t Au and 598 g/t Ag.

All holes intersected promising epithermal stockworks, but assay results returned only anomalous gold and silver values.

The LANF style of mineralisation of high grade detachment faults is noted elsewhere in the Tethyan Belt at Ada Tepe Bulgaria and for the Emperor Gold deposit in Fiji (Refer October 2021 Prospech presentation <https://prospech.com.au/s/Prospech-Society-Resource-Geology-Final.pdf>).

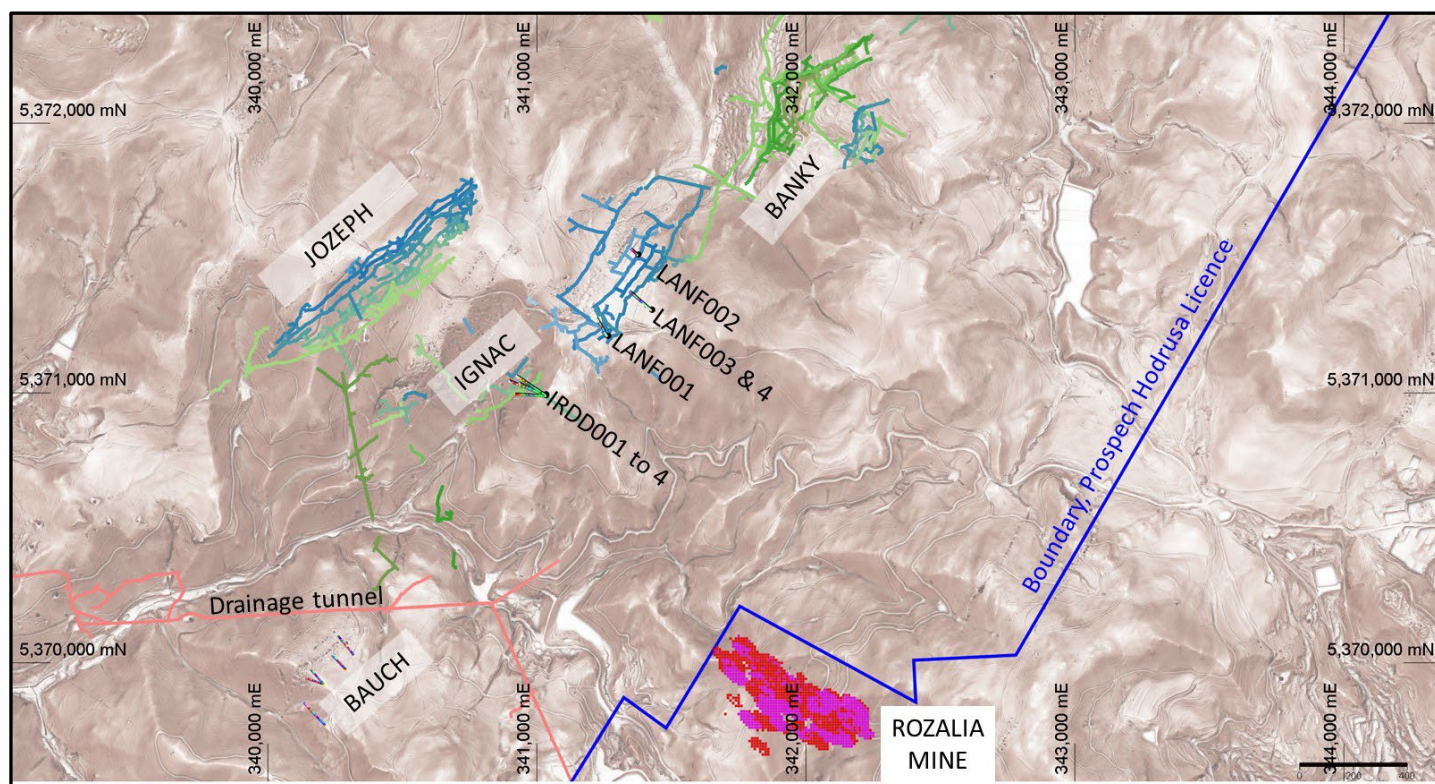


Figure 3: Location map showing drillholes LANF001 - LANF004.

The most encouraging results came from mineralised backfill in LANF001 which, coupled with previously encouraging results from drilling at Ignac and Bauch, provides a vector for future drilling.

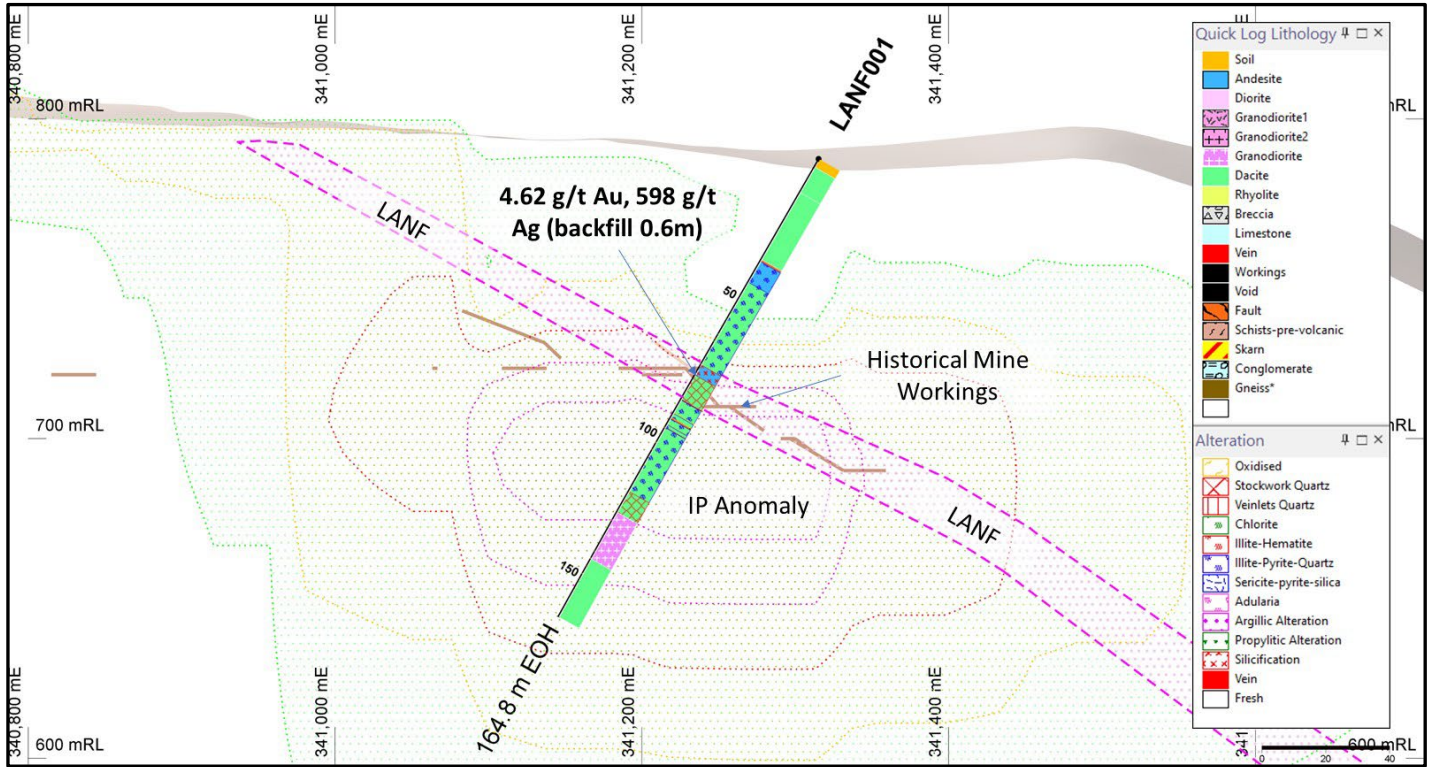


Figure 4: Cross section through diamond drill hole LANF001 which intersected stockworking within a package of volcanic rocks considered to represent the LANS structure which hosts the operating 3rd-party Rozalia gold mine located 1 km to the south-east.



Figure 5: Silicified hydrothermal breccia from LANF003 at ~148m with very similar textures to Banky high-grade mullock heap grab sample # PR0775 (15.00g/t Au and 1,015 g/t Ag). Core assays for the interval shown are 0.26 g/t Au and 34 g/t Ag.

This most recent LANF drilling program is the continuation of the Company's previous exploration at the Ignac, Banky and Bauch targets, all of which are interpreted to lie within the surface outcropping expression of the LANF.

Previously reported exploration results at Ignac, Banky and Bauch include:

- Rock chip assay results at Ignac of up to 47.3 g/t Au and 1,500 g/t Ag with 42 samples averaging 7.8 g/t Au and 330 g/t Ag (ASX announcement: Prospectus 3 December 2020).
- Ignac drilling results (ASX announcement: Prospectus 3 December 2020) include:
 - IRDD001: 4.0m @ 4.8 g/t Au and 22 g/t Ag from 190.0m including 1.0m @ 13.7 g/t Au and 20 g/t Ag from 190.0m
 - IRDD002: 0.4m @ 15.6 g/t Au and 46 g/t Ag from 174.0m and 0.4m @ 8.3 g/t Au and 117 g/t Ag from 195.8m
- Rock chip assay results at Banky of up to 36.2 g/t Au and 1,300 g/t Ag (ASX announcement: Hodrusa-Hamre IP Survey Completed 9 December 2021).
- Bauch drilling results (ASX announcement: Gold and Silver Intersections in Completed Bauch Program 2 February 2021) include:
 - BADD001: 1.0m @ 12.8 g/t Au and 380 g/t Ag from 89.1m
 - BADD003: 1.0m @ 2.4 g/t Au and 11 g/t Ag from 76.0m

Kolba Exploration Licence (100% Prospech)

The Kolba exploration licence was applied for and granted during the quarter. Kolba is located in Central Slovakia proximate to the Company's existing operations.

Kolba is part of the Svatodusna - Podlipa geologic system with mineralisation consisting of cobalt-nickel sulpho-arsenides. The Podlipa Mine, within the Kolba tenement, was worked in the 1800s with copper grades from 2% to 17%.

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

Historical workings indicate a strike of over 300m for Kolba cobalt prospect and 500m for the Svatodusna cobalt-copper-nickel prospect.

Quartz-carbonate-sulphide veins of Cretaceous (Paleo-Alpine age) are hosted in Permian meta-sandstones and greywackes as well as in the underlying ortho-gneisses. The mineralisation is represented by hydrothermal veins and stockworks, in east-west trending zones.

Mineralised zones are typically several hundred metres long with the most abundant sulphide minerals being chalcopyrite (copper-iron-sulphide mineral) and tetrahedrite (copper-antimony-sulfosalt mineral) with common inclusions of gersdorffite (nickel-arsenic-sulphide mineral) and cobaltite (cobalt-arsenic-sulphide mineral) (Figure 6).

Historical surface sampling results include 0.68% cobalt, 6.75% nickel and 2.04% copper¹

¹ Refer 25 August 2017 European Cobalt Limited (ASX: EUC) ASX release.

Data collation of pre-1993 underground sampling and mapping is already underway with the aim to delineate high grade drill targets within our new exploration licence.

In the coming weeks, exploration work will comprise surface mapping, detailed rock chip sampling, soil sampling and proposals for drilling for internal ranking prior to permitting.

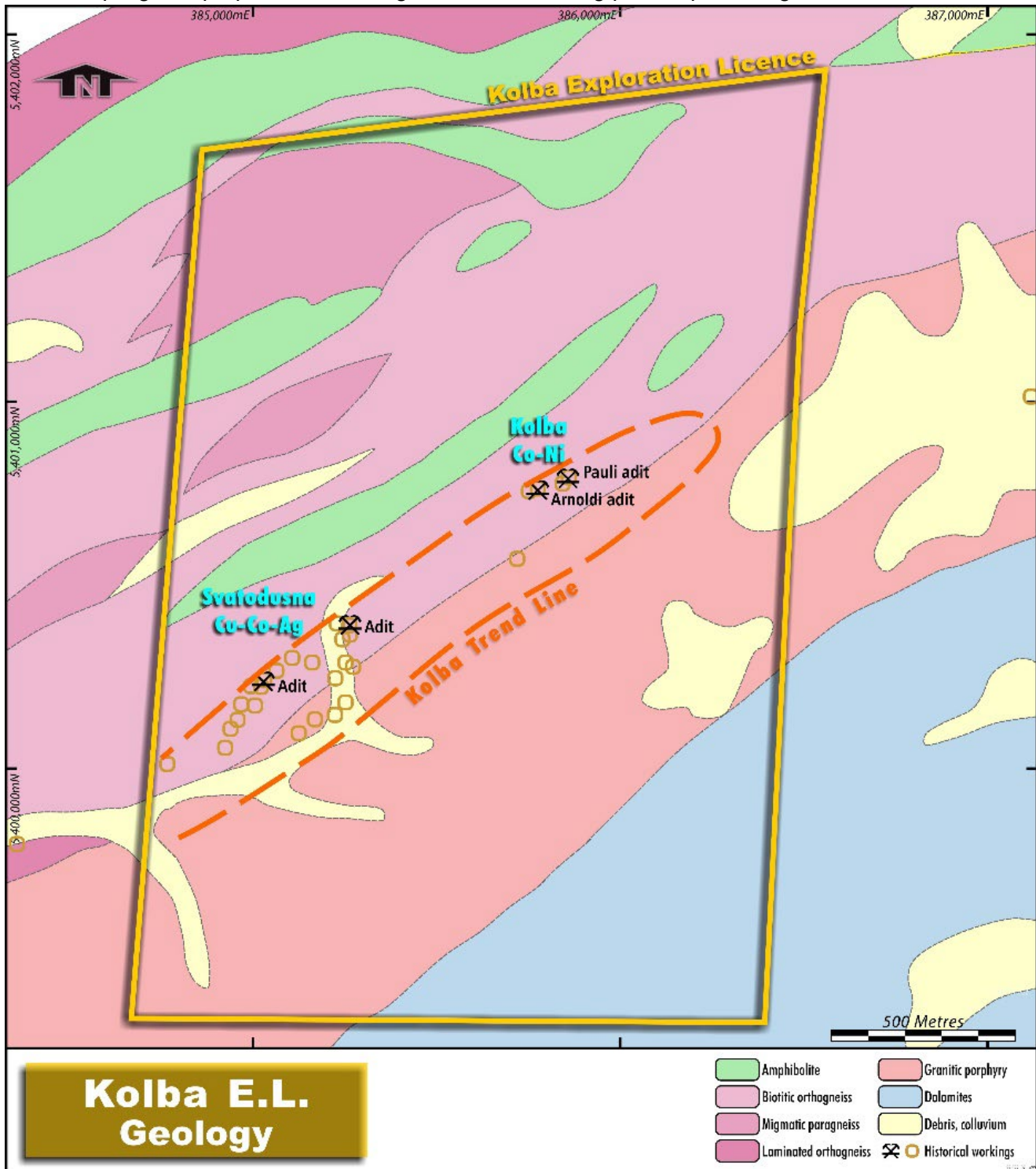


Figure 6: The Kolba - Svatodusna structure is at least 1.5km long and consists of parallel zones of two known adits - Arnoldi and Pavlo and three unnamed adits and various workings.

Pukanec Exploration Licence (100% Prospech)

Pukanec, an extensive system gold and silver mineralised veins and more than 800 historic workings, lies on the western side of the Hodrusa Caldera. Surface rock chip samples, collected from some of these workings, returned gold and silver assays up to **31.2 g/t Au and 2,180 g/t Ag**. **All 171 surface rock chip samples taken to date at Pukanec in preparation for drilling, average 2.65 g/t Au and 85 g/t Ag.**

Drill permits in place for a 17 hole, 2,800 metre program, covering targets over a 2 kilometre strike length, have been approved and are scheduled to be drilled during Q4 2022. This plan, subject to finance and weather conditions, will see 1500m drilled in the remainder of 2022.

Other Exploration Licences (100% Prospech)

No field activities were undertaken during the quarter at the Rudno, Jasenie and Cejkov-Zemplin exploration licences.

September 2022 Quarter Planned Activities

Hodrusa Project – Review of all drilling results and planning of future exploration.

Pukanec Project – Commence a 17-hole, 2,800m drilling program.

Kolba Project – Surface exploration in preparation for drilling in early 2023.

Corporate

Expenditures

Expenditure on mine exploration activities during the quarter totalled \$357,000. There were no expenditures on mine production and development activities during the quarter.

Related Party Expenditures

During the quarter the aggregate amount of payment to related parties and their associates totalled \$140,000 comprising \$120,000 of payments to Directors or Director related entities for Directors' consulting fees and \$20,000 in fees were paid to MIS Corporate Pty Limited ('MIS'), an entity in which Director Peter Nightingale has a controlling interest. MIS provides full administrative services, including administrative, accounting, company secretarial staff, rental accommodation and supplies to the Group.

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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.

JORC CODE, 2012 EDITION – TABLE 1 PUKANEC LITHOGEOCHEMISTRY

SECTION 1 SAMPLING TECHNIQUES AND DATA

Criteria	JORC Code explanation	Commentary
Sampling techniques	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> Rock chip grab samples were collected from outcrops, spoil heaps and accessible surface and underground workings of quartz veins, and zones of silicification, within Neogene volcanics under the supervision of a qualified geologist. Sample locations were surveyed with a handheld GPS and marked into sample books.
Drilling techniques	<ul style="list-style-type: none"> 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). 	<ul style="list-style-type: none"> Pukanec prospect has not been drilled by PRS and previous drilling pre 1992 not reported. No drilling results reported
Drill sample recovery	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> Pukanec prospect has not been drilled by PRS and previous drilling pre 1992 not reported. No drilling results reported
Logging	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> Rock chips were described in hand specimen and photographs taken for reference.
Sub-sampling techniques and sample preparation	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> Approximately 1 to 2 Kg of material from each rock chip was sent to the laboratory for analysis. All sampling done under supervision of a qualified geologist.
Quality of assay data and laboratory tests	<ul style="list-style-type: none"> 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 	<ul style="list-style-type: none"> 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

Criteria	JORC Code explanation	Commentary					
	<p><i>XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.</i></p> <ul style="list-style-type: none"> 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. 	code ME-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	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> 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	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> Rock chip samples are located using handheld GPS receivers with accuracy from 10-5m. UTM projection WGS84 Zone 34N and local grid SJTSK03. Conversion between local and UTM grid is run through national certified webportal. The topographic control, using handheld GPS, was adequate for the survey. Location and description of sample in the table below 					
SampleID	East	North	RL	Au_ppm	Ag_ppm	Type	Vein_Description
PR1330	329832	5359704	530	42.6	940	UG	Sach qz + Fe/Mn oxides
PR1563	329647	5359085	588.358	31.2	1530	Workings	Vuggy sach qz + acantite
PR1524	328395	5358990	695.955	28.6	66.2	Workings	Limonnitized Py (5mm) on rock vein contact.
PR1564	329050	5359370	700.328	23.9	667	Workings	Vuggy qz bx with strong Mn - oxides
PR1522	327980	5358475	623.218	22.1	274	Workings	Fine grained silicite with trace limonitized pyrite
PR1495	328366	5359756	509.716	21.9	2180	Mullock	Grey massive sach qz Weak fine Ga/Sp/Cp/Py
PR1496	328366	5359756	509.716	21.5	470	Mullock	Ga/Sp/Cp/Py dissemination on vein rock contact
PR1569	328990	5359390	707.159	19.8	438	Outcrop	Qz, Calcite veinlets with limonitized py
PR0830	328375	5359693	536.512	15	148	Workings	Massive coarse grained carbonate. Trace Ccp/Gal.
PR1024	328896	5360417	531.4	10.95	9.5	UG	Qz/carb vein, gal/sph/ccp dissemination
PR1567	329370	5359170	599.145	10.2	299	Mullock	Drusy qz with limonitized pyrite XX
PR1494	328366	5359756	509.716	10.15	211	Mullock	Coarse grained calcite with weak Ga/Sp/Cp/Py
PR1059	328885	5360443	547	10.1	22.8	mullock	Coarse cryst. Calcite
PR0807	329812	5359657	632.017	9.8	478	Mullock	Qz breccia. Mn-carb and Mn-ox. Matrix. Trace Py dissem.
PR1528	328100	5358860	644.93	9.23	37.7	Workings	Sach vuggy qz with limonitized pyrite
PR0811	329843	5359676	630.514	8.76	327	Mullock	Massive fine Qz + Mn-carb. Black Mn-ox stains.
PR1023	328896	5360417	531.4	7.89	36.9	UG	Qz/carb vein, gal/sph/ccp dissemination
PR1025	328896	5360417	531.4	6.7	20.2	UG	Qz +- carb gal/sph/ccp + Mn-oxides
PR0829	328375	5359693	536.512	6.405	53	Workings	Massive coarse grained carbonate. Trace Ccp/Gal.
PR1071	329517	5358053	492	5.73	34.7	UG	Mn/Fe oxides and bits of vuggy qz
PR1560	328393	5359786	498.8	5.66	389	Float	Massive coarse grained calcite. Weak Py/Ga/Ag - sulph, Carbonate breccia with andesite clasts, minor qz. Trace malachite.
PR1520	329170	5359815	657.049	5.01	207	Mullock	
PR1536	328390	5358975	693.228	4.93	36.9	Workings	Drusy qz veinlet with limonitised pyrite and VG.
PR0810	329839	5359686	630.514	4.547	185	Mullock	Massive Mn-carb/Qz. Black Mn-ox stains.
PR1493	328366	5359756	509.716	4.49	200	Mullock	Coarse grained massive calcite with weak Ga/Sp/Cp/Py dissemination
PR1073	329517	5358053	492	4.29	78.7	UG	Mn/Fe oxides and vuggy qz
PR0809	329839	5359686	630.514	4.101	73	Mullock	Vuggy Qz + Mn. Carb.
PR1507	328380	5359330	641.756	4.08	228	Float	Fine grained silicite, brownish after limonitised py+white drusy sach qz veinlets with limonitized py.
PR1505	328380	5359330	641.756	3.79	153	Float	Vuggy sach white qz
PR1526	328310	5359165	665.94	3.65	130	Workings	Sach vuggy qz with Fe-ox
PR0826	328391	5359750	523.054	3.609	154	Workings	Quartz breccia. Trace Py/Gal dissem.
PR1532	328550	5359880	533.982	3.2	33.2	Workings	Sach qz with limonitized pyrite
PR0827	328391	5359750	523.054	3.1	106	Workings	Massive grey fine grained Qz + pinky vuggy sach . Qz
PR0828	328375	5359693	536.512	3.046	9	Workings	Massive coarse grained carbonate. Trace Ccp/Gal.
PR1503	329015	5359320	713.146	2.89	65.4	Workings	Massive sach qz with trace dissem of ox pyrite
PR1559	328395	5359660	530.173	2.75	118	Workings	Sacch qz + carb. Weak Ga/Py/Sp
PR1506	328380	5359330	641.756	2.53	227	Float	Fine grained silicite, brownish after limonitised py+white drusy sach qz veinlets with limonitized py.
PR1510	328318	5359490	593.361	2.48	7	Outcrop	Vuggy drusy qz veinlets with limonite
PR1534	328625	5359920	501.084	2.33	13.8	Workings	Massive sach qz/calcite. Trace fresh pyrite
PR1516	329480	5360095	685.782	2.32	68.3	Workings	Drusy qz veinlets with limonitized pyrite
PR0975	328970	5359320	706	2.26	38.9	Workings	Massive white sach. Qz + porous black qz
PR1527	328050	5358800	633.797	2.03	22	Workings	And breccia with sach qz matrix. Trace Py.

Criteria		JORC Code explanation					Commentary	
SampleID	East	North	RL	Au_ppm	Ag_ppm	Type	Vein_Description	
PR1075	329517	5358053	492	1.96	51	UG	Vuggy qz with Fe/Mn oxides	
PR1202	329922	5359748	612.717	1.92	38	Mullock	Grey fine grained qz + drusy qz. Limonite and trace malachite	
PR1537	328244	5360232	425.916	1.89	54.8	Float	Massive to vuggy sach qz with waek Ga/Sp/Py. Trace Ag-sulp?	
PR1514	329450	5360050	700.102	1.73	63.2	Workings	Sach to drusy Qz veinlets, trace limonitized py	
PR1556	328660	5356680	427.984	1.7	49.2	Workings	Massive fine grained limonitized qz, trace pyrite	
PR1554	328645	5356680	431.375	1.56	45.8	Workings	Massive coarse grained calcite with trace py	
PR1060	328885	5360443	547	1.54	3.6	mullock		
PR1501	329035	5359490	689.913	1.48	569	Workings	Massive sach qz with carbonate perimorph. Bands and strong dissem of Mn-ox	
PR1195	329704	5359808	655.91	1.4	53.4	Workings	Vuggy, drusy qz	
PR1334	329832	5359704	530	1.32	46.6	UG	Silicite + Fe/Mn oxides	
PR1072	329517	5358053	492	1.31	44.2	UG	Mn/Fe oxides and bits of vuggy qz	
DT-119/R	328325	5361790	376.456	1.13	2.2	Mullock		
PR1521	329072	5359790	629.099	1.07	18.1	Outcrop	Fine grained to sach drusy qz with limonitized pyrite	
PR1517	329450	5360050	700.102	1.06	193	Outcrop	Qz + coarse carbonate (partially leached) Soft Fe-Mn oxides	
PR1523	327980	5358475	623.218	1.01	15.2	Workings	Sach vuggy qz with trace limonitized pyrite	
PR1055	329900	5359750	618	0.92	6.4	UG	limonitized clayisch gauge	
PR0808	329839	5359686	630.514	0.901	24	Mullock	Massive white sach. Qz + Mn-carb. Veinlets. Black Mn-ox. Stains.	
PR1552	328688	5356730	414.401	0.86	17.8	Workings	White sach qz with trace limonitized py	
PR0976	328970	5359320	706	0.82	48	Workings	Massive coarse carbonate	
PR1194	329704	5359808	655.91	0.8	60.5	Workings	Qz breccia	
PR1530	328265	5359920	548.22	0.8	2	Workings	Massive sach qz+vuggy drusy qz veinlets. Trace py/ga	
PR0805	329820	5359590	616	0.797	135			
PR0831	328390	5359659	546.463	0.786	15	Workings	Massive to vuggy gray sach. Qz. Weak Py/Gal/Sph dissem.	
DT-120/R	328327	5361739	383.472	0.78	14.1	Mullock		
PR1198	329925	5359772	612.699	0.76	30.2	Mullock	Qz and rhodonite veinlets, trace py, Mn-oxides	
PR1509	328318	5359490	593.361	0.72	29.8	Outcrop	Vuggy drusy qz veinlets with limonite	
PR1535	328550	5359880	533.982	0.71	24.6	Workings	Vuggy drusy sach qz with trace limonitized pyrite	
PR0949	329028	5359014	674.572	0.71	35.3	Workings	Massive fine qz + coarse carb. Limonitized, porous.	
PR1078	330016	5358336	494.377	0.69	46.5	Outcrop	Qz + Mn/Fe - oxides	
PR1074	329517	5358053	492	0.68	43.7	UG	Mn/Fe oxides and vuggy qz	
PR1022	328896	5360417	531.4	0.68	9.4	UG	Qz/carb vein, gal/sph/ccp dissemination	
PR1562	329525	5358975	621.893	0.67	64.8	Workings	White sacch qz. Trace Py / Ag - sulp?	
PR1504	328274	5359330	661.049	0.65	81.5	Workings	Fine grained silicite, brownish after limonitised py+white drusy sach qz veinlets with limonitized py. VG	
PR0981	328834	5358849	679	0.64	9.5	Workings	Vuggy white and black Qz.	
PR1499	329050	5359370	700.33	0.63	19	Workings	Massive coarse grained calcite with younger qz veinlets with trace pyrite	
PR1502	328990	5359410	707.544	0.61	29.9	Outcrop	Qz bx with limonite	
PR1077	330016	5358336	494.377	0.59	76.9	Outcrop	Qz + Mn/Fe - oxides	
PR1333	329832	5359704	530	0.57	37.1	UG	Fine grained grey silicite + Fe/mn oxides	
PR1553	328677	5356507	434.633	0.55	7.1	Workings	Massive fine grained white qz with trace py	
PR0979	329032	5359162	703	0.52	28.5	Workings	Massive fine gr. qz. Leached carb + Fe-ox.	
PR0804	329960	5359533	596.645	0.496	59	Mullock	vuggy sach. white/orange Qz. Fe/Mn-ox. stains	
PR1017	329456	5358763	570	0.47	16.7	UG	mix of clay, Mn-oxides and qtz	
PR0978	328999	5359414	695	0.46	30.2	Outcrop	Vuggy Qz veinlets in silicified breccia. Fe-ox.	
PR1191	329832	5359704	636.709	0.44	17.8	Subcrop	Qz and rhodonite veinlets. Mn-oxides stains	
PR1561	329500	5358970	628.315	0.44	66.6	Outcrop	Sacch vuggy qz, Mn - oxides	
PR0982	328836	5358853	681	0.43	13.4	Workings	Qz Bx. White sach qz matrix.	
PR1498	329050	5359370	700.33	0.4	53.1	Workings	Qz stockwork to breccia. Trace limonitized pyrite	
PR1331	329832	5359704	530	0.36	12	UG	Fine grained grey silicite + Fe/mn oxides	
PR0974	329030	5359162	703	0.34	26.4	Workings	Massive fine grained grey qz.	
PR1518	329170	5359815	657.049	0.33	13.5	Mullock	Fine grained silicite breccia with partially limonitised py dissem	
PR1511	329490	5357740	503.993	0.33	42.7	Workings	Thin vuggy drusy qz veinlets. Trace limonitised pyrite	
PR1531	328550	5359880	533.982	0.33	42.4	Workings	Drusy qz with limonitized py	
PR1056	329900	5359750	618	0.31	8.4	UG	massive coarse qtz veins	
PR0973	329044	5359033	674	0.3	44	Workings	Massive white sach. Qz + coarse carb. Mn - ox.	
PR0977	328970	5359320	706	0.28	19.8	Workings	Massive fine white qz + vuggy qz with Fe-ox.	
PR0980	329032	5359162	703	0.28	82.5	Workings	Fine grained massive Qz. Drak brown. Fe-ox. Stains.	
PR0972	329044	5359033	674	0.27	44.1	Workings	Massive to vuggy sach. White Qz, bblack Mn? Stains	

Only 100 of 171 samples depicted here for demonstrative purposes.

Criteria	JORC Code explanation	Commentary
Data spacing and distribution	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> 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	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> No bias is believed to be introduced by the sampling method.
Sample security	<ul style="list-style-type: none"> The measures taken to ensure sample security. 	<ul style="list-style-type: none"> Samples were delivered to ALS Minerals laboratory in Romania by Prospech trusted contractor and were not left unattended at any time. There were no incident reports from ALS lab on sample receiver cell.
Audits or reviews	<ul style="list-style-type: none"> The results of any audits or reviews of sampling techniques and data. 	<ul style="list-style-type: none"> 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	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> Prospech Limited, through subsidiaries and contractual rights, holds 100% rights on the Hodrusa-Hamre - Banska Stiavnica, Nova Bana, Rudno, Pukanec and Jasenie tenements. The laws of Slovakia relating to exploration and mining have various requirements. As the exploration advances specific filings and environmental or other studies may be required. There are ongoing requirements under Slovakian mining laws that will be required at each stage of advancement. Those filings and studies are maintained and updated as required by Prospech's environmental and permit advisors specifically engaged for such purposes. The Company is the manager of operations in accordance with generally accepted mining industry standards and practices.
Exploration done by other parties	<ul style="list-style-type: none"> Acknowledgment and appraisal of exploration by other parties. 	<ul style="list-style-type: none"> Anciently, the target was silver, the currency of the day, and more recently, during the Communist era, the targets were industrial base metals, copper, lead, zinc and others. As a result, much of the country, including the Company's exploration license areas, has not been subject to modern western exploration methodology or exploitation. Slovakia has a known mining history dating to Celtic times and earlier. Tools used by prehistoric miners at Spania Dolina, near Banska Bystrica are dated as early as 2000-1700 BC. Major production of metals (primarily copper and silver) occurred during the medieval period. The second oldest mining institute in the world is located at Banska Stiavnica and the local population is proud of their mining heritage, holding a three day mining festival every year. The mint at nearby Kremnica has operated for over six hundred years and continues to operate today. Communist era base metal and coal production was substantial and smelting of aluminium and nickel (material imported from Hungary and Albania) was carried out. Coal, gold, silver, talc, anhydrite and magnesite (and limestone, dolomite and gravel), bentonite, zeolite and industrial minerals are being mined in Slovakia today. An underground gold mine on a third party mining lease enclosed within the HHBS exploration license, the Rozalia Mine, continues in operation today, trucking a gravity/flotation concentrate to a smelter in Belgium. Communist era gold assays used in Government and private exploration programs have been proven to be unreliable and this must be taken into account when interpreting reports from the Communist era. Prospech holds 100% of two exploration licences

Criteria	JORC Code explanation	Commentary
		<p>covering approximately 115 square kilometres in the Hodrusa-Hamre/Banska Stiavnica mining district and the nearby Nova Bana goldfield where more than 1,000 years of historical production is estimated to have totalled 2.4 million ounces of gold, 120 million ounces of silver, 70,000 tonnes of zinc, 55,000 tonnes of lead and 8,000 tonnes of copper.</p> <ul style="list-style-type: none"> The Hodrusa-Hamre/Banska Stiavnica mining district and the Nova Bana goldfield are located approximately 180 kilometres east of Bratislava in Slovakia, a country member of the European Union and Eurozone.
Geology	<ul style="list-style-type: none"> Deposit type, geological setting and style of mineralisation. 	<ul style="list-style-type: none"> Located on the western flanks of the Stiavnica Strato Volcano within the Central Slovakian Volcanic Belt, the Nova Bana Exploration Licence covers quartz veins with classically banded, low-sulphidation epithermal textures with sulphidic "ginguro" zones, which are commonly associated with high grades of precious metals. Native gold and silver-sulphide minerals were observed in the hand specimens.
Drill hole Information	<ul style="list-style-type: none"> 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: <ul style="list-style-type: none"> easting and northing of the drill hole collar elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar dip and azimuth of the hole down hole length and interception depth hole length. If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case. 	<ul style="list-style-type: none"> Pukanec west prospect has not been drilled. No drilling results reported.
Data aggregation methods	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> No results have been reported with aggregated intercepts.
Relationship between mineralisation widths and intercept lengths	<ul style="list-style-type: none"> 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'). 	<ul style="list-style-type: none"> Mineralisation is epithermal vein related.
Diagrams	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> 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	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> Results for all samples collected in this program are displayed on the attached maps and/or tables.
Other substantive exploration data	<ul style="list-style-type: none"> 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 	<ul style="list-style-type: none"> No metallurgical or bulk density tests were conducted at the project by Prospech.

Criteria	JORC Code explanation	Commentary
<i>Further work</i>	<p><i>contaminating substances.</i></p> <ul style="list-style-type: none"> <i>The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</i> <i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i> 	<ul style="list-style-type: none"> Prospech proposes to carry out additional surface sampling and mapping of the Pukanec targets in preparation for diamond drilling early in the 2021 field season.

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

Prospech Limited

ABN

24 602 043 265

Quarter ended ("current quarter")

30 September 2022

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation	(357)	(1,131)
(b) development	-	-
(c) production	-	-
(d) staff costs	-	-
(e) administration and corporate costs	(135)	(409)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	1	1
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other (provide details if material)	-	-
1.9 Net cash from / (used in) operating activities	(491)	(1,539)

2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) tenements	-	-
(c) property, plant and equipment	-	-
(d) exploration & evaluation	-	-
(e) investments	-	-
(f) other non-current assets	-	-

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	-	-
3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	-	-
4.	Net increase / (decrease) in cash and cash equivalents for the period	(491)	(1,539)
4.1	Cash and cash equivalents at beginning of period	944	2,038
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(491)	(1,539)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	-
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	-

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	(1)	(47)
4.6	Cash and cash equivalents at end of period	452	452

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	452	944
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	452	944

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	140
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
<i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i>		

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

7. Financing facilities	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
<i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>		
7.1 Loan facilities	-	-
7.2 Credit standby arrangements	-	-
7.3 Other (please specify)	-	-
7.4 Total financing facilities	-	-
7.5 Unused financing facilities available at quarter end		-
7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (item 1.9)	(491)
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	-
8.3 Total relevant outgoings (item 8.1 + item 8.2)	(491)
8.4 Cash and cash equivalents at quarter end (item 4.6)	452
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	452
8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3)	0.92
<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>	
8.8 If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
Answer: No. Whilst the Company is planning to undertake a drilling program at the Pukanec project prior to the end of the year exploration activities will be less than those undertaking in the September quarter due to the onset of the European winter.	
8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
Answer: Yes. The Company is in discussions with a number of parties and assessing various funding alternatives.	

8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: Yes. The Company anticipates successfully raising additional funding to continue exploration activities at its suite of exploration projects.

Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 20 October 2022

Authorised by: By the Board
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.