

4 October 2023

## **KORSNÄS MUNICIPALITY SUPPORT EXPANDS THE KORSNÄS PROJECT**

### **Highlights**

- **The Korsnäs Municipality (local Government) has granted Bambra Oy (Bambra) consent and exclusive rights to conduct exploration activities over an area covering the historic Korsnäs lead mine.**
- **Core from 499 historic drill holes is securely stored by the Geologic Survey of Finland and available for sampling and assaying by Prospech.**
- **Significant progress in analysing, logging and sampling historic data and drill core.**
- **Prospech has sampled and reported modern assay results from 6 holes confirming the presence of multiple rare earth element (REE) mineralised zones.**
- **Assay results from samples taken by Prospech August from a further 40 holes are currently pending.**
- **An additional 44 holes have now been logged and 832 drill core intervals delineated, totalling 1,289 metres awaiting completion of sampling and despatch to the laboratory for assaying.**
- **Additional logging and sampling of the historic Korsnäs drill core are scheduled for November, with plans for subsequent confirmatory drilling,**
- **The historic Korsnäs lead mine was focused on lead production and generally overlooked, and did not assay for, REE mineralisation.**

Prospech Limited (ASX: PRS, 'Prospech' or 'the Company') is pleased to announce the support of the local Korsnäs Municipality, the owners of the surface areas of the historic mine site, by granting Prospech's subsidiary, Bambra, consent and exclusive rights to conduct exploration activities over an area covering the historic Korsnäs lead mine.

Under the terms of the agreement which has a five year term and a five year extension option, Bambra will pay the Korsnäs Municipality the same annual exploration fees as stipulated for Exploration Permits by the Mining Act of Finland, being €20 per hectare for the first four, €30 per hectare for the fifth to seventh years and €40 per hectare for the eighth to tenth years.



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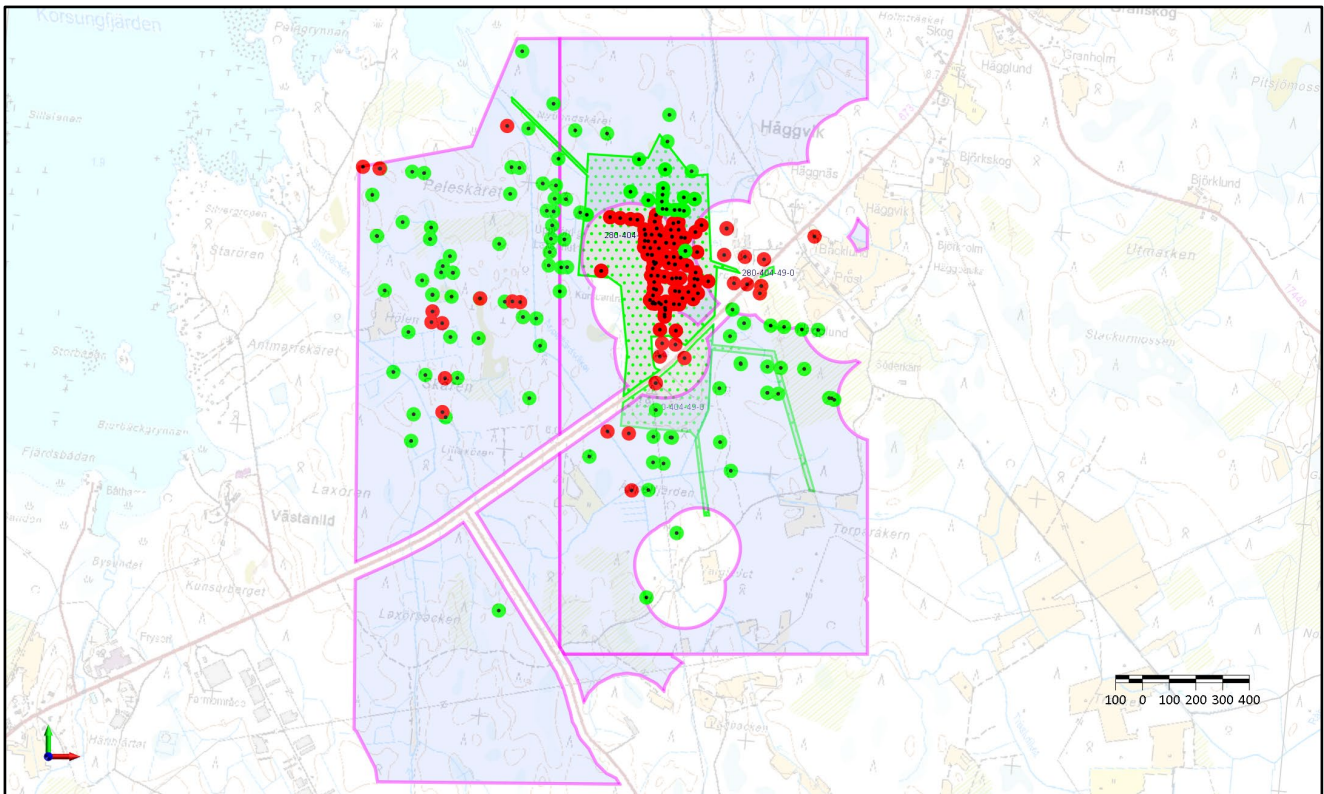


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Prospech has immediate plans to review the historic data now made available by the agreement with the Korsnäs Municipality as shown in Figure below.



*Korsnäs exploration licence area (mauve stipple) and area covered by Korsnäs Municipality agreement (green stipple) Historic diamond drill core already reviewed/sampled by Prospech (green dots) and holes yet to be examined (red dots)'*

### **PROSPECH - GTK COOPERATION UPDATE:**

The collaboration between Prospech and the Geological Survey of Finland (GTK) has made substantial progress in processing and analysing data and information.

Initially, 499 drill hole logs have been converted into the Micromine software format, creating a structured database of drilling information.

Additionally, 317 scanned .TIF image files, including 102 sections files and 15 plan files, have been officially recorded. Among these, 40 images have been digitized and converted into the Micromine format, improving data accessibility.

Furthermore, three sessions were conducted for inspecting and testing historic drill core samples at the GTK facility in Loppi. These samples date back as far as 1954 and play a crucial role in understanding the geological history of the area.

A notable aspect of the collaboration is the examination of 115 historic drill holes from the Korsnäs area using a portable X-ray fluorescence instrument. This technology rapidly assesses core samples, resulting in the selection of 1,230 samples for modern REE assaying, a valuable contribution to ongoing exploration efforts.

Prospech and GTK's joint efforts are steadily advancing the understanding of the Korsnäs area's geological potential and its rare earth element resources.

**Prospech Managing Director Jason Beckton said:** *“I'm pleased to share some significant developments in our ongoing collaboration with Korsnäs Municipality and Prospech. These developments are set to advance our exploration for rare earth elements in the Korsnäs region.*

*Firstly, we've reached an important agreement with Korsnäs Municipality that allows us to commence early exploration activities in the central area, encompassing the historic Korsnäs lead mine.*

*Furthermore, I'd like to highlight that Prospech currently holds a 51% ownership stake in Bambra, and is on-track to earn 100% ownership. This strategic partnership has been instrumental in driving our progress.*

*Our exploration efforts have been significantly bolstered by historical drilling results, which have been corroborated through modern assaying techniques. These results confirm the presence of multiple REE mineralised zones within our property.*

*In recent months, we've diligently examined historical drill holes, particularly in August when we inspected 60 holes, selecting 366 intervals across 40 holes for sampling. These samples are currently undergoing detailed analysis at a fully certified commercial assay laboratory. Results are expected soon.*

*Our commitment to advancing our understanding of the Korsnäs area is unwavering. In September, we identified an additional 832 drill-core intervals from 44 holes for sampling, which will be dispatched for assaying in the coming weeks.*

*Looking ahead, we're scheduling further logging and sampling of the historic Korsnäs drill core in November, with subsequent confirmatory drilling in our planning.*

*Thank you for your continued support and commitment to our shared vision. Together, we are forging a path toward a brighter future for Prospech and our stakeholders.”*

**For further information, please contact.**

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

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