

**NEW COPPER/GOLD PORPHYRY DISCOVERY CONFIRMED BY PROSPERITY****Highlights:**

- Follow up exploration generates further high grade gold and copper results from the Jelatang Prospect, one of 3 porphyry intrusive centres in the Pinang-Pinang Project within Aceh
- First drilling at Jelatang with 2 diamond core holes intersecting high copper/gold values with best intercepts of:
 - PNGD017: **17 metres @ 1.27g/t gold & 0.7% copper ending in mineralisation.**
 - PNGD019: **14 metres @ 0.55g/t gold & 0.5% copper**
- More encouraging Jelatang trenching results including:
 - **Trench J12: 40 metres at 2.00g/t gold and 0.06% copper**
- Mineralisation at Jelatang is open to the northwest and southeast
- Overall Aceh regional package of 410km² has at least 6 porphyry intrusive centres discovered to date all of which are mineralised.

Prosperity Resources Limited (ASX: PSP) is pleased to announce excellent gold and copper results in analyses of soil, rock chip, trench, and drill hole samples from the Jelatang Prospect. The Jelatang Prospect is one of three intrusive centres in the Pinang-Pinang Project area located two kilometres southeast and along strike of the Pala Prospect where copper/gold intersections have been returned from previous drilling (announced to the ASX on 18 February 2010).

Jelatang Prospect Porphyry Discovery Confirmed

Prosperity Resources has recently completed a grid-based, 1.1 kilometre long by 700 metre wide soil sampling program over the Jelatang Prospect, in conjunction with rock-chip, trench and channel sampling and a ground magnetic survey. High grade gold and copper results from this program are shown in figures 5, 6 and 7 below.

Two diamond drill holes, designed as an initial test of the down dip extension of the largest and most coherent domain of surface geochemistry and ground magnetic response have been completed. Both holes intersected long intervals of disseminated and quartz-sulphide stockwork veinlet-hosted anomalous mineralisation, along with shorter intervals of higher grade replacement skarn mineralisation. Hole PNGD017 finished in mineralisation.

ASX: PSP**SHARE INFORMATION**

Issued Shares: 256.4m

Unlisted Options: 60.8m

BOARD OF DIRECTORS

Chairman & MD: M. Munshi

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Ownership: earning 73%

Location: Aceh, Indonesia

TENNANT CREEK

Ownership: 100%

Location: NT, Australia



Chairman, Mr Mo Munshi said “our licenses in Aceh continue to produce excellent results. The inaugural drilling program at Jelatang produced our best intercept to date in our Aceh tenement package and we are now even more excited about the potential of the area”.

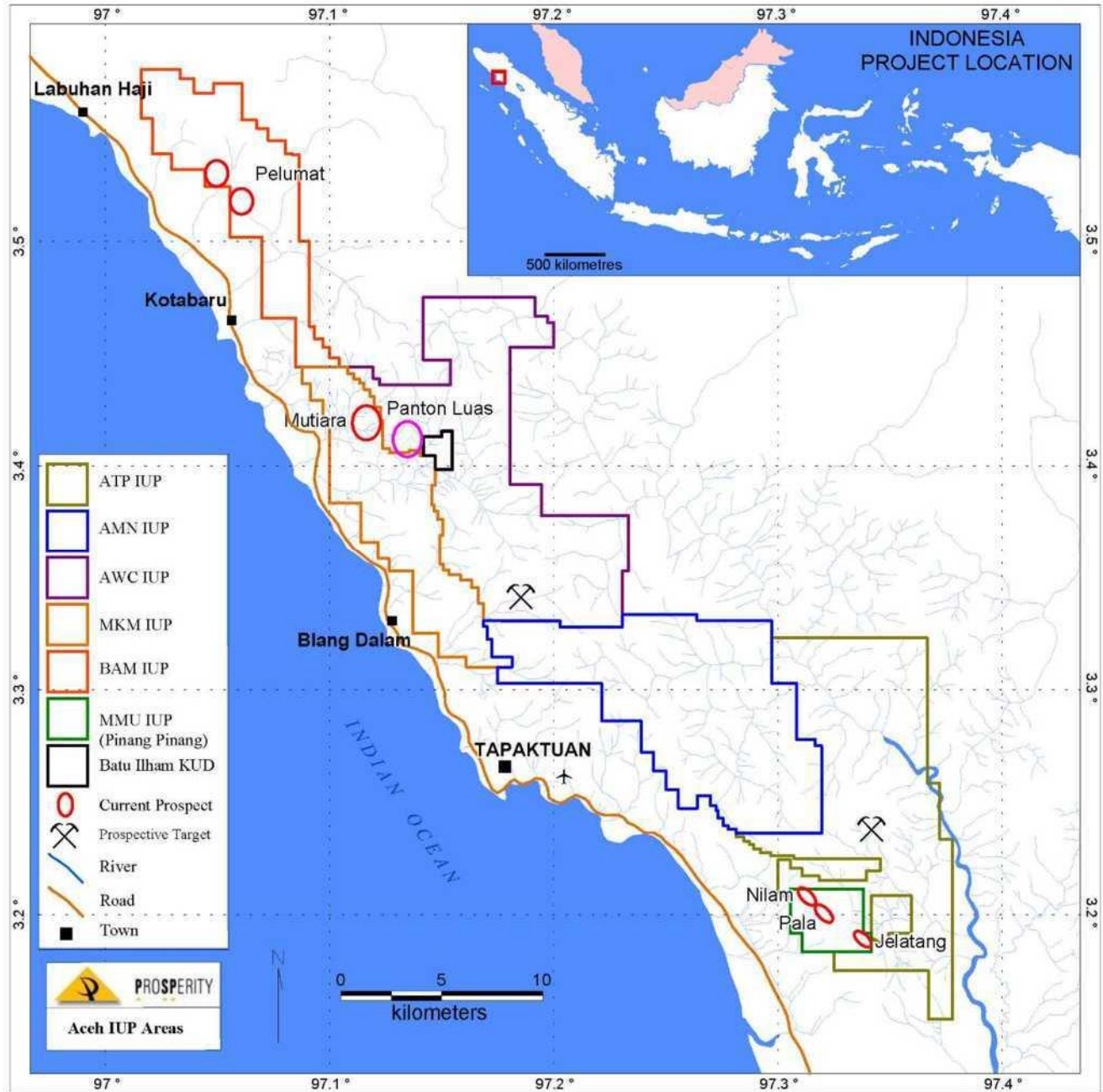


Figure 1: Location Map: Prosperity's Aceh IUPs

Jelatang Prospect Drilling Results

The two diamond drill holes completed intersected long intervals of disseminated and quartz-sulphide ± magnetite stockwork veinlet-hosted mineralisation, along with shorter intervals of higher grade replacement skarn mineralisation. Hole PNGD017 finished in mineralisation with the last **17 metres** returning an intercept of **1.27g/t gold and 0.7% copper** (figure 2).

Drill holes PNGD017 and PNGD019 confirm surface domains of disseminated and stockwork-controlled pyrite-chalcopyrite mineralisation and genetically-related replacement endoskarn within a vertically extensive microdiorite intrusive complex. Widespread, pervasive porphyry-style alteration, including hydrothermal magnetite, along with the disseminated-style of gold and copper mineralisation spatially associated with more restricted zones of higher grade, proximal replacement endoskarn suggest mineralisation intersected to date may be associated with a large porphyry system at depth.

Results from the two scout diamond core holes are as follows:

JELATANG PROSPECT				
Drill hole	From (m)	Interval (m)	Au g/ t	Cu %
PNDG017	179	50	0.57	0.30
Including	212	17	1.27	0.70
PNDG019	113	56	0.18	0.16
Including	155	14	0.55	0.46

The mineralisation is open to the northwest and southeast and extends outside the MMU license and into the newly granted Arus Tirta Power (ATP) IUP. The new IUP includes an old, shallow iron ore open-pit mine which may be a significant extension to the zone drilled. Further exploration is proposed on the newly acquired ATP IUP and if successful has the potential to extend the size of the mineralised zone considerably.

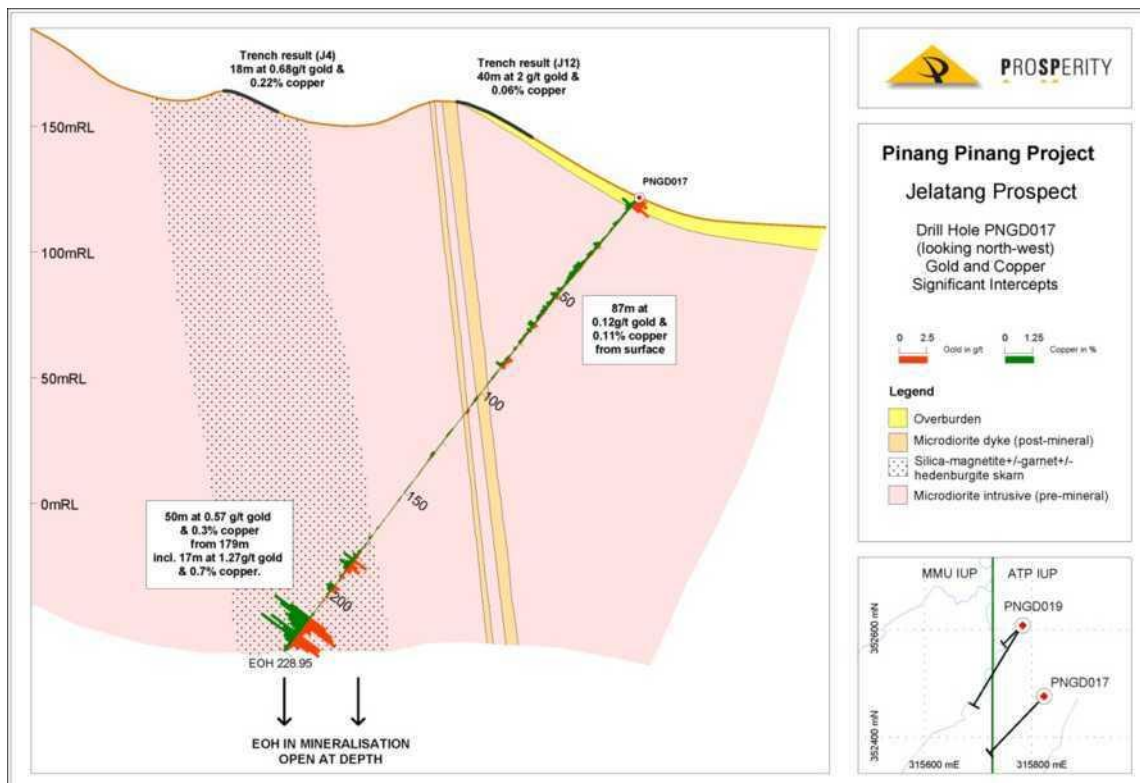


Figure 2: Cross Section - Jelatang diamond hole PNGD017, interpreted geology with gold & copper results

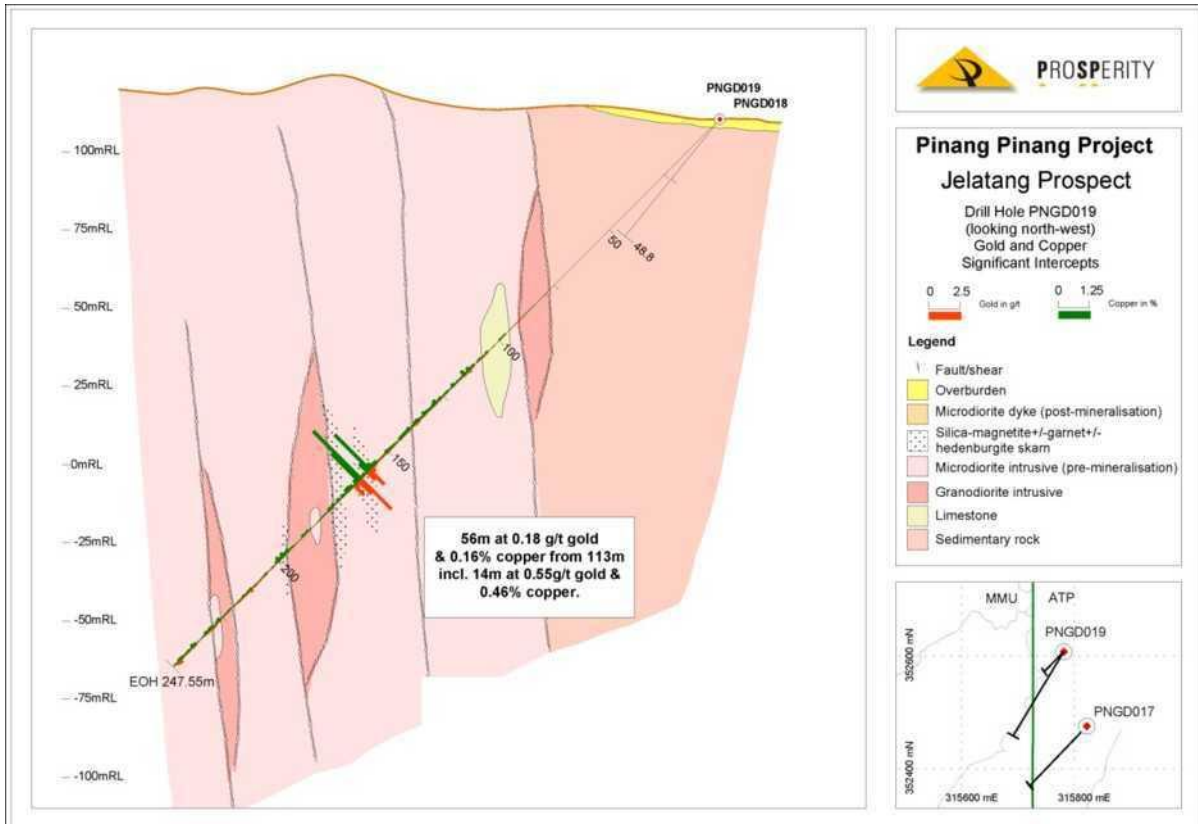


Figure 3: Cross Section - Jelatang diamond hole PNGD019, interpreted geology with gold & copper results



Figure 4: Diamond core hole PNGD017

Geology / Jelatang Sampling Results

The Jelatang Prospect is one of the three mineralised porphyry intrusives along six kilometres of strike in the Pinang-Pinang Project (MMU IUP) and extending to the southeast in to the ATP IUP. Prosperity Resources has recently completed a hand auger soil sampling program over the Jelatang Prospect, in conjunction with rock-chip, trench and channel sampling, and a ground magnetic survey.

Anomalous gold and copper in soil, rock (grab) and trench sampling define a broad, northwest-orientated mineralised corridor at least 2 kilometres long. (Figures 5 & 6).

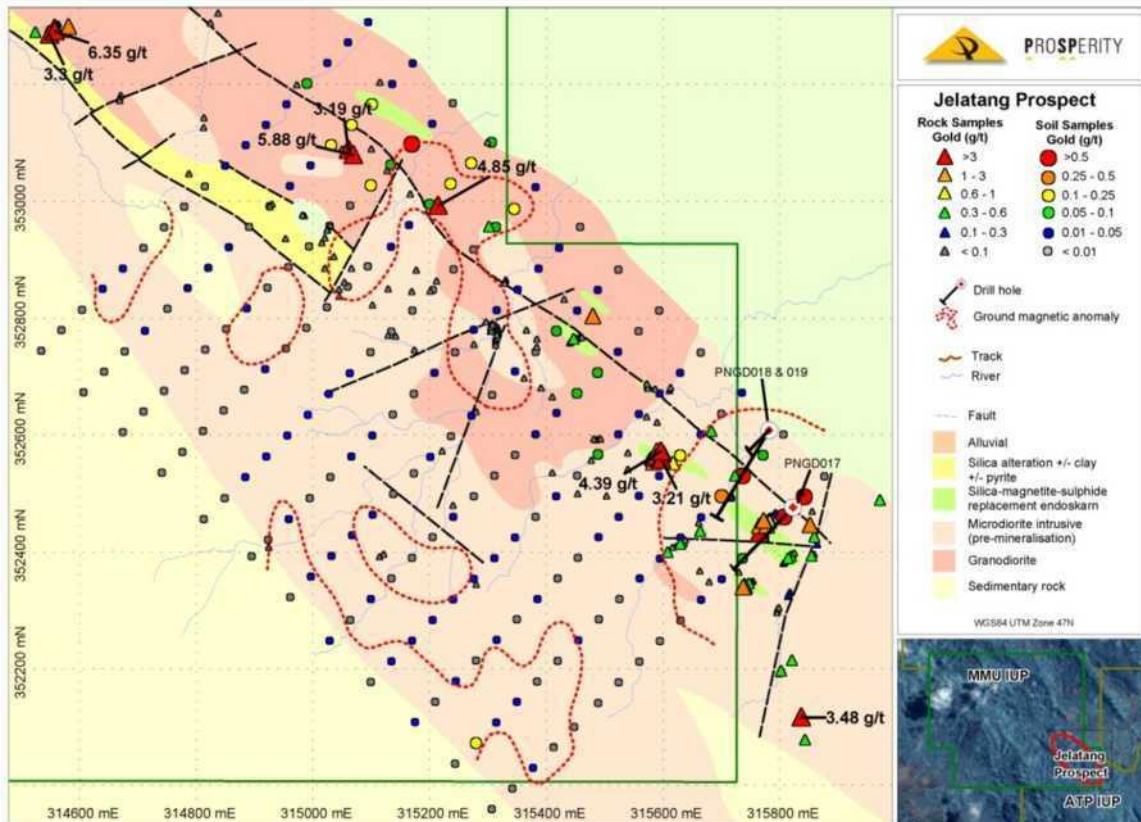


Figure 5: Jelatang rock chip and soil gold sample results

Multiple soil geochemical anomalies, individually up to 300 metres long and 250 metres wide, coinciding with domains of elevated ground magnetic response are confirmed by mapping to be spatially related to:

- broad domains of porphyry-related disseminated and stockwork-hosted pyrite-chalcopyrite mineralisation
- breccia-hosted replacement endoskarn (silica-magnetite-sulphide)
- pervasive, porphyry style silica-hydrothermal magnetite (and chlorite-sericite) alteration.

Anomalous soil geochemistry mimic the trend of mapped rock units, structures, and domains of lithologically- and breccia-controlled endoskarn, zones of disseminated sulphide and locally (leached) silica alteration. The microdiorite-hosted replacement endoskarn mineralisation, exposed by trenching largely along ridge tops, is genetically related to a more subtle style of disseminated and stockwork veinlet-controlled mineralisation identified in outcrops within adjacent creeks

Assays from rock chip samples at **Jelatang** produced excellent gold grades including **6.35 g/t, 5.88 g/t and 4.85 g/t gold and 1.36% copper.**

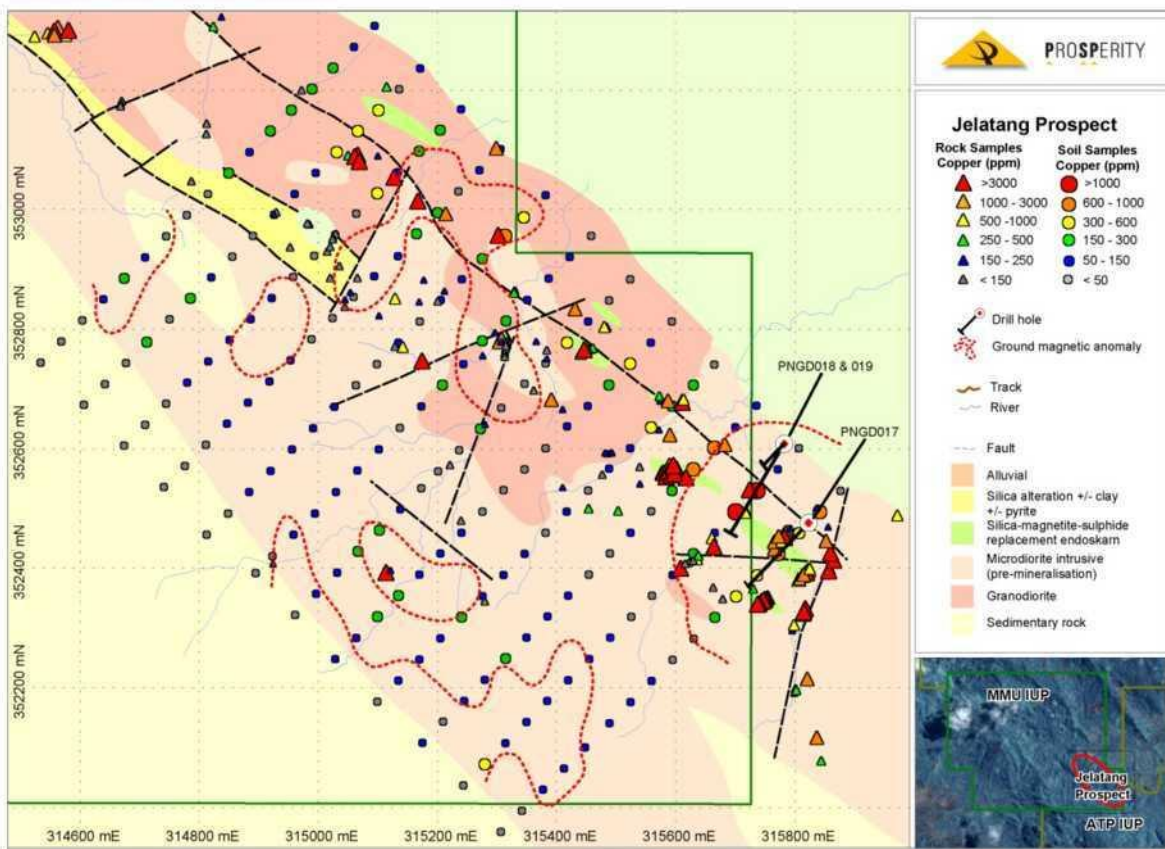


Figure 6: Jelatang rock chip and soil copper sample results

Prosperity continued the program of trenching at Jelatang which commenced in 2009 (Figure 7). The highlights from the **Jelatang** trenching results are:

Trench J12; **40 metres @ 2.00g/t gold and 0.06% copper,**
 Trench J10; **9 metres @ 3.08g/t gold and 0.32% copper,**
 Trench J11; **27 metres @ 0.26g/t gold and 0.08% copper**

Previously reported trench results from Jelatang (PSP ASX release 12/10/09) included:

Trench J1 which returned: **24 metres @ 2.32g/t gold and 0.27% copper.**



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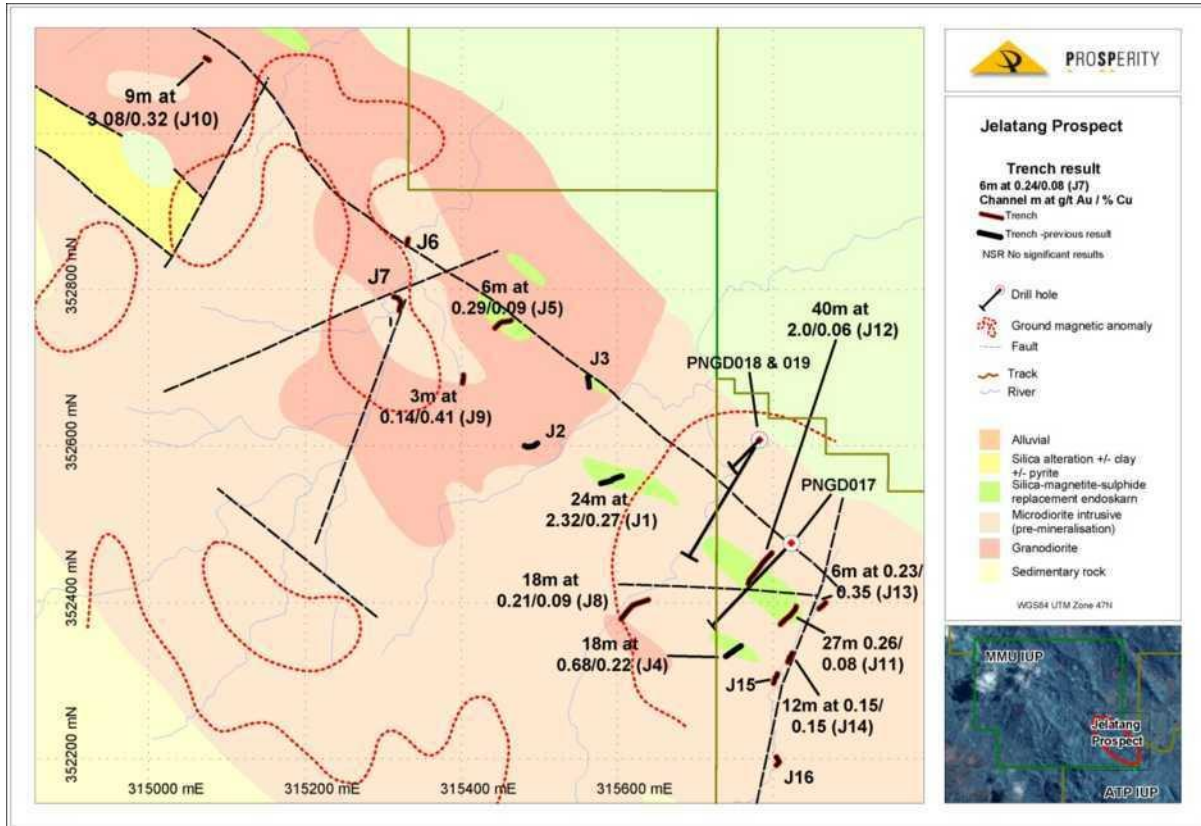


Figure 7: Jelatang trench results. (Note Hole 18 was terminated and recommenced as Hole 19)

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Competent Person Statement

Information in this announcement that relates to Exploration Results is based on information compiled by Michael Ivey, Principal of M Ivey Pty Ltd trading as MetalsEx Capital, who is a Member of The Australasian Institute of Mining and Metallurgy. Michael Ivey is a permanent employee of MetalsEx Capital and has sufficient experience that 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 2004 JORC Code. Michael Ivey consents to the inclusion in the announcement of the matters based on the information in the form and context in which it appears.



**PINANG-PINANG PROJECT
DRILLING RESULTS - SIGNIFICANT INTERCEPTS
JELATANG PROSPECT**

Hole No	Prospect	Collar Easting	Collar Northing	Interval	From	Au (g/T)	Cu(%)
PNGD017	Jelatang	315823	352476	87	0	0.12	0.11
PNGD017	Jelatang	315823	352476	50	179	0.57	0.30
			including	17	212	1.27	0.70
PNGD019	Jelatang	315782	352606	56	113	0.18	0.16
			including	14	155	0.55	0.46

**PINANG-PINANG PROJECT
TRENCH SAMPLING RESULTS - SIGNIFICANT INTERCEPTS
JELATANG PROSPECT**

Trench No	Prospect	Start Easting	Start Northing	Interval	From	Au (g/T)	Cu(%)
J5	Jelatang	315437	352755	6	6	0.29	0.09
J8	Jelatang	315661	352450	18	0	0.21	0.09
J9	Jelatang	315384	352765	3	12	0.15	0.41
J10	Jelatang	315063	353089	9	0	3.08	0.32
J11	Jelatang	315827	352401	27	3	0.26	0.08
J12	Jelatang	315786	352461	40	0	2.00	0.06
J13	Jelatang	315859	352396	6	3	0.23	0.35
J14	Jelatang	315817	352332	12	0	0.15	0.15

Grid Coordinates WGS84 Zone 47 North.

Lower cut of 0.05g/t Au or 0.05% Cu used for drilling intercepts.

All drill intervals are reported as down hole lengths.

A maximum of 5 consecutive metres dilution per reported intersection.

Trench samples taken at 3 metre intervals.

Gold analysis was undertaken by Intertek Jakarta by fire assay analysis. Copper was analysed by ICP following acid digest.

**PINANG-PINANG PROJECT
SURFACE SAMPLING RESULTS
JELATANG PROSPECT**

Sample No	Prospect	Easting	Northing	Sample	Sample Width (m)	Au (g/T)	Cu (ppm)
C01509PNG	Jelatang	315972	352488	Channel	3	0.38	400
C01513PNG	Jelatang	315601	352567	Channel	3	1.15	900
C01514PNG	Jelatang	315599	352567	Channel	3	0.92	1500
C01515PNG	Jelatang	315596	352566	Channel	3	4.39	3900
C01516PNG	Jelatang	315593	352565	Channel	3	3.21	3700
C01517PNG	Jelatang	315590	352564	Channel	3	1.48	3800
C01518PNG	Jelatang	315588	352562	Channel	3	2.33	2500
C01519PNG	Jelatang	315585	352561	Channel	3	3.87	2200
C01520PNG	Jelatang	315583	352560	Channel	3	1.52	1700
C01521PNG	Jelatang	315580	352559	Channel	3	0.87	2600
C01522PNG	Jelatang	315577	352559	Channel	3	0.49	900
C01533PNG	Jelatang	315737	352339	Channel	3	1.98	1700
C01534PNG	Jelatang	315740	352340	Channel	3	1.00	4800
C01535PNG	Jelatang	315742	352342	Channel	3	0.13	600
C01536PNG	Jelatang	315745	352344	Channel	3	0.29	2500
C01537PNG	Jelatang	315747	352346	Channel	3	0.53	2500
C01538PNG	Jelatang	315750	352347	Channel	3	0.12	1200
C01539PNG	Jelatang	315752	352349	Channel	3	0.05	800
C01540PNG	Jelatang	315755	352351	Channel	3	0.04	700
C01569PNG	Jelatang	315304	352778	Channel	3	0.09	839
C01570PNG	Jelatang	315859	352397	Channel	3	0.11	587
C01571PNG	Jelatang	315857	352395	Channel	3	0.14	2030
C01572PNG	Jelatang	315855	352393	Channel	3	0.32	5030
C01574PNG	Jelatang	315784	352459	Channel	3	0.30	631
C01575PNG	Jelatang	315783	352457	Channel	3	0.37	358
C01576PNG	Jelatang	315781	352455	Channel	3	0.55	896
C01577PNG	Jelatang	315780	352452	Channel	3	0.89	1440
C01578PNG	Jelatang	315778	352450	Channel	3	0.81	555
C01579PNG	Jelatang	315777	352448	Channel	3	2.83	667



PINANG-PINANG PROJECT
SURFACE SAMPLING RESULTS
JELATANG PROSPECT

Sample No	Prospect	Easting	Northing	Sample	Sample Width (m)	Au (g/T)	Cu (ppm)
C01580PNG	Jelatang	315775	352446	Channel	3	2.67	426
C01581PNG	Jelatang	315773	352444	Channel	3	1.54	327
C01582PNG	Jelatang	315772	352442	Channel	3	0.94	198
C01583PNG	Jelatang	315770	352440	Channel	3	2.06	600
C01584PNG	Jelatang	315768	352438	Channel	3	1.23	645
C01585PNG	Jelatang	315825	352399	Channel	3	0.09	573
C01586PNG	Jelatang	315823	352396	Channel	3	0.24	749
C01587PNG	Jelatang	315821	352394	Channel	3	0.24	934
C01588PNG	Jelatang	315819	352392	Channel	3	0.44	1130
C01589PNG	Jelatang	315817	352390	Channel	3	0.24	652
C01590PNG	Jelatang	315815	352388	Channel	3	0.45	828
C01591PNG	Jelatang	315813	352387	Channel	3	0.28	801
C01592PNG	Jelatang	315811	352385	Channel	3	0.14	591
C01593PNG	Jelatang	315808	352382	Channel	3	0.21	303
C01594PNG	Jelatang	315806	352380	Channel	3	0.12	907
C01595PNG	Jelatang	315818	352332	Channel	3	0.12	1770
C01596PNG	Jelatang	315816	352329	Channel	3	0.11	638
C01597PNG	Jelatang	315815	352327	Channel	3	0.24	2130
C01598PNG	Jelatang	315814	352324	Channel	3	0.13	1460
C01599PNG	Jelatang	315799	352305	Channel	3	0.09	531
C01604PNG	Jelatang	315803	352196	Channel	3	0.47	245
C01607PNG	Jelatang	315299	353102	Channel	3	0.05	716
C01615PNG	Jelatang	315440	352758	Channel	3	0.12	418
C01617PNG	Jelatang	315445	352762	Channel	3	0.28	557
C01618PNG	Jelatang	315447	352764	Channel	3	0.31	1200
C01620PNG-	Jelatang	315452	352766	Channel	3	0.25	186
C01626PNG	Jelatang	315717	352492	Channel	3	0.16	426
C01628PNG	Jelatang	315661	352450	Channel	3	0.05	576
C01629PNG	Jelatang	315664	352435	Channel	3	0.41	1030
C01631PNG	Jelatang	315630	352413	Channel	3	0.42	38
C01634PNG	Jelatang	315608	352399	Channel	3	0.38	3950
C01637PNG	Jelatang	315767	352435	Channel	3	0.29	503
C01638PNG	Jelatang	315766	352432	Channel	4	9.13	862
C01641PNG	Jelatang	315391	352681	Channel	3	0.03	889
C01643PNG	Jelatang	315066	353090	Channel	3	0.15	4140
C01644PNG	Jelatang	315063	353089	Channel	3	0.16	5180
C01645PNG	Jelatang	315061	353088	Channel	3	3.19	2880
C01646PNG	Jelatang	315059	353086	Channel	3	5.88	1500
F01484PNG	Jelatang	315611	352677	Float	n/a	0.15	1250
F01486PNG	Jelatang	315590	352622	Float	n/a	0.08	891
F02535	Jelatang	315232	352437	Float	n/a	0.99	13600
F03812	Jelatang	315683	352606	Float	n/a	0.53	815
F03818	Jelatang	315302	352956	Float	n/a	0.33	1570
G01647PNG	Jelatang	315837	352116	Rock	1.5	3.48	627
G01648PNG	Jelatang	315844	352078	Rock	1.5	0.35	162
R01488PNG	Jelatang	315593	352566	Rock	1.5	1.16	719
R01489PNG	Jelatang	315593	352566	Rock	1.3	10.50	2650
R01541PNG	Jelatang	315484	352803	Rock	1.3	0.19	169
R01542PNG	Jelatang	315480	352803	Rock	1.5	1.20	338
R01543PNG	Jelatang	315431	352833	Rock	0.8	0.02	717
R01547PNG	Jelatang	314546	353295	Rock	1.0	0.05	570
R01548PNG	Jelatang	314581	353299	Rock	1.0	2.75	4030
R01549PNG	Jelatang	314563	353304	Rock	1.0	0.29	822
R01550PNG	Jelatang	314548	353285	Rock	1.0	3.30	5940
R01551PNG	Jelatang	314557	353291	Rock	1.0	6.35	942
R01552PNG	Jelatang	314524	353289	Rock	1.2	0.50	373
R01555PNG	Jelatang	315793	352468	Rock	0.4	0.27	108
R01556PNG	Jelatang	315852	352445	Rock	1.0	1.02	682
R01558PNG	Jelatang	315214	352992	Rock	0.5	4.85	612
R02005	Jelatang	315114	352392	Rock	1.5	0.07	1090
R02013	Jelatang	314577	353290	Rock	1.5	0.35	587
R02014	Jelatang	315860	352425	Rock	1.5	0.33	1160
R02015	Jelatang	315865	352413	Rock	1.5	0.20	1680
R02016	Jelatang	315821	352214	Rock	1.5	0.42	793
R03814	Jelatang	315617	352551	Rock	1.5	0.71	1170
R03817	Jelatang	315587	352679	Rock	1.5	0.08	873
R03823	Jelatang	315174	352746	Rock	1.5	0.04	1140
R03827	Jelatang	315167	353013	Rock	1.5	0.03	1460
R03834	Jelatang	315127	353053	Rock	1.5	0.07	3900
R03836	Jelatang	315121	353212	Rock	1.5	0.15	12
R03837	Jelatang	315028	353117	Rock	1.5	0.27	2050
R04636	Jelatang	314557	353298	Rock	1.5	2.99	3210
R03843	Jelatang	314936	353167	Rock	1.5	0.10	2380