

1 September 2025

RENOUNCEABLE RIGHTS ISSUE TO RAISE UP TO ~\$1.6 MILLION

Highlights:

- **2-for-7 Renounceable Rights Issue to raise up to ~\$1.6 million**
- **Attractively priced at 1.5 cents per share**
- **Discount of 32% to the 30-day VWAP of 2.2 cents**
- **With every 2 New Shares, subscribers receive 1 attaching New Option**
- **New Options will have exercise price of 4 cents, term of three years and will be listed**
- **Shareholders can trade their rights and apply for additional New Shares and attaching New Options**
- **Rights to start trading from Wednesday, 3 September 2025**
- **Directors will participate and have committed to take up entitlements of approximately \$170,000**
- **Funds will be used to advance the Company's rare earth metallurgical work programs and for exploration of the Company's Finnish and Slovakian projects**

Prospech Limited (**Prospech** or **the Company**) is pleased to announce that it is undertaking a 2 for 7 renounceable rights issue at \$0.015 per New Share (**Issue Price**) to Eligible Shareholders to raise up to approximately \$1.6 million (**Rights Issue**). For every 2 new shares subscribed, eligible shareholders will receive 1 attaching New Option with an exercise price of 4 cents and term of three years. The Company will apply for the quotation of the New Options on the ASX, subject to satisfying ASX's quotation requirements.

The Rights Issue represents a discount of 32% to the 30-day VWAP of 2.2 cents.

All directors will participate and have committed to fully or partially take up their entitlements to approximately \$170,000.

The Rights Issue is partially underwritten for \$600,000 by Lead Manager and Underwriter Mahe Capital Pty Ltd (ACN 634 087 684) (AFSL 517246).



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The Company's Chairman said: "This fundraising is a major step in the value creation journey for the Company and we look forward to continued shareholder support as we advance the Company's projects to the next level and deliver value for shareholders."

A Prospectus in relation to the Rights Issue was lodged with ASIC on 1 September 2025 and, together with a personalised entitlement acceptance form, will be sent to eligible shareholders shortly after the Record Date.

Eligible shareholders should consider the Prospectus in deciding whether to acquire securities under the Rights Issue and will need to follow the instructions on the Entitlement and Acceptance form that will accompany the Prospectus.

Timetable

The indicative timetable for the Rights Issue is as follows:

Announcement of Rights Issue	1 September 2025
"Ex" Date and Rights Trading commences	3 September 2025
Record Date	4 September 2025
Prospectus sent to Eligible Shareholders	9 September 2025
Opening Date	9 September 2025
Rights Trading ends	17 September 2025
Last Date to extend the Closing Date	19 September 2025
Closing Date (7pm Sydney time)	24 September 2025
Announce results of the Offer	1 October 2025
Issue Date	1 October 2025
Trading of New Shares and New Options begins	2 October 2025

The above referred times and dates are indicative only. The Company reserves the right, subject to the Corporations Act and the ASX Listing Rules, to change the times and dates of the above noted Rights Issue timetable.

Prospectus

Further details of the Rights Issue and other information described in this announcement are set out in the Prospectus, a copy of which was lodged with ASIC on 1 September 2025 and will be sent to Eligible Shareholders (together with a personalised Entitlement and Acceptance form) on or about 9 September 2025. Eligible Shareholders should read the Prospectus carefully and in its entirety before deciding whether to participate in the Rights Issue. A copy of the Prospectus will also be available at the Company's website: <https://prospech.com.au/asx-announcements>.

Foreign shareholders

The Offer will only be made to Shareholders with a registered address in Australia or New Zealand. To comply with Listing Rule 7.7.1, the Company has appointed the Lead Manager to arrange for the sale of Rights that would have been available for other Shareholders, with the net proceeds (if any) to be paid to those Shareholders.

No Rights Issue offer in the United States

The information in this announcement does not constitute an offer in any jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer. No action has been taken to register the Rights Issue, the rights to New Shares and attaching New Options (**Rights**) or the New Shares and attaching New Options, or otherwise to permit a public offering of the Rights or New Shares and attaching New Options (or any Additional New Shares and attaching New Options, if applicable) in any jurisdiction other than Australia or New Zealand.

This announcement does not constitute an offer to sell, or a solicitation of an offer to buy, any securities in the United States. The Rights and the New Shares and attaching New Options have not been, and will not be, registered under the US Securities Act of 1933 (**US Securities Act**) or the securities laws of any State or other jurisdiction of the United States. The Rights may not be acquired and/or taken up by persons in the United States and the New Shares and attaching New Options (or any Additional New Shares and attaching New Options, if applicable) may not be offered or sold in the United States except in transactions exempt from, or not subject to the registration requirements of the US Securities Act and the applicable securities laws of any State or other jurisdiction of the United States.

This announcement has been approved by the Company's Board of Directors.

For further information, please contact:

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