

ASX Announcement

2 April 2026

BINDING OFFTAKE SECURED FOR 100% OF PHASE 1 PRODUCTION WITH ~AU\$10M STRATEGIC COLLABORATION AND DEFINITIVE OFFTAKE

HIGHLIGHTS

- **Binding Definitive Agreement** executed with Hydro Lithium for the purchase of 100% of Phase 1 production from the Prairie Lithium Project, equal to 150 Tonnes Per Annum (TPA) Lithium Carbonate Equivalent (“LCE”)⁽¹⁾.
- Hydro Lithium to provide and operate approximately AU\$10M of advanced proprietary lithium refining equipment for Phase 1 at Prairie’s Saskatchewan, Canada project site.
- Agreement provides third-party validation of Prairie’s Phase 1 development strategy and supports a lower-capital pathway to first production.
- Product pricing is based on a formula linked to battery-grade lithium carbonate including lithium weight percentage, conversion cost, and conversion efficiency.
- Hydro Lithium’s operates an existing 3,600 TPA LCE battery-grade refinery in South Korea, providing Prairie with an established downstream pathway.
- Following Phase 1, the parties will work toward substantially increasing supply under the agreement.
- Construction activities at Prairie’s Phase 1 production facility in Saskatchewan are well advanced, with first production targeted in Q4 2026.

Prairie Lithium Limited (ASX: PL9, OTC: PLIXF) (“Prairie”, “Prairie Lithium”, “PL9” or “the Company”), a company focused on the sustainable development of the Prairie Lithium Project, is pleased to announce that it has reached a Binding Definitive Agreement with Hydro Lithium, where Hydro Lithium will purchase 100% of Phase 1 production from Prairie Lithium.

Phase 1 represents 150 Tonnes Per Annum (TPA) Lithium Carbonate Equivalent (LCE)⁽¹⁾ and represents Prairie’s initial commercial scale proof of concept operation. Under the agreement, Hydro Lithium will purchase the full Phase 1 output and will also provide and operate approximately AU\$10M of Hydro Lithium’s proprietary refining equipment as part of the Phase 1 processing flowsheet.

The agreement is an important step in de-risking the Prairie Lithium Project, as it secures a binding offtake partners for Phase 1 production while also bringing strategic equipment and technical capability to the project. For shareholders, this provides both external validation of Prairie’s development strategy and a clearer pathway toward first commercial sales.

The product pricing mechanism is linked to battery-grade carbonate pricing and is based on lithium weight percentage, conversion cost, and conversion efficiency.

Hydro Lithium’s operates an existing battery-grade refinery in South Korea with nameplate capacity of 3,600 TPA LCE. This provides Prairie with an established downstream processing route for Phase 1 production and aligns with the Company’s strategy of selling an upgraded intermediate lithium product rather than undertaking the full battery-grade conversion.



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Construction at the Company's Phase 1 facility in Saskatchewan, Canada is well underway. Production and disposal wells have been drilled, power infrastructure has been installed, and the building to house the direct lithium extraction equipment is nearing completion.

Under the agreement, following the commencement of Phase 1 production, Prairie and Hydro Lithium intend to work together and use best efforts to substantially expand supply under the agreement, as Prairie scales production. The terms and conditions relating to supply, payment and production under the agreement are on commercial terms. The agreement is for an initial 10-year term (subject to usual termination rights, including for cause) and may be renewed by mutual agreement for further terms of 10 years up to a total term of 30 years.

The agreement includes standard clauses relating to force majeure events, supplier warranties including specifications and confidentiality and ownership of intellectual property rights.



Figure 1: Signing Ceremony in Korea
(L-R: The Honourable Maninder Sidhu, Minister of International Trade, Global Affairs Canada; Dr. Uong Chon; Paul Lloyd; H.E. Philippe Lafortune, Ambassador of Canada to the Republic of Korea)



Figure 2: Hydro Lithium Refinery in Korea



Figure 3: Construction of Prairie Lithium production facility in Saskatchewan, Canada

Prairie Lithium Managing Director, Paul Lloyd, commented:

“This is a monumental agreement for Prairie Lithium, as we now capture the entire value chain from resource to battery grade production. Hydro Lithium is an incredible project partner for us, with existing operations and battery-grade lithium production. This provides us a very clear path in which we will establish and grow revenues, and be one of the first lithium brine producers in North America bringing new lithium to market.”

Beyond the commercial benefits, we are incredibly excited by the level of support and enthusiasm shown by both the Canadian and South Korean governments for this collaboration. This partnership represents a significant bridge between our two nations in the global critical minerals supply chain. By combining Saskatchewan’s world-class resources with South Korea’s leading processing technology, we are delivering exactly the kind of international cooperation required to power the energy transition.”

Hydro Lithium Chief Executive Officer, Dr. Uong Chon, commented: *“We are very excited to sign the strategic collaboration agreement with Prairie Lithium. Prairie Lithium is one of the most advanced lithium brine projects in North America and is the leading Canadian lithium brine project. Saskatchewan has very high-quality lithium brine resources, and we look forward to sourcing our lithium from Saskatchewan. Our strategic collaboration will represent a significant investment by Hydro Lithium in the Prairie Lithium project in Saskatchewan. We will be committing approximately \$10M towards our collaboration in the form of advanced lithium refining CULX equipment and expertise.”*



Figure 4: Touring Hydro Lithium Refinery in South Korea



Figure 5: Touring Hydro Lithium Refinery in South Korea

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Figure 6: Touring Hydro Lithium Refinery in South Korea



Figure 7: Touring Hydro Lithium Refinery in South Korea



Figure 8: Touring Hydro Lithium Refinery in South Korea

About the Prairie Lithium Project

PL9's Prairie Lithium Project in Saskatchewan, Canada, one of the world's top mining friendly jurisdictions, with key infrastructure including electricity, natural gas, fresh water, paved highways and railroads. The project is being advanced with a focus on scalable lithium brine production and efficient development, leveraging existing regional infrastructure and the Company's phased development model.

This ASX announcement is authorised for release by the Board.

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References

- (1) ASX Announcement – "North America's First Lithium Brine Facility" – 17 February 2025. The Company confirms that it is not aware of any new information that materially affects the information included in the original market announcement and that all material assumptions and technical parameters underpinning estimates in the relevant market announcement continue to apply and have not changed.