

ASX Announcement

29 January 2026

QUARTERLY REPORT FOR THE PERIOD ENDING 31 DECEMBER 2025

HIGHLIGHTS

- A 10-year binding export agreement is currently in place with South Korea's Hydro Lithium for all Phase 1 output. The agreement scales from an initial 150 tpa LCE up to a target of 10,000 tpa LCE, ensuring a long-term customer for the project's commercial-scale production.
- Secured a non-binding offtake agreement to supply 6,000 tonnes per annum of Lithium Carbonate Equivalent (LCE) in the form of concentrated Lithium Chloride (LiCl) to Stardust Power's Oklahoma refinery, further validating the economic viability of the world-class Prairie Lithium Project.
- Completed groundworks and geotechnical works at Pad #1 for the lithium extraction facility.
- Received approval from SaskPower to have Pad #1 connected to grid power.

Prairie Lithium Limited (ASX: PL9, OTC: PLIXF) ("Prairie Lithium", "PL9" or "the Company"), is pleased to provide an overview of the Company's activities for the period ending 31 December 2025 ("Quarter" or "Reporting Period") to accompany the Appendix 5B.

Prairie Lithium Managing Director, Paul Lloyd, commented:

"This past quarter was a pivotal period for Prairie Lithium as we aligned rising market prices with the execution of several foundational project milestones. On the ground, we have completed essential geotechnical work and groundworks, secured grid electricity approval for Pad #1, and finalised contracts with the key vendors who will begin constructing our initial extraction facility in early 2026. These operational advancements ensure we remain on track to establish Canada's first commercial-scale lithium brine production.

Corporately, we have solidified our commercial trajectory through two transformative agreements that provide clear direction for our initial production. Our 10-year binding agreement with Hydro Lithium scales from 150 tpa to a target of 10,000 tpa LCE, while our agreement with Stardust Power for 6,000 tpa of Lithium Chloride further validates our project's economic viability. With a guaranteed price floor in place, we are uniquely positioned to capture the upside of the current lithium price ascent while maintaining a secure financial foundation.

These partnerships do more than just secure our revenue; they establish a strategic lithium supply chain from Canada to key global partners in South Korea and the United States. By diversifying international trade and supporting the transition to sustainable energy, Prairie Lithium is delivering on its promise to become a leader in the North American critical minerals sector."

Prairie Lithium Project

Prairie Project Lithium Offtake

On 21 October 2025, the Company announced a strategic non-binding offtake agreement to supply Stardust Power with 6,000 metric tons of lithium carbonate equivalent per year.

On 10 December 2025, the Company signed an offtake heads of agreement to supply to Hydro Lithium 100% of the Lithium-bearing Crystallite produced at the Company's Phase 1 commercial-scale proof-of-concept plant (up to 150 tpa Lithium Carbonate Equivalent (LCE) for 10 years. The Company will use best endeavours to seek to increase supply of Lithium-bearing Crystallite to Hydro Lithium to a quantity necessary to produce up to 10,000tpa LCE.

Prairie Project Pad #1 Construction

On 4 November 2025, the Company announced that it had commenced groundworks construction at Pad #1, the location where the lithium extraction Facility will be built, and that it had submitted an electricity application to SaskPower to connect Pad #1 to grid electricity.

On 2 December 2025, the Company announced that it had completed groundwork and geotechnical work at Pad #1 and that its application to SaskPower to connect Pad #1 to the grid had been approved.

Capital Raising

At-the-Market-Raise

On 28 November, 2025 the Company announced that it has utilised its At-the-Market Subscription Agreement ("ATM") with Acuity Capital (see announcements on 3 May 2024, 25 October 2024, 17 January 2025, 9 April 2025, 18 July 2025 and 19 August 2025) to raise \$1,450,000 (inclusive of costs) by agreeing to issue 200,000,000 fully paid ordinary shares to Acuity Capital at an issue price of 0.725 cents per share.

The ASX Announcement is authorised for release by the Board.

FOR FURTHER INFORMATION, PLEASE CONTACT:

Mr Paul Lloyd
Managing Director
Prairie Lithium Limited
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Competent Persons statement for Prairie and Registered Overseas Professional Organisation (ROPO)

Gordon MacMillan P.Geol., Principal Hydrogeologist of Fluid Domains, who is an independent consulting geologist of a number of brine mineral exploration companies and oil and gas development companies, reviewed and approves the technical information pertaining to the exploration results and mineral resource estimates within the release. Mr. MacMillan is a member of the Association of Professional Engineers and Geoscientists of Alberta (APEGA), which is ROPO accepted for the purpose of reporting in accordance with the ASX listing rules. Mr. MacMillan has been practising as a professional in hydrogeology since 2000 and has 24 years of experience in mining, water supply, water injection, and the construction and calibration of numerical models of subsurface flow and solute migration. Mr. MacMillan is also a Qualified Person as defined by NI 43-101 rules for mineral deposit disclosure. He has sufficient experience relevant to qualify as a Competent Person as defined by the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves – The JORC Code (2012). Mr MacMillan consents to the inclusion in this announcement of the matters based on this information in the form and context in which it appears.

About Prairie Lithium

Prairie Lithium Limited is a lithium exploration & development company headquartered in Perth, Australia. The Company is currently exploring and developing the Prairie Lithium Project in Saskatchewan, Canada. The Company also has BLM claims for exploration near Lordsburg, New Mexico, USA. Prairie Lithium's main office is located in Saskatchewan.



Figure 1: Prairie Lithium's Project Location

Appendix 1: Schedule of Mining Tenements

The following information is provided pursuant to Listing Rule 5.3.3 for the quarter ended 31 December 2025.

Project	Claim Number	Location	Interest
Lordsburg	LLP-211 to LLP-274	New Mexico, USA	100%
Lordsburg	LLP-283 to LLP-298	New Mexico, USA	100%
Lordsburg	LLP-307 to LLP-322	New Mexico, USA	100%
Lordsburg	LLP2-1 to LLP2-96	New Mexico, USA	100%
Prairie Lithium	S002/1	Saskatchewan, Canada	100%
Prairie Lithium	S004/5	Saskatchewan, Canada	100%
Prairie Lithium	S005/46-48, S005/58, S005/60	Saskatchewan, Canada	100%
Prairie Lithium	S008/31-35, S008/41, S008/49-54, S008/56, S008/69-74, S008/77, S008/86-99, S008/102-109	Saskatchewan, Canada	100%
Prairie Lithium	S009/19, S009/24, S009/35, S009/39, S009/41-44, S009/50-53	Saskatchewan, Canada	100%
Prairie Lithium	Canpar Holdings Ltd. File No. M043397, M043398, M043399, M043400 Freehold Royalties Ltd. File No. M043402, M043403	Saskatchewan, Canada	100%

There were no tenements acquired or sold during the Quarter.

Appendix 2: Exploration Expenditure and Payments to Related Parties

In line with its obligations under ASX Listing Rules 5.3.1 and 5.3.5, Prairie Lithium Limited notes the following in relation to the period ended 31 December 2025 as advised in the Appendix 5B:

- exploration and evaluation expenditure primarily relates to work undertaken on the Prairie Lithium project (classified as investing) and operating costs of the Lithium Research Centre (classified as operating);
- the only payments to related parties of the Company pertain to payments to executive directors for salary and superannuation, non-executive director fees and consultancy fees.

Appendix 5B

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

Name of entity

PRAIRIE LITHIUM LIMITED

ABN

15 008 720 223

Quarter ended ("current quarter")

31 DECEMBER 2025

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
1.	Cash flows from operating activities		
1.1	Receipts from customers	-	-
1.2	Payments for		
	(a) exploration & evaluation	-	(319)
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(449)	(739)
	(e) administration and corporate costs	(627)	(1,144)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	26	59
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other	-	-
1.9	Net cash from / (used in) operating activities	(1,050)	(2,143)
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	(202)	(2,208)
	(e) investments	-	-
	(f) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 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	-	7,729
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other	-	-
2.6	Net cash from / (used in) investing activities	(202)	5,521

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	1,450	2,350
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	-	(5)
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other – security bond refund	-	151
3.10	Net cash from / (used in) financing activities	1,450	2,496

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	8,694	3,162
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(1,050)	(2,143)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(202)	5,521
4.4	Net cash from / (used in) financing activities (item 3.10 above)	1,450	2,496

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	(146)	(290)
4.6	Cash and cash equivalents at end of period	8,746	8,764

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	6,696	7,694
5.2	Call deposits	2,050	1,000
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)	8,746	8,694

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	372
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>		

Amounts shown at item 6.1 comprise of payments to related parties (or their associates) for director and administration fees paid during the current and previous quarters, including fees for services performed.

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.</i>		
	<i>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 – equipment leases	-	-
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)	(1,050)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(202)
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(1,252)
8.4	Cash and cash equivalents at quarter end (item 4.6)	8,746
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	8,746
8.7	Estimated quarters of funding available (item 8.6 divided by item 8.3)	7
<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: N/A		
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: N/A		
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: N/A		
<i>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.</i>		

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: 29 January 2026

Authorised by: The Board of Prairie Lithium Limited

(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.