

ASX Announcement

18 May 2026

COMMERCIAL SCALE DLE UNIT ENTERS FINAL TESTING AHEAD OF SASKATCHEWAN DEPLOYMENT

HIGHLIGHTS

- **Factory Acceptance Testing (FAT) is underway on Prairie Lithium's commercial-scale Direct Lithium Extraction (DLE) unit, the largest to be built in North America, marking a key milestone ahead of deployment to Saskatchewan.¹**
- **Upon successful completion of testing, the commercial-scale DLE unit will be transported to the Company's Phase 1 production facility in Saskatchewan, Canada for installation.**
- **This commercial-scale DLE unit is approximately four times the scale of the single commercial-scale DLE column deployed by Standard Lithium at its Arkansas project, where a single column was installed in March 2024 and is achieving industry-leading results.²**
- **Phase 1 production is fully secured under a binding offtake with Hydro Lithium (South Korea), providing a clear pathway to first revenue.¹**
- **Hydro Lithium is also providing and operating approximately A\$10 million of proprietary refining equipment, reducing upfront capital requirements and supporting Prairie's lower capital development model.³**

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 Factory Acceptance Testing (FAT) has commenced on the commercial-scale Direct Lithium Extraction (DLE) unit, representing another important step toward installation, commissioning and first production at the Company's Prairie Lithium Project in Saskatchewan, Canada.



Figure 1: Prairie Lithium's DLE Production Facility in Saskatchewan, Canada

¹ASX Announcement CONSTRUCTION NEARING COMPLETION WITH FULLY SECURED OFFTAKE AND CLEAR PATH TO FIRST REVENUE – 13 April 2026.

²TSXV / NYSE Announcement (TSXV: SLI / NYSE.A: SLI) STANDARD LITHIUM REACHES MAJOR OPERATIONAL MILESTONES AT ARKANSAS DEMONSTRATION PLANT – 22 April 2026

³ASX Announcement BINDING OFFTAKE SECURED FOR 100% OF PHASE 1 PRODUCTION WITH ~AU\$10M STRATEGIC COLLABORATION AND DEFINITIVE OFFTAKE – 2 April 2026





Figure 2: Engineers Assessing Prairie Lithium's four column Commercial Scale DLE Unit during FAT



Figure 3: Close Up View of Prairie Lithium's four column Commercial Scale DLE Unit undergoing FAT

Upon successful completion of FAT, the unit will be transported to Saskatchewan and installed at the Company's Phase 1 production facility. Commissioning remains targeted for Q4 2026, with first production expected to support initial revenue generation under the Company's binding offtake agreement with Hydro Lithium.

This DLE unit comprises four commercial scale columns and represents a significant scale up from the single commercial scale Li Pro DLE column deployed by Standard Lithium Project at its Arkansas project in March 2024. Standard Lithium has reported strong operating results from its Arkansas facility including²;

- Processed approximately 1,000,000 barrels of brine
- Completed 15,000 cycles of DLE
- Performance of 95%+ lithium recovery and 99% rejection of key contaminants

Prairie Lithium considers the successful testing and deployment of its four column DLE unit to be a major milestone in validating the Company's scalable development model. Phase 1 is designed to establish commercial scale proof of concept before potential expansion through Prairie's repeatable pad-by-pad development strategy.



Figure 4: Standard Lithium's single DLE Column in operation in Arkansas (photo from Standard Lithium press release)¹

The Company's recent binding offtake agreement with Hydro Lithium secures 100% of Phase 1 production, equivalent to 150 tonnes per annum of lithium carbonate equivalent⁴. Hydro Lithium will also provide and operate approximately A\$10 million of proprietary refining equipment at the Saskatchewan site, supporting Prairie's strategy of producing an upgraded intermediate lithium product for downstream conversion into battery grade material.³

Prairie Lithium Managing Director, Paul Lloyd, commented:

"Commencing Factory Acceptance Testing of our commercial-scale DLE unit is a critical milestone for Prairie Lithium as we move closer to installation, commissioning and first production in Saskatchewan. The unit itself represents the largest DLE unit ever built in North America and we look forward to getting it installed in Saskatchewan in the very near future. Standard Lithium has demonstrated tremendous success with its single DLE column in Arkansas, and we are very excited to build on that success at four times the scale. Deploying one of the largest DLE units globally not only allows us to de-risk and rapidly scale our project, it also positions Prairie Lithium to generate revenue as we produce and sell lithium into our recently announced binding offtake with Hydro Lithium in South Korea."

Next Steps

Following completion of the FAT, the commercial-scale DLE unit will be transported to Saskatchewan and installed at Prairie Lithium's Phase 1 production facility. The Company will continue progressing remaining facility construction and integration of commercial-scale processing equipment ahead of commissioning, which remains targeted for Q4 2026. Prairie Lithium also expects to commence initial lithium production and generate first revenue under its binding Hydro Lithium offtake agreement. Following commissioning, the Company intends to continue optimisation and operational performance testing of the DLE unit, including lithium recovery

³ ASX Announcement BINDING OFFTAKE SECURED FOR 100% OF PHASE 1 PRODUCTION WITH ~AU\$10M STRATEGIC COLLABORATION AND DEFINITIVE OFFTAKE – 2 April 2026

⁴ 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.

and contaminant rejection performance, while also evaluating future expansion opportunities through its scalable pad-by-pad development model.

About the Prairie Lithium Project

PL9's Prairie Lithium Project is located 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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