

ASX Announcement

5 February 2026

RETRACTION AND REPLACEMENT ANNOUNCEMENT

Prairie Limited (ASX: PL9, OTC: PLIXF) (“Prairie Lithium”, “PL9” or “the Company”), a company focused on the sustainable development of the Prairie Lithium Project (“**Prairie**”), advises that the Company released two announcements titled “Offtake to Lithium Refinery in South Korea” on 11 December 2025 and “Investor Presentation” on 3 February 2026 (“**Announcements**”) which included reference to “produce up to 10,000 Tonne Per Annum (TPA) LCE for 10 years”.

The Company had formed a view that this statement was aspirational in nature, however, this disclosure may be interpreted as a production target (as defined in the listing rules), and therefore the Company advises that:

- a) the Company retracts the production target in the Announcement;
- b) the production target has not been disclosed in compliance with ASX Listing Rule 5.16 and is conceptual in nature. The technical feasibility and the economic viability of the production target is currently unknown; and
- c) investors should not rely on this information to make any investment decisions in the Company.

An updated version of the Announcements are attached incorporating the removal of the production target.

This ASX announcement is authorised for release by the Managing Director.

For further information please contact:

Mr. Paul Lloyd
Managing Director
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OFFTAKE TO LITHIUM REFINERY IN SOUTH KOREA

HIGHLIGHTS

- The Company has 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)).
- Hydro Lithium currently operates a lithium refinery in South Korea, where it produces and sells battery grade lithium carbonate and battery grade lithium hydroxide.
- The product will be sold in the form of a lithium-bearing crystallite and will be transported to Hydro Lithium's refinery in South Korea.
- This significantly reduces capital costs and operational complexity associated with the battery grade conversion process, and allows PL9 to enter the market selling an intermediate product.
- Under the agreement, the lithium-bearing crystallite is priced using a formula linked to battery grade lithium carbonate. The formula is based on lithium weight percentage, conversion cost, and conversion efficiency.
- This complements Prairie Lithium's diversified product offtake strategy, supplementing a recently announced offtake in North America.

Prairie Limited (ASX: PL9, OTC: PLIXF) ("Prairie Lithium", "PL9" or "the Company"), a company focused on the sustainable development of the Prairie Lithium Project ("Prairie"), is pleased to announce it has signed an offtake heads of agreement with Hydro Lithium ("Hydro"). Under the heads of agreement, Hydro Lithium will purchase 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)) from the Prairie Lithium project in Saskatchewan, Canada. The product will be sold in the form of a lithium-bearing crystallite and will be used as feedstock for Hydro Lithium's battery grade refinery in South Korea. This offtake includes all the lithium that will be produced from Phase 1 – commercial scale proof of concept plant currently in construction (approximately 150 TPA LCE).

Prairie Lithium producing and selling a lithium-bearing crystallite closely mimics that of a Spodumene Concentrate transaction, where junior companies reduce project capex associated with battery grade processing equipment, and sell an intermediate product to establish production and revenue. This strategy enables organic growth, as the company can then leverage its production and revenue to continue to grow the project.

The lithium-bearing crystallite is priced using a formula linked to battery grade lithium carbonate. The formula is based on lithium weight percentage, conversion cost, and conversion efficiency. The formula ensures both parties maintain attractive margins in current price environment while also allowing both parties to partake in the upside of lithium spot price.



Figure 1: Hydro Lithium's refinery in South Korea



Figure 2: Equipment at Hydro Lithium's refinery in South Korea



Figure 3: Battery Grade Lithium Produced at Hydro Lithium's Refinery in South Korea

Prairie Lithium Managing Director, Paul Lloyd, commented: *“This binding offtake with Hydro Lithium represents how we will sell our initial production and generate revenue from early operations. This is very similar to a spodumene concentrate transaction, a de-risked supply chain that allows resource companies to simplify operations and reduce capex by focusing on producing an intermediate product that can be brought to market quickly. We look forward to building on this relationship and these supply chains over the coming years.”*

Saskatchewan Minister of Trade and Export, Warren Kaeding, commented: *“We are extremely excited to see Prairie Lithium opening new markets, for new Saskatchewan resources. The supply chains and trade partners being established are critical to monetizing our vast resource wealth in the province, and we are committed to helping Prairie Lithium grow relationships in South Korea and around the world. We look forward to supplying the world with Made-In-Saskatchewan lithium that will power the future”*

Hydro Lithium CEO, Dr. Uong Chon, commented: *“We are very happy to be partnering with Prairie Lithium to create this valuable partnership between lithium resources in Canada, and battery grade refining operations in South Korea. Our revolutionary lithium refining technology allows resource companies to keep capex and opex low, while still maintaining exposure to the upside potential of battery grade lithium prices. We look forward to accepting their product as feedstock to make battery grade lithium chemicals at our refinery. We are very excited to work and grow this partnership.”*

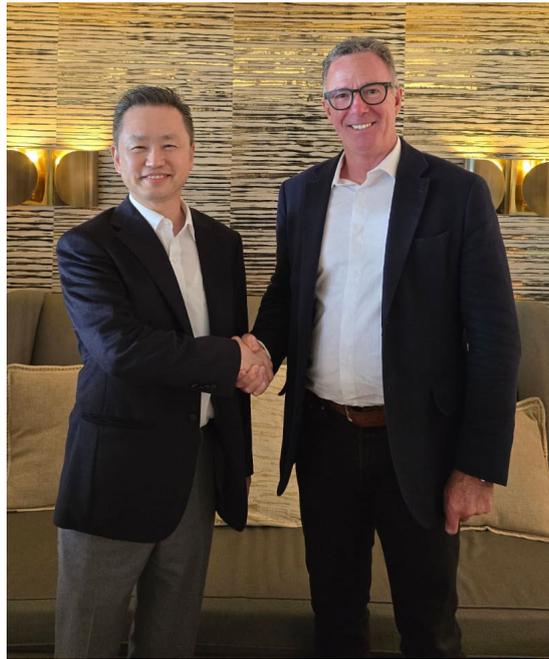


Figure 4: Dr. Uong Chon (Hydro Lithium CEO) (left) and Paul Lloyd (Prairie Lithium Managing Director) (right)

About the Prairie Lithium Project

PL9's Prairie Lithium Project in Saskatchewan, Canada, is in one of the world's top mining friendly jurisdictions. The project has easy access to key infrastructure including electricity, natural gas, fresh water, paved highways and railroads. The project also aims to have strong environmental credentials, with Prairie Lithium targeting to use less freshwater, land and waste, aligning with the Company's sustainable approach to lithium development.

About Hydro Lithium

Hydro Lithium Inc. is an emerging Korean lithium technology company focused on the conversion of lithium intermediates into battery-grade lithium chemicals for the global electric vehicle and energy storage markets. The company operates a commercial processing facility and a dedicated demonstration plant in Korea, where it utilises the proprietary CULX technology of its CEO, Dr. Uong Chon to convert lithium-bearing crystallite and brine feedstocks into high-purity lithium carbonate.

Led by CEO Dr. Uong Chon, Hydro Lithium has developed an integrated processing platform designed to improve recoveries, reduce reagent consumption and deliver consistent, high-specification lithium products. The company continues to expand its technological capabilities and strategic partnerships with upstream lithium developers.

Heads of Agreement

Under the heads of agreement, Prairie Lithium shall commit to the construction, commissioning, and operation of its proof of concept plant in Canada and will use its best endeavours to operate the Prairie plant in a manner that ensures production of Lithium-bearing Crystallite up to the nameplate capacity of 150 tpa LCE.

Prairie Lithium and Hydro Lithium agree to cooperate in good faith to develop and negotiate the final detail and work diligently to arrive at and execute a definitive agreement within the valid term of the heads of agreement.

The heads of agreement will expire or be terminated automatically upon the earliest to occur of: 31 December 2026; a written notice by either Party to terminate the heads of agreement; and the date on which the definitive agreement becomes effective in accordance with its terms.

This ASX announcement is authorised for release by the Board.

For further information please contact:

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PRAIRIE
LITHIUM

Prairie Lithium Company Presentation

Formerly Arizona Lithium Limited (ASX: AZL)



Disclaimer

DISCLAIMER AND FORWARD LOOKING STATEMENTS

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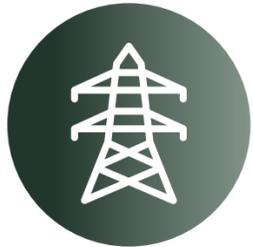
COMPETENT PERSONS STATEMENT FOR PRAIRIE AND REGISTERED OVERSEAS PROFESSIONAL ORGANIZATION (ROPO) AND JORC TABLES

Gordon MacMillan P.Geo., 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 practicing 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.

Prairie Lithium Overview



Large **4,600,000 tonne LCE**, high-quality North American Indicated Resource⁽¹⁾



Readily available infrastructure and **permitted for production**⁽¹⁾



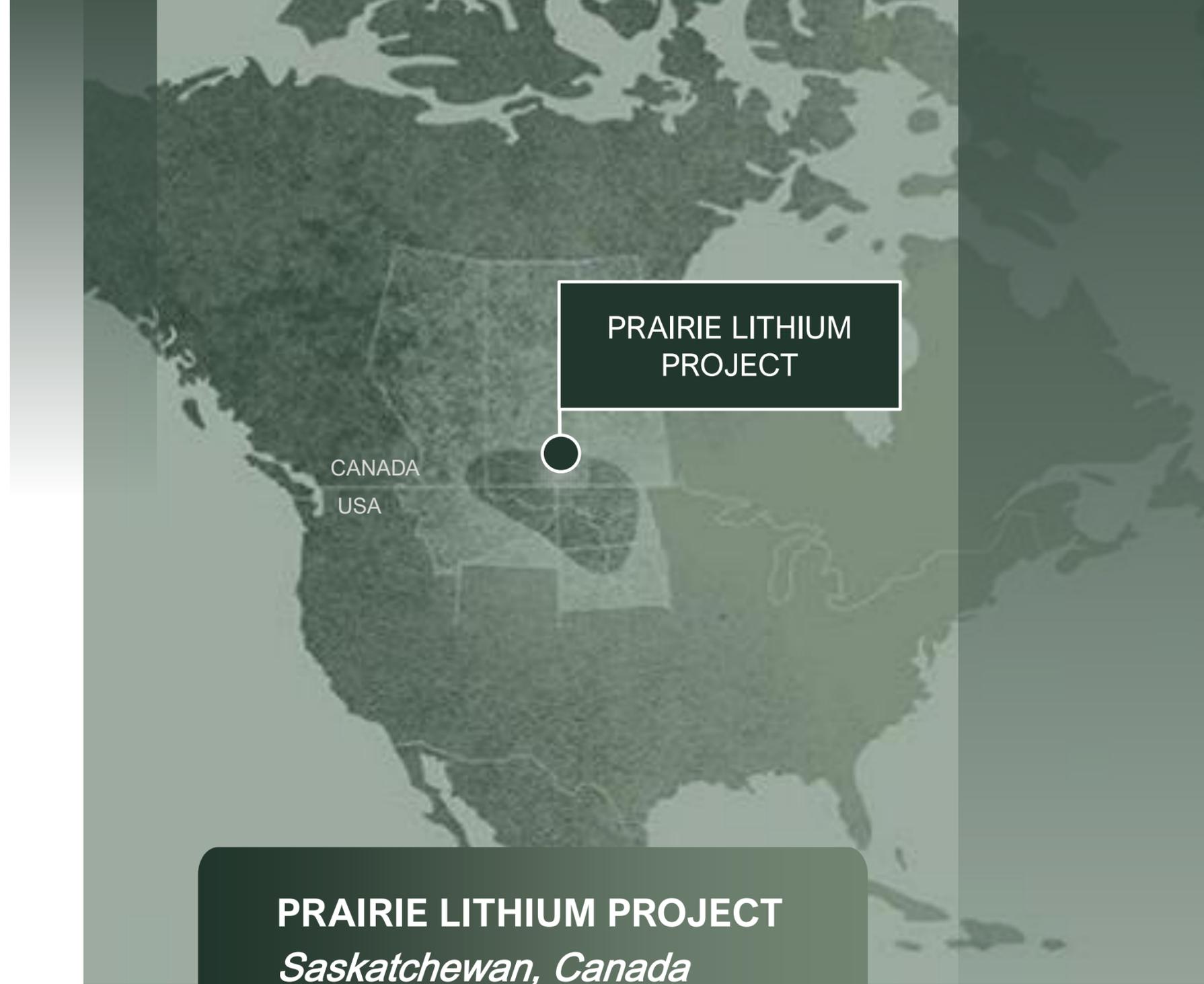
Funding Construction with \$8.7mm cash on hand⁽²⁾



The Prairie Lithium project will utilize **leading DLE Technology**⁽³⁾



Strategic offtake agreement in place to **lithium refinery in South Korea**⁽⁴⁾



(1) ASX Announcement – “PRAIRIE PROJECT PRODUCTION APPROVED & PROJECT UPDATE (AMENDED)” – 23 May 2025
(2) ASX Announcement - "Quarterly Report For the Period Ending 31 December 2025" - 29 January 2026
(3) ASX Announcement – “Prairie Project DLE Unit On Track For Delivery” – 22 July 2025
(4) ASX Announcement – “Offtake to Lithium Refinery In South Korea” – 11 December 2025

Saskatchewan

STRONG RESOURCE REGULATORY ENVIRONMENT

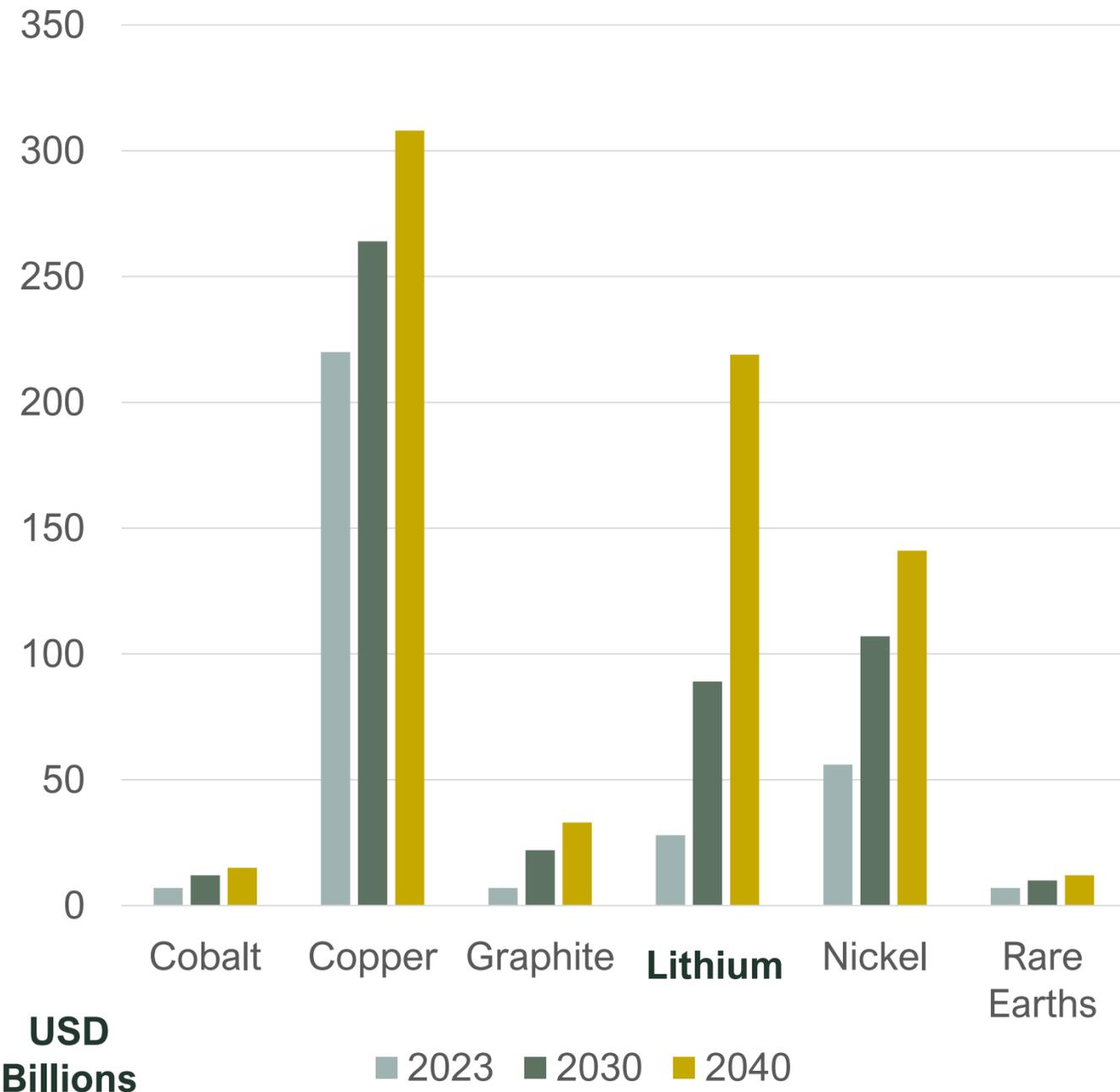
Ranked #1 jurisdiction for mining investment in Canada⁽¹⁾

- ▶ Highest grade lithium brine resources in Canada
- ▶ World's leading potash producer
- ▶ Largest high-grade uranium deposits in the world
- ▶ Canada's largest helium producer
- ▶ Second-largest oil-producing province in Canada
- ▶ The Whitecap carbon storage project in Weyburn, Saskatchewan, is one of the world's largest Carbon Capture and Utilization Storage (CCUS) projects

(1) "Saskatchewan First in Canada for Mining Investment Attractiveness: Fraser Institute" – Government of Saskatchewan – 30 July 2025



Expected market value (USD billions) of selected critical minerals (IEA Announced Pledges Scenario 2024)



Canadian Critical Minerals Strategy Annual Report 2024

Critical Minerals Security

NORTH AMERICA



Countries are focused on major risks to global critical minerals supply chains.

NORTH AMERICAN SUPPLY NEEDED

With 86% of global lithium production occurring in Australia, South America and China, a new emphasis on **North American lithium** is emerging to reduce import reliance of lithium.

U.S. Geological Survey
Mineral Commodity Summaries, January 2025



Canada ranked No. 1

for potential to form a secure, reliable and sustainable battery supply chain.

CANADIAN GOVERNMENT SUPPORT

- ▶ \$1.9 billion spent on exploration for critical minerals in 2023, up 7% from the previous year
- ▶ \$3.08 billion in grants and contributions available for critical minerals projects

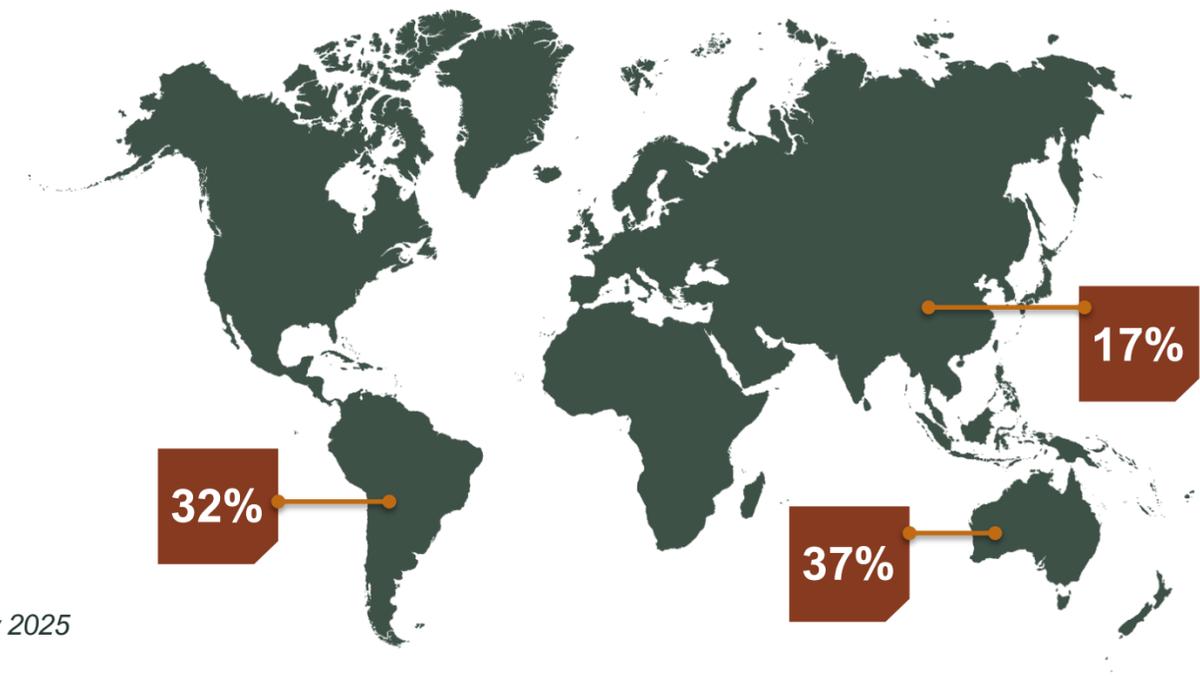
BloombergNEF, 2024
Canadian Critical Minerals Strategy Annual Report 2024

Lithium Supply & Demand Dynamics Support Price Appreciation

Data Center Energy Storage Driving Significant Demand Growth

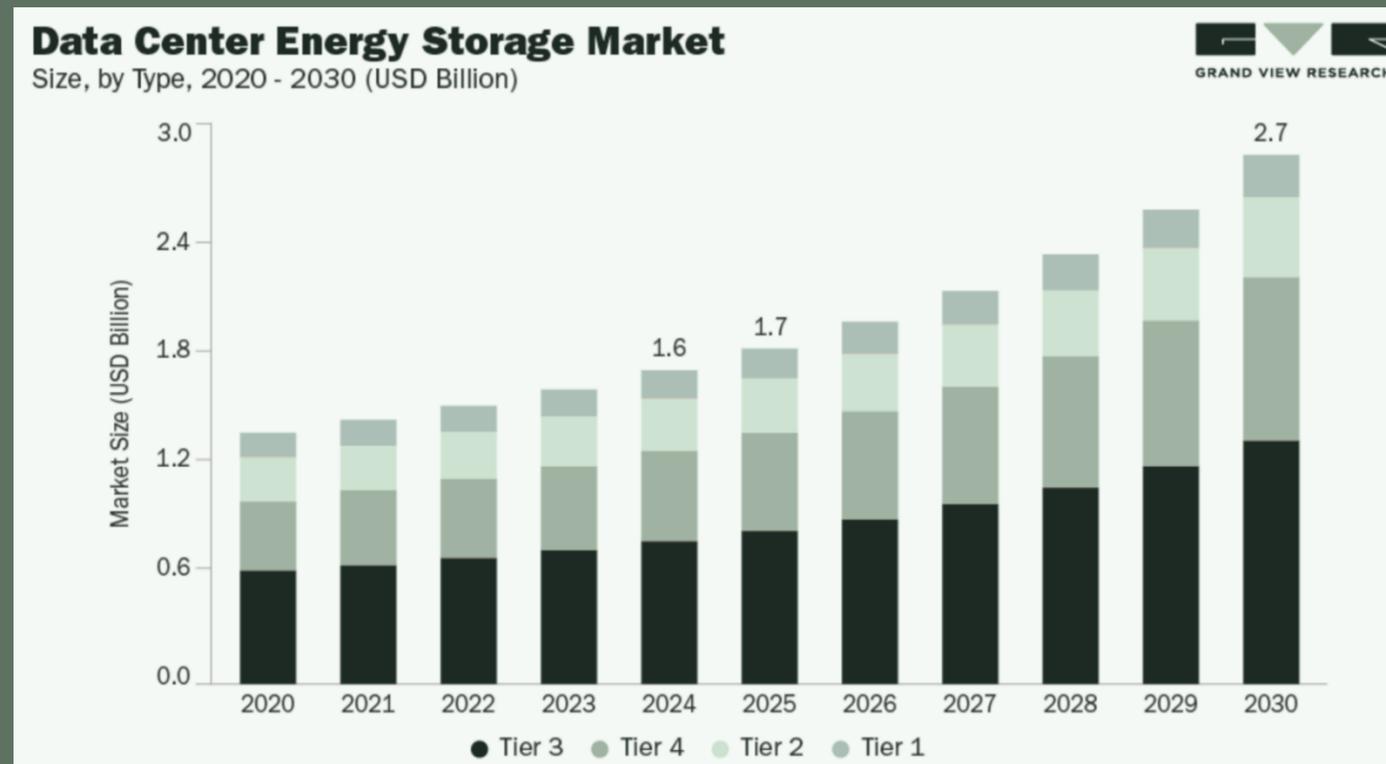
Country	Mine Production (2021)	Mine Production (2024)
Australia	42%	37%
Chile	37%	20%
China	7%	17%
Argentina	12%	8%
Brazil	1%	4%
Zimbabwe	0%	9%
USA	<1%	<1%
Canada	<1%	<1%
Other	<1%	<2%

U.S. Geological Survey
Mineral Commodity Summaries, January 2025

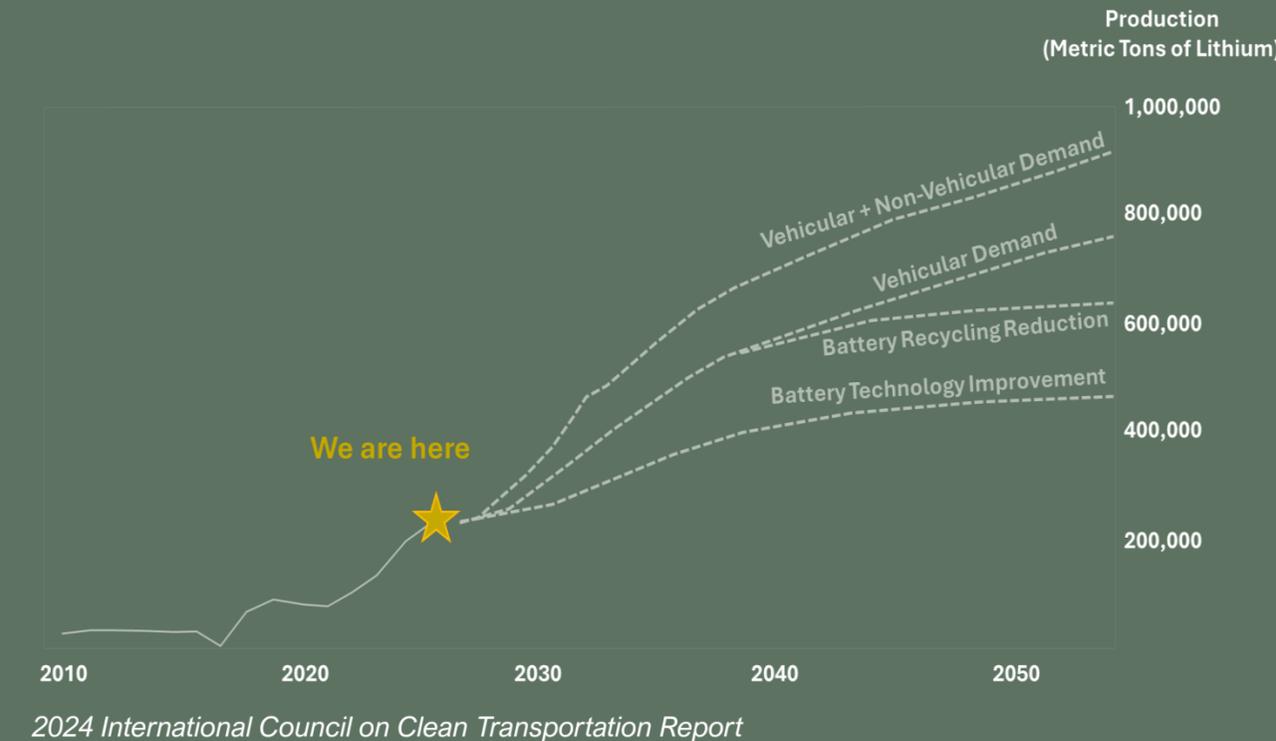


Market Size & Forecast

- ▶ 2024 Market Size: USD 1.58 Billion
- ▶ 2030 Projected Market Size: USD 2.67 Billion
- ▶ CAGR (2025-2030): 9.5%
- ▶ North America: Largest market in 2024
- ▶ Asia Pacific: Fastest growing market



Source: Data Center Energy Storage Market | Industry Report, 2030



2024 International Council on Clean Transportation Report

Entering the Next Lithium Cycle



OPEX from PFS(1)

(1) ASX Announcement – “Prairie Lithium PFS Confirms Extremely Low Operating Costs of \$2,819 USD Per Tonne” – 29 December 2023

- ▶ Lithium Carbonate prices up 48% over the past year.
- ▶ Driven primarily by strong electric vehicle demand in China (up 34.6% in 2025) and accelerating investment in stationary energy storage (storage batteries shipped up 99%).
- ▶ Geopolitical concerns and industrial policy objectives have intensified efforts to diversify supply chains.

www.saphiion.com

Prairie Lithium Project



Commercial Pad #1 3 Wells Drilled

Pad #1 Wells:

- Production
- Disposal
- Brackish Water

Pad #1 Status:

- Tested production zone
- Tested disposal zone
- Tested DLE with resource from site
- Facility construction underway for production in 2026

Canada's first and only lithium brine facility approved for commercial-scale production



Commercial Pad #2 2 Wells Drilled

Future Production & Disposal Wells



Commercial Pad #3 1 Well Drilled

Future Production or Disposal Well

Prairie Lithium Project

PAD BY PAD DEVELOPMENT

Pad #1 is conditionally approved under the Saskatchewan **Critical Mineral Processing Investment Incentive (CMPPII)** for **AUD \$21,000,000⁽¹⁾**

A Production Pad is composed of Production Wells, Disposal Wells and a Facility

Facility

- Pre-treat the brine
- Extract the lithium from the brine
- Concentrate and purify the extracted lithium



Production Wells

Produce lithium brine from Duperow Formation

Disposal Wells

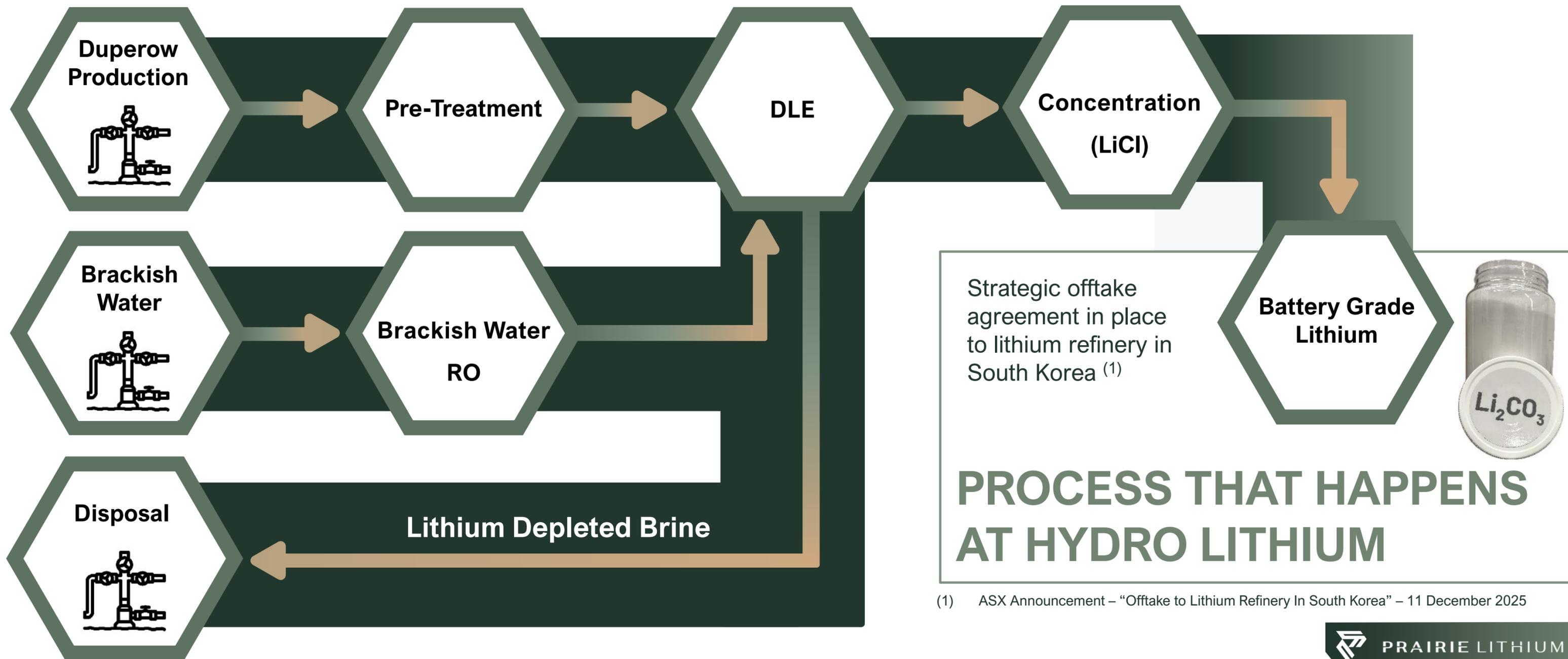
Dispose of lithium depleted brine into disposal formation

(1) ASX Announcement – “\$21 Million Investment Incentive For The Prairie Project” – 18 July 2024

Prairie Lithium Project

INNOVATIVE & LOW-COST FLOW SHEET

PROCESS THAT HAPPENS AT EACH PAD



(1) ASX Announcement – “Offtake to Lithium Refinery In South Korea” – 11 December 2025



Prairie Lithium Project

STRATEGIC OFFTAKE AGREEMENT WITH HYDRO LITHIUM⁽¹⁾

- ▶ Operational lithium refinery in South Korea seeking to rapidly expand operations
- ▶ Prairie Lithium to supply Hydro Lithium from the Company's Phase 1 commercial-scale proof-of-concept plant with up to 150 TPA LCE⁽³⁾
- ▶ Non-binding offtake to supply Stardust Power with 6,000 TPA LCE in North America⁽²⁾
- ▶ This strategy allows Prairie Lithium to enter the market by selling an intermediate product, which reduces costs and operational complexity associated with the battery grade conversion process



(1) ASX Announcement – “Offtake to Lithium Refinery In South Korea” – 11 December 2025
(2) ASX Announcement – “Strategic North American Offtake To Lithium Refinery” – 22 October 2025
(3) 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.

How to Scale Up

MODULAR DECENTRALISED PRODUCTION



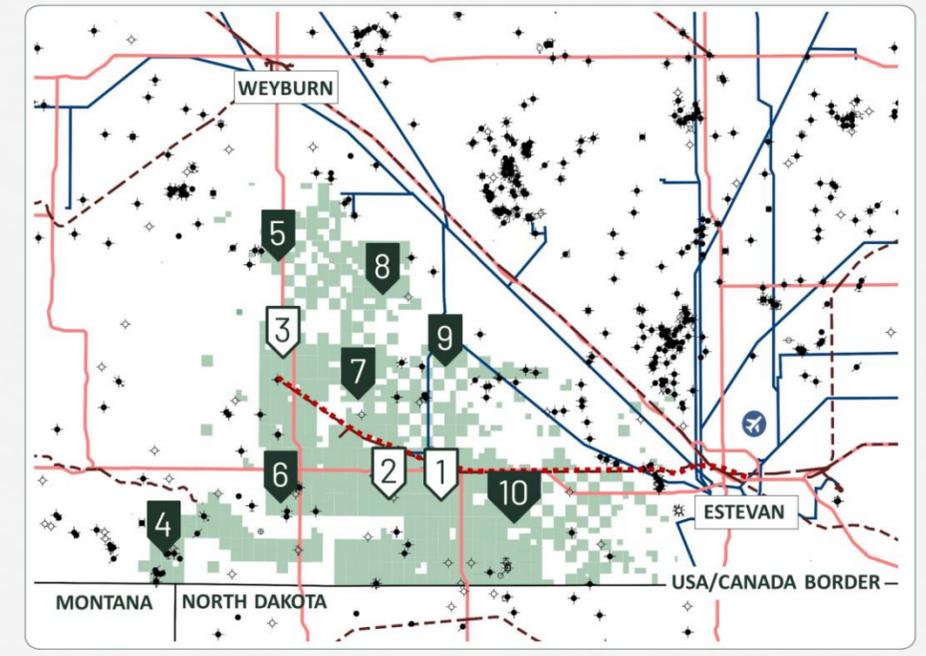
PHASE 1:

PAD 1: Initial Production to **de-risk commercial-scale DLE operations**



PHASE 2:

PAD 1: Scale up by **drilling additional production and disposal wells**, expanding the facility and **deploying additional DLE**



PHASE 3:

Construct additional pads (wells & facilities) across 345,000 acres on Prairie Lithium's resource

Pad Locations
Future Locations

Board of Directors



Paul Lloyd
Managing Director

Paul Lloyd is a Chartered Accountant with over thirty-five years' commercial experience. Mr. Lloyd was one of the vendors of the Big Sandy Lithium project and has been the Managing Director since September 2018. Mr. Lloyd has been responsible for a significant number of IPOs, RTOs, project acquisitions and capital raisings for ASX listed public companies.



Zach Maurer
Executive Director

Zach Maurer has 15 years of experience in North America's energy sector. In 2019, he founded and incorporated Prairie Lithium. As President & CEO of Prairie Lithium, he led multiple rounds of private equity funding while advancing lithium extraction technology and brine resource exploration in Saskatchewan, Canada. In 2023, Prairie Lithium was acquired by Arizona Lithium. In recognition for his contributions to Canada, he was awarded the Queen Elizabeth II Platinum Jubilee Medal. He holds a B.Sc. in Geology from the University of Regina and a Diploma in Exploration Information Technology from the South Alberta Institute of Technology (SAIT).



Matthew Blumberg
Executive Director

Matthew is currently based in New York and is a Director at Private Equity firm ALJ, focusing on Strategy, Mergers & Acquisitions. Matthew has previously worked in investment roles in New York and Sydney. He holds a Master of Business Administration (MBA) from Yale University and a double degree in Engineering (First Class Honours) and Commerce from The University of Western Australia.



Barnaby Egerton-Warburton
Non-Executive Chairman

Barnaby has over 25 years of trading, investment banking, international investment and market experience with positions at JP Morgan, BNP Equities (New York) and Prudential Securities (New York). He is an experienced Investment Banker and corporate advisor, having held managing director and non-executive director positions in the investment banking, oil & gas and resource sectors. He holds a degree in economics, is a graduate of the Australian Institute of Company Directors.



Vern Lund
Non-Executive Director

Vern is an experienced mining executive with over 25 years of operational and project development experience. Vern is the CEO of the Navajo Transitional Energy Company (NTEC), a U.S. tribally owned mining and energy company. He holds a B.S. in Civil Engineering from North Dakota State University, a Masters of Business Administration from Auburn University, and is a graduate of Wharton's Advanced Management Program.

Management



Chelsey Hillier
SVP Exploration

Chelsey has over 19 years of experience in Geoscience roles. She holds a Bachelor of Science Geology Honors from the University of Regina. Before joining the Prairie Lithium in 2021 Chelsey worked in technical and management roles with Nexen and CNOOC Intl. Chelsey manages the Technical Reporting, Subsurface Development and Reservoir Characterization Teams; and she plays an integral part in the researching, planning and execution of projects.



Shaun Menezes
Company Secretary

Shaun is an accounting and finance professional with over 25 years experience. He has worked in the capacity of Company Secretary and Chief Financial Officer of a number of ASX and SGX listed companies, held a senior management role within an ASX 200 listed company and was an executive director at a leading international accounting firm. He is a member of the Governance Institute of Australia and Chartered Accountants Australia and New Zealand.



Carrie Swanton
CFO – Canada

Carrie has over 20 years of experience in financial roles in mining and agriculture. She has an extensive background in finance with a proven track record of driving growth, managing capital, monitoring costs, and delivering operational efficiencies. As Chief Financial Officer (North America) of Prairie Lithium, Carrie is responsible for overseeing all financial activities for the North American organizations. She is a strategic partner to the executive team and board of directors ensuring alignment between the company's direction and financial performance. Carrie holds an undergraduate in accounting and has completed all CPA prerequisite PREP courses.

Further Information

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Stock Information

ASX : PL9

OTC : PLIXF





PRAIRIE LITHIUM

