Prairie Lithium secures C$6.3 million for Saskatchewan production build

Interest-free Canadian government funding will support processing equipment as the company targets lithium brine production from a commercial well in late 2026.

NEW SOUTH WALES, AUSTRALIA, September 29, 2026 /EINPresswire.com/ -- Prairie Lithium (ASX: PL9; OTC: PLIXF) has secured C$6.3 million in Canadian government financing for the next stage of construction at its Saskatchewan lithium project, supporting its move toward production from its first commercial well.

The interest-free financing comes through the Business Scale-up and Productivity program administered by PrairiesCan. Repayments are scheduled to begin in 2029. Prairie Lithium plans to use the funding to purchase and install additional processing equipment and supporting systems for the project's first phase.
The company has drilled its initial well infrastructure, installed power infrastructure and received its commercial-scale direct lithium extraction equipment. The new financing addresses the next stage of construction as Prairie Lithium advances toward commissioning.

The project also fits Canada's stated focus on expanding domestic critical minerals production and processing. That national policy provides context for the funding, though the project must still complete construction and commissioning.

Prairie Lithium plans to bring its pre-treatment, lithium extraction and lithium chloride concentration systems into operation progressively after commissioning begins. Phase 1 is intended to reach annual capacity equivalent to 150 metric tons of lithium carbonate, in the form of lithium chloride, for sale under a binding offtake agreement with Hydro Lithium.

The next milestones are installation of the remaining systems, Phase 1 commissioning and the company's targeted start of lithium brine production from its first commercial well in the fourth quarter of 2026. That brine milestone precedes the planned ramp-up of the processing systems.
Prairie Lithium Executive Chairman Paul Lloyd commented: "We are very grateful for the support from the Canadian Government and this funding is a very important and additional step in the long-term encouragement and assistance that has been provided by the Federal and the Saskatchewan governments for this world class Lithium project.

Saskatchewan hosts the highest-grade lithium brines in Canada, and we are pleased to see this significant and ongoing Federal government support for the development of a major industry in Saskatchewan.
With funding and offtake agreements in place, we look forward to a very busy year of construction as we advance our project into production and contribute to the development of the Canadian lithium industry."

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.

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