Prospech Limited
ABN 24 602 043 265

28 July 2025

KORSNÄS METALLURGICAL PROGRAM ADVANCED

Summary:

- Core Resources Pty Ltd (**CORE**), a leading Australian metallurgical laboratory, has been engaged to conduct a metallurgical test work program to determine the optimal flotation circuit for process flowsheet development.
- 300 kg Korsnäs REE bulk sample in transit to CORE.
- CORE program designed to:
  - Define optimal flotation circuit.
  - Produce ~30 kg of upgraded REE concentrate.
  - Evaluate the extraction of REEs from the concentrate to develop a process flowsheet.
- The CORE test work complements ongoing metallurgical test work in Finland under the EU-funded REMHub program.

Prospech Limited (ASX: PRS, FSE:1P80, **Prospech** or **the Company**) is pleased to announce that, following extensive negotiations with a number of suitably qualified metallurgical contract organisations, it has engaged Core Resources Pty Ltd to conduct a structured flotation test work program on a 300 kg bulk sample taken from the Lanthanide Concentrate Stockpile (**LnCS**) from the Company's 100% owned Korsnäs rare earth element (**REE**) project in Finland. The CORE metallurgical test work program will be conducted in Brisbane, Australia.

Jason Beckton, Managing Director, commented:

"We recognise the metallurgical program as a critical step in the development of the Korsnäs REE project and our approach is methodical and meticulous. The design of the appropriate metallurgical tests and contract negotiations have taken some time but could only be sensibly advanced following the completion of mineralogy characterisation of the Korsnäs REE deposit and the initial scanning electron microscope analysis and liberation studies successfully completed by PT Geoservices.

The recently reported significant increase in the Korsnäs Inferred Resource estimate and, with further exploration, the potential to convert some of the reported Exploration Target estimate to a resource category, support the progression of the metallurgical testing of the Korsnäs REE deposit.

With this work, we are taking deliberate and well-informed steps to unlock value from the Korsnäs REE project and, combined with ongoing activities in Finland under the EU funded REMHub initiative, we are methodically advancing Korsnäs toward a credible role in Europe's emerging rare earth supply chain."

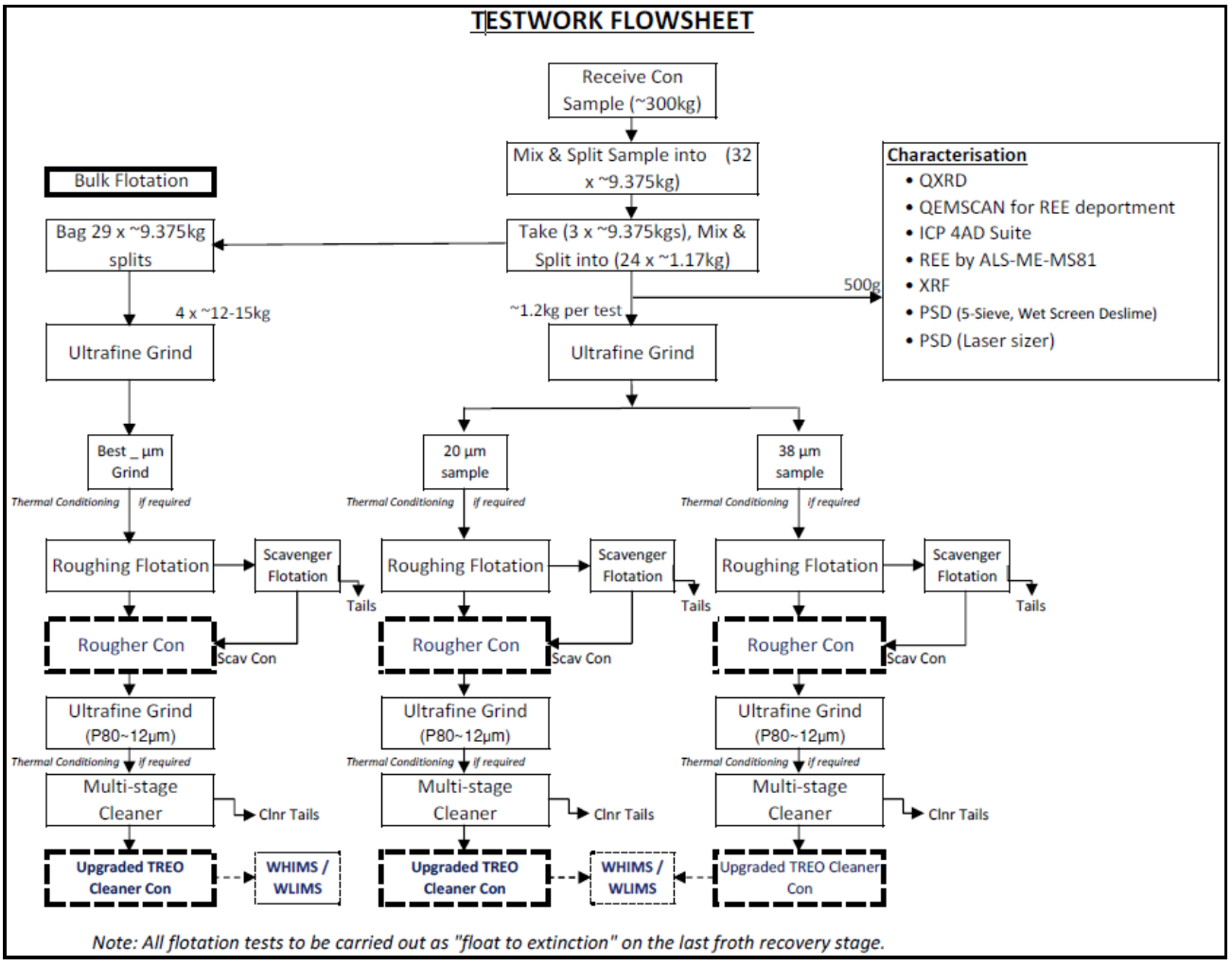
Metallurgical Test Work Program

The CORE test work program will proceed in two phases upon sample arrival:

- **Phase 1 – Bench-Scale Flotation Optimisation**
  - Full head characterisation (ICP-MS, QEMSCAN, XRF, QXRD).
  - Multiple flotation trials at different grind sizes and reagent conditions.
  - Closed-cycle cleaner flotation and optional magnetic separation sighter tests.

This phase is designed to determine the best flotation circuit. This includes testing suitable collectors and depressants to identify optimal reagents, pH, grind size, temperature, and regrinding conditions for concentrate upgrading.

- **Phase 2 – Bulk Flotation and Concentrate Production**
  - Bulk flotation using optimised conditions to produce 20 kg - 30 kg of REE concentrate.
  - Regrinding and multi-stage cleaning to upgrade concentrate for hydrometallurgical testing.



Initial results from this program, which are expected to be received in Q4 2025, will deliver important data on mineral liberation, concentrate upgrade potential, REE recovery and, ultimately, the design of a process flowsheet.

Our focus remains on developing a technically and commercially viable processing route for REE recovery from legacy stockpiles, tailings and the underlying hard rock mineralisation.

About Prospech Limited

With a portfolio of 100% owned projects, Prospech's focus is to discover and develop its critical minerals (REEs) deposit in Finland and base and precious metals (gold, silver, copper) projects in Slovakia. Prospech is positioned to benefit from the current global geopolitical and supply chain instability, strategically aligned with the increasing demand for locally sourced minerals in Eastern and Northern Europe, regions that are highly supportive of mining, and contribute to Europe's mobility revolution and energy transition.

For further information, please contact:

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This announcement has been authorised for release to the market by the Board of Directors.

Component Person Statement

The information in this report that relates to metallurgical test work is based on information compiled by Dr Mark Steemson, who is a Member of the Australasian Institute of Mining and Metallurgy (AusIMM) and a Competent Person as defined in the 2012 Edition of the JORC Code. Dr Steemson is a consultant employed by the Company and has over 30 years of experience in mineralogical studies, ore characterisation and metallurgical test work. Dr Steemson has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the JORC Code. Dr Steemson consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Cautionary Statement

This announcement includes forward-looking statements and opinions based on Prospech's current expectations and beliefs. Such statements are subject to risks, uncertainties, and assumptions. Actual results may differ materially from those expressed or implied. Factors that may cause such differences include project, geological, regulatory, market, and operational risks. Prospech undertakes no obligation to update forward-looking statements, except as required by law.