

Quarterly Activities Report

For the Reporting Period Ended 31 December 2026

Highlights

- **IONSolv™ REE Recovery Advancing:** Technical programs remain on track, with initial validation work demonstrating >75% recovery of rare earth elements from e-waste using IONSolv™ without process optimisation
- **Advancing Commercialisation of IONSolv™ for U.S. Market:** Supported by a \$4 million placement intended to fund e-waste recycling opportunities and modular rare earth recovery
- **Phase 1 Techno-Economic Evaluation for Modular REE Recycling Plant:** Assessment completed, confirming strong base-case economics and supporting a scalable rollout strategy for the critical U.S. market
- **Launch of Solar Panel Recycling Initiative:** Targeting high-purity silver and silicon recovery and addressing significant value gaps in global photovoltaic waste streams, with testing underway
- **Successful First-Stage Graphite Upgrading:** Initial work demonstrated effective removal of PVDF binder without damaging the underlying graphite structure, supporting progression toward anode-grade graphite upgrading from black mass
- **Pilot Plant Commissioning Underway:** Dry Processing Container commissioned post quarter end, supporting preparation of lithium-ion battery black mass containing lithium, nickel, cobalt, manganese and graphite, and demonstrating IONSolv™ as a modular downstream refining solution ahead of continuous Pilot Plant operations in Australia
- **IONSolv™ Expanded Beyond Recycling:** Binding agreement with LAT66 to apply IONSolv™ to virgin cobalt concentrates in Finland
- **Received \$1.3 million R&D Tax Incentive:** Refund received under Australian Government R&D Tax Incentive and a further Industry Growth Program grant instalment, supporting ongoing development activities
- **Board-led Leadership Transition (Post-Reporting Period):** Leadership and Board changes to support execution, scale-up and market entry as the Company moves into pilot commissioning and commercial engagement
- **Strong Financial Position:** Available funds at 31 December 2025 of \$8.4 million cash and \$0.6 million cash received in January 2026 from the second tranche of the share placement announced in November 2025, with US grant applications pending

Iondrive Limited (ASX: ION) (“Iondrive” or “the Company”), an Australian technology company developing and commercialising its innovative proprietary metal extraction process for critical minerals (IONSolv™), is pleased to provide its quarterly activities report alongside its Appendix 4C for the period ending 31 December 2025 (the “Quarter” or the “Reporting Period”).

During the Quarter, Iondrive made material progress in advancing the commercialisation of its proprietary IONSolv™ technology, working to advance it across several high-value markets and with a particular focus on opportunities in urban mining and across the U.S. and Europe. Activities during the period were directed toward translating prior technology development into an executable commercial pathway, supported by the Company’s existing capital, strategic partnerships, and independent economic validation.

IONSolv™ is positioned as a downstream refining technology, capable of selectively recovering and upgrading critical minerals into high-purity products, providing an alternative to conventional hydrometallurgical and pyrometallurgical refining pathways that are currently capacity-constrained outside of China.

One key focus for the Quarter was the acceleration of Iondrive’s strategy for entering the critical U.S. market. This included the completion of a \$4.0 million equity placement to fund e-waste and rare earth recycling opportunities across North America, as well as the completion of a Phase 1 techno-economic evaluation for a modular REE recycling plant targeting e-waste. The study confirmed the potential for IONSolv™ to generate meaningful value from e-waste and supported a scalable, modular deployment model across U.S. e-waste hubs.

Commenting on the activities for the Quarter, Iondrive CEO, Mr Lewis Utting, stated: *“This Quarter marked a clear transition for Iondrive from technology development into commercial readiness, with our focus shifting to execution, pilot commissioning and market entry.*

Progress across the period reinforces IONSolv™ as a platform technology, with validation across multiple applications and use cases, materially expanding the Company’s addressable market.

Our near-term focus is increasingly on the United States, where policy support for critical minerals sovereignty is driving demand for domestic processing solutions, with European capital deployment under review subject to strategic objectives being able to be progressed without immediate investment.

With recent Board and leadership changes now in place, I’m grateful for the trust shown and focused on delivering the Company’s next phase of scale-up and early commercial engagement.”

OVERVIEW OF OPERATIONS

IONSolv™ Rare Earth Element (REE) Recovery and Commercialisation

On 17 November 2025, the Company announced the completion of a Phase 1 techno-economic evaluation for a 2,000 tonne per annum modular recycling plant using IONSolv™ to recover rare earth elements (REE) from end-of-life permanent magnets.

The study, completed by ProProcess, a well-respected engineering group specialising in modular plant solutions, confirmed strong base-case economics and demonstrated the potential to transform magnet waste into a domestic source of critical rare earth oxides, supporting a scalable modular rollout strategy, particularly for the United States market.

Phase 2 laboratory validation commenced during the Quarter to test and refine key assumptions relating to reagent consumption, solvent recovery and overall process efficiency. Results from this

work will be used to further refine the economic model and support progression toward feasibility-level engineering.

In parallel, North American validation work with Colt Recycling, part of the Elemental Group, continues to progress and demonstrates that the technical program remains on track ahead of plant construction. Initial validation work, conducted without process optimisation, has achieved greater than 75% recovery of rare earth elements, particularly neodymium and dysprosium, which were the primary target elements within the magnetic e-waste shred fraction supplied by Colt Recycling. These results provide confidence in the robustness of the process under representative operating conditions.

The Company is concurrently assessing commercial deployment models based on either a hub-and-spoke configuration or co-located operations, both of which are being evaluated within the developing investment case. This work supports londrive's targeted pathway toward commercial deployment from 2027.

As part of its broader U.S. market entry strategy, on 14 October 2025, the Company announced that Dr Ebbe Dommissé (CEO at that time) participated in a fully funded Australian Government-led delegation to the United States focused on critical minerals and energy security. The delegation included meetings with U.S. government, defence, investment and innovation stakeholders, alongside participation in invitation-only investment and R&D roundtables.

The Company is currently engaged across multiple potential U.S. grant pathways, reflecting the significant funding available to support domestic critical-minerals processing. These programs are intended to support scaling activities, reduce reliance on external parties, and strengthen U.S. capability for the processing and recovery of critical minerals.

Expansion into Virgin Mining Concentrates – LAT66 Agreement

On 21 October 2025, the Company announced that it had signed a binding term sheet with LAT66 Limited (ASX: LAT) to apply its proprietary DES technology to cobalt-rich concentrates from LAT66's projects in Finland.

The agreement marks the first application of IONSolv™ to virgin mining concentrates, extending the commercialisation pathway of the technology beyond recycling-focused applications.

It was announced that testing will be conducted on representative metallurgical samples provided by LAT66, with results intended to support feasibility studies as the project progresses toward potential development.

LAT66's Kuusamo projects host one of Europe's largest undeveloped cobalt deposits, positioning the collaboration within a strategically important supply chain for European battery materials.

Graphite Upgrading Program

londrive is advancing a three-stage graphite upgrading program focused on increasing the value recovered from battery black mass and improving the overall economics of battery recycling. Many conventional black mass recycling processes destroy or downgrade graphite, treating it as a low-value by-product. By preserving and upgrading graphite, londrive has the potential to materially improve the economics of black mass recycling, creating an additional high-value payable alongside metal recoveries.

Stage 1 – Binder Removal (Completed): Initial work has successfully demonstrated the selective removal of PVDF binder without damaging the underlying graphite structure. This confirms that graphite can be preserved for further upgrading, rather than being degraded or destroyed during processing.

Stage 2 – Graphite Purification (Current quarter): The second stage focuses on impurity reduction and quality improvement and is expected to be completed this quarter. This work is designed to further upgrade recovered graphite and prepare it for higher-value reuse pathways.

Stage 3 – Anode-Grade Upgrading (Next quarter): The final stage, scheduled for completion next quarter, will target upgrading purified graphite toward battery anode specifications, including performance assessment and validation.

Solar Panel Recycling – High-Purity Silver and Silicon Recovery

On 10 November 2025, the Company announced the launch of a solar panel recycling initiative targeting the recovery of high-purity silver and silicon from end-of-life photovoltaic cells.

The program was said to address a significant value gap in existing solar recycling processes, where valuable silver and silicon are often lost or downcycled. Development work is being undertaken through parallel programs with the University of Adelaide and a commercial laboratory, with staged laboratory screening and techno-economic analysis underway.

Feedstock for evaluation has been secured from commercial operators in Australia and Taiwan, with commercial discussions progressing with recyclers in Germany and the Netherlands.

The initiative is expected to leverage londrive's pilot plant under construction, providing a pathway to accelerate scale-up and commercialisation while complementing the Company's existing battery and e-waste recycling activities.

Pilot Plant - Commissioning

The Company has commissioned its Dry Processing Container, marking a key step toward continuous Pilot Plant operations. The dry container is now fully operational and will serve as the dedicated area for preparing black mass feedstock, including drying, homogenisation and packaging, prior to transfer into the Wet Processing Container for IONSolv™ extraction. The Pilot Plant is designed to demonstrate IONSolv™ as a modular downstream refining solution for lithium-ion battery black mass and other feedstocks.

Commissioning of the dry container ensures all upstream materials-handling steps are in place ahead of wet-processing commissioning next quarter and provides a controlled environment to deliver consistent feed quality for continuous operation of the IONSolv™ process.

Mechanical assembly of the Wet Processing Container is progressing, with key equipment deliveries scheduled throughout Q1 2026. Installation, integration and staged commissioning activities will be undertaken across the quarter. Wave International continues to lead Front-End Engineering Design (FEED) for the Pilot Plant, with Carnac Engineering engaged as Owner's Engineer to provide independent oversight and governance.

The Pilot Plant will be located at the Adelaide University and is designed as a deployable, mobile asset to support future commercial demonstration.

CORPORATE

Capital Raise – U.S. E-Waste Strategy

On 25 November 2025, the Company announced the completion of firm commitments for a \$4.0 million placement to advance the commercialisation of e-waste recycling opportunities in the U.S.

Proceeds from the placement were announced as being directed toward the commercialisation efforts surrounding IONSolv™, including evaluation of a U.S.-based e-waste recycling plant and strengthening executive and operational capability to support market entry. The placement was cornerstoned by existing shareholders, with strong participation from the Board and management.

As part of this strategy, the Company continues to progress evaluation of IONSolv™ for the recovery of rare earth oxides from end-of-life permanent magnets, supported by a binding agreement with Colt Recycling LLC and ongoing techno-economic work.

FINANCIAL

Quarterly Cash Flows

For the Quarter, the Company reported total net cash inflows of \$4.4 million, represented by:

- net cash inflows from Operating and Investing activities of \$1.2 million, which included:
 - inflows of \$3.5 million comprising \$1.3m for the FY25 Research and Development Tax Incentive and \$2.2 million for the first two instalments of the \$3.9 million grant available under the Industry Growth Program.
 - outflows of \$2.3 million, with \$1.7 million of this directly associated with research & development activities to progress the Company's DES technology, including the pilot plant construction;
- net cash inflows from Financing activities of \$3.2 million from the proceeds of the first tranche of the share placement.

These cashflow movements in the Quarter resulted in a reported consolidated cash balance of \$8.4 million as at 31 December 2025. This has been subsequently supplemented by \$0.6 million for cash received for the second tranche of the share placement, completed following shareholder approval on 22 January 2026.

The Company has a further \$1.7 million available under the Industry Growth Program, as a 50% reimbursement of expenditure associated with the build and operation of the pilot plant.

Cash flows for the Quarter include related party payments of \$92,000, comprising Non-Executive Directors fees.

South Korea Exploration

The cashflow report for the Quarter includes a further \$60,000 received in the Quarter for non-refundable exclusivity fees related to the potential sale of its South Korean exploration business. Iondrive has been moving further away from its exploration roots over the past 12 months, and the sale of the business would reduce the underlying cost base of the business by approximately \$600,000 per annum.

This announcement has been approved for release by the Board of Directors

Further Information & Investor Relations

For further information and shareholder enquiries relating to londrive, please contact:

Jane Morgan

Jane Morgan Management
Investor & Media Relations
jm@janemorganmanagement.com.au
+61 405 555 618

Lewis Utting

londrive Limited
Chief Executive Officer
info@londrive.com.au

About londrive

londrive is developing IONSolv™, an innovative metal extraction platform for the selective recovery of critical minerals. The technology operates at low temperatures, avoids aggressive acids, and uses tuneable chemistry to enable efficient, closed-loop extraction across a range of feedstocks. While initial deployment is in battery materials, IONSolv™ is designed for broader application in mineral processing and urban mining of e-waste.

Appendix 4C

Quarterly cash flow report for entities subject to Listing Rule 4.7B

Name of entity

IONDRIVE LIMITED

ABN

30 107 424 519

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) research and development (battery technologies)	(1,695)	(3,057)
(b) product manufacturing and operating costs		
(c) exploration & evaluation	(1)	(31)
(d) leased assets		
(e) staff costs	(254)	(499)
(f) administration and corporate costs	(380)	(806)
1.3 Dividends received (see note 3)		
1.4 Interest received	4	55
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid		
1.7 Government grants and tax incentives	3,469	3,511
1.8 Other (short term lease payments)	(13)	(22)
1.9 Net cash from / (used in) operating activities	1,130	(849)

2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities		
(b) businesses		
(c) property, plant and equipment		
(d) investments		
(e) intellectual property		

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
2.2	(f) other non-current assets Proceeds from disposal of: (a) entities (b) businesses (c) property, plant and equipment (d) investments (e) intellectual property (f) other non-current assets (tenements)		
2.3	Cash flows from loans to other entities		
2.4	Dividends received (see note 3)		
2.5	Other (exclusivity fees)	60	120
2.6	Net cash from / (used in) investing activities	60	120

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	3,410	3,410
3.2	Proceeds from issue of convertible debt securities		
3.3	Proceeds from exercise of options	3	78
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(197)	(197)
3.5	Proceeds from borrowings		
3.6	Repayment of borrowings		
3.7	Transaction costs related to loans and borrowings		
3.8	Dividends paid		
3.9	Other (repayment of lease liability)		
3.10	Net cash from / (used in) financing activities	3,216	3,291

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	4,019	5,868
4.2	Net cash from / (used in) operating activities (item 1.9 above)	1,130	(849)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	60	120

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	3,216	3,291
4.5	Effect of movement in exchange rates on cash held	(4)	(9)
4.6	Cash and cash equivalents at end of period	8,421	8,421

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	1,498	315
5.2	Call deposits	6,923	3,704
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)	8,421	4,019

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	92
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>		

7.	Financing facilities <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>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1	Loan facilities		
7.2	Credit standby arrangements		
7.3	Other (please specify)		
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)	1,130
8.2	Cash and cash equivalents at quarter end (item 4.6)	8,421
8.3	Unused finance facilities available at quarter end (item 7.5)	
8.4	Total available funding (item 8.2 + item 8.3)	8,421
8.5	Estimated quarters of funding available (item 8.4 divided by item 8.1)	n/a
<i>Note: if the entity has reported positive net operating cash flows in item 1.9, answer item 8.5 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.5.</i>		
8.6	If item 8.5 is less than 2 quarters, please provide answers to the following questions:	
8.6.1	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:	
8.6.2	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:	
8.6.3	Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
	Answer:	
<i>Note: where item 8.5 is less than 2 quarters, all of questions 8.6.1, 8.6.2 and 8.6.3 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: 30 January 2026.....

Authorised by: The Board of Directors.....
(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 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 standard applies 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.