Quarterly Activities Report – December 2025 (Q2 FY26)

Battery Recycling Highlights

- **Strategic transition completed with Livium's core focus confirmed as the recycling of clean energy waste, founded on lithium-ion battery recycling and expanding into processing black mass, PV[1] and REE[2] recycling**
- **Achieved revenue of A$1.3m, gross profit of A$0.5m and battery collections of 197 tonnes, 72% of which were lithium-ion batteries**
- **New contracts executed with Synergy, WA's largest electricity generator and retailer, and leading luxury appliance brand Fisher & Paykel, who are expanding into energy storage in Australia**
- **Identification of new site for the Victoria "Hub" to enhance collection and processing capabilities, with lease negotiations nearing completion**
- **Australian patent protection secured for its wet shredding and separation process for recycling of lithium-ion batteries**

Other Recycling Highlights

- **Binding Agreements executed with University of Melbourne (UoM) to secure exclusive global rights to the use of innovative Microwave technology in REE extraction**
- **Commencement of REE extraction testwork by UoM with results, released in Q3 FY26, delivering leach efficiencies consistently over 90% for Neodymium (Nd) and Praseodymium (Pr)[3]**
- **Collection of 600 end-of-life solar panels, for shipment in Q3 FY26 to Won Kwang S&T in first step toward unlocking silver and other critical materials[4]**

Other Highlights

- **A$4.5M placement completed to institutional and sophisticated investors to accelerate battery recycling, pursue REE and PV recycling, and black mass processing[5]**
- **Cash balance of A$5.7m as at 31 December 2025, underpinned by placement and A$1.4M received in R&D rebates from the Australian Tax Office for the 2025 financial year related to Envirostream and VSPC[6]**

Livium Ltd (ASX: LIT) ("Livium" or the "Company") is pleased to release its quarterly business update and Appendix 4C for the period ended 31 December 2025 (**Q2 FY26**).

Livium CEO and Managing Director, Simon Linge commented *"Q2 FY26 marked an important step in Livium's transition to a recycling-led growth platform. During the quarter, we delivered solid operational performance in battery recycling and strengthened our technology portfolio through new IP and university partnerships across rare earth and solar recycling.*

With a strengthened balance sheet following our successful capital raise, Livium is well positioned to consolidate our processing footprint and scale national collections. As we enter the second half of FY26, our focus is disciplined execution and technology-led growth."

[1] PV = photovoltaic (solar panels)
[2] REE = Rare-earth elements
[3] Refer announcement "*Microwave Technology Delivers Over 90% Leach Efficiencies for Nd and Pr Rare Earths*", dated 14 January 2026
[4] Refer announcement "*Livium Ships Solar Panels to Won Kwang S&T in First Step Toward Unlocking Silver and Other Critical Materials*", dated 21 January 2026
[5] Refer announcement "*Successful A$4.5m Placement to Accelerate Battery, REE and Solar Panel Recycling Growth*", dated 17 October 2025
[6] Refer announcement "*Livium Receives A$663k in R&D Tax Incentive Rebates for VSPC*", dated 5 December 2025

Recycling Verticals

Livium's subsidiary, Envirostream Australia Pty Ltd (**Envirostream**), is Australia's market-leading lithium-ion battery (**LIB**) recycler. Envirostream is seeking to build its services into processing black mass, and recycling of solar panels and rare-earth elements to meet its customers' needs.

Battery Recycling Vertical

Operating and Financial Summary

During the quarter, Envirostream achieved revenue of A$1.28m (pcp[7]: A$1.31m), generating gross profit of A$0.50m (pcp: A$0.72m), representing a gross margin of 40% (pcp: 45%). Total battery collections were 197 tonnes (pcp: 134 tonnes), of which 141 tonnes related to lithium-ion batteries (pcp: 116 tonnes).

Gross margins were reduced in Q2 FY26 due to lower than usual large format LIBs in the mix of battery collections. Smaller battery types typically require higher direct costs than Large format LIBs, increasing costs of sales on a unit rate basis. Refer to Table 1 for further information.

Table 1 Battery recycling – quarterly financial and volume information

	Unit	FY25				FY26	
		Q1	Q2	Q3	Q4	Q1	Q2
Revenue	A$m	$2.45	$1.31	$1.35	$1.79	$1.47	$1.28
Cost of sales	A$m	$0.72	$0.75	$0.66	$0.55	$0.74	$0.77
Gross profit	A$m	$1.75	$0.56	$0.69	$1.25	$0.74	$0.50
Gross margin	*%*	*71%*	43%	51%	70%	*50%*	*40%*
Revenue unit rate	A$/kg	$6.51	$9.77	$6.94	$7.94	$7.27	$6.48
Gross profit unit rate	A$/kg	$4.61	$4.15	$3.53	$5.52	$3.64	$2.56
Collection volumes	Tonnes	377	134	195	226	202	197
Proportion of large format LIBs	*%*	*80%*	*63%*	*74%*	*61%*	*34%*	*16%*
Proportion of small format LIBs	*%*	*8%*	*24%*	*20%*	*25%*	*21%*	*56%*
Proportion of other batteries	*%*	*12%*	*13%*	*6%*	*14%*	*45%*	*28%*

Market and Customer Summary

Envirostream continues to penetrate new and existing markets to deliver more consistent baseload volumes, overlayed by larger project opportunities. An emerging "market" is that of battery stockpiling which has increased in the past few years. Other core targets include grid-scale and residential energy storage, supported by policy initiatives such as the Cheaper Home Batteries Program, and electric vehicles, with some customers experiencing strong year-on-year growth.

During the quarter, new contracts were secured with Synergy and Fisher & Paykel. Synergy, Western Australia's largest electricity generator and retailer, secured the services of Envirostream to safely collect, transport and process the Alkimos Community Battery, which had reached its expected service life. Fisher & Paykel, a leading luxury appliance brand, secured Envirostream to process their new to market energy storage batteries in Australia.

LIB collections during the quarter were below expectations, due to lower-than-expected contracted volumes and delays to new customer conversion. Envirostream works with its diversified customer base to assess forward volumes. At this point in the industry's evolution volumes often relate to project-based decommissioning or are subject to regulatory approval. This combined with new customers taking time to adjust to Australian regulations can lead to delays in volumes. Whilst these factors are considered "timing" in nature, with volumes simply delayed into the future, the impact on a month-by-month and quarter-by-quarter basis is felt by Livium.

[7] Prior corresponding period (Q2 FY25)

Looking ahead, we have started to see LIB volumes flow again in 2026, including from the new agreements referenced above. Current volumes, coupled with customer development activities, underpin future revenue growth for the balance of FY26 and beyond. The medium to long term volume outlook is positive (Figure 1), driven by strong penetration of residential and commercial energy storage systems, growth in e-mobility uptake, and regulatory reforms. Over time, as installed battery volumes increase and stewardship frameworks mature, the Company expects more predictable and scalable EOL battery flows to emerge.

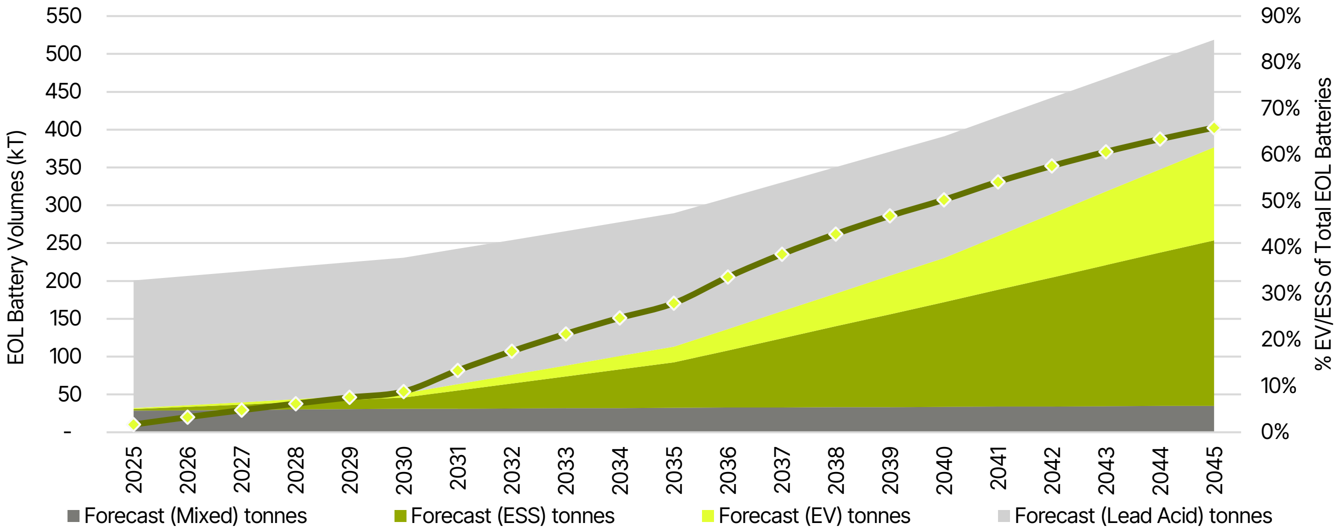

Figure 1 EOL Battery Projections by Market Segment[8]

Hub and Spoke Development

Livium is committed to supporting growth through the measured, responsible development of its operations. The initial stage is to identify a suitable site to consolidate current Victorian operations into a larger, centralised processing "Hub" facility. Zoning identified for the Hub targets 24/7 operations and an increased footprint to allow equipment expansion at a future point. This Hub will allow capacity increases immediately, if required, through increased operating hours. Over the medium term the Hub will allow expansion of processing capacity by up to three times.

Livium is in advanced discussions related to the Hub lease. Upon execution of the lease, Envirostream's Laverton North site will be relocated to the Hub, with completion planned by the end of March 2026 and operational impacts expected to be limited. Envirostream's LIB processing site in Campbellfield is not expected to relocate before the end of 2026, with detailed planning to consider factors such as lease expiry and operational disruption.

Livium is also seeking to establish regional "Spokes", which focus on collection, sorting, discharge, and safe storage of LIBs prior to transport to the Hub for processing into black mass. Western Australia has been identified as a Spoke, as demonstrated by the previously awarded A$850,000 grant.

Corporate Development

Livium continues to assess strategic partnerships and M&A opportunities to support the measured expansion of its battery recycling operations.

Intellectual Property

During the quarter, IP Australia granted a standard patent protecting Livium's wet shredding and separation process for lithium-ion battery recycling. Held under Livium's IP-owning subsidiary Resource Conservation and Recycling Corporation Pty Ltd (RCARC), the patent provides protection through 2041 and formally acknowledges the process' safety benefits, including thermal-event mitigation and enhanced capture of volatile compounds.

[8] Source: Battery Market Analysis - The latest market data for the battery industry in Australia: B-cycle (Oct23); Company analysis

Other Recycling Verticals

Exclusive Global Rights to UoM Microwave Technology for REE Extraction

During the quarter, Livium executed binding agreements with the University of Melbourne (**UoM**) securing exclusive global rights to microwave-assisted leaching technology for rare earth elements (**REE**) extraction, with an option to expand the licence to include platinum-group metals (**PGMs**).

Subsequent to the end of the quarter, the Company released a successful Stage 1 update confirming sustained progress and strong technical validation of the microwave-assisted REE extraction process.

Testwork to date has demonstrated leach efficiencies consistently exceeding 90% for both Neodymium (Nd) and Praseodymium (Pr), with strong repeatability across larger sample sizes. Stage 1 also included completion of optimisation work across key process parameters—solid-to-liquid ratio, leaching-solution concentration, and iron (Fe) separation—with further recovery improvements identified. Remaining Stage 1 activities focus on microwave parameter optimisation and enhanced Fe removal, which are targeted for completion by the end of February 2026.

The partnership, first established in September 2025, supports Livium's strategy to recover critical minerals through recycling rather than primary mining. Stage 2 will progress to construction of a prototype-scale microwave reactor, enabling REE extraction testing at scale and marking the next phase of Livium's technology commercialisation roadmap.

Unlocking Silver and Other Critical Materials from PV Recycling

During the quarter, Livium continued to advance its photovoltaic (**PV**) recycling strategy through active partnerships with Iondrive and Won Kwang S&T.

- Livium supplied representative feedstocks—crushed solar cells, and black mass,—to Iondrive for testing of its Deep Eutectic Solvent (DES) processing technology, with test results nearing completion.
- Livium collected PV panels in preparation for shipment to Won Kwang S&T's South Korean site in January 2026. This shipment will support the validation of Won Kwang's advanced technology for high-value material recovery.

International Progress

Engagement with U.S. partners progressed with a focus on PV and REE recycling collaborations and technology opportunities. Activity was supported by CSIRO, Department of Industry Science and Resources and Austrade and was further strengthened by geopolitical developments, particularly China's export controls on REE technologies and growing U.S. policy backing for localised, non-Chinese critical-minerals supply chains.

Non-Recycling Verticals

VSPC – LFP Demonstration Plant

Livium's preferred funding pathway seeks to eliminate reliance on Livium shareholder contributions, whilst maximising value creation for stakeholders.

During the period, the Company confirmed the viability and subsequently launched a process to seek funding on a phased approach, which lowers the initial funding hurdle but matches requirements of the up to A$30m ARENA grant. If secured and approved by the board, the managed sell down of Livium's equity in VSPC will commence. If funding is not confirmed, options to preserve or realise value while minimising spending may be pursued.

Corporate and Financial Update

As at 31 December 2025, Livium held cash of approximately A$5.7 million.

Successful A$4.5m Placement to Accelerate Battery, REE and Solar Panel Recycling Growth

During the quarter, Livium completed a placement to existing shareholders, alongside new institutional and sophisticated investors, to raise gross proceeds of A$4.5m ("**Placement**") before costs. Total investor demand exceeded 200% of the final placement value with proceeds used to expand national LIB collections, relocate and consolidate processing operations into the new centralised Hub, and advance REE, PV, and black mass initiatives.

The Placement comprised the issue of 360,000,000 new fully paid ordinary shares in the Company ("Placement Shares") at an issue price of A$0.0125 per share ("Issue Price"). The Company also issued one (1) free-attaching option for every one (1) Placement Share subscribed, exercisable at A$0.02 and expiring on 28 April 2028 ("Placement Options"). The terms of the Placement Options align with the existing class of options already listed on the ASX (ASX:LITOC).

On the day of the Placement, the Issue Price represented a discount of 15% to the Company's 5-day VWAP.

Director Remuneration Changes

The Company also announced a change in Director's remuneration to align incentives with Livium's refined strategy while conserving cash. The CEO's remuneration was also rebalanced, including a base-salary reduction to A$328,000 per annum, removal of the FY26 STI, and issuance of 18,200,000 zero-exercise-price options tied to retention and performance conditions. Non-Executive Directors agreed to partially defer their fees into zero-exercise-price options (subject to receipt of shareholder approval in the future).

R&D Tax Incentive Rebates

During the quarter, A$1.4m was received in research and development ("**R&D**") tax incentive rebates from the Australian Tax Office for the 2025 financial year ("FY25"), relating to wholly owned subsidiaries Envirostream and VSPC.

Expiry of Options

During the quarter, 139,329,261 listed options (LITOB) expired without exercise or conversion.

Environmental, Social and Governance (ESG)

Refer to Appendix 1 for further details of ESG metrics.

Authorised for release by the Livium Board.

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About Livium

Livium Ltd (ASX: LIT) is Australia's leading battery recycler through its wholly owned subsidiary Envirostream — a business focused on the recovery of valuable materials from end-of-life batteries.

Building on this foundation, Livium is expanding into adjacent opportunities including recycling of rare earth elements and solar panels, and the processing of black mass — strengthening Australia's clean-energy supply chain.

The Company also holds a portfolio of complementary technologies, including LieNA®, a patented lithium extraction process in joint venture with Mineral Resources Ltd (ASX: MIN), and VSPC, a developer of next-generation lithium ferro phosphate (LFP) cathode materials — the leading global battery chemistry.

Forward-looking statements

This announcement contains forward-looking statements. Forward-looking statements are subject to a variety of risks and uncertainties that it is beyond the Company's ability to control or predict and which could cause actual events or results to differ materially from those anticipated in such forward-looking statements. Investors should be aware that past performance should not be relied upon as being indicative of future performance.

Appendix 1 ESG Additional information

Key ESG metrics

Pillars	Items	#
People	Year to date lost time injury incidents	0
People	Current agreements with First Nations Peoples	1[9]
Environment	Outstanding closure matters at quarter end	1[10]
Corporate governance	Year to date bribery and/ or corruption incidents	0

Director's corporate governance committee roles

Non-Executive Director	Committee role
Phillip Campbell	Member of Remuneration & Nominations Committee Member of the Audit & Risk Committee
Phil Thick	Chair of Remuneration & Nominations Committee Member of the Audit & Risk Committee
Kristie Young	Chair of the Audit & Risk Committee Member of Remuneration & Nominations Committee

Payments to related parties of the entity and their associates

In accordance with ASX Listing Rule 4.7C.3, payments made during the quarter and included in items 6.1 and 6.2 of ASX Appendix 4C – 'Quarterly cash flow report for entities subject to Listing Rule 4.7B ' – comprise the following.	
6.1 Aggregate amount of payments to related parties and their associates included in cash flows from operating activities	A$131,000
This includes payments of directors' remuneration for services to the economic entity	A$131,000
Payment to directors' associates for services provided to the economic entity	A$nil

Securities on issue as at the end of the quarter

Class	Number
Quoted	
Ordinary shares (ASX: LIT)	2,064,107,119
Options exercisable at $0.020 expiring 28-Apr-2028 (ASX: LITOC)	892,000,001
Unquoted	
Performance Rights (various expiry dates)	102,900,000
Options exercisable at $0.031 expiring 24-Jul-2028 (LITAE)	39,000,000
Options exercisable at $nil expiring 31-Dec-2028 (LITAZ)	9,112,476
Options exercisable at $nil expiring 31-Aug-2029	18,200,000

[9] Relates to a cleaning contract with a First nations company, ACS Indigenous Pty Ltd, for the Company's head office in Kew, Victoria.
[10] Relates to the Ravensthorpe rehabilitation.

Appendix 4C

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

Name of entity

Livium Ltd

ABN	**Quarter ended ("current quarter")**
29 126 129 413	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]	1,369	3,508
1.2	Payments for		
	(a) research and development	(405)	(873)
	(b) product manufacturing and operating costs	(674)	(1,501)
	(c) advertising and marketing	(68)	(191)
	(d) leased assets	-	-
	(e) staff costs	(1,337)	(2,883)
	(f) administration and corporate costs	(235)	(524)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	24	35
1.5	Interest and other costs of finance paid[2]	(5)	(13)
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives[3]	1,317	1,317
1.8	Other	-	-
1.9	**Net cash from / (used in) operating activities**	**(14)**	**(1,125)**

2.	**Cash flows from investing activities**		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) businesses	-	-

[1] For the current quarter, opening and closing trade debtors were A$575k and A$444k respectively.

[2] Item 1.5 primarily relates to interest implied for leases accounted using the right of use asset methodology.

[3] For the current quarter, the company received A$1,317k in R&D tax incentive rebates from the Australian Taxation Office.

Consolidated statement of cash flows		Current quarter $A'000	Year to date (6 months) $A'000
	(c) property, plant and equipment	(52)	(120)
	(d) investments	-	-
	(e) intellectual property	(16)	(64)
	(f) other non-current assets [4]	-	(39)
2.2	Proceeds from disposal of:		
	(a) entities	-	-
	(b) businesses	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) intellectual property	-	-
	(f) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (cash distribution from LieNA JV)[5]	-	173
2.6	Other (Loss of control of LieNA)[6]	-	(665)
2.7	**Net cash from / (used in) investing activities**	**(68)**	**(715)**

3.	**Cash flows from financing activities**		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	4,500	4,500
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(320)	(320)
3.5	Proceeds from Borrowing	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-

[4] Relates to LieNA® activities under the Joint Development Agreement with Mineral Resources Limited (**MinRes**) and costs related to the maintenance of the intellectual property portfolio, up until the formation of the 50:50 Joint Venture with MinRes.

[5] Relates to a distribution to shareholders by LieNA Pty Ltd, a 50:50 Joint Venture with MinRes.

[6] Following the establishment of a 50:50 Joint Venture with MinRes, LieNA Pty Ltd is accounted for under the equity accounting method. This resulted in the deconsolidation of LieNA Pty Ltd, including its cash held of A$665k at the date of the Joint Venture formation.

Consolidated statement of cash flows		**Current quarter $A'000**	**Year to date (6 months) $A'000**
3.9	Other (lease payments accounted using the right of use asset methodology[7])	(185)	(368)
3.10	**Net cash from / (used in) financing activities**	**3,995**	**3,812**

4.	**Net increase / (decrease) in cash and cash equivalents for the period**		
4.1	Cash and cash equivalents at beginning of period	1,815	3,758
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(14)	(1,125)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(68)	(715)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	3,995	3,812
4.5	Effect of movement in exchange rates on cash held	(12)	(14)
4.6	**Cash and cash equivalents at end of period**	**5,716**	**5,716**

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	5,716	1,815
5.2	Call deposits	-	-
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)**	**5,716**	**1,815**

[7] Excludes implied interest reported under Item 1.5

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	131
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

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.

7.	**Financing facilities** *Note: the term "facility' includes all forms of financing arrangements available to the entity.* *Add notes as necessary for an understanding of the sources of finance available to the entity.*	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 (Convertible Notes)	-	-
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.

Answer: N/A

8.	Estimated cash available for future operating activities	$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	(14)
8.2	Cash and cash equivalents at quarter end (item 4.6)	5,716
8.3	Unused finance facilities available at quarter end (item 7.5)	-
8.4	Total available funding (item 8.2 + item 8.3)	5,716
8.5	**Estimated quarters of funding available (item 8.4 divided by item 8.1)**	408.29

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.

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: N/A

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: N/A

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: N/A

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.

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: "By the Board"
(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.