CEO Letter to Shareholders – Strategy Update

Dear Shareholders,

In July, we shared our intention to sharpen Livium's strategic focus by pivoting decisively towards recycling as the core of our business. Today, I am pleased to update you on our progress and formally outline Livium's strategy for the balance of FY26 and beyond - a strategy that builds on the strong foundations we have established and positions Livium to capture long-term value in markets critical to the global energy transition.

A recycling-centric Livium

Livium is now a recycling-centric organisation, with a **core focus on lithium-ion battery (LIB) recycling** and upside potential from closely aligned adjacencies - **black mass processing**, **solar (PV) panel recycling** and **rare earth element (REE) recycling.**

This focused strategy reflects both the market opportunity before us and the competitive advantages we have built. FY25 was a pivotal year in demonstrating the commercial strength of our platform. Revenue grew to **A$6.9 million**, driven by deeper customer diversification and strong demand from large-format LIBs, while **gross profit increased 91% to A$4.2 million** and gross profit margins expanded to **61%** through disciplined contract renegotiation and cost control. These results reinforce the strength of our technology, customer relationships and operational capabilities which underpin the next growth phase.

Focused growth from proven strengths

A combination of our nationwide collection network, advanced dismantling and pre-processing infrastructure, proprietary IP and deep customer relationships uniquely positions Livium to scale efficiently and at low risk. We are already **Australia's leading lithium-ion battery recycler**, integrated into customer supply chains and trusted by leading OEMs.

Building on this foundation, we are targeting three other complementary and high-growth markets:

- **Black Mass Processing** – A market expected to exceed **US$50 billion by 2032**. As Australia's leading LIB collector and pre-processor, Livium already produces black mass. Expanding downstream will capture greater margins per tonne and deepen our role in the value chain with minimal incremental risk.
- **Photovoltaic (PV) Recycling** – Australia is expected to generate over **100,000 tonnes of end-of-life solar panels annually by 2030**[1], and new regulations anticipated in 2025 will mandate producer-funded recycling. Our partnership with **Won Kwang S&T** is the first step towards building a domestic PV recycling facility and capturing value from this emerging market.
- **Rare Earth Element (REE) Recycling –** With China currently processing ~90% of global supply and only ~1% of REEs recycled today[2], secondary supply is now a strategic priority for governments and industry. Our partnership with the **University of Melbourne** on microwave-assisted extraction technology offers improved recoveries (**>95% Nd, >80% Pr**) with lower energy use and operating costs.
- **Strategic partnerships** — including with **Iondrive** on novel clean-energy waste processing further strengthen our technical capabilities, reduce execution risk and provide multiple pathways to scale.

[1] Company analysis
[2] https://www.oxfordenergy.org/publications/chinas-rare-earths-dominance-and-policy-responses

Streamlined portfolio, stronger focus

Alongside this recycling-led growth agenda, we are streamlining our portfolio to ensure capital is allocated where it can deliver the highest returns. The 50:50 joint venture with Mineral Resources has created a dedicated, self-funded pathway for commercialising our LieNA® lithium-extraction technology. Similarly, we are pursuing a phased venture-funding pathway to spin out VSPC as an independent entity, enabling specialist capital access while Livium concentrates on its recycling platform.

Also announced today, we have restructured director remuneration to better align leadership incentives with shareholder outcomes, reduce cash expenditure, and reinforce disciplined execution.

Upcoming milestones

We entered FY26 with a clear execution plan and multiple milestones ahead that will advance our growth strategy and unlock further value:

- **Sustain and grow profitability** from our lithium-ion battery recycling operations and expand into new markets.
- Commence early works to **consolidate operations into a larger, centralised processing "Hub" facility**, supported by a network of national "Spoke" collection sites.
- **Develop supply of REE magnets and solar panels** to underpin expansion into adjacent recycling markets.
- Commence **solar panel exports to South Korea** to initiate the first stage of the Won Kwang S&T partnership.
- **Provide samples of solar panels, black mass and REE magnets** to support cooperation with Iondrive on downstream processing technologies.
- Finalise the **University of Melbourne licence agreement** and support the scale-up of its microwave-assisted REE extraction technology.
- Continue evaluating additional partnership and technology opportunities to accelerate expansion into recycling adjacencies.

The road ahead

As we enter FY26, Livium is focused, execution-driven and positioned to build a business that aims to capture value in fast-growing, strategically important markets while playing a central role in the global transition to a circular, electrified economy.

To discuss this strategy in more detail, Livium will host a shareholder webinar today at **11am**. To join, please register here: https://investorhub.liviumcorp.com/webinars/5PmGne-livium-strategy-update-webinar. A recording will be made available for those unable to attend.

Thank you for your continued support and belief in Livium's vision. I look forward to updating you as we deliver on this strategy.

Yours sincerely,

Simon Linge
Managing Director & CEO
Livium Ltd

Authorised for release by the Managing Director and CEO.

Simon Linge
Managing Director / CEO
Mobile +61 (0) 438 721 280
simon.linge@liviumcorp.com

Stuart Tarrant
Chief Financial Officer
Mobile +61 (0) 467 817 005
stuart.tarrant@liviumcorp.com

About Livium

Livium Ltd (previously Lithium Australia) is dedicated to leading the clean energy transition by securing critical materials from sustainable material recovery. The company's core focus is the recycling of clean energy waste.

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

Beyond recycling, Livium has developed other innovative technologies. Lithium extraction technology, LieNA®, has progressed to a 50:50 joint venture with Mineral Resources Ltd (ASX: MIN). Livium's subsidiary, VSPC, has developed next generation lithium ferro phosphate (LFP) process, the fastest growing battery material.

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.